



DOUGLAS DYNAMICS

Corporate Social Responsibility Report

2020



DOUGLAS DYNAMICS

Letter From Our CEO

The foundation of our culture is our long-standing commitment to our Core Values. These values help guide our organization as we work to achieve our highest potential. Consistent with our continuous improvement mindset, in 2020, we took our Core Values to another level by identifying the Winning Behaviors that further define our culture and allow our organization to win the right way.

We are dedicated to holding ourselves accountable to the highest ethical standards as we drive to deliver on our commitments. I am proud of our almost 1,800 employees, as they have put our Core Values and Winning Behaviors into action while responding to the impacts of the unprecedented COVID-19 pandemic and the social injustice challenges facing our communities. Our teams' responses have positively impacted our customers, employees, communities, and the environment.

At Douglas Dynamics, we are committed to doing our part to build and advance unity, inclusion, and sustainability in our Company and our communities. In 2021, we will continue to further strengthen an inclusive workplace, leverage the diverse and unique perspectives and insights of our global employees, and be stewards of the environment. Crises such

as the COVID-19 pandemic and social unrest emphasize the need for effective solutions to emerging challenges. Our employees have worked with tremendous flexibility and commitment to help ensure that we continue to provide total solutions to our customers with world-class quality and industry-leading lead times to keep America working.

I am grateful for the strong foundation we have built and energized by our opportunities to strengthen our social responsibility further. On behalf of Douglas Dynamics leadership and the Board of Directors, I thank our employees for their ongoing commitment to our shared future and our stakeholders for their continued confidence in our Company. With your trust, we will continue to create and support a more sustainable future for all.



Thank you,

A handwritten signature in black ink that reads "Bob McCormick". The signature is fluid and cursive.

BOB MCCORMICK
President and CEO
Douglas Dynamics

At Douglas Dynamics, we are committed to doing our part to build and advance unity, inclusion, and sustainability in our Company and in our communities.



Our Company

Our Company

The Douglas Dynamics portfolio of products and services is separated into two segments: First, the Work Truck Attachments segment, which includes our operations that manufacture and sell snow and ice control attachments and other products sold under the FISHER®, SNOWEX® and WESTERN® brands. Second, the Work Truck Solutions segment, which includes manufactured municipal snow and ice control products under the HENDERSON® brand and the upfit of market-leading attachments and storage solutions under the HENDERSON® brand, and the DEJANA® brand and its related sub-brands.

Our Work Truck Attachments segment offers a broad product line of snowplows and sand and salt spreaders for light trucks that we believe to be the most complete line offered in the U.S. and Canadian markets. We also provide a full range of related parts and accessories.

We sell our Work Truck Attachments products through a distributor network primarily to professional snowplowers contracted to remove snow and ice from commercial and residential areas.

Douglas Dynamics is North America's premier manufacturer and upfitter of work truck attachments and equipment.

Our Work Truck Solutions segment participates in the manufacture of municipal snow and ice control products and offers a complementary line of upfitting services and products. Our Work Truck Solutions products consist of truck and vehicle upfits where we attach component pieces of equipment, truck bodies, racking, and storage solutions with varying levels of complexity to a vehicle chassis, which are typically used by end-users for work-related purposes.

Our Work Truck Solutions segment is a premier upfitter of Class 4—8 trucks and other commercial work vehicles. We also provide customized turnkey solutions to governmental agencies such as Departments of Transportation (DOTs) and municipalities. Additionally, we believe that our Work Truck Solutions segment is a leading specialized manufacturer of storage solutions for trucks and vans and cable pulling equipment for trucks.

Additional information can be found at the Company's website, www.douglasdynamics.com.

At a Glance

INDUSTRY LEADER

75 YEARS
MAKING A DIFFERENCE

LOCATIONS



5 MANUFACTURING LOCATIONS

15 INSTALLATION & DISTRIBUTION CENTERS

1 GLOBAL SOURCING & BUSINESS DEVELOPMENT OFFICE IN BEIJING, CHINA



APPROXIMATELY
1,800
EMPLOYEES



Our Culture

Our Culture

Douglas Dynamics is home to the most trusted brands in the industry and is North America's premier manufacturer and upfitter of work truck attachments and equipment. Our commitment to continuous improvement enables us to consistently produce the highest quality products and drive shareholder value. We serve as trusted partners to our dealers, suppliers, and end-users, whose businesses benefit from our operational and management expertise.

For more than 75 years, Douglas Dynamics has been manufacturing the best products available on the market. Every day our employees work hard to meet our customers' needs, and every day, we as an organization are focused on fostering a collaborative environment for our employees and offering them the opportunity to have ownership in our Company's success.

We believe that we have one of the lowest employee turnover rates in our industry. Our focus on integrity, teamwork, and

high performance has enabled us to create an ideal work environment for every one of our employees. Our Board of Directors regularly receives updates from our senior management concerning our health and safety, diversity, and inclusion, and our internal talent development initiatives and priorities.

Our commitment to continuous improvement extends well beyond producing the highest quality products or driving shareholder value—we also value our employees' growth, improvement, and engagement.

Creating a culture of excellence is the key to our success, which is why we work hard to give our employees the tools and training to achieve more. We know that when our employees are taken care of, our business partners get the most out of their Douglas Dynamics experience, helping us to remain North America's premier manufacturer of vehicle attachments and equipment.

We value our employees' growth, improvement, and engagement.





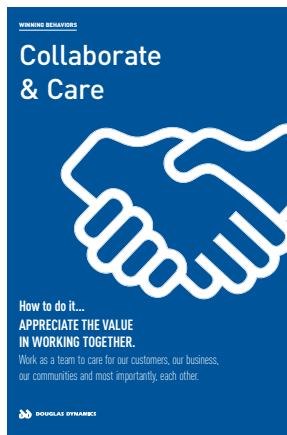
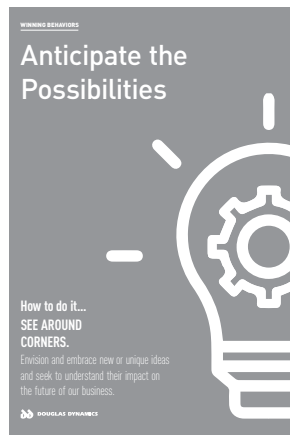
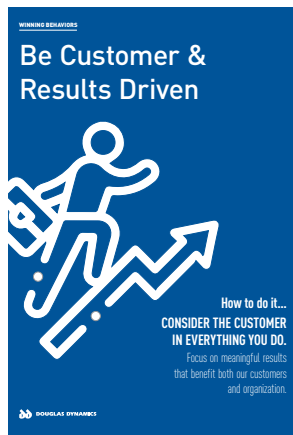
Our Winning
Behaviors

Our Winning Behaviors – How We Win



GROW, IMPROVE, ENGAGE

“Grow, Improve, and Engage” has long been our focus as an organization to ensure we succeed by executing the right things. These are our Core Values and remain critical to our individual and organizational success. Ultimately, our Core Values are How We Win.



