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DLG
GROUP
CSR
REPORT

Statutory CSR report in accordance with Section 99a and
Section 99b of the Danish Financial Statements Act





” AS ONE OF EUROPE’S LARGEST AGRICULTURAL COMPANIES, WE MUST PAVE THE WAY FOR SUSTAINABLE DEVELOPMENT, AND WE TAKE THIS RESPONSIBILITY VERY SERIOUSLY ”



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FOREWORD

Seeking a sustainable future for both ourselves and future generations is at the heart of DLG's CSR activities, as clearly reflected in this CSR report. As one of Europe's largest agricultural and energy companies, we must play a leading role in paving the way for sustainable development. We take this responsibility very seriously – and we want to take the lead and set the direction for the rest of the industry. As a buyer and supplier of feed, raw materials, crops, energy products and other inputs for the first stage of food production, we are committed to providing sustainable solutions for agriculture.

We believe that a company's work with sustainability must be measured by its actions. DLG has therefore joined the UN Global Compact, and is working to implement its key principles within human rights, labour rights, the environment and anti-corruption in the group's day-to-day operations.

We work actively with the UN Global Compact principles and sustainability in general because we believe that it is the only right thing to do. For our employees, for our surroundings, for our customers and owners, and in particular for our business.

As a signatory to the UN Global Compact, we communicate actively about our CSR activities and results in this report – our Communication on Progress (COP). In our annual COP, we set goals, announce initiatives for the future and conclude how our CSR work has progressed in the past year.

We are pleased and proud to confirm our continued support for the UN Global Compact.

Kristian Hundebøll
Group CEO



Niels Dengsø Jensen
Chairman of the Board of Directors





**” WE BELIEVE THAT A COMPANY’S
WORK WITH SUSTAINABILITY
MUST BE MEASURED BY ITS
ACTIONS”**

WHAT WERE OUR AMBITIONS FOR 2020 – AND HOW DID WE DO?

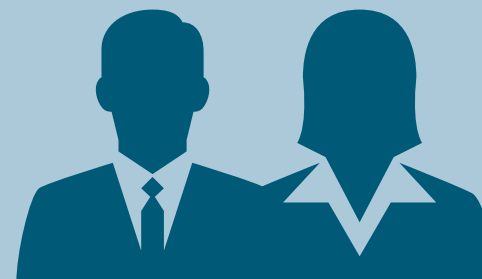
RESPONSIBLE COMPANY

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

- ✓ Continued anchoring of DLG's Supplier Code of Conduct (SCoC) with all strategic procurement officers in the DLG Group, and roll-out of SCoC for direct procurement. The goal is that at least 80% of the procurement volume must be subject to the adopted ethical standards.
- ✓ Working for all of DLG's key suppliers to sign the SCoC.
- ÷ Quarterly assessment of business partners. The social responsibility of our partners is a key element of the assessment.

ANTI-CORRUPTION AND PREVENTION OF FRAUD

- ✓ Continued incorporation of procedures to support DLG's anti-corruption policy.
- ✓ Promote DLG Denmark's implemented monitoring system, so that it is also anchored in foreign subsidiaries.
- ✓ Work to ensure consistent policies and processes across the Group.
- ✓ Continue to be systematically aware of and expand the risk assessment of unusual companies and offers within the trading area that may indicate activities in conflict with current legislation.



RESOURCE EFFICIENCY

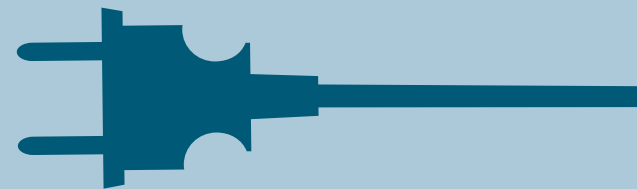
- ✓ Prepare a comprehensive sustainability strategy that includes the DLG Group's climate ambitions.
- ✓ Reduce the Group's handling factor, together with consistent optimisation of transport (fuel consumption, tonne per shipment and kilometres per tonne).
- ✓ All business units will scale back their primary energy resource by 2%. Each business unit must specify its primary energy resource and draw up an action plan to achieve the goal.
- ✓ Systematic implementation of LEAN principles and LEAN tools at group level.



The goal was achieved/work initiated



The goal was not achieved/work not initiated



PEOPLE AT DLG

DIVERSITY



Elect a female member to DLG's Group Board of Directors by 2020.



Increase the ratio of female managers, for example by focusing on our talent identification and development. We will do this by creating a transparent process and ensuring that our managers are challenged by HR professionals during the selection process and in conjunction with employee development interviews. Across the group, we will also share our experience and expand the most effective initiatives to other countries.



Continue our endeavours to have at least one candidate of each gender when recruiting for managerial and specialist positions.



Strengthen our focus on diversity in teams and on the unconscious recruitment bias. We will also explore how we can ensure greater diversity within DLG by also contributing experience from other sectors.



Continue our focus on training and education at DLG, and also increase efforts in countries other than Denmark, e.g. by drawing on experience from the Danish certification and training of sales staff.

WORKING ENVIRONMENT



Implement a working environment standard in DLG's management system.



Simplify, systematise and enhance the quality of workplace assessments and safety inspection rounds.



Adjust the size and function of the occupational health and safety organisation (OHS), and develop members' expertise in using new IT tools.



Develop DLG's OHS manual with relevant topics. The OHS manual is a reference work for all employees, and for the OHS organisation in particular.



The working environment is in constant focus at daily whiteboard meetings/production meetings.



Increased focus on transport safety. This includes increasing the information level and reducing tripping and falling accidents.



The target number of registered near-misses is set at 150 (198 including Vilofoss).



Vilofoss's OHS organisation is integrated into DLG's OHS organisation.





ABOUT DLG

The DLG Group is one of Europe's largest agricultural and energy companies, and the group performs many different roles. Our three core business areas are Agribusiness, Premix & Nutrition and Energy & Retail.

Agribusiness supplies farmers with feed from our own production facilities as well as seed grain, fertilisers, agricultural lime and plant protection products, and we are also one of Europe's biggest exporters of malting barley, seed grain, feed and bread grains and rapeseed.

Premix & Nutrition supplies vitamins and minerals for livestock production, an area where we focus on selling professional solutions.

Energy & Retail supplies fuel for day-to-day operations through our energy business, runs DIY stores and the Land & Fritid stores as well as selling insurance and other services.

We are a cooperative society owned by Danish farmers. From our origins in the local feed associations of the 1890s, and since the formation of DLG in 1969, we have grown into an international group with companies in more than 18 countries and revenue of DKK 50 billion in 2019. The group has had success because we have looked to the future, but also because of our respect for the past and because we have built on our achievements.

- The DLG Group is one of Europe's largest agricultural and energy companies, and works to create value for our owners, customers and for the world around us.
- We are committed to leading the way among Europe's agricultural companies, and to being an indispensable part of the world's most important industry.
- The group is bound together by our core values – we are trustworthy, value-creating and ambitious in everything we do.

HOW DO WE WORK WITH CSR AT DLG?



DLG joined the UN Global Compact in 2012. For the past eight years, we have been working to create the conditions which are necessary both internally and externally for the UN Global Compact's 10 principles for responsible business conduct to be an integral part of our business. We are working to implement the principles on human rights, labour rights, the environment and anti-corruption in our day-to-day operations.

Our group CSR policy highlights our fundamental approach to social responsibility, which is that our initiatives must be strategic, significant and practical. At DLG we put our policies into practice by conducting an annual risk assessment to ensure that our social responsibility efforts have the greatest possible positive effect.

Together with the deployment of our sustainability plan it is a key task to further implement the policies in our business and day-to-day practice. As a consequence of our commitment to working strategically with CSR, DLG does not consider making donations as part of our CSR work. We comply with all applicable legislation and regulations in the countries where we operate, and we are dedicated to having an open dialogue on CSR issues with our stakeholders.

UN GLOBAL COMPACT

FEFAC SOY SOURCING
GUIDELINES

DANISH ALLIANCE FOR
RESPONSIBLE SOY

UK MODERN SLAVERY ACT

UN GUIDING PRINCIPLES ON
BUSINESS AND HUMAN RIGHTS

**DLG'S
CSR
POLICY**



DLG'S CSR POLICY

- We are committed to ensuring the highest quality and safety in our agricultural products and food production – from farm to fork.
- We are ambitious in ensuring responsible value chain management and protecting the Group's reputation.
- We seek to reduce DLG's energy consumption, minimise our emissions, use resources efficiently and generally reduce our environmental impact.
- We do not accept corruption in any form, including – but not limited to – bribery, extortion or nepotism.
- We seek to ensure diversity in the workplace, to maintain safe working conditions and a sound working environment, and to create good development opportunities for our employees and business partners.
- We respect internationally recognised human rights, and continuously assess our business to identify instances that might adversely affect these rights.



