

Capital Markets Day 2022

Agenda

08:00

Registration, coffee & welcome

16.30

End of Capital Markets Day 2022

1

08.30

Delivering our strategy

Group CEO
Jens Bjørn Andersen

08.45

Operational excellence

Group COO
Jens Lund

09.00

CEO & COO Q&A session

2

09.30

The Air & Sea division

CEO Air & Sea
Carsten Trolle

09.45

Navigating the air freight market

Vice President Air & Sea
Mads Ravn

10.00

Navigating the sea freight market

Senior Director Carrier Relations
Michael Hollstein

10.15

Air & Sea Q&A session

3

10.45

The customers in focus

Group CCO
Rene Falch Olesen

Automotive logistics in a world of change

Senior Director Automotive
Eva Ames

Commercial Q&A session

11.30

Sustainability in focus incl. Q&A

Senior Director Sustainability
Lindsay Zingg

4

12.45

The Road division incl. Q&A

CEO Road
Søren Schmidt

13.15

The Solutions division incl. Q&A

CEO Solutions
Brian Ejsing

5

14.00

New tech on our radar incl. Q&A

Group CIO
Jesper Riis

14:30

Financial update & wrap-up

Group CFO Michael Ebbe &
Group CEO Jens Bjørn Andersen

15.00

Busses to Hedeland

15.15

Tour at Hedeland Logistics Centre

Director Solutions Sales
Per Hansen

Busses back from Hedeland

15 MIN BREAK

15 MIN BREAK

45 MIN LUNCH BREAK

15 MIN BREAK

DSV management team presenting today



Jens Bjørn Andersen
Group CEO



Jens Lund
Group COO



Carsten Trolle
CEO Air & Sea



Mads Ravn
VP, Air Procurement



Michael Hollstein
SD, Ocean Procurement



Rene Falch Olesen
Group CCO



Eva Ames
SD, Automotive



Lindsay Zingg
SD, Sustainability



Søren Schmidt
CEO Road



Brian Ejsing
CEO Solutions



Jesper Riis
Group CIO



Michael Ebbe
Group CFO

Delivering our strategy

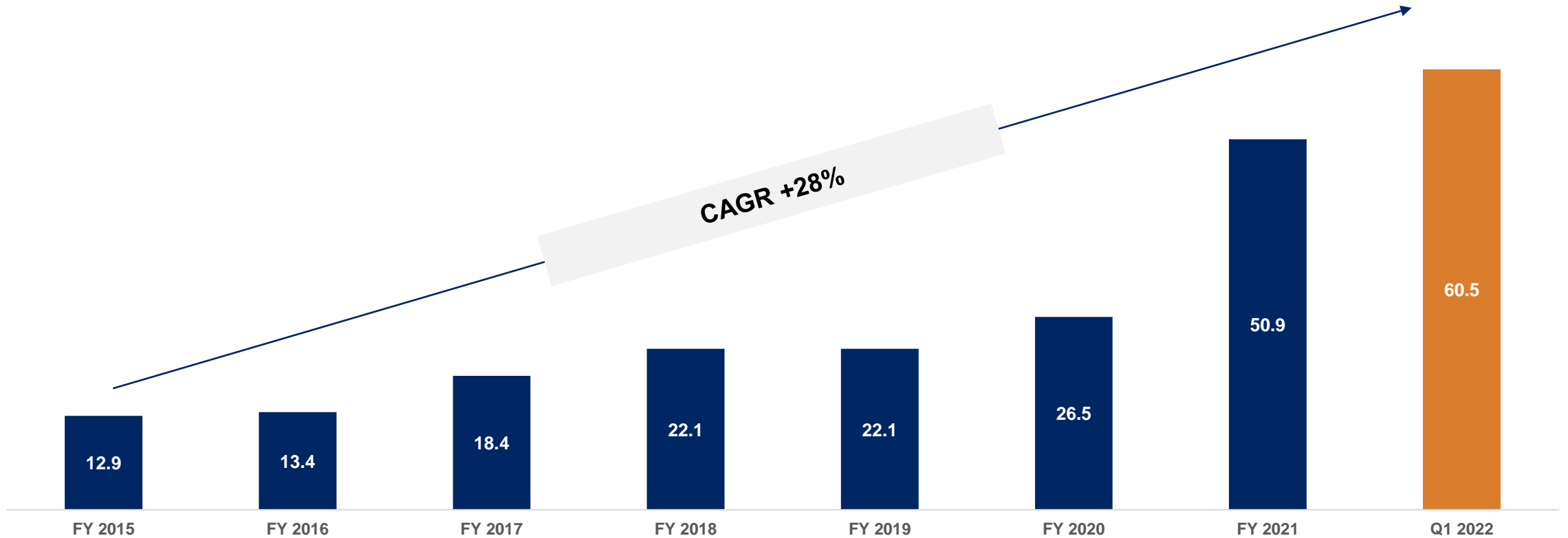
Group CEO Jens Bjørn Andersen

DSV

Strategy execution since last CMD

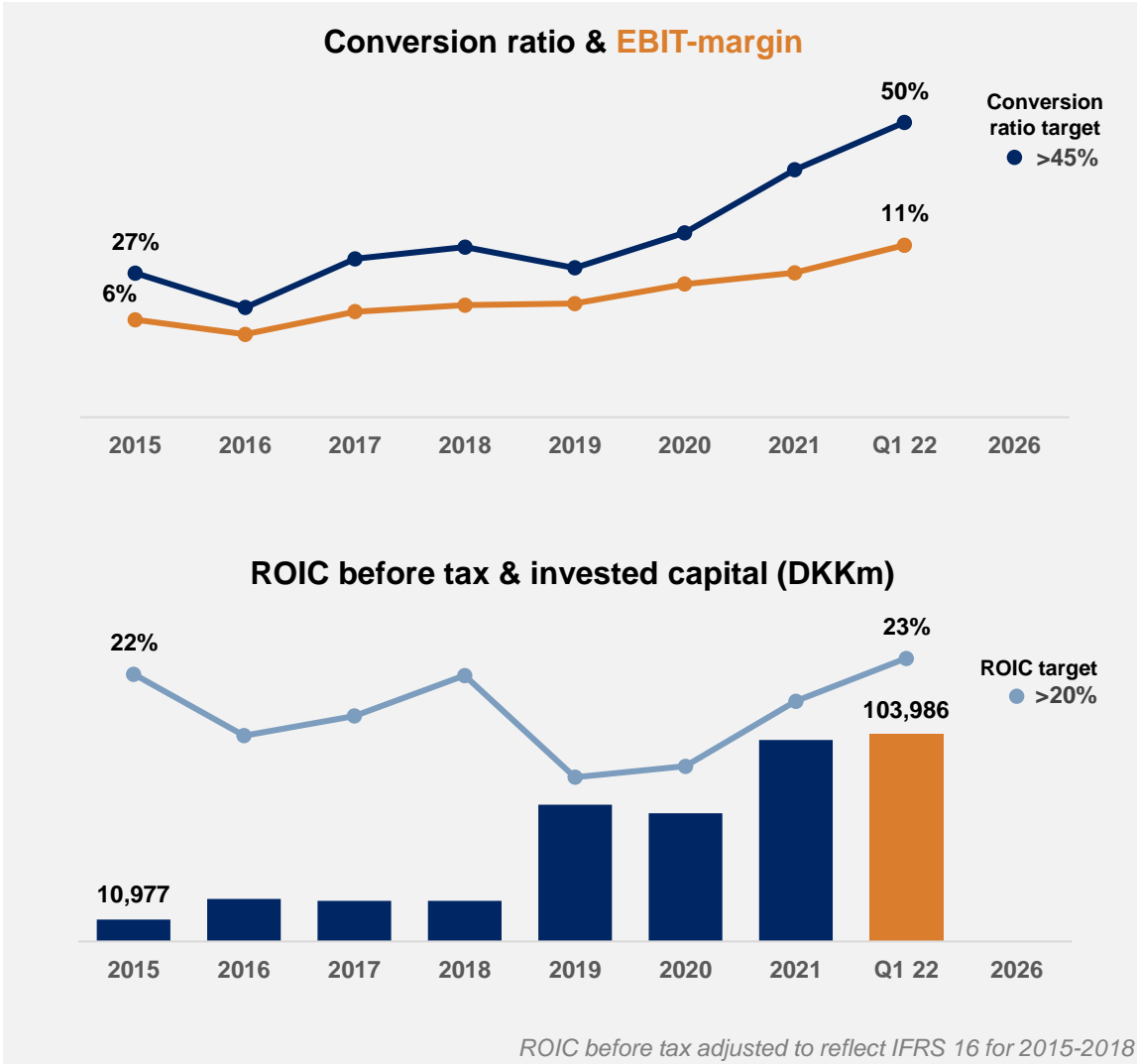
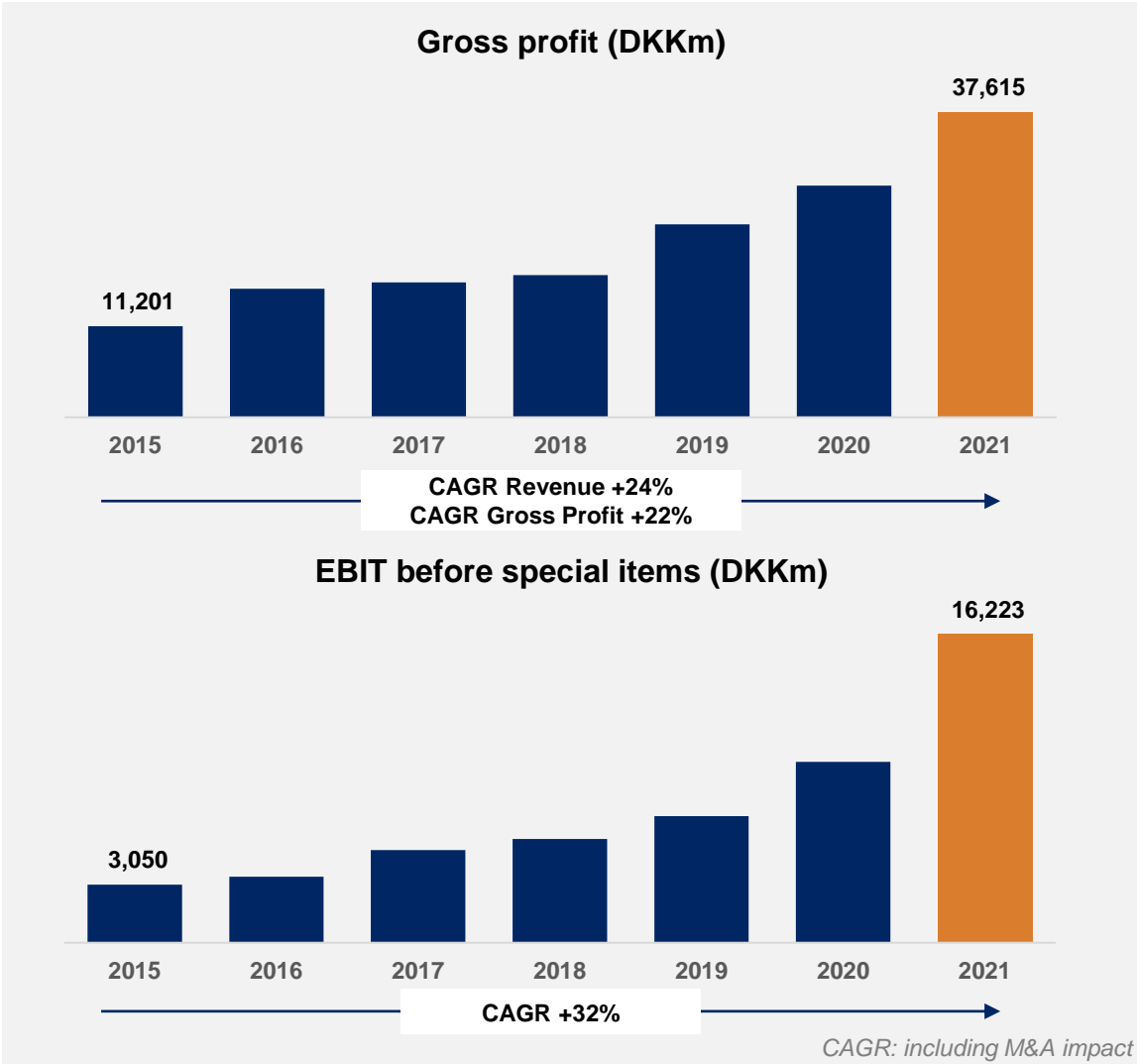
Three large acquisitions, COVID-19 and organic growth

Earnings per share (DKK)



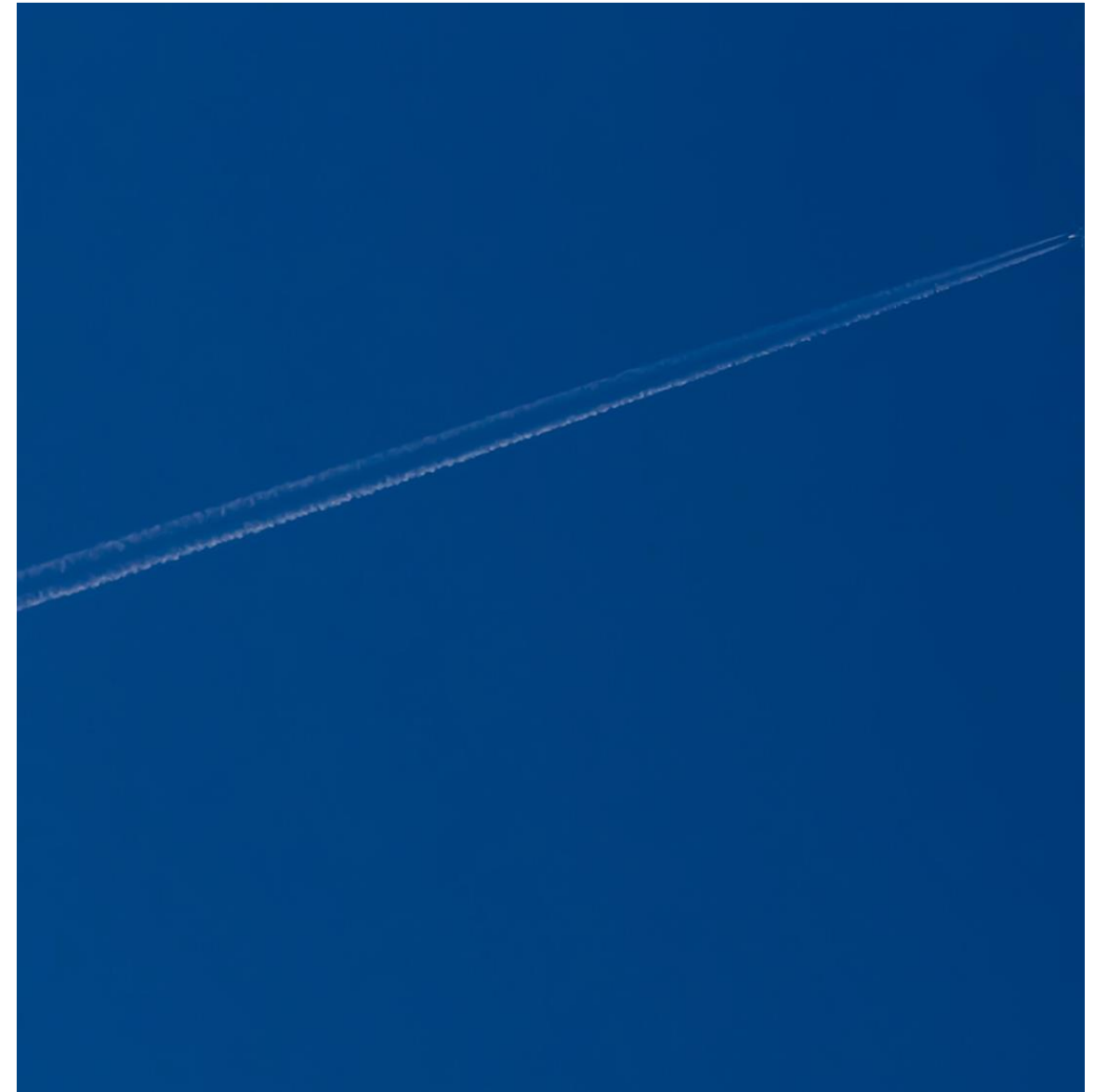
Graph illustrates diluted adjusted earnings per share of DKK 1
Average annual growth (CAGR) includes M&A

Delivering sustainable growth



Agenda

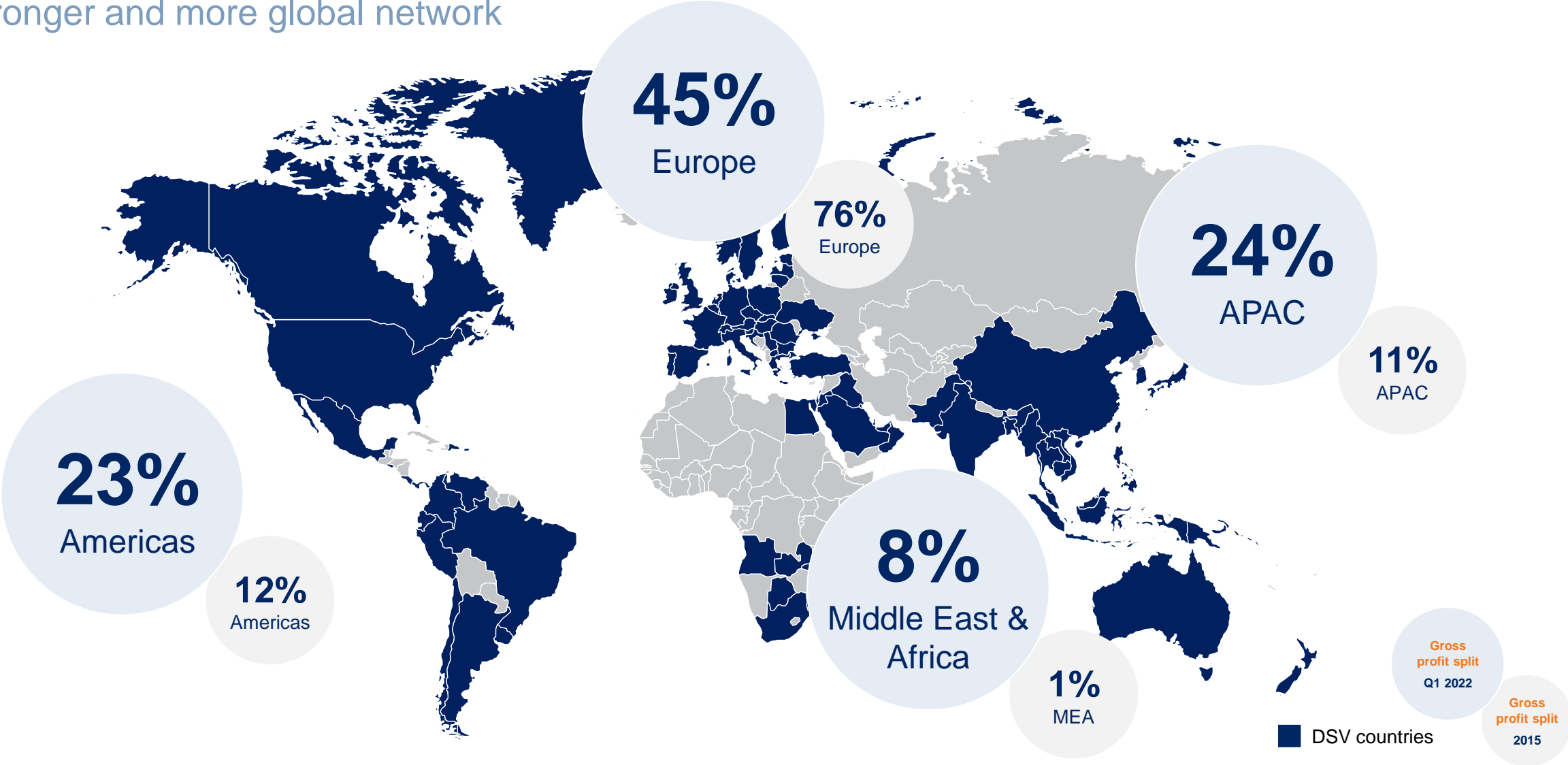
- 1** A stronger global network
- 2** Delivering on our M&A strategy
- 3** Trends in our industry
- 4** Still a peoples business



A stronger global network

Our footprint




A stronger and more global network



Delivering on our M&A strategy

At our CMD in 2015 we highlighted these M&A criteria

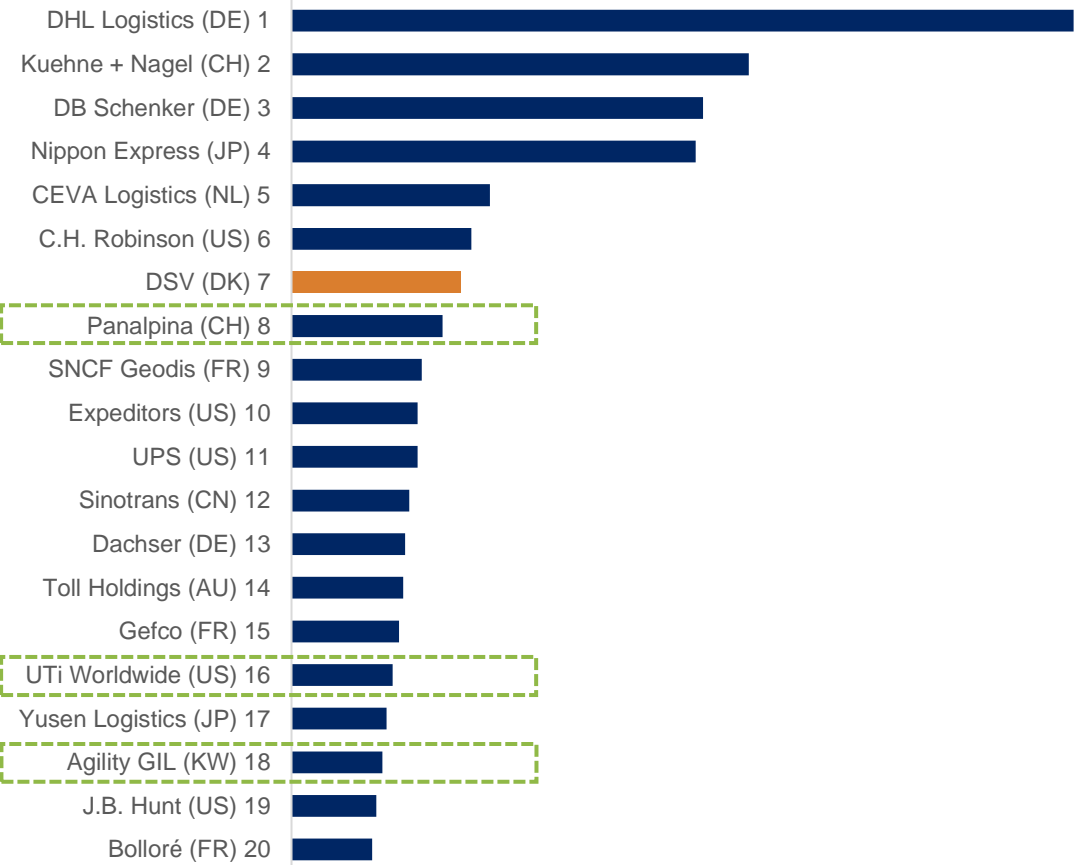
We have checked the boxes!

Criteria set out in 2015	Asset-light	Air & Sea exposure	Outside Europe	Restructuring case	Bolt-on in Road	EBIT impact post synergies (DKKm)	Enterprise value (DKKm)
 2016	✓	✓	✓	✓	✓	~1,200	9,300
 2019	✓	✓	✓	✓		>3,000	35,100
 2021	✓	✓	✓	✓	✓	>3,000	30,200
Total enterprise value							74,600

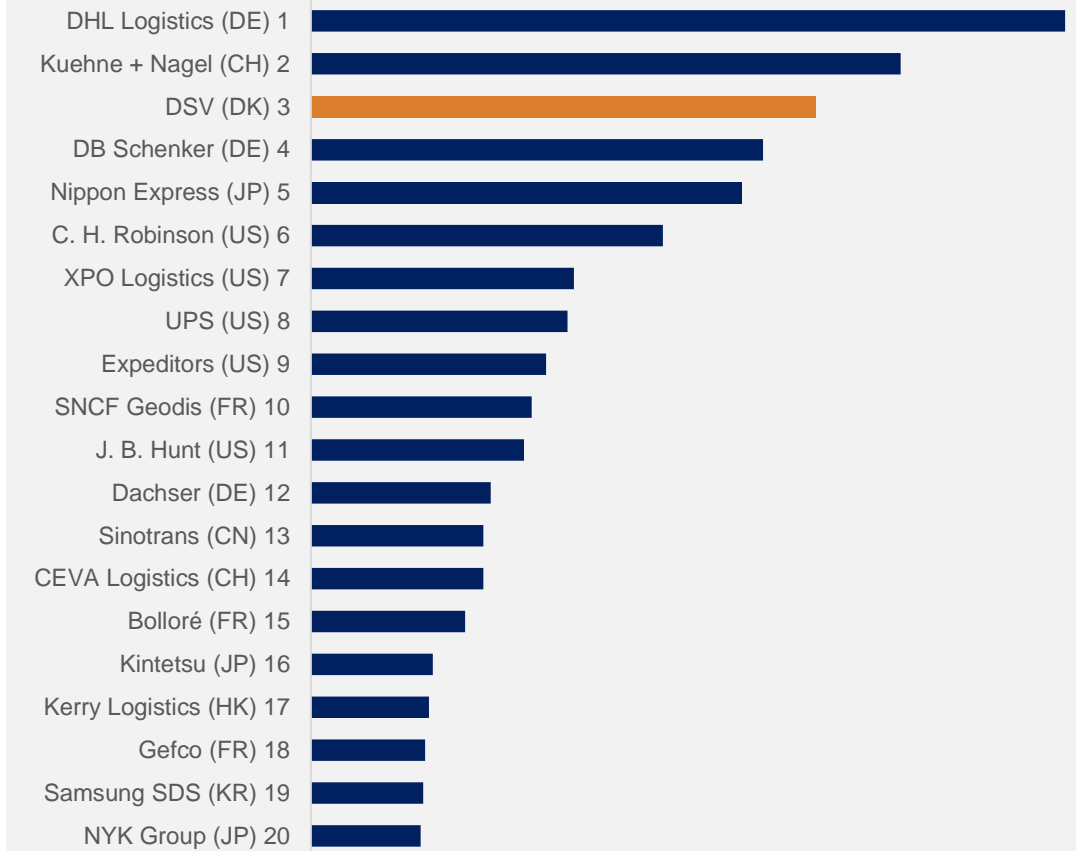
Industry consolidation through 10 years

3PL industry remains highly fragmented

Revenue 2011



Revenue 2020



Source: Journal of Commerce, DSV estimates



Unchanged capital allocation policy

M&A remains a priority in a – still – fragmented industry

Capital allocation policy

1. Repayment of debt if NIBD above target gearing ratio.
2. Value-creating acquisitions or further development of the existing business.
3. Allocation to shareholders via share buyback and dividend.

M&A principles

1. Our M&A strategy remains unchanged: We target asset-light freight forwarding companies.
2. Air & Sea exposure is preferred – but a mix with Road and Solutions is also attractive.
3. Attractive financial business case with clear value for shareholders is a must.



Trends in our industry

Trends in the transport & logistics industry

We must adapt to changes – and seize new opportunities



Global trade flows

Companies are seeking ways to make their supply chains more robust.

This can lead to added complexity, more countries involved in production and higher inventory levels.

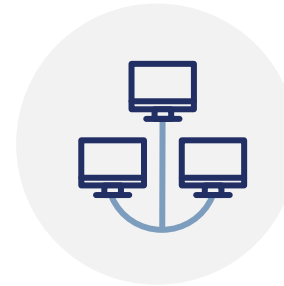
We can assist our customers with supply chain innovation and keep their supply chains flowing across 90+ countries.



Sustainability

Our industry has an important obligation to reduce the environmental footprint.

We have set clear science-based targets and we are ready to support our customers with green logistics services.



Digitalisation & automation

New technologies, demand from customers, and new players in the market are gradually changing the way we work.

We have a strong roadmap for continuous development of our infrastructure – and an organisation which can manage changes.



Distribution channels

E-commerce has changed distribution centres and last-mile distribution significantly in recent years.

Our Fulfilment Factories and other e-commerce services are designed to capture our share of the growth in this segment.

**Some things do
not change:**

**Still a people's
business!**



DSV

Still a people's business

Dedicated employees deliver the best possible solutions to our customers



Attractive working environment

High standards for offices, warehouses, health and safety. And not least focus on diversity and inclusion.



Empowerment & accountability

We believe in our people's ability to make decisions.



Stable management team

Strong management team with succession in place. Talent development and internal recruitment.

Our purpose, vision and mission

Shaped by our culture and the world around us

Purpose

Keeping supply chains flowing
in a world of change

- We are part of the critical infrastructure.
- We conduct our business with integrity.
- We contribute our fair share to societies.

Vision

Sustainable growth

- We help our customers grow.
- We provide equal opportunities for employees.
- We grow shareholder value.

Mission

Operational excellence

- We design efficient infrastructure.
- We take ownership and show initiative.
- We integrate sustainable solutions.

Wrap-up

Annual EPS growth of 28% since 2015.

Unchanged M&A strategy and capital allocation policy.

We aim to deliver sustainable growth. For customers, employees, societies and not least: shareholders.

Operational Excellence

– and how we develop our
digital competences

Group COO Jens Lund

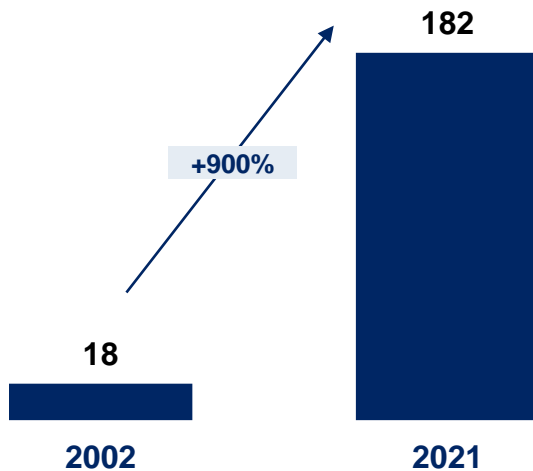
The new COO role

Secure dedicated execution power and focus

1



Increased size of business and organisation (Revenue DKKbn)



2



Increased complexity within each area of expertise

- Digital strategy
- M&A & strategic projects
- IT operations
- Property

- Financial reporting
- Treasury
- Compliance
- Insurance & procurement
- International shared services

3



Split of roles and responsibility



COO role

Strategy for digital and physical infrastructure across divisions to drive **productivity gains** and **scalability**.



CFO role

Creating a fact-based foundation for **transparency** and **productivity gains**.

