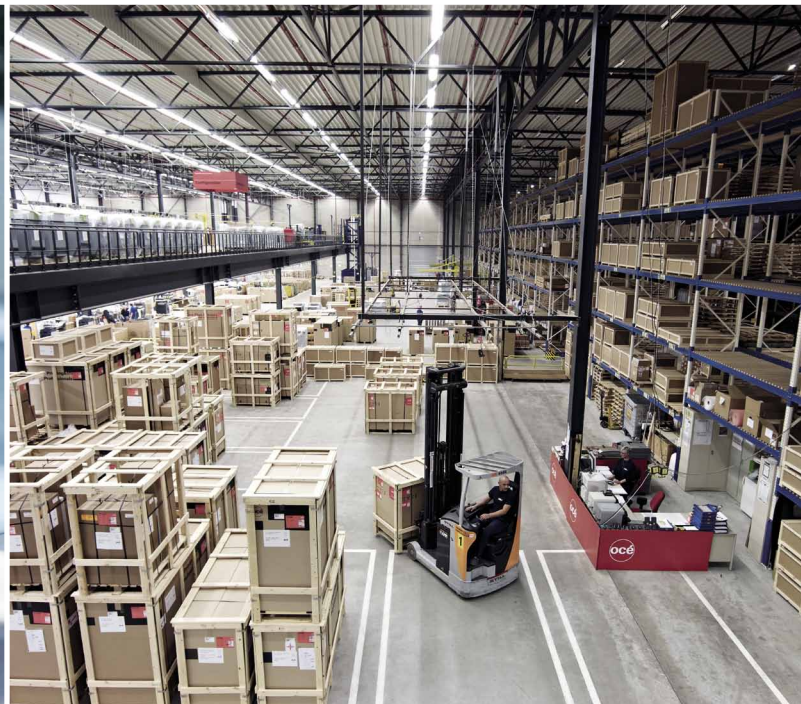
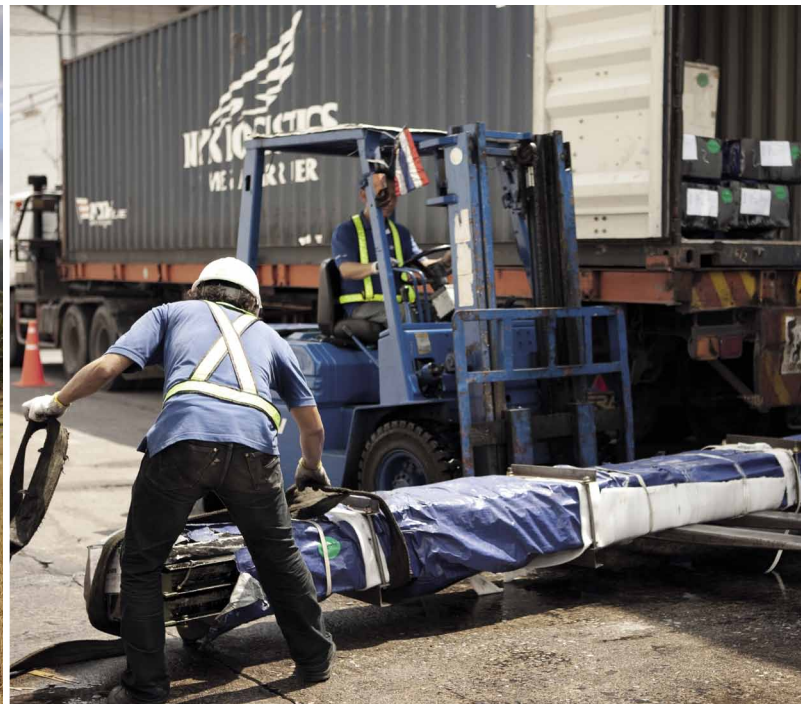




Global Transport and Logistics

2013 Corporate Social Responsibility Report

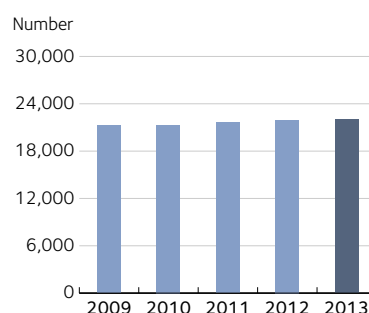


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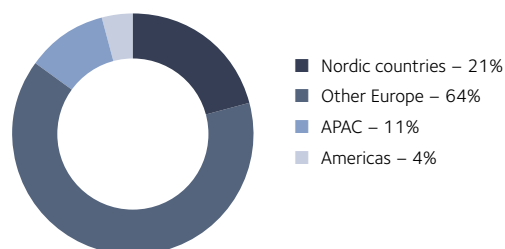
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This CSR Report is the fourth Communication on Progress (COP) Report of the DSV Group to the United Nations Global Compact. The Report provides information on the Group's CSR efforts. Information and data in the Report are based on reports from the Parent, DSV A/S, and its subsidiaries, in which the Parent has an ownership interest of more than 50%. The Report covers the period 1 January - 31 December 2013.

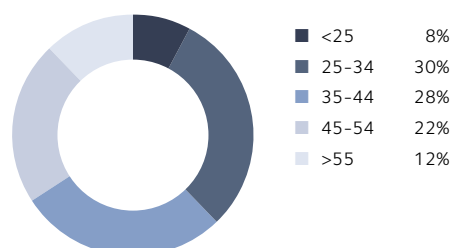
NUMBER OF EMPLOYEES



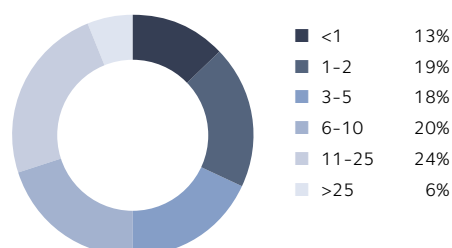
GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES



EMPLOYEES BY AGE GROUP



EMPLOYEES BY SENIORITY



CSR – integrated in our business

Responsible conduct and a good reputation are prerequisites for our continued strong presence in the transport market in future.

There is increasing focus on conduct when we do business all over the world. This is a welcome development.

At DSV we pride ourselves on being good businessmen who assume responsibility for the local communities in which we operate. We want to run an honest, fair and, not least, lawful business wherever we go. That is why CSR represents to us not only a formalisation of our fundamental attitudes, but also an element of our business intended to create value for our shareholders and give satisfaction to our customers.

The past year has again seen significant progress. One gratifying result is that the transport activities performed by DSV in 2013 by sea, road and air have all become more energy-efficient and emit less carbon per unit of cargo carried than before.

Business ethics remain one of our most important focus areas. We have therefore commenced a long-term battle against the so-called facilitation payments. An in-depth analysis of the problem has been made for use in this battle to reduce and hopefully, with time, completely end the practice of such payments by DSV.

Again in 2013, we focused on communicating our Supplier Code of Conduct to our many subcontractors. This is an important step that will assist us in ensuring compliance with laws and rules and the provision of uniform services to our customers. Our corporate image is often conveyed by our subcontractors, and it is therefore vital that their actions reflect the DSV values.

We also experienced retrogression during the past year. In early 2013, an occupational accident had fatal consequences for one of our employees. This touches me deeply and reminds me and all other DSV employees how important it is to keep focus on working conditions and adapt conduct, technology and habits to constantly reduce and minimise the risk of personal accidents in DSV.