Every Douglas Dynamics team member is empowered to ENGAGE our people, IMPROVE every day, and GROW with our customers.

The Winning Behaviors are what each Douglas Dynamics employee does to support the success of our Company. They are the expectations for all of us to help ensure we focus on winning as an organization the right way. It helps ensure a consistent focus on our Core Values across all employees at all locations.

OUR SIX WINNING BEHAVIORS ARE:



BE CUSTOMER & RESULTS DRIVEN:

Consider the customer in everything you do. Focus on meaningful results that benefit both our customers and organization.



COLLABORATE & CARE: Appreciate the value in working together. Work as a team to care for our customers, our business, our communities, and, most importantly, each other.



DEVELOP SELF & OTHERS: Take active ownership of your development and support others. Continually improve your knowledge, skills, and abilities.



ANTICIPATE THE POSSIBILITIES: See around corners. Envision and embrace new or unique ideas and seek to understand their impact on the future of our business.



COMMUNICATE RESPONSIBLY: Communicate to build culture and trust. Place an emphasis on listening and speaking in ways that help everyone succeed.



GET BETTER EVERY DAY: Make even the smallest improvement every day. Continuous improvement is at the center of everything we do. Not just what we do, but how we do it, every single day.

These Winning Behaviors help guide our organization and are the backbone behind our focus on promoting the development of our employees, social responsibility, and sustainability.



Developing
Our Employees

Developing Our Employees

Our Winning Behaviors are instrumental in the recruitment, development, and retention of our employees. The Winning Behaviors help us in the interview and talent selection process by ensuring we create a clear understanding of our values system and what it takes to succeed in our organization. We use them in the performance development process by ensuring our performance process evaluates individual success in exhibiting our Winning Behaviors through ongoing feedback, coaching, and recognition.

Our learning and development solutions are all built with the Winning Behaviors in mind, ensuring that we support the growth of all Douglas Dynamics employees in the right areas. Our Winning Behaviors help us in career and succession planning by providing anchors for understanding our talent and developing our diverse employees for future opportunities.

As a core part of How We Win and our Winning Behaviors, our dedication to employee development and growth is essential to our organization's success. We encourage employees to take active ownership of personal development while simultaneously supporting the development of others. When everyone feels accountable for development, it truly creates a culture of continuous improvement.

We encourage employees to take active ownership of personal development while simultaneously supporting the development of others.

DOUGLAS DYNAMICS UNIVERSITY (DDU)



Our Douglas Dynamics University (DDU) is one of the services provided that supports our Company's dedication to the performance, development, and growth of our talented people. We are committed to the continual improvement of our

team members' knowledge, skills, and abilities through:

- Internal development and deployment of immersive and gamified virtual and in-person learning experiences.
- The Douglas Dynamics Learning Center (DDLC), which provides access to hundreds of self-paced eLearning, videos, and quick reference guides accessible via any mobile device to support the diverse development needs of our team members anytime, anywhere, through any device.
- A focus on balanced development that equally prioritizes formal, peer, and on-the-job learning experiences.
- The performance development process, which is our approach to what is typically considered the performance review. More than just a check-the-box activity, it is a continuous two-way process of coaching, feedback, and development that supports both individual and organizational success.

BALANCED DEVELOPMENT APPROACH

Mixing development activities and approaches maximizes impact and sustainability.

- In-Person & Virtual Classes
- Self-Paced eLearning
- Conferences
- Podcasts & Webcasts, etc.
- Books, Articles, etc.
- Websites
- Videos



INSTRUCTION

- Coaching
- Mentoring
- Job Shadowing
- Discussions
- Interest Groups
- Book Clubs
- Online Communities



INTERACTION

- Job Rotations
- Temporary Assignments
- Projects
- Challenging Assignments
- Role Playing
- Doing



APPLICATION



DOUGLAS DYNAMICS UNIVERSITY (DDU)

Our initiatives to support the continuing evolution of our development culture include:

- The **DISCOVER HOW WE WIN** series of courses promoting a deep understanding of our Winning Behaviors for all our team members.
- **THE LEADERSHIP ENGINE** program focused on developing our front-line to mid-level leaders through a group-based 10-month program customized to each participant's unique needs.



- The **EXECUTIVE DEVELOPMENT GROWTH AND ENGAGEMENT (EDGE)**, a 12-month project in partnership with the University of Wisconsin, Madison that balances formal education and addressing real business challenges.

Through the DDU, our employees have access to thousands of learning opportunities to grow their skillsets and develop their careers. We are proud of these offerings and continue to refine our employee development solutions to bring world-class learning to our most precious resource: our people.

WE ACHIEVE THE GOALS OF DDU BY:

- Developing and delivering live and virtual instructor-led training and eLearning through the DDLC.
- Supporting projects that require training creation throughout the organization.
- Developing and delivering team building activities upon request.
- Providing training solutions that can be delivered by other teams or certified trainers.

EMPLOYEE DEVELOPMENT AT ALL LEVELS

Develop Self and Others is one of our six Winning Behaviors. At Douglas Dynamics, we believe that all employees at all levels of the organization benefit by taking active ownership of their development and support others. When we continually improve our knowledge, skills, and abilities, everyone benefits—our employees, customers, and shareholders!

To help support this Winning Behavior, we ensure that all employees have access to our learning and development program and resources. In a manufacturing environment, that can be a challenge for many employees because of the nature of shop floor roles.

To encourage this, we offer in-class learning opportunities that are shorter and focused, enabling people to participate without impacting the entire workday. Additionally, our online Douglas Dynamics Learning Center (DDLC) houses hundreds of topics that employees can access via work computers, kiosks, and even mobile devices—enabling all employees to access learning opportunities when they want to, where they want.



Our Social
Responsibility

Our Social Responsibility

ETHICS AND GOVERNANCE

In conjunction with our Core Values and Winning Behaviors, we act in accordance with our [Human Rights](#) and [Code of Conduct](#) Policies, which create expectations and provide guidance for all our employees to make the right decisions. Our Code of Conduct covers anti-corruption, discrimination, harassment, privacy, appropriate use of company assets, protecting confidential information, and reporting Code of Conduct violations.

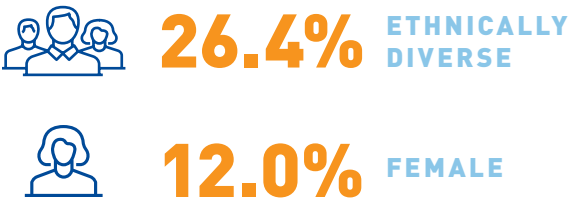
Our Board of Directors sets high standards for our employees, officers, and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the Board of Directors to serve as a prudent fiduciary for shareholders and to oversee the management of the Company's business. We have developed robust corporate governance policies applicable to the operation of our Board of Directors and its governance oversight of the Company, which can be found on our [investor relations website](#).



