

DONG Energy

GRI report
2010



0. Brief note on the format of this report.....	2
1. GRI Overview	3
1.1 GRI Content index.....	3
2. Transversal data.....	4
2.1 Capacity, availability factor and generating efficiency	4
2.2 Customers and sales	5
2.3 Distribution, interruptions and grid loss	7
2.4 Emissions to air	9
2.5 Materials and energy consumption	13
2.6 Production	17
2.7 Transport and other environmental aspects	19
2.8 Waste	21
2.9 Water consumption and discharge.....	23
3. Strategy & Profile.....	24
3.1 Strategy and Analysis	24
3.2 Organizational Profile	24
3.3 Parameters.....	27
3.4 Governance, Commitments and Engagement.....	32
3.5 Management Approach.....	35
4. Economics	37
5. Environment	44
6. Labour Practices.....	54
7. Human Rights.....	65
8. Society.....	68
9. Products	72

0. Brief note on the format of this report

This GRI responsibility report 2010 originally took the form of a website. To simplify our archive of responsibility reports, DONG Energy has extracted all content from the website and included it in this pdf report. From April 2014, the report will therefore only be available in this format. The pdf report contains the exact same information but the aesthetics and user-friendliness may have been affected compared to the original format.

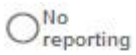
1. GRI Overview

1.1 GRI Content index

DONG Energy's reporting is in accordance with Global Reporting Initiative's (GRI) sustainability reporting guidelines (GRI3) and GRI's draft Electric Utility Sector Supplement. The supplement includes 29 indicators (called 'EU') particularly formulated for electric utilities. DONG Energy has followed the GRI3 guidelines for reporting on profile, management strategies and indicators.

The following symbols indicate the extent to which the reporting complies with the GRI3 guidelines, including the indicator protocols.

GRI indicators:



Special statement on compliance with GRI framework

Since joining Global Compact, DONG Energy has been reporting on its corporate responsibility performance in accordance with Global Reporting Initiative (GRI). DONG Energy has been reporting in accordance with the Global Reporting Initiative's (GRI's) Reporting Guidelines G3 annually, application level B+, including GRI's Electric Utility Sector Supplement (EUSS) for the financial year 2010.

The assurance engagement primarily comprised a review of the documentation presented, including chosen inquiries and judgemental sample tests of data. The review was performed in order to determine whether the documentation complies with the requirements in the GRI-G3 reporting framework.

Report Application Level	C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report on all criteria listed for Level C plus:	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Same as requirement for Level B	
	G3 Management Approach Disclosures OUTPUT	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach Disclosures for each Indicator Category
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.	Report Externally Assured	Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility.	Report Externally Assured	Report Externally Assured

*Sector supplement in final version



GRI G3 B+ statement of PwC



2. Transversal data

2.1 Capacity, availability factor and generating efficiency

	Unit	Method	2010	2009	2008
Capacity					
Installed power capacity					
Thermal	MW	m/c	6,461	5,662	5,619
Offshore wind	MW	m/c	691	749	361
Onshore wind	MW	m/c	347	355	245
Hydro	MW	m/c	205	205	205
Installed heat capacity					
Thermal	MJ/s	m/c	4,138	4,081	3,944
Geothermal	MJ/s	m/c	7	7	7
Availability factor					
Average availability factor (Central power plants)	%	m/c	95	93	96
Power availability for windturbines	%	m/c	97	94	93
Generating Efficiency					
Average generating efficiency - Total for power plants	%	m/c	66	62	61
Average generating efficiency - Central power plants	%	m/c	63	59	58
Average generating efficiency - Decentral power plants	%	m/c	82	81	82

A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

M = Measured, C = Calculated, E = Estimated

Compilation method

Capacity

DONG Energy's thermal capacity is made up of central and de-central power stations and waste incineration plants.

The renewable capacity consists of DONG Energy's onshore and offshore wind farms, interests in hydroelectric stations and geothermal plants. The capacity is included in relation to the legal ownership interest regarding jointly controlled entities.

Energy availability

DONG Energy calculates energy availability as the period of time during which a plant delivers its nominal capacity. The rest of the time is spent on either planned or unplanned shutdowns - audits or breakdowns, respectively.

The calculation of energy availability is an average based on data recorded during the period January 2009 to November 2009. The calculation is only performed for central power stations.

Generating efficiency

Generating efficiency is calculated as total efficiency for electricity and heat generation at the central power stations. Efficiency is calculated as the ratio of electricity and heat generated compared to the energy content of the consumed fuels.

The waste incineration plants are included in the efficiency for de-central power stations in the table above.

Explanation of development

Thermal generation capacity has increased significantly in 2010 due to the start-up of operation at the 824 MW Severn Power Station in the UK.

2.2 Customers and sales

Customers and sale

	Unit	2010	2009	2008	2007
Customers					
Power					
Denmark	Number	924,914	907,631	942,704	901,014
- residential customers	Number	834,518	785,377	814,225	777,329
- industrial and commercial customers	Number	90,396	122,254	128,479	123,685
The Netherlands (residential customers)	Number	38,840	39,000	38,647	41,000
The Netherlands (industrial and commercial customers)	Number	19,318	5,000	-	-
Germany (residential customers)	Number	0	-	-	140,000
Quantity sold	GWh	8,182	10,723	10,853	10,893
Natural gas					
Denmark	Number	124,845	122,487	124,209	120,896
- residential customers	Number	109,439	109,103	108,141	105,892
- industrial and commercial customers	Number	15,406	13,384	16,068	15,004
The Netherlands (residential customers)	Number	94,713	101,000	108,533	125,000
Germany (residential customers)	Number	0	-	-	60,000
The Netherlands (industrial and commercial customers)	Number	18,034	10,000	6,429	-
Sweden (wholesale and industrial customers)	Number	615	426	515	262
Quantity sold	GWh	24,239	93,961	99,413	78,820
Energy efficiency					
Energy-efficient products					
Green electricity sold	GWh	735,177	418,396	-	-
Solar cell power sold	MWh	14	430	-	-
Eliminated CO ₂ quotas	Number	1,819	3,054	-	-
Biogas sold	Nm ³	0	0	-	-
Energy savings for customers					
Total	MWh	325,047	145,100	182,900	166,889
Residential customers	MWh	104,000	54,000	94,300	60,713
Industrial customers*	MWh	167,798	83,800	88,600	106,176
Commercial customers*	MWh	41,354	-	-	-
Institutional customers	MWh	11,895	7,300	-	-

A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

*As of 2009 institutional customers are reported separately and as of 2010 commercial customers are also reported separately. Previously, they were part of the industrial customers.

Compilation method

Number of customers

DONG Energy has end customers in Denmark, the Netherlands and Sweden. In Denmark and the Netherlands, we sell both electricity and gas directly to end-customers, whereas our Swedish subsidiaries only sell to wholesale and major customers.

In Denmark, electricity and gas customers are calculated as the number of supply points. In Sweden, the number of customers is calculated as B2B customers, i.e. wholesale and industrial customers. In the Netherlands, the number of customers in 2009 was calculated as the number of power grid connections.

Energy-efficient products

DONG Energy offers the renewable energy products included in the table above, which have not been reported under the DSM agreement. This applies to design/installation of solar cell plants and solar heating systems, sales of green power and elimination of CO₂ quotas. In addition, DONG Energy is working on a project for upgrading biogas for the natural gas network.

Energy savings for customers

DONG Energy makes systematic efforts to create energy savings for its customers. Based on a 2005 agreement concluded with the Danish Government, DONG Energy must achieve savings for its customers equivalent to 144 GWh per year in the period 2006-2009. The company expects to achieve savings equivalent to 308 GWh from 2010-2013 in compliance with a new energy savings agreement concluded at the end of 2009. DONG Energy offers energy advice to owners of public buildings, institutions and businesses, including residential programmes.

The residential segment

In the residential segment, activities primarily constitute information and sales campaigns.

The information campaigns, including Energy Forum Denmark, help customers save energy and instead consume energy where it makes the most sense. For instance, they promote the use of power saver plug banks, low-energy light bulbs, lower washing temperatures, etc. The sales campaigns offer customers energy-friendly solutions such as heat pumps, windows, insulation, etc. In 2009, DONG Energy put into operation a new business area, Cleantech, the objective of which is to sell energy-friendly solutions to the residential market.

The choice of method and evaluation is in compliance with the Danish Energy Authority's requirements for quality assurance and audit.

Major commercial customers

DONG Energy primarily offers individual energy advice to major business customers (industrial and commercial). The implementation of energy savings in the business segment takes place through partnerships, individual advice, including replacement of energy-technological plants, campaigns, for instance aimed at server rooms, and strategic cooperation with customers and advisers.

The choice of method and evaluation is in compliance with the Danish Energy Authority's requirements for quality assurance and audit.

2.3 Distribution, interruptions and grid loss

Distribution, interruptions and distribution losses

	Unit	Method	2010	2009	2008	2007
Distribution						
Length of electricity distribution net						
50 kV /30 kV	km	m	772	792	785	735
10 kV	km	m	6,749	6,714	6,677	6,464
0.4 kV	km	m	11,581	11,649	11,635	11,362
Infrastructure in the electricity distribution net						
Main power stations 50/10 kV and 30/10 kV	no.	m	93	93	93	-
10/0.4 kV transformer station	no.	m	9,935	9,862	9,819	-
10 kV cobbling stations	no.	m	143	145	148	-
Cable boxes and cupboards	no.	m	123,749	116,698	113,483	-
Disconnections and interruptions						
Number of customer non-payments (First reminder sent)	no.	m	521,578	528,813	355,926	
Number of customer disconnections for non-payments	no.	m	4,735	5,695	8,452	
System Average Interruption Frequency Index (SAIFI)	no.	m/c	0.38	0.34	0.45	-
System Average Interruption Duration Index (SAIDI)	min	m/c	19.3	17.0	26.2	-
Distribution losses						
Distribution loss	%	c	4	4	4	4

A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

M = Measured, C = Calculated, E = Estimated

Compilation method

Length of power transmission and distributions network

The length of the electricity transmission and distribution grids is reported at 31/12-2010.

DONG Energy's electricity distribution grid area covers Copenhagen, Frederiksberg and North Zealand and is owned by the companies DONG Energy City Elnet A/S, DONG Energy Frederiksberg Elnet A/S and DONG Energy Nord Elnet A/S. The distribution grid consists of overhead power lines, underground cables, and transformer stations, while the transmission grid consists of overhead power cables only. The three distribution grids are not at the exclusive disposal of DONG Energy in that other power suppliers can also purchase access to them.

Disconnections

The number of customer non-payments is reported as the number of first reminders for non-payment sent to customers. The number of disconnections is reported as the number of disconnections by DONG Energy's engineers due to non-payment.

Interruptions without prior notice

The frequency and duration of interruptions for customers without prior notice in a power system are expressed in the form of SAIFI (System Average Interruption Frequency Index), which is the average number of interruptions per customer per year, and SAIDI (System Average Interruption Duration Index), which is the average duration of interruptions per customer per year.

Distribution grid loss

The loss in the distribution grids is calculated as gross deliveries divided by net deliveries. No distinction is made between technical and non-technical losses in this connection.

Explanation of development

Interruptions without prior notice are to a large extent characterised by coincidences and external incidents, i.e. the activity level in society. There is, however, also a decreasing trend in the indexes due to grid improvements. Looking at the period from 2007 to 2010, it is clear that 2009 was one of the better years with fewer interruptions. The number of interruptions has increased in 2010, but is still inside the normal variance.

The number of disconnections because of non-payment fell from 2009 to 2010. One reason for this change was that, in the summer of 2009, DONG Energy started sending notifications with information about when the customer would be disconnected. This has meant that many people now pay before the stated time for disconnection.

2.4 Emissions to air

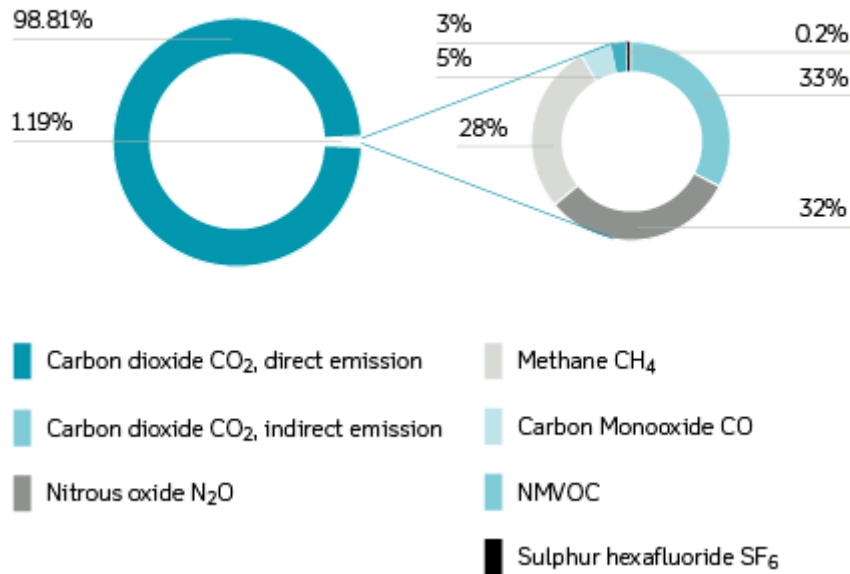
Data for emissions to air

	Unit	Method	2010	2009	2008	2007	2006
Greenhouse gas emission							
Carbon dioxide (CO ₂), direct emission	mill. tonnes CO ₂ eqvt.	m/c	11.9	12.0	12.7	14.0	18.2
- of which verified CO ₂ subject to quotas	mill. tonnes CO ₂ eqvt.	m/c	11.8	11.9	12.6	13.8	18.0
Indirect carbon dioxide emission from power and heat usage	tonnes CO ₂ eqvt.	c	47,072	48,412	54,923	77,670	-
Methane (CH ₄)	tonnes CO ₂ eqvt.	c	39,905	50,059	61,796	68,718	66,177
Non methane volatile organic compounds (NMVOC)	tonnes CO ₂ eqvt.	c	3,749	8,270	26,469	19,388	13,650
Nitrous oxide (N ₂ O)	tonnes CO ₂ eqvt.	c	45,171	46,956	73,262	54,359	68,949
Sulphur hexafluoride (SF ₆)	tonnes CO ₂ eqvt.	c	217	160	616	1,465	422
Carbon Monoxide (CO)	tonnes CO ₂ eqvt.	c	7,184	5,810	5,664	4,630	5,745
Key performance indicator (KPI) for the 85/15 strategy							
Specific emission of CO ₂ for DONG Energy excl. E&P (85/15)	g CO ₂ /kWh	m/c	524	574	590	613	638
Development in 85/15 strategy target		m/c	70/30	76/24	79/21	82/18	85/15
Other significant emissions and specific emission KPI's							
Nitrogen oxide (NO _x)	tonnes	m/c	9,612	9,304	11,650	17,006	25,352
Specific emission of NO _x from DONG Energy's power plants	g NO _x /kWh	m/c	0.38	0.50	0.61	-	-
Sulphur dioxide (SO ₂)	tonnes	m/c	1,423	2,425	3,507	4,199	6,629
Specific emission of SO ₂ from DONG Energy's power plants	g SO ₂ /kWh	m/c	0.07	0.14	0.19	-	-
The CO₂ campaign "1 tonne less per employee in 2012"							
Total reductions in emissions from projects by end of 2010	ton CO ₂ saved	m	7,338	2,895	-	-	-
Total energy savings from projects by end of 2010	GJ	m	39,218	31,243	-	-	-
- of which savings in power consumptions	MWh	m	6,220	4,338	-	-	-
- of which savings in heat consumptions	GJ	m	16,613	15,412	-	-	-
- of which savings in natural gas consumptions	Nm ³	m	5,471	5,471	-	-	-
CO ₂ -reduction per employee	ton CO ₂ saved per employee	m	1.25	0.49	-	-	-

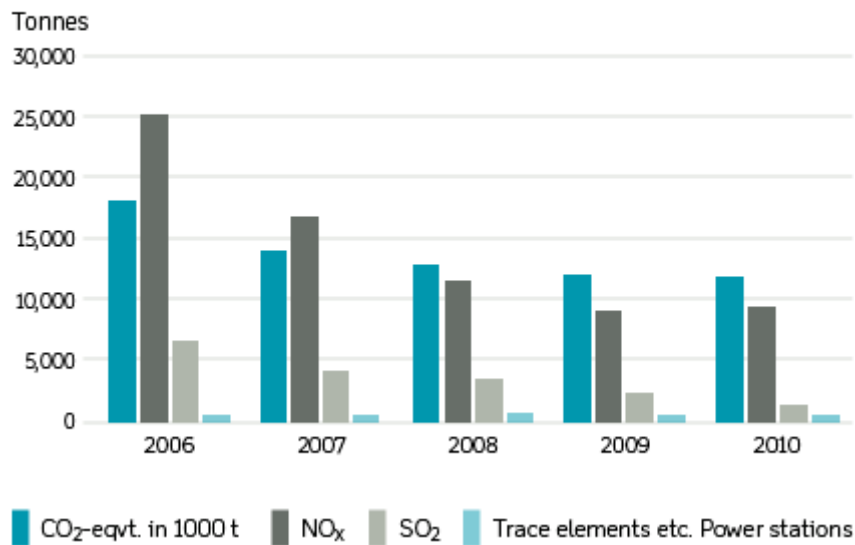
A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories

M = Measured, C = Calculated, E = Estimated

EMISSION OF GREEN HOUSE GASES IN TONNES 2010



AIR EMISSIONS



Compilation method

Carbon dioxide (CO₂) – emissions subject to allowances

CO₂ emissions are calculated for facilities that are subject to CO₂ allowances and for which DONG Energy has the operator ownership in accordance with the approved surveillance plans.

Carbon dioxide (CO₂) - emissions not subject to allowances

CO₂ emissions not subject to allowances from processes at offshore oil and gas production plants, electricity and gas distribution etc., are calculated using emission factors from the Danish National Environmental Research Institute (NERI) for stationary sources, as the International Association of Oil and Gas Producers (OGP) has recalled the emission factors used for previous years. Data are based on the consumption of natural gas and oil products.

Emissions from own produced electricity and heat consumption is not included in the total, direct CO₂ emissions. CO₂ emissions from electricity and heat consumption are reported separately as indirect emissions.

CO₂ emissions from electricity consumption are calculated for Danish facilities using the electricity declarations from the Danish Energy Agency for East and West Denmark respectively. As the electricity declaration for 2010 from the Danish Energy Agency had not been published before this reporting, the declarations from 2009 has been applied. This also applies to the prior years. If there is a specific electricity source for a facility, a specific declaration corresponding to this facility has been used. This applies to, for example, facilities using 'Natural Power' ("Naturstrøm") which is generated exclusively from wind energy.

