



MAKING A
DIFFERENCE
IN THE
**FUTURE OF
SHIPPING**

HAPAG-LLOYD
SUSTAINABILITY REPORT
2022



MAKING A DIFFERENCE IN THE FUTURE OF SHIPPING

OUR PROFILE

With a fleet of 251 ships and an annual transport volume of around 11.8 million TEU, Hapag-Lloyd is one of the world's leading shipping companies. We offer reliable transport solutions to our customers in 135 countries around the world. These include container transport by sea, as well as door-to-door transport. With around 14,200 employees, we are on hand locally to serve our customers around the world.

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All passages marked with this line and the »_NfR« mark belong to the non-financial report.





Prepare for Tomorrow

Our decarbonisation programme

By 2045, the Hapag-Lloyd fleet will have been converted to climate-neutral ship operations. Before we get there, we have the interim target of reducing the CO₂e intensity¹ for our entire fleet by 30% (compared to 2019) and by 60% for our own fleet² (compared to 2008) by 2030.

Consequently, in the reporting year, we focused on the universal topic of decarbonisation and launched four workstreams within the “Prepare for Tomorrow” programme.

- 1 As per EEOI (Energy Efficiency Operational Indicator). Measures the ratio of emissions per unit of real transport performance (in tonnes of cargo x nautical miles)
- 2 As per AER (Annual Efficiency Ratio)

Sustainable FLEET

150

vessels
will be retrofitted to
increase efficiency over
the next five years.

Fleet upgrade and newbuilds

For our existing fleet, we launched the Fleet Upgrade Programme (FUP) and started by replacing old propellers with more energy-efficient models. Thanks to this programme, the “Ningbo Express”, for example, can save around 10% on fuel and CO₂ emissions. We expect even higher savings when a new flow-optimised bulbous bow is fitted. We are also having new resistance-reducing underwater paints applied to our vessels.

In the case of newbuilds, we are turning to dual-fuel technology and have already ordered twelve vessels with this equipment. One highly promising investment in the future: Our dual-fuel vessels can run on bio-methane and synthetic methane in addition to conventional fuels.

See page 68 for more on the sustainable fleet by Dr Georg Eljardt, Fleet Analytics & Technical Optimization.

Sustainable FUELS

80

%

reduction in greenhouse gas emissions can be achieved with biofuels compared to standard fuels.

Biofuels for our fleet

We have been testing the use of biofuels since 2020. These are fuel blends from a certified biological base material such as used cooking oil and low-sulphur bunker oil. In comparison to standard fuels, greenhouse gas emissions from pure biofuel are over 80% lower (with upstream greenhouse gas emissions taken into account).

We have fundamentally set ourselves the aim of expanding biofuel procurement and wish to ensure access to other alternative fuels. We are concluding contracts with large, globally active biofuel suppliers while also expanding the number of vessels that are approved for biofuel usage.

See page 67 for more on sustainable fuels by Jan Christensen, Senior Director Global Fuel Purchasing.



Green products for our customers

The products we offer our customers are global goods transport solutions. We wish to make our products greener and work towards the goal of creating more sustainable transport options. In this context, we will also increase transparency for our customers regarding our CO₂e emissions.

We prioritise working with suitable partners. In 2022, we transported more goods using biofuels. With our green products, we seek to help our customers to improve their own CO₂e footprint.

More on sustainable products by Marielena Winter, Senior Manager Commercial Projects (left), and Ann-Christin Stritzl, Senior Manager Revenue Management Products & Pricing, on page 69.

Sustainable PRODUCTS

24

vessels
in our fleet ran on
biofuels in 2022.

Raising awareness of sustainable activities among employees

We are pursuing the goal of measurably reducing CO₂e emissions in our on-shore operations and business travel by the end of 2023. Increasing our employees awareness of sustainability is crucial to achieving this goal.

We wish to encourage business trips by train throughout the company and advocate the use of local public transport to travel to work. We are seeking further measures at a regional level to improve energy efficiency and prevent greenhouse gas emissions. Green Teams of committed employees have been formed for this purpose, which identify options and implement suitable measures.

See page 48 for more on sustainable offices by Yves Kaminski, Manager Sustainability.

Sustainable OFFICES

Over

30

Green Teams
work towards reducing
CO₂e emissions on land.

INTERVIEW _2-22



Rolf Habben Jansen,
Chief Executive Officer (CEO)

»Safeguarding prospects and opportunities for future generations through targeted involvement«

Janin Aden: Rolf, 2022 was not only defined by the pandemic but also heavily by the war in Ukraine. The topic of sustainability has moved even further into the public consciousness. How important was sustainability at Hapag-Lloyd in 2022?

Rolf Habben Jansen: Sustainability continued to lead us the way and formed a key pillar in our strategy. We continue to focus rigorously on our ambitious targets in order to minimise impact on the environment and act in a socially responsible manner. This not only includes matters such as sustainable supply chains but also aspects such as

diversity and corporate citizenship. Decarbonisation is central to our strategy and our overriding goal remains to be climate-neutral by 2045 – five years before the Paris Agreement goal. In 2022, we set up crucial measures to help us on our way to that goal.

What were these measures specifically?

Firstly, we redefined our entire sustainability management system, making it more effective. In particular, we are pushing ahead with emission reductions in the fleet, in offices and in the fields of fuels and commercial products. We also added a decarbonisation team to our Sustainability department to focus on biofuel and other alternative fuels. We have taken a big step forward in this respect. We offered CO₂e-neutral marine transport with biofuel for the first time and managed to attract crucial customers for this product. For example, we transported 18,000 TEU of transport volume for

DHL using biofuel from June 2022. Pure biofuel reduces greenhouse gas emissions by more than 80% compared to conventional fuels.

In 2021 and 2022, we commissioned construction of a total of 12 large container ships with dual-fuel propulsion with a capacity of 23,660 TEU each – a key milestone on our way towards more sustainable shipping. But what about our existing fleet?

We launched a comprehensive upgrade programme to make our existing fleet more efficient: We are investing in a technology upgrade for some 150 vessels over the next few years. Among other things, 80 vessels will receive new, optimised propellers and more than 30 vessels will be fitted with a flow-optimised bulbous bow. Moreover, we will apply improved paint coatings on ship hulls to minimise friction resistance. Our “Ningbo Express”

was the first to be retrofitted in September 2022. This project is extremely important to achieve our interim target of reducing the CO₂e intensity by 30% for our entire fleet by 2030.

Our decarbonisation measures do not stop in ports. What is happening on land?

On shore, we will achieve CO₂e savings through specific measures in our offices worldwide. In doing so, it is important to involve all employees and create awareness of sustainable work practices and lifestyles. That's why we set up what are known as Green Teams in 2022. These teams develop local measures to reduce energy and resource consumption. This will help us to decrease the environmental footprint of our approximately 12,400 shore-based personnel.

Commitment to sustainability covers a wide field of responsibility – not only environmental protection but also matters such as diversity, openness and tolerance. How is Hapag-Lloyd positioned in this respect and how are employees brought on board?

We are at home on the world's oceans with our vessels, which is why protecting these sensitive ecosystems and all their inhabitants is our top priority. We strictly adhere to applicable rules, such as those for handling waste and ballast water, and also go above and beyond these rules. We are very pleased that this approach was honoured last year with the Whale-Safe Award from the NGO Friend of the Sea.

We intensified our corporate citizenship last year. For example, we give our employees a day off to work on sustainability projects every year. Our employees provided great inspiration once more, demonstrating our corporate value "We Care" – whether through clean-up events at bodies of water or campaigns to provide people with access to drinking water. I was also impressed by the solidarity within our organisation regarding our extensive relief programme for Ukraine. Besides donations and more than 100 tonnes of relief supplies, which we as a company helped with, many employees took part and showed solidarity. We are proud to have such committed, dynamic teams who share our values. This was also shown by the integration of the new colleagues from Deutsche Afrika-Linien (DAL), for example. Our teams received them with open arms, quickly integrated them and assisted them from the outset. In early 2022, we welcomed our new colleague Donya-Florence Amer onto the Executive Board. She identifies strongly with our corporate values and we very much appreciate her inspiration.

Climate protection is a global task and the only way it can be tackled is through partnerships. How does Hapag-Lloyd direct its commitment within the sector?

Yes, climate protection is a huge but necessary task. We need to work together and consolidate the expertise of many people to succeed. That is why Hapag-Lloyd joined the two maritime research centres Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping and the Global Centre for

Maritime Decarbonisation in 2022. We are also actively involved with international entities, such as the World Shipping Council, the European Sustainable Shipping Forum and different environmental initiatives. We do this because we also need the right regulatory and economic framework conditions if we want to continue to drive the maritime energy transition.

Ultimately, we all have to take responsibility. Whether as a private individual or as a company, we can safeguard the prospects and opportunities of future generations through targeted involvement. In doing so, it is important for us to raise awareness and for everyone to respond to the challenges together. We'll continue to make our contribution and expand it further.



Janin Aden,
Senior Director
Sustainability,
conducted
this interview.

About this report

[_2-1](#), [2-2](#), [2-3](#), [2-4](#), [2-14](#)

Report content

This is the sixth sustainability report (SR) for both the Hapag-Lloyd Group and Hapag-Lloyd AG. It also contains the combined, separate non-financial report (NfR). In line with the requirements specified in the German CSR Guideline Implementation Act (CSR-RUG), the statements complete the financial reporting of Hapag-Lloyd with disclosures on essential non-financial aspects in accordance with Sections 315b and 315c in conjunction with 289b to 289e of the German Commercial Code (HGB). With this report, Hapag-Lloyd is complying with Regulation (EU) 2020/852 of the European Parliament and Council dated 18 June 2020 by establishing a framework to make sustainable investments easier and with the amendment to Regulation (EU) 2020/9852 (hereinafter referred to as the “Taxonomy Regulation”). All disclosures which are part of the NfR and serve to ensure compliance with the aforementioned requirements are marked “NfR” and feature a grey line in the left-hand margin of the paragraphs concerned. [_NfR](#)

The sustainability report provides extensive information about the Group’s sustainability activities and goes beyond the legal requirements. It has been issued in accordance with the internationally recognised Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards).

The NfR was also created in reference to the GRI standards. We based our reporting on GRI Standard 3 with regard to the presentation of concepts for NfR-relevant aspects. These include the description of the effects that the relevant issues produce on the environment, people and society, and the corresponding management approach, including targets and measures. Non-financial indicators based on the relevant GRI standards have also been reported for these aspects wherever such standards exist. Information on compliance with the GRI indicators is additional information and does not form part of this non-financial report. See table “Index for non-financial report” to locate CSR-RUG-relevant report contents on p. 12. [_NfR](#)

The content of the NfR was subjected to a voluntary operational audit in accordance with ISAE 3000 (Revised) with limited assurance by KPMG AG Wirtschaftsprüfungsgesellschaft. These contents are marked “NfR” and feature a grey line in the left-hand margin of the paragraphs concerned. The audit assignment and result can be found in the independent practitioner’s report on a limited assurance engagement on non-financial reporting at the end of this Sustainability Report. Prior-year figures that do not relate to the reporting year 2022 have not been audited by KPMG AG Wirtschaftsprüfungsgesellschaft. [_NfR](#)

Some of the content of the report is marked for both the NfR and the GRI standards. This content was not checked against the requirements imposed by the GRI standards. [_NfR](#)



INDEX FOR THE NON-FINANCIAL REPORT

CSR-RUG-RELEVANT REPORT CONTENTS IN THE SUSTAINABILITY REPORT 2022*

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	Consumption of resources	Climate and environmental protection	73
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* Refers to the main chapters and sections that address the topic.

The material topics according to GRI and CSR-RUG are based on the materiality analysis conducted in 2022 (see Material topics and risks, p. 52 et seq.). [_NfR](#)

Scope and reporting period [_2-2](#)

The sustainability report, including the NfR, is published in English and German on the Hapag-Lloyd website every year. In it, Hapag-Lloyd reports on the progress made in the financial year under review, from 1 January to 31 December. This NfR and sustainability report covers the financial year 2022. [_NfR_2-3](#)

Unless otherwise indicated, all disclosures in this report relate to Hapag-Lloyd AG and its affiliated consolidated companies. Joint ventures and associated companies were included in the corresponding financial data in the first subchapter “Hapag-Lloyd – Our Profile” using the equity method. Hapag-Lloyd AG’s group of consolidated companies is described in detail in the Annual Report 2022 [🔗](#) (p. 155 et seq.). _NfR

The objectives of the companies CMR Container Maintenance Repair Hamburg GmbH and Middle East Container Repair Company LLC are the storage, maintenance, repair and trade of containers, and all related transactions. Due to the companies’ specific function, the management methods and contents described in the non-financial report and the sustainability report are implemented as determined by local conditions and potential local application. Indicators and contents are marked with corresponding footnotes in the non-financial report and the sustainability report if the companies mentioned above are excluded. In this context, we are speaking of “activities involving the maintenance and repair of containers”. _NfR

On June 1, 2022, Hapag-Lloyd acquired the container liner business of Deutsche Afrika-Linien GmbH & Co. KG (DAL). In the framework of the acquisition of the container liner business of Deutsche Afrika-Linien GmbH & Co. KG (DAL), four companies were included in the scope of consolidation in the 2022 financial year. [_2-6](#)

Disclosures relating to marine personnel refer to our own staff. Employee figures and other information on guidelines and measures therefore do not include crews on chartered vessels because the employees working on those vessels fall under the responsibility of the relevant shipowner. Two bareboat charter vessels are managed via Hapag-Lloyd AG, for which the same operational requirements apply as for own vessels. Key figures containing the two bareboat vessels are marked accordingly. _NfR

References to disclosures outside the Group management report constitute additional information and are not part of the non-financial report. _NfR

Recording and comparability of data and information

The information was retrieved electronically and some of the data was recorded using area-specific WeSustain software. Rounding differences may arise when data is added up and transferred. _NfR