RISK ASSESSMENT

	OUTSIDE WORLD	EMPLOYEES	BUSINESS PARTNERS	COOPERATIVE MEMBERS	CUSTOMERS
HUMAN RIGHTS	● IMPORTANT	● VERY IMPORTANT	● VERY IMPORTANT	● IMPORTANT	● IMPORTANT
RESPONSIBLE SUPPLY CHAIN MANAGEMENT	● VERY IMPORTANT	● IMPORTANT	● VERY IMPORTANT	● VERY IMPORTANT	● VERY IMPORTANT
RESOURCE EFFICIENCY	● VERY IMPORTANT	● IMPORTANT	● VERY IMPORTANT	● VERY IMPORTANT	● VERY IMPORTANT
DIVERSITY	● VERY IMPORTANT	● VERY IMPORTANT	● IMPORTANT	● IMPORTANT	● IMPORTANT
RESPONSIBLE COMPANY	● VERY IMPORTANT	● IMPORTANT	● IMPORTANT	● VERY IMPORTANT	● VERY IMPORTANT
WORKING ENVIRONMENT AND HEALTH	● IMPORTANT	● VERY IMPORTANT	● IMPORTANT	● IMPORTANT	● IMPORTANT



THE GLOBAL GOALS

For Sustainable Development

DLG LIVES UP TO THE UN SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals were adopted by the world's heads of state and government on 25 September 2015. The 17 Sustainable Development Goals mark an ambitious agenda for global development which, between now and 2030, will set the direction for a more sustainable development for us, for future generations and the planet we all inhabit.

The DLG Group supports the UN SDGs, and we have incorporated them into our CSR policy, in our sustainability initiatives and in our sustainability plan.

Based on the agricultural industry in which DLG operates, we are focusing in particular on six of the 17 SDGs. Across the group, we are committed to complying with these six SDGs in our practices, and with every year that passes they are becoming increasingly integrated in our business. We use the SDGs to clarify what we are doing, as well as how and why we are doing what we do. At DLG, we are convinced that it must be possible to measure our work with sustainability by our actions. This CSR report therefore aims to provide insights into how we are incorporating the six SDGs into the work of the DLG Group.





GOAL 2: ZERO HUNGER

DLG plays an important role as one of the first stages of food production – and we take this role seriously. We therefore support a high level of supply reliability, food security and sustainable agricultural production. We are developing climate-efficient crops for the future that will provide enough food for the growing population but without, however, requiring more agricultural land to do so.



GOAL 5: GENDER EQUALITY

At DLG, we work to create an environment where individual employees are respected and rewarded for their efforts – regardless of gender. We are committed to ensuring sustainable development by strengthening women's rights and opportunities at all levels of the organisation. At DLG, we see diversity as a strength, and we want to go the extra mile to ensure diversity throughout the Group and a generally higher level of gender diversity at management level.



GOAL 8: DECENT WORK AND ECONOMIC GROWTH

DLG's most important resource is its employees. We work to ensure decent working conditions throughout our value chain – irrespective of place of work. DLG has locations in both towns and in the countryside, and therefore also contributes to job creation in outlying areas.



GOAL 17: PARTNERSHIPS FOR THE GOALS

Strategic partnerships are an important aspect of DLG's work to promote sustainable development – both nationally and globally. Through cross-border knowledge sharing, we want to promote strong global engagement and further promote sustainable development. Through partnerships with other operators in our industry, we can ensure our owners the highest possible value creation as well as sustainable development.



GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

At DLG, we are constantly working to optimise our production and logistics to make them even more resource-efficient. This year we have taken several steps to ensure the responsible and sustainable production of the raw materials which are used in our production. Our products support high quality, sustainability, health and animal welfare in livestock production.



GOAL 13: CLIMATE ACTION

We are committed to ensuring resource-efficient production and logistics, to minimising our environmental and climate footprint, and to developing climate-friendly livestock feed solutions. We are helping individual farmers in their journey towards more sustainable farming practices as well as helping them to climate-optimize their farms. Our sustainability plan also involves setting clear climate targets which are in line with the UN's 1.5 °C target.

13 CLIMATE ACTION



DLG'S CLIMATE ACTION: NEW SUSTAINABILITY PLAN TO PAVE THE WAY



DLG is about to launch a groupwide sustainability plan. With this plan, DLG is taking an ambitious step in a green direction, and making a commitment to supplying even more sustainable solutions to our owners – the Danish farmers.

Sustainability ranks high on DLG's agenda. Therefore, in 2021 we will be acting on our convictions and launching our own groupwide sustainability plan. The plan is ambitious, and supplements our work with social responsibility in our various markets. It will thus support our existing CSR policy, and at the same time provide a framework for our future work with our other existing policies – including, for example, the DLG Supplier Code of Conduct.

In the DLG Group, we are focusing our climate action on initiatives that support a genuine green transition – in other words practical tools and projects that combine sustainability and profitability. It is partly about having our own house in order, but just as much about developing sustainable solutions for our suppliers, customers and owners. Danish farmers are already among the most resource-efficient in the world, but at DLG we want to help them go even further and realise their own ambitions.

It is our ambition to take DLG's sustainability action to a completely new level – both commercially and when it comes to the farmers and their farms. We want to support farmers on their journey towards greener agricultural practices so they can supply products with as low a level of GHG emissions as possible.

DLG'S SUSTAINABLE INITIATIVES TODAY

DLG is already working actively with sustainable initiatives. At Sejet Planteforædling I/S, for example, we are developing climate-optimised crops. In Germany, we are involved in a partnership which is establishing hydrogen refuelling stations, and DLG was the first agricultural company in Europe to provide climate declarations for our livestock feed.

Since 2019, DLG's customers and owners in Denmark have had access to data showing the climate impact of the feed that DLG delivers. Climate declarations are a tool for farmers, enabling them to keep an eye on – and document – their climate footprint. Moreover, in November 2020 DLG teamed up with the Danish farmer-owned cooperative Danish Crown to offer Danish farmers dynamic data on their pigs' daily growth and feed efficiency. This will help improve production efficiency and, at the end of the day, increase sustainability. By partnering with other farmer-owned cooperatives in Denmark on sustainable measures in agricultural production, we are demonstrating to the outside world that we are taking a serious approach to sustainability, and that together we can set the direction for our industry.

DLG is a market-leading agricultural company which plays a key role in the value chain. Consequently, our sustainability plan must provide a framework for delivering the necessary solutions, which all contribute to increasing the sustainability of agricultural production.



STRONGER INTERNATIONAL COLLABORATION

The sustainability plan covers the entire group, and as part of our work on the strategy we are bringing together and strengthening all the various sustainability initiatives which are being taken daily across the Group's subsidiaries.

Everything we do must create value for our owners. And with the imminent launch of our sustainability plan, we are taking the farmers by the hand and supporting them on their path to greener agriculture.

RESPONSIBLE COMPANY



GOALS FOR 2021

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

- Work towards ensuring that more of DLG's suppliers sign our Supplier Code of Conduct (SCoC)
- Continue to work to anchor DLG's SCoC with all procurement officers in the DLG Group – within both direct and indirect procurement
- Increase checks on our existing and new suppliers, that have to document, that they have sustainable working methods as well as UN principles within CSR.
- Active follow-up on DLG's SCoC, in continuation of the establishment of Group Compliance

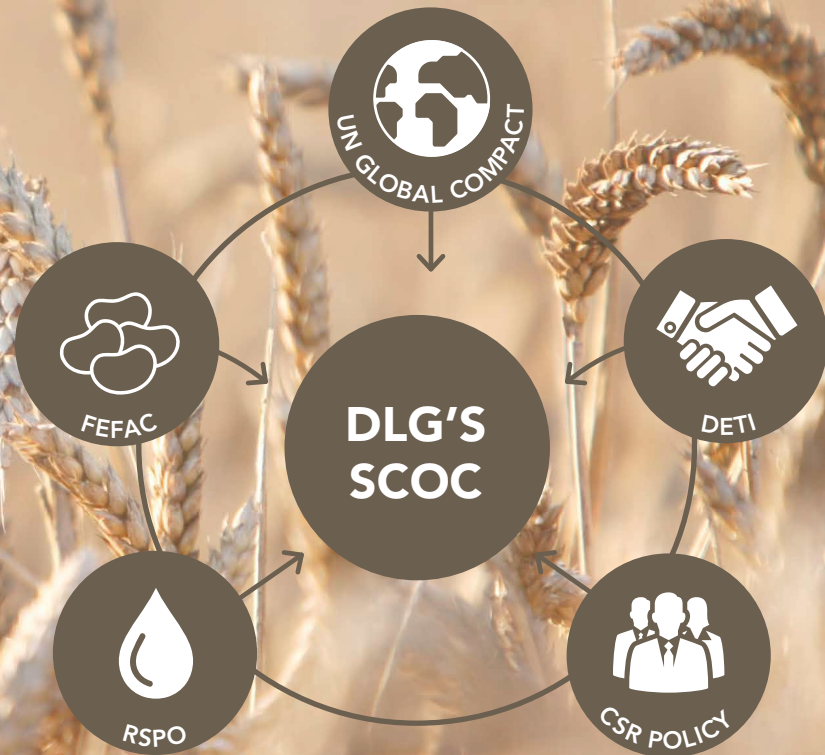
ANTI-CORRUPTION AND FRAUD

- Continue to incorporate procedures that support DLG's anti-corruption policy
- Incorporate the work on anti-corruption and fraud into our core compliance function to ensure consistent policies and processes across the Group
- Work to establish local compliance officers and superusers to ensure compliance with the policy in the individual departments and subsidiaries
- Work with e-learning and training sessions for employees, so they know how to implement DLG's anti-corruption policy
- Establish a groupwide whistleblower scheme

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

As one of Europe's leading agricultural and energy companies, DLG is responsible for ensuring that we are in control of our value chain and that we collaborate with responsible suppliers. We are continually working to strengthen the Group's efforts to control the risks associated with having a growing and increasingly complex international supply chain.

