

**“By making CSR part of our future plans it becomes
an integral part of our business strategy.”**

Niels Smedegaard,
President and CEO of DFDS Group

**We move for
all to grow**





↑ CSR is embedded in
our business strategy

About this outlook

This outlook is a summary of key elements related to our new CSR strategy. For further detail please find the full report at <https://www.dfds.com/en/about/group/responsibility>

DFDS takes CSR to the strategic level

In the view of the increasing need to take care of the environment and to contribute positively to our communities, a new CSR strategy has been developed.

DFDS' core business is to move freight and passengers on ferry routes in and around Europe, and to provide transport and logistics solutions for a wide range of businesses. We have a strong focus on customer solutions and digitisation, and our ambition is to continue to grow our network and range of services.

We are fulfilling our ambitions by organic growth and through acquisitions, of which the latest was the acquisition of Turkey's leading freight ferry operator. Fulfilment of those ambitions is dependent on the support of our employees and the communities in which we are active. We believe that people will work with us and support us if they trust us to act responsibly and to do good in their communities.

By making CSR part of our future plans it becomes an integral part of our business strategy.

Developing DFDS in a sustainable direction

We are launching a new CSR strategy that is embedded in our way of thinking and it will strongly influence the way we act throughout DFDS.

The CSR Strategy details areas where there are special opportunities and therefore special responsibilities to make a difference for our staff, the environment and the communities we are able to influence. Actions include reducing our impact on the climate and marine environment, caring for people, being good neighbours and giving something back to business and local communities. The CSR strategy is therefore a key element in developing our business sustainably.

New CSR strategy and team

Our ambitions are high knowing that the ideal state keeps evolving and may be a long way off. A new CSR team has been created and the management structure strengthened to ensure implementation of the strategy and achievement of our goal to take steps every day and every year on the journey toward sustainability.

Niels Smedegaard

President and CEO of DFDS Group



Environmental Footprint

Ambition

Support marine
environment

Responsible
neighbour

Improve
air quality

UN Sustainable Development Goals



We care for our environment and our strategic theme, Environmental Footprint, supports three of the 17 UN Sustainable Development Goals (SDGs). Our work independently and with partners focusing on SDG 13, 14 and 17 will address our impact on the climate and life under water. In view of the SDGs and our business strategy, we seek to:

Support the marine environment

Operating ferries across Europe, it is natural for us to support ocean life, reduce emissions into the sea and support research and education focusing on the marine environment.

Be a responsible neighbour

Seeking to be good neighbours and reduce pollution, waste, noise and light in the communities in which we operate terminals, warehouses and offices is essential. We contribute to a cleaner environment by implementing greener alternatives.

Improve air quality

Reducing emissions of CO₂ from our fleet of ferries and trucks by operating in a more environmentally friendly and efficient way is a necessity, as is the reduction of emissions of NO_x, sulphur and other particles. We support and promote knowledge and products that can help improve air quality.



Caring Employer

Ambition

Well-being for
all employees

Inclusive
workplace

Opportunities
to do good

UN Sustainable Development Goals



We care about people and our strategic theme, Caring Employer, supports SDG 3 and SDG 5. We believe we can create a better future for DFDS and our employees by improving health, well-being and gender equality. In view of the SDGs and our business strategy, we seek to:

Ensure well-being for all employees

We see our employees as valued people and not only employees. Thus, we support their physical and mental health – i.e. their overall well-being. We want our employees to be happy when they go to work and when they go home.

Be an inclusive workplace

Employing a multicultural workforce, we seek inclusivity encompassing differences in ethnicity, gender, language, age, sexual orientation, religion, socio-economic status, physical and mental ability, thinking styles, experience and education. We believe diverse groups and teams make better decisions.

Provide opportunities to do good

We cherish the idea of engaging the company, individuals and groups of colleagues at DFDS to take initiatives to do good and to care about each other in the local communities where we operate.

CSR governance

A strategic approach to CSR requires a dedicated effort and in September 2018 we established a strategic CSR committee and a CSR team headed by Sofie Hebeltoft. She is assisted by Poul Woodall, Director, Environment & Sustainability.

