



**DOUGLAS
DYNAMICS**

ENVIRONMENTAL, SOCIAL & GOVERNANCE

IMPACT REPORT

2022

WESTERN® PILE DRIVER™ With
TRACE™ Edge Technology





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About the Company

Douglas Dynamics is North America’s premier manufacturer and upfitter of commercial work truck attachments and equipment. Our products and solutions have enabled end-users to perform their jobs more efficiently and effectively for over 75 years. We employ approximately 1,886 employees and are home to the most trusted brands in the industry.

Our portfolio of products and services are offered through two market-leading segments: **Work Truck Attachments** and **Work Truck Solutions**.



The **Work Truck Solutions** segment manufactures snow and ice control products for the municipal market as a part of the HENDERSON® brand and upfits work trucks with market-leading attachments and storage solutions under the HENDERSON® and DEJANA® brands. This segment provides the highest quality custom solutions and upfit services primarily for Class 4-8 trucks and other commercial work vehicles. We also provide customized turnkey solutions to governmental agencies including Departments of Transportation (DOTs) and municipalities. We believe that our work truck solutions segment is a leading manufacturer of storage solutions for vans and trucks.



The **Work Truck Attachments** segment includes our operations that manufacture and sell snow and ice control attachments and other products available under the FISHER®, SnowEx® and WESTERN® brands. This segment includes the industry’s broadest equipment offerings with a full range of snowplows, sand and salt spreaders, and related parts and accessories. We sell our Work Truck Attachments products through a distributor network, primarily to professional snowplowers who are contracted to remove snow and ice from commercial and residential areas.

We work to provide first-class products while being committed to building and advancing diversity and sustainability across the Company.



At a Glance

75 YEARS

MAKING A DIFFERENCE



6

MANUFACTURING LOCATIONS

1,886

EMPLOYEES

15

INSTALLATION & DISTRIBUTION CENTERS

1

GLOBAL SOURCING & BUSINESS DEVELOPMENT OFFICE IN BEIJING, CHINA

Our Winning Behaviors – How We Win

BE CUSTOMER & RESULTS DRIVEN

How to do it...CONSIDER THE CUSTOMER IN EVERYTHING YOU DO. Focus on meaningful results that benefit both our customers and organization.



ANTICIPATE THE POSSIBILITIES

How to do it...SEE AROUND CORNERS. Envision and embrace new or unique ideas and seek to understand their impact on the future of our business.



COLLABORATE & CARE

How to do it...APPRECIATE THE VALUE IN WORKING TOGETHER. Work as a team to care for our customers, our business, our communities and most importantly, each other.



COMMUNICATE RESPONSIBLY

How to do it...COMMUNICATE TO BUILD CULTURE AND TRUST. Place an emphasis on listening and speaking in ways that help everyone succeed.



DEVELOP SELF & OTHERS

How to do it...TAKE ACTIVE OWNERSHIP OF YOUR DEVELOPMENT AND SUPPORT OTHERS. Continually improve your knowledge, skills and abilities.



GET BETTER EVERY DAY

How to do it...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.





CEO Letter

I am pleased to welcome you to Douglas Dynamics' 2022 Environment, Social and Governance (ESG) Impact Report, which highlights our continued progress in delivering on our commitments to our employees, the environment and the communities in which we operate.

At Douglas Dynamics, we are committed to winning the right way by operating our business with the highest ethical standards. We foster accountability to our stakeholders with strong governance policies and practices and robust risk management programs. As you will see in this report, our 1,886 team members are successfully putting our Core Values and Winning Behaviors into action to drive continuous improvement for our customers, employees and investors.

Continuous improvement is at

the heart of everything we do, as exemplified by the Douglas Dynamics Management System (DDMS), which enables our teams to provide industry-leading products and services to our customers with the highest levels of quality. This focus is demonstrated by our continuous track record of zero product safety recalls in more than 75 years in business.

We bring this same focus on continuous improvement to our health and safety practices for our employees. Worker safety continues to be our top priority



PEOPLE

PROCESS

PLANET

PRODUCTS



and we are dedicated to building our world-class safety culture through regular training and safety awareness programs.

Douglas Dynamics is also committed to continuous improvement in our programs to minimize adverse impacts on the environment from our products and our manufacturing operations. We are committed to working to advance sustainability in our communities and to do our part to raise awareness of the critical challenges affecting the environment.

We are dedicated to fostering an inclusive and collaborative work environment for our team members and to providing opportunities for employees to advance their knowledge and skills through talent development programs, including Douglas Dynamics University.

In addition to building an inclusive organization, we are committed to advancing diversity and inclusion and having a positive impact in our local communities. We provide financial support to non-profit organizations.

We are proud of the volunteer efforts of our employees who dedicate their time and resources to help organizations and causes in our local communities.

We take our responsibility as a leader in the work truck industry very seriously and play an active role by partnering with major industry organizations to offer educational and advocacy programs. On behalf of Douglas Dynamics and the Board of Directors, I want to thank our employees for their dedicated efforts that have enabled us to maintain our leadership position in the work truck industry and you for your continued trust in our Company. We look forward to continuing to earn your support and keeping you updated on our social responsibility and sustainability initiatives.

Thank you,

Bob McCormick
President and CEO



Material ESG Topics

OVERVIEW OF MATERIAL ESG TOPICS



Douglas Dynamics' Materiality-based Approach to ESG

To inform this ESG Impact Report, in 2022, Douglas Dynamics completed its first ESG materiality assessment. As part of this work, we retained the Governance & Accountability Institute (G&A), a highly respected advisor on ESG issues, to perform an independent third-party assessment.

The assessment began by examining a range of key stakeholders, including investors, partners, employees, industry peers, and ESG rating organizations to analyze their material ESG topics. These topics included those from the GRI 2021 Universal Standards, the SASB Industrial Machinery & Goods 2018 Sustainability Accounting Standard, the SASB Auto Parts 2018 Sustainability Accounting Standard, and other ESG topics of interest to investors and other important stakeholders.

G&A then mapped sector-specific material ESG topics identified by these stakeholders to the GRI Standards

topics. Any material ESG topics that did not map directly to a GRI Standards topic were noted as an additional “non-GRI material topic” in the materiality analysis. This review produced a list of 38 topics of interest to different groups of stakeholders.

G&A then conducted a deeper analysis to prioritize these topics, starting with an assessment of highly rated ESG industry peers and partners in order to identify the material ESG topics prioritized in their sustainability disclosures, investment decision-making, goal setting, and strategies. The methodologies of leading ESG investor raters and institutional investors, as pertaining to our industry, were also analyzed to inform their level of importance to our business.

From this research, G&A calculated an overall materiality score for each ESG topic to help focus our strategy and disclosures in this report. Using this quantitative model, as well as input from our leadership, 15 of the highest-scoring topics were identified as most material to our Company.



OUR PEOPLE

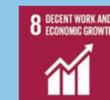
Our commitment to ESG and sustainability includes building a culture that works to ensure the health and safety of our employees while valuing their growth, development, and engagement. We are also committed to fostering diversity and inclusion in our workforce and contributing to the positive development of the communities where we live and work.



COMPANY AWARDS

For the 13th consecutive year, Douglas Dynamics was recognized by the *Milwaukee Journal Sentinel* as a Top Workplace in Southeast Wisconsin. We are one of only nine companies that have been recognized annually since the Top Workplaces program was started 13 years ago. Top Workplaces are nominated by employees and are judged solely based on employee surveys measuring qualities such as Company leadership, career opportunities, workplace flexibility, compensation and benefits.

SECTION SDG ALIGNMENT:





Chapter 1: Human Capital Management



Human capital management (HCM) is a top priority at Douglas Dynamics and is overseen by our Chief Human Resources Officer, who reports regularly to the Compensation Committee of the Board of Directors (“the Board”). The Compensation Committee regularly receives updates from our senior management with respect to our health and safety, diversity and inclusion, talent recruitment and development initiatives and priorities.

As stated in the Douglas Dynamics **Code of Conduct**, the Company is committed to observing fair labor and employment practices, including providing equal opportunities and prohibiting all forms of unlawful harassment or discrimination. We believe we have one of the lowest employee turnover rates in our industry and our focus on teamwork and our Winning Behaviors have enabled us to create an ideal work environment for every one of our employees. Our Winning Behaviors program helps us in recruitment, development, and retention of our employees by ensuring we create a clear understanding of our values system and what it takes to succeed in our organization.



Niquanda Purifoy
Benefits, Compensation &
HRIS Manager



People Development

Douglas Dynamics is committed to supporting the development, growth, and high-performance of our people. We encourage our employees to take active ownership of personal development while at the same time supporting others and building on our culture of continuous improvement. Douglas Dynamics believes that high-quality training should be made available to as many employees as possible, and we offer a broad range of training opportunities to our employees. The success of our training programs is gauged based on indicators such as performance that demonstrates knowledge retention, and adherence to our Company policies and processes.

Our performance evaluation process is focused on directly connecting performance review and employee development. This is done by encouraging our managers to have regular Performance Development discussions focused on coaching, feedback and development opportunities. At Douglas Dynamics, we believe that individual performance and development are directly connected and thus support our continuous improvement culture. Our employees have the opportunity to gain training through a variety of online and in-person offerings.

Douglas Dynamics' Organizational Development team completes an annual training needs assessment as part of our strategic planning process. This includes collecting, analyzing and cross-referencing data from multiple sources. We primarily study data from our Performance Development Process, Talent Review and Course Evaluations to identify any gaps, which may be found in employee skills or competencies, or in course deliveries. Our post-course evaluation asks employees to share additional topic areas of interests. We also use the strategic plans developed by each of our divisions to identify gaps. Additionally, we conduct extensive external research and benchmarking to learn about trends either in the Organizational Development space or in the manufacturing industry to ensure we can meet identified future needs.



INSTRUCTION

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



INTERACTION

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



APPLICATION

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

All of our courses and programs go through a rigorous evaluation process. Post-course evaluations are completed digitally and accessed via QR code by our employees to maximize response rates. We also host focus groups – primarily for our leadership programs, to gather more granular data from our participants.



DOUGLAS DYNAMICS UNIVERSITY (DDU)

Our Organizational Development Team provides Douglas Dynamics University (DDU), a comprehensive set of offerings focused on developing our team members' knowledge, skills, and abilities. The offerings encompass a wide variety of learning experiences including:



- Virtual and in-person instruction, including internal development and deployment of immersive and gamified 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, on any device.
- Balanced development that equally prioritizes formal, peer, and on-the-job learning experiences.
- Partnerships with industry-leading learning solutions providers including: THORS, Litmos, GEMBA Academy, and the University of Wisconsin School of Business: Center for Professional and Executive Development (WSB CPED) to build a deep catalogue of diverse development solutions for all employees.
- A performance development process, which is our approach to what is typically considered the performance review, that is more than just a check-the-box activity. We have a continuous two-way process of coaching, feedback, and recognition that supports both individual and organizational success.



Team members receive instructor-led classroom training when attending Douglas Dynamics University learning experiences



DDU provides a dynamic set of programs to support the growth of employees at all levels while also developing our next generation of leaders. These programs 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 and mid-level leaders through a group-based 8-month program customized to each participant's unique needs.
- The **EXECUTIVE DEVELOPMENT GROWTH AND ENGAGEMENT (EDGE)**, a 12-month project in partnership with the Wisconsin School of Business CPED, that balances formal education and addressing real business challenges.
- **THORS eLearning Solutions**, a leading provider of online manufacturing training courses and programs including tactical, job-centric training courses that contribute to the professional development of new and existing team members.
- Semi-monthly courses provided by **Wisconsin School of Business** faculty on topics including, but not limited to: Change Management, Data Analysis & Interpretation, Diversity, Equity, & Inclusion, and Influence & Partnerships.