DLG's Supplier Code of Conduct (SCoC) is a key element of our work with responsible supply chain management. It describes what we require of our suppliers and how we regulate our supplier relationships. The SCoC is based on our CSR policy, the sustainability criteria in the UN Global Compact, the FEFAC Soy Sourcing Guidelines, the Danish Alliance for Responsible Soy (under the Danish Ethical Trading Initiative (DETI)) and the Roundtable on Sustainable Palm Oil (RSPO).



In 2020, we worked with responsible supplier management, focusing on developing the mindset of all the Group's procurement officers as well as rolling out our SCoC to even more of DLG's key suppliers, and ensuring compliance with our SCoC. DLG is one of Europe's largest agricultural and energy companies, and our suppliers play an important role when it comes to keeping the wheels turning. We work with thousands of suppliers, and so our efforts are centred on getting a number of our strategically important and business-critical suppliers to first adopt our SCoC and then ensure compliance. The development has been positive in 2020, and in general we have, at Group level, come a long way when it comes to the procurement of indirect goods with DLG a.m.b.a. as the frontrunner. In 2021, we will focus on ensuring that all companies in the Group follow suit. In addition, during 2020 we updated our SCoC to include a section on sanctions.

Going forward, in our work with responsible supply chain management we will conduct audits of our large and most important suppliers, possibly via an external partner. We will select a number of suppliers for more in-depth checks. It is important for us that any initiatives intended to support a green and sustainable approach are not just empty words in policies and contracts, but that they are actually implemented in practice.

Therefore, one of our focus goals in 2021 is to conduct more checks of our suppliers. The same will apply in our efforts to find new suppliers. In the future, and in connection with major tenders, potential suppliers must be able to demonstrate their green and sustainable initiatives, and that these initiatives are carried out in practice. In addition, suppliers must, of course, be able to document their

compliance with applicable legislation, labour rights etc., as stated in our SCoC.

DLG'S WORK WITH SANCTIONS

An important focus area for DLG in 2020 was our efforts to ensure compliance with sanctions which have been adopted by the EU, the UN and the USA. In our view, any company working with social responsibility should, support the sanctions – both economic and political – which have been imposed by the global community.

On July 1st 2020, we therefore initiated a thorough review of our Group policy on sanctions. At the same time, we established a 'sanctions organisation' that will work specifically with managing the sanctions imposed by the global community. The aim of centralising the management of the sanctions policy in relation to our subsidiaries is to ensure a uniform policy and to identify common tools for checking compliance with the sanctions. By reviewing our Group sanctions policy and making a process plan for the work, DLG is seeking to help protect the global community. DLG supports the idea of being able to run a business as part of a safe and responsible global community. However, this is only possible if we prioritise the work with sanctions to make sure that we are regularly informed about sanctioned companies etc. worldwide.

Finally, in 2020 we established a more centralised compliance function under DLG a.m.b.a., although local responsibility for compliance still lays with the individual subsidiaries. By having a centralised compliance function and shared tools, we are better able to ensure regular updates and follow-up on the actual work.

EMPLOYEE INVOLVEMENT IN COMPLIANCE

In our work with sanctions, other compliance aspects and responsible supplier management, it is important that our employees are involved in the process to ensure that it is relevant and transparent how DLG would like these matters to be handled within the Group. In addition to preparing the written policies, this involves ensuring that these policies are implemented across the entire Group.

To ensure this, at DLG we work with so-called 'local compliance officers' and 'superusers', who are the people in the individual subsidiaries who are responsible for ensuring that the DLG Group always complies with the overall compliance set-up. In connection with the preparation of our sanctions policy in 2020, we have held a number of webinars to present the sanctions policy and invited dialogue. We have shown how to use the tools for the compliance work, and subsequently followed up on how it works in practice.

In 2021, the centralised management principle will be rolled out to cover 'superusers' and 'local compliance officers' at the subsidiaries working within the areas of competition law, anti-corruption, fraud, the Supplier Code of Conduct etc. We will continuously review our policies and conduct training sessions with selected groups to ensure that the policies are applied in practice. This is a far-reaching organisational exercise through which DLG wishes to strengthen the responsibilities that follow from having a centrally managed function in collaboration with the selected employees. In addition, we have established a whistleblower scheme so that all employees can safely report any irregularities they might encounter or concerns they might have in the course of their work at DLG.

SOURCING OF RAW MATERIALS

DLG imports large quantities of raw materials from South America and Asia among others. In procuring raw materials, sustainability is of paramount importance, especially in connection with imports of soybean meal, a raw material that DLG uses for most compound feed.

According to DLG a.m.b.a.'s raw materials procurement policy, at least 90% of our suppliers must have a certified quality system in place covering the raw materials that DLG purchases. We are committed to ensuring that as many as possible of the raw materials we buy are certified in accordance with the Good Manufacturing Practice (GMP) system, so we can be sure that the products are produced according to certain standards, are of a certain quality and that all links in the value chain meet the same requirements.

SOYBEAN MEAL IMPORTS

DLG's biggest import product is soya, and as the first Danish agricultural company, in 2019 we committed to ensuring that, by 2025, all our soya imports must be verified deforestation-free according to the guidelines of the European Feed Manufacturers' Federation (FEFAC) for responsible soya.

At DLG, we have been working to make our soybean meal imports more sustainable since 2013. Our efforts have included visiting our suppliers several times and regularly discussing what they can do to help us live up to our agenda. As a member of the Danish Alliance for Responsible Soy, we have, together with other stakeholders who are also working to make soya

more sustainable, committed to the alliance's vision and goal that the soya imported into Denmark should be responsibly produced and does not contribute to deforestation. DLG is committed to continually increasing the proportion of sustainable soya by 20% a year until 2025: 2021: 20%, 2022: 40%, 2023: 60%, 2024: 80%, 2025: 100%.

To achieve our goal, we are in close dialogue with our suppliers on the development of increasingly sustainable soya production. We are requiring our suppliers to comply with our own charter and Supplier Code of Conduct. The latter comprises several elements, one of them being a requirement that suppliers sign up to the UN Global Compact. We are seeing that DLG's suppliers are positive about our requirements, and that several of them have thus signed the DLG Supplier Code of Conduct. In 2021, DLG will maintain momentum in relation to our suppliers because we know that it takes time to implement changes in the producing countries.

DLG is one of the first links in the food chain, and is able to exert influence on agricultural practices as early as at the point of procurement of the soybean meal. Denmark is one of the first countries in the EU and worldwide to introduce sustainability requirements in soya production. Denmark buys less than 1% of the world's total soya production, while the EU as a whole buys 10%. At DLG, we want to drive sustainable development, but we will continue to work closely with Danish and European players – including the European Feed Manufacturers' Federation (FEFAC) – to ensure that united European solutions are devised to further speed up the transition to a more sustainable soya production.





The DLG Group's Swedish agricultural company Svenska Foder purchases soya which is produced according to the guidelines described in the Swedish Soy Dialogue. This means that 100% of the soya used for animal feed in Sweden is of non-GMO standard and certified according to either the ProTerra Standard, Round Table on Responsible Soy (RTRS) certification, EU Organic certification or the International Federation of Organic Agriculture Movements' (IFOAM) Organics Guarantee System, or that the soya has been evaluated after an external audit based on specific criteria in the Swedish Soy Dialogue.

In 2020, approx. 80% of Svenska Foder's soya was certified according to the ProTerra Standard, a non-GMO standard that sets out rules for good agricultural practice, chemical use, energy consumption, working conditions and respect for local residents and indigenous peoples.

