

Sustainability Impact Report 2021

Connecting



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Message from our CEO

'Our collective efforts will steer us towards a more sustainable future.'
Mette Vestergaard, CEO



DHI's history dates back to 1964. From the very beginning, innovating for the environment has been the driving force for our business and for our people. Seeing how our solutions are making a difference is what motivates us to take on global water challenges – be it enabling the design of offshore wind farms, protecting large cities from stormwater, removing plastic from the ocean, or managing the world's biggest water basins.

Innovation for water environments is needed now more than ever. The latest report from the United Nations' Intergovernmental Panel on Climate Change states that we must act now to keep our planet safe for future generations. Water is key in this. Water affects quality of life for all of us. Access to clean drinking water is not something any of us should take for granted. Neither is life in our oceans. Or to be safe from floods in our cities and on our shores. However, water is not only the challenge. Water is also the solution. The solution to a healthy planet and a better future.

The nature of our work at DHI means we have always been advocates for the protection of water. We want to push this further and address these global challenges head-on with concrete action – not only to meet the needs of our clients and the expectations of our own people, but as a duty to our planet.

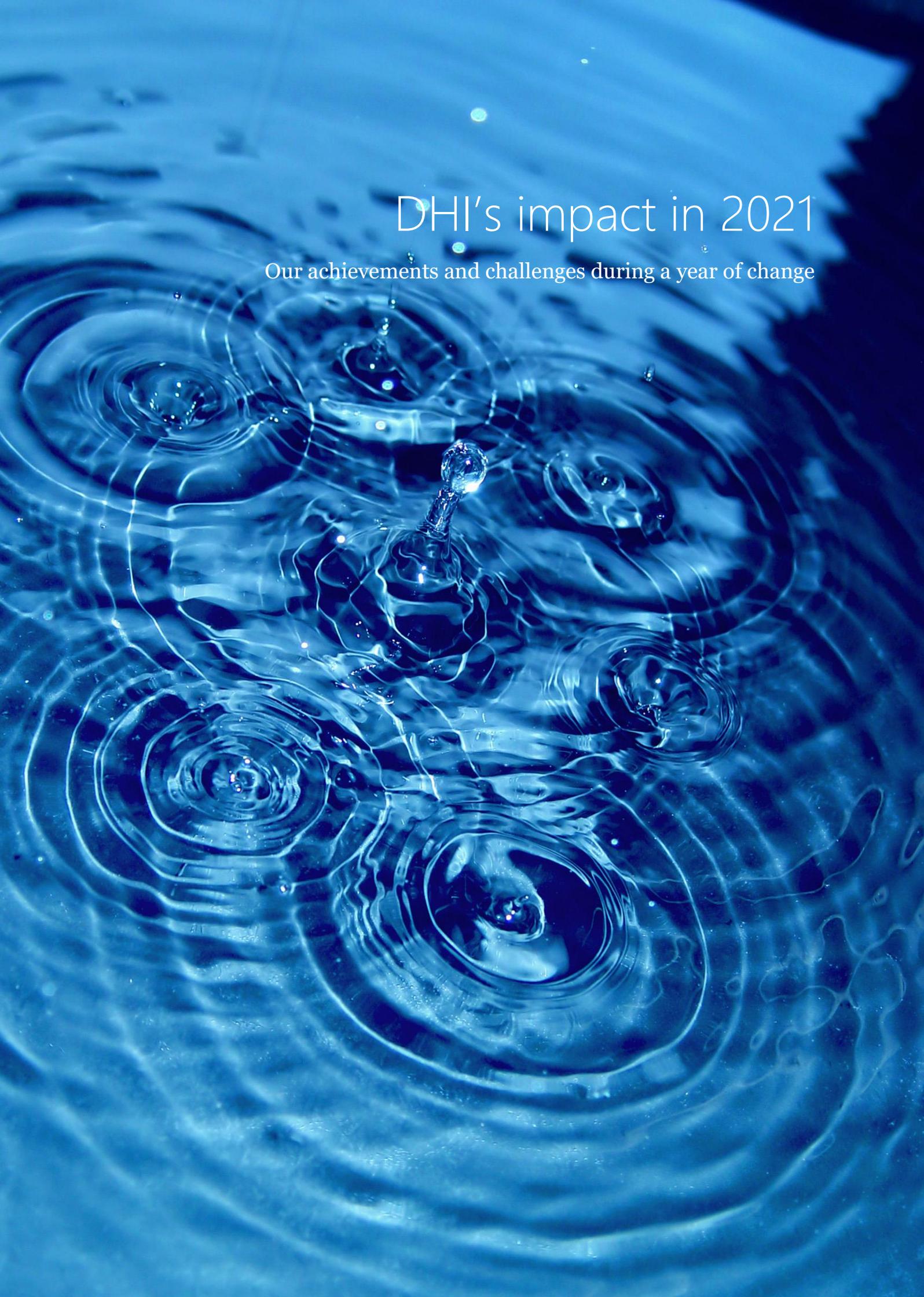
And to make the most impact, we need to focus our efforts. This year, our first sustainability materiality assessment has allowed us to centre on key areas and develop our framework. Together, we identified our sustainability ambition, the backbone of what drives us as a company to act and operate responsibly.

“DHI's sustainability ambition is to be a net-zero company by 2025.”

This means that we are aiming for zero carbon emissions from our consumption of energy. Our ambition will also help us support our clients and partners to achieve their own sustainability agendas. Internally, this first sustainability report applying the Global Reporting Initiative (GRI) Standards helps track how we embody these ideals and principles through the work we do.

Our four global business units, Marine & Coastal, Energy & Ports, Water Resources & Mining and Water in Cities are each leading our global efforts, supported by our Technology and Innovation team that connects technology development with the needs of our clients and markets.

Looking back at 2021, we made progress in many areas, and I am optimistic that we have taken steps in the right direction as a team. I would like to thank our colleagues, clients and partners for the collective efforts to steer us towards a more sustainable future. I look forward to continuing this work together.

A blue-tinted photograph of water ripples. In the center, a single water droplet is captured mid-splash, creating a crown-like shape. The surrounding water surface is covered in concentric ripples of varying sizes, creating a textured, circular pattern. The lighting is soft, highlighting the clarity and movement of the water.

DHI's impact in 2021

Our achievements and challenges during a year of change

Together with our clients and partners

We believe we make the biggest impact through our work with our clients and partners. With our products and services, we can enable sustainable development and contribute at scale to achieving the Sustainable Development Goals (SDGs).

We formed several new partnerships during 2021 that support sustainable development, including:

- Joining forces with ABB to create smarter, more sustainable water management solutions
- Teaming up with the IT University of Copenhagen in a 'Concept Development' course to offer a real-world perspective to their students
- Developing a collaboration with Surbana Jurong and Nippon Koei to enhance solutions for urban resilience and to establish a global Centre of Excellence for Urban Climate Resilience (CoE)

We continued to drive innovation and new methodologies within our projects during 2021 in support of sustainable development:

- Helping Poland advance renewable energy while protecting marine life. Read more [here](#).
- Achieving more efficient dredging with innovative web-based technologies. Read more [here](#).
- Increasing energy efficiency in wastewater treatment plants. Read more [here](#).
- Stopping plastic pollution through early interventions in rivers. Read more [here](#).
- Empowering countries with Earth Observation data to better manage water resources. Read more [here](#).

Within DHI

DHI's new strategy, DHI+, unlocks the potential for DHI as a leading, innovative, global advisory company to enable new ways to use, manage and live with water and protect water-related ecosystems. DHI+ will be implemented across three phases spanning to 2025. Our first phase, [Connecting](#), began on 1 July 2021.



With the launch of DHI+, we launched a **global reorganisation of the company**. Our new structure, announced October 2021, focuses our expertise in four new Global Business Units (GBUs), Marine & Coastal, Energy & Ports, Water Resources & Mining and Water in Cities. These GBUs are where we make the biggest impact and where our skills, capabilities and technology stand out and really make a difference.

Our new **Technology & Innovation organisation**, under development since August 2021, will provide leadership in global research and innovation for digitally enabled advisory and global digital solutions.

DHI+ drives our **commitment to sustainability**. This has been realised in 2021 through our first sustainability [materiality process](#), the development of [DHI's Sustainability Framework](#) and [Ambition](#), and this, our first Sustainability Impact Report applying the GRI Standards. We are proud to align with the United Nations Sustainable Development Goals (UN SDGs) and will continue to develop our reporting to track our progress.

The fantastic performance by our teams in Italy, New Zealand, Norway, Poland, Denmark and Group functions this year led to **no non-conformities** raised as an ISO 9001 certified company.

Staff engagement has remained consistent through 2021. We are also pleased to report an impressive 95% Group total for completion of our General Data Protection Regulation (GDPR) e-learning course rolled out in August 2021.

With the ongoing **COVID-19 pandemic**, restrictions have affected all our offices across the globe, each differently. We continue to provide support and advice to our staff both at a Group level and locally as the situation changes.

Key trends of 2021

Opportunities and risks for DHI



Sustainability Megatrends



Climate change drives more extreme weather conditions, global warming and rising sea levels. With the publication of the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, together with the United Nations Climate Change Conference, or COP 26, it is clear that climate change is the challenge of our lifetime. Taken together with the increasing trends of climate disclosure, such as the Taskforce for Climate-Related Non-Financial Disclosures (TCFD) guidelines, and the need for NetZero emissions, we see climate change dominating the conversation to 2025 and beyond.



Sustainability as a trend in itself is driving new regulations to impose higher standards for environment and social protections and disclosure of performance – particularly regarding due diligence and principles in human rights, labour, business ethics and environmental management.



Urbanisation requires new standards for water distribution and water quality. Rapid urbanisation located along coasts or rivers may also be vulnerable to natural disasters such as extreme storms and floods. Poor infrastructure and management not only affects the people directly, but also the economic performance of the city. The UN predicts a further 10 cities will gain megacity status by 2030, most of which are in Asia.

How we act on opportunity

The water market is growing, driven by megatrends such as sustainability and non-financial reporting regulation, climate change and urbanisation. All three call for new sustainable, smart and technology enabled water solutions, presenting business opportunities for DHI.

To be successful, we need to be able to identify and act on opportunity, as well as continue to provide our trusted services for our customers. Our [Executive Leadership Team](#) (ELT) includes the heads of our four GBUs as well as our Chief Technology Officer. In this way, our leadership has direct working knowledge of our business segments and relationships with customers and new product development processes.

Our new [Technology Board](#) was launched in 2021. The 'Tech Board' oversees short- and long-term DHI investments, prioritising those aligning with DHI+ and the opportunities identified within the GBUs. This year also saw the launch of our [Innovation Lab](#), focused on connecting to market driven innovation for sustainable development outcomes.

How we manage risk

The same megatrends that provide opportunity also present risks. DHI operates in a highly competitive and rapidly changing global marketplace. We consider risk management and due diligence a necessity for sound business and have adopted a structured approach comprising four elements: risk identification, risk assessment, identification of mitigating actions and risk reporting. Our risk management and due diligence includes non-financial topics and environment, social and governance (ESG) aspects.

Risk identification is a combination of bottom-up and a top-down approaches. Key risks are initially identified within each GBU using a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis and reported to the ELT together with information on what has been done and what is needed. High risks are aggregated, and a broad list presented in an annual risk report and overseen by the [Board of Directors](#).

Business risks are continuously monitored. Local offices hold quarterly reviews of business risks and mitigation actions. All new staff are introduced to DHI's core values and policies, with any incidents discussed with employee representatives on a quarterly basis.

An independent Audit Committee has been established by the external Board of Directors, overlooking the overall policies and risk management for DHI. This is closely coordinated with the external audit of the annual accounts by the Group Auditors.

This year marked our first [sustainability materiality process](#), highlighting our material topics and bringing together considerations of sustainability risk and opportunities over the short-, medium- and long-term. Our [2025 Sustainability Ambition](#) sets overarching targets for us to track our progress, while we will continue to develop key performance indicators (KPIs) at an individual and GBU scale to drive opportunity and minimise risk.

About DHI

Who we are and what we stand for



Our purpose

DHI is a leading, innovative, global advisory company that integrates deep domain knowledge with advanced digital technology to enable new ways to use, manage and live with water and to protect water-related ecosystems. Founded in 1964, our credibility is built on over 50 years of dedicated research and real-world experience in global water industries.



Staff

1,027 full-time equivalent staff
80% hold an MSc
or a PhD



Locations

Denmark head office
26 countries
54 offices
Global reach



Revenue

113.6 million Euro



DHI Resources Invested in Innovation

5.2 million Euro



Memberships

Signatory to the
United Nations
Global Compact
since 2013



Certifications

ISO 9001
ISO 45001 (Denmark and Singapore)
ISO 14001 (Singapore)
ISO 27001 (SeaPort)



Partnerships

UNEP
WHO
Global Water Partnership
Major universities worldwide

Expertise

Our world is water, and our knowledge is second-to-none. It represents 50 years of dedicated research and real-life experience from more than 140 countries. We strive to make this knowledge globally accessible to clients and partners by channelling it through our local teams and unique software.

Whether you need to save water, share it fairly, improve its quality, quantify its impact, or manage its flow, we can help. Our knowledge, combined with our team's expertise and the power of our technology, holds the key to unlocking the right solution.

