

### **CREATING THE FUTURE 2030**



#### OUR AMBITION:

As a leading company and preferred partner, we commercialise sustainable solutions within FOOD, ENERGY & HOUSING.



### **CREATING THE FUTURE 2030**

In our new strategy – Creating the Future 2030 – we are building on the solid foundation created during the last strategy period. We are taking the Group to the next level and growing our business responsibly.

We have identified the most important next steps for our existing business, which we intend to realise, while at the same time exploring new, sustainable and innovative opportunities. We are going to grow our market-leading position, develop our existing business in order to invest in sustainable solutions for the future and maintain our financial robustness.

We are highly aware of the responsibility that comes with running a business. In recent years, it has become increasingly clear to us that it is not just a question of running a healthy business. We must also help shift society in the right direction and create a sustainable future for generations to come. This is reflected in our new strategy.

For us, market leadership is not just about market share. It is also about driving important agendas like sustainability, diversity and inclusion by ensuring that a strong set of values is at the heart of everything we do.

NIELS DENG SØ JENSEN Chairman of the Board of Directors

KRISTIAN JOHNSEN HUNDEBØLL Group CEO

# **CREATING THE FUTURE 2030**

With Creating the Future 2030, we are setting an ambitious strategic direction for the DLG Group of the future.

Our fundamental strength is the breath of our business model; within our three business areas - Food, Energy & Housing - we meet some fundamental needs in society. We trade in and produce raw materials and ingredients for the agricultural and food sectors, we sell and distribute energy solutions to both private and business customers, and we supply materials to the construction industry.

In this way, we help consumers put food on the table, heat their homes and fill up their cars, while also ensuring that they are supplied with the electricity they need and have a roof over their heads. With our most recent strategy - Leading the Way 2021 - we have created a stronger and more robust DLG Group. We have improved our earnings capacity, strengthened our key figures and thus laid a solid foundation for the DLG Group of the future.

We are now ready to develop the business of the future, building on all the good things we are already doing, while at the same time ensuring that sustainability is embedded into the core of our business. We are doing this because we want to be a driving force in the sustainable transition and set the direction for our industry. In the period up until 2030, we will therefore take the lead in addressing the challenges facing the world today.

We will continue to meet existing market needs, while developing and offering new solutions to facilitate the sustainable transition for our customers. At the same time, we are committed to delivering on our obligation to meet the Paris Agreement's goal of limiting the global average temperature rise to 1.5 degrees.



## STRATEGIC OBJECTIVES

#### We are the preferred partner of our customers

- ▲ We add high value for our customers through our products and services
- ▲ We ensure excellent customer experience through best-in-class service & digital tools
- ▲ We are an innovative partner for our customers in the green transition

#### We create value through sustainable solutions

- ▲ We provide sustainable solutions through investments and partnerships
- ▲ We drive sustainable development through responsible use of resources
- ▲ We reach the targets set out in our sustainability plan ZERO

We enable succes through engagement and leadership

- ▲ We attract and develop the employees of the future
- ▲ We build organizational capabilities through strong company values and leadership
- ▲ We unfold potential through diversity, equity and inclusion

#### We deliver solid financial results

- $\blacktriangle$  We deliver sustainable growth
- ▲ We achieve cost leadership through operational efficiency
- ▲ We build financial strength to invest in the future



#### PURPOSE

We meet fundamental needs in society.

### MISSION

We create value for our customers and owners as well as the world around us.

### VALUES

Our core values are Trustworthy, Value-creating and Connected.



## VALUE FOR OWNERS AND CUSTOMERS

DLG is a cooperative founded by farmers, and this is part and parcel of our DNA. Cooperatives are founded on the philosophy that together we are stronger. At DLG we believe in the cooperative idea, and for many years we have given priority to strategic partnerships as a way to achieving growth. We will continue to do so as we explore new growth opportunities in the future, and we are ready to grow our value chain both horizontally and vertically.

By that we mean that we want to do more of what we are doing today, but we also need to find new ways and move up the value chain. We need to invest in new products and forms of production, which we have already done when it comes to the production of alternative plant proteins for both animal and human nutrition. In this way, we will boost both our own earnings potential and that of our owners, while at the same time contributing to the sustainable transition.

In the DLG Group, we always strive to be the best in our industry and in the markets in which we operate. Within all our business areas, we will further strengthen our focus on increasing customer satisfaction with a view to maintaining our market-leading position within customer satisfaction and service. Through innovation and product development, we will ensure that we always offer the best product portfolio and one that matches the needs of our customers as they evolve.

Our Danish customers are our owners, and we create value for them through our products and services, but also by running a strong and profitable business that makes it possible to increase the declaration of profit to our owners. It is our goal for the strategy period to increase the declaration of profit and make it even more attractive to be a DLG owner.

### COST LEADERSHIP AND STREAMLINED PROCESSES

We have succeeded in strengthening our financial foundation in recent years. In the coming years, we must maintain a strong financial foundation as we make significant investments in, among other things, the sustainable transition, IT and digitalisation to create the DLG Group of the future.