Forward-looking statements

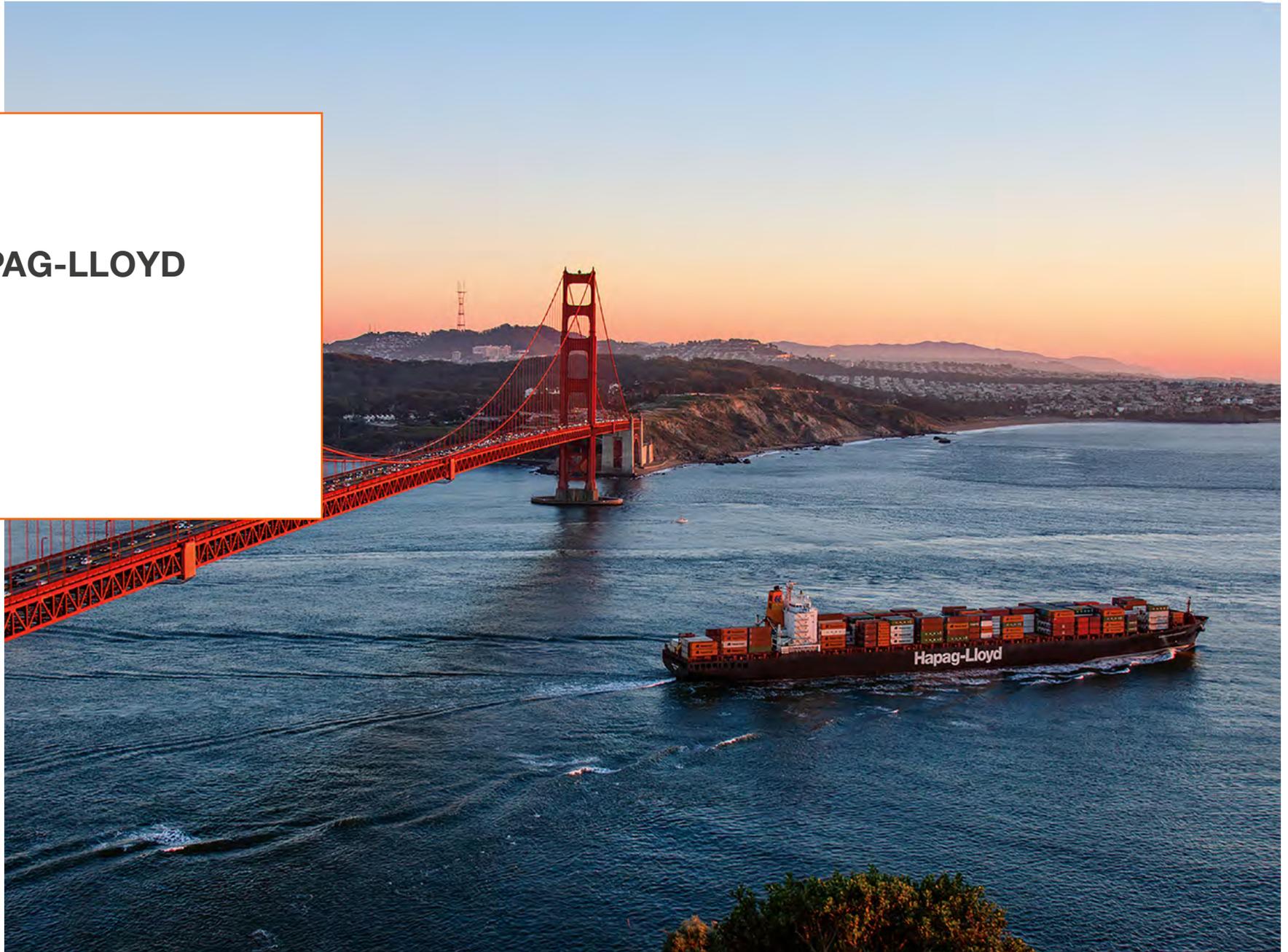
All forward-looking statements in the NfR are based on the assumptions valid at copy deadline. Due to unknown risks, uncertainties and other factors, the actual results, developments or performance of the Company may differ (see Annual Report [🔗](#), p. 70 et seq.). _NfR

Further comments

This report frequently refers to the industry-specific twenty-foot equivalent unit (abbreviated TEU, the unit for a twenty-foot-long standard container), which is an international standard unit for shipping containers. _NfR

We published the sustainability report 2022 and the NfR that it contains, which was compiled on 27.2.2023, in March 2023. The next sustainability report is scheduled for publication in March 2024. The Supervisory Board has reviewed and approved the Sustainability Report 2022. You can find further information at Hapag-Lloyd.com/en [🔗](#) and in the Annual Report [🔗](#). [_2-3, 2-14](#)

HAPAG-LLOYD



Our profile

Our vision is to set new quality standards and embody reliability, service quality and responsible actions with regard to people and the environment. As one of the world's leading container liner shipping companies,¹ Hapag-Lloyd has its sights set on becoming the industry's quality leader. With our sustainability strategy, we intend to implement our responsible activity with regard to environmental protection and sustainability. It is what we owe ourselves and our customers as a responsible-minded partner. [_NfR](#)

OVERVIEW OF THE GROUP [_2-1, 2-2, 2-6](#)

Hapag-Lloyd's headquarters have been located in Hamburg since it was founded more than 175 years ago. Our approximately 14,200 employees (Hapag-Lloyd AG: around 4,100) are employed in locations worldwide. 251 modern container vessels (2021: 253) ship an annual transport volume of around 11.8 million TEU². We operate 119 liner services for fast, safe connections worldwide. [_NfR](#)

Our core business is maritime container shipping, accompanied by a service portfolio that includes pre-carriage and on-carriage by inland waterways, rail and road and provides door-to-door transport services around the world. With high quality standards for services and sustainability aspects through

¹ Positioning based on services offered, global market coverage, transported container volume and transport capacities

² Twenty-foot equivalent unit

long-standing partnerships we aim to offer our customers the best possible service. [_NfR](#)

Hapag-Lloyd is present worldwide with locations in Asia, the Middle East, North Europe, South Europe, North America and Latin America. [_NfR](#)

In turn, these six regions are divided into 29 areas and are spread over a total of 66 countries [↗](#).

In addition to the Dutch shipping company Nile Dutch Investments BV (NileDutch), which was acquired in 2021 and fully integrated during the reporting period, Hapag-Lloyd also took over the container liner business of Deutsche Afrika-Linien (DAL) in June 2022. DAL is an established liner shipping company with a long history, specialising in transporting containerised cargo between Europe and South Africa.

It is Hapag-Lloyd's strategic goal to take a stake in terminals and hinterland infrastructure to secure capacity and improve efficiency. Our largest investment in this respect is the planned takeover of the terminal business operated by SM SAAM S.A. with ten terminals in the growth markets of South America and the USA. The transaction is expected to be completed during the first half of 2023.

Improved customer service thanks to Quality Service Centres [_2-6](#)

We believe that offering high-quality service, which also takes into account the special requirements for business practices, is indispensable in this day and age. To improve quality and service, there are eleven Quality Service Centres (QSCs) at Hapag-Lloyd worldwide with each centre responsible for several areas. We thus combine selected service functions from different areas under a single roof to create synergies and increase service quality. In 2022, we opened the QSC Genoa in Italy as the eleventh QSC location.

Our services [_2-6](#)

Our 400 sales offices (2021: 421), our headquarters and sales partners worldwide managed transport contracts for around 33,800 customers (2021: around 33,100) in the financial year 2022.

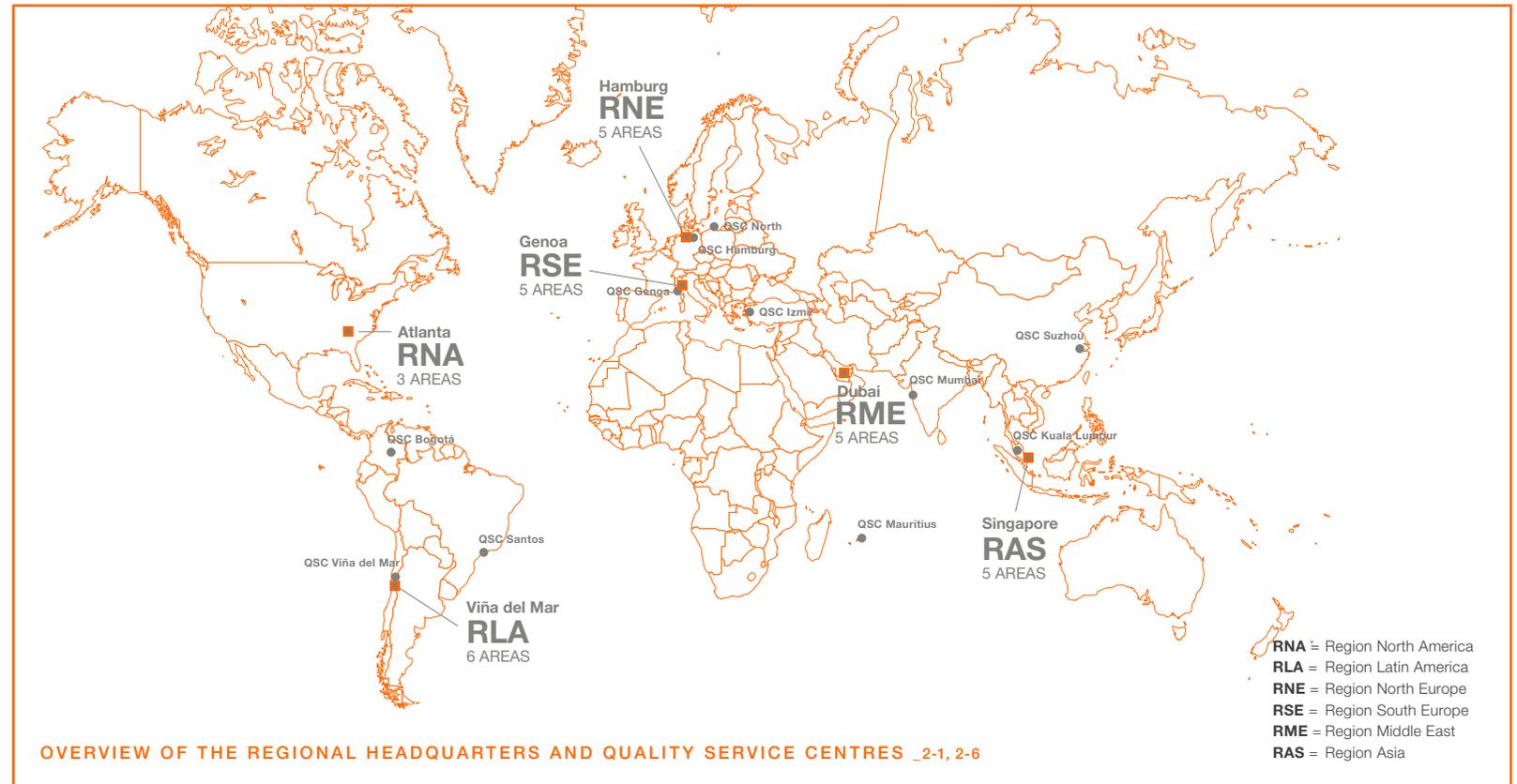
The Hapag-Lloyd fleet transports all permitted goods with the exception of certain dangerous goods, which we have excluded from our portfolio (see Handling dangerous goods, p. 101 et seq.). All contracts undergo screening, based particularly on UN, EU and US sanctions lists, for any embargoes or sanctions and rejected if necessary. For example, we refer to the sanctions

lists of the US Office of Foreign Asset Control (OFAC). Our own software solution introduced in 2020 assists with the complete screening process.

[_NfR](#)

We ship goods of different product categories (see Annual Report 2022 [↗](#), p. 82). We'd like to use this diversification to reduce our dependence on economic cycles in individual sectors so that we can assume financially sustainable development of our company under stable economic conditions.

[_NfR](#)



Flagging of Hapag-Lloyd vessels _2-23

Based on our principles, we fly the German flag on a high proportion of our fleet (37 vessels). The flag enjoys an excellent reputation within the industry and attracts highly qualified personnel. A flag state is primarily selected based on legal requirements. However, financial considerations and the associated hedging instruments also play a role. Besides the German flag, Hapag-Lloyd only flies flags that have a very good or good rating from port state controls (PSCs) and are listed on the Paris Memorandum of Understanding (MoU) White List.



FLAGGING OF OUR SHIPS

Flag	Number of ships**
Liberia	45
Germany	37
Bermuda	15
Marshall Islands	9
Malta	7
USA	5
Chile	3
Total	121

* Includes our own and leased vessels

A ship's flag no longer has significant effects on the social or environmental conditions on board since international regulations such as the ISM, MLC, STCW and MARPOL³ are binding for all ships. Some regional requirements (see Environmental and water protection, p. 71 et seq.) must be complied with depending on the vessel's trade – in the EU or the USA, for example. Furthermore, Hapag-Lloyd sets standards for its own vessels that go beyond international requirements in line with its own high standards for climate and environmental protection (see Climate and environmental protection, p. 62 et seq.).

3 ISM = International Safety Management
 MLC = Maritime Labour Convention
 STCW = International Convention on Standards of Training, Certification and Watchkeeping for Seafarers
 MARPOL = International Convention for the Prevention of Marine Pollution from Ships

ECONOMIC DEVELOPMENT [_3-3](#)

The COVID-19 pandemic had a huge impact on our day-to-day business. Full ports with congestion – for example, off the US Pacific Coast – global supply hold-ups and bottlenecks in the hinterland transport infrastructure combined with limited terminal capacities and, in some cases, massive staffing shortages, posed a major challenge. Faced with these circumstances, Hapag-Lloyd increased container and ship capacities by acquiring new ships and adding second-hand ships to its fleet. Extended opening hours at terminals in the US and a decrease in demand eased the situation to some extent during the reporting year. In contrast, the situation in European ports deteriorated appreciably. Staffing shortages continued to grow due to the Ukraine war as competitors with extensive Eastern European operations increasingly accessed the already limited European pool of applicants.

In the financial year 2022, Hapag-Lloyd generated a operating result (EBIT) amounting to EUR 17,525 million (2021: EUR 9,390 million). The significant rise was primarily due to the increase in average freight rates USD 2,863/TEU (2021: USD 2,003/TEU). [_2-6, 201-1](#)

See our Annual Report 2022 [🔗](#) for more information on our performance (p. 89 et seq.).