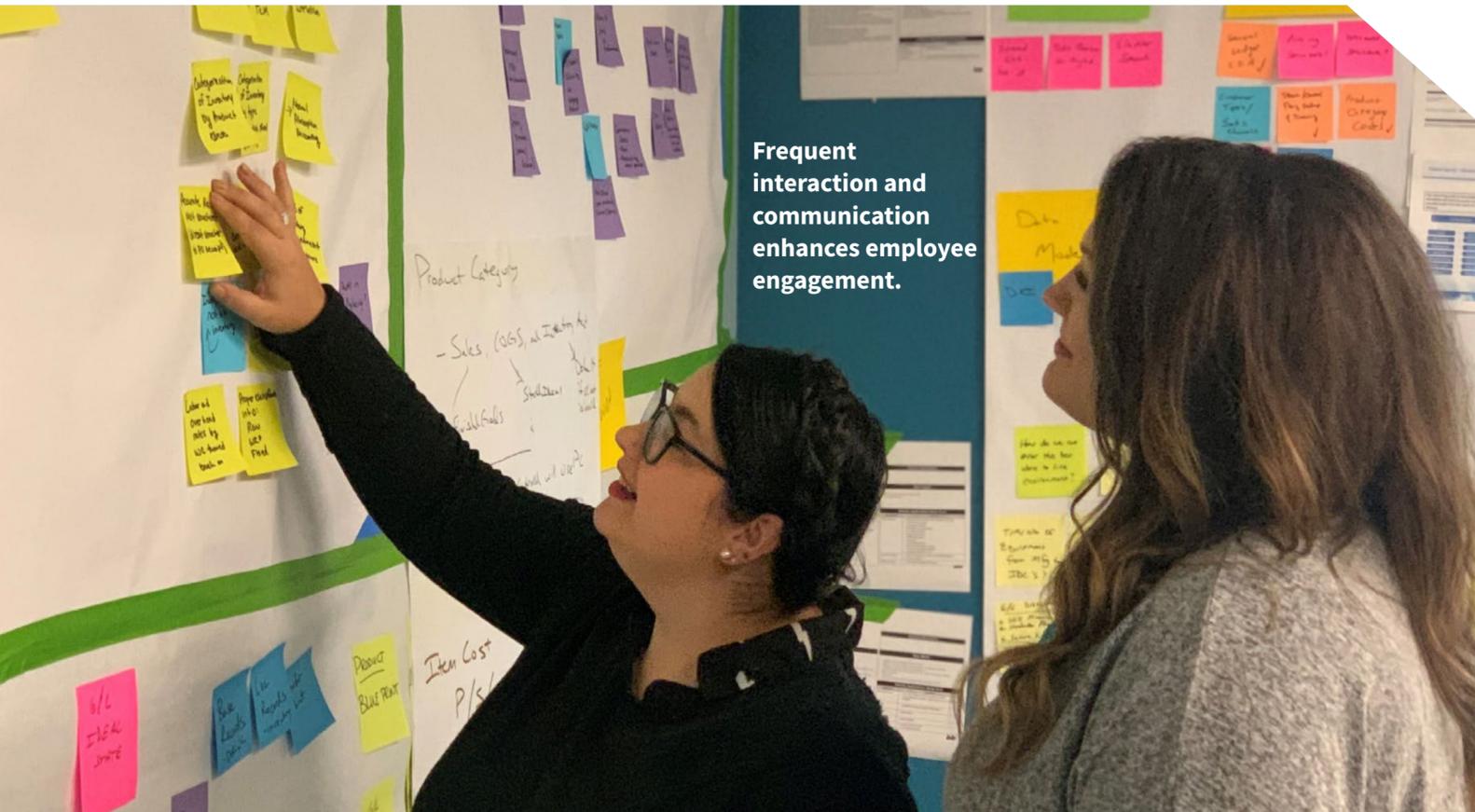
Douglas Dynamics has also partnered with GED Testing Service to offer the GEDWorks program, through which employees and their immediate family members have access to a free, all-inclusive benefit that offers everything they need to earn a high school equivalency credential. The GEDWorks

program also gives students access to online tools that assist with college and career planning.



Employee Engagement

In 2021, we launched an Employee Engagement survey to gain insights into the current work experiences of our employees and to seek areas where we can continue to do better. We followed up with additional “pulse” surveys and focus groups to gain additional insights. Two main issues that were identified in the Employee Engagement survey, which was conducted across all divisions, were a desire for more frequent communications and increased recognition from supervisors, including daily interactions. We are incorporating this feedback into our management training and communications initiatives. The results from our 2022 survey will be available in mid-2023 and will shape our response to the feedback in the coming year.



Frequent interaction and communication enhances employee engagement.



I’m passionate about the development of people – individuals and entire communities. Personally, I spend a lot of time mentoring and being active in my community. I’m a firm believer in corporations ensuring that employees have opportunities to develop themselves and give back to their families and communities.

Sarah Lauber
Executive Vice President
and Chief Financial Officer,
Douglas Dynamics





Benefits

We believe it is essential to provide competitive and affordable benefits packages 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 to help support health and wellness for themselves and their families.

Our self-insured healthcare plans include on-site health clinics at our larger locations as well as a range of coverages for medical, prescription drugs, dental, and voluntary vision insurance. We provide personalized wellness coaching as part of the Douglas Dynamics Wellness Plan, in which health plan premium levels are based on an outcome-based wellness program. We also offer critical illness, hospitalization, and accident programs along with telemedicine and virtual healthcare plans for non-emergency conditions and behavioral health needs, including an Employee Assistance Program (EAP). Certain healthcare plans are eligible for participation in Health Savings Accounts (HSAs) and we also provide reimbursement for fitness club memberships.

For full-time employees, we provide Company-paid basic term life insurance, accidental death & dismemberment (AD&D) insurance, and short- and long-term disability coverage. Supplemental life insurance is also available, as well as a 401(k) retirement plan for U.S. employees with a Company match. The match is 100% of the first 3% of the employee contribution and 50% of the next 3% for a total of 4.5%. All full-time male and female employees are eligible for unpaid family and medical leave in accordance with the federal Family and Medical Leave Act (FMLA) and applicable state laws.



EMPLOYEE BENEFITS INCLUDE:



Company-Paid Life Insurance



Critical Illness, Hospitalization & Accident Policies



Employee Assistance Program



On-Site Health Clinics at our Larger Locations



Supplemental Life Insurance



Wellness Programs by Location



Personalized Health Coaching



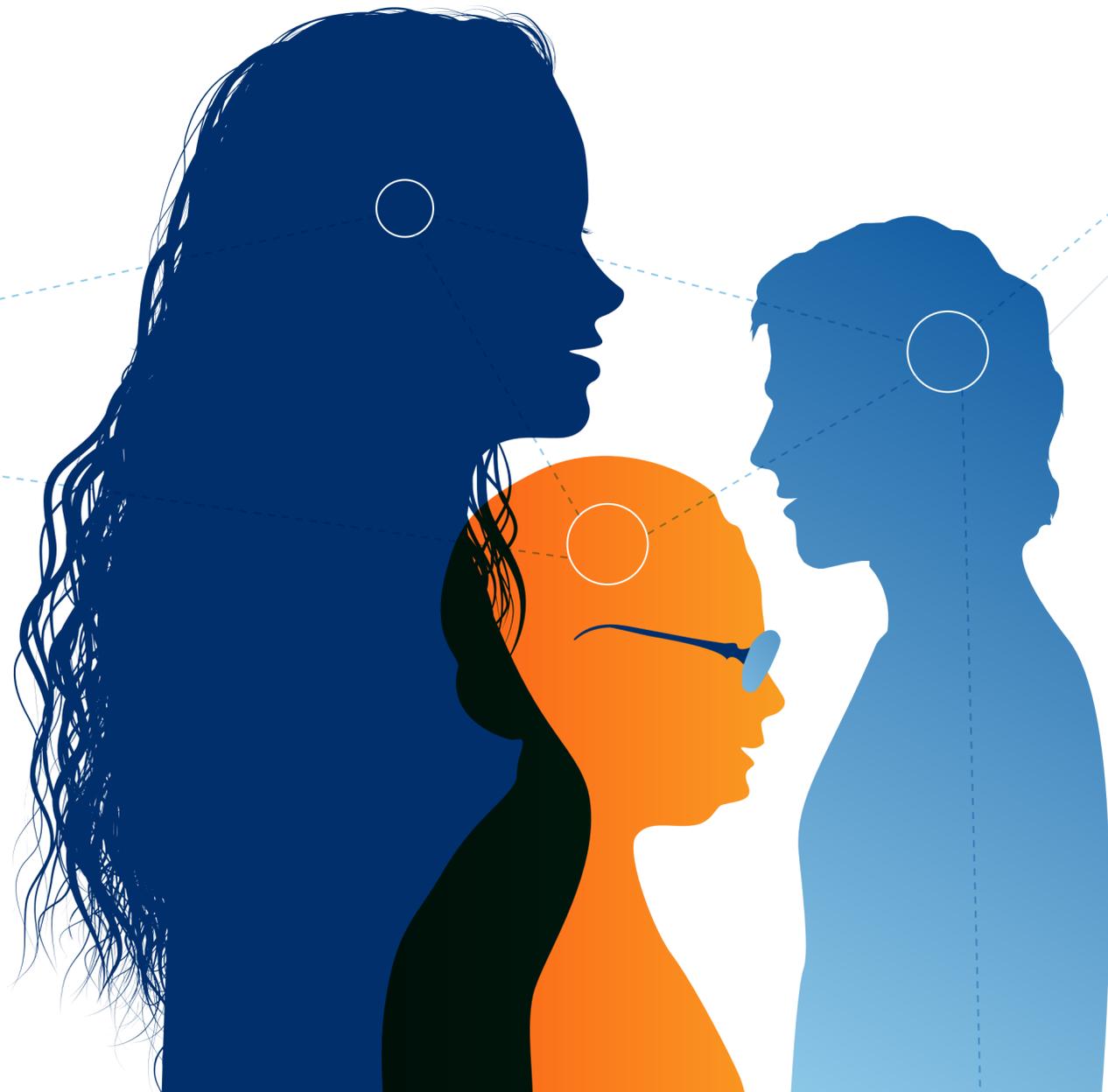
Telemedicine And Virtual Healthcare for Non-Emergency Conditions and Behavioral Health Needs

Compensation Philosophy

Douglas Dynamics seeks to establish competitive compensation programs that enable us to attract and retain skillful, experienced, and dedicated executive officers as well as to motivate management to maximize performance while building stockholder value. Although our compensation program provides a mix of both short- and long-term compensation and cash and non-cash compensation, we do not have any specific policy on those allocations. We periodically review best practices in executive compensation and update our compensation policies and practices to reflect those that we believe are appropriate for our Company, including reviewing our pay practices to ensure they do not encourage excessive risk-taking.



Chapter 2: Diversity and Inclusion



Douglas Dynamics is committed to fostering and promoting an inclusive and diverse work environment through our equal-opportunity hiring practices, employment policies, and development of diverse talent. We believe a culture of inclusion in which all employees feel they belong and can do their best work, helps drive our Winning Behaviors.

Our commitment to diversity and inclusion starts at the top with the Company's Board of Directors, which has delegated to the Compensation Committee the oversight responsibility for Douglas Dynamics' human capital management activities, including diversity and inclusion strategies and programs. Our Chief Human Resources Officer presents regularly to the Board on these initiatives as well as data on diversity hires and retention.

104%

Increase in Female
New Hires Since 2020

Lisa Rojas Bacus, Board Director

named to Latino Leaders Magazine's
15th Annual Latinos on Boards
feature in 2022

TOTAL U.S.
WORKFORCE

31%

Ethnically Diverse

13%

Female

BOARD OF
DIRECTORS

25%

Ethnically Diverse

25%

Female





Diverse Talent

We are investing in multiple initiatives focused on identifying and building a diverse talent pipeline. These initiatives include engaging with recruiting firms, utilizing job-posting sites and collaborating with high schools, universities, and other job placement programs that connect companies like Douglas Dynamics with a diverse array of candidates. We are continuing to review and refine our initiatives, including our training programs on diversity and inclusion issues impacting promotion and retention.

Building Awareness

Our commitment to building an inclusive workplace culture includes raising awareness of diversity and inclusion issues through regular training included in our Code of Conduct training. We also seek feedback and input from employees regarding new diversity and inclusion programs through our Employee Engagement survey and follow-up focus groups.

Based on the feedback we received, we launched the DD CONNECT initiative in 2021 to support our employees and their families' well-being not only inside the workplace but also in their homes and communities. To kick off the initiative, we provided our employees and their families with access to financial wellness programs, with members of the Douglas Dynamics finance department volunteering their time to provide 1-on-1 support to demonstrate what resources are available to them. Two additional programs were rolled out in 2022: cybersecurity training sessions and the GEDWorks program, which is discussed in [Chapter 1](#).

One of the focuses of the DD CONNECT initiative is to support socially responsible causes that are important to our employees, their family members, and members of our local communities. In June 2022, Douglas Dynamics showed its support for the LGBTQ+ community by sponsoring the local Milwaukee Pride Parade. As part of our Parade sponsorship, Douglas Dynamics team members, family, and friends gathered to walk the parade route in downtown Milwaukee.



One of the focuses of the DD CONNECT initiative is to support socially responsible causes that are important to our employees, their family members, and members of our local communities



Chapter 3: Community Involvement



Douglas Dynamics is committed to utilizing our resources to make a positive impact on the communities where our team members live and work. Each of our business units has a dedicated donations committee responsible for supporting local non-profit organizations based on employee input. We provide support to our local communities both financially and through employee volunteering opportunities, which provides the added benefits of increased brand recognition and higher employee engagement and retention.

Douglas Dynamics directors, executives and employees donate their time and talents to our communities by participating on the board of directors or advisory boards of local non-profit organizations, foundations or other charitable organizations. Among these participants are:

■ DIRECTOR ■ EXECUTIVE ■ EMPLOYEE

Lisa Rojas Bacus - Board member of PetSmart Charities, which supports animal welfare. She is also on the Advisory Board of 2020 Mom, which advocates for maternal mental health, and owns and operates Oro Vista Ranch which serves children with special needs through equine experiential learning

Joher Akolawala - Past Board Member and President of the Chicago Chapter of Pratham USA - a volunteer-driven organization that helps raise awareness and mobilize financial resources for Pratham's mission to improve the quality of education for underprivileged children and youth across India. He continues to support the organization today.

Bob McCormick - Treasurer and Board member of The Parenting Network, a non-profit focused on building parenting skills for underprivileged families in Milwaukee, Wisconsin

Sarah Lauber - Treasurer and Board member of Junior Achievement of Wisconsin, which gives young people the knowledge and skills they need to plan for their futures and make smart academic and economic choices

Linda Evans - Chief Human Resources Officer; leads the Dean's Advisory Council for the College of Human Sciences at Iowa State University

Mark Van Genderen - Chair of the Finance, Investment, and Audit Committee of the Lutheran Social Services Foundation Board of Wisconsin and Upper Michigan, and member of the Board since 2019

Jody McKowen - Director of Junior Cougar Athletics Board in Cedar Rapids, Iowa

Vic Varonier - President for 20 years of Sound Beach Soccer Club on Eastern Long Island, New York

James Willey - Sponsorship Chair of 2022 International Snowmobile Congress; Director of National Farm Toy Museum in Dyersville, Iowa



Across the Company, we provide a 100% match for employee donations to the United Way. We also partner with non-profit organizations to provide support for causes, including military and veterans' services, breast cancer research and services, and youth education programs.