The CO₂ emission from heat consumption for Danish facilities is calculated using the Danish Energy Agency's standard factor for emission from heat. As the electricity declaration for 2010 from the Danish Energy Agency had not been published before this reporting, the declarations from 2009 has been applied. This also applies for the prior years.

For locations outside Denmark, country-specific emission factors from IEAs report on CO₂emissions from fuel consumption 2009 have been used.

Nitrogen oxides (NO_x) and sulphur oxide (SO₂)

For the power stations, emissions are mainly calculated on the basis of continuous measurements. A few power stations use plant-specific emission factors to calculate emissions.

NO_x emissions and SO₂ emissions from processes, at offshore oil and gas production plants, electricity and gas distribution, etc., are calculated using emission factors from the Danish National Environmental Research Institute (NERI) for stationary sources, as the International Association of Oil and Gas Producers (OGP) has recalled the emission factors used for previous years. Data is based on the consumption of natural gas and oil products.

Other emissions

For the power stations, other emissions are calculated on the basis of available terms and conditions; primarily station-specific emission factors are used to calculate the emission.

Methane emissions (CH₄) and other volatile organic compounds (NMVOC) from other processes, etc., at offshore oil and gas production plants, electricity and gas distribution, etc., are calculated using emission factors from the Danish National Environmental Research Institute (NERI) for stationary sources, as the International Association of Oil and Gas Producers (OGP) has recalled the emission factors used for previous years. Data are based on the consumption of natural gas and oil products.

Sulphur hexafluoride (SF₆) gas used in distribution is calculated as discharged emissions on the basis of filling.

Changes to data reported for previous years

The total amount of energy saved in 2009 as part of the '1 tonne less' campaign has been changed, as data reported last year were faulty due to a calculation error in the database.

Explanation of development

In spite of increased natural gas flaring, a 20 % reduction in CH₄ emission is seen in the table above, because of the change in emission factors as described under compilation method. If the OGP emission factors used for previous years had been applied, CH₄ emission would have been about 72,500 tonnes of CO₂ equivalents. See more under. Also NMVOC emissions fell very significantly as the changes in emission factors led to a bigger fall in these emissions. If the OGP emission factors has been applied, NMVOC emissions would have been about 5,800 tonnes of CO₂ equivalents.

Emissions of sulphur hexafluoride (SF₆) has increased as a result of normal year-to-year variations.

Emissions of carbon monoxide (CO) increased, mainly due to increased use of wood pellets at Avedøre Power Station's unit 2.

The specific emissions of nitrogen oxide (g NO_x per kWh) has been reduced by 24 % from 2009 til 2010 due to the change of a catalyst at Studstrup Power Station's unit 4 and a due to special focus on operational optimisation of deNO_x-facilities at the central power plants.

Emissions of sulphur oxide (SO₂) fell by 41 % as a result of the installation of a desulphurisation facility at Asnæs Power Station's unit 2. For the same reason the specific SO₂ emission from power plants has been halved from 0.14 g per kWh in 2009 to 0.07 g per kWh in 2010.

2.5 Materials and energy consumption

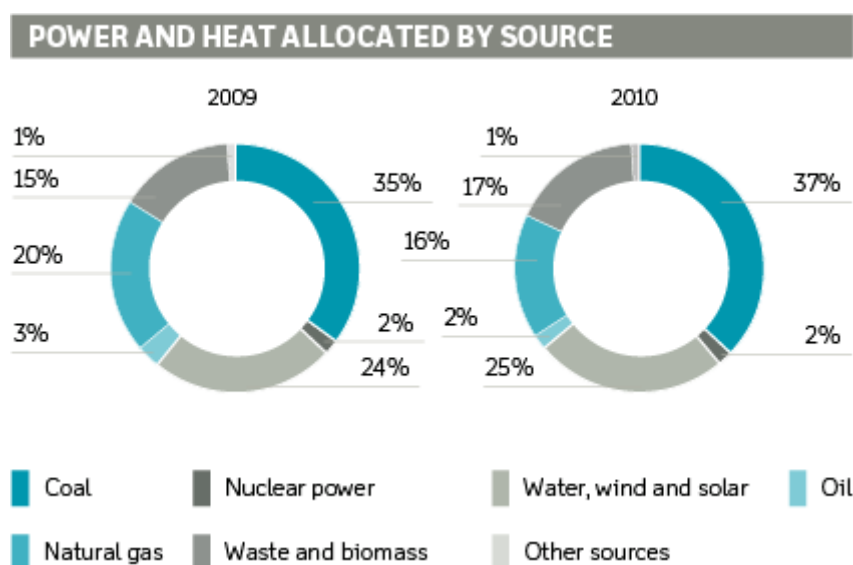
Data for materials and energy consumption

	Unit	Method	2010	2009	2008	2007	2006
Consumption							
Consumption of raw materials							
Coal	mill. tonnes	m	3.8	4.0	4.4	4.9	6.2
Oil	mill. tonnes	m	0.17	0.23	0.21	0.24	0.33
Natural gas	mill. Nm ³	m	1,058	846	865	809	1,120
- of which flaring	mill. Nm ³	m	33	7	9	10	8
- of which venting	mill. Nm ³	m	0.06	0.04	0.05	-	-
Biomass incl. bio oil and wood	mill. tonnes	m	1.8	1.3	1.2	1.5	1.4
Waste	mill. tonnes	m	0.58	0.64	0.64	0.68	0.78
Energy consumption (electricity and heat)							
Electricity consumption power plants	GWh	m	33	24	34	1,193	1,709
Heat consumption power plants	TJ	m	65	54	50	225	278
Electricity consumption	GWh	m	103	109	99	144	164
Heat consumption	TJ	m	125	109	119	36	47
Heat from third parties	TJ	m	645	457	-	-	-

A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

M = Measured, C = Calculated, E = Estimated

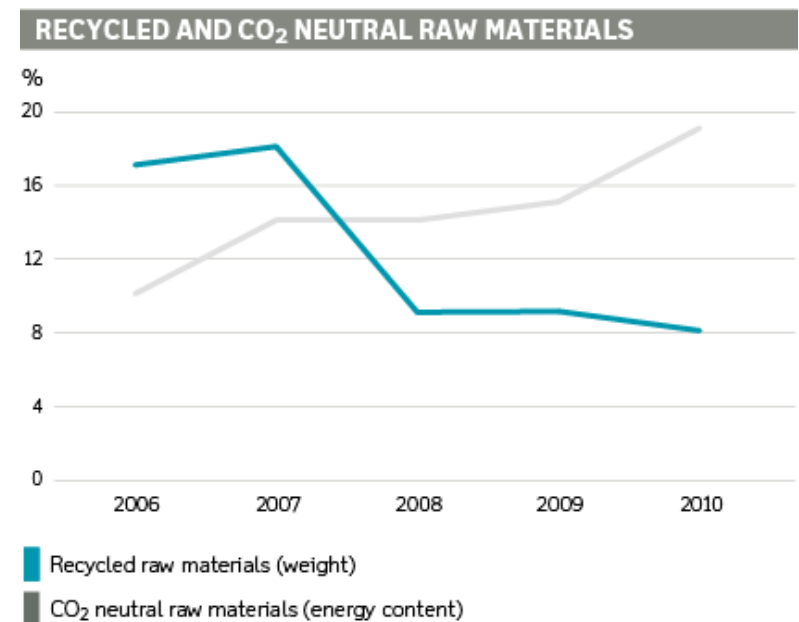
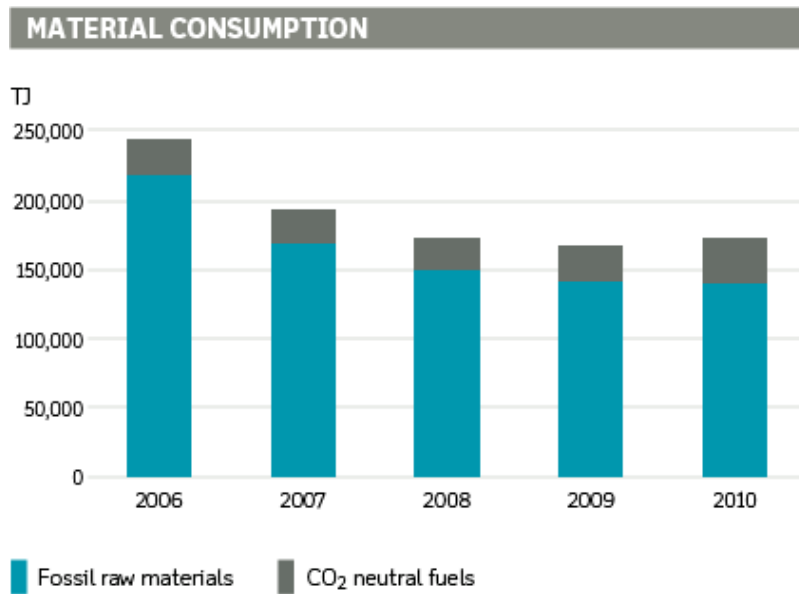
The graph below shows the allocation of power and heat consumption on DONG Energy's facilities and administrations by primary sources. Only consumption on facilities that do not produce power and/or heat is allocated by primary sources as consumption of primary fuels for power and heat production is included in the direct consumption of raw materials as seen in the table above.



In an environmental perspective it is relevant how the distribution between fossil and renewable energy sources is and hereby also whether there is focus on developing the energy consumption to be more sustainable.

Fossil energy consumption is compiled as the sum of coal, oil and natural gas consumption, while the CO₂ neutral energy sources are compiled of waste and biomass which is used in the power stations. This can be seen in the graph below.

Incineration of waste is generally not considered reuse in reference to the Danish Executive Order on Waste. However, as waste incineration generates energy which has first priority in the power grid, it replaces a potential use of other types of fuels i.e. coal, oil and natural gas. The proportion of reused raw materials (i.e. waste) can be seen in the graph below where the proportion of CO₂ neutral fuels compared to total fuel use also can be seen.



Compilation method

Consumption of raw materials:

As a main rule, consumption is defined as incinerated volume. Some facilities calculate biomass and waste as materials supplied to the plant. The calculation principles for the power stations have been approved by the Danish tax authorities and thus cover most of the consumption.

For oil and gas production, the consumption of raw materials is calculated either as the fired volume of natural gas, the amount of diesel oil supplied to a platform or the amount of natural gas flaring measured ultrasonically.

For gas distribution, the consumption of natural gas is calculated based on meter readings. With respect to gas flaring, the volumes are calculated based on pressure and the dimension of the emptied process plant.

For consumption related to administration and other processes, DONG Energy calculates the direct consumption on the basis of settlements.

The amount of renewable energy sources is calculated as the share of fuels burned at CHP plants considered to be CO₂-neutral. This includes biomass and waste that are considered to be CO₂-neutral under the Danish CO₂ Allowances Act.

The volume of recycled raw materials has been calculated as the sum of waste in relation to total consumption of raw materials. For 2006 and 2007, landfill gas consumed as raw material was also included as a recycled raw material.

Total consumption of fossil raw materials is calculated as the sum of coal, oil, natural gas and refinery gas consumption based on energy content.

Energy consumption

The consumption of energy (electricity and heat) at power stations is calculated based on technical readings.

The consumption of electricity in the power distribution operations is calculated based on the Danish public meter reading system, Elvis, at the facilities where meters are installed. For meter and regulator stations in the gas distribution network, a very loose estimate is provided.

For the remainder of the DONG Energy Group, direct consumption is calculated based on settlements.

To illustrate what electricity and heat consumption entails in terms of usage of primary energy sources, including renewable sources, consumption is recalculated into these sources based on knowledge of the composition of the electricity and heat in the regions in which DONG Energy has activities. The recalculation into primary sources is only done for administration and facilities that do not generate electricity and heat, as the resource usage for electricity and heat generation is included in the direct usage of raw materials.

For recalculating electricity consumption in Denmark into primary sources, the electricity declarations for East and West Denmark from the Danish Energy Agency are used to calculate the electricity consumption at plants and in administration broken down by sources. As the electricity declaration for 2010 from the Danish Energy Agency had not been published before this reporting, the declarations from 2009 has been applied. This also applies to prior years. If there is a specific electricity supply for a facility, a specific declaration suitable for this facility has been used. This applies to, for instance, facilities using 'Natural Power' ("Naturstrøm"), which is generated exclusively from wind energy.

For recalculation of heat consumption at facilities and in administration as well as electricity consumption at facilities outside Denmark, the 2007 statistics from the International Energy Agency (IEA) has been applied.

Auxiliary materials and chemicals

The consumption of auxiliary materials was not compiled for 2010. This is due to the fact that chemicals consumption is being revised and therefore not yet included in the Group's reporting of responsibility data.

Explanation of development

The decrease in oil consumption is due to technical and economic conditions in relation to the operation of the power stations.

DONG Energy's strategy for the thermal power plants entails an increase in biomass and natural gas usage and at the same time lower coal usage. The natural gas portion of fuel consumption in Denmark increased from 19% in 2009 to

21% in 2010 and new plants in the UK and Norway also contributed to the increase in natural gas usage. Likewise, the biomass portion of fuel consumption increased from 11% to 16%.

Natural gas flaring increased significantly due to problems with handling the lighter gas from the newly started production platform Nini Øst. Read more about the increase in flaring [here](#).

Natural gas venting also increased significantly, mainly due to the fact that less maintenance time was available at Stenlille gas storage facility because of the market-driven operation of the facility.

For power stations, electricity and heat consumption increased by 38% and 21% respectively in 2010 compared to 2009. The changes were due to a number of differences in consumption at the individual power stations and the fact that, for two power stations, from which no heat consumption was reported for 2009, consumption totalling 8,100 GJ was reported in 2010.

For administration and other facilities, heat consumption increased by 14%, mainly due to increased consumption at oil terminals, partly due to the colder weather in 2010.

Consumption of heat from third parties increased as the available amount of excess heat was higher and it was beneficial to use it.

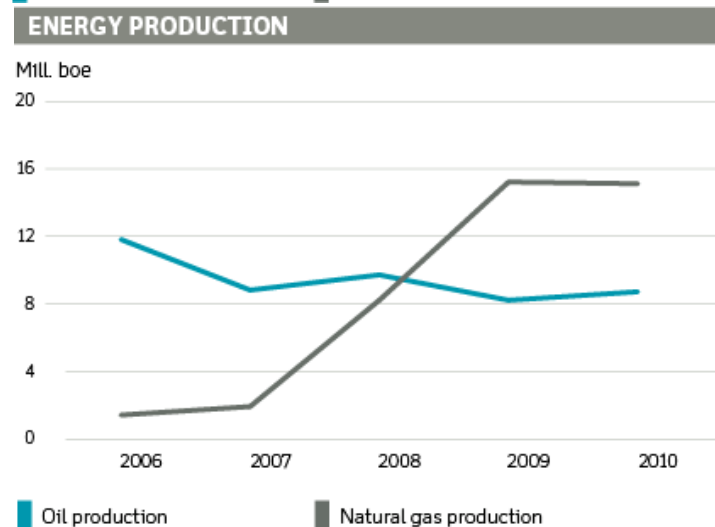
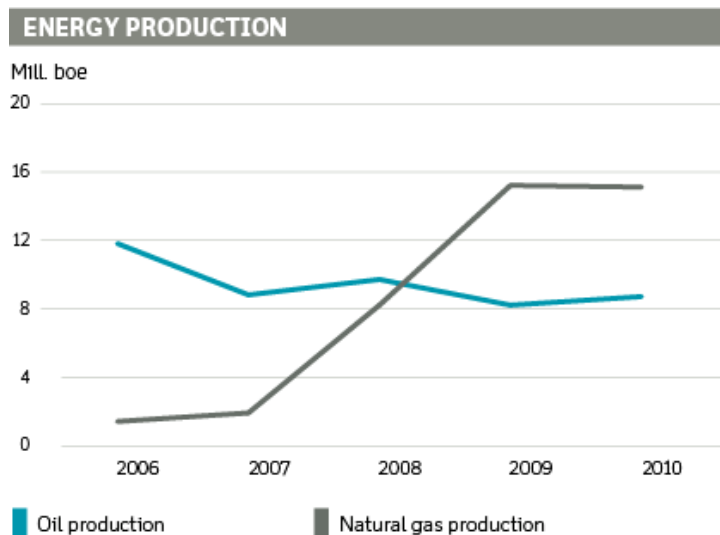
2.6 Production

Data for production

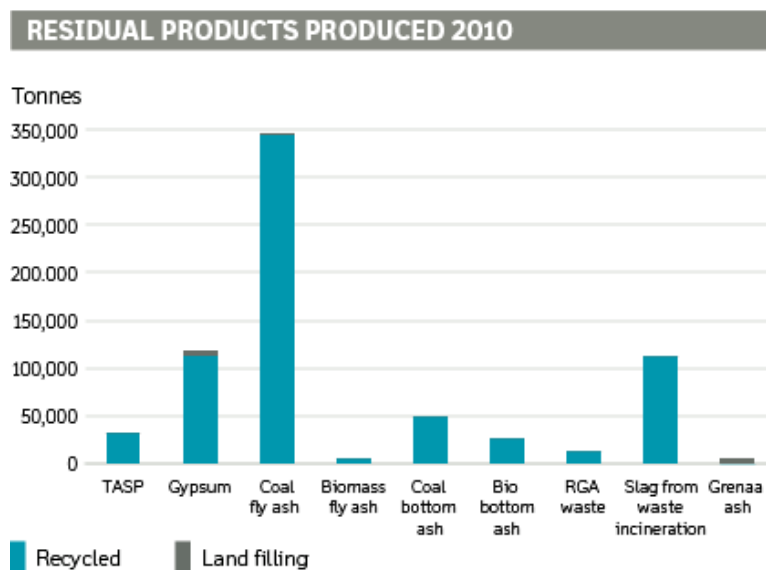
Production	Unit	Method	2010	2009	2008	2007	2006
Electricity generation	GWh	m	20,142	18,074	18,536	20,534	26,278
- Denmark	GWh	m	17,140	16,587	-	-	-
- Norway	GWh	m	14	17	-	-	-
- Sweden	GWh	m	1,049	893	-	-	-
- United Kingdom	GWh	m	1,715	475	-	-	-
- Poland	GWh	m	203	80	-	-	-
- France	GWh	m	21	22	-	-	-
Heat generation (Denmark)	TJ	m	53,245	46,686	46,380	47,257	50,508
Natural gas production	mio. BOE	m	15.4	15.5	8.5	2.2	1.7
Oil production	mio. BOE	m	9.0	8.5	10.0	9.1	12.1

A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

M = Measured, C = Calculated, E = Estimated



Besides the primary production types that can be seen in the table and the graphs above DONG Energy also produces a large amount of residual products in the power stations. A large proportion of the residual products are recycled, whereas a minor proportion is taken to landfills. The chart below shows the recycled amounts and the amounts taken to landfills for each of the residual productions.