Solutions

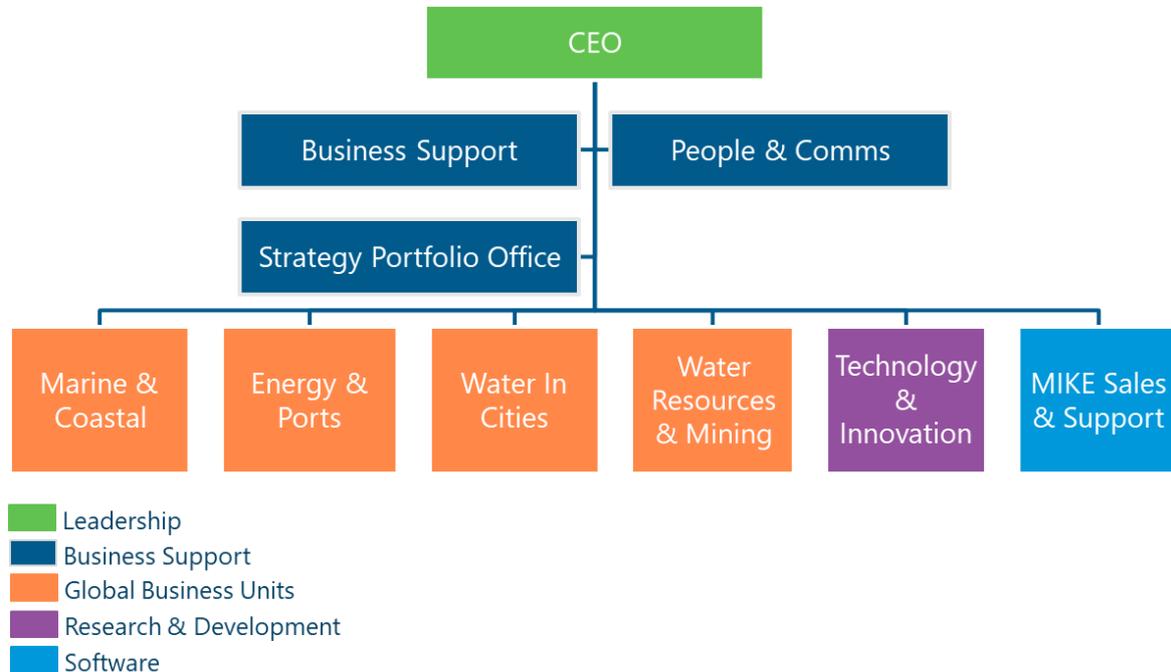
We offer digitally enabled environmental advisory services and support development through our advanced technologies as well as global training and knowledge sharing.

- MIKE Powered by DHI: Advanced technologies for water environments
- THE ACADEMY by DHI: Global training and knowledge sharing activities

Our history

- 1964 Danish Institute of Applied Hydraulics**
An independent, not-for-profit institution, we were an offspring of the Technical University of Denmark
- 1969 Wave makers**
Pioneering the hydraulic model testing and our first irregular wave generator - a major step in hydraulic modelling
- 1970 International focus**
Our first projects outside of Denmark
- 1971 Computational hydraulics**
We created the Computational Hydraulics Centre (CHC) that focused on the development of numerical modelling software
- 1985 MIKE by DHI**
We began developing numerical modelling software that could run on personal computers
- 1996 Globalisation and UNEP**
We opened offices world-wide to provide advisory services. We also established the UNEP-DHI Centre on Water and Environment
- 2000 Ecological modelling and remote sensing**
By the year 2000, we have established the Ecological Modelling Centre (EMC) and GRAS, DHI's Earth Observation knowledge hub
- 2005 Environment and toxicology**
Our merger with the Danish Toxicology Centre (DTC) enabled us to further develop and build our ecotoxicology expertise
- 2006 Global R&D**
We established our first major research hub established outside of Denmark in Singapore
- 2015 MIKE Powered by DHI**
We merged MIKE by DHI and MIKE CUSTOMISED by DHI technologies into one global brand
- 2018 Seaport OPX, our first Operational Service**
Real-time optimisation and management platforms customised for our clients' businesses
- 2021 DHI+**
We launched our new strategy, united to drive sustainability, innovation and growth

Structure of Business



Our leadership

The [Board of Directors](#) is the highest governance body at DHI. Our Board is led by our Chairman and Deputy Chairman and comprises both independent Board members as well as employee-elected Board members, representing objective and diverse perspectives. The Board of Directors are responsible for strategic planning and oversight of corporate governance, performance and sustainability at DHI, together with our Executive Leadership Team (ELT).

Our [ELT](#) is led by our Chief Executive Officer (CEO), Mette Vestergaard, supported by our Chief Technology Officer (CTO), Chief Financial Officer (CFO), Senior Vice President HR and Communications and Vice President of Strategy Portfolio together with the four Global Business Unit (GBU) Executive Vice Presidents. The ELT manages our core business operations and strategy, driving performance and impact.



Connecting

Making the most of all our strengths

Connecting is fundamental to DHI+, and we need to connect both internally and externally.

Internally, the Connecting phase of DHI+ endeavours to bring together our strengths across global business units, expertise and locations to develop our advisory and innovation capabilities. Though such collaboration has always been fundamental to DHI, our strategy drives home the significance such meaningful dialogue can make to our customers and the planet.

Externally, we are connecting with our clients and partners through our go-to-market plans and our research and development. Our Innovation Lab, established in 2021, is bridging the gap between our science and our business by connecting DHI with an external innovation ecosystem, linking innovation and sustainability both within and outside our organisation.

Engaging our stakeholders

Engaging our stakeholders is the foundation of our approach to sustainability. The feedback that we receive enables us to continuously improve our practices and performance. It keeps us responsive to new trends and opportunities while making sure we continue to meet our stakeholders' expectations. It is essential that we are reactive and accountable to their feedback and concerns.

With our commitment to good business, we engage our key stakeholders regularly through various mechanisms such as informal and formal direct dialogues, surveys and at professional and industry conferences and forums. Our stakeholders have been identified through consideration of our business operations, products, and services as well as from regulatory requirements. As a software advisory business, our supply chain is based around our office operations, in addition to the specialist subcontractors we engage with on a project basis. Our stakeholders include our own people, our clients and customers, our business partners and our suppliers and sub-contractors, as well as the planet and society downstream within our value chain.

Connecting on Sustainability

For our first sustainability impact report applying the GRI Standards, we wanted to ensure it reflects those topics most material to us as a business as well as those that create greatest impact in the world. To achieve this, we reached out to our people through a mix of interviews with our ELT and an online survey accessible to all staff at DHI. We focused on what 'sustainability' means to them personally and how it is expressed in their work. The results of this engagement formed one of the guideposts for our [materiality assessment](#). Looking to the future, we will extend this process to include a wider range of our stakeholders across markets and regions within our value chain.

Our Stakeholders



Our people

DHI's greatest assets and instrumental to the success of DHI+.

It is important for us to maintain and develop key competencies and build on collaboration.

Interests and concerns expressed in 2021

This year was a year of change. Foremost was DHI's global restructure and how this would affect staff. Also, our people are particularly interested in sustainability both within our company in terms of our own environmental footprint as well as through our products and services.

How we engaged in 2021

We engage our staff throughout the year via Townhalls, department meetings and social and teambuilding activities across our regions and offices, in person where possible given ongoing COVID-19 restrictions. We also aim for annual Performance and Development Dialogue (PDD) sessions for all staff.

2021 also marked our first dedicated sustainability engagement with staff workshops held to discuss how our services support the UN Sustainable Development Goals (SDGs) as well as opportunities for all staff to contribute to our sustainability materiality process via online surveys.



Clients and customers

Exceeding client expectations is essential to our business. It is crucial we understand their needs and are agile to respond to changes and opportunities.

Interests and concerns expressed in 2021

This year saw a distinct rise in clients which have sustainability on their agenda. As seen in previous years, our clients remain interested in our new software developments, overall performance, innovation and project track records.

How we engaged in 2021

For our advisory services, we held many client meetings throughout the year, focusing on specific projects and relationships and gathering feedback. Every project is followed up with a client satisfaction survey and project-close meeting. Our sales and software teams also maintain almost constant contact with customers, providing support and assistance. Given the ongoing COVID-19 pandemic, much of this engagement has been via online platforms this year.

We also provided several trainings and webinars throughout the year to connect with clients and provide additional support. Clients are encouraged to provide feedback at any point either directly to their project or services manager or via company email.



Our partners

Our partnerships drive some of our most exciting innovations, extending our reach and influence.



Suppliers and sub-contractors

It is of utmost importance that our business principles and ethics are reflected in these relationships.



Planet and society

Responsible business practices are increasingly required by regulators, NGOs, academics and communities alike. Accountability is part of sustainable development.

Interests and concerns expressed in 2021

Technology and innovation for solving the world's pressing problems were clearly in focus for 2021.

How we engaged in 2021

We engage with our partners throughout the year via business partner meetings, direct correspondence or introductions and focus sessions.

Interests and concerns expressed in 2021

In 2021, we enhanced the global process for evaluation, due diligence and monitoring of suppliers and sub-contractors, requiring their compliance with our Code of Conduct for business partners. Our engagement focused mainly on business relationships, regulation and contractual requirements.

How we engaged in 2021

We engage with our suppliers and sub-contractors throughout the year via project or sales meetings and direct correspondence.

Interests and concerns expressed in 2021

2021 saw an even greater push for climate action than in previous years. Action against loss of biodiversity is a key international agenda. Changes are also seen in regulation, with the Taskforce for Climate-related Financial Disclosure (TCFD) recommendations now becoming mandatory for many, and a new EU Directive for Corporate Sustainability Reporting to be expected in 2023.

How we engaged in 2021

We ensured that key organisational information was presented on our website. With our global re-structure in 2021, we have initiated the revamp of our website for better accessibility, aiming for completion in 2022.

Disclosure and transparency matter. We are pleased to present this, our first sustainability impact report applying the GRI Standards, for public information.

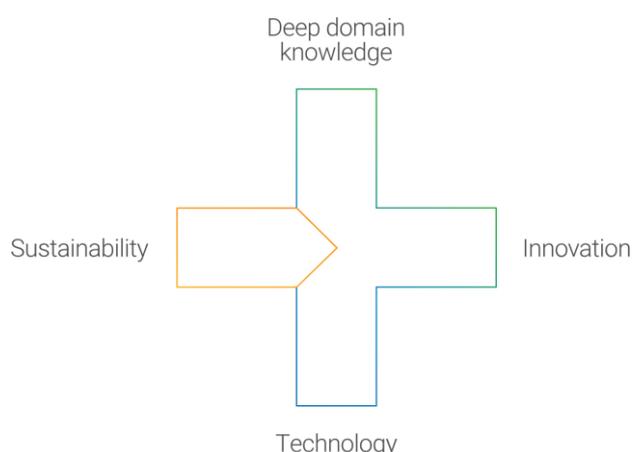
Sustainability at DHI

The foundation of our strategy



Sustainability is a central part of DHI's DNA and purpose. For 58 years and counting, together with our technology and people, we have made a positive contribution to the sustainable development of our planet:

- We enable access to safe water, safe treatment of wastewater and protection from climate impact in cities
- We protect water basins and groundwater from water scarcity and pollution
- We ensure sustainable development of offshore renewable energy and maritime transportation
- We facilitate focus on environment and biodiversity in the oceans



Our new strategy, DHI+, integrates sustainability with our business strategy as we recognise the two are intertwined, and this connection impacts the environment and societies in which we operate.

Commitment

- **Measuring** our impact through contributions to sustainable development
- Leveraging our **technology and innovation** to provide best and unique **advisory services**
- **Growing** within **specific market segments** within four global areas

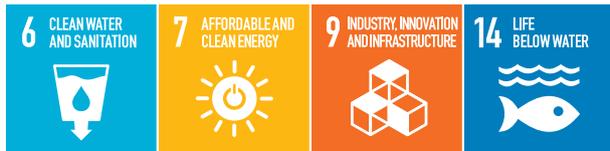


Contribution to SDGs

The UN SDGs were adopted in 2015 with the intent of achieving peace, prosperity and sustainable development by 2030. To measure and track the progress of our sustainable development impacts, we will report our contributions using the SDGs as a framework and map our 2025 ambitions to specific targets. Our 2025 ambitions cover both our internal operations and advisory services. Moving forward, we will be reporting on our progress towards our targets.

Our sustainability impact framework

Our framework reflects the two sides to sustainability for DHI; the impact we have within DHI from our own operations and footprint, as well as the impact we have together with our clients and partners through the work that we do and the products and services we provide.



Supporting climate adaptation and focusing on resiliency for water and environment. Enabling our clients to reduce their climate and environmental impact.

Applying our predictive tools and practical applications to protect the natural world and its biodiversity.

DHI's sustainability framework

Enhancing our operational excellence. Protecting against data fraud & theft. Building strong client relationships. Innovating for the future.

Developing our people and attracting outstanding talent. Safeguarding our people from risk of injury and improving health and wellbeing in the workplace. Embracing an inclusive culture that recognises and values diversity.



Enabling sustainable development in water environments

Bringing innovation and science-backed approaches to our projects. Scaling our impact by partnering.

Taking action to minimise our climate impacts and water footprint.

Acting & operating with responsibility



Ambitions for 2025



Enabling Sustainable Development

<p style="text-align: center;">Map how our products and services contribute to the UN SDGs</p> 	<p style="text-align: center;">Implement sustainability as a key driver in our technology and innovation investments</p>	<p style="text-align: center;">Innovate and connect to develop new ways to support our customer's sustainability agendas</p>
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DHI's Environmental Footprint

<p style="text-align: center;">Carbon neutral by 2025 (NetZero for scope 1 and 2)</p>  <p>Supporting SDG Target 13.3 to build knowledge and capacity to meet climate change</p>	<p style="text-align: center;">Measure and reduce our water footprint</p>  <p>Supporting SDG Target 6.4 to increase water-use efficiency and ensure freshwater supplies</p>
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People, Diversity & Inclusion

<p style="text-align: center;">Stimulate employee learning and engagement</p>	<p style="text-align: center;">% of women in leadership corresponds to women in company</p>  <p>Supporting SDG Target 5.5 to ensure women's full and effective participation and equal opportunities for leadership</p>	<p style="text-align: center;">Zero work related injuries</p>  <p>Supporting SDG Target 8.8 to protect labour rights and promote safe and secure working environments for all</p>	<p style="text-align: center;">Zero discrimination or harassment grievances</p>  <p>Supporting SDG Target 10.3 to ensure equal opportunity and reduce inequalities of outcome</p>
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Operational Excellence

<p style="text-align: center;">Increase our ability to invest in innovation</p>  <p>Supporting SDG Target 9.5 to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p>	<p style="text-align: center;">Zero reports of cyber security breaches</p>
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Sustainability management

This year, we have taken the first steps in formalising a sustainability management structure for our organisation. Our initial approach has been spearheaded by a sustainability workstream sponsor within the ELT, with the support of the ELT and our CEO as well as our Board of Directors.

Moving forward in 2022, a sustainability management structure will be established, and roles and responsibilities defined. We will set up working groups and local office champions to help us achieve our 2025 vision.