Agenda

1 It all starts with a strategy

2 Transparency, productivity and scalability

3 Logistical versus digital capabilities



**It all starts with
a strategy**

The road to leading digital capabilities

An efficient global end-to-end set-up requires global ownership of the network

DSV business areas



Global **air** freight and air charter network



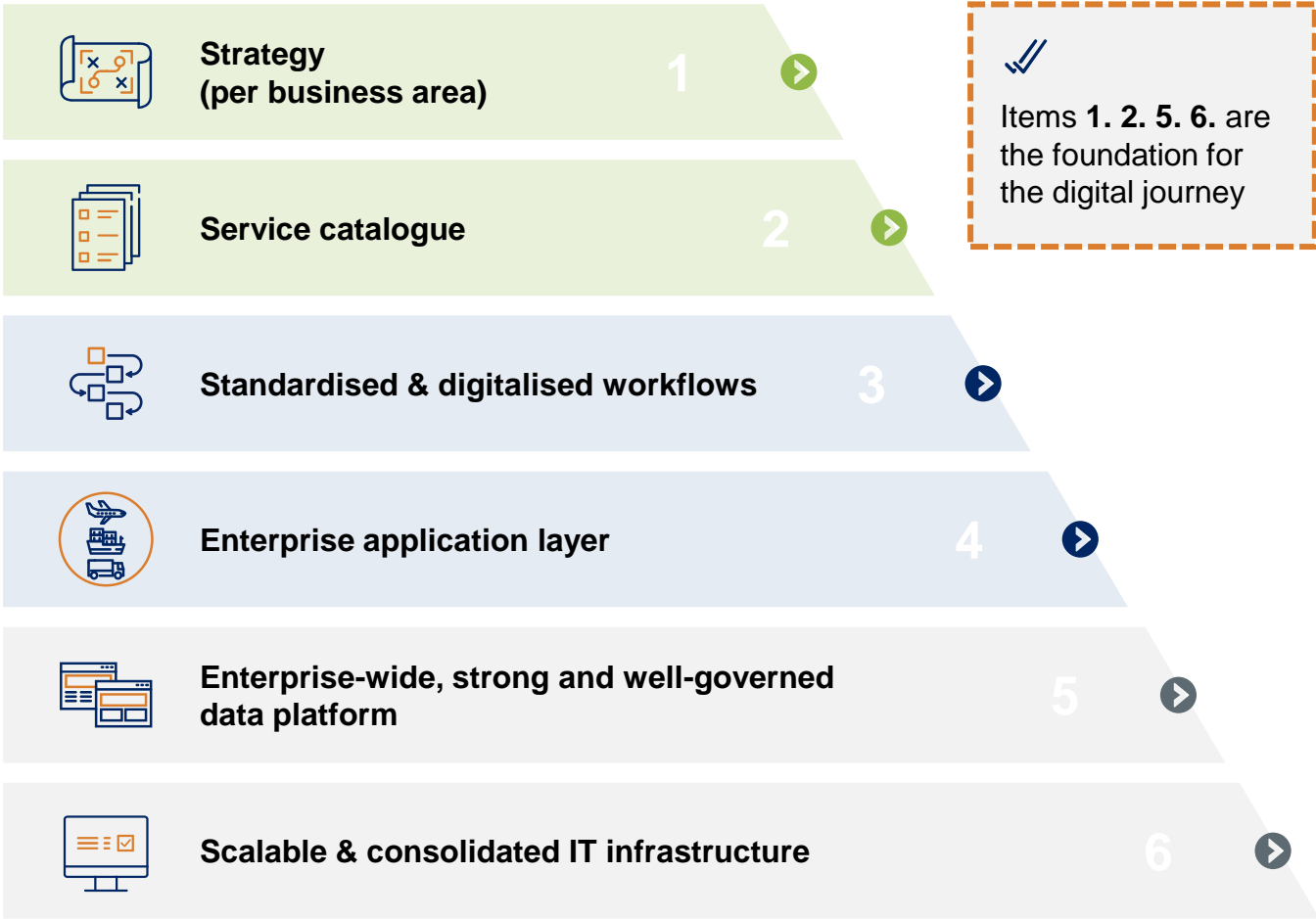
Global **sea** freight network



European **road** freight network



Global **contract** logistics

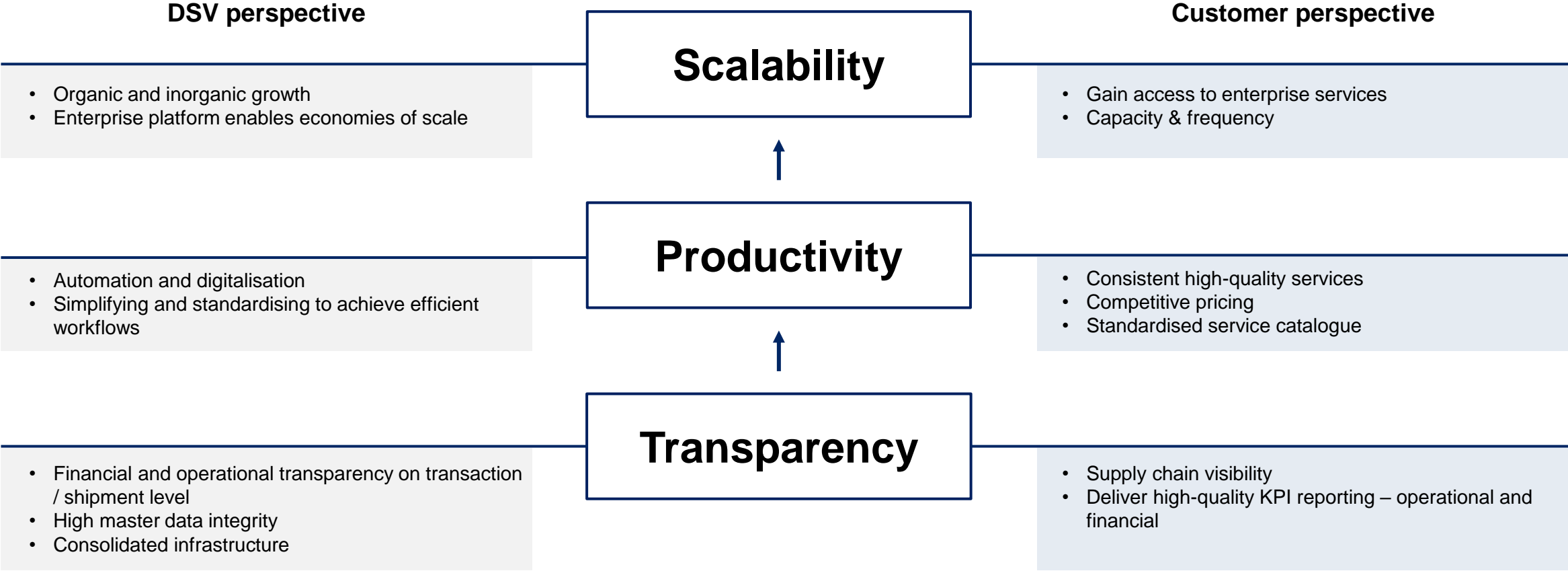


**Transparency,
productivity and
scalability**

Our principles have multiple facets

Our strategic decisions benefit our customers and operations

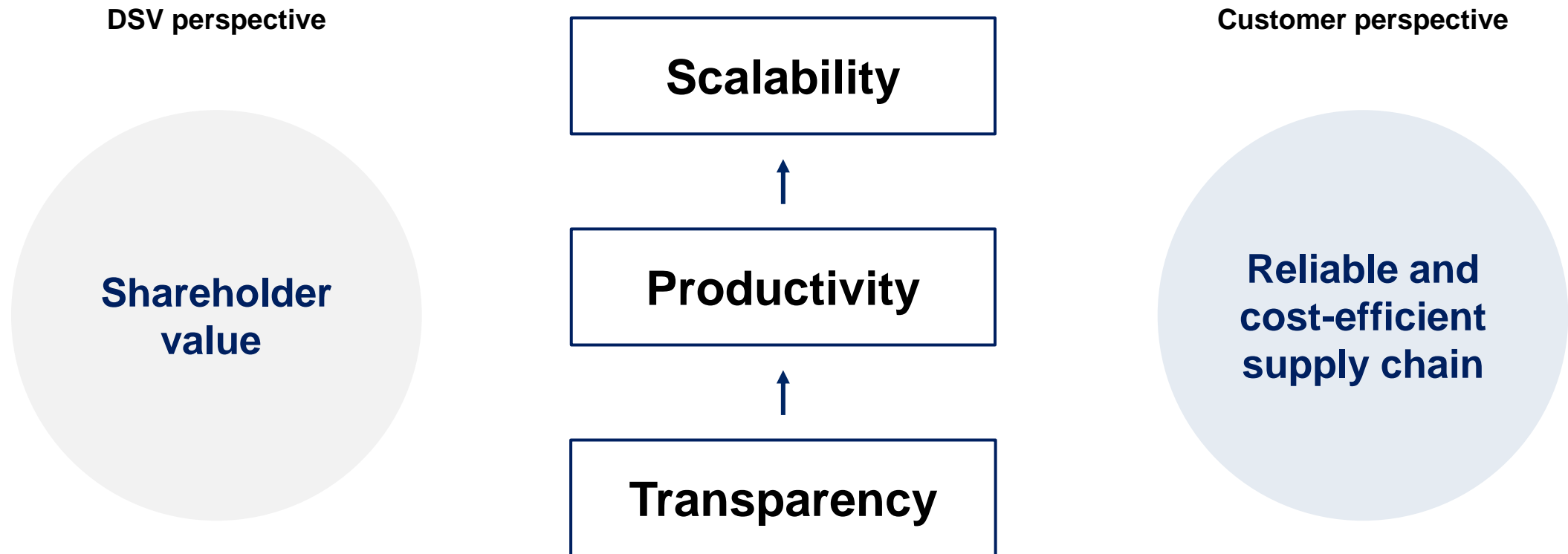
Principles for developing DSV



Our principles have multiple facets

Our strategic decisions benefit our customers and operations

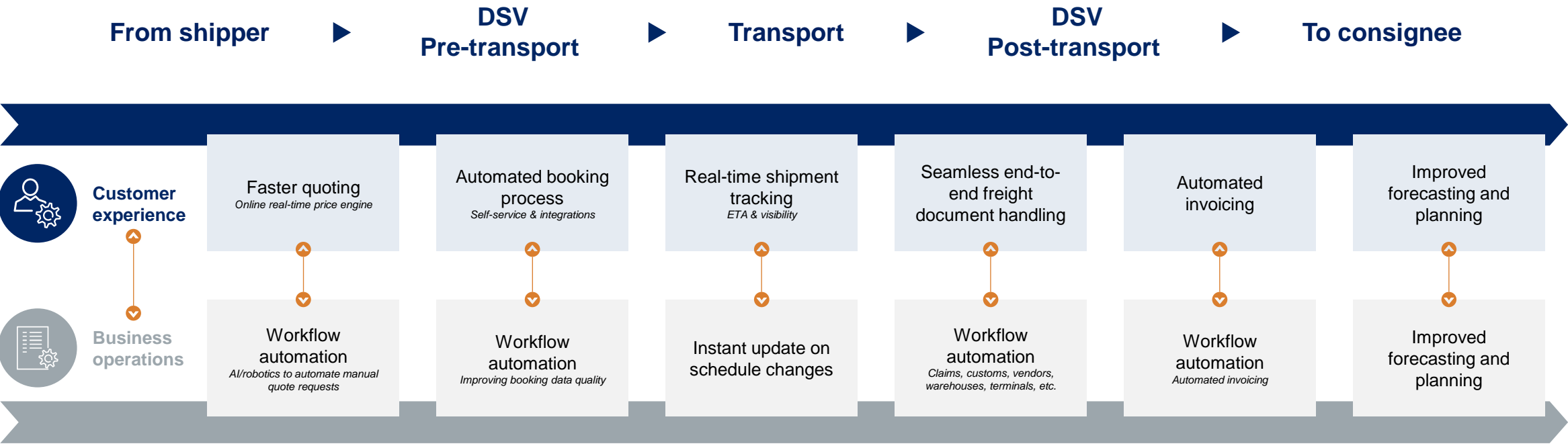
Principles for developing DSV



Digital versus logistics capabilities

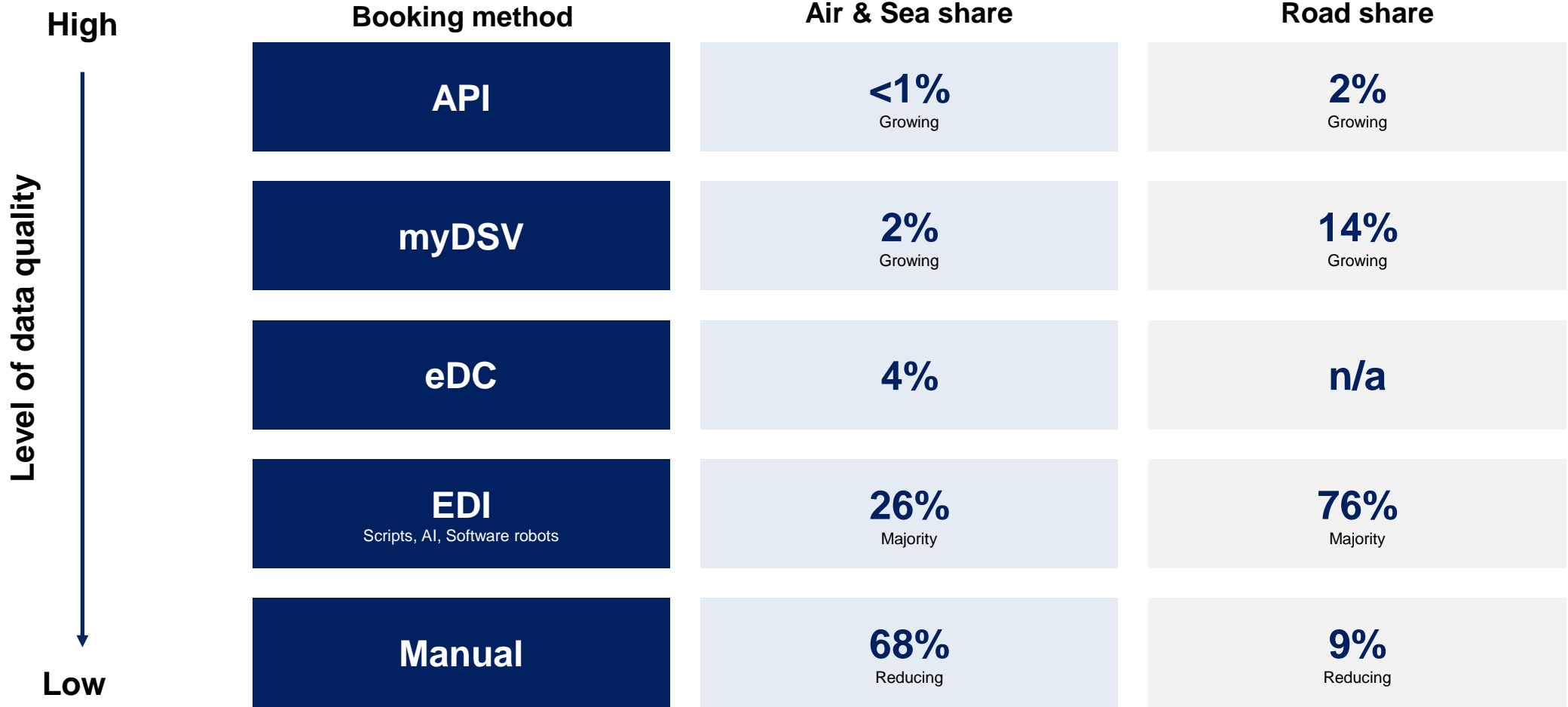
Digital capabilities within freight forwarding

Improve both customer experience and operational excellence



High data quality enables better customer service and efficiency

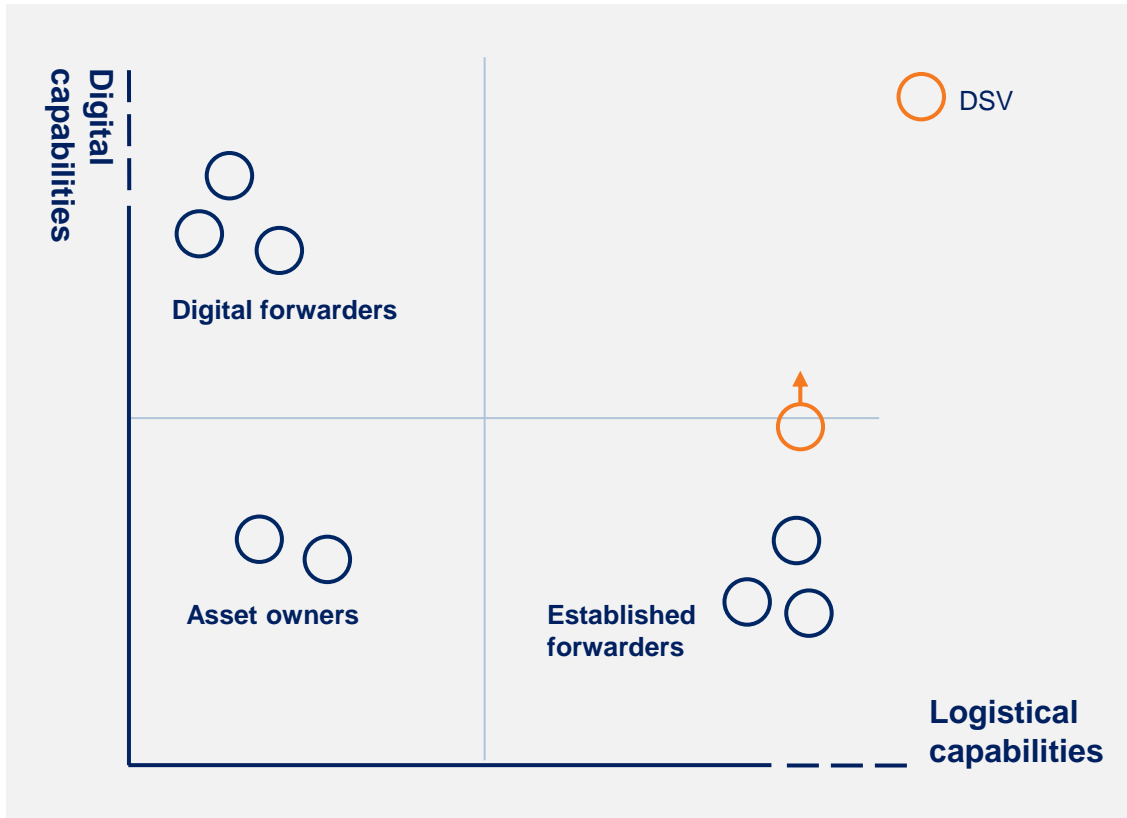
A strategic focus on improving data quality



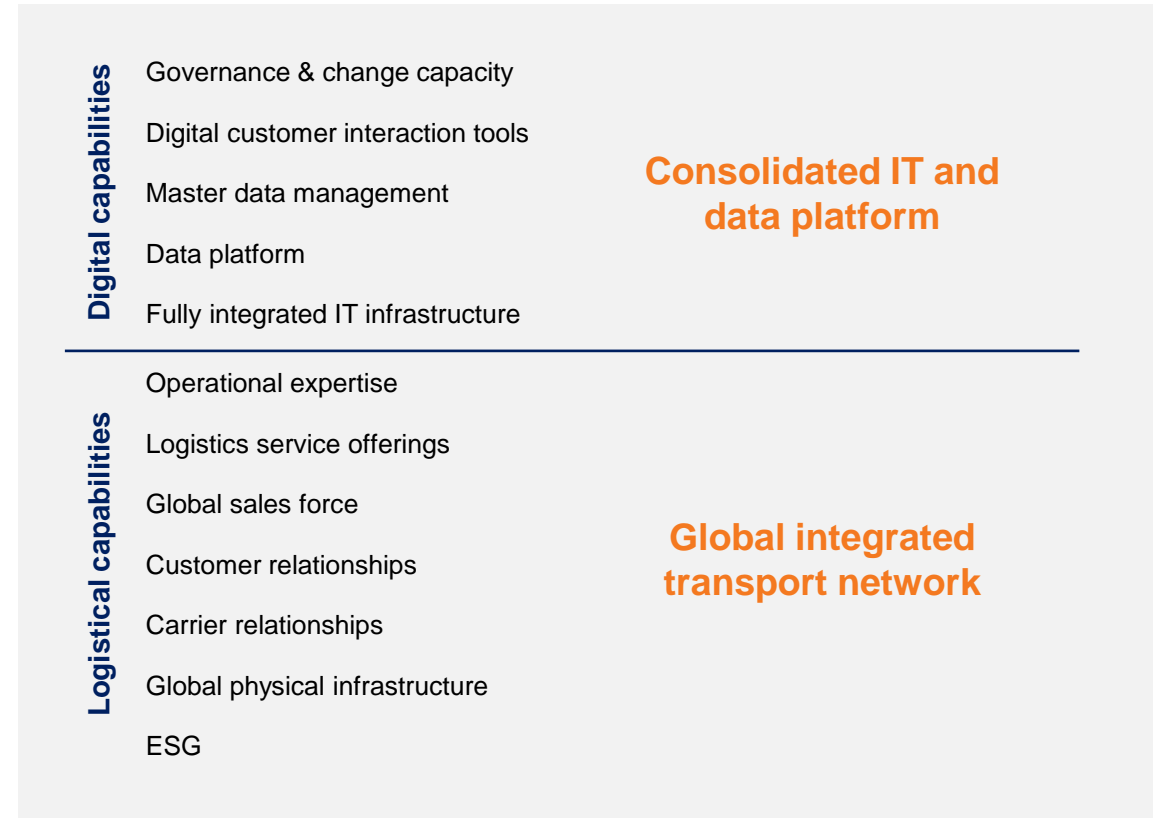
Broad and deep service offerings based on a solid IT platform

DSV is uniquely positioned to combine logistical and digital capabilities

Winning formula to compete in the future



Utilising our global platform to provide complex supply chain solutions



Wrap-up

The COO role is focused on developing the digital and physical infrastructure of DSV on a group level.

Transparency – Productivity – Scalability

Both digital and logistics competences are needed!

CEO & COO Q&A session

09.15-09.30

Break

After the break

The Air & Sea division

CEO Carsten Trolle

Navigating the air freight market

Vice President Mads Ravn

Navigating the sea freight market

Senior Director Michael Hollstein

Air & Sea Q&A session

DSV

The Air & Sea division

CEO Carsten Trolle

DSV

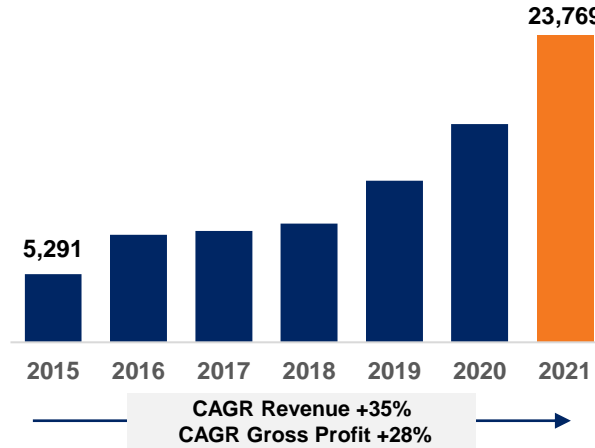
Investment case



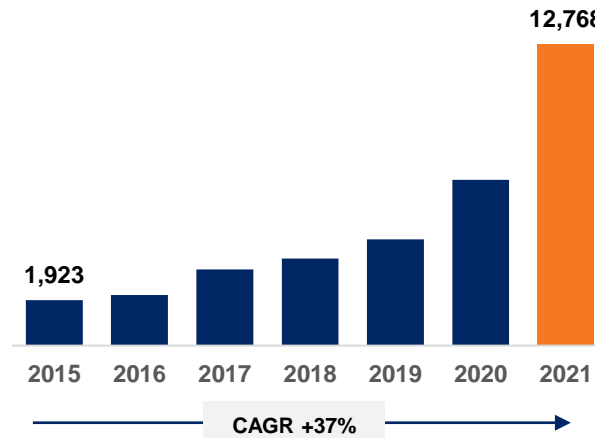
DSV Air & Sea

- A global top-three player with a strong network and attractive value proposition.
- Industry-leading margins.
- Ability to pursue organic and inorganic growth opportunities.
- Strategic partnerships with leading carriers and airlines.

Gross Profit (DKKm)

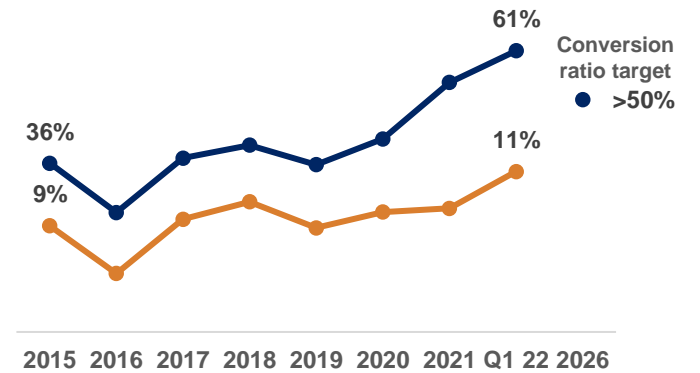


EBIT before special items (DKKm)

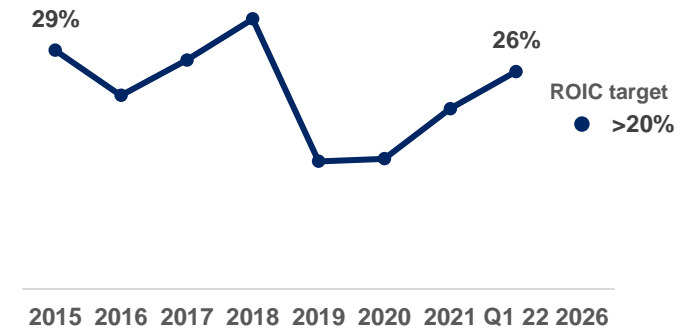


CAGR including M&A impact

Conversion ratio & EBIT-margin



ROIC before tax, including goodwill



Agenda

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Strategic focus areas after 3 major acquisitions in 5 years

2

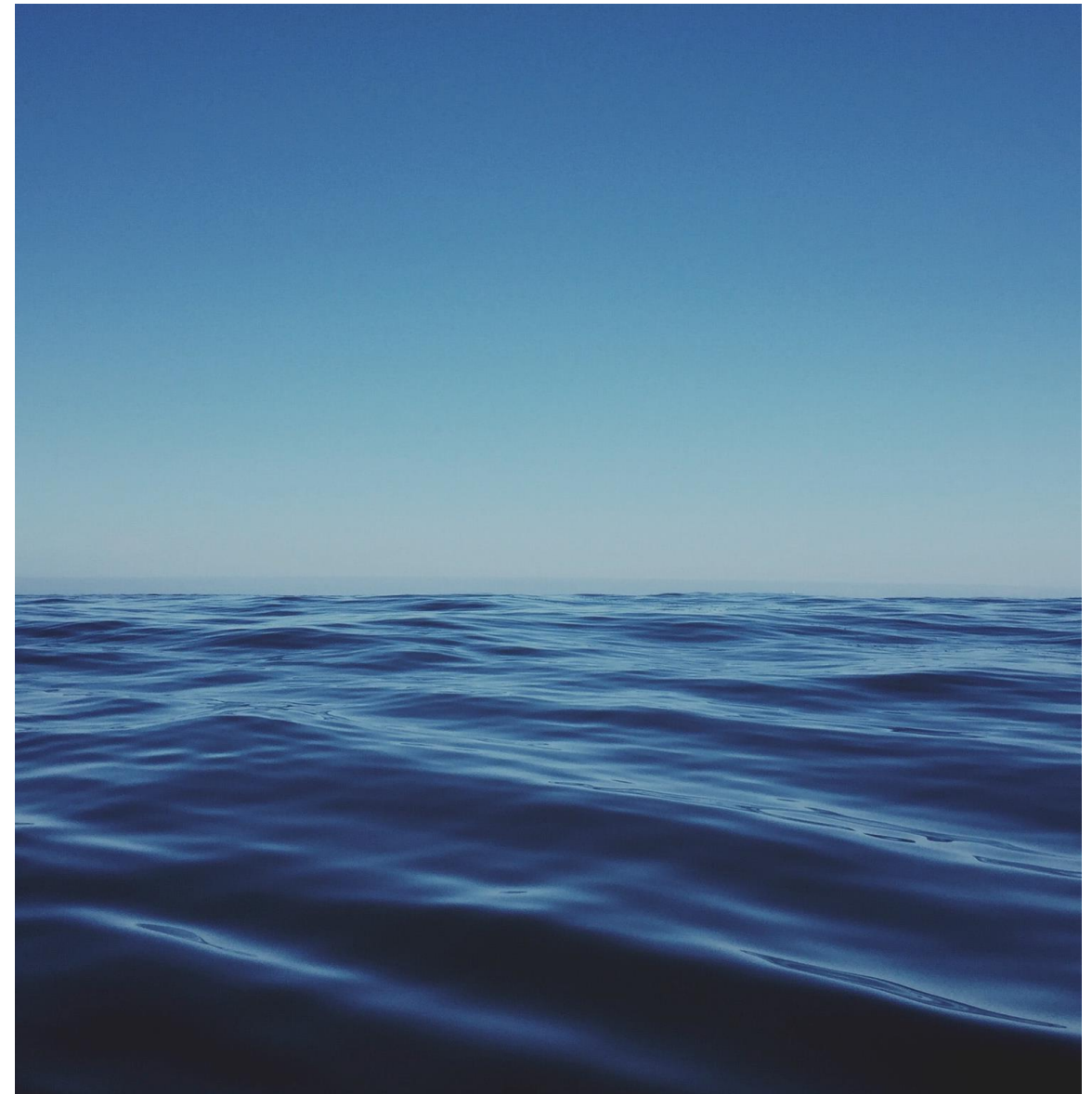
Our value proposition

3

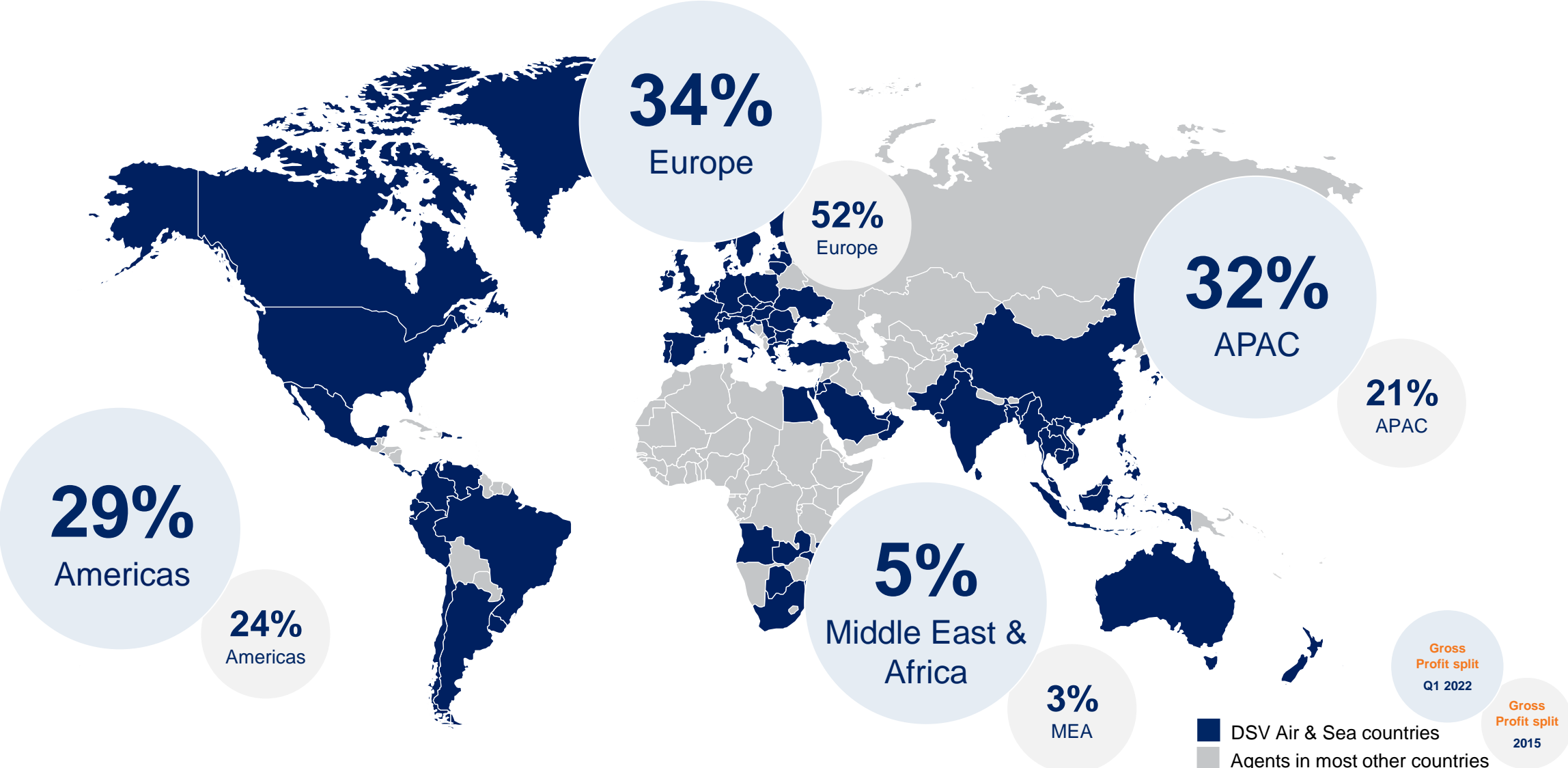
A highly digitalised workflow

4

Volume growth and yields



A stronger and more global network since 2015



**Strategic focus
areas after 3 major
acquisitions in 5
years**

Benefits of combining global networks

Building on a strong DSV culture



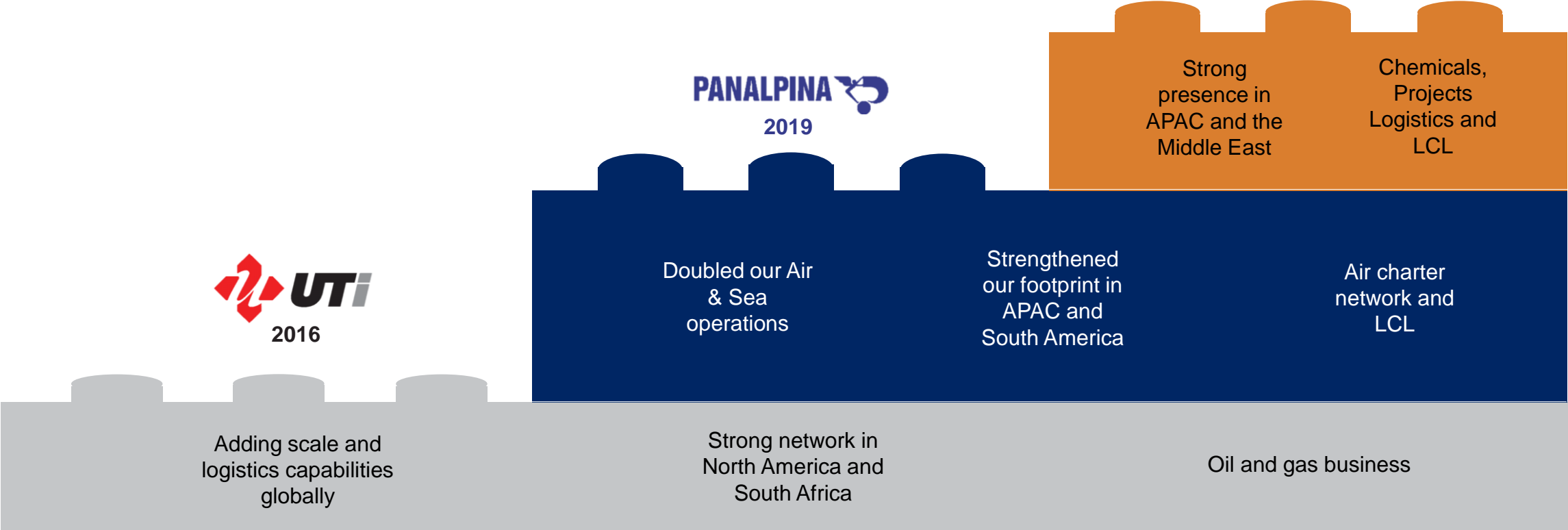
2021



2019



2016



DSV Culture



High service level and close relationships with our customers



A flat organisation with local ownership and transparency



Performance-driven culture with clear targets



Our value proposition

Our value proposition

Why do customers choose DSV?



