

Remuneration system for the members of the Executive Board

1. Fundamentals of the remuneration system for the Executive Board

The remuneration system for the Executive Board makes a key contribution towards promoting the business strategy and to the sustainable, long-term development of Hamburger Hafen und Logistik AG (HHLA).

The company's aim is to strengthen its earnings power sustainably and over the long term, as well the future viability and creative strength of the company while maintaining high environmental and social standards. To do this, the company develops logistics and digital hubs along the transport flows of the future in order to secure and build on its position as one of Europe's leading port services and logistics companies. The key strategic initiatives comprise strengthening existing core business by increasing competitiveness, quality and profitability, as well as tapping into new growth potential. Other key topics are the alignment of the company organisation and culture with regard to tomorrow's world, with an even greater focus on the customer, as well as the consistent orientation of investments and finance towards sustainable, profitable growth. Other major elements of the strategy are sustainability and climate protection. Overall, HHLA is committed to being both economically successful as well as socially and ecologically responsible.

The remuneration system for members of the Executive Board primarily contributes to the implementation of the corporate strategy through the structure of its performance-related components. The corporate strategy defines key financial performance indicators and – due to their high significance for the successful implementation of the sustainability strategy – ESG (environmental, social and governance) targets as criteria for assessing performance-related pay for the Executive Board. This ensures that the key aspects of the corporate strategy, i.e. combining profitable growth with increasingly significant sustainability and climate protection aspects, are appropriately taken into account by the Executive Board.

The following principles were particularly observed when designing the remuneration system:

- **Promotion and implementation of the corporate strategy:** The remuneration system in its entirety contributes towards promoting and implementing the corporate strategy by using performance criteria that reflect the desired corporate development.
- **Focussing on long-term and sustainable development:** The multi-annual assessment period and strong focus on ESG targets within the performance-related remuneration system in particular provide the relevant incentives and set HHLA on the right course for sustainable, long-term development.
- **Performance-related pay:** The members of the Executive Board receive performance-related pay, which is pegged to adequate and ambitious targets. The performance-related components vary between zero and an upper limit (cap) depending on the targets achieved.
- **Appropriateness:** The remuneration of the members of the Executive Board is appropriate to both their tasks and the performance of the individual member of the Executive Board, as well as the size and activities and the economic and financial position of the company. In order to assess the appropriateness of the level of remuneration, a market comparison is conducted with comparable companies (horizontal comparison), as well as a review of internal remuneration ratios within the company (vertical comparison).

2. Process for determining, implementing and reviewing the remuneration system, initial application

After it has been prepared by the Supervisory Board's Personnel Committee, the remuneration system for members of the Executive Board is presented to the Annual General Meeting for approval in accordance with Section 120a (1) AktG. When developing the remuneration system, the Personnel Committee and Supervisory Board alike may engage external consultants. When engaging remuneration advisers, their independence from the Executive Board and company will be ensured. The general regulations of the German Stock Corporation Act and German Corporate Governance Code for handling conflicts of interest in the Supervisory Board are also observed in the process of determining, implementing and reviewing the remuneration system. At an institutional level, conflicts of interest are also prevented by ensuring that the Chairman of the Supervisory

Board and the Personnel Committee are both independent from the company, the Executive Board and the majority shareholder.

The system is regularly reviewed by the Personnel Committee. If the Personnel Committee deems there is a need to amend it, the amended system is presented to the Supervisory Board for a resolution and to the Annual General Meeting for approval.

The presentation to the Annual General Meeting occurs whenever there are material changes, but at the least every four years. If the Annual General Meeting does not approve the remuneration system as put forward by the Supervisory Board, the Supervisory Board must present a revised remuneration system at the latest by the next Annual General Meeting in line with Section 120a (3) AktG.

The present system for remunerating members of the Executive Board was approved on 22 March 2021 and applies for the remuneration of all members of the HHLA Executive Board. The contracts of the current members of the Executive Board comply with this system.

