



2017
CSR Report



Global Transport and Logistics



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This Corporate Social Responsibility Report is a Communication on Progress (COP) of the DSV Group

under the United Nations Global Compact, which DSV signed in 2009. The CSR Report gives information and data on the CSR activities of the Parent and of subsidiaries of the DSV Group in which the Parent has an ownership interest of more than 50%.

The CSR Report covers the twelve-month period, ending 31 December 2017. This CSR Report is a part of management's review and covers the statutory reporting on social responsibility and the gender composition of senior management as prescribed by sections 99a and 99b of the Danish Financial Statements Act. Further, this report serves as DSV's statement according to section 54, part 6 of the UK Modern Slavery Act pursuant to Section 54, Part 6. This report has not been externally audited.

With this progress report, we would like to express our continued support to the United Nations Global Compact initiative and its ten fundamental principles as well as its efforts to achieve the Sustainability Development Goals. We also encourage all our business partners to support the Global Compact initiative.

DSV at a glance

Freight forwarding and value-added services

DSV is a global freight forwarder offering transport and logistics services that support our customers' entire supply chain. We provide traditional transportation of goods as well as a variety of value-added services.

Value-added services include purchase order management, cargo consolidation, customs clearance, cargo insurance, warehousing, distribution and consultancy. Our services are offered through our three divisions – Air & Sea, Road and

Solutions – delivering a full range of transport and logistics solutions throughout the more than 80 countries in which we operate.

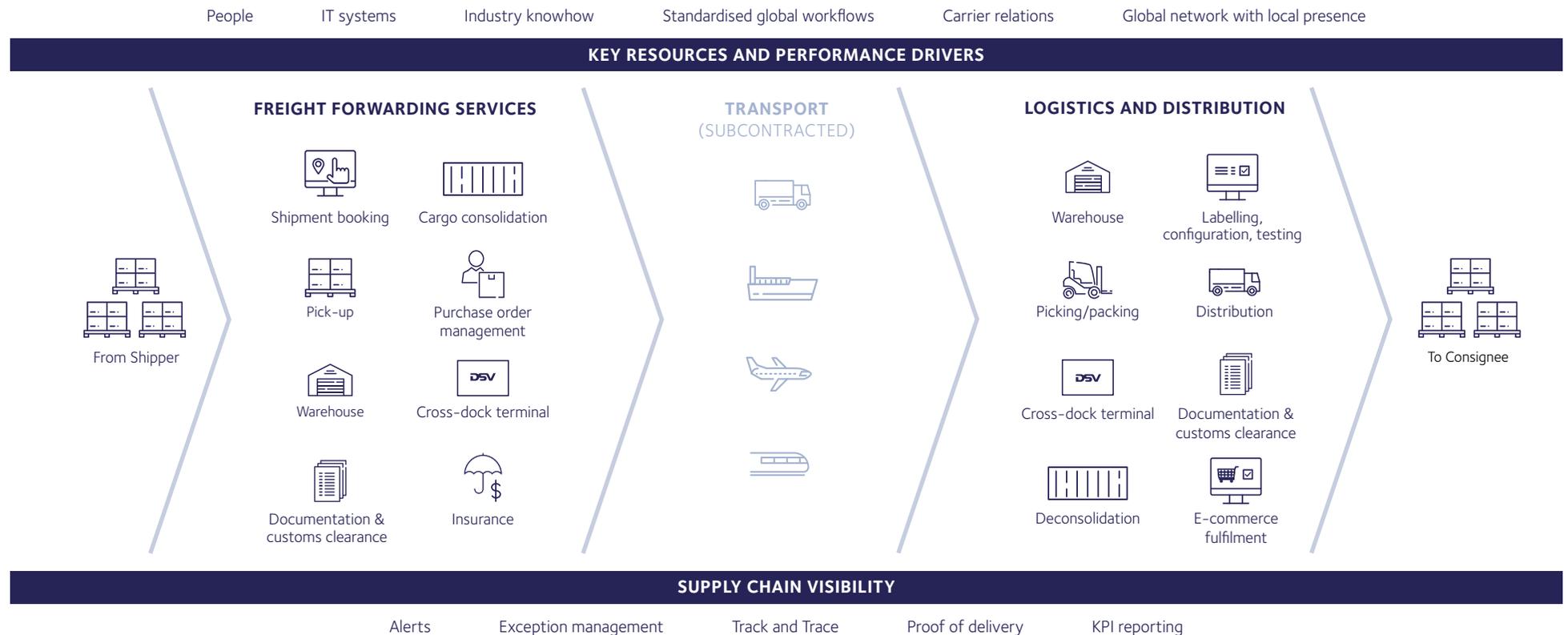
One of the big five

DSV was founded in Denmark in 1976 by ten independent hauliers. Since then we have evolved to become the world's fifth largest freight forwarder generating total revenue of DKK 74,901 million in 2017 and with a skilled workforce of more than 45,000 employees.

Asset-light freight forwarding

DSV is an asset-light freight forwarder. As such, we plan and coordinate transportation from shipper to consignee as illustrated in the business model below. The physical transport is outsourced to external subcontractors – airlines, shipping lines, haulage companies etc.

The value we add and the services we offer as freight forwarders are therefore based on the skills and industry know-how of our employees, our specialized and integrated IT infrastructure, and our global network.



Highlights 2017

Target fulfillment

4,878 DKKm

OPERATING PROFIT BEFORE SPECIAL ITEMS

Operating profit before special items for 2017 was in line with the latest outlook.

Regionally, the Americas and APAC achieved the highest growth rates, driven by both higher activity and UTi synergies – mainly in the Air & Sea division.

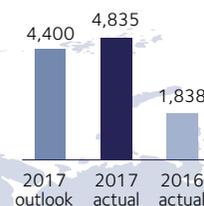


4,835 DKKm

ADJUSTED FREE CASH FLOW

Adjusted free cash flow (excluding the impact from M&A and special items) increased significantly to DKK 4,835 million in 2017 from DKK 1,838 million in 2016 driven by higher operating profit and lower net working capital.

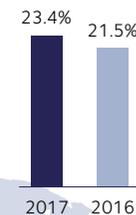
The positive deviation from the latest outlook was mainly due to better than expected performance on net working capital.



23.4%

ROIC

The increase in ROIC in 2017 was mainly a result of improved earnings. Invested capital amounted to DKK 20,391 million, 4.4% lower than in 2016.



Growth in all divisions

DSV Air & Sea

Transportation of all types of cargo by air and sea. We offer standard and industry-specific logistics solutions through our global network supplemented by a project department, which handles exceptionally large or complex projects.



■ EBIT before special items, DKK 3,225 million (66% of group EBIT)

DSV Road

Comprehensive road freight and distribution services throughout Europe as well as in North America and South Africa. We offer both groupage, part loads and full loads as well as more specialised services, including temperature-controlled transportation.



■ EBIT before special items, DKK 1,201 million (24% of group EBIT)

DSV Solutions

Specialised logistics solutions, including warehousing and distribution. We also offer packaging, freight management, customs clearance, e-commerce and e-business support.



■ EBIT before special items, DKK 494 million (10% of group EBIT)

Finding the key to a sustainable future

Every year, every day, DSV works with CSR within the framework of UN's Global Compact. We work with conduct, standards and targets to ensure compliance and better ways of working while focussing on four major areas: the environment, business ethics, employees and their working environment and last but not least our suppliers.

It makes me proud to see that our focus and efforts are worthwhile. The acquisition of UTi in 2016 expanded our global presence. We nearly doubled our number of employees and increased our activities in all divisions. Yet, we have been able to keep improving our results across all focus areas.

The challenge of going green

The environment continued to be a key focus area of DSV in 2017. We managed to improve our energy efficiency, and we continued to raise the issue with customers and subcontractors in order to get all parts of the supply chain talking about how we can improve.

In 2017, I accepted an invitation to speak and represent DSV at The Toronto Global Forum. Here I was vocal about the fact that even a modest absolute reduction in total greenhouse gas emissions will be challenging – while the global economy keep growing and fossil fuel based modes of transport continue to be the most prevalent.

I emphasised the point that pushing and implementing a green agenda is something all industry players have to do

together. And even then, we need the firm backing of inter-governmental bodies in terms of legislation and investments to keep us on track.

Helping the help

Another area that we took to the next level in 2017 was our community engagement activities, more specifically our global partnership with the Red Cross | Red Crescent.

In our first year of partnership, we were able to help with logistics and provide support in different parts of the world: from disaster relief in the Caribbean Islands, to ongoing human aid projects in Malawi and Togo.

