



 **Santasalo**

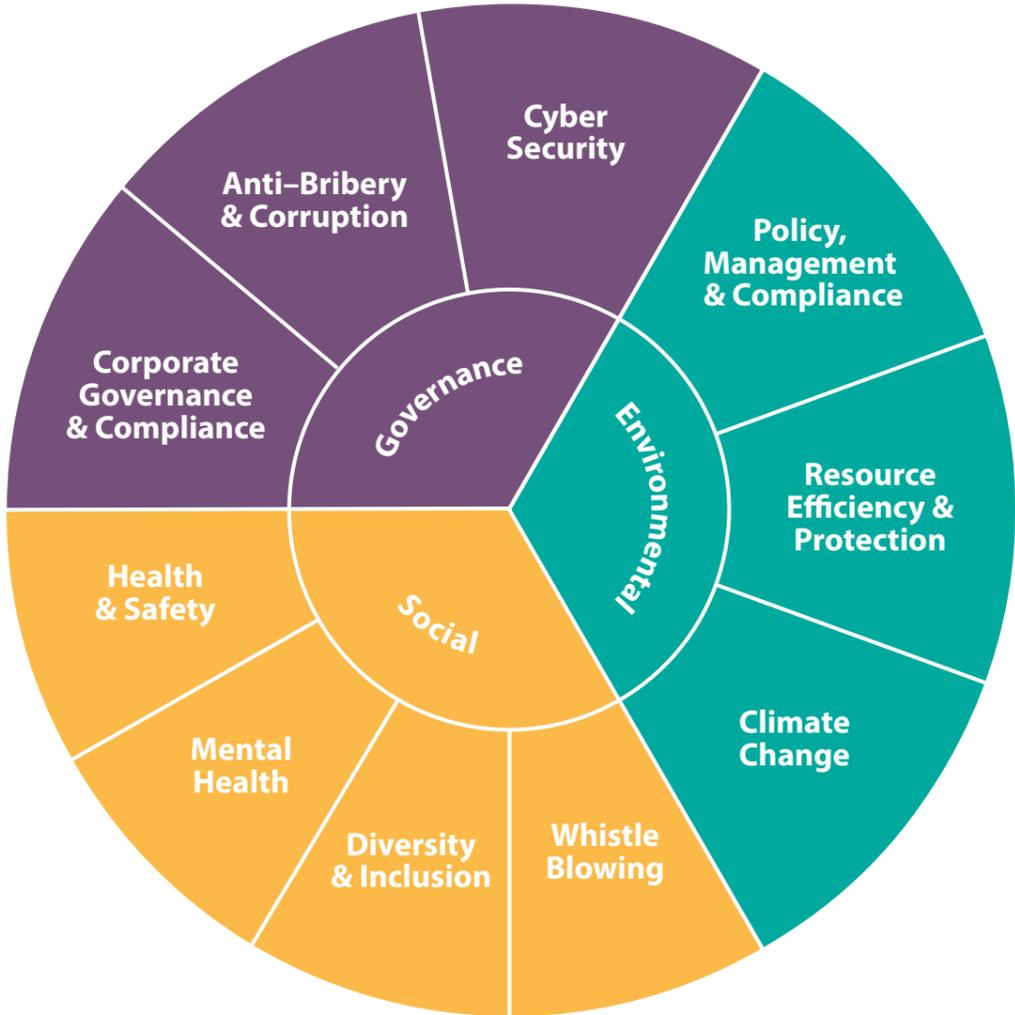
David Brown Santasalo

ENVIRONMENTAL
SOCIAL
GOVERNANCE

ENVIRONMENTAL SOCIAL GOVERNANCE

ESG is recognised as an important requirement for investors, as companies that consider creating value for all their stakeholders – employees, customers, suppliers and wider society including the environment, are more likely to succeed and deliver strong returns. DBS already have in place many ESG related activities, policies and procedures and these have been collected together under the umbrella of an ESG framework in 2021. Having a consistent approach across the

group promotes our existing ongoing activities and drives improvement. Reporting to the Chief Executive Officer, the ESG committee comprises a Chair and section leads for Environment, Health and Safety, Human Resources, Data and Security, Legal and Compliance, Customer focus, and Divisional leads from our regions.



THE FRAMEWORK ENVIRONMENTAL



Policy Management & Compliance

DBS recognizes the importance of the environment and that environmental stewardship is everyone's responsibility. Environmental issues have Board level representation in the form of the Group's Chief Organisation and Development Officer. There is also an EHS Manager for the UK and Group who co-ordinates DBS policies and procedures. DBS has a Global Environmental Policy in place across all its operations. In addition, Environmental Roles and Responsibilities are in place for all sites, setting out responsibilities for the Managing Director, Site Leadership teams and employees.

DBS has in place mandatory training and minimum standards in the following aspects;

- Environmental Management and Awareness Training – mandatory for all computer users via the Gear Academy; delivered via toolbox talks to the remainder.
- Emergency Spill Procedure – mandatory training for all employees and placed on notice boards.
- Waste Management Policy – mandatory training for all employees and placed on notice boards.
- Oil Storage Standard - mandatory implementation for all sites.
- ISO 14001 is in place in four of our sites, UK, Finland, Australia and Chile.