Compilation method

Production comprises the volume of energy delivered by the production assets in which DONG Energy has an ownership interest. For joint ventures, production has been included in relation to DONG Energy's legally owned pro rata share.

Electricity generation has largely been calculated as net generation sold based on settlements from the official Danish production database, Panda. Data on production from foreign, non-operated renewable energy facilities are provided by the operators.

Heat production is compiled as net production sold. Heat generation from renewable energy stations is based on monthly heat withdrawals from geothermal water. The Magretheholmen geothermal plant is not included as DONG Energy receives a financial share regardless of the production and does not receive production data.

For the hydroelectric plant Indalselven, the ownership interest has been converted to an annual right of withdrawal from the plant, and the reporting is consequently based on the annual withdrawals and not on pro rata share of the total production.

Natural gas and oil production have been based on meter readings on delivery to shore.

The production figures for oil and natural gas for 2007 and 2006 have been changed to correspond to the figures stated in the financial reports using the same consolidation rules as were used in 2008. The change has been made to facilitate comparison across the years.

Residual products comprise the annual amount of products generated and are calculated using plant-specific calculation methods.

Explanation of development

Electricity generation rose 11% in 2010 compared to 2009. This was mainly due to the start-up of operation at Severn Power Station in the UK and the start-up of operation at the wind farms Horns Rev 2 in Denmark, Gunfleet Sands 1 and 2 in the UK and Karcino and Karnice in Poland. This is also reflected in the development in the electricity generation for each of these countries respectively.

The increase in heat generation mainly reflected increased demand for heat in Denmark.

2.7 Transport and other environmental aspects

Data for transport and other environmental aspects

	Unit	Method	2010	2009	2008	2007	2006
Transport							
Fuel for service vehicles							
Diesel	m ³	m	428	1,009	1,028	868	-
Gasoline	m ³	m	21	7	11	7	-
Fuel for company cars							
Diesel	m ³	m	270	250	167	104	-
Gasoline	m ³	m	628	335	309	239	-
Emissions from vehicular transport total							
Emission of CO ₂	tonnes	c	3,344	4,167	3,782	3,140	-
Transportation by sea							
Diesel	tonnes	m	2,230	-	-	-	-
Emission of CO ₂	tonnes	c	7,192	-	-	-	-
Compliance with env. law and codes							
Complaints	no.	m	334	186	265	-	-
Injoinings and enjunctions	no.	m	6	5	-	-	-
Other							
Significant environmental incidents	no.	m	6	5	1	2	-
Excavation damages of gas pipes	no.	m	70	79	107	118	128
Methane discharge from excavation damages	Nm ³	c	14,904	33,844	25,490	63,647	25,797

A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

M = Measured, C = Calculated, E = Estimated

Compilation method

Fuel consumption and emissions from vehicular transportation

Fuel consumption is calculated based on reporting from leasing partner. Transport has been calculated only for service vehicles in distribution and company cars leased from Nordania Leasing. DONG Energy cars registered abroad are not included.

Fuel emissions have been calculated based on statements from Nordania Leasing.

Fuel consumption and emissions from transportation by sea

Transportation by sea is only reported for the DONG Energy company A2SEA which owns a number of ships installing offshore wind turbines.

Diesel consumption is measured and controlled at supply.

CO₂ emissions are calculated based on standard factors for the different machines and the time they have been in operation.

Significant environmental accidents

DONG Energy reports on major environmental incidents for the locations the company owns and operates. A model is used to determine the severity of the environmental incidents based on volume, dispersion and effect. The model may also be used to determine the potential impact of an incident, i.e. the extent of the impact that could have resulted from

the incident. On the basis of the inherent risk of an environmental incident and its repetition rate, a risk value for the incident is fixed. DONG Energy classifies incidents using green, yellow and red risk values. Red is considered serious, yellow requires attention, and green has no significance. If the inherent risk of an environmental impact from an incident is severe, it has been categorised as a red risk value.

The number of major environmental incidents with an actual environmental impact categorised as either alarming or severe according to DONG Energy's scoring model of incidents is reported.

Excavation damages to gas pipelines

Excavation damages are reported in the internal incident reporting system Synergi.

Gas leaks due to excavation damage

Gas leaks are calculated based on pressure and dimension of the affected process plant, and the period of time during which it was open.

Explanation of development

Vehicular transport

The number of service vehicles fell from 524 in 2009 to 307 in 2010, resulting in a significant decrease in diesel consumption of 58%. At the same time the petrol consumption increased as a significant number of the vehicles changed used petrol and not diesel.

Both petrol and diesel consumption for company cars increased in 2010 as the number of company cars rose from 209 in 2009 to 296 in 2010.

Total CO₂ emissions from the vehicle fleet fell by 20% due to the overall fall in the number of vehicles.

Complaints

The number of reported complaints increased by 80%, mainly due to the fact that in the first half of 2010 there was increased focus on recording customer contacts where customers expressed that their expectation to DONG Energy had not been met.

A large number of the customer contacts were so-called 'immediate complaints' which means that the complaint was a call-in case that was settled over the phone, with the customer expressing satisfaction with the solution or help given.

Significant environmental incidents

There was six significant environmental incidents in 2010, which is in line with the number of incidents in 2009.

Five of the significant incidents happened in Generation. Two incidents were significant oil spills to soil during the handling of oil in tank installations. Contaminated soil was removed and handled. The procedures for handling tank installations have subsequently been tightened. A container with fuel oil ash for landfill ignited spontaneously. The waste was stored in containers for the purpose of preventing potential fire from spreading.

At a thermal power station, there was an incident involving the release of a significant amount of pulverised fly ash to the surroundings. The ash was recovered and removed immediately.

Furthermore, there was an incident involving increased emission of ammonia during unloading from a lorry. The cause was an operator error. Subsequently, the signage and the unloading procedures have been tightened in cooperation with the local fire and environmental authorities.

One incident happened in Sales & Distribution involving the emission of 2.4 kg of SF₆ gas from a transformer station. The station has been removed and replaced with a new model.

Excavation damages

In 2010, the amount of gas emission from excavation damages was 14,904 m³ which is significantly less than in previous years. This may be because previous excavation damages involved on big pipes with high pressure.

2.8 Waste

Data for waste

	Unit	Method	2010	2009	2008	2007	2006
Waste							
Waste for recovery	ton	m	6,044	5,801	5,302	8,901	10,131
Waste for incineration	ton	m	4,414	4,106	5,001	5,606	5,103
Waste for disposal by landfill	ton	m	524	750	615	5,079	5,838
Total hazardous waste	ton	m	2,882	1,979	1,562	792	573
Hazardous waste treated on site	ton	m	5,206	797	1,056	4,850	-
Hazardous residuals exported	ton	m	12,912	12,183	12,358	11,121	19,896

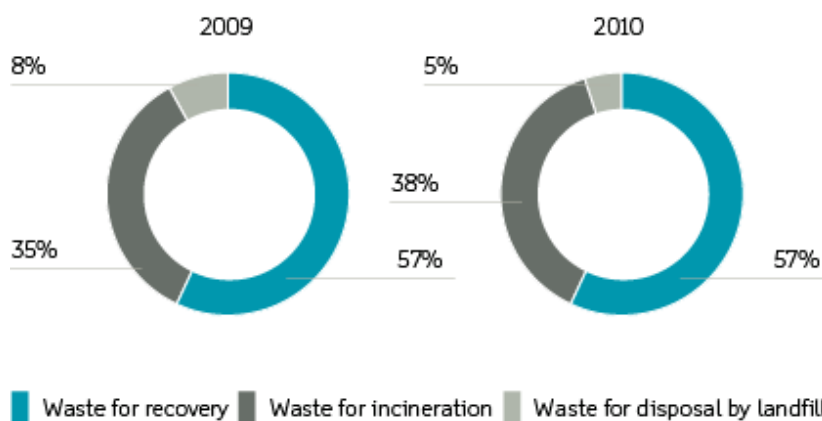
A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

M = Measured, C = Calculated, E = Estimated

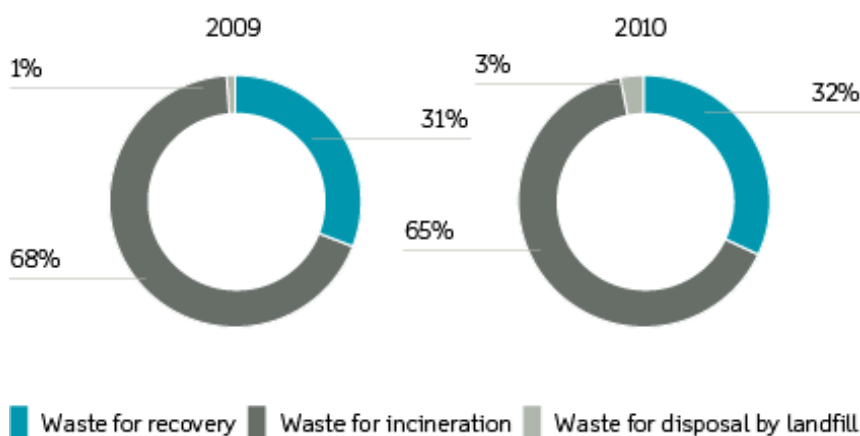
DONG Energy has targets for recycling of waste of 50 % and 65 % for administration and production facilities respectively. The targets are to be fulfilled in 2012. Below the development in the make-up of waste by disposal type can be seen for administration offices and production facilities respectively.

Read more about the targets for waste recycling here.

TREATMENT OF WASTE - PROCESS FACILITIES



TREATMENT OF WASTE - ADMINISTRATION OFFICES



Compilation method

Waste data are compiled based on invoices received from waste recipients or using plant-specific measuring methods.

For power stations, the reporting also includes projects at existing installations, as waste data from projects form part of the overall waste data at the plants. The data do not include data for offshore installations that are not operated by DONG Energy.

Explanation of development

Waste for disposal by landfill decreased 30% due to improved sorting and handling of non-incineration waste types.

At the same time, the total amount of hazardous waste increased 46% due to the disposal of 900 tonnes of soil and aggregate from Asnæs Power Station.

The large increase in the amount of hazardous waste that has been treated at DONG Energy's plants is due to the fact that Måbjerg Power Station and Odense Power Station treated an extraordinarily large amount of ethanol solution totalling 4,600 tonnes.

2.9 Water consumption and discharge

Data for water consumption and discharge

	Unit	Method	2010	2009	2008	2007	2006
Water consumption							
Groundwater from own source	mill. m ³	m	0.23	0.16	0.08	-	-
Waterworks water	mill. m ³	m	1.38	1.45	1.75	0.10	0.08
Discharges to water							
Wastewater to recipient without own treatment	mill. m ³	m	0.56	0.56	0.72	-	-
Wastewater to recipient after own treatment	mill. m ³	m	0.09	0.08	0.01	-	-
Wastewater to treatment plant without own treatment	mill. m ³	m/e	0.85	0.81	0.73	0.42	0.54
Wastewater to treatment after own treatment	mill. m ³	m/e	0.03	-	-	-	-
Production water to sea from offshore production	mill. m ³	m/c	0.64	1.55	1.69	1.44	1.20
Oil to sea from offshore production	tonnes	m/c	8	18	24	23	26
Reinjection, offshore							
Reinjection of production water	mill. m ³	m/c	2.20	1.47	1.77	1.81	1.74
Reinjection of natural gas	mill. Nm ³	m/c	71	92	53	40	51

A line in the table illustrates that comparable data are not available due to missing, incomplete or different inventories.

M = Measured, C = Calculated, E = Estimated

Compilation method

In most facilities, water consumption and wastewater discharge is reported based on meter readings and calculations. For offices and warehouses, wastewater discharges is set equal to water consumption. On plants, wastewater discharges are registered either based on meters or invoices showing transportation of wastewater. For offshore operations water for special purposes is loaded at the docks. This water usage is not reported.

Waste water discharge from Studstrup Power Station is not part of the reported data.

In oil and gas production, water is not used in the same way as at the other plants. However, a large portion of water, so-called produced water, is pumped up from the underground as a by-product to the products.

Oil discharged to the sea from oil and gas production is calculated based on extracted and injected amounts of products, including the measured contents of oil and produced water. At DONG Energy operated plants, oil discharged with produced water is calculated based on three daily random samples that are analysed for oil content; one test every 24 hours based on ballast water. Reinjection of produced water is based on pump capacity, pressure and time.

Reinjection of natural gas is based on daily flow measurements.

Explanation of development

Groundwater consumption from own source increased significantly, mainly due to the fact that the Stignæs Power Station has a stake in the water works that delivers water to the plant. Water consumption from Stignæs was reported as from water works in 2009 but as from own source in 2010 onwards.

The increased discharge of waste water to recipient after own treatment was the result of an error in the 2009 data for H.C. Ørsted Power Station from which about 15,000 m³ was missing in the reporting.

Reinjection of produced water increased by 50%, mainly because of increased reinjection on the Siri platform. Reinjection at Siri has increased from 1 million m³ in 2009 to 1.5 million m³ in 2010, reflecting major renovation of the water injection system. Read more here.

The increased reinjection of produced water was also the cause of the significant decrease in produced water and oil discharged to sea. The decrease in reinjection of natural gas is considered an effect of natural variations.

3. Strategy & Profile

DONG Energy is one of the leading energy groups in Northern Europe and our business is based on producing, trading, selling and distributing energy and related products. As energy supply is part of the lifeblood of modern society, our activities are essential to and have a great impact on the communities of which our group is a part. Through our business activities we help ensure our customers a reliable energy supply. Based on our core values - result-oriented, responsible and responsive - we endeavour to act responsibly and to live up to society's expectations every single day.

DONG Energy's long-term vision is to provide clean and reliable energy. This is the objective we are aiming towards by means of new investments and continuous development of our operations. We believe that we can turn the challenges facing the energy sector into opportunities and thus create added value for DONG Energy, long-term financial added value for our owners, environmental improvements, and also contribute positively to ethical, social and societal development.

3.1 Strategy and Analysis

GRI:01.01 Preface from the CEO



The CEO Statement was published on the 'Responsibility'-site in 2010. This site is no longer available and therefore we are not able to present a link to the introduction.

GRI:01.02 Description of key impacts, risks, and opportunities



Annual report 2010, page 3.

3.2 Organizational Profile

GRI:02.01 Name of the organization



Annual report, cover

GRI:02.02 Primary brands, products, and/or services



Annual report 2010, DONG Energy in short, inside of front cover

GRI:02.03 Operational structure of the organization, incl. main divisions, operating companies, subsidiaries, and joint ventures



Annual report 2010, page 155 – 159.

GRI:02.04 Location of organization's headquarters



Annual report 2010, backside of cover.

GRI:02.05 Countries where the organization operates



Annual report 2010, page 27, 33, 38, 46 and 51.

GRI:02.06 Nature of ownership and legal form



Annual report 2010, page 58.

GRI:02.07 Markets served



Annual report 2010, page 25-53.

GRI:02.08 Scale of the reporting organization



This indicator includes a great deal of financial and non-financial information about the enterprise.

Non-financial data reported are oil and natural gas production and heat and electricity generation. Furthermore, distributed and sold volumes of natural gas and electricity are reported. Volumes sold that are used internally are excluded as only the volumes that generate external revenue should be included in accordance with the GRI definition.

The number of employees is also reported.

The most material non-financial parameters for this indicator can be seen on page 3 of the annual report. For details on financial parameters, see page 2.

For data from previous years and further details on non-financial parameters, see production, distribution, customers and sales respectively.

GRI:02.09 Changes during the reporting period regarding size, structure or ownership



Annual report 2010, page 115-118 and 161.

GRI:02.10 Awards received in the reporting period



Klaus Baggesen Hilger from DONG Energy's Innovation Centre was awarded the wind turbine industry's 'Talent of the Year 2010' prize for his ability to procure new knowledge for the industry. He was the award winner in the 'large

companies' category, while Thomas Gellert from A2SEA, which is co-owned by DONG Energy, won the prize in the 'companies with fewer than 250 employees' category.

Michael Moesgaard, COI at DONG Energy, was awarded the 'CIO of the Year 2010' prize.

DONG Energy's corporate IT system 'GRIF' won SAP AG's 'Quality Award 2010' for successful implementation of a corporate SAP system after the merger of DONG Energy.

3.3 Parameters

GRI:03.01 Reporting period



Annual report 2010, page 160.

GRI:03.02 Date of the most recent report



DONG Energy's annual report 2010 is published 11.03.2011. The Corporate Responsibility (CR) reporting is an integrated part of the report. CR is also reported on the company Responsibility web site and this GRI site.

GRI:03.03 Reporting cycle



The CR reporting frequency is annually.

GRI:03.04 Contact person for questions regarding the report and its content



Annual report 2010, front cover, contents.

GRI:03.05 Process for defining report content



Relevance and materiality

DONG Energy is reporting according to "Global Reporting Initiative" (GRI), version 3 and the Electric Utility Sector Supplement. A supplement for the oil and gas sector has yet to be drafted to form the basis of reporting.

DONG Energy's Corporate Responsibility department must ensure that a systematic review is performed annually of the items included in the reporting for the coming year and the data compiled. The review must be performed by 1 October. A review was not performed in 2009. The materiality analysis from previous years is therefore still valid for the GRI reporting 2010.

In 2010, DONG Energy performed a materiality analysis on issues of interest to our stakeholders. This analysis is used as a basis for corporate responsibility section at www.dongenergy.com. In 2011 a review of materiality of the GRI indicators is planned.

The method may be developed, for example by incorporating input from external stakeholders, the company's business units and staff. The method selected will be described and will be made available to the public.

The items and types of data should be selected on the basis of relevance and materiality to the users of the external reporting and the internal management reporting. In addition, Corporate Responsibility may revise the requirements for the individual items and types of data on a continuous basis if the basis is revised. Corporate Responsibility determines which stakeholders should be involved in this selection.

Materiality

DONG Energy aims to include in the corporate responsibility reporting any information defined as material according to the materiality principle of the AA1000 Assurance Standard. Information on our social, environmental and financial performance is considered material if it is required by our stakeholders for them to be able to make informed judgments, decisions, and actions.

DONG Energy aims to include in the corporate responsibility reporting any information defined as material according to the materiality principle of the AA1000 Assurance Standard. Information on our social, environmental and financial performance is considered material if it is required by our stakeholders for them to be able to make informed judgments, decisions, and actions.