In 2018, we will continue to push for a green agenda, and we look forward to an even stronger partnership with the Red Cross | Red Crescent. What's more, we will continue our commitment to corporate social responsibility within the DSV network and I believe that partnerships with customers and suppliers will be increasingly important in the years to come.

Jens Bjørn Andersen

CEO
DSV A/S



Our approach to corporate social responsibility

Commitment

DSV is committed to being a responsible and reliable business partner and an active participant in the global community.

By working systematically within the framework of the United Nations Global Compact, we have dedicated ourselves to improving and reporting on matters of social responsibility that are material to our core business.

We have been committed to this framework since 2009, and we continue to apply initiatives targeted at changing and shaping practices that contribute to improving sustainability and raising ethical standards within our line of business.

Since 2009, we have reported regularly on our progress within the UN Global Compact key principles of anti-corruption, the environment, human rights and labour.

Sphere of influence

As we are freight forwarders and run our business based on an asset-light business model, we do not control the transport equipment that carries and delivers our services. The physical transport services are outsourced to external subcontractors.

As such our core sphere of influence and focus on matters of social responsibility are mainly within our global network of

offices, warehouses and terminals, which sets the basis for our governance and ongoing work on social responsibility.

Still, we also focus on areas where we have less influence. We work systematically with both customers and suppliers to set standards and drive progress. Our Supplier Code of Conduct is an important example of how we work with and influence our business partners.

CSR governance

Our social responsibility activities are anchored with the Board of Directors, who sets the direction for our CSR strategy, targets and group policies together with the Executive Board.

The basis for the strategic work and decisions made by the Board of Directors and Executive Board is laid out by our Group CSR department, who facilitates the CSR risk man-

DSV business activities and sphere of influence



agement process and the related data collection and analysis throughout the year.

Our Group CSR department furthermore plans and manages ongoing CSR activities throughout the organisation in collaboration with the Executive Board, and follows up on ongoing CSR initiatives.

Implementing and driving our strategies and initiatives ultimately rests with our global subsidiaries through local initiatives.

Risk management

In DSV, we define CSR related risks within the framework of the Sustainable Development Goals of the United Nations.

We consider these goals and apply their principles to the way we conduct our business by considering which goals are applicable and material to our core business activities and to what extent are we able to impact these goals through our direct and indirect sphere of influence.

Based on these considerations, we have built an active risk management process that ensures that CSR risks and other material CSR issues are identified, assessed, classified and mitigated on an ongoing basis. Furthermore, the process provides a basis for the ongoing strategic decision making and targets set by the Board of Directors and the Executive Board.

Our risk assessment process is also an operational tool, which supports both current and future business activities. The tool helps us clarify our largest operational risks, as well as potentials for contributing to the communities in which we operate.

Additionally, the process advances our stakeholder engagement and provides an opportunity for Group management to discuss sustainable development issues, risks and opportu-

nities, in an objective manner. The outcome of these discussions are used for setting operational goals on CSR initiatives and reporting.

Our CSR risk management process is aligned with the main key risk analysis process of DSV as described in the 2017 Annual Report, insuring that handling of CSR related risks are addressed at the same level and with the same urgency as our key operational risks.

The 2017 Annual Report is available at investor.dsv.com.

Materiality and Sustainable Development Goals

The Sustainable Development Goals (SDGs) launched by the United Nations have been adopted by and are primarily targeted at national states.

However, as the Sustainable Development Goals in principle set the criterias for achievement of the Ten Principles in Global Compact, we apply them in our materiality assessment as an expression of the expectations of the global stakeholder community.

Risk assessment method



When engaging in global value chains, our business touches on all 17 SDGs, either directly or indirectly. Many of the goals and targets cover issues that are already core to our CSR efforts; the environment, anti-corruption, labour rights, safety and responsible supply chain management.

When assessing areas with a direct link between our CSR targets and the SDGs, we see the greatest potential for achieving impact at scale through our business activities at goal 8: decent work and economic growth, goal 12: responsible consumption, goal 13: climate action, goal 16: peace and justice, and goal 17: partnership for the goals.

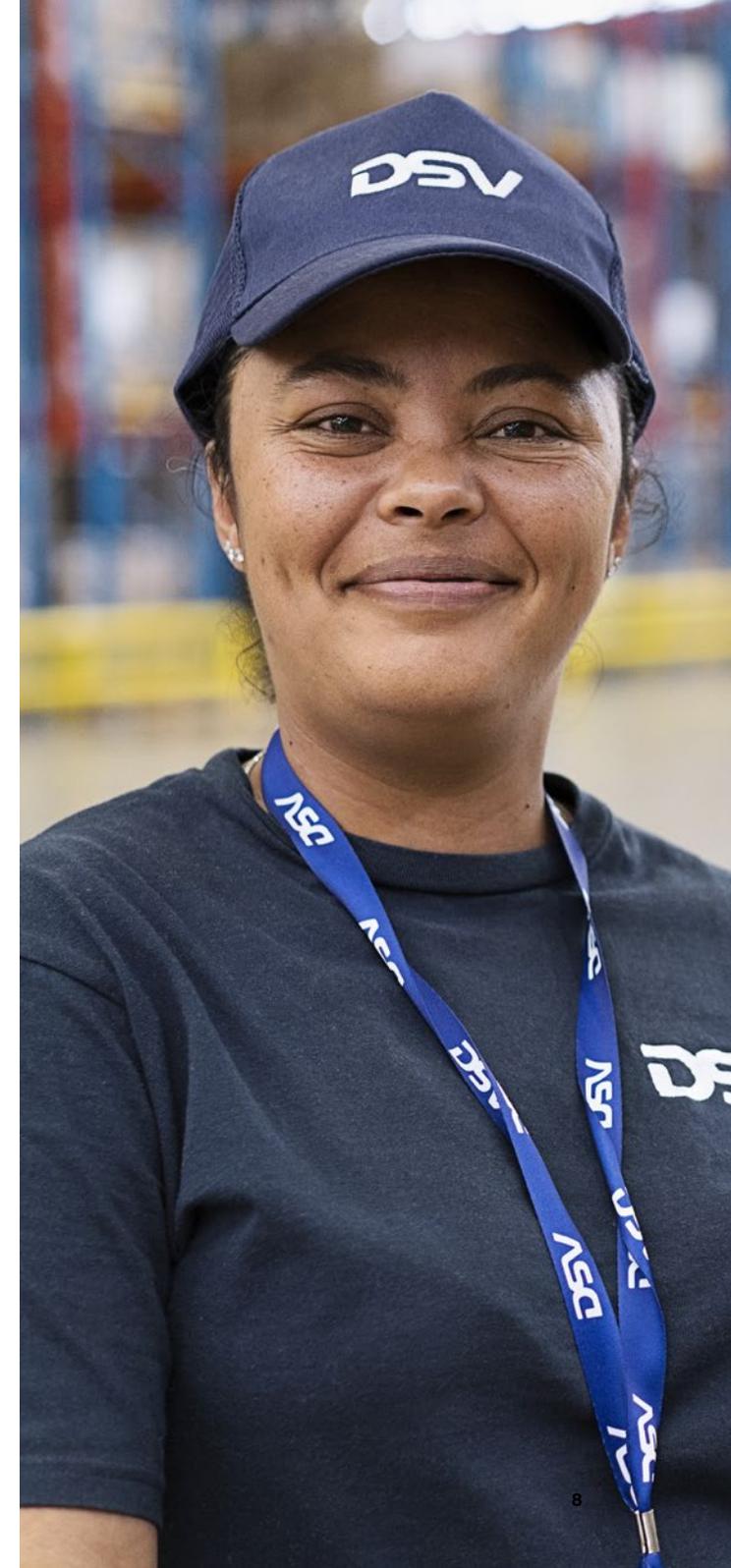
CSR risk analysis 2017

Concluding on our CSR risk and materiality analysis for 2017, our materiality criteria and identified risks are unchanged from last year. Our primary focus points remains the environment and climate, business ethics and anti-corruption, employees and working environment, and dealings with our subcontractors.

In the remainder of this CSR Report we describe how we mitigate these risks, matching the expectations of our primary stakeholders.

Materiality, business risks and key CSR areas

MATERIALITY ISSUE	BUSINESS RISK	KEY CSR AREAS	2017 CSR REPORT	SUSTAINABLE DEVELOPMENT GOALS
COSTUMER CARBON EMISSION REPORTING AND CARBON FOOTPRINT		Environment and climate	Pages 9 - 14	  
COMPLIANCE (COMPETITION AND ANTI-CORRUPTION LEGISLATION)	X	Business ethics and anti-corruption	Pages 15 - 18	
EMPLOYEE SAFETY	X	Employees and working environment	Pages 19 - 22	
SUPPLIER CONDUCT		Subcontractors	Pages 25 - 28	 





Environment and climate

In carrying out our daily business activities, we will inherently have an influence on the environment. As a responsible company, we seek to limit this by implementing sustainable solutions in our operations and by offering our customers logistics services with a reduced environmental impact.