Jens Bjørn Andersen
CEO
DSV A/S

In that light I am pleased to announce that we have succeeded in reducing the number of occupational accidents over the last couple of years. One of the methods used was to focus on mapping the causes of accidents and improving routines.

Looking forward, we want to continue to develop our endeavours and will therefore adjust our objectives on an ongoing basis to ensure constant progress. Because we want to be a responsible and environmentally friendly organisation and because we want to be able to meet the sustainability requirements made by many of our customers.

With this progress report we would like to express our continued support to the United Nations Global Compact initiative and its ten fundamental principles. At the same time, we also encourage all our business partners to support the initiative.

Jens Bjørn Andersen

DSV – at a glance

The DSV Group

DSV is a global supplier of transport and logistics solutions. The Group has approx. 22,000 employees worldwide. With own operations in 75 countries and agents and partners across the world we have global coverage.

We have an asset light business model. The actual transport operations are outsourced, and we do not own any ships or planes and only a limited number of trucks and trailers.

Measured by revenue DSV ranks as number six among the world's largest freight forwarders and our network has mainly been created through a number of acquisitions during the past 15 years.

DSV is listed on NASDAQ OMX Copenhagen and the DSV share is one of the most traded shares on the Copenhagen stock exchange. No shareholder owns more than 5% of the share capital.

The three DSV Divisions together offer a complete range of transport and logistics solutions. In addition to physical transportation services, we offer various related services, such as handling of freight documents, customs clearance, cargo insurance, warehousing and distribution.

Operational transport and logistics expertise is the key to success. And the same applies to efficient customer service. Our services are tailored to the needs of each customer – across the globe.

DSV Air & Sea

The Air & Sea Division organises transports of cargo by air and sea. The Division offers conventional and industry-specific freight services through its global network supplemented by a Project Department, which handles exceptionally large and complex logistics projects. Our 6,300 employees handled 730,000 TEUs sea freight and 259,000 tonnes air freight in 2013.

DSV Road

With more than 9,400 employees DSV Road is among the top three road freight forwarders in Europe, offering a complete European network. But DSV Road is more than road transport. Transport solutions combining road and rail transport are becoming an increasingly important part of our services. The Division offers transportation of full, part and groupage loads as well as temperature-controlled transport and other specialised services. With 17,000 trucks on the roads every day and more than 200 terminals, we deliver efficient, flexible and environmentally friendly transport solutions throughout Europe.

DSV Solutions

DSV Solutions specialises in logistics solutions across the entire supply chain, including freight management, customs clearance, warehousing and distribution, information management and e-business support. We provide our customers with a competitive edge by developing, optimising and implementing efficient solutions covering the entire supply chain. We have more than 5,800 employees and cover Europe, Asia and America.

THE DSV BUSINESS MODEL

FREIGHT FORWARDING

VALUE ADDED SERVICES

- Shipment booking
- Pickup
- Customs clearance
- Cargo consolidation
- Documentation and Insurance

FROM SHIPPER

TRANSPORTATION (SUBCONTRACTED)

We are brokers in the transport and logistics market

- No ships owned
- No airplanes owned
- Very few trucks owned

LOGISTICS & DISTRIBUTION

VALUE ADDED SERVICES

- Warehousing
- Picking/Packing
- Distribution
- Supply chain management
- Order planning

TO CONSIGNEE





Net revenue
+1.8% to DKK 45,710 million

Gross profit
-0.5% to DKK 10,005 million

Conversion ratio
25.5% (2012: 25.3%)

Operating profit before special items
+0.5% to DKK 2,552 million

ROIC
21.1% (2012: 21.2%)

Earnings per share
+14.1% to DKK 8.91

NIBD
-9.3% to DKK 5,949 million

Adjusted free cash flow
+16.2% to DKK 1,754 million

Air & Sea



Net revenue
+1.7% to DKK 20,195 million

Gross profit
+0.7% to DKK 4,298 million

Conversion ratio
32.4% (2012: 33.1%)

Operating profit before special items
-1.4% to DKK 1,392 million

ROIC
21.4% (2012: 22.3%)

Air freight volumes
0%, while the market grew by 1-2%

Sea freight volumes
+6% while the market grew by 2-3%

Road



Net revenue
+2.0% to DKK 23,117 million

Gross profit
-1.1% to DKK 4,299 million

Conversion ratio
21.9% (2012: 21.5%)

Operating profit before special items
+1.0% to DKK 942 million

ROIC
25.1% (2012: 24.8%)

Number of consignments
+4% while the market remained unchanged

Solutions



Net revenue
+5.6% to DKK 5,470 million

Gross profit
-2.0% to DKK 1,409 million

Conversion ratio
18.2% (2012: 17.4%)

Operating profit before special items
+2.4% to DKK 256 million

ROIC
15.1% (2012: 13.6%)

Number of order lines
+4% while the market remained unchanged

ACQUISITIONS IN 2013

DSV made four acquisitions in 2013. The integration of the companies is proceeding as planned.

	Annual revenue (DKKm)	Area	Division (primary)
Seatainers	1,000	Denmark/Global	Air & Sea
Airmar Cargo	45	Colombia	Air & Sea
Ontime Logistics	600	Scandinavia	Road
SBS Worldwide	450	UK/USA	Air & Sea

Read the 2013 financial statements of the DSV Group here:

Read more



Corporate Social Responsibility at DSV

Focus on a business driven approach and the key CSR areas at DSV forms the basis of our efforts to achieve progress.

Since 2009 DSV has actively supported the UN Global Compact initiative and focus on advancing key principles on anti-corruption, environment, human rights and labour. The Initiative provides the framework for our consistent efforts to change and shape practices towards increased sustainability and higher ethical business standards in our field of business.

The DSV Board of Directors reviews and adjusts the corporate CSR strategy on an annual basis, thereby highlighting the importance of CSR at DSV. The day-to-day CSR activities are driven from Executive Board level and the centralised CSR department and through local initiatives in the subsidiaries.

Business driven approach to CSR

To achieve the greatest impact of our CSR efforts, corporate social responsibility must form a natural part of and support our core business and strategy.

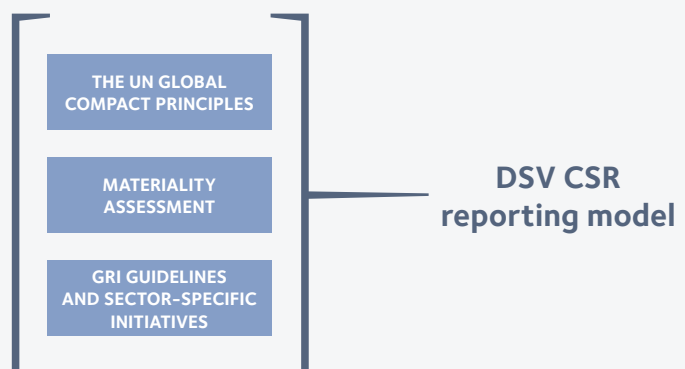
We take a business-driven approach to CSR for two main reasons: First of all, we believe that we can make the greatest contribution in areas where we have expertise and a strong position. Focusing on influencing areas outside our core business will demand additional resources in acquiring knowledge and gaining influence in the relevant areas. Secondly, being a responsible and reliable partner simply makes good business sense. By capitalising on this value in our day-to-day operations we will strengthen not only our business but also our CSR activities.

CSR reporting at DSV

Communicating progress on key focus areas

DSV's view on and approach to CSR build on the 10 principles of the UN Global Compact. This Report deals with these principles in the following key issue areas of DSV: environment and climate, business ethics and anti-corruption, and employees and working environment.

