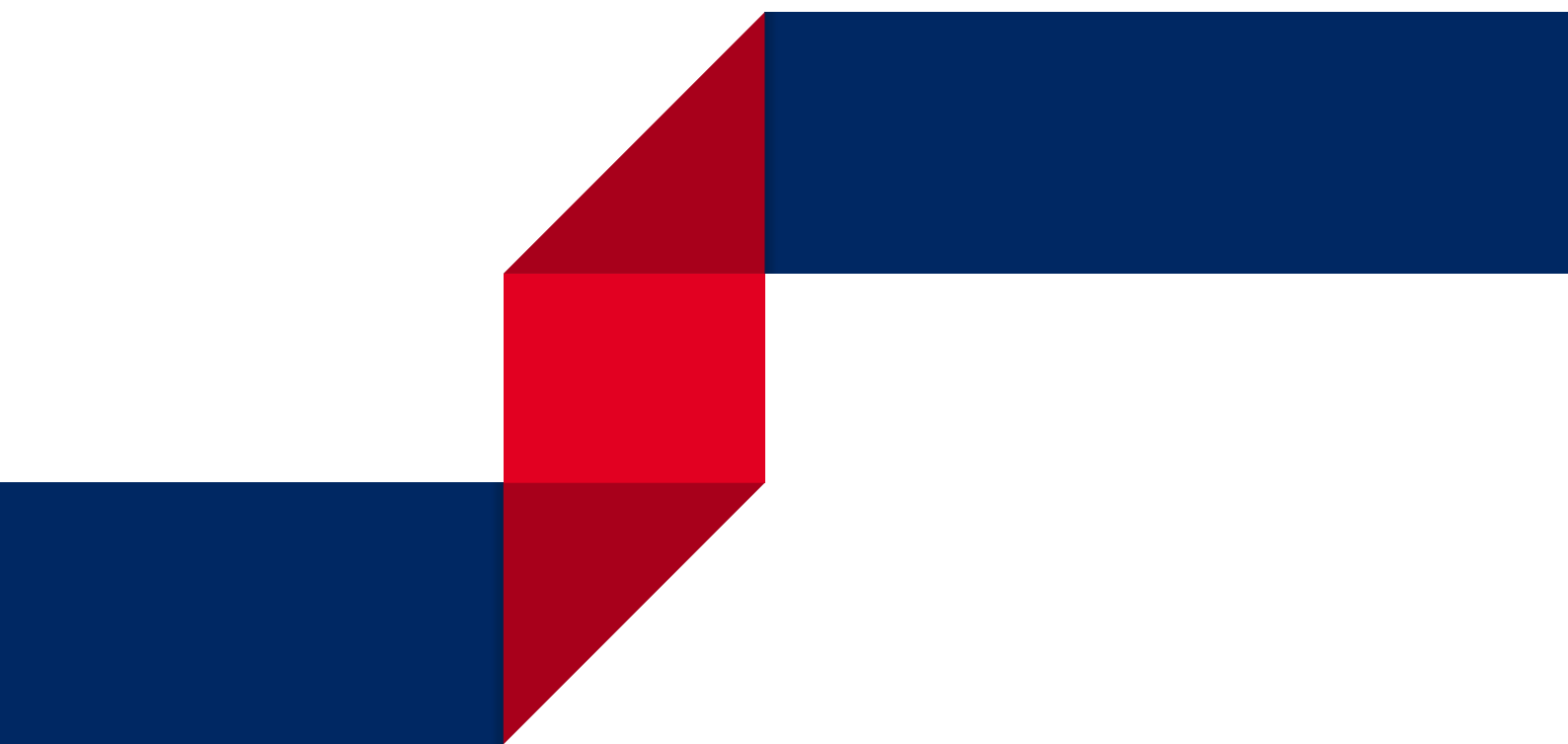




GATEWAY TO THE
FUTURE



SUSTAINABILITY REPORT

2021 HAMBURGER HAFEN UND LOGISTIK
AKTIENGESELLSCHAFT

Key figures

	HHLA Group		
	2021	2020	Change
Ecology			
CO ₂ emissions in thousands tonnes taking into account electricity from renewable energies	124.0	155.0	- 19.7 %
Direct CO ₂ emissions	74.5	75.7	- 1.5 %
Indirect CO ₂ emissions (without traction current)	33.6	37.0	- 9.3 %
of which reduced by renewables	22.3	23.8	- 6.4 %
Indirect CO ₂ emissions by traction current	87.8	66.1	33.0 %
of which reduced by renewables ¹	49.2	n.a.	n.a.
Diesel, petrol and heating oil in million l	24.1	24.1	0 %
Natural ² gas in million m ³	7.5	9.1	- 18.0 %
Electricity ³ in million kWh	133.7	117.0	14.3 %
of which electricity from renewables in million kWh	97.4	86.2	13.0 %
Traction ³ current in million kWh	208.7	191.9	8.8 %
of which electricity from renewables in million kWh	115.7	6.6	pos.
District heating in million kWh	4.0	3.1	28.1 %
District heating feed into the public network from a highly efficient CHP plant ⁴ in million kWh	25.5	32.8	- 22.1 %
Water consumption ⁵ in m ³	95,791	92,727	3.3 %
Volumes of waste ⁶ in tonnes	7,350	9,940	- 26.1 %
thereof non-hazardous waste	5,426	7,671	- 29.3 %
thereof hazardous waste	1,924	2,269	- 15.2 %
	31.12.2021	31.12.2020	Change
Human Resources			
Number of employees	6,444	6,312	2.1 %
Number of recruitments ⁶	147	174	- 15.5 %
Average employment period ⁶ in years	15.5	15.5	0.0 %
Fluctuation rate ⁶ in %	4.4	4.8	- 0.4 pp
Expenditure on educating and training in € million	5.0	5.3	- 5.7 %
Number of notifiable accidents ⁶ (excluding accidents when commuting)	91	79	15.2 %
	2021	2020	Change
Economy			
Value added in € million	752.8	656.0	14.8 %

1 First-time obtained in 2021

2 Consumption of natural gas and traction current partly estimated

3 Without traction current

4 Combined heat and power generation plant

5 Germany, Estonia, Italy, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Ukraine; 2020 without Italy and Slovenia

6 In Germany



Angela Titzrath
Chairwoman of the
Executive Board

Ladies and gentlemen,

Sustainable business practices have been part of the DNA of Hamburger Hafen und Logistik AG for many decades now. Our sustainability strategy is integrated into the development of our business model under the heading “Balanced Logistics”. We have been reporting on our activities transparently and systematically for many years now in line with the internationally recognised standards of the Global Reporting Initiative (GRI) and documenting how our business decisions contribute to achieving the Sustainable Development Goals (SDGs) of the United Nations.

Part of our mission to provide transparency includes fostering an open, trusting and regular dialogue with our stakeholders and interest groups. In order to further enhance our sustainability reporting, we once again carried out an extensive stakeholder survey in 2021 and determined the social, environmental and economic topics of importance to HHLA and to you, our stakeholders. On this basis, we have once again extended the audited disclosures for our non-financial report.

The 2021 financial year demonstrated yet again how important it is to reconcile economic, social and ecological aspects. We are still managing to do this despite the current coronavirus pandemic. This crisis has highlighted just how fragile the foundations on which we live really are. What has been encouraging, however, is the realisation that we have the possibility to contain the virus if the relevant protective measures are applied consistently. Our long-term aim is to achieve climate-neutral production throughout the HHLA Group by 2040. We want to halve our CO₂ emissions by 2030, compared with 2018. Transport and logistics is responsible for 20 percent of carbon emissions in Germany and for as much as 25 percent in Europe as a whole. As part of its European Green Deal, the European Union has set itself ambitious targets for achieving net zero greenhouse gas

emissions in Europe by 2050. In freight traffic, emissions are to be reduced by 90 percent. HHLA is doing its bit to transform declarations of intent into concrete action.

For example, HHLA has increased its rail transport by over 40 percent since 2018. After all, transferring goods from road to rail is a key lever for mitigating climate change. More goods are now transported by rail from the Port of Hamburg than from the ports of Rotterdam, Antwerp and Bremerhaven combined. The trains of our rail subsidiary METRANS have been running on green electricity in Germany since early 2021. This corresponds to a reduction in carbon emissions of almost 50,000 tonnes per year. Furthermore, we voluntarily offset unavoidable CO₂ emissions on all METRANS routes to and from Hamburg, Koper and Bremerhaven. For HHLA, climate-neutral supply chains already start with quayside handling. Our Container Terminal Altenwerder was once again certified climate-neutral in 2021. There is still no other handling facility in the world that can offer such a high degree of climate neutrality. We want to achieve this same standard at our other facilities by further automating and digitising our terminal processes during live operations. Innovation and technical excellence are the keys for us to develop sustainable solutions that enable us to protect the environment while achieving business success. Our commitment has also been recognised by independent bodies: in late 2021, the international CDP initiative (formerly: Carbon Disclosure Project) awarded our activities the second-highest ranking (B) in its climate rating system.

With that in mind, we are also turning our attention to the topic of hydrogen. The use of hydrogen as an energy source can make a key contribution to the decarbonisation of our company, which is why we launched the HHLA Hydrogen Network project. As our network extends from various ports into the European hinterland, we are ideally placed to exploit the opportunities offered by hydrogen import and transportation.

I encourage you to read more about this and other topics in our 2021 Sustainability Report for a complete overview of our goals and measures.

Yours,

Angela Titzrath
Chairwoman of the Executive Board



Balanced Logistics — for sustainable solutions

As a company with a long tradition and a wealth of experience, HHLA is highly engaged with addressing social developments. Sustainability has therefore been anchored deep in our company DNA for a long time. HHLA is committed to being both economically successful as well as socially and ecologically responsible. This ambition has been implemented with “Balanced Logistics”, even in the midst of the challenging conditions of 2021.

In implementing its “Balanced Logistics” sustainability strategy, HHLA is strengthening its commitment to bringing together environmental, social and economic responsibility. Each is a prerequisite for the others: Economic success creates the means and opportunities to be able to invest in the needs of our employees and in climate-friendly technologies, as well as to fulfil our commitment to a policy of social and environmental responsibility.

HHLA sees innovation and process efficiency as crucial factors in developing sustainable solutions, being environmentally responsible and operating successfully in line with its self-image as the “gateway to the future”. In order to implement its goals in a systematic way, HHLA has assigned its initiatives to nine different fields of activity and established the relevant guidelines and targets.

Open dialogue is essential for reconciling different stakeholder interests and developing a mutual understanding. Sustainable growth in logistics requires inspiration and constructive contributions from many different sides.

For example, the infrastructure for automated, battery-powered guided vehicles (AGVs) at the CTA has been further expanded.

HHLA implemented its sustainability strategy consistently, including under the specific challenges posed by the coronavirus pandemic, and it is aiming to become climate-neutral by 2040.

A total of six new green electricity charging points now supply the AGV fleet. The proportion of AGVs powered by lithium-ion batteries was also increased to 80 percent this year. By the end of 2022, all 100 vehicles in the fleet should have been switched over to climate-friendly drive systems.

HHLA's fields of activity and its contribution to the 17 United Nations Sustainable Development Goals

In September 2015, the United Nations passed Agenda 2030. This formulated 17 goals for sustainable global development which will shape economic development while taking into account social justice and the earth's environmental limits. Within the framework of its sustainability strategy, HHLA supports all goals that correspond to its social activities. These include in particular quality education (SDG 4), affordable and clean energy (SDG 7), decent work and economic growth (SDG 8), industry, innovation and infrastructure (SDG 9) and climate action (SDG 13).



For more information about the latest HHLA initiatives and sustainability projects, please visit:

hhl.de/en/company/responsibility/reporting/current



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*Part of the non-financial report

This Sustainability Report is an excerpt of the significant sustainability-related topics from the HHLA 2021 Annual Report. The Sustainability Report also serves to fulfil the statutory requirements arising for HHLA for the first time as of 2017 in connection with the Act to Strengthen Companies' Non-Financial Disclosure in their Management Reports and Group Management Reports. All sections marked with an asterisk in the detailed index form part of the non-financial report. A summary of all content relevant to the non-financial report is also available as a separate PDF from the **download centre** for the online Annual Report.