GROUP STRATEGY “STRATEGY 2023” [_2-12, 2-19, 3-3](#)

We wish to be profitable for the long-term. We embedded the basic strategic principles for this objective in our Strategy 2023 in 2018. These include securing Hapag-Lloyd’s position as a global player and establishing our company as the quality leader in the industry. Sustainability has been an integral part of our corporate strategy since the end of 2021 and will be observed as such with our separate sustainability strategy until 2030 (see Sustainability management, p. 42). Our new remuneration guidelines stipulate that the Executive Board’s variable remuneration is also pegged to achieving an emissions reduction target. Target achievement performance and thus also Hapag-Lloyd’s impact on the climate is examined and reviewed on a regular basis by the Supervisory Board based on the remuneration system. [_NfR](#)

You will find detailed information about the Group strategy in our Annual Report 2022 [🔗](#) (p. 66 et seq.).

STRUCTURE OF HAPAG-LLOYD’S CONTAINER SHIP FLEET [_2-6](#)

	31.12.2022	31.12.2021	31.12.2020
Number of vessels	251	253	237
of which our own vessels*	121	113	112
of which chartered vessels	130	140	125
Aggregate capacity of vessels (TTEU)	1,797	1,769	1,719
Aggregate capacity of containers (TTEU)	2,972	3,058	2,704
Number of services	119	126	122

* Includes our own and leased vessels

Customer focus and digitalisation

A positive customer experience is based on quality and customer-oriented products and services. Both of these aspects are firmly embedded within our Strategy 2023. They are at the heart of our activities. Our focus here is on innovation factors such as increasing digitalisation. This opens up the possibility of more efficient, more customer-friendly solutions that bring us closer to our goals with regard to quality and service. [_3-3](#)

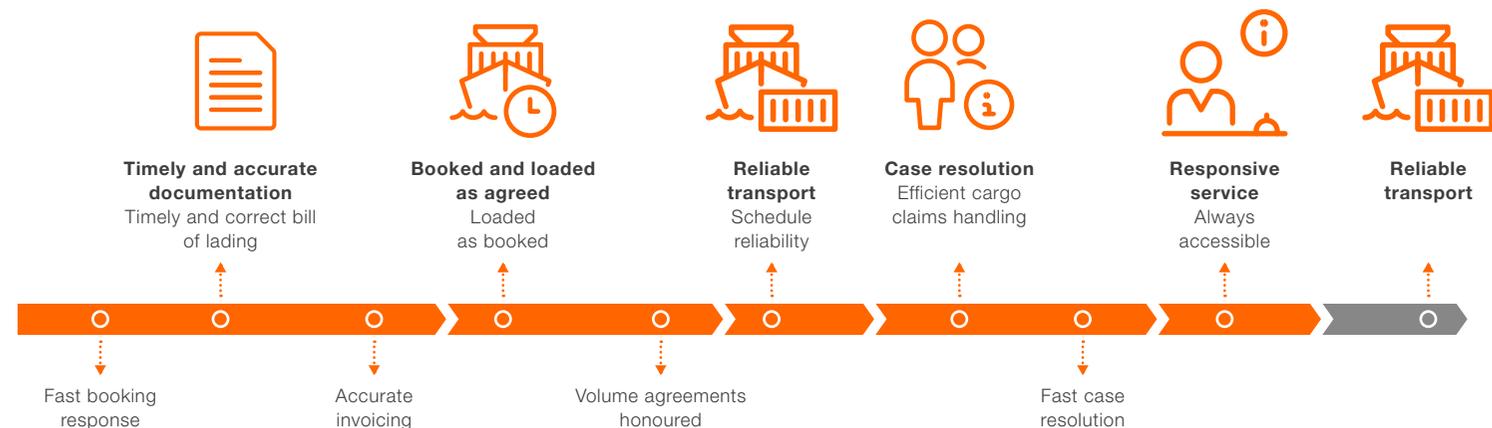
WE MAKE OUR QUALITY PROMISES MEASURABLE

Our goals are divided into five categories, each with associated quality promises. They enable us to measure our efforts and help us to evaluate our success.

Ten quality promises for maximum customer satisfaction

In 2020, we published our four quality promises for categories 1 and 2. Another five promises were made in categories 2, 3, 4 and 5 in 2021. The publication of our latest initiative in the “Reliable Transport” category is planned for early 2023. To make our progress more transparent and offer our customers

OUR FIVE CATEGORIES OF GOALS [_NfR](#)



even better service, we have integrated all of the published quality promises into our digital dashboard. Here, users can see what is happening at both a global and an individual level.

Our customer base has grown compared with the previous year and now comprises around 33,800 direct customers and freight forwarders of various sizes. We regard their satisfaction and loyalty as two sides of the same coin and consider them a top priority. Customer orientation is an integral part of our Strategy 2023. We wish to further increase our performance in two areas in this respect: “Booked and loaded as agreed” and “Reliable transport”. However, punctuality and adherence to delivery dates continue to be a major challenge for us due to congestion at ports, staff shortages and increased demand. We are working hard on further improvements in this area. Our focus is also on our quality promises “Always accessible” and “Fast case resolution”. In case management matters in particular, we made great progress during the reporting period and managed to reduce the average process times considerably. The following measures were also implemented during the reporting year:

- Further optimisation of regular communication formats with all regions to exchange information on regional trends and operational weak points
- New case management system and contact centre for phone call management
- Establishment of special teams for certain sectors and optimisation of internal processes that enable the Hapag-Lloyd customer service teams to respond to customer enquiries even more quickly

“Number One for Quality” – keeping sight of our goal

We need a tactical approach to ensure we are the number one for quality. For this, we need to satisfy each and every one of our customers. We firmly believe that this will enable us to achieve our ambitious goal and further expand our position as a frontrunner.

Digitalisation is a key issue in this regard and, as such, forms part of our Strategy 2023. We are optimising existing systems and processes and are continuously developing digital services. Digital surveys and feedback mecha-

nisms help us develop tailored solutions for our customers. We use a range of different tools to obtain regular feedback and cultivate communication with our customers.

We are certain that only by engaging in dialogue with our customers will we continue towards our goal of becoming the “Number One for Quality”. Using customer experience surveys, we ask for feedback on all of our quality promises as well as on the general level of satisfaction with Hapag-Lloyd’s sustainability performance. We use the Net Promoter Score (NPS) metric to measure our progress and achievements.

The ongoing global pandemic situation was another reason for us to actively seek feedback in the reporting year. We developed preventive measures based on this feedback, such as ordering containers. During the reporting period, we also focused on implementing measures based on the results of the Customer Experience Survey 2021. Overall, we were pleased to see that our performance with regard to our quality promises improved at a global level and that the general level of customer satisfaction increased significantly again compared with the previous year.

The measures that we developed as a direct result of feedback from our customers and implemented in the reporting year include:

- Exchange of information based on pro-active communication with our customers via customer panels and road shows.
- Introduction of Hapag-Lloyd LIVE, a real-time tracking system for our dry container fleet. Self-service solutions like these allow us to provide immediate support to customers and free up resources.
- Establishment of new offices and quality service centres worldwide.
- “Fast case resolution” quality promise: Introduction of efficient and smooth customer service in every country, including an email address and service phone line.

Our Freight Information System (FIS), as well as our web & mobile solutions, are continuously being enhanced. Specific measures enabled us to reduce the search volume on our website by 30%. The level of customer satisfaction with our digital solutions was once again consistently high in the reporting year. This encourages us to continue focusing more and more on agile and digital work methods and services. These already include:

Quick Quotes [↗](#)

Booking platform for digital enquiries about freight rates and subsequent booking. 2022: already around 25% of the booking volume handled via Quick Quotes.

Mobile App [↗](#)

Important information about cargo. Timetable details. Contact information. Digital enquiries about freight rates and booking a service (can be done using various devices).

Hapag-Lloyd Navigator [↗](#)

Digital dashboard for managing orders. All relevant information at a glance and in real time.

Tracing by Container [↗](#)

Latest information about the status or location of containers. In the future: enhanced Hapag-Lloyd LIVE PLUS versions with more options and functions for our customers.

Involving our employees in customer focus and digitalisation¹ [_404-2](#)

It is essential that we inform our employees about the key issues of customer focus and digitalisation so that we can take full advantage of the opportunities offered by digitalisation throughout the company. We continuously provide information about this on our internal, web-based platform Digital Hub. We explain our digitalisation processes in training modules and outline our digital services to our customers. Digital Weeks also took place in the reporting year. The online sessions on matters such as the latest product developments, customer feedback, marketing and sales, agile work methods and similar were recorded and uploaded to the internal learning management system. In July 2022, 680 employees worldwide took part in our 24-hour conference to discuss the latest digitalisation issues around the world.

¹ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.



Corporate governance and compliance

We are convinced that our financial success is inextricably linked to the group-wide corporate governance and compliance requirements, which include our Global Ethics Policy. They also form the basis for the trust that our employees, customers, partners and other stakeholders place in our company.¹ [_3-3](#)

¹ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.



CORPORATE GOVERNANCE

It is our aim to adhere to applicable laws and internal and external guidelines so that we are regarded as a reliable and trustworthy partner. Good corporate governance is essential to our goal of sustainable appreciation in value. Effective auditing and risk management processes serve to minimise risks to the environment and society at large. The Executive and Supervisory Boards declare their commitment to the German Corporate Governance Code (DCGK) every year² with a declaration of compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) and report on this in the declaration on corporate governance (see Annual Report 2022 [↗](#), p. 44 et seq.).

[_NfR _3-3, 2-23](#)

Taking the GCGC 2020 recommendations as a basis (except the deviations that were last declared in March 2022), the Executive Board and the Supervisory Board undertake to ensure the continued existence of the company and its sustainable added value. We aim to do so in a way that is consistent with the principles of the social market economy, taking into account the interests of shareholders, staff and other groups associated with the company. [_NfR _2-23](#)

² The last declaration of compliance by the Executive and Supervisory Boards was issued in March 2022 on the basis of the GCGC 2020 in its version dated 16 December 2019, as published in the official section of the German Federal Gazette on 20 March 2020. The next regular declaration of conformity will be adopted in March 2023 in accordance with the GCGC 2022 in the version dated 24 April 2022, published in the official section of the German Federal Gazette on 27 June 2022.



We are expressly committed to fair competition as well as compliance with all applicable national and international laws. Compliance with laws, the avoidance of corruption and bribery, and compliance with human rights are guaranteed for our business partners via the Global Code of Ethics and the Supplier Code of Conduct.

In accordance with Recommendation D.13 in the GCGC 2020, the Supervisory Board assesses how effectively it and its committees fulfil their tasks. The results of the previous self-assessment are discussed in the Supervisory Board meeting, based on an evaluation questionnaire that the Supervisory Board members fill out in advance. They were last discussed in May 2021. The assessment established that, overall, a constructive working relationship exists between Supervisory Board members and also with the Executive Board that is based on mutual trust. Suggestions submitted in the self-assessment are taken into consideration in the Supervisory Board's ongoing work. The Supervisory Board evaluates its work and that of the committees on a continuous basis. [_NfR _2-18](#)

The Annual Report 2022 and the declaration on corporate governance contain information on the shareholder structure, the Supervisory Board's composition and nomination and selection process, and Hapag-Lloyd's diversity concept. [_2-1, 2-9, 2-10, 2-11, 2-18, 3-3](#)

COMPLIANCE [_2-24, 3-3](#)

Hapag-Lloyd is expressly committed to fair competition and compliance with all applicable national and international laws, in particular with regard to corruption, bribery and competition law. We advocate corruption-free trade in the maritime industry and are a member of the global Maritime Anti-Corruption Network (MACN). We seek to ensure compliance with laws, standards and regulations using compliance structures. We aim to avoid criminal offences and related fines in the company. This also includes preventing cases of corruption. In doing so, we'd also like to make a major contribution to preventing, detecting and minimising corruption and bribery throughout the maritime sector to ensure fair trade for the benefit of society. The causes of corruption can be jointly identified and mitigated through close cooperation between the MACN and governments, NGOs and civil society. Moreover, effective compliance management should also help create a culture of integrity within the maritime community. [_NfR _2-15](#)

We tolerate no violations of these laws and regulations and also pursue legal action against violators. An appropriate compliance statement [↗](#) from the entire Executive Board reinforces our position. Our global compliance structures³ contribute to the systematic prevention of compliance violations. The structures are continuously reviewed by the Compliance department and aligned with international standards. [_NfR _2-23](#)

Compliance organisation [_2-16, 2-24, 2-26, 205-2](#)

It is our aim to ensure compliance with laws and with external and internal guidelines through the formal structures of our compliance organisation. The Compliance team bears the main responsibility for matters related to embargoes and sanctions, and combating bribery, corruption and fraud. The Chief Compliance Officer heads the central Compliance department and reports directly to the Chief Executive Officer. Our regional compliance officers implement the compliance programme in the regions and national affiliates⁴, act as a contact partner to assist employees, and carry out preventive measures such as training sessions. The Chief Compliance Officer informs the CEO about incidents on a regular basis. The Executive and Supervisory Boards also receive regular compliance reports, which may also deal with human rights issues. [_NfR](#)

Global Code of Ethics [_2-23, 2-24](#)

The intrinsic values of our corporate culture are the basis for cooperation throughout the company and are all set out in our Global Code of Ethics [↗](#). The code defines the behaviour we expect from management and employees when working with colleagues, customers and partners. Managers are responsible for setting up and communicating appropriate internal assurance and control procedures and monitoring compliance with these procedures. They are also called upon to actively promote the implementation of the Global Code of Ethics and ensure that all employees assigned to them are aware of the code and comply with it in practice. New employees are familiarised with the Global Code of Ethics as part of the on-boarding process.⁵ [_NfR](#)

³ The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.

⁴ The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.

⁵ The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.