The reporting parameters of the Global Reporting Initiative (GRI) are also a source of inspiration. Where feasible and relevant in order to provide transparency and frame of reference, the GRI G3 guidelines and indicators have been used in preparing the CSR report with focus on essential areas. The approach used in the preparation of this Report is unchanged from the 2012 COP Report. Reference is made to the summary on p. 21.





Materiality analysis provides clear focus

To put it simply, CSR is about creating mutual value for both the business and society. It also means that not all CSR areas and issues create equal value for the individual company and society. For that reason we continuously map and analyse the most important issues where we will be able to create the highest value.

Read more about DSV's CSR work on our website:

Read more



CSR time line





For this analysis we include the knowledge and views of some of our key stakeholders, e.g., investors and customers, to ensure that we continually target essential issues and focus our reporting and communication on these issues. This CSR Report presents our targets and progress in three essential CSR areas at DSV: environment/climate, business ethics/anti-corruption and employees/working environment. Furthermore, we have established 12 targets that each imply a number of activities.

Transparency through reporting principles

The purpose of the CSR Report is to increase transparency in respect of our activities. The Report is therefore based on a set of international principles. Data and information from the individual Group companies are collected and consolidated in a comprehensive reporting system and are subsequently validated to ensure high data quality. The use of recognised principles also provides a better basis for comparison with similar reports of other companies.

Internal audit of CSR data

Around 130 operating entities in 75 countries across the globe report a multitude of data to the DSV headquarters. These data are audited immediately upon receipt. In 2013, to further improve data validation, we adopted a target stating that internal CSR audits must have been performed in at least 25% of all DSV entities by the end of the year. The audit procedure primarily consists of physical inspections at the entities to obtain documentation for the data reported.

At year end, 31% of all operating entities had undergone an internal audit of one or more CSR data reported in the period 2011–2013. Overall, the internal audits of the DSV entities show high validity of reported data, with one exception which will be further explained in the chapter Employees and working environment. Group Management wants to maintain the focus on ensuring high validity of CSR data. We have therefore set the future target according to which every year 25% of all DSV entities must undergo an internal CSR reporting audit.

Responsible supplier management is a high priority area

As the transport operations of DSV are predominantly performed by subcontractors responsible supplier management is an important parameter in respect of customer satisfaction, our day-to-day operations and CSR efforts. That is why all essential CSR areas at DSV involve various elements of responsible supplier management.

For example, DSV's Supplier Code of Conduct contains requirements on suppliers' reduction of their environmental impact, requirements on business ethics and a clear prohibition against engaging in any bribery. The Code also requires suppliers to ensure a good working environment as this is of major relevance in the cooperation with DSV's employees at terminals and warehouses and our customers' employees in connection with loading and unloading.

Communication of the Supplier Code of Conduct to all our suppliers is therefore one of our 12 CSR objectives.

CSR Policy



UN Global Compact

ENVIRONMENT

PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges.

PRINCIPLE 8: Businesses should undertake initiatives to promote greater environmental responsibility.

PRINCIPLE 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery.

HUMAN RIGHTS

PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights.

PRINCIPLE 2: Businesses should make sure they are not complicit in human rights abuses.

LABOUR

PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

PRINCIPLE 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.

PRINCIPLE 5: Businesses should uphold the effective abolition of child labour.

PRINCIPLE 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

DSV's CSR Policy

ENVIRONMENT AND CLIMATE

- DSV is committed to offering sustainable transport and logistics systems which result in the lowest possible depletion of resources and strain on the environment. Therefore, the business concept of DSV is constantly being developed and improved so that the products and services of the Group always reflect our environmental considerations.
- DSV will lead an open and constructive dialogue with authorities, shareholders, customers, suppliers, employees, and other stakeholders about the environmental and safety conditions related to the activities of the Group. DSV has a clear conception of its responsibility so that we comply with public authority requirements at all times.
- Our suppliers are selected on the basis of professional business parameters, including assessment of their environmental and social responsibility policies.

BUSINESS ETHICS AND ANTI-CORRUPTION

DSV wants:

- to make sure that all employees of the Group observe general principles of business ethics;
- to support the work against bribery, facilitation payments, certain types of gifts, entertainment, travel costs, etc.;
- to provide guidance on charitable donations and rules on contributions to political parties and NGOs;

EMPLOYEES AND WORKING ENVIRONMENT

- DSV supports and wishes to comply with internationally proclaimed human rights.
- DSV recognises and supports equal human rights and is against discrimination and differential treatment in employment and working conditions, whether based on race or gender, or sexual, religious or political orientation or ethnical or social background.
- DSV recognises employees' right to join a union and to collective bargaining. DSV supports a constructive dialogue between employer and employee.
- DSV is against all kinds of forced employment and working conditions.
- DSV does not employ children and recognises international standards of minimum age for children and that youths should work in different types of employment than adults.
- Employees of DSV must receive a letter of confirmation of their employment conditions if so required by national legislation.
- The remuneration of DSV employees meets or exceeds statutory or agreed national industry minimum standards.
- DSV complies with current national legislation and agreed standards relating to employee working hours.

Environment and climate

Eco-friendly transport services are in demand, and sustainability is a differentiating factor in the market. DSV wants to consistently offer sustainable services and satisfy all relevant reporting requirements.

It is our experience that the environment has become a differentiating factor for many customers. A growing number of customers are incorporating sustainability into their branding and business strategies. The customers want a transport partner which satisfies a number of specific environmental requirements and they often demand individual carbon emission reports from our transport operations and want to engage in an ongoing partnership to minimise emissions.

A mutual understanding between DSV and our customers is necessary to reduce carbon emissions. When the customer understands how we can reduce the environmental impact by maximising capacity utilisation with a potential effect on speed of delivery, we can plan and obtain a fair reduction of the environmental impact by mutual efforts.

More transparent carbon reports

Our IT platform for carbon emission reporting which forms the basis of the individual carbon reports to our customers was updated in 2013 to comply with the new European standard for calculation and declaration of greenhouse gas

emissions of transport services, EN 16258. The standard provides a uniform methodology for calculation of emissions and thereby enhances transparency in carbon emission calculations. This will give our customers a better basis for comparing the reports of different transport service providers.

We will continue optimising our reporting platform in 2014 with particular focus on further process automation.

More efficient transport operations across the Group

DSV has set an overall target of improving the energy efficiency and thereby reducing carbon emissions of suppliers and from our own operations by 15% per transport activity by 2015 compared to 2010 levels. To achieve this target DSV must work on optimising capacity utilisation across the Group. Furthermore, we must continue our efforts to improve fuel efficiency among our suppliers and, as stated, cooperate with our customers on adjusting cargo volumes to the capacity available.

2013 ENVIRONMENT AND CLIMATE PERFORMANCE

- 1: Subcontractors required to lower their carbon dioxide emissions with the aim to improve DSV's energy efficiency per transport activity (Air, Sea, Road) by 15% by 2015 compared with 2010 figures.
- 2: The Road Division (including its subcontractors) must use Euro 5 engine vehicles for at least 60% of all road transports by 2013.
- 3: Automatic energy management systems must be installed or screening for potential energy savings carried out in 75% of all DSV buildings by 2015.
- 4: 75% of all DSV locations must recycle paper in offices and paper, plastic and cardboard in terminals and warehouses by the end of 2013.