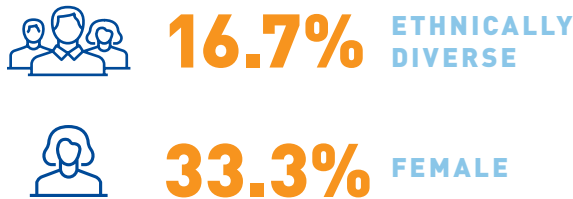
DIVERSITY & INCLUSION

Douglas Dynamics is deeply committed to diversity and inclusion. However, we still have more work to do across our footprint. We are investing in multiple initiatives focused on identifying diverse talent. These include engaging with recruiting firms, utilizing job-posting sites, and collaborating with university programs that specialize in connecting companies like Douglas Dynamics with a diverse array of candidates. Moving forward, we will continue to review and refine our initiatives as we seek to diversify our workforce further.

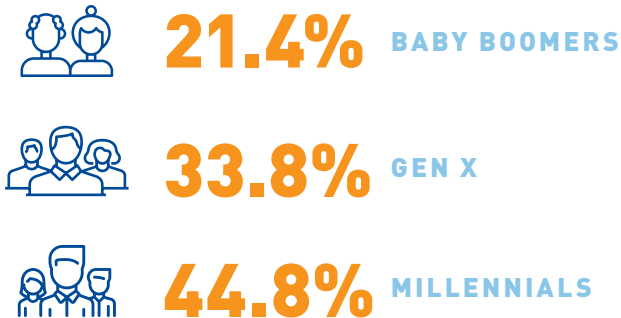
TOTAL U.S. DD WORKFORCE



DD BOARD OF DIRECTORS



GENERATIONS OF DD WORKFORCE



TRANSPARENT COMMUNICATION

We believe that having open and honest dialogue with our employees is critical to the evolution of our culture and our Winning Behaviors. We genuinely feel that having transparent conversations, early and often, is key to our success. Early, so there are no surprises, and often, so everyone is kept up to date with information and timelines.

In 2021, we will launch an employee experience survey to gain insight into our employees' current work experiences and how well we are engaging our workforce. We will follow this survey with additional "pulse" surveys to keep a current understanding of how employees are feeling.

The feedback from these surveys will help us get better every day as an organization. We intend to use this information to drive the proper actions in areas where we do well and the other areas where we need to continue to get better.

Our success as a high-performing organization depends on nurturing an environment where everyone is valued and heard.



EMPLOYEE BENEFITS

Douglas Dynamics helps support employee health and wellness by providing programs that benefit our employees and their families. We are constantly evaluating market trends to ensure we are remaining competitive. We believe that it is essential to provide competitive and equitable compensation programs, medical plans, and supplemental benefits based on the local markets in which we operate. While benefits can vary by market relative to our various locations, we provide a variety of medical plans and supplemental benefits that employees can choose from, such as:



**COMPANY-PAID
LIFE INSURANCE**



**SUPPLEMENTAL LIFE
INSURANCE**



**CRITICAL ILLNESS, HOSPITALIZATION
& ACCIDENT POLICIES**



**WELLNESS PROGRAMS
BY LOCATION**



**EMPLOYEE ASSISTANCE
PROGRAM**



**PERSONALIZED
HEALTH COACHING**



**ON-SITE HEALTH CLINICS AT
OUR LARGER LOCATIONS**



**TELEMEDICINE AND VIRTUAL HEALTHCARE
FOR NON-EMERGENCY CONDITIONS AND
BEHAVIORAL HEALTH NEEDS**

**We provide
a variety
of medical
plans and
supplemental
benefits
from which
employees
can choose.**

DD CONNECT - EMPLOYEES, FAMILIES & COMMUNITIES

We are committed to continuous improvement in every aspect of our business, including our employee health and wellness initiatives. This year, we shared our Winning Behaviors, which ensure we focus on winning as an organization the right way. Since then, all of our Douglas Dynamics team members have shown what an organization can accomplish when we work together, but more importantly, when we care about each other and do the right things.

Collaborate and Care is one of our Winning Behaviors and an integral part of our work experience. However, it does not stop when our team members leave work at the end of each day. We are committed to playing a vital role in the well-being of our team members, not only inside the workplace but also outside the workplace and our employees' homes and communities. We know that we want to do more.

In 2021, we will roll out our new CONNECT initiative, an exciting first step in our journey to do more! To kick off this initiative, we will provide our employees, and their families access to financial wellness programs. At Douglas Dynamics, we truly believe that people are our greatest asset which is why we are proud to say these financial wellness programs heavily focus on employees helping employees.

Members of our Douglas Dynamics finance department have volunteered their time to be local finance coaches, dedicated to providing 1-on-1 support to their fellow employees. The support provided by these team members will vary depending on employee needs. They will offer finance coaching "office hours" for focused, individual meetings and virtual webinars for group training on using external resources available to them as a Douglas Dynamics employee. While they are not a group of certified financial advisors, and therefore cannot provide recommendations on products or investments, or make any suggestions about investing in Douglas Dynamics stock, they are an extra resource for peer-to-peer coaching on education, direction, and advocacy. Financial wellness is connected to everything we do, so ensuring our employees and their families have the support they need is an essential part of collaborating and caring within our Company.

Financial wellness is only the beginning of our new CONNECT initiative. Future programs may address topics such as education or family resources. To help us determine what to focus on next, we will hold employee focus groups to better understand the areas of support our team members are interested in most.



TOP WORKPLACE AWARD

Douglas Dynamics is proud to be one of only ten other companies that have been recognized annually as a Top Workplace in southeast Wisconsin since the Milwaukee Journal Sentinel started the program 11 years ago.

Top Workplaces are nominated by employees and judged solely on employee surveys administered by a third-party company. The program recognizes businesses and organizations in southeast Wisconsin that provide their employees with a great work environment, flexibility, advancement opportunities, and other tools they need to succeed.

Being named a Top Workplace is about more than offering great benefits and vacation time. It is about organizational health. Employees want to align with a company's vision, be challenged by a high-performance culture, and feel they are valued and that their voices are heard.



COMMUNITY INVOLVEMENT

Douglas Dynamics is committed to utilizing our resources for the betterment of the communities we serve. All our business units have a dedicated donations committee responsible for supporting local non-profit organizations through employee input. We provide support both financially and through employee volunteering opportunities. Supporting our community also has the added benefits of emphasizing brand recognition and increasing employee retention. At an organization-wide level, we provide a 100% match for employee donations to the United Way.



In addition to United Way, we support three principal areas through corporate cause marketing: military and veterans (Hometown Heroes), breast cancer research (Susan G. Komen), and STEM programs (Be the Spark). Through our cause marketing efforts, we have generated significant attention to and donations for each of these great causes.