Materiality

In preparation for the upcoming proposed European Union Corporate Sustainability Reporting Directive (CSRD), expected to enter into force in 2023, we have taken a double materiality approach as well as applied the GRI requirements to determine our material topics. This means we have taken an 'outside in' view of sustainability matters that can affect our business, as well as an 'inside out' view of where our actions influence the environment and society. Both positive and negative outcomes are included.

Our assessment comprised two stages, the first being the identification of impacts and their significance followed by their prioritisation. Our process included:

1. Benchmarking and review of applicable standards
2. Interviews and surveys with stakeholders
3. Inputs from independent experts
4. Review of statements, records and filings of any known risks or occurrence of issues.

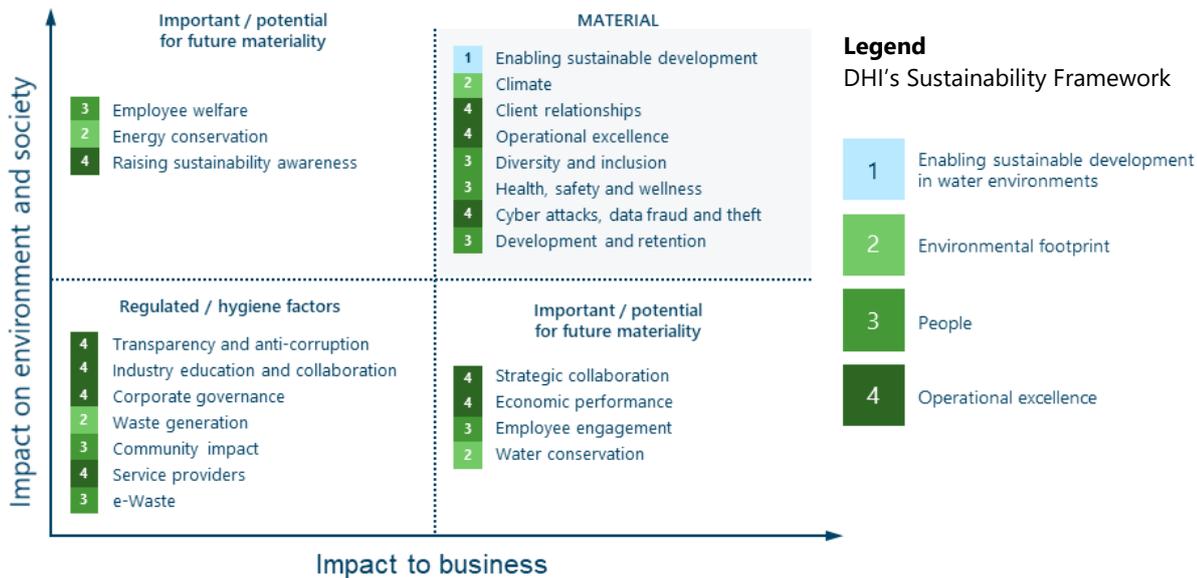
For this first reporting year, priority was given to employees and senior management to capture perceptions and expectations for DHI as a sustainable company. An online survey was launched for all staff, while one-on-one interviews were held with the ELT to focus on sustainability opportunities, risks and ambitions for the company. Next year, we will look to include external stakeholders, such as key partners and clients, within our ongoing engagement.

Topic prioritisation was determined through a combination of weighted scoring, ranking and review. Final topics were agreed by the ELT following a materiality workshop and approved by the Board of Directors. Results are presented within a matrix to represent the process. Thresholds for materiality were set for topics with those scoring above average being considered material. Of 22 potential topics, a total of eight sustainability topics are highlighted as material.

We are committed to ongoing review of our material topics to ensure efforts are aligned to what is important to our business and our stakeholders as well as to the environment and society.

We have established several disclosures and KPIs to monitor our performance in each material topic. This report is focused on these topics and our activities and progress in 2021. Our 'Performance Data' annex provides a full overview of these disclosures and KPIs and will allow for us to track our progress against our targets moving forward.

Materiality matrix



Our material topics



Together with our clients and partners

Enabling sustainable development through our products and services:

- Innovation for the climate and future by providing innovative tools, products and services to enable clients across sectors to reduce their climate impact
- Enhancing and restoring biodiversity, moving from sustainability to regenerative approaches to protect ecosystems via predictive tools and practical applications
- Protecting resources by providing innovative tools, products and services across sectors that enable clients to focus on resiliency and accurately predict and prepare for future changes
- Partnerships for change with the right organisations and individuals to scale impact and affect change globally. Being at the leading edge of innovation and sharing our knowledge.
- Influencing our projects, lending our experience in each and every project to improve sustainable outcomes beyond the client's vision



Within DHI

Minimising our climate impacts through decisive actions to decarbonise our operations

Promoting health, safety and wellness through measures to manage risk of injury. Improving employee health and wellness and work-life balance

Progressing development and retention by cultivating our talent and creating personal development opportunities for everyone, and building sustainable human resources, striving to attract and retain outstanding talent

Ensuring diversity and inclusion by embracing an inclusive culture which recognises and values diversity and prevents discrimination (gender, nationality, race, religion, etc.)

Enhancing operational excellence and innovating for the future

Developing client relationships through improving experience and satisfaction

Upholding data security, protecting the confidentiality of our information, personal data and client information

Enabling sustainable development

together with our clients and partners is where we have our greatest influence



Sustainability is a critical business opportunity for DHI, but also an opportunity for us to make a big impact on our blue planet. Our direct internal footprint is important– but the positive impact that we can make together with our clients and partners is much larger. By tackling the world’s biggest challenges in water environments through our products and services, we can help drive sustainable development and contribute to the global goals.

How do we contribute?

We help tackle climate change and build resilience, conserve and enhance ecosystems, and drive sustainable outcomes across our technology-enabled advisory business.

Our work impacts some of the world’s largest infrastructure projects, biggest catchments, busiest ports and largest cities in the world, indirectly affecting millions of people. In the development of DHI+, we have chosen to prioritise our business through our four GBUs where DHI clearly contributes and leads innovation in the market. Prioritising our efforts in these areas, together with our expert knowledge and technology, we can make a positive outcome. To achieve this, we will be working on understanding – and tracking – how our products and services are contributing to the SDGs.

Tackling climate change and building resilience

We enable our clients to reduce their climate impact through our products and services. In particular, DHI is an expert in supporting offshore wind farms with their environmental impact assessments and permitting. We also support planning and implementation of policy, engineering and nature-based solutions for climate adaptation and resilience. We partner with world leaders in engineering, insurance, economics and risk to understand vulnerabilities and impacts, and to identify holistic and feasible solutions to sea level rise, storms, flooding, drought and other pressing challenges affecting our communities and infrastructure. Our monitoring systems, advanced modelling capabilities and decision-support systems are trusted in many locations to manage resources sustainably and to mitigate risk. We also support adaptation and resiliency to future changes in climate and environment. Without such action, we believe the SDGs are not achievable.



Conserving and enhancing ecosystems

We help to protect the natural world and its biodiversity through the application of our predictive tools and practical applications. Our MIKE modelling suite is equipped to support science-based decisions on the management, conservation and restoration of nature. DHI's complimentary consulting services include nature-based climate solutions, habitat restoration, wildlife management and conservation stretching from the mangroves and coral reefs of Southeast Asia to the saltmarshes and intertidal mudflats of western Europe.



Driving sustainable outcomes

Bringing innovation and science-backed approaches to our projects is essential in driving sustainable outcomes. Whether this be helping decision-makers target at-risk areas for intervention, influencing strategy or permitting processes, or developing ever more accurate predicative models and knowledge base, our technology and innovation provide world-class support for our clients and partners.



Our partnerships drive some of our most exciting innovations, extending our reach and allowing us to positively influence developments around the globe. We are proud of our long-standing partnerships across sectors, from UN agencies to international donors and academic institutions.

Spotlight: UNEP-DHI Centre on Water and Environment

A partnership dedicated to improving the management, development and use of freshwater resources from the local to the global level. UNEP-DHI Centre has been in operation since 1996 and has been co-funded by UNEP, Danida and DHI since 2001. The UNEP-DHI Centre has attained global recognition for its work in promoting sustainable water resources management and supporting the water-related SDGs

Future plans



Understanding our impact is the best way for us to scale our influence. In 2022, we will be focusing on how to define our impact in terms of how we contribute to the SDGs and developing how we will disclose our tangible and quantifiable impacts and define our targets.

Technology and innovation are the key elements in facilitating our clients and partners to overcome their challenges and achieve their sustainability agendas. Moving forward, sustainability will be a key factor in selection of our investments in technology and innovation. We will develop programmes in 2022 to further boost our innovation, linking back to the business and aligned with our sustainability ambition.

To maximise the impact of our investment in innovation and technology, we need to collaborate with our clients and partners to understand their challenges and set the direction for new solutions. This is a key part of our 'Connecting' phase of DHI+ and will be a clear focus for 2022.

Our sustainability stories



Energy & Ports



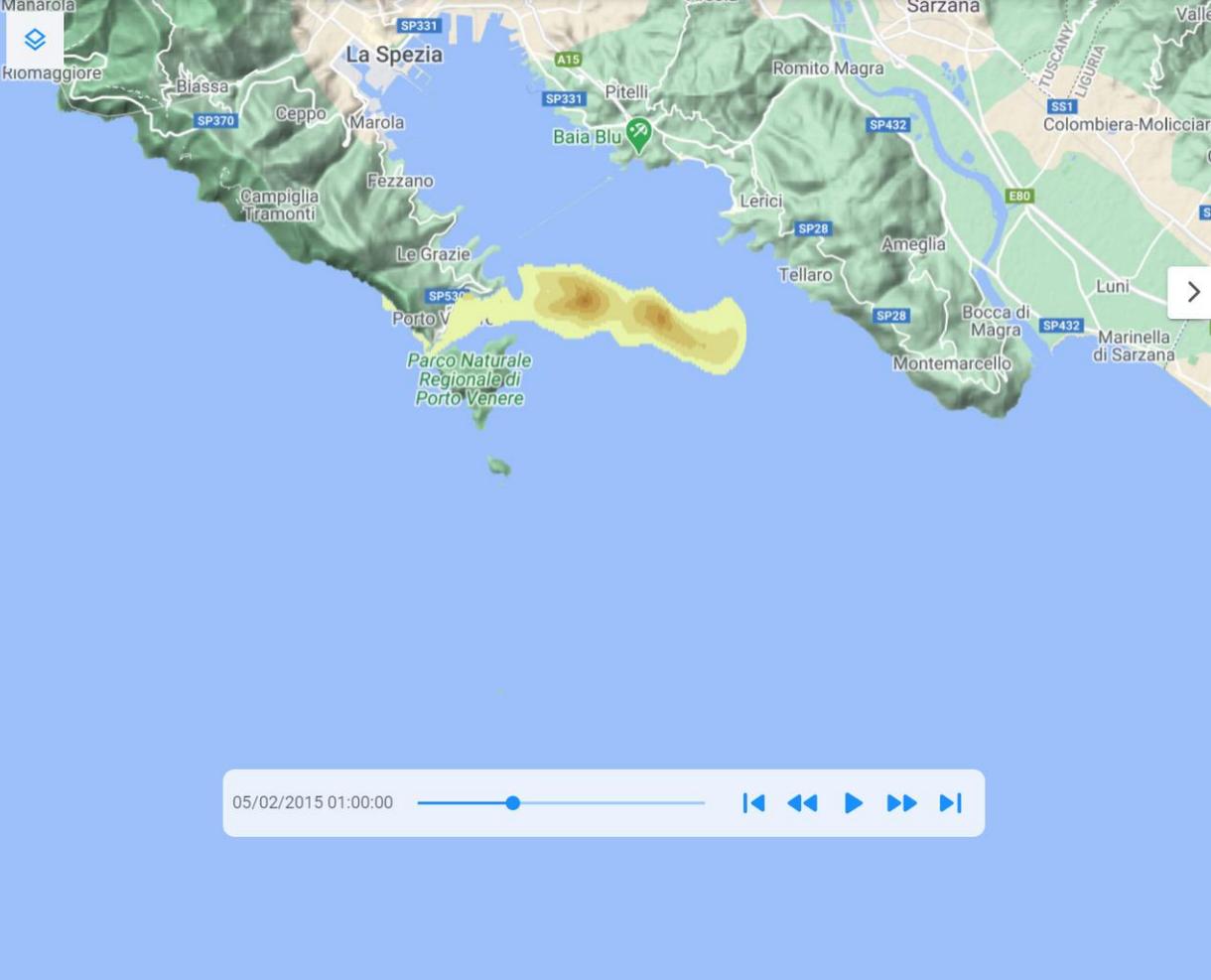
- Conserving and enhancing ecosystems
- Tackling climate change and building resilience

Helping Poland advance renewable energy while protecting marine life

Poland has ambitious plans to advance the building of offshore wind farms to battle climate change. However, developers must overcome unique environmental challenges before getting the green light to their projects. DHI's cutting-edge noise, habitat and collision risk modelling has helped improve the accuracy of Environmental Impact Assessments (EIAs) and led to quicker approval for the first of many offshore wind farms in Poland.

Polish waters are home to the endangered and strictly protected Baltic harbour porpoise, which can be harmed by construction noise. Moreover, local seabirds can be displaced, and migratory birds can collide with the rotating turbines blades. These impacts are extremely difficult to predict, resulting in much uncertainty about the environmental footprint of offshore wind farms.

Since 2012, DHI has used innovative approaches to help Polish developers increase the accuracy of their environmental investigations. Numerical underwater noise modelling proved porpoise impacts could be minimised with noise mitigation measures. Dynamic habitat modelling enabled extrapolations about the distribution of seabirds and increased EIA reliability. Collision risk modelling provided accurate data of birds at risk of collision with wind turbines. Learn more about the project [here](#).

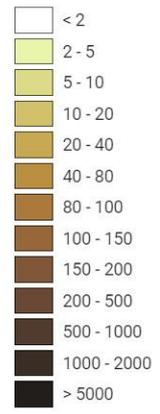


Demo

Animation

Total Suspended Sediment [mg/L]

DepthAveraged



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Marine & Coastal

- Conserving and enhancing ecosystems

Achieving more efficient dredging with innovative technologies

Dredging is a massive business encompassing a wide range of activities on water. This could be nourishment of beaches to combat coastal erosion, creation of land through reclamations, maintenance of river mouths for flood mitigation, maintenance of port access channels and port basins, trenching of pipelines and cables, sand mining, dredge spoil disposal, sand capping and so on. Common to these are that seabed material is relocated as part of an intervention.