As part of DBS ongoing commitment to continuous improvement, the Group embarked on the **FUTURE READY** framework in 2019. There are three elements to our approach;

- **Achieving Operational Excellence** and ensuring compliance with Environmental Standards worldwide
- **Resource efficiency and protection** – ensuring the efficient use of resources, including energy, water and waste reduction – and reducing the carbon emissions associated with our activities
- **Measuring, tracking and reporting** – internal and external. We now have an online resource which helps us track our carbon emissions

Achieving operational excellence and ensuring compliance worldwide is the stated goal. DBS has a target of zero material environmental incidents, non-compliances, prosecutions or notices.

Environmental incidents/observations are reported on a monthly basis to the Board from all sites. A programme of self-auditing takes place (via a self-audit questionnaire, the results of which are reviewed at Group level. Group environmental audits in person also take place, with action plans implemented and followed up where necessary. Sites with ISO14001 are subject to regular third-party audits. In certain jurisdictions local Regulators/Fire Authorities etc will also inspect our sites. The first Environmental Survey of employees was conducted in 2021, and actions to resolve any issues implemented, with these measures being reported to the Board.

The **FUTURE READY** framework promotes an understanding of our regulatory exposure and this ensures operational compliance worldwide, supported by our management policies and set procedures. We comply with relevant climate change related regulations where applicable such as ESOS and SECR in the UK. DBS regularly horizon scan for legislation which may impact the business.

Resource Efficiency and Protection

The **DBS FUTURE READY** Framework champions "Resource efficiency and protection", designed to ensure the efficient use of resources, including energy, water and waste reduction.

Since 2018 all sites have reported on their on-site energy use, to provide a means by which DBS can target energy efficiency strategies. These data are compared with revenue to offer an intensity measure. Detailed energy efficiency audits have been undertaken or are ongoing at a number of our sites. Waste is tracked at a local level in some locations and plans are under way to track waste and the associated carbon emissions.

Our goal is to achieve a reduction in the amount of energy and water we use and ensure our waste is minimized and recycled appropriately wherever possible.

Climate Change

DBS is acutely aware of the need to fast track change due to the climate emergency. DBS has been gathering data on carbon emissions since embarking on the Future Ready programme in 2019. We use a bespoke online Carbon tracking platform, which enables us to track our emissions from all our sites and we are in the process of inputting additional Scope 3 inventory. Our Net Zero Carbon Strategy is in development and as part of this, we have committed to the Science Based Targets Initiative (SBTi). We will be setting targets for carbon emission reduction in line with the SBTi commitment. The goal is to set achievable carbon emission reduction targets and develop an on-going plan for short, medium and longer-term measures to reach these goals.

We will reduce our emissions through energy efficiency programmes, energy efficient capital investment, renewable tariffs, and onsite renewable generation. Our Bulli site in Australia has reduced its emissions by 47% in the first half of 2021 following an energy efficiency drive and the installation of solar panels.

We also have regard for our vulnerability to climate change, the regulatory framework and are developing our approach to TCFD. We will consider both our physical and transition risks in accordance with the TCFD legislation.

THE FRAMEWORK

SOCIAL



Health & Safety

DBS have in place a Group Health and Safety management policy in order to ensure, as far as reasonably practical the health, safety and welfare of all employees and other persons who may be affected by our activities. The primary aim is to ensure compliance with all relevant legal requirements, and to ensure a safe place of work for our employees and visitors. DBS monitor and manage our activities in order to do this and aim to reduce workplace hazards wherever possible. DBS provide all employees with relevant training, materials, PPE, safe-guarding equipment and skills matrices are kept.

Sites undertake annual self-audits. All H&S data, such as safety observations and Lost Time Incidents are recorded and monitored on site. LTI's and Lost Time Incident rates across the Group are also monitored centrally and these data are reviewed by the Board on a monthly basis for all sites. The goals are to reduce LTIs across the Group and for zero fatalities.

Mental Health

DBS have a Group wide initiative to promote positive mental health, called **Mental Health at Work**. DBS has a dedicated intranet section for this initiative, containing relevant resources. A poster campaign highlighting DBS Core Values is publicised at various locations on all sites. The programme provides training and support materials and dedicated Mental Health First Aiders are available within each division. DBS also provides online signposting to organisations who are able to provide support and regularly communicates Mental Health Awareness messages. Additional, dedicated support is provided by an External Mental Health Support company, Care First.

Our goal is to reduce the percentage of absence related to Mental Health causes by 1% by the end of 2021. We regularly review the output reports from Care First, which illustrate the use of the service, call frequency and reasons for the call.

Whistle Blowing

The DBS whistle blowing policy is in place to ensure we conduct our business with honesty and integrity. A culture of openness and accountability is essential in order to prevent situations which could lead to misconduct occurring and to address them when they do occur. DBS encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected. DBS provide staff with guidance as to how to raise those concerns. We reassure staff that they are able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken. DBS provide a dedicated Compliance Helpline and training via the Gear Academy.