CHARITABLE CAUSES

Douglas Dynamics proudly supports many other local non-profit organizations and causes that are personally meaningful to our employees, such as these below:

American Legion	Delaware County Community Foundation	Junior Achievement Of Wisconsin	Methodist Conference Home Inc.	Rock Coast Roller Derby	The Barbara Bush Foundation
American Lung Association	Delaware County Dairy Council	Kloeckner Metals Corporation	Medomak Middle School	Rockland Professional Group	LifeFlight Foundation
Area Interfaith Outreach	Donation to Employee for Chemo Treatments	Knox Clinic	Meta House	Rockland Rotary Club	The Parenting Network
Auxvasse Elementary School PTO	East Buchanan Community School	Knox County Homeless Coalition	Midcoast Habitat for Humanity	Ronald McDonald House Of Charity	Town of Thomaston
Big Brothers Big Sisters Washington County	Fire Fighters Historical	Landmark Community Organization	Mid-Coast Recovery Coalition	Rotary Club	Trekkers, Inc.
Camp Hometown Heroes	Five Town Little League	Leukemia & Lymphoma Society	Mid-Coast School of Technology	School Admin District No. 40	TROSA
Castle Theater	Fulton Colleges Scholarship Fund	Lincolnville Central School	Milwaukee Public Museum	Serve, Inc	United Midcoast Charities
Christ King Parish	Fulton High School	Loving Tanner	Momentum Screen Prints	Susan G. Komen for the Cure	University of Maine at Augusta
City of Fulton	Germantown High School	Maine Breast Cancer Coalition	Muscular Dystrophy Association	Snow Pioneers	University of Maine Foundation
City of Manchester	Hartwick Husky Ski Team	Make-A-Wish Foundation of Wisconsin	North Callaway Athletic Booster	Special Olympics Iowa	West Delaware After-Prom Party
Country Cruisers	Hero's Haven Animal Rescue	Manchester Chamber Of Commerce	Northeast Iowa Boy Scout Council	Special Olympics Wisconsin	West Delaware Athletic Booster Club
CPU PTO	IAFF Local 2945	Manchester Fire Department	Oak Creek Zone Baseball Inc	St Mary's Church	West Delaware Cheerleading
Cub Scout Pack 131	Iowa AAU Girls Wrestling	Manchester Kids League	Odyssey of the Mind	St Mary's School	West Delaware High School
Cystic Fibrosis Foundation	Iowa College Foundation	Maquoketa Valley Athletic Boosters	Parent Program of Mid-Coast Maine, Inc.	Strawberry Point Truck	Whitefish Bay Jr. Dukes Baseball
Delaware County Cattlemen	Jobs For Maine's Graduates	Maquoketa Valley Schools	Penobscot Bay YMCA	Tech Alumni Association	



HEALTH AND SAFETY

At Douglas Dynamics, we are committed to the health and safety of our employees. The working environment we provide is based on our vision, which places the highest value on the welfare of our employees, instills a sense of ownership with our employees, and embraces excellence in safety, production, and the quality of work being done.

Our goal is simple: to create added value for our customers through best-in-class performance in environmental, health, and safety practices. We pledge to place our employees' safety and well-being first and embody honesty and integrity in the pursuit of our vision of creating a world-class safety culture.

It takes a team approach, and every employee's involvement in the team can help to reduce the chance of injury in the workplace. No one person is greater than the team and working safely and eliminating injuries is the responsibility of everyone.

We promote an open-door policy at Douglas Dynamics and encourage every employee to discuss their safety and environmental concerns with their supervisor or other environmental, health, and safety (EHS) leaders. Our management team is committed to employee safety and making safety improvements as needed and where feasible. Douglas Dynamics wants every employee to feel safe and take ownership of their safe actions to eliminate injuries and protect the environment in the workplace.

Throughout all Douglas facilities, our primary safety metric is the DART rate (Days Away Restricted or Transferred). Like many organizations, we compare ourselves to other companies in our industry and aggressively set out to meet and achieve our safety goals. Overall, we have a DART goal of 2.0 cases per 100 full-time equivalent workers or less.



COVID-19 PANDEMIC RESPONSE

Douglas Dynamics continues to follow the COVID-19 guidelines set by the World Health Organization (WHO), Centers for Disease Control and Prevention (CDC), the Occupational Safety and Health Administration (OSHA), and local authorities. We proactively shut down our manufacturing operations in March 2020 at the outset of the pandemic. Knowing that it would take time for government assistance programs to reach our employees, we paid all full-time employees through the end of March. Additionally, we paid the employee portion of health insurance premiums through April. We did this because we wanted all employees to focus on their family's health and safety and know that they were financially secure during the pandemic's early stages.

As an essential business provider, we quickly created cross-division, cross-location, and cross-functional teams to address the challenge of returning to work. Teams researched a wide range of COVID-19 safety and mitigation recommendations from organizations such as the CDC and the WHO. They created a Safe Return to Work plan, which focused on protocols around disinfecting, social distancing, communication, and education. They put in countless hours planning and adapting our facilities to the new reality to create a safe and productive workplace for everyone. In the end, we were fully staffed and 100% operational ahead of schedule in early May.

We also created plans and response teams in the event that employees needed to quarantine or parts of the business needed to be shut down for cleaning. Our efforts were so successful that we developed a [COVID-19 resources page](#) on our Company website that outlines the plans and protocols that helped us safely bring our employees back to work. We shared that page with our customers and partners, as well as other businesses and associations in our industry and within our communities. We were determined to put the safety of our people first, and many of our employees put in a tremendous effort to make sure we were able to do just that.



COVID-19 PANDEMIC RESPONSE

At the time this report was published, July 2021, we had not seen a major outbreak at any of our facilities, and our employees are making the right decisions regarding quarantine following exposures outside the workplace.

All facilities continue to undergo deep, thorough cleanings and follow the safety measures that have been put in place, such as:

- Routine cleaning of frequently touched surfaces in the workplace, such as touchscreens, workstations, countertops, and doorknobs.
- Hand sanitizers and disposable wipes are readily available.
- Use of federally approved disinfectant products.
- Personal Protection Equipment (PPE) readily available.
- Barriers installed in areas where workstations are within 6 feet.
- Staggered breaks and lunches.
- Minimized the number of employees allowed in the lunchroom, conference rooms, and offices.
- Provided touchless tools, such as a stylist and no-touch door opener, to all employees to limit touching of computer screens, door handles, etc.