The full report including the GRI index will be published solely online: report.hhla.de/annual-report-2021

Sustainability strategy

Sustainable business practices are an integral part of HHLA's business model. As one of Europe's leading logistics companies, HHLA links port terminals with hinterland networks to create climate-friendly logistics chains. These links facilitate the environmentally beneficial transportation of significant freight volumes while achieving economic added value for HHLA as a company. By implementing its **Balanced Logistics** sustainability strategy, HHLA is highlighting its commitment to reconciling ecological, social and economic responsibility. [Group overview/business activities](#) 

Responsible corporate governance forms the basis for implementing our areas for action. The sustainability strategy is applied to nine fields of activity. In addition to climate-friendly logistics chains, the main focus is on area optimisation, climate protection and energy efficiency – all reflected in the company's targets. HHLA wants to halve its absolute CO₂ emissions by 2030 and achieve climate neutrality by 2040. The base year is 2018.

Compliance, data privacy, respecting human rights, and combating corruption and bribery are seen as the fundamental requirements for sustainable business activities.

Sustainability organisation and dialogue

At Group level, the sustainability team reports directly to the Chairwoman of the Executive Board. Reports on the status of current projects are given at monthly meetings. Persons are appointed to be responsible for the individual topics. These are coordinated across all departments by the sustainability team. Various working groups provide a forum for discussing and approving sustainability issues and measures across the Group, as well as for regularly evaluating and updating the existing stakeholder structure.

HHLA engages in regular dialogue with its stakeholders, including customers (e.g. shipping companies), customers' customers (e.g. forwarders), employees, suppliers, potential and existing shareholders and investors, associations and institutions, research institutes, political decision makers, NGOs, local residents close to the terminals and interested members of the public. The Annual Report is an established medium that supplements this regular dialogue and takes the stakeholder groups' interests into account. [Materiality analysis](#)

“Balanced Logistics” sustainability strategy

	Fields of activity	Guidelines
Ecology	Climate-friendly logistics chains	We create climate- and environmentally friendly logistics chains.
	Area optimisation	We use the port and logistics chains as efficiently as possible.
	Climate protection and energy efficiency	We reduce our CO ₂ emissions through energy efficiency and innovation.
	Environmental and resource protection	We reduce our environmental impact and conserve natural resources.
Society	Working world	We invest in vocational education and training with tailored staff development programmes.
	Health and occupational safety	We ensure safe and fair working conditions and promote health-conscious behaviour.
	Social commitment	We engage in dialogue with society to discuss and provide information on topics related to port logistics.
Economy	Wertschöpfung and innovation	We make an ongoing and significant contribution to added value and thus raise prosperity at all locations.
	Business partners	We offer tailor-made solutions and work responsibly with our suppliers.
Governance	A company can only achieve sustainable success if it behaves in a responsible and legally compliant manner. Compliance, data privacy, respecting human rights, and combating corruption and bribery are seen as the fundamental requirements for sustainable corporate governance.	

Principles and reporting standards

HHLA's commitment to sustainability is binding, transparent, measurable and comparable. The Sustainability Report documents the ecological, social and economic performance of the company. It also highlights how sustainability contributes to the company's long-term success and which values HHLA creates for its customers, employees, shareholders, business partners and the public.

Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) adopted by the United Nations are championed by HHLA. The following Sustainable Development Goals correspond most closely to our business activities and contribute towards solving global challenges:

- SDG 4: Quality education
- SDG 7: Affordable and clean energy
- SDG 8: Decent work and economic growth
- SDG 9: Industry, innovation and infrastructure
- SDG 13: Climate action

HHLA's business activities affect the following SDGs to a limited degree:

- SDG 3: Good health and well-being
- SDG 5: Gender equality
- SDG 6: Clean water and sanitation
- SDG 10: Reduced inequalities
- SDG 11: Sustainable cities and communities
- SDG 12: Responsible consumption and production
- SDG 15: Life on land
- SDG 16: Peace, justice and strong institutions
- SDG 17: Partnerships for the goals

Notes on GRI reporting

HHLA applies the Global Reporting Initiative (GRI) standards on sustainability reporting, the most commonly used standards of their kind in the world. In doing so, HHLA also facilitates comparison at an international level. This report was prepared in accordance with the "Comprehensive" reporting option.

Defining the content for this report

The Sustainability Report is part of the HHLA Annual Report, whose structure is regulated by the disclosure obligation for public limited companies as defined by the German Commercial Code (HGB). The concept of an integrated report includes annual financial and sustainability reporting. It illustrates the interaction between economic, ecological and social factors and their relevance to the company's long-term success. Our

sustainability reporting is based on the fields of activity identified in the "Balanced Logistics" sustainability strategy. [Sustainability strategy](#)

In order to determine the material sustainability topics, HHLA once again conducted a materiality analysis in November 2021 in the form of an international online survey for stakeholders. In the course of refining the sustainability strategy, adjustments were made to the fields of activity determined in the survey most recently conducted in 2019. The key issues for sustainability reporting were validated using the results of this survey. [Materiality analysis](#)

Data collection and calculation methods Financial statements and reports

All data and information was collected from the respective units responsible for such information using representative methods for the reporting period. HHLA prepares its consolidated financial statements and Interim Reports in accordance with International Financial Reporting Standards (IFRS). This Annual Report provides further information on IFRS in the notes to the consolidated financial statements. [Notes to the consolidated financial statements/no. 2 Consolidation principles](#) [↗](#)

The separate financial statements of HHLA AG are prepared in line with the accounting regulations of the German Commercial Code (HGB). The appropriation of profits is based solely on the separate financial statements. [Annual financial statements of HHLA AG](#) [↗](#)

Sustainability performance indicators

Sustainability-relevant key figures are fed into the internal management information system on a monthly basis and analysed. The Executive Board receives a corresponding report. The sustainability performance indicators are calculated every year and published in the Management Report section of the Annual Report, having been signed off by the auditors. This ensures the reliability of the data. Data comparability and consistency is guaranteed by complying with widely used international reporting standards (e.g. the Greenhouse Gas Protocol). [Sustainability performance indicators](#) [↗](#)

Risk and opportunity management

Opportunities and risks are analysed using a comprehensive risk management system. Compliance with corporate guidelines as well as with relevant and recognised national and international industry standards is regarded as an essential part of corporate governance at HHLA. Workflows and processes are structured in line with these regulations. External audits at various HHLA companies (including ISO 14001, ISO 9001, ISO 50001, TN-CC 020 and CTQI [Container Terminal Quality Indicator]) confirm compliance with recognised international standards. [Risk and opportunity report](#) [↗](#)

Forward-looking statements

Unless otherwise stated, the key figures and information in this report concern the entire Group including associated companies in which the company has a majority holding. Some sections contain forward-looking statements. These estimates and statements were made to the best of our knowledge and in good faith. Future global economic conditions, legislation, market conditions, competitors' activities and other factors are not within the control of HHLA.

External audit

The combined management report of the HHLA Group and HHLA AG, as well as the consolidated financial statements and notes, were audited by PricewaterhouseCoopers (PwC).

Auditor's report [🔗](#)

The sections of the Sustainability Report which form part of the non-financial report were also audited. **Audit opinion**

GRI Content Index

The 2021 Annual Report was prepared in accordance with the international guidelines of the Global Reporting Initiative (GRI) according to GRI Standards: "Comprehensive" option. The GRI Content Index refers to parts in this Annual Report or sections of the HHLA website that provide information about individual GRI indicators. The index is available exclusively online at report.hhla.de/gri [🔗](#).

Notes on the non-financial report

Report framework

HHLA reports on the HHLA Group and HHLA AG in the form of a combined separate non-financial report (hereinafter "non-financial report"), the contents of which are embedded in the Sustainability Report. The non-financial report serves to fulfil the statutory requirements arising for HHLA in connection with the Act to Strengthen Companies' Non-Financial Disclosure in their Management Reports and Group Management Reports (known as the CSR Directive Implementation Act for short, hereinafter CSR-RUG).

The following sections are compulsory parts of the non-financial report which are relevant for audit purposes:

- Sustainability strategy
- Sustainability organisation and dialogue
- Principles and reporting standards / information about the non-financial report
- Materiality analysis
- Ecology: climate-friendly logistics chains
- Ecology: area optimisation
- Ecology: climate protection and energy efficiency
- Society: working world / staffing levels

- Society: working world / staff development
- Society: health and occupational safety
- Governance: business ethics and integrity / combating bribery and corruption
- Governance: business ethics and integrity / respecting human rights
- Economy: added value and innovation / increasing efficiency
- Economy: added value and innovation / expanding digitalisation for process optimisation

The non-financial report also fulfils the regulatory requirements resulting from the EU Taxonomy Regulation, which came into force in mid-2020. As a standardised and legally binding classification system, it establishes which economic activities are regarded in the European Union as "environmentally sustainable".

All compulsory sections of the non-financial report are also labelled as "Part of the non-financial report" in the online Annual Report. A summary of all content relevant to the non-financial report is also available as a PDF document from the download centre of the online Annual Report: report.hhla.de/non-financial-report [🔗](#)

The reporting period is the 2021 financial year (1 January to 31 December 2021). The data presented generally refers to this period or the facts and figures at the end of the reporting period. If information refers to a different period of time, this is explicitly stated. The report is published once a year. The last Sustainability Report was published on 25 March 2021 as part of the Annual Report. Unless otherwise stated, the key figures and information in this report concern the entire group of consolidated companies.

Application of frameworks

HHLA's non-financial reporting is based on the content requirements of the Global Reporting Initiative (GRI). In the description of the concepts required by the German Commercial Code (HGB), the GRI Standard "GRI 101: Foundation" was taken into account for the materiality analysis. For all relevant parts of the report with double materiality considerations as defined in Section 289c (3) HGB, the GRI Standard "GRI 103: Management approach" applies. These parts of the report are compared in the GRI Content Index. report.hhla.de/gri [🔗](#)

Determining the content of the non-financial report

HHLA regularly carries out a materiality analysis to determine the most important sustainability topics. This was conducted by means of a further international online survey of stakeholders in November 2021. The results of this survey were used to determine the key issues for sustainability reporting. It includes all topics identified as material. [Materiality analysis](#)

For the purpose of preparing the non-financial report in compliance with CSR-RUG, the material fields of activity identified in accordance with GRI were aligned with the requirements of the German Commercial Code (HGB). The table below reconciles the aspects with the fields of activity which are material for HHLA.

As a port and transport logistics company, HHLA acts as a service provider within the transport chains of its clients. HHLA's own supply chains are limited to procuring capital and

consumer goods (e.g. locomotives and port handling equipment), which largely originate from countries within Europe. [Purchasing and materials management](#)

Business model in accordance with CSR-RUG


Hamburger Hafen und Logistik AG is a leading European port and transport logistics company. It operates container terminals in the ports of Hamburg, Tallinn (Muuga), Odessa and Trieste. The Intermodal companies of HHLA provide efficient transport systems and have their own terminals in the hinterland of the ports. The Logistics segment comprises an extensive array of port and consultancy services. [Group overview/business activities](#)

Reportable risks in accordance with CSR-RUG

HHLA has a comprehensive risk management system and an internal control system. [Risk and opportunity report/risk and opportunity management](#)

Reconciliation of the reportable minimum aspects with the material aspects and issues of relevance to HHLA

Business model	Business Model as per CSR-RUG Group Management Report / Group at a glance / Business activities		
		Fields of activity	Key topics
Environmental aspects	Ecology	Climate friendly logistic chains Area optimisation Climate protection and energy efficiency	Operation and expansion of climate friendly logistics chains Efficient use of terminal area Increase of energy efficiency Operational CO ₂ neutrality
Employee aspects	Society	Working world Occupational health and safety	Training and education of employees (personnel development) Occupational safety according to international standards for employees
Social aspects		HHLA takes its responsibility in dealing with social aspects that concern business partners, shareholders and the general public very seriously. However, all of the topics relating to these aspects were excluded due to a lack of commercial relevance based on double materiality considerations as defined in Section 289c (3) of the German Commercial Code (HGB).	
Respecting human rights	Governance	Business Ethics and Integrity	Respecting human rights
Combating bribery and corruption			Combating corruption and bribery
Further aspects		Strategy and management	Integrate governance, environmental and social factors into corporate strategy Management report / Corporate strategy Integrate governance, environmental and social factors into risk management Management report / Management of risks and opportunities
	Economy	Added value and innovation	Enhancement of efficiency Expansion of digitalisation for process optimisation
		Development of shareholder value	Growth and profitability Management report / Earnings position

Against the backdrop of the escalated Russia-Ukraine conflict, non-financial risks could potentially arise that could not yet be conclusively assessed at the time of reporting. **Risk and opportunity report/risks and opportunities** 

After applying the net method to identify reportable risks in accordance with CSR-RUG, HHLA is not aware of any reportable non-financial risks that are highly likely to have serious negative consequences for the reportable aspects now or in the future.