SOURCING OF VITAMINS, MINERALS AND OTHER FEED COMPOUNDS

DLG's vitamin and mineral activities are gathered under the Vilofoss brand. The raw materials used in the production of vitamins and minerals are sourced in other parts of the world, and imports are controlled and regulated in accordance with Regulation (EC) no. 1831/2003 laying down requirements for feed hygiene, and Directive 2002/32/EC on undesirable substances in animal feed.

We are committed to working proactively with our producers and suppliers in order to shoulder our joint responsibilities for people and the

environment. Therefore, we regularly conduct on-site supplier audits in Denmark and abroad, which involves checking conditions at the relevant producers. Many of our raw materials come from the fermentation and chemical industries. These production methods require highly skilled labour, and countries such as China, for example, have in recent years been investing in the recycling and treatment of wastewater. China has generally come a long way when it comes to controlling energy sources and the environment, as in recent years the Government of China has imposed stricter requirements on production companies and their CO₂ emissions. Vilofoss has also started to have even more raw materials delivered directly by container to the new DLG terminal in Taulov. The direct link between producer and Vilofoss as the customer is expected to be an even bigger focus area in future.

We impose strict requirements on our suppliers, and on-site supplier audits thus have a high priority as they make it possible for us to see with our own eyes how the processes are carried out and thus ensure that we can vouch for both the working conditions, the production itself as well as the commercial aspects. We want to know at all times whether we, as a company, can vouch for what we do as well as the practices of those with whom we do business.

All our producers and suppliers are also certified in accordance with the Aquaculture Stewardship Council's Feed Standard (GMP+, FAMI-QS etc.).



RESPONSIBLE CONSUMPTION AND PRODUCTION – ABROAD AND ON DANISH SOIL

In 2020, DLG received the delivery of the first verified deforestation-free soya at the Port of Aarhus. The event was marked by a ministerial visit and important discussions on DLG's goal to use 100% sustainable soya in livestock production in the future.

In October 2020, DLG received the first shipment of verified deforestation-free soya at the Port of Aarhus. More is on the way, and in 2021, 20% of the soya imported by DLG will be verified deforestation-free.

In connection with the unloading of the sustainably produced soya, DLG invited the then Danish Minister for Food, Agriculture and Fisheries Mogens Jensen to visit DLG's bulk terminal in Aarhus, where he met Group CEO Kristian Hundebøll and Jesper Pagh, Executive Vice President, Animal Nutrition. The topic of the meeting with the minister was DLG's goal that, by 2025 at the latest, all soya used for animal feed in Denmark should be produced without contributing to deforestation.

"We're thrilled that the minister decided to drop by DLG so we could discuss the task of ensuring sustainably produced soya for use in animal nutrition, because this is an issue which is high on both the Ministry's and our agenda. We had a good meeting and a very constructive dialogue, where we had a chance to describe in detail what the value chain looks like and the challenges and opportunities it presents," says CEO Kristian Hundebøll.

JOINING THE SOYA ALLIANCE

In 2020, DLG took an important step towards ensuring that the Group continues moving forward in sustainable direction. In August, we joined the Danish Initiative for Ethical Trade, which includes the Danish Alliance for Responsible Soy.

"In joining the soya alliance, we are showing that we take our soya ambition seriously, and that we want to work even more closely with other stakeholders who

are also working to make soya production more sustainable," says Jesper Pagh, Executive Vice President, Animal Nutrition, adding:

"We're very much aware that, as a soya importer, it is our responsibility to help ensure that soya is produced responsibly. We're working to bring about lasting, positive changes in the countries where the soya is produced, and such changes take time."

A large excavator bucket is shown pouring a thick stream of yellow soybean meal into the hold of a red ship. The meal is falling in a wide, conical shape, creating a large pile at the bottom of the hold. The excavator's arm and bucket are visible in the upper right, and the ship's hull is red with some white markings. In the background, a large industrial structure, possibly a silo or part of a processing plant, is visible against a clear sky. The scene is set during the day, with natural light illuminating the meal and the ship.

BIOREFINE: GREEN PROTEINS IN TOMORROW'S FEED

At DLG, we use soybean meal in most of our compound feeds, in which it is the only source of protein. While actively working to promote the production of sustainable soya, we are also looking at how we can produce our own locally grown Danish protein.

DLG has, together with the global seed company DLF and Danish Agro, established the company BioRefine A/S, which will produce concentrated Danish protein from clover grass and lucerne for organic feed and, in the long term, also protein for food products.

In 2020, a location for BioRefine's production was identified, and the plan is for the production of grass protein to begin in 2021. In the long term, DLG's goal is to replace some of the imported soya which is used as a protein source with locally produced Danish grass protein.

ANTI-CORRUPTION AND PREVENTION OF FRAUD

Corruption is not accepted in any form in the DLG Group. Since 2015, we have therefore worked according to the group's anti-corruption policy, and we are continuing our efforts to anchor the policy in the organisation and ensure compliance. DLG will not run a business based on corruption, and we take the view that our employees should neither use nor receive bribes. This position is underlined, among other things, by our adoption of the UN Global Compact, which encourages companies to 'work against corruption in all its forms, including extortion and bribery'. In addition, DLG only allows participation in supplier-financed events if such events are not lavish and have an explicit and predominantly business-related purpose. Furthermore, DLG has a policy that we only accept gifts which are characterised by being occasional gifts and of negligible value. The policy is structured in such a way that no gifts of any kind may be received by employees who are directly or indirectly involved in sourcing or the conclusion of contracts with suppliers.

DLG's anti-corruption policy explains DLG's position on corruption and how to avoid it. The policy also emphasises the importance of explaining to employees how to behave in situations where they feel

unsure whether they are being faced with bribery or corruption. At DLG, we generally make a point of ensuring that policies are not just written documents, but that they are also actively implemented and complied with by employees.

During 2020, our main focus was on the continued anchoring of our anti-corruption policy throughout the Group, and the work involved in strengthening cooperation across the Group has thus been a key focus area. DLG's anti-corruption work is, like the other compliance areas, part of the compliance work of DLG's centrally managed compliance function. At the same time, we will continue to ensure a high degree of consistency between policy and processes across the Group, for example through the adoption of a policy for the whole group. In continuation of the groupwide work, in 2021 we are also introducing a whistleblower scheme.

Anyone working for DLG has a responsibility to help detect, prevent and report instances of suspicious activities. At DLG, we see it as our duty to create a safe environment for employees so they always know who to turn to in the event of anything suspicious. There are several channels that employees can use.

In case of suspected corruption, they can report their concerns to their manager or to the Group's legal department.

As with the sanctions policy, the implementation of the anti-corruption policy will involve the appointment of 'local compliance officers' or 'superusers' who will ensure policy compliance in the individual subsidiaries. Here too, we are working with e-learning and training sessions for employees, so they know how to implement DLG's anti-corruption policy.

DLG's trading department carries out regular risk assessments of our business partners, supplying up-to-date lists of companies with whom we will not cooperate. At the same time, the work is a chance to assess active business partners and whether they comply with DLG's CSR requirements and reporting in accordance with current standards, for example the UN Global Compact.



RESOURCE EFFICIENCY





GOALS FOR 2021

- Consistent logistics optimisation to reduce the emissions from and costs of transporting our raw materials throughout the value chain
- In 2021, the work to reduce the Group's carbon footprint should reflect the objectives of our sustainability plan
- In 2021, a number of preliminary projects will be launched with a view to providing farmers with climate data and driving the development towards sustainable farming practices
- All business units will cut consumption of their primary energy resource by 2%. Each business unit must specify its primary energy resource and draw up an action plan to achieve the goal

PRODUCTION, OPERATIONS AND LOGISTICS

As one of Europe's largest agricultural companies and one of the largest transport operators in Denmark, resource-efficient operations, production and logistics play an important role for our business – in relation to our bottom line as well as for our competitiveness and sustainability in general.

One of the challenges associated with optimising our resource consumption is that DLG operates in a weather-dependent industry. In a year with a wet harvest, our energy consumption for drying grain will be high, while a more normal harvest will lead to higher energy consumption for moving the larger volumes harvested. Other measures – such as better pellet quality and less fat in the feed compounds – also drive up energy consumption.

However, there is no doubt that it is in this area of our business that we can really make a big difference when the right buttons are pushed. Having 'our own house in order', and constantly optimising our energy and resource consumption and minimising our impact on nature, the environment and climate are therefore of paramount importance to us.

The past year has generally been a positive one for the entire group in terms of production and logistics issues, and there is also a lot to look forward to in 2021.

Our new logistics terminal in Taulov near Fredericia is one of many good stories from the year. The terminal is centrally located in Denmark, and is leading to a significant reduction in the total number of kilometres driven because our customers' orders are being delivered using one truck rather than, for example, five different vehicles.

In 2021, our activities in this area will increase further based on the Group's overall sustainability plan. This will involve setting concrete goals, which will determine the framework for our work and provide a clear sense of direction. The goals for 2021 defined in this report will also be based on the long-term objectives of our sustainability plan.