3. Determining specific target total remuneration, appropriateness of remuneration

The Supervisory Board determines the relevant target total remuneration for each member of the Executive Board in accordance with the remuneration system. In doing so, the Supervisory Board ensures that the target total remuneration is always aligned with the long-term and sustainable development of the company, is appropriate to the services and tasks performed by the relevant member of the Executive Board and with the size and activities as well as the economic and financial situation of the company. The Supervisory Board also ensures that the target total remuneration does not exceed the usual level of pay, or does not do so without specific cause.

The remuneration system enables the Supervisory Board to take into account, at its professional discretion, both the market conditions and the individual skills and experience of the member of the Executive Board, as well as his or her role and responsibilities, when considering his or her target total remuneration.

In order to ensure the appropriateness of the remuneration, the amounts are subject to a market comparison with similar companies (horizontal comparison). In addition to SDAX companies with similar key figures (with regard to revenue, number of employees and market capitalisation), comparable companies also include key competitors and companies with similar shareholder structures. Furthermore, a vertical comparison is conducted as a review of the internal remuneration ratio between the members of the Executive Board and the upper management as well as the employees, including the development over time. As part of the evaluation of appropriateness of remuneration on a vertical level, both the current ratio of Executive Board remuneration to the remuneration of the upper management and the workforce as a whole is reviewed, as are the changes in this ratio over time. Furthermore, the Supervisory Board also reviews the relevant employment circumstances, such as working hours and holiday. The Supervisory Board is aware that the horizontal comparison must be viewed with caution to avoid an automatic upward trend.

4. Components and structure of the remuneration system

The remuneration system for the HHLA Executive Board comprises both fixed and performance-related components.

The fixed components include, in addition to fixed remuneration, fringe benefits and retirement benefits. The variable, performance-related components are paid in the form of performance-related bonuses based on a three-year measurement period.

Fixed remuneration and performance-related components each contribute between 37 % and approximately 48 % to the target total remuneration. For those members of the Executive Board who receive a certain sum for contribution towards a private pension, these payments account for between around 5 % and 12 % of the target total remuneration. For members of the Executive Board who have a pension commitment or for whom contributions for a direct insurance policy are paid, this contributes between 21 % and 26 % towards the target total remuneration. The amount of the fringe benefits varies between around 1.5 % and 2.5 % of the target total remuneration. The remuneration components are shown in the overview below.

Remuneration components

Non-performance-related remuneration components			
Fixed remuneration	Fixed contractual remuneration which is paid in twelve equal instalments		
Fringe benefits	Company car for business and private use; D&O insurance and other insurance premiums		
Retirement benefits	Earmarked grants to build up a private pension fund; in existing cases, continuation of defined benefit pension commitments		
Performance-related remuneration components			
Type	Performance-related bonuses		
Composition	EBIT component + Sustainability component		
Performance criteria	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%; text-align: center;">Ø EBIT adjusted</td> <td style="width: 40%;"> Economy: Ø ROCE (50 %) Environment: Ø CO₂ reduction (20 %) Society: (10 % each) Ø Headcount Ø Training and qualification ratio Ø Health ratio </td> </tr> </table>	Ø EBIT adjusted	Economy: Ø ROCE (50 %) Environment: Ø CO₂ reduction (20 %) Society: (10 % each) Ø Headcount Ø Training and qualification ratio Ø Health ratio
Ø EBIT adjusted	Economy: Ø ROCE (50 %) Environment: Ø CO₂ reduction (20 %) Society: (10 % each) Ø Headcount Ø Training and qualification ratio Ø Health ratio		
Assessment period	Three years: the current financial year as well as the two preceding financial years		
Payment	Cash at the end of the assessment period		
Limitation / Cap	100 % of the fixed annual remuneration		