Connections with the figures stated in the annual and consolidated financial statements

No material connections with the amounts stated in the annual and consolidated financial statements required for comprehension were identified.

External audit of the non-financial report

This non-financial report was the subject of a limited assurance engagement according to ISAE 3000 (Revised) by the independent auditing firm PricewaterhouseCoopers (PwC), which issued an unqualified opinion. **Auditor's report**

References

References to details not contained in the combined management report serve to provide further information and do not form part of the non-financial report.

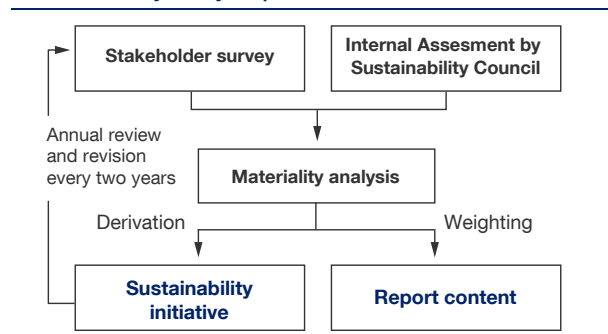
Materiality analysis

The nature of HHLA's business means it has a large number of stakeholders with different expectations and demands. In order to obtain an up-to-date overview of these expectations and demands, HHLA once again conducted a materiality analysis in November 2021, in which the sustainability topics of potential relevance to its internal and external stakeholders were examined. The collection and evaluation of the data was based on the Global Reporting Initiative (GRI 101: Foundation 2016) guidelines.

The stakeholder survey process

The main stakeholders for HHLA were first identified by the specialist departments. This was initially based on internal sources, such as a list of key customers. The main stakeholders identified were customers (e.g. shipping companies), customers' customers (e.g. forwarders), employees, suppliers, potential and existing shareholders, ESG rating agencies, associations and institutions, research institutes, political decision makers, NGOs, and local residents close to the terminals.

The materiality analysis process



In a second step, a list of topics known to be relevant to both internal and external stakeholders was drawn up and structured in accordance with the central fields of activity of HHLA's sustainability strategy. **Sustainability strategy**

A four-week online survey using a standard questionnaire was then carried out internationally. External stakeholders from all of the groups identified, as well as managers from a number of different divisions, took part in the survey.

In total, approximately 60 people rated topics of potential relevance to HHLA, particularly customers, business partners, suppliers, investors and HHLA staff. Stakeholders also had the chance to rate the importance of topics, as well as add to them or make comments on them.

This digital survey was combined with qualitative interviews with experts. A total of 15 representatives from the fields of customers, investors, ESG ratings, NGOs and associations took part in the 60-minute interviews. All participants were asked about HHLA's fields of activity.

The results of the stakeholder survey were analysed internally and presented to the Executive Board. They were also used to refine HHLA's sustainability strategy under the Balanced Logistics heading and to define the fields of activity.

Results of the stakeholder survey

The results of the most recent stakeholder survey largely correspond with the results of the previous stakeholder surveys. The topics of “Active diversity management” and “Minimising noise pollution” were categorised as material to a certain extent. None of the potentially relevant topics covered were rated as immaterial or hardly material. The results are displayed in the following table.

Results of the materiality analysis

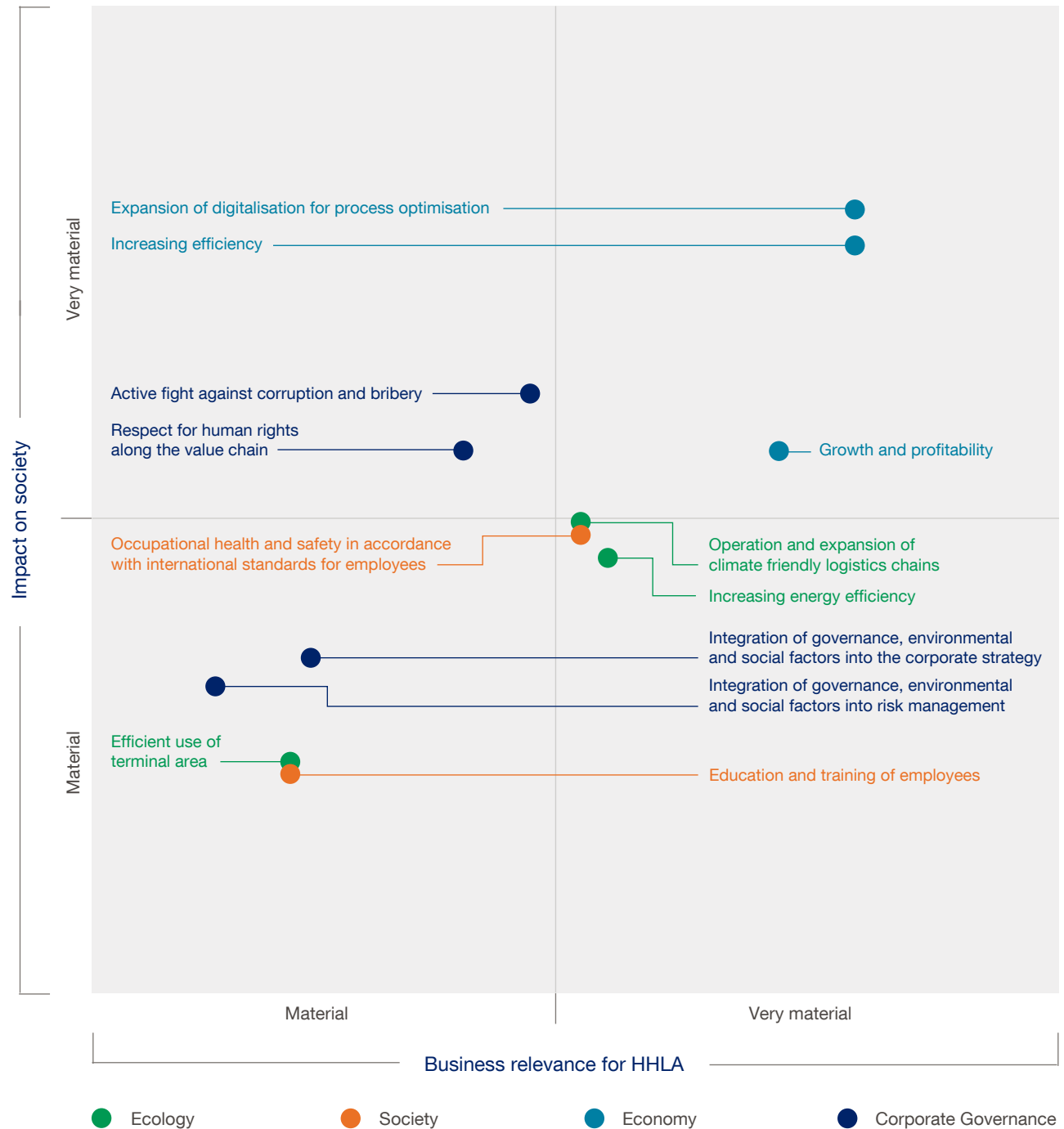
The HHLA topics categorised as material or very material in the stakeholder survey were analysed internally by a specialist committee both with regard to HHLA's economic, environmental and social impact on the respective topic and with regard to the topic's relevance for the success of the company. As such, the materiality analysis fulfils the reporting requirements of both the Global Reporting Initiative (GRI) and the German CSR Directive Implementation Act (CSR-RUG). **Information about the non-financial report/determining the content of the non-financial report**

Results of the stakeholder survey

		Relevance for the stakeholders asked	
	Fields of activity	Material	Very material
Ecology	Climate-friendly logistics chains	Product range for CO ₂ -neutral container transport	Operation and expansion of climate friendly logistics chains
	Land conservation	Efficient use of terminal area	
	Climate protection and energy efficiency	Operational CO ₂ neutrality Use of renewable energy	Increase of energy efficiency Promotion or development and use of renewable energy from own energy sources
	Environmental and resource protection	Reduction of resource consumption Promotion of the circular economy Conservation and promotion of biodiversity Reduction of light emissions	
Society	Health and safety	Health promotion of employees	Occupational safety according to international standards for employees
	Working environment	Attractiveness as an employer Securing jobs Education and training of employees	
	Corporate citizenship	Active stakeholder dialogue Social or social engagement	
Economy	Added value and innovation	Expansion of digitisation to create new business activities Development of new business activities along the logistics chain Promotion and development of infrastructure and/or production capacities for alternative energy sources	Expansion of digitisation for process optimization Enhancement of efficiency
	Business partners	Supply chain transparency Purchasing policies related to environmental, social and governance	Strengthen customer relationships
	Development of shareholder value	Stable dividend payout Capital market positioning as a sustainable investment	Growth and profitability
Governance	Strategy and management	Integrate governance, environmental and social factors into corporate strategy Integrate governance, environmental and social factors into risk management	
	Business Ethics and Integrity	Promotion of international initiatives	Compliance Actively combating corruption and bribery Respect for human rights Privacy and security

Materiality matrix

Material topics for HHLA in line with the double materiality clause set out in Section 289c (3) HGB.



Ecology

Climate friendly logistic chains

Accounting for around one-fifth of all carbon emissions in the European Union (EU), the transport sector is a major emitter of CO₂ emitter. Transport volumes have risen significantly over recent decades and further growth is forecast. This is often associated with higher carbon emissions as fossil fuels continue to be the main energy source for transport by truck and ship. Of these emissions, a comparatively low 2.9 % is attributable to seaborne transport, which accounts for over 90 % of the global trade in goods. As a result of their enormous capacity of up to 24,000 standard containers, container mega-ships offer the best carbon footprint per tonne of goods transported. Rail transport is considered the most environmentally advantageous mode of transport on land as it is highly energy efficient and can be made carbon neutral.

HHLA's **business model of linking two environmentally advantageous modes of transport, ships and trains, to create climate-friendly logistics chains** is its most important contribution towards sustainability and climate and environmental protection. This is also underlined by the EU Taxonomy Regulation, in force since 2021, which classifies HHLA's primary activities as taxonomy-eligible. HHLA and METRANS link the Northern European and Adriatic ports with Central and Eastern Europe via a highly efficient intermodal network. The linkage of ocean-going vessels with feeders, inland waterway ships, barges and rail requires nothing less than the organisation of ideal multimodal transport chains. These transport chains save energy and infrastructure while causing comparatively little noise and fewer accidents. Hamburg's location deep inland is a further advantage, as the river Elbe is an environmentally friendly transport route.

HHLA also integrates other stakeholders into its creation of climate-friendly logistics chains. As the central, neutral and industry-wide coordination point for mega-ship, feeder and inland waterway vessel traffic in the Port of Hamburg, the **Hamburg Vessel Coordination Center (HVCC)** offers terminals and shipping companies operational coordination services to optimise the emissions of arriving and departing ships.

With its **HHLA Pure** product, HHLA offers its customers certified, climate-neutral container transport and container handling for all Hamburg container terminals and most routes in the METRANS network.

