

FOR WOOD passion

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DLH steps up the efforts in the fight against HIV/AIDS



The DLH Group's CSR Coordinator, Rikke Jensen, has visited Pokola in the Congo in order to find out how the DLH Group can support CIB in its work with HIV/AIDS.

PAGE 6-7

PROFESSIONAL COMMITMENT TO CUSTOMERS

In DLH subsidiary Inter-Continental Hardwood (ICH) in the southern state of North Carolina, USA, professionalism means customer focus and on-time delivery.

PAGE 3

CONFERENCE PROVIDES GOOD PLATFORM FOR COOPERATION

Finance conference in Denmark, with participants from all over the world, where the social and professional content carried equal weight.

PAGE 4-5

DLH UTILIZES THE RUSSIAN POTENTIAL

An extra dimension has been added to our trade with Russia. For many years the enormous country has been the Timber & Board Division's biggest supplier of plywood, but now DLH has also started to sell sheet materials to Russia, where the economy is growing and demand is rising.

PAGE 9

Dear employee

Welcome to this issue of Passion for Wood - a global magazine that is distributed to you and your colleagues in the DLH Group all over the world.

Many of the stories in this issue of Passion for Wood are, in one way or the other, about relations between colleagues or human beings generally. For example, external relations are illustrated by a minister's visit or the story about a visit to one of our customers in Switzerland whereas internal relations are described in the story about the finance conference, a unifying sports event or the Board's visit to CIB in the Congo.

My reason for highlighting this theme is that I find good human and colleague relations to be one of the most important parameters in the operation of our common company, DLH. You can say that they are the mortar in our value house, because relations link our common values together - even if they are practised in different ways.

In some parts of the group the relations are free and easy. At other places the relations are distinctly professionally founded. However, the important thing is not the differences, but the fact that we cultivate good relations with each other and respect that we tighten the bonds to each other in different ways, whether professionally, socially, culturally or in regard to our values.

The better we know each other, the easier it will be to succeed in creating a strong and exciting company.

Enjoy your reading!

Jørgen Møller-Rasmussen
President & CEO

DLH and Burma

In all likelihood, there has been put a temporary stop to DLH's purchases of teak in Burma, an activity that goes back more than 50 years.

Burma has been a problematic country for many years and the purchase of teak from this country by DLH has therefore attracted much attention. However, DLH has consistently followed the recommendations from the UN agency ILO (International Labour Organization), EU and the Danish Government. Therefore, in 2002, DLH imposed a limit to its total purchases of teak from Burma thus complying with an ILO recommendation saying that companies should not increase their commitments in Burma. At that time the limit meant a reduction of 10% on the previous year.

In the autumn of 2006, DLH examined the possibility of introducing DLH's Good Supplier Program (GSP) in Burma. The Good Supplier Program is a supplier evaluation program covering the environment and human rights. The examination was made by the Dutch consultancy company, FORM International, and it showed that it would not be possible to implement a reliable verification of DLH's Basic Values, which is an important element of

GSP. Therefore, in connection with its annual report 2006, DLH decided to phase out its purchases from Burma over a 5-year-period by 20% a year, starting from 1 January 2007. However, this decision has been overtaken by the negative developments in Burma, which reached their climax with the unrest in Burma's streets at the end of September. The EU chose therefore on 15 October 2007, to establish an export ban on wood coming out of Burma into the EU. Complying with this, DLH decided to put a stop to entering into new contracts. At the time of writing we await the final details of the sanctions. In all likelihood, this has put a temporary stop to DLH's purchases of teak in Burma, an activity that goes back more than 50 years for DLH and more than 100 years for EAC.

The challenge now for DLH and our customers is to find alternatives to Burmese teak i.e. plantation teak or other wood species. Fortunately, DLH is in a very good position to solve this task due to its global network and the extensive knowledge of its staff.



DLH's 100th anniversary in 2008 - an update

Last June we asked all staff in the DLH Group to send in photos and stories illustrating the group's values: Responsibility, Professionalism, Entrepreneurship, Openness and Global/Multicultural. We are thrilled about the many fine and good contributions you have sent us. In order to give as many as possible the possibility to participate with their contributions, we chose to extend the time-limit to the end of October 2007. We can all look forward to seeing the result in March 2008 in connection with the anniversary, at which time we shall also reveal the winners.

Naturally, the anniversary year will be characterized by activities in Denmark, where the DLH Group was founded and has its head office, but there will also be activities of relevance in the world outside Denmark, where most of our staff are working.