The Materiality Principle of the AA1000 Assurance Standard focuses on the issues that are material to stakeholders, as well as accurate. Material information is thus characterised as information the omission or misrepresentation of which in the report could influence the judgements, decisions and actions of our stakeholders.

AccountAbility, which administers the AA1000 Assurance Standard, recommends applying a five-part materiality test to determine whether information is material. The five parameters to consider are whether there are:

- 1) Direct short-term financial impacts (incl. compliance with legislation)
- 2) Own policies to measure performance against
- 3) Norms established within business peers
- 4) Stakeholder behaviour and concerns
- 5) Societal norms that are relevant

When assessing materiality against these five parameters, parameters 1 and 2 can be combined to form the GRI materiality factor, "Significance of economic, environmental, and social aspect", while parameters 4 and 5 can be combined into the factor "Influence on stakeholder assessments and decisions".

In order to be AA1000AS-compliant, a procedure must exist for testing materiality. Our procedure for testing whether information, including information contained in GRI indicators, is material is to assign values of 1 through 5 to each of the parameters 1, 2, 4, and 5. The factors of "significance" and "influence on stakeholders" are then calculated as average assigned values on parameters 1-2 and 4-5 respectively. Finally, the two factors are plotted in a matrix and an issue is determined to be material if "significance" x "influence on stakeholders" is above 4.5.

The last AccountAbility parameter, (3) Norms established within business peers, is taken into account by applying this evaluation procedure to industry-specific indicators. One set of such indicators is the EU indicators in the GRI Electric Utility Sector Supplement. Others reflect norms pertaining to the other business units in DONG Energy's portfolio, especially the E&P sector.

Assigning values to parameters 1, 2, 4, and 5

Values between 1 and 5 are assigned to each of the four parameters 1, 2, 4, and 5 based on evaluation of the questions below. The total score of a parameter may be high either because the answer is "yes" to all questions relating to the parameter, or because the answer to one question is a very strong "yes". In other words, positive answers to all questions are not necessary for a high score.

Values between 1 and 5 are assigned to each of the four parameters 1, 2, 4, and 5 based on evaluation of the questions below. The total score of a parameter may be high either because the answer is "yes" to all questions relating to the parameter, or because the answer to one question is a very strong "yes". In other words, positive answers to all questions are not necessary for a high score.

1) Short term financial impact

- Are there any direct and significant costs or financial benefits linked to the indicator?
- Is the indicator covered by regulation, and is non-compliance a significant risk factor?
- Does the activity linked to the indicator cause significant spending?

2) Covered by own policies

- Is the indicator directly covered by existing policies, targets or commitments?
- Is the indicator indirectly covered by policies or commitments and is the level of impact not marginal?

4) Impact on stakeholder behaviour and concerns

- Is the indicator within the sphere of interest of an identified, relevant stakeholder?
- Is the impact the indicator describes non-marginal?
- Has the stakeholder raised concern or is he/she likely to do so?

5) Covered by societal norms

- Is this an area that society expects business to report?
- Is the indicator an area in which future legislation is anticipated?

GRI:03.06 Boundary of the report



Annual report 2010, page 160.

GRI:03.07 Specific limitations on the scope or boundary of the report



See GRI indicator 03.05.

GRI:03.08 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsource operations etc.



Annual report 2010, page 160.

GRI:03.09 Data measurement techniques and the basis of calculations



Annual report 2010, page 160-163.

GRI:03.10 Explanation of the effect of any re-statements of information in earlier reports



Annual report 2010, page 161.

GRI:03.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report



Annual report 2010, page 161.

GRI:03.12 GRI Content index



GRI Content index content index including evaluation can be found in the annual report 2010 page 164-166. For the individual data for specific GRI accounts please use the tables and GRI structure on the GRI site.

GRI:03.13 Assurance



Annual report 2010, page 160.

GRI:EU01 Installed capacity, broken down by primary energy source and by regulatory regime.



This indicator provides information about the scale of DONG Energy's operations in terms of heat and electricity-generating capacity.

GRI:EU02 Net energy output broken down by primary energy source and by regulatory regime



For this indicator, a breakdown of energy generation into thermal and renewable energy sources is reported in accordance with GRI. The information is broken down by country, to give an overview of the geographical footprint of DONG Energy's production activities.

The purpose of the indicator is also to give an indication of how the company addresses climate change, e.g. by changing its fuel mix. DONG Energy addresses climate change through a strategic target for the specific CO2 emission per unit of energy generated, called '85/15'. This target entails changing production sources from 85% fossil and 15% renewable to 85% renewable and 15% fossil by 2040. This measure is reported instead of providing a breakdown of the generation by primary energy source.

For production data, see production, and for 85/15 data, see emissions to air.

GRI:EU03 Number of residential, industrial, institutional and commercial customer accounts



This indicator provides information about the scale of our sales activities within gas and electricity in different countries as it shows the number of customers in each country.

Customers are also broken down by type - residential, industrial and commercial.

See the table: Customers and Sales

GRI:EU04 Length of above and underground transmission and distribution lines by regulatory regime



The length of the electricity distribution lines and the gas distribution network give an indication of the size of DONG Energy's Sales & Distribution segment.

The length of the power distribution lines by voltage are defined by three voltage segments: 0.4kV, 10kV and 30/50kV respectively. This indicator also comprises facilities in the electricity grid, which are measured by number.

See the table: Distribution, interruptions and grid loss

GRI:EU05 Allocation of CO2 allowances or equivalent, broken down by carbon trading framework.



In connection with the Kyoto Protocol and the EU's CO₂ reduction targets, the Danish State has permitted DONG Energy and other energy producers to emit 57% of their 1990 CO₂ emissions in 2012. If a larger quantity is emitted, the energy producers must finance corresponding CO₂ reductions elsewhere. For this reason, DONG Energy is making dedicated efforts to reduce its CO₂ emissions per kWh generated and also purchases allowances and CO₂ credits from CO₂ reduction projects in developing countries and Eastern Europe.

For the period 2008-2012, DONG Energy has been granted allowances for the plants it operates that are subject to EU Emission Trading Scheme (ETS). For DONG Energy, the Siri offshore platform, Nybro gas treatment plant and 21 power stations are subject to this legislation. All are located in Denmark except Severn Power Station in the UK. The allowances are distributed to the individual plants and constitute a total of 10.2 million tonnes CO₂ per year for the DONG Energy-operated plants. Of this amount, 2.2 million tonnes constitute heating allowances. The heating allowances are not owned by DONG Energy, but are managed by DONG Energy for its heat customers.

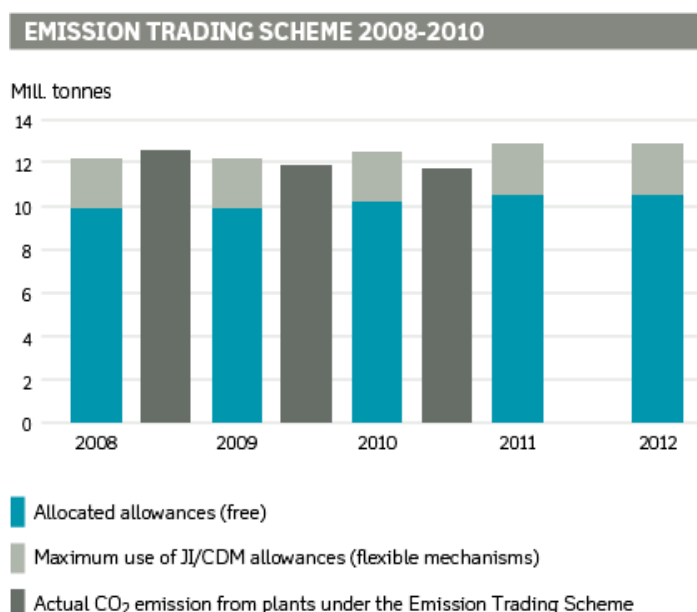
To ensure that actual CO₂ emissions correspond to the allowances available, expected generation and resulting emissions are calculated on a monthly basis. If expected emissions exceed the allowances available, DONG Energy purchases allowances on the Nordic market, Nord Pool, or uses the flexible mechanisms available to purchase CO₂ credits from CO₂ reduction projects in developing countries and Eastern Europe, known as Clean Development Mechanisms (CDM) and Joint Implementation (JI) projects. CDM projects are conducted in countries that have no reduction obligations under the Kyoto Protocol, i.e. developing countries, and JI projects are conducted in countries committed to reduction obligations under the Kyoto Protocol, i.e. primarily Eastern Europe. It is possible for DONG Energy to complete CO₂ reduction projects of up to 2.3 million tonnes of CO₂ in credits per year.

With respect to heating allowances, customers decide whether they want to handle the allowance reconciliation themselves and the potential purchase of allowances or credits or whether they want DONG Energy to do this for them. Most heat customers manage the allowance reconciliation themselves.

Each year, external assurance providers verify emissions. Based on actual emissions for Danish plants, a corresponding number of allowances and/or credits are returned to the Danish Energy Authority in March of the following year. Allowances are allocated each year in February for the relevant year. For Severn in the UK a similar process exists.

DONG Energy continuously sells and purchases allowances and credits. The actual distribution between allocated free allowances and purchased allowances/credits to match actual emissions is determined by a number of factors, including market conditions. The use of credits, however, is limited. For DONG Energy, actual CO₂ emissions subject to allowances were 11.8 million tonnes in 2010, which means that granted allowances potentially constituted 87% and purchased allowances and credits 13%.

The chart below shows the correlation between granted allowances and the maximum number of flexible mechanisms that may be used. Actual emissions for 2008, 2009 and 2010 are also illustrated.



3.4 Governance, Commitments and Engagement

GRI:04.01 Governance structure of the organization, including committees under the highest governance body



Annual report 2010, page 60-61.

GRI:04.02 Indicate whether the Chair of the highest governance body is also an executive officer



Annual report 2010, page 1, page 62 and page 66.

GRI:04.03 The number of members of the highest governance body that are independent and/or nonexecutive



Annual report 2010, page 58.

GRI:04.04 Mechanisms for shareholders and employees to provide recommendations or directions to the highest governance body



Annual report 2010, page 58-59.

GRI:04.05 Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance (incl. social and environmental performance)



Annual report 2010, page 59 and 86-88.

GRI:04.06 Process in place for the highest governance body to ensure conflicts of interest are avoided



Annual report 2010, page 59.

GRI:04.07 Process for determining the qualifications and expertise of the members of the highest governance body



Annual report 2010, page 58-59.

GRI:04.08 Internally developed statements of mission, values, etc. and the status of their implementation



Annual Report 2010, page 20-23.

GRI:04.09 Procedures of the highest governance body for overseeing the organization's identification and management of economic



Annual report 2010, page 59.

GRI:04.10 Processes for evaluating the highest governance body's own performance



Annual report 2010, page 59.

GRI:04.11 Explanation of whether and how the precautionary approach or principle is addressed



Annual Report 2010, page 60-61.

GRI:04.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses



In 2006, DONG Energy joined the UN Global Compact. DONG Energy has committed to promoting ten universal principles in the areas of human rights, labour, environment and anti-corruption, and the company's work with responsibility is guided by its principles. In 2007, DONG Energy began reporting in compliance with the Global Reporting Initiative applying level B+. In 2008, DONG Energy became a member of the World Business Council for Sustainable Development (WBCSD) and of the organisation Business Social Responsibility (BSR.org). In the latter, DONG Energy is participating in the working group "Environmental Services, Tools & Markets Working Group". In 2009, DONG Energy became a signatory to the Manifesto on Energy Efficiency in Buildings under the WBCSD in order to encourage energy efficiency in buildings and thereby work towards achieving emissions reductions in buildings. In 2010, DONG Energy co-funded the Green Growth Economies initiative which aims to encourage green growth.

GRI:04.13 Memberships in associations and/or advocacy organisations



Find the response under indicator SO5.

GRI:04.14 List of stakeholder groups engaged by the organisation



In 2010, DONG Energy engaged in dialogue centrally as well as locally with the external community on a whole range of issues. The expectations and demands from the company's stakeholders are important in the continuous CR-work and DONG Energy therefore participates in a continuous dialogue. See mapping of and dialogue with DONG Energy's stakeholders here:

Some of DONG Energy's stakeholders are:

Climate

WWF
The Danish Society for Nature Conservation
Greenpeace
The Danish Consumer Council
The Information Center for Environment and Health
Experts in Denmark as well as abroad.

Environment

The Danish Council of Sustainable Business Development
Neighbours
Public meetings.

Customers and business partners

Customer meetings and visits
Public authorities and enterprises
Focus groups

Employees and safety

Liaison committees
Safety committees
Experts
Students

Good business practices

Suppliers
Amnesty International
3F
The Danish Metalworkers' Union (Dansk Metal)
Danish Labour (LO)
Other members of the UN Global Compact and other networks, in which we exchange experience.

GRI:04.15 Basis for identification and selection of stakeholders with whom to engage



One of DONG Energy's core values is responsiveness and it is important for the company to discuss and reconcile expectations and demands with stakeholders. Being present in the entire energy value chain, DONG Energy has a diverse range of stakeholders and the company strives to be open and constructive in dealing with them - whatever their focus. DONG Energy is in dialogue with its surroundings and continuously seeks to identify challenges and expectations in the public debate.

Generally, DONG Energy has a good overview of the organisation's principal stakeholders in Denmark. DONG Energy considers employees, customers, government and regulators, suppliers, investors and local communities to be stakeholders. In general DONG Energy considers those who are taking a proactive approach to the business or who - to a significant extent - are affected by the company's activities to be stakeholders. DONG Energy maintains an ongoing dialogue with stakeholders at local, regional and national level.

Internationally, DONG Energy has an ongoing, informal stakeholder dialogue, and in 2011 the company plans to map stakeholders in the countries in which we have a presence. In this connection, there will be a strategy for this dialogue in 2011.

GRI:04.16 Approaches to stakeholder engagement, including frequency by type and group



Following the launch of DONG Energy's 85/15 plan in 2009, the company's meetings with stakeholders have focused on issues related to moving the company's operations towards a clean and reliable energy supply. A key element to achieve the objective of reducing the company's environmental impact is to increase the use of biomass significantly.

To that end, DONG Energy therefore held round-table meetings with different environmental NGOs in the spring and winter. During the summer of 2010, DONG Energy held individual follow-up meetings with NGOs to discuss the input the company has received at these meetings and provide a basis for new collaboration platforms and knowledge-sharing on the subject.

These meetings identified other issues for further engagement.

GRI:04.17 Key topics and concerns that have been raised through stakeholder engagement



DONG Energy publishes the themes that the company's different stakeholder groups find most material on its website. For the stakeholder groups: customers, investors, regulators, NGOs, employees, suppliers and communities, DONG Energy has listed the three most important issues that were discussed with each group. Key tools and processes for the dialogue as well as the outcome of the interaction are also described.

3.5 Management Approach

DMA Economy (EC) Management approach, economy



Read our approach to economics in the responsibility section of DONG Energy's annual report page 60-61.

DMA Environment (EN) Management approach, environment



Read our approach to environment in the responsibility section of DONG Energy's annual report page 20-23.

DMA Human Rights (HR) Management approach, human rights



Read our approach to human rights in the responsibility section of DONG Energy's annual report page 20-23.

DMA Labour Practices (LA) Management approach, labour practices



Read our approach to labour practices in the responsibility section of DONG Energy's annual report page 20-23.

DMA Products (PR) Management approach, products



Read our approach to products in the different business unit sections in DONG Energy's annual report page 25-53.

DMA Society (SO) Management approach, society



Read our approach to society in the responsibility section of DONG Energy's annual report page 20-23. in DONG Energy's annual report page 25-53.

4. Economics

DONG Energy is one of the leading energy groups in Northern Europe and our business is based on producing, trading, selling and distributing energy and related products. As energy supply is part of the lifeblood of modern society, our activities are essential to and have a great impact on the communities of which our group is a part. Through our business activities we help ensure our customers a reliable energy supply. Based on our core values - result-oriented, responsible and responsive - we endeavour to act responsibly and to live up to society's expectations every single day.

DONG Energy's long-term vision is to provide clean and reliable energy. This is the objective we are aiming towards by means of new investments and continuous development of our operations. We believe that we can turn the challenges facing the energy sector into opportunities and thus create added value for DONG Energy, long-term financial added value for our owners, environmental improvements, and also contribute positively to ethical, social and societal development.

GRI:EC01 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments



Annual report 2010.

GRI:EC02 Financial implications and other risks and opportunities for the organization's activities due to climate change



DONG Energy's CEO, Anders Eldrup, is highly involved in the strategic efforts to combat climate change through several external forums, see SO5, where several considerations on climate change and solutions to this challenge are expressed and through implementing the new strategy for DONG Energy with regard to cleaner electricity generation.

Climate change in Denmark and Northern Europe will cause more rain in winter, less in summer, milder winters and hotter summers, higher sea levels as well as more extreme weather such as more wind and more extreme storms. This will increase the risk of physical effects on buildings, structure and ports etc. This also presents a risk for DONG Energy's assets. DONG Energy has evaluated this fact and found that more focus on these risks will be necessary in the coming years. Through DONG Energy's mission for security the company has placed extra emphasis on the topic: "Security encompass business continuity and emergency response, with focus on securing environmental and physical assets, and anticipating and preparing for potential adverse events, in order to secure that we are able to guarantee a reliable supply of energy and minimizing our environmental impact".

Climate change will cause more extreme rain and more frequent flooding, which presents a risk for DONG Energy's electricity supply installations. DONG Energy has had a digital GIS tool developed that can help position future electricity supply installations appropriately in relation to the dangers of flooding in the metropolitan area. The tool can be used to map those existing installations that are in danger of being flooded.

Climate change gives rise to certain regulatory risks arising from uncertainty about long-term public policy relating to combating climate change at national, EU and global levels of government. These uncertainties will affect the perception of risk associated with investments in new energy infrastructure and technological development.

The cost of activities to the organisation from complying with new regulation to combat climate change is partly a function of the cost of CO2 emissions in the EU. In a broader perspective, DONG Energy's recent announcement of a significant focus on investments in renewables capacity can also be viewed as a proactive adjustment to an anticipated future low-carbon regulatory regime. Our decisions to invest in renewable energy generation depend on the expected price of CO2 emissions allowances under the EU Emission Trading System (ETS) and the national subsidy schemes for renewable

energy generation. The administrative costs to the organisation of complying with new climate change regulation are estimated to be relatively modest compared to the other climate compliance costs described above.

Climate change, and the secondary focus on clean energy and green jobs, creates many opportunities to develop new technologies, products and services. DONG Energy strives to exploit these opportunities.

DONG Energy has therefore formulated a vision to provide reliable energy without CO2 and plans, over the next 30 years, to convert DONG Energy's CO2-emitting generation to less than 15%, against 85% today. Specifically, this means a target of reducing CO2 emissions from energy generation by 50% by 2020 and by 85% by 2040.