Expertise

Global network and a team of **experienced freight forwarders**.

We have the **know-how** to deal with unforeseen events and disruptions.



Neutrality

We have strong relationships with **leading carriers**.

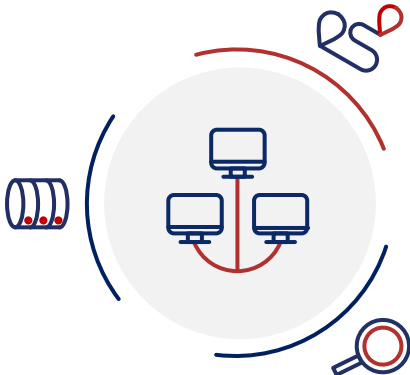
We offer **flexibility** – we are not limited to just one carrier.



Proven products

One of the largest global forwarders with access to **capacity and competitive rates**.

Complete **door-to-door service** offering including Green Logistics.



Systems

Strong suite of **customer integrations** and Purchase Order Management.

High data quality enabling customers to monitor supply chains.

A highly digitalised workflow

Highly digitalised workflow

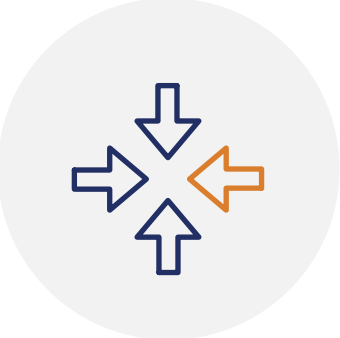
Enabling high service levels and high productivity



One-file system with efficient flow from origin to destination

High and consistent service levels.

Potential to improve productivity when disruptions ease and GIL integration is complete.



Integrations with major carriers and customers



Digital bookings

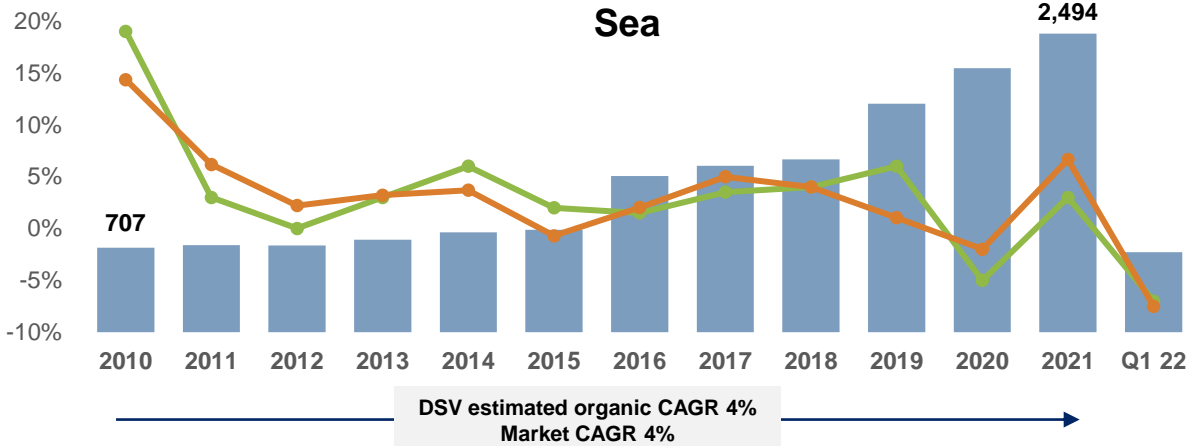
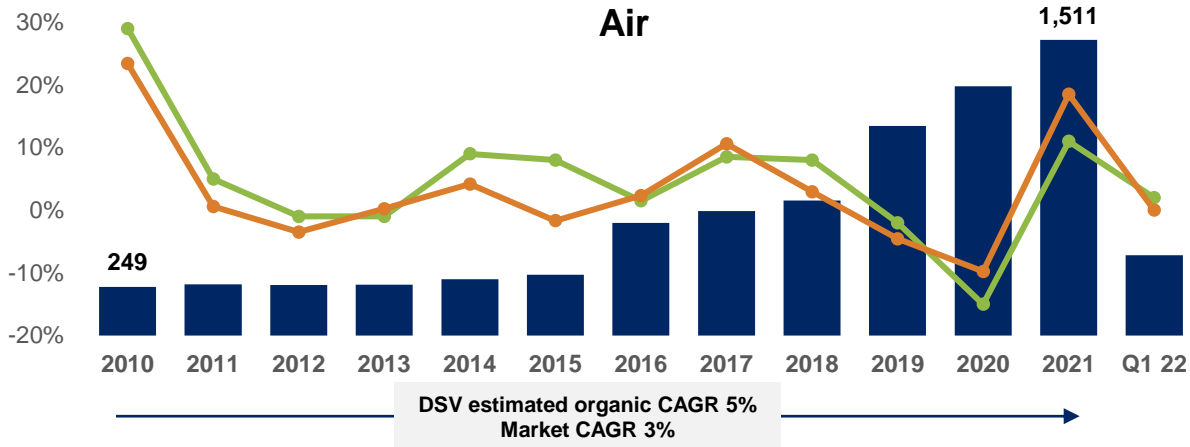
We currently receive 1/3 of bookings digitally (EDI, myDSV, API, Purchase Order Management).

We aim to increase this share in cooperation with customers. This requires high booking data standards.



Volume growth and yields

We aim to take market share



■ DSV volumes
■ Tonnes/TEU, '000
 —●— DSV organic volume growth YoY
 —●— Market growth YoY

Market data: Seabury and WorldACD

... but never volume growth just for the sake of growth

We seek profitable and sustainable growth

- Network business
- High share of value-added services
- **Growth in absolute gross profit is key!**

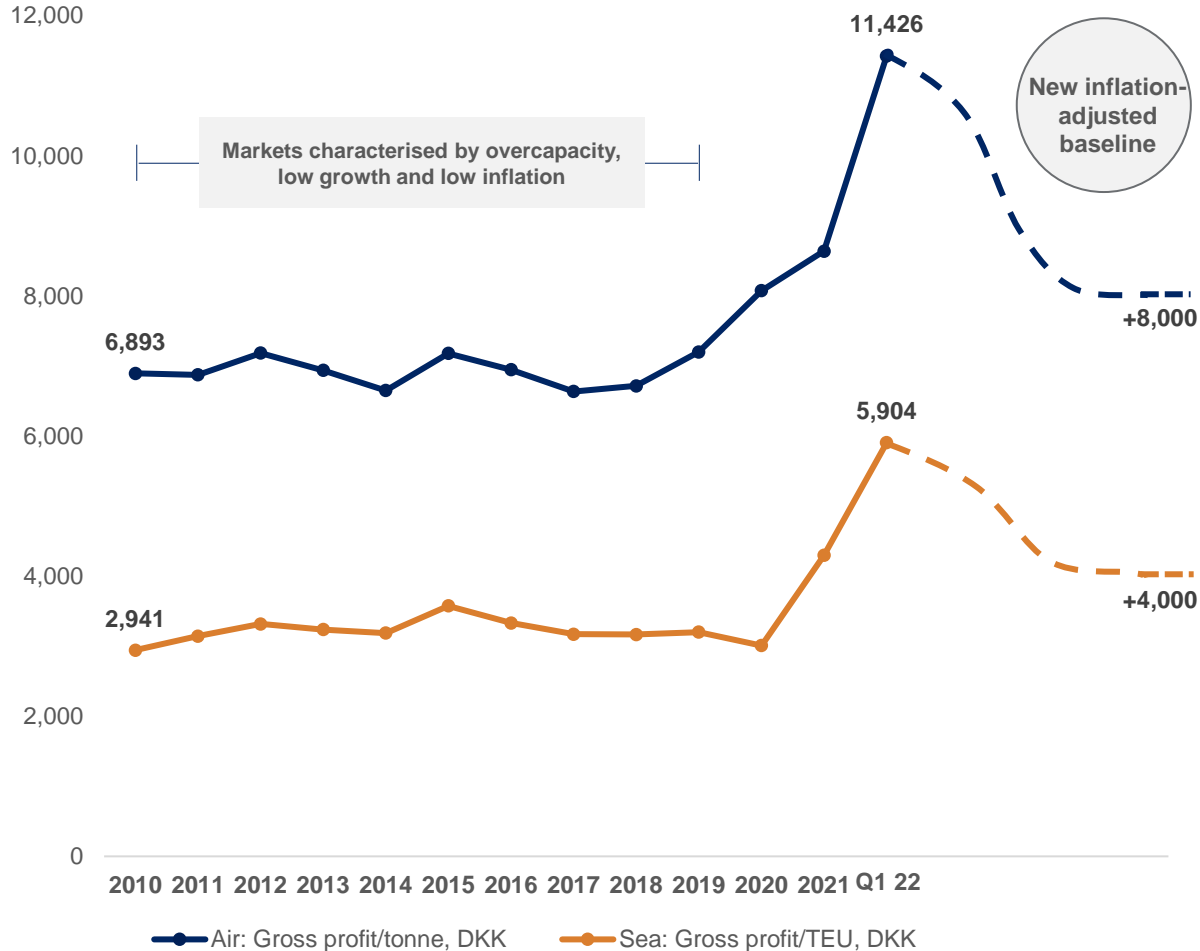
In period with **large integrations** our ability to take market share is limited

- Overlapping customers
- Discontinued low margin business
- Less internal focus on sale
- Integration risk from customer perspective
- Data quality



Gross profit yields

We expect post-COVID yields to stabilise above historical levels



DSV stand-alone in 2019 (excluding Panalpina)

External factors impacting yields

- 18% expected inflation from 2019-2023.*
- Customers have more focus on robust supply chains and service.
- Increasing complexity in global supply chains.
- Alliances, consolidation and more capacity discipline among ocean carriers.
- Less belly space available on intercontinental passenger planes.
- Currency rates.

Internal factors impacting yields

- Scale benefits from M&A (procurement and cargo combinations).
- Continued focus on expanding our value-added services.
- Change in product mix towards higher-margin business – e.g. LCL and Air Charter Network.
- Lower yields can be partly offset by improved productivity.

*Sources: International Monetary Fund & the World Bank

Wrap-up

**Performance driven culture
with industry leading margins.**

**Strong value proposition and
ability to pursue organic and
inorganic growth opportunities.**

**We expect yields to stabilise
above historical levels.**

Navigating the air freight market

Vice President Mads Ravn

DSV



Agenda

1

The current status of the air freight market

2

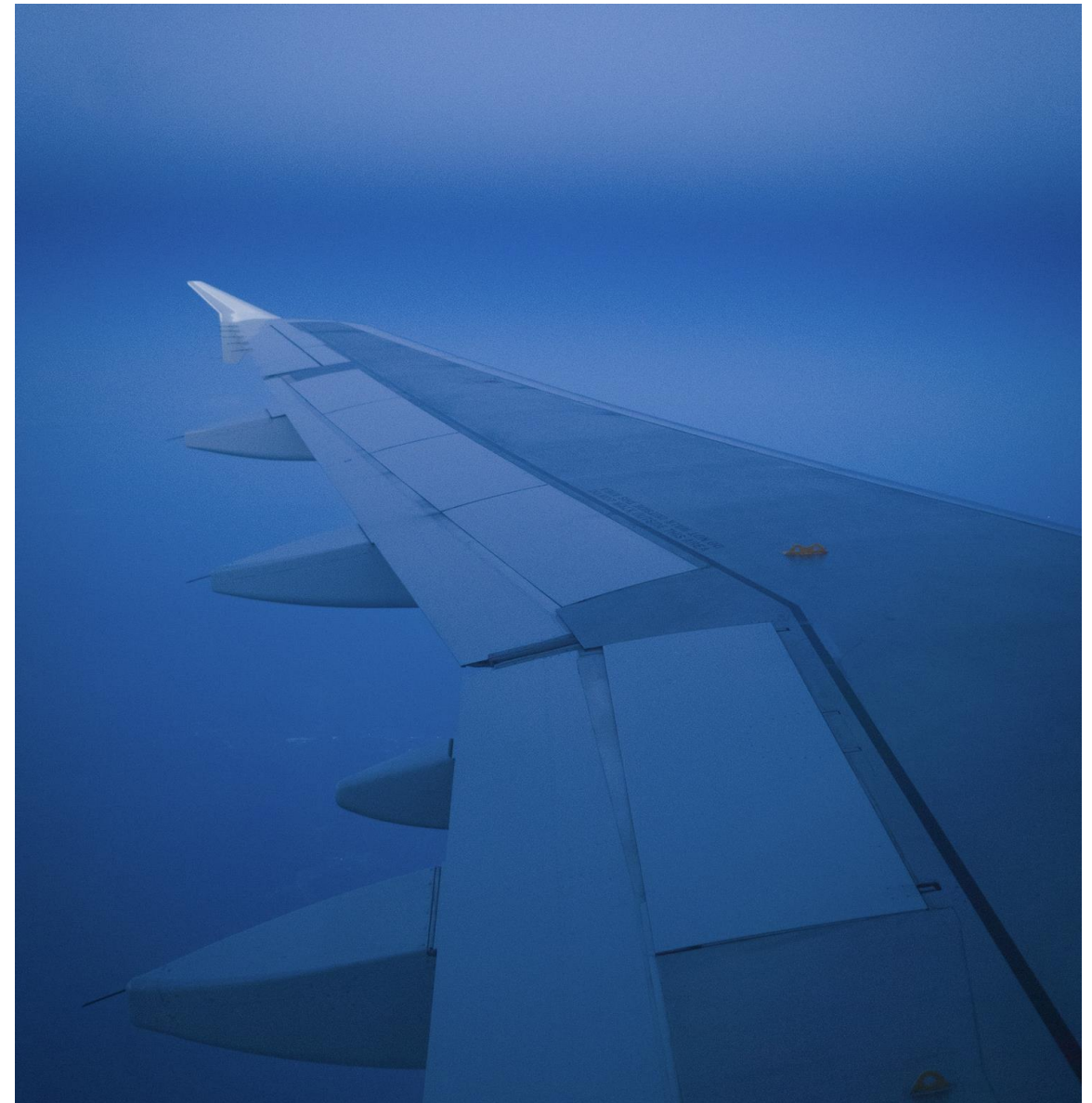
Our relationship with carriers

3

Air Charter Network

4

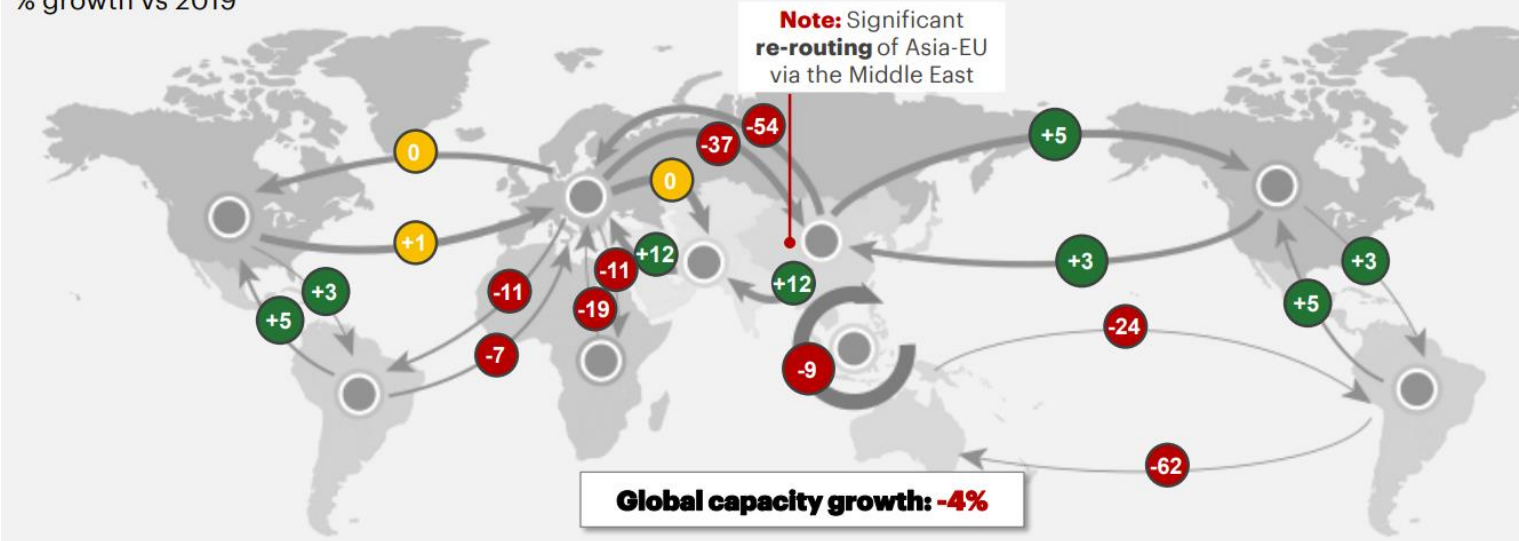
What to expect?



Global international air cargo capacity is down -4% (vs. 2019)

Total international air cargo capacity growth, May 2-15 vs same weeks in 2019¹

% growth vs 2019



- International wide-body belly capacity is down 57% on trade lanes to and from Asia.
- Asia-Europe capacity impacted by the closure of Russian air space and exit of Russian cargo airlines.
- Current lockdown in Shanghai affects ~25% of total air cargo capacity out of Greater China.
- Congestion at airports is a challenge – especially in US.

Significant change in capacity mix since 2019

Airline freighters	+19%
Passenger belly	-34%
Integrator freighters	+40%

Source: Seabury Cargo – Air cargo capacity update 20 May 2022

Wide-body belly capacity is far from 2019 levels

The future market will depend more on freighters

Scheduled wide-body belly capacity on key lanes summer 2022 vs. summer 2019

-43%

Intra-Asia Pacific

-9%

Transatlantic

-49%

**Asia Pacific -
Europe**

-41%

Transpacific

Source: Seabury Cargo – Air cargo market dynamics Q1 2022

Our relationship with carriers

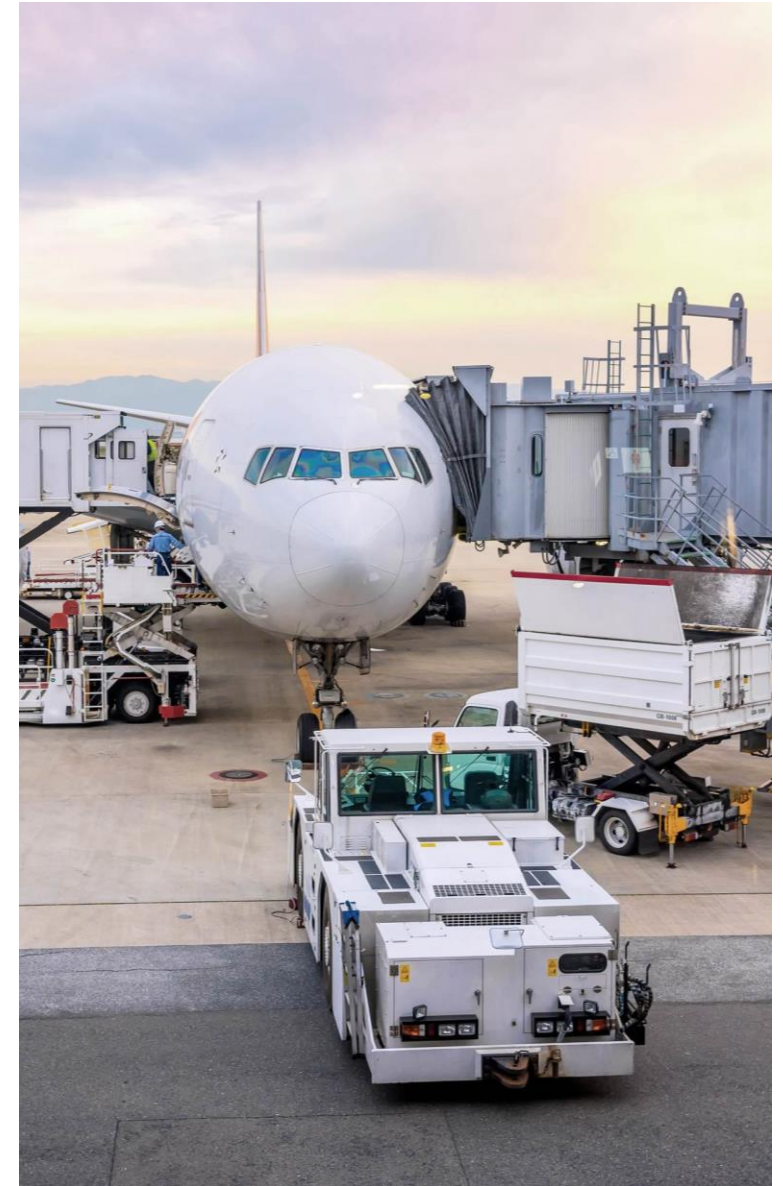
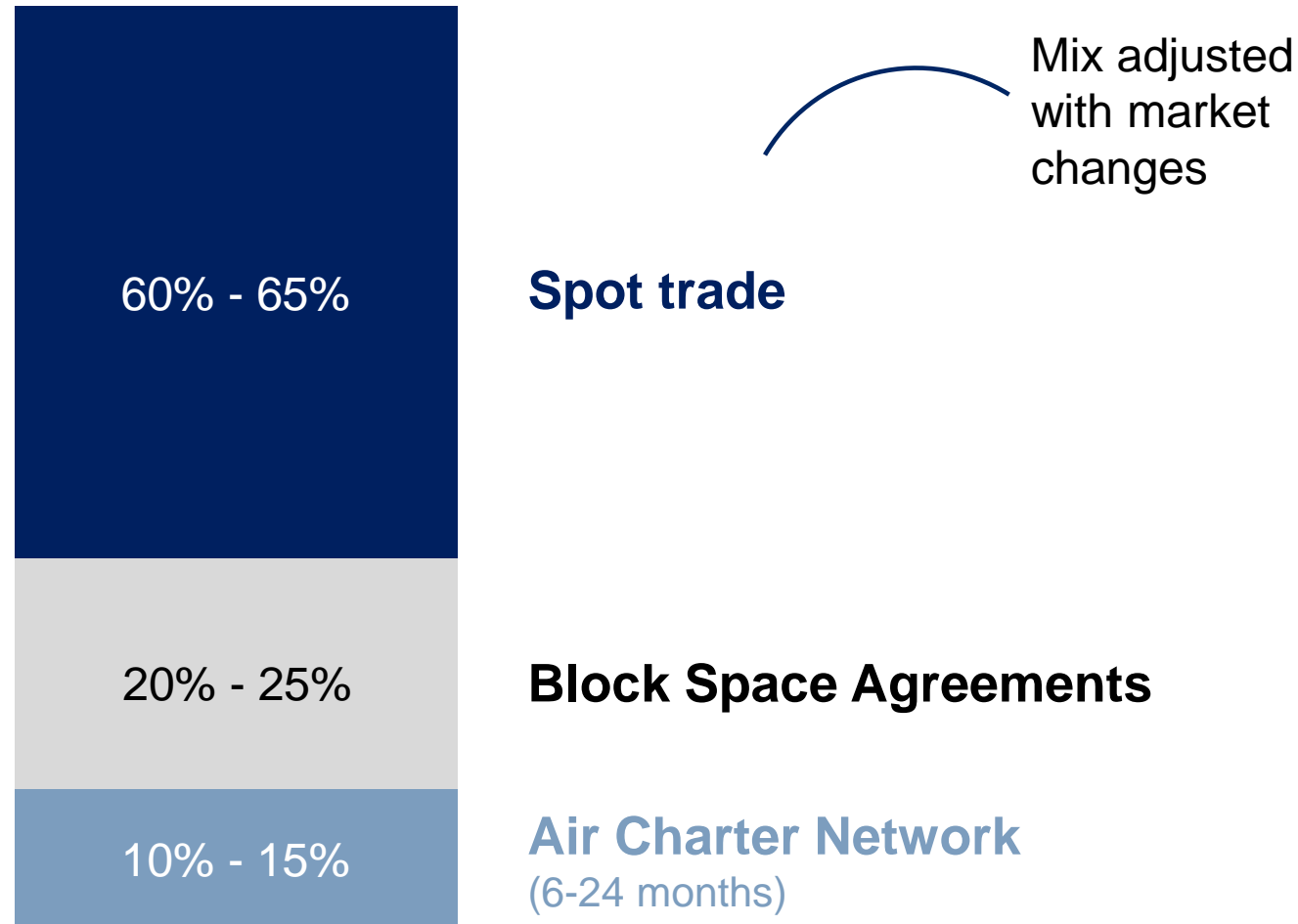
Carrier relationships

Our Central Air freight Procurement Team leverages global DSV tonnage (ranked #3 global) to secure allocations for the network.

Local ownership in carrier choice – securing decisions which best meet local service requirements.



Our agreements with carriers ensure flexibility and match customer needs



Air Charter Network

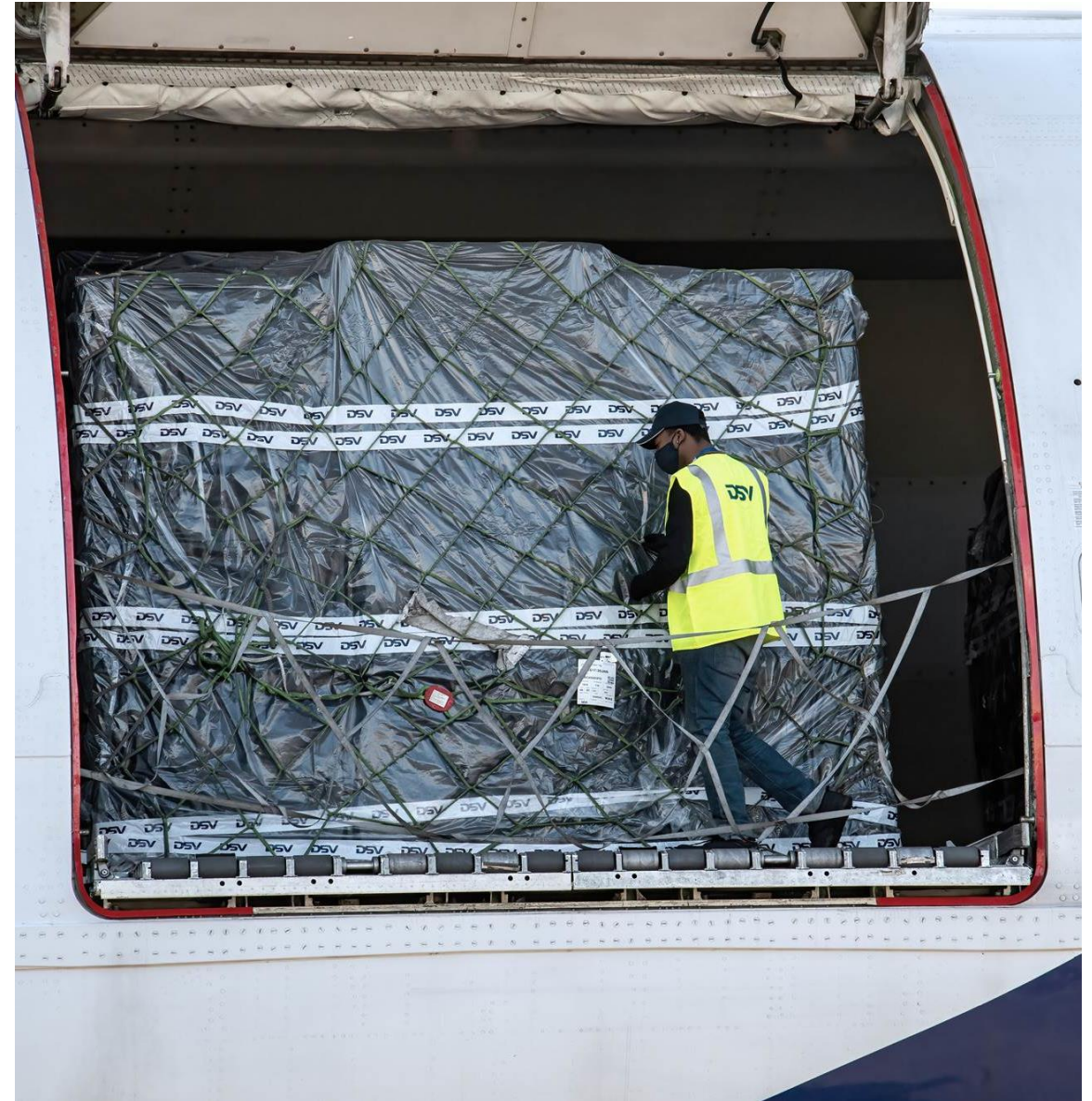
DSV Air Charter Network

Secure capacity

DSV controlled charters and own gateways ensuring high reliability and shorter lead time.