Amongst the planned anniversary activities are:

- A conference at the University of Copenhagen will be held together with Forest & Landscape Denmark in May 2008, where speakers as well as conference delegates will be 'professionals' and decision-makers within forests, woods and the environment.
- A film about the DLH Group. A film crew is travelling around the world and many of you will meet or have already met them. The film should be used as a presentation of the DLH Group to customers, suppliers, potential staff and other interested parties.
- A publication of the history of DLH will be made, and we have asked the reporter and author, Peter Tygesen, to be in charge of this.
- We will introduce the 'DLH Academy' as a common link to education, training and knowledge sharing for the staff of the DLH Group. Over time, most of you will be involved in activities within the 'DLH Academy', but the 'starting signal' will take place in the anniversary year.
- The head office in Denmark will be showing more 'wood'. Those of you, who have visited Skagensgade, have probably wondered about the brick building, which today doesn't include much wood. We are taking the opportunity to change this, and from the time of the anniversary you will be able to see that this is a building of a company dealing in wood.
- We will sponsor the "Træprisen" (a Danish wood award), which is granted by The Danish Timber Information Council.

In the next issue of 'Passion for Wood' you will learn more about the individual activities.



Inter-Continental Hardwood, ICH, has, among other things, delivered wood to Bill Gates' house, which is one of the most expensive and spectacular houses in the world.

Professional commitment to customers

In DLH subsidiary Inter-Continental Hardwood (ICH) in the southern state of North Carolina, USA, professionalism means customer focus and on-time delivery. That means their customers can get practically all sorts of wood at short notice.

As busy as bees the yellow forklifts zoom around the huge American truck. From the yard's 5.500 m² storehouses they each pick up a pallet of high quality hardwood before they again find their way out to the truck.

It is obvious that this is not a large turnover of occasional wood. The quantities at ICH range from full containers or truckloads to single bundle shipments, specially selected for dimension, colour, grain and shape – as varied as those on the truck.

"We stock over 45 species of hardwood lumber which are sold throughout the United States and Canada. Our customers range from distribution yards to architectural manufacturers, flooring companies, furniture factories, musical instrument companies and anywhere high end hardwoods are specified," says President Tom Herga, who has managed the company as a part of the Timber Group since 1995 and today as part of DLH.

The truck driver is working hard to keep up with the forklifts. The wood must be tightened properly and the valuable cargo must be covered with a protecting plastic cover.

Fast deliveries are crucial

In its variety, the truckload pictured is a good example of the way ICH operates its business and of how a distribution company with its own warehouse differs from the DLH Group's more traditional subsidiaries.

"Our specialty – and what we are known for among customers and in the business – is that we can deliver almost any species and thicknesses within three days to most of the USA, says Tom Herga.

This commitment to meeting customer needs is a key issue to Tom Herga and his trusted employees.

"We put the job before anything else, and we are committed as a team. That is the essence of professionalism to me," says Tom Herga.



Wide selection and fast deliveries. Tom Herga of ICH can deliver high quality wood to most of the USA in a few days.



Conference provides good pla



In a global company, embracing many different cultures, IT systems and work habits, it is important to ensure a common understanding of how things should work, especially when it comes to finances. This was one of the reasons for holding a finance conference in Denmark, where the social and professional content carried equal weight.



The participants flew in from all over the world, when a finance conference was held in Copenhagen. Almost 50 employees participated in the event, which was hitherto the biggest of its kind. Previously, it has primarily been the managers that have met to discuss financial issues, but this year all heads of finance in the group's subsidiaries were invited.

"The DLH Group has grown considerably during the last years, and the more companies and staff we incorporate into the 'family', the more the need increases to ensure that everyone has the same conception of procedures and instructions," says Carsten Vindnæs, CFO. He was very pleased with the conference, which he regarded as a useful platform for work within the financial areas of the group.

A rare opportunity to meet
Vice President Controlling, Jan Erik Løwe, was one of the mainstays behind the conference, where issues like reporting, budgets, schedules, various instructions and accounting principles were discussed. But equally important was the opportunity for the employees to meet and talk with each other face to face.
"Normally, it is controllers like

me that are travelling to meet the company's heads of finance in order to provide guidance and to review the accounts. The conference was a rare opportunity for us all to meet at the same time, and this was of great importance in understanding DLH's activities, understanding each other and understanding the value of the tasks that we are solving," explains Jan Erik Løwe, and he continues:

"We are all working in the same company, but generally there are big differences in our working conditions. IT systems, legislation, accounting principles etc. are different from one country to another. Therefore, it is important to have a professional update and a close dialogue."