The first basic value of the Global Code of Ethics is the observance of human rights. The code also comprises the prohibition of all forms of discrimination, the prohibition of child or forced labour and sub-standard working conditions, and the right to freedom of association and collective bargaining. We regard these basic values as binding for our employees.⁶ _NfR

Moreover, it is our aim to comply with the Maritime Labour Convention (MLC), which is enshrined in the German Maritime Labour Act. Audits are performed by the flag state concerned or the classification society for the fleet for this purpose. In addition to this, there are also audits by the Port State Controls (PSCs). The International Transport Workers' Federation (ITF) carries out inspections on the charter vessels to ensure compliance with regulations. _NfR

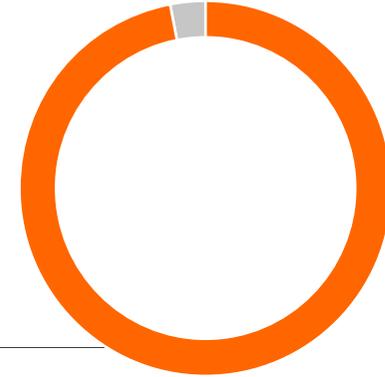
The Ethics Committee, which comprises the Heads of the Compliance, Corporate Audit and Human Resources departments, is responsible for following up on breaches of the Global Code of Ethics. _NfR

Compliance training _2-23, 2-24, 205-2, 407-1, 408-1, 409-1

In addition to in-person training, our comprehensive compliance and compliance management training concept includes web-based training sessions, which are compulsory for shore-based personnel. These training sessions brief employees about our whistleblower system and also cover a wide range of bribery and corruption scenarios with examples. They are held at regular intervals (every two years as a minimum), more frequently if necessary. During the reporting year, the on-going COVID-19 pandemic meant that the training sessions were largely virtual. During the third quarter, it was possible to hold more in-person training sessions again⁷. _NfR

6 The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.
 7 The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.

COMPLIANCE TRAINING – DEGREE OF FULFILMENT _NfR _205-2



Around 97%
 (Hapag-Lloyd AG:
 around 96%)

The fulfilment rate for our web-based training on compliance and corruption was around 97% for employees who were required to complete training in the reporting year.

Compliance requirements on board are implemented throughout the fleet in accordance with the ISM code and MLC and include human rights aspects. We inform the marine personnel throughout our entire fleet about compliance matters and internal guidelines such as the Global Code of Ethics via our electronically distributed fleet circular. During their familiarisation with the vessel, our marine employees are informed in detail about binding rules of conduct and on the topics of corruption and human rights. They must confirm in writing that they have read and understood the relevant documents. _NfR

Vessels under third-party management receive the Code of Ethics from us as an integral part of the “owner’s manual”. The ship’s manager is responsible for actual implementation. Our Global Code of Ethics also includes respectful interaction with the environment. _NfR

A detailed ABC guideline (anti-bribery and anti-corruption) and a third-party management policy have been uploaded to the intranet as an integral part of internal regulations during the reporting year. The third-party policy sets out appropriate preventative measures for compliance when dealing with third parties who interact with public entities, government officials, suppliers or customers on behalf of Hapag-Lloyd AG and its subsidiaries. The new guidelines to combat bribery and corruption (“ABC Guideline”) contain clear scenarios which can be used to raise awareness among employees of bribery and corruption.⁸ [_NfR](#)

Notification mechanisms [_2-26](#)

We specifically encourage our staff⁹ to report compliance violations or suspected violations to their superior, their local compliance officer or the central Compliance department. We assure our employees that they will not be disadvantaged by reporting a violation, regardless of whether it proves to have taken place or not. The same applies to business partners that report a potential violation. [_NfR](#)

Our employees and business partners can also report violations to local law firms which we have under contract. Reports can be forwarded anonymously to the Compliance department. [_NfR](#)

Our marine personnel can report compliance violations, violations of marine labour law, human rights violations¹⁰, disadvantages or unfair treatment via a defined process known as the complaints procedure. Reports can be made to their direct superior, the Fleet Management department, the sailor’s country of origin or the ship’s flag state. The MLC provides the legal framework for this process and for the resolution of a conflict. In 2022, one complaint was received under the under the MLC Complaint Procedure for our own vessels¹¹, which proved not to be justified. Furthermore, seafaring staff can call the whistleblower hotline if they have something to report. There is dialogue between the Fleet Management and Compliance departments.

[_NfR](#) [_2-25](#)

8 The companies specialising in container maintenance and repair are not organised centrally and are currently not included in the description.

9 The companies specialising in container maintenance and repair are not organised centrally and are currently not included in the description.

10 The MLC Complaint Procedure does not explicitly refer to the topic of human rights violations

11 Two bareboat charter vessels included

We inform the owners of our charter vessels about the whistleblower system with a notice, which should be posted on display on board the vessel. Any concerns can be reported via the whistleblower hotline or directly to the Compliance department. We have also appointed external lawyers as contact partners in every country. They can then anonymise the concerns and forward them to the Compliance department. [_NfR](#)

In addition to established compliance structures, we are also in the process of implementing an additional process. This process will allow concerns to be submitted anonymously in digital format and in line with statutory requirements. A separate inbox within the system which only the whistleblower can access provides protected communication with the Compliance Officer.

Dealing with violations

The Ethics Committee is responsible for following up reported violations. The committee meets immediately for serious suspected cases, such as forced labour or child labour. Otherwise, it meets once a month. If required, the committee introduces measures to provide a comprehensive investigation of suspected cases. If there is credible evidence with a legal basis, we initiate the necessary legal or disciplinary measures. If criminal violations occur, we report them to the local authorities. Disciplinary measures include sanctions under labour law (e.g. written warning); gross violations can lead to termination of employment or further legal steps. In the event of a serious, confirmed violation¹² by a business partner, we reserve the right to terminate the business relationship immediately. Our Supervisory Board is informed annually of all critical incidents within the Hapag-Lloyd Group received through the reporting mechanisms. [_NfR](#) [_2-16](#)

12 For example, breach of the Code of Ethics

During the reporting period, there were 27 specific notifications of potential compliance cases. There were no criminal proceedings. The company is not aware of any cases of child labour, forced labour, human trafficking or criminal corruption. [_NfR _205-3](#)

About violations of the Code of Ethics may cover violations concerning human rights issues. We did not record any human rights violations in this context in the reporting year. It is our aim to ensure that our employees comply with applicable laws. There is no specific quantitative target in this regard at the present time. [_NfR](#)

Compliance by third parties

We also expect our business partners to observe our values and comply with our code of conduct. Our suppliers and the external managers of our vessels are thus required to commit to the content of our supplier code of conduct¹³, which includes complying with human rights and employment law, preventing corruption, respectful interaction with the environment and other similar requirements (see Sustainable procurement, p. 59 et seq.). Topics such as child labour and forced labour are explicitly dealt with in this code. Human rights risks should also be avoided on charter vessels through compliance with the Maritime Labour Convention (MLC). Compliance is audited with random checks by the flag states and port state controls. [_NfR _2-24](#)

Owners of charter ships (and/or their technical managers) are also urged to sign our supplier code of conduct or submit their own declaration. Hapag-Lloyd has established a regular conflict of interest check to counteract conflicts of interest. This check is repeated at regular intervals to avoid any risks associated with any such conflicts. [_2-15, 2-24](#)

The supplier code of conduct also includes human rights issues relevant to the charter owner (and/or their technical manager). We also require suppliers to comply with applicable laws in the same way that we do for our own business activities. There is no specific quantitative target at the present time. [_NfR](#)

¹³ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.

Due to the described processes, Hapag-Lloyd sees no risks relating to the violation of freedom of association or collective bargaining; nor does it see evidence of child, forced or compulsory labour, either at its sites on land or on its own and chartered vessels. [_407-1, 408-1, 409-1](#)

DATA PROTECTION AND DIGITAL SECURITY¹⁴ [_3-3](#)

We attach great importance to the protection of personal and company data as regards our customers, partners and employees. We'd like to address the risk of digital threats at sea in line with the recommendations given by the BIMCO and the Digital Container Shipping Association (DCSA). [_NfR](#)

We aim to fulfil all relevant standards and requirements by implementing ISO standard 27001 and supplementary measures. We observe a variety of changes around the world related to data protection. Regional positions were filled in Singapore (for Asia and the Middle East and Africa), Atlanta (for North and Latin America) and China to provide a more effective response to regional requirements and new developments. In addition to establishing a global minimum standard for data protection, regardless of whether local laws exist or not, the focus in Europe, among other things, is on the implementation of the new EU standard contractual clauses. As a basic rule, contracts are only concluded with companies that are located in the EU or the European Economic Area. However, if contracts with vendors in third countries are unavoidable, appropriate "Transfer Impact Assessments" will be produced and the standard contractual clauses of the EU Commission will be signed.

¹⁴ The companies specialising in container maintenance and repair are not organised centrally and are currently not included in the description.

Standards for the protection of data and IT systems¹⁵

We strictly adhere to all relevant requirements and laws on IT security and data protection, including (for data protection) the EU General Data Protection Regulation (GDPR), specific data protection laws or regulations in 86 countries (e.g. Brazil, Singapore and China) and the California Consumer Privacy Act (CCPA); the European Commission's Network and Information Security Directive (NIS Directive), the IMO's new requirements for cyber security imposed in 2021, the requirements for the protection of critical infrastructures (KritisV) and the European Union's IT Security Law 2.0 (KRITIS) are crucial for IT security.

With our strict technical and procedural standards and highly trained employees we aim to comply with applicable laws while also fulfilling specific customer requirements. In doing so, we rely on the ongoing training of our employees and regular monitoring of our technical systems. This allows us to identify any security flaws during normal operations and define measures to remedy them. _NfR

A follow-up appraisal for ISO 27001 certification took place during the reporting period for our information security management system for the core business functions, services and activities within Hapag-Lloyd AG (Technical Infrastructure and Operations Management Business Divisions). The certificate was reissued and extended to include Annex A14. In the previous year, we had also implemented the Fortress Program as a technical safeguard against cyber threats, which has been continuously active ever since.

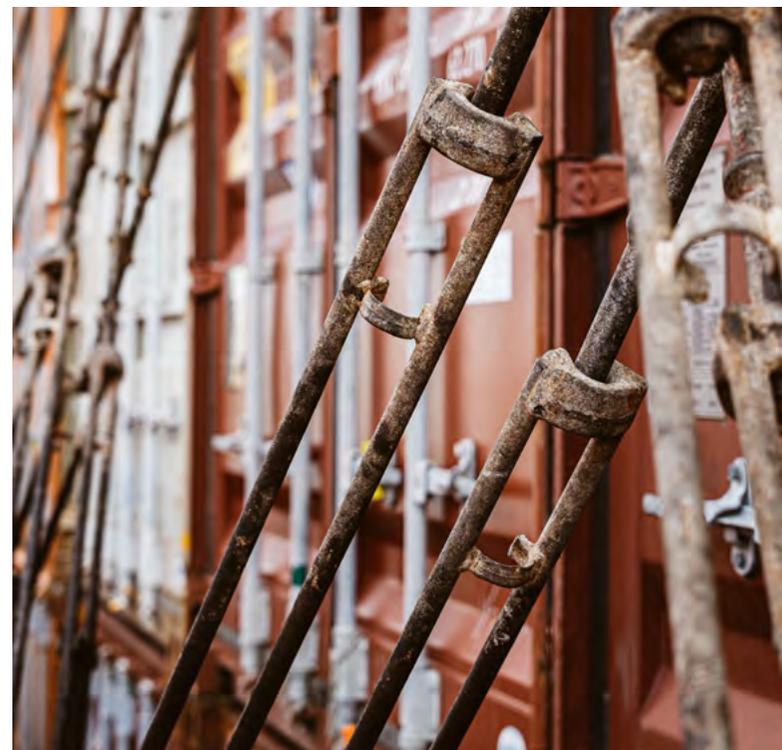
_NfR

Organisational integration of IT security and data protection¹⁶

Within Hapag-Lloyd, responsibility for data protection and data security lies with the business units concerned worldwide. As with compliance, data protection training is compulsory for all employees worldwide. The Corporate Data Protection Office (CDPO) advises the central departments and the regions and areas on compliance with data protection standards. Each region and each area has its own data protection champion (specific person responsible for data protection) or officer where required by law. _NfR

¹⁵ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.

¹⁶ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.



In order to establish a new, standardised structure (global baseline), data protection management was restructured during the reporting year. Among other things, this included increased staffing levels and further specific local measures added, such as those in China on data localisation. More audits are also being conducted (e.g. in central departments) to identify where improvement measures need to be implemented. For example, we are working on expanding the documentation on IT security and data protection. _NfR

There is also a regular exchange of information between the Data Protection Officer and the CFO. There are also meetings with the CFO and, if necessary, other members of the Executive Board as required. _NfR

An IT security team monitors and improves our central IT systems on land and deals with security issues. By engaging in discussions with external security experts, we are always up to date on the latest risks and developments. _NfR

For our own ships, IT security at sea is the responsibility of regional Fleet Management teams. For example, the Maritime IT Operations team is responsible for the vessels registered under the German flag. _NfR

The entire subject area is also covered by the existing governance processes. For this reason, there is no maritime-specific reporting to the Executive Board _NfR

Security of the fleet's IT-based operational systems

Generally speaking, we believe that a vessel should be able to operate without IT support in an emergency. At the same time, the security of on-board IT and networks and an appraisal of associated challenges such as the threats posed by cyber attacks are becoming an important matter with the increasing digitalisation of many processes in shipping. For Hapag-Lloyd, this is particularly associated with further new acquisitions, for which additional security precautions may be necessary in future since they have external technical access options. As a result, we are monitoring the latest developments and are engaged in dialogue with our competitors. _NfR

We are advocating the harmonisation of statutory IT security standards within the Digital Container Shipping Association. We want to create an industry framework to meet the increasing challenges posed by cyber security.

It is our aim to comply with the IMO 2021 requirements on all vessels. All regulations on cyber security, including responsibilities, processes, training events, assessments and contingency plans form part of the manager responsible's safety management system in each case. Auditing and certification take place within the framework of ISM. _NfR

Data and information training¹⁷ _404-2

We place great value on familiarising our employees throughout the company with the responsible, legally compliant handling of information and data. We use a blended learning concept to train our shore-based personnel. This combines several training types such as web-based and on-site training, and is supplemented with course content and news on the intranet. Besides web-based training sessions for new employees, in-person data protection training sessions are also held on a monthly basis for target groups exposed to risk, such as HR, IT and procurement areas. There are also extra training sessions for other groups such as the Web team and data scientists who work in the data lake. _NfR

We managed to raise greater awareness among our employees on the subject of handling phishing emails with our User Awareness programme. ISO 27001 certification also took place during the reporting year.

The marine personnel on board our vessels are also trained and made aware of IT security and data protection. _NfR

Data protection enquiries

We use the privacy statement on our website and on the mobile app to make our handling of the topic transparent. We continually receive specific enquiries from customers and employees regarding data protection and the processing of their data, including via our whistleblower hotline and email.