OPTIMISING TRANSPORT

There are many parameters which are worth measuring when it comes to improving our transport operations. DLG transports many tonnes over long distances by road – and our vehicle fleet is therefore large. DLG is continuously replacing older trucks with newer models, resulting in significantly reduced fuel consumption and lower particulate emissions.

Our fuel consumption will change significantly in the coming years because of the new objectives in the sustainability plan. This year, the weighted average for the Group is a reduction of 0,055 litres/km, and in DLG, the fuel consumption has increased to 3,55 million litres - however also the number of kilometres driven per litre has increased by 3%.

Another parameter that we look at when optimising transport is the handling factor. The handling factor expresses how good we are at handling the large volumes of raw materials and crops efficiently. Our goal in 2020 was to reduce the group's handling factor and to focus on optimising tonnes per shipment and reducing kilometres per tonne. The last two variables express the energy efficiency of DLG's trucks when loading and transporting large volumes. Overall, the group reduced its handling factor by 4%.

A wide range of energy-efficient measures have been implemented throughout the Group. For example, Team has implemented a new structure in logistics, which has led to the centralisation of all deliveries in Hamburg, Schleswig-Holstein, Lower Saxony, Mecklenburg-Vorpommern and Berlin Brandenburg. This greatly increases efficiency in relation to route planning, and means shorter routes and thus more tonnes delivered per kilometre. In addition, drivers are also





receiving training in energy-efficient driving, with two fleet managers being taken on recently to assume responsibility for the task.

The Group as a whole reduced kilometres per tonne by 0,6 km (or 2%), which overall is satisfactory and better than in 2019. At Group level, however, the development in tonnes per shipment has been static.

ENERGY CONSUMPTION IS DECREASING

Consumption of our primary energy resource in our production facilities and in our storage facilities was significantly reduced in 2020. This is due to several energy-saving activities and projects. The weighted average for the group shows a reduction in gas and electricity consumption in production of 5% and 8%, respectively. Likewise, there has been a reduction in gas and electricity consumption at our storage facilities of 41% and 7% respectively. Vilofooss has cut electricity consumption by 9% while HaGe has reduced gas consumption at its storage facilities by 65%. The significant reduction is mainly due to the dry harvest in Germany and thus less of a need to dry grain.

In 2020, the Group's CO₂-emissions has been moving in the right direction. The emissions caused by electricity is reduced by 114,352 kg and emissions caused by gas is reduced with 742,233 kg. The projects which have helped to support this positive development have been undertaken, for example, in DLG's production. Here, 12 projects have been carried out, which together represent a potential saving of 1,998 MWh a year, including the optimisation of a steam system in Aarhus and heat recovery with improved heating in Tjele. The German company HaGe also has plans to optimise its

production. Among other things, old ventilation systems in need of modernisation have been replaced to save electricity, and new boilers have been installed in Neubrandenburg and Kiel. At the end of the year, further energy-saving projects were also launched. Among other things, by mapping energy consumption at the Danish factories, 1,000 MWh a year can be saved in the 'Miscellaneous' category. These projects are the result of the group's focused LEAN work. In Svenska Foder, for example, there are 16 LEAN agents, who all operate in their respective specialist areas as an integrated part of their normal duties. This is not part of a LEAN project as such but achieves general improvements in everyday practices. At DLG, the focus is particularly on making sure that tasks and solutions that have been optimised by LEAN agents at specific locations can be implemented more widely within the Group.

In the coming year, even more work will be done to improve resource efficiency across the Group based on the aforementioned sustainability plan. Here, long-term goals have been laid down for the period up until 2050. The work has to start now if we are to achieve our objectives. It requires that we continuously work to optimise our production, operations and logistics.



A SMALL SEED MAKES A BIG DIFFERENCE

At Sejet Planteforædling I/S, skilled researchers and plant breeders are working with new genetics and developing the climate-friendly crops of the future. Plant breeding is an important area of activity on the road to a climate-neutral food industry by 2050, one which will have to feed an ever-growing world population.

The European Commission has established the European Green Deal, a set of political initiatives designed to make Europe climate-neutral by 2050. In agriculture, the strategy is called 'From Farm to Fork', and it sets out ambitious objectives for reducing agricultural GHG emissions.

In 2050, the world's population is expected to have increased to approx. 10 billion people, and all of them will need feeding. Analyses by the World Resources Institute shows a 'food gap' of 56%, which means that if global food production remains at the same level as present, there will not be enough food available to feed everyone in 2050. Therefore, those of us working in agriculture face a huge task, in that we need to produce more food without utilising more farmland in order to live up to the EU's goal of reducing agricultural GHG emissions. One way of achieving this is plant breeding. We must farm our

existing farmland much more efficiently than we are doing at the moment.

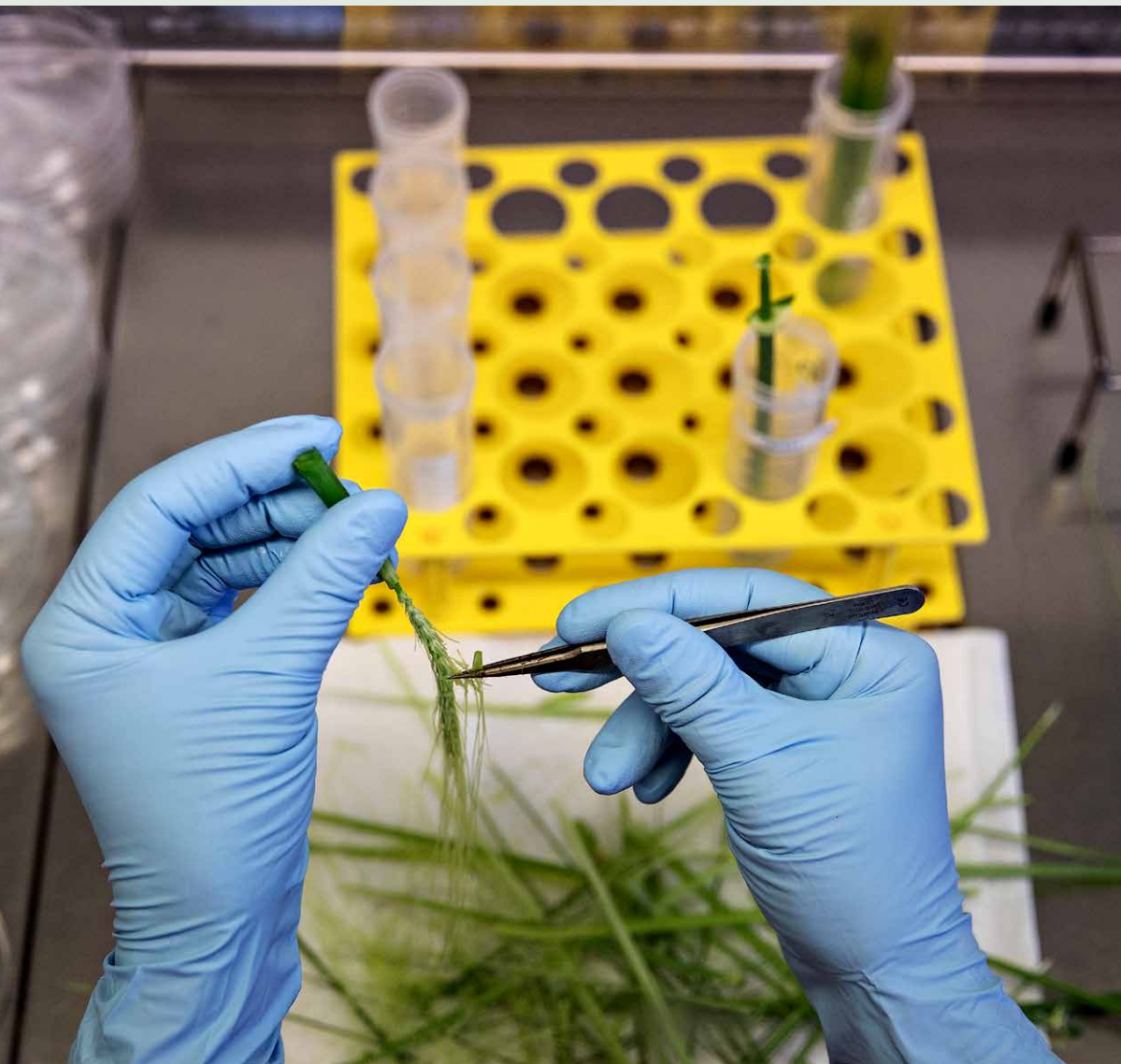
Sejet Planteforædling I/S in Horsens works to create new climate-adapted crops. Here, the grain is bred for greater disease resistance, increased straw strength for withstanding heavy rain, as well as better root systems for improved drought resistance.