The plan is to hold the conference each or every second year in the future.



Record-breaking attendance to introduction day

69 employees from all over Denmark attended an introduction day for newly appointed staff, held by the Human Resources Department in the autumn, and that was far more than usual. A tight program had been prepared with contributions from Jørgen Møller-Rasmussen, President & CEO, and IR Manager Claus Mejby Nielsen and others. The purpose of the arrangement was to give new employees a common understanding of DLH as a business and as a workplace.

"There have never before been that many," says Peter Engelsted Jo-

nasen, Vice President Human Resources, who explains the record-breaking attendance with the fact that the Danish labour market is suffering from lack of manpower.

"There are many vacant jobs in the labour market and many people are tempted to change their job. Therefore, we are also recruiting more employees than usual," he says and adds that of course it also comes into play that it is now compulsory for the staff to participate on the introductory day, whereas previously it was non-compulsory.

Informal minister visit



The Danish Minister for the Environment, Connie Hedegaard, paid a visit to DLH to have an informal talk about trade in wood. The Minister is preparing new regulations for the purchasing of wood in the public sector. The regulations are, among other things, to ensure that the wood originates from legally and sustainably managed forests.

The visit took place at the DLH Group's DIY market chain, XL-BYG Horneman Brøndby, south of Copenhagen, and DLH had the opportunity to explain how the group works in practice to secure production of and trade in, legal and sustainable wood.

From the left: President & CEO, Jørgen Møller-Rasmussen, Minister for the Environment, Connie Hedegaard, Environmental Manager, Erik Albrechtsen and Department Manager, Kim Berg of XL-BYG Horneman Brøndby. Present were also Uwe Plugge, Regional Manager of XL-BYG Horneman Zealand, and Environmental Coordinator, Peter K. Kristensen.

Platform for cooperation



Jean-Pierre Tanoh (to the right) in conversation with Controller Flemming Schwartz.

Jean-Pierre narrowly made it

Jean-Pierre Tanoh from the Ivory Coast attended the finance conference and it was his first trip outside his homeland. Jean-Pierre has been responsible for the finances of DLH's subsidiary in the Ivory Coast for a number of years, but he had never communicated directly with DLH in Denmark.

In connection with the conference, Jean-Pierre was an obvious choice to invite, but he narrowly made it!

It looked like his journey would be cancelled due to some problems with obtaining his visa in time. Just two days before departure, DLH succeeded in getting his papers in order via contacts with the Danish Foreign Ministry, and Jean-Pierre was then able to set off towards Denmark, where he met with his colleagues.

After his arrival back in the Ivory Coast, Jean-Pierre Tanoh expressed his pleasure at the social and professional output that he brought back with him from the conference. His comments, and similar comments from other participants from all over the world, confirm the Finance & IT Department's opinion that the finance conference was a success, which is worth repeating.

DLH WELCOMES:

THE ERLING HUSTVEDT GROUP, NORWAY

The company, which employs a total of 25 staff, supplies the Norwegian industrial market with hardwood, veneer and sheet materials and has an annual revenue of approximately DKK 140 million. The Erling Hustvedt Group is now part of DLH's Hardwood Division.

"The most vital synergy between DLH and the Erling Hustvedt Group is on procurement. Erling Hustvedt has a lot of customers in Norway, and DLH now has easy access to these. Conversely, DLH is strongly represented at several places in the world, and that will ensure the Erling Hustvedt Group more stable wood supplies", says Martin Grome, Executive Vice President of the Hardwood Division.



OK TRÆ APS, DENMARK

The company has three employees and has an annual revenue of approximately DKK 30 million. OK Træ, which is now part of the Timber & Board Division, has moved its activities and employees to DLH's facilities in Hørning.

"There are clear synergies on areas like product range and customers. OK Træ has relations with customers that we in DLH have no contact with and vice versa. OK Træ will get access to our stocks and thereby have a much bigger product portfolio to offer their customers. OK Træ also has the agency for a German sheet materials product that we in DLH see a great potential in," says Poul Leineweber, Executive Vice President of the Timber & Board Division.



OLLE ZETTERGREN AB, SWEDEN

The company, which has 21 employees, is involved in the importation and distribution of sheet materials to the Swedish industrial market, primarily in mid and southern Sweden, and has an annual revenue of approximately DKK 80 million. Zettergren is now part of DLH's Timber & Board Division, reporting to the Group's Swedish subsidiary, Karl Ljungberg AB.