Sediment spill from dredging activities can cause a visual 'plume' and may affect sensitive and protected species as well as natural habitats. To reduce ecological risks, ensure regulatory compliance and optimise operations, dredging operators need an efficient way to conduct quantitative and precise impact assessments.

DHI's advisory services and trademark models help ensure that dredging is carried out in an environmentally friendly way. An example is the pioneering web-based application, [PlumeCast](#), which allows easy access to complex modelling, where dredge plumes can be emulated in full, seamlessly and coherently.

This makes it easier to assess potential consequences on the environment and expedites approvals for new dredging activities. Read more about the technology [here](#).



Water in Cities



- Tackling climate change and building resilience
- Driving sustainable outcomes

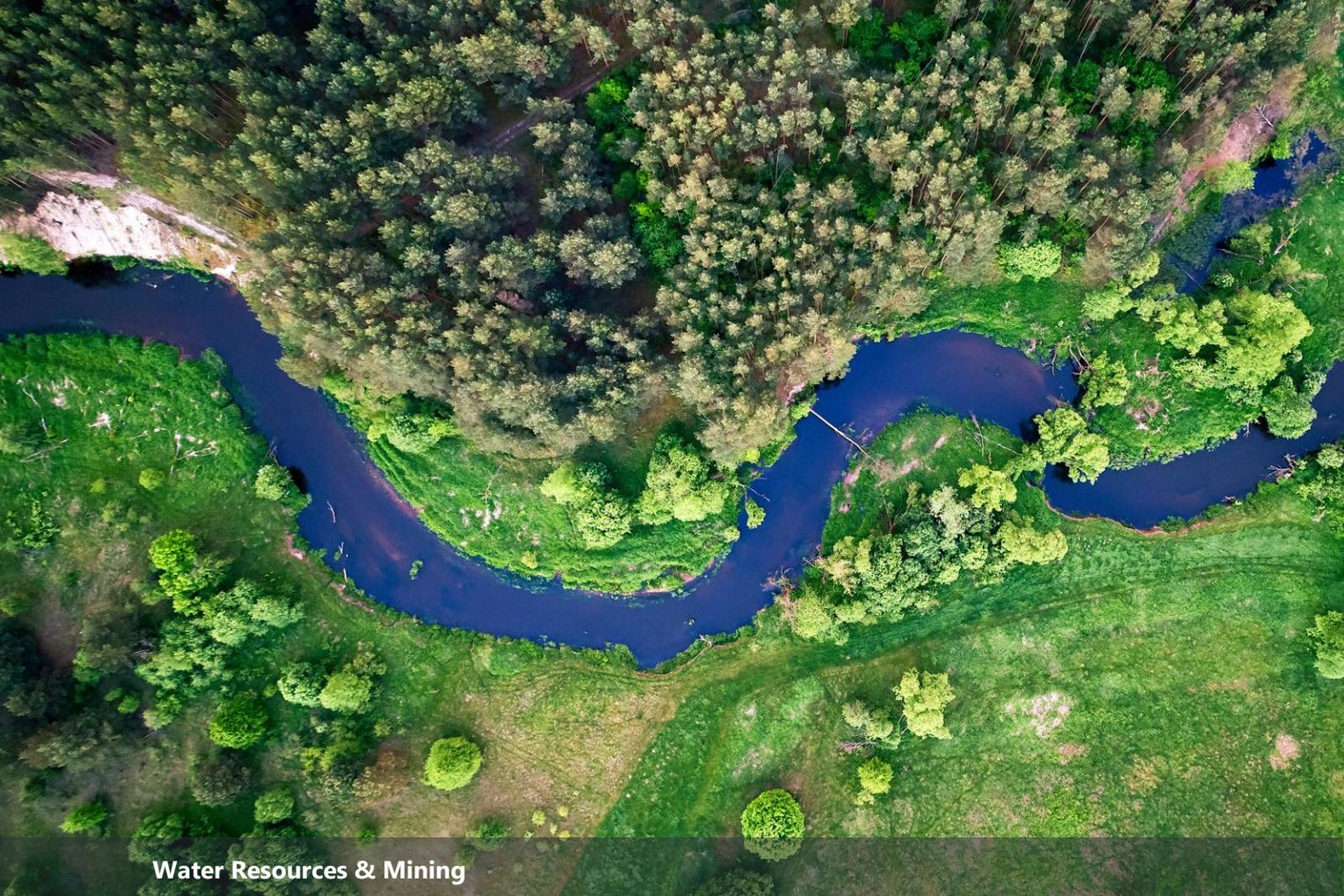
Increasing energy efficiency in wastewater treatment plants

Managing energy consumption is one of the top priorities of wastewater treatment plant (WWTP) operators. As a multi-utility company responsible for operating 19 WWTPs that serve more than 170,000 inhabitants, FORS A/S is always seeking new ways to improve efficiency in treatment processes.

One of its plants – the Bjergmarken – was using the activated return sludge process to increase sludge retention and treatment capacity. Due to the high concentrations of solids treated in this operational process, there was inefficient oxygen transfer. This inefficiency required extensive aeration energy to maintain sufficient dissolved oxygen levels – and the utility recognised they needed to explore ways to do things better.

The DHI team investigated multiple options for retrofitting this process to improve energy efficiency. A detailed model of the plant was developed and calibrated. The model virtually simulated and evaluated various retrofit options, thus avoiding interference with full-scale operation. The assessment showed that by utilising a different process, the plant could reduce energy consumption by more than 20%. Model results also indicated that the new retrofit would have limited or no impact on treatment efficiency and effluent quality.

Get more details about the story [here](#).



Water Resources & Mining



- Driving sustainable outcomes

Stopping plastic pollution through early interventions in rivers

Rivers are a major source of plastic pollution in the world's oceans, with an estimated 70-80% of marine plastic originating from land. Research finds that most of this plastic comes from rivers, indicating that interventions in rivers are fundamental to address marine plastic pollution.

Understanding, monitoring and forecasting river plastic flows can help identify where the problem is, where it originates and how best to intervene. However, lack of data is a major challenge.

In collaboration with the UNEP Freshwater Ecosystems Unit and the Global Partnership on Marine Litter (GPML), [UNEP-DHI](#) developed a risk and warning system to address marine plastic pollution. The system is built upon DHI's [Global Hydrological Model](#) and includes all major river systems in the world. Using estimates of how much plastic is entering rivers every day as well as field data on plastic loads as model input, simulations of plastic accumulation are produced for over 870,000 points along rivers worldwide.

With [this tool](#), decision makers can now identify upcoming freshwater hotspots and plastic accumulation points, as well as plan, inform and prioritise interventions from the global to local level.

Acting and operating responsibly

Driving excellence within DHI



Acting and operating responsibly forms the foundation for our business, and ultimately allows us to achieve our purpose of finding new ways to use, manage and protect water and water-related ecosystems in support of the UN SDGs.

Acting and operating responsibly at DHI means enhancing our [operational excellence](#), ensuring that [people, diversity and inclusion](#) are core to our culture, and minimising our own [environmental footprint](#). We are guided by our [DHI Business Excellence Policy](#) and Code of Conduct in all our actions.

Operational excellence

Operational excellence covers a multitude of aspects, from business ethics to innovation, client relationships and data security. Our 2025 ambition for operational excellence is to increase our ability to invest in innovation of new products and to have zero cybersecurity breaches. Linking our innovation to our business will drive our advisory business, ensuring creation of effective solutions for our clients. The security of our operations and client data remains paramount.

Operational Excellence

<p style="text-align: center; font-weight: bold;">Increase our ability to invest in innovation</p> <div style="display: flex; align-items: center; margin-top: 10px;"> <p style="font-size: 0.9em;">Supporting SDG Target 9.5 to build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p> </div>	<p style="text-align: center; font-weight: bold;">Zero reports of cyber security breaches</p>
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Leading the way in innovation and excellence

Investing in innovation is essential to DHI. To reflect our commitment, we have created a Technology and Innovation (T&I) organisation within our global structure to provide support to our GBUs. It is the ambition of T&I to develop world class technology that puts DHI’s digital advisory and software in the lead when solving the world’s water challenges.

Launched in 2021, our new Innovation Lab sits within T&I. With a dedicated focus on helping to commercialise our innovations, the Lab seeks upfront market validation through experimentation, staying true to market driven innovation and supporting fast scaling of ideas. Engagement spans across all DHI, from investigating potential within Blue Carbon markets, to providing design and mock-ups for prototypes or facilitation of innovation processes and preparing pitch material for DHI’s Tech Board. All with the goal of boosting our innovation capabilities and connecting DHI with external innovation ecosystems (start-ups, funding, R&D partners etc.) - linking innovation and sustainability.

External revenue from research & development	6.7 million Euro
DHI resources invested in research & development	5.2 million Euro



Technology & Innovation



- Excellence through investing in innovation

Empowering countries with Earth Observation data to better manage water resources

The dedicated water goals in the 2030 agenda for sustainable development have brought water policy into the spotlight, both at a global and national level. Countries worldwide recognise the threat of a 'water crisis', consistently ranked by the World Economic Forum as one of the most likely and devastating threats to our planet.

The need for proper and timely information on water availability is probably the most important requirement for water management activities. In large, remote, and inaccessible regions, *in-situ* monitoring of inland waters is sparse and hydrologic monitoring can benefit from information extracted from satellite earth observation (EO).

DHI is leading the European Space Agency-funded WorldWater initiative to demonstrate how global EO data can help national authorities and river basin organisations independently measure inland surface water resources systematically and accurately. This will help promote more efficient planning and decision-making, as well as help in the direct reporting of the global Sustainable Development Goal indicator framework. Read more about WorldWater [here](#).

Advancing client relationships

Client relationships build our reputation as a trusted advisor. Whilst bringing in new clients is important, maintaining our excellent relationships with existing clients is essential for sustainable business growth.

DHI+ is centred on operational excellence and client management. We are committed to:

- Create value – we help our customers make sustainable and robust decisions to meet their targets and climate objectives
- Earn trust – we listen, understand, solve and deliver on our promises
- Provide support – we constantly design new training programmes for knowledge building and sharing, plus offer unparalleled customer care

Our GBU leaders have overall responsibility for maintaining client relationships, with oversight from the ELT. Our ambition is for our clients and other stakeholders to be involved with our innovation work, and their inputs to drive our innovation and sustainability direction so our innovation has the highest value possible for our clients and partners.

To maintain our good reputation, each of our project and sales managers are trained in client communication and management. Following the conclusion of a product or service, we also issue a customer satisfaction survey to review our performance and delivery and to help us improve our service in future from lessons learnt.

In 2021, we established key account managers (KAMs) for our strategic relationships as part of DHI+. Our KAMs will foster trusted relationships and built an intimate understanding of the needs of our most important clients. In these relationships, we help our clients with strategic advice on how to realise their business goals.

The effectiveness of our approach is evaluated through our revenue figure as well as our order inflow. In the future, we will also be establishing a net promotor score (NPS) to assess the 'loyalty' of our clients as a measure of our positive relationships with them.

Our NPS

Coming 2022

Excellence in information security

DHI deals with customer solutions where confidentiality is essential for data and knowledge. We also build decision support systems for different clients where integrity is paramount. Availability of data is also a critical factor, and constant access needs to be maintained. Our customers need to be able to trust our services and recommendations. Especially given the shift to remote working during the COVID-19 pandemic where data security is vital to enable seamless working.

Protecting our Confidentiality, Integrity and Availability is the foundation of DHI's Information Security. Our Chief Information Security Officer is tasked with the responsibility of maintaining our information security. In 2021, we also established our Cyber Security Board as a steering

committee to implement security policies, comprised of senior management and the ELT. The role of the Board is to ensure compliance with relevant regulation and to ensure the necessary resources and commitments.

We aim to continuously improve our enterprise security architecture. In 2021 we have committed to implement a DHI-wide Information Security Management System according to ISO 27001, which we aim for certifying during 2023. We will also target a high maturity level against the 18 Centre for Internet Security Critical Security Controls (CIS Controls). This includes evaluation of third-party service providers as well as continually testing our security posture by regular penetration and vulnerability testing.

We are also focused on the security of our DHI application portfolio. In 2021, we commenced a review of our 150+ customer facing applications and will work with our stakeholders to update and design security standards and policies to ensure 'security by design' for our applications.

Employee knowledge of our systems and requirements is essential to maintain information security. We run annual awareness training and certification for General Data Protection Regulation (GDPR) compliance, Information Security compliance and fraud and corruption topics. We also have a group-wide IT Hotline that can provide urgent assistance when needed, as well as local IT teams for support.

In 2021, we registered one successful phishing attack, which has been reported to the Danish Protection Agency. This attack resulted in the breach of one user password, which was immediately addressed and reset with no further consequence.

Number of substantiated data losses in 2021	Zero
Number of external complaints regarding customer privacy in 2021	Zero
Number of complaints/non-compliance regarding customer privacy in 2021	Zero

Business ethics

We operate our business in compliance with all legal requirements. Our [business practices](#) are transparent and in accordance with the International Federation of Consulting Engineers (FIDIC) Code of Ethics. We acknowledge and respect the requirements of The Universal Declaration of Human Rights and The United Nations Convention against Corruption, and we require that our employees work actively to ensure continued compliance in all their work.

DHI adheres to all relevant laws and regulations aimed at the protection and promotion of human rights both in the workplace and more broadly in our business activities. All employees are to be treated fairly, with dignity and respect. Non-discrimination is a fundamental value at DHI and reflected in [diversity and inclusion](#) as a material topic. Risks relating to human rights are considered within our risk management due diligence process, overseen by the Board.

We are committed to promoting transparency and accountability globally in DHI and we are committed to making anti-corruption part of the DHI culture and operations. Through our practices and Code of Conduct for DHI and Code of Conduct for business partners, we are showing employees, customers and suppliers that DHI applies a zero-tolerance policy on bribery and corruption. Our Code of Conduct is communicated to all employees during onboarding and is available on our website.

We have been a member of the UN Global Compact since 2013. This requires us to operate responsibly across areas such as human rights, business ethics, labour and environment through the incorporation of the Ten Principles of the UN Global Compact into our Code of Conduct as well as our strategies, policies and procedures.