5. Maximum remuneration

In accordance with Section 87a (1), sentence 2, no. 1 AktG, the Supervisory Board has determined an upper limit for each member of the Executive Board for the total sum from fixed remuneration, fringe benefits, performance-related bonuses and pension benefits (pension entitlement, payment of a certain amount for the purposes of contribution to a private pension plan, payment of contributions for a direct insurance policy). This upper limit amounts to € 2.5 million for the Chairwoman of the Executive Board and to € 1.15 million for the other members of the Executive Board. This maximum remuneration refers to the total of all payments resulting from the remuneration regulations for a specific financial year. Any severance payments due to the premature termination of an Executive Board contract and other special benefits that do not serve as compensation for the services of the Executive Board member but may be granted by the Supervisory Board in certain circumstances (e.g. relocation costs, compensation for loss of bonuses from previous employer, compensation for observing competition restrictions) do not contribute to the maximum remuneration.

6. Detailed description of remuneration components

6.1. Fixed remuneration components

6.1.1. Fixed remuneration

The fixed remuneration is based on the area of responsibility and the individual skills and experience of the relevant member of the Executive Board and is paid out in twelve monthly instalments.

6.1.2. Fringe benefits

Members of the Executive Board receive fringe benefits in the form of non-monetary compensation and other forms of compensation. This generally involves the provision of a company car for business and private use that reflects his or her position within the company, as well as the payment of insurance premiums.

6.1.3. Retirement benefits

Retirement benefits are generally paid as a sum specifically for use in order to build up a private pension fund. Depending on the length of time served on the Executive Board, such payments generally amount to between 10 % and 25 % of the gross annual fixed remuneration.

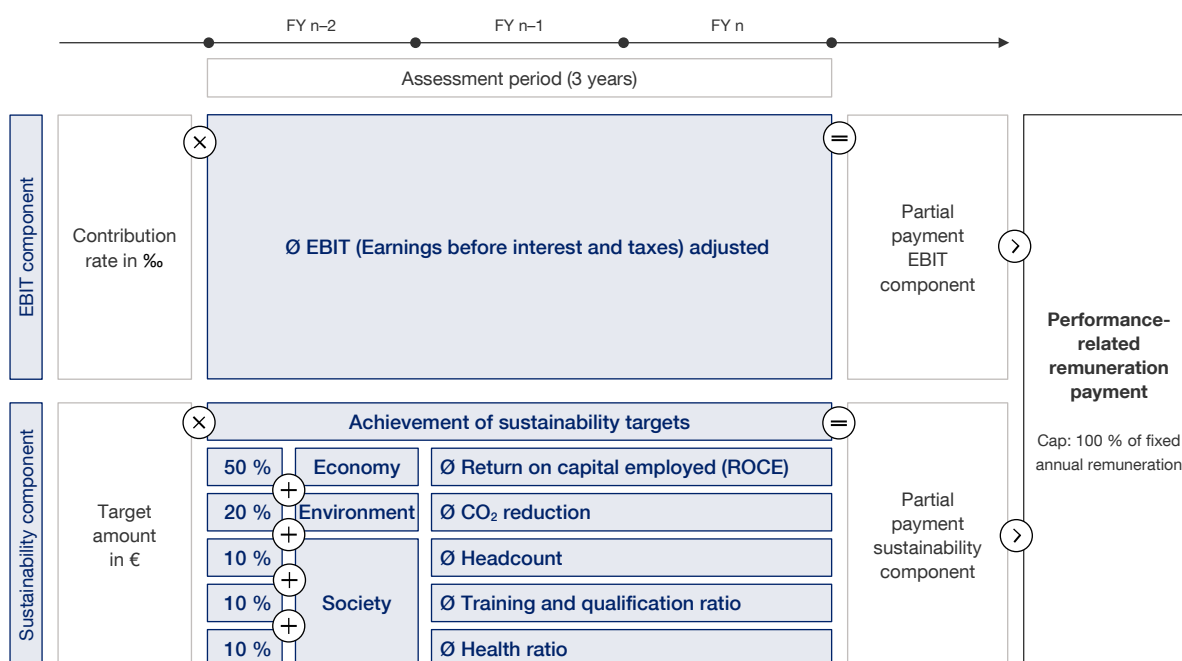
In cases where vested pension commitments have been granted, or contributions for a direct insurance policy have been assumed, these payments will be continued. These entitlements grant Executive Board members a pension if their Executive Board membership is terminated after a defined period of service as a result of their