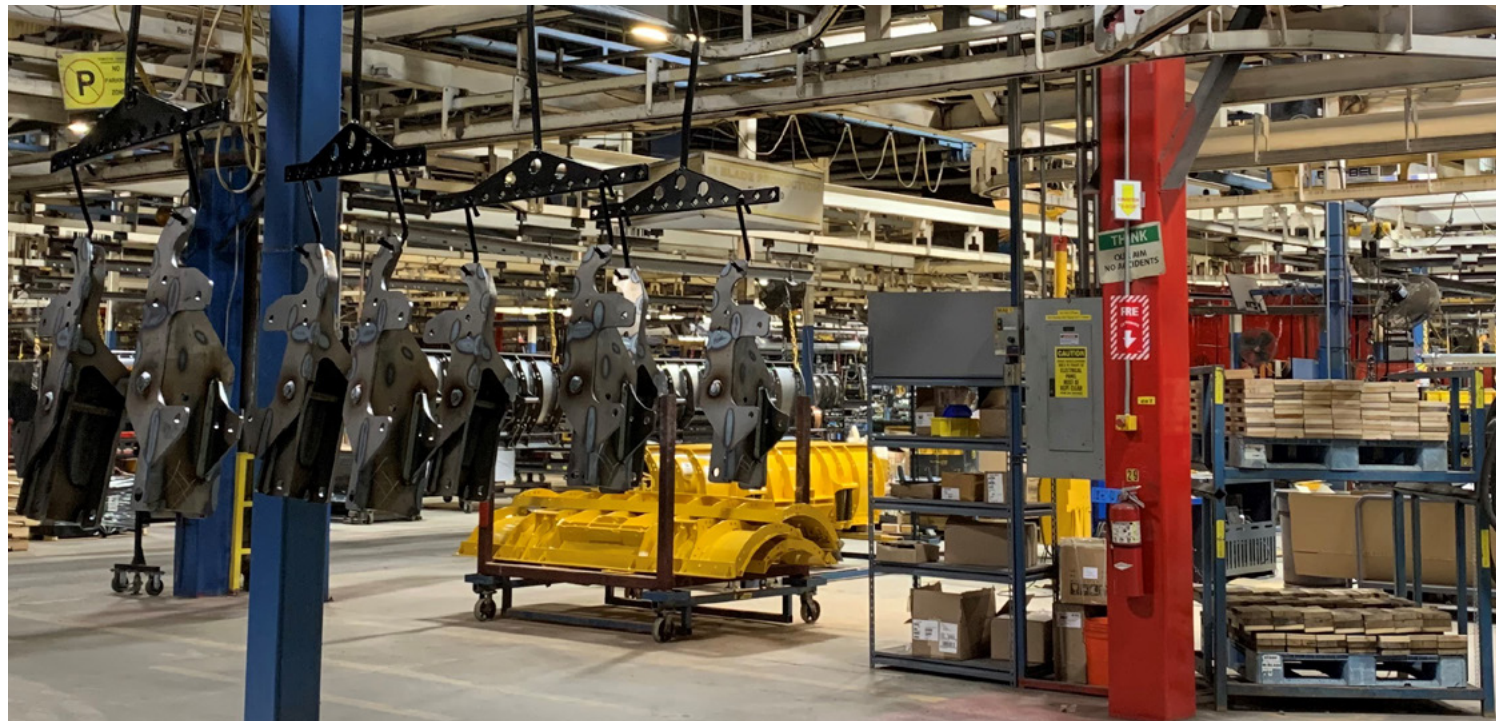
Our Environmental Responsibility

Our Environmental Responsibility

ENVIRONMENTAL HEALTH & SAFETY VISION

At Douglas Dynamics, our commitment to safety and the environment stems from our vision to create a working environment that places the highest value on the welfare of our employees and instilling in them a sense of ownership and excellence in safety, production, and the quality of work being done.

We are committed to providing world-class products and services that minimize harm to the environment and public health. We are committed not only with regards to our products and our customers but also to the way we conduct internal operations. We look to preserve the environment and will conduct business where feasible in an environmentally sustainable way.



OUR COMMITMENT TO SUSTAINABILITY

As a public company, Douglas Dynamics is committed to the goals of revenue growth and increasing shareholder value year over year. We believe these goals can be attained responsibly while we continue to reduce our manufacturing environmental impact footprint.

We continue to invest in leaner and greener programs that have allowed us to monitor our environmental impact and execute projects that reduce our energy consumption, waste, and water consumption.



ENVIRONMENTAL, HEALTH AND SAFETY (EHS) MANAGEMENT PLAN

We utilize an extensive Environmental, Health, and Safety (EHS) planning tool that supports many aspects of EHS management and reporting. Some categories within this tool include:



Facility Information



Soil & Ground Water



Reporting/Record Keeping



Emergency Plan & Preparedness



Health & Safety



Facility Permits



Air Quality



Training



Water Quality



Certification Statements



Waste Management

Our EHS Management Plan helps us track the timing of such activities, the policies and regulations we are required to comply with, target metrics and data collection, program ownership, and the standard procedures utilized for consistent execution.



ENERGY CONSUMPTION

We initiated several projects in the past few years with the goal of reducing energy consumption levels. As an example, many of our facilities have updated to reflective roofing to help offset cooling costs. We have partnered with our local power and energy companies to change our lighting from halogen to LED bulbs and implement sensor technology to minimize unnecessary electric consumption. As we build new facilities and make updates to existing locations, we assess the usage of full smart sensor technology and the utilization of more natural lighting and open workspaces.

ENERGY STAR-QUALIFIED LEDS USE ONLY
20%–25%
OF THE ENERGY AND LAST
15 TO 25 TIMES LONGER THAN
THE TRADITIONAL INCANDESCENT
BULBS Source: energy.gov



WASTE MANAGEMENT

We follow all local, state, and federal guidelines in managing our hazardous waste. We have worked with Waste Management to assess our overall waste profile, including waste to landfill, waste to energy, and recycled waste.

We are developing a long-term plan to reduce the amount of waste in our production processes that goes to landfills. We have already initiated programs throughout Douglas Dynamics to increase the total amount of waste we recycle. Steel is a core commodity we use in our manufacturing processes, and all scrap steel is thoroughly collected and recycled. We recycle office furniture regularly as updates are made to our facilities. We also recycle batteries, paper, plastics, and metals in all production and office workspaces.



2020 RECYCLED STEEL

TOTAL*:
11,656,008 LBS
(5,800 TONS)

EQUAL TO:
355

**CLASS 8 HENDERSON
TRUCKS**



2020 RECYCLABLE WASTE

(I.E. CARDBOARD, PAPER &
PLASTIC BOTTLES)

TOTAL:**
974,000 LBS
(487 TONS)

EQUAL TO:
1,100

COMMERCIAL SNOWPLOWS



*Milwaukee, WI and Rockland, ME facilities

**All Douglas Dynamics facilities

WATER CONSUMPTION

Water is an extremely valuable resource that touches almost everything we do, and so a robust water consumption plan is essential to our business. We have started to reduce our water usage in our manufacturing processes where possible, and we have also found ways to recycle this resource through innovative reverse osmosis technology. In addition, we are actively working with our local sewage districts to mitigate the amount of run-off in our processes to help prevent sewage overflow. The Milwaukee Metropolitan Sewerage District has recognized Douglas Dynamics as a Significant Industrial User in the District's regulatory program. We have been recognized 16 times on their [Honor Roll](#) for our efforts to protect the environment while contributing to the economic vitality of the region.