We demonstrate our commitment to the principles of our Code of Conduct by having established suitable management systems, including adequate training and controls to ensure compliance. In 2021, we continued to support diversity and inclusion within DHI, for example, by using non-gendered language in communications, as well as setting diversity targets within our 2025 Ambition regarding women in management positions. We also launched our anti-corruption e-learning course for all employees on 9 December 2021, corresponding with the UN International Anti-Corruption Day. We believe that we have a right and a responsibility to say [#NoToCorruption](#) in our corporate culture.

We maintain necessary documentation to demonstrate our compliance. All employees have a duty to report to management any violations and/or suspected violations of the Code of Conduct or any other unethical behaviour by anyone employed by or working for DHI, including customers, distributors, suppliers or subcontractors. Our anonymous whistle-blower policy and reporting tool is publicly available from the [DHI website](#) enabling employees and other stakeholders to tell us if they become aware of or suspect that unlawful activity is taking place in the company. Any concern reported is sent to our external Board of Directors for investigation, who are independent of the daily management of DHI.

Every Segment management representative – Operational Excellence Director of the GBU or Segment Manager – is responsible for monitoring legal requirements applicable to their segment(s) and for ensuring that applicable legal requirements are communicated to relevant parts of the organisation whenever there is a relevant change to these.

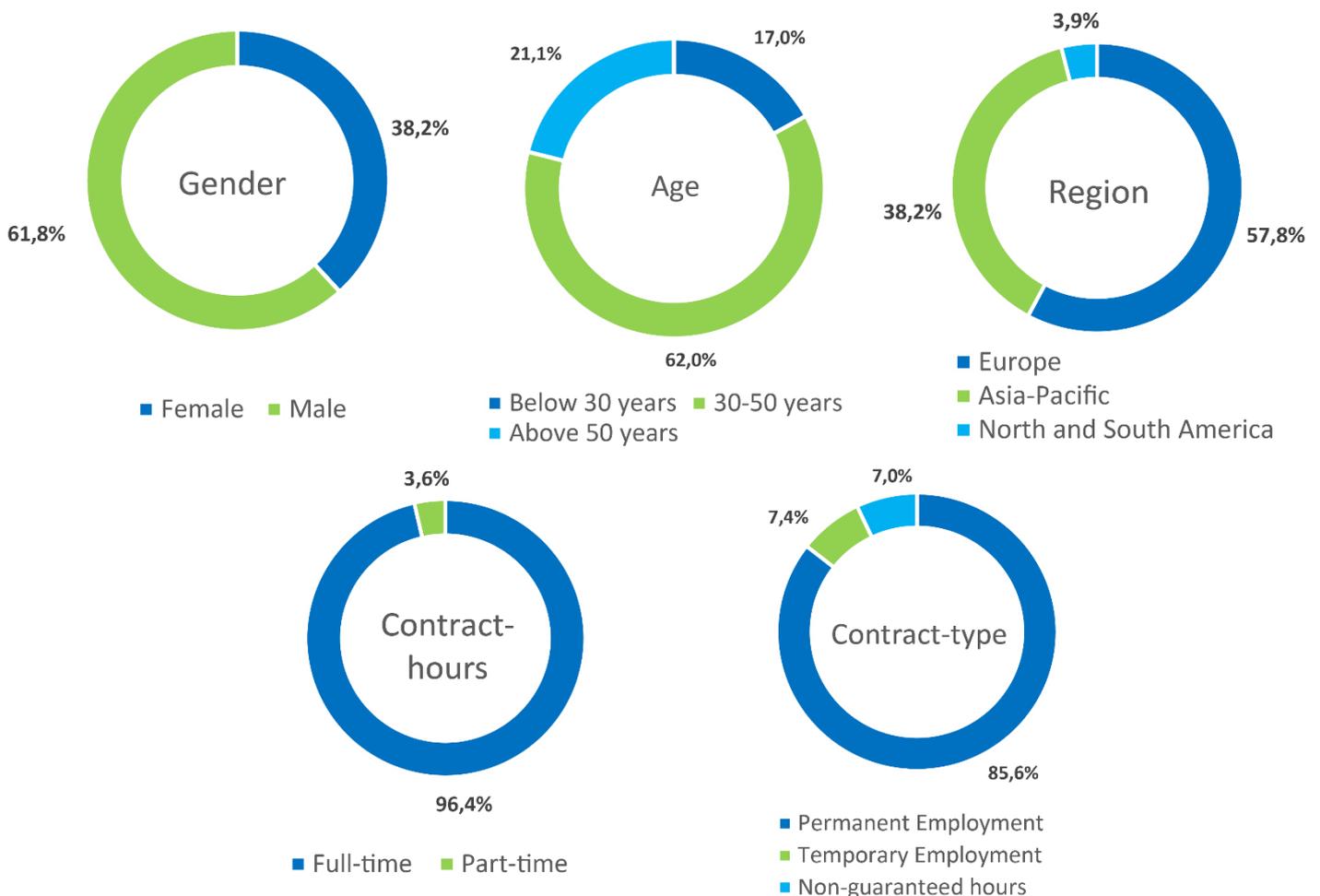
Looking to 2022, we will continue to ensure all new employees are aware of our commitments to human rights and anti-corruption. We will continue to promote our whistle-blower scheme through internal communications and employee onboarding training. We will also roll out annual refresher sessions for our online anti-corruption e-learning course.

People, diversity and inclusion

We view our staff as ambassadors of DHI's purpose and are the channels through which we influence and educate our customers to help them build better. It is of utmost importance to us to provide our employees with a conducive working environment. We aim for zero work-related injuries and to have zero discrimination or harassment grievances.

In 2021, our workforce headcount totalled on average 1,058 people, representing a Full-time Equivalent (FTE) of 1,027 people across three regions: Europe, Asia-Pacific and North and South America. Most of our staff are based in Europe, with the largest office being our head office in Denmark. The numbers of workers which are not employees of DHI but their work and/or workplace is controlled by DHI (e.g., Type I Workers including student, interns and external consultants) are negligible, representing only two FTE (full-time equivalent) on average.

Overall, our ratio of female to male staff is around 2:3. Diversity of our workforce is discussed further in [Diversity & inclusion](#). Full breakdowns of employee numbers can be found in our Performance Data annex.



We have a global Human Resources team located in our Denmark head office, with local HR managers in each region of operations. Our HR teams report to our Senior Vice President of People and Communications, who also sits on the ELT.

People, Diversity & Inclusion - 2025 Ambition

<p>Stimulate employee learning and engagement</p>	<p>% of women in leadership corresponds to women in company</p> <div style="display: flex; align-items: center; justify-content: center; margin-top: 10px;"> <div style="background-color: #f44336; color: white; padding: 5px; font-weight: bold; margin-right: 5px;">5</div> <div style="font-size: 0.8em; margin-right: 5px;">GENDER EQUALITY</div> <div style="margin-left: 10px;"> <p>Supporting SDG Target 5.5 to ensure women's full and effective participation and equal opportunities for leadership</p> </div> </div>	<p>Zero work related injuries</p> <div style="display: flex; align-items: center; justify-content: center; margin-top: 10px;"> <div style="background-color: #a1887f; color: white; padding: 5px; font-weight: bold; margin-right: 5px;">8</div> <div style="font-size: 0.8em; margin-right: 5px;">DECENT WORK AND ECONOMIC GROWTH</div> <div style="margin-left: 10px;"> <p>Supporting SDG Target 8.8 to protect labour rights and promote safe and secure working environments for all</p> </div> </div>	<p>Zero discrimination or harassment grievances</p> <div style="display: flex; align-items: center; justify-content: center; margin-top: 10px;"> <div style="background-color: #e91e63; color: white; padding: 5px; font-weight: bold; margin-right: 5px;">10</div> <div style="font-size: 0.8em; margin-right: 5px;">REDUCED INEQUALITIES</div> <div style="margin-left: 10px;"> <p>Supporting SDG Target 10.3 to ensure equal opportunity and reduce inequalities of outcome</p> </div> </div>
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Diversity & inclusion

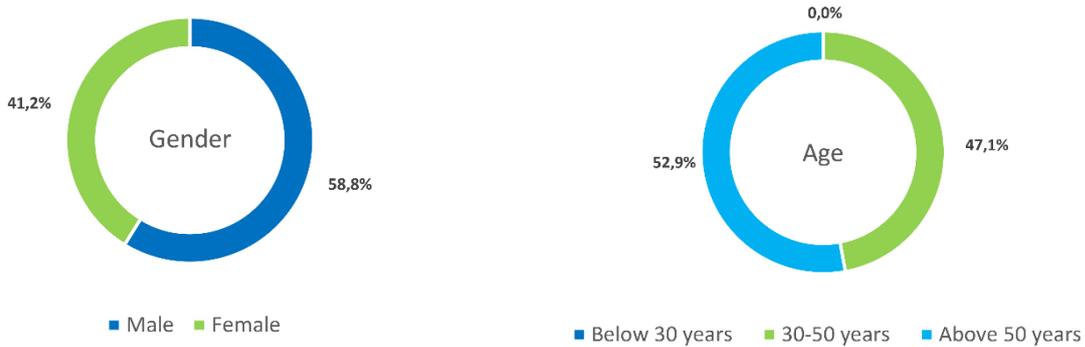
DHI strives to be a good workplace, worldwide for all employees. We aim for zero work-related injuries and to have zero discrimination or harassment grievances. DHI's Code of Conduct reiterates that we do not practise any form of discrimination in hiring and employment practices including access to training, promotions and rewards on the grounds of race, colour, religion, gender, sexual orientation, age, physical ability, health condition, political opinion, nationality, social or ethnic origin, union membership or marital status. We actively incorporate equality and inclusion throughout our business.

We strive to use gender-neutral terms and avoid discrimination against race, age, culture and people with disabilities and medical conditions in our communications. We continue to update all Group policies with gender-neutral language and continue to focus on using non-discriminatory language in job advertisements and job interviews across our markets and organisation.

Fairness is a cornerstone of ensuring diversity and inclusion. Our compensation packages are internally benchmarked to ensure equal pay for equal work.

In terms of leadership diversity, we aim to have a gender balance that reflects that of the wider company. At the end of 2021, women comprised just under 40% of all staff in DHI. Together, our Board of Directors and the ELT, have 41.2% female representation.

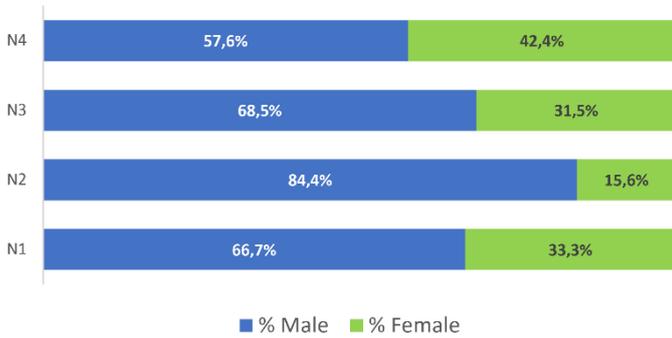
Diversity in leadership*



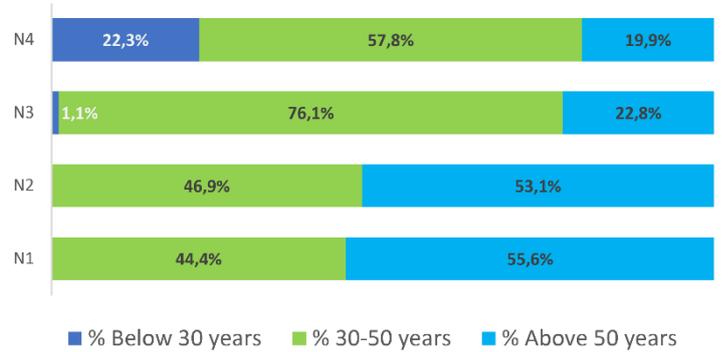
*Where leadership comprises Board of Directors and ELT

Diversity in workforce[^]

Gender per employee category



Age by employee category



[^] Where N1 category represents ELT, N2 category represents Directors and regional management, N3 represents department heads and local management, and N4 represents staff.

Percentage of women in leadership (Board and ELT)	41.2%
Percentage of women in the overall workforce	37.8%
Incidents of discrimination and corrective actions taken in 2021	Zero

We established our Non-harassment Policy and guidelines in 2020. No employee or manager should silently tolerate or witness unwelcome conduct that leads to a hostile work environment. Any such conduct or incidents of discrimination can be reported directly to management or our HR department, either orally or in writing. Such matters are taken seriously, and all relevant parties are involved in the process to resolve the conflicts in a good, effective and proper way.

Reports can also be submitted anonymously via the [DHI Corporate Whistle-blower Portal](#). Any concern reported via the Whistle-blower Portal will automatically be sent to two representatives from our external Board of Directors, who are independent of the daily management of DHI. They will initiate an investigation of the matter reported. If needed, the matter can be referred to the authorities for further investigation.

There were no non-compliances or incidents of discrimination reported in 2021.

Health, safety & wellness

The health, safety and wellness of our employees is our highest priority. We have a responsibility to do what we can to ensure that everyone is safe at work.

In 2021, we implemented a Group-wide [DHI Health & Safety Policy](#) to protect our people. We ensure that our management is compliant with all applicable laws and regulations. Our operations span over 26 countries, and each applies a system compliant with their own local requirements. Moving forward, we look to implement a Group-wide system, focused on those offices performing field work as a known high-risk activity.

Each region has its own health and safety officer to ensure that our operations follow local regulation. Our H&S officers report to our Vice President of Business Processes to ensure Group standards are also upheld. Our occupational health and safety management (OHS) system is based on a risk assessment system and is implemented or soon to be implemented in business units or offices where employees perform field work or out-of-office work. It is currently voluntary to implement the system in offices where employees only perform desktop and office work. Our OHS system is compliant with the requirements of the international ISO 45001:2018 standard and covers employees and equipment at DHI offices in Australia, Brunei, Canada, Czech Republic, Denmark, India, Malaysia, New Zealand, Peru, Singapore, UK and USA.

To provide a safe workplace, our 'Health & Safety Process' covers topics such as providing optimal work conditions for employees by preventing workplace accidents with our office risk assessments. Potential health & safety risks that may be present at our workplaces, in our activities or undertakings are continually evaluated. Where potential risks are found, a documented risk assessment will be completed to describe measures that must be in place to effectively eliminate or control harm from happening.