In 2022, there was one reportable data protection incident or breach of our central IT security.¹⁸ _NfR _418-1

¹⁷ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.

¹⁸ Companies specialising in the maintenance and repair of containers are included.

RESPONSIBLE TAX POLICY [_3-3](#)

As a Group operating internationally, we attach great importance to the correct handling of tax issues. Tightening up legal requirements requires permanent, intensive monitoring of existing structures and processes. First of all, we should highlight the developments during the past financial year 2022 with regards to the OECD project for fairer taxation of the global digitised economy and the introduction of a global minimum taxation for internationally active companies. Secondly, we have the implementation of the EU Anti-Tax Avoidance Directive (ATAD 3) into national law.

External regulations [_207-1](#)

As a result of our global business activities, we are liable to pay taxes in many countries with varying regulatory requirements. The legal parameters comprise the respective national tax laws in conjunction with bilateral agreements for the avoidance of double taxation. Another decisive factor is a multilateral agreement developed as part of the BEPS (Base Erosion and Profit Shifting) programme of the Organisation for Economic Co-operation and Development (OECD). It is the legal basis for country-by-country reporting, to which the Hapag-Lloyd Group is committed as an international group with a turnover of over EUR 750 million. Due to its size, the Hapag-Lloyd Group will also be obliged to make its country-by-country reporting accessible to the public on the company website in future as the result of a relevant EU directive dated November 2021. Hapag-Lloyd currently expects the new regulation to apply from 2024. [_207-4](#)

The EU State Aid Guidelines provide a framework for the tax relief available from the individual countries for international shipping within the EU.

Already adopted in October 2021 by the OECD/G20 Inclusive Framework (an association of 140 states), the new regulations for the redistribution of taxation rights (Pillar I) and for minimum global international taxation (Pillar II) were developed further and specified during the financial year 2022. Hapag-Lloyd expects to apply the Pillar II regulations from 2024 and is already preparing for them extensively, although the specific regulations have not yet been established in many areas. If and when Pillar I will be used is still in doubt at this stage.

The Act to Combat Tax Havens (StAbwG) was implemented in Germany with effect from 01.01.2022. The law aims to encourage what are known as tax havens (countries classified by the EU as such and on the EU Black List) to be transparent and exchange information. Hapag-Lloyd has implemented all the necessary measures to comply with the new regulations imposed by the statutory requirements and reduce the risk from business relationships necessary for operations. Costs were in the double-digit million range in 2022.

The Group parent company Hapag-Lloyd AG has opted for taxation by tonnage in Germany since 1999 (known as tonnage tax; see Annual Report 2022 [↗](#), p. 186 et seq.) and has stood by this decision in 2022. Under this system, the tax burden is determined by the capacity of the fleet, not by the earnings actually achieved. The tonnage tax enables Hapag-Lloyd to limit its tax burden in the Federal Republic of Germany, particularly in periods of high operative earnings. However, tonnage tax must also be consistently applied during financially difficult years and remains a tax burden since income taxes are calculated and levied regardless of whether the company has made a profit.

In the financial year 2022, the scope of tonnage tax was controversially discussed against the background of the pandemic-related high profits generated by shipping companies. However, the discussion should not focus only on short-term events in the case of a statutory regulation that binds users for a period of ten years. Tonnage tax is a success story for Europe as a shipping location. Hapag-Lloyd thus continues to expect that tonnage tax will still apply to the operating profit from international shipping in the future. Earnings such as those from the operation of terminals are also subject to conventional taxation rules at Hapag-Lloyd.

2021 saw the rules in force in Germany since 2016 for the employer's complete exemption from wage tax payment for sailors on vessels flying the German flag extended by a further 72 months and approved by the EU Commission. This also applied accordingly during the reporting period. The regulations are another major step towards strengthening the profile of the German flag.



Organisational integration

The Tax department is responsible globally for the organisation and monitoring of tax activities. Responsibilities and reporting and reconciliation requirements are regulated in the internal Group tax guidelines. We began to update and adapt to organisational changes and restructuring during the reporting period. We undertake regular comprehensive risk reports as part of the quarterly reports. Hapag-Lloyd recruited more internal tax experts in the financial year 2022 since reporting and transparency requirements are constantly increasing and complexity in international taxation is growing overall. [_207-1, 207-2](#)

Tax planning takes place when the budget is being drawn up. It is reviewed three times during the course of a financial year and adapted as necessary.

Our principles for a responsible tax policy [_3-3](#)

Hapag-Lloyd consciously supports fair and transparent company taxation and acts according to the guiding principle of paying a fair share to society. Our strategy pursues clearly defined principles:

- Transparent dialogue with stakeholders, including tax authorities
- Strict compliance with all legal requirements regarding tax matters
- Punctual and correct payment of all corporate taxes, under consideration of any bilateral agreements for the avoidance of double taxation on corporate earnings
- Rejection of artificially created corporate structures with the sole aim of reducing the tax burden
- Transparency with regard to our necessary operational presence in low-tax countries (see below)
- Implementation of a tax compliance management system to ensure compliance with statutory corporate tax regulations. [_207-1, 207-2, 207-3](#)

Low-tax countries are countries with low administrative requirements plus good conditions for financing and collateral provision from a legal perspective. We are present in these countries to some extent using special purpose vehicles (SPVs). SPVs are not operational and generally serve as a means of financing vessels or containers. The choice of location does not result in lower taxes since the companies do not generate profits there.

Tax compliance management system

In the financial year 2022, Hapag-Lloyd again worked consistently to implement and further develop the tax compliance management system (Tax CMS) for Germany. Personnel was increased for this work and a new position of Tax CMS Officer for Germany was created. Concerns regarding our tax practices can still be registered via our whistleblower system (see Compliance, p. 23 et seq.). No violation was recorded in 2022. [_207-1, 207-2, 207-3](#)

Further implementation of the Tax CMS will be systematically advanced. Concerns regarding our tax practices can be registered via our whistleblower system (see Compliance, p. 23 et seq.). No violation was recorded in 2022.

Tax reporting requirements

Hapag-Lloyd is subject to and, naturally, fulfils the relevant national tax reporting requirements in all the countries where it operates. Hapag-Lloyd is also in full observance of the legal requirements for submitting country-by-country reports in the national headquarters of its Group parent company (Germany) (see “External regulations” in the section “Responsible tax policy”, p. 29, for more information). [_207-4](#)

Moreover, the EU also set new transparency standards in its DAC 6 obligation requirements with regard to cross-border transactions within international corporations: According to these requirements, a wide range of cross-border transactions must be automatically reported to the affected EU member states. The tax experts at Hapag-Lloyd AG also continually monitored the necessary corporate transactions for the relevant DAC 6 reporting and documentation obligations in 2022. The German Federal Central Tax Office was informed of any transactions that were subject to mandatory reporting under the legal regulations before the deadline.

Due to the significant increase in the financial result of the Hapag-Lloyd Group in 2022, income tax expenses under IAS 12 increased to around EUR 200 million (2021: EUR 61 million). Hapag-Lloyd AG also pays cargo tax in various countries, i.e. income tax that is not based on net profit but on varying parameters such as revenue or transport volume. Total cargo tax expenses in 2022 came to around EUR 85 million (2021: EUR 44 million). Measured by the result before income taxes (including cargo taxes), the Hapag-Lloyd Group’s tax rate thus amounts to approximately 1.6% (2021: 1%). [_201-1](#)

The exceptionally low tax rates in 2021 and 2022 are essentially a result of the dramatic increase in freight rates due to the pandemic, which are fully subject to tonnage taxation. In the period 2009–2020, Hapag-Lloyd paid income taxes amounting to around EUR 383 million with a pre-tax profit (EBT) of just EUR 959 million. This corresponds to a tax burden of around 40% over the entire 2009–2020 period.

Further information on the subject of taxes can be found in the Annual Report 2022 [🔗](#) (p. 186 et seq.).

Consolidated disclosures pursuant to article 8 of the taxonomy regulation _NfR

BACKGROUND

The Taxonomy Regulation (Regulation (EU) 2020/852) is a core element of the European Commission's action plan to redirect capital flows to more sustainable economic activities. It represents an important step towards achieving climate neutrality by the year 2050 in line with the EU's targets. _NfR

The EU Taxonomy is a classification system for environmentally sustainable economic activities and covers the following six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems _NfR

An initial delegated act on sustainable climate change adaptation and mitigation measures (Delegated Act (EU) 2021/2139, hereinafter "Climate Delegated Act") complements the Taxonomy Regulation and has been in effect since January 2022. A second delegated act covering the remaining environmental objectives is due to be published in 2023. _NfR

In the following, we as a non-financial parent company pursuant to Art. 8 of the Taxonomy Regulation and the Delegated Act supplementing Article 8 of the Taxonomy Regulation (Delegated Act (EU) 2021/2178, hereinafter "Art 8 Delegated Act"), we present the proportions of our Group revenue, capital expenditure (CapEx) and operating expenses (OpEx) for the 2022

reporting period in regard to the first two environmental objectives (climate change mitigation and climate change adaptation). _NfR

DEFINITIONS

According to Art. 1, nos. 5 and 6 of the Art. 8 Delegated Act, a taxonomy-eligible economic activity is an economic activity that is described in the adopted delegated acts pursuant to the Taxonomy Regulation, irrespective of whether that economic activity meets any or all of the technical screening criteria set out in these delegated acts. _NfR

A non-taxonomy-eligible economic activity is any economic activity that is not described in the adopted delegated acts pursuant to the Taxonomy Regulation. _NfR

A taxonomy-aligned economic activity is an economic activity that meets all of the following requirements:

- a) The economic activity contributes substantially to one or more of the environmental objectives (Substantial Contribution);
- b) it does not significantly harm any of the environmental objectives pursuant to Art. 17 of the Taxonomy Regulation (do no significant harm);

c) it is carried out in compliance with the minimum safeguards as per Art. 18 of the Taxonomy Regulation, which are intended to ensure that an economic activity can only be considered sustainable if it also meets international human rights standards. In addition to respect for human rights (including labour rights), the minimum safeguards also cover bribery and corruption, taxation and fair competition. _NfR

OUR ECONOMIC ACTIVITIES

We examined the relevant taxonomy-eligible economic activities under the Delegated Regulation on the basis of our activities as a container liner shipping company and assigned our activities to the following economic activities in accordance with Annex I and II of the Climate Delegated Act. The following table shows the environmental objective to which the activities are relevant:

_NfR

Economic activity <small>_NfR</small>	Description	NACE code	Climate change mitigation	Climate change adaptation
6.10 Sea and coastal freight water transport, vessels for port operations and auxiliary activities	Transport of containers by sea using our own and chartered vessels	H50.2, N77.34	✓	✗
6.12 Retrofitting of vessels for sea and coastal freight and passenger water transport	Efficiency-enhancing retrofitting of vessels	C.33.15	✓	✗

Hapag-Lloyd's core business primarily includes the transport of containers by sea using its own and chartered vessels (Economic activity 6.10). In contrast to the previous year, the efficiency-enhancing retrofitting of vessels was identified as another economic activity carried out by Hapag-Lloyd, but one through which the Group does not generate any external revenue (Economic activity 6.12). _NfR

As no key application has been identified for the economic activities described in the EU Commission's Delegated Act 2022/1214 and in Annex XII, the reporting pursuant to Annex XII of the EU Commission's Delegated Act 2021/2178 also does not apply. _NfR

Differentiation of economic activities

As part of economic activity 6.10, Hapag-Lloyd offers, in particular, the transport of containers by sea, but also door-to-door transport. The service offered by Hapag-Lloyd always involves the performance of a transport contract and comprises a number of different sub-components. In addition to transportation by sea, these include transportation of the empty container from the depot to the customer or from the customer to the depot, transportation of the container from the customer to the port/terminal (pre-carriage) or transportation of the container from the port/terminal to the recipient (on-carriage).

_NfR

In addition to the economic activities identified for our own activities, economic activities in connection with the purchase of output from taxonomy-eligible economic activities of our suppliers have also been taken into account in the determination of the key figures for taxonomy eligibility. For further information, please refer to the comments on our key figures and accounting policies. _NfR

Based on the analysis of economic activities under the EU taxonomy, we do not identify any activities that specifically address the environmental goal of adaptation to climate change and are thus to be considered taxonomy-aligned for this environmental objective. In order to avoid double counting, the activities are also not considered taxonomy-eligible for this environmental objective. _NfR

In the context of external accounting in accordance with IFRS 15, the handling of a transport within the Hapag-Lloyd Group as a whole is treated as an integrated performance obligation. No distinction is therefore made between pre-carriage, on-carriage and sea transport when recording revenue. This assessment is also used for EU Taxonomy-related purposes. As most of this process of transporting containers is performed by sea, we assign the entire

transport of the container from A to B to economic activity 6.10. This is irrespective of the fact that parts of the transportation process are performed by road, rail and inland waterway under certain circumstances. _NfR

Group definition

The analysis of economic activities was based on the revenue of the Hapag-Lloyd Group. Therefore, only economic activities of fully consolidated Group companies were taken into account. Terminal activities in equity-accounted companies are thus not considered to be economic activities of the Hapag-Lloyd Group within the meaning of the EU Taxonomy. _NfR

SIGNIFICANT CONTRIBUTION TO CLIMATE CHANGE MITIGATION

Annex 1 to the Climate Delegated Act describes the technical screening criteria for determining the conditions under which an economic activity is considered to make a significant contribution to climate change mitigation. _NfR

For economic activity 6.10 “Sea and coastal freight water transport”, which is relevant to Hapag-Lloyd, at least one of four technical criteria must be met in regard to the vessels used. Additionally, the vessels must not be dedicated to the transport of fossil fuels. The criteria take into account direct emissions at the funnel and do not assess the climate neutrality of a vessel’s propulsion concept as a whole. However, propulsion systems operating on this basis are currently not market-ready or available for widespread use in practice. There is currently no generation and supply infrastructure. If the vessels have direct tailpipe CO₂ emissions but fulfil one of the other criteria, it is classed as a transitional activity according to Article 10(2) of the Taxonomy Regulation.