At the same time, we must invest in developing our existing business and build sufficient strength to play a key role in the sustainable transition.

Pursuing a cost leadership strategy,

we are going to focus on running our business in the smartest and most efficient way. This also means that we must do more to exploit the economies of scale that follow from being a large group, thereby optimising our costs. Bearing this in mind, we intend to streamline our processes and systems across borders and companies, where this makes sense and creates value for our business, our employees and our customers.

We must learn from each other's successes and challenges, and we

must pave the way for strengthening our cross-border collaboration, sharing knowledge and experience with the aim of conquering the future together.

By implementing a plan for our digital development, we intend to align our core processes internally and create a solid data base that we can use to develop our business and our value proposition to our customers. At the same time, we want to improve the customer experience for customers choosing to do business with us digitally.





NES & CONTRACTOR



# OUR PATH TO ZERO

With our Creating the Future 2030 strategy, our ZERO sustainability plan has been integrated with our strategy.

Action is needed if we are to create a sustainable future for generations to come. With our ZERO sustainability plan, we have therefore defined concrete goals for reducing the footprint of our own activities, while at the same time working to create sustainable solutions for our customers. With Creating the Future, the ZERO plan becomes an integral part of our business strategy.

We work with sustainability in a broad perspective, and therefore collaborate across the entire value chain with our owners, customers, suppliers and key partners. This, we believe, is essential to realising the goals set out in our plan, which covers the entire value chain from supplier to customer.



# FOCUS ON PEOPLE

Our dedicated employees, who go to work every day to create value for our owners and the world around us, are key to achieving the ambitions and goals set out in Creating the Future 2030.

The DLG Group has a strong culture based on our cross-organizational values: Trustworthy, Value-creating and Connected. We value commitment, freedom and responsible behaviour, and we help each other and find solutions together.

It is very much our culture that has brought us to where we are today. That is why we cherish it - because it is crucial for us to be able to take the next important step into the future. When setting the standard for the workplace of the future, where everyone can realise their full potential in a diverse and inclusive working environment, we build precisely on the culture that ensures that the DLG Group is a pleasant and inspiring place to be with an open dialogue.

We know that our employees' strong commitment is essential for our success as a business. As our business develops, we are going to need new skills. We must therefore invest in developing our employees and allow them to grow professionally and in new functions. Through education and training, we gear our employees to handling the tasks of the future, and we create a pipeline of talents and future leaders. Leaders who can show the way and create engagement and alignment at all levels.

At the same time, we must attract new talents that bring knowledge and new inspiration into the organisation. We must do this at a time when good employees are in short supply, which places certain demands on us as an employer. With a strong reputation and a purpose-driven core narrative, we will strengthen our position as an attractive employer that puts people first.





FOOD



ENERGY



HOUSING

# **BUSINESS AREAS**

With Creating the Future 2030, we are strengthening our focus on the value we create for the world around us by meeting fundamental needs in society. This is also reflected in our three business areas: Food, Energy & Housing.

#### FOOD

Our Food business develops and delivers solutions to farmers. and the food industry to create a sustainable future for agriculture. In this way, we contribute to putting food on dining tables around the world. Food is the result of a merger of our two former business areas Agribusiness and Premix & Nutrition. Thus, a single business area now caters to all the needs of farmers within crops, plant cultivation, animal nutrition, vitamins and minerals. Poultry and eggs and the country stores are also part of our Food business.

#### ENERGY

Our Energy business delivers today's and tomorrow's energy solutions to both business and private customers. We meet our customers' energy needs based on existing sources, while helping to develop new solutions for the future.

Our energy activities have grown significantly in recent years, and we have therefore decided to establish a separate business area, which we intend to develop through organic growth and investments. The business area covers both our German and our Danish energy activities.

#### HOUSING

Our Housing business delivers high-quality services and materials for the construction of the buildings and infrastructure of the future.

Our sales of building materials to both business and private customers have been growing in recent years, and we are now one of the largest suppliers of building materials on the German market.

By making it a separate business area, we want to create additional opportunities for growth during the present strategy period.



















## FOOD

We develop and deliver solutions for the food industry to create a sustainable future for agriculture





### STRATEGIC OBJECTIVES

Pave the way for sustainable proteins, crops and fertilizers to support farmers in the green transition

Best-in-class customer experience through service, innovation, digital solutions and partnerships

Drive cost leadership through simplicity, shared solutions and supply chain efficiency

## PARTNER FOR A SUSTAINABLE FUTURE

The world's population is growing, and so is the demand for nutritious foods. At the same time, people's expectations as regards the way food is produced are growing, and sustainability is becoming more of a competition parameter. This places new demands on farmers - and on us.

In the period up until 2030, we will therefore be investing heavily in the sustainable transition and contributing concrete solutions that support our agricultural customers in their transformation, while at the same time reducing our footprint on the world we will be passing on to future generations.