Area optimisation

The use of land for transport, industry and housing has one of the biggest environmental impacts, as land is a valuable, but limited, resource. The efficient use of port and logistics areas through high land **usage** productivity and increased stor-

age capacity on existing space are therefore measures that HHLA uses to reduce the use of land for transport, industry and building developments. When investing in the demand-oriented expansion of its port terminals, HHLA is guided by its commitment to using scarce port and logistics areas as efficiently as possible. With regard to the efficient use of port areas, HHLA focuses on expanding storage capacity and boosting its quayside handling capacity.

At HHLA's Container Terminal Burchardkai (CTB), for example, **storage capacity is being increased** by the space-conserving expansion of the yard crane system. By condensing the container storage areas, the storage capacity of the existing space can be significantly increased in line with demand.

As well as increasing storage capacity by more concentrated storage, thus optimising land usage, **the expansion of quayside handling capacity** is an important element for the efficient use of space at the terminals. HHLA has significantly increased its quayside efficiency by means of an extensive expansion programme, including the use of state-of-the-art tandem container gantry cranes which can move up to four 20-foot containers simultaneously. Enhancing quay-wall productivity in this way without using additional space enables the company to handle a larger number of containers.

In addition to space-saving yard crane systems and efficient handling equipment, effective **processes** also make a key contribution towards increasing the efficiency of the existing areas. This combination of increased storage capacity with efficient equipment and processes makes it possible to cope with peak workloads in the existing areas.

For its network between the seaports and the Eastern European and South-Eastern European inland terminals, HHLA subsidiary METRANS uses wagons specially designed for maritime logistics. These 80-foot wagons offer the ideal combination of wagon/train length and **carrying capacity**. As a result, a block train operating a shuttle service can transport as many as 100 standard containers – more than would be possible with comparable wagons. This high carrying capacity per train makes optimum use of the existing infrastructure at the seaport, inland terminals and railway sidings.

Climate protection and energy efficiency

In order to effectively mitigate climate change, HHLA focuses on lowering its absolute CO₂ emissions. By steadily increasing its energy efficiency and the proportion of renewables in its energy mix, HHLA aims to decouple handling and transport volumes on the one hand and CO₂ emissions on the other. HHLA has reported on its carbon footprint regularly since 2008 as part of the CDP (formerly the Carbon Disclosure Project). CDP is a non-profit initiative that manages one of the world's largest databases of corporate greenhouse gas emissions on

behalf of institutional investors and makes this information available to the public. In the reporting period, CDP gave HHLA a B score. Of the 13,126 participating companies worldwide, only 5.5 % obtained a better score (A or A-).

HHLA **calculates its CO₂ emissions** on the basis of the Greenhouse Gas Protocol Corporate Standard (Revised Edition), an international standard for recording greenhouse gas emissions. Within the HHLA Group, greenhouse gas emissions mainly relate to CO₂. Carbon emissions are primarily influenced by throughput volumes at the port and inland terminals, rail transport volumes and the proportion of electricity from renewable sources. In line with the Greenhouse Gas Protocol, electricity procured separately from renewable sources was classified as carbon neutral in the calculation of specific emissions. For the calculation of absolute emissions, the CO₂ emissions, which are lower due to the use of electricity from renewable sources, are shown separately. The power needed by a port terminal depends largely on the number of seaborne containers it handles and the number of containers transported over land by rail and truck. HHLA uses seaborne and onshore throughput in containers as an effective indicator to determine specific CO₂ emissions in line with the recommendations of the European Economics Environment Group (EEEG). The recommendations of the EEEG are also taken into account in the Global Logistics Emission Council (GLEC) Framework 2.0.

The outstanding importance of reduced absolute CO₂ emissions is expressed by HHLA's **climate protection target**: to reduce absolute CO₂ emissions by at least 50 % by 2030 and **to become fully climate neutral by 2040**. The base year is 2018. In a comparison between the base year and the reporting year, absolute CO₂ emissions decreased by 27.0 % to 124,418 tonnes (2018: 170,346 tonnes).


Including the use of electricity from renewable sources, which led to a 71,522-tonne reduction in CO₂ emissions, **absolute CO₂ emissions** decreased by 19.7 % to 124,418 tonnes (previous year: 154,954 tonnes). The development of CO₂ emissions during the reporting year was mainly influenced by the significant increase in the proportion of renewables. While 86.2 gigawatt-hours (GWh) of electricity was procured from

renewable energy sources in 2020, this figure rose to 205.4 GWh in the reporting period. This rise was mainly due to electric trains in Germany switching to electricity from renewable sources. Consequently, the proportion of renewables in HHLA's total power consumption increased to 60.0 % in the reporting period (previous year: 27.9 %). Traction-related CO₂ emissions due to the use of electric locomotives decreased by 41.6 % to 38,581 tonnes during the reporting year.

Electricity from renewables was also used in the following areas in the reporting period:

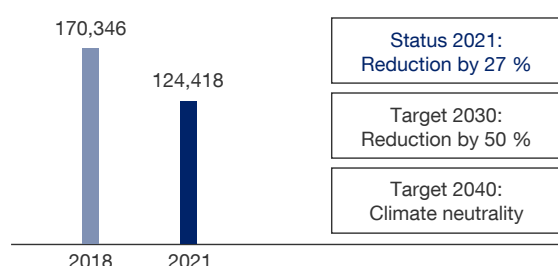
- **For all office buildings and workshops in Hamburg** occupied by HHLA, the Container Terminal Altenwerder (CTA), the all-electric yard crane system at the Container Terminal Burchardkai (CTB) and for the rail gantry cranes at the Container Terminal Burchardkai (CTB) and the Container Terminal Tollerort (CTT). In the reporting period, additional quantities of renewable energies were procured largely to compensate for CO₂ emissions from the operation of a high-efficiency CHP unit.
- Among the **holdings abroad**, the HHLA terminal TK Estonia in Tallinn has been using power from renewable sources since the middle of the reporting year.

Despite an increase in throughput at the four purely container-based terminals operated by HHLA, CO₂ emissions continued to decrease. At 53,583 tonnes, CO₂ emissions fell year-on-year by 4.7 % in the reporting period (previous year: 54,548 tonnes). Activities organised and carried out at HHLA terminals by third parties that resulted in CO₂ emissions are not included in the statistics.

A three-year average showing annual trends in specific CO₂ emissions forms part of the targets agreed with the Executive Board. This is taken into account when determining Executive Board remuneration. Achieving the agreed target range triggers the payment of a corresponding bonus. [Corporate governance declaration/remuneration report](#) 

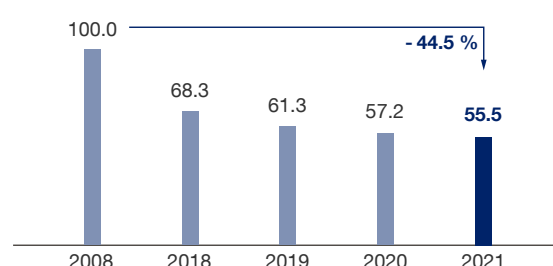
Absolute CO₂ emissions

in tonnes



Trends in specific CO₂ emissions

Specific CO₂ emissions compared with 2008 in %

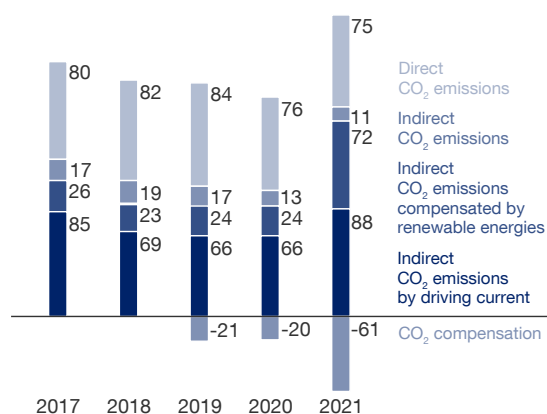


Certified climate neutrality

The HHLA Container Terminal Altenwerder (CTA) in Hamburg is the world's first container handling facility to be certified climate-neutral. It is largely electrified, using power from renewable energy sources. Terminal processes that still produce CO₂ emissions are being gradually electrified or the transition to electricity is being field-tested. During the reporting year, the CO₂ emissions of CTA were calculated by TÜV Nord in accordance with DIN ISO 14064-3:2000 and its climate-neutral status certified with the TN-CC-020 standard. All unavoidable CO₂ emissions resulting from container throughput (including Scope 3), amounting to 16,073 tonnes (previous year: 19,619 tonnes), were offset via Gold Standard projects.

Direct and indirect CO₂ emissions

in thousand tonnes



CO₂ emissions for transporting a standard container to/from Hamburg, Bremerhaven and Koper within the METRANS network, as verified by the independent certification body TÜV Nord, form the basis for the climate-neutral product HHLA Pure. HHLA Pure stands for climate-neutral container transport and handling. During the reporting year, a total of 911,975 standard containers (TEU) were transported with HHLA Pure. The resulting 45,118 tonnes of verified CO₂ emissions were offset via Gold Standard climate protection projects.

Measures to reduce CO₂ emissions

An extensive **programme to boost energy efficiency** and thus lower CO₂ emissions within individual HHLA companies was continued during the reporting year with a variety of measures. These include retrofitting more energy-efficient technologies, such as the ongoing transition to LED lighting, shortening journeys via improved yard planning, increasing the quota of containers handled in tandem and raising the proportion of journeys in which two containers are transported simultaneously.

Direct and indirect energy consumption and supply

	2017	2018	2019	2020	2021
Diesel, petrol and heating oil in million liter	27.4	28.4	28.0	24.1	24.1
Natural gas in million m ³	3.6	4.4	8.0	9.1	7.5
Electricity ¹ in million kWh	135.6	135.9	123.2	117.0	133.7
thereof from renewable energies in million kWh	82.8	78.9	78.7	86.2	97.4
Traction current in million kWh	157.5	181.4	185.0	191.9	208.7
thereof from renewable energies in million kWh				6.6	115.7
District heating in million kWh	3.6	3.7	3.6	3.1	4.0
District heating supply ² in kWh	–	10.9	33.3	32.8	25.5

Consumption of natural gas, traction current and district heating in 2021 is based on preliminary and estimated figures.

¹ Electricity without traction current

² Generated by a highly efficient combined heat and power generation plant (CHP) based on preliminary figures

The HHLA climate protection goal can be achieved by **increasing the proportion of renewables in the Group's energy mix**. For substantial CO₂ reductions, HHLA is aiming to electrify more of its equipment and machinery at the terminals, thus substituting fossil fuels for renewables. Such equipment and machinery produces fewer emissions and less noise and is also easier to service.

In order to achieve its climate change mitigation target, HHLA focuses on **energy-efficient equipment, facilities, machinery and processes**. These advanced technologies not only lower emissions locally but also offer economic benefits, which are becoming increasingly important as energy prices rise. Several projects in this area were successfully implemented during the reporting period:

- The number of all-electric **cars** in operational use grew to 96 in the reporting period (previous year: 93).
- 18 new hybrid straddle carriers and ten locally emission-free automated guided vehicles (AGVs) were put into operation in 2021 as we continued the expansion of our fleet of particularly energy-efficient and low-pollution **heavy equipment**. These hybrid straddle carriers have a much smaller and more efficient combustion engine, combined with a large battery. In real-life terminal operations, the new hybrid straddle carriers achieve diesel savings of around 30 %.
- At CTA, our first all-electric **tractor unit** was added to the fleet. This is used to transport containers from the container rail terminal to the yard crane system without any local emissions. This means it is now possible, for the first time, to transport a container from the quayside to the container rail terminal using purely electric equipment.

- Two electrified **storage blocks**, with three stacking cranes each, were put into operation at CTB during the reporting period. This enables containers to be stored and retrieved efficiently, with low emissions and requiring little space.
- METRANS continued to expand its fleet with the addition of a further seven **multi-system locomotives** into operation, METRANS continued to expand its fleet. These multi-system locomotives can be used for cross-border freight traffic in various European countries.
- In addition, the **computer-aided optimisation of container storage positions** minimises the distance travelled by transport equipment, thereby reducing energy consumption and noise pollution. The use of retreaded tyres for various container handling equipment and the on-site cleaning and reuse of used oils also improve the utilisation of resources.