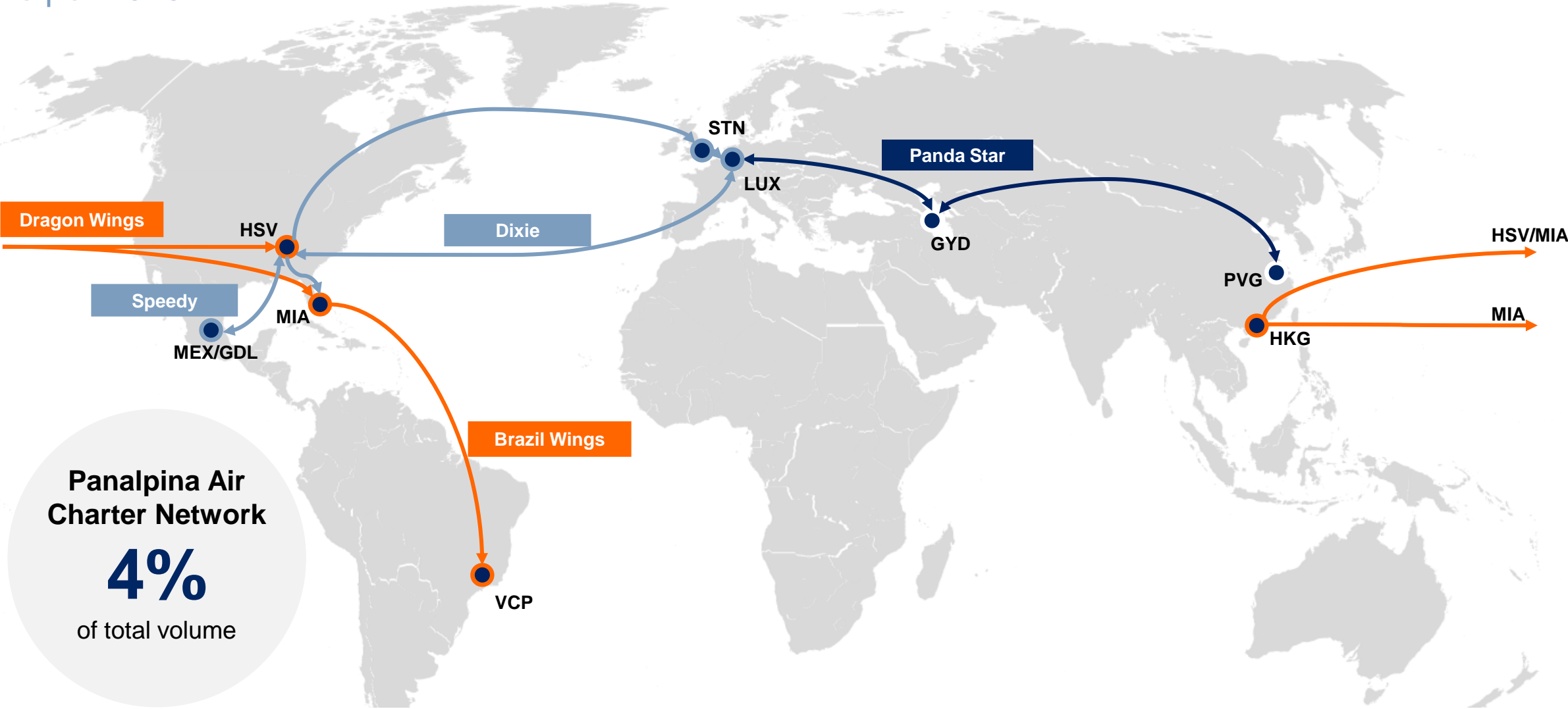
Customers

Ideal for time-sensitive, high-value goods or temperature-sensitive cargo: pharma, healthcare, high-tech, automotive.



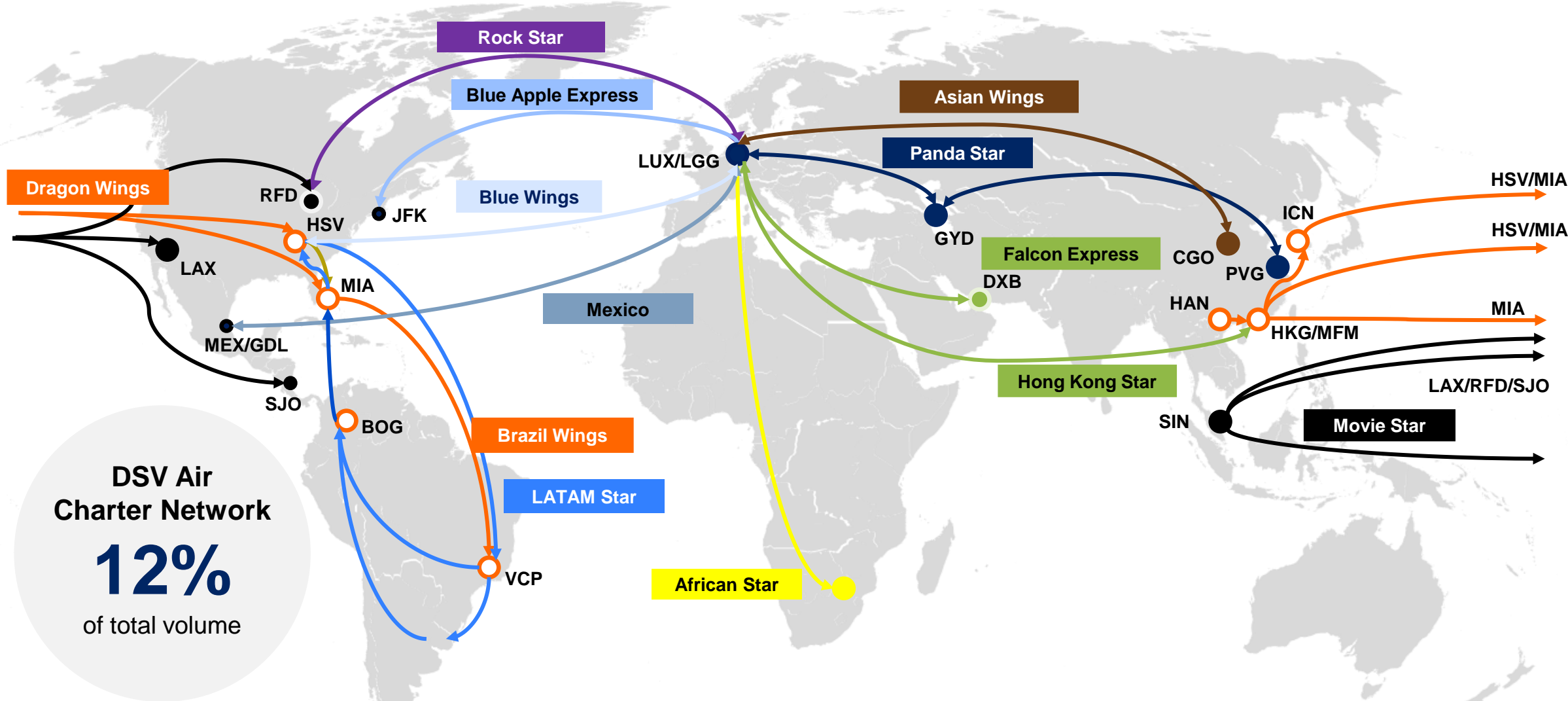
Panalpina Air Charter Network

As per 2019



DSV Air Charter Network

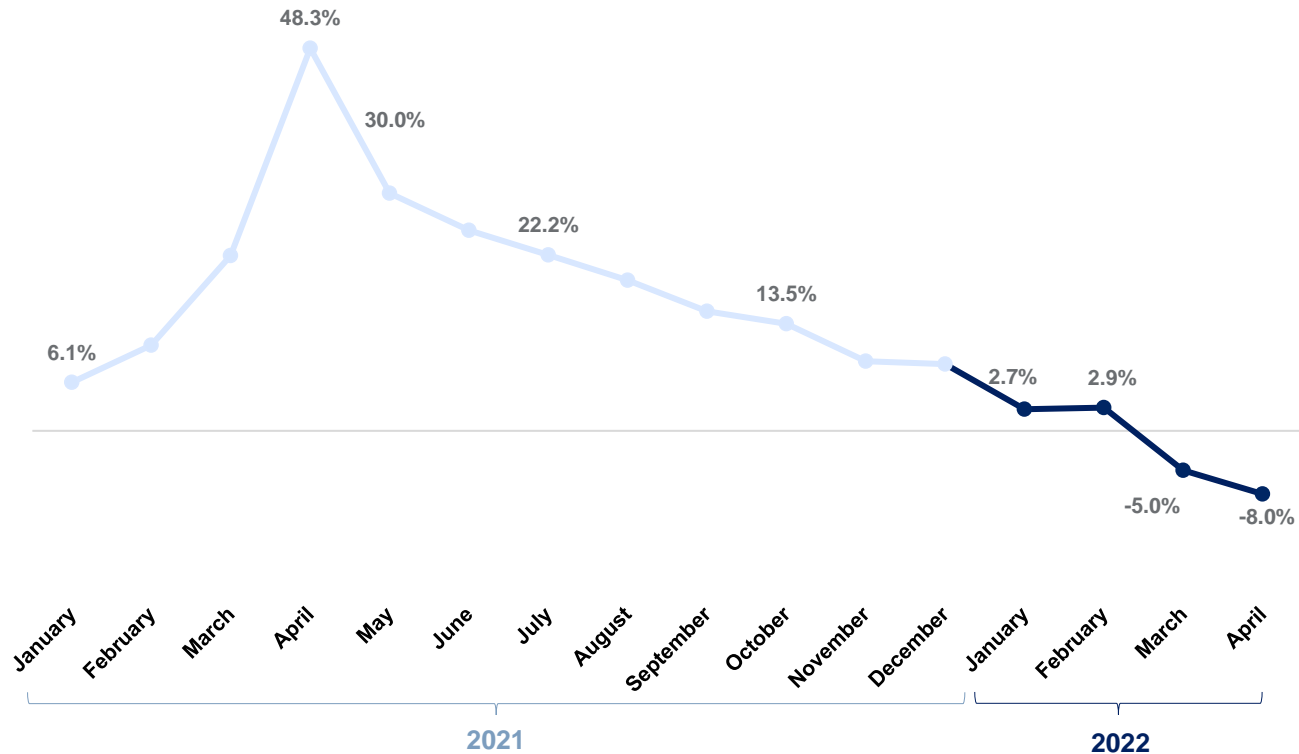
2022



What to expect?

What to expect from 2022 and beyond?

Volume YoY growth (%) 2022



Source: Jan 2021 – Apr 2022 from IATA Air Cargo Market Analysis

Outlook

- Demand depends on macro economy and consumer confidence.
- Continued service disruptions from COVID-19 lockdowns.
- Capacity impact from Russia/Ukraine crisis.
- Air market impacted by ocean freight disruptions.
- Belly space missing on trade lanes to and from Asia.
- Cost inflation – especially related to fuel.
- Rates are likely to remain elevated versus pre-pandemic levels.

Navigating the Sea Freight Market

Senior Director Michael Hollstein

The DSV logo is located in the bottom left corner of the slide. It consists of the letters 'DSV' in a bold, white, sans-serif font. The background of the slide is a blue-tinted photograph of a calm sea with three large cargo ships visible on the horizon under a clear sky.

Agenda

1

The current status of the sea freight market

2

Our relationship with carriers

3

Our LCL service

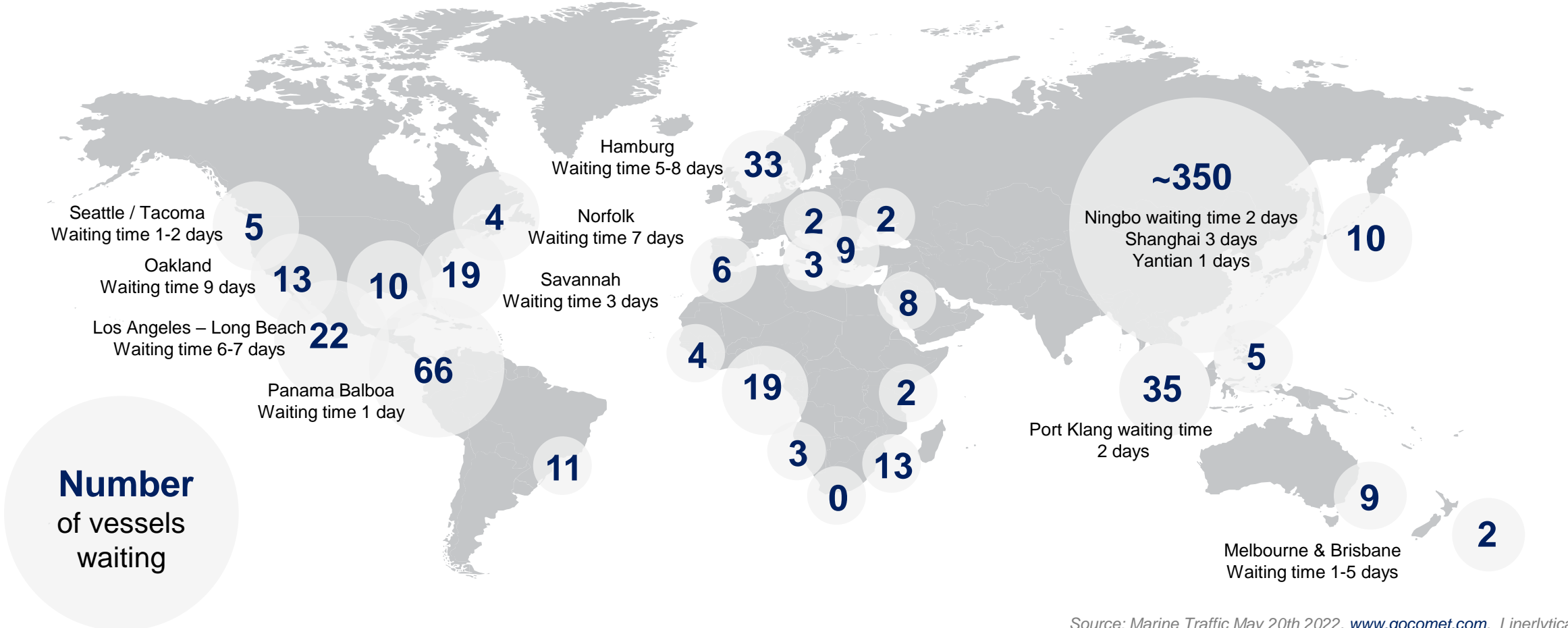
4

What to expect?



Global port congestion

12% of the global vessel capacity effectively removed, congestion moving to China with lockdowns

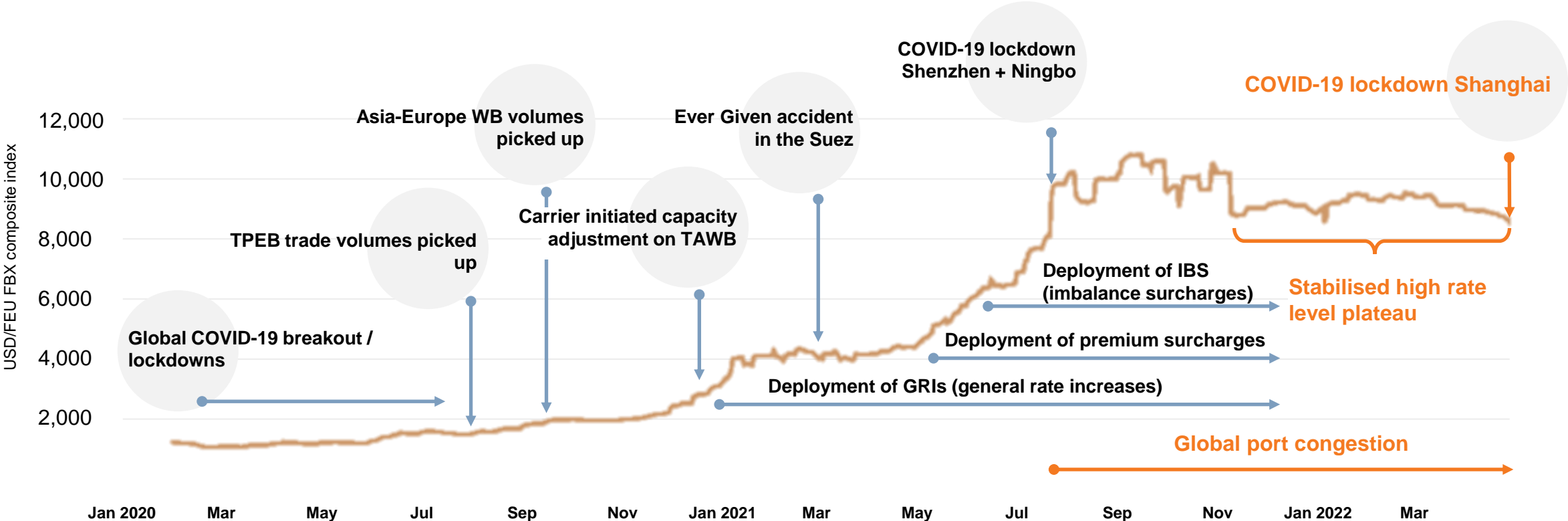


Source: Marine Traffic May 20th 2022, www.gocomet.com, Linerlytica

Ocean market triggers over the last 24 months

From overcapacity to historically high freight rates

- Surge in demand in H2-2020.
- Carriers deployed additional capacity.
- Investments in additional container equipment.
- Many of the corrective actions have been eaten up by port congestion.



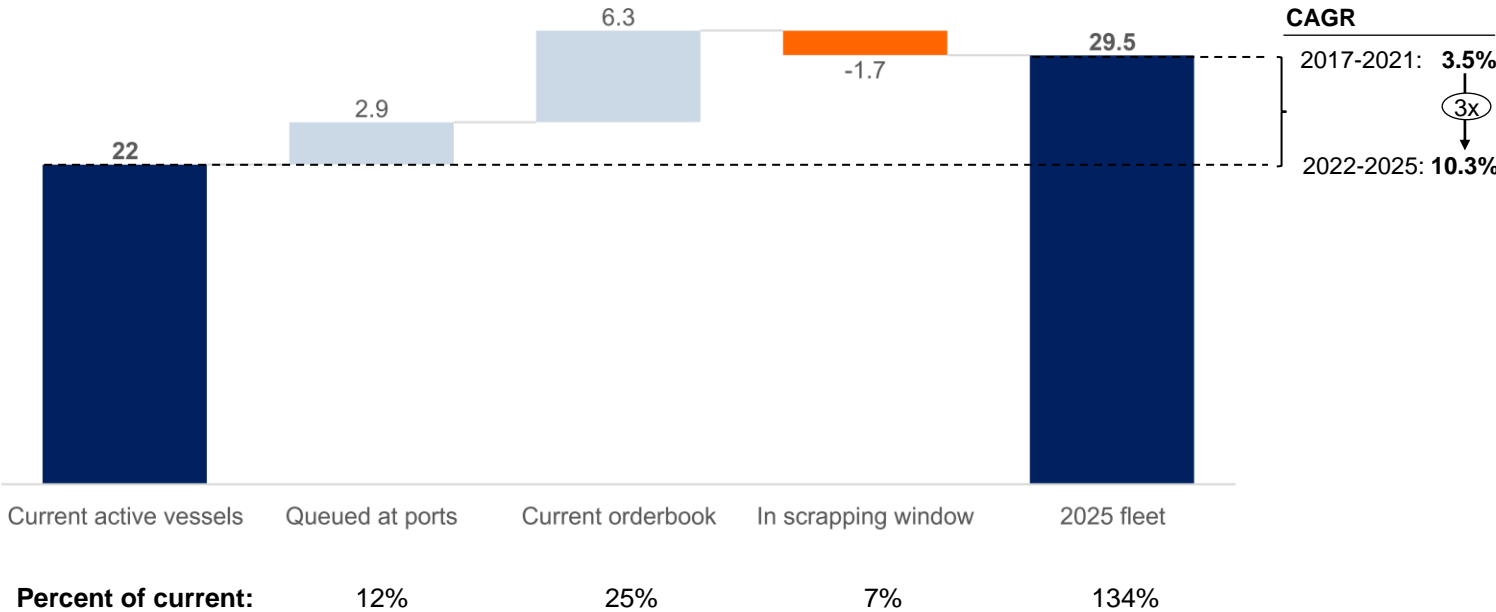
Source: FBX composite index

Available container capacity

In 2025 the global container capacity could be one-third higher than today

Global capacity projection by status, 2025

Million TEU



Source: Q1 2022 – Seabury Cargo – Ocean Market Dynamics

Comments

- Various ongoing initiatives and investments to reduce global port congestions – incl. void sailing programs to stabilise vessel rotations.
 - Will release capacity back to the trades by reducing waiting time for the vessels.
- Material new build program, especially in the ULCV segment (> 20,000 TEU ships) to further benefit from unit cost efficiency.
- Not reflected compensating capacity as a result from IMO2023 slow steaming on non-dominant lanes.
- Not reflected temporary capacity reductions by vessel in yard maintenance for retrofitting for IMO2023 compliance.

Our relationship with carriers

Our contract portfolio and price products

Balanced commitments to customers and carriers



Products

Open baskets

Penalty triggered

Cargo mix

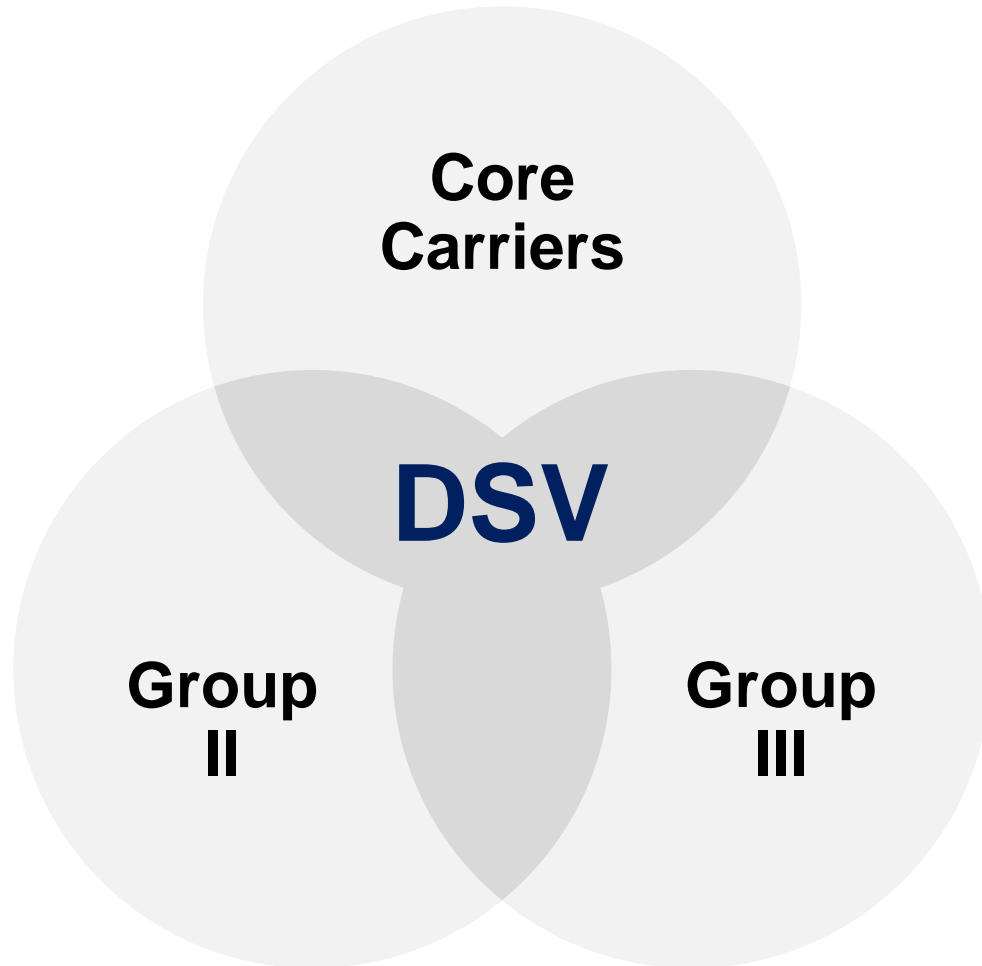
Closed baskets

Block space

Match back

Carrier Portfolio

Strong and balanced presence in all three vessel alliances



Selection criteria and KPIs

- > 90% of the DSV controlled volumes are signed up with our global strategic carrier partners.
- Strong and balanced presence in all three vessel alliances (2M / TA / OA).
- Volume agreements in the range from 25,000 to >500,000 TEU with the individual partners.
- Dedicated global account management teams plus C-level executive sponsorship by the carriers.
- Constant review of individual carrier performance and future business strategy.

Our LCL service

Less than container load

LCL represents ~4% of volume (TEU) and ~20% of sea gross profit (2021)



Operating on six continents



600+

Weekly services controlled by DSV



2.5 million

CBM volume handled
(equivalent to 100,000 TEU)



Top 3

Player in the LCL market

- Benefiting from the strong global DSV branch presence and network.
- Multi-year proven concept with full control and inhouse production – based on the understanding of consolidation as core competence.
- Driving TEU volume market share with the operating ocean carriers.

Benefits for shippers



01

Space protected during peak

Underlying terms with carriers give sensitive consolidation products priority status.

02

Minimum one departure and up to multiple sailings per week

With our global network schedules >30,000 origin destination pairs.

03

5 strategic hubs solutions

SG/KR/DE/AE/CO
Serving 10,000+ port pairs.

04

100% Managed by DSV LCL team

Fast escalation and decision-making.

05

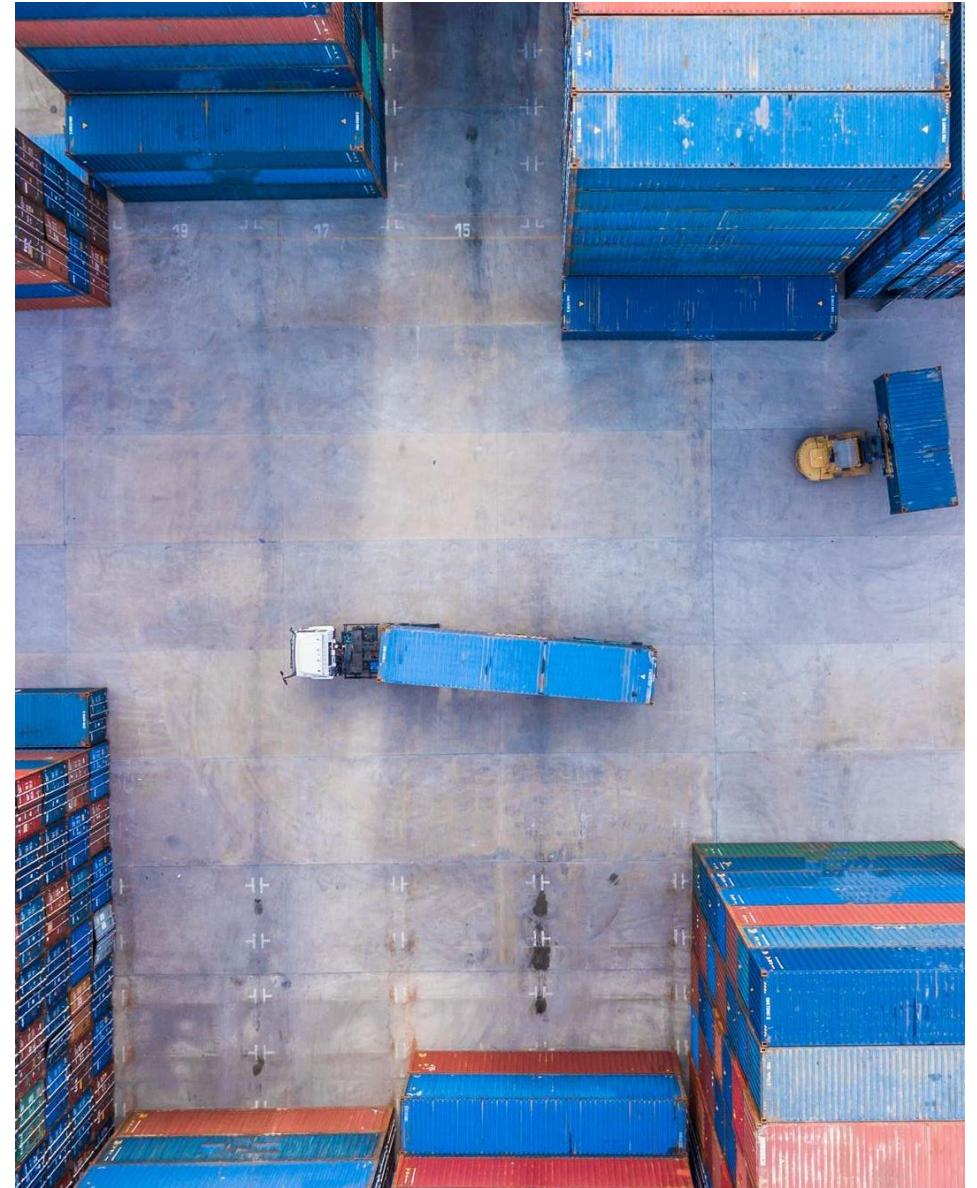
Inventory reduction and improved cash flow

Smaller and more frequent shipments which secure your supply chain.

What to expect

Business outlook

- Demand depends on macro economy and consumer confidence.
- Continued disruptions from COVID-19 lockdowns, the crisis in Ukraine and other events.
- Potential labour conflict at US West Coast.
- Russia/Ukraine crisis led to a swing back of cargo from rail to ocean.
- Rates are expected to decline mid and long term – but not to pre-pandemic levels.
 - Continued port congestion, due to underinvested infrastructure.
 - Consolidation and focus on profitability among carriers.
 - Alliances to plan capacity.
 - Fuel cost will remain at a highly level.
 - New capacity is coming online (current orderbook: 25%).
 - Partly offset by new IMO regulation, scrapping.



Air & Sea Q&A session

10.30-10.45

Break

After the break

The customers in focus

Group CCO Rene Falch Olesen

Automotive logistics in a world of change

Senior Director Automotive Eva Ames

Commercial Q&A session

Sustainability in focus

Senior Director Sustainability Lindsay Zingg

DSV

The customers in focus

Group CCO Rene Falch Olesen



Every supply chain is experiencing multiple & significant supply chain disruptions



Agenda

- 1** Challenged supply chains
- 2** The global commercial organisation
- 3** Supporting customers
- 4** Electrification & mobility



Customer Challenges

And how DSV is helping to overcome them

1

Lack of lead time predictability

- Lead time predictions.
- Improved inventory planning and replenishment.
- Selection of the right carrier mix.

2

Lack of visibility and control

- Control Tower and Purchase Order Management solutions.
- DSV Lead Logistics/supply chain orchestration.

3

High freight & logistics cost

- Broad range of carriers & modes to design a best fit freight solution.
- Supply chain optimisation services.
- Automated fulfilment factories to support customers' e-commerce needs.

4

Green Logistics

- Measure customer footprint.
- Optimise and reduce with our supply chain experts.
- Collaborate on sustainable fuels.
- Offset for carbon neutrality.