High customer satisfaction is critical to our success, and we will continue to be the preferred partner of farmers, offering innovative, sustainable, high-quality products at the right price. We want to meet our customers in the way that provides the greatest possible value for them, and invest in IT and digitalisation in order to build close, personal relations, while also offering the full digital customer experience.

With Leading the Way 2021 we expanded our strong market position in the three core markets for our Agribusiness in Denmark, Germany and Sweden. We will maintain this position by providing the best service in the market and having the strongest product portfolio. We will deliver even more of what farmers need on the farms, focusing on our core products in the feed, raw materials, crop protection and fertiliser categories, while also introducing the sustainable products of the future.

At the same time, we will reap the benefits that come with being a large group through stronger cross-border collaboration and by exploiting potential economies of scale. We will continue to focus on growth in the Baltics and Poland, where we want to strengthen our position as a global supplier of crops and raw materials.



#### A SHOT OF VITAMINS AND PROTEINS

Innovative vitamins and minerals for livestock production play an important role in enabling farmers to produce the best results, i.e. the highest possible output with the least possible input. In developing our vitamin and mineral business, we are therefore focusing on further strengthening our position in our domestic markets in Europe, while exploring opportunities for growth in new markets.

Our vitamin and mineral business has a strong international DNA with sales in more than 70 countries worldwide. In the period up until 2030, we will focus on organic growth and on developing our core business in Europe, while exploring new growth opportunities in vitamins and minerals for poultry and building on the recent success of our Leading Products.

With more mouths to feed in the world and growing global prosperity, food demand is increasing, and poultry and eggs are sought-after protein sources. We will therefore play an active role in meeting the global demand for eggs and poultry through an increased focus on innovation and product development.

We will also invest in the development of new proteins based on, for example, grass, insects and peas, which can be used for both livestock feed and human nutrition, and we are ready to move up the value chain where it makes sense.























## ENERGY

We provide energy solutions of today and tomorrow for businesses and private customers





### STRATEGIC OBJECTIVES

Enable the sustainable transition by ensuring infrastructure and the development of renewable energy solutions

Provide the full range of energy products and best-in-class service

Ensure growth and optimisation through operational and commercial excellence

## ENERGY SOLUTIONS FOR TODAY AND TOMORROW

The sustainable transition of the energy sector is expected to really take off in the coming years, resulting in an increasing demand for new energy solutions. We will contribute to this transformation, while at the same time meeting existing needs based on existing solutions.

In Germany and Denmark, we deliver a wide range of energy solutions to companies and private customers. Our ambition is to meet society's basic needs for energy, guaranteeing the transport of people and goods from A to B, the heating of private homes and business premises, and the supply of electricity to meet current and future demand.

We want sustainable energy solutions to be good business. Therefore, we will continue to grow so that we can support the sustainable transition and tailor our business to meeting future demand. We will continue to expand our infrastructure of service stations, while expanding our network of charging and hydrogen refuelling stations.

We want our energy business to be among the very best, and therefore we must standardise, automate and digitalise our processes. It will mean a simpler working life for our employees, make us more efficient and ensure an even better customer experience for our customers. We will continue to supply known energy products for heating private homes, while exploring and supporting the development of new sources of energy.

Our relations with our customers are driven by credibility and trust, which is key to them choosing to work with us as their preferred partner, and to us being able to provide them with world-class service.

















# HOUSING

We deliver high-quality service and materials for the construction of buildings of the future





### STRATEGIC OBJECTIVES

Strengthen the product & service portfolio within private label and sustainability

Offer best-in-class customer experience through engaged personal service and digital solutions

Increase profitability through excellence in supply chain and category management

# WE BUILD THE FUTURE

Activity levels are high in the German construction industry, and in the coming years millions of homes will be built, concurrently with the energy optimisation of existing properties . We will make the most of this momentum to grow our Housing business, being already one of the largest suppliers of building materials in Germany.

We will further strengthen our market position as a leading regional player within sales of building materials to both business and private customers. This will be done through organic growth, but also by seizing any opportunities that may arise for making suitable acquisitions.

Today, we are the highest-earning business in the German building materials sector, and we intend to remain so. Therefore, we will continue to optimise our supply chain, while investing in IT and digitalising and streamlining the way we do business.

There is increasing focus on sustainability in the German construction industry, where new homes must meet today's standards, while existing homes are being renovated with energy optimisation in mind. Our ambition is to become the leading supplier of sustainable, climate and environment-friendly materials, and we are keen to help develop the solutions of the future.

High security of supply, a broad product portfolio and outstanding advice are some of the things our customers appreciate when doing business with us. We are committed to continuing to be our customers' preferred partner - both in our stores and online.

## EUROPEAN ROOTS, INTERNATIONAL VISION

#### DLG Group

Ballesvej 2 DK-7000 Fredericia www.dlg.dk