Being among the top five companies of our industry, we acknowledge our special responsibility to the environment. Our own efforts, however, do not make the necessary contribution to the overall reduction in the use of fossil fuels.

Therefore, in 2017, we made an effort to raise the issue with customers and subcontractors in order to get all parts of the supply chain talking about how we can improve. Creating sustained change and implementing a green agenda require the dedication of all industry players as well as firm backing of inter-governmental bodies.

This process will probably take decades and we face significant challenges. However, DSV's market position makes it possible to influence subcontractors through collaboration and dialogue. That is a necessary step in the process of creating sustained change.

Sustainability challenges

When working with customers we face two main structural challenges to attain sustainability in logistics and freight transportation. Firstly, to most of our customers transportation represents a low commercial risk, as transport is only a minor part of their costs and a relatively small part of their individual environmental impact.

The second challenge is that the freight market is characterised by highly volatile prices and short-term customer relations. Short-term or price-sensitive business relationships are a barrier to an ongoing dialogue that is needed at this point for a sustainable transition from the use of fossil fuels.

Downstream, we are challenged by how much we can directly change the conduct of our subcontractors. As an asset-light company, DSV is not in a position to make large-scale changes to the carbon footprint of the transports we organise simply because subcontractors carry out most of them on market terms.

Lack of legislation

In 2017, CEO Jens Bjørn Andersen gave a speech at the Toronto Global Forum, emphasising the necessity of legislation from intergovernmental bodies. Today, the mixture of alternative energy sources for heavy transport modes such as electrically or hybrid powered vehicles are only supported at a national level. To make a difference in the global infrastructure, we advocate for legislation that clearly outlines the future of a non-fossil-fuelled transportation industry.

Facilitating improvements

Despite of the challenges, we still have the potential of facilitating environmental improvements: We construct energy-efficient buildings, we improve the trucks and trailers that we operate to reduce fuel consumption and we consolidate the cargo shipped to make the movement of goods as efficient as possible to reduce the overall environmental impact from our activities.

Innovative customer collaboration

One way to improve and extend our reach is by collaborating with customers, which we do in a variety of ways.

Some customers are willing to invest in new and more sustainable transport. The projects are often on a smaller scale, but the symbolic value and potential future benefits can be significant.

When initiating a dialogue with a customer on reducing carbon emissions from transportation, DSV has two different approaches to environmental improvements: Efficient consolidation and specific initiatives launched in cooperation with customers.

Efficient consolidation

CO₂ reduction by consolidation is crucial to our business and a main element of our contribution to an overall CO₂ reduction. We can create shared value by lowering the cost of transportation by consolidating freight, which leads to lower

Reporting carbon emissions to customers

Carbon emission reports are the basis of our dialogue and collaboration with customers on reducing carbon emissions. In 2017, DSV prepared more than 1,200 reports on carbon footprint data to customers relating to our transport services. Total carbon emissions reported correspond to nearly 8% of total carbon emissions from our activities in 2017.

overall costs, fewer vehical kilometres driven and lower fuel consumption and thereby to a reduction in carbon emissions.

However, consolidation can also lead to less flexible delivery schedules, which may mean fewer consolidated shipments instead of more frequent, but smaller shipments or a route with less frequent departures. When a customer is open to such changes, significant reductions in carbon emissions are feasible.

DSV ECO

In Sweden, we have conceptualised the consolidation process. DSV offers a discount provided the customer grants three days of extra flexibility on the pickup date. When freight forwarders has more flexibility in planning the collection of goods, the utilisation capacity increases and fewer kilometres are driven, which reduces CO₂ emissions.

DSV ECO has existed for some years now and it is the intention to promote the concept to yet more customers in 2018.

Choosing the right mode of transport

We conduct transports of customer goods in a number of ways depending on quantities, time-slot, value and characteristics of goods, route, distance etc. Choosing the right mode of transport is usually considered a straightforward choice, but sometimes alternatives exist that provides the customer with a possibility to reduce a transport's carbon footprint, and sometimes even the cost.

Generally, the faster and heavier the transport of goods, the higher the cost and carbon footprint. However by being flexible on time of delivery the customer may be able to choose an alternative transport mode with reduced CO₂ emissions to follow.

A classic example within the transport industry is substituting airfreight with either rail, road or sea transport. Shipping goods via air emits much more greenhouse gasses on a given distance compared to a ground transport. Nevertheless, airfreight is a fast transport mode that can bring the customers' products swiftly from continent to continent.

Rail as an inter-continental mode of transport

Transporting goods between Southeast Asia and Europe can go either fast by air or take weeks with a container ship. As an alternative, DSV offers customers a rail solution that completes a transport in less than two weeks.

In 2017, more than 150 customers chose rail as the means of transportation between the continents, which is a good compromise between speedy delivery and the inherent environmental impact.

Trucks with alternative power

As an alternative to a complete change of transport mode, we offer our customers the use of existing types of transportation but powered by a fuel or technology with a smaller impact on the climate.

Typically, this type of solution requires long-term cooperation with the customer in order to be established. This

may be as a result of the customer having to invest in new transport equipment and technologies in cooperation with a supplier, or because existing transport equipment may have to be modified to accommodate for the alternative fuel.

In addition, some limitations may apply on these alternative types of transportation. Partly because the range of electrically powered trucks is limited and partly because the availability of alternative fuels still are limited in many countries.

Examples of cases in which alternative transportation solutions have been successfully implemented have been highlighted in the following:

Nationwide use of alternative diesel

In Sweden, we agreed with a large customer to set up a road solution based on an alternative fuel delivery to their supermarket chain. The initiative made the Swedes realise that the use of the renewable biodiesel HVO 100 (hydro-treated vegetable oil) could be feasible on a countrywide basis.

DSV Sweden's domestic groupage loads are handled in a closed system that already ensures maximum utilisation of cargo capacity and thus reduces the number of vehicles on the roads. These transports consumed nearly 9 million litres of alternative diesel in 2017, which is equivalent to a reduction of carbon emissions by 10,500 tonnes of CO₂.

Hybrid truck

DSV Sweden also tested a hybrid truck during spring and summer 2017, which ran partly on HVO biodiesel and partly on electricity. The truck drove 16,000 kilometres in the trial period and consumed 2.05 litres of fuel per every 10 kilometres on average, which is an 18% reduction of fuel-consumption compared to the trucks running on HVO-fuel entirely.

Electric truck for inner city use

In Germany, we are testing the first fully electric truck for inner city delivery for the drugstore chain dm drogeriemarkt. The truck drives 145 km on a daily average and has saved



Improvement in engine standards

We monitor the Euro engine standards of our own and our European subcontractors' fleets of trucks.

In 2017, nearly 80% of our own and our subcontractors' trucks met the highest European standards. This means that toxic and hazardous emissions from our trucking operations continue to fall. Emissions of harmful particles from DSV's road transport activities have been reduced by almost 52% since 2010.

more than 8,000 litres of fuel in the year it has been in use, equal to more than 20 tonnes of CO₂.

The truck is performing well but remains a test truck for the time being, as no truck manufacturers seem to be able to deliver electric trucks within the next couple of years.

DSV Group's carbon footprint results

While our initiatives to reduce carbon footprint mainly focus on collaboration with customers and subcontractors, we continue to monitor our total carbon footprint and energy efficiency for each mode of transport.

Over the years, we have seen a positive trend where subcontractors make investments in new and technologically improved ships, planes and vehicles to reduce fuel consumption. DSV works to improve capacity utilisation to contribute to improved energy efficiency and thereby lower carbon emissions per transported unit.

In 2017, DSV experienced significant growth across all three divisions. This entailed growth in the total number of transports, which caused the Group's carbon footprint to increase with 5.2%.

Though Road increased the total CO₂ footprint because of an increased number of transports, we improved the energy efficiency for road transports by 3%. This partly due to an increased efficiency in fuel consumption, as it rose close to 4% both for trucks owned by DSV and by subcontractors.

Within air transport, we also experienced an increase in total CO₂ emissions. DSV's growth meant an increase in the weight of transported cargo and unfortunately a slightly lower energy efficiency.

In Sea transport, we experienced a decline in our total carbon footprint. The decline was driven by a positive reduction in CO₂ emissions per TEUkm by more than 8% by our main suppliers. In addition, DSV increased utilisation per twenty-foot equivalent-unit (TEU) transported, which contributed to an 8% improvement in the energy efficiency of sea transports.