The existing **energy management system**, certified according to DIN ISO 50001:2018 and covering all HHLA companies with measurable energy consumption in Germany, was successfully recertified during the reporting period.

Hydrogen as a fuel source

HHLA is also continually searching for new options to help the company reach its goal of becoming climate-neutral by 2040. As a fuel source, hydrogen can play a key role in a company's decarbonisation efforts. HHLA therefore plays an active role in the recently established **H2Global Foundation** and is one of 240 partners from science and industry involved in the TransHyDE project.

In contrast to grey hydrogen, green hydrogen is rarely used where it is produced. **TransHyDE** is addressing this challenge by developing an overarching concept for the import, distribution and use of hydrogen. Together with its partners, HHLA is analysing the various transportation and storage options for hydrogen in high-pressure containers and via LOHCs (liquid organic hydrogen carriers).

Environmental and resource protection

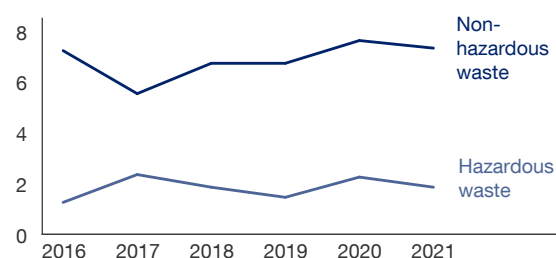
Waste

HHLA's efforts to conserve resources is demonstrated by its waste management system and the use of recycled building materials for the maintenance of its terminal areas. With regard to waste management, HHLA reduces refuse and separates rubbish for recycling wherever possible so that reusable waste can be fed back into the resource cycle. Due to the fluctuation in throughput volumes at the various HHLA terminals, the quantities of each waste type can vary widely from one year to the next.

The **total amount of waste** produced at the German sites decreased significantly by 26.1 % to 7,350 tonnes in the reporting period (previous year: 9,940 tonnes). This decrease is almost exclusively due to significantly lower quantities of fruit waste.

Developments in the volume of waste

in thousand tonnes



Non-hazardous waste

Fruit waste, which accounts for the largest share of waste at around 26 %, decreased by 51 % to 1,929 tonnes in the 2021 financial year (previous year: 3,975 tonnes), bringing it even below 2019 levels. This type of waste includes fruit – such as bananas or pineapple – no longer suitable for consumption or processing. HHLA has no influence on the amount of such waste, as the fruit is already unfit for sale when it arrives in Hamburg and has to be disposed of. Most of this waste, 1,451 tonnes (previous year: 2,441 tonnes), was used by an external biogas plant in order to generate electricity. 278,377 kWh of electricity were produced without CO₂ in this way in the reporting period.

The **mixed metals** waste category was the second-largest by volume during the reporting period, with a slight rise of 0.8 % to 954 tonnes (previous year: 946 tonnes). This type of waste includes items such as steel cables from container gantry cranes or yard cranes that are no longer fit for use. This type of waste is fully recycled.

The volume of **commercial waste** for pretreatment and mixed packaging increased slightly by 6 % to 601 tonnes in 2021. This made it the third-largest waste category. **Packaging** made from paper, cardboard and mixed paper decreased by 21.3 % compared to 2020 levels to 516 tonnes (previous year: 655 tonnes), making it the fifth-largest type of non-hazardous waste. Residual waste, which is collected by the public refuse collection services, accounted for 252 tonnes – a slight rise of 2.8 % – and represented the seventh-largest category of non-hazardous waste.

Hazardous waste

The largest waste type by volume classified as hazardous was **sludge from oil/water separators**. This figure increased by 9.5 % to 559 tonnes (previous year: 510 tonnes). This type of waste primarily results from the cleaning of straddle carriers and other large equipment with pressure washers and is the fourth-largest waste category overall. The other emulsions waste category resulting, for example, from removing oil spills, increased by 24.3 % to 515 tonnes (previous year: 414 tonnes).

Recycling

After energy – and excluding investments in equipment and machinery – **construction materials** are the second-largest direct material input at HHLA. Recycled building materials are also used to maintain existing terminal areas and to prepare other areas for different purposes. The volume of recycled building materials used at the Hamburg container terminals decreased year-on-year by 41 % to 21,646 tonnes (previous year: 36,695 tonnes). This decline was due to reduced resurfacing requirements during the reporting period. Slag from waste incineration plants that was bonded with cement accounted for the largest share of recycled building materials used at 54.2 % or 11,740 tonnes (previous year: 4,440 tonnes). This material was used for the expansion of the yard crane system at Container Terminal Burchardkai (CTB).

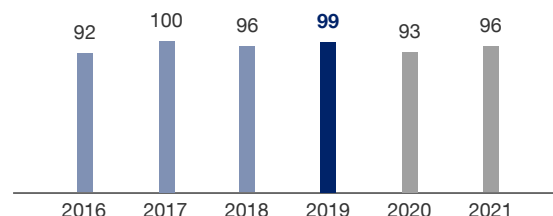
At 31.0 % (6,720 tonnes), the use of asphalt recycling accounted for the second-largest proportion. Of this total, 1,820 tonnes was used for the sustainable resurfacing of Container Terminal Altenwerder (CTA) and 1,236 tonnes for the surfacing of the new storage crane blocks at CTB. With a share of 11.6 % and a material input of 2,510 tonnes, slag from waste incineration plants was also used to construct the storage crane blocks at CTB. A total of 676 tonnes of electric furnace slag was used for the renovation of the block storage area at CTA. The use of recycled building materials minimises the consumption of resources and reduces greenhouse gas emissions.

Water consumption

The use of fresh water by the HHLA Group is mainly restricted to the cleaning of large-scale equipment and containers, as well as for employee hygiene and canteen operations. HHLA's operations in Austria, the Czech Republic, Estonia, Germany, Italy, Poland, Slovakia, Slovenia, Ukraine and Hungary consumed 95,791 m³ of water in 2021 (previous year: 92,727 m³, excluding Italy, Slovenia and Hungary). This consumption, which is low in comparison to pre-pandemic levels, was due to fewer staff being in the office at most sites, as many were still working from home in 2021. HHLA's facilities draw water from the public supply network.

Water consumption

in dam³



HHLA locations: Austria, Czech Republic, Estonia, Germany, Italy, Poland, Slovakia, Slovenia, Ukraine and Hungary

Society

Working world

Strategic HR management

Organisation and control

HR management is established as a central division at Executive Board level. This organisational structure ensures that strategic HR guidelines can also be implemented throughout the Group. The performance of both specialist staff and managers is systematically enhanced and developed and continuously overseen by the HR management team. The same applies to all organisational development measures.

HR strategy

The HHLA's HR strategy comprises five action fields: "Employer of Choice", "Develop Further", "Work Together", "Resource Management" and "Co-Determination". The strategic HR objectives include, for example, developing new **recruitment strategies** and **enhancing HHLA** as an employer brand. Moreover, existing resources in the field of HR are to be aligned more effectively in future with the aid of innovative technologies, methods and concepts, and the range of services offered is to be continuously expanded. **Participation-oriented co-determination processes** are also to be further refined in cooperation with the co-determination partners, managers and employees, in order to shape the future-proof conditions for HHLA's entrepreneurial success.

In addition to cultivating existing potential and creating an effective learning culture within the company, staff development also plays a key role in developing the organisation and corporate culture. Another major component of strategic planning is therefore the targeted **promotion of digital networking** and cooperation between all those involved within the Group. In this way, staff are encouraged to exchange knowledge, thus helping to drive the long-term development of corporate culture.

Diversity management

Diversity management has been an integral part of strategic HR management for many years now. HHLA believes that a **balanced mix of cultures, genders and age groups** forms the foundation for commercial success. The company strives to achieve such diversity in all of its companies. This applies in particular to temporary cross-company working and project groups.

Since 2013, HHLA has been employing a self-developed **selection process** (assessment centre) in Germany that considers not only the applicant's personal and professional suitability but also diversity aspects. Members of the company's staff selection panels receive special training. In addition, the selection panel must include at least one woman for all selection processes in which the pool of applicants includes women.

As a pilot company, HHLA is participating in the **Innoklusio project** funded by the German Federal Ministry of Labour and Social Affairs. The aim of the three-year programme, launched in the reporting period, is to improve the inclusion of people with disabilities in the labour market. Among other things, an information fair is to be held at an HHLA site towards the end of the project. The event will enable employees and senior executives to find out what modern, inclusive strategies can look like.

Securing jobs

The **CTX project** is one of the main elements of the transformation process launched in the Container segment in 2021 as part of an efficiency programme. A provision of € 43 million was formed for the project in 2020 in order to implement socially responsible personnel measures. The planned measures include early retirement, phased early retirement, extensive training opportunities and more flexible staff exchanges.

Furthermore, discussions have been held with the trade union ver.di regarding an **HHLA**, to create a modern approach to co-determination. The aim is to achieve a viable solution that promotes fast adaptability, openness to new technologies and the creation of future-proof jobs.

Headcount

HHLA had a total of 6,444 employees at the end of 2021. Compared with the previous year's total, the number of employees increased by 132, or 2.1 %. In addition, HHLA used the services of an annual average of 624 employees of Gesamthafenbetriebs-Gesellschaft (previous year: 549). Further details on headcount development can be found in the management report. [Employees](#)

The three-year average headcount trend is one of the targets agreed with the Executive Board and is taken into account when determining Executive Board remuneration. Achieving the agreed target range triggers the payment of a corresponding bonus. [Corporate governance declaration/remuneration report](#)

Personnel development

HHLA invested a total of € 5.0 million in educating and training staff at its locations in Hamburg in 2021 (previous year: € 5.3 million). Further details on employee development and structure can be found in the management report. [Employees](#)

The three-year average of the annual trend in expenditure for initial training, in-company training and continuing professional development in relation to headcount is one of the targets agreed with the Executive Board and is taken into account when determining Executive Board remuneration. Achieving the agreed target range triggers the payment of a corresponding bonus. [Corporate governance declaration/remuneration report](#)

Continuing professional development (CPD)

The learning and development opportunities at HHLA increasingly focused on "future skills" in 2021 and were supplemented with new formats. With the definition of **future skills**, one major focus area of the CPD courses provided are the interdisciplinary skills which are crucial for HHLA's long-term success.

In total, over 642 **events** lasting one or more days were held in the reporting period. These included more than 490 internal vocational courses conducted by HHLA's own trainers over 2,322 training days. In addition, 152 events lasting one or more days with over 1,654 participant days were organised as part of the company's cross-segment seminar programme. Of the participants, 39 % were women.

HR development strategy is an integral part of HHLA's corporate strategy and aims to make lifelong learning and knowledge transfer a major pillar of the strategic transformation process. In line with current and future requirements, **training measures for specialist staff and managers** that have already been successfully implemented will be continued, further measures developed and the scope of these measures increased within the Group. Those with potential and expertise will be given specific support and tailored measures for individual areas will be developed in consultation with management.

HHLA learning platform

In order to create a basis for training measures that are aligned with corporate strategy and economically measurable, a digital learning platform was selected in 2020 and preparations were made for its implementation during the reporting period. After its launch, the software will enable the efficient, target group-specific provision of training content and link all Group companies to a strategic and Group-wide HR development system. For the interim period, a SharePoint page was developed internally which can provide a range of information and services throughout the Group. Existing methods were also used to establish a comprehensive controlling system.

Microsoft 365

With the introduction of Microsoft 365 as a communication and collaboration tool at HHLA, HR development is promoting the evolution of a shared understanding of the potential digital cooperation made possible by this tool, as well as setting up a company-wide training strategy.

Programmes for young talents

Since late 2021, two new development programmes have been helping young talents to grow into their leadership roles and to learn together by sharing their experiences with colleagues. Despite the restrictions imposed by the pandemic, the first International Leadership Program was launched at HHLA with ten young talents from six international HHLA subsidiaries.