"Our synergies will primarily be on procurement. DLH has a very professional procurement organisation and a systematic purchasing network. This will free big potential in Olle Zettergren AB and develop the business further. It also means that Zettergren, now and in future, will contribute to the strengthening of DLH's market position in Sweden," says Björn Ljungberg, Managing Director of Karl Ljungberg AB.



DLH steps up the efforts in the fight against HIV/AIDS

In the northern part of the Congo, CIB manages a forest area of 1.3 million hectares. The operation also involves a number of social responsibilities for the 30,000 inhabitants of the forest area. A specific focus area is the fight against HIV/AIDS. Coordinator for the DLH Group's Corporate Social Responsibility activities, Rikke Jensen, has visited Pokola in order to find out how the DLH Group can support CIB in its work with HIV/AIDS.

To the sounds of a thunderstorm roaring in the background, ten women are talking while enjoying a beer under a thatched roof in Pokola. Everyone listens attentively and patiently while a Congolese colleague translates from Lingala to French to English – and vice versa. The atmosphere is concentrated, but now and then outbursts of laughter start in one end and spread to the others as the translation goes on.

The meeting is about HIV/AIDS, and men are strictly forbidden. In order to create as free and informal a setting as possible, only the wives of CIB employees are invited. The organisers of the women's meeting are a team from the DLH Group who, in cooperation with experts from the Dutch organisation PharmAccess, are visiting Pokola to assess what CIB can do to fight HIV/AIDS.

Awareness among the women

Present from the DLH Group is Rikke Jensen, who is the Corporate Social Responsibility Coordinator. She and the other participants aim to find out what the women already know about HIV/AIDS and the kind of concerns they have as women, wives and mothers.

"It is a bit peculiar going to Pokola as a visiting colleague asking other employees and their families about a disease that is both deadly and primarily sexually transmitted. The subject is rather personal and hence the idea of only inviting women was for the women to talk more freely," says Rikke Jensen and she continues:

"Actually, it was not that difficult to start the conversation. The women are very aware of the problems, and they asked a lot of complex questions that show that it is important to continue to inform about the

disease, how to avoid it, and how it is treated."

HIV and AIDS increase poverty

Rikke Jensen has visited Pokola twice. Pokola is where CIB's head quarters are situated and where the majority of the 1,700 local employees live. The doctor of the hospital in Pokola, owned and run by CIB, expects that up to 12 per cent of the inhabitants are infected with HIV. It is a high prevalence rate, but similar to the situation in other areas with similar settings – high economic activity and a lot of transportation in and out of a somewhat isolated area.

"HIV/AIDS is particularly problematic because the virus is highly contagious and because many years may pass before the symptoms of the disease are felt. But HIV/AIDS can be prevented and therefore it is important to inform people how

CORPORATE SOCIAL RESPONSIBILITY IN THE CONGO

With the acquisition of the Timber Group and their subsidiary CIB in the Congo in January 2006, DLH took over the challenge of managing a forest area of approximately 1.3 million hectares and the responsibility for 1,700 employees.

The forest area includes the towns of Pokola and Kabo and a number of local communities and has approximately a total of 30,000 inhabitants. This means that, in addition to the day-to-day operations, CIB has a number of social responsibilities in this remote part of the Congo.

One of these responsibilities is to provide health care to the local communities. With its operating facilities, advanced testing equipment, maternity clinic and a well-stocked pharmacy, CIB's hospital in Pokola is considered the best equipped hospital in the northern part of the country.

All inhabitants in the forest area are offered free consultation, irrespective of whether they are employees of the group or not. The hospital offers treatments for malaria, tuberculosis and diarrhoea etc. and assists at childbirths. Moreover, the hospital experiences an increasing need for treatment in connection with HIV/AIDS.

Like HIV/AIDS, malaria is a serious problem in the area and is the primary reason for consultations at the hospital and clinics. The combination of malaria and HIV is a deadly cocktail, because HIV weakens the immune system severely. Prevention of malaria is therefore an important step in relation to the treatment of HIV/AIDS, as it can increase the lifespan of people living with AIDS. Therefore DLH plans to strengthen efforts to combat malaria in the area.





Two dedicated colleagues
Rikke Jensen: "Dr. Antoine (to the left) manages CIB's hospital in Pokola and the clinics in the forest camps where some of the employees live. To the right Soeur Irene who is a nurse and responsible for information and guidance in relation to HIV/AIDS in the area. Two very dedicated colleagues who are performing an important job."