Therefore, even though we were transporting a higher number of containers, the CO₂ emissions from sea transports declined.

Environmentally conscious solutions

Besides our focus on CO₂ efficiency we have also carried out other activities focusing on sustainability and environmental friendly solutions.

Examples of three such activities has been highlighted in the following:

Trailers and tyres

DSV maintains some 8,700 trailers used for road transports that travel around 75,000 kilometres each on a yearly basis.

From an environmental perspective, the most important part of trailer maintenance is to ensure the correct tyre pressure. If tyres are underinflated, the rolling resistance increases, which leads to increased tyre wear and fuel consumption.

To avoid that, DSV uses Ultra-Seal as a tyre sealant that reduces pressure loss and minimises punctures. It is both cost efficient and a way to reduce carbon emissions because it reduces deflation to less than 5% and reduces fuel consumption by 3%. In addition, using Ultra-Seal extends tyre life by 20% compared to tyres without Ultra-Seal.

Finally, the sealant liquid is water solvent and has no environmental impact, and so all benefits of using the sealant product taken together generate a significant positive net environmental gain.

Though this is not directly our core business, it is a practical example of one of the important pieces that make the bigger picture.

Property development

Another example of how we control our environmental impact is how we manage property. In 2017, DSV developed more than 500,000m² warehouses and office space and in 2018, we intend to develop an equal number of square metres. From 2018, all new buildings will be certified after global or local building standards.

DSV develops new property for a variety of reasons, many of them related to consolidating to improve our business efficiency. Part of this efficiency is obtained by reducing our energy consumption and environmental impact.

New DSV warehouses or office space must comply with a range of efficiency requirements listed in our internal property development manual that specifies all parts of the development process.

Firstly, the process includes deciding on a location for a new site. Before doing so, we make calculations to determine which location will give rise to the lowest total transportation costs and thereby the lowest carbon emissions.

Secondly, new locations are built by some of the most demanding national and international building standards and we invest in expensive materials with longer lifecycles to ensure a low consumption of energy.

Thirdly, a new site is developed with the energy-saving initiatives appropriate for a given location; be it solar panels, fresh air ventilation, kitchen waste recycling, automated illumination and low energy light bulbs, low energy windows, water saving fixtures etc.

Finally, new buildings have good working conditions for employees and we e.g. prioritize natural light penetration and fresh air ventilation.

New target for collecting of garbage

Paper, wooden pallets, plastic and cardboard are essential materials used in the transport and logistics sector. We want to control our impact on these natural resources and materials, as they all have an impact on the environment and leave a footprint when used.

DSV's more than 1,000 sites vary from offices, where we rent a small part of a floor of a building, to huge warehouses with more than 100,000 m². Each of them use paper, wooden pallets, plastic and cardboard that can be collected and re-used.

We want to collect as much as possible of the materials we use to help minimize our environmental impact. The goal is to increase the share of m² of DSV's total pool of locations with a systematic approach to garbage collection and recycling.

Working closely with Givaudan to further reduce CO₂

Givaudan has been a customer of DSV's since 2013. According to Karsten Mortensen, Global Account Manager (DSV), "the relationship has always been about much more than meeting their transport needs".

Since the beginning, Givaudan has expressed an interest in reducing CO₂ emissions related to their transports. Based on previous successful reductions through re-routings in 2016, DSV took things a step further in 2017 together with the customer to put CO₂ reduction even higher on the agenda.

Pairing departments of expertise

The DSV account management team took the opportunity to suggest that a direct dialogue ought to be set up between DSV's and Givaudan's sustainability and logistic experts. A joint "Continuous Improvement" workshop took place, to identify further initiatives for reducing CO₂ from transport and possible related cost-reductions.

The workshop resulted in a joint development plan, including a prioritised list of initiatives to help reduce

CO₂ emissions, transports costs and lead-time for the customer.

Mapping future reductions

One of the suggestions put to Givaudan at workshop was a further re-routing of all FCL shipments from Tianjin/Xingang or Qingdao via Rotterdam to Switzerland.

By changing point of delivery from Rotterdam to Genoa in Italy, we would be able to produce savings on CO₂ emissions, cost and days of delivery amounting to the following reductions:

- CO₂: 29% = a potential reduction of 39.945 kg
- Ocean route reduction: 3,400 km
- Port to plant route reduction: 473 km
- Cost: Euro 200 per Container (Port to Plant)
- Speed of delivery: 7 days

The process is a great example of how DSV can work closely with our customers to ensure continued reduction of emissions and other wins.

With this objective, we set a new target: By the end of 2018, 78% of our square meter premises will collect garbage and recycle as many materials as possible in a systemic way.

2017 performance environment and climate

	TARGET	RESULT	
	We wish to increase collaboration with interested strategic customers and suppliers in order to find transport solutions focusing on the reduction of carbon emissions and general environmental impacts.	In 2017, we have continued working closely with our customers and suppliers on reducing the environmental impact from our global transportation activities. With customers, we have had several success stories – some of them highlighted in this report. With suppliers, we are still working on developing sustainable business models and solutions and will continue this work into 2018.	
	We will assess our CO ₂ reporting methodology in 2017 in collaboration with a third party.	As intended, we have in 2017 reviewed our CO ₂ reporting framework and methodology assisted by external subject matter experts. The review validated the current DSV reporting framework on CO ₂ emissions with no reservations and with only minor suggested improvements to be made.	
	We will report on climate parameters such as group carbon emissions, energy efficiency from transport modes and energy and water consumption from buildings.	Reporting and commenting on climate parameters relevant to DSV is included in this CSR report. Reported data is based on a structured data collection and verification process carried out at year-end 2017. Reporting on climate parameters will continue in 2018 – the extent of data provided being determined by the continuing development of our business and expectations of our stakeholders.	
	We will establish targets for annual waste reduction per square metre in our locations.	Continuing our focus on reducing waste inherent from our operational activities and increasing waste recycling, we have in 2017 finalised our work on establishing new measurable targets on waste reduction. These targets will be used as basis for measurement on all DSV locations worldwide going forward.	

2018 targets environment and climate

	TARGET	
	We wish to increase collaboration with interested strategic customers and suppliers in order to find transport solutions focusing on the reduction of carbon emissions and general environmental impacts.	
	We will report on climate parameters such as group carbon emissions, energy efficiency from transport modes and energy and water consumption from buildings.	
	We will in 2018 increase the share of DSV locations that sort waste for recycling measured per square metre to 78%.	



Business ethics and anti-corruption

DSV does things in an orderly and transparent manner. That has always been the fundamental principle for our business ethical behaviour.



More than 3,200 managers have completed training in our Code of Conduct.

We comply with national and international legislation and special requirements. Responsible conduct and transparency are imperatives that make us a trusted business partner, which is essential for our global presence and network in the industry.

Business ethics and risks

At DSV, we unambiguously support and work for a market with equal opportunities for all parties. However, the global business environment in which we trade sometimes requires us to tackle ethical issues like corruption and other attempts of circumventing rules and regulations. This underpins the importance and relevance of our Group-wide business ethical standards.

Internal guidelines

To avoid cartelisation and related challenges, DSV has a number of internal guidelines and regulations to ensure compliance with our ethical standards.

In addition, our global compliance department monitors and manages areas of risk, including those related to unethical business practices. They also ensure that employees receive training in internal guidelines and relevant legislation.

Finally, our internal procedures and IT systems are designed to support and ensure compliance with relevant legislation and the DSV Code of Conduct.

Code of Conduct

The DSV business environment is global, and the acquisition of other companies over the years have brought many cultures and business practices together. It is essential that all employees share the same business ethical conduct regardless of local business cultures.

To ensure this, we have a Code of Conduct that gives both information and guidance to employees on ethical conduct towards customers, competitors and subcontractors.

The Code of Conduct is a pivotal document, and we are constantly working to raise the level of awareness of business ethics across the organisation and among suppliers.

Extensive and successful training

In 2017, Approximately 3,200 managers (virtually 100% of all managers of the Group) completed the training. Less than 5% of those who completed the training programme failed – a clear improvement from the last training session conducted in 2014.

Employees who failed as well as any non-completers participated in a webinar session with additional Code of Conduct training.

Today and going forward, practice is that all managers must complete the basic as well as regular brush-up training in the Code of Conduct. In addition, Code of Conduct training will be rolled out even broader with a focus on main risk areas and employees working within these.

Global Whistle-blower Programme

In addition to the Code of Conduct, the DSV Whistle-blower programme is in place to enable employees and the Board of Directors to make filings (anonymously or by name) about

alleged violations of laws or DSV Guidelines, Manuals and Policies by employees or third parties acting on behalf of DSV.