Global Commercial Organisation

Selected services



Customer
Relationship
Management



Global Account
Management



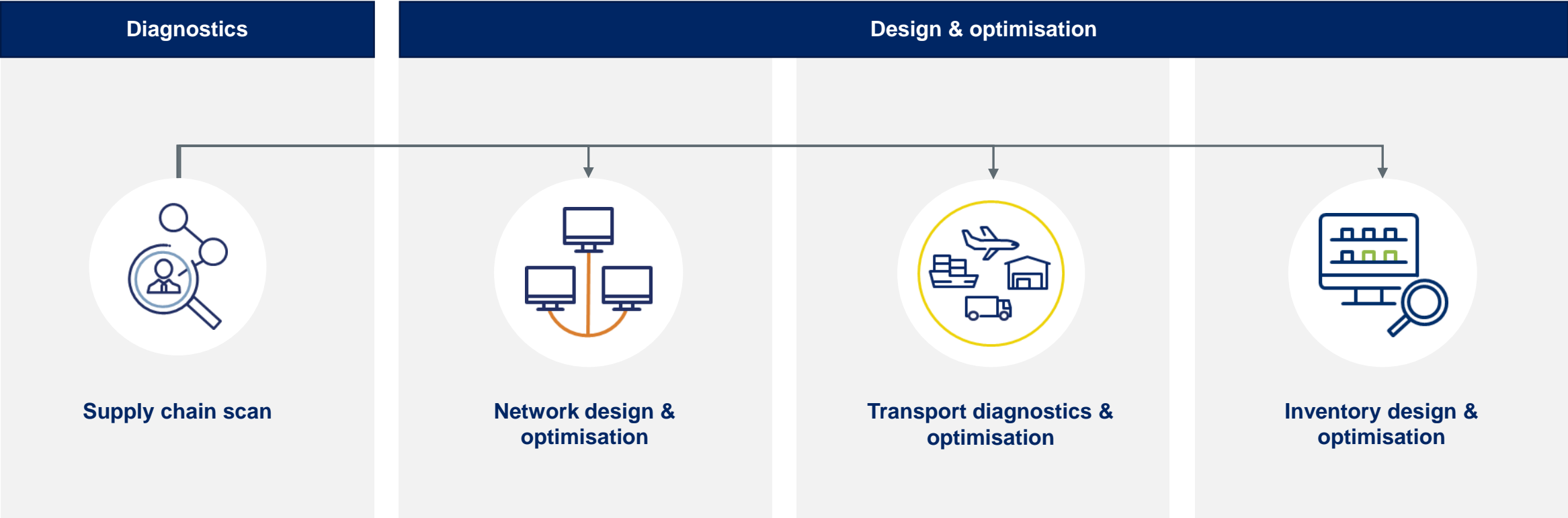
DSV Lead
Logistics



Supply Chain
Optimisation

Supply chain optimisation

Rethinking supply chains - challenging status quo



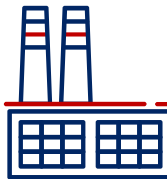
Finding the right balance from a cost, service, sustainability and risk perspective

Global Account Management

Our industry-specific expertise and solutions



Automotive



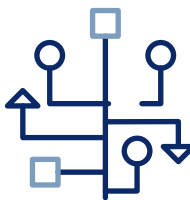
Industrial



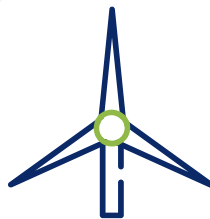
Retail & Fashion



Healthcare



Technology



Renewable Energy

Automotive Logistics have never been more important

NEW VEHICLE PRICES AT RECORD HIGHS

2020 GLOBAL AUTOMOTIVE SALES 86.2 MILLION UNITS

**DEMAND
REMAINS
RESILIENT**

INTERNAL
COMBUSTION
VEHICLES ARE
95% OF GLOBAL
SALES

INTERNAL COMBUSTION
VEHICLES AVERAGE
4,500 COMPONENTS

3 DECADES OF GLOBALISATION CAN'T BE NEARSHORED IN A DAY

2023 GLOBAL VEHICLE SALES
94 MILLIONS UNITS, SURPASSING PRE-
PANDEMIC LEVELS

ROBUST PREMIUM VEHICLE SEGMENT DEMAND

**BATTERY ELECTRIC VEHICLES AVERAGE
3,300 COMPONENTS**

OEMs SHAPING SUPPLY
TO MAXIMIZE PROFIT

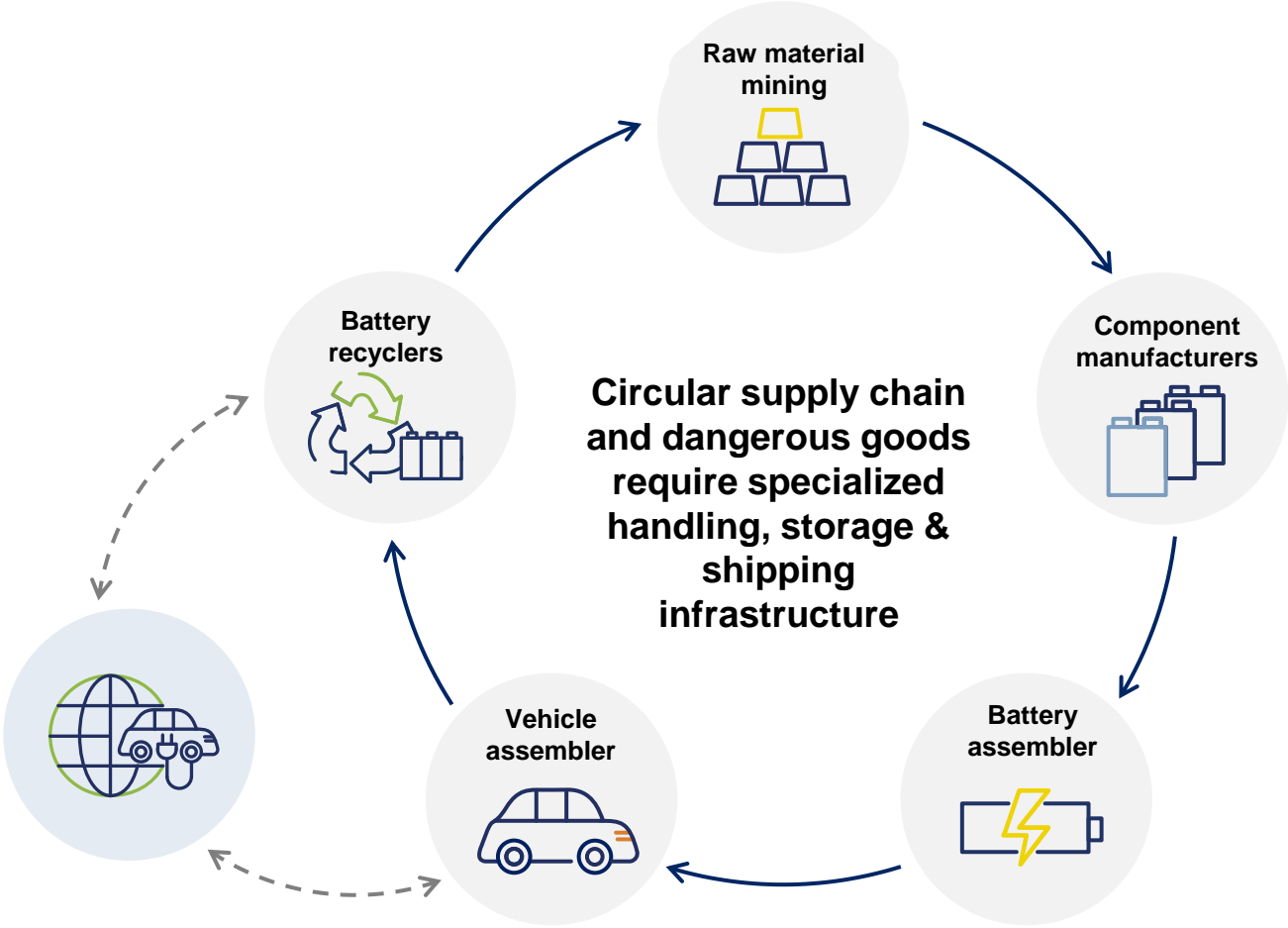
Automotive logistics in a world of change

Senior Director Automotive Eva Ames

DSV

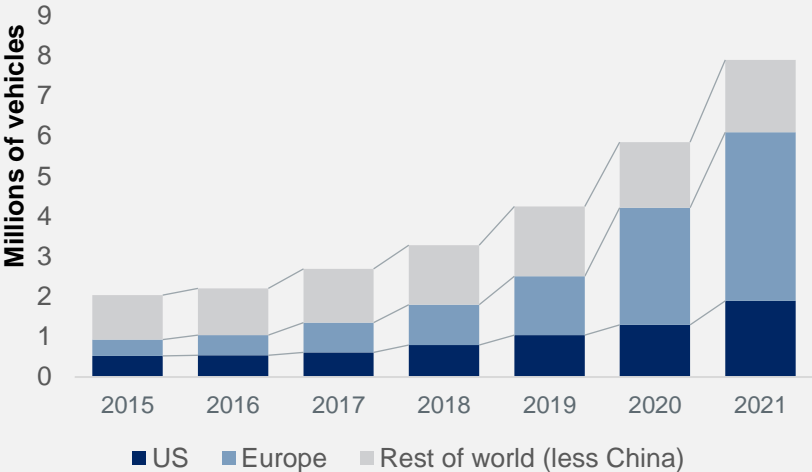
The next big disruption

Electrification is changing the Mobility Supply Chain



New Opportunities Emerge

Electric vehicle sales on the rise
Total Addressable Market: From €1T to €2T by 2030



Source: LMC Global Hybrid and Electric Vehicle Forecast, 2021

Plugging into the future

- Extending traditional services
- Developing new products
- Innovating with patentable technology
- Empowering customers

Lithium-ion battery restrictions challenge supply chain design

The hard things about hard things



Creativity



Prototypes



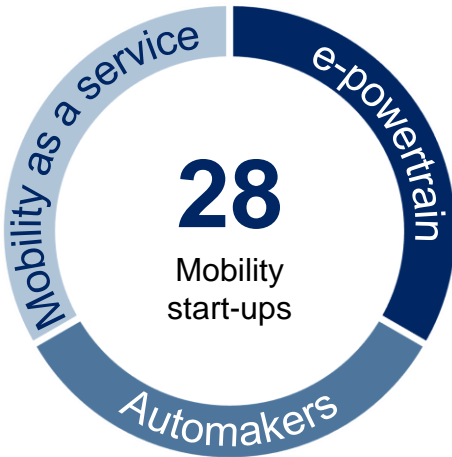
Production



Aftersales

Electrification & Mobility Competence Center (EMC2)

Customer engagement by the numbers



*Non-Mobility Battery Products

Wrap-up

Disruption continue to impact our customers.

DSV's role in building resilient supply chains in a world of constant change.

EMC² – Innovation to support an automotive industry in transition.

Commercial Q&A session

Sustainability in focus

Senior Director Sustainability Lindsay Zingg

DSV

A clear strategy for sustainability is a license to operate

It is the right thing to do



For our planet and for our future.

Tightening regulations



Governments and NGOs are setting robust targets to avert climate change and support ESG agenda.

Stakeholder demands



Increasing demand from customers, employees, investors and societies at large.

Agenda

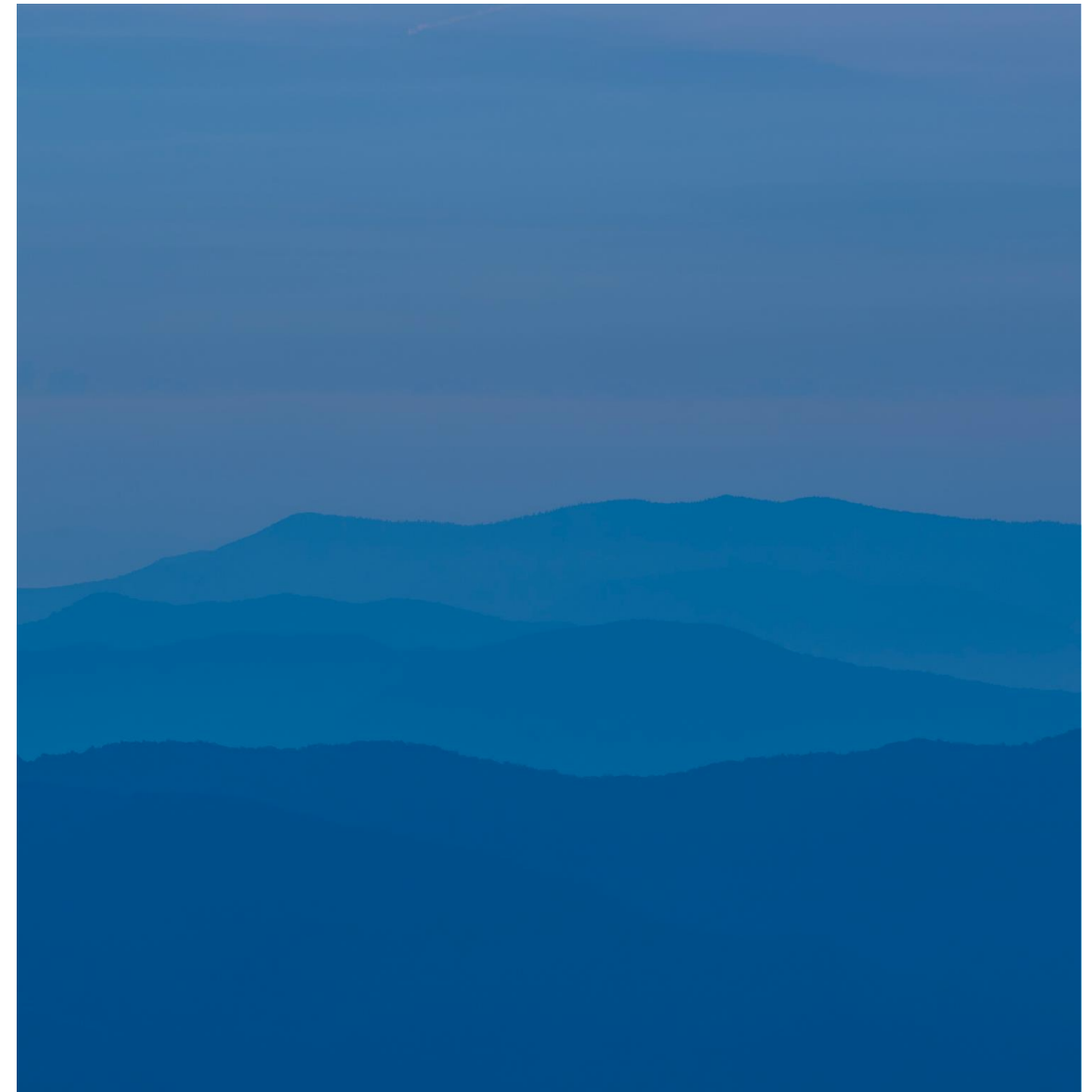
1 Our sustainability strategy

2 Science-based targets

3 Green Logistics

4 Greener buildings

5 Partnerships



Leading the way for a sustainable future

Our sustainability strategy



Governance

Business ethics. We do business with integrity, respecting different cultures and the dignity and rights of individuals in all countries.

Responsible procurement. We ensure our suppliers meet our high standards, service quality and price requirements, and demonstrate an understanding of our corporate sustainability objectives.

CO₂ emissions
Waste management and recycling
Product and service innovation



Environment

We have a responsibility to drive our own operations and the industry towards minimising the environmental impact of transport and logistics services.



Anti-corruption
Conflict of interest
Anti-competitive behaviour
Supplier engagement and conduct
Data privacy
Taxes

Employee engagement
Diversity and gender equality
Community engagement
Health and safety
Human rights
Labour rights



Social

Our people. We provide safe and healthy workplaces, and we strive to attract, motivate and retain talented people by offering responsibility, empowerment and growth opportunities.

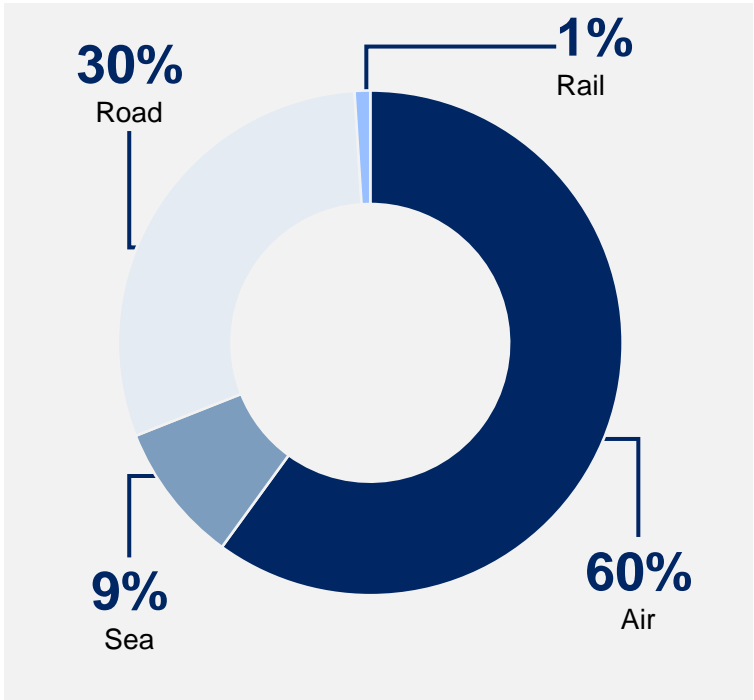
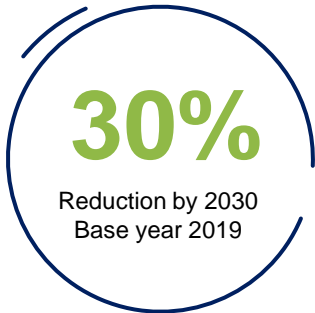
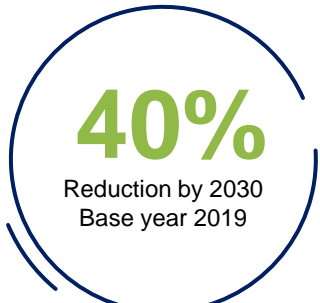
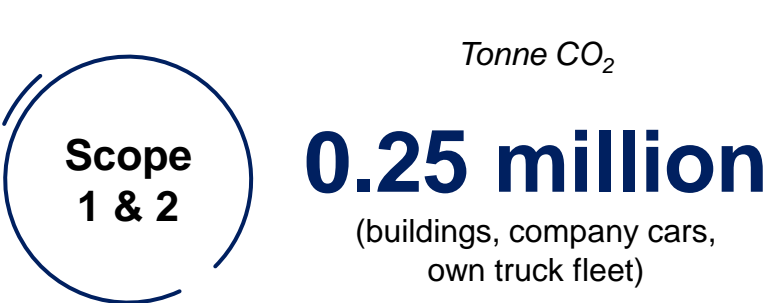
Community engagement. We engage with and support the communities we do business in, and we use our expertise to support people in need.

We have set ambitious science-based targets

DSV's carbon footprint 2021

Science-based targets 2030

Scope 3 split by transport mode



Because of the acquisition of GIL we are currently recalculating the 2019 baseline. We are also evaluating how best to align with the 1.5°C warming scenarios and net zero greenhouse gas emissions target.

Green Logistics



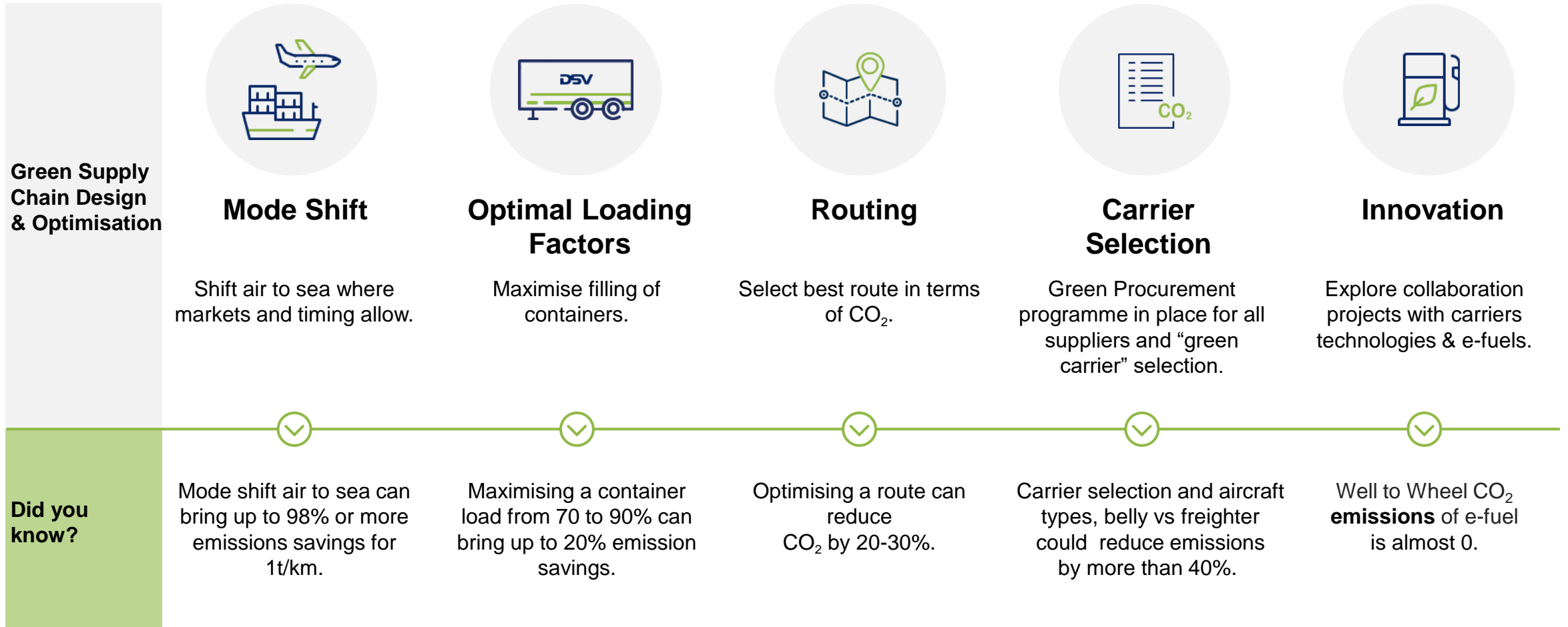
Green Logistics

A set of solutions that reduce the carbon footprint of your supply chain



Rethink your logistics

We have various optimisation offerings for customers



Emission intensity

Significant emission savings from choosing a newer airplane

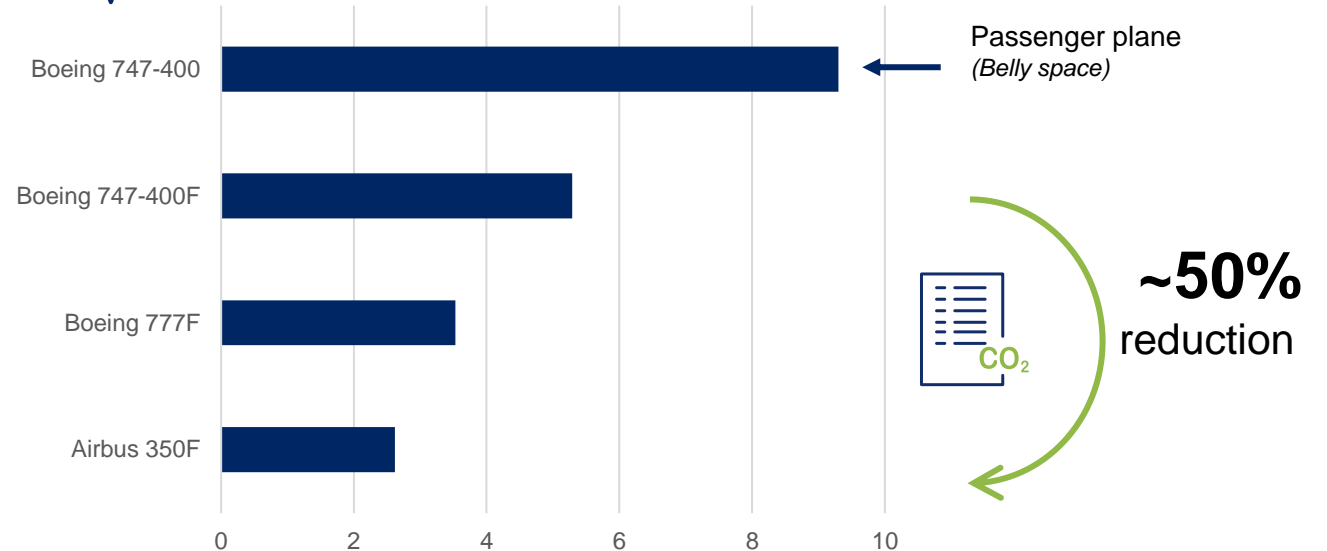
1 tonne of cargo from Luxembourg to Shanghai

Same weight, same distance,

but different emission intensity based
on different airplane types.



CO₂ emissions in tonnes per tonne freight



Source: EcoTransit, www.airbus.com, DSV estimates



As part of DSV's Green Supply Chain Design and Optimisation offering we would be looking at options to lower transport CO₂ emissions by providing a choice of green carriers or routings.

Green Logistics pricing

Airfreight is by far the most expensive transport mode



1 TEU from
Shanghai to Los Angeles

0.7 (t) CO₂e

Marine biofuel offering

137 EUR

~100 EUR
per TEU



1 tonne from
Shanghai to Los Angeles

5.2 (t) CO₂e

SAF (United airlines)

231 EUR

~1,200 EUR
per tonne of cargo



12 tonnes from
Hedehusene (DK) to Milan (IT)

1.1 (t) CO₂e

Marine biofuel offering

137 EUR

~150 EUR
for 12 tonnes of cargo

Total CO₂e
emissions

Price to reduce by 1
tonne of CO₂e

Price to reduce
CO₂e for the lane



Disclaimer – CO₂ calculation based on EcoTransIT standard methodology. **Fuel markets** have lately experienced **major price increases**, especially for Sustainable Aviation Fuel where demand is higher than supply – potentially no supply short term. Calculation based on market prices ultimo May 2022.

We are exploring alternative fuels/technologies for road transport to accelerate decarbonisation



Renewable Hydrogen

We have partnered with Danish technology and energy companies to build renewable hydrogen production for heavy road transport, shipping and aviation.

The aim is to get operational DSV trucks in Denmark

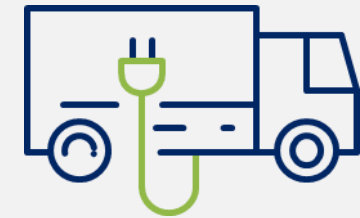


Biofuel/ HVO

DSV supports second generation biofuels (e.g. HVO) that are derived from non-food based crops or waste oil feedstocks.

Examples of current initiatives*: HVO trucks in Sweden, Biodiesel in Singapore

Biofuel certificate offering for customers and expansion of network in Europe



Electric

This can be a true zero carbon solution if source is renewable.
Suitable for pick-up/last-mile delivery at present due to limitations posed by charging infrastructure and advances in battery technology.

Examples of current initiatives*: E-trucks in Germany

In development: E-truck network in Europe

In the US we have joined the **SmartWaySM program** and we are committed to promoting greater energy efficiency and air quality with key focus on E-Trucks besides other alternative fuels.

**To be evaluated upon request by customer.*

More sustainable and smarter buildings

Addressing our Scope 1 and 2 emissions



Eindhoven, Netherlands

- BREAM 96% score (Dutch Green Building Council).
- 1,421 sqm solar equipped roof.
- Rain-water harvesting for sanitary purposes.



Hedelandsvej, Denmark

- Achieved DGNB Silver certification.
- Recycling of excavated material.
- Safeguarding employee health through nitrogen filters.
- Rooftop solar panels with accompanying battery storage.



Gauteng Park, South Africa

- Built-in biometrics.
- 1.6 MW of available solar.
- Water and energy saving mechanisms.
- Local community to source vehicles and resources.

High standards for new buildings built by DSV

Partnerships

Working together for a more sustainable future

Achieving our **sustainability goals cannot be realised alone.**

That's why we work with customers, industry partners and stakeholders in the wider business and academic communities to develop solutions that benefit both our planet and our business.

Selected partnerships



Wrap-up

We have set ambitious targets to reduce our emissions.

Green Logistics is a set of services which can help our customers to reduce emissions.

Collaboration with customers, suppliers and industry forums is required.

Sustainability Q&A session

12.00-12.45

Lunch Break

After the break

The Road division

CEO Søren Schmidt

The Solutions division

CEO Brian Ejning



The Road division

CEO Søren Schmidt

DSV

Krefeld cross-dock terminal



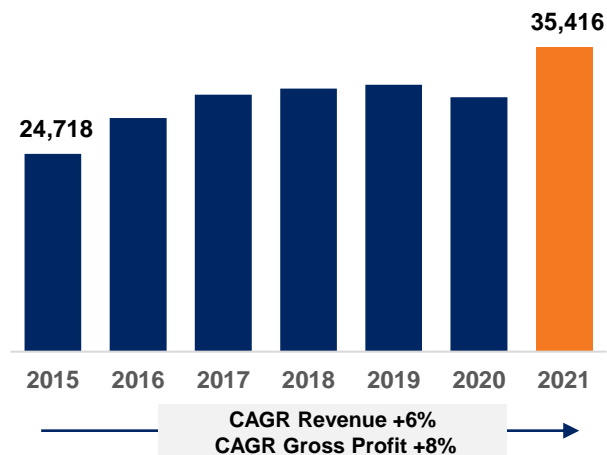
Investment case



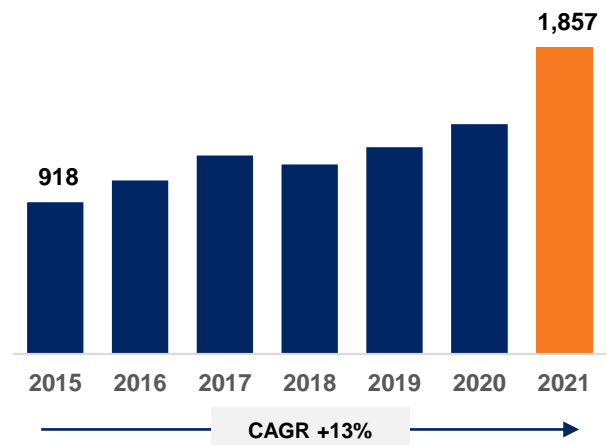
DSV Road

- European top 3 player, with growing size in North America.
- Industry-leading margin (EBIT margin >5%) in a competitive market.
- On track to reach current 2026 target for conversion ratio. Longer term upside from Road Way Forward project.