Cooperation with Dutch experts

Rikke Jensen's visit in the Congo was organised in close cooperation with the Dutch 'not for profit' organisation PharmAccess. The Organisation is dedicated to expanding access to HIV/AIDS treatment and basic health care in resourcelimited regions of the world, mainly sub-Saharan Africa.

to protect themselves. At the same time, test facilities, condoms and treatment should be made available" explains Rikke Jensen.

She points out that with the right treatment infected people can live an almost normal life. However, only a few places in Africa offer treatment and HIV/AIDS has become a severe social problem as the disease increases poverty. People with HIV/AIDS become unable to work and support their families, and therefore you often see elderly people and orphaned children having difficulty in providing for themselves.

"It makes good sense for DLH to actively fight and treat HIV/AIDS. On the one hand, the effort helps to maintain our employees on the job market, and on the other hand we are able to fight further poverty by making sure that the employees keep an income that can provide for

them and their families," says Rikke Jensen.

Specially trained employees

For years DLH's subsidiary, CIB, has actively worked to combat HIV/AIDS. The company has initiated information campaigns and projects to raise awareness of HIV/AIDS and how to avoid it. Moreover, CIB's hospital offers HIV tests, counselling and treatment.

In most of CIB's sites, there are posters with advice and warnings, and the healthcare personnel teach prevention and treatment options. In 2005, a group of selected employees was trained to be 'peer educators' – employees who raise the subject of HIV/AIDS in the workplace to create awareness and disseminate information.

"The idea for specially trained employees is really good, and they

know a lot about the people who are confronted with the disease every day. Nonetheless, it is obvious that they cannot do this alone, partly, because it can be difficult to find suitable situations to bring up the subject during a hard day's work, and partly because HIV/AIDS is an extremely complex disease which even highly educated doctors sometimes find difficult to explain in a comprehensible way," says Rikke Jensen.

Despite all these activities, further efforts are still needed. At the moment DLH is investigating the possibility of establishing a more comprehensive health care project aimed at reducing the spread of HIV/AIDS in the area of Pokola and in securing access to crucial treatment.



"The project team" visiting the clinic in Kabo. Pokola and Kabo are the two major villages in the area and the doctor of the CIB hospital in Pokola expects that up to 12 per cent of the inhabitants are infected with HIV. It is a high prevalence rate, but similar to the situation in other areas with similar settings – high economic activity and a lot of transportation in and out of a somewhat isolated area.



Out of Africa ...

In October, members of DLH's Supervisory and Executive Board went on a field trip to three Congo Basin Countries (the Cameroons, the Congo and the Gabon). Christina Aerts Van't Dack, secretary of Robert Hunink in Basel, went along. Read her story about six very exciting days in Africa.

Forever more my favorite colors will be the green of the forest in the Congo, the red of the laterite on the endless roads of CIB and the turquoise of the Atlantic Ocean in Port Gentil.

But, let me explain...

Gisela Schopferer, Accountant with tt Timber, and I had the honour of accompanying some members of the Supervisory and the Executive Board on their African discovery tour in October. It was clear from the very start that this would be an adventure without equal.

At Douala airport we were welcomed like royalty by the Cameroon staff. Jean-Baptiste, responsible for protocol, took us and our luggage under his wings like the guardian angel he seems to be.

Barely one hour after arriving, we were enjoying our first taste of tropical nightlife on the banks of the Wouri River. It was a joy to see the obvious delight Mr. Véron, manager

of the Group's subsidiary SAT, took in introducing us to his staff and the delicious cuisine of a Cameroon restaurant.

Monday morning started off a week of impeccable planning and organisation by every staff member of SAT, CIB Pokola, GIB and CIB Gabon. In the Douala port, from the deck of a huge cargo vessel bound for Mediterranean destinations, we were able to experience first hand the loading of CIB's logs and lumber.

The smells and sounds of Africa

Shortly thereafter, we changed ship for a plane, heading for the rainforest, to the true sights, sounds and smells of Africa, awaiting us in Pokola. But these sensory impressions pale in comparison with the dedication and the 'Herzblut' of every staff member we met. FSC certification is a mission for every single one of them. The economic, environmental and the social impact of FSC, be-

came clear in a very tangible way throughout our visits to the sites of Kabo and Pokola with the various sawmills, kiln driers, moulding and carpentry factories, the extensive lumber yards, the scrap yard, the spare parts facility, the generator plant, the Vietnamese brick production, the pygmy village and school, the bakery, the brand new bank and, most of all, by our heartwrenching tour of the Pokola hospital and its pharmacy.