An independent global email and local phone numbers for each DSV country have been set up and communicated to all DSV employees to make it easy to file an anonymous report. The reporting channels are open 24/7 and can handle reports in over 150 languages.

All reports are investigated

In the year under review, we received 23 reports through the Whistle-blower Programme, which was slightly fewer than the year before. All reports were examined and subsequently presented to the Audit Committee.

Most of the received reports fell outside the scope of the Whistle-blower Programme, as they were minor employee issues that had to be resolved with local management. All relevant cases were investigated, and appropriate action was taken to solve the issues.

Transgressions have consequences

The purpose of the DSV Whistle-blower programme is to provide a safe place to report any perceived wrongdoings – and to make sure that matters are properly and professionally handled.



Employees and soon external stakeholders can file a report under our Whistleblower Programme.

Employees are made aware of the Whistle-blower programme through repeated communication on our corporate website and through local managements. New employees are made aware of the Whistle-blower programme as part of the global on-boarding programme.

In 2017, we decided to expand our Whistle-blower programme and soon external stakeholders will also be able to file a report about alleged violations of laws or DSV Guidelines.

DSV Group's global tax policy

We believe taxes are part of a well-ordered society, and we appreciate that they fund, among other things, infrastructure for the benefit of both DSV and trade in general.

The principle of the DSV Group is that we pay both direct and indirect taxes in the countries in which we do business. The principle is laid out in the DSV Group's global tax policy and adopted by the Board of Directors. The Global tax policy is publicly available on www.dsv.com/About-DSV/csr/global-tax-policy. For more information on taxes paid in this financial year, please read the 2017 Annual report.



2017 performance business ethics and anti-corruption

	TARGET	RESULT	
	We will establish a procedure to ensure that all new employees at management level receive training in the DSV Code of Conduct by the end of 2017.	As intended, we established automated procedures in 2017 ensuring that all new employees at management level receive, are trained in, and have passed related testing on the DSV Code of Conduct.	
	All employees at management level must have completed training in the DSV Code of Conduct by the end of 2017.	By the end of 2017, all DSV employees at management level had been reintroduced to the latest DSV Code of Conduct. The reintroduction included extensive training and testing in the Code and our business ethics. Training and testing have been passed by all employees included in the training program, either by the first test or a new test after their re-training.	
	We will carry out training programmes on the DSV Code of Conduct for employees below management level within selected fields in 2017.	The work on extending our training programmes on the DSV Code of Conduct to all relevant employees below management level of the DSV organisation is underway. We are currently on track and are rolling out the program. This work will continue 2018.	

2018 targets business ethics and anti-corruption

	TARGET	
	We will continue to maintain procedures to ensure that all new employees at management level receive training in the DSV Code of Conduct. For present employees at management level we will repeat the training continuously at appropriate intervals.	
	We will carry out training programmes on the DSV Code of Conduct for employees below management level within selected fields in 2018.	



Employees and working environment

45,000 employees around the globe make up DSV. Every day, each employee plays a vital part in enabling DSV to deliver the best possible service to all stakeholders.

We invest in our employees

Developing and retaining experienced key employees and attracting new talents is essential to our success as a business.

In this regard, employee empowerment and development of skills is high on our agenda. To this end, we have several initiatives in place initiated by our management with support from local and global HR departments to help employees grow regardless of occupation and geographical placement.

Some of the initiatives carried out in 2017 are highlighted in the following:

Getting the best candidate on board

Global HR conducted extensive recruitment training in 2017 to help local leaders recruit the best-suited candidates. Getting the perfect candidate for an open position involves matching the right set of skills and finding the right personal fit for thriving in the DSV culture.

Our recruitment training is based on two-day seminars focusing on the entire recruitment process with the intent of providing leaders and recruiters with tools and experience which will support them in bringing in new people.

Leadership training

A highly qualified manager is also a strong leader. We conduct leadership training at DSV, tailored to emphasise and develop strong business- and people leadership skills at all management levels.

In 2017, we completed more than 50 training sessions in more than 30 countries, covering the globe from the USA to Norway and Australia.

Engaging blue collar workers

We offer a wide variety of e-learning courses. Until now, they have only been available to employees with daily access to a personal digital device. In 2017, we made efforts to make e-learning modules available to blue-collar employees who work at our warehouses or terminals. According to plan, the e-learning programmes will be rolled out to our blue-collar workers in 2018 on a more global scale.

Another initiative aimed at blue-collar workers is literacy courses. At those courses, the participants receive non-formal training in reading and writing to enable them to develop their professional skills.

Employee turnover

In 2017, the total employee turnover rate at DSV was 17.4%, which was a 32% decrease on the year before. A large proportion of this decline is attributable to restructuring activities integrating UTi into the existing DSV organisation. As most integration activities have been completed, we are now back to normal operations similar to the time before the acquisition, which is reflected by our employee turnover figures.

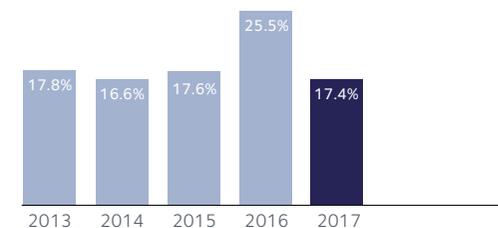
A safe working environment

Accidents may happen, especially when cargo is handled at a terminal or a warehouse with constant movements. To prevent accidents, we have local incident procedures in place. Incidents and accidents are registered and examined to clarify the cause, and the local management then decide whether to subsequently alter procedures.

We have steadily reduced the number of occupational incidents since 2013, and we were able to continue this trend recording a slight decrease in 2017.

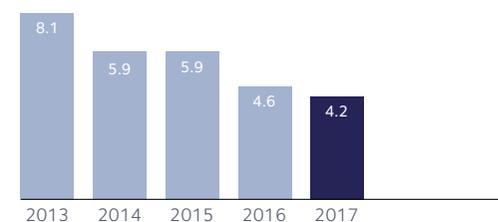
At the same time, we experienced a slight increase in work-days lost due to occupational incidents in 2017 compared with the year before, indicating that the few accidents that

Employee turnover

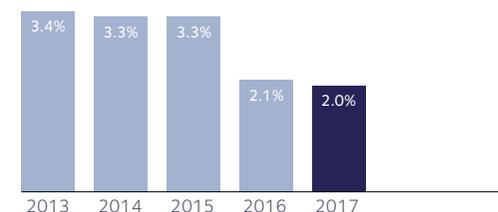


Occupational accidents

per million working hours



Absence due to illness



occurred required longer recovery time. The number of workdays lost however still remains low and well under the last five-year average. We will continue our efforts to reduce the number of working accidents and improving on the area into 2018.

Absence due to illness or injury

The rate of employees absents due to illness was at 2% in 2017, thereby continuing the trend of low and declining absence rates from prior years.

Diversity at DSV

As a global company, we value the diversity of our employees as a genuine strength. Our global reach and local presence brings together people from a multitude of backgrounds, all with different skills and experience.

At DSV, our aim is always to hire the best candidate. We do not evaluate skills based on or discriminate due to gender, race, religion, age, disability, sexual orientation, national origin or any other characteristic protected under law.

Our global presence in more than 80 countries also implies a both multifaceted and diverse employee landscape.

Gender distribution

Building on the basic principles of our Code of Conduct and our general approach to diversity as highlighted above – a dedicated attention to non-discrimination on gender and achieving a balance gender distribution in our organisation remains high on our agenda.

We believe that having a balanced workforce with equal access and opportunities for anyone who decides to join our company is crucial to our success as a business and contributes to ensuring a good working environment.

We emphasize this through our hiring and advancement practices and policies emphasizing equal access and career

advancement for anyone dedicated and skilled regardless of gender.

This focus is reflected in our employee statistics as we end of 2017 have reached the most balanced gender ratio yet with 39% of our employees being female and 61% being male. This is significant considering that freight forwarding traditionally has been a male dominated line of work.

This development is also reflected in our management gender ratio. Currently the Board of Directors of DSV A/S consists of 33% women and 66% men. A similar ratio is not seen in all legal entities of DSV, but the Danish operational companies, among others, have also set targets to increase this ratio – both on higher and lower management levels.

At lower management levels, 31% of management were females and 69% males at the end of 2017. This is a significant step forward compared to only a few years ago when only one fourth of management were females.

By the adoption of our hiring and advancement practices, we expect the management gender ratio to follow the overall gender ratio of the Company within a reasonable threshold, which is the trend we are currently seeing. We believe that this development to a high degree is driven by our principles and company culture, and we will maintain our emphasis on this matter in the coming years.