age, inability to work or for reasons unrelated to their person or for which they are not responsible. The pension is paid out in monthly instalments. In certain cases, other income is taken into account (e.g. income from self-employment or employment, or income from freelance activities), provided it exceeds, together with the pension, the total remuneration for the last active year. Prior to the insured event, a transitional amount may be paid out (if there is not yet any entitlement to pension payments) or may be provided as interim pay (if there is an entitlement to pension payments that is suspended). Upon the death of an Executive Board member, his or her spouse or civil partner shall receive a life-long widow's/widower's allowance. Minors receive an orphan's allowance. The pension is adjusted regularly based on the developments of the consumer price index in Germany.

6.2. Performance-related bonuses

In addition to the fixed remuneration component, the Executive Board members receive a performance-related bonus based on a three-year measurement period that comprises two components: participation in the adjusted EBIT ("EBIT component") and a target bonus ("sustainability component"), and is limited to 100 % of the fixed remuneration. The basis for measuring success in achieving targets is the current financial year as well as the two preceding financial years. The bonus is paid out annually in cash after the Supervisory Board has made a final decision on the achievement of targets during the relevant measurement period. The subsequent changing of target amounts or comparison parameters is not permitted. In the case of exceptional circumstances beyond the Executive Board's control that could have a significant minimising impact on the bonus, the Supervisory Board shall use its professional discretion to reconsider the amount of the bonus in accordance with legal requirements.

Performance-related remuneration – Performance-related bonuses



6.2.1. EBIT component

Part of the bonus is measured by the average operating result (EBIT), adjusted for additions to pension provisions and extraordinary income from the disposal of real estate and companies. Members of the Executive Board receive a fixed individual proportion of the EBIT as performance-related remuneration (currently generally 1/1000th).

Earnings before interest and taxes is one of the key operational management parameters at HHLA and are a key indicator of the profitable growth that the company pursues. By participating in this key parameter, the Executive Board is given the incentive to base its decisions on this indicator while also continuing to pursue the strategy of profitable growth. At the same time, adjustments ensure that the result is not distorted by any special effects. The measurement based on the average EBIT over a period of three years also aims to help avoid undesirable distortions. The three-year period also increases the incentive to aim towards the long-term increase of the EBIT.

6.2.2. Sustainability component

In addition to participating in the average adjusted EBIT, the bonus is also based on a sustainability component, which comprises sub-targets for the areas economy, environment and social. Through considering this component, key ESG targets that are essential to the implementation of the corporate strategy are also taken into account.

The sustainability component is calculated by taking the individual target amount in euros and multiplying it with the sustainability targets achieved. The target amount corresponds to 50 % of the maximum achievable performance-related remuneration. The total target achievement for sustainability component is calculated as the total targets achieved in the individual areas of economy, environment and social, with the latter made up of three equally weighted parts. If the total target achievement for the individual sub-targets of the sustainability component comes to less than 50 % overall, the respective pro-rata target amount is not paid out.

a) “Economy” sustainability target

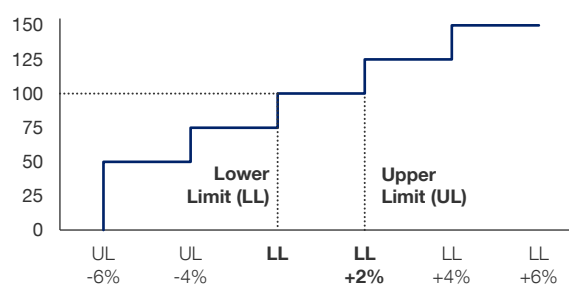
The “Economy” sustainability target is measured based on the average return on capital employed (ROCE) achieved during the measurement period as reported in the Consolidated Annual Financial Statements and, if all targets are fully achieved, accounts for 50 % of the sustainability component.