Exiting knowledge about the rain forest

Up until now I dealt with the process of choosing, felling, skidding and transporting a tree behind a computer screen. But, when confronted with the reality, the enormity of it all hits you.

Believe me, taking a ride in a three metre high Caterpillar skidder is every little boy's dream come true.

We could see for ourselves how fast the forest hides the tracks the for-esters leave behind after harvest- ing.

We learned about manioc, mar-antaceae leaves and its uses, agro-forestry and forest management, the sisiphus job of maintaining the laterite roads. We were told about current risks related to HIV/AIDS as well as other social issues. We met papa Anatole (the 70-year old company carpenter), Doctor Antoine Moubouha, and many of the com-mitted expatriate women who, need- less to say, contribute every day, in small and big ways, to the function- ing of various facilities within the company.

The occasional tear was wiped when we listened to the pygmy children welcome us with their songs in the Foyer Frédéric. Fore- ever engrained in our memory are the smells and the squalor of the pyg- my village, but most of all, their ob-

vious joy at seeing three cars full of people arrive in their midst, bear- ing gifts.

As warm as the African temper- ature, was also our welcome in Ga- bon.

We visited the port, the lumber- yard and sawmill, the offices and, again, graciously received an an- swer to all our queries.

Port "Gentil", the name says it all! With its white sand beaches, gorgeous flowers and European flair, it has definitely moved up to the top of my list of places to revisit.

During those six days, we spent in Africa, we soaked everything up, like the savannah welcomes the first new rain. I think it is safe to say that this experience has enriched each participant enormously.

Christina Aerts Van't Dack



DLH utilizes the Russian potential

An extra dimension has been added to our trade with Russia. For many years the enormous country has been the Timber & Board Division's biggest supplier of plywood, but now DLH has also started to sell sheet materials to Russia, where the economy is growing and demand is rising. It is a big challenge, but DLH has the advantage of having a unique position and a strong network that have been built up during almost 30 years in the market.

DLH's Timber & Board Division is busy - very busy. You see, quite paradoxically, the world's largest manufacturer of birch plywood, Russia, has a lack of sheet materials and, therefore, the division is now about to build up a full sales network in this gigantic market.

In future, this network is to sell selected sheet material products in the country, where the booming market economy has opened up new possibilities for part of the 142 million inhabitants. An explosively growing middle class has got considerably more money, which they invest in better housing and more luxury consumer goods.

"The economic development has made the Russians demand

plywood. At the same time, the warm winters have made it difficult to get sufficient amount of logs out of the woods, which has, from time to time, led to production stop and lower output from the factories. This 'cocktail' of circumstances has increased the market prices heavily - especially in Russia, where at times there has been an actual lack of plywood," explains Procurement Manager, Jonas Tejlgaard Hansen from the Timber & Board Division.

DLH has a unique position

He says that, in a situation like this, it is a huge advantage to be able to build on the thorough knowledge of the market that DLH has attained

during almost 30 years of presence in Russia.

"We have a unique position with a very strong network in the market, which we have built up through our purchasing activities in Russia over many years, and we are really enjoying the benefits of that now. The Russian market has huge potential, but there are also many pitfalls. Bureaucracy is still very much alive, and Russian trade patterns are very different from the ones we know from other markets. Right from the start it has therefore been important for us to make sure that our sales in Russia are in accordance with the principles and politics that DLH complies with," says Jonas Tejlgaard Hansen.

Ability to change is important when the competition is keen

It is hard work to start up in a new market, and the establishment of the sales network in Russia was given much consideration before the final decision. Every day brings new challenges and requires new assessments of the market, where DLH benefits from having a strong global setup regarding procurement of sheet materials.

"The prospects are good in Russia and we want to continue to enhance the position of DLH in this country. By using our international knowledge and background we can work as both exporter of and supplier to Russia of sheet materials.

Hitherto, DLH has only exported sheet materials from Russia, but

now, due to the market's development and expansion, we can use our international background to supply sheet materials to Russia from the USA, South America and China," says Jonas Tejlgaard and he points out DLH's ability to change as being crucial if the company is to stay competitive in a market that more and more people are becoming aware of.

Things are changing rapidly in Russia. There are very many unknown factors, such as the political situation with the presidential election waiting just around the corner. Also the trade and import barriers, the competitive situation and the exchange rate development can quickly change the conditions of our sales to Russia considerably," says Jonas Tejlgaard Hansen.