Respecting human rights

In line with our values and Code of Conduct, DSV wants to ensure that we support, respect and protect internationally recognised human and labour rights. This applies to both our operations and to our business relations with third parties.

This commitment to human rights is framed by the UN Global Compact and made operational with the UN Guiding Principles on Business and Human Rights (UNGP). These principles are recognised by the private sector, NGO's and

governments as a global standard intended to address commercial operations' potential for violating human rights. The UNGPs stipulate that enterprises must respect, protect and observe human rights, and DSV fully supports the principles.

We have initiated a due diligence process with the purpose of identifying and accounting for areas in which DSV might have an adverse human rights impact. We screen the human rights listed in the International Bill of Human Rights, in order to identify if or where DSV is directly linked to, cause of or contributes to violations of human rights.

Through this process, we found that there is a small number of human rights, that DSV risks violating through our business operations. DSV has already established policies, global and local processes and put activities in place to help avoid and prevent any violations.

As an example, DSV might violate a human right if we hired children or young people in place of adults. However, we state in our Code of Conduct that we do not employ children. As part of our CSR data collection and validation, we make sure that we have processes in place and have accounted for how we risk violating the human right in question.

DSV is committed to continuously reassessing the risk of violating human rights, for which reason we will continue our due diligence process disclosing local processes and practices on human rights.

2017 performance employees and working environment

TARGET		RESULT	
	The rate of occupational accidents must be reduced every year.	The rate of occupational accidents decreased by 9% compared to last year. We are on track on this target and will keep our focus on maintaining and further developing a safe working environment in 2018.	
	Lost work days due to occupational injury must be reduced every year.	The rate of lost working days due to occupational injury remains low with fewer accidents but slightly longer recovery time for the ones occurring. This area will continue to be a focus point for improvement in 2018.	
	We will complete a project before the end of 2017 to raise the corporate awareness of any consequences and risks relating to the activities of DSV to comply with the UN Guiding Principles on Business and Human Rights (UNGP). The purpose is to observe universal human rights, including national standards on labour rights.	During the year an assessment of specific human rights mostly relevant for DSV has been mapped out providing the offset for our future work. We have furthermore prepared and published our position towards Modern Slavery and the steps taken to limit the potential impact within this.	

2018 targets employees and working environment

TARGET		
	The rate of occupational accidents must be reduced every year.	
	Lost work days due to occupational injury must be reduced every year.	
	We are committed to comply with the UN Guiding Principles on Business and Human Rights and continue our due diligence process disclosing local processes and practices on human rights to enable the remediation of any adverse human rights impacts we might cause or to which we contribute.	

Community engagement with the Red Cross | Red Crescent

In 2016, DSV adopted a more global approach to charity and selected the Red Cross | Red Crescent as our primary humanitarian aid partner. A year into the partnership, DSV has been able to help and provide support in a number of ways.

The partnership in its essence

The partnership between DSV and the Danish Red Cross includes logistics assistance, allowing DSV to use its core competences. DSV sponsors the provision of 2,000 m² warehouse space for emergency relief equipment near Copenhagen. Included in the agreement is also the transportation of disaster relief equipment to the nearest port or airport whenever base camps need to be established in disaster-struck areas.

In addition, DSV provides financial support to two of the Red Cross' international projects. These projects may involve the use of local DSV transport and logistics expertise in addition to monetary donations.

Disaster relief for the victims of Hurricane Irma

The emergency relief warehouse passed its first big test in September 2017, when the Red Cross had to deliver relief to the victims of Hurricane Irma and Hurricane Maria.

The packing list for a disaster relief base camp includes everything from generators to tents, toilets and washings machines. In cooperation with the Red Cross DSV prepared the shipment and secured the air transportation to Florida Keys in Miami – all within 48 hours.

Several thousand Red Cross volunteers and delegates were present in the affected areas. Until the base camp arrived, they were sleeping in open air or in local shelters, making the base camp imperative for an effective system for emergency relief.

Local engagement

Throughout the year, local DSV countries engaged in local Red Cross | Red Crescent support around the world.

In South Africa, the local DSV Cycling Club raised money for the Red Cross on their spring ride. The members of the club brought friends and family to the event to exercise and have fun while supporting a good cause.

When the Italian Red Cross donated an ambulance to the Red Cross in Mauritius, DSV sponsored the transportation of the ambulance to make sure it arrived in top condition.

International projects

DSV's financial support goes to two international projects in Malawi and Togo.

The projects aim to enhance the living conditions of poor or vulnerable families by ensuring access to fundamental neces-

sities. The primary focus is on women, youths and children, who all learn about aspects such as sanitation, hygiene and agriculture.

Malawi visit

In November 2017, DSV attended the Danish Red Cross delegation trip to the Malawi project called "Building resilient communities in Malawi".

DSV employees spent a week with the Red Cross to learn more about the country's need for aid and relief and to see the difference that our support makes.

The peek into the project brought the visitors to very different and rural places around the country, where they took part in a large variety of activities. They participated in the inauguration of wells with clean drinking water, saw projects with focus on the improvement of hygiene practices and visited clinics at which small children received health checks – just to mention a few.

DSV not only met the people, who were the beneficiaries of the support, but also got a first-hand impression of the Red Cross as a professional and skilled humanitarian aid organisation.



Follow the partnership

Keep up to date with the activities taking place within the DSV Red Cross | Red Crescent partnership: visit www.humanaid.dsv.com.

Red Cross | Red Crescent partnership in 2017:

January

DSV Thailand donates funds to the Thai Red Cross Society to help those affected by a mudslide in Southern Thailand.

March

The Danish Red Cross and DSV A/S signs an international agreement.

August

DSV Cycling South Africa raises funds to the South African Red Cross foundation on their spring ride.

September

Deployment of emergency relief base camp from DSV warehouse in Denmark to Florida Keys, USA. DSV provided transportation.

October

DSV sponsors transportation of ambulance donated by the Italian Red Cross to the Mauritius Red Cross.

November

DSV attends Danish Red Cross' delegation trip to Malawi to visit the project 'Building resilient communities in Malawi'.

December

100 employees of DSV Denmark donated the value of their Christmas gift to the Danish Red Cross.

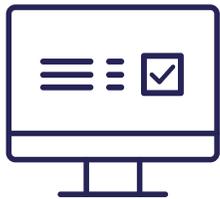


Sub- contractors

As part of our asset-light business model, we rely on thousands of subcontractors and suppliers to carry out the physical transport of our customers' goods, stressing the importance of proper supplier vetting.



The DSV Supplier Code of Conduct is based on the strategic goals and values of DSV and is therefore an integral part of our supplier management.



As another means to monitor our subcontractors' compliance with DSV's expectations and legal requirements, we regularly conduct audits and random spot checks of our suppliers.

DSV delivers services to global industries many of whom are characterised by complex supply chains that rely on components manufactured in different parts of the world.

This creates a need for an international network of more than 200,000 suppliers, partners and agents, who all support our offices all over the world in providing the best possible services for our customers all the way from factory to stores.

Due diligence processes in our supply chain

A large and wide spread network of suppliers and subcontractors inevitably means that DSV faces risks beyond our internal control from time to time; risks that we continuously work to identify and mitigate through our entire supply chain.

Part of that is integrating sustainability into our purchasing processes by measuring and ensuring compliance with anti-corruption, human and labour rights and environmental standards written in DSV's Supplier Code of Conduct. If a risk is identified, we assess the significance and take steps to prevent, monitor and mitigate it.

Our suppliers are naturally very different representing several different types of enterprises. That is why we find it relevant to classify them in different risk categories. By doing so, we can customise due diligence processes and compliance procedures for the different types of categories.

Supplier adherence to DSV values

Suppliers are required, as a minimum, to follow the DSV Supplier Code of Conduct and international standards. To ensure that all suppliers in our supply chain with a yearly spend above EUR 25,000 comply with our code of conduct we have different processes in place.

The DSV Supplier Code of Conduct is based on the group's Code of Conduct and thereby the strategic goals and values of DSV. The document is an integral part of our supplier

management and of the contracts we form with transportation subcontractors and other service providers. The Code describes in general terms what DSV considers appropriate and ethical business conduct on the part of our suppliers when they perform services on behalf of or supply products to DSV.

As an example of our suppliers' difference, we have extracted and emphasized relevant content from our Supplier Code of Conduct into a two page long Road Haulier Code of Conduct.

This document is aimed at small-sized European based suppliers, which are used by DSV for road freight operations.

Central and local processes

The Supplier Code of Conduct applies in all areas of business. One example is procurement, as DSV performs procurement of transport services both centrally and locally.