Using ROCE as the performance criteria for performance-related remuneration provides another link between the Executive Board’s performance-related remuneration and the HHLA corporate strategy. ROCE is used by HHLA as the key performance indicator for the long-term, value-oriented development of the company. By weighting the “Economy” sustainability target more heavily, the remuneration of the Executive Board is a strong incentive for members of the Executive Board to work towards achieving the long-term, value-oriented development of HHLA.

Success in achieving the “Economy” sustainability targets is measured using target ranges between defined lower and upper limits. A target is deemed 100 % achieved if the average ROCE during the measurement period corresponds at least to the lower target value and is less than the upper target. If the upper target is not met by at least 2 %, the pro-rata target amount is reduced by 25 %. If the lower target is exceeded by at least 2 %, the pro-rata target amount is increased by 25 %. The levels for achieving targets is shown in abstract form in the graphic beside.

Ø Return on capital employed (ROCE)

Achievement of the target in %



b) “Environment” sustainability target

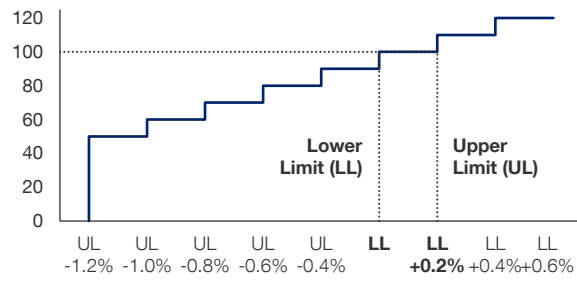
The pro-rata target amount assigned to the “Environment” sustainability target corresponds to 20 % of the sustainability component if the target is fully achieved. The achievement of the target is measured on the basis of the percentage reduction in carbon emissions per container handled and transported within HHLA Group throughout the measurement period.

In addition to long-term profitable growth, HHLA has focussed on climate protection in its corporate strategy and is aiming to become climate-neutral by 2040. As a leading European port and logistics company, reducing our carbon emissions offers the opportunity to make a contribution towards protecting the climate and achieving the climate-neutral status HHLA is aiming for. By anchoring a climate protection target in the Executive Board remuneration strategy, a major incentive for achieving the climate protection targets set out by HHLA is established.

Target achievement of the “Environment” sustainability targets is measured using target ranges between defined lower and upper limits that correspond to a percentage reduction in carbon emissions. A target is deemed 100 % achieved if it corresponds at least to the lower target value and is less than the upper target. If the lower target is exceeded by at least 0.2 percentage points, the pro-rata target amount attributed to the sustainability target is increased by 10 %. If the upper target is not met by at least 0.2 percentage points, the pro-rata target amount attributed to the sustainability target is reduced by 10 %. The levels for achieving targets is shown in abstract form in the graphic beside.

Ø CO₂ reduction

Achievement of the target in %



c) “Social” sustainability target

The “Social” sustainability target comprises three equally weighted sub-targets. The three sub-targets comprise the average headcount, the training and qualification ratio, as well as the health ratio, all measured throughout the measurement period. If the target is fully achieved, 30 % of the target amount attributed to the entire sustainability component is attributed to the “Social” sustainability target. One third of the pro-rata target amount is assigned to each sub-target (if 100 % are achieved).

In addition to economic success and the pursuit of ambitious climate protection targets, HHLA also takes social responsibility. By integrating the “Social” sustainability target into the performance-related remuneration of its Executive Board, HHLA creates the incentive to ensure that social aspects are adequately taken into account. By applying three sub-targets, various aspects from the area of “Social” are addressed and the comprehensive consideration of this sustainability target is ensured.

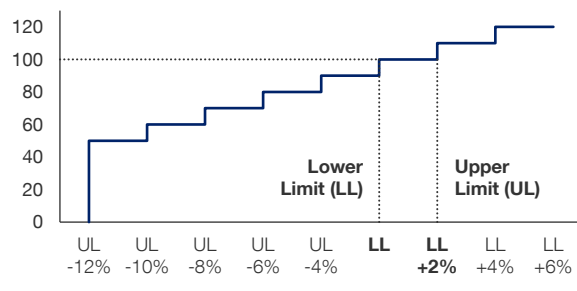
Headcount

The “Headcount” sub-target considers the development of the average annual headcount within the Group over the measurement period.