_NfR

Against this backdrop, the vessels used within the Hapag-Lloyd Group fulfil the technical screening criteria if they attain an EEDI (Energy Efficiency Design Index) that is 10% below the EEDI requirements applicable on 1 April 2022 and are able to run on fuels from renewable sources. We believe that the EEXI (Energy Efficiency Existing Ship Index) can be considered an equivalent screening criterion to the EEDI. In practice, both indices measure the same thing, but the EEDI is used for new vessels while the EEXI applies to existing

ships. The EEDI and EEXI have the same metric and reference values. Calculating a vessel’s attained EEDI and attained EEXI produces the same values.

_NfR

Fuels from renewable sources means hydrogen or hydrogen-based synthetic fuels as per section 3.10 and biogas or biofuels as per section 4.13 of Annex 1 of the Climate Delegated Act. The screening criteria only require that vessels can be run on the appropriate fuels and are certified accordingly. Evidence that the ships are actually run on the appropriate fuels does not need to be provided. According to the technical screening criteria for activity 6.12 “Retrofitting of vessels for sea and coastal water transport of people and goods”, the retrofitting must reduce the vessel’s fuel consumption by at least 10%, expressed in grams of fuel per deadweight-tonnes per nautical mile (applicable until 31 December 2025). This is to be demonstrated by computational fluid dynamics, tank tests or similar engineering calculation. Furthermore, the intended use of the vessels must not be the transport of fossil fuels. _NfR

Do no significant harm (DNSH)

An economic activity can only be considered environmentally sustainable if it does not significantly harm any environmental objective (DNSH criterion). An economic activity significantly harms an environmental objective or several environmental objectives if it jeopardises the achievement of these objectives.

_NfR

The DNSH criteria for economic activity 6.10 and 6.12 were analysed with the support of an external consultant during the reporting year. The analysis was carried out at the level of the individual vessels or at the level of the (external) ship owners or managers. To obtain the relevant information, ship owners or managers were asked to complete an online questionnaire. Verification of the responses received from the external ship owners or managers by obtaining appropriate evidence is generally only performed if the relevant vessel was considered in the determination of taxonomy-alignment. Below, we present our interpretation and the key analyses that we used to determine whether there was significant harm to the other environmental objectives. _NfR

Climate change adaptation

We have conducted a climate risk and vulnerability assessment to determine the materiality of physical climate risks that may affect the performance of our activities. The identification and assessment of physical climate risks took into account the entire transport route from door-to-door. The analysis was carried out at regional level. Based on the assessments of the severity and probability of occurrence of the risks, no high risk to our business activities was identified. _NfR

Sustainable use and protection of water and marine resources

With respect to the environmental objective of sustainable water use, activities that damage the status or potential of water resources are considered to have a significant negative impact. _NfR

We have assessed our economic activities in regard to the sustainable use and protection of water and marine resources by carrying out a water risk analysis (maintaining water quality and avoidance of water stress). Potential adverse effects on the marine environment from shipping may arise in particular from chemicals in ships' paints, the introduction of non-indigenous species by biofouling or with ballast water, the discharge of sewage and waste into the sea, pollutants from exhaust gases as well as ship noise, and other sources. The possible adverse effects are already covered by the DNSH criteria of other environmental objectives. _NfR

Transition to a circular economy

Activities involving significant inefficiency in the use of natural resources, including in regard to the durability of products and their ability to be repaired, retrofitted, reused or recycled, cause significant harm to the environmental objective of achieving a circular economy. Waste management measures based on the waste hierarchy must therefore be in place during both the vessel's use phase and at the end of its service life. _NfR

The requirements for our economic activities in regard to the transition to a circular economy are to some extent already monitored during the regular inspections carried out by flag states and port states (e.g. the review of oil and garbage record book). In addition, our analysis was based on waste management plans, inventory of hazardous materials, and shipboard management systems, among other things. _NfR

Pollution prevention and control

With respect to the environmental objective of pollution prevention and control, activities that result in a significant increase in pollutant emissions are considered to cause significant harm. The technical screening criteria set out requirements particularly in regard to sulphur oxide and nitrogen oxide emissions and particulate matter, discharges of black and grey water, and minimising the toxicity of anti-fouling paints and biocides. _NfR

The pollutant emission requirements that apply in regard to the pollution prevention and control environmental objective are also to some extent already monitored during the regular checks carried out as part of the flag state or port state inspections or documented by the shipyard. In addition, the IMO requirements for nitrogen oxide emissions from the respective ship engines and the use of permissible anti-fouling systems were reviewed in particular. _NfR

Protection and restoration of biodiversity and ecosystems

Activities that damage biodiversity and ecosystems significantly harm the environmental objective of protecting and restoring biodiversity and ecosystems. The technical screening criteria therefore include the release of ballast water containing non-indigenous species, the introduction of non-indigenous species by biofouling of hull and niche areas, and noise and vibrations caused by shipping. _NfR

The respective ships' ballast water management systems and plans, biofouling prevention plans, noise reduction measures and measures to preserve the integrity of the seabed were analysed to ensure compliance with requirements in regard to biodiversity and ecosystems. _NfR

Since compliance with DNSH criteria was not relevant to taxonomy compliance this year (see explanations regarding minimum safeguards in next section), the analysis on environmental objectives four through six was not fully completed. _NfR

MINIMUM SAFEGUARDS

Minimum safeguards are procedures designed to ensure that the requirements of specific frameworks for international human rights standards are met. _NfR

Minimum safeguard frameworks include the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Fundamental Principles and Rights at Work and the International Bill of Human Rights. The contents that are to be covered concern, in particular

1. human rights (including labour and consumer rights);
2. efforts to combat bribery, demands for bribes and extortion of bribes;
3. taxation and
4. fair competition. _NfR

The principles in the frameworks mentioned above cover several topic areas and call for the creation of due diligence processes to ensure compliance with the guiding principles. The minimum safeguard requirements cover the entire value chain and implemented processes must be in place for the entire reporting year. _NfR

Hapag-Lloyd is not yet able to demonstrate its compliance with the minimum safeguard requirements. We are working to fully complete the implementation of the appropriate due diligence processes and demonstrate minimum protection requirements. _NfR

OUR KPIS AND ACCOUNTING PRINCIPLES

The most important indicators that are to be reported include the revenue KPI, CapEx KPI and OpEx KPI. The KPIs are calculated in accordance with Annex I of the Art. 8 Delegated Act. _NfR

In view of these comments regarding minimum safeguards, Hapag-Lloyd is unable to report on taxonomy-aligned activities for the 2022 financial year. The KPIs for the 2022 financial year are therefore as follows: _NfR

Key figures	Denominator (in EUR bn)	Taxonomy-eligible (%)	Taxonomy-aligned (%)
Turnover	34.5	99.9	0.0
Activity 6.10		99.9	0.0
Capital expenses	2.6	98.4	16.3
Activity 6.10		94.6	16.3
Activity 6.12		0.0	0.0
Purchase of output		3.8	0.0
Operating expenses	1.0	89.9	0.0
Activity 6.10		79.0	0.0
Activity 6.12		0.0	0.0
Purchase of output		10.9	0.0

In the following, we present our accounting policy with respect to the corresponding key figures. _NfR

Revenue KPI

Definition

Taxonomy-eligible or -aligned economic activities as a percentage of our total revenue was calculated as the portion of net revenue derived from products and services associated to taxonomy-eligible or -aligned economic activities (numerator) divided by net revenue (denominator), in each case for the fiscal year from January 1, 2022 to December 31, 2022. _NfR

The denominator of the revenue KPI is based on our consolidated net revenue pursuant to IAS 1.82 (a). Further details on our accounting principles for our consolidated net revenue can be found on page 152 et seq. of our Annual Report 2022. _NfR

The numerator of the turnover ratio is defined as the net turnover generated from products and services associated to taxonomy-eligible or -aligned economic activities. _NfR

Reporting

Our consolidated net revenue is EUR 34,542.7 million and can be compared with our consolidated financial statements. See income statement on page 144 of our Annual Report 2022 (“Revenue”). _NfR

Economic activity 6.10 “Sea and coastal freight water transport” accounts for EUR 34,516.7 million or 99,9% of the Group’s revenue that is classified as taxonomy-eligible. This includes revenue from net freight revenues, revenue from the occasional chartering of vessels and the chartering of slots under slot charter agreements as well as income from demurrage and detention. _NfR

Of the taxonomy-eligible revenues, EUR 1,378.0 million, which corresponds to 4,0% of the Group’s revenue, can be allocated to vessels that meet the screening criteria that are used to measure the substantial contribution to climate change mitigation. In particular, container demurrage and detention fees and revenue from pending voyages cannot be allocated to individual ships. _NfR

Since Hapag-Lloyd is unable to demonstrate compliance with the minimum safeguards for 2022, the actual taxonomy-aligned revenue is EUR 0.0 million or 0.0% of the Group’s revenue. _NfR

Hapag-Lloyd not only transports containers using its own or chartered vessels, but also, in a substantial number of cases, using third-party vessels obtained through alliance, vessel-sharing or slot charter agreements. As reviewing the criteria for taxonomy alignment for these vessels is not feasible due to the large number of external ship managers involved with whom no contractual relationship exists, these revenues are treated as non-taxonomy-aligned as a whole.

Please refer to page 110 for the turnover indicator reporting form. _NfR

CapEx KPI

Definition

The CapEx ratio is defined as the taxonomy-eligible or -aligned investments (numerator) divided by our total investments (denominator). Total capital expenditure comprises additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. This comprises the acquisition of intangible assets (IAS 38), property, plant and equipment (IAS 16) and right-of-use assets (IFRS 16). Additions to intangible assets, property, plant and equipment and right-of-use assets that result from business combinations must also be included in the denominator. Goodwill is not included in CapEx, as it is not defined as an intangible asset under IAS 38. Further details on our accounting principles with regard to our CapEx can be found on page 152 et seq. of our Annual Report 2022. _NfR

The numerator consists of the following categories of taxonomy-eligible or -aligned capital expenditures:

- a) (a) capital expenditures related to assets or processes associated with taxonomy-eligible or -aligned economic activities (“category a”);
- b) Capital expenditure which is part of a plan to expand taxonomy-aligned economic activities or to convert taxonomy-eligible into taxonomy-aligned economic activities (“CapEx plan”) (“category b”).
- c) Capital Expenditures related to the purchase of output from taxonomy-eligible or -aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions (“category c”). _NfR

Reporting

In the 2022 financial year, total capital expenditure in the Hapag-Lloyd Group amounted to

- EUR 10.3 million on intangible assets
- EUR 2,591.9 million on property, plant and equipment inclusive right-of-use assets. _NfR

This includes additions from changes in the scope of consolidation, which amounted to EUR 141.2 million in the financial year 2022. This resulted in total capital expenditures of EUR 2,602.2 million. _NfR

Our total capital expenditure can be compared with our consolidated financial statements. See additions to intangible assets and property, plant and equipment in notes (10) and (11) on pages 192 and 194 of our Annual Report 2022. _NfR

Assets and processes are associated with taxonomy-eligible economic activities if they are essential components that are necessary for performing an economic activity. Consequently, capital expenditure on our ships and containers including right-of-use assets for chartered ships and leased containers from economic activity 6.10 “Sea and coastal freight water transport” is included in the numerator of the CapEx KPI. _NfR

Taxonomy-eligible capital expenditure amounts to EUR 2,561.2 million or 98,4% of the Group’s capital expenditure. These are mainly related to economic activity 6.10 “Sea and coastal water transportation of goods” (category a and b). In addition, capital expenditures of EUR 98.1 million, or 3.8% of the Group’s capital expenditures, are included in connection with the purchase of output from taxonomy-eligible economic activities, in particular the acquisition or leasing of buildings and vehicles (economic activities 6.5 and 7.7) (category c). _NfR

To avoid double counting, capital expenditures on vessels are not recounted in economic activity 6.12 “Retrofitting of vessels for sea and coastal water transport of goods”. _NfR

Capital expenditure can be directly allocated to individual vessels. Capital expenditure on containers cannot be clearly allocated to individual vessels and is therefore always taken into account on a proportionate basis using a distribution key based on the quantities actually transported per ship. _NfR

Capital expenditures in ships that meet the technical screening criteria of economic activity 6.10, against which the substantial contribution to climate change mitigation is measured, and the proportionate capital expenditure on containers amounted to EUR 38.4 million or 1.5% of the Group’s capital expenditure. _NfR

Capital expenditures in ships that meet the technical screening criteria of economic activity 6.12, against which the substantial contribution to climate change mitigation is measured, amounted to EUR 15.6 million, or 0.6% of the Group’s capital expenditures. To prevent capital expenditure being counted twice, only capital expenditure on vessels that do not meet the technical screening criteria for economic activity 6.10 was taken into account. _NfR

Plans to expand our taxonomy-aligned economic activities include investing in the construction and acquisition of 12 dual-fuel 23,660 TEU container ships. The ships will be delivered in 2023 until 2025 and are to be subsequently used for economic activity 6.10. Capital expenditures in 2022 for vessels that are expected to make a significant contribution to the climate change mitigation objective when they enter service and meet the relevant DNSH criteria amount to EUR 423.8 million, or 16.3% of the Group’s capital

expenditures. Against the background of the ongoing implementation projects, we expect to be able to verify compliance with the Minimum Safeguards by the beginning of 2024 at the latest. Therefore, the Group's capital expenditures in the respective vessels are considered taxonomy-aligned. The total capital expenditure throughout the term of the CapEx plans is around EUR 2 billion. _NfR

As Hapag-Lloyd cannot demonstrate compliance with the minimum safeguards for the year 2022, only the capital expenditures from the CapEx plan can be considered taxonomy-aligned. Taxonomy-aligned capital expenditure therefore amounts to EUR 423.8 million or 16.3% of the Group's revenue. _NfR

For the reporting sheet on the CapEx indicator, please refer to page 111. _NfR

OpEx KPI

Definition and reconciliation

The OpEx KPI is defined as taxonomy-eligible or -aligned OpEx (numerator) divided by our total taxonomy OpEx (denominator). _NfR

Total taxonomy OpEx consists of direct, non-capitalised costs related to research and development, building renovation measures, short-term leasing, maintenance and repair and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment. This includes:

- Expenses for research and development which were recognised as expenses in the income statement in the reporting period (see page 193 of the Annual Report 2022). In accordance with our consolidated financial statements (IAS 38.126), these comprise all non-capitalised expenses that are directly assigned to research and development activities. _NfR
- The volume of non-capitalised leases was calculated in accordance with IFRS 16 and includes expenses for short-term leases and low-value leases (see page 235 et seq. of our Annual Report 2022). Even though low-value leases are not explicitly mentioned in the Art. 8 Delegated Act, we interpreted the legislation in such a way that these leases are to be included.