The plan is 'frontloaded', which means that most of the investment decisions needed to achieve the 2020 target have been made. This means that day-to-day work is focused on adapting and adjusting the organisation to achieve its objectives through:

- Wind power development
- Conversion to biomass use
- Phasing out coal and phasing in gas
- Electric and biofuels for transport
- Smart grid and demand response
- Climate partnerships

One of the major challenges is to procure the necessary quantities of biomass, some of which will be bought in from overseas markets. Other potential uncertainties include wind and biomass subsidies in the countries in which DONG Energy operates, operating risk of offshore wind turbines, etc.

The legal scope and technological progress we are making in line with the recognition of the climate challenge enable DONG Energy to gain competitive edge. Our strong focus on increasing use of renewable energy sets us apart from some of the other energy companies. DONG Energy has built half of the largest offshore wind farms in the world and is thus a market leader in this area. The financial implications of climate change are difficult to quantify as they depend on a number of uncertain factors, including the climate change geographical consequences, political reactions and technological innovations and technologies. DONG Energy's new strategy to combat climate change includes investments and strategic work for the next decades. DONG Energy works continuously on solutions to financially and strategically fulfil the strategy and combat climate change.

Climate change affects the financial position of DONG Energy indirectly by affecting the energy market, especially the markets for trading in CO2 emissions allowances, green certificates and other support schemes. The conditions for pricing of the latter markets are decided via government policies. Prices of CO2 emissions allowances, etc., are continuously analysed by DONG Energy to evaluate market risks, for example.

GRI:EC03 Coverage of the organization's defined benefit plan obligations



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EC04 Significant financial assistance received from government



Annual report 2010, page 90.

GRI:EC05 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EC06 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EC07 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EC08 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EC09 Understanding and describing significant indirect economic impacts, including the extent of impacts



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EU06 Management approach to ensure short and long-term electricity availability and reliability



DONG Energy's approach in maintaining both the long-term and short-term functionality and value of the electricity distribution networks is life cycle optimisation. DONG Energy continuously analyses the trends in costs of operation and maintenance together with the level of security of supply for comparison with the cost of replacement of each asset group to determine what the company believes to be the optimum economic/technical lifespan and to maintain reliable supply at existing levels. DONG Energy's operating costs are benchmarked by the regulator to ensure a recent level over time throughout the Danish distribution companies. The benchmark also covers security of supply.

In order to meet regulatory requirements on improvement of the security of supply, all incidents of interruptions are recorded and the different types of interruptions are evaluated and specific means may be taken based on the

assessments in order to increase the future level of security of supply. DONG Energy participates in shaping the regulatory framework in cooperation with the Danish Energy Association. To protect the power supply from weather damage, and to improve the electricity distribution networks, the company is in the process of replacing all low-voltage overhead lines with underground cables.

The short-term approach includes regular condition supervision of the key elements in the grid. DONG Energy continuously monitors changes in demand at customers and considers the future grid structures for co-generation of heat and power and integration of renewables. To ensure stability under extreme system conditions, the grid has automatic and manual load shedding in case of a frequency drop caused by power shortage.

GRI:EU07 Demand-side management programs including residential, commercial, institutional and industrial programs.



See the response in the table: Customers and Sales.

GRI:EU08 Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development



Within the energy sector there is a great need for continued research and development. In 2009, DONG Energy invested DKK 197 million in research and development. In 2010, DKK 306 million was invested.

The significant increase is primarily due to completion and commissioning of the demonstration plant for the production of second-generation bioethanol from straw in Kalundborg.

The focus in 2010 was on four strategic areas: flexible customer solutions, renewable energy, new biomass and combined heat and power production.

Flexible customer solutions: DKK 26 million.

Flexible customer solutions cover IT solutions for handling flexible consumption and decentralised energy generation, methods and tools for balancing consumption and production and aggregation of smaller units and consumption. In addition, efforts within the smart grid and new customer-customised solutions for residential customers, businesses and municipalities. Major areas covered include electric cars and energy savings. For electric cars, the focus is on consumer purchasing, recharging and infrastructure.

Renewable energy: DKK 31 million

Renewable energy covers vast efforts to optimise and further develop offshore wind power. This includes developing new concepts for wind power and wind prediction forecasting. In addition, there is a focus on demonstration of the link with coupling to wave power.

New biomass solutions: DKK 213 million

New biomass solutions cover the remaining investment in the demonstration plant for the production of second-generation bioethanol. In addition, efforts to develop and demonstrate a new method to produce biogas from municipal waste (Pure Science), and demonstration of a gasification concept that converts straw into gas that can be used as fuel in conventional coal-fired boilers. Finally, new biomass solutions also cover the range of different projects in biomass and waste, including life cycle assessments and economy.

Combined heat and power production: DKK 26.2 million

Combined heat and power production covers activities for the conversion from coal to biomass, continuous improvement of cogeneration efficiency, focusing on the impact of incorporating straw and wood pellets into the fuel tape.

Other: DKK 26.2 million

Other covers IPR (Intellectual Property Rights), collaboration with universities and other centres, and CCS (Carbon Capture and Storage), etc.

GRI:EU09 Provisions for decommissioning of nuclear power sites



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EU10 Planned capacity against projected electricity demand over the long-term, broken down by energy source and regulatory regime



In Denmark, overall responsibility to supply electricity and gas rests with the State-owned company Energinet.dk, which owns, maintains and develops public transmission networks and is responsible for planning the power exchange with neighbouring countries.

The Nordic power market has been liberalised, and power is traded and prices are fixed on Nord Pool, the Nordic power exchange. The power companies, including DONG Energy, make their capacity planning on the basis of expected developments in electricity prices. In Denmark, securing capacity to cover peak load situations and extreme situations is effected through Energinet.dk's purchase of reserves from market players, including DONG Energy.

Energinet.dk estimates the future capacity requirement on the basis of projected consumption, reports on scrapped capacity and annual demand fluctuations. The projections are adjusted on an ongoing basis with actual consumption figures from power consumption panels representing consumers from various consumption categories. The market secures the required capacity, which is sold on the Nord Pool spot market and as reserves to Energinet.dk, for example.

In the other Northern European countries in which DONG Energy owns capacity, the same distribution between market, production and system responsibility applies, and capacity planning is undertaken in the same way. Sweden and Norway are also part of Nord Pool, and the system responsibility rests with Statnett in Norway and Svenska Kraftnät in Sweden respectively. Likewise, the UK has a market for power trading. The system responsibility here rests with Ofgem, and operation of the transmission network is undertaken by the National Grid. In Germany, the transmission network is owned, among others, by the large producers, although, legally, Germany distinguishes between production and transmission network. The transmission network companies also have the system responsibility, and for this reason they must secure the required capacity.

In 2010 DONG Energy commissioned/bought the following facilities:

Name	Country	Technology	MW	MW Dong Energy ownership	Launch
Karnice	PL	Wind	30	30	2010
Karcino	PL	Wind	51	51	2010
Gunfleet Sands 1 & 2	UK	Wind	173	173	2010
Storrún	SE	Wind	30	24	2010
Horns Rev 2	DK	Wind	209	209	2010
Nysted	DK	Wind	166	166	Bought for the purpose of re-sale, cf. closed facilities
Mehuken 1	NO	Wind	4	1	2010
Mehuken 2	NO	Wind	18	6	2010

Mongstad	NO	Gas-fired CCGT	260	260	2010
Severn	UK	Gas-fired CCGT	824	824	2010

In 2010 DONG Energy has adopted the following investments:

Name	Country	Technology	MW	MW Dong Energy ownership	Launch
Anholt	DK	Wind	400	400	2013
Gunfleet Sands Demo	UK	Wind	12	12	2012
Avedøre Holme 1	DK	Wind	4	4	2011

In 2010 DONG Energy has closed or sold the following facilities:

Name	Country	Technology	MW	MW Dong Energy ownership	Closed/sold
Nysted	DK	Wind	166	71	Sold 57,25 %
Walney 1	UK	Wind	184	138	Sold 49,9 %
Walney 2	UK	Wind	184	138	Sold 49,9 %
SKS (Salten Kraftsamband)	NO	Mainly water	400	0	Sold 23,67 %
Nordkraft	NO	Mainly water	193	0	Sold 33,33 %
Avedøre Holme 2	DK	Wind	4	0	Turbine sold
Frederikshavn	DK	Waste power	2	0	Sold
Vejen	DK	Waste power	3	0	Closed

In 2010 DONG Energy has decided to close/sell the following facilities:

Name	Country	Technology	MW	MW Dong Energy ownership	Closed/sold
Odense	DK	Waste power	24	0	2011 (transfer to Vattenfall)
Haderslev	DK	Waste power	6	0	2013 (closed)

In 2010 DONG Energy has mothballed* the following facilities:

Name	Country	Technology	MW	MW Dong Energy ownership	Closedown
Asnæsværket B5	DK	Coal-fired	640	640	2010
Studstrupværket B4	DK	Coal-fired and straw	357	357	2010

In 2010 DONG Energy has decided to mothball* the following facilities:

Name	Country	Technology	MW	MW Dong Energy ownership	Closedown
Enstedværket B3	DK	Coal-fired	622	622	2013
Stigsnæsværket B2	DK	Coal-fired	264	264	2013

*Closed: When a facility is closed, or mothballed, the capacity of that facility is registered with the Danish Energy Authority, but is not included in DONG Energy's capacity, unless Energinet.dk requests the commissioning of the facility. Asnæs Power Station's unit 5 and Studstrup Power Station's unit 4 may also be launched in case of failure in other units in these locations with a view to supplying district heating.

GRI:EU11 Average generation efficiency of thermal plants by energy source and by regulatory regime



Generation efficiency is a constant focus in operating all the company's electricity-generating facilities.

Average generation efficiency is defined as the energy generated from the energy input into the heat and electricity-generating stations. The indicator is broken down by central and de-centralised power stations.

See the table: Capacity availability factors and generation efficiency.

GRI:EU12 Transmission and distribution losses as a percentage of total energy



The loss of electricity in distribution and transmission indicates the efficiency of operating the grids. It is important to operate with high efficiency for both financial and environmental reasons.

DONG Energy only operates distribution grids.

See the table: Distribution.

5. Environment

DONG Energy is one of the leading energy groups in Northern Europe and our business is based on producing, trading, selling and distributing energy and related products. As energy supply is part of the lifeblood of modern society, our activities are essential to and have a great impact on the communities of which our group is a part. Through our business activities we help ensure our customers a reliable energy supply. Based on our core values - result-oriented, responsible and responsive - we endeavour to act responsibly and to live up to society's expectations every single day.

DONG Energy's long-term vision is to provide clean and reliable energy. This is the objective we are aiming towards by means of new investments and continuous development of our operations. We believe that we can turn the challenges facing the energy sector into opportunities and thus create added value for DONG Energy, long-term financial added value for our owners, environmental improvements, and also contribute positively to ethical, social and societal development.

GRI:EN01 Materials used by weight or volume



According to the GRI definition, materials used comprise raw materials, associated process materials and packaging materials for manufacturing the enterprise's products.

The GRI's distinction between direct and indirect material consumption, according to which direct consumption is defined as the use of materials incorporated in the final product, is not applied, as this would not make sense in relation to DONG Energy's products. DONG Energy distinguishes between the consumption of raw materials, i.e. energy resources, including biomass and waste incinerated to generate power and heat, and the consumption of associated process materials, i.e. chemicals. With respect to the consumption of natural gas, flaring and venting carried out for safety or similar purposes is reported in addition to total consumption. Venting does not include natural gas emitted to the atmosphere through pipelines opened in connection with maintenance work etc., because such venting is deemed to be negligible.

A process to improve and harmonise knowledge and registration of chemicals began in 2009 in the whole of DONG Energy. It has resulted in a new joint system for handling chemicals that was implemented in the spring of 2010. The new chemicals database will make it possible to increase the methodical approach to working with chemicals at DONG Energy. In 2011, a connection to the purchasing system is being prepared to enable reporting of the consumption of chemicals from 2012.

For energy companies such as DONG Energy, this will to some extent overlap with our direct energy consumption, which is reported under EN3 – Direct energy consumption, since the materials for the generation of energy are raw materials such as coal, oil, biomass, waste and gas. As a result, the responses to EN1 and EN3 will naturally overlap. The use of fuels for transportation is not included. This is reported separately under EN29 – Significant environmental impacts of transporting products, materials and members of the workforce.

For information on consumption of materials and associated process materials, see the table: Materials and energy consumption.

GRI:EN02 Percentage of materials used that are recycled input materials



DONG Energy operates waste incineration plants that use household and industrial waste as fuel. Waste incinerated at waste incineration plants is reused material and replaces other raw materials in the generation of power and heat. Waste incineration is not considered to be recovery as defined in the Danish Executive Order on Waste Management. However, as waste incineration generates energy that has first priority in the grid, it replaces the potential consumption of other sources of energy, such as coal, oil and gas. This is normally called recovery of waste. Therefore, DONG Energy considers recovery of waste as the most material contribution in terms of reporting on the GRI indicator.

The purpose of the GRI indicator is to show the extent to which the enterprise seeks to avoid the use of virgin natural resources.

The level of recycling in DONG Energy has been calculated on the basis of the consumption of raw materials and not the total consumption of materials (raw materials and chemicals).

See recycled relative to total weight on the page Materials and energy consumption.

GRI:EN03 Direct energy consumption by primary energy source



DONG Energy buys, sells and generates primary energy. DONG Energy's total direct energy consumption equals the primary energy purchased and generated less the amount of primary energy sold on. DONG Energy primarily uses direct energy for generating power and heat. The consumption of direct energy therefore depends on consumer demand for power and heat.

The amount of fossil energy sources is calculated as the consumption of coal, oil and natural gas, excluding consumption relating to transportation, which is reported under EN29 – Environmental impacts of transporting products, materials and members of the workforce.

The amount of renewable energy sources is calculated as the share of fuels used in heat and power-generating plants considered to be CO₂-neutral. This includes biomass and waste considered to be CO₂-neutral under the Danish CO₂ Allowances Act.

According to GRI, this indicator should be reported as two parameters: the amount of fossil energy sources and the amount of renewable energy sources. For energy companies such as DONG Energy, this overlaps to some extent with EN1 - Material use, as DONG Energy's primary material consumption consists of energy sources such as coal, oil and natural gas. The interesting aspect of this indicator is the ratio between renewable and fossil energy sources, and thus the focus on more sustainable energy consumption. In contrast, EN1 focuses on the enterprise's use of resources.

For information about the consumption of fossil raw materials, see the table: Materials and energy consumption

GRI:EN04 Indirect energy consumption by primary source



DONG Energy's indirect energy consumption is calculated as power and heat consumption in administration buildings, at pumping stations, gas facilities, etc., i.e. the consumption of power we purchase on the grid.

Consumption of power and heat in administration buildings and at plants that do not generate power and/or heat is calculated and translated into primary energy sources (coal, oil, gas, biomass, biogas, waste, wind, hydro, solar, nuclear power or other). The basis for the translation into primary fuel use can be seen together with data shown in the table: Materials and energy consumption.

The consumption of power and heat at power stations and for wind turbines is recognised under direct energy consumption and is reported under EN3 - Energy consumption.

GRI:EN05 Energy saved due to conservation and efficiency improvements



According to the GRI, this indicator should reflect energy saved due to conservation and efficiency improvements. Reduced energy consumption due to process redesign, conversion and retrofitting of equipment and changes in personnel behaviour should all be included, as the effective object of such project measures is to save energy. Reduced energy consumption due to reduced production capacity or outsourcing should not be included.

In 2007, in connection with the Environmental Strategy, a target was set to reduce CO₂ emissions by 1 tonne per employee by 2012, generally called the '1 tonne less' target. In 2009, the first many initiatives were launched to work towards this target.

In addition to these, a whole range of renovations and process redesign is taking place at each location, which is not included in the DONG Energy Environmental Strategy and is not reported.

Energy savings for initiatives that have been completed can be seen under Emissions to air.

For additional information about 1 tonne less see the Annual Report 2010 page 20.

GRI:EN06 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives



See the response in the table: Customers and Sales.

GRI:EN07 Initiatives to reduce indirect energy consumption and reductions achieved



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN08 Total water withdrawal by source



According to the GRI definition, water consumption includes all water from any source (ground water, surface water, sea water, rainwater, waste water) withdrawn directly or through intermediaries such as water utilities.

Most of DONG Energy's water consumption is withdrawn directly, e.g. on oil or gas production platforms and at power and heat-generating plants. Such consumption is regulated through licences.

The power stations, for example, use large volumes of water, e.g. for cooling water. The cooling water is 'borrowed' from lakes, streams or the sea and is circulated through closed systems at the power station, after which it is discharged. Any temperature increases in the recipient after circulation have been agreed upon with the authorities and are subject to monitoring.

For DONG Energy, the calculation of the consumption of ground water in administration and production is determined by whether the withdrawal is direct (from own source) or indirect (from water works), as this total reflects the impact on drinking water resources. Other forms of water consumption, such as cooling water and rainwater, are not calculated, as they are considered to be less significant.

At DONG Energy's offshore production platforms, large volumes of water are drawn up together with oil. This so-called produced water is not used, but is treated and discharged to the sea or reinjected into the reservoir. For this reason, it is not included in the calculation of water consumption. It is, however, included under EN21 – Total water discharge by quality and destination.

For information on water consumption, see the table: Water consumption and discharge.

GRI:EN09 Water sources significantly affected by withdrawal of water



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN10 Percentage and total volume of water recycled and reused



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas



DONG Energy has power stations, wind turbines, cables, oil and gas activities close to protected areas – in Denmark as well as abroad.

Legislation is in force to ensure that our activities are assessed in relation to any impacts and that activities are initiated to control/minimise any impacts in the project and closure phases as well as in the operational phase. Collecting information on the location of DONG Energy's activities in relation to protected areas is considered irrelevant, since such information does not provide any information on impacts on biodiversity and the handling thereof.

For more information about how biodiversity aspects are handled in relation to DONG Energy's activities through legislation, see EN12.

GRI:EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas



Increased biodiversity focus in operations and projects within the EU is driven by legislation. Most of DONG Energy's activities are within the EU and are therefore comprised by European directives such as the VVM Directive, the Habitat Directive and the Bird Protection Directive. The directives define the framework for the assessment and handling of impacts of, among other things, biodiversity, in the planning management to minimise the consequences of the activities. This applies to impacts during the planning and the operating phases of an activity.

DONG Energy is familiar with this legislation from project experience in Denmark and abroad, for instance in the UK, where DONG Energy operates many offshore wind farm projects. DONG Energy handles biodiversity impacts within the EU through current legislation and through the engagement of relevant NGOs in the planning work.