10% 19% 14%

55% 

77% 

80% 

At times the environmental impact of a business is so significant that the authorities decide to pass laws governing such activities. A relevant example from the transport industry is the European Community rules governing toxic exhaust emissions from trucks. Since the mid-1980's new and gradually stricter emission rules have been introduced, and today, e.g., toxic nitrogen oxide (NOx) emissions from new trucks have been reduced by 98%.

We can see that the various initiatives launched to increase energy efficiency have been successful, and increased energy efficiency has been obtained for all transport activities. For air and sea freight, the energy efficiency has improved continually for the past several years as a result of our focus on minimising fuel consumption by adjusting speed, optimising routes, changing to more energy efficient equipment, and other measures.

One of the achievements is that energy efficiency of our air freight activities improved by almost 5% compared with 2012 figures and by a total of 10% compared with the base year (2010).

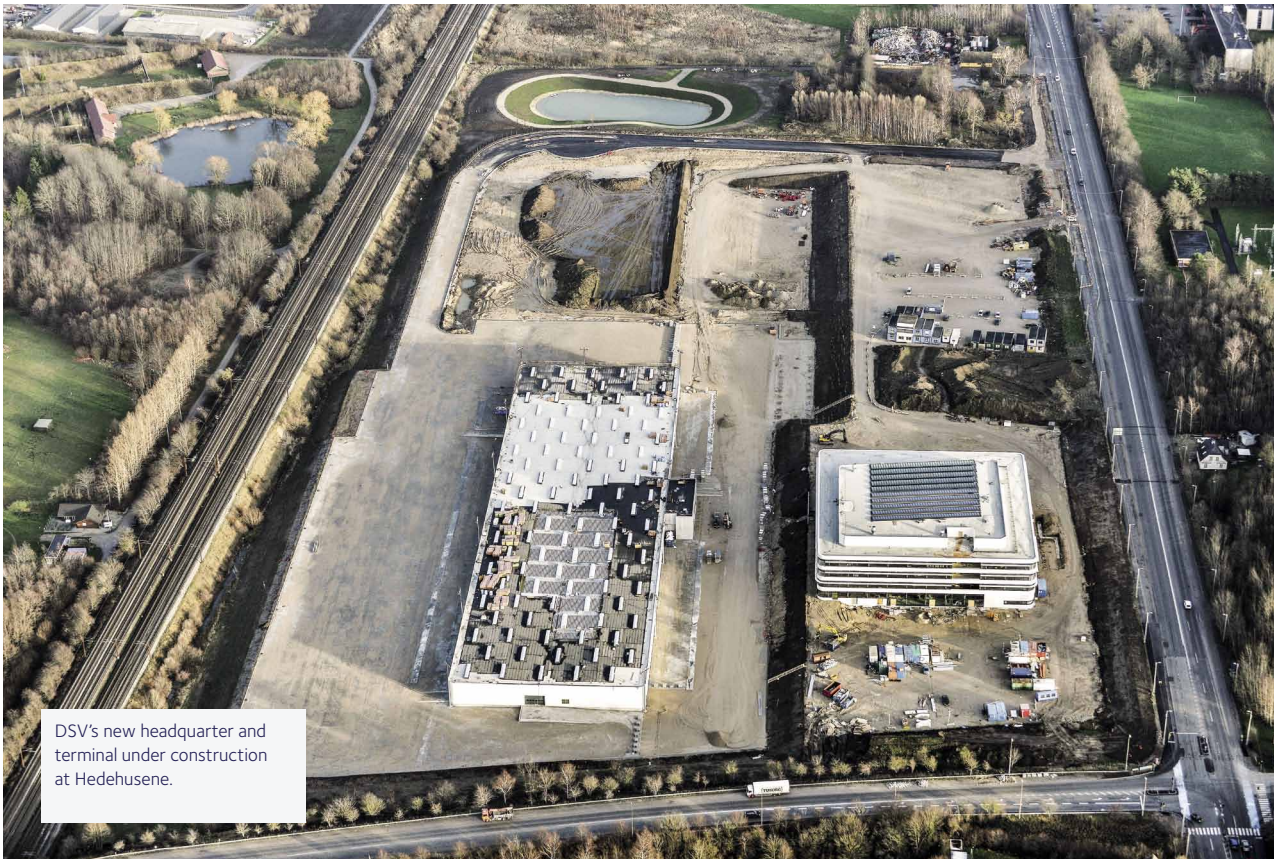
Within sea freight, we have also succeeded in increasing the average weight of TEUs. in combination with subcontractors' improvements, the energy efficiency has improved by almost 6% on last year and by a total of 19% compared with the base year (2010). This means that part of the objective of improved energy efficiency within this field has already been met.

The Road Division mainly uses trucks for carrying goods by road, and despite a market that is still fragmented and competitive market the Division managed to increase the energy efficiency considerably and is close to reaching the 15% improvement target. Compared with the base year 2010 energy efficiency increased by 14%, partly as a result of optimised capacity utilisation and partly an overall reduction of truck fuel consumption by almost 2%.



2014 UPDATED TARGETS FOR ENVIRONMENT AND CLIMATE

Target 1: Subcontractors required to lower their carbon dioxide emissions with the aim to improve DSV's energy efficiency per transport activity (Air, Sea, Road) by 15% by 2015 compared with 2010 figures.	15%
Target 2: The Road Division (including its subcontractors) must use Euro 5 engine vehicles for at least 60% of all road transports by 2014.	60%
Target 3: Automatic energy management systems must be installed or screening for potential energy savings carried out in 85% of all DSV buildings by 2015.	85%
Target 4: 85% of all DSV locations must recycle paper in offices and paper, plastic and cardboard in terminals and warehouses by the end of 2015.	85%



DSV's new headquarter and terminal under construction at Hedehusene.

Key focus: Environmental progress in road transport under pressure

In 2012 we met the target set for the Road Division according to which at least 50% of the trucks we use (our own and subcontractors' trucks) must satisfy the highest Community emission standards for toxic and hazardous substances. We have subsequently raised the target to 60%.

The Euro 5 is currently the highest emission standard, but emission levels will be further reduced in 2014 with the introduction of the Euro 6 standard, which applies to all new trucs in the European Union. Progress in relation to the new target is measured based on these two standards.

However, the replacement process of old trucks with new among the Road Division's subcontractors stagnated in 2013 and we were unable to meet the target. On the contrary, the rate dropped from 57% to 55% during the year. It is the first time since DSV started reporting on the Euro engine standards among the Group's own and subcontractors' trucks that we have registered a negative development.

The financial crisis still affecting progress

In 2009, when the Euro 5 standard was adopted, the proportion of new trucks among our own and subcontractors' trucks increased only marginally. Back then the small increase was attributed to the emerging financial crisis coupled with the fact that the introduction of new trucks meeting the newest Euro standard is typically more expensive than the previous models.

The development in 2013 compared with 2012 is probably due to the same factors. The financial crisis still has a grip on world trade and still influences hauliers' fleet renewal. Since 2009 the average age of the European truck fleet has increased and this trend is expected to continue in the coming years.

In light of the general market development, Management has decided to maintain the target of at least 60% of all trucks used by the Group satisfying the Euro 5 and Euro 6 standards in 2014.

EN16258

The European Committee for Standardization (CEN) has issued a standard for calculation and declaration of greenhouse gas emissions of transport services, EN 16258. The standard also applies to emissions from other energy processes, e.g., relating to the production of fuel for motor vehicles and translates other emissions according to their global warming effect, the so-called carbon dioxide equivalents. By using this standard we can present a more complete image of the emissions from our transport operations and and we have therefore restated previous years' emissions and energy efficiency per transport activity.