We have centralised processes for procurement in the three divisions. These processes are used to contract with transportation subcontractors that base their services on a global network such as air and sea freight providers or regional procurement of haulier services in Europe.

Localised procurement processes are used to select subcontractors for local business operations and needs. The Supplier Code of Conduct also applies to local agreements.

Auditing of suppliers

As another means to monitor our subcontractors' compliance with DSV's expectations and legal requirements, we regularly conduct audits and random spot checks of our suppliers. If we identify issues during an audit, the supplier is required to prepare a corrective action proposal and resolve all violations within an agreed period.

Responsible use of agents

Besides our subcontractors, who carry out transport or logistics services in collaboration with DSV, we also make use of agents in countries where we are not represented by own offices.

To ensure that agents also live up to DSV standards, we have several vetting systems in place. Before conducting business with a new agent, our Group Legal department examines the agent and relevant partners thoroughly. All agents undergo such examination annually.

Agents used for projects are examined separately to ensure that the right training and permits are in order, e.g. in connection with the transportation of hazardous cargo.

The challenge of collecting and validating CSR data

The collection and validation of data is central to our CSR work. It is, however, challenging to collect data in a large, geographically dispersed organisation like DSV that operates in very different business cultures and statutory frameworks.

To accommodate these challenges, we have integrated the CSR reporting into the corporate reporting systems for non-financial data and involved our financial controllers in the validation process.

We collect data from all subsidiaries twice a year through a well-proven CSR reporting method. Data collected from subsidiaries are then verified, evaluated and consolidated before used in our reporting.

To ensure the greatest possible validity of our data, all subsidiaries have a duty to provide documentation of their data. In connection with internal reviews, our financial controllers validate and refine documentation of the reported data.

Due to extra scheduled visits in 2017, more than 43% of all operating entities underwent internal control.

We have set a target: all business entities must undergo internal review during any three-year period. With the acquisition of UTi, the number of DSV entities grew by more than 50%. Due to the following comprehensive integration project in 2016, we are slightly behind schedule, as the proportion of entities internally reviewed during the past three years totals more than 85%.



2017 performance subcontractors and interdisciplinary areas

TARGET		RESULT	
	The DSV Supplier Code of Conduct must be communicated to suppliers and subcontractors. All suppliers and subcontractors given contracts for more than EUR 25,000 a year by DSV must receive the Supplier Code of Conduct.	End of 2017, 93% of our suppliers and subcontractors had received the DSV Supplier Code of Conduct. We are on track on this target and will continue the work in 2018 communicating the Code and raising awareness amongst our suppliers and subcontractors.	
	We will improve the subcontractor due diligence process before the end of 2017 through centralised and decentralised procedures.	Further improvements within subcontractor due diligence have been made in 2017 by a stronger centralised team handling screening procedures as well as a better mapping, communication and improvement of processes towards suppliers.	
	A CSR review must be carried out in all operating subsidiaries of the Group at least once every three years.	End of 2017 the proportion of entities subjected to internal control on CSR parameters totaled 85%, which is slightly behind schedule. This backlog is as expected and is a consequence of the acquisition of UTi Worldwide Inc. in 2016, which increased the number of DSV entities by more than 50%. We expect to catch up on this target during 2018.	

2018 targets subcontractors and interdisciplinary areas

TARGET		
	The DSV Supplier Code of Conduct must be communicated to suppliers and subcontractors. All suppliers and subcontractors given contracts for more than EUR 25,000 a year by DSV must receive the Supplier Code of Conduct	
	We will continue improvement of our subcontractor due diligence process through centralised and decentralised procedures.	
	A CSR review must be carried out in all operating subsidiaries of the Group at least once every three years.	

Global Reporting Initiative (GRI) Index

The Global Reporting Initiative is a non-profit organisation that has produced a set of indicators and guidelines for sustainability reporting. The main goal of the GRI is to create a framework for systematic, transparent and comparable sustainability reporting for corporations.

DSV follows the GRI G4 guidelines for determining content and quality in terms of materiality, but does not apply specific GRI-disclosures. To increase the transparency and comprehensibility of the detailed content table below, we

indicate whether our level of disclosure covers the GRI requirements fully or partially. To simplify the table, we have included only indicators for which we provide either full or partial data.

In addition, every profile or performance indicator applied is linked to a specific section on our corporate website (www.dsv.com), the Annual Report (AR), the CSR Report (CSR) or our latest report to the CDP (formerly the Carbon Disclosure Project).

GRI reference		Information available in ¹⁾	Level of reporting ²⁾
Strategy and analysis			
G4-1	Statement from CEO	CSR 5	●
G4-2	Key impacts, risks and opportunities	AR 28-33, CSR 6-8	●
Organisational profile			
G4-3	Name of organisation	CSR 36	●
G4-4	Primary services	CSR 3-4	●
G4-5	Location of HQ	CSR 36	●
G4-6	Countries of operation	AR 82-86	●
G4-7	Ownership and legal form	AR 38-39	●
G4-8	Markets served	AR 18-27	●
G4-9	Scale of organization	AR 3-5	●
G4-10	Workforce breakdown	AR 18-27, CSR 34-35	●
G4-12	Supply chain description	CSR 25-28	●
G4-13	Significant changes to organization	AR 6	●
G4-14	Precautionary approach	AR 28-33, CSR 6-8	●
G4-15	Externally principles endorsed	CSR 2	●
G4-16	Memberships	www.dsv.com/csr	●

GRI reference		Information available in ¹⁾	Level of reporting ²⁾
Identified material aspects and boundaries			
G4-17	Entities and boundaries	AR 14-27	●
G4-18	Report content	CSR 6-8	●
G4-19	Material aspects	CSR 6-8	●
G4-20	Internal boundary	CSR 6-8	●
G4-21	External boundary	CSR 6-8	●
G4-22	Restatements	CSR 32-35	●
G4-23	Changes from previous reporting	CSR 32-35	●
Stakeholder engagement			
G4-24	Stakeholders engaged	CSR 6-8	●
G4-25	Identify stakeholders	CSR 6-8	●
G4-26	Stakeholder engagement	CSR 6-8	●
G4-27	Engagement result	CSR 9-28	●

GRI reference	Information available in ¹⁾	Level of reporting ²⁾
Report profile		
G4-28	Reporting period	●
G4-29	Previous report	●
G4-30	Reporting cycle	●
G4-31	Contact point	●
G4-32	GRI content index	●
Governance		
G4-34	Governance structure of the organization	●
G4-35	Delegating authority	●
G4-36	Responsibility for economic, environmental and social topics	●
G4-37	Communication with board	●
G4-38	Board members	●
G4-39	Relationship between chair and CEO	●
G4-40	Governance nomination	●
G4-41	Conflicts of Interest	●
G4-42	Governance role	●
G4-43	Board's competencies	●
G4-44	Board evaluation	●
G4-45	Board's role in of economic, environmental and social impacts, risks	●
G4-46	Risk management review	●
G4-47	Frequency of review	●
G4-48	Committee/Position review	●
G4-49	Critical concerns communication	●
G4-50	Communicated concerns	●
G4-51	Remuneration policy	●
G4-52	Process for determining remuneration.	●
G4-53	Stakeholders' views	●
Ethics and integrity		
G4-56	Values, principles, standards	●
G4-57	Advice mechanisms	●
G4-58	Unethical behavior	●
Economic performance		
G4-EC1	Direct economic value generated and distributed	●
G4-EC2	Financial implications	●

GRI reference	Information available in ¹⁾	Level of reporting ²⁾
Indirect economic impacts		
G4-EC7	Impact of investment	●
Environmental		
	Disclosure on management approach	●
Energy		
G4-EN3	Energy consumption within the organization	●
G4-EN4	Energy consumption outside of the organization	●
G4-EN5	Energy intensity ratio for the organization	●
G4-EN6	Reduction of energy consumption	●
G4-EN7	Reductions in energy requirements	●
Water		
G4-EN8	Water withdrawal	●
Emissions		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	●
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	●
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	●
G4-EN18	Greenhouse gas (GHG) emissions intensity	●
G4-EN19	Reduction of greenhouse gas (GHG) emissions	●
G4-EN21	NOx, SOx, and other significant air emissions	●
Products and services		
G4-EN27	Mitigate impact from services	●
Compliance		
G4-EN29	Significant fines and sanctions	●
Aspect: Transport		
G4-EN30	Transport impact	●