Operational impacts on the environment are handled through environmental approvals issued in compliance with current legislation.

To handle and minimise major impacts on the biodiversity area within the EU, it is therefore of primary importance to DONG Energy to ensure compliance with legislation and to maintain a good dialogue with regulatory authorities and NGOs.

DONG Energy is, however, involved in activities that are not subject to European legislation. These are projects outside the EU such as CDM projects and purchase of fuels, including biomass.

Decisions under the Kyoto Protocol define a procedure whereby the project host completes an environmental assessment for CDM project activities. During this procedure any impacts on biodiversity will be investigated as part of the socio-economic and environmental impacts. Here, DONG Energy performs due diligence investigations of CDM projects in which ethical, environmental and health and safety aspects as well as biodiversity impacts are investigated.

For purchases of biomass, it is our vision to endeavour to meet DONG Energy's requirements for CO₂-neutral biomass that is 100% environmentally sustainable and financially attractive. For more information on our requirements for biomass and suppliers, visit:

GRI:EN13 Habitats protected or restored



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN 14 Strategies, current actions, and future plans for managing impacts on biodiversity



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN16 Total direct and indirect greenhouse gas emissions by weight.



According to the GRI definition, greenhouse gas emissions include emissions from generation of electricity, heat and steam, other combustion processes such as flaring, physical or chemical processing, transportation of materials, products and waste, venting and fugitive emissions.

DONG Energy's most substantial emissions of greenhouse gases derive from the generation of power, heat and steam. We also include emissions of carbon dioxide, methane and other volatile organic compounds from physical and chemical processes at other facilities and in other administration buildings, including emissions from venting and flaring of natural gas. Our reporting distinguishes between carbon dioxide emissions from facilities that are subject to emissions allowances and those that are not.

Fugitive emissions, e.g. from coal bunkers, are not included, as such emissions are considered to be less significant. According to the IPCC guidelines for National Greenhouse Gas Inventories, fugitive emissions of methane from coal storage should be included in the country in which the mining takes place. Therefore, they are not relevant for DONG Energy as the company's activities do not include mining.

Fugitive emissions of methane and NMVOC from oil tanks at Fredericia Oil Terminal are, however, included, as DONG Energy regards these emissions as significant.

Emissions from transportation of products, materials and waste are not included. These are reported separately under EN29 – Significant environmental impacts of transportation.

Significant indirect emissions of greenhouse gases originate from the consumption of power and heat. For DONG Energy, indirect emissions are only calculated for carbon dioxide. Indirect emissions do not include emissions based on consumption of power and heat for the generation of power and heat. These are defined as direct emissions of greenhouse gases and are included in these data types.

The GRI Electric Utility Sector Supplement also includes reporting on the specific emissions of greenhouse gases (g CO₂ per kWh of energy) for the total amount of energy generated, for energy generated from fossil sources and for energy supplied to end users.

DONG Energy's climate strategy 85/15 is founded on CO₂ emissions in relation to total energy generation. This is therefore the basis for responding to the sector supplement. The two other requested specific emissions in the sector supplement are not reported.

To learn more about DONG Energy's 85/15 Strategy see the Annual Report 2010 page 17.

For information on the volumes and types of CO₂ emissions and other greenhouse gases, see Emissions to air.

GRI:EN17 Other relevant indirect greenhouse gas emissions by weight.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved



According to the GRI, this indicator should reflect reductions of emissions identified under [EN16](#). The reductions result from measures such as energy savings identified under [EN5](#), i.e. as a result of DONG Energy's '1 tonne less' target. Reduced greenhouse gas emissions resulting from projects for which the effective object is such reductions are reported. Reduced emissions resulting from reduced generation or outsourcing are not included, nor are reduced emissions achieved in customers' homes.

DONG Energy works to reduce CO₂ emissions and develop renewable energy through its Environmental Strategy.

The Environmental strategy includes a target for reducing CO₂ emissions from DONG Energy's own energy consumption by 1 tonne per employee by 2012.

In 2009, the first many initiatives were launched to work towards this target.

Reductions in greenhouse gas emissions for completed initiatives and the current status for the '1 tonne less' target can be seen under Emissions to air.

Learn more about 1 tonne less in the Annual Report 2010 page 20.

GRI:EN19 Emissions of ozone-depleting substances by weight



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under .

GRI:EN20 NO_x, SO_x, and other significant air emissions by type and weight



This indicator is particularly relevant to DONG Energy in relation to emissions from electricity and heat generation, and we report on the emissions that are considered significant by authorities through licences, monitoring requirements, etc. We also include emissions of NO_x and SO₂ from physical and chemical processes at other facilities and in administration buildings, including emissions from venting and flaring of natural gas.

In addition to CO₂, NO_x and SO₂ constitute the most significant emissions.

Fugitive emissions, e.g. from coal storage facilities, are not included, as such emissions are considered to be less significant. Furthermore, emissions from transportation of products, materials and waste are not included. These are reported separately under EN29 – Significant environmental impacts of transporting products, materials and members of GRI:03.05the workforce.

See emissions to air.

GRI:EN21 Total water discharge by quality and destination



According to the GRI definition, water discharges comprise all discharges of water, planned as well as unplanned. Collected rainwater and domestic sewage are, however, not included. Discharges must be reported by destination and treatment method, as well as by standard effluent parameters such as Biological Oxygen Demand (BOD), suspended solids, etc.

DONG Energy discharges water at many locations and subject to many different requirements for measurement of effluent parameters. For this reason, it is not possible to provide a meaningful mapping of water discharges at group level based on GRI's reporting requirements. Instead, we report our water discharges by destination from when the water leaves our premises, is discharged either directly to the recipient or to the recipient after treatment by DONG Energy or is discharged directly to treatment plants (not owned by DONG Energy) or to treatment plants after treatment by DONG Energy.

Effluents discharged from DONG Energy's administration buildings in Denmark are considered to be and are of a quality similar to that of ordinary domestic waste water and is received by public treatment facilities. No overall figure for this is available, but the volume is presumed to equal the volume of water used in administration buildings.

When we extract oil and gas from our offshore oil and gas fields, produced water containing oil is also drawn up from the reservoir. Most of the oil is separated from the produced water on the platform. The produced water, which still contains traces of oil, is then reinjected into the reservoir or discharged to sea. ReInjection protects the marine environment, as discharges of produced water, and hence discharges of oil, to sea are minimised. The monthly average content of oil in produced water discharged to sea does not exceed 30 mg per litre.

For information on water discharges, see the table: Water consumption and discharge.

GRI:EN22 Total weight of waste by type and disposal method.



According to the definition of the Danish Executive Order on Waste Management, waste is calculated according to the method of disposal as recycling, incineration or disposal by landfill. Waste is also classified as either hazardous or non-hazardous. The volume of waste is calculated for facilities and administration buildings.

The calculation of waste under this indicator only includes waste generated by DONG Energy. Waste treated at DONG Energy's waste incineration plants is therefore not included. Waste that has been treated is reported under EN1 and the amount of treated waste that is characterised as hazardous waste is also reported under EN24.

Waste is classified as either deriving from projects or from operations according to the classification applied to financial data.

Residual products from electricity and heat generation, such as ash, slag and gypsum, are not included as waste. Information about these products, volumes and recycling rates are reported separately. See the table Production.

In 2007, targets were set to increase waste recycling towards 2012: We must recycle 65 per cent of the aggregate volume of waste from our facilities and 50 per cent of that from our administration buildings. Recycling of waste is therefore also reported from facilities and administration buildings respectively.

See the table: Waste

GRI:EN23 Total number and volume of significant spills



This indicator is defined as the number and volume of significant spills resulting in substantial financial liabilities. DONG Energy uses a model to determine the gravity of environmental incidents based on the volume, spread and impact of the incident. The model may also be used to determine the potential impact of the incident. The efforts to handle environmental incidents systematically may still be improved, but the model has given a good overall picture of the most significant environmental incidents.

DONG Energy reports environmental incidents for the locations the company owns and operates. DONG Energy considers significant spills as an unwanted event that has an effective impact on the environment.

DONG Energy systematically records acts on and follows up on unwanted events. The company applies the principle that the degree of action is determined by the categorisation of the gravity of the incident. Such categorisation must be used to determine the scope of corrective and preventive action in relation to an incident.

For external reporting purposes, significant incidents are actual incidents that are defined as grave or alarming with an effective impact value of 25 or higher according to the model. Gas leaks resulting from excavation damage to natural gas distribution pipelines are also calculated. However, these are not rated as above, as they are accidents caused by third parties and can therefore only to a limited extent be prevented by DONG Energy. This is also the reason why gas leaks are calculated separately from other environmental incidents.

See the table: Transportation and other environmental aspects.

GRI:EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally



DONG Energy has mapped its handling of hazardous waste, including the transportation, import, export and treatment of our waste in Denmark. The mapping shows that all hazardous waste generated by DONG Energy is also transported to a primary treatment facility in Denmark at for example Stena A/S.

DONG Energy receives hazardous waste such as clinical waste from hospitals for treatment at our waste incineration plants. At some of our waste incineration plants, DONG Energy treats hazardous waste by incineration. The hazardous waste includes clinical risk waste, creosote-treated wood and ethanol solution and paint dust.

DONG Energy does not import waste, but exports residual products from some locations.

For hazardous waste and exported residual products, see the table Waste.

GRI:EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN27 Percentage of products sold and their packaging materials that are reclaimed by category



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EN28 Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations



Compliance with legislation has high focus and is treated as a separate item in DONG Energy's QHSE policy.

Any non-compliance with legislation that results in substantial fines may be used as an indicator of the extent to which DONG Energy complies with legislation. In addition, DONG Energy reports on the number of complaints concerning our practices and our methods for complying with environmental laws and regulations under this indicator.

A substantial fine is defined as being more than DKK 50,000. The matter must have been resolved to be included in the reporting. DONG Energy did not receive any substantial fines in 2010.

The reporting from 2009 and onwards also includes enjoinings/injunctions, police reports and cases in judicial tribunal in relation to compliance with environmental laws and regulations.

No cases were brought before judicial tribunals and no police reports were filed in 2010 in relation to compliance with environmental laws and regulations.

See table: Transport and other environmental aspects.

GRI:EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce



According to the GRI definition, environmental impacts of transportation includes fuel consumption, emissions, discharges, waste, noise and spills, and are compiled for transportation for logistical purposes and transportation of members of our workforce.

At DONG Energy, we assess the most significant environmental impacts of transportation to be the transport conditions on which we have a direct influence, either directly as owners or through leasing of transportation and transportation of members of our workforce. Transportation of materials, where DONG Energy only pays for the materials and has no influence on the method of transportation, is therefore not considered significant. This applies to e.g. delivery of coal and straw for our the plants and delivery of consumables, such as paper and packaging materials and mail delivery and transportation of waste from DONG Energy's facilities.

In relation to transportation, only fuel consumption and CO₂ emissions are reported, as these are assessed to be the most significant parameters.

Passenger transportation includes transportation by taxi, rail, air, privately owned cars and leased cars. Leased cars are predominantly used in connection with service engineers' and repairmen's call-outs to customers. A number of company cars are also leased. For 2010 and for the previous years, the reporting on passenger transportation only includes transportation in vehicles leased from Nordania Leasing, from which we lease most of our vehicles.

For 2010 reporting on transportation by sea for the DONG Energy company A2SEA is also included.

Evaluating whether other transportation aspects should be reported and how this can be done in a meaningful way is an ongoing process.

See the table: Transport and other environmental aspects

GRI:EN30 Total environmental protection expenditures and investments by type



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:EU13 Biodiversity of replacement habitats compared to the biodiversity of the areas that are being replaced.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

6. Labour Practices

DONG Energy is one of the leading energy groups in Northern Europe and our business is based on producing, trading, selling and distributing energy and related products. As energy supply is part of the lifeblood of modern society, our activities are essential to and have a great impact on the communities of which our group is a part. Through our business activities we help ensure our customers a reliable energy supply. Based on our core values - result-oriented, responsible and responsive - we endeavour to act responsibly and to live up to society's expectations every single day.

DONG Energy's long-term vision is to provide clean and reliable energy. This is the objective we are aiming towards by means of new investments and continuous development of our operations. We believe that we can turn the challenges facing the energy sector into opportunities and thus create added value for DONG Energy, long-term financial added value for our owners, environmental improvements, and also contribute positively to ethical, social and societal development.

Performance indicators for Labour practices and Decent work

GRI:EU14 Programs and processes to ensure the availability of a skilled workforce



Management Training

DONG Energy is strategically focusing on optimisation and development of the potential of the integrated energy company - not least exploiting the opportunities in the international market and creating more sustainable energy generation. It is therefore a requirement that managers at all levels must be increasingly prepared to deliver optimum performances across different cultures and business environments. Consequently, DONG Energy has established a management academy, with the objective of strengthening the managers' strategic preparedness and personal leadership skills.

DONG Energy trains managers at three levels: top managers (EDP), experienced managers (LDP) and new managers (NMP). EDP was not running in 2010. These are tailored management programmes and they each consist of three modules focusing on important subjects such as strategy, business understanding, management across the organisation, innovation, corporate responsibility and change management.

Project Management

DONG Energy sets high standards for project management as we have a highly diversified project portfolio attracting particular public attention and many complex projects across national borders. To strengthen the skills of our project managers in financial management, value creation and understanding of distance management, culture and values across the organisation, future and current project managers are given the opportunity to complete DONG Energy's internal project management course, which is divided into four modules (PL1, PL2, PL3 and PL4)

Senior Seminar

DONG Energy offers the Senior Seminar to all employees over the age of 55 (and in some cases their partners). The employee must be based in Denmark. The objective of the seminar is to provide inspiration for employees' mental preparation and financial planning for their retirement. The Senior Seminar is one of the offers included in DONG Energy's senior policy, the purpose of which is to provide employees with a good alternative to early retirement and to retain valuable knowledge in own company and strengthen DONG Energy's image as an attractive and responsible workplace.

Subject-specific courses and safety courses

DONG Energy offers its employees training in subject-specific skills via subject-specific courses in the business units, but there are currently no consolidated data for this training.

GRI:EU15 Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region



14% of the workforce in DONG Energy is aged 56 or over and can therefore be expected to retire within a relatively short number of years. In the Generation and Sales & Distribution business units, the corresponding figure is 16%.

GRI:EU16 Policies and requirements regarding health and safety of employees and employees of contractors and subcontractors



DONG Energy employees are trained in health and safety issues relevant to their assignments.

DONG Energy's policy emphasizes to:

- motivate, train and engage employees in work with quality, occupational health and safety and the environment
- ensure compliance with legislation and that work is performed in compliance with recognised norms and standards.

One of the results of this policy is that all employees complete compulsory courses. In addition, further specific training is provided when considered relevant.

Contractors and business partners are introduced to DONG Energy's policy and positions on quality and occupational health and safety. In addition agreements are being made on follow-up on conduct, performance and reporting. Consequently, contractors and business partners record observations and incidents. In cooperation incidents as well as near-misses are investigated for the purpose of improvements at the workplace.

GRI:EU17 Days worked by contractor and subcontractor employees involved in construction, operation & maintenance activities



At DONG Energy, EU 17 is interpreted as follows:

DONG Energy uses many external suppliers. This may result in knowledge and skills not being retained at DONG Energy and critical business processes relying on external resources.

Consolidated response based on information from Sales & Distribution and Generation.

EU17 is relevant to two of DONG Energy's business units:

- Sales & Distribution
- Generation

In the response, the number of suppliers and their employees who are critical to the reliability of supply and thus essential to the operation of the enterprise have been included for both business units.

The number of suppliers who are critical to the reliability of supply and who operate within the field of construction, operation and maintenance in the two business units are as follows:

- Sales & Distribution: 15
- Generation: 1,181

From these suppliers we have retained the following total number of employees:

- Sales & Distribution: 883
- Generation: 8,738

Other external suppliers and their employees, for instance suppliers providing products for the business units or administrative consultants such as IT employees and auditors, are not included in the response as they are not considered essential to critical business processes.

GRI:EU18 Percentage of contractor and subcontractor employees that have undergone relevant health and safety training

EU18 is interpreted as follows: This indicator shows DONG Energy's ability to train external suppliers to ensure that safety and occupational health and safety measures are constantly applied when they work in certain high-risk areas. A detailed description of how injuries involving suppliers are handled can be found in the GRI indicator, LA7. To ensure that relevant training is provided, we want to analyse the extent to which suppliers in the individual business units receive occupational health and safety training in high-risk areas, as any injuries may have major personal consequences for the employee involved and consequently also, indirectly, for society. We calculate the number of suppliers as well as the number of suppliers' employees who receive training.

Consolidated response based on information from Sales & Distribution and Generation:

EU18 has been responded to by the following business units:

- Generation
- Sales & Distribution

It is important to DONG Energy to care for suppliers to the extent that we care for DONG Energy's own employees, and for this reason these two business units provide thorough training for their own employees as well as for suppliers and their employees who are in charge of work functions constituting high-risk areas. This category includes offshore work (wind turbines), construction work, high-voltage work, hot work, etc.

Both business units train all own employees and suppliers' employees who work in the above categories. This means that:

- Generation trains all suppliers and own employees
This means that, in 2010, Generation trained: 1,399 suppliers /7,002 own employees
- Sales & Distribution trains all suppliers and own employees
This means that, in 2010, Sales & Distribution trained: 15 suppliers /322 own employees

In Sales & Distribution, training is only carried out once per person when handing out a key. The number of trained own employees is therefore less than the number of suppliers' employees, despite the stated 100% training, because the remaining employees have been trained previously – for instance in 2009.

DONG Energy considers these suppliers important to ensure a reliable energy supply, and it is essential that they receive structured health and safety training to minimise the risk of injuries. For this reason, in the response, the focus is on this aspect pertaining to suppliers. Responses from Generation and Sales & Distribution are attached as well as extracts from Hyperion's response.

GRI:LA01 Total workforce by employment type, employment contract, and region.



At the end of 2010, there were 5,874 full-time equivalents (FTE) at DONG Energy, i.e. on a par with 2009.

The proportion of employees abroad rose from 7% to 9%.

Total workforce

	2010	2009	2008
Total workforce	5874	5865	5644

Full time and part time employees

	2010	2009	2008
Full time employees	5534	5453	5396
Part time employees	340	412	248

Contract types

	2010	2009	2008
Contract Blue Collar	4731	4228	4184
Contract White Collar	1091	1169	1153
Contract Individual	52	54	307

Permant and fixed term contract

	2010	2009	2008
Permanent contract Full time	5352	5348	5396
Permanent contract Part time	321	391	248
Fixed term contract	201	118	-

Employees in Denmark and abroad

	2010	2009	2008
Employees in Denmark	91%	93%	95%
Employees abroad	9%	7%	5%

GRI:LA02 Total number and rate of employee turnover by age group, gender, and region.