Building management and the environment

We have set a target relating to the operation of buildings. The target covers energy efficiency analyses of buildings and subsequent implementation of any relevant energy saving measures identified. By saving energy in the operation of our buildings we also reduce emissions, and Management has therefore set the goal that 75% of all DSV companies must meet the target by 2015. Analyses have been conducted and energy saving measures implemented in several buildings during the year, and 77% of all DSV locations now meet the target. This means that the target was achieved already in 2013 and Management has decided to raise the target to 85% by 2015.

As a result of the implemented measures, emissions from the operation of DSV's locations have dropped by 10% compared with 2011. Despite increased emissions in 2013 compared to the previous year. The main reason for the increased energy consumption in our buildings was the cold European winter that required more energy for heating.

New energy efficient buildings

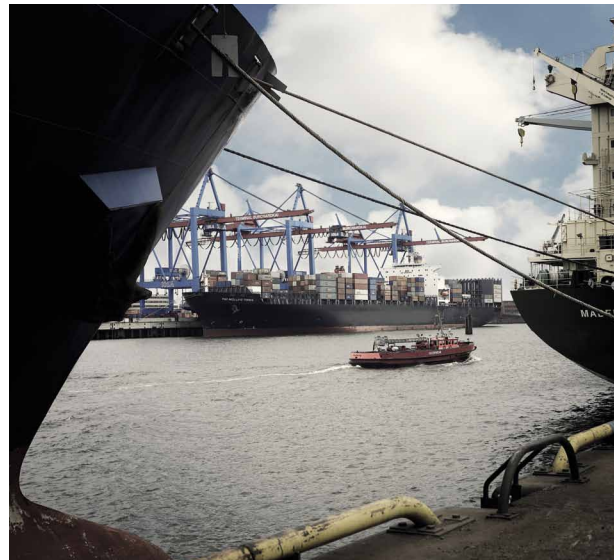
In respect of acquisitions, the acquired companies often have their own locations in cities where DSV already has operations. If it makes sense in terms of optimising the companies' operations and if none of the existing locations are large enough to accommodate the increased number of employees, it often pays to build new premises rather than renovating and enlarging the existing ones.

It also gives us the opportunity to construct far more energy efficient buildings, which we have done, e.g., in Germany, France, Sweden and Norway.

In 2014 we expect to move into the new DSV headquarters which are being built at Hedehusene on the Danish island of Sealand. The new location will comprise a 12,000 m² terminal and a 15,000 m² four storey office building with room for approx. 700 employees. The new headquarters will also be designed with focus on energy efficiency and will have roof solar panels to generate electricity for the buildings, intelligent indoor climate control and a food waste recycling plant that will transform food waste into biogas.

Local focus on alternative energy

As stated above, efforts are made locally to reduce the energy consumption from own buildings. In addition to implementing central management of heating, cooling, light and ventilation, some companies focus on the production and/or use of carbon neutral energy. At some DSV locations in Belgium, for example, solar panels have been installed which



DSV Short Sea

DSV offers customers intermodal transport solutions, mainly by sea and rail, as a more sustainable and fairly priced supplement to road freight. For instance, the DSV Short Sea product is particularly suitable for time-insensitive cargo, such as wood, stone and paper consignments.

generate power to cover most of the local electricity consumption. In Finland, all our locations use electricity from hydroelectric power plants.

Reduced resource consumption through recycling

The final target relating to environment and climate states that 75% of all DSV locations must have implemented waste collection procedures for the recycling of paper, cardboard and plastic. We reached the target in 2013 with waste collection procedures having been implemented in 77% of our locations. On this basis Management has decided to raise the target to 85% by 2015.

These initiatives all contribute to improving our overall environmental impact, and in 2013 we managed to reduce our carbon emissions from the operation of buildings by 900 tonnes.

Business ethics and anti-corruption

Trade thrives in a transparent market with equal opportunities for all parties. However, in the real world corporate cultures vary and what is common practice in one country may be regarded as corrupt in other countries.

Operating worldwide as an international enterprise, we therefore need to take an active position and follow up on this issue. We therefore have a clear policy that our employees may not accept or offer any kind of bribery.

Over the years, the transport industry has witnessed several cases of cartel activities, which have involved price agreements between competitors, harming the price mechanisms in the free market, etc. DSV has also been involved in cartel cases through the companies that we have acquired.

The inherited cases have demonstrated the need for a group-wide business ethical standard in this field.

But in addition to cartelisation, DSV and other global enterprises also face other challenges. In almost all parts of our organisation we must tackle ethical issues such as corruption, circumvention of rules and regulations, etc., on a daily basis.

That is why Management is engaged in the definition and communication of our corporate rules on business ethics: the DSV Code of Conduct. The Code emphasises the importance of maintaining a high level of business ethics in our relations with all business partners – customers, share-

Read DSV's Code of Conduct here:

Read more



holders, suppliers, public authorities, etc. – wherever in the world we do business.

Code of Conduct for employees and management

The DSV Code of Conduct was implemented across the Group in 2010 and has been communicated to all employees, supporting them in their interrelation with customers, suppliers and competitors.

2013 BUSINESS ETHICS AND ANTI-CORRUPTION PERFORMANCE

- | | | |
|---|------|---|
| 1: The DSV Code of Conduct must be communicated and made available to all employees. | 100% | ✓ |
| 2: The number of reported Category A violations of the DSV Code of Conduct must be zero (Category A is the most comprehensive reporting category of the Whistleblower Programme). | 0 | ✓ |
| 3: 25% of all DSV entities must have carried out an CSR audit by the end of 2013. | 100% | ✓ |

We continually ensure that all employees, existing as well as new, have been informed of and have access to read the Group's Code of Conduct.

A comprehensive training programme covering all 2,200 managers at DSV will be conducted in 2014 to build a solid awareness of our business ethics standards and support the integration of the principles into our business activities. The training programme will be completed by a test.

Code of Conduct for suppliers

In 2013 the communication of the Supplier Code of Conduct that applies to all our suppliers has been a focus area for all companies of the DSV Group. The Code describes what DSV considers appropriate business conduct, and hence also behaviour, from our suppliers when they perform services on behalf of or supply products to DSV.

A shortened and more reader-friendly version of the Code has been made to ease the communication of the requirements to small suppliers, which are used by DSV for road freight operations to a great extent. The short version is targeted at drivers and hauliers and focuses on the everyday situations they experience on the roads, at terminals and in their contact with customers. The reader-friendly version will be implemented in 2014.

Management has decided to set a target for the communication of the Code of Conduct by the DSV companies to our suppliers. According to this target, by 2014 DSV must have communicated the Supplier Code of Conduct to at least 75% of all suppliers measured by the total value of the goods and services purchased from from these suppliers.

Whistleblower Programme

DSV implemented an internal whistleblower programme in 2012 to obtain a better basis for detecting any objectionable aspects or wrongdoings. All employees, managers and Board members of DSV can file anonymous reports on situations, incidents and circumstances that seem wrong or are direct violations of the DSV policies and guidelines. Reports can be submitted in different languages orally through a



CSR and reputation

Throwing an empty oil canister by the roadside is obviously not good practice at DSV. And when it is done right in front of a representative of a national environmental commission and member of parliament, you're asking for trouble. Nevertheless, a subcontractor of DSV did just that one day on a country road in Estonia. When the local DSV company was notified of the incident by the MP, the canister was removed immediately and the subcontractor was given a warning. The incident shows how even relatively small actions can have major implications on a company's reputation in respect of CSR and why it is so important that we communicate and explain our corporate Code of Conduct to our suppliers.

hotline or in writing on a website, which is operated by an external provider.