Since 2016, Western Products has partnered with Camp Hometown Heroes to donate a one-of-a-kind, military-themed snowplow that is auctioned off with 100% of the proceeds benefiting Camp Hometown Heroes. The auction has raised, on average, \$10,000 each year.



Jennifer Andrews from Fisher Engineering presents Pen Bay Medical Center/Waldo County General Hospital in Maine with check to support community members undergoing the challenges of a breast cancer diagnosis



FISHER ENGINEERING



Fisher Engineering supports breast cancer charities during National Breast Cancer Awareness in October with a number of fundraising activities. With the “Help Find A Cure With FISHER® Snowplows” campaign, Fisher Engineering sold a limited-edition Pink FISHER XV2™ V-Plow, Pink FISHER Lift Arm, and FISHER Pink Ribbon Blade Decal. Fisher Engineering donated \$500 from the sale of each pink XV2 V-Plow, \$50 from the sale of each pink lift arm, and \$25 from the sale of each pink ribbon blade decal to the Pen Bay Medical Center/Waldo County General Hospital. The campaign raised over \$35,000, which was donated to the Pen Bay Medical Center/Waldo County General Hospital in Maine to support patient assistance funds for community members undergoing the challenges of a breast cancer diagnosis.

Fisher Engineering also sponsored a plow raffle at the “Making Strides Against Breast Cancer” walk in Damariscotta, Maine, with proceeds donated to the American Cancer Society.

\$35,000

donated to the Pen Bay Medical Center/Waldo County General Hospital in Maine





WESTERN PRODUCTS

Western Products has supported Troy Clogg Landscape Associates (TCLA) in Wixom, Michigan, in their efforts to elevate breast cancer awareness by manufacturing dozens of pink WIDE-OUT™ adjustable wing snowplows and pink Tornado™ hopper spreaders for use by TCLA. We also partnered with TCLA the last two years to donate a WESTERN® snowplow to the Hot Pink Helpers Annual Breast Cancer Charity Golf Outing, with proceeds going to TCLA's newly established foundation, Hot Pink Helpers, which provides monetary assistance to breast cancer patients and families who struggle financially during their battle with the disease.



\$11,000
raffle donations

DOUGLAS DYNAMICS

Douglas Dynamics was a sponsor of the 2022 Young Entrepreneur Competition held by Junior Achievement of Wisconsin. Four young student entrepreneurs from across the state competed live in front of a virtual audience and a panel of celebrity judges to win a \$10,000 scholarship grand prize.

Douglas Dynamics team members volunteered at the Junior Achievement of Wisconsin's JA BizTown. Through this program, students take on various roles within a simulated city and complete tasks/activities that contribute to their growth and development in financial literacy, civic engagement, and entrepreneurship. Best of all, the students walk away with real-world knowledge of how a community works, how to pay bills, how to run a company, and pay employees and taxes - real-life knowledge and experiences for later in life!

CORPORATE DONATIONS	2020	2021	2022
TOTAL	\$90,585	\$113,918	\$129,307





Employee Donations and Volunteering

Our employees provide support to many non-profit organizations and causes in our local communities, including donating to food drives during the Thanksgiving holiday season.

- Since 2020, Dejana Truck & Utility Equipment Company has been giving back to the communities of its nine locations with the “Give Thanks & Give Back” food drive. In 2022, Dejana employees collected over 1,000 pounds of non-perishable food items, household essentials, and personal care products during a two-week period before Thanksgiving for donations to local food banks.
- Each year, employees in our Madison Heights, Michigan location have the option to donate a turkey to a local Senior Center.
- Henderson Products employees donated turkeys to local food pantries in several locations, including Crystal Lake Food Pantry in Illinois and Delaware County Food Pantry in Iowa.

In addition to food drives, our employees support community organizations providing charitable services during the holiday season. For the past six years, our Rockland, Maine, team has participated in the Want, Wear, Need, Read Program to support children in grades K-6 at South School. During the Christmas season, each child is provided with something they want, something to wear, something they need, and a book to read. In 2022, our Rockland team sponsored 23 children.



Dejana employees collected over 1,000 pounds of non-perishable food items, household essentials, and personal care products during a two-week period before Thanksgiving for donations to local food banks



More than 65 Fisher Engineering employees regularly support UMC through payroll deductions that are matched dollar for dollar by the Company



\$280,000

contributed to United Midcoastal Charities to benefit residents of Knox and Waldo counties



Team members at our Madison Heights, Michigan, location have participated in the Goodfellows Adopt-a-Family Donation Drive for over six years to make sure no child in the community goes without a Christmas. In addition to adopting families in need, team members also donated other items for the family such as local grocery gift cards, non-perishable food items, toiletries, paper products, and detergent.

For the second year in a row, team members at our Milwaukee, Wisconsin, location got together to help spread holiday cheer at Cedar Community, a retirement/assisted living facility in West Bend, just north of Milwaukee. The team created a Winter Wonderland in one of Cedar Community's courtyards with lights and decorations, which remained in place all season long for residents to enjoy. Team members in our Milwaukee location also participated in the Kapco's Kids2Kids Toy Drive, the largest in Wisconsin. Milwaukee team members helped donate 46 toys to children in need.

Throughout the year, Fisher Engineering employees in Knox, Maine work to ensure that people in need receive housing, food, health care, and other services. More than 65 employees donated to Maine non-profit United Midcoastal Charities (UMC) through simple payroll deductions, knowing that 100% of their contributions go directly to Midcoast non-profits. Since 2009, the Company's Workplace Giving Program, which includes a dollar-for-dollar Company match, has contributed more than \$280,000 to UMC to benefit residents of Maine's Knox and Waldo counties.



PROCESS



Douglas Dynamics is committed to conducting our business in accordance with our Core Values and Winning Behaviors, which ensure that we are focused on winning the right way. Our Core Values set expectations for us to maintain high ethical standards and sound governance policies and practices to be accountable to all our stakeholders. We implement robust risk management programs and processes to ensure compliance with applicable laws and regulations governing ethical business practices, including our relationships with suppliers, business partners, customers, and the industry.

SECTION SDG ALIGNMENT:





Chapter 4: Ethics and Integrity



Douglas Dynamics is guided by our Core Values and Winning Behaviors to hold ourselves to the highest ethical standards and conduct our business with integrity. Our commitment to ethics and integrity starts at the top, with the Board’s Audit Committee providing oversight and receiving regular reports on key ethics and compliance initiatives from the Company’s Chief Financial Officer, who has management oversight of ethics and compliance, including reporting of violations and any resulting investigations. The Board of Directors and CEO oversee our **Human Rights Policy**, which is aligned with our Code of Conduct and is guided by principles encompassed by the Universal Declaration of Human Rights, the International Bill of Rights, and the International Labor Organization’s 1988 Declaration on Fundamental Principles and Rights at Work.

Code of Conduct / Ethics and Compliance Training

The Douglas Dynamics Code of Business Conduct and Ethics (Code of Conduct)

defines our commitment to legal and ethical behavior and provides guidance on business conduct for all our employees, officers, and directors. Our Code of Conduct covers such topics as anti-bribery and anti-corruption, discrimination, harassment, privacy, appropriate use of Company assets, protecting confidential information, and reporting Code of Conduct violations. All employees, officers, and directors receive training on the Code of Conduct and are required to certify their understanding and compliance with the Code of Conduct on an annual basis.



Jason Sievert -
Senior Engineering
Designer



Anti-Bribery, Anti-Corruption, and Antitrust Compliance

We are committed to complying with all federal and state laws and regulations governing anti-bribery, anti-corruption, and antitrust, as stated in our Code of Conduct. These laws and regulations include the Foreign Corrupt Practices Act and other similar laws in the countries in which we operate.

Our commitment to operating our business with high ethical standards and integrity extends to our supply chain partners, who are expected to conduct their business in a manner consistent with Douglas Dynamics's Code of Conduct. Additional discussion of our Supply Chain is in [Chapter 11](#).

Reporting Ethics Violations

As part of our commitment to ethical behavior, we encourage our employees, officers, and directors to seek guidance from supervisors, managers, or other appropriate personnel when in doubt about the best course of action to take in a particular situation. Concerns or questions about actual or potential violations of the Code of Conduct or applicable laws and regulations must be reported directly to the Company's Chief Financial Officer or can be reported anonymously to the Board's Audit Committee through the Company's Financial Concern Hotline, which is also used to report Code of Conduct concerns. The Hotline is operated by a third party and provides three methods for reporting a concern to the Audit Committee: through a secure web forum at <https://www.whistleblowerservices.com/plow/>; by emailing the Audit Committee; or by leaving a voicemail message with the Audit Committee on a toll-free number available 24/7.

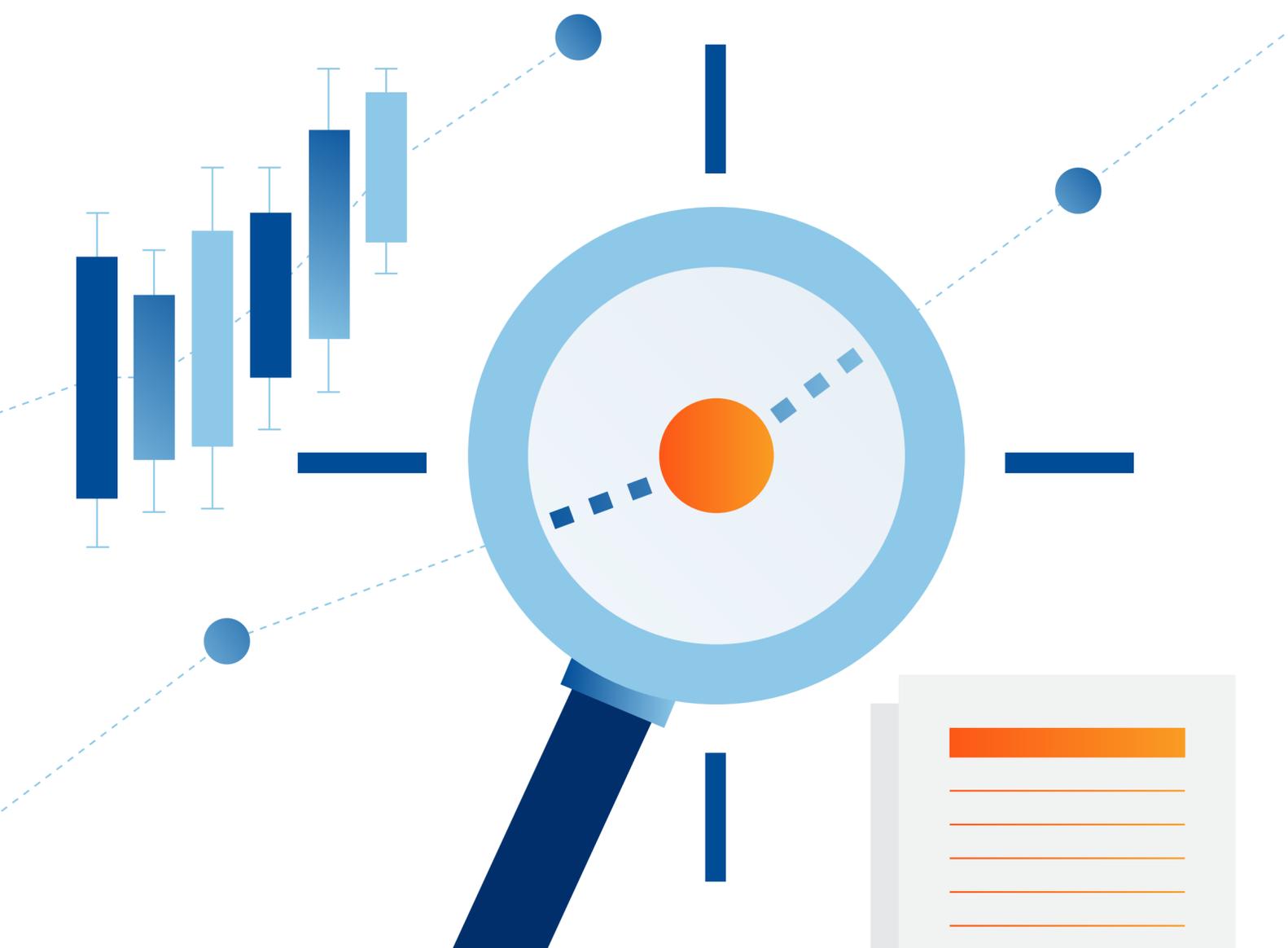
All reports will be kept confidential, to the extent practicable, except where disclosure is required to investigate a report or mandated by law. The Company does not permit retaliation of any kind for good faith reports of violations or possible violations. All reported concerns are promptly and thoroughly investigated, and violations of the Code of Conduct may be subject to disciplinary actions, up to and including termination.



Ben Armstrong -
Lead HBA
Business Unit



Chapter 5: Board Governance and Oversight



Our **Corporate Governance Guidelines** establish a comprehensive framework for the governance of the Company to foster accountability and transparency for our Board of Directors and management team. Our guidelines are designed to meet or exceed the rules of the New York Stock Exchange (NYSE) and requirements of the U.S. Securities and Exchange Commission (SEC).

Our governance policies and practices include having a majority of independent directors (with six out of eight directors being independent); regular meetings of independent directors; appointment of a Lead Independent Director; annual self-evaluations of the Board and its committees; and stock ownership guidelines for directors and executive officers.