DD RECOGNIZED 16 TIMES!

2002 / 2003 / 2004 / 2006 / 2007 / 2008 / 2009 / 2011 /
2012 / 2013 / 2014 / 2015 / 2016 / 2017 / 2018 / 2019

The Milwaukee Metropolitan Sewerage District has recognized Douglas Dynamics as a Significant Industrial User in the District's regulatory program.



BIODIVERSITY

In 2017, we embarked on a new Dejana facility in Kansas City by leasing space in what is known as the “World’s largest green roof.” [The SubTropolis](#), an underground business complex, was created through the mining of a 270-million-year-old limestone deposit. In the mining process, limestone is removed, leaving even spaced pillars, concrete flooring, and 16-foot high, smooth ceilings ready for occupants from all industries. In addition to being naturally temperature controlled for our workforce, the building process also conserved natural resources while utilizing less energy consumption. With over 7 million square feet available for expansion, this location will provide years of development opportunity while also contributing to our short- and long-term sustainability goals.

With over 7 million square feet available for expansion, this location will provide years of development opportunity while also contributing to our short- and long-term sustainability goals.



QUALITY & CONTINUOUS IMPROVEMENT

The Douglas Dynamics Management System (DDMS) is our collective and holistic approach to running our business. DDMS encompasses best-in-class business processes and structured problem-solving techniques to drive business performance in a way that can be deployed with speed and promotes effective integration and sustainable growth. DDMS is an integrated system that continues to evolve with our business to deliver on strategic priorities and goals through a culture of continuous improvement, people who embrace change, world-class processes, and practical tools.



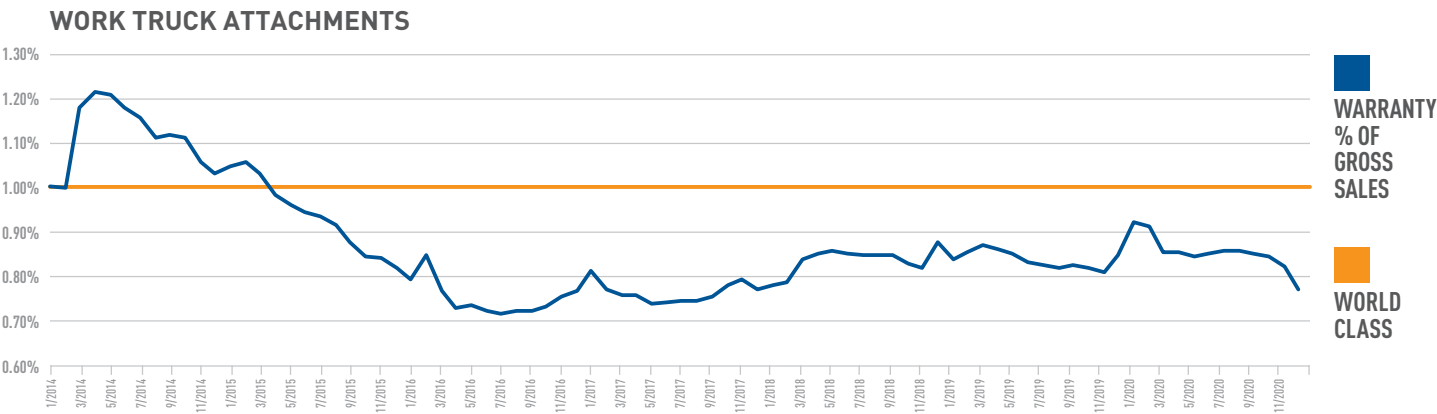
DDMS PRINCIPLES

We believe that sustainment of our DDMS success requires team members to demonstrate our WINNING BEHAVIORS and embrace our DDMS PRINCIPLES. These principles have been identified throughout our 15+ years of being on a continuous improvement journey. While the DDMS tools and methods—closely aligned to the Toyota Production System—provide the mechanics of *what* we do, the DDMS principles represent *how* we do it. These include:

- Understand our Customers
- Seek out the Data
- Be Creative and Curious
- Simplify the Process
- Work as a Team, Win as a Team

QUALITY & CONTINUOUS IMPROVEMENT

DDMS includes a collection of tools to solve problems and deliver greater value to our customers by eliminating waste and improving the way we work. Our continuous improvement journey at Douglas Dynamics has resulted in highly efficient processes extending throughout the entire value chain, including within our supply base and our end customers. In addition, we strive to operate our business with the highest standards for safety and quality in our manufacturing and upfit environments. In our over 75 years in business, we have never had a product safety recall. Our warranty level, as a percentage of gross sales, is 0.86%—well under world-class levels. Our commitment to manufacturing excellence and innovation has solidified us as the leader in manufacturing snow and ice equipment and the upfit of vocational vehicles.



Data source: Historical Work Truck Attachments warranty rates

We strive to operate our business with the highest standards for safety and quality in our manufacturing and upfit environments. In our over 75 years in business, we have never had a product safety recall.

RESPONSIBLE SUPPLY CHAIN

We are committed to maintaining the highest level of integrity, honesty, and business ethics throughout all aspects of our supply chain.

We believe that long-term, high-integrity business relationships are built upon being open, honest, and complying with all local laws and regulations. To that end, all purchase orders and order acceptances are made subject to the terms of the Douglas Dynamics Supplier Code of Conduct available on our [website](#).



SNOWPLOWS

Thanks to its simplicity, the snowplow continues to be the most sustainable method of removing snow. As the largest supplier of snowplows globally, producing approximately twice as many as our nearest competitor, Douglas Dynamics leads the market in product development and innovation for snow removal. By continuously improving our product portfolio, we aim to increase the efficiency and productivity of our customers. Our product development teams strive to understand the unique job types that plowers face and develop right-size snowplow solutions for each, whether it is a large municipal highway, commercial parking lot, residential driveway, or small, UTV-based project. By offering right-sized products, operators can get **“MORE JOBS. DONE FASTER.”**

The snowplow continues to be the most sustainable method of removing snow.



SNOWPLOWS

Our innovations include hinged snowplows that allow the operator to expand or contract the snowplow's size to fit the application. Douglas Dynamics has developed an online efficiency calculator to help operators select the appropriate Douglas Dynamics snowplow for the type of job they perform and evaluate the efficiency they can gain by selecting one snowplow over another. As a result, snowplow operators can reduce vehicle usage, resulting in lower vehicle emissions. In addition, our UltraMount® 2, Minute Mount® 2, and Automatixx® mounting systems allow operators to quickly remove their snowplows once their jobs are complete, thereby reducing vehicle weight and emissions.