Only few notifications were submitted under the programme in 2013. We have followed up on all notifications and issues reported since the programme was implemented, but no reports have resulted in any actual cases.

This means that one target in this focus area has been met. Whistleblower reports are divided into three categories according to the severity of the reported issues. The

2014 UPDATED TARGETS FOR BUSINESS ETHICS AND ANTI-CORRUPTION

Target 1: The DSV Code of Conduct must be communicated and made available to all employees.	100%
Target 2: The number of reported Category A violations of the DSV Code of Conduct must be zero (Category A is the most comprehensive reporting category of the Whistleblower Programme).	0
Target 3: All employees at management level must have completed training in the DSV Code of Conduct by the end of 2014.	100%
Target 4: 25% of all DSV entities must have carried out an CSR audit by the end of 2014.	25%



target states that there must be zero reports of issues falling within the most severe whistleblower reporting category, and no such reports have been filed.

Key focus: Combating facilitation payments

An important aspect of business ethics and anti-corruption in the transport industry is the dilemma relating to the use of facilitation payments. Facilitation payments are minor additional payments to an external party to expedite a routine matter where all criteria have been met, e.g., in connection with the issuance of a permit, visa, etc.

DSV has a zero tolerance approach to bribery which is clearly communicated in our Code of Conduct. Nor do we accept the practice of facilitation payments. Unfortunately such payments are very common in certain countries, and in some situations DSV employees may feel compelled to follow this practice. The Code of Conduct helps our employees distinguish between bribery and facilitation payments and provides guidelines for the reporting of any facilitation payments made.

With a view to limiting and, with time, completely ending this practice, we analysed the scale of this type of payments in a number of companies in 2013. These companies were selected on the basis of the Transparency International 2012 Global Corruption Perception Index. We examined the facilitation payment practices experienced by the companies, any measures taken to eliminate the use of these payments and the consequences of bringing to a halt the continued collaboration with local authorities and customers.

Aim is to stop practice

The findings of our internal analysis indicate that more targeted efforts are required in some countries to eliminate facilitation payments. However, we also noted that some countries have successfully reduced the use of facilitation payments to a minimum through various initiatives.

Based on our analyses and experiences we intend to continue our work to reduce the use of facilitation payments of DSV and, over time, completely end this practice.

Compliance with international embargoes

As a global freight forwarder, the increasing complexity of international embargoes and controls relating to the export of certain products require a unique set-up. Embargoes may apply to countries, persons and/or companies from the embargoed countries. Export controls typically relate to particular product groups, e.g. products which can be used to suppress local populations or to repair and produce weapons.

Violations of embargoes and export controls may entail large fines and long prison sentences for companies and employees. Not only will a company gain a bad reputation from violating the rules, it may also as an additional punishment be subjected to international embargoes banning other parties from entering into commercial activities with the company.

DSV has adopted an internal policy to ensure compliance in this field and during a number of years consistently implemented various standard procedures on the handling of cargo to embargoed countries and introduced automated screening of business partners and suppliers. The Group Compliance Department supports compliance across the entire organisation.

Tax at DSV

Taxes are an important element of corporate interaction with society. In recent years there has been a growing focus on the level of information on corporate strategies and corporate tax payments. We believe taxes are part of a well-ordered society and appreciate that they often fund infrastructure which benefits trade and hence our company.

As a global transport provider, DSV is represented in many different countries by subsidiaries which perform activities at both ends of the transport chain to ensure a strong global network. Our different locations have been established to develop local business opportunities and not because of a desire to utilise any advantageous tax legislation.

Corporate roles and responsibilities in relation to tax

DSV has operations in 75 countries with individual tax laws. Add to this that many countries adopt different approaches to international tax laws as well as different interpretations of national legislation within their own administrations and, furthermore, new and revised laws are often introduced.

This creates a very complex situation requiring vast resources and a strict governance structure involving both centralised management and extensive local expertise, but always in compliance with Group policies and procedures.

Taxes and profit

DSV has a responsibility towards our shareholders to generate the highest possible long-term profit from our activities. That is why we occasionally use initiatives to prevent excessive taxation. This is always done within the framework of local and international tax laws. However, many tax laws are in reality a matter of interpretation, and tax authorities may routinely raise issues in relation to specific payments which may lead to tax disputes from time to time, especially concerning intercompany transactions and the transfer prices applied. In such cases we seek a positive and constructive dialogue with the tax authorities to reach the right solution.

Taxes in 2013

The effective tax rate for DSV totalled 26% in 2013, whereas the average tax rate was 25% (2012) for Danish C20 peers on OMX NASDAQ Copenhagen. The tax rate decreased compared to 2012, mainly due to the exceptionally high tax rate in 2012.



Employees and working environment

Employees are our greatest asset. Ensuring a good and safe working environment and thereby an attractive workplace for our employees is therefore highly important to DSV.

We have a target of zero occupational accidents in our operations, which we will achieve by continually minimising risks and improving routines and behaviour to increase our employees' safety at work.

Another important focus is to meet and comply with internationally proclaimed human rights and national provisions on labour rights. For that reason, Management has set targets dictating that no violations of such rules must be committed by DSV. The companies of the DSV Group report any issues they experience concerning violations of human and labour rights. Violations of human rights and national rules on labour rights can also be reported through the corporate Whistleblower Programme. No violations were reported in 2013 and the target is thus considered to have been achieved.

Mapping and analysing occupational accidents

A mapping and analysis of the occupational accidents reported by 12 DSV entities with a relatively high occupational accident rate was conducted in 2013. The purpose

was to examine local procedures and routines to obtain a basis for reducing the number of work-related accidents through preventive efforts.

The mapping shows that the companies are already actively investigating the causes of the accidents and making procedural changes to prevent any recurrence. The companies communicate the causes of the accidents to all relevant employees at internal meetings and training courses.

The most frequent work-related injuries among the 12 entities were: incorrect body movements in connection with manual handling of cargo resulting in strains or sprains, injuries from the use of a knife to open packaging, and slip, trip and fall injuries.

The vast majority of the occupational accidents at DSV relate to behaviour or conduct, which means that very few accidents happen due to technical or materials defects. We therefore continually focus on influencing our employees to adopt higher safety standards in all aspects of our operations.

2013 EMPLOYEES AND WORKING ENVIRONMENT PERFORMANCE

1: DSV complies with internationally proclaimed human rights.

100% 

2: DSV must reduce the rate of occupational accidents every year and by 25% in 2013 compared with 2010 figures.

28% 

3: DSV satisfies national legislation on labour standards.

100% 



Fewer accidents than previously thought

We have followed up on each of the occupational accidents reported by the selected companies and discovered that the total number of accidents in 2012 was lower than previously thought. Accordingly, the overall rate therefore ended at 7.9 occupational accidents per million working hours against the previously reported rate of 9.2. We can therefore establish that already in 2012 did we reach our target of a 25% reduction in the rate of occupational accidents compared with the 2010 level. And we even managed to exceed the target by a fair margin as the rate dropped by a full 30% in 2012 from 11.3 in 2010.