Another two-year talent programme was also piloted in Hamburg for staff from all sites and will be implemented throughout the Group in the next few years.

Fit4Future Pilots for NAVIS N4

The launch of the terminal operating software NAVIS N4 at all HHLA terminals in Hamburg was accompanied by various training measures.

After a break due to coronavirus restrictions, the Fit4Future Pilots project supported by the German Federal Employment Agency on the basis of the Skills Development Opportunities Act came to an end in November 2021. In four one-week modules, 54 employees at all four terminals were trained as multipliers in fundamental topics relating to change management. After completing the course, participants can advise and support their colleagues on site with regard to process changes resulting from the digital transformation.

In order to optimise the specialist skills of software users, more than 15 trainers were taught how to conduct remote and in-person training sessions in a wide-ranging "train the trainer" course.

Lernen2Go and Führung2Go

Starting this year, the new "Lernen2Go" learning format is offering interested employees the opportunity to learn about a topic in one-hour live lectures online and to opt for more in-depth training afterwards. These monthly events cover topics such as "Strengthening resilience," "Teamwork and trust" and "The magic of change" and primarily strengthen those skills that are becoming increasingly important in the modern working world. The format has been very well received and will be continued in 2022. Between 170 and 330 employees took part in each of the six events held so far. A similar format tailored to management staff has also been set up and tested; this will also be continued in 2022.

Vocational training and studying

HHLA offers a range of apprenticeships and dual study courses based on HR planning at the companies in Hamburg and on the changing **requirements of the working world caused by digitalisation and automation**. In addition to the technical and industrial occupations offered by **vocational training**, commercial apprenticeships were also resumed with the hiring of two forwarding agents and a wholesale and foreign trade merchant. With the new IT apprenticeship in digitalisation management, and the "Technical IT" and "Marketing & Digital Media" dual study courses, three new courses have been established in the Group, with degrees in business as well as technical and IT fields offered by the **dual study courses**. In 2021, dual study course students were once again able to improve their intercultural skills with semesters spent abroad or by working on projects at our foreign subsidiaries.

Existing partnerships with vocational colleges, specialised grammar schools and secondary schools were used again in 2021 to recruit suitable candidates for the so-called **STEM professions** (science, technology, engineering and mathematics). To further increase the proportion of female apprentices in STEM professions, technical internships were offered in particular to schoolgirls. The careers were presented at training fairs and careers events held at schools by a project team of apprentices and dual study course students. Since many on-site visits were not possible due to restrictions resulting from the coronavirus pandemic, numerous events were held digitally. A total of 19 fairs and careers events were held in the Hamburg Metropolitan Region in 2021.

Training is enhanced by supplementary offerings to prepare for future demands within HHLA's operating environment. Apprentices and dual study course students take responsibility in various projects, enabling them to expand their project and digital skills. In cross-functional teams, they help design the company's employer branding and social media presence of the careers website for their own target group.

With a letter of interest, the HHLA Executive Board underlined the seriousness of the partnership between HHLA and the Evangelische Stiftung Alsterdorf (ESA). Apprentices and dual study course students are engaged in various projects and actively contribute to the ESA's work. Support is given to both youth work and leisure projects as well as education. The apprentices and dual study course students can use their company time for this and some of them also help out in their free time.

Contracts, remuneration and additional benefits Collective bargaining agreements

Collective bargaining agreements govern pay and working conditions for 84.5 % of employees in **Germany** (previous year: 86.4 %). The proportion of employment contracts of indefinite duration (excluding apprenticeship contracts) was 96.5 % (previous year: 96.4 %).

In June, the parties to the collective bargaining agreement – the Association of German Seaport Operators (Zentralverband der deutschen Seehafenbetriebe e.V., or ZDS) and the trade union ver.di – agreed wage table increases of 3.0 % from 1 June 2021 with a twelve-month term for port workers at companies that operate at German seaports. Similar deals have been reached for further wage agreements of the HHLA Group in Germany.

Collective bargaining agreements govern pay and working conditions for 28.4 % (previous year: 26.3 %) of employees in the **foreign subsidiaries**. 91.7 % of all employment contracts are of indefinite duration (previous year: 92.6 %).

Appraisal and remuneration systems

The appraisal systems at the German companies contain both bottom-up and top-down components. Some of them are laid out in collective bargaining agreements, comprise variable remuneration components and are linked with training requirements for the company and staff.

The **management assessment system** at HHLA was realigned in 2020, transferred to a performance management system and applied for the first time during the reporting period. In addition to the existing variable remuneration components, such as ROCE (return on capital employed) and EBIT, department- and company-specific parameters were adopted as new target categories. The assessment of the individual performance of executives was also expanded to include newly defined leadership principles.

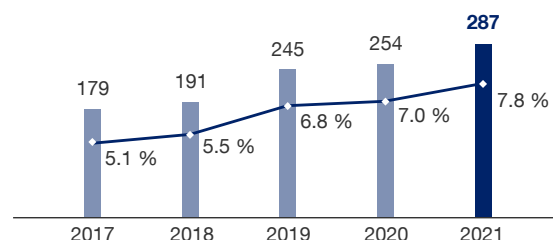
The aim of the realignment of the **variable remuneration system** is to promote cross-functional cooperation alongside increased networking and interdepartmental process orientation in order to provide long-term support for the cultural shift at HHLA.

Flexible working models

A growing number of people across all employee groups and hierarchy levels in Germany are taking up the option of working part-time to tailor their working hours to different life stages. Offering **part-time work** is therefore an important way of retaining staff at the company. Allowing staff to adapt their working hours helps them to reconcile their professional and family commitments, look after close relatives or do charity work.

HHLA employees working part-time in Germany

as of 31.12, part-time share in %




In 2021, a total of 287 employees took up the option of working part-time (previous year: 254). At the end of 2021, the **ratio of part-time workers** at HHLA in Germany increased to 7.8 % (31 December 2020: 7.0 %). The percentage of men in part-time employment rose to 38.0 % (previous year: 35.8 %). At the holding company, where most roles are clerical, the ratio of part-time workers (excluding apprentices) was 18.0 % (previous year: 17.8 %). At HHLA's foreign subsidiaries, the ratio of part-time work was 0.7 % during the reporting period (previous year: 1.0 %).

Company pension scheme

Since the complete reorganisation and development of **company pension schemes** in 2018, employees in Germany now have even more flexibility in terms of shaping their working lifetimes. Both individual early retirement solutions and various options for lump-sum payouts upon retirement boost the appeal of company pension schemes for employees.

Existing claims from models such as the working lifetime account and the so-called "port pension" have been transferred to the **HHLA capital plan**. By pooling these provisions within a single system, HHLA is also more closely aligned with rising employee needs with regard to transparency. In 2021, 64.9 % of entitled employees were already benefiting from this pension system.

More detailed information about the workforce can be found in the **Employees**  section of the combined group management report.

Occupational health and safety

Occupational safety

Numerous **preventive measures and guidelines** are in place to ensure that staff from both HHLA and external companies, customers, suppliers and visitors do not come to bodily harm, which is a key concern for HHLA.

By using modern technologies, HHLA strives to achieve constant improvements in occupational safety. When introducing new work equipment and methods at HHLA sites, the company's occupational safety organisation is closely integrated into planning processes in order to adapt them to changing conditions within the company and to reflect the latest safety-related findings.

A **software-based occupational safety management system** is used to monitor occupational safety targets and measures.

HHLA implements measures that promote safety awareness, safe behaviours and a culture of safety over the long term. A pilot project to promote safety awareness and develop a behaviour-based safety culture was therefore continued at one of the container terminals in Hamburg during the reporting year – despite the challenges posed by the coronavirus pandemic.

Due to the pandemic-related restrictions, in-person occupational safety campaigns at HHLA sites were avoided where possible. Instead, employees received training and given handy tips in **online courses on topics relating to occupational safety and ergonomics when working from home** >, where they received practical tips.

In order to compile meaningful **accident statistics**, accidents at all HHLA companies in Hamburg are taken into account and recorded using a standardised reporting system. These also include accidents not directly linked to container handling (e.g. in workshops). The reasons for changes or fluctuations are carefully analysed in order to quickly initiate structured preventive measures.

In 2021, there were 91 notifiable accidents (excluding accidents when commuting) at the companies in Hamburg in which HHLA owns a stake of over 50 % (previous year: 79). There were also nine notifiable coronavirus infections classed as workplace incidents, as the employees concerned were verifiably infected at work.

Occupational health

As part of its health promotion efforts, HHLA strives to develop a workable occupational **health management system** which reflects everyday needs and to systematically integrate these measures into company processes.

Furthermore, with the aid of targeted communication and information strategies, HHLA actively promotes existing **health care services, such as social counselling and flu vaccinations**. This has led to increased use of these services by employees.

In addition, the coronavirus pandemic continued to pose particular challenges for HHLA's occupational safety strategy in 2021. In order to address this, a **coronavirus crisis team** was established under the leadership of the Executive Board with a coronavirus task force based at the management holding company. The **hygiene concept** developed in 2020, which includes classic social distancing and hygiene regulations, mandatory mask-wearing and shorter cleaning intervals, was also actively implemented in 2021. Furthermore, measures were adopted that were tailored to the specific characteristics of the different working environments at HHLA. In order to keep the number of contacts to a minimum, the concept for blue-collar activities, for example, ensured that there were no more shift overlaps and that employees worked in fixed groups and smaller teams than before. In addition, quarantine managers were installed at all sites in Germany to conduct contact tracing quickly and directly in the event of an infection. Moreover, HHLA's company medical service in Hamburg offered in-house Covid-19 vaccinations for employees and their families.

The rules regarding working from home put in place in late 2019, and thus before the start of the coronavirus pandemic, served as a basis for quickly and consistently implementing further remote working regulations during the pandemic.

As a result of the swift and consistent implementation of coronavirus measures, beyond the legal requirements, the incidence of infections at all HHLA divisions in Germany was kept to a minimum and HHLA's facilities remained fully operational throughout both lockdowns. This underlines the efficacy of the package of measures.

The coronavirus task force also worked with the Group works council to define rules regarding the timing of time-off entitlements in order to be able to assign time off during quieter operational phases. In addition to the rules regarding working from home, multi-shift work was also made possible in administrative areas such as the management holding company.

Corporate citizenship

Regional responsibility

Approximately one in ten jobs in Hamburg has some connection with cargo handling at the Port of Hamburg. This means that the port and associated industries are major employers in the greater Hamburg metropolitan region. HHLA handles over three-quarters of Hamburg's container throughput or more than half of the total throughput in tonnes. The company therefore sees itself as an integral part of economic development in the greater Hamburg metropolitan region. It is well aware of its responsibility towards society both here and at all its other sites.

Social dialogue

HHLA engages in regular dialogue with its stakeholders. **Sustainability strategy** The company also promotes a number of educational projects focusing on the port and logistics.

Recognising the link between the port, logistics and the water helps us understand the global division of labour and the importance of sustainable business activities. HHLA's support for educational projects focuses on the **"Hafen-Scouts"**. This project was successfully initiated by HHLA, the Hafenmuseum Hamburg and the State Institute for Teacher Training and School Development in 2015. It teaches fourth-grade schoolchildren about the transportation of goods around the world, how the port works and what careers the port offers. In the reporting period, this educational project could only be continued after the summer holidays due to the pandemic. The number of participants increased to 685 in 2021 (previous year: 482).

Economy

Added value and innovation

As the largest port in Germany by far, the Port of Hamburg directly and indirectly employs over 165,000 people in the greater Hamburg metropolitan region. It is one of the most important economic factors of northern Germany and, as a hub of international trade, plays an extremely important role for Germany's entire economic system. HHLA wants to make a lasting contribution to the prosperity of those societies where its facilities are located.

Added value

Despite the ongoing impact of the pandemic, net added value increased by 14.8 % year-on-year to € 752.8 million in the 2021 financial year (previous year: € 656.0 million). At 50.4 %, the added value ratio was slightly down year-on-year (previous year: 49.0 %).