The Board of Directors is responsible for overseeing the management of the Company and our business, including reviewing our business strategies and monitoring the execution of those strategies. The Board also provides oversight of management’s programs related to environmental, social, and governance (ESG) topics and the Company’s risk management approach carried out by management, as discussed on the following pages.



Board Committees

Our Board of Directors has three standing committees: Audit, Compensation, and Nominating and Corporate Governance. The membership and chairs of the standing committees are comprised entirely of independent directors, and each committee has a **written charter** detailing its responsibilities.



THE AUDIT COMMITTEE

The Audit Committee is primarily responsible for assisting the Board in the oversight of the Company’s accounting and financial reporting processes, including the internal audit function and engagement with the outside independent auditor. The committee has oversight of compliance with legal and regulatory requirements and ethical standards, including cybersecurity and reports of issues raised through Ethics Line, as discussed in **Chapter 4**.



THE COMPENSATION COMMITTEE

The Compensation Committee is responsible for evaluating and approving an overall compensation philosophy and policy for executive officers and directors, including incentive compensation and equity-based plans. The committee also periodically reviews and oversees the Company’s human capital management activities, including matters relating to talent management and development, talent recruitment and retention, employee engagement, and diversity and inclusion.



THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE (GOVERNANCE COMMITTEE)

The Nominating and Corporate Governance Committee (Governance Committee) is responsible for identifying and recommending individuals qualified to be nominated for election as directors and to fill vacancies on the Board, and for making recommendations to the Board concerning committee appointments. The committee evaluates and ultimately selects director nominees based on a number of criteria, including independence, judgment, skill, diversity, strength of character, ethics and integrity, experience with businesses or organizations of comparable size or scope, experience as an executive of or adviser to public and private companies, experience and skill relative to other Board members, specialized knowledge or expertise, and the desirability of the candidate’s membership on the Board and any committees of the Board.

The committee takes a leadership role in developing and recommending to the Board the Corporate Governance Guidelines of the Company and oversees the annual self-evaluations of the Board and its committees. The Board uses the annual evaluation results to identify opportunities for enhancing its overall effectiveness in advancing Douglas Dynamics’ goals and objectives.



Board Members attending a meeting (from left to right): Donald Sturdivant, Margaret Dano and Robert McCormick.



ESG Oversight

We believe that sound corporate citizenship and a commitment to comprehensive ESG principles are essential to our success. The Governance Committee assists the Board in its oversight of the Company’s ESG and sustainability programs and goals, including monitoring the strategies, initiatives, policies, reporting standards, and disclosures, such as reviewing the annual ESG Impact Report.

At the management level, Douglas Dynamics has an ESG team led by our Vice President of Business Transformation and is comprised of a cross-functional team including, Corporate Communications, Financial Reporting and Compliance, Strategic Sourcing and Supply Chain. The ESG team meets regularly to review policies and programs and the team’s leader regularly reports on ESG matters to senior management and the Board annually.

Risk Management and Oversight

Our full Board oversees our Company-wide risk management process, which is carried out by management. As part of this oversight, our Board determines the appropriate risk profile for the Company generally, assesses the specific risks we face with regard to cybersecurity and climate change, and reviews the steps taken by management to address those risks.

The Company’s internal risk management process includes an annual assessment of enterprise risks conducted by our internal audit team. The team meets with managers from the Company and ranks risks based on assessment of their materiality and probability.

The Board assigns oversight for risk management in specific areas to its committees. Our Compensation Committee is responsible for overseeing the management of risks relating to the Company’s executive compensation plans and arrangements and the incentives created by the compensation awards it administers. Our Audit Committee oversees management of enterprise risks, including cybersecurity and financial risks, and is also responsible for overseeing potential conflicts of interest. Our Governance Committee is responsible for overseeing the management of risks associated with the independence of the Board. Management regularly reports on applicable risks to the relevant committee or the full Board, as appropriate, with additional review or reporting on risks conducted as needed or as requested by the Board and its committees.



Cross-functional ESG team meets regularly to review policies and programs



Chapter 6: Douglas Dynamics Management System



Our commitment to continuous improvement enables Douglas Dynamics to consistently produce the highest quality and most trusted products in our industry. The foundation of our continuous improvement journey is the Douglas Dynamics Management System (DDMS), our collective and holistic approach to running our business in a way that can be deployed with speed and promotes effective integration and sustainable growth.





Quality and Continuous Improvement

DDMS is an integrated system centered on lean principles and continuous improvement philosophies that continue to evolve with our business to deliver on strategic priorities and goals. The system encompasses best-in-class processes and includes a collection of practical tools to solve problems and deliver greater value to our customers by eliminating waste and improving the way we work. These tools enable highly efficient processes extending throughout the entire value chain, including within our supply base and our end customers.

The system has helped us to operate our business with the highest standards for safety and quality in our manufacturing and upfit environments. We are proud of our record of having zero product safety recalls in our more than 75 years in business. 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 leading manufacturer and upfitter of commercial work truck attachments and equipment in North America.

In addition, DDMS provides the basis for our efforts to achieve continuous improvement in occupational health and safety (discussed in Chapter 7) by utilizing tools from DDMS to more efficiently track vital data such as safety incidents in our Health and Safety Management System. DDMS also provides a solid foundation for our environmental protection programs (discussed in Chapters 8-10) through continuous improvement of our Environmental Health & Safety (EHS) Management System to track and report key environmental data.



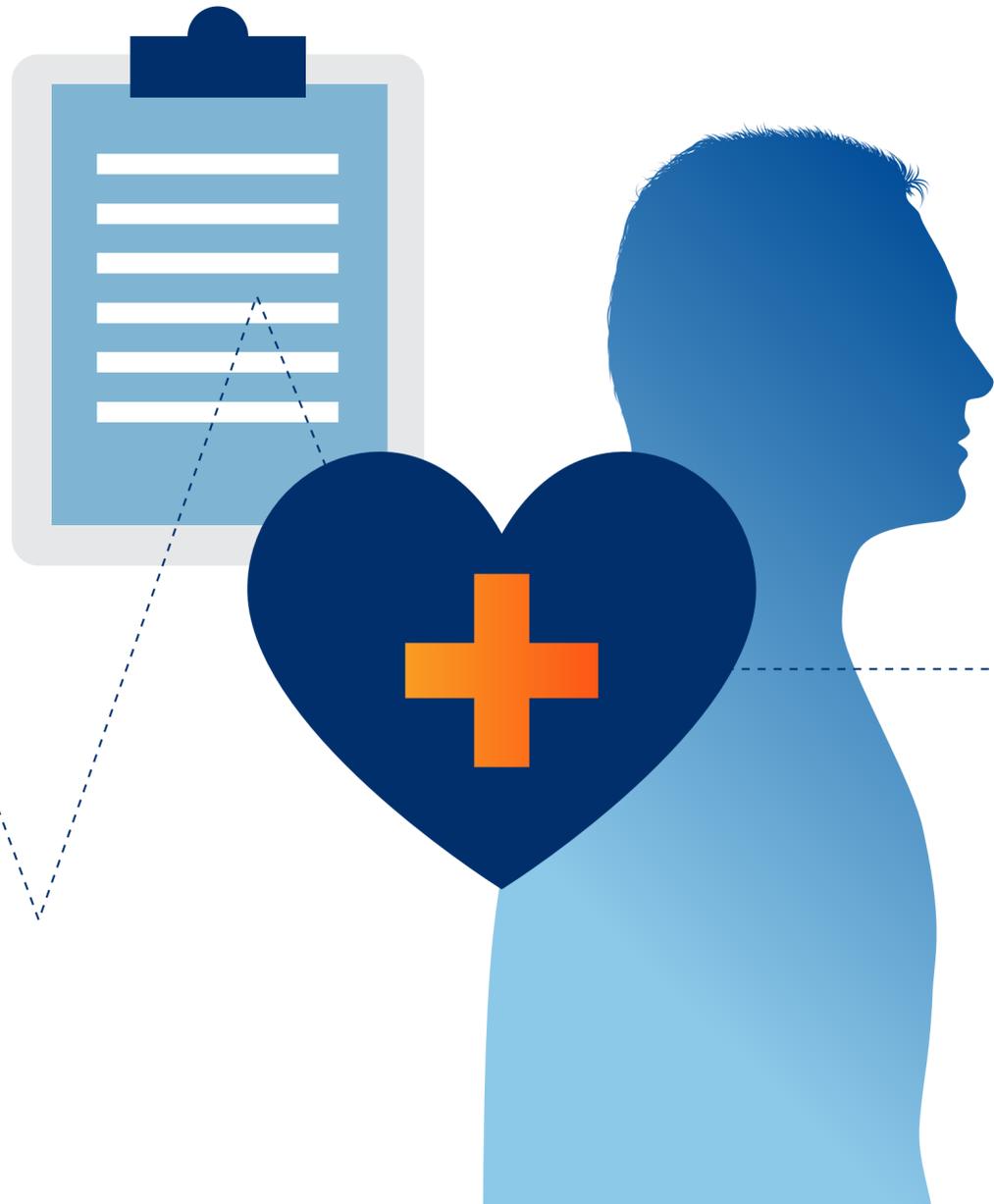
Charlie Reed -
Associate Business
Unit Manager

PRODUCT SAFETY RECALLS

0 in 75 Years



Chapter 7: Occupational Health & Safety



Douglas Dynamics is committed to building a world-class safety culture to ensure the health and safety of our employees. We follow our Core Values of Grow, Improve, and Engage to focus on continuous improvement in our health and safety practices and procedures. Worker safety is our top priority, and no production target or other demand takes precedence over the concern for safety.

Health and Safety Management System

Douglas Dynamics is committed to complying with all applicable worker safety regulations in the U.S. as governed by the Occupational Safety and Health Administration (OSHA). We follow industry best practices to help drive continuous improvement in our safety practices and keep the number of injuries and illnesses to a minimum.

At the corporate level, our Health and Safety Steering Committee establishes the scope and framework of our Health and Safety Management

System. At each facility, local health and safety managers are responsible for tracking all safety incidents (injury and non-injury) and investigating and communicating local concerns and working with management to respond appropriately. Monthly reports on the number and types of safety incidents are reviewed by senior management and reported to the Board on a quarterly basis. We work to address identified risks based on these reports and periodic internal audits are conducted at our facilities to ensure that safety incident reporting is being properly implemented.

Throughout all Douglas Dynamics facilities, our primary safety metric is the Days Away, Restricted or Transferred (DART) rate. We have an internal DART rate target that we are working toward, and we are in the process of developing additional health and safety targets.



We work with ergonomic consultants to analyze our work processes and make improvements to reduce strains and sprains incurred by employees. These improvements in processes include incorporating more mechanical lifting instead of manual lifting, better matching of employees to the job being performed, and providing stretching and exercise time.

In 2022, we appointed full-time Safety & Health professionals in each of our manufacturing facilities. These experts will continue to guide our strong safety culture and strategically invest in preventative solutions to improve our safety performance. In 2022 we also formed an enterprisewide Safety Committee to deploy common tools and methods for safety management. Leveraging our Winning Behaviors, this team collaborates with our Organizational Development resources to deploy robust Employee Onboarding training. Our Safety & Health Leaders have the knowledge, experience and leadership capabilities to continue to strengthen our ability to measure and analyze our data and ultimately reduce risk to our employees.

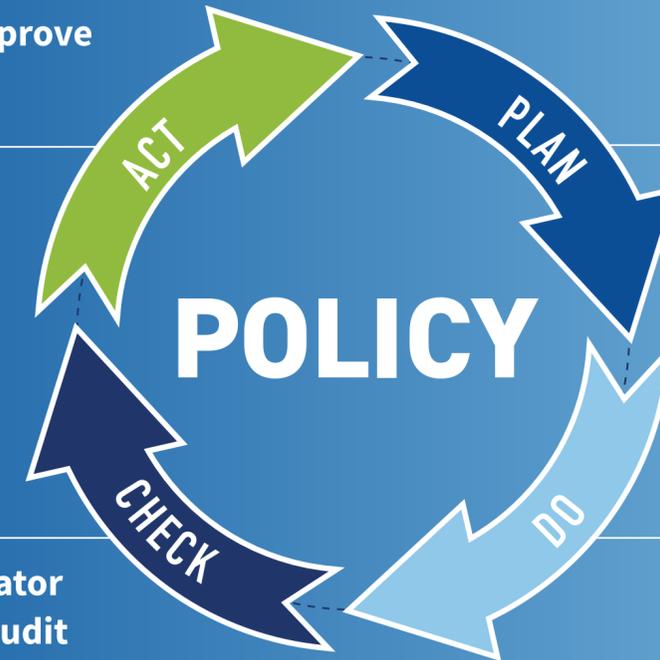


Henderson Upfit and Service Facility in Watertown, New York unveiled significant facility upgrades in 2021



Review leading and lagging indicators and implement programs to Grow, Improve and Engage

Conduct a gap analysis across WTA and prioritize program aspects for implementation



Develop leading indicator quantitative scoring audit and set target goals and objectives

Develop Implementation Teams at each site and create policies, training and procedures

HEALTH AND SAFETY MANAGEMENT SYSTEM

Our Work Truck Attachments (WTA) is implementing a new Health & Safety Operating System to provide enhanced reporting and auditing procedures. The Business Leadership Team of the division developed an overall Health and Safety Policy to define the process and procedures for the system.