As a consequence of the need to make this correction, we have strengthened our communication concerning the data to be reported and the following review of these data.

The DSV Group maintained the low rate of occupational accidents in 2013. Despite a minor increase among salaried employees we exceeded the target of a 25% reduction on 2010.

Management will maintain focus on reducing the number of occupational accidents throughout the Group. During the recent years we have focused on mapping the causes

of occupational accidents and using this knowledge in improving local working procedures. As a result, the number of occupational accidents has dropped considerably and we will therefore continue our efforts to improve the rate of occupational accidents year on year.

Absence due to occupational injury

All Group entities have reported absence due to occupational injury/illness since 2012. The reports state an employee's time off work due to work-related injury. These data provide a more clear image of the consequences of any injuries sustained by employees at work. We assume that serious injuries imply a longer recovery period and thereby more days of absence than less serious injuries.

The average absence due to a work-related injury dropped in 2013 compared with the previous year. The rate of days lost increased among hourly workers, but dropped correspondingly among salaried employees. As salaried employees constitute the largest staff group at DSV, the result is an overall decline across the Group.

2014 UPDATED TARGETS EMPLOYEES AND WORKING ENVIRONMENT

Target 1: DSV complies with internationally proclaimed human rights	100%
Target 2: DSV must reduce the rate of occupational accidents and absence due to occupational injury every year.	100%
Target 3: DSV satisfies national legislation on labour standards	100%
Target 4: All subcontractors of DSV must be encouraged to observe the Supplier Code of Conduct, and it must have been communicated to 75% of all subcontractors of the Group (measured by total value of contracts) by the end of 2014.	75%

Fatal accident at DSV terminal in 2013

Tragically, an employee was badly hurt and died in a work-related accident at a DSV terminal in Eupen, Belgium, in the beginning of 2013. The accident was a result of several unfortunate and coinciding circumstances concerning the loading of a trailer. The Belgian safety team has since then changed a number of procedures relating to the loading and unloading of trailers to avoid similar accidents in future. Furthermore, an information campaign about safety at terminals has been launched, focusing on both DSV and subcontractors' drivers.

Experienced employees at DSV

Experienced employees are important to the DSV Group. Experienced employees are able to offer customers the best advice. It means a lot to DSV to note that staff seniority has shown a modest increase for a number of years. In 2009, 25% of the employees had been with DSV for more than 10 years. This rate had increased to 30% in 2013.

However, we constantly aim to attract new employees. Since 2009 the proportion of new employees has remained stable at 13%. As many as 66% of the employees at DSV are below 45 years old. This is due to the stable influx of new employees coupled with the fact that freight forwarders typically commence their business career immediately after having completed an upper secondary education.

Employee turnover still low

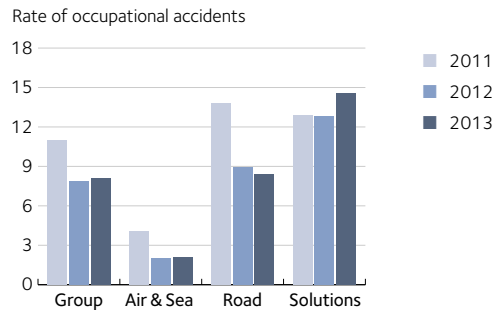
Total employee turnover at DSV was largely the same as last year. The turnover rate moved upwards and downwards for hourly workers and salaried employees, respectively. For hourly workers the rate decreased by a fair percentage, whereas it increased slightly for salaried employees. In 2013 DSV made four acquisitions, which mainly affected the turnover rate for salaried employees. Employee turnover was lowest among hourly workers at DSV Solutions and highest among hourly workers of DSV Air & Sea.

Diversity

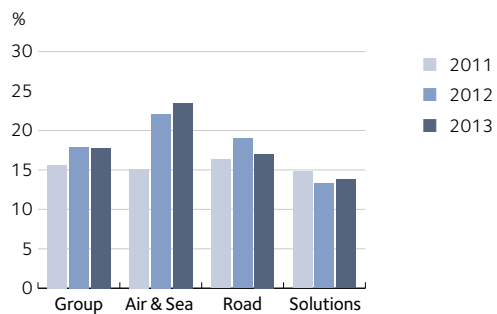
We consider diversity among managers and employees a strength. We believe that diversity, including gender differences, makes a positive contribution to the continued development of the organisation. Our business ethics prohibit any discrimination and differential treatment of staff in terms of employment and working conditions, including because of gender. We will always hire or promote the most qualified candidate.

The proportion of males is larger in our organisation than in society in general. The reason is probably that this industry has always been more attractive to men. In recent

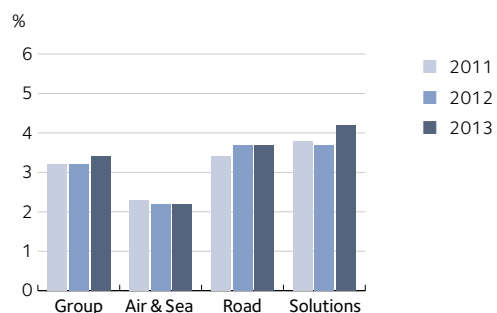
OCCUPATIONAL ACCIDENTS PER MILLION WORKING HOURS



EMPLOYEE TURNOVER



ABSENCE DUE TO ILLNESS



years, we have, however, seen an equally keen interest in the trainee positions among women and men. We therefore expect that gender differences will gradually even out over the coming years. We also see fewer female employees seeking a managerial career. We have therefore launched a survey intended to provide more information on the barriers to leadership positions experienced by women.

Based on the conclusion of this survey, we will consider potential initiatives for breaking down any such barriers.

Generally, we will stick to the current employment policy, which requires that job advertisements must appeal to both genders and that leaders must always be recruited on an objective basis in accordance with our business ethics.

Global Reporting Initiative (GRI) content index

The Global Reporting Initiative is a non-profit organisation that has produced a set of indicators and guidelines for sustainability reporting. The index indicates the location of information relevant to specific GRI indicators in this report or in the 2013 Annual Report of DSV.

GRI indicator	Information available in ¹⁾	Level of fulfilment ²⁾	GRI indicator	Information available in ¹⁾	Level of fulfilment ²⁾
Strategy and analysis			Governance, commitments and engagements		
1.1	CSR p. 3	●	4.1	AR pp. 28-30, CSR p. 6	●
1.2	AR pp. 8-33, CSR pp. 6-8	●	4.2	AR pp. 28-31	●
Organisational profile			4.3	AR pp. 28-30, 66-67	●
2.1	CSR p. 24	●	4.4	AR pp. 28-30	●
2.2	CSR p. 4	●	4.5	AR p. 29	●
2.3	AR pp. 16-25	●	4.6	AR pp. 31-33	●
2.4	CSR p. 24	●	4.7	AR p. 28	●
2.5	CSR pp. 4	●	4.8	CSR pp. 6-20	●
2.6	AR pp. 31-33	●	4.9	AR pp. 28-30, CSR p. 6	●
2.7	CSR pp. 4	●	4.10	AR pp. 28-30, CSR p. 6	●
2.8	AR pp. 5-25	●	4.11	CSR pp. 6-8	●
2.9	CSR pp. 22-23	●	4.12	CSR p. 2	●
2.10	-	●	4.13	-	●
Report parameters			4.14	AR pp. 28-30, CSR pp. 6-8	●
3.1	CSR p. 2	●	4.15	CSR pp. 6-8	●
3.2	CSR p. 24	●	4.16	CSR pp. 6-8, 15	●
3.3	CSR p. 2	●	4.17	CSR pp. 6-8	●
3.4	CSR p. 24	●	Management approach		
3.5	CSR pp. 6-8	●	Finance	AR pp. 8-10	●
3.6	CSR pp. 6-8	●	Environment	CSR pp. 6-13	●
3.7	CSR pp. 6-8	●	Labour practices and decent work	CSR pp. 18-20	●
3.8	CSR pp. 6-8	●	Human rights	CSR p. 18	●
3.9	CSR pp. 22-23	●	Society	CSR pp. 14-17	●
3.10	CSR pp. 22-23	●	Performance indicators		
3.11	CSR pp. 22-23	●	Performance indicators		
3.12	CSR p. 21	●	EC1	AR pp. 11-15	●
			EC2	CDP	●
			EN8	CSR p. 22	●
			EN16	CSR p. 22	●
			EN 18	CSR pp. 10-13, 22-23	●
			EN26	CSR pp. 10-13	●
			LA1	CSR p. 22	●
			LA2	CSR p. 22	●
			LA7	CSR pp. 19-20, 22	●
			HR3	CSR p. 22	●
			SO2	CSR p. 22	●
			SO3	CSR p. 22	●