Lower and upper limits are defined in order to measure whether the target is achieved. The target is 100 % achieved if the average annual headcount corresponds at least to the lower target value and is less than the upper target. If the lower target is exceeded by at least 2 %, the pro-rata target amount attributed to this sub-target is increased by 10 %. If the upper target is not met by at 2 %, the pro-rata target amount attributed to this sub-target is reduced by 10 %. The levels for achieving targets is shown in abstract form in the graphic beside.

Ø Headcount

Achievement of the target in %



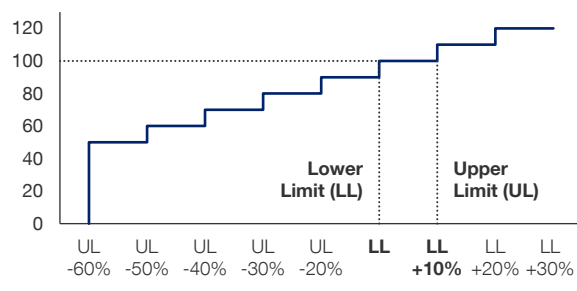
Training and qualification ratio

In order to measure the sub-target “Training and qualification ratio”, the development of the average annual expenses for initial training, professional qualifications and further training throughout the measurement period in relation to the number of employees is considered.

Lower and upper limits are defined in order to measure whether the target is achieved. The target is 100 % achieved if the average annual training and qualification ratio corresponds at least to the lower target value and is less than the upper target. If the lower target is exceeded by at least 10 %, the pro-rata target amount attributed to this sub-target is increased by 10 %. In the same way, if the upper target is not met by at least 10 %, the pro-rata target amount attributed to this sub-target is reduced by 10 %. The levels for achieving targets is shown in abstract form in the graphic beside.

Ø Training and qualification ratio

Achievement of the target in %



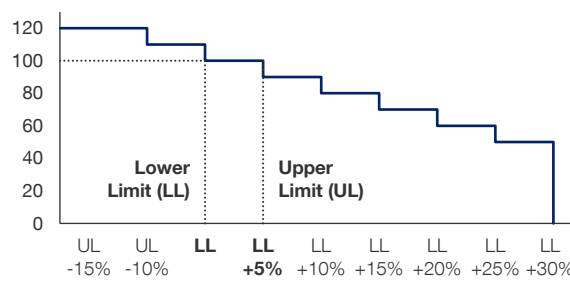
Health ratio

The health ratio is calculated as the observed average of the annual trend in sick pay minus expenditure for preventive measures in relation to the overall headcount of the Group within the relevant measurement period.

Lower and upper limits are defined in order to measure whether the target is achieved. The target is 100 % achieved if the average annual health ratio corresponds at least to the lower target value and is less than the upper target. If the lower target is exceeded by at least 5 %, the pro-rata target amount attributed to this sub-target is reduced by 10 %. In the same way, if the upper target is not met by at least 5 %, the pro-rata target amount attributed to this sub-target is increased by 10 %. The graph for the achievement of targets is shown in abstract form in the graphic beside.

Ø Health ratio

Achievement of the target in %



7. Remuneration-related legal transactions

7.1. Terms of service contracts

The terms of office of the members of the Executive Board are determined by the Supervisory Board in accordance with the requirements of Section 84 AktG and the recommendations of the German Corporate Governance Code. Upon initial appointment, the term of office usually lasts three years, with the maximum mandate lasting for five years if the member is reappointed. The service contracts for the Executive Board are concluded with a fixed term reflecting the respective term of office; the right of both parties to extraordinary termination (Section 626 BGB) remains unaffected. The service contract is in general not extended beyond the month in which the member of the Executive Board turns 67.