Health and Safety Training

Douglas Dynamics works to create a world-class safety culture by raising awareness and holding regular safety training. Our New Hire Orientation training includes a full range of safety topics, and this training is continued with follow-up sessions, including weekly safety talks. Each month, we focus on a specific safety tip that is discussed at the Weekly Toolbox Talks, including topics such as emergency response and heat stress.

We also provide mandatory training for specific job functions, such as forklift operators, crane operators and lock-out training. Compliance with safety training requirements is tracked at each facility through our Health and Safety Management System and the training data is reviewed by management on a monthly basis.

DOUGLAS DYNAMICS

Each of our locations hold Weekly Toolbox Talks with employees to review recent safety incidents and discuss health and safety practices. As part of these meetings, every month a different safety topic is discussed with recommendations for reducing injuries or illnesses. In May 2022, the monthly focus topic was heat stress, as we prepared for temperatures to increase in the workplace during the warmer months. Safety tips included recommendations to reduce the risk of heat stroke, heat exhaustion, heat cramps, or heat rashes, and injuries that could result from sweaty palms.

Each month, we focus on a specific safety tip that is discussed at Weekly Toolbox Talks

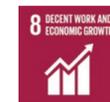




PROTECTING OUR ENVIRONMENT

Douglas Dynamics is committed to minimizing adverse environmental impacts of our operations and promoting environmental awareness and education throughout all levels of the Company. We also work to provide innovative, world-class products and services that reduce emissions, protect biodiversity, minimize harm to the local environment, and protect public health. The Company is committed to tracking and reporting key environmental metrics to ensure accountability and transparency to our stakeholders, including our employees, investors, clients, and the communities where we live and work.

SECTION SDG ALIGNMENT:





Chapter 8: Environmental Management and Climate Change



Our commitment to continuous improvement extends to our environmental protection programs, which incorporate industry best practices in our manufacturing processes to reduce our environmental impact. We utilize an extensive Environmental Health & Safety (EHS) Management System to manage all aspects of our EHS programs, including tracking and reporting data, facility permits and information, air and water quality, waste management, soil and groundwater, emergency preparedness, training, and certification statements.

Douglas Dynamics is committed to complying with all applicable environmental laws and regulations in the communities where we operate. Our EHS Management System specifies laws and regulations we comply with, ownership of standard procedures used for consistent execution, data collection, and the timing of reporting and other activities. Among these reports are an inventory of toxic chemical releases for the U.S. Environmental Protection Agency (EPA).

At the corporate level, our EHS Steering Committee establishes the scope and framework of our EHS Management System, while managers at each facility are responsible for its implementation. Monthly reports on environmental issues are reviewed by senior management and periodic internal audits are conducted at our facilities to ensure that the EHS Management System is being properly implemented.

As a market leader in Work Truck Attachments and Work Truck Solutions that are used to control snow and ice, we recognize that our financial results and performance depend primarily on the level, timing, and location of snowfall. A decline in snowfall levels in multiple regions for an extended time, including as a result of climate change, could adversely affect our operations. As part of our risk management process, discussed in [Chapter 5](#), our management and Board of Directors review climate change risks and support regulatory and governmental efforts to reduce greenhouse gas (GHG) emissions and mitigate the effects of climate change on the environment.



Chapter 9: Energy and Emissions



Douglas Dynamics is committed to making the necessary investments in systems and technology to reduce energy usage at our manufacturing locations, which is the largest and most cost-effective way to reduce our carbon footprint.

To reduce electricity usage, we have partnered with our local power and energy companies to switch our lighting to LED bulbs and install smart sensor technology to minimize unnecessary electric consumption.

In building new facilities and updating existing facilities, we utilize more natural lighting, open workspaces, and reflective

roofing to reduce lighting costs and offset cooling costs.

We have taken advantage of reimbursement programs offered by the state of Maine to help purchase more energy efficient equipment. We replaced compressors at our Rockland, Maine facilities to operate at variable speeds, which reduced our electricity use by 110 kWh annually.

We have also invested in state-of-the-art technologies to reduce chemical emissions by increasing the efficiency of our filtration systems and we also added HEPA filters to further reduce emissions.

In 2022 we quantified select emissions for the first time. We are working to develop systems to collect accurate and complete data to provide a comprehensive view of our environmental performance. Our data currently reflects emissions associated with electricity, natural gas, and select propane use from our six manufacturing locations.

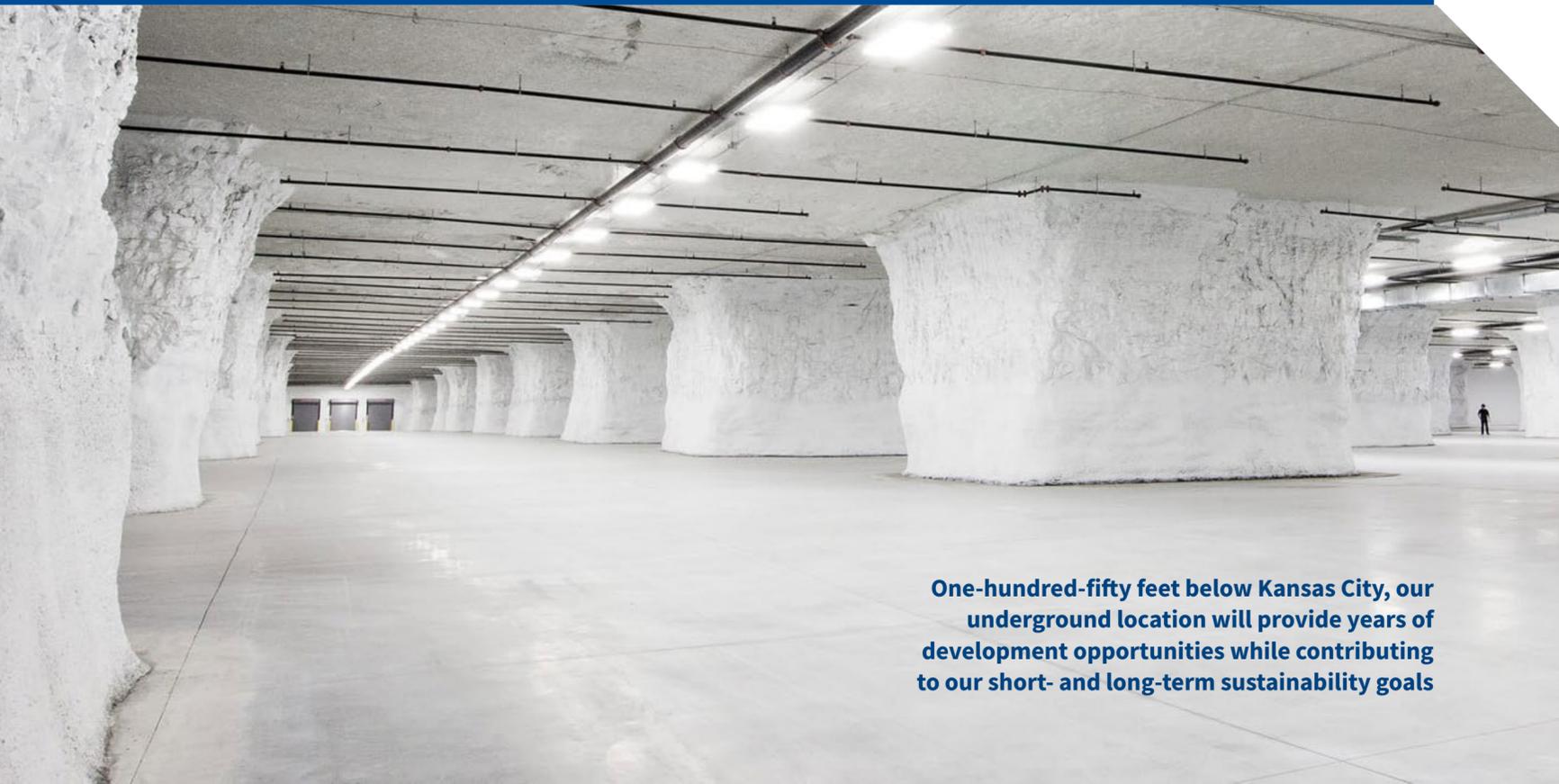
The data shows that in 2022 there was an increase in energy use and emissions. We attribute this to a combination of factors: this was the first full year of operations in a new facility that supports additional capacity and product development through vertical integration; our 2022 in-office headcount was higher due to returning to work after the COVID-19 disruption; and colder winter temperatures led to higher heating use in our facilities. We are committed to using this information to inform reduction targets and actions.

We will continue to monitor emissions data to track progress and identify areas for improvement.

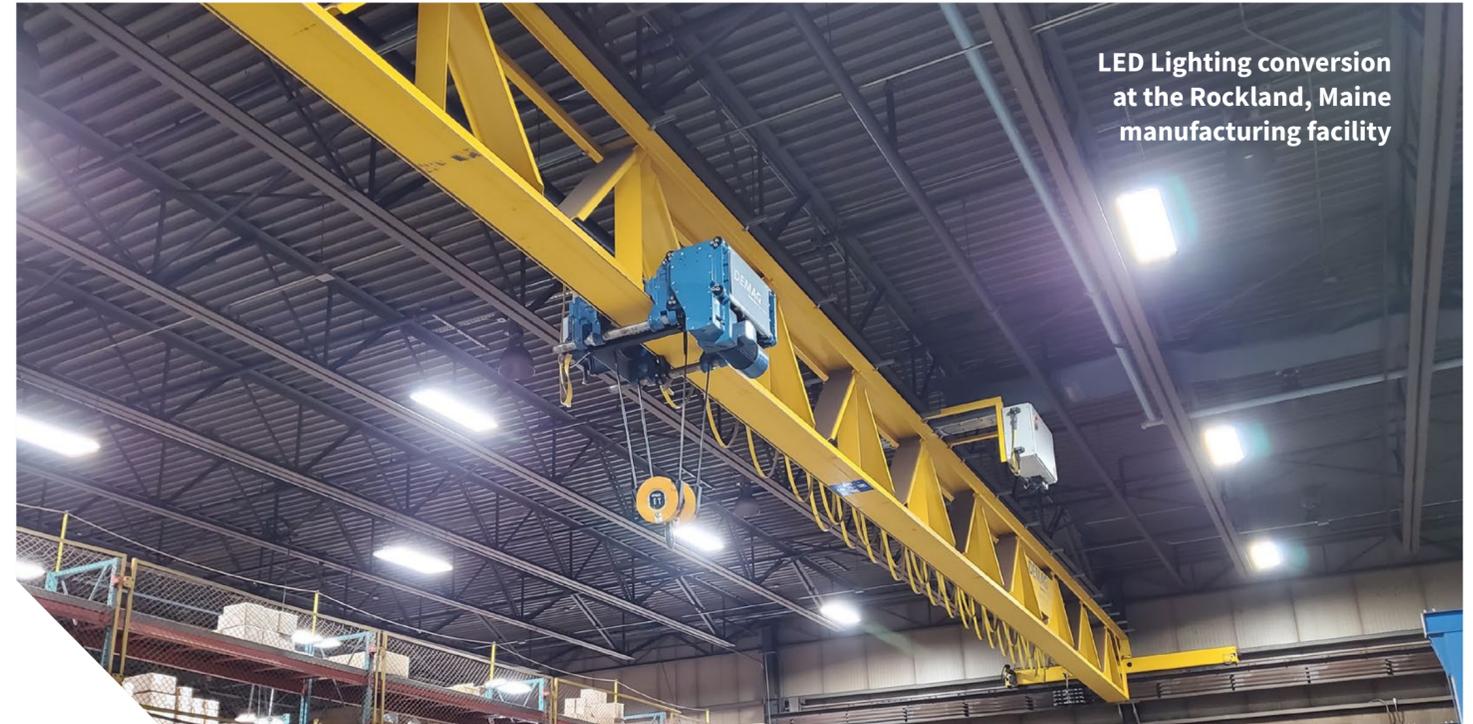


DEJANA FACILITY IN KANSAS CITY

Our Dejana business unit leased space beginning in 2017 in The SubTropolis, an underground business complex in Kansas City known as “The world’s largest green roof.” The SubTropolis was created through the mining of a 270-million-year-old limestone deposit, which created a naturally temperature-controlled space with even spaced pillars and 16-foot high, smooth ceilings. The building uses significantly less energy and provides us with room for sustainable growth.



One-hundred-fifty feet below Kansas City, our underground location will provide years of development opportunities while contributing to our short- and long-term sustainability goals



LED Lighting conversion at the Rockland, Maine manufacturing facility

ENERGY EFFICIENCY AND COST SAVINGS IN OUR ROCKLAND FACILITY

At our manufacturing facility in Rockland, we have converted 362 fixtures to LED since 2017, which has led to a savings of \$25,000 annually. We also upgraded our AR 653 Compressor, changing the distribution of the two existing electrical services. These changes reduced peak loading charges, saving 598,373 kWh annually.

In our office, we replaced 155 florescent light fixtures with LEDs, which are 76% more efficient in terms of energy usage.



Chapter 10: Water and Waste Management



Douglas Dynamics is committed to minimizing our environmental impact by reducing our waste sent to landfills and our water consumption. As part of our EHS Management System, our facilities gather data on waste generation, water withdrawal and water discharge, which is used at the site level to inform improvements to our processes. We comply with all local, state, and federal laws and regulations for management of hazardous waste and wastewater discharge, and report on toxic chemical releases to the U.S. Environmental Protection Agency.

Waste Reduction

We are committed to reducing waste sent to landfills by reusing and recycling materials, primarily focusing on reducing the amount of waste in our production processes that goes

to landfills. We have worked with our primary supplier, Waste Management, to assess our overall waste reduction profile, including waste to landfill, waste to energy, and recycling.