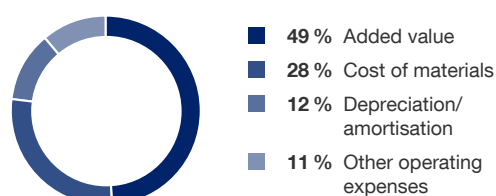
Value added in the HHLA Group

in € million	2021	2020	Change
Employees	555.6	551.6	0.7 %
Shareholders	132.9	74.1	79.3 %
Public authorities	58.7	25.0	135.1 %
Lenders	5.6	5.3	5.4 %
Total	752.8	656.0	14.8 %

Net added value serves as an indicator of the economic value creation of a business activity. It is calculated by taking the production value and deducting all intermediate inputs, depreciation and amortisation. Added value is shared between employees, shareholders, the state (taxes) and lenders. The largest proportion, 73.8 % or € 555.6 million, went to employees.

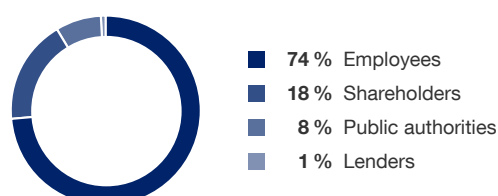
Source of added value

Production value 2021: € 1,495 million




Application of added value

Net added value 2021: € 753 million



Innovation

HHLA has considered itself a start-up since it was founded in 1885. Without innovation and the drive to continually engage with new trends and technologies, HHLA's path would not have been successful. Today, the company is primarily concerned with the opportunities for modern logistics offered by automation and digitalisation. [Research and development](#) 

Increasing efficiency

As part of its corporate strategy, HHLA is committed to a transformation process aimed at strengthening the company's future viability and creative power over the long term. Boosting efficiency and networking is one of four goals. In order to implement this, HHLA has launched an extensive programme to enhance the efficiency of its operations.

This increased efficiency will strengthen the company's market position and performance, thus helping to secure jobs and facilities over the long term. Operational efficiency is one of the key customer requirements and forms the basis for customer satisfaction and loyalty. It therefore plays a major role in ensuring the lasting economic success of the company.

Implementation and measures

The efficiency programme is being developed and launched in consultation with employees in operational areas. HHLA executives are supported throughout the programme by external consultants. The programme is focused on port handling operations and the auxiliary service areas and processes within the Group.

The main thrust of the efficiency enhancement programme is to consistently optimise processes, expand system support (automation and digitalisation) and develop employee skills. Performance management methods are being introduced with the participation of all involved and include both control instruments and advanced control processes.

One element of the programme is the refinement of daily operational meetings at which teams discuss current operational performance, key factors in service delivery and measures to improve it.

Expansion of digitalisation for process optimisation

HHLA believes in the value-adding potential of digitalisation as a means of optimising all internal organisational units involved in the service delivery chain, as well as at the interface with external parties such as customers.

HHLA's digitalisation measures aim to pool process-relevant information and control variables and make them available on shared digital platforms in order to increase process speed and performance, thus making an important contribution towards

boosting competitiveness. Furthermore, the digitalisation initiatives serve to create and simplify interfaces with the company's customers and facilitate the optimisation of handling quality.

Implementation and measures

Digitalisation measures are identified and implemented using participatory methods and are aligned with the Group's value creation objectives. The core areas for digitalisation opportunities are regularly analysed and their potential added value quantified. This results in the order in which the measures are to be implemented.

One example of this is the further digitalisation of all interfaces with shipping company customers and the onshore interfaces with rail and haulage company customers. The introduction and automatic checking of a mandatory data exchange helps to improve visibility and planning capacity in handling operations. The resulting data quality and efficiency is reflected in improved customer performance.

The forward-looking partnership with our customers is initiated and managed directly from our operational business. The project structure ensures coordination with other parts of the company.

Tax

Approach to taxation

Integrity and legally compliant conduct are firmly anchored within HHLA. This also applies to the fulfilment of our tax obligations. As a company with international activities, HHLA is subject to the tax laws of the respective national jurisdictions in which it operates. HHLA pays the taxes incurred in line with the relevant legal requirements of the countries in which the company operates. To this end, the Group has established structures and processes to ensure the continuous monitoring of and compliance with tax law requirements, and cultivates a transparent and open dialogue with the relevant tax authorities.

In 2021, the Group's **effective tax rate** stood at 30.6 % (previous year: 25.2 %). In 2021, income tax expenses for the HHLA Group amounted to € 58.7 million (previous year: € 25.0 million), of which, as in the previous year, approximately 34 % was attributable to Germany accounted for and approximately 66 % was attributable to the foreign subsidiaries.

Tax compliance management system (TCMS)

An experienced team of tax experts in Hamburg and in the local subsidiaries ensures that potential tax risks are identified in good time. The **monitoring process for compliance with tax requirements** is an integral part of the internal control system (ICS). [Risk and opportunity management system](#) 

Tax risks may arise for HHLA as a result of tax audits, changes in tax legislation or other factors that may have an effect on the effective tax rate and liquidity. If tax burdens are expected by the company, they are taken into account – where they are quantifiable – by forming the relevant provisions.

In order to prevent potential tax risks, HHLA's tax processes will in future be monitored and controlled by a **tax compliance management system (TCMS)**. HHLA started implementing the TCMS in 2019. The system is expected to be fully integrated by 2022. In doing so, the HHLA Group fulfils the requirement under German tax law for companies to implement such a compliance management system in order to protect the company and its legal representatives.

Reporting standards

As an international company with Group revenue of over € 750 million, HHLA is subject to the duty to report certain country-specific key figures. This is known as **country-by-country reporting** and is based on an initiative of the Organisation for Economic Cooperation and Development (OECD).

In this context, HHLA AG shares tax information every year with the **Federal Central Tax Office** for all Group companies located outside Germany as part of its legal requirement. This information includes revenue, earnings before taxes, income tax payments and the income taxes incurred, ensuring the transparent reporting of all company results and tax payments in the countries in which HHLA or its affiliated companies are active.

HHLA fully complies with the reporting and transparency requirements of the **DAC6 reporting** system introduced by the European Union (EU) and has implemented the relevant technical solutions.

Business partners

In its relationships with business partners, HHLA strives for **integrity, fairness, responsibility and sustainability**. In order to minimise the risks that may occur at the start of, and during, a business relationship, HHLA implements a Group-wide **business partner screening system**. The system facilitates the recurring risk-based analysis and assessment of business relationships and possible measures to reduce risks.

Purchasing and materials management 

In particular, HHLA expects its suppliers to subscribe to a company policy in line with the above values and to comply with all applicable laws. In this context, HHLA has launched a Group-wide **Supplier Code of Conduct** that summarises the main principles of behaviour. The Supplier Code of Conduct is freely available on the company's website.

Governance

Business ethics and integrity

Combating corruption and bribery

A company can only achieve sustainable success if it behaves in a responsible and legally compliant manner. With this in mind, **compliance** with legal requirements and internal company guidelines is a key part of HHLA's corporate governance policy.

Corporate governance declaration 

HHLA strives to achieve this prime objective by establishing, coordinating and constantly enhancing its Group-wide **compliance management system (CMS)**. It has also set itself the goal of identifying key compliance risks, assessing them on an ongoing basis, and minimising them by implementing suitable measures and processes. Furthermore, the CMS aims to raise awareness among HHLA Group employees regarding the need to comply with both the legal requirements relevant to their work and internal guidelines. By doing so, it sets out to foster an appropriate level of risk awareness within the workforce with a view to preventing compliance violations.

The functions of HHLA's CMS are carried out centrally by a **Group Compliance Officer**, who reports to the Executive Board member responsible for compliance – currently the Labour Director or Chief Human Resources Officer – and the Supervisory Board's Audit Committee, as well as decentrally by local compliance contact partners and officers, who report to the Group Compliance Officer.


HHLA's CMS centres on a **Code of Conduct** that goes beyond the statutory requirements by formulating overriding principles on relevant topics for compliance, such as fair conduct in the competitive environment and dealing with conflicts of interest or sensitive corporate information. The HHLA Code of Conduct is available online at www.hhla.de/compliance .


Preventing corruption is another key issue addressed in the Code of Conduct. In the course of its activities, HHLA is constantly in contact with business partners and officials at different levels – especially in Germany, Central and Eastern Europe, and Asia. The aim of the in-depth anti-corruption guidelines is to help employees assess situations with potential corruption implications in their day-to-day work in order to effectively prevent corrupt behaviour and the associated consequences for both employees and the company. The anti-corruption guidelines provide staff with the necessary knowledge about granting or accepting benefits to or from business partners and officials. Practical examples are used by way of illustration.

The Code of Conduct obliges employees to pass on any information they may have about misconduct at the company. Third parties can also use **the compliance hotline** for whistleblowing. All information received is treated confidentially and callers can choose to remain anonymous. Moreover, the anti-corruption guidelines state that staff must seek advice or report violations if they have any doubts or suspicions.

Training courses and internal corporate media constantly provide employees with information on important aspects of the Code of Conduct and associated issues, such as corruption prevention and how they are expected to behave in accordance with the anti-corruption guidelines. During the reporting period, online training in anti-corruption topics was provided to employees in regular contact with business partners and officials.

The **number of incidents** is constantly documented and monitored as part of the CMS using an internal reporting system. This enables the company to adjust its risk assessment or add more risk scenarios should there be an increase, for example, and to introduce appropriate measures, such as more communication and adapting processes in its internal control system.

The responsibility of each individual to comply with the provisions laid down by regulators, professional associations and the government, both within the company itself and in dealings with contractual partners, is also stated in **HHLA's own in-house purchasing guidelines**, in combination with HHLA's externally applicable purchasing guidelines. The focus here is on analysing and evaluating relationships with suppliers in terms of their reliability, quality, innovativeness, cost structures, economic stability, occupational safety, sustainability and compliance. Selecting suppliers on the basis of these criteria also helps to prevent corruption. **Purchasing and materials management** 

HHLA continues to use a **Supplier Code of Conduct**. This is enshrined in the purchasing guidelines. The **Supplier Code of Conduct**  also includes anti-corruption regulations.

During the reporting period, the implementation of an IT-based **business partner screening system** was continued. This will facilitate the risk-based assessment of HHLA's business partners, e.g. with regard to compliant behaviour in their international business dealings. **Business partners**

In 2020/2021, the effectiveness of the CMS – and in particular the area of anti-corruption – was audited and confirmed by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, in accordance with IDW PS 980 and taking into account the requirements of ISO 19600.



Respect for human rights

Ensuring our employees act in a lawful fashion guided by integrity also means protecting human rights. HHLA only has sites in Europe and more than 95 % of HHLA's suppliers are based in the European Union, where human rights are a prime concern and enshrined in both local and European laws. Furthermore, the principles of the UN Global Compact are reflected in the **Code of Conduct** and HHLA's comprehensive guidelines, such as its health and safety guidelines. As an overarching set of rules, the Code of Conduct includes the following principles:

- || integrity as a central value, a commitment to diversity and the rejection of all forms of discrimination in our interactions with one another
- || guidance on lawful behaviour, particularly to prevent corruption in dealings with business partners and officials
- || protecting the health and safety of employees in the workplace. Occupational safety is a priority for HHLA and we have set ourselves the goal of remaining a leader in this regard
- || protecting the environment and sustainable business practices, promoting environmental awareness and accelerating the development and acceptance of environmentally friendly technologies through the HHLA sustainability strategy **Sustainability strategy**

Moreover, HHLA actively encourages worker co-determination and safeguards both the **freedom of association** and the **right to collective bargaining**.

The risk-oriented **business partner screening system** currently being further implemented by HHLA in the field of third-party compliance also contributes towards the early detection of potential human rights risks. Equally, the **Supplier Code of Conduct** used by HHLA for its suppliers specifically includes respect for human rights.

On the basis of the National Action Plan on Business and Human Rights, HHLA has issued a **Declaration of Principles for the Respect and Observance of Human Rights**  and for **Diversity and the Condemnation of all Forms of Discrimination and Racism** . In 2021, the focus of these efforts was on initiating a project for the further development of diversity management and a project for implementing the Supply Chain Due Diligence Act [Lieferkettensorgfaltspflichtengesetz, LkSG]. Communication activities focused on the topics of anti-corruption and occupational safety.