– Maintenance and repair costs and other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment were calculated on the basis of the nominal accounts as per the general ledger. The corresponding expenses can be found in the income statement both in transport expenses and in the other operating result. The maintenance and repair costs also include expenses for building renovation measures. _NfR

The OpEx taken into account usually includes costs for services and material costs for day-to-day maintenance as well as for regular and unplanned maintenance and repair measures. These costs are directly allocated to our property, plant and equipment. _NfR

The OpEx taken into account does not include expenses for the day-to-day operation of property, plant and equipment, such as expenses for fuel, handling & haulage and personnel expenses. Last year slot charter expenses were included in the denominator of the OpEx KPI. However, as these are not leases as defined in IFRS 16, we have not included the corresponding expenses in the OpEx denominator this year. _NfR

Direct costs for training and other adaptation requirements for employees are not included in either the denominator or the numerator. The reason for this is that Annex I of the Art. 8 Delegated Act only lists these costs in the numerator, which does not allow for a mathematically sensible calculation of the OpEx KPI. _NfR

Like the numerator of the CapEx ratio, the numerator of the OpEx ratio consists of the categories a) to c) of taxonomy-eligible or -aligned operating expenses. The corresponding explanations regarding the categories of taxonomy-eligible or -aligned capital expenditures apply accordingly with respect to operating expenditures. _NfR

Reporting

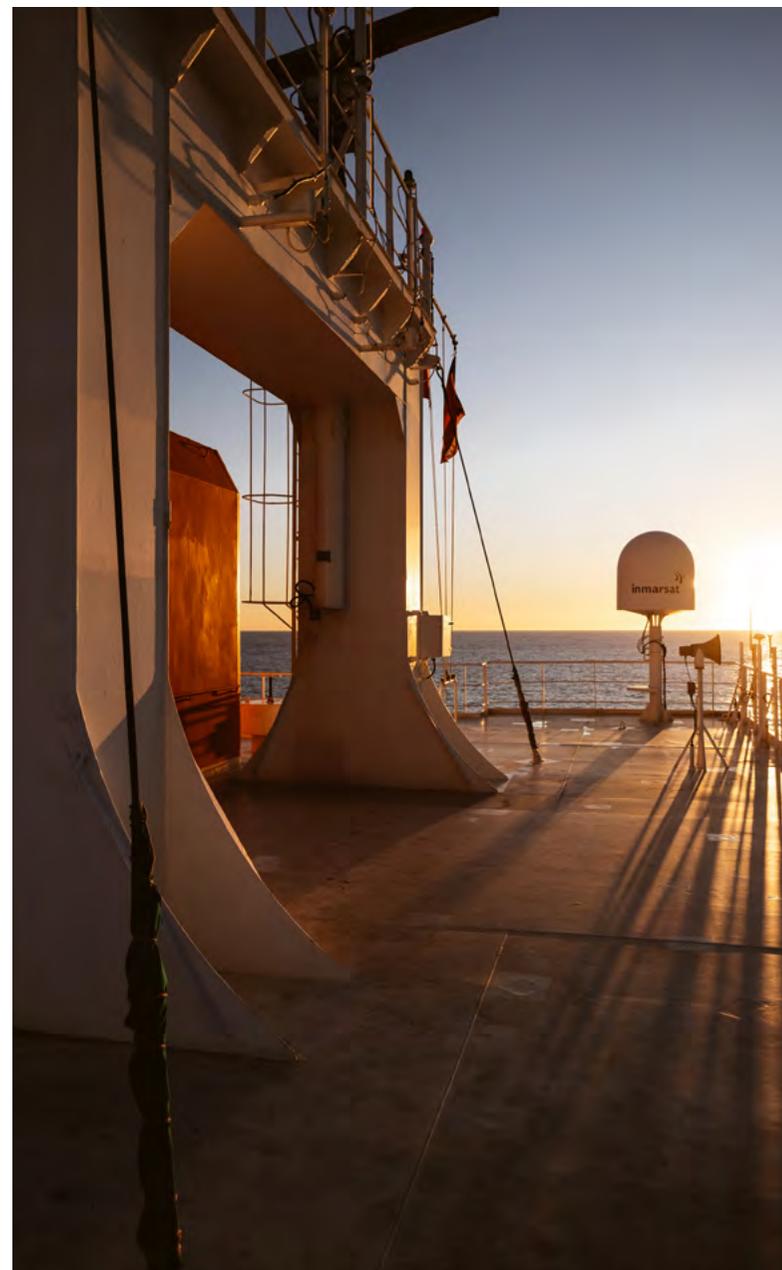
In the 2022 financial year, total taxonomy OpEx in the Hapag-Lloyd Group amounted to EUR 1,060.3 million. _NfR

Taxonomy-eligible operating expenses amounted to EUR 953.4 million, or 89.9% of the Group's operating expenses. These are mainly related to economic activity 6.10 "Sea and coastal water transportation of goods" (category a). In addition, operating expenses of EUR 115.7 million, or 10.9% of the Group's operating expenses, are included in connection with the purchase of output from various taxonomy-eligible economic activities, in particular the renovation and acquisition or leasing of buildings and vehicles as well as data hosting and related activities (economic activities 6.5, 7.2, 7.7 and 8.1) (category c). _NfR

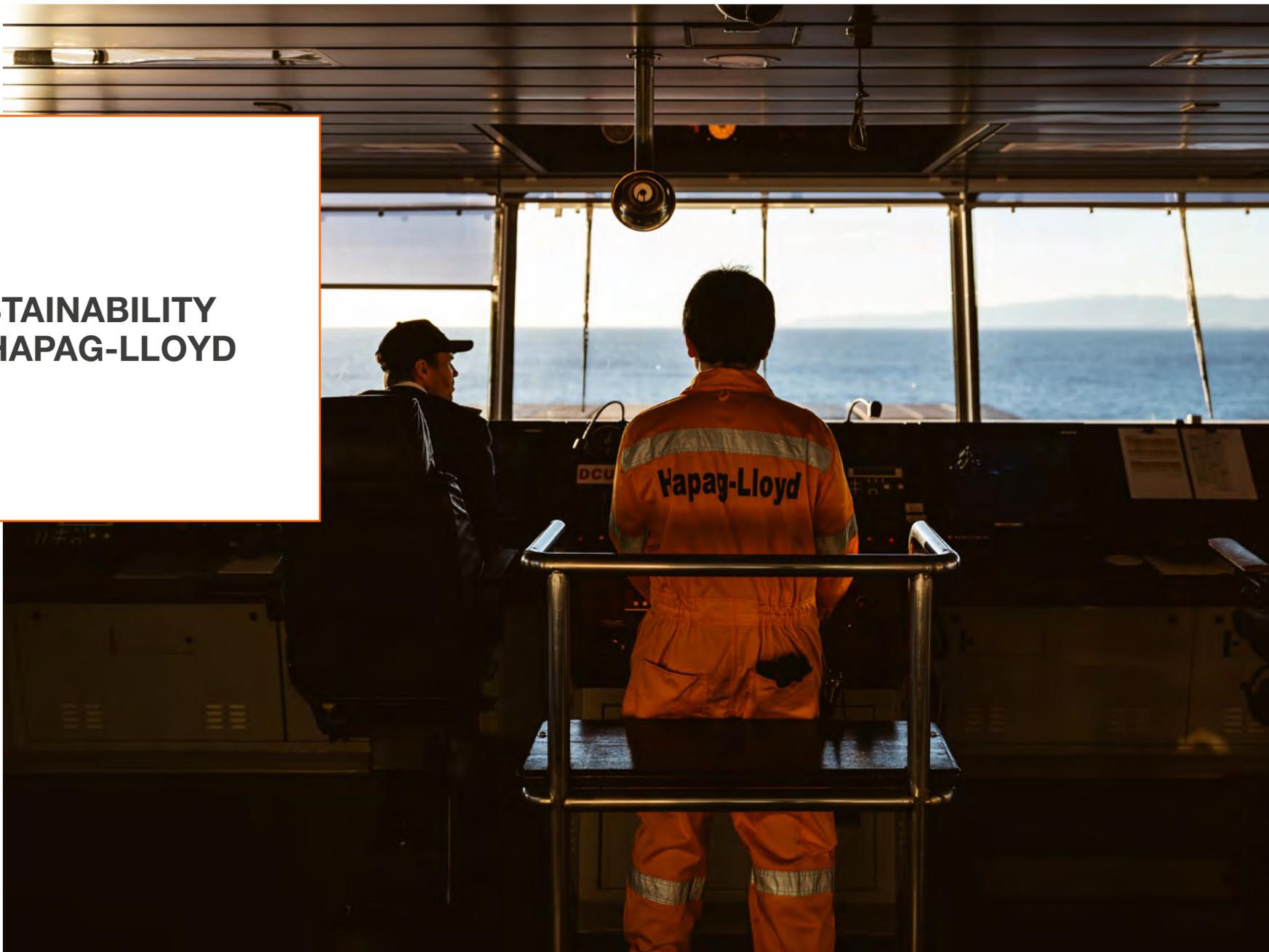
To avoid double counting, operating expenditures on ships are not recounted in economic activity 6.12 "Retrofitting of vessels for sea and coastal water transport of goods". _NfR

Since Hapag-Lloyd is unable to demonstrate compliance with the minimum safeguards for 2022, the actual taxonomy-aligned operating expenses amount to EUR 0.0 million or 0.0% of the Group's revenue. _NfR

For the reporting sheet on the OpEx indicator, please refer to page 112. _NfR



**SUSTAINABILITY
AT HAPAG-LLOYD**



Sustainability management

Through our commitment to sustainability, we aim to provide prospects and opportunities to future generations. To integrate this focus into our business activities and day-to-day actions, we have introduced structures and processes for sustainability management. [_NfR](#)

WHAT SUSTAINABILITY MEANS TO US [_3-3](#)

Value-based and responsible action in the areas of economy, ecology and social affairs is firmly embedded in our corporate culture. As a long-established Hanseatic company, our actions are based on this understanding, which is set out in our sustainability policy in the form of binding guidelines and principles, supplemented by our Global Code of Ethics (see p. 23 et seq.).

We want to ensure that our impact on the climate and environment is as small as possible. We aim to minimise the environmental impacts of our business activities in particular by reducing greenhouse gases, which is achieved through the use of biofuels, for instance, but also through initiatives such as increasing the proportion of containers with steel floors or participating in whale protection programmes to help preserve biodiversity. Through our sustainability strategy, we also improve diversity within the company and do our part for society through our corporate citizenship projects. These activities bring about positive changes for both society and the environment.

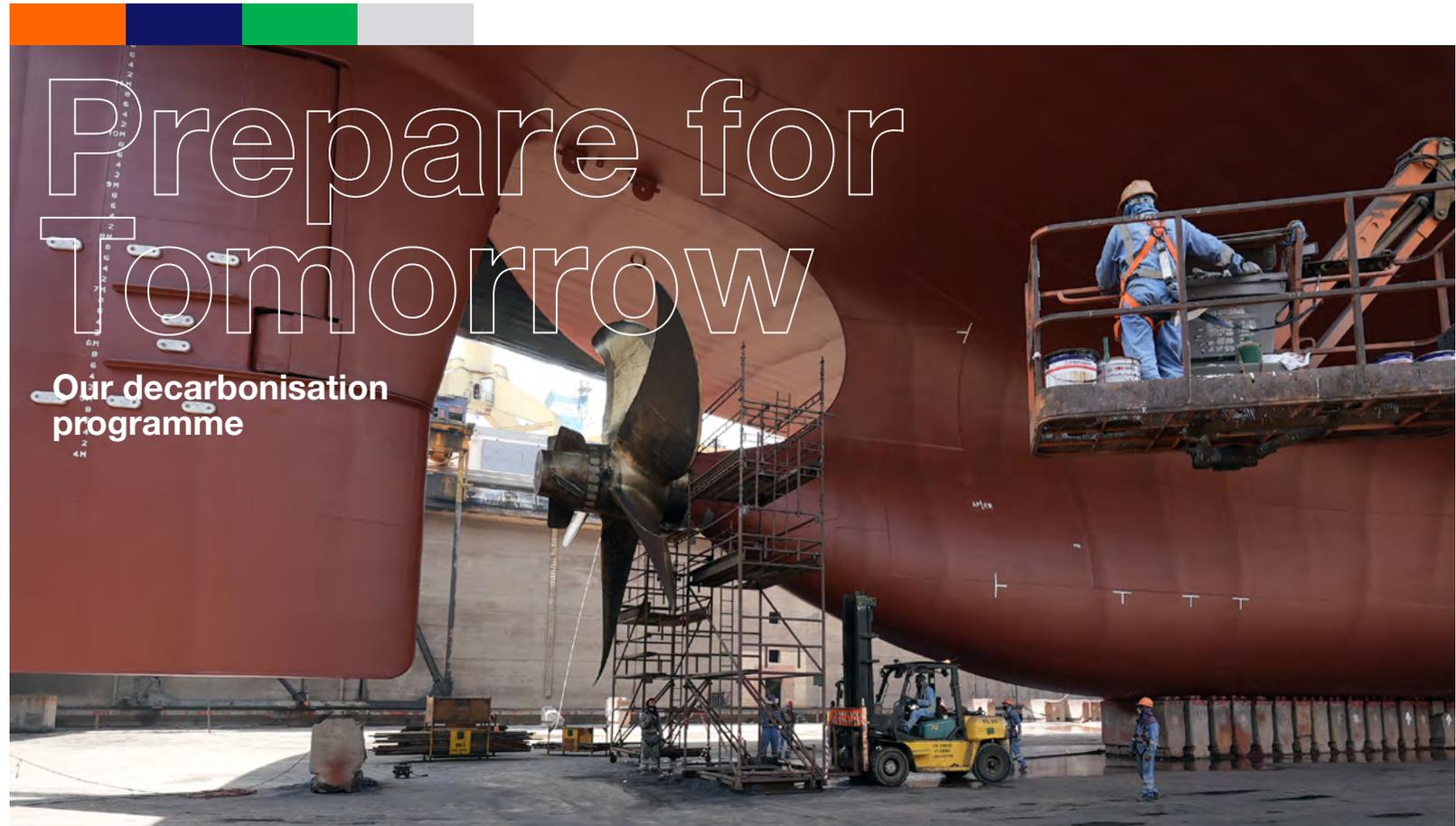
At the end of 2021, we incorporated sustainability into our Strategy 2023 corporate strategy, with this representing the strategy's fourth pillar. Through our sustainability strategy, we have developed targets and measures for this pillar.