VALUES ON TOUR

The values of the DLH Group are global. They are the result of a process that involved the entire organisation and they express how DLH wants to operate its business. Therefore, it is of utmost importance to add life to them so that they will not end up being fine words on a piece of paper. The values are worth nothing without action. They must be

part of our daily lives no matter where you are - in Malaysia, Belarus or anywhere else - and Passion for Wood is now introducing a series of articles where employees around the world will tell us about some experiences they have had that, to them, expresses one or more of DLH's values. The series of articles will be kind of a relay where we send

our values on tour: The employee writing the story in this issue will choose a colleague to write a story about a valued experience in the next issue. The first contributor is Peter Engelsted Jonassen, Vice President Human Resources.



NEXT STOP: BASEL

Peter Engelsted Jonassen has chosen to pass on the baton to Thomas Meier, CFO and Director, in Basel. "I pass it on to Thomas Meier because, according to him, they need no excuses for arranging social activities in Basel," he says.

DLH at DHL

25,000 people are gathered in a park in the Danish capital, Copenhagen. For once the sky is clear and blue, but the temperature just around 14 degrees reveals that the summer - very rainy by the way - has definitely gone in Denmark.

The thousands of men and women dressed in sports clothes are attending the DHL Relay - Europe's biggest fun run, specially arranged for companies. 30 DLH employees are attending this night. Their base is a tent with tables and benches near the runway on which they are all go-

ing to run this night. Some have brought their family members and even colleagues that are not running themselves participate as 'cheerleaders'.

The responsibility is alive and kicking

The employees are divided into teams of five, who in turn run a route of five kilometres. For very few of them the idea is to be first - for most of them the idea is to do their best - and between them they succeed in finishing within a decent time.

After the race, some torches are lit outside the tent, and inside the employees and their families are eating together before they, with tired legs, say good night to each other and go home.

"This was just an ordinary Tuesday night in Copenhagen, but being just an everyday event, it is to me a very good example of how DLH's value of responsibility is alive and kicking - not just in the business but also among us employees," says Peter Engelsted Jonassen, and he explains:

"This year I was the last runner of my team, and my experience is that it can be a very bad position in some companies. At that time it is half-dark and cold, and you get to wait for hours before it is your turn to run. On top of that you might risk that the others eat most of the food and leave before you and the other 'late-runners' cross the finish line."

But not one moment did I fear being in that situation with my DLH colleagues. I knew that they would all cheer me on and watch me cross the line, before we all enjoyed our

dinner together and helped each other tidying up.

It is part of the 'DLH spirit' to take responsibility for each other and to contribute your share for the team, and it was an incredibly positive experience to see that our business values are also reflected in our time together," says Peter Engelsted Jonassen.

"The values are the company's soul. They are the 'words from the soul' spoken by the employees when we asked them of their opinion. They are the values that they believe in and, as the management, we are committed to listen to and spread out their words in the company."

Peter Engelsted Jonassen, Vice President Human Resources



30 employees from DLH's headquarter in Taastrup participated in Europe's biggest fun run. Among these Vice President Human Resources, Peter Engelsted Jonassen, who, on an ordinary Tuesday evening in September, found himself in the slipstream of solidarity and shared responsibility.

Certification guide successfully launched

What is in fact certified wood? In a new guide, customers now have the opportunity to learn about the verification and certification processes and find answers to the importance of certified wood.

The DLH Guide to Verification and Certification has proven to be a useful tool for staff. Therefore, a customer guide is now about to be published in six different languages.

The guide was launched during the first half of 2007 at four explanatory workshops in Warsaw, Sète, Antwerp and Taastrup, respectively. Back then, the circulation was restricted to DLH personnel only. However, it soon became clear that the guide could be used for other purposes.

"Soon after the guide was launched, we realised that it could be used as a tool for our customers. Not only can they read about the verification and certification processes, but the guide also provides answers to why they should consider choosing certified wood products, why they should choose DLH to supply these products and how DLH can help them along in the process," explains Marketing Communications Manager Sheila Hoggarth.

Basic understanding is necessary
The guide was first intended for DLH staff as an information tool about the processes and the promotion of timber products. Sheila Hoggarth points out that it is very important that all employees in DLH have at least a basic understanding of the verification and certification processes.

"In order to aid the staff in this objective, DLH produced the DLH Guide to Verification and Certification. Not only does the guide give an overview of the processes, it also provides information on how to market these products and where to get help," says Sheila Hoggarth.

With the verification and certification of wood products, DLH hopes to ensure environmental sustainability. In some countries and regions legality is not fully assured by the authorities. Therefore, it is of the utmost importance to ensure the legality of timber and manufactured goods in those parts.