GRI reference	Information available in ¹⁾	Level of reporting ²⁾
Supplier environmental assessment		
G4-EN33	Supply chain impacts	CSR 9-14 ●
Environmental grievance mechanisms		
G4-EN34	Environmental grievances	None ●
Social		
	Disclosure on management approach	CSR 6-8, 19-22 ●
Labour practices and decent work		
G4-LA1	Employee turnover	CSR 19-22, 34-35 ▶
Diversity and equal opportunity		
G4-LA12	Diversity indicators	CSR 19-22, 34-35 ▶
Supplier assessment for labour practices		
G4-LA15	Negative impacts (labour)	CSR 19-22, 34-35 ▶
Anti-corruption		
G4-SO4	Anti-corruption training	CSR 15-18 ●
G4-SO5	Corruption response	CSR 15-18 ●

1) AR = Annual Report, CSR = CSR Report, CDP = Reporting to CDP 2017

2) ● = Full reporting, ▶ = Partial reporting,

Non-financial highlights of the DSV Group

Environmental data

	2013	2014	2015	2016	2017
Key figures					
Emissions ('000 tonnes)					
CO ₂ e emissions – Group	3,225	3,433	3,735	5,984	6,297
CO ₂ e emissions – Container shipping	558	566	516	757	738
CO ₂ e emissions – Air transport	1,132	1,278	1,270	2,425	2,593
CO ₂ e emissions – Road transport	1,481	1,544	1,901	2,739	2,915
CO ₂ emissions – Buildings	54	45	48	63	51
Water ('000 m³)					
Total water consumption – Buildings	278	260	332	534	513
Reports on carbon footprint data to customers					
Total number of reports on carbon footprint data to customers	-	1,214	1,243	1,141	1,265
Key indicators					
Energy efficiency (g/tonne-km)					
CO ₂ e per consignment – Container shipping	9.5	7.9	6.6	6.9	6.3
CO ₂ e per consignment – Air transport	690.4	666.9	622.0	601.9	607.0
CO ₂ e per consignment – Road transport	69.6	70.9	72.0	73.9	71.5
Euro engine standards (%)					
Proportion of trucks of DSV Road satisfying Euro 2 standard or older (own and subcontractors' trucks)	3.6	2.5	1.6	1.2	0.7
Proportion of trucks of DSV Road satisfying Euro 3 or 4 standards (own and subcontractors' trucks)	41.2	33.7	29.8	24.1	20.8
Proportion of trucks of DSV Road satisfying Euro 5 or 6 standards (own and subcontractors' trucks)	55.2	63.8	68.6	74.7	78.5

Accounting policies for non-financial highlights – Environmental data

General details

The figures and charts of the 2017 CSR Report have been prepared in accordance with the policies applied in 2016 with the exception of the key figure for the recycling of paper, cardboard and plastic, which has been revised compared to last year.

Emissions

Carbon dioxide equivalent emissions from transport activities are calculated based partly on the average fuel utilisation ratios reported for trucks owned by DSV and by subcontractors and used for the transportation of DSV freight, partly on data from DSV's own traffic management systems, including data on freight volumes carried to and from various destinations. Carbon emissions from buildings are calculated based on direct consumption of electricity, gas, oil and water at DSV's own locations.

Water

Total consumption of water at DSV's own locations.

Reports on carbon footprint data to customers

Total number of reports on carbon footprint data prepared to customers.

Energy efficiency

Emissions from consignment relative to freight volume and transportation distance.

Environmental data (continued)

	2013	2014	2015	2016	2017
Key figures					
Reports on carbon footprint data to customers (%)					
Proportion of total carbon dioxide equivalent emissions of the Group reported directly to customers	-	-	7.2	4.9	7,7
Recycling of paper, cardboard and plastic (%)					
Proportion of locations recycling paper, cardboard and/or plastic from offices, terminals and warehouses	85	85	88	70	74
Screening of buildings for potential energy savings (%)					
Proportion of entities having screened their locations for potential energy savings	77	78	76	53	61

Accounting policies for non-financial highlights – Environmental data (continued)

Euro engine standards

Proportion of different Euro engine standards of trucks operating for DSV Road. Data collected in Europe among more than 15,000 trucks owned by either DSV or subcontractors.

Recycling of paper, cardboard and plastic

Total square metres at DSV locations having initiated recycling schemes for paper, cardboard and/or plastic, relative to total number of square metres locations of DSV. A few entities have leased premises without waste management schemes operated by DSV. Those locations are not included in the data.

Screening of buildings for potential energy savings

Number of DSV entities having screened one or more of their buildings to identify potential energy savings relative to the total number of Group entities.

Social data

	2013	2014	2015	2016	2017
Key figures					
Employees (full-time employees)					
Group	22,021	22,874	22,784	44,776	45,637
Salaried employees	13,708	14,216	14,541	23,433	22,730
Hourly workers	8,313	8,658	8,243	21,343	22,907
Key indicators					
Employee gender ratio (%)					
Proportion of female employees	38	38	38	38	39
Proportion of male employees	62	62	62	62	61
Management gender ratio (%)					
Proportion of female managers	-	-	26	31	31
Proportion of male managers	-	-	74	69	69
Age distribution of employees (%)					
Employees <25	7.5	8.0	8.0	7.9	8.3
Employees 25-34	30.5	30.4	28.6	31.8	30.7
Employees 35-44	27.8	28.5	28.0	28.7	29.6
Employees 45-54	22.3	21.8	22.6	20.2	20.5
Employees >55	11.9	11.4	12.8	11.4	10.9
Employee seniority (%)					
Seniority <1 year	15.5	13.6	16.8	19.5	19.1
Seniority 1-2 years	16.6	18.6	17.3	21.5	21.1
Seniority 3-5 years	17.1	17.8	15.8	16.1	16.2
Seniority 6-10 years	21.2	20.1	18.9	18.1	17.3
Seniority 11-25 years	23.1	23.6	24.1	19.0	20.6
Seniority >25 years	6.5	6.3	7.1	5.8	5.8
Employee turnover (%)					
Group	17.8	16.6	17.6	25.5	17.4
Salaried employees	18.0	16.6	16.8	26.0	17.4
Hourly workers	17.5	16.7	19.0	24.9	17.3

Accounting policies for non-financial highlights – Social data

General details

The figures and charts of the 2017 CSR Report have been prepared in accordance with the policies applied in 2016.

Employees

Average number of full-time employees of the year.

Employee gender ratio

Number of female and male employees relative to total employees at year-end.

Management gender ratio

Number of female and male managers relative to total managerial employees at year-end.

Age distribution of employees

Number of employees by age group relative to total employees at year-end.

Employee seniority

Number of employees by seniority level relative to total employees at year-end.

Employee turnover

Number of employees leaving the Group during the year relative to the average number of employees calculated on the basis of monthly surveys of the actual number of employees at the end of the month.

Social data (continued)

	2013	2014	2015	2016	2017
Key figures					
Absence due to illness (%)					
Group	3.4	3.3	3.3	2.1	2.0
Salaried employees	2.9	2.8	2.9	2.0	2.0
Hourly workers	4.2	4.1	4.0	2.2	2.0
Rate of occupational accidents (per million working hours)					
Group	8.1	5.9	5.9	4.6	4.2
Salaried employees	1.7	1.4	1.2	1.3	0.8
Hourly workers	18.6	13.2	14.1	8.9	7.6
Rate of lost work days due to occupational injury (per million working hours)					
Group	147.3	114.8	112.0	64.1	81.2
Salaried employees	27.3	17.6	26.2	9.7	20.8
Hourly workers	345.0	275.0	263.7	133.5	142.5
Quality management standard (%)					
ISO 14001	30	30	31	23	24
ISO 9001	56	55	55	43	39
OHSAS 18001	15	15	15	15	12
Distribution of DSV's Supplier Code of Conduct (%)					
Proportion of companies having distributed DSV's Supplier Code of Conduct to suppliers delivering goods and services for more than EUR 25,000 each year.	-	-	80	79	93

Accounting policies for non-financial highlights – Social data (continued)

Rate of absence

Number of days of absence due to illness relative to the number of working days during the year adjusted for maternity/paternity leave, agreed holidays and national public holidays. Absence due to illness is measured on the basis of wage/salary system records.

Rate of occupational accidents

Number of reported occupational accidents resulting in more than one day of absence per million working hours scheduled for the year.

Rate of lost work days due to occupational injury

Number of reported days of absence from occupational accidents resulting in more than one day of absence per million working hours scheduled for the year.

Quality management standards

Percentage of DSV locations certified according to ISO 14001, ISO 9001 or OHSAS 18001. Number of locations certified relative to the total number of locations of the Group.

Distribution of DSV's Supplier Code of Conduct

Number of companies having distributed DSV's Supplier Code of Conduct to suppliers relative to total number of companies of the Group.

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