Our people are also empowered through appropriate health and safety information, training and equipment provided to all staff and workers present at DHI-controlled workplaces. In 2021, we also initiated actions to eliminate or replace hazardous chemicals used in our processes with less hazardous or non-hazardous alternatives. The risks of every hazardous chemical used have now been identified, with the next step to remove or substitute these substances where possible.

Since the implementation of our H&S process in 2012, no serious incidents (fatality or high-consequence injury) have occurred. In 2021, we are saddened to report that four work-related injuries were documented – two related to injury during field work and the other two related to office and workshop-based work.

Number of fatalities because of work-related injury in 2021	0
Number of high-consequence work-related injuries (excluding fatalities) in 2021	0
Number of recordable work-related injuries in 2021*	4

*Note: Data does not include statistics from Peru as this was not available at time of writing. Work-related incidents are reported in line with local laws and regulation.

Mental health declined temporarily in 2021 due to the impact of the ongoing COVID-19 pandemic on people’s lives. During this time, DHI’s Coronavirus Portal communicated updates and guidelines at group and country/business unit level to all staff to apprise of changing conditions and reassure staff of measures being taken. Communications were also circulated to share best practices on remote work/collaboration and how to keep everyone safe.

In 2021, we looked to improve the physical and psychological workplace in our Denmark office. Employees were invited to take part in a workplace assessment (WPA) survey, covering indoor environment, physical aspects, interpersonal interactions, workplace safety and well-being. The survey received a high response rate of 74%, with improvements identified. The resulting Action Plan will be regularly evaluated by the Health and Safety Manager in Denmark.

As part of our global employee engagement, DHI monitored employee satisfaction monthly to drive continuous feedback and provide an opportunity to comment anonymously on topics that matter most to our people. Responses for 2021 show overall favourable replies with good response rates and scores. We do benchmark scores of 72 for our wellness questions, and so fell slightly short of our target this year.

Average survey response rate in 2021	71%
Average score for 'wellness' survey questions	71.3

Skills, development & training

We foster an environment that stimulates employee learning and engagement. Each employee’s development is facilitated through a blend of avenues which include the yearly personal development dialogue with their line manager, on-the-job training and DHI Campus, our internal platform for learning and development.

Training is overseen either by the DHI Academy for technical skills, or by our Business Support team for matters of legal compliance and code of conduct. Substantial learning also happens on-the-job as we grow the experience of our staff with mentoring and guidance provided on a project basis.

All new employees are required to undertake a mandatory onboarding curriculum. The onboarding helps new staff to understand who we are as a company, delving into aspects of how we are structured, what we stand for and how we work. Staff are also educated on the DHI Code of business conduct and ethics, anti-corruption, cyber and information security, and General Data Protection Regulation (GDPR). Annual refresher training is provided for all employees. Key health and safety policies and processes (office and field work) are also communicated on an office-specific basis, depending on their local requirements.

Our internal course catalogue contains courses which include both self-paced and instructor-led. The courses provided cater to various facets from ‘how to host and set up zoom meetings’ to self-improvement courses such as project management and ‘how to have customer centric conversations’ to more technical ones such as ‘introductory courses to DHI’s MIKE software’.

Knowledge-sharing amongst employees is also carried out through formal settings such as seminars or informal setting such as interest groups set up on the DHI's Yammer channel.

In 2021, employees spent an average of 13.6 hours on training. Though we have no figures for previous years, we do expect this figure has been influenced by the pandemic and the change from in-person training courses to digital platforms.

The recent GDPR e-learning course was rolled out to inform our staff on our standards for personal data protection. An impressive Group total completion rate of 95% was achieved. Employees from Australia, Austria, France, Italy, Malaysia, Norway, Poland, Romania, SeaPort OPX (Australia), Singapore, Spain, UK and Vietnam had a 100% passed score.

DHI's performance and development process is the cornerstone in our employees' career and competency development. It has been defined to ensure that all employees and managers in DHI have a clear understanding of: What is expected from me? How am I performing? What can I do to improve and to develop? The outcome of the Performance and Development Dialogue (PDD) is an agreement on role, targets and development objectives. We aim for all permanent employees to have a yearly performance & development dialogue and quarterly follow up dialogues. Together, the plan and dialogue enable supervisors and mentors to take an active role in helping staff fulfil their career aspirations with DHI.

Average hours of training per employee in 2021	13.6
Percentage of employees receiving regular PDD in 2021	65.7%

Recruitment & retention

The talent, expertise and resources of our staff are the cornerstone to DHI's growth. Talent management is essential to retaining and recruiting the best people. Our HR team are responsible for assisting recruitment across our network of offices and monitors retention of staff. Each GBU leader takes the lead for managing their teams globally and ensuring recruitment and retention of staff.

In 2021, there was an overall turnover rate of 13.4%, with the majority of staff turnover originating from those below the age of 30 years . Both Asia Pacific and North and South America and Asia Pacific had overall turnover rates higher than the overall average. This trend was also reflected in the new hire rates during 2021. Overall, there was a new hire rate of 13.9% with both North and South America as well as Asia Pacific demonstrating a higher-than-average hiring rate.

New employee hires in 2021	13.9%
Employee turnover in 2021	13.4%

An aerial photograph of a lush, green forest. A winding river flows through the center of the forest, surrounded by several small, irregularly shaped ponds. The trees are dense and vibrant green, with some areas showing more yellowish-green foliage. The overall scene is a natural, serene landscape.

Environmental Footprint

Our direct impact

The latest assessment report on climate impacts and vulnerabilities from the Intergovernmental Panel on Climate Change (IPCC) has shown that climate change is a threat to human well-being and our planet. In addition, the window of opportunity for us to act on adaptation and mitigation to secure a liveable and sustainable future for all is closing rapidly. With this knowledge, we need to act, starting from our direct environmental footprint.

Within DHI, we have always conducted our operations in an environmentally sound manner. We actively seek to avoid or reduce any waste and minimise our carbon footprint through our operations and water usage. Establishing our environmental management policy was postponed this year with the introduction of our new DHI+ strategy. In 2022, our commitment to the environment will be formalised as part of our overarching sustainability policy.

This is the first year we have looked to energy and water audits outside of Denmark. For this report, we have focused on our five largest offices: Hørsholm (which includes our Hundested Facility for ballast water testing as well as our Aarhus office in Denmark), Shanghai, Berlin, Singapore and Prague for environmental data. This selection represents 60% of our employees across our 54 offices, representing 602 employees of 1027. We will expand this to cover all offices and DHI-controlled worksites in 2022.

This year, we have committed to working towards reaching NetZero by 2025 for our scope 1 and 2 emissions. A focus for 2021 was to implement a system for reporting and evaluation of consumed water, energy, heat and other resources at each of our offices. For our first sustainability report in 2021, we have started the process of tracking and mapping the emissions of our five largest offices, making up 60% of DHI's full time employees. We have chosen to go as far back as 2019 to capture our environmental footprint pre-pandemic to present day. This work will continue into 2022 as we work toward carrying this out across all our offices. Besides our emissions, we will also start to track our water usage and develop our KPIs.

The graphic features a green header with a circular icon on the left. Below the header are two white boxes with green accents. The left box contains the text 'Carbon neutral by 2025 (NetZero for scope 1 and 2)' and 'Supporting SDG Target 13.3 to build knowledge and capacity to meet climate change', accompanied by the SDG 13 icon. The right box contains the text 'Measure and reduce our water footprint' and 'Supporting SDG Target 6.4 to increase water-use efficiency and ensure freshwater supplies', accompanied by the SDG 6 icon.

DHI's Environmental Footprint - 2025 Ambition

 <p>Carbon neutral by 2025 (NetZero for scope 1 and 2)</p> <p>Supporting SDG Target 13.3 to build knowledge and capacity to meet climate change</p>	 <p>Measure and reduce our water footprint</p> <p>Supporting SDG Target 6.4 to increase water-use efficiency and ensure freshwater supplies</p>
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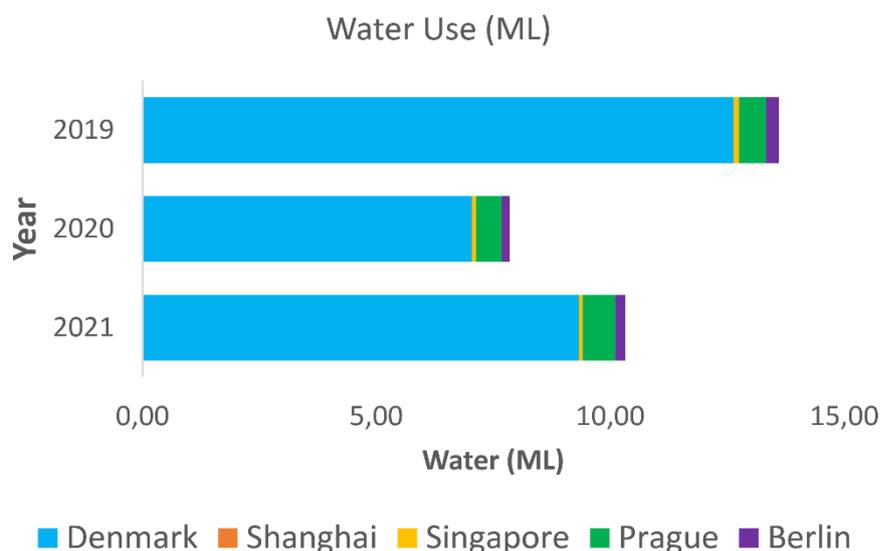
Our water use

We are in the business of protecting and managing water ecosystems and industries. Being prudent in the way we use water is second nature to us. From our five largest offices, we have measured our water consumption and intensity. Currently, each office is responsible for their own water footprint, often with the local office managers responsible for monitoring usage and ensuring functioning utilities infrastructure.

Our water footprint was 10.3 megalitres in 2021, which equates to a water intensity of 16,667.5 litres per FTE on average for the year and a reduction of 24% from 2019. None of the five offices are in water-stressed areas.

Denmark accounts for over 90% of our water use due to our ballast water centre and Marine & Hydraulic Structures facility. Other high-use offices have on-site bathroom, kitchen or canteen facilities.

Reductions from 2019 figures are attributed in large part to COVID-19 restrictions, and so we expect our footprint to rise in 2022 as more staff return to our offices. Going forward, we will continue to monitor our water footprint in 2022 and develop global targets for management and reduction. As part of this, we will establish formalised roles and responsibilities to manage the change and track our progress.



*Note: Data for Berlin 2021 estimated at publication as final meter readings not yet available.

Our energy use and carbon footprint

With our ambition to be NetZero by 2025 for our scope 1 and 2 emissions, we are committed to doing our part to reducing our greenhouse gas emissions.

Our carbon footprint for the Group in 2021 is 1,047.7 MtCO₂e. Our Scope 2 emissions relate to our energy purchases, with considerable energy used to power our servers and IT equipment. Our scope 1 emissions stem from our owned assets such as fuel for our fleet of marine vessels and fugitive emissions of refrigerants from our office air conditioning.

Besides monitoring our scope 1 and 2 emissions, we have also collected data on business travel for our Scope 3 emissions, recognising that this only represents a part of our full scope 3 footprint. The COVID-19 pandemic led to a historic shift toward remote working as travel restrictions continued through most of 2021. This directly resulted in an overall sharp decrease in air travel, replaced with using online video conferencing for attending meetings, seminars, workshops and training.

Our Hørsholm, Denmark office has taken steps to reduce our environmental footprint with the inclusion of a fitted thermal envelope using an automatic blind system and toilets that use rainwater for flushing. The results of our data collection do show, however, that the construction for the Hørsholm, Denmark office in 2019 did result in a significantly higher demand for heating.

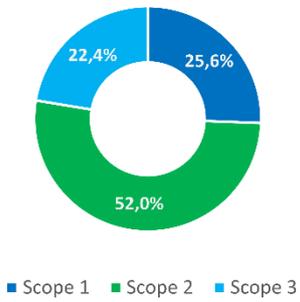
Strong reductions of 69% and 62% can be seen in our energy and emissions trends since 2019, respectively. The move to our new head office in 2020 will have resulted in better energy efficiency and lower emissions, though this is somewhat masked by the significant effects of COVID-19 from lockdowns, restricted staff onsite and limited air travel. As the world returns to a new normal, we expect to see our energy use and emissions rise again in 2022 as our staff return to offices and international travel resumes.

Currently, each office is responsible for their own energy and emissions footprint, often with local office managers responsible for monitoring usage. Already, offices such as Denmark are completing energy audits, in line with local regulatory requirement. This year, our Denmark operations have also set in place a Renewable Energy Certificate covering our future electricity for 2022 to 2024, which will have a positive impact on our 2022 carbon footprint.

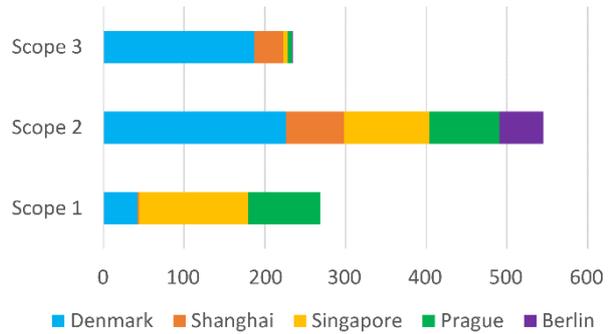
Going forward, we will have a sharp focus on our NetZero commitment. We will establish formalised roles and responsibilities to undertake the global energy audit needed for all our 26 offices, focusing on scope 1 and 2 emissions. We will also complete a scope 3 mapping to understand our full footprint and define the actions we need to make fundamental changes and drive results.