Revenue (DKKkM)

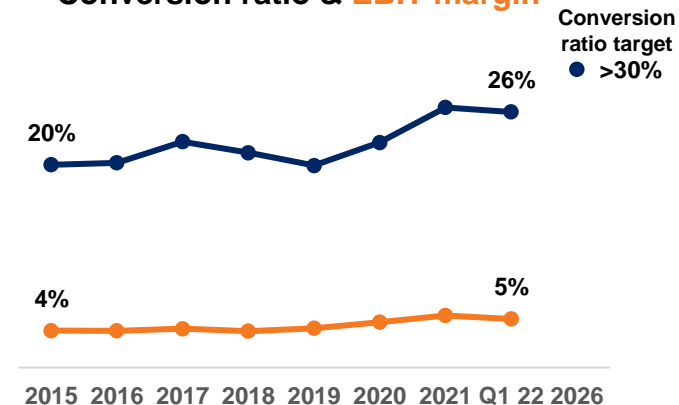


EBIT before special items (DKKkM)

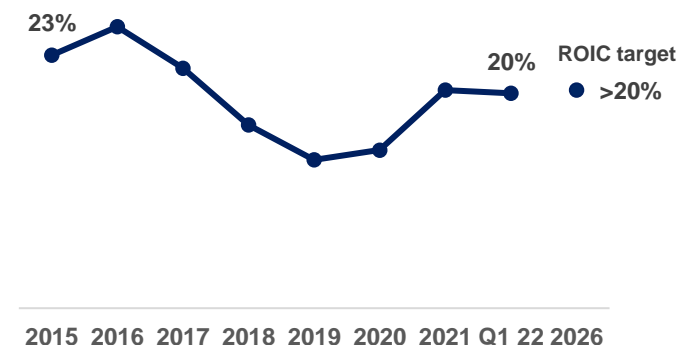


CAGR including M&A impact

Conversion ratio & EBIT margin



ROIC before tax, including goodwill



ROIC before tax adjusted to reflect IFRS 16 for 2015-2018

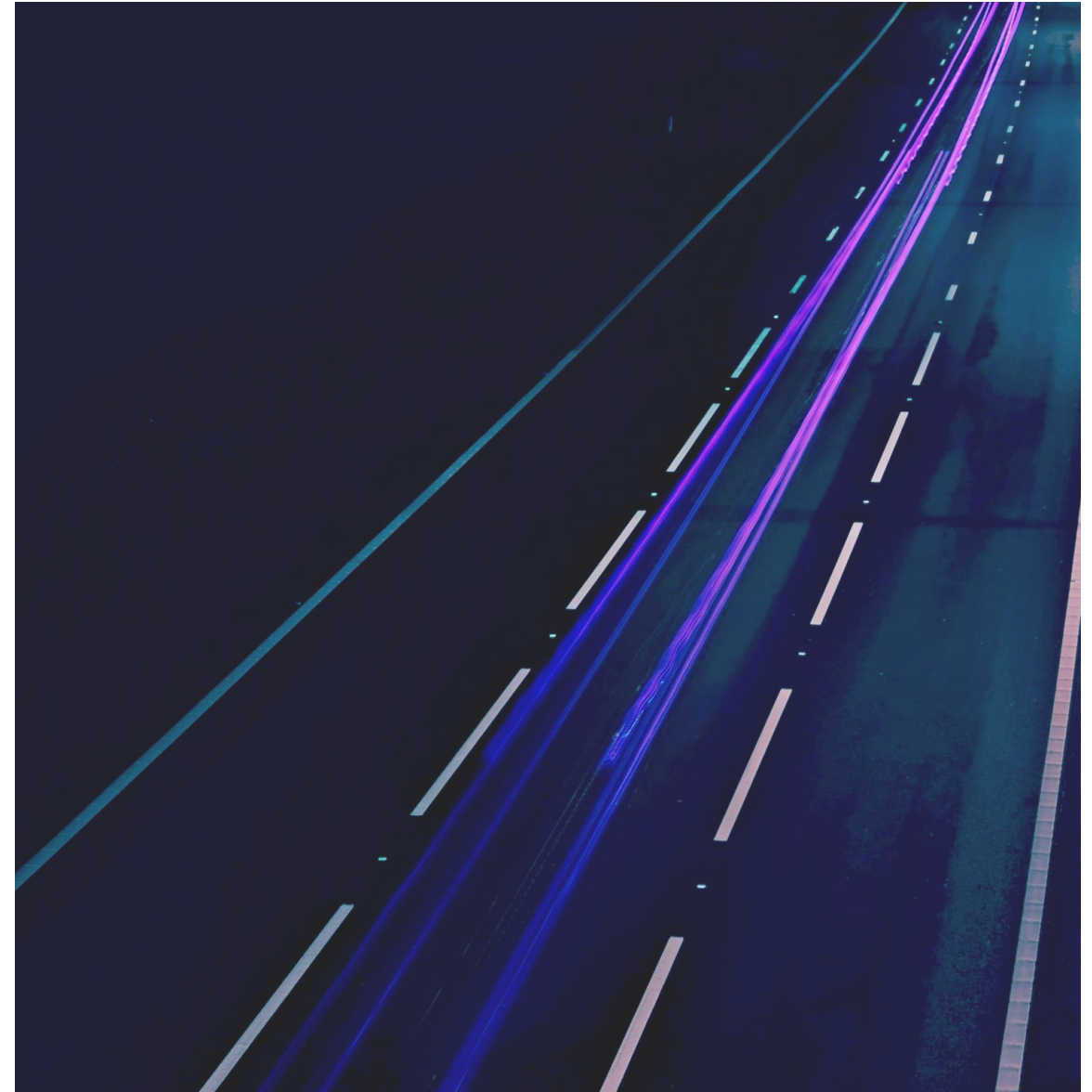
Agenda

1 Our geographical footprint

2 One strategy for DSV Road

3 Road Way Forward

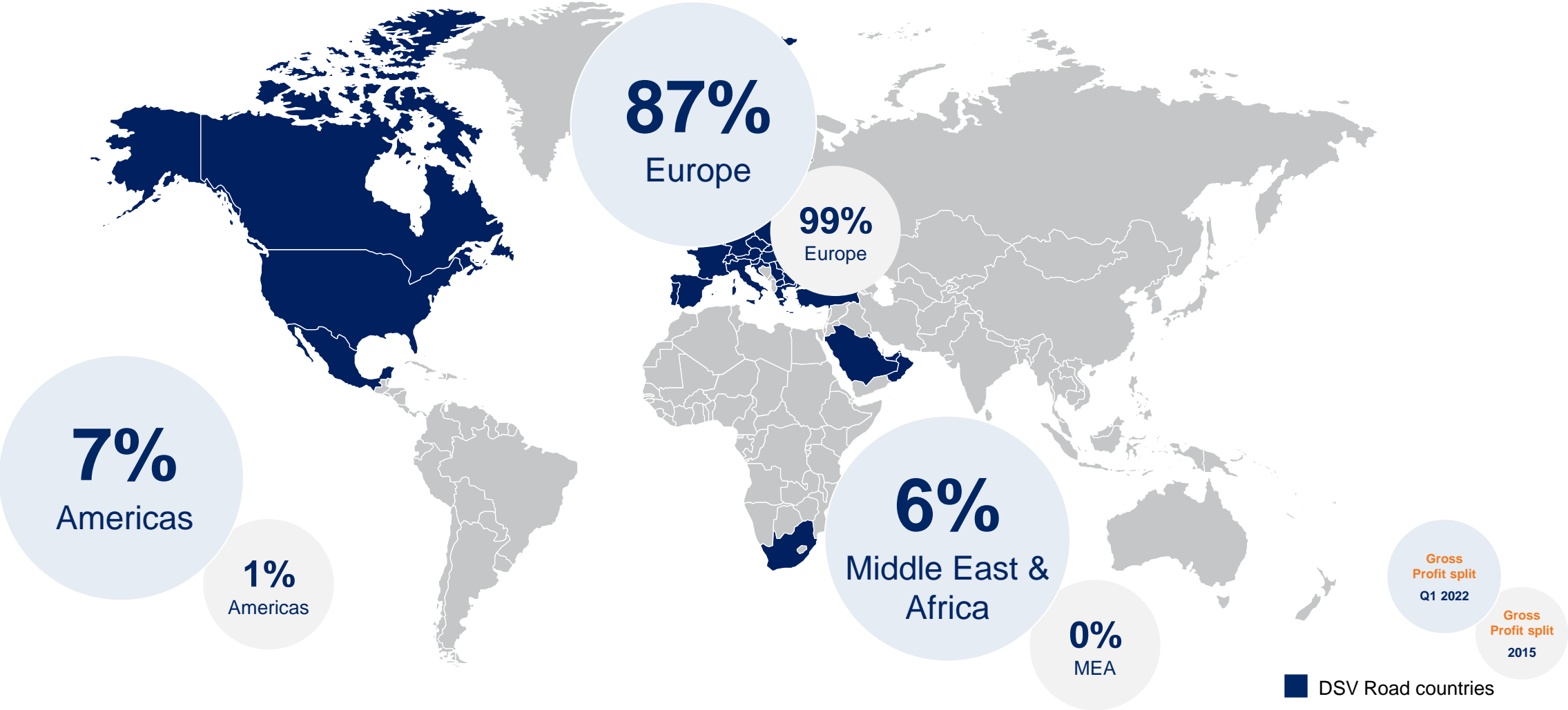
4 Market update



Our geographical footprint

DSV Road

More global – but Europe is still the main market



One strategy for DSV Road

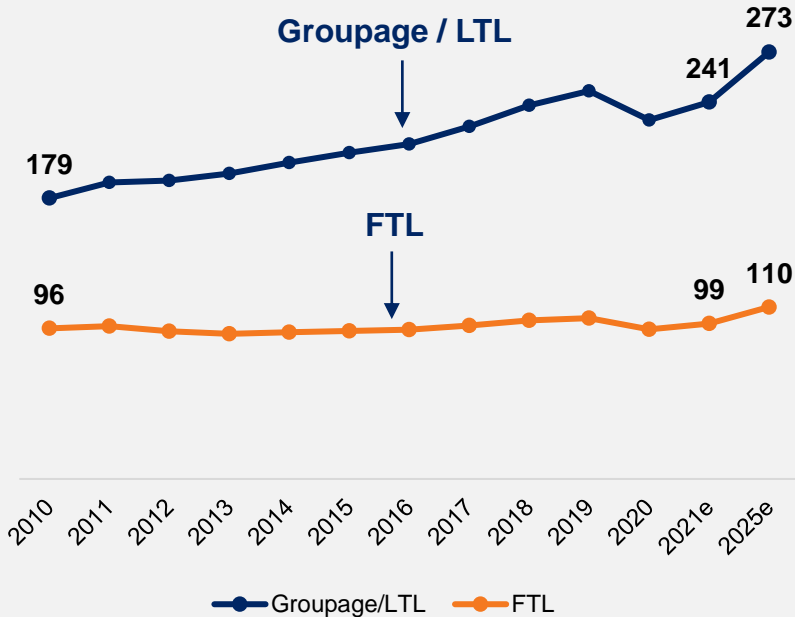
DSV Road strategy



We aim to develop our groupage capabilities

An attractive market where DSV Road already has a strong position

Market size on FTL and LTL/groupage (EURbn)



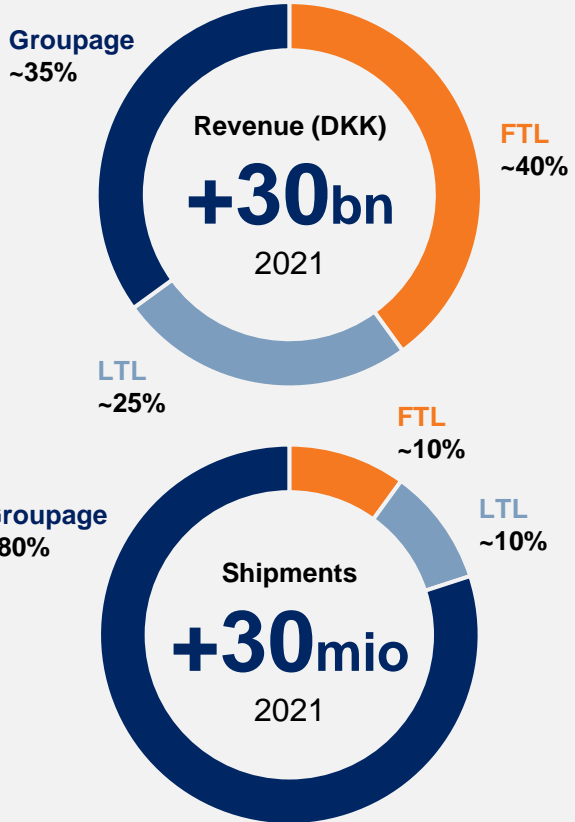
Source: Transport Intelligence, 2021
Transport Intelligence LTL definition: LTL & groupage

Groupage characteristics

High potential in developing our groupage business

- Larger market with higher structural growth.
- More complexity (more value add) and therefore margins are higher.
- Requires infrastructure (terminals and systems) – therefore barriers to entry are higher than FTL.

DSV Europe mix




Creating value for customers and operations

How we realise the value potential by having ONE IT infrastructure



Common way of working
in Europe unites us to become ONE Road network.




Automated workflows incl. **auto-planning & auto-invoicing** with standardised master data and single-file IT system.



Shipment transparency, incl. local profitability and end-2-end as soon as a shipment is planned.




No manual intervention on groupage shipments.



Customers to receive **status information directly** in myDSV.



Significant potential to increase the number of shipments per FTE



Scalable and M&A ready

Road Way Forward

From CargoLink Way forward to Road Way Forward

CargoLink Way Forward (2015)

- 1 **IT project** to replace legacy transport management system.
- 2 **Several elements are operational today** – Quote Tool and Mobility Platform.
- 3 Project is now **replaced by Road Way Forward**.

Main pain points for DSV Road

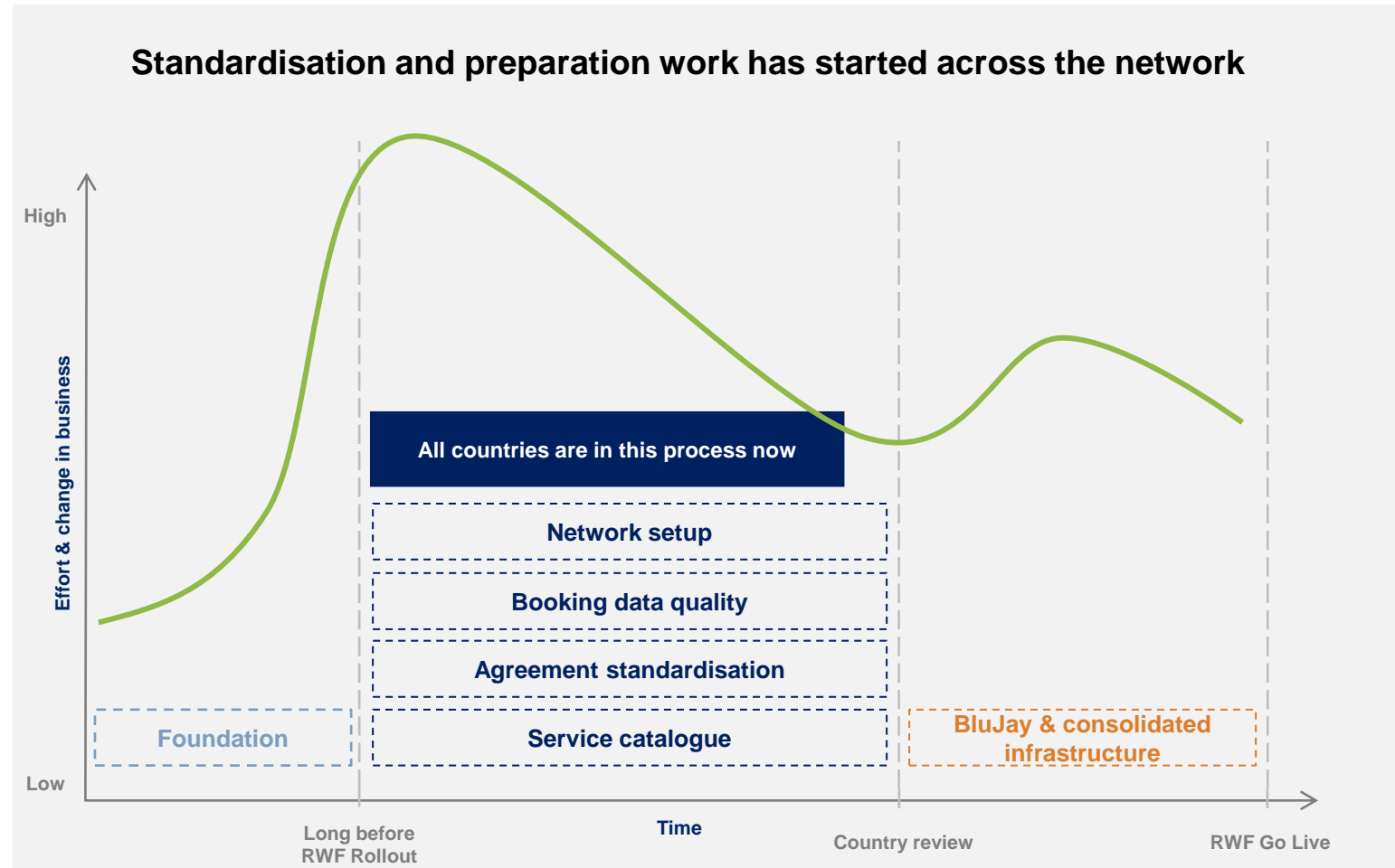
- 1 **Fragmented and legacy IT infrastructure.**
- 2 **Fragmented service catalogue.**
- 3 **Country-by-country operation – limited network thinking.**

Road Way Forward (2022)

- 1 **ONE scalable IT infrastructure** to standardise and digitalise our workflows and services.
- 2 **ONE European groupage network** to operate with reliable and industry-leading service levels and profitability.

The Road Way Forward project

Standardisation and rollout – expected high-level timeline



BluJay (TMS) rollout plan

- H2-2021 ● POC live in Baltics
- H2-2022 ● POC live in Poland
- H1-2023 ● POC live in Germany
- 2023-2026 ● European rollout

What to expect from Road Way Forward

A higher and standardised service level towards customers

- Reliability
- Sustainability

Scalability

- M&A ready
- Enables Road to embark on a journey similar to Air & Sea: growth and margin expansion

Operational excellence

- Automation of processes
- Upside to our >30% conversion ratio target, as rollout progresses



Market update

Current market situation

Capacity & driver situation

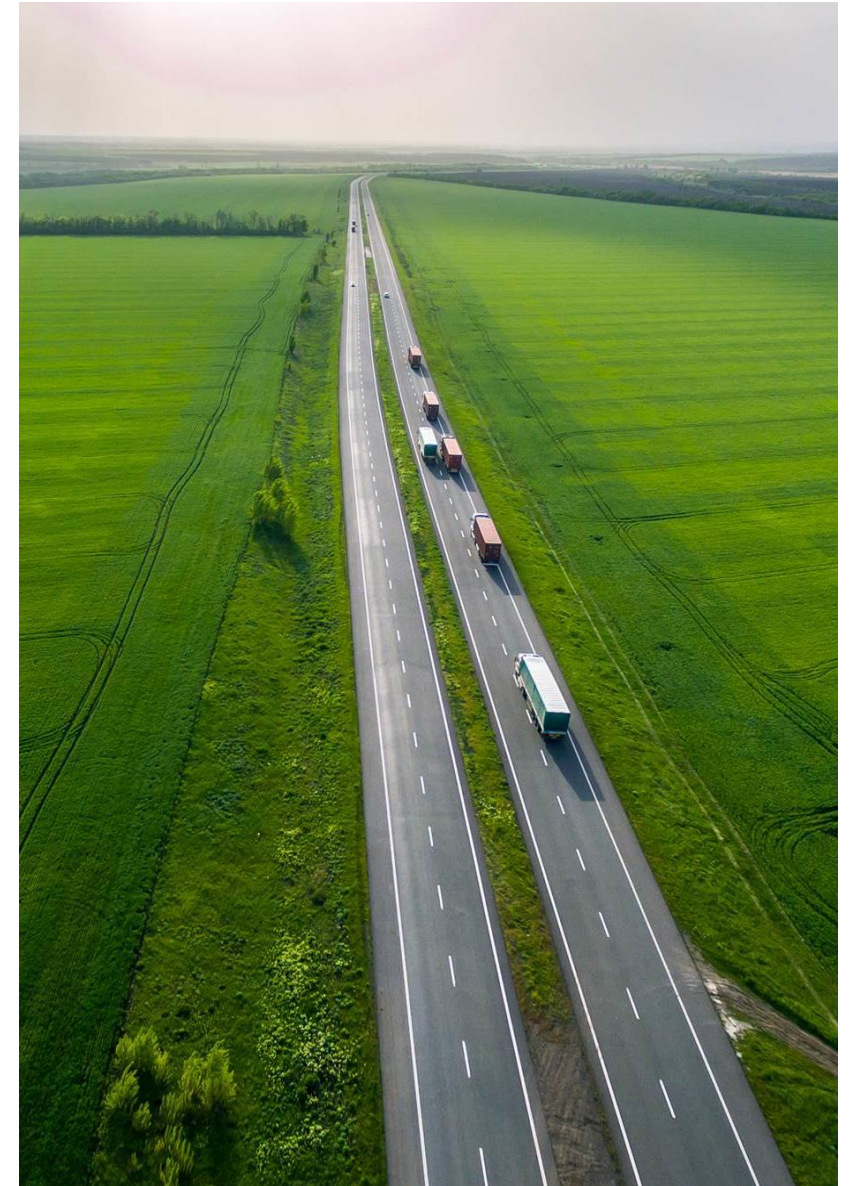
- EU Mobility Package and Ukraine crisis has put capacity under pressure.
- DSV Road benefits from scale and strong procurement setup.

Cost inflation

- We are increasing our rates – in a competitive market.
- Diesel surcharge is automatically adjusted based on contracts in most cases.

Demand

- Uncertainty related to macroeconomy – in general, demand is still holding up.
- Decline in B2C shipments, after COVID-19 peak in 2021
- Automotive industry suffers from lack of components.



Wrap-up

ONE scalable IT infrastructure.

ONE European groupage network.

Fully implemented Road Way Forward will provide upside to current conversion ratio target of >30.0%.



Road Q&A session

The Solutions division

CEO Brian Ejsing

DSV

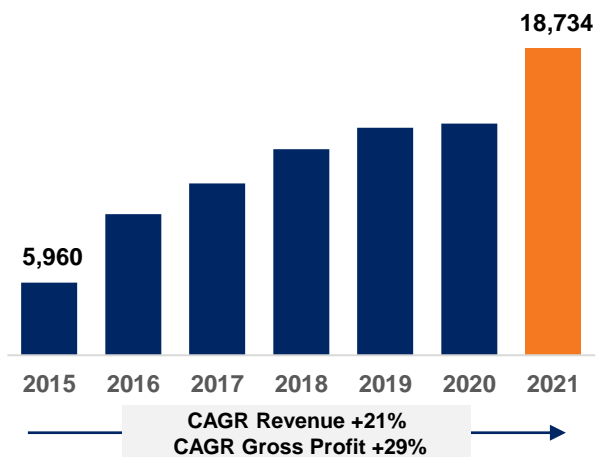
Investment case



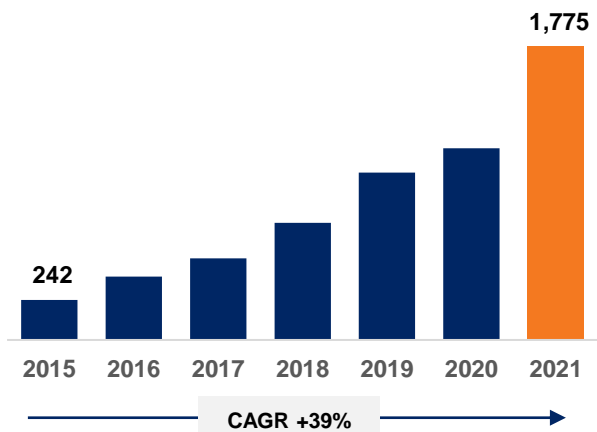
DSV Solutions

- Global presence, large multi-user campuses and consolidated IT infrastructure.
- A diversified customer base with focus on high-growth segments.
- Long-term strategy for property development.
- Industry-leading margins and strong growth.
- On the right track to achieve ambitious ROIC target.

Revenue (DKKkM)

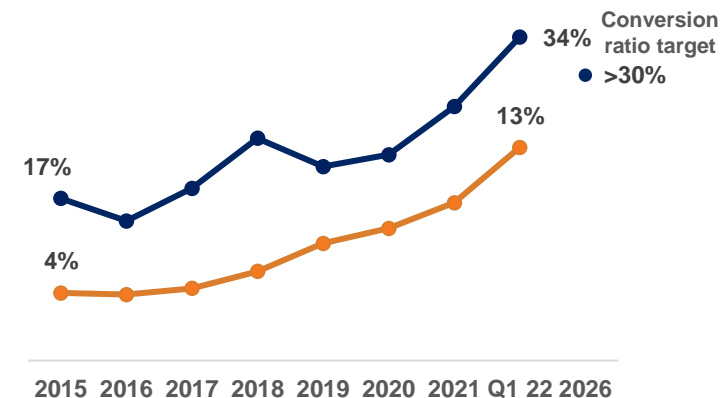


EBIT before special items (DKKkM)

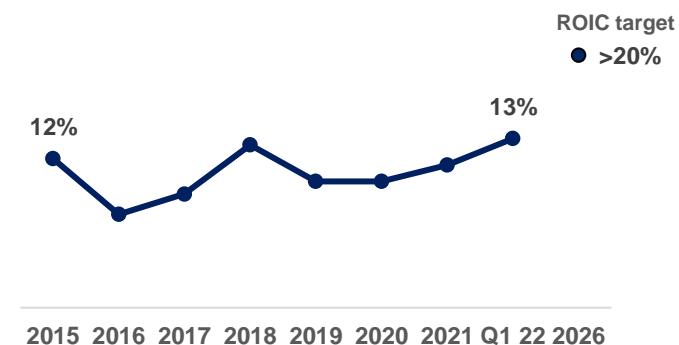


CAGR including M&A impact

Conversion ratio & EBIT-margin



ROIC before tax, including goodwill



ROIC before tax adjusted to reflect IFRS 16 for 2015-2018

Agenda

1

Global footprint and market growth

2

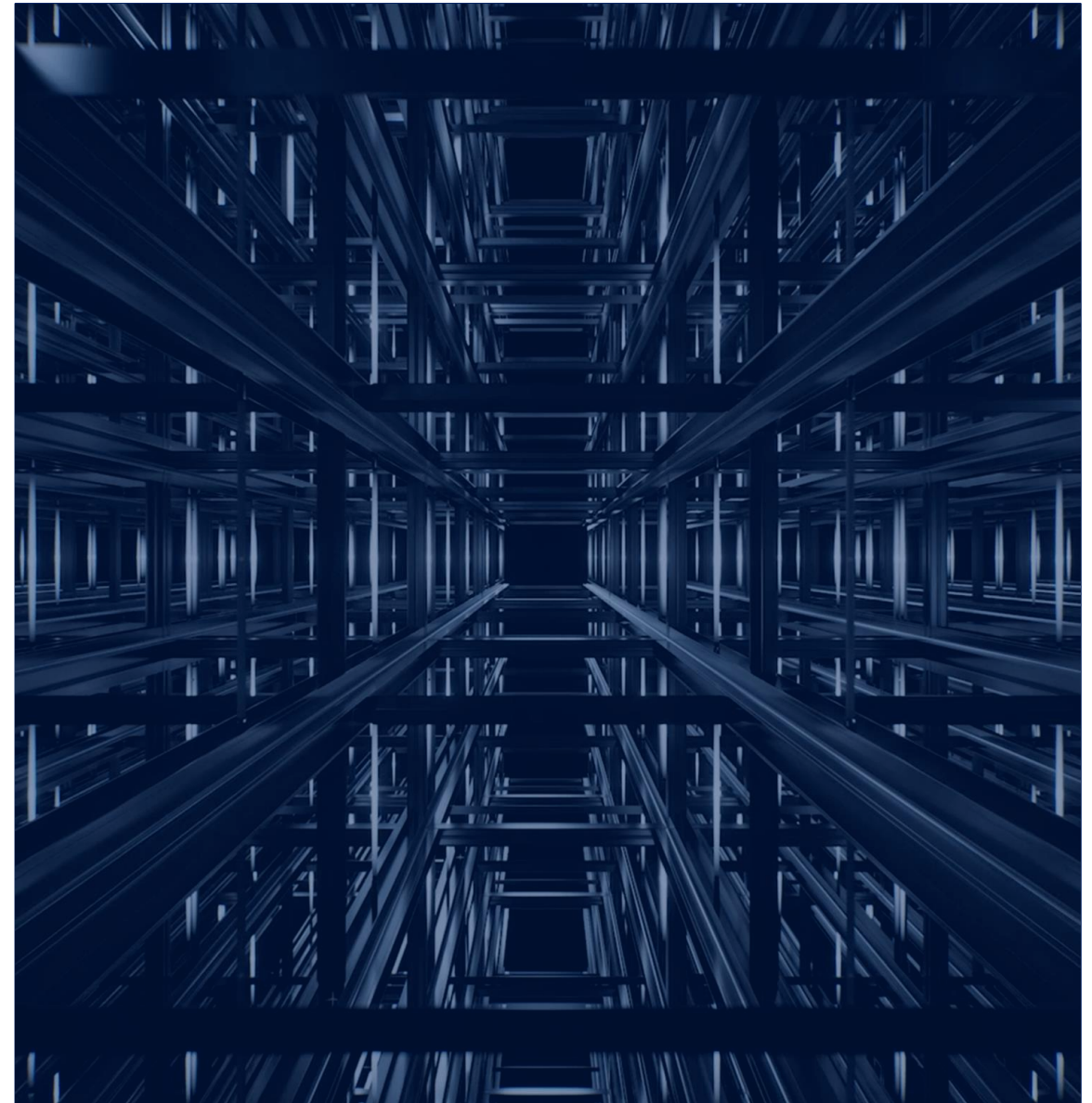
Campus strategy

3

Automation

4

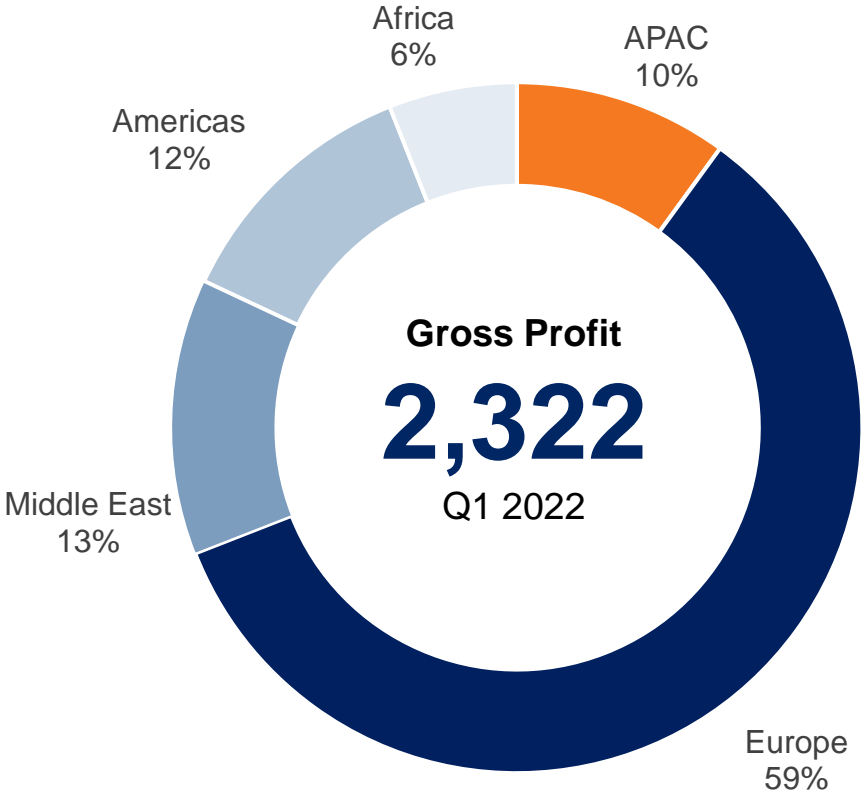
Wrap-up



Global footprint and market growth

Global footprint

Diversification



DSV Solutions

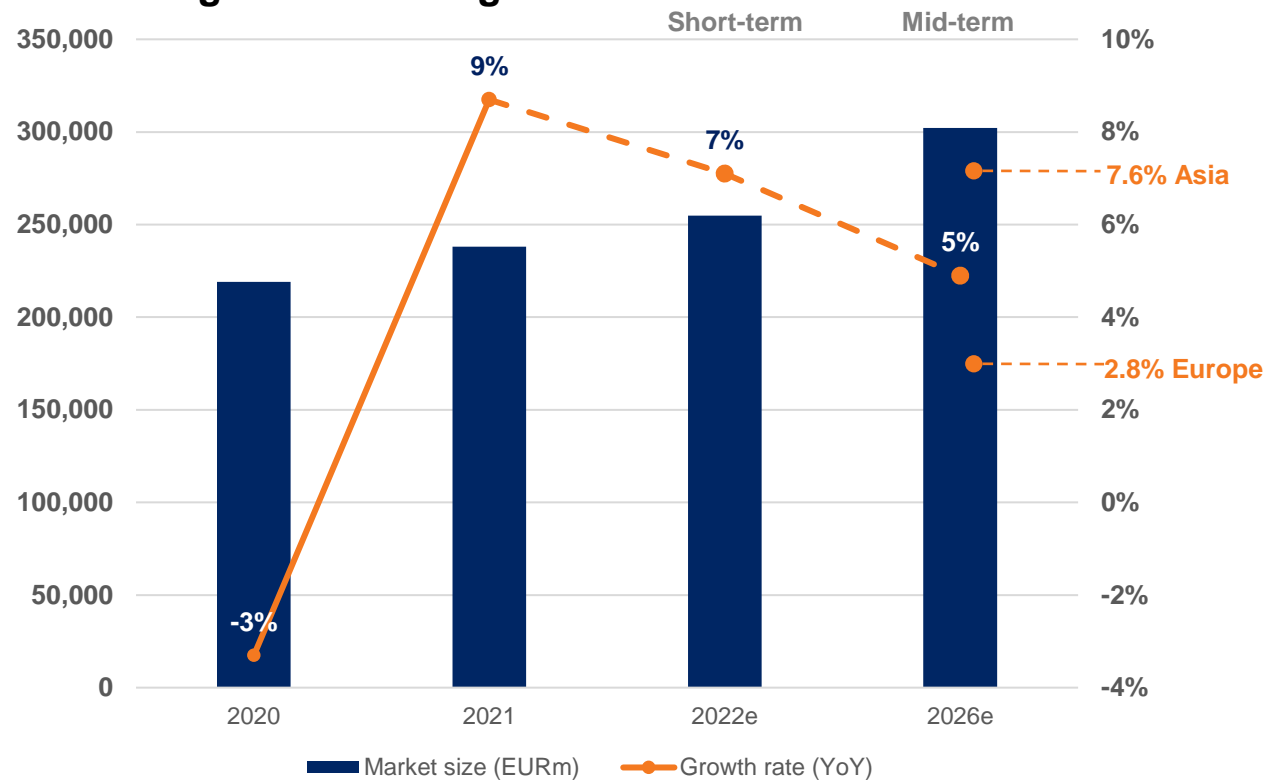
- Clear benefits from **M&A**
 - UTi: America + South Africa
 - Panalpina: LATAM + APAC
 - GIL: Middle East + APAC
- **Organic growth = outperforming market by 100% in Europe** – via addition of capacity in key strategic locations.
- We aim to **grow our business outside Europe** and thereby reduce European footprint to less than 50%.

*Q1 2015 does not include IFRS 16.