Steel is a primary commodity we use in our manufacturing processes and 100% of our scrap steel is thoroughly collected and recycled. Additionally, all cardboard is recycled, with none going to landfills, and we recycle office furniture regularly as updates are made to our facilities. Batteries, paper, plastics, and metals are also recycled in all production and office workspaces. We have also set up recycling programs for employees, including a bottle deposit program where the five cents we get for every bottle is recorded and donated to local charities.

RECYCLED WASTE (MT)

2022

RECYCLED STEEL

17,617,965.9

OTHER RECYCLED WASTE*

754.6

*Includes aluminum, plastic, cardboard, single stream, construction/demolition, and gross weight of copper insulated wire that was recycled in five of our six manufacturing facilities



Water Conservation

Douglas Dynamics recognizes that water is becoming a scarce resource and we have implemented a robust water consumption plan to reduce our water usage in our manufacturing processes where possible. We are committed to conserving water we use from municipalities, surface water, and wells. Our facilities are focused on process improvements to recycle water through innovative reverse osmosis technology.

Douglas Dynamics is also focused on treating wastewater to ensure a safe discharge and we perform regular tests for chemical particulates and monitoring of pH, temperature and flow. The State of Maine has certified our storm water disposal process and is using our work at our Maine facility to restore a nearby pond as a model to improve storm water management.

We work to minimize the amount of water run-off in our processes to help prevent sewage overflow that would have negative impacts for the communities in which we operate and the local environment. We have a storm water pollution prevention program (SWPPP) at all of our storm water drains and outfalls. The Milwaukee Metropolitan Sewerage District has recognized Douglas Dynamics as a Significant Industrial User in the District's regulatory program and has recognized the Company 18 times on their Honor Roll for our efforts to protect the environment while contributing to the economic vitality of the region.



The MMSD conducts physical inspections of our processed water on an annual basis and takes samples from our Powdercoat washer pretreatment areas twice per year.



Set along the shores of Lake Michigan, Milwaukee, WI is the headquarters for Douglas Dynamics



Chapter 11: Responsible Supply Chain



Douglas Dynamics seeks to work with suppliers who share our Core Values and are dedicated to conducting business with the highest level of integrity and ethics no matter where they are located. We believe that managing a responsible supply chain includes stringent supplier assessments and selection procedures and active performance monitoring to ensure compliance with our requirements.

We are committed to procuring products and supplies from local companies in the countries where we operate whenever possible. In 2022, 87 percent of Douglas Dynamics procurement spending went to North American suppliers.

87%

of Douglas Dynamics procurement spending went to local suppliers



Jon Kirsner with Bo Knapheide, President of Knapheide, recognizing Dejana as a top customer



Supplier Selection and Monitoring

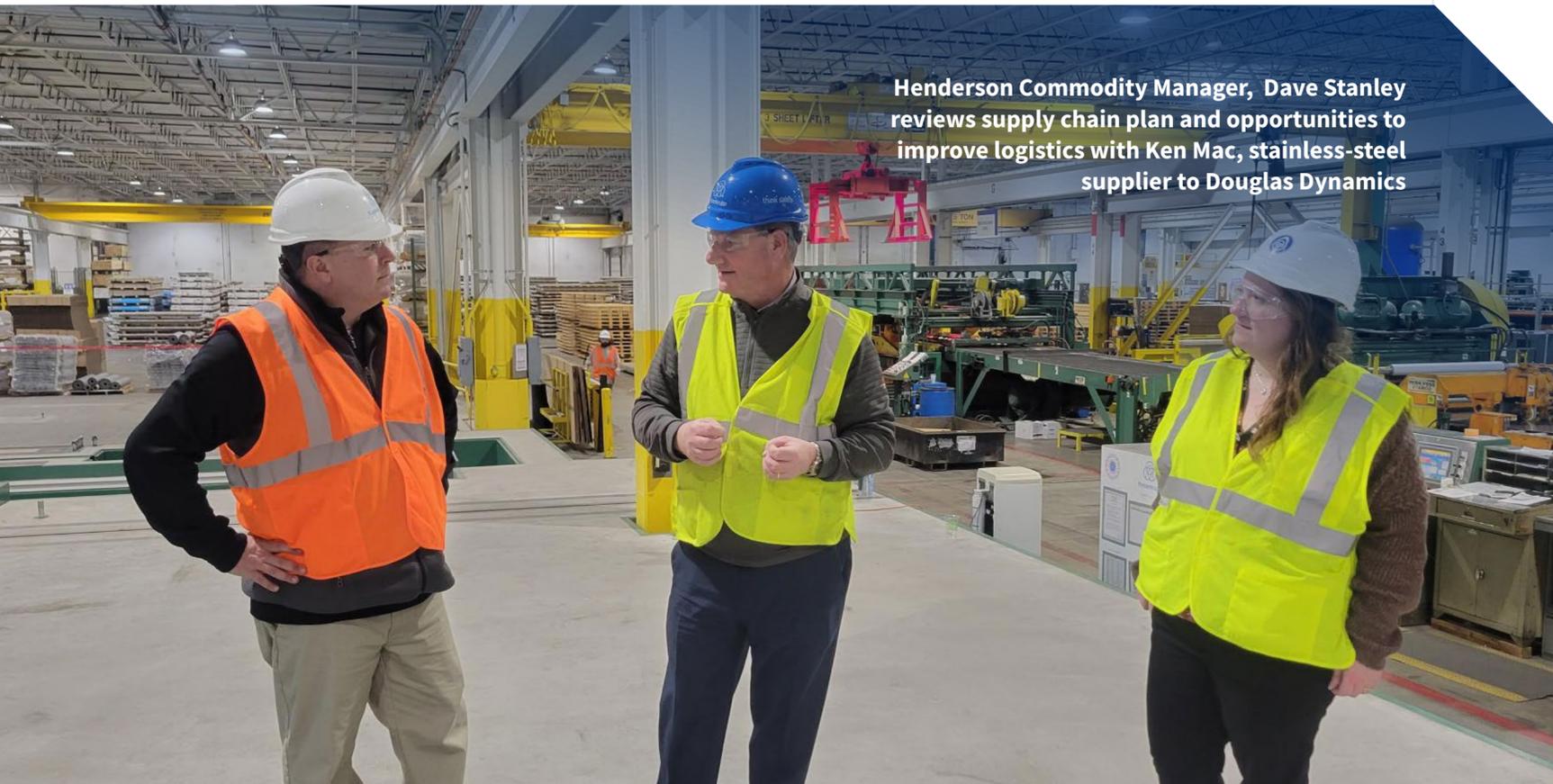
Douglas Dynamics recognizes the importance of having suppliers who meet our high standards of quality and reliability. Our supplier selection is based on an assessment process that includes analysis of employment practices, human rights, occupational health and safety, quality controls and environmental compliance. We have a Supplier Code of Conduct that outlines our expectations for compliance with ethical labor and business practices and all applicable laws and regulations. Once selected, all suppliers must review and acknowledge the Supplier Code of Conduct as part of the onboarding process.

The Supplier Code of Conduct includes agreeing to unannounced on-site inspections of manufacturing facilities and employer-provided housing, review of records relating to employment matters, and private interviews with employees. When inspections of supplier facilities or records show non-compliance with the Supplier Code of Conduct, suppliers are placed on probationary status and required to take corrective action. Failure to comply with the Supplier Code of Conduct is grounds for immediate termination.

a full-day Supplier Forum where the top 80 percent of our suppliers are invited and participate in training exercises, seminars, and presentations.

Douglas Dynamics utilizes an Assessment tool to identify any gaps with Tier 2 and Tier 3 suppliers, principally for steel and products from Asia, so we can quickly understand any possible impacts from disruptions anywhere in the supply chain. We also track a monthly supplier score card, which enables us to offer feedback on a supplier's performance. This monitoring process becomes part of the risk management process. Additionally, Douglas Dynamics receives alert notifications in twenty-three categories, with the most common impacts being labor disruptions or natural disasters.

Suppliers are expected to ensure that the provisions of the Supplier Code of Conduct are communicated to their employees and subcontractors as appropriate. We provide training to our suppliers in a variety of formats, including one-on-one training on-site and



Henderson Commodity Manager, Dave Stanley reviews supply chain plan and opportunities to improve logistics with Ken Mac, stainless-steel supplier to Douglas Dynamics



Conflict Minerals

Douglas Dynamics has a written Conflict Minerals Policy regarding the use of columbite tantalite, cassiterite, gold, wolframite, or their derivatives, which are initially limited to tantalum, tin, and tungsten (classified as Conflict Minerals under U.S. law) that originated in the Democratic Republic of the Congo (DRC) or an adjoining country (collectively, the Covered Countries). As stated in our Conflict Minerals Policy, we do not intend to completely ban procurement of Conflict Minerals or other products from Covered Countries; rather, it is the aim of Douglas Dynamics to promote responsible sourcing.

FORESTRY PRODUCT CERTIFICATIONS

Virgin fiber used in the corrugated packaging of our products, which is manufactured by our supplier The Royal Group, is sourced from trees harvested in North America and Europe. The Royal Group maintains Forest Stewardship Council (FSC) and Sustainable Forestry Initiative (SFI) chain of custody certifications as confirmed by SGS.



We comply with the disclosure requirements of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Conflict Mineral Disclosure Requirements of the U.S. Securities and Exchange Commission (SEC). As part of our commitment to compliance with the disclosure requirements, the Company makes reasonable efforts to identify all conflict minerals that are necessary to the functionality or production of products manufactured by the Company and its subsidiaries, world-wide. The Company has established an internal team responsible for implementing our conflict minerals compliance strategy, which is overseen by our Senior Manager of Reporting and Compliance and includes subject matter experts from relevant functions, such as supply chain. Senior management is briefed about the results of our due diligence efforts on a regular basis.

Our latest [SEC filing](#), which can be found on our Investor Relations webpage, states that our procedures determined that some of our products contained Conflict Minerals. However, since we do not have direct relationships with the smelters and refiners that process Conflict Minerals contained in the products, our ability to determine the ultimate origin and source of any Conflict Minerals in our products is limited. Douglas Dynamics intends to continue to work with our suppliers to obtain information about potential Conflict Minerals in our products and to report the results of our efforts as required by SEC rules. Our policy is to limit, where practicable, the Company's use of Conflict Minerals that are not "DRC conflict free" within the meaning of the Conflict Mineral Disclosure Requirements.



Supplier Diversity

As a member of the Institute for Supply Management (ISM), Douglas Dynamics has made the commitment to ISM’s Diversity and Inclusion Pledge. Douglas Dynamics joins with a community of other members who have pledged to promote building a diverse and inclusive business environment with our suppliers.

Sustainable Procurement Pledge

Douglas Dynamics is a member of the Sustainable Procurement Pledge (SPP), a global non-profit organization for procurement professionals, academics, and practitioners. As part of the pledge, Douglas Dynamics supports that “we in Procurement have a critical role to contribute, to steer and to develop responsible supply chains.” We have committed as a Sustainability Ambassador to drive sustainable procurement practices by expanding personal engagement within our supply chain and the procurement community.



2022 Supply Chain Risk Management Program of the Year



The SPP has five key principles we are focused on integrating into our daily decisions to build a responsible supply chain for Douglas Dynamics.

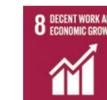


PRODUCTS



Douglas Dynamics has built a leadership position in our industry by focusing on continuous improvement in the safety and quality of our products. In addition, we are committed to investing in developing new products and improving existing ones to enhance performance while also reducing costs and protecting the environment. Furthermore, we are active in partnering with industry associations to advance the industry through education and advocacy for responsible public policy and legislation.

SECTION SDG ALIGNMENT:

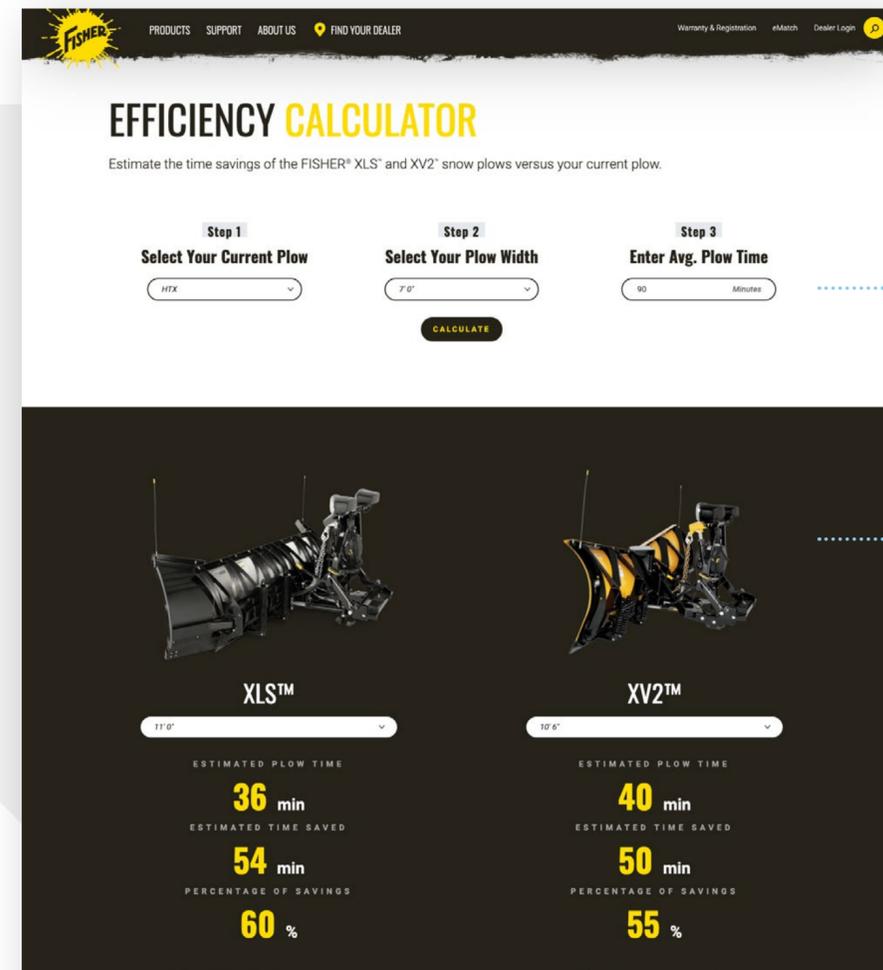




Chapter 12: Product Innovation & Environmental Impact



Our product innovation efforts are focused on helping our customers improve the efficiency of their snow and ice removal efforts to reduce costs and reduce negative impacts on the environment. Douglas Dynamics has been a pioneer in showing customers how to improve efficiency with tools including our online Efficiency Calculator, which helps operators select the best snowplow for the type of job they perform by quickly evaluating the efficiency of a variety of our products. Our research and development on hopper spreaders and liquid solutions also focuses on improving efficiencies to reduce the use of salt, which can waterways and biodiversity. We work to improve efficiency in deicing equipment, which can lower emissions because it requires fewer trips to reload material. We also continue to monitor the industry's conversion to electric vehicles.