Carbon emissions 2021

Carbon Footprint 2021 (MtCO₂e)



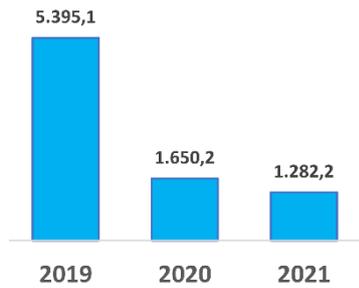
Carbon Footprint 2021 - Breakdown (MtCO₂e)



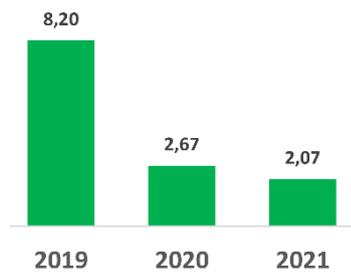
Historic performance

Carbon

Carbon Footprint
Scope 1, 2 & 3 in MtCO₂e

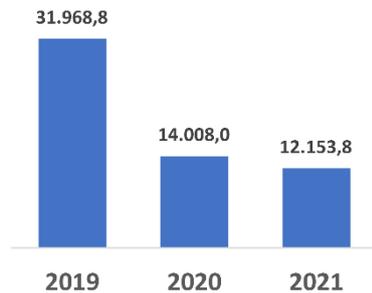


Carbon Intensity
MtCO₂e per FTE

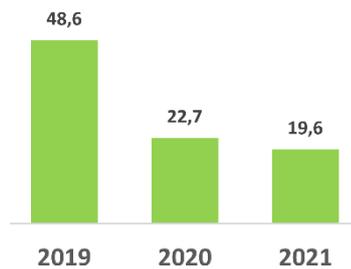


Energy

Energy Consumption
GJ



Energy Intensity
GJ per FTE





About this Report

This is the first annual sustainability impact report for DHI A/S, replacing our previous annual CSR report. It covers the financial year from 1 January to 31 December 2021, aligning with the reporting period and publication of our Annual Report and Financial Statements.

Our report is focused on DHI Group and our global operations for research and advisory services. For this, our first reporting year, our report documents practices at our five largest offices: Denmark, Shanghai, Berlin, Singapore and Prague for environmental data. This selection represents 60% of our employees across our 54 offices, representing 619 employees of 1,027 (FTE). The remainder of the report is Group-wide in scope, or as described in the individual sections.

We are pleased to provide this report in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards. There are no restatements of information as this is our first report applying the GRI Standards. This report also constitutes our statement in accordance with section 99a of the Danish Financial Statements Act. We aim to seek external assurance by 2023 to cover our energy, water and GHG statements as well as sustainability reporting practice.

We are a signatory to the United Nations Global Compact (UNGC), and we express our ongoing commitment to the ten principles of the UNGC. This report forms part of our annual communication on implementing the principles of the UNGC and supporting broader UN goals.

No hard copies of this report have been printed to promote resource conservation and prevent waste.

Please share any feedback on our sustainability practices or this report at: sustainability@dhigroup.com

31 May 2022



DHI's Sustainability Impact Report 2021: GRI Content Index

Statement of use	DHI has reported in accordance with the GRI Standards for the period 1 January 2021 to 31 December 2021
Requirements and Principles	As per GRI 1: Foundation 2021
Applicable GRI Sector Standard	None currently applicable

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
General Disclosures 2021						
GRI 2: General Disclosures (2021) Organisation and Reporting Practices	2-1	Organizational details	About DHI (Pages 11 - 14)			
	2-2	Entities included in the organization's sustainability reporting	About this Report (Page 49)			
	2-3	Reporting period, frequency, and contact point	About this Report (Page 49)			
	2-4	Restatements of information	-	Restatements of information	Not Applicable	No restatements as this is the first report.
	2-5	External assurance	About this Report (Page 49)	If the organization's sustainability reporting has been externally assured	Not Applicable	No External Assurance was sought for this report

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
GRI 2: General Disclosures (2021) Activities and Workers	2-6	Activities, value chain and other business relationships	About DHI (Pages 11 - 14)	Significant changes	Not applicable	No changes as this is first report.
	2-7	Employees	People, diversity and inclusion (Page 38) Performance data annex (Page 1)			
	2-8	Workers who are not employees	People, diversity and inclusion (Page 38) Performance data annex (Page 1)			
GRI 2: General Disclosures (2021) Governance	2-9	Governance structure and composition	Structure of Business (Page 14) Our leadership (Page 14)			
	2-10	Nomination and selection of the highest governance body	-	Nomination and selection process	Information unavailable	Can be planned for the next reporting period

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
			-	Criteria for nomination and selecting members	Information unavailable	Can be planned for the next reporting period
	2-11	Chair of the highest governance body	Our leadership (Page 14)	Function within the organization and the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	Information unavailable	Can be planned for the next reporting period
	2-12	Role of the highest governance body in overseeing the management of impacts	Our leadership (Page 14) Our stakeholders (Pages 17-18) Sustainability management (Page 23)	Role of the highest governance body in developing, reviewing, approving and updating the effectiveness of the organization's processes and frequency of this review related to sustainable development	Information unavailable	Can be planned for the next reporting period

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
	2-13	Delegation of responsibility for managing impacts	Our leadership (Page 14) Sustainability management (Page 23)	How the highest governance body delegates responsibility for managing the organization's impacts, the processes and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts	Information unavailable	Can be planned for the next reporting period
	2-14	Role of the highest governance body in sustainability reporting	Sustainability management (Page 23) Materiality (Page 23)			
	2-15	Conflicts of interest	-	Processes to ensure conflicts of interest are prevented and mitigated	Information unavailable	Can be planned for the next reporting period
				Disclosure of conflicts of interest	Information unavailable	Can be planned for the next reporting period

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
	2-16	Communication of critical concerns	Business ethics (Page 36-37)			
	2-17	Collective knowledge of the highest governance body	-	Measures taken to advance the collective knowledge, skills, and experience on sustainable development	Information unavailable	Can be planned for the next reporting period
	2-18	Evaluation of the performance of the highest governance body	-	Processes for evaluating, independence and actions taken in response to evaluations	Information unavailable	Can be planned for the next reporting period
	2-19	Remuneration policies	-	Remuneration policies and how they relate to their objectives and performance of management of the organization's impacts on the economy, environment, and people	Information unavailable	Can be planned for the next reporting period

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
	2-20	Process to determine remuneration	-	Process for designing remuneration policies and determining remuneration	Information unavailable	Can be planned for the next reporting period
	2-21	Annual total compensation ratio	-	Ratios and contextual information	Information unavailable	Can be planned for the next reporting period
GRI 2: General Disclosures (2021) Strategy, policies, and practices	2-22	Statement on sustainable development strategy	Message from our CEO (Pages 3-4) Sustainability management (Page 23)			
	2-23	Policy commitments	Business ethics (Pages 36-37)			
	2-24	Embedding policy commitments	Business ethics (Pages 36-37)			
	2-25	Processes to remediate negative impacts	Business ethics (Pages 36-37)			
	2-26	Mechanisms for seeking advice and raising concerns	Business ethics (Pages 36-37)			

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
	2-27	Compliance with laws and regulations	Business ethics (Pages 36-37)			
	2-28	Membership associations	About DHI (Page 12)			
GRI 2: General Disclosures (2021) Stakeholder engagement	2-29	Approach to stakeholder engagement	Our stakeholders (Pages 17-18)			
	2-30	Collective bargaining agreements	-	Percentage of employees covered and not covered by collective bargaining agreements	Information unavailable	Can be planned for the next reporting period
Material Topics 2021						
GRI 3: Material Topics (2021)	3-1	Process to determine material topics	Materiality (Page 23) Materiality Matrix (Page 24)			
	3-2	List of material topics	Materiality matrix (Page 24)	Changes to list of material topics	Not Applicable	No changes as this is first report.

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
Minimise climate impacts						
GRI 3: Material Topics (2021)	3-3	Management of material topics	Environmental footprint (Pages 44-48)			
GRI 302: Energy (2016)	302-1 (2016)	Energy Consumption within the organisation	Environmental footprint (Pages 47-48) Performance data annex (Page 8)			
	302-3	Energy Intensity	Environmental footprint (Pages 47-48) Performance data annex (Page 8)			
GRI 303: Water and Effluents (2018)	303-5	Water consumption	Environmental footprint (Page 43) Performance data annex (Page 7)			

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
GRI 305: Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	Environmental footprint (Pages 47-48) Performance data annex (Page 8)			
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental footprint (Pages 47-48) Performance data annex (Page 8)			
	305-4	Other indirect (Scope 3) GHG emissions	Environmental footprint (Pages 47-48) Performance data annex (Page 8)			
	305-4	GHG emissions intensity	Environmental footprint (Pages 47-48) Performance data annex (Page 8)			

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
Health, safety and wellness						
GRI 3: Material Topics (2021)	3-3	Management of material topics	Health safety & wellness (Page 41)			
n/a	n/a	Employee wellness: scores from 'wellness' questions in Glint survey	Health safety & wellness (Pages 41-42) Performance data annex (Page 4)			
GRI 403: Occupational Health and Safety (2018)	403-1	Occupational health and safety management system	Health safety & wellness (Pages 41-42) Performance data annex (Page 4)			
	403-8	Workers covered by an occupational health and safety management system	Health safety & wellness (Pages 41-42) Performance data annex (Page 4)			

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
	403-9	Work-related injuries	Health safety & wellness (Pages 41-42) Performance data annex (Page 4)			
Development and retention						
GRI 3: Material Topics (2021)	3-3	Management of material topics	Skills, development and training (Pages 42-43) Recruitment and retention (Page 43)			
GRI 404: Training and Education (2016)	401-1	New employee hires and employee turnover	Recruitment and retention (Page 43) Performance data annex (Page 4)	New hires and turnover by age group and region	Information unavailable	Can be planned for the next reporting period

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
	404-1	Average hours of training per year per employee	Skills, development and training (Pages 42-43) Performance data annex (Page 4)			
	404-3	Percentage of employees receiving regular performance and career development reviews	Skills, development and training (Pages 42-43) Performance data annex (Page 4)	Percentage by gender and employee category	Information unavailable	Can be planned for the next reporting period
Diversity and inclusion						
GRI 3: Material Topics (2021)	3-3	Management of material topics	Diversity and inclusion (Pages 39-40)			
GRI 405: Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees	Diversity and inclusion (Pages 39-40) Performance data annex (Page 1)			

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
GRI 406: Non-discrimination (2016)	406-1	Incidents of discrimination and corrective actions taken	Business ethics (Page 37) Diversity and inclusion (Page 40)			
Operational excellence						
GRI 3: Material Topics (2021)	3-3	Management of material topics	Operational excellence (Pages 32-37)			
n/a	n/a	Enhancing excellence: investment in innovation	Leading the way in innovation and excellence (Pages 33-34)			
n/a	n/a	Customer relationships: NPS score	Advancing client relationships (Page 35)			
GRI 418: Customer Privacy (2016)	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Excellence in information security (Pages 35-36)			

GRI Standard	Ref.	Disclosure	Location	Omissions		
				Requirement	Reason	Explanation
Enabling sustainable development						
GRI 3: Material Topics (2021)	3-3	Management of material topics	Future Plans (Pages 25-27)			
n/a	n/a	Conserving and enhancing ecosystems: case study for 2022	Our sustainability stories (Pages 28-31)			
n/a	n/a	Tackling climate change and building resilience: case study for 2022	Our sustainability stories (Pages 28-31)			
n/a	n/a	Driving sustainable outcomes: case study for 2022	Our sustainability stories (Pages 28-31)			

DHI's UN Global Compact Index 2021

Sustainability is at the core of DHI. We focus our business on finding new ways to use, manage and live with water, and to protect water-related environments. We support the UN Sustainable Development Goals through our work with organisations all over the world.

In 2013 we joined the United Nations Global Compact. All our activities are aligned to meeting fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption.



Global Compact Principle		DHI Corresponding Written Commitment	Sustainability/Annual Report Reference
1	Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> • DHI has corporate policies for human rights that support and respect the protection of internationally proclaimed human rights • DHI Business Excellence Policy 	Business ethics (Pages 36-37)
2	Make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> • DHI has corporate policies for labour rights. • Our responsible business practices and Code of Conduct is up to date and communicated to all employees. • DHI Business Excellence Policy 	Business ethics (Pages 36-37)

Global Compact Principle		DHI Corresponding Written Commitment	Sustainability/Annual Report Reference
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> • We support freedom of association and abandon any form of forced labour and child labour. • Our responsible business practices and Code of Conduct is up to date and communicated to all employees. 	Business ethics (Pages 36-37)
4	The elimination of all forms of forced and compulsory labour.		
5	The effective abolition of child labour.		
6	The elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • We do not practise any form of discrimination in hiring and employment practices • We apply the FIDIC Code of Ethics 	Business ethics (Pages 36-37) Diversity and inclusion (Pages 39-40)
7	Businesses should support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> • We conduct our operations in an environmentally sound manner and apply risk and impact assessments. • Health and Safety and Environment Policy Statement • Health and Safety Policy • We actively seek to avoid or reduce any waste and minimise our CO₂ footprint. • We strive to use resources such as water and energy in the most efficient way 	Future Plans (Page 27) Health safety & wellness (Pages 41-42) Environmental footprint (Pages 44-48)

Global Compact Principle		DHI Corresponding Written Commitment	Sustainability/Annual Report Reference
8	Undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> • DHI Business Excellence Policy • DHI Sustainability 	<p>Sustainability management (Page 23)</p> <p>Future Plans (Page 27)</p>
9	Encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • Technology and Innovation (T&I) organisation was created to develop world class technology that puts DHI digital advisory and software in the lead when solving the worlds water challenges • Our Innovation Lab, launched in 2021 and sits within T&I, with a dedicated focus on helping commercialise our innovations boosting of our innovation capabilities and connecting DHI with external innovation ecosystems (start-ups, funding, R&D partners etc.) - linking innovation and sustainability 	<p>Our sustainability stories (Pages 28-31)</p> <p>Leading the way in innovation and excellence (Pages 33-34)</p> <p>Environmental footprint (Page 44-48)</p>

Global Compact Principle	DHI Corresponding Written Commitment	Sustainability/Annual Report Reference
<p>10 Businesses should work against corruption in all its forms, including extortion and bribery</p>	<ul style="list-style-type: none"> • Our responsible business practices and Code of Conduct is up to date and communicated to all employees. • Our business practices are transparent and in accordance with the International Federation of Consulting Engineers (FIDIC) Code of Ethics. • Our whistle-blower policy and reporting tool is publicly available from the DHI website enabling employees and other stakeholders to ‘blow the whistle’ if they become aware of or suspect that unlawful activity is taking place in the company • We protect data and privacy in compliance with the EU regulation: General Data Protection Regulation (GDPR) in all our business unit – inside and outside the EU. • We are working actively to prevent cyber-crime and to protect our intellectual property. 	<p>Excellence in information security (Pages 35-36)</p> <p>Business ethics (Pages 36-37)</p>