"The pressure on our industry is greater than ever. The world has realised that plant breeding is an important step towards reducing the climate impact of agriculture. When you can't just farm more hectares, you have to farm the hectares you've got more efficiently – among other things through new genetics," says Birger Eriksen, Managing Director at Sejet Planteforædling I/S.

REDUCTION IN GHG GASES

Several calculations show that plant breeding increases yields by between 0.8 and 1.1% a year. In other words, plant breeding can increase production without using more agricultural land, resulting in a significant reduction in GHG gases per kg of harvested grain.





“Through breeding new varieties, we have the chance to improve productivity through plant breeding without increasing our climate impact. I’ve always said that you have to sow the field anyway, so why not sow it with something that is more resistant, has a higher yield and which uses the sun’s energy more efficiently,” says Birger Eriksen.

Until now, the focus of plant breeding has primarily been directed at the plant which is above ground level, but Sejet is also working on improving the roots. The aim is to increase the amount of fertiliser absorbed by the plant, and indirectly reduce the release of nitrous oxide, which is a very active GHG gas.

STABLE AND CLIMATE-FRIENDLY PLANT PRODUCTION

Using the latest technologies, Sejet Planteforædling I/S is creating the more complete grain varieties of tomorrow. Varieties which can contribute to stable and climate-friendly plant production, and which in the future will also help to feed the planet.

Thanks to Sejet Planteforædling I/S, farmers can sow a small seed in their fields and look forward to harvesting high-performance plants. Plants that make optimum use of the water and fertilisers at their disposal, and which are also resistant to disease and extreme weather.

“I’ve been in this business for many years, and it’s great that the world is becoming aware of what we can do. Because the huge task of reducing our impact on the climate starts at the genetic level with a small seed,” says Birger Eriksen.

”THE INTELLIGENT BUILDING”

‘Little strokes fell great oaks’. In 2020, DLG moved into a completely new head office – ‘Aksen’ – in Fredericia which, even though it is on a relatively small scale, nevertheless incorporates a number of sustainable choices. Although the head office accounts for only a fraction of DLG’s total carbon footprint, it is always important for us to take as many – even small – sustainable steps as we can.

In designing ‘Aksen’, the focus was on minimising the building’s environmental impact and on making sustainable choices. For example, the building has a green roof with a naturally cooling effect in the summer and a heat-insulating effect in the winter, thus ensuring energy savings. In addition, and depending on the size, a green roof can absorb approx. 1.2 kg of CO₂. We also have solar cells on the roof which, since we moved into the building in June 2020, have generated 11,500 kWh. Last but not least, ‘Aksen’ is clad in FSC-certified wood.

There are 300 employees working in ‘Aksen’, and we believe that a healthy and well-functioning working environment contributes positively to the results they achieve. Consequently, in designing the building, the focus was on creating the right conditions when it comes to lighting, heating, healthy ventilation, power supplies, Internet connections and nutritious food in the canteen. Sustainable choices are even made in the canteen. The canteen has a composting system which is fed with leftover food, after which the compost is used in the herb garden. On the following page is a list of all the sustainable measures which have been incorporated into DLG’s new building. A building we also call ‘the intelligent building’.





SUSTAINABILITY IN 'AKSEN'

BUILDING MATERIALS

- Green Sedum roof
- Wooden windows
- Low-energy windows
- High-insulation facades
- Eco-labelled materials: carpets, ceilings, acoustics
- 'Aksen' is clad with FSC-certified wood – inside and out
- Water-saving hands-free faucets
- Parking and wayfinding signage made of natural materials – raw oak
- The DLG logo outside is made of natural material – granite
- Green areas with six different plant species for greater biodiversity



ENERGY

- Intelligent lighting (sensors) and LED
- 300 square metres of solar cells on the roof
- Central regulation of heating and cooling
- Intelligent facade with automatic daylight regulation + light-controlling blinds
- Charging stations for electric cars



WASTE SORTING

- Waste sorting throughout the building
- Composting system in canteen
- The compost is used by the canteen in their herb garden





OUR PEOPLE





GOALS FOR 2021

DIVERSITY

- In 2021, all managers will complete the 'Leading Inclusively' course, which is all about diversity and inclusion.
- Through inclusive management practices, the organisation must create an inclusive culture where every employee can contribute and feel at home.
- We are committed to building a diverse management pipeline by focusing on attracting, retaining, developing and promoting female talent.
- We must activate diversity and inclusion through 'special working groups' with employees from the organisation.

WORKING ENVIRONMENT

- Our new OHS organisation becomes effective, and everyone has to find their roles and tasks.
- The results of the workplace assessment (WPA) must be processed by the OHS organisation's new IT system, and the solutions must then be implemented.
- The target for the number of registered near-miss accidents is 210 in DLG a.m.b.a. and Vilofoss.
- We must learn to use the OHS tool SafetyNet at all levels in DLG.
- Protective equipment will be a key focus area in terms of procurement, use and inspection.

DIVERSITY

At DLG, we are keen to be a workplace that values diversity, as we know that it creates results – and thereby value for our customers and owners.

One of the goals for 2020 was to have one woman elected to the Group's Board of Directors. This has involved the Board of Directors and the Chairman of the Board of Directors, who in 2019 and 2020 held two information meetings aimed at inspiring more women to run for election to DLG's Board of Representatives, from where members of the Board of Directors are elected.

The efforts have paid off, as 12 women were elected to the Board of Representatives in the May elections – three times as many as previously. The women on DLG's Board of Representatives now account for 15% of the owner-elected members, whereas in farming fewer than one in 10 farmers are female. The larger number of women on the Board of Representatives has resulted in one owner-elected woman being elected to DLG's new Board of Directors, which is made up of 13 women and men. Three are external members, which helps to increase the diversity of competencies, and it also means that there are now three women in total on the Board. We will continue our efforts to increase the number of women on both the Board of Representatives and the Board of Directors in 2021. At least by 2024, there should still be three women on the board.

DLG's work with diversity and inclusion does not start and end with the two boards. It is also about anchoring changes in the business, and we expect significant improvements in this area in the coming years. However, as with electing more women to the Board of Directors, we cannot wait for things to change of their own accord. It takes targeted action, and this will become an ever more important aspect of how we work.

DLG's diversity efforts are outlined in our diversity strategy, which is not just about gender.

THE STRATEGY DESCRIBES OUR OVERALL VISION FOR DIVERSITY AND IS BASED ON FOUR ELEMENTS:

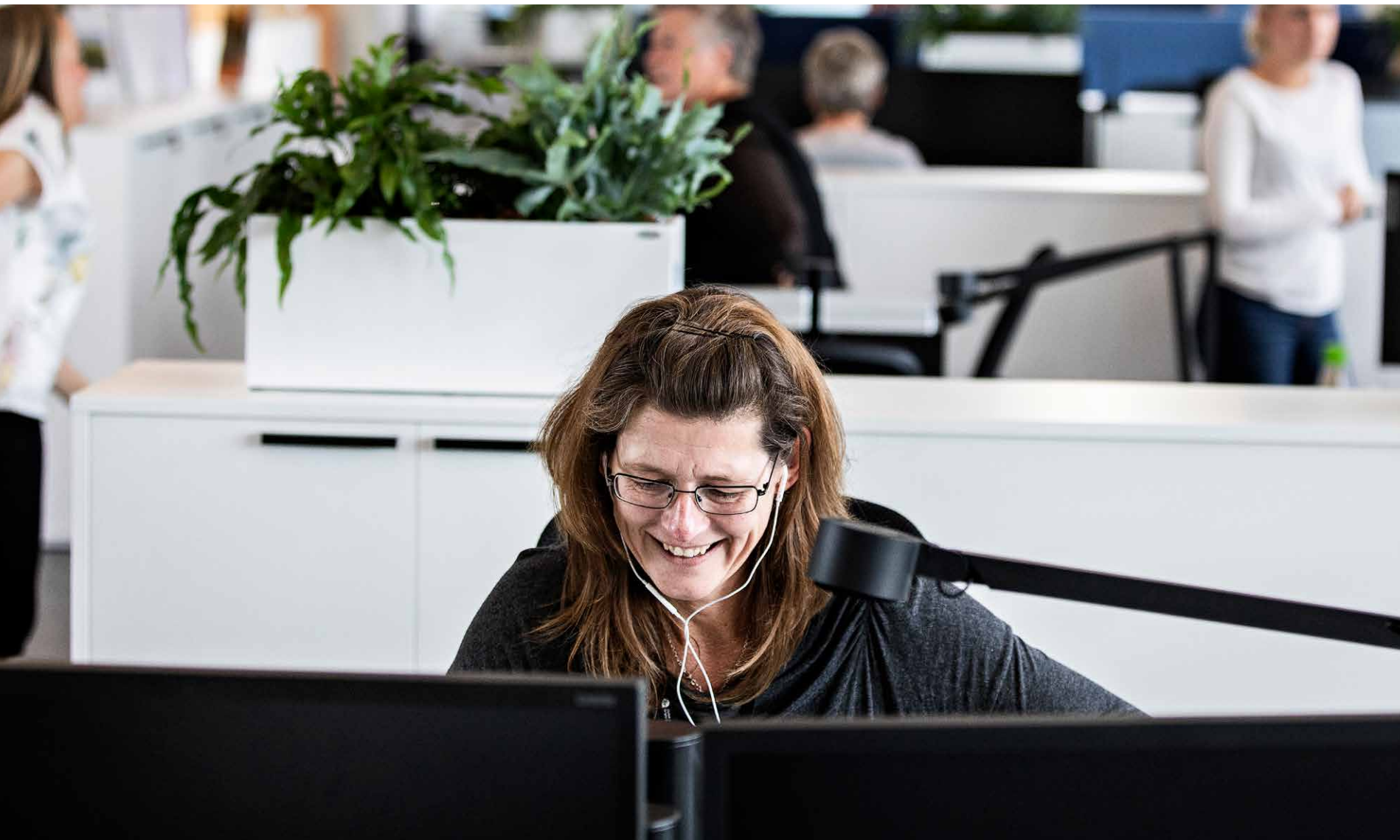
- We will establish an inclusive workplace by supporting a culture that promotes collaboration and fairness, and which gives individual employees the opportunity to make a contribution and develop their full potential
- We will recruit and hire from a diverse and qualified group of potential candidates to ensure a high-performing workforce
- We must have managers who can lead in a diverse environment and create an inclusive culture