User enters current plow information and average plowing time

Real-time calculation estimates time savings when using a FISHER XLS™ winged plow or XV2™ v-plow compared to their current setup



SNOWPLOWS

Snowplows continue to be the most sustainable method of removing snow at-scale. Douglas Dynamics leads the market in product development and innovation to have the broadest product portfolio to meet all customer needs. Our product development teams work to understand the unique job types that operators face and provide right-size snowplow solutions for each, whether it is a large municipal highway, commercial parking lot, residential driveway, or a small, UTV-based project. By offering right-sized products with innovations such as wing or hydraulic wing snowplows that expand or contract the snowplow’s size, we help our customers meet their efficiency goals.

Our innovations also include designing snowplows with a variety of edges including metal and poly to get a cleaner scrape for the type of surface being plowed, which in turn will reduce the amount of deicing solutions needed. In addition, our UltraMount® 2, Minute Mount® 2, and Automatixx® mounting systems allow operators to quickly remove their snowplows once their jobs are complete to reduce vehicle weight and lower emissions.



FISHER® TRAILBLAZER™ mid-duty UTV straight blade plow



FISHER® POLY-CASTER™ and STEEL-CASTER™ hopper spreaders

HOPPER SPREADERS

Hopper spreaders are used by operators to spread sand, salt or liquid solutions, or a combination of the three, to accomplish anti-icing (prevention of ice buildup on roads and bridges) and deicing (removal of ice after a weather event). Douglas Dynamics has one of the most robust lines of hopper spreaders in the industry to help operators easily alternate between granular, liquid, and pre-wet applications to meet a variety of weather conditions and protect the surrounding environment. Our pre-wet models and kits help improve the performance of granular materials by up to 30 percent, which minimizes the amount of material needed and reduces the number of trips necessary to complete deicing operations.

Our dual variable speed controls also help operators reduce waste and 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, which reduces the use of salt and helps protect the green landscape from excess materials missing the intended surface.

To reduce the amount of GHG emissions in the snow and ice removal industry, Douglas Dynamics has been leading the transformation 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 98 percent electric-powered hopper spreaders in 2022.

98%

electric-powered hopper spreaders in 2022



LIQUID SOLUTIONS

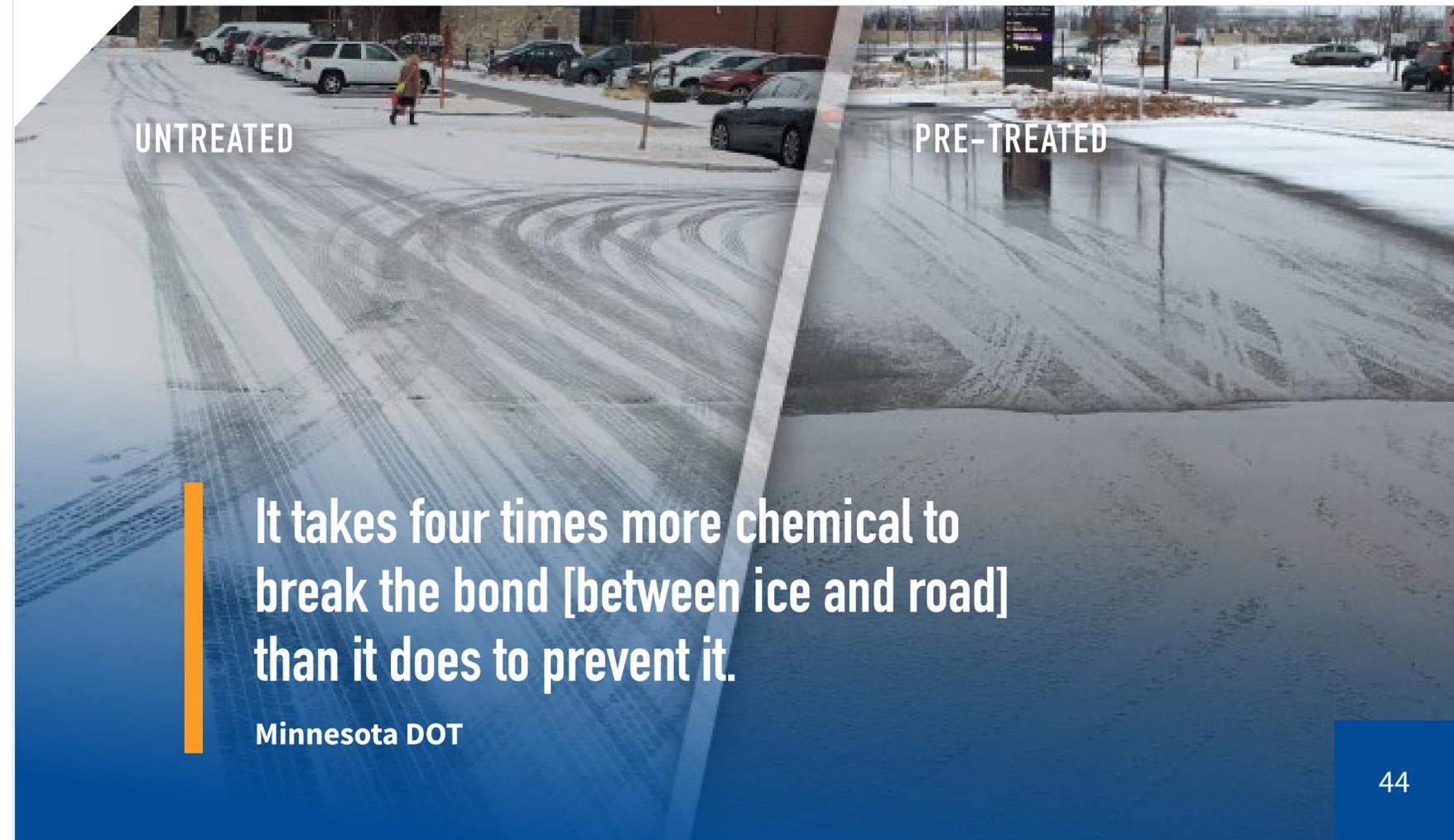
Liquid solutions for snow and ice control, including the application of brine, reduce salt usage and therefore the negative impacts associated with salt. Salt has been shown to damage infrastructure and the environment by introducing chlorides into waterways and vegetation adjacent to roads. Douglas Dynamics has been a leader in the research and development of brine products which help municipalities and other customers use less salt and have fewer trips, which results in savings on fuel and manpower, as well as lower carbon emissions.

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.

Our broad portfolio of brine products also dramatically increases the efficiency of deicing strategies. Pre-wetting, for example, activates salt and other granular deicing materials more quickly to jumpstart the necessary brining process immediately prior to the material being spread from a hopper. Onboard pre-wetting of granular deicing materials has been shown to increase the efficiency of the materials by up to 30 percent, which protects the environment by reducing the number of trips the vehicle must take to service their clients and amount of salt used.

Douglas Dynamics has developed four models of brine makers and the most offerings of brine application equipment in the industry. Our liquid solutions experts continue to share their knowledge with 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 less vehicle usage and emissions for snow and ice removal and reduces the amount of heavy salt stockpiles that need to be mined, transported, and stored.



UNTREATED

PRE-TREATED

It takes four times more chemical to break the bond [between ice and road] than it does to prevent it.

Minnesota DOT



Chapter 13: Public Policy and Industry Associations

As the premier manufacturer and upfitter of commercial work truck attachments and equipment in North America, Douglas Dynamics partners with major organizations to educate their members and advocate for responsible legislation. In keeping with our internal culture of continuous improvement, we believe our affiliations with industry associations help to advance the entire the entire work truck industry. Our association partnerships lead to the development of environmentally responsible practices and more efficient technologies and environmentally friendly products to help improve the communities in which we live and work.

ASSOCIATIONS



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 of 30,000, 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.



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.



NTEA (National Truck Equipment Association)

Established in 1964, NTEA – The Association for the Work Truck Industry – represents more than 2,000 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®.



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's mission is to raise awareness through networking, education, training, events, and other resources for snow and ice control professionals and manufacturers.



Public Initiatives

Douglas Dynamics has assisted numerous SIMA and ASCA task forces in developing industry standards and has donated equipment for the research of best practices. Research projects we have worked on include 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 on 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 and biodiversity.



Industry Education

Douglas Dynamics is committed to furthering the education of snow and ice removal professionals and the entire industry. We provide an annual digital guide for SIMA called “In Focus,” which helps educate individuals on best practices for their snow and ice removal operations. Our Product Managers create educational videos and presentations each year covering topics relevant to the snow and ice industry. 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 them improve efficiency and waste less material.

Douglas Dynamics donated \$7,500 in 2022 to the SIMA Foundation, which funds industry research and scholarships for industry education. Fisher Engineering is the naming sponsor and supporter of the SIMA Foundation’s Dean Fisher scholarship, which had its first recipient in 2022.



Mark Adamson of Douglas Dynamics with the first recipient of the Dean Fisher Innovation Scholarship, Raven Rodriguez

\$7,500

donated in 2022 to the SIMA Foundation



APPENDIX

PEOPLE

PROCESS

PLANET

PRODUCTS



DATA TABLES

GRI CONTENT INDEX

SASB CONTENT INDEX



SOCIAL	2020	2021	2022
EMPLOYEES			
Total Employees	1,786	1,729	1,886
Permanent Employees			
Total	1,784	1,729	1,882
Female	215	228	254
Male	1571	1501	1632
Full-time Employees			
Total	1,740	1,689	1,841
Female	213	225	250
Male	1,529	1,464	1,595
Part-time Employees			
Total	44	38	40
Female	2	3	4
Male	42	35	35
NEW HIRES			
Total Hires	391	463	646
Rate of Hires	22%	27%	34%
Number of Hires, by Gender			
Female	42	63	86
Male	349	400	560
Rate of Hires, by Gender			
Female	2%	4%	5%
Male	20%	23%	29%

SOCIAL	2020	2021	2022
Number of Hires, by Age			
Under 30	181	174	273
30 to under 45	134	173	223
45 to under 60	59	102	134
60 or More	17	14	16
Rate of Hires, by Age			
Under 30	10%	10%	14%
30 to under 45	8%	10%	12%
45 to under 60	3%	6%	7%
60 or More	1%	1%	1%
TURNOVER			
Total Turnover	332	524	492
Rate of Turnover (Annualized)	19%	30%	27%
Voluntary Turnover	231	345	335
Rate of Voluntary Turnover (Annualized)	13%	20%	19%
Turnover by Gender			
Female	38	51	64
Male	294	473	428
Rate of Turnover by Gender (Annualized)			
Female	2%	3%	3%
Male	16%	27%	23%



SOCIAL	2020	2021	2022
Turnover by Age			
Under 30	122	180	193
30 to under 45	117	184	168
45 to under 60	57	105	98
60 or More	36	55	32
Rate of Turnover by Age			
Under 30	7%	10%	10%
30 to under 45	7%	11%	9%
45 to under 60	3%	6%	5%
60 or More	2%	3%	2%
PARENTAL LEAVE			
Number of Employees Entitled to Parental Leave			
Female	182	177	192
Male	1,322	1,236	1,290
Number of Employees That Took Parental Leave			
Female	4	4	4
Male	5	14	9
Number of Employees That Returned to Work in the Reporting Period After Parental Leave Ended			
Female	4	2	6
Male	5	12	10
Total Number of Employees That Returned to Work After Parental Leave Ended That Were Still Employed 12 Months After Their Return			
Female	4	2	—
Male	5	11	—

SOCIAL	2020	2021	2022
EMPLOYEE DIVERSITY			
By Gender			
Female	12%	13%	13%
Male	88%	87%	87%
By Age			
Under 30	22%	20%	20%
30 to under 45	34%	35%	34%
45 to under 60	32%	33%	32%
60 or More	13%	13%	13%
By Race			
Asian	3%	3%	3%
Black or African American	7%	11%	12%
Hispanic or Latino	14%	12%	12%
Native Hawaiian or other Pacific Islander	0%	0%	0%
American Indian or Alaska Native	0%	0%	0%
White	74%	72%	69%
Two or more races	1%	2%	2%
Decline to answer	0%	0%	1%