7.2. Admissions and departures during the year; changes during the year

If the service contract of a member of the Executive Board starts or ends during a financial year, or the regulations on the remuneration of a member of the Executive Board are amended during the year, the fixed remuneration and performance-related bonus are paid out on a pro rata temporis basis.

7.3. Sideline activities

Sideline activities require the prior consent of the Supervisory Board. This does not apply to Group-internal or other mandates that are connected with the activities of the member of the Executive Board. When deciding on whether to approve external mandates, the Supervisory Board considers in particular the extent to which the activity is in the interests of the company and how time-consuming the activity is expected to be. The approval of more than two external mandates or assuming the role of Supervisory Board chair in other listed companies or similar companies is only approved in exceptional cases.

Internal mandates are generally not subject to separate remuneration or, if so, the remuneration paid to the member of the Executive Board must be transferred to HHLA. When approving external mandates, the Supervisory Board decides, using its professional discretion, whether the relevant remuneration is to be taken into account with the remuneration of the Executive Board member, and to what extent. In doing so, the Supervisory Board considers in particular the extent to which the activity is in the interests of the company.

7.4. Inability to work

In the case of temporary inability to work, annual fixed remuneration is still paid for the duration of three to nine months, but no longer than until the end of the service contract. If the annual fixed remuneration is paid for more than three months, the performance-related pay is reduced on a pro rata temporis basis in the event of illness if the inability to work lasts for more than six consecutive months.

In the event of lasting inability to work, the service agreement is terminated six months after the permanent inability to work has been determined. Furthermore, the appointment is terminated due to inability to work if the member's fully reduced earning capacity has been determined via an assessment by the pension insurance provider. Notwithstanding the foregoing, the service agreement is terminated as of the end of the month

preceding the start of pension entitlement if the entitlement to the pension due to reduced earning capacity only begins following the issuance of the assessment by the pension insurance provider.

7.5. Benefits upon termination of the service contract

The service contracts provide for the payment of compensation in the event of the loss of an Executive Board mandate without good cause (including termination due to a change of control). The compensation is limited to a maximum of two annual salaries (including fringe benefits) and, if lower, the total remuneration for the remaining term of the service contract. All claims by the member of the Executive Board (including claims to performance-related remuneration) are deemed satisfied as a result of this compensation. It becomes due upon termination of the service contract. If the service contract is terminated for good cause related to the member of the Executive Board or (without good cause) upon the request of the member of the Executive Board, there is no right to compensation.

7.6. Post-contractual non-competition clause

No post-contractual non-competition clauses are included in the current service agreements. The Supervisory Board may, however, agree on such non-competition clauses in future contracts – including on an individual basis. If a post-contractual non-competition clause is agreed, the Supervisory Board will ensure that any severance payments take into account any compensation for observing competition restrictions.

8. Temporary divergences from the remuneration system

If required in the long-term interest of the company, the Supervisory Board may, under specific and exceptional circumstances as per Section 87a (2) sentence 2 AktG, diverge temporarily from this remuneration system. Such divergences may be necessary, for example, to ensure adequate incentives are in place in the case of a severe company crisis, or during severe recessions. Unfavourable market conditions, however, do not constitute specific and exceptional circumstances that would justify a divergence from the remuneration system. The exceptional circumstances requiring such a divergence must be determined by Supervisory Board resolution. The components of the remuneration system where divergences are permitted include the process itself, the regulations on remuneration structure, the regulations on the performance criteria upon which performance-related bonuses are based, and the regulations on the individual remuneration components. In the event of a divergence from the remuneration system, the remuneration and its structure must still be aligned with the long-term, sustainable development of the company, and be appropriate with regard to the success of the company and the performance of the Executive Board.

Furthermore, if significant changes in requirements are determined, the Supervisory Board may, using its professional discretion, reimburse expenses for extraordinary fringe benefits (such as security measures). In addition, the Supervisory Board has the right to grant new members of the Executive Board special payments in order to cover loss of income from a previous employment relationship or to cover the costs resulting from relocation.