We aim to gain market share in a growing market

Attractive GDP-multiples

Contract logistics market growth

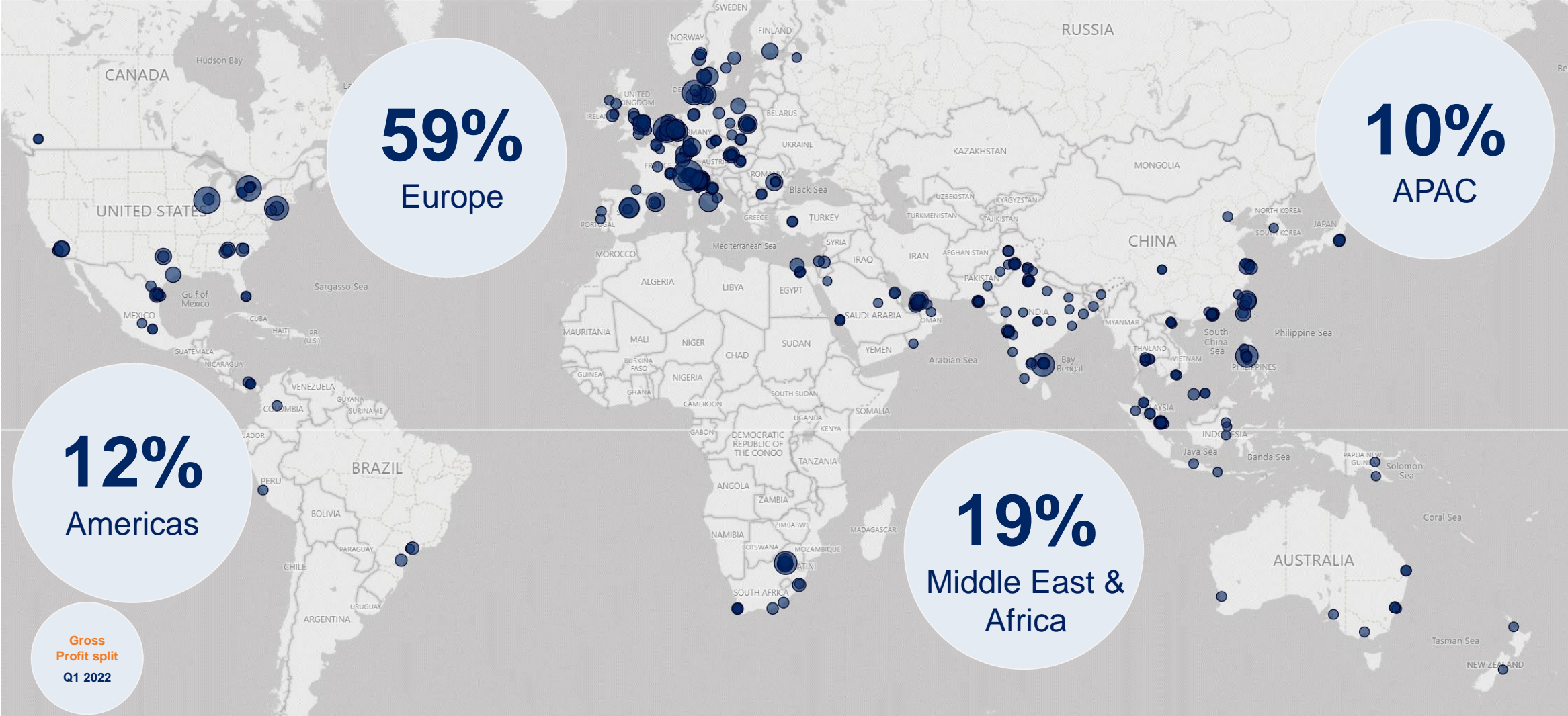


Source: Transport Intelligence April 2022

Market trends and growth opportunities

- Increasing demand for warehouse capacity in the right locations across the globe.
- Companies have focus on creating more robust supply chains – this will lead to higher inventory levels and more stock points.
- More local/regional production and assembly.
- Our strategy includes focus on segments with structurally higher growth rates: e-commerce and pharma/healthcare.
- Bolt-on acquisitions can be relevant to add specific competences or new geographical footprint.

Global coverage with 7.5 million square metres across +500 sites



Live picture from DSV Solutions Power BI

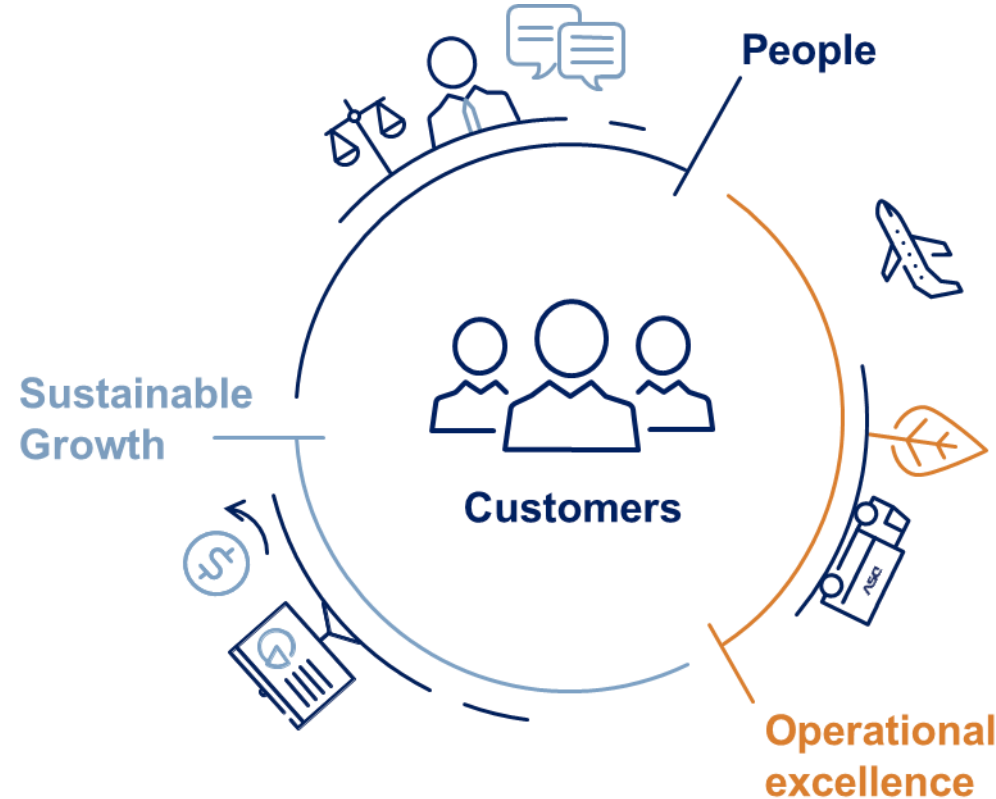


Campus strategy

Strategic focus areas

Sustainable growth

- **E-commerce** – increasing our global fulfilment activities and extending our service offering.
- Expanding our global network of **multi-user campuses**.
- Rolling out our **DSV Fulfilment Factories** in strategic locations throughout the globe, lowering the threshold of **automation**.
- **Healthcare** – growing our footprint and developing our offering within the industry.



People

- **Taking care of our people**, not least ensuring a safe and stable work environment.
- **Retaining talent** by offering a best-in-class workplace and career opportunities.

Operational excellence

- Providing **best-in-class** operations through performance management and our Warehouse Management System.
- **Sustainability** – contributing to a better world through emission reductions from existing and future buildings.
- Rapidly increasing application of **new technology**, i.e., machine learning, automation and robotics.

Our strategy is centred around meeting our customers' needs

Our strategy for warehouses → campuses

What is a campus?

DSV builds logistic hot spots, consolidating several smaller warehouses in close proximity into large facilities (50,000-200,000 sqm).

Strategy

- Road map for each major country/market (+5 years).
- Identify the right locations and growth opportunities.
- DSV Property in charge of development process.
 - Standardised warehouse design.
 - In line with our asset-light model, warehouses are ultimately owned by external investors.
- Road map for approx. 1 million sqm warehouses yearly.
 - Build 30%-40% extra for growth.
 - Each project must live up to 20% ROIC target.
 - ONE DSV – coordination with Road and Air & Sea.



Our strategy for warehouses → campuses

Benefits of modern multi-user sites



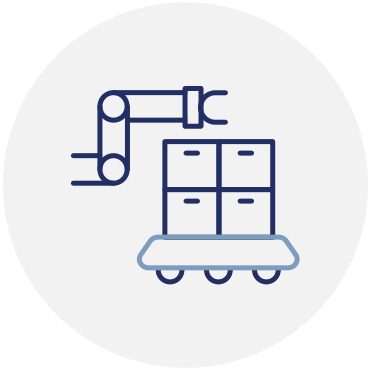
Flexibility due to size to accommodate changes in customers needs.



Scale: improved utilisation of equipment and space (pallets per m²), better staff planning and more efficient workflows = average 15% improvement.



Shared IT infrastructure across all locations.
Standardised customer implementations.



Long-term leases (10 years +)
Enables **warehouse automation**.



Green profile – CO₂ efficiency.

Lancaster, Dallas

- 93,000 square meters
- Construction finished in 2022
- Consolidation of three sites



Milton, Toronto

- 93,000 square metres
- Construction finished in 2019
- Consolidation of four sites

DSV

DSV

Gauteng, South Africa

- 130,000 square meters
- Preparing additional 150,000 square metres
- Construction finished in 2021
- Consolidation of six sites




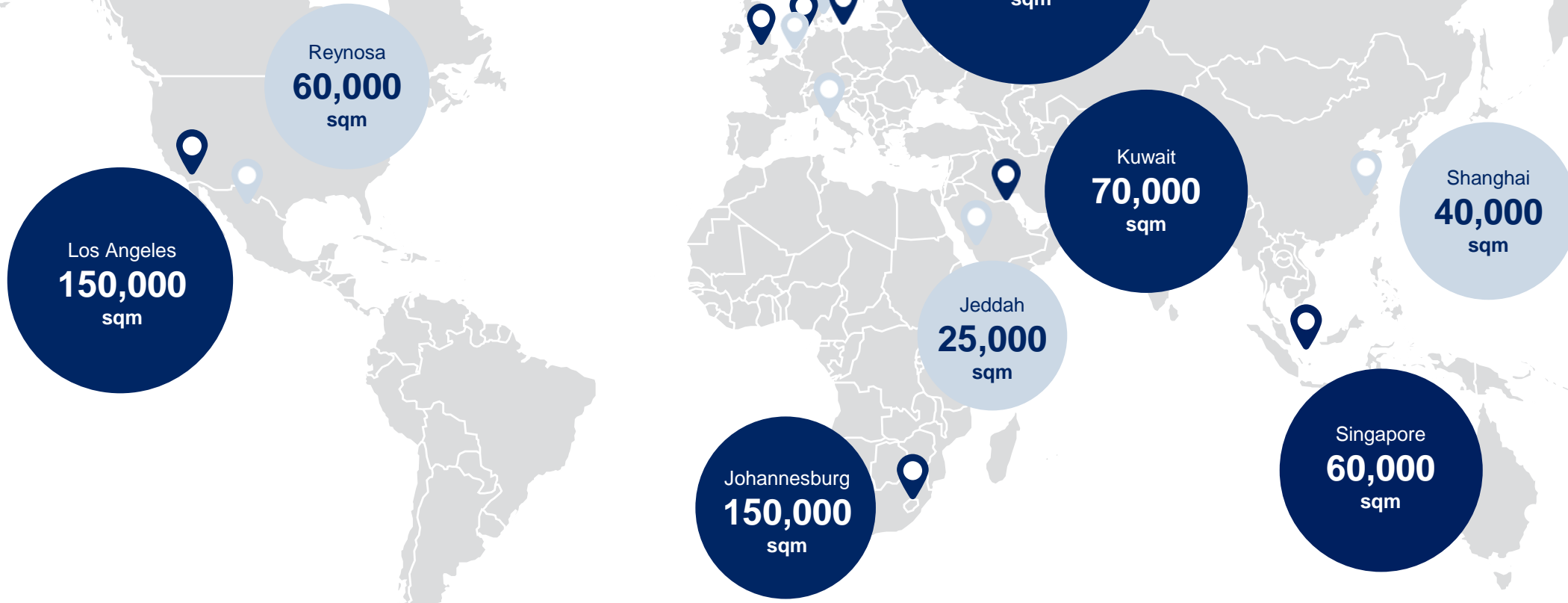
Horsens, Denmark

- 320,000 square meters
- Construction will be done in 2024
- Consolidation of eight sites



+1,500,000 square meters planned 1-2 years ahead

 Selected new campuses



Automation

Our approach to automation

Must be the right fit for the customer

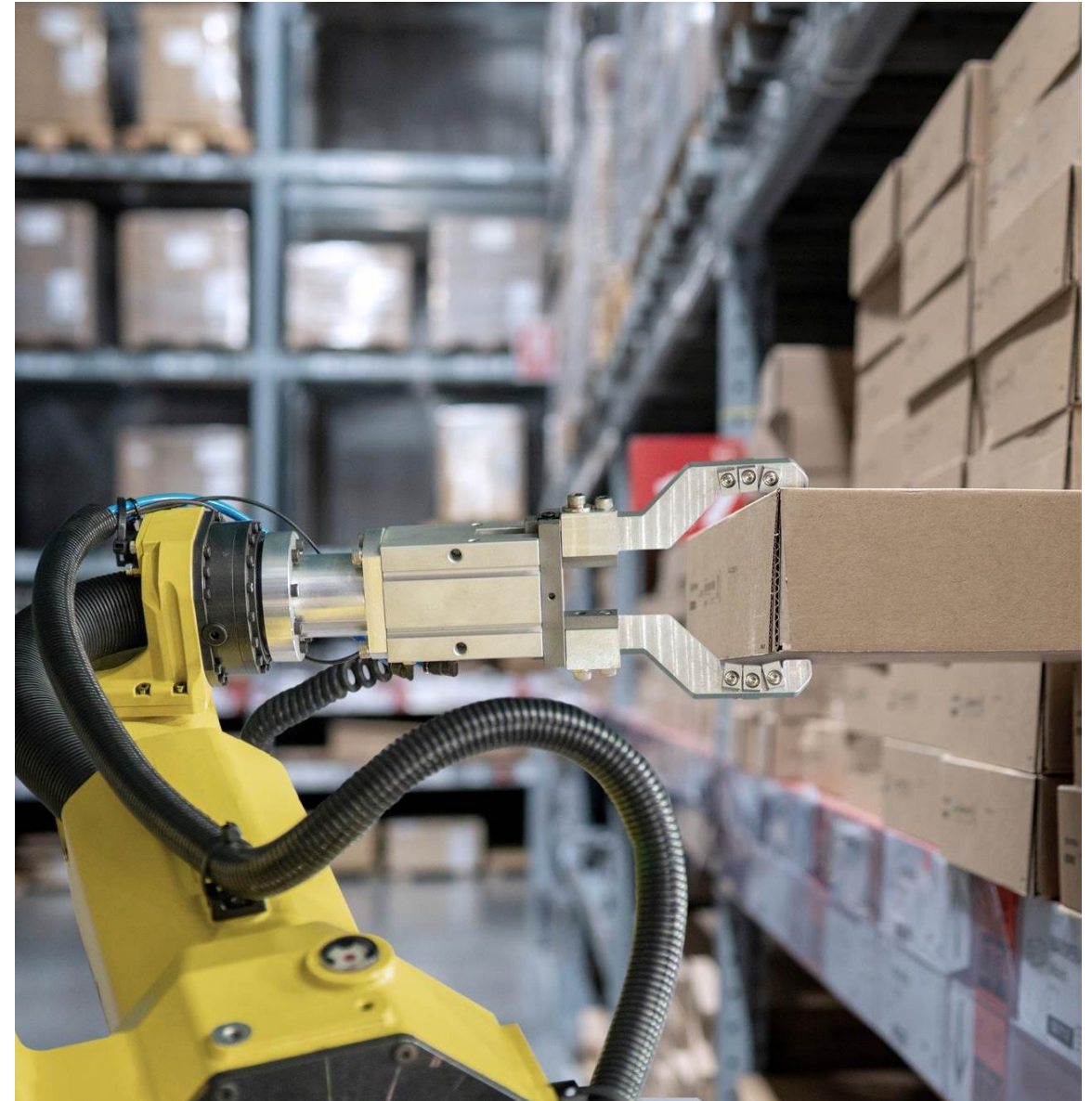
- Automation is typically relevant for customers with high flow and small items.
- E-commerce, spare parts.
- Standardised automation for small customers.
- Customised for large accounts.

We apply the “enterprise” approach

- Standard automation catalogue (plug & play).
- We find the right solutions in the market and roll them out.
- Ensures scalability.
- Better implementations.

In some markets, manual labour is a better solution

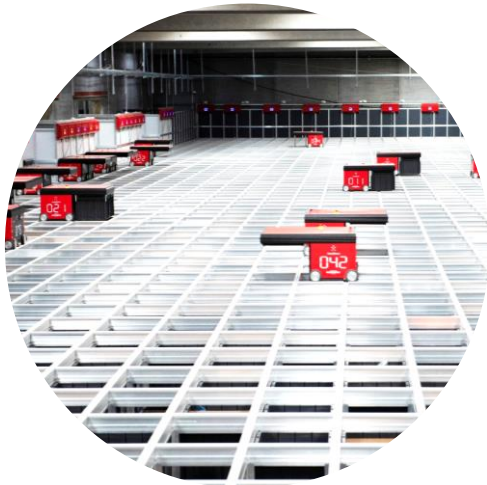
- Investments in automation must deliver ROIC of 20%.



Warehouse Automation

High quality automation products for flexibility and reduced costs

Our vision is to implement high-quality automation products with flexible solutions and applications that can help our customers adjust to faster production, limit dependency on hired staff, increase efficiency, competitiveness and process quality.



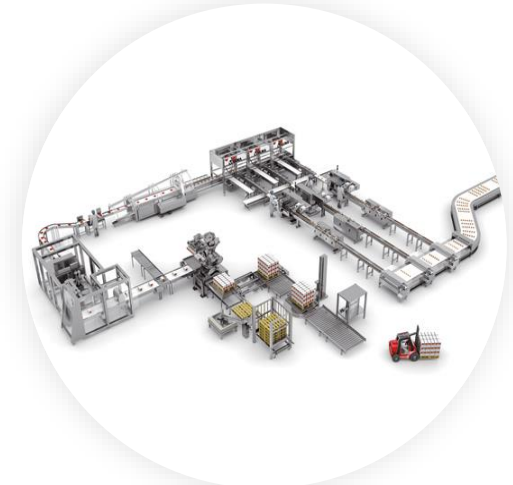
DSV Fulfilment Factory

- Plug & play
- Flexibility
- For companies of all sizes
- 5 of 16 planned sites are operational as per Q1 2022.



Automation Programme

- Standardised approach
- Off-the-shelf automation products
 - Proven technology
 - Documented results



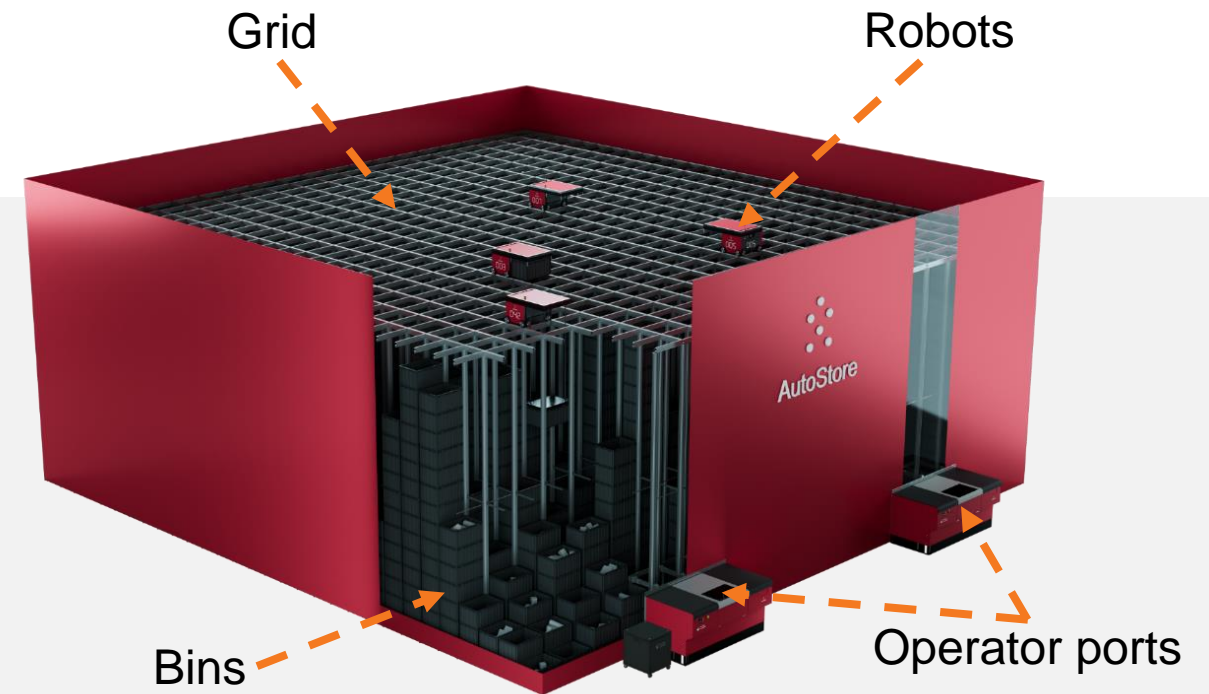
Turn-key Automation Project

- Unique project concepts designed to meet exact needs.

DSV Fulfilment Factory

Unique pay-per-use concept

- The DSV Fulfilment Factory provides “goods-to-person” fulfilment automation for flexibility, so our customers can cope with volume fluctuations without compromising quality.
- DSV Fulfilment Factory is available in a multi-user warehouse environment with no investment needed from our customers.



PLUG & PLAY

No additional costs for software or hardware required.

AUTOMATION

Based on the tried and tested Autostore technology.

CONTROL

Continuous quality check of all steps in the fulfilment process.

SPEED

The fastest order fulfilment system per square meter in the market.

FLEXIBILITY

The perfect way of coping with volume fluctuations.

SUSTAINABILITY

More efficient usage of warehouse space minimises emissions.

Fulfilment Factories - Roadmap 2022 and beyond

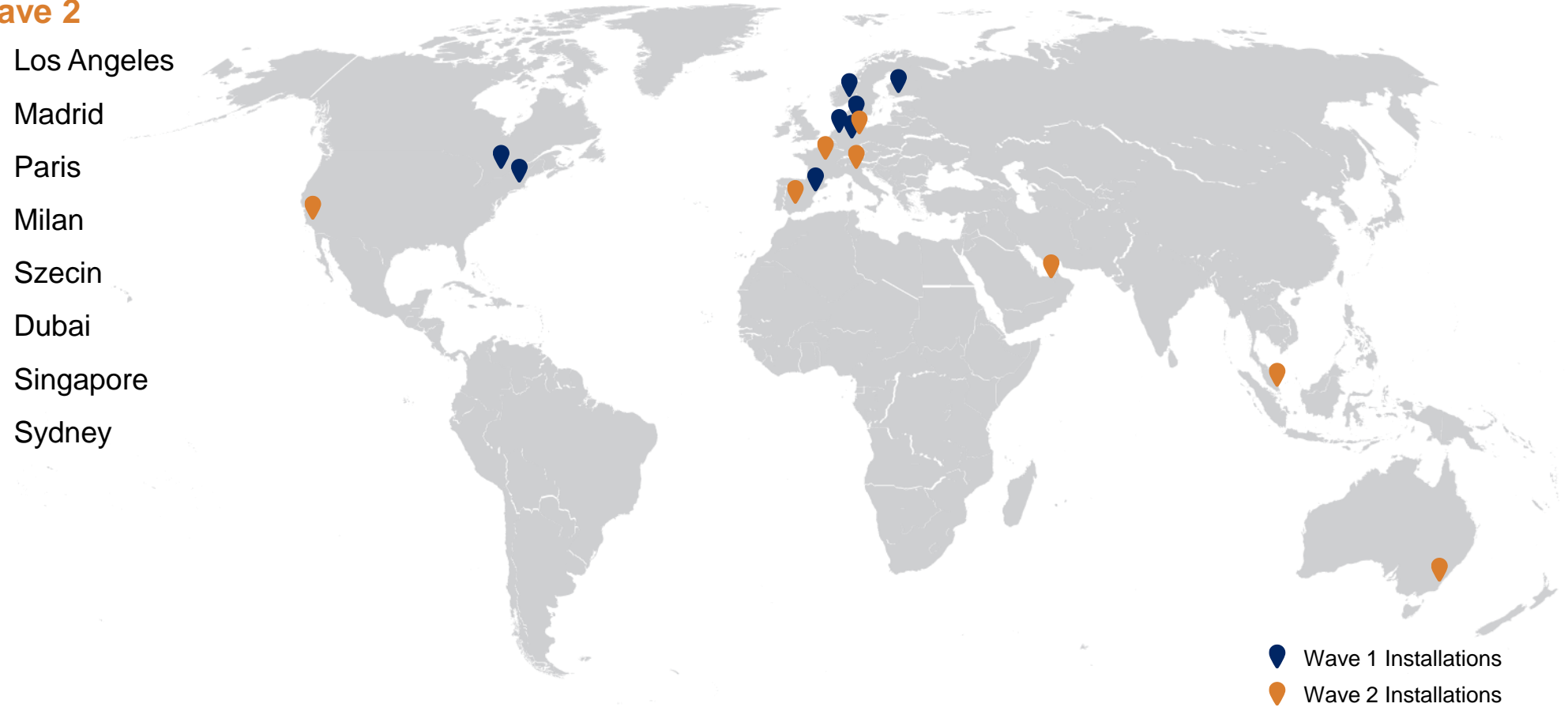
AutoStore installations

Wave 1

- Helsinki
- Oslo
- Copenhagen
- Krefeld
- Venlo
- New York
- Toronto
- Barcelona

Wave 2

- Los Angeles
- Madrid
- Paris
- Milan
- Szczecin
- Dubai
- Singapore
- Sydney



Customised Automation Project



Wrap-up

Globalisation

Campus

Automation



Solutions Q&A session

13.45-14.00

Break

After the break

New tech on our radar

Group CIO Jesper Riis

Financial update & wrap-up

Group CFO Michael Ebbe &
Group CEO Jens Bjørn Andersen

Busses to Hedeland

Tour at Hedeland Logistics Centre

DSV

New tech on our radar




Group CIO Jesper Riis

DSV

Our platforms handle massive volumes

– enabling DSV’s growth

<h3>Air & Sea</h3>  <p>Global TMS Platform</p> <p>+8 million jobs handled in 2021</p>	<h3>Road</h3>  <p>Global TMS Platform</p> <p>+40 million shipments handled in 2021</p>	<h3>Solutions</h3>  <p>Global WMSs</p> <p>+220 million order lines handled in 2021</p>
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<h3>EDI</h3>  <p>EDI Standard & EDI Plus</p> <p>+26 million monthly messages on EDI</p>	<h3>Public API</h3>  <p>Public API Portal</p> <p>+50,000 public API bookings monthly</p>	<h3>Customer portal</h3>  <p>myDSV</p> <p>+400,000 monthly bookings via myDSV</p>
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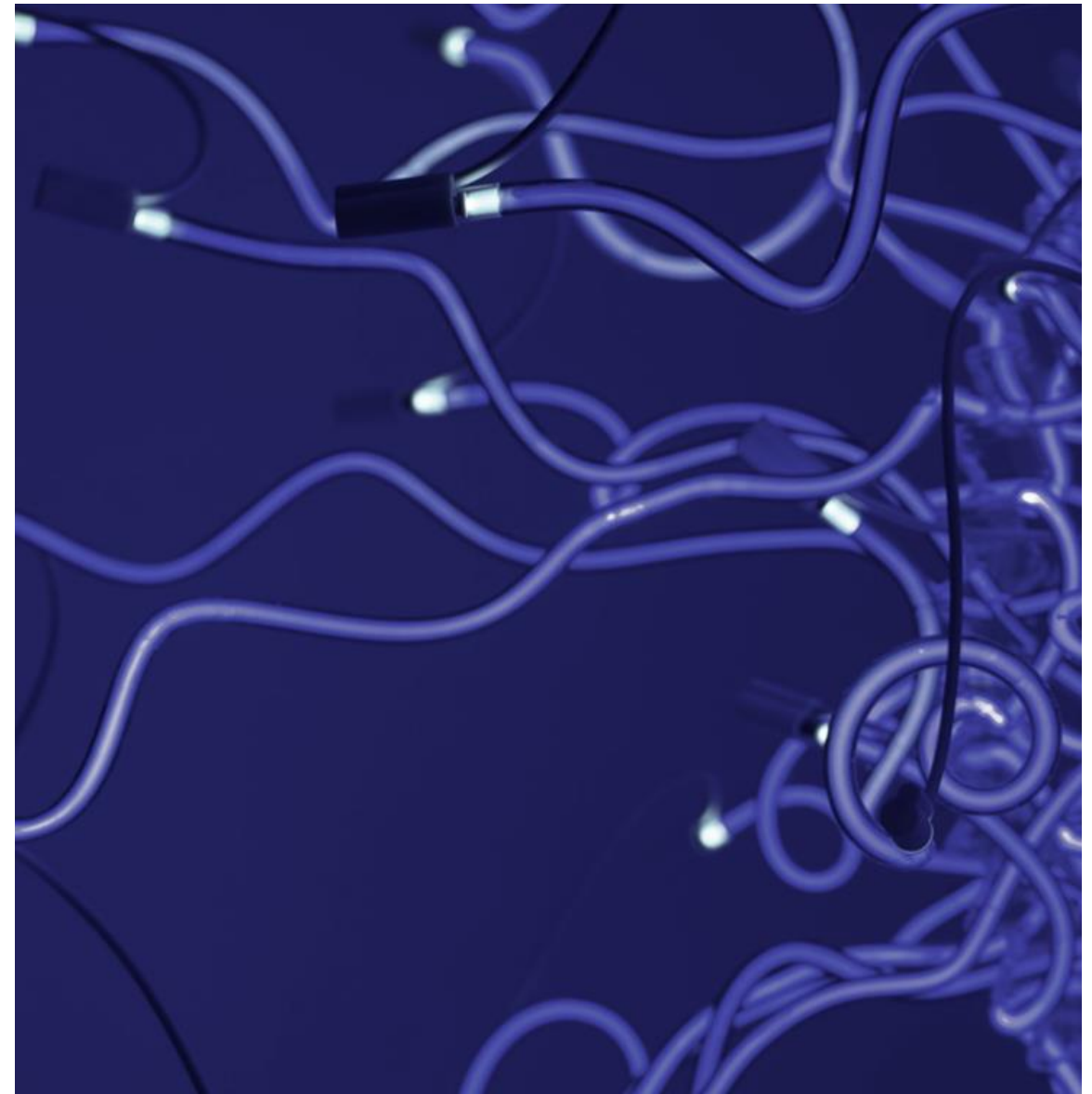
Agenda

1 Consolidated and scalable IT platform

2 How we work with innovation

3 Technology radar

4 Examples of use cases



Consolidated and scalable IT platform

Consolidated and scalable IT platform

Supporting transparency, productivity, scalability and innovation



Enable the business and meet user needs



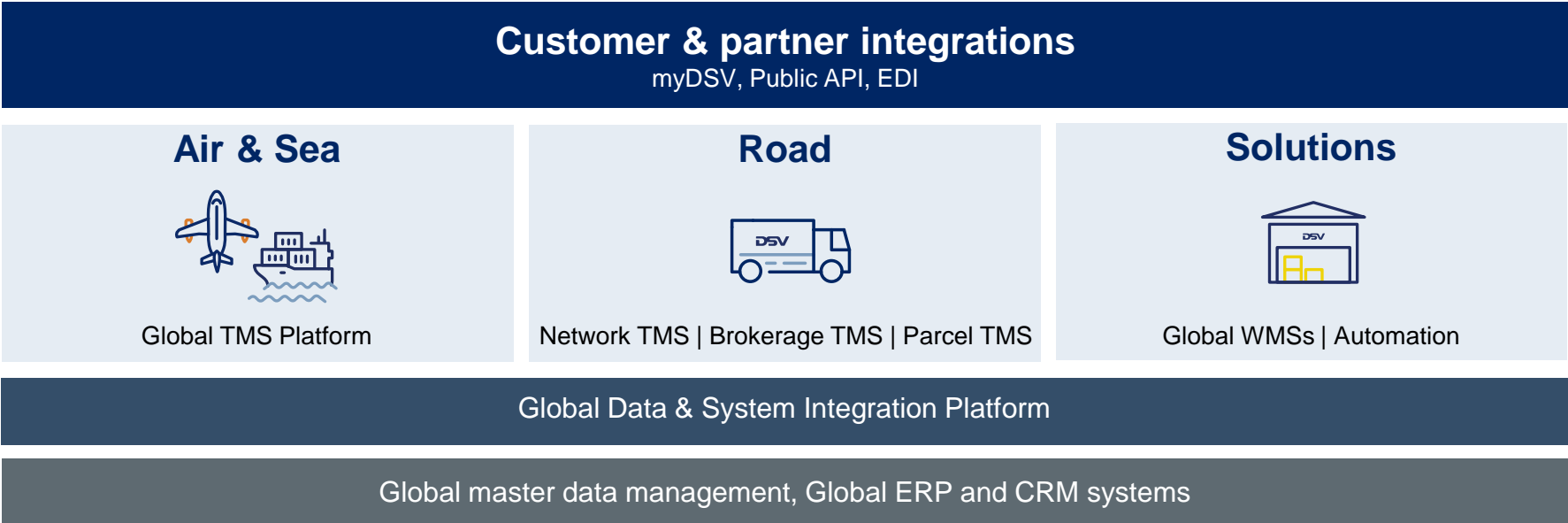
Scale and prepare for growth



Be cost efficient



Enable execution on DSV Strategy



Standardisation

Consolidation

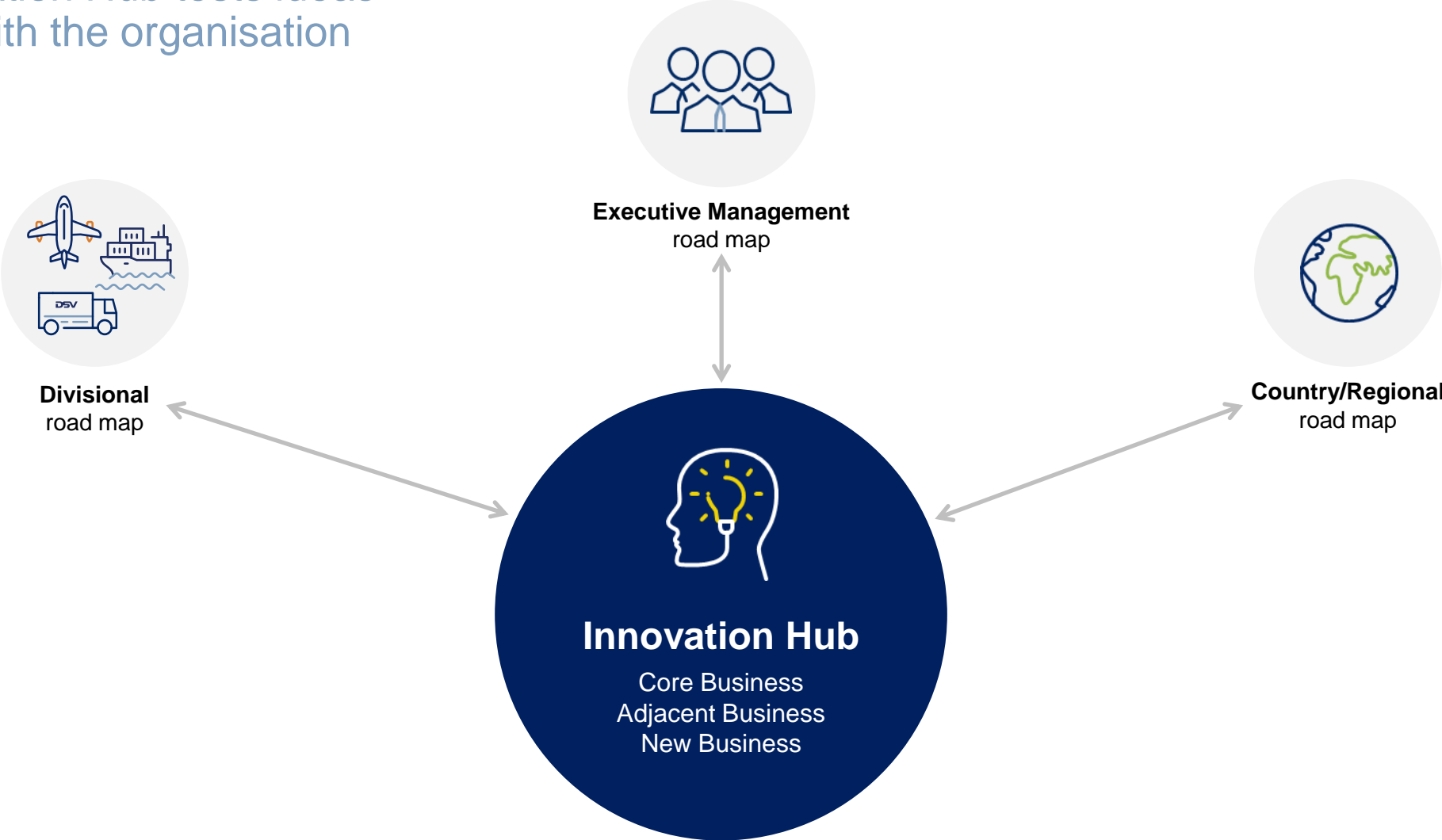
Reduce dependencies

High security level

How we work with innovation

How we work with innovation

Our Innovation Hub tests ideas together with the organisation



DSV innovative response to market trends

Responsiveness and resilience in supply chains

- Support complex supply chains via **fine-grained visibility**.
- Support selection of fastest, cheapest or greenest option using **dynamic planning**.