Information on EU taxonomy

Aims of the EU taxonomy

As a community of states, the European Union (EU) has set itself the aim of becoming climate neutral by 2050. Within the scope of the EU Action Plan on Sustainable Finance, the channelling of capital flows into sustainable investments is a key objective. In order to support this goal, the EU Taxonomy Regulation came into force in mid-2020. It is a uniform and legally binding classification system that defines which business activities in the EU can be deemed “environmentally sustainable”. Company-specific reports on the results of this classification must be reported annually. In June 2021, the final classifications for environmentally sustainable business activities were published for the first two of the six environmental targets. The following six environmental targets are listed in Section 9 of the Taxonomy Regulation:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

The EU has currently published requirements for sustainable business activities under the EU taxonomy (EU catalogue) for the two environmental targets of “Climate change mitigation” and “Climate change adaptation”. The description of the business activity in the delegated acts determines which business activities can generally be considered.

Classification of business activities

With regard to the classification of a business activity as “environmentally sustainable” under the EU taxonomy, it is necessary to distinguish between taxonomy eligibility and taxonomy alignment. The first step is to check whether a business activity is described in the delegated act and thus taxonomy-eligible. Only taxonomy-eligible business activities can be classed as “environmentally sustainable” if certain criteria are fulfilled. Consequently, the second step is to evaluate whether the technical screening criteria are fulfilled in order to be classified as taxonomy-aligned.

In accordance with relief granted by the EU, only the proportions of taxonomy-eligible and taxonomy-non-eligible business activities for revenue, capital expenditure and operating expenses have to be disclosed for the 2021 reporting year. All fully consolidated affiliates are included in this analysis.

Definition of revenue according to the Taxonomy Regulation

Revenue includes the income disclosed in accordance with International Accounting Standard (IAS) 1, Paragraph 82(a) within the meaning of Regulation (EC) No. 1126/2008.

Definition of capital expenditure (CapEx) according to the Taxonomy Regulation

The basis for measuring capital expenditure is additions to property, plant and equipment and intangible assets during the financial year in question before depreciation and amortisation, and any remeasurements for the financial year in question and fair value changes. This also includes additions to property, plant and equipment and intangible assets resulting from business combinations (application of IFRS [IAS 16, 38, 40, 41, IFRS 16] and national accounting policies). Acquired goodwill is not taken into account. Investments in non-current assets that are classified as for sale or for distribution are only accounted for until the first time the relevant classification is made.

Definition of operating expenses (OpEx) according to the Taxonomy Regulation

The basis for measuring operating expenses is the direct, non-capitalised cost for research and development, building renovation measures, short-term leases, maintenance and repairs, and any other direct expenditure for the day-to-day servicing of assets of property, plant and equipment by the company or by third parties that are necessary to guarantee the continued and effective operation of these facilities.

Taxonomy-eligible business activities of the HHLA Group

Analysis of business activities

As a result of Section 289b (1) HGB, Hamburger Hafen und Logistik AG (HHLA) is obliged to comply with the requirements set out in the Taxonomy Regulation. Pursuant to Section 315e (1) HGB, the consolidated financial statements of HHLA are prepared in accordance with IFRS as at the closing date. The amounts used to calculate the relevant key performance indicators (KPIs) for revenue (revenue KPI), capital expenditure (CapEx KPI) and operating expenses (OpEx KPI) are based on the figures reported in the consolidated financial statements.

The taxonomy-eligible business activities for the “climate change mitigation” and “climate change adaptation” targets can be found in the annexes to the Delegated Regulation (EU) of the Commission supplementing Regulation (EU) 2020/852.

HHLA business activities deemed taxonomy-eligible are to be attributed to the environmental target of climate change mitigation and focus on:

- 6.2 Freight rail transport
- 6.6 Freight transport services by road
- 6.14 Infrastructure for rail transport
- 6.16 Infrastructure enabling low-carbon water transport
- 7.7 Acquisition and ownership of buildings

The taxonomy-eligible activities of container transport by rail and road, including the inland terminals, are carried out by HHLA's intermodal companies.

The Group's business activities in container handling and the operation of HHLA seaport terminals were classed as taxonomy-eligible as these activities facilitate low-carbon water transport.

In the Real Estate segment, the ownership or acquisition of property was classed as taxonomy-eligible. Real estate owned and let by HHLA primarily covers the Speicherstadt historical warehouse district and Hamburg's fish market district.

Activities in the fields of consulting, automation, container repair and project logistics were mainly classed as taxonomy-non-eligible.

Collection of key figures

Based on this complete analysis of business activities, the proportion of taxonomy-eligible revenue, capital expenditure and operating expenses of HHLA in the respective totals for the 2021 financial year is stated. When compiling the KPIs, materiality thresholds were set for the consideration of individual economic activities.

Key figures on the taxonomy eligibility of the HHLA Group

as of 31.12.2021	taxonomy-eligible	not taxonomy-eligible
Revenue	96.0 %	4.0 %
Investments (CapEx)	92.4 %	7.6 %
Operating expenses (OpEx)	92.3 %	7.7 %


The calculated KPIs show that HHLA's business activities can make a major contribution to climate change mitigation.

From the 2022 financial year onwards, even more extensive analyses will be necessary to fulfil specific criteria with regard to the business activities identified. In addition to the evaluation with regard to alignment criteria, these include an assessment of whether the taxonomy-eligible business activities make a material contribution to an environmental target defined by the Taxonomy Regulation and whether any other environmental target is significantly impeded. Furthermore, the fulfilment of minimum social standards in line with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO Core Labour Standards and the International Bill of Human Rights must be ensured.

Revenue: Taxonomy-eligible revenue share

The KPI calculated for the proportion of taxonomy-eligible revenue in the 2021 financial year was 96.0 %.

The revenue KPI is determined as a ratio of the numerator and denominator as defined below:

- The **numerator** of the revenue KPI is defined as net revenue generated by products and services in connection with the taxonomy-eligible business activities.
- The **denominator** of the revenue KPI is based on consolidated net revenue of the HHLA Group. [Income statement](#) 

$$\text{Revenue key figure} = \frac{\text{Taxonomy-eligible net revenue}}{\text{Total net revenue}}$$

Revenue disclosed in the HHLA Group income statement was analysed across all Group companies to evaluate whether it generated by taxonomy-eligible business activities pursuant to Annex I (Material contribution to climate change mitigation) and Annex II (Material contribution to climate change adaptation) of Delegated Regulation (EU) 2020/852. Following a detailed analysis of the items included in revenue, the respective revenue amounts are allocated to the taxonomy-eligible business activities.

Investments: Taxonomy-eligible CapEx share

The KPI calculated for the proportion of taxonomy-eligible capital expenditure in the 2021 financial year was 92.4 %.

The CapEx KPI is determined as a ratio of the numerator and denominator as defined below:

The **numerator** of the CapEx KPI is the total capital expenditure that is taxonomy-eligible.

The **denominator** of the CapEx KPI comprises all capital expenditure according to the Taxonomy Regulation. It corresponds to total capital expenditure disclosed in the investment analysis of the [financial position](#) and the intangible assets and additions to property, plant and equipment disclosed in the notes to the consolidated financial statements.

[Notes to the consolidated financial statements, no. 22 Intangible assets](#) and [no. 23 Property, plant and equipment](#)

CapEx key figure	=	$\frac{\text{Taxonomy-eligible investments}}{\text{Total capital expenditure according to the Taxonomy Regulation}}$
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The CapEx KPI thus provides the proportion of capital expenditure associated with a taxonomy-eligible business activity. Additions are made either in fully taxonomy-eligible individual companies or are directly attributable to taxonomy-eligible business activities following an analysis with regard to taxonomy eligibility and a comparison with Annex I (Material contribution to climate change mitigation) and Annex II (Material contribution to climate change adaptation) of Delegated Regulation (EU) 2020/852.

Operating expenses: Taxonomy-eligible OpEx share

The KPI calculated for the proportion of taxonomy-eligible operating expenses in the 2021 financial year was 92.3 %.

The OpEx KPI is determined as a ratio of the numerator and denominator as defined below:

- || The **numerator** of the OpEx KPI are the operating expenses that are taxonomy-eligible.
- || The **denominator** comprises direct, non-capitalised costs for research and development, building renovation measures, short-term leases, maintenance and repairs, and all other direct expenditure for the ongoing maintenance of property, plant and equipment.

OpEx key figure	=	$\frac{\text{Taxonomy-eligible operating expenses}}{\text{Direct, non-capitalised costs (R\&D, building renovation measures, leasing and maintenance)}}$
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The OpEx KPI reveals the proportion of operating expenses as defined by EU taxonomy that are associated with taxonomy-eligible business activities. The numerator is the result of an analysis of the assets associated with the expenditure recorded in the above accounts with regard to their taxonomy eligibility on the basis of Annex I (Material contribution to climate change mitigation) and Annex II (Material contribution to climate change adaptation) of Delegated Regulation (EU) 2020/852. In order to determine the denominator, the accounts reflecting direct, non-capitalised costs for research and development expenditure, building renovation measures, short-term leases and maintenance and repair costs were considered.

Audit opinion

Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting^[1]

To Hamburger Hafen und Logistik Aktiengesellschaft (HHLA), Hamburg

We have performed a limited assurance engagement on the Combined separate non-financial report of HHLA, Hamburg, (hereinafter the "Company") for the period from 1 January to 31 December 2021 (hereinafter the "Combined Separate Non-financial Report").

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report, which are marked as unassured.

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Combined Separate Non-financial Report in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section EU-Taxonomy of the Combined Separate Non-financial Report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Company that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as the executive directors consider necessary to enable the preparation of a Combined Separate Non-financial Report that is free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section EU-Taxonomy of the Combined Separate Non-financial Report. They are responsible for the defensibility of this

interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and Quality Control of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Control 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality control for audit firms (IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis – IDW QS 1) – and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Combined Separate Non-financial Report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Combined Separate Non-financial Report, other than the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report, are not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section EU-Taxonomy of the Combined Separate Non-financial Report.

In a limited assurance engagement the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities (beispielhafte Aufzählung):

- Gain an understanding of the structure of the Company's sustainability organisation and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Combined Separate Non-financial Report about the preparation process, about the internal control system relating to this process and about disclosures in the Combined Separate Non-financial Report
- Identification of likely risks of material misstatement in the Combined Separate Non-financial Report
- Analytical procedures on selected disclosures in the Combined Separate Non-financial Report
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and management report
- Evaluation of the presentation of the Combined Separate Non-financial Report
- Evaluation of the process to identify taxonomy-eligible economic activities and the corresponding disclosures in the Combined Separate Non-financial Report
- Inquiries on the relevance of climate-risks

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Combined Separate Non-financial Report of the Company for the period from 1 January to 31 December 2021 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section EU-Taxonomy of the Combined Separate Non-financial Report.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Combined Separate Non-financial Report, which are marked unassured.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Frankfurt am Main, 11. March 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Nicolette Behncke
Wirtschaftsprüferin

ppa. Meike Beenken

¹ PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the Combined separate non-financial report and issued an independent practitioner's report in German language, which is authoritative. The following text is a translation of the independent practitioner's report.

Imprint

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Legal Note

This document contains forward-looking statements that are based on the current assumptions and expectations of the Hamburger Hafen und Logistik Aktiengesellschaft (HHLA) management team. Forward-looking statements are indicated through the use of words such as expect, intend, plan, anticipate, assume, believe, estimate and other similar formulations. These statements are not guarantees that these predictions will prove to be correct. The future development and the actual results achieved by HHLA and its affiliated companies are dependent on a wide range of risks and uncertainties and may therefore deviate greatly from the forward-looking statements. Many of these factors are outside of HHLA's control and therefore cannot be accurately estimated, such as the future economic environment and the actions of competitors and others involved in the marketplace. HHLA neither plans nor undertakes any special obligation to update the forward-looking statements.

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