- We take responsibility by measuring and following up on our employees' perspectives on diversity and culture in the workplace to ensure compliance with the strategy.

We are therefore dedicated to creating an inclusive culture as well as structures that do not unintentionally inhibit certain groups. Decisions concerning recruitment, hiring, training, development and evaluation of our employees must always adhere to the principle of equal opportunities, while focusing on competencies and potential. Our strategy is to create an environment in which individual employees are respected and rewarded for their efforts, irrespective of their age, gender, ethnic background, sexual orientation or any disability. We also value diversity in the form of different character traits, educational backgrounds and ways of thinking.

INCLUSION ON THE AGENDA

In 2020, the foundations were laid for giving diversity a higher priority, and diversity and inclusion will generally be high on our agenda in 2021. Perhaps the biggest foundation stone was the implementation of a job structure in DLG covering all the positions in the organisation, based on an assessment of uniform criteria such as responsibility, influence and complexity.



Focusing on the actual positions rather than the people holding them makes it easier to ensure an objective hierarchy.

EDUCATION MAKES A DIFFERENCE

Another foundation stone for diversity that was laid in 2020, and which will be strengthened in 2021, was the focus on bias in recruitments and promotions. In our recruitment efforts, we will clarify the most important competencies which a position entails with the recruiting manager during the initial dialogue, and describe these competencies in the job ads in a specific and matter-of-fact way in the hope that this will help make the job ads appeal to a more diverse range of potential candidates.

In general, DLG will work strategically with inclusive management and culture in 2021 – not only in connection with recruitment and appointments, but also in our talent management and people review activities. There must be a shared understanding that diversity actively makes us stronger, more innovative and better equipped to deal with future challenges.

We are also taking a structured approach to talent management, and in 2020 we ran talent programmes for sales trainees, graduates and apprentices. We started a new graduate programme on September 1, 2020. This is a targeted two-year training and career programme focusing on a combination of practical hands-on experience and

theoretical knowledge. The six graduates are each attached to a part of the business such as International Sales, Business Intelligence or Commodity Trading, and the group of graduates is diverse in itself as they represent very different backgrounds and nationalities. In addition, in 2021 we will launch a trainee programme that will make it easier to employ trainees in DLG and Land & Fritid, and thereby increase the number of trainees in the Group.

GOOD CONDUCT IN FOCUS

Moreover, in 2020 we launched a ‘Good conduct’ campaign in DLG, which will continue into 2021. The aim of the campaign is to prevent unwanted conduct, and to clarify the rights of individuals to a safe and healthy working environment. In 2021, even more focus will be on this with intranet articles

and meetings and dialogue with managers, shop stewards and OHS representatives. The focus on good conduct in DLG is intended to ensure that, for example, minorities in DLG are aware of their rights and that managers know how to handle such issues.

Diversity must also be reflected in the gender diversity of our teams and the different managerial strata, as we see diversity as a strength. The share of female managers and employees has been constant in recent years, and we will therefore work harder to ensure greater diversity across functions and job levels.

COUNTRY/ COMPANY	FEMALE MANAGERS, %	FEMALE EMPLOYEES, %	FEMALE SALARIED EMPLOYEES, %
DK TOTAL	26	30	44
DE TOTAL	12	27	41
SE TOTAL	28	43	54
FR TOTAL	14	26	41



EXTRACTS FROM OUR GOOD CONDUCT POLICY:

“DLG must be a safe and healthy workplace with a high level of job satisfaction. It is therefore important to clarify what DLG deems to be good conduct at its locations and in work contexts. It is important that all employees experience mutual respect, trust and communication that takes place in an equal and healthy atmosphere where respect for each other has pride of place. DLG wants to ensure that individuals experience a safe and healthy working environment where measures against unwanted conduct are a key element. For this reason, bullying, harassment, sexual harassment and other types of offensive behaviour are not tolerated at DLG.

IN DLG:

- we treat each other properly, as equals and with respect in an inclusive culture that is characterised by good manners and conduct
- we show inclusiveness, tolerance and respect for diversity
- we do not speak condescendingly to each other
- we do not watch passively if a colleague is bullied, harassed or otherwise offended
- we stop and listen if a colleague or employee shares a concern or raises a case
- we are aware of signs of a lack of well-being among colleagues and employees
- we do not accept whispering behind people's backs.



FACTORY WORKER AFTER ILLNESS: "MY JOB AND MY WONDERFUL COLLEAGUES CONTRIBUTED GREATLY TO THE HEALING PROCESS"

After suffering an accident in his leisure time, Kenneth René Møller Treichel went on sick leave from his job as a DLG driver. After recovering, he has returned to DLG, where he is now working 25 hours a week as what he himself calls an 'odd-job man'. For him, being able to go to work is all part of the healing process.

In May 2019, DLG acquired the agricultural company Hindrichsens Eftf. A/S in Højer in southern Jutland, which marked the start of Kenneth René Møller Treichel's journey as an employee in the DLG Group. At Hindrichsens Eftf. A/S, Kenneth worked as a pressure/vacuum truck driver, and continued to do so when DLG acquired the company.

In February 2020, however, Kenneth's life took a dramatic turn when, as a result of a non-industrial injury, he went on sick leave. During his leave, the pressure/vacuum truck simply stood there, waiting for him to return and put the key in the ignition. However, it never happened.

"When I was told that I shouldn't drive a truck again, my thoughts started to run wild. Because what was I going to do now? Would I be fired? Would I ever see the truck again? So on top of being sick, I also needed help dealing with all my 'black thoughts'," says Kenneth.

FACTORY ODD-JOB MAN

However, his worries proved to be unfounded, because Kenneth and DLG came up with a new plan, and he is currently employed by the DLG Group's factory in Skærbæk – now for just 25 hours a week. His job includes, for example, taking samples of finished feed, analysing the samples and cleaning at the factory. Kenneth is thrilled with all his new tasks and enjoys working for DLG.

"I work as an odd-job man at the factory, and I'm delighted to be back at work. For me, it's part and parcel of the healing process to be working, and to be able to talk openly about my period of sickness

with my colleagues. And I'm just incredibly happy with DLG as a workplace – I have no complaints at all," says Kenneth.

BIG HELPING HAND FROM COLLEAGUES

Kenneth is well aware that the DLG Group takes his recovery seriously, and considers his needs as an employee. One specific example made an impression:

"On one occasion I worked 45 minutes overtime, and a couple of days later my manager mentioned that I should remember to go home on time. For a split second, I thought: What on earth is going on here? But then I felt pretty happy, because they're just looking after me," says Kenneth.

A big reason for Kenneth feeling so happy with his job is also the welcome he was given on returning to DLG and the daily banter he enjoys with his colleagues. They are very inclusive, and full of understanding for what he has been through.

"I get on extremely well with my colleagues. I don't feel they treat me differently, even though I'm working fewer hours. We work together extremely well, and there's a great team spirit. If somebody is off work, we simply step in and help one another," says Kenneth.

He says that despite his sick leave and the fact that he is now working reduced hours, DLG displays considerable confidence in him as an employee, and he is always learning and being given new tasks. Feeling that he is learning means a lot to him, as it makes him feel more useful, both professionally and physically.