Green Logistics driving lower carbon footprint

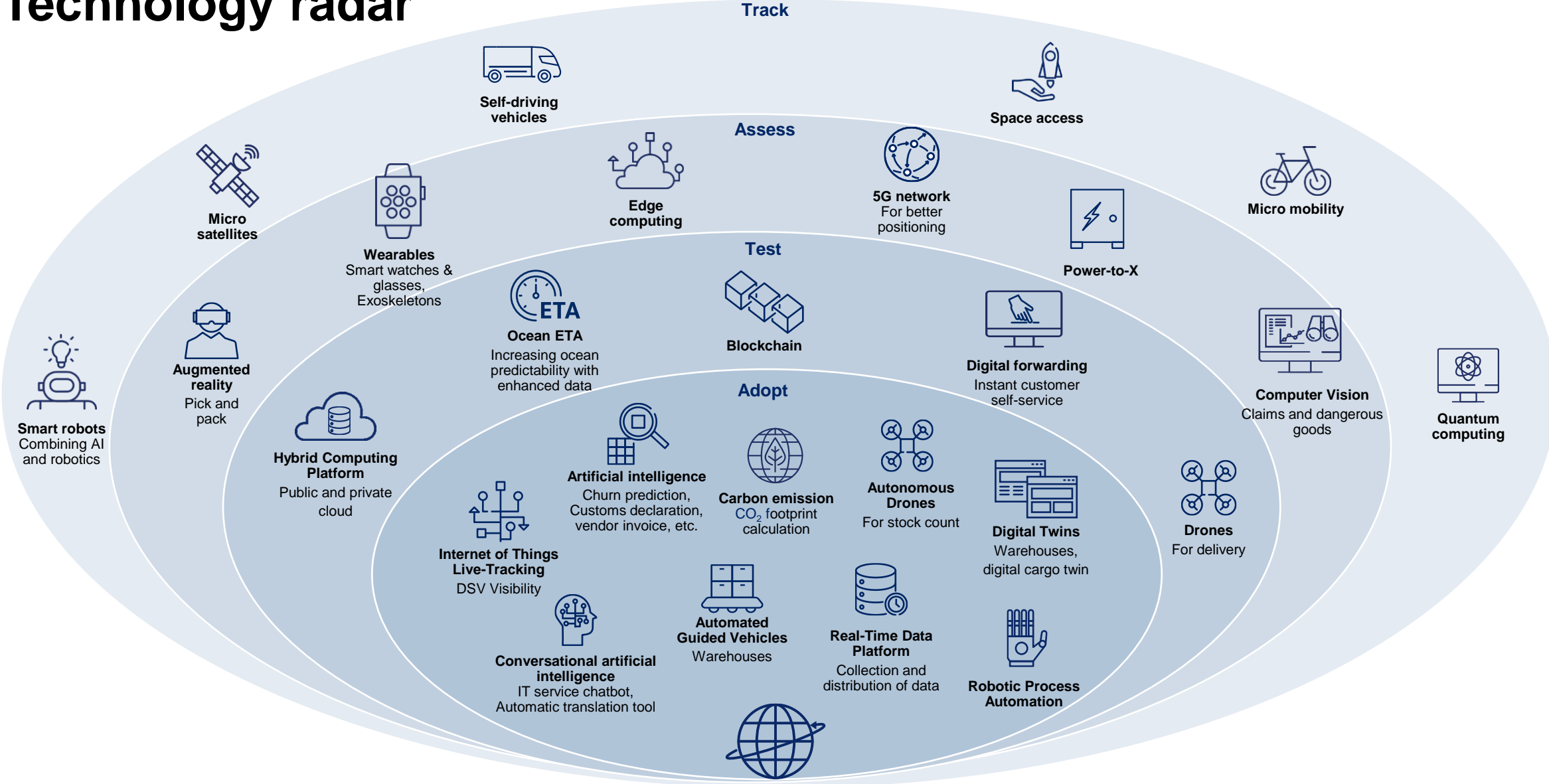
- Measure detailed **carbon footprint per shipment** based on low-level data collection.
- Artificial intelligence (AI) driven models to **predict greenest route** for cargo.

Automation accelerating use of data and AI

- **Automation of labour intensive tasks** using data and AI driven services.
- Establish automation equipment reducing manual labour as well as supporting more advanced and intelligent operations with higher quality.

Technology radar

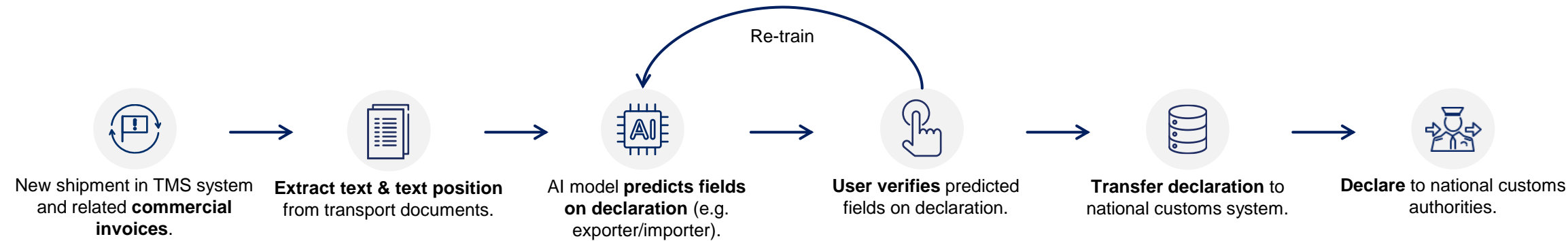
Technology radar



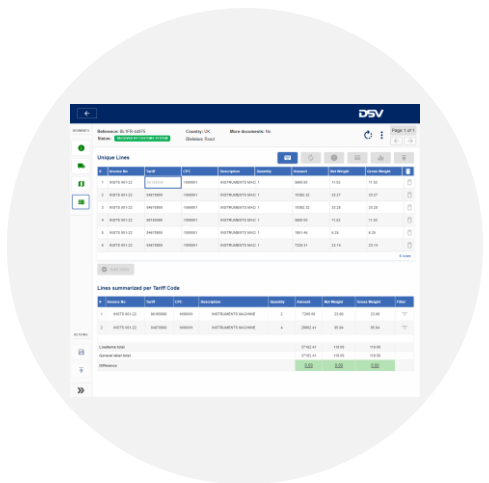
Examples of use cases

Artificial Intelligence – customs declaration

When a machine performs cognitive functions like a human mind



PDF invoice



Customs AIF service



Export declaration



Digital Twin

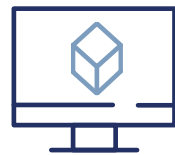
Automatic scanning for cargo (weight and dimensions)



1. Automatic

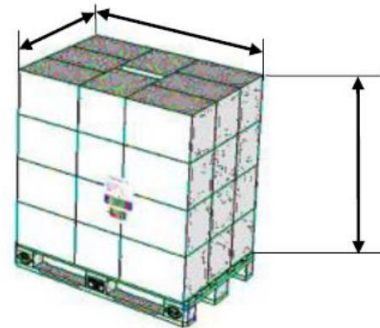


2. 3D model generation

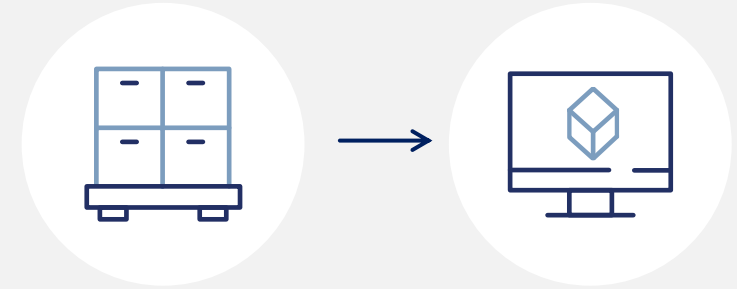


Digital twin

3. Segmentation of load



4. Volumetric calculation



Digital Twin

- The physical dimensions of cargo are mirrored into a digital twin.
- A digital cargo twin provides better data foundation for planning, execution and invoicing of transports.

Internet of Things (IoT)

Live cargo tracking – DSV visibility

The screenshot shows the 'Exception Management' interface for shipment SEWR0276148. The page is divided into sections for 'NOT HANDLED', 'BEING HANDLED', and 'RESOLVED'. Under 'BEING HANDLED', there is a list of alerts, including 'Threshold reached OLx Light' for this shipment. A detailed view of this alert is shown, including a timeline and a map of the shipment's route. The map shows the route starting from the Midwest and heading towards Chicago. A 'Go to full shipment details' button is visible at the bottom of the map area.

The screenshot shows the 'Shipment Details' page for SEWR0276148. The page displays various metadata fields such as 'STATUS' (Loading), 'LAST MODIFIED' (Yesterday, 09:48), 'STAGES' (Air / Road / Rail), 'SHIPMENT ID', 'CONSOL ID' (CUS1099265), and 'TRACKER ID' (DSVQA3006). It also shows 'LAST LOCATION' (01 Mar 2021 12:02), 'CURRENT ADDRESS' (N/A), 'START DATE' (08 Mar 2021 09:48), 'END DATE' (N/A), and 'PICKUP ADDRESS' (MEMBRANE PROCESS AND CONTROLS INC.). A map on the right side of the page shows the shipment's route, with a red location marker near Chicago. The map includes various city names and a 'Report a map error' button.

- The Exception Management page shows all the alerts that have been triggered.
- It makes it easy for the control tower to get an overview and work with multiple alerts.

- The details page shows all the geofences and rules created for the shipment.
- We see exactly when and where alerts occurred.

Autonomous drones

For cycle count



Wrap-up



**Consolidated and scalable
IT platform**
- supporting transparency,
productivity and scalability.

**A structured approach to
innovation using the DSV
Technology radar.**

**Many technologies are already
used in DSV.**

New tech on our radar Q&A session

Financial update

Group CFO Michael Ebbe

Intro to new Group CFO

Michael Ebbe

“Continuation of DSV’s financial strategy and capital allocation strategy”

Executive Board

Group CEO

**Jens Bjørn
Andersen**

Group COO

Jens Lund

Group CFO

Michael Ebbe



Operational excellence in Finance

My pledge as CFO

Transparency

- One truth
- Clear P&L ownership
- Activity-based costing

Efficient infrastructure

- Support the business
- Scalability
- Low cost per transaction
- Efficient use of international share service centers

Clear and consistent principles for capital allocation

Strong support to M&A processes and integrations



Agenda

1

Guidance and long-term financial targets

2

Capital allocation & capital structure

3

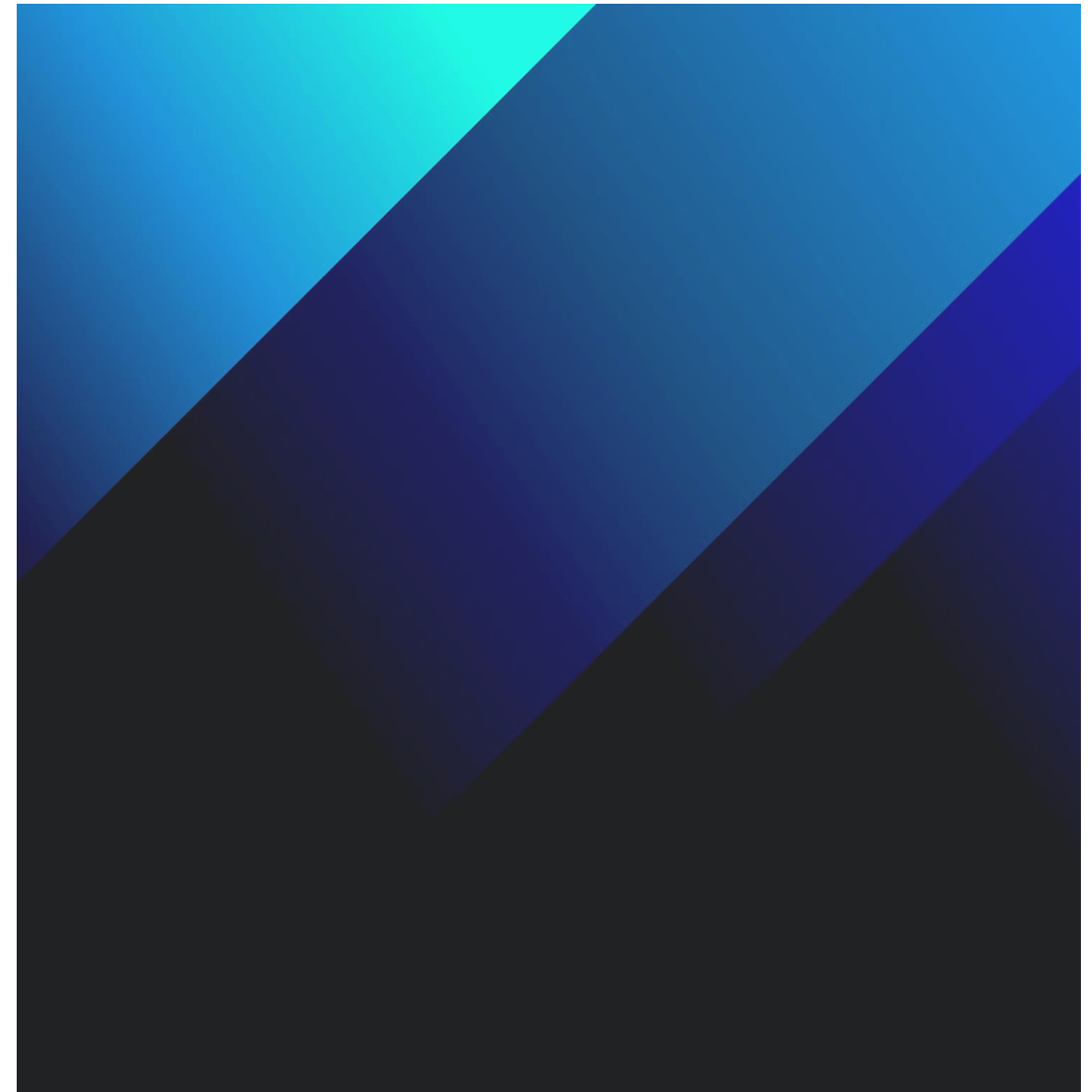
Net working capital

4

Lease liabilities

5

Q&A and wrap-up



Guidance and long-term financial targets

Reiterating outlook 2022

(DKKm)	Outlook 2022	Actual 2021
EBIT before special items	21,000-23,000	16,223
Effective tax rate	23.0%	24.5%

Main assumptions

- Global economic growth around 2-3% in 2022. Uncertainty related to the global economy has increased.
- A reduction of supply chain disruptions and port congestion could start in the second half of 2022, leading to a gradual decline in gross profit yields for air and sea.
- EBIT impact from GIL of at least DKKm 2,550 million in 2022.
- Special items (integration costs) is expected to be approx. DKKm 1,000 in 2022.
- Based on currency exchange rates by the end of April 2022.

Reiterating our 2026 financial targets

Aiming for 45% conversion ratio for the Group

	2021 actual	2026 targets
DSV Group		
Conversion ratio	43.1%	>45.0%
ROIC (before tax)	19.6%	>20.0%
Divisional conversion ratios		
Air & Sea	53.7%	>50.0%
Road	26.2%	>30.0%
Solutions	26.7%	>30.0%

Conversion ratio: EBIT before special items in % of gross profit.

Assumptions

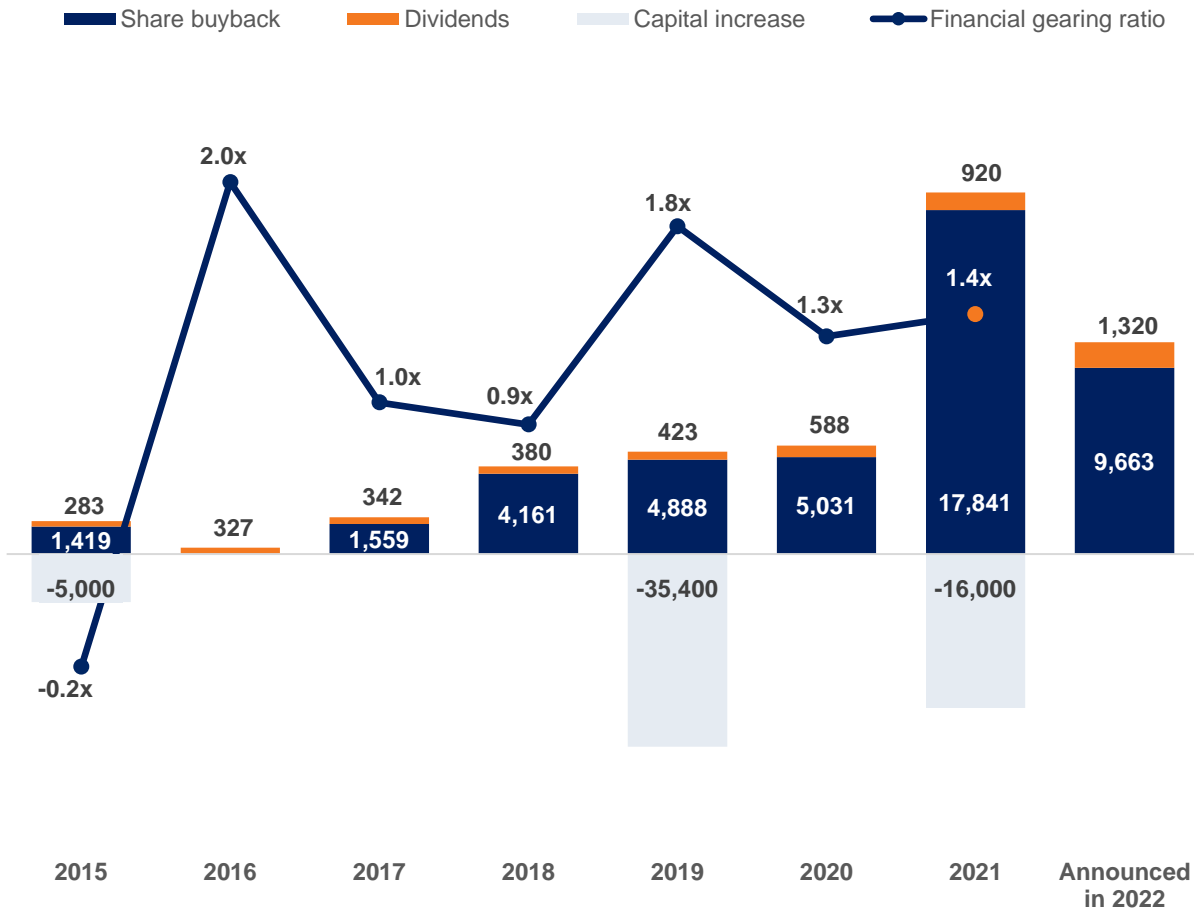
- Annual GDP growth around 3% and transport market growth on the same level.
- We expect to gain market share in all divisions.
- For the five-year outlook, we have assumed that gross profit yields for air and sea will gradually decline.
- Targets are based on organic growth, excluding the potential impact from large acquisitions.
- Effective tax rate of approx. 23%.
- CAPEX: 0.5-0.75% of revenue.
- NWC around 3% of net revenue, measured at year end.
- Gearing ratio target: NIBD below 2.0x EBITDA before special items.

Capital allocation and structure

Capital allocation and structure

Proven, predictable and firm capital policy

Dividends, share buybacks and capital increases (DKKm)



Capital allocation policy

1. Repayment of debt if NIBD above target gearing ratio.
2. Value creating acquisitions or further development of existing business.
3. Allocation to shareholders via share buyback and dividends.

Capital structure objectives

- Sufficient financial flexibility to meet strategic objectives.
- A robust financial structure to maximise return for investors.
- Net interest-bearing debt below 2.0x EBITDA before special items.
 - 31 March 2022: 1.2x

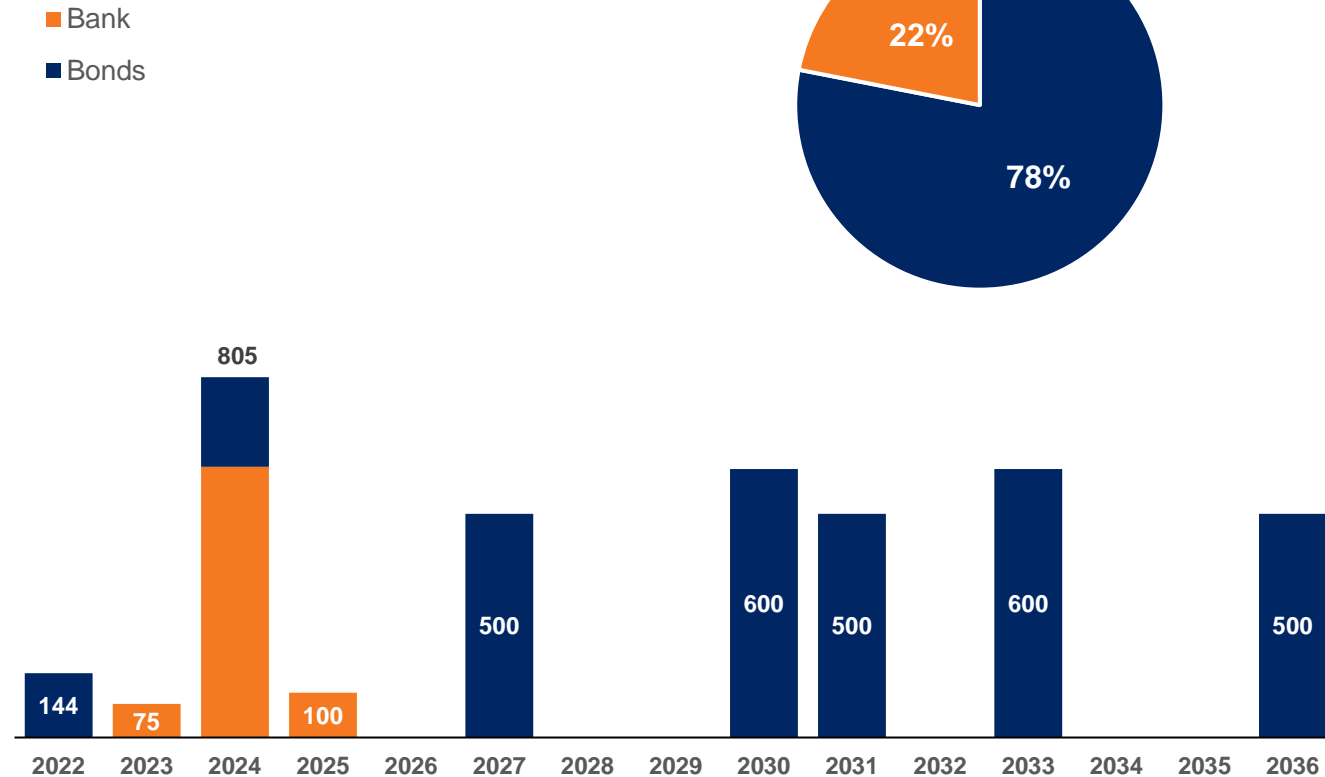
Dividend policy

- We aim to ensure an annual dividend pay-out ratio of approximately 10-15% of net profit.

Debt structure (excl. leasing)

A robust financial structure

Funding maturity profile – (EURm)



Active use of debt capital markets

- Majority of funding is now from corporate bonds.
- Supports our targets for capital structure.

Committed to maintaining our credit ratings

- Moody's: **A3 (Stable)**
- S&P: **A- (Stable)**

Strong, long-term funding in place

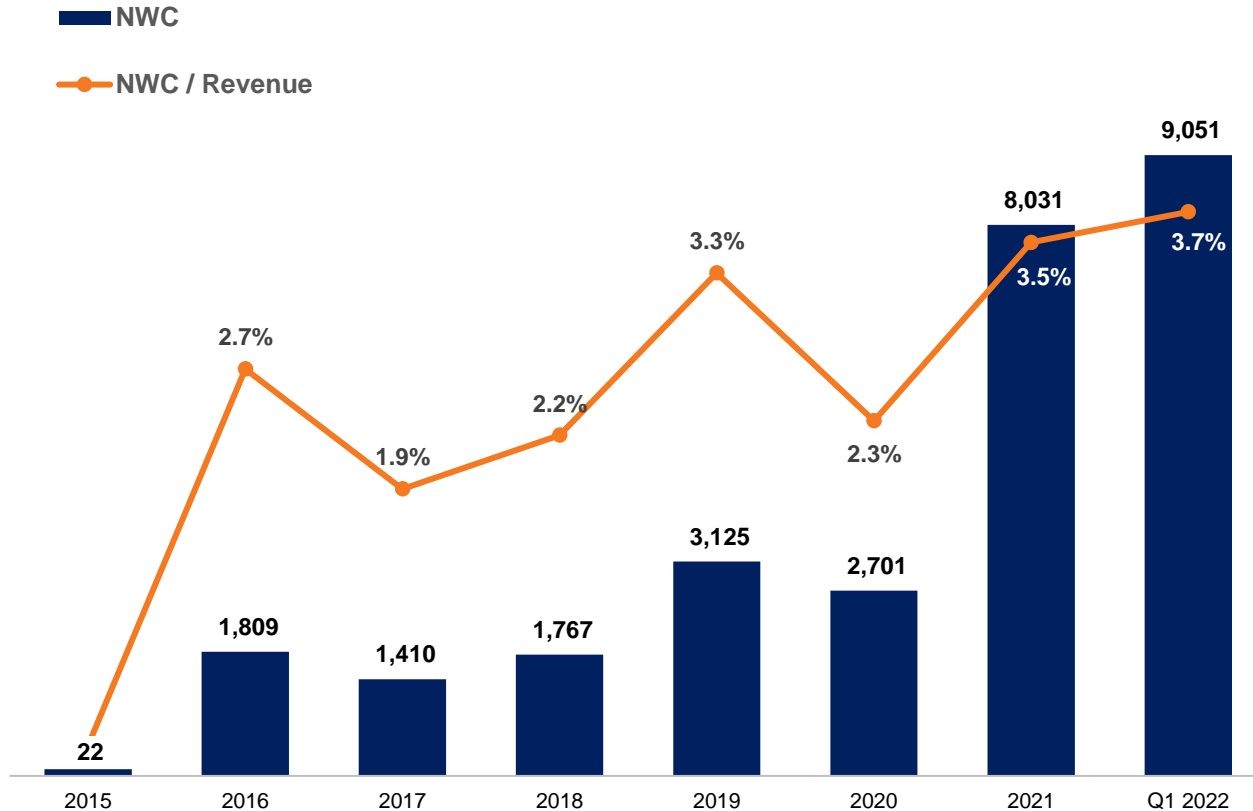
- Corporate bonds: EUR 3,044 million.
- Committed bank facilities: EUR 780 million
 - Currently not utilised.
- Average duration of long-term credit facilities 8.9 years.

Net working capital

Net working capital

Record-high freight rates and acquisitions led to increase

Net working capital and NWC/Revenue (DKKm)



Comments

- Increase is due to M&A.
- Change in business mix – more exposure to Air & Sea.
 - Shorter payment terms from suppliers.
- Growth in global accounts – pressure from customers to extend payment terms.
- 2021 impacted by higher freight rates
 - No increase in overdue receivables
 - Reduction of NWC expected when freight rates stabilise at lower levels.
- Going forward, we expect NWC to be in the level of 3% of revenue, measured at year end.

Lease liabilities

Lease liabilities

IFRS 16 impact in financial statements

(DKKm)	2019	2020	2021
P&L			
Depreciations	2,734	2,990	3,145
Interest cost	383	434	495
Cash flow elements			
Interest (operating activities)	383	434	495
Repayment of lease liabilities (investing activities)	2,763	3,058	3,160
Balance sheet			
Right-of-use assets	11,671	11,111	13,709
Lease liabilities	12,612	12,278	15,288

Comments

Right-of-use assets

- Buildings: **96%**
- Equipment: **4%**

Split by divisions

- Air & Sea: **23%**
- Road: **26%**
- Solutions: **51%**

And finally!

We have never been stronger

- **Digital infrastructure**
- **Physical infrastructure**
- **Integrations**
- **Robust organisation**
- **Global footprint**
- **Flexible business model**

Financial Q&A session

Wrap-up Capital Markets Day 2022

Earnings per share (DKK)



Hedeland Logistics Centre



15.00-15.15

Busses to Hedeland