Douglas Dynamics has developed an online efficiency calculator. As a result, snowplow operators can reduce vehicle usage, resulting in lower vehicle emissions.

The screenshot shows the Fisher Efficiency Calculator interface. At the top, there's a navigation bar with the Fisher logo, links for PRODUCTS, SUPPORT, ABOUT US, and FIND YOUR DEALER, and a user profile icon. The main heading is "EFFICIENCY CALCULATOR" with a subtitle: "Estimate the time savings of the FISHER® XLS™ and XV2™ snow plows versus your current plow." The calculator is divided into three steps: Step 1: Select Your Current Plow (dropdown menu showing HTX), Step 2: Select Your Plow Width (dropdown menu showing 7'0"), and Step 3: Enter Avg. Plow Time (input field showing 90 minutes). A "CALCULATE" button is below the inputs. Below the calculator, there are two columns for the results of the calculation. The left column is for the XLS™ plow, showing an estimated plow time of 36 min, an estimated time saved of 54 min, and a percentage of savings of 60%. The right column is for the XV2™ plow, showing an estimated plow time of 40 min, an estimated time saved of 50 min, and a percentage of savings of 55%.

Model	Current Plow	Plow Width	Avg. Plow Time (min)	Estimated Plow Time (min)	Estimated Time Saved (min)	Percentage of Savings (%)
XLS™	HTX	7'0"	90	36	54	60%
XV2™	HTX	7'0"	90	40	50	55%

HOPPER SPREADERS

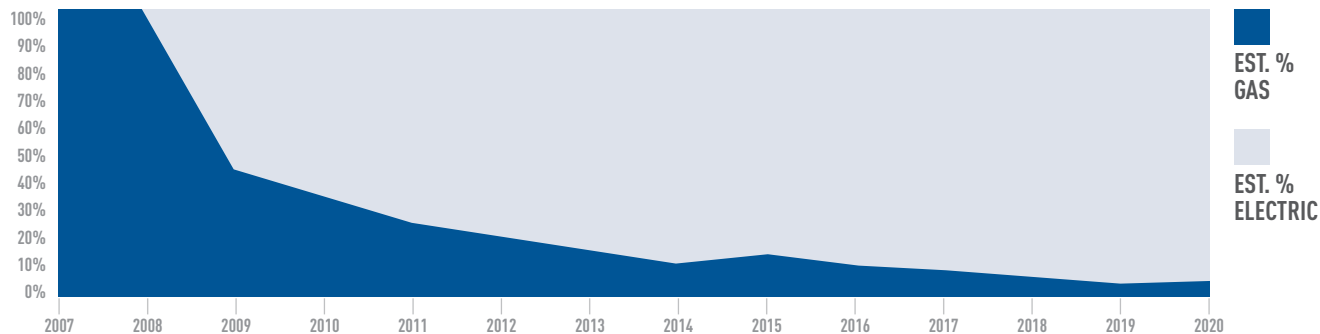
Hopper spreaders help bridge the gap between anti-icing and deicing strategies. Douglas Dynamics has one of the most robust lines of hopper spreaders in the industry. Our hopper spreaders allow operators to easily alternate between granular, liquid, and pre-wet applications to meet the needs of their accounts, weather conditions, and the surrounding environment.

We are continuously improving the design and efficiency of our hopper spreaders to increase operator efficiency and reduce waste. Our dual variable speed controls help operators minimize the amount of material needed by giving them complete control over the rate at which materials are distributed and the speed at which they are broadcast or dropped to the surface. Shutter deflectors on our broadcast

models help operators put granular materials where they want them to go, thereby wasting less salt and helping protect the green landscape from excess materials missing the intended surface.

Our pre-wet models and kits help improve the performance of granular materials by up to 30 percent, helping to eliminate waste and improve operator efficiency. To reduce the amount of carbon emissions, Douglas Dynamics has been leading the transformation of the snow and ice removal industry from gas-powered hopper spreaders to all-electric hopper spreaders. Through our efforts, we've seen the transformation of the industry from 100 percent gas-powered hopper spreaders in 2008 to more than 90 percent electric-powered hopper spreaders in 2020.

FISHER® & WESTERN® HOPPER SPREADERS SALES CONVERSION (GAS TO ELECTRIC)



Data source: Historical shipment data for Fisher Engineering and Western Products



BRINE PRODUCTS

Brine application is the second most sustainable method of snow and ice removal. Our brine product portfolio helps operators develop proactive anti-icing strategies that greatly reduce the need for reactive plowing and clearing of snow and ice after a winter weather event. University and government research has shown that the over-application of salt for snow and ice removal is heavily damaging our infrastructure and causing adverse effects on the environment by introducing chlorides into waterways and damaging vegetation adjacent to roadways.

Anti-icing with direct liquid brine applications prior to a snow or ice event helps prevent snow and ice from bonding to the surface. This practice has been shown to reduce standard salt application rates by up to 75 percent compared to no

pre-treatment. In addition to using less salt, direct liquid applications offer more precise material application than rock salt, which can be broadcast, plowed, or blown off the surface and into adjacent vegetation and waterways.

Douglas Dynamics has developed five models of brine makers and the most offerings of brine application equipment in the industry. Our liquid solutions experts are working to educate the industry and gain acceptance and normalization of the practice to help reduce the damage done to the environment. A proactive anti-icing strategy results in fewer salt applications, less salt applied per application, more targeted application, less vehicle usage for snow and ice removal, less vehicle emissions, and reduces the amount of heavy salt stockpiles that need to be mined, transported, and stored.



Brine application is the second most sustainable method of snow and ice removal.

BRINE PRODUCTS

The Douglas Dynamics portfolio of brine products also dramatically increases the efficiency of reactive snow and ice removal strategies. Granular materials such as salt are unable to work until they reach a brine state. Our pre-wetting systems work to activate salt and other granular deicing materials more quickly by jumpstarting the brining process immediately prior to the material being spread out of a hopper.

Onboard pre-wetting of granular deicing materials has been shown to increase the efficiency of the materials by up to 30 percent and hastens the break-up of snow and ice that is compacted or bonded with the surface. In addition to many business and safety benefits, a snow and ice strategy that uses both anti-icing and pre-wet deicing tactics reduces material usage and vehicle emissions for a better environment.