"I've only ever felt welcomed by DLG since I returned from being on sick leave. And I'm very grateful for my 25 hours a week, as I love working. One Saturday, when I was bored at home, I took my bike out and cycled to the factory. Here, I was allowed to help control the factory together with the factory manager for three and a half hours. It was really cool," says Kenneth.





DIVERSITY MEANS NOTHING WITHOUT INCLUSION – INTERVIEW WITH ANETTE PAPUGA, DLG'S HR DIRECTOR.



Anette Papuga, HR Director at DLG Group, explains here why diversity and inclusion are so important – for all the Group's employees as well as for our bottom line and our customers.

WHY IS DIVERSITY IMPORTANT IN A WORKPLACE?

As a market leader, it is important to reflect the world outside the workplace in order to create value for our customers in the best possible way, because with broader and different perspectives and thinking we can make better decisions and better understand and meet the needs of the market and the world in general. So diversity is crucial. But we only see this effect when we actively work with inclusion. Inclusion is an important step which comes after diversity. A diverse workforce is not enough – we also have to ensure that everyone becomes an active part of the Group.

WHAT CAN WE DO PRACTICALLY TO GIVE DIVERSITY A HELPING HAND AT DLG?

For our diversity initiatives to succeed, it's important that we understand the challenges we face.

And we need to empower our organisation and employees. They must be consulted, contribute and take ownership for this important agenda for us to succeed properly. Therefore, we're also planning to create working groups with ambassadors, who will be given goals which they have to achieve within their areas. These constructive challenges will undoubtedly be tackled differently, and this will give us the opportunity to share knowledge with each other, which we believe will contribute to faster value creation.

WHAT MEASURES HAVE PROVED SUCCESSFUL IN RECENT YEARS?

DLG has already come a long way by having decided what should be on the agenda and what is important. This is a necessary step in an organisation like ours. And we have already greatly improved the composition of our Board of Representatives and Board of Directors, where specific initiatives have resulted in more female members. We have started at the top of our organisation and decision-making hierarchy, and it is proving successful. And we believe that we can build further on this success.

We also have a Chairman of the Board who raises the issue in public. Finally, we are open about our challenges, which makes it all considerably easier.

WHAT DOES WORKING WITH DIVERSITY REQUIRE OF US AS A COMPANY?

Together, we need to identify what is good practice, and establish a focused collaboration across the company and the HR department to create momentum via our managers, employees and the ambassadors involved in the process that is set to kick off in 2021. It's a great way to create commitment and job satisfaction.

ISN'T DIVERSITY JUST SOMETHING WE DO TO BE POLITICALLY CORRECT?

Diversity is not simply a political agenda or something we must do because it looks good. It pays to think about diversity. There's a positive correlation between good decisions and business performance that benefits our workplace, customers and owners – and who doesn't want to be a part of that? Diversity is reflected in performance. Research indicates that performance is increased by 17% and there is 30% more collaboration across teams, and that employees work 20% more innovatively. All of this has a direct impact on the bottom line. So, it certainly pays to devote some energy to working with diversity and inclusion. In addition, more focus on diversity allows us to recruit a broader talent base, resulting in greater innovation and a market-leading position.

IS DLG AS WE KNOW IT TODAY GOING TO CHANGE?

Of course, we must hold on to all those aspects of DLG's culture that make the organisation so wonderful. What DLG did yesterday helps us today – but just because it has brought us to where we are now, it does not necessarily mean that it will make us succeed tomorrow. The world is constantly changing, and we are constantly learning – and we must build on that.

When talking about diversity and inclusion, I'm obviously thinking of the whole Group. However, we need to think 'glocally' – globally and locally – and what we are planning to roll out in 2021 can be rolled out across the Group over time, but we need to start somewhere. We are starting in Denmark, but we will also be involving our subsidiaries' HR functions so we can take advantage of what we learn along the way throughout the Group.

That said, we also have to understand the political importance of this. If we don't appreciate how important it is, then it won't work. You can lose all credibility and, in the extreme, even our 'licence to operate', as we have seen in the media industry and in politics. The recent much-publicised problems regarding equality, discrimination, power and inequality highlight the risks for a company of having its image tarnished while also missing out on the major benefits that diversity brings.

WORKING ENVIRONMENT

At DLG, we have 6,600 employees, who all contribute to running a successful and effective business. Trustworthy, value-creating and ambitious employees are DLG's most important resource, and they are a prerequisite for our continued positive development. A good and safe working environment is vital to ensuring that development is possible. At DLG, occupational health and safety (OHS) is about preventing industrial accidents and illness, while at the same time creating a social environment that leads to greater job satisfaction and motivation each day. Working in agriculture and production is associated with greater risks than other types of work. It is therefore vital for DLG to always maintain a safe and healthy working environment for our employees. We do this through preventive activities and information campaigns related to OHS.

In 2021, the OHS organisation will emerge in a new and updated version – the new organisation will be leaner and geographically determined. This means, in particular, that members will be working together across the companies and using apps to work more efficiently and facilitate follow-up centrally. In general, the focus this year has been on using systems which can simplify the work processes and make us more efficient. For example, a new system for handling safety data sheets, KemiData, was rolled out in 2020, which gives employees access to updated safety data sheets on both PC and app with a barcode scanner.

THE GROUP AS A WHOLE

Bringing together our new head office and regional office in Fredericia has required extra focus on occupational health and safety and job satisfaction during the change process. Everybody has had to learn to conduct themselves in a large open-plan office. It has required instructions, practice and adjustment, but we have now settled in well.

Another new workplace has been our logistics terminal in Taulov near Fredericia. Here, focus has been on the storage facilities and trucking. This year, DLG's OHS manual has been updated with a number of new topics such as 'Accidental falls from heights' and 'Using protective footwear'. The manual is constantly being revised, and is one of the main communication tools used by the OHS organisation to inform employees throughout the DLG organisation.

Our objective has been to prioritise groupwide OHS cooperation, but this is proving a challenge across the various national borders. It is important to note, however, that we can undoubtedly learn from each other in the various OHS organisations. All subsidiaries that are part of the DLG Group have an effective OHS organisation. They are experts in their own workflows and, year after year, succeed in improving the working environment for their employees. This is also reflected in the continued decline in the number of industrial accidents and injuries, as well as a range



of initiatives to improve employees' working lives.

There has been a positive development in the merger of DLG's and Vilofooss's OHS organisations, where the two organisations have now become one unified organisation.

The COVID-19 pandemic has also impacted the working environment. As many of our administrative staff have been working from home for extended



157 ACCIDENTS WITH AT LEAST
ONE DAY OF ABSENCE

DLG	VILOFOSS	SVENSKA FODER	HAGE	TEAM
18	1	0	72	66

periods, ergonomics courses have been held for everyone doing a lot of screen work, while contingency plans and personal protective equipment have also been key focus areas. At Svenska Foder, employees have also been instructed in workplace ergonomics in their home offices, and advice and support has been provided to employees working from home. A special effort has also been made to prepare guidelines so that all employees felt safe and sufficiently well-informed to perform their jobs under the new conditions.

SAFETY INSPECTION ROUNDS

Inspection rounds are an important aspect of our preventive work. A safety inspection round is one way of monitoring and checking the occupational health and safety conditions, and may, for example, lead to the registration of a near-miss and/or the establishment of an action plan. At DLG, our policy is that all locations where employees are present must be inspected by an OHS representative at least once a year. The same applies to DLG's tankers and trucks. Most action plans are handled within the stipulated deadline after a positive process. In addition, we invested in the SafetyNet program, whereby employees can access their workplace assessments from their mobile phones to stay updated on the risk assessment and its processing. The program will also be used by the OHS organisation for their safety inspection rounds.

NEAR-MISSES AND OCCUPATIONAL ACCIDENTS

We achieved our goal of increasing the number of near-misses which are registered. To prevent occupational accidents in the future, it is important that as many near-misses as possible are registered. In 2020, we registered 160 near-misses, which is more than in 2019. DLG is continuously working to improve the working environment for our employees and to comply with the authorities' regulations in this area – overseen by our competent OHS organisation.

This year, elections to the OHS organisation were held, and for the first time ever seats were contested in several areas, which underlines the fact that ours is a workplace where many employees are willing to go the extra mile for their colleagues and contribute to a good working environment.

In 2020, we registered 18 lost-time injuries in Denmark, compared to 15 in 2019. The total number of accidents in our German subsidiaries is 138 in 2020. The slight increase in the number of accidents compared with 2019 we will strive to turn in the following years by giving priority to groupwide OHS cooperation involving the sharing of best practices across countries and companies, thereby ensuring that we can learn from each other despite our different tasks and areas of activity.

The DLG Group is one of Europe's largest agricultural and energy companies.

We create value for our owners and customers as the farmer's preferred partner.

We are committed to setting the direction among Europe's leading agricultural companies.

We are committed to being an indispensable player in the world's most important industry.

The group is bound together by our core values. We are trustworthy, value-creating and ambitious in everything we do.

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