The guide can be viewed or downloaded from the DLH website www.pound.co.uk/DLH_Customer. In addition to the customer guide, DLH is also currently producing three leaflets about certification and verification. The leaflets are specifically aimed at suppliers in order to encourage them to apply for VLO (Verification of Legal Origin), TLTV (Timber Legality & Traceability Verification) or FSC (Forest Stewardship Council) certification/verification for their timber. The leaflets will be ready by the end of the year.

From paperwork to wood inspection



For one day, more than 20 administrative employees from the Swiss DLH company, tt Timber in Basel, left computers and paperwork to go on a field trip to learn more about wood and wood products.

They visited the wood company Brunegg AG, one of the biggest door producers in Switzerland. The company is FSC certified and produces 140,000 doors a year. The employees also visited the sawmill Keppler where they had the opportunity to see a huge Sapelli log from CIB in the Congo being sawn up.



A sharper profile for the DLH Group

**Martin Rolander, Vice President Group Marketing
in the hot seat**

Each member of the DLH family has their own, local profile. Some are well known within the environmental area, others have a strong social commitment, and others have made their mark through commercial performances. But what profile would the DLH Group like to be known for globally? Our new Vice President Group Marketing, Martin Rolander, will find the answer.

Martin Rolander, congratulations with the job. What are you going to do?
“Even though DLH is a big, worldwide group, it is not very well known to the general public. Therefore, my team and I are about to profile DLH - internally towards the employees and externally towards our customers, suppliers, investors, collaborators, NGO's and future employees etc.

One of my most important tasks will be to set up the framework for a common identity in the group and to communicate it to all divisions and DLH units all over the world. It is all about creating a golden thread that should run through our communication and branding. Not much has been made on that front in the recent years, so there should be enough to start on, but the overall objective is to make the DLH Group known worldwide for being a responsible company.

But why is it that important to be known?

There are many good reasons for that. Let me give you some examples:

- In Denmark, for instance, unemployment is historically low at the moment. Companies are struggling to attract and maintain good and competent employees. In that situation it is crucial to the DLH Group to be able to stand out with a razor-sharp and positive profile that people can associate with good working conditions, international career possibilities and a decent moral and positive media coverage. Not only in Denmark, but in all countries in which we are represented. Working in the DLH Group should be considered attractive, and the motivation of the staff will be increased if the company is known for something good and if it has a positive profile. The employees are our most important ambassadors, and it is important that they feel proud to work here.
- Working systematically with communication and marketing will make us far better at influencing the view that other people hold of us. One negative story in the media can be stored for a long time in

people's mind. Therefore, it is vital to tell all the good and unique stories that characterize us as a company, as a working place, as a collaborator and as a global group.

By profiling the DLH Group, don't you run the risk of weakening the profile of the individual units?

A strong group profile does not rule out a strong subsidiary profile. By having a common and more uniform strategy for communication and marketing the companies can benefit from each other's strengths and thereby be more complementary to each other than they are today.

In the long run we aim to create one common identity that we all know and can refer to. In this connection it is very important to respect the very many companies, acquired by the DLH Group, that, in some countries, have a very strong, local brand. That is a clear challenge with regard to creating the common identity, but it is also a great strength, because we can build on a local brand together with the employees who have made it.

Is it at all realistic to communicate as one company when you geographically, culturally and commercially cover such a wide field as DLH?

Yes, of course. Look at Nokia, Danfoss, IBM and Nestlé - they have all experienced the same challenges and solved them. And so can we.

We have already taken an important step by introducing the fundamental values, which we agreed on globally should form the basis of our work: Responsibility, professionalism, entrepreneurialship and openness on a global/multicultural foundation. The values reflect who we are and how we want to conduct ourselves as a company, and together we must translate the values into a common identity.

FACTS ON MARTIN ROLANDER

35 years old and holds an MSc education from the Copenhagen Business School. Martin comes from a job in Payment Business Services (PBS) and has previously been employed by the Danish telephone company TDC.

Martin is married to Louise and has a two-year-old son.

MEET GROUP MARKETING

In connection with Martin Rolander's employment, there has been established a Marketing Department of three employees, who have previously worked with marketing at different places in the DLH Group. "The experience and expertise of my staff is vital for the development that the DLH Group will be seeing in the marketing area," says Martin Rolander. Besides from himself the department includes:



**Helle Esbensen,
Marketing
Coordinator,
Taastrup**



**Janni Ekstrøm
Desbo,
Marketing
Assistant,
Taastrup**



**Gitte Nabe
Kristensen,
Marketing
Coordinator,
Høring**