BRINE PRODUCTS HELP REDUCE DAMAGE TO INFRASTRUCTURE, WATERWAYS, AND VEGETATION AND EFFECTIVELY REDUCE STANDARD SALT APPLICATION RATES BY UP TO:

75% BY ANTI-ICING¹



Anti-Icing

30% BY PRE-TREATING STOCKPILES²



Pre-Treating Stockpiles

30% BY ONBOARD PRE-WETTING SALT³



Pre-Wetting Salt

Data Source:

¹ Winter Parking Lot & Sidewalk Maintenance Manual, 2015, MPCA, MnDOT, MN LTAP, Fortin Consulting

² Safe & Sustainable Snowfighting, Snowfighters Handbook 2013, Salt Institute

³ Bounce & Scatter Study, Michigan DOT June 2012



Our Contributions
to the Industry

Our Contributions to the Industry

As a manufacturing and technology leader in the snow and ice removal industry, Douglas Dynamics is affiliated with the major industry organizations that are committed to advancing the snow and ice control profession, educating their members, and advocating for responsible legislation. Just like our internal culture of continuous improvement, we believe partnering with and assisting industry associations to keep their members informed, educated, and motivated helps to continually improve the snow and ice control industry as a whole. These partnerships lead to environmentally responsible practices and the development of more efficient and environmentally friendly technologies that improve the world in which we live.

Just like our internal culture of continuous improvement, we believe partnering with and assisting industry associations to keep their members informed, educated, and motivated helps to continually improve the snow and ice control industry as a whole.



Jon Sievert

EXECUTIVE COMMITTEE BOARD CHAIR

Jon Sievert, President of the Work Truck Solutions segment for Douglas Dynamics, will be named 57th Board Chair of NTEA—The Association for the Work Truck Industry—in March 2021. Jon's industry career began when he was hired as Hydraulics Value Stream Manager for Douglas Dynamics. He has held various positions at the Company, including Business Unit Manager and Director of Operational Excellence, and President of Henderson Products. In his current role as President of the Work Truck Solutions segment, he has leadership responsibilities at Henderson Products and Dejana Truck & Utility Equipment.

ASSOCIATIONS



SIMA (SNOW & ICE MANAGEMENT ASSOCIATION)

The Snow & Ice Management Association is a non-profit national trade association for the snow and ice control industry. SIMA provides education, training, events, networking, and other resources for snow and ice control professionals, manufacturers, and other industry-related people. SIMA's mission is to raise awareness through networking and education.



NTEA (NATIONAL TRUCK EQUIPMENT ASSOCIATION)

Established in 1964, NTEA – The Association for the Work Truck Industry, represents nearly 1,800 companies that manufacture, distribute, install, sell and repair commercial trucks, truck bodies, truck equipment, trailers, and accessories. Buyers of work trucks and the major commercial truck chassis manufacturers also belong to NTEA. The Association provides in-depth technical information, education, and member programs and services and produces The Work Truck Show®.



ASCA (ACCREDITED SNOW CONTRACTORS ASSOCIATION)

The Accredited Snow Contractors Association is dedicated to providing snow and ice control professionals with the tools they need to protect their business against risk. In addition to representing the industry with the insurance world, ASCA represents the industry with local, state, and federal governments, provides education and certification, and fosters networking opportunities among industry peers.



APWA (AMERICAN PUBLIC WORKS ASSOCIATION)

The American Public Works Association serves professionals in all aspects of public works — a fact that sets it apart from other organizations and makes it an effective voice of public works throughout North America. With a worldwide membership over 28,500 strong, APWA includes not only personnel from local, county, state/province and federal agencies, but also private sector personnel who supply products and services to those professionals.

PUBLIC INITIATIVES

Leaders from Douglas Dynamics have assisted numerous SIMA and ASCA task forces in developing standards and have donated equipment for the research of best practices. Efforts from Douglas Dynamics employees have included establishing baseline salt application rates to help minimize material waste and the harmful effects that over-application of deicing materials have on the environment. We also work with public initiatives aimed at snow and ice contractors, municipal public works staff, elected officials, watershed organizations, and property owners to develop standards, certifications, and public awareness campaigns that reduce salt usage and protect the health of waterways.



SUSTAINABLE SALT INITIATIVE

Efficient salt management makes business sense

SIMA and Viaeys are working together to research application rates for snow professionals in real-world settings. This information will be coupled with research conducted by Snow and Ice Control for Parking Lots, Platforms, and Sidewalks (SICOPS) to determine a helpful set of recommendations for salt applications that make business sense and proactively address environmental concerns associated with overapplication.


Save money
 Salt is an expense that you can manage. Learn to reduce salt application rates over time to save money and become more efficient.


Prepare for regulations
 Local, regional, and national governments are starting to pay attention to salinity levels in ground and surface water.


Benchmark performance
 Compare your application rates and trends with national results to see where you can improve management of salt.


Improve documentation
 Verifying service and being accountable is now more important in the industry than ever. Become more advanced in documenting salt management.

Serious about salt

- Environmental concerns are on the rise
- Industry leadership is required
- Business efficiencies can be gained

[Join the Solution](#)

Be Salt Wise!

Homeowners | Municipal | Motorists | EMS | Applicators

What did WI spend on salt for its highways last year?



\$40,456,343!

And that doesn't include what communities, businesses and homeowners spend!

>>> Learn More <<<

So, how many tons of salt is that?

669,807 tons

That many tons permanently pollutes almost half a trillion gallons of Wisconsin's water.

Important to the homeowner



If we don't act now, our drinking water is at risk.

Important to the private applicator

Use less than **4 pounds** of salt per 1,000 square feet.



INDUSTRY EDUCATION

We provide an annual digital guide for SIMA called “In Focus,” which features topics on educating individuals on best practices for their snow and ice removal operations.

Our Product Managers create educational videos and presentations covering topics relevant to the snow and ice industry every year. In conjunction with SIMA, the Douglas Dynamics sales team has provided snow and ice contractors with hands-on training for snowplows, spreaders, and sidewalk equipment to help their operators be more efficient and waste less material. In addition, Douglas Dynamics has also made recent and sizable donations to the SIMA foundation, which funds industry research and scholarships for industry education.

Douglas Dynamics is dedicated to the education of the snow and ice removal industry.



A ROAD MAP TO LIQUIDS SUCCESS



MAKE SMART WORK OF SIDEWALKS



POSITIVE PROGRESSION

About This Report

This report contains certain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, that are not historical in nature, including statements regarding the company's beliefs, estimates, and expectations. These statements are often identified by use of words such as "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will" and similar expressions and include references to assumptions and relate to our future prospects, developments, and business strategies. Such statements involve known and unknown risks, uncertainties and other factors that could cause our actual results, performance, or achievements to be materially different from any future

results, performance or achievements expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include those discussed in the company's filings with the Securities and Exchange Commission, including the company's Annual Report on Form 10-K for the year ended December 31, 2020, quarterly reports on Form 10-Q and current reports on Form 8-K. You should not place undue reliance on these forward-looking statements. In addition, the forward-looking statements in this report speak only as of the date hereof and we undertake no obligation, except as required by law, to update or release any revisions to any forward-looking statement, even if new information becomes available in the future.



DOUGLAS DYNAMICS

Corporate Social Responsibility Report

2020