Strategic CSR committee



Executive committee

Eddie Green, EVP Logistics Logistics division
Peder Gellert Pedersen, EVP Ferry division
Henrik Holck, EVP People & Ships
Niels Smedegaard, CEO
Torben Carlsen, CFO



Operational CSR committee

Valdemar Warburg, VP Group Transformation
Kasper Damgaard-Richardt, VP Group HR
(Sofie Hebeltoft, Head of CSR)
Søren Brøndholt Nielsen, VP Investor Relations
Gert Jakobsen, VP Communication
Thomas Mørk, VP Technical Organisation

CSR Team



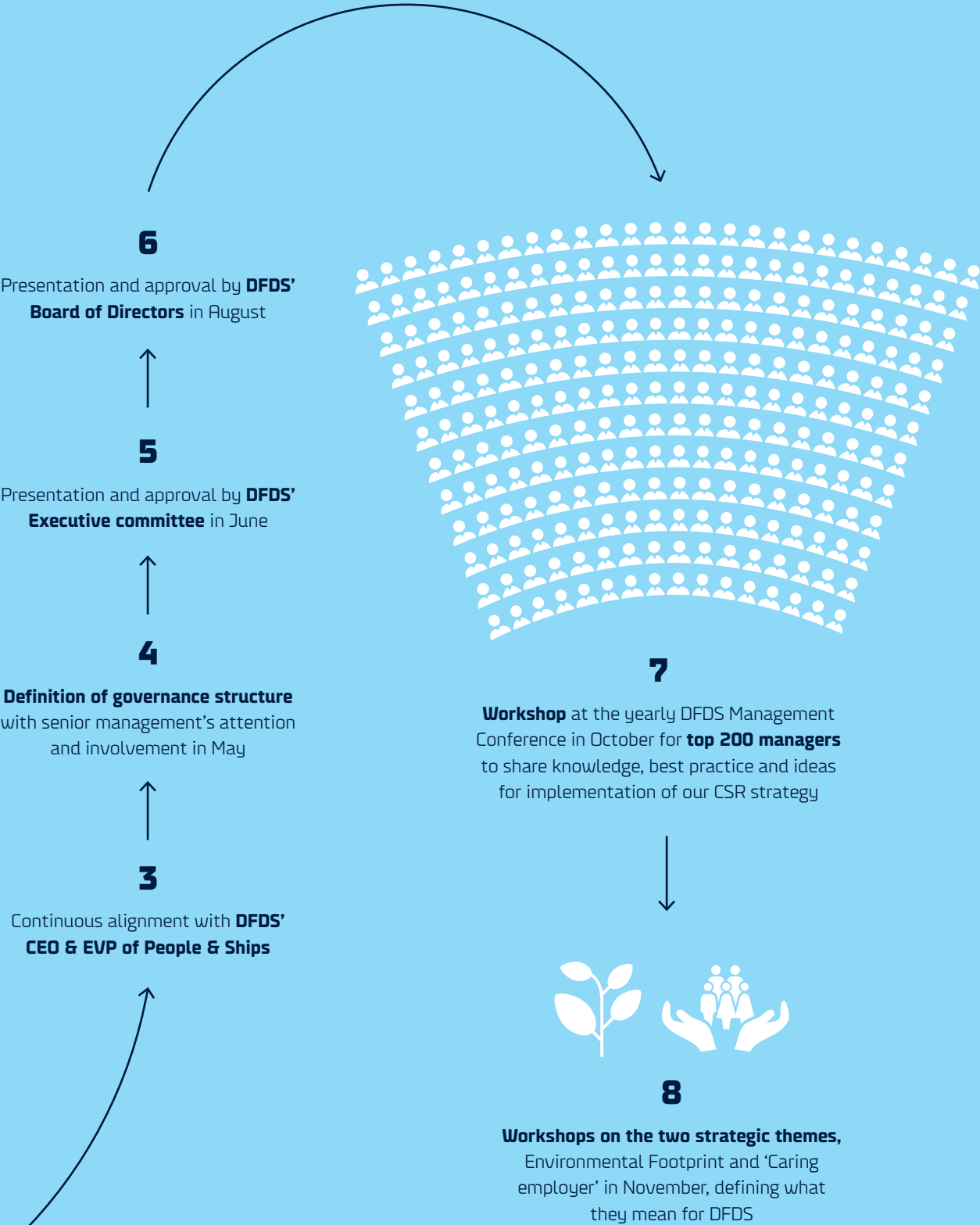
Sofie Hebeltoft, Head of CSR
Poul Woodall, Director,
Environment & Sustainability

The CSR team reports to the Executive committee and the newly-defined operational CSR committee. This joint strategic CSR committee provides the right level of attention, responsibility and decision-making power. The strategic CSR committee will meet four to five times a year and have regular dialogue with the CSR team.

In 2018 two meetings were held (September and December). The establishment of the governance set-up, feedback from the strategic workshops and initial CSR projects were discussed. In 2019 key topics will be the Code of Business Conduct, diversity and inclusivity, responsible consumption & waste-handling and supplier audits.