In 2010, employee turnover was 12%.

Employee turnover*

	2010	2009	2008
Employee turnover	12%	11%	12%

Number of employee who left the company

	2010	2009	2008
Total	795	615	655
- Male	560	421	417
- Female	235	194	238

Distribution by reason

	2010	2009	2008
- Voluntary resignation	263	210	518
- Dismissal	299	184	116
- Retirement	76	3	13
- End of fixed term post	40	-	-
- Death	5	13	8
- Other	112	-	-

Distribution by age

	2010	2009	2008
- Under 18	2	15	17
- 18-25	38	102	77
- 26-35	183	173	196
- 36-45	232	147	174
- 46-55	163	82	89
- 56-70	177	96	102

*Employee turnover is calculated as the number of employees on fixed-term contracts that have left the company, divided by the average number of employees on fixed-term contracts. The average number of employees is the sum of 12 monthly head-count figures, divided by 12. The calculation of employee turnover has been changed, which means that 2010 does not include employees who changed jobs internally. 87 out of the 112 cases of "Other" were such internal relocations.

GRI:LA03 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:LA04 Percentage of employees covered by collective bargaining agreements



In 2010, 36% of employees were covered by collective agreements.

Number of employees (FTE) covered by collective agreements

	2010	2009*	2008
Number of employees (FTE) covered by collective agreements	2132	2344	3485

* The 2009 data has been corrected from 3521 to 2344 due to an error in the 2009 statement.

GRI:LA05 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.



DONG Energy complies with Danish and EU law, including the cooperation agreement between the Confederation of Danish Employers (DA) and the Danish Confederation of Trade Unions (LO) and the Danish Act on Collective Dismissals, respectively. In addition, DONG Energy has drafted a standard severance agreement.

GRI:LA06 Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:LA07 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.



Maintaining a good working environment and a high level of safety for our employees and contractors is a prerequisite for operating a healthy and efficient business. Hence, we factor safety into all our activities.

1. LTIF

In 2010, the lost time injury frequency (injuries with absence of one or more days per one million hours worked, LTIF) for DONG Energy's own employees was 4.6. By comparison, LTIF for our contractors was 4.7 in 2010. Total LTIF for 2010 was thus 4.6, a 32% improvement on 2009 (6.8). The large reduction in LTIF mainly reflected a large reduction in LTIF for our contractors.

The development in LTIF since 2006 appears from figure 1.

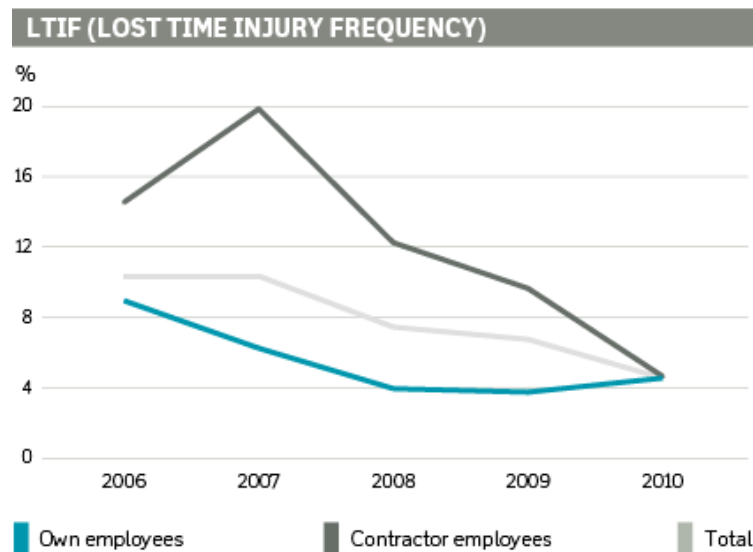


Figure 1: Development in lost time injuries frequency (Lost time injuries per mio. working hours).

2. Fatalities

Regrettably, despite the impressive progress in LTIF, there were tree fatal accidents among contractors abroad in 2010. Internal and external investigations of the incidents have been initiated to ensure that appropriate action is taken. Fatal accidents in the workplace are unacceptable, and an even more ambitious safety plan has been launched.

3. Absence due to occupational injuries

Figure 2 shows a picture of sickness absence measured as lost days due to occupational injuries in 2010. Approximately one third of injuries led to only one to three days of absence. 14 injuries each led to more than 30 days of absence.

Average absence per injury was 18 days, equal to a lost day rate of 81 (Lost day rate) days per one million hours worked.

Most of the occupational injuries were related to behaviour. This means that very few injuries were due to technical failure.

For this reason, DONG Energy encourages our own people and external employees to factor safety into everything they do.

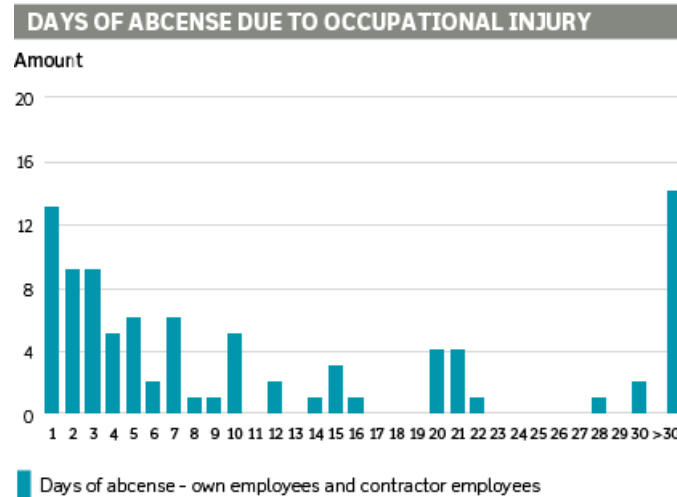


Figure 2. Number of injuries and number of days of absence per injury in DONG Energy 2010.

4. TRIF

The development in total recordable injury frequency, TRIF (total recordable injury frequency), appears from figure 3. In addition to occupational injuries with absence, TRIF also covers minor injuries that do not lead to absence, and, at DONG Energy, we also include first-aid injuries. TRIF (including contractors) was 23 in 2010, a small increase on 2009 (26). TRIF for own employees increased from 22 in 2009 to 26 in 2010. TRIF for 2010, excluding first-aid cases, decreased from 14 in 2009 to 11 in 2010 (including contractors).

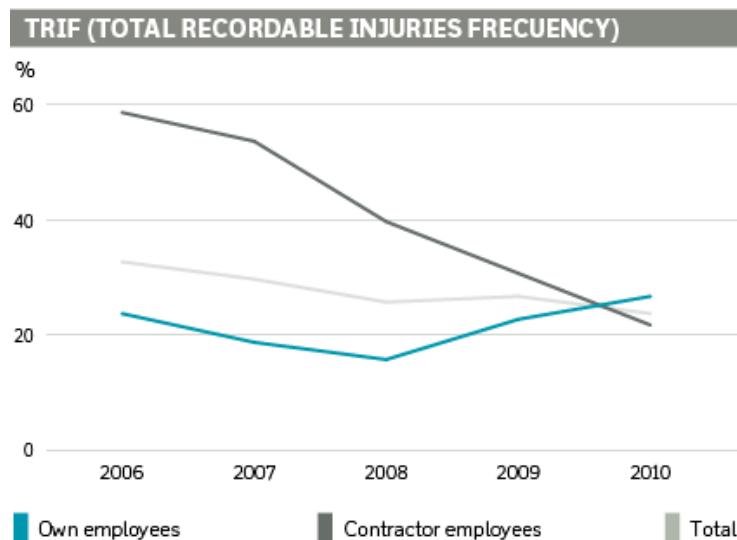


Figure 3: Development in total recordable injury frequency, TRIF

Number of fatal accidents

	2010	2009	2008	2007	2006
Total	3	1	1	0	0
Own employees	0	0	0	0	0
Contractor employees	3	1	1	0	0

Fatality rate, FAR (number per 100 million working hours)

	2010	2009	2008	2007	2006
Total	14,9	5,3	6,7	0	0

Lost time injuries, LTI including fatal accidents

	2010	2009	2008	2007	2006
Total	93	129	112	112	99
Own employees	44	35	35	47	64
Contractor employees	49	94	77	65	35

Lost time injury frequency, LTIF (number per million working hours), including fatal accidents

	2010	2009	2008	2007	2006
Total	4,6	6,8	7,5	10,4	10,4
Own employees	4,6	3,8	4	6,3	9
Contractor employees	4,7	9,7	12,3	19,9	14,6

Number of total recordable injuries, TRI, including first-aid cases

	2010	2009	2008	2007	2006
Total	468	484	376	310	306
Own employees	251	198	130	138	166
Contractor employees	217	286	246	172	140

Total recordable injuries frequency, TRIF, including first-aid cases

	2010	2009	2008	2007	2006
Total	23	26	25	29	32
Own employees	26	22	15	18	23
Contractor employees	21	30	39	53	58

Total recordable injuries frequency, TRIF, excluding first-aid cases

	2010	2009
Total	11	14
Own employees	11	9,5
Contractor employees	10	18

Number of days of absence due to occupational injuries - own and contractors

	2010	2009	2008	2007	2006
Days of absence	1639	2366	1371	796	1090

Days of absence per million working hours (lost day rate)	81	126	92	74	114
---	----	-----	----	----	-----

GRI:LA08 Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.



Serious illness

In 2010, 14 cases of work-related illness (occupational diseases) were reported to the National Board of Industrial Injuries, primarily involving musculoskeletal disorders and hearing damages diseases. In 2010, the National Board of Industrial Injuries issued orders in 19 cases, of which 12 were rejected and 7 were acknowledged.

In 2010, correspondence with the National Board of Industrial injuries in cases of work-related illness was compiled centrally at DONG Energy.

Table 1 shows the development in reported work-related illness at DONG Energy (Denmark).

The development in reported work-related illness in DONG Energy (Denmark)

	2010	2009*	2008*
Number of reported cases	14	21	27
Reporting frequency** (number reported per million working hours)	1,6	2,5	3,3

*Number of reported cases from 2008 and 2009 has been changed from 28 and 20 respectively due to fresh information from the National Board of Industrial Injuries. **The number of working hours is included only for employees in Denmark.

Pension & Insurance

All employees at DONG Energy, in Denmark and abroad, are comprised by a pension scheme from their first day of employment.

In Denmark, all employees are comprised by critical illness insurance, group life insurance and medical insurance. For employees abroad, similar insurance policies have been taken out with due consideration to the offers/possibilities in the individual countries.

There were 17 cases of payouts under critical illness policies in 2010.

The medical insurance scheme offers employees the possibility of taking out insurance policies to cover spouses/cohabitees. The employee's children under the age of 21 are automatically comprised by the insurance.

The insurance scheme was used 1,790 times in 2010 by employees as well as spouses/cohabitees and children. The most frequently used treatments were physiotherapy, chiropractic treatment, orthopaedic surgery and consultations with psychologists.

In 2011 and again in 2013, all employees in Denmark will be offered a health check. It is expected that the first health checks will be conducted during the autumn of 2011.

Furthermore, the Group Co-operation Committee has decided to establish a working group that will make suggestions for a nutrition and health policy.

Examples of preventive activities in 2010

Sales & Distribution has continued its targeted efforts in the four action areas identified by the Danish Government (noise, injuries, wellbeing in the workplace and musculoskeletal disorders). Noise is addressed locally by the individual safety committees. Continuous efforts are being made to reduce the number of injuries via broad initiatives. Wellbeing in the workplace is focused on via the WorkLifeBalance initiative.

Wellbeing in the workplace has been mapped, as appropriate or following screening, and action plans have subsequently been implemented.

In connection with internal relocations, an occupational therapist from DONG Energy's Group Health & Safety Consultant has provided assistance to optimum fitting-out of workplaces. Safety representatives have been able to put the knowledge to use that they acquired in 2009 concerning wellbeing, ergonomics and fitting-out of office environments and vehicles.

The Generation business unit has implemented several initiatives relating to health promotion and prevention of lifestyle diseases and other serious diseases. Workplaces are fitted out with equipment and technical aids to prevent, for example, back injuries and diseases of the musculoskeletal system. A collegial support network has been set up as a supplement to the statutory health and safety organisation. The members of this network complete training to enable them to offer counselling to colleagues suffering a traumatic experience at work or at home.

Continuous efforts are being made via the management system and workplace assessments to create improvements with a view to achieving a safe and healthy working environment and prevent any type of work-related illness or injury. DONG Energy also focuses on ensuring that its suppliers do not suffer injuries when working for DONG Energy. All suppliers therefore complete a safety induction before starting on a job at a workplace/site. It should also be mentioned that systematic noise attenuation is effected at the power stations to prevent cases of hearing impairment as a result of prolonged exposure to noise.

GRI:LA09 Health and safety topics covered in formal agreements with trade unions.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:LA10 Average hours of training per year per employee by employee category.



Hours of training are not recorded in all business units of DONG Energy. The direct costs of training for the Danish part of the organisation amounted to approximately DKK 67,500,000 in 2010. The costs have primarily been calculated on the basis of training costs recognised in DONG Energy's financial statements. In addition, much of the training is in the form of peer training, where experienced employees train colleagues. Such training is not priced.

GRI:LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:LA12 Percentage of employees receiving regular performance and career development reviews.



DONG Energy aims to offer all employees performance reviews at which goals and development plans are evaluated and determined respectively. The purpose of such performance reviews is to create a strong link between DONG Energy's business strategy and our employees' goals, efforts, career and development.

In 2010, we conducted an employee survey, where employees were asked if they had had their employee performance review during the last 12 months. 4,914 employees participated in the Employee Survey 2010. 85% of respondents replied in the affirmative.

GRI:LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.



DONG Energy has set up a cooperative structure that covers all employees in Denmark and is divided into three overall levels. The three levels are the Corporate Liaison Committee, the Main Liaison Committee and the Liaison Committee. All committees consist of management and employee representatives, and topics such as financial matters, operations and staff issues are discussed at the meetings. The purpose is to improve cooperation between management and employees through cooperation and information, and thereby create good working conditions and increase understanding of DONG Energy's situation and development.

At the end of 2010, the average age of employees in DONG Energy was 42.6 years.

With regard to the proportion of women in DONG Energy, the figures below show that 30% of employees are women, 23% of managers are women, 10% of executives are women and, finally, that there are no women in the Group Executive Management.

Distribution of males and females at different managerial levels

	Males	Females
Executive board	6	0
Executives* (Strategic forum)	45	5
Senior managers and above (Leadership forum)	200	39
Managers and above	486	148

* Executives include the Executive board

Distribution of male and female employees in different age groups

	Males	Females
Under 18	1	2
18-25	119	97
26-35	988	488
36-45	1246	667
46-55	1104	346
56-70	678	136

GRI:LA14 Ratio of basic salary of men to women by employee category.



In order to document that DONG Energy pays equal pay to men and women, it is necessary to have data categorising all employees according to specific job categories. Only a comparison of men and women in the same job categories will make it possible to determine whether DONG Energy pays equal pay to men and women. Currently, no such job categorisation exists at DONG Energy, and it is therefore not possible to report on this indicator.

7. Human Rights

DONG Energy is one of the leading energy groups in Northern Europe and our business is based on producing, trading, selling and distributing energy and related products. As energy supply is part of the lifeblood of modern society, our activities are essential to and have a great impact on the communities of which our group is a part. Through our business activities we help ensure our customers a reliable energy supply. Based on our core values - result-oriented, responsible and responsive - we endeavour to act responsibly and to live up to society's expectations every single day.

DONG Energy's long-term vision is to provide clean and reliable energy. This is the objective we are aiming towards by means of new investments and continuous development of our operations. We believe that we can turn the challenges facing the energy sector into opportunities and thus create added value for DONG Energy, long-term financial added value for our owners, environmental improvements, and also contribute positively to ethical, social and societal development.

Performance indicators for Human Rights

GRI:HR01 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.



Taking responsibility is part of DONG Energy's way of doing business.

DONG Energy recognises the responsibility to respect all human rights across our operations. Support for the UN Universal Declaration of Human Rights (UDHR) has been an important part of the company's corporate responsibility commitment as a signatory to the UN Global Compact in 2006. The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The UN Convention Against Corruption

DONG Energy's significant investment projects are located in Northern Europe, where human rights compliance is secured through legislation and enforced through regulatory authorities. We have therefore assessed it to be unnecessary to have systematic procedures for such screening.

DONG Energy addresses human rights issues related to the company's operations, including the supply chain. However, human rights clauses are not specifically addressed in investment agreements.

GRI:HR02 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken



DONG Energy continued 'desk screening' of potential suppliers from a risk perspective. This is done even though the company's ethical Code of Conduct for suppliers, including human rights compliance, is included in DONG Energy's contracts exceeding DKK 50,000. The 'desk screening' has comprised, among others, potential coal suppliers and potential CDM projects (CDM: Clean Development Mechanism).

GRI:HR03 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.



Energy has established and implemented a new model for compliance with QHSE requirements (QHSE: Quality, Health, Safety and Environment). The model includes optimised CSR issues. All employees in Group Procurement have attended a meeting on these requirements and have also completed an e-learning programme. Our ethical Code of Conduct is a part of this programme.

All purchasers in DONG Energy Group Procurement apply our ethical Code of Conduct. The department is a strategic procurement department, and we incorporate QHSE requirements and our ethical Code of Conduct in all tender documentation and all subsequent contracts and/or collaboration agreements.

For optimum collaboration with the business units, some of Group Procurement's purchasers are based at relevant locations in the business unit they support. These business units are:

- Generation/Renewables, including, for example, Engineering and Optimisation
- Exploration & Production
- Sales & Distribution
- Energy Markets

Relevant training and further information are provided by the specific business unit.

Small purchases are made by the business units/department, and these are not considered relevant to or a part of this indicator.

GRI:HR04 "Total number of incidents of discrimination and actions taken."



No incidents of discrimination were reported for any DONG Energy company in 2010.

GRI:HR05 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:HR06 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.



No operations are assessed to entail a significant risk of child labour. All of DONG Energy's employees are employed in Northern Europe on terms consistent with national legislation.

GRI:HR07 Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:HR08 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

GRI:HR09 Total number of incidents of violations involving rights of indigenous people and actions taken.



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:03.05.

8. Society

DONG Energy is one of the leading energy groups in Northern Europe and our business is based on producing, trading, selling and distributing energy and related products. As energy supply is part of the lifeblood of modern society, our activities are essential to and have a great impact on the communities of which our group is a part. Through our business activities we help ensure our customers a reliable energy supply. Based on our core values - result-oriented, responsible and responsive - we endeavour to act responsibly and to live up to society's expectations every single day.