SOCIAL	2020	2021	2022
BOARD DIVERSITY			
By Gender			
Female	2	2	2
Male	5	5	6
By Age			
18-30	0	0	0
31-50	0	0	0
51+	7	7	8
By Race			
Asian	0	0	1
Black or African American	0	0	0
Hispanic or Latino	1	1	1
Native Hawaiian or other Pacific Islander	0	0	0
American Indian or Alaska Native	0	0	0
White	6	6	6
Two or more races	0	0	0
Decline to answer	0	0	0

SOCIAL	2020	2021	2022
TRAINING			
Number of Unique Participants in Training Programs	1,155	880	1,453
Percent of Employees Participating in Learning Experiences	66%	50%	80%
Number of Unique Participants in Voluntary Learning Experiences	617	484	1012
Percent of Employees Participating in Voluntary Learning Experiences	35%	27%	56%
Number of Learning Experiences Completed ¹	8,438	5,216	12,005
Number of Unique Learning Experience Topics Completed	341	579	669
Instructor-led sessions delivered	140	205	363
Hours of participation in instructor-led sessions	3,562	2,629	4,364
Percent of Participants Rating Facilitators as Engaging, Knowledgeable, and Interactive	95%	N/A	97%
Percent of Participants That Felt Learning Experiences Were Worth the Time and the Company's Investment	96%	N/A	96%
Learning Net Promoter Score	72%	53%	68%
Percentage of Employees Receiving Regular Performance and Career Development Reviews ²	100%	100%	100%

1 - Includes eLearning, instructor-led training, self-paced, and on-the-job training opportunities

2 - All employees actively employed more than 90 days receive performance reviews



SOCIAL	2020	2021	2022
HEALTH AND SAFETY			
FOR ALL TYPES OF WORKERS ³			
Number of Recordable Work-related Injuries			
Total	100	126	143
Work-related Ill Health			
Number of Fatalities as a Result of Work-related Ill Health	0	0	0
Total Recordable Incident Rate (TRIR)			
Total	6.59	7.27	7.82
Days Away, Restricted or Transferred (DART) Rate			
Total	3.43	4.62	5.03
Number of Fatalities	0	0	0
Rate of Fatalities	0.00	0.00	0.00

3 - Scope of the data includes all full-time, part-time, contingent workers, and contractors



GOVERNANCE	2020	2021	2022
Board Independence			
Percentage of Independent Directors	71%	67%	75%
Ethics & Compliance			
Number of Instances of Non-compliance with Laws and Regulations	0	0	0
Monetary Value of fines for Instances of Non-compliance with Laws and Regulations	0	0	0
Whistleblower Reports Received	1	1	1
Total Number of Critical Concerns That Were Communicated to the Highest Governance Body During the Reporting Period	0	0	0
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	0	0	0
PRODUCTS			
Number of Recalls Issued	0	0	0
Total Units Recalled	0	0	0



ENVIRONMENTAL ⁴	2021	2022
ENERGY & EMISSIONS ⁵		
Energy Consumption in Manufacturing, by Fuel Type (GJ)		
Natural Gas ⁶	128,527	170,768
Propane ⁷	35,684	40,371
Electricity	70,364	73,791
Greenhouse Gas Emissions from Manufacturing, ⁸ by Fuel Type (mtCO2e)		
Natural Gas (Scope 1)	7,228	9,603
Propane (Scope 1)	2,257	2,553
Electricity (Scope 2)	8,714	9,542

4 - At this time, environmental data only reflects our six manufacturing sites. The energy, emissions, water and waste from our manufacturing sites are the most significant as compared to our other sites.

5- Includes estimated data using interpolation and extrapolation methods as applicable. Less than 30% of data for 2021 was estimated and less than 3% of data for 2022 was estimated.

6 - Reflects five manufacturing sites that consume natural gas.

7- Reflects one manufacturing site that consumes propane instead of natural gas.

8- Emissions data includes those resulting from the energy consumption reported above. These were calculated using eGRID 2020 emission factors as published by the United States Environmental Protection Agency (EPA).

ENVIRONMENTAL ⁴	2021	2022
WASTE MANAGEMENT ⁹		
Total Waste Generated (mT)	950.0	1,658.3
Waste by Disposal Method (mT)		
Landfilled	815.5	1,359.0
Diverted from Landfill ¹⁰	135.6	299.3
WATER MANAGEMENT ¹¹		
Water Usage in Manufacturing (ML)	17.9	23.8

9 - The scope of 2021 data is four of six manufacturing sites; the scope of 2022 data is five of six manufacturing sites.

10 - Excludes recycled steel, plastic, and gross weight of copper insulated wire. See page 35 for total 2022 diversion that includes these types of waste.

11 - The scope of the data includes four of our six manufacturing sites.



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
GENERAL DISCLOSURES			
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	About The Company, page 3 About This Report, page 63 2022 Annual Report	
	2-2 Entities included in the organization’s sustainability reporting	About This Report, page 63	
	2-3 Reporting period, frequency and contact point	About This Report, page 63	
	2-4 Restatements of information	This report does not include any restatements of information	
	2-5 External assurance	We have not sought external assurance for the contents of this report	
	2-6 Activities, value chain and other business relationships	2022 Annual Report	
	2-7 Employees	Data Tables, page 48	
	2-9 Governance structure and composition	Chapter 5: Board Governance and Oversight, page 23 2023 Proxy Statement	



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
GRI 2: GENERAL DISCLOSURES 2021	2-10 Nomination and selection of the highest governance body	2023 Proxy Statement	
	2-11 Chair of the highest governance body	2023 Proxy Statement	
	2-12 Role of the highest governance body in overseeing the management of impacts	Chapter 5: Board Governance and Oversight, page 23-25 2023 Proxy Statement	
	2-13 Delegation of responsibility for managing impacts	Chapter 5: Board Governance and Oversight, page 25	
	2-14 Role of the highest governance body in sustainability reporting	Chapter 5: Board Governance and Oversight, page 25	
	2-15 Conflicts of interest	Chapter 5: Board Governance and Oversight, page 25 2023 Proxy Statement Code of Conduct	
	2-16a Communication of critical concerns	2023 Proxy Statement	



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
GRI 2: GENERAL DISCLOSURES 2021	2-19 Remuneration policies	Chapter 1: Human Capital Management, page 12 2023 Proxy Statement	
	2-20 Process to determine remuneration	2023 Proxy Statement	
	2-21 Annual total compensation ratio	2023 Proxy Statement	
	2-22 Statement on sustainable development strategy	2023 Proxy Statement	
ETHICS AND INTEGRITY	2-23 Policy commitments	Chapter 4: Ethics and Integrity, page 21 Human Rights Policy	
	2-24 Embedding policy commitments	Chapter 4: Ethics and Integrity, page 21-22	
	2-26 Mechanisms for seeking advice and raising concerns	Chapter 4: Ethics and Integrity, page 22	



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
ETHICS AND INTEGRITY	2-27 Compliance with laws and regulations	Chapter 4: Ethics and Integrity, page 22	
	2-28 Membership associations	Chapter 13: Public Policy and Industry Associations, page 45	
	2-29 Approach to stakeholder engagement	Material ESG Topics, page 6	
	2-30 Collective bargaining agreements	2022 Annual Report	
GRI 3: GENERAL DISCLOSURES 2021	3-1 Process to determine material topics	Material ESG Topics, page 6	
	3-2 List of material topics	Material ESG Topics, page 6	
ECONOMIC TOPICS			
PROCUREMENT			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 11: Responsible Supply Chain, page 37-38	#8 Decent Work and Economic Growth
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	Chapter 11: Responsible Supply Chain, page 37	



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
ENVIRONMENTAL TOPICS			
ENERGY			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 9: Energy and Emissions, page 33	
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	Data Tables, page 52	#12 Responsible Consumption & Production
WATER AND EFFLUENTS			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 10: Water and Waste Management, page 35	
GRI 303: WATER AND EFFLUENTS 2018	303-1 Interactions with water as a shared resource	Chapter 10: Water and Waste Management, page 36	#6 Clean Water & Sanitation
EMISSIONS			
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	Data Tables, page 52	#12 Responsible Consumption & Production #15 Life on Land
	305-2 Energy indirect (Scope 2) GHG emissions	Data Tables, page 52	



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
WASTE MANAGEMENT			
	306-3 Waste generated	Data Tables, page 52	#12 Responsible Consumption & Production
	306-4 Waste diverted from disposal	Data Tables, page 52	
	306-5 Waste directed to disposal	Data Tables, page 52	
SOCIAL TOPICS			
EMPLOYMENT			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 1: Human Capital Management, page 8-12 Human Rights Policy	
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	Data Tables, page 48	#10 Reduced Inequalities
	401-3 Parental leave	Data Tables, page 49	#5 Gender Equality #8 - Decent Work and Economic Growth



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
OCCUPATIONAL HEALTH AND SAFETY			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 7: Occupational Health and Safety, page 28-30 EHS Policy	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	Chapter 7: Occupational Health and Safety, page 28-29	#8 Decent Work and Economic Growth
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 7: Occupational Health and Safety, page 29	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter 7: Occupational Health and Safety, page 29	
	403-5 Worker training on occupational health and safety	Chapter 7: Occupational Health and Safety, page 30	
	403-9 Work-related injuries	Data Tables, page 51	
	403-10 Work-related ill health	Data Tables, page 51	
	TRAINING AND EDUCATION		
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 1: Human Capital Management, page 9-10	



GRI STANDARD	DISCLOSURE	REPORT LOCATION / REFERENCES	SDG
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	Data Tables, page 50	#10 Reduced Inequalities
	404-2 Programs for upgrading employee skills and transition assistance programs	Chapter 1: Human Capital Management, page 9-10	#4 - Quality Education
DIVERSITY AND INCLUSION			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 2: Diversity and Inclusion, page 13 2022 Annual Report	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	Chapter 2: Diversity and Inclusion, page 13 Data Tables, page 49-50	#5 Gender Equality
COMMUNITY INVOLVEMENT			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 3: Community Involvement, Page 15-16 2023 Proxy Statement	
SUPPLIER SOCIAL ASSESSMENT			
GRI 3-3: MANAGEMENT OF MATERIAL TOPICS 2021	3-3 Management of material topics	Chapter 11: Responsible Supply Chain, page 37-40	#8 Decent Work and Economic Growth
	414-2 Negative social impacts in the supply chain and actions taken	Chapter 11: Responsible Supply Chain, page 38-39 Human Rights Policy	



SASB TOPIC	ACCOUNTING METRIC	CODE	REPORTING STATUS	RESPONSE
ENERGY MANAGEMENT	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TR-AP-130A.1	PARTIAL	Data Tables, page 52 We do not currently report the percentage of grid electricity or renewable energy.
WASTE MANAGEMENT	(1) Total amount of waste from manufacturing, (2) percentage hazardous, (3) percentage recycled	TR-AP-150A.1	PARTIAL	Data Tables: Page 52 We do not currently report the percentage of hazardous waste.
PRODUCT SAFETY	Number of recalls issued, total units recalled	TR-AP-250A.1	FULL	Data Tables, page 51
DESIGN FOR FUEL EFFICIENCY	Revenue from products designed to increase fuel efficiency and/or reduce emissions	TR-AP-410A.1	NOT APPLICABLE	The use of our products does not consume fuel. This disclosure therefore is not applicable to our business.
MATERIALS SOURCING	Description of the management of risks associated with the use of critical materials	TR-AP-440A.1	PARTIAL	Chapter 11: Responsible Supply Chain, page 39
MATERIALS EFFICIENCY	Percentage of products sold that are recyclable	TR-AP-440B.1	PARTIAL	We do not currently collect data on the weight of products sold that are recyclable.
	Percentage of input materials from recycled or remanufactured content	TR-AP-440B.2	PARTIAL	We do not currently collect data on the weight of input materials that were recycled or remanufactured.
COMPETITIVE BEHAVIOR	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TR-AP-520A.1	FULL	We had no monetary losses in 2022.
ACTIVITY METRICS	Number of parts produced	TR-AP-000.A	FULL	173,893 parts
	Weight of parts produced	TR-AP-000.B	FULL	32,970.4 metric tons
	Area of manufacturing plants	TR-AP-000.C	FULL	76,459 square meters



About This Report

Our ESG Impact Report 2022 covers Company-wide data and metrics related to the 2021 and 2022 calendar years unless otherwise noted.

This report was prepared with reference to the Global Reporting Initiative (GRI) 2021 Universal Standards and the Sustainability Accounting Standards Board (SASB) 2018 Standards for the Auto Parts Industry. Content indexes are available from page 53.

Douglas Dynamics is committed to transparency, engagement, and consistent communication of our ESG strategies and programs to all stakeholders. This is our second published ESG Impact Report, which takes a materiality-based approach to disclosure. Please contact investorrelations@douglasdynamics.com for questions about the reported information.

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, 2022, 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.



ABOUT THE COVER

Western Products is the proud recipient of a 2022 Innovative Iron Award from Compact Equipment magazine for its PILE DRIVER™ lineup of pusher plows with TRACE™ edge technology. The new pusher plow lineup boasts the patent-pending TRACE (terrain response advanced cutting edge) technology which is made up of independent 2-ft sections that oscillate, move vertically and trip to accommodate contours and obstacles in the plowable surface.



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GUIDED BY G&A

Report developed with
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