New CSR strategy & governance

In 2018 we developed our new CSR strategy by engaging all levels of the company – from local operations to the Board of Directors – in identifying DFDS’ most material CSR issues. We furthermore established a new CSR governance structure to ensure progress and ownership.



Diverse contribution to the strategic themes

Our two workshops in November 2018 engaged a selected group of employees and managers from various parts of the business to discuss how to take forward the two strategic themes and our ambitions.



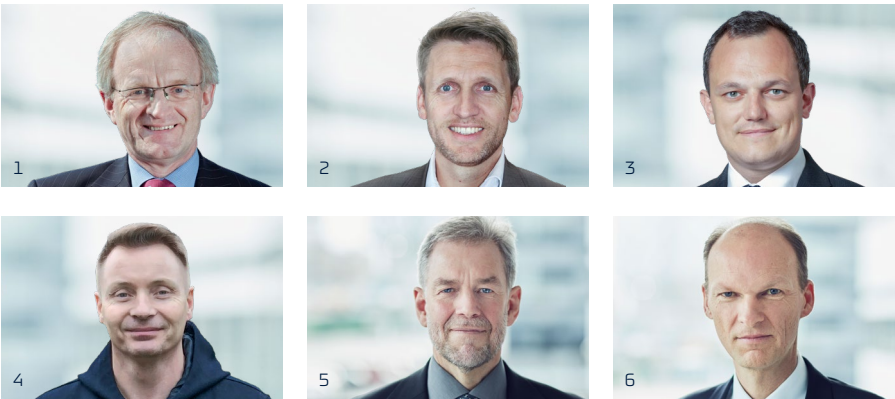
Environmental footprint

- Our ambitions:*
- Support marine environment
 - Responsible neighbour
 - Improve air quality

Our Environmental Footprint workshop engaged:

- 1 Rodney Ferguson, Managing Director
- 2 Jens Juel, Head of Strategic Sales
- 3 Sam De Wilde, Managing Director
- 4 Jeppe Nissen, Chief Engineer
- 5 Gert Jakobsen, VP, Communications
- 6 Søren Brøndholt, VP, Investor Relations

Workshop attendees:



Caring employer

- Our ambitions:*
- Well-being for all employees
 - Inclusive workplace
 - Opportunities to do good

Our Caring Employer workshop engaged:

- 7 Kasper Damgaard, VP Group HR
- 8 Robert Bately, Commercial Head
- 9 Gemma Griffin, VP, HR & Crewing
- 10 Seran Yuzbasioglu, HR Director
- 11 Jonas Nazarovas, Managing Director
- 12 Radek Mierzejewski, Head of DFDS Polska
- 13 Rikke Riise, Manager of Internal Communications

Workshop attendees:





Shore power Copenhagen – Oslo route

DFDS wants to be a responsible neighbour. In Oslo, Norway, we support the capital's environmental policy by investing in on-board shore power installations. From January 2019 and January 2020 respectively, our two passenger ships Pearl Seaways and Crown Seaways will, when calling, receive power from the port's new shore-based power supply instead of combusting diesel to produce power on board. This reduces emissions of CO₂, NO_x, sulphur and other particles in the neighbourhood.

Environmental Footprint

We strive to reduce our CO₂ emissions and other environmental impacts from our operations and seek to be a responsible neighbour that cares for the marine environment and local communities.

We fully recognise that our main impact on the climate and the environment comes from our business of moving freight and passengers on our ferry routes and from providing transport and logistics solutions for a wide range of businesses. We work to reduce the Environmental Footprint of our operations through sound practices and seek innovative and intelligent ways to develop DFDS in a greener direction.

Reducing CO₂ emissions

We have measured our CO₂ emissions since 2007 and we continuously continue to reduce the emissions per ferry, as the average fuel consumption of the fleet is decreasing year on year. Consumption of fuel is one of our largest cost areas and reduction in both fuel consumption and CO₂ emissions is of continued importance to us from an environmental, regulatory and financial perspective. We constantly investigate cleaner fuel types and in 2018 we continued to cooperate with new partners on cleaner and greener bunker fuels.

We also focus on our warehouses, office buildings and terminal operations to reduce the negative impact on the local communities. We want to contribute to a cleaner environment by implementing greener alternatives in energy consumptions, waste handling and consumption.



Environmental efforts

Local initiatives and dedicated employees drive our environmental efforts, including to:

- Collect and monitor environmental data from all our activities
- Minimise waste and optimise waste-handling at all facilities and on all ferries
- Ensure disposal of assets for recycling in a sustainable manner
- Cooperate with wider society to reduce emissions from our ferries to limits below the legal requirements
- Adopt a partnership approach and find new ways of solving logistical challenges in an environmentally sound way
- Implement good neighbour policies, respecting local environments and communities
- Communicate openly about our Environmental Footprint and how we plan to reduce it.