Hapag-Lloyd sustainability strategy

With our sustainability strategy, which we announced at the end of 2021, we intend to make an effective contribution to sustainability in shipping in a way that is consistent with our corporate ethos. The overarching goal is to achieve climate-neutral shipping by 2045. In implementing our strategy, we aim to tackle global challenges as our sector moves towards a cleaner future. [_NfR](#)

Our sustainability strategy comprises three areas of focus: "Clean Shipping and Future-proof Propulsion", "Diversity and Society" and "Compliance and Responsibility". Eight key topics together with associated targets and measures were defined for each of these areas, which we have been strategically pursuing and implementing since 2022. The responsible sustainability team maintains ongoing communication with the specialist departments in regard to these matters. [_NfR _2-13](#)





Prepare for Tomorrow

Our decarbonisation programme

Our “Prepare for Tomorrow” programme _NFR

The key topic of our sustainability strategy is achieving net zero greenhouse gas emissions for the entire fleet by 2045. In 2022, we therefore focused our efforts on decarbonisation, defining four areas of activity within the “Prepare for Tomorrow” programme:

- **Sustainable Fleet**
- **Sustainable Fuels**
- **Sustainable Products**
- **Sustainable Offices**

Sustainability strategy targets are pursued within each area of activity, particularly the reduction of emissions. However, our customers’ requirements are also given due consideration. One aim within the Sustainable Offices area of activity is to raise awareness of sustainability-related issues among our employees. A progress report is given to the Executive Board on a quarterly basis. The objective is to further implement the sustainability strategy, thereby contributing to Hapag-Lloyd’s Strategy 2023. We are working on a new, comprehensive corporate strategy that will see us through to 2030 for when this period comes to an end. (For further information see p. 44 et seq., 62 et seq.) _2-13

SUSTAINABLE FLEET _NfR

TARGETS	MEASURES	STATUS 2022
Full fleet compliance with regulatory changes (EEXI and CII) that apply from 01.01.2023	Evaluating and subsequent implementing retrofitting options to improve the efficiency of approx. 150 vessels over the next five years	Conversion of a hydrodynamically optimised bulbous bow and four propellers
Improving the fleet's efficiency	Making adjustments to how vessels are operated (for example, adjustment of speed profile)	Continuous review and adjustment of the Speed profiles

SUSTAINABLE FUELS _NfR

TARGETS	MEASURES	STATUS 2022
Expanding the procurement of biofuels	Ensuring the supply of liquid biofuel through contracts with suppliers	Around 120,500 tonnes of bunkered biofuel blends (previous year: around 18,500 tonnes)
Ensuring access to selected alternative fuels at competitive prices in the medium to long term	Exchange with potential suppliers	

SUSTAINABLE PRODUCTS _NfR

TARGETS	MEASURES	STATUS 2022
Offering customers more sustainable, climate-friendly transport options through the use of biofuels	Development of a green Hapag-Lloyd transportation product	Implementation of transport for customers with biofuel
Providing our customers with greater transparency in regard to our CO ₂ emissions	Development of a central IT solution to perform CO ₂ calculations for various use cases	First IT-related adjustments

SUSTAINABLE OFFICES _NfR

TARGETS	MEASURES	STATUS 2022
Significantly reducing the greenhouse gas emissions generated by office operations (on land) by the end of 2023	Improving the energy efficiency of offices	Implementation of the action plans according to local situations (for example, conversion to LED lighting and installation of motion detectors)
	Preference for renewable energy for offices	Implementation of the action plans according to the local situation
	Green & Smart Building Concepts for Office	
Exclusively supporting electric company vehicles from 2027 onwards	Adjustment of the company car policy	Company car policy adjusted
Promoting travel by train for business trips	Adaptation of the travel policy	Adaptation of the travel policy in preparation

CLEAN SHIPPING AND FUTURE-PROOF PROPULSION

TARGETS	MEASURES	STATUS 2022
Reduction in greenhouse gas emissions _NfR		
Reduction of CO _{2e} intensity (EEOI)* of the entire fleet by 30% by 2030 compared to 2019; in line with the reduction for own fleet of 60% by 2030 according to AER** compared to 2008.	Investment in efficiency-enhancing modification measures for approx. 150 ships within the next 5 years (Fleet Upgrade Program (FUP))	Achievement of AER*** under the defined trajectory. 2021: 39% compared to 2008 Conversion of a hydrodynamically optimised bulbous bow and four propellers
Net zero greenhouse gas emissions for the entire fleet by 2045 using alternative fuels	Investment in 12 new dual-fuel container ships in the years 2020 and 2021 Increased bunkering and use of biofuel blends	Launching of the first ship Around 120,500 tonnes of bunkered biofuel blends (previous year: around 18,500 tonnes)
Cleaner air _NfR		
Continuous reduction of emissions of air pollutants such as sulphur and nitrogen oxides	Investment in 12 new dual-fuel container ships in 2020/2021 (see also under "Reduction in greenhouse gas emissions" target)	Launching of the first ship
Reduction of air pollutant emissions from land transports in the pre- and on-carriage	Preparatory measure: Development of an emissions database to increase the transparency of emissions across the entire transport chain	First IT-related adjustments
Sustainable supply chain _NfR		
Development of a sustainable supply chain	Consideration of sustainability, measured by a comprehensive ESG questionnaire, in procurement decisions from 2023 onwards	First test runs

* As per EEOI (Energy Efficiency Operational Indicator). Measures the ratio of emissions per unit of real transport performance (in tonnes of cargo x nautical miles)

** As per AER (Annual Efficiency Ratio)

*** Application of the tank-to-wheel (TTW) consideration, i.e., the use of the fuel on the the ship as well as the emissions during operation

DIVERSITY AND SOCIETY		
TARGETS	MEASURES	STATUS 2022
Diversity _NfR		
Increasing the proportion of female employees in the talent development program and management trainee program to 50% by 2023	Women@Hapag-Lloyd (Working Group) Selection of female employees for talent development program and management trainee program	Proportion of women in the TDP: 47% Proportion of women in ALPHA: 37%
Significantly increase the proportion of female executives at the first four levels by 2030	Women@Hapag-Lloyd (Working Group) Selection of female employees for management positions	Proportion of female managers at the first four levels of land-based personnel: 17%
Corporate citizenship _NfR _2-6		
Focusing on educational programs, humanitarian aid and marine conservation	Support for the UNICEF education initiative "Schools for Africa" Hapag-Lloyd Cares: Promotion of social and ecological commitment of employees* by means of a voluntary day and support of local initiatives through financial means	Ongoing Various commitments and activities (see chapter Corporate Citizenship, p. 103)

* The companies for the maintenance and repair of containers are organized on a decentralized basis and are currently excluded from the description.



COMPLIANCE AND RESPONSIBILITY		
TARGETS	MEASURES	STATUS 2022
Conservation of resources _NfR		
We recycle 100% of our own ships sustainably	Compliance with the requirements of the Hapag-Lloyd Ship Recycling Policy 	Not applicable, as no ships were recycled in 2022
	Membership in the Ship Recycling Transparency Initiative	
Extensive waste avoidance by 2030: The waste generated in Hapag-Lloyd offices is to be gradually reduced and increasingly recycled	Establishment of local Green Teams in the regions. Planning and implementation of initial measures in the reporting year	Individual implementation of the action plans in the offices launched (including promotion of recycling and abandonment of disposable items)
Transport care _NfR		
Focus on transportation safety, i.e. ensuring the safety and welfare of the crew, cargo and the environment	Implementation of the "HazCheck Detect" tool for identifying undeclared dangerous goods bookings	Completed
Prevention of container losses at sea and ashore	Internal exchange with specialized departments for the implementation of a central monitoring system	Exchange started
Biodiversity _NfR		
Within our own fleet, zero violations of regulations with regard to ballast water and released substances	Implementation of existing and new regulations through our management systems, e.g. through Fleet Circulars/Owner's Circulars	Neither violations of international regulations on the handling with ballast water nor leakages
	Regular monitoring of the functionality of the Ballast water treatment systems	
Operation of own and chartered vessels to a uniformly high environmental standard by 2024	Data analysis of own vessels and charter vessels with a focus on the environment for the examination of a possible standardization of environmental standards	Expansion of the digital reporting system for waste disposal

Our activities focus on reducing energy consumption and thus also the fleet's CO₂e emissions. In 2022, we set up a team to push for decarbonisation, particularly through the use of alternative fuels (including biofuel). We have also joined two maritime research and development centres – the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping in Copenhagen and the Global

Centre for Maritime Decarbonisation in Singapore. Under these initiatives, industry representatives come together to work on research and development projects. In addition to making decarbonisation the focus of our activities, many initiatives centred around Hapag-Lloyd's social engagement (see chapter Corporate citizenship, p. 103). – 3-3



We have set up Green Teams at our offices, which are tasked with identifying opportunities for sustainable office workplace design.



»When it comes to creating a culture of sustainability in the workplace, we feel it is important to raise awareness among our employees and involve them in the process. This lays the groundwork for the effective implementation of measures within our offices.«

Yves Kaminski,
Manager Sustainability



We have also pushed ahead with our activities to reduce CO₂e emissions in day-to-day office operations and in business travel by implementing appropriate measures. Our Green Teams developed measures at a regional level to improve energy efficiency and prevent greenhouse gas emissions. The current status is reported on page 44 under Sustainable Offices.

In 2022, we focused on three measures in particular in the area of shipping operations which could make a substantial contribution to helping us achieve our decarbonisation targets:

- **LNG:** In 2020, the “Brussels Express” (formerly “Sajir”), an existing large container ship (15,000 TEU), was converted to dual-fuel propulsion, making Hapag-Lloyd the world’s first shipping company to undertake this task. This can reduce emissions of sulphur oxide, nitrogen oxide, particulate matter and CO₂ when LNG, biomethane or synthetic methane is used (see New mode of propulsion LNG, p. 66). We made strides in this area in the course of our sustainability activities, ordering a total of twelve ships with dual-fuel propulsion in 2020 and 2021. The first new ship with dual-fuel propulsion is expected to be delivered in May 2023.
- **Biofuels:** In 2022, as part of MEPC78, the IMO gave its approval for vessels to be operated with a biofuel content of up to 30% (B30) without requiring special certification. The biofuel used by Hapag-Lloyd is demonstrably obtained from waste and does not compete with food production.
- **Fleet Upgrade Programme:** Through its Fleet Upgrade Programme, Hapag-Lloyd aims to technically modernise its existing fleet in order to reduce CO₂ emissions. The planned measures include the installation of flow-optimised bulbous bows, new resistance-reducing underwater paints and the use of ship propellers designed to optimise energy efficiency. The project was launched in September 2022 in Dubai, with Hapag-Lloyd’s 7,500-TEU vessel the “Ningbo Express” being the first to undergo this work. The bulbous bow and propeller were replaced during its class modernisation dry-docking. This allows the vessel to reduce its fuel consumption and CO₂ emissions by 10 to 13%, depending on sailing conditions.

We also continued to implement precautionary measures to protect people, the environment, cargo and tangible assets during the reporting year. These include, to name but a few examples, certification in accordance with ISO standards, the implementation of the Safety Management System (SMS) on board our vessels and the inclusion of environmental protection regulations in our Emergency Manual (see Climate and environmental protection, p. 62 et seq.). [_NfR_3-3](#)

We are continually adding to our sustainability-related requirements for our suppliers and subcontractors. Various assessment criteria concerning sustainability have been taken into account as part of our supplier management process since 2020. The topic of sustainability is also the focus of improvement projects that we are implementing in cooperation with our suppliers (see Sustainable procurement, p. 59 et seq.).

We support the SDGs

Through our activities we are contributing to six of the 17 United Nations Sustainable Development Goals:



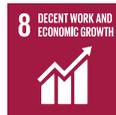
PAGE
85

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



PAGE
71

Conserve and sustainably use the oceans, seas and marine resources for sustainable development.



PAGE
80, 94,
97

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



PAGE
22

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



PAGE
64

Take urgent action to combat climate change and its impacts.



PAGE
52

Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

HAPAG-LLOYD SUSTAINABILITY COUNCIL

Our Sustainability Council, which was founded in 2021, met on two occasions in 2022 to discuss with us our new sustainability strategy and the topic of greenhouse gases. The measures taken by Hapag-Lloyd to protect its employees in Ukraine and Hapag-Lloyd's humanitarian aid programme for Ukraine were also discussed. Hapag-Lloyd's aim in setting up the Sustainability Council is to obtain feedback from external representatives from the worlds of science and politics, UN organisations and NGOs. Six external sustainability experts and four Hapag-Lloyd employees sit on the Council. [_nfr _2-29](#)



The Hapag-Lloyd Sustainability Council:

From left to right: Boris Herrmann, professional sailor and climate activist – Aaron Dietenberger, member of the Naturschutzjugend (NAJU) youth association for environmental protection – Ulf Schawohl, Senior Managing Director Regulatory Affairs & Sustainability Hapag-Lloyd – Dr Anjes Tjarks, Hamburg's Senator for Transport and Mobility Transition – Mark Frese, Chief Financial Officer Hapag-Lloyd – Rolf Habben Jansen, Chief Executive Officer Hapag-Lloyd – Jörg Weber, ECOreporter Editor-in-Chief – Janin Aden, Senior Director Sustainability Hapag-Lloyd – Prof. Dr Dr h.c. Stefan Schaltegger, Professor in Sustainability Management – (not pictured: Dr Bettina Kaltenhäuser, Corporate Partnerships Manager at UNICEF)

CERTIFIED QUALITY AND ENVIRONMENTAL MANAGEMENT

-3-3

Our Quality and Environmental