Our goal is to achieve Group-wide awareness of and confidence in the whistle blowing process and continued effective engagement at all levels of the organisation.

Diversity & Inclusion

Gender diversity throughout DBS will be measured via the percentage of males employed versus the percentage of females employed. Our aim is to increase the number of females employed at DBS across all levels of the business.

Gender Pay Gap

DBS are establishing new ways of thinking to find solutions and to improve diversity across the Group. We will achieve our commitment to the elimination of bias in the workplace by discussing our gender pay gap openly, transparently and continuously as part of our Executive & Leadership team agendas. We will actively promote our Whistleblowing Policy and ask all our people to let us know when they see any actions which don't meet our high standards of behaviour. We embed good practice into all our performance management, pay & reward and resourcing processes.

The gender pay gap measures the difference between male and female average earnings regardless of the nature of their work. The Mean calculation will be used to measure the average pay or bonus for a male against that of a female.

Our goal is to reduce the Gender Pay Gap with year on year improvements.

Employee Satisfaction

Surveys are conducted to establish how satisfied DBS employees are, this assists us in anticipating potential future issues. DBS regularly evaluate feedback on management and teamwork related issues. We will measure the effects of any organisation change either at the local level or at a group wide level.

We aim to increase the response rate, and employee satisfaction, year on year.

THE FRAMEWORK GOVERNANCE



Corporate Governance & Compliance

Good governance is at the heart of DBS strategy and organization. Headed by the DBS Group Board and managed by the Group Company Secretary in conjunction with the Group Finance team, monthly Board meetings are held for each region in addition to the monthly Group-wide Senior Management meeting. Relevant governance support is provided by external legal and company secretarial advisors where required. A dedicated Regulatory Compliance team monitors and supports regulatory compliance across all key areas, as outlined below. The Group compliance function reports to the CFO fortnightly and to the Group Board on a quarterly basis.

Our approach is risk based and we carry out formal compliance risk assessments annually, formulating and amending Group policies and procedures to manage identified risks. The Gear Academy training programme is a core tool for ensuring understanding of and engagement with Group policy and regulatory requirements. This on-line training programme is available 24/7 in 6 core languages and we monitor engagement via integrated data management tools.

We work with the DBS internal audit function to monitor compliance and we manage and maintain records of reported incidents. In order to engage all levels of the business in pro-active compliance activity, a network of Compliance Liaison Officers (CLOs) operates to form a bridge between the sites and the head office function and aid consistent and continuous improvement. A key tool for managing compliance risk is our system of internal financial controls, including specified delegations of authority, which are designed and led by the Group finance function, and operated both at head office and at site level. A key focus for the Group finance and compliance teams has been, and continues to be improvement in the quality, accuracy and relevance of reporting on governance issues.

Our goal is to ensure proper understanding and positive engagement at all levels and across all jurisdictions, with zero breach incidents.

Data Protection

A Statutory Company policy is in place and the Group Compliance function reports to the Board on these issues. Quarterly data security Committee meetings take place. DBS conduct regular data mapping exercises and review data processor agreements. Annual risk assessments are undertaken and approved by the Board alongside an annual compliance plan.

Human Rights

DBS make it clear via our third party code of conduct that we do not tolerate modern slavery in our supply chain. As part of our ongoing commitment we will assess how well understood the legal and compliance process requirements are within DBS and measure engagement. This will enable us address any gaps with training and support and to better understand the risks in the context of the DBS Group, in particular our supply chain and add policies and processes as required. Our goal is to prevent breaches and to finesse our breach response process.

Anti-Bribery And Corruption

A Statutory ABC policy is in place. The Group compliance function reports to the Board on these matters. Regular training of employees and third party business partners takes place. The policy is supported by due diligence on third party business partners, a third party code of conduct and annual risk assessments. Our reviews enable us address any gaps with training and support, and prevent breaches.

Cyber Security

DBS recognizes the importance of the cyber security in protecting all categories of data from theft and damage, this includes all aspects of personal information, intellectual property, data, and information systems. In 2021 a dedicated security team was introduced to manage these activities. DBS continues to increase funding annually in the area of cyber security by investing in preventative technologies and ICT staff training.

Cyber threats can come from any level within the organisation and it is important to educate staff about simple social engineering scams like phishing and more sophisticated cybersecurity attacks like ransomware or other malware designed to steal intellectual property and personal data.

Cyber security awareness – this is mandatory for all computer users via Sophos Phish Threat.

As part of DBS ongoing commitment to cyber security, the Group embarked on achieving **cyber essentials plus certification** in 2018. Our aim is to build on this annual process and expand to the following;

- **Compatibility with the NIST framework** - voluntary framework to provide organizations with guidance on how to prevent, detect, and respond to cyberattacks
- **Alignment with ISO 27001** – provides a model for establishing, implementing, operating, monitoring, reviewing, maintaining and improving an organization's information security program.



David Brown Santasalo