1) AR = Annual Report, CSR = CSR Report, CDP = Reporting to CDP 2013

2) ● = Full reporting, ◐ = Partial reporting

Non-financial highlights of the DSV Group

Non-financial highlights	2011	2012	2013
Key figures			
Employees (FTEs)			
Group	21,678	21,932	22,021
Salaried employees	13,423	13,570	13,708
Hourly workers	8,255	8,362	8,313
Emissions ('000 tonnes)			
CO ₂ e emissions - Group	3,314	3,081	3,225
CO ₂ e emissions - Container shipping	589	539	558
CO ₂ e emissions - Air transport	1,182	1,107	1,174
CO ₂ e emissions - Road transport	1,469	1,371	1,481
CO ₂ e emissions - Buildings	60	51	54
Water ('000 m³)			
Total water consumption	297	288	278
Indicators			
Gender ratio (%)			
Women	-	38	38
Men	-	62	62
Employee turnover (%)			
Group	15.6	17.9	17.8
Salaried employees	15.5	17.2	18.0
Hourly workers	15.6	19.2	17.5
Absence due to illness (%)			
Group	3.2	3.2	3.4
Salaried employees	2.8	2.8	2.9
Hourly workers	3.9	3.9	4.2
Occupational accidents (per million working hours)			
Group	11.0	7.9	8.1
Salaried employees	2.8	1.4	1.7
Hourly workers	23.2	18.6	18.6
Lost work-days from injuries (per million working hours)			
Group	-	148.5	147.3
Salaried employees	-	33.3	27.3
Hourly workers	-	339.0	345.0
Energy efficiency (g/tonne-km)			
CO ₂ e per consignment - Container shipping	11.3	10.7	9.5
CO ₂ e per consignment - Air transport	749.8	725.8	690.4
CO ₂ e per consignment - Road transport	68.7	73.9	69.6

	2011	2012	2013
Indicators, continued			
Quality management standards (%)			
ISO 14001	29	31	30
ISO 9001	57	57	56
OHSAS 18001	17	16	15
Code of Conduct (%)			
Employees who have received information about DSV's Code of Conduct	94	100	100
Implementation of CSR Policy (%)			
DSV entities which have produced a self-declaration of compliance with the CSR Policy of the DSV Group	94	100	100
Recycling of paper, cardboard and plastic (%)			
DSV locations which collect paper, cardboard and/or plastic from offices, terminals and warehouses for recycling	62	73	80
Screening of buildings for potential energy savings (%)			
DSV entities which have performed a screening of their buildings to identify any energy savings potential	-	70	77

Accounting policies for non-financial highlights

GENERAL DETAILS

The figures and diagrams of the 2013 CSR Report have been prepared in accordance with the policies applied in 2012, except for the usage of quality management standards by Group entities and the methodology for calculating carbon emissions, which has been revised to follow the European standard (EN 16258). Moreover, a minor adjustment has been made to the rate of occupational accidents calculated for 2012 because of some incorrect reports made initially.

EMPLOYEES

Average number of full-time employees for the year.

EMISSIONS

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

GENDER RATIO

Female and male proportions of total number of employees at year end.

RATE OF 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.

RATE OF ABSENCE

Number of days of absence due to illness relative to number of working days during the year adjusted for maternity/paternity leaves, agreed holidays and national public holidays. Absence due to illness is measured on the basis of employee pay 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.

LOST WORK-DAYS FROM INJURIES

Number of reported days of absence due to an occupational injury resulting in more than one lost work-day per million working hours scheduled for the year.

ENERGY EFFICIENCY

Emissions per consignment relative to freight volume and transportation distance.

QUALITY MANAGEMENT STANDARDS

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

CODE OF CONDUCT

Number of employees at entities which have informed their staff about the DSV Code of Conduct relative to the total number of employees of the Group.

IMPLEMENTATION OF CSR POLICY

Number of entities which have evaluated their compliance with the CSR Policy of the DSV Group relative to the total number of Group entities.

RECYCLING OF PAPER, CARDBOARD AND PLASTIC

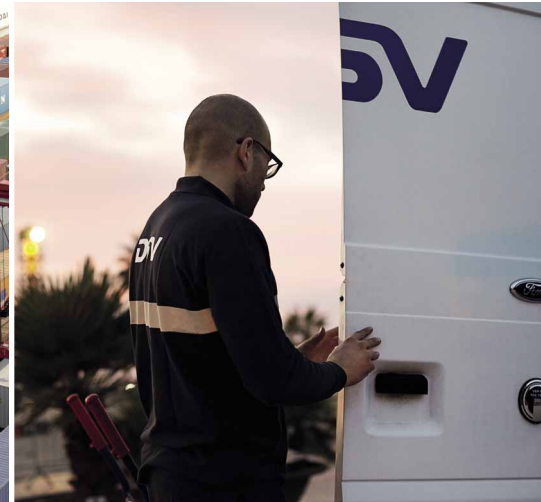
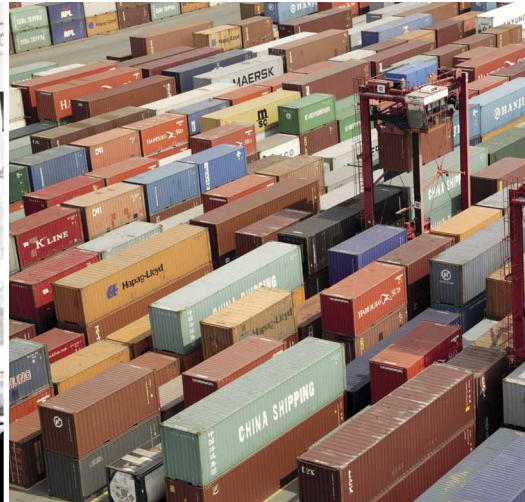
Number of DSV locations which have implemented systems for the collection of paper, cardboard and/or plastic waste for recycling relative to the total number of Group locations. A few entities have operations at leased premises at which DSV is not in charge of waste management. Such premises are not included in the statistics.

SCREENING OF BUILDINGS FOR POTENTIAL ENERGY SAVINGS

Number of DSV entities which have commenced the screening of one or more of their buildings to identify any energy savings potential relative to the total number of DSV entities.



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