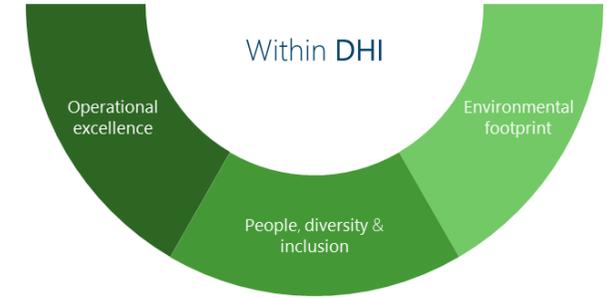


DHI Performance Data 2021

Within DHI

Employee breakdown

DHI employee contract-type breakdown



Category	Gender*	Permanent Employment		Temporary Employment		Non-guaranteed hours		Total	
		HC (avg)^	FTE (avg)^	HC (avg)^	FTE (avg)^	HC (avg)^	FTE (avg)^	HC (avg)^	FTE (avg)^
DHI Group	Total	898.0	885.3	85.0	76.5	75.0	72.6	1058.0	1027.3
	Female	352.0	339.7	30.0	23.7	37.0	30.6	419.0	392.6
	Male	546.0	545.6	55.0	52.8	38.0	42.1	639.0	634.7
Europe	Total	529.0	511.9	61.0	52.7	56.0	50.3	646.0	611.9
	Female	192.0	177.9	20.0	15.8	32.0	23.0	244.0	216.0
	Male	337.0	334.0	41.0	36.9	24.0	27.3	402.0	395.9
Asia-Pacific	Total	337.0	338.6	12.0	12.1	11.0	14.8	360.0	362.2
	Female	150.0	149.7	5.0	3.4	5.0	6.1	160.0	158.6
	Male	187.0	188.9	7.0	8.7	6.0	8.7	200.0	203.6
North and South America	Total	32.0	34.8	12.0	11.8	8.0	7.6	52.0	53.3
	Female	10.0	12.1	5.0	4.6	0.0	1.5	15.0	18.0
	Male	22.0	22.7	7.0	7.2	8.0	6.1	37.0	35.2

* Gender is as specified by employee. All employees selected to disclose gender in 2021

^ Headcount (HC) is calculated as the average in December 2021, while Full Time Equivalent (FTE) averages across the 12-month period of 2021. Data are collected via our HR system software and processed via a dedicated PowerBi dashboard. Headcount includes Hourly Paid Employees, DHI Consultants, Unpaid Leave and Regular Employees. Calculation of FTE includes Hourly Paid Employees, Substitute (MSc Students, Trainees/Internship), DHI Consultants and Regular Employees.

DHI employee contract-hours breakdown

Category	Gender*	Full-time		Part-time		Overall Total	
		HC (avg)^	FTE (avg)^	HC (avg)^	FTE (avg)^	HC (avg)^	FTE (avg)^
DHI Group	Total	998.0	994.0	60.0	36.9	1058.0	1027.3
	Female	384.0	376.0	35.0	18.1	419.0	392.6
	Male	614.0	618.0	25.0	18.9	639.0	634.7
Europe	Total	597.0	585.9	49.0	27.7	646.0	611.9
	Female	212.0	201.8	32.0	15.0	244.0	216.0
	Male	385.0	384.2	17.0	12.7	402.0	395.9
Asia-Pacific	Total	354.0	356.3	6.0	6.5	360.0	362.2
	Female	158.0	156.8	2.0	2.1	160.0	158.6
	Male	196.0	199.5	4.0	4.5	200.0	203.6
North and South America	Total	47.0	51.8	5.0	2.7	52.0	53.3
	Female	14.0	17.5	1.0	1.0	15.0	18.0
	Male	33.0	34.3	4.0	1.7	37.0	35.2

^ Headcount (HC) is calculated as the average in December 2021, while Full Time Equivalent (FTE) averages across the 12-month period of 2021. Data are collected via our HR system software and processed via a dedicated PowerBi dashboard. Headcount includes Hourly Paid Employees, DHI Consultants, Unpaid Leave and Regular Employees. Calculation of FTE includes Hourly Paid Employees, Substitute (MSc Students, Trainees/Internship), DHI Consultants and Regular Employees.

Operational excellence KPIs

Category	Disclosure / Performance indicator	GRI Disclosure	Unit	2019	2020	2021	Target
Innovation	External revenue from research & development	n/a	Million €	-	-	6.7	Increase our ability to invest in innovation
	DHI resources invested in research & development	n/a	Million €	-	-	5.2	
Customer experience	NPS scores	n/a	Score	-	-	n/a	To establish NPS system in 2022
Data protection and privacy	Substantiated data losses	n/a	Number	-	-	Zero	Zero
	Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1 (2016)	Number	-	-	Zero	Zero

People, diversity and inclusion KPIs

Category	Disclosure / Performance indicator	GRI Disclosure	Unit	2019	2020	2021	Target
Employees	Total employees	2-7 (2021)	Average FTE	-	-	1,027.30	-
	Women in the workforce	2-7 (2021) 405-1 (2016)	%	-	-	38.2	-
	Employees in Europe	2-7 (2021)	%	-	-	57.8	-
	Employees in Asia-Pacific	2-7 (2021)	%	-	-	38.2	-
	Employees in North and South Americas	207 (2021)	%	-	-	3.9	-
Diversity and inclusion	Female leaders on Board and in ELT	405-1 (2016)	%	-	-	41.2	To reflect workforce
	Incidents of discrimination recorded	406-1 (2016)	Number	-	-	-	Zero
Health, safety and wellness	Workers covered by an occupational health and safety management system	403-8 (2018)	%	-	-	60.5	100% by 2025
	Employee fatalities due to work-related injury	403-9 (2018)	Number	-	-	Zero	Zero
		403-9 (2018)	Rate per 1,000,000 working hours*	-	-	Zero	Zero
	Employee high consequence^ work-related injuries (excluding fatalities)	403-9 (2018)	Number	-	-	Zero	Zero
		403-9 (2018)	Rate per 1,000,000 working hours	-	-	Zero	Zero
	Employee recordable work-related injuries^^	403-9 (2018)	Number	-	-	4	Zero
		403-9 (2018)	Rate per 1,000,000 working hours	-	-	2.4	Zero
		403-9 (2018)	Number	-	-	Zero	Zero

Category	Disclosure / Performance indicator	GRI Disclosure	Unit	2019	2020	2021	Target
	Worker (Type 1**) fatalities due to work-related injury	403-9 (2018)	Rate per 1,000,000 working hours	-	-	Zero	Zero
	Worker (Type 1**) high-consequence work-related injuries (excluding fatalities)	403-9 (2018)	Number	-	-	Zero	Zero
		403-9 (2018)	Rate per 1,000,000 working hours	-	-	Zero	Zero
	Worker (Type 1*) recordable work-related injuries	403-9 (2018)	Number	-	-	Zero	Zero
		403-9 (2018)	Rate per 1,000,000 working hours	-	-	Zero	Zero
	Glint survey response rate	n/a	Annual average %	-	-	70.9	-
	Average score for wellness questions	n/a	Annual average	-	-	71.3	72 benchmark score
Development and retention	Annual new employee hires [#]	401-1 (2016)	%	-	-	13.9	-
	Annual employee turnover ^{##}	401-1 (2016)	%	-	-	13.4	-
	Average hours of training per year per employee	404-1 (2016)	Hours / FTE	-	-	13.6	-
	Average hours of training per year per female employee	404-1 (2016)	Hours / FTE	-	-	14.3	-
	Average hours of training per year per male employee	404-1 (2016)	Hours / FTE	-	-	13.2	-
	Average hours of training per year: VP/Director (Admin)	404-1 (2016)	Hours / FTE	-	-	0.0	-

Category	Disclosure / Performance indicator	GRI Disclosure	Unit	2019	2020	2021	Target
	Average hours of training per year: VP/Director (Technical)	404-1 (2016)	Hours / FTE	-	-	0.1	-
	Average hours of training per year: Manager (Admin)	404-1 (2016)	Hours / FTE	-	-	0.0	-
	Average hours of training per year: Manager (Technical)	404-1 (2016)	Hours / FTE	-	-	0.8	-
	Average hours of training per year: Function employee (Admin)	404-1 (2016)	Hours / FTE	-	-	0.7	-
	Average hours of training per year: Function employee (Technical)	404-1 (2016)	Hours / FTE	-	-	12.0	-
	Employees receiving regular performance and career development review ^{###}	404-3 (2016)	%	-	-	65.7%	100%

[^] A work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, per GRI Standards

^{^^} Workplace injury is defined as per local law and regulation

* Rate (per 1,000,000 hours worked) = (Number of incidents)/(Number of hours worked) x 1,000,000

** Type I Worker are workers who are not employees but whose work and/or workplace is controlled by the organisation. For DHI, Type I workers represent negligible numbers within the overall workforce

Percentage new hires = (Total annual headcount new hires) / (Average headcount in December 2021) x 100

Percentage turnover = (Total annual headcount leavers) / (Average headcount in December 2021) x 100

(Total Number of Employees who received a performance and career review as at 31 Dec 2021)/ (Total number of Permanent and Temporary FTE employees – Leavers – Joiners (<1 year))%

Group greenhouse gas emission sources

	FY2021	FY2020	FY2019
Scope 1			
Stationary combustion	0.0	0.0	222.1
Mobile combustion	206.9	165.4	202.6
Fugitive emissions (refrigerant gases)	61.3	61.3	32.6
Total Scope 1 emissions (tonnes CO₂e)	268.2	226.8	457.3
Scope 2 - Location-Based			
Purchased electricity	485.6	544.1	653.0
Heating	59.4	107.0	339.6
Total Scope 2 Location-Based emissions (tonnes CO₂e)	545.0	651.0	992.6
Scope 2 - Market-Based			
Purchased electricity	947.8	1,088.8	653.0
Heating	59.4	107.0	339.6
Total Scope 2 Market-Based emissions (tonnes CO₂e)	1,007.2	1,195.8	992.6
Scope 3			
Employee business travel (air)	234.5	386.2	1,972.6
Total Scope 3 emissions (Tonnes CO₂)	234.5	386.2	1,972.6
Total emissions* (tonnes CO₂e)	1,047.7	1,264.0	3,422.5
Total emissions intensity* (tonnes CO₂e / FTE)	1.7	2.0	5.2

*Applying location-based method

Greenhouse Gas Emissions have been calculated applying the 'GHG Protocol Corporate Standard' approach. The CO₂ equivalent emissions for fossil fuel sources are calculated based on the United Kingdom Greenhouse Gas Inventory that is compiled according to the Intergovernmental Panel on Climate Change (2006) Guidelines. The CO₂ equivalent emissions for electricity purchased are calculated based on the local published conversion factors, or where not available, the Country Specific Electricity Grid Greenhouse Gas Emission Factor as published by carbonfootprint.com. Factors are selected for the corresponding year for 2019 and 2020, however factors for 2021 data apply 2020 as the most recent currently available. The use of CO₂e accounts for carbon dioxide and other gases of global warming potential including methane, nitrous oxide and refrigerants. The year 2019 is applied as a base year where applicable. Scope 3 air travel emissions have been estimated via the International Civil Aviation Organization (ICAO) Carbon Emissions Calculator, except for Denmark where flight emissions were provided direct from the travel agent (Egencia).

Environmental footprint KPIs

Category	Disclosure / Performance indicator	GRI Disclosure	Unit	2019	2020	2021	Target
Greenhouse Gas Emissions*	Total direct (Scope 1) and indirect (Scope 2 and Scope 3) greenhouse gas emissions (location-based)	305-1 (2016) 305-2 (2016)	MtCO ₂ e	1,047.7	1,264.0	3,422.5	NetZero by 2025
	Direct (Scope 1) GHG emissions	305-3 (2016)	MtCO ₂ e	1972.6	386.2	234.48	NetZero by 2025
	Energy indirect (Scope 2) market based GHG emissions	305-1 (2016)	MtCO ₂ e	1,007.2	1,195.8	992.6	NetZero by 2025
	Energy indirect (Scope 2) location based GHG emissions	305-2 (2016)	MtCO ₂ e	545.0	651.0	992.6	NetZero by 2025
	Total greenhouse gas emissions from air travel (Scope 3)	305-2 (2016)	MtCO ₂ e	234.5	386.2	1,972.6	NetZero by 2025
	GHG emissions intensity per FTE	305-4 (2016)	MtCO ₂ e	1.7	2.0	5.2	-
Energy	Energy consumption total	302-1 (2016)	GJ	31,969	14,008	12,154	-
	Energy intensity per FTE	302-3 (2016)	GJ/FTE	48.585	22.667	19.63	-
Water	Water consumption total	303-5 (2016)	ML	13.6	7.8544	10.32	Establish reduction targets in 2022
	Water intensity per FTE	n/a	ML/FTE	20,669	12,709	16,667	

Greenhouse Gas Emissions have been calculated applying the 'GHG Protocol Corporate Standard' approach. The CO₂ equivalent emissions for fossil fuel sources are calculated based on the United Kingdom Greenhouse Gas Inventory that is compiled according to the Intergovernmental Panel on Climate Change (2006) Guidelines. The CO₂ equivalent emissions for electricity purchased are calculated based on the local published conversion factors, or where not available, the Country Specific Electricity Grid Greenhouse Gas Emission Factor as published by carbonfootprint.com. Factors are selected for the corresponding year for 2019 and 2020, however factors for 2021 data apply 2020 as the most recent currently available. The use of CO₂e accounts for carbon dioxide and other gases of global warming potential including methane, nitrous oxide and refrigerants. The year 2019 is applied as a base year where applicable. Scope 3 air travel emissions have been estimated via the International Civil Aviation Organization (ICAO) Carbon Emissions Calculator, except for Denmark where flight emissions were provided direct from the travel agent (Egencia).

Together with our clients and partners

Enabling sustainable development

Understanding our impact is the best way for us to scale our influence. In 2022, we will be focusing on how to define our impact in terms of how we contribute to the SDGs and developing how we will disclose our tangible and quantifiable impacts in our 2022 sustainability impact report. From this, we will be able to further define our targets to drive our progress, performance and contributions to sustainable development.