DONG Energy's long-term vision is to provide clean and reliable energy. This is the objective we are aiming towards by means of new investments and continuous development of our operations. We believe that we can turn the challenges facing the energy sector into opportunities and thus create added value for DONG Energy, long-term financial added value for our owners, environmental improvements, and also contribute positively to ethical, social and societal development.

Performance indicators for Society

GRI:EU19 Stakeholder participation in the decision making process related to energy planning and infrastructure development



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:3.5.

GRI:EU20 Management of the impacts of displacement



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:3.5.

GRI:EU21 Disaster/emergency management plan and training programs, and recovery/restoration plans



The DONG Energy Group emergency policy is designed to support and coordinate DONG Energy's efforts to respond to emergencies, incidents involving personnel, terrorist threats, serious incidents at plant or buildings, as well as natural disasters, war, epidemic situations and strikes.

Together with the business units' local emergency response organisations, the Group emergency response organisation is responsible for maintaining and implementing emergency response plans and manuals. Together, the Group emergency manual and the local emergency plans cover the operational procedures and communication guidelines for DONG Energy, and thereby ensure compliance with contingency planning legislation.

Emergency situations are wholly dependent on how well the personnel are prepared in handling an emergency situation. Success in handling a situation is best accomplished through proper organisation, planning and training. Training exercises are carried out at all levels in DONG Energy, from fire exercises in administration buildings, through evacuation from oil-producing platforms in the North Sea, to exercises in which a power station is occupied by demonstrators.

In Denmark, DONG Energy must comply with contingency planning legislation under which the individual locations are required to have individual contingency plans, as prescribed by the municipal contingency planning officer. Several of DONG Energy assets are subject to special legislation, and are audited by Energinet.dk on a regular basis. Offshore platforms are subject to special contingency planning requirements laid down by the Danish Energy Agency, which also supervises the plans.

GRI:EU22 People physically or economically displaced and compensation



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:3.5.

GRI:S001 Impacts of operations on communities



In 2010 it has not been possible to provide a response to this indicator as there are no procedures or systems in place for the compilation of such information.

GRI:S002 Business units analysed for risks related to corruption



In 2009, DONG Energy carried out an investigation into its policy for the prevention of fraud and corruption, including a 'health check'. Further to this investigation, the 'health check' has resulted in the following initiatives:

- Guidelines for approval of vouchers and disbursements have been tightened
- Guidelines for the involvement of Group Procurement in purchasing have been tightened, ensuring a higher quality and consistency
- An overview of managers' involvement in the management of other companies has been drawn up (e.g. as board members). All external management positions have been examined and approved
- As a result of these investigations, some employees have received injunctions and, in a few cases, employees have been suspended.

GRI:S003 Training in anti-corruption policies and procedures



Since the introduction of e-learning and until 31 December 2010, 382 executives and 1,100 non-executives completed DONG Energy's e-learning programme for the prevention of fraud and corruption. In this survey, employees were asked which, in their opinion, were the three areas most at risk of fraud in their business unit and what the likelihood of fraud occurring was. Most employees identified the following risk areas: 1) a supplier charging too high a price, 2) abuse of information or information theft, 3) abuse related to giving or receiving gifts.

GRI:S004 Actions taken in response to incidents of corruption



DONG Energy has a Business Ethics Committee that is responsible for handling cases of fraud and corruption. All significant matters, such as cases of alleged corruption, are handled by the committee, while less significant cases are

handled locally at business unit level. The committee does, however, to a great extent, receive information on cases handled locally.

In 2010, the committee did not have any cases qualifying for further handling by the committee.

GRI:S005 Public policy positions and participation in public policy development



In relation to public policies of relevance to the energy sector, it is DONG Energy's opinion that market-based solutions to societal challenges such as climate change and security of supply must be found. For this reason, DONG Energy supports, among other things, efforts to further liberalise the European energy sector. It is also the company's aim to establish long-term relations with stakeholders based on trust. In relation to these goals, DONG Energy's work with the framework conditions for the energy sector is rooted in a general ambition to change from fossil fuel-based to renewable energy generation. DONG Energy continues to ensure security of supply via a strong focus on oil and gas exploration. This is done in close dialogue with the respective national regulators in order to minimise risks to the environment and to the safety of our employees. The Group Regulatory Affairs and the regulatory affairs units in each business unit have the day-to-day responsibility for this work. DONG Energy is a member of a number of forums and organisations that seek to provide input to the development of new public policies.

These include industry organisations such as the Danish Energy Association, Waste Denmark, the Confederation of Danish Industry (DI) and the European wind energy network European Wind Energy Association (EWEA). Below is a list of our key memberships of organisations, etc., that indirectly assist in the development of public policies. DONG Energy frequently participates in various energy and climate-related conferences and forums in Denmark and abroad.

Memberships:

In Denmark:

- The Danish Energy Association
- The Confederation of Danish Industry, Danish Energy Industry Federation
- Danish Wind Industry Federation
- Waste Denmark
- Danish District Heating Association
- Danish Wind Turbine Owners' Association
- The Energy and Oil Forum (previously Danish Petroleum Industry Association)
- Danish Gas Association

Internationally:

- Green Growth Economies
- Global Green Growth
- Business Social Responsibility
- Eurelectric
- Eurogas
- The European Wind Energy Association (EWEA)
- Svenska Gasförening (the Swedish gas association)
- The World Business Council for Sustainable Development
- BNE (Bundesverbund neuer Energieanbieter)
- EFET (European Federation of Energy Traders)
- Energiened (Nederlandse Energiebranche)
- AEP (Association of Electricity Producers)

GRI:S006 Value of financial and in-kind contributions to political parties or the like



It is DONG Energy's policy not to make any financial or in-kind contributions to political parties, trade unions or candidates.

Employees must report all in-kind contributions, etc.

We are not aware of any financial or other in-kind contributions having been given to political parties, politicians or organisations.

GRI:S007 Legal actions for anti-competitive behaviour or the like



In 2010, five cases involving competition law aspects were pending – one arbitration case, one case before the Danish Competition Council and three cases before the Maritime and Commercial Court in Copenhagen. The arbitration case concerns DONG Energy's agreement on acquisition of natural gas from the Syd Arne platform.

The case before the competition authorities concerns the question of whether the former company Energi E2 abused its dominant position in the wholesale electricity market in East Denmark during the last six months of 2003 up to and including 2005. The case was decided on December 22 2010 by the Danish Competition Council and Energi E2 was acquitted. As no appeal was lodged within 4 weeks, the decision is final.

The other cases concern the question of alleged abuse by Elsam of its dominant position in the wholesale electricity market in West Denmark. Two out of three cases have been brought before the Maritime and Commercial Court in Copenhagen by DONG Energy against the Danish Competition Council, as DONG Energy disputes the council's ruling that the former electricity company, Elsam, violated the competition legislation during the last six months of 2003 up to and including the first six months of 2006. The last case heard by the ordinary law courts concerns a claim for compensation resulting from the alleged abuse of a dominant position in the period referred to above.

None of the three cases before the ordinary law courts was closed in 2010.

GRI:S008 Fines and sanctions for noncompliance with laws and regulations



In 2010, neither DONG Energy nor its employees in their capacities as DONG Energy employees received any significant fines. Nor were any non-monetary criminal law sanctions for non-compliance with laws and regulations imposed on the DONG Energy Group.

9. Products

DONG Energy is one of the leading energy groups in Northern Europe and our business is based on producing, trading, selling and distributing energy and related products. As energy supply is part of the lifeblood of modern society, our activities are essential to and have a great impact on the communities of which our group is a part. Through our business activities we help ensure our customers a reliable energy supply. Based on our core values - result-oriented, responsible and responsive - we endeavour to act responsibly and to live up to society's expectations every single day.

DONG Energy's long-term vision is to provide clean and reliable energy. This is the objective we are aiming towards by means of new investments and continuous development of our operations. We believe that we can turn the challenges facing the energy sector into opportunities and thus create added value for DONG Energy, long-term financial added value for our owners, environmental improvements, and also contribute positively to ethical, social and societal development.

Performance indicators for Products

GRI:EU23 Improvement or maintain access to electricity and customer support



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:3.5.

GRI:EU24 Barriers to accessing and safely using electricity and customer support services



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:3.5.

GRI:EU25 Number of injuries and fatalities involving company assets



Regrettably, there was an incident in the Sales & Distribution business unit in 2010 in which a citizen was injured. A service engineer was not paying attention as he was reversing from a site and hit a citizen who broke her leg. To avoid similar incidents, all safety representatives of driving employees have been informed about the accident and it is also now a part of the traffic safety courses for driving staff.

No legal action was taken against DONG Energy regarding illnesses and injuries involving members of the public in connection with DONG Energy's activities in 2010.

GRI:EU26 Unserved part of population



This indicator has been evaluated as not material for DONG Energy. See detailed information about this materiality evaluation under GRI:3.5.

GRI:EU27 Residential disconnections for non-payment



This indicator is reported for all DONG Energy's Danish electricity customers.

DONG Energy measures the number of customers that have not paid their electricity bills by the number of first payment reminders sent to customers. In 2010, the number of customers that did not pay their electricity bill was 521,578.

If the customer does not settle his/her electricity bill after the third reminder, the customer will be disconnected by one of DONG Energy's service engineers. This led to 4,735 disconnections for non-payment in 2010.

It is not possible for DONG Energy to measure the time period from non-payment to disconnection, or from settlement of the bill to reconnection.

See the table Distribution, interruptions and grid loss.

GRI:EU28 Power outage frequency



GRI defines the power outage frequency as the total number of customer interruptions divided by total number of customers served.

The frequency of power outages experienced by customers is expressed through SAIFI, which stands for System Average Interruption Frequency Index. It reflects the average frequency of interruptions per customer per year. It is reported as a total for DONG Energy's distribution networks.

See the table Distribution, interruption and grid loss.

GRI:EU29 Average power outage duration



The duration of power outages experienced by customers is expressed through SAIDI (System Average Interruption Duration Index), which reflects the average duration of interruptions per customer per year.

See the table Distribution, interruption and grid loss.

GRI:EU30 Average plant availability factor



Average plant availability factor by energy source and by regulatory regime

It is important that the power stations are available when their capacity is required to ensure the necessary energy supply and to avoid fluctuations between energy supply and consumption, as this might lead to power failure. Likewise, it is important to maximise utilisation of the wind turbines' electricity-generating capacity by ensuring a high availability rate of the turbines.

See the table Capacity, availability factor and production efficiency.

GRI:PR01 Life cycle assessment of health and safety impacts of products and services



DONG Energy continually seeks to minimise the potential impacts of the company's products and services on the health and safety of customers and citizens.

This is done through compliance with legislation and systematic environmental and health and safety management at all stages of production, storage and distribution processes and via energy advice and product development.

DONG Energy's electricity and gas products are governed by legislation. In some places, our production and distribution of electricity and natural gas is subject to environmental approval. DONG Energy's power stations and electricity distribution is environmentally certified according to ISO 14001.

DONG Energy is in compliance with the Danish High Voltage regulations, which means that all installations are secured in the best way possible, including customer installations. DONG Energy's electricity safety and quality management system (the SKS system) has been approved by an independent supervisory body. Furthermore, DONG Energy's treatment, distribution and storage of natural gas are quality-certified according to ISO 9001.

High-voltage plants – stations, underground cables and overhead cables - create electromagnetic fields. In the past 30 years, researchers all over the world have been trying to establish whether magnetic fields from power supply plants, stations and cables could constitute a health hazard. An unambiguous answer to this question has yet to be found. The general opinion is that magnetic and electric fields from DONG Energy's plants do not constitute a health hazard.

DONG Energy is represented on the industry's magnetic field committee in Denmark, which, among other things, assesses the potential impact of such magnetic and electric fields on citizens as well as employees. DONG Energy's seat on this committee ensures that the company receives new knowledge within this field quickly.

DONG Energy has made no actual life cycle assessments of its products in relation to safety and health measures.

The description above is only valid for Danish plants.

GRI:PR02 Non-compliance with regulations concerning health and safety impacts from products and services



DONG Energy's key products targeting the end-customer market are electricity and gas, and our indicator response therefore solely refers to these products. 2010 saw no legal proceedings, neither pending nor settled, involving the impact of DONG Energy's products on customer safety and health in connection with DONG Energy's distribution and sales of electricity and gas.

Nor did DONG Energy receive any warnings from the Danish authorities or record any incidents of violation of internal rules and requirements.

Each year, we experience several incidents and legal proceedings as a result of, e.g., excavation damage to cables and installation failures relating to rerouting and erection of new buildings. In such cases, it has been possible to assign liability to suppliers, for example certified electricians, etc., who either caused the installation failures or failed to comply with the required precautionary measures.

GRI:PR03 Information about products and services required by procedures



The information below on products and services is required in accordance with DONG Energy's procedures for information on and labelling of products and services.

The reply includes 100% of the core products (electricity and gas).

Aspect concerning products	Information requires - yes/no
Suppliers of components for products	No
Content, especially substances that could have an environmental social impact	Yes, cf. the power declaration
Safe application of the product	Yes, relates to distribution of gas
Disposal of the product and environmental and social impacts	Not relevant. This is not relevant for power and gas and thus not for DONG Energy
Other, explain	Yes, information on products, cf. the requirements set out in the Danish Marketing practices Act and regulatory guidance.

GRI:PR04 Non-compliance with regulations concerning product and service information and labelling



DONG Energy's core products targeting the end-customer market are electricity and gas, and our indicator response therefore solely refers to these products. Information requirements for these products appear both from legislation and guidelines based on industry practice and customs (voluntary codes).

In 2010, we had no reports on violations or non-compliance with such practice and customs in Denmark, the Netherlands and Sweden.

GRI:PR05 Practices related to customer satisfaction



Once a year, DONG Energy carries out an extensive customer satisfaction survey among its residential customers. The survey is carried out by an external consultant, most recently in December 2010. It is based on representative samples from three customer segments (Nord-el, City-el, and Natural gas customers), including data collected via e-mail and postal forms according to the respondent's own choice.

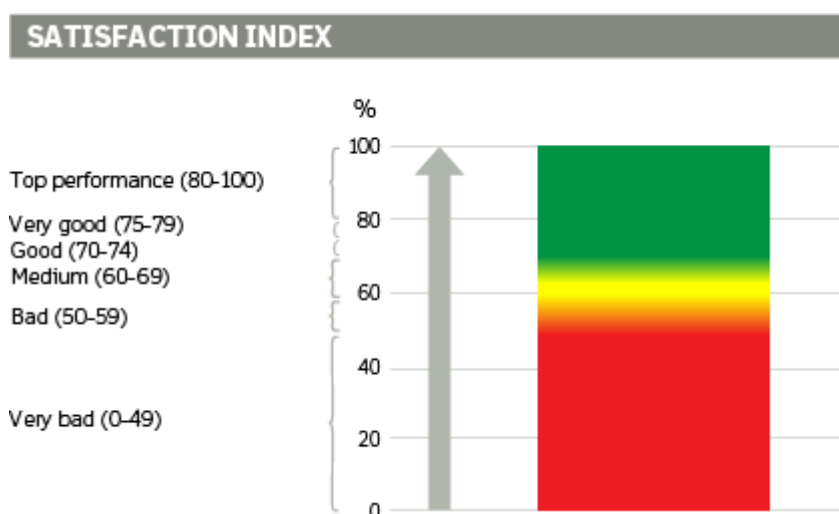
Compared with 2009, the 2010 survey showed a slight decrease in customer satisfaction and loyalty among City-el and Natural gas customers since, but an unchanged level for Nord-el customers. See the table below:

Satisfaction index	2010	2009	2008	2007-2	Change (%) fra 2009 to 2010
Natural gas customers	73	77	77	72	-5%
City-el customers	59	63	57	50	-6%
Nord-el customers	68	68	69	64	0%
Fibernet-customers	Not measured	Not measured	66	59	

Loyalty index	2010	2009	2008	2007-2	Change (%) 2009 to 2010
Natural gas customers	73	77	79	72	-5%
City-el customers	56	62	53	45	-10%
Nord-el customers	66	68	70	61	-3%
Fibernet-customers	Not measured	Not measured	69	60	

Satisfaction queries are based on a scale from 1–10, and the results are converted into index numbers on a scale from 0–100. To be able to decide whether a result is good or bad, it is necessary to know the typical satisfaction survey level. The figure below is based on the consultant’s experience from previous satisfaction surveys and shows how results should be interpreted.

DONG Energy’s target is a customer satisfaction level of 80 by 2012 - to be Best-in-class. The 2010 result is shown in the table below.



Index:

Top performance (80-100)

Very good (75-79)

Good (70-74)

Medium (60-69)

Bad (50-59)

Very bad (0-49)

GRI:PR06 Compliance with laws etc. related to marketing communications



DONG Energy focuses strongly on compliance with applicable law in marketing, communications, sponsorships and other types of promotion. In this context, legislation of particular relevance in Denmark is the Danish Marketing Practices Act, the Danish Personal Data Protection Act, and the Consumer Agreements Act, including corresponding acts in the Netherlands, Germany and Sweden.

In 2008, DONG Energy prepared compliance programmes to ensure that Danish rules on marketing and handling of customers’ personal data are complied with. The compliance programmes have been issued in the form of leaflets that can be accessed on the intranet under the ‘Sensible business conduct’ tab. Furthermore, relevant departments have

been trained in Sales & Distribution in compliance with the Danish Personal Data Protection Act to ensure that they are familiar with the compliance programmes. New employees are offered training in the programmes and further training is provided as appropriate.

Programmes for monitoring of the compliance programme are being prepared.

As far as sponsorships are concerned, these have been dealt with in a leaflet on good business conduct ('Acting responsibly – how we ensure good business conduct'), which was adopted by DONG Energy's Board of Directors in 2008. The leaflet can be found on the intranet under the 'Sensible business conduct' tab and will also be distributed to all Group employees.

DONG Energy does not sell any products that are subject to prohibitions, but some customers question the amount of fossil fuels used in energy generation.

GRI:PR07 Non-compliance with regulations concerning marketing communications



So far as the Legal Department is aware, no external laws or internal rules in this area were violated in 2010.

GRI:PR08 Protection of customers privacy and losses of customer data



In 2010, there were no substantiated complaints regarding breaches of customer privacy or loss of customer data.

GRI:PR09 Fines concerning the provision and use of products and services



DONG Energy's most important products to the end consumer markets are electricity and gas. Therefore, our answer to the indicator is limited to these products.

Via our Legal Department, our Sales & Distribution department has stated that, so far as it is aware, DONG Energy was not given any fines for non-compliance of such laws and regulations.