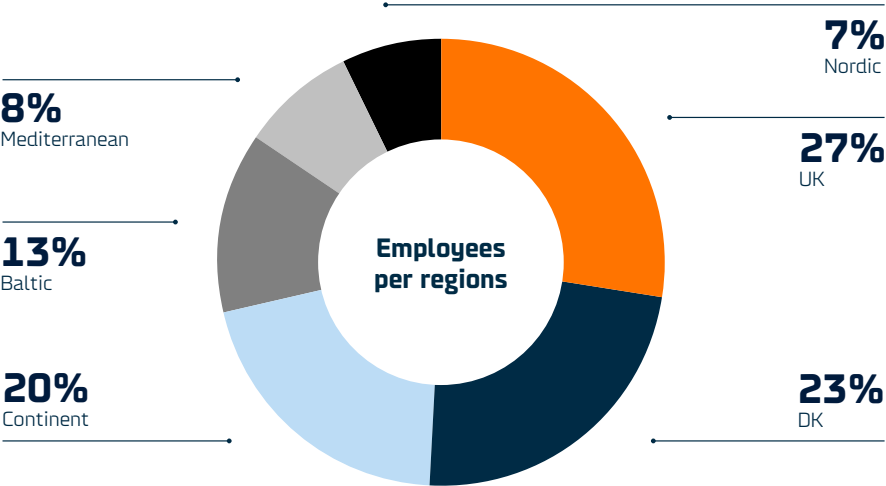
Employees engaged in doing good

DFDS employees in the UK completed the Three Peaks Challenge climbing three mountains in Scotland, England and Wales to raise awareness among colleagues for mental health issues and to raise money for a mental health charity. At locations throughout our network, employees take initiatives to benefit colleagues and people in their communities. DFDS also supports local initiatives with a funding programme and initiates projects that aim to increase the physical and mental well-being of employees.

Caring Employer

We focus on the well-being of our employees by supporting physical and mental health. We strive to foster an inclusive workplace that treats all employees fairly and attracts, develops and retains people in the countries where we operate.

By end 2018 DFDS employed more than 8,000 people in 20 countries and as such, our workforce is reflective of the communities in which we operate. More than half of our workforce is employed at sea and women make up 23% of our employees, which is on a par with the industry. Within the last years we have had the benefit of a workforce there is becoming increasingly multi-national.



Respecting others

We care – about colleagues, neighbours, people, and we want to help and support in areas where we are the best to do it. As good neighbours, as sponsors, with supporting actions.

- We treat our colleagues, customers, suppliers and other stakeholders with respect, dignity, fairness and courtesy
- We take pride in the diversity of our workforce and view it as a competitive advantage to be nurtured
- We are committed to maintaining a working environment that is free from discrimination or harassment
- We try to balance work and private life and help others to do the same
- We invest in the ongoing enhancement of our skills and abilities
- We provide a safe working environment for our employees.

Şima: DFDS’ first female captain

DFDS has adopted a Diversity & Inclusion Policy to achieve a more diverse and inclusive workplace. It has a particular focus on gender diversity, as in our industry men generally outnumber women in management positions. Among the many examples of new female managers, Şima Demir was promoted in October 2018 to become DFDS’ first female captain. She will master UND EGE in our Turkish fleet and inspire female officers and employees throughout DFDS to aspire to management positions.



Gender diversity

Diversity among employees and managers matters to us and we want to employ more women. At the same time, we recognise that our industry can create special challenges for women, particularly the time at sea.

Our first female captain shows it does not have to be that way and through the foundation Den Sociale Arbejdsmarkedsfond we have been working to establish better conditions of employment for women following maternity leave.

While women represent 23% of our workforce, we have a lower representation of women in senior management positions. In 2018 we established a Core Committee to accelerate our efforts and identify short and long-term initiatives. We engaged employees to brainstorm and share best practice on how to improve gender diversity at DFDS and will continue this engagement throughout the Group in 2019.

Through our talent management programme, 31% of the candidates selected in 2018 to engage in the assessment centre in 2019 were women. We now also run job adverts through a gender decoder and we include representatives of both genders in final interviews to help address unconscious bias in our recruitment processes.

The representation of women on DFDS’ Board of Directors is 33%, excluding employee- elected members. According to studies this is above the 30% ratio that is required to define a team or group as diverse.

→ More than 40% of our workforce is employed at sea and women make up 23% of our employees, which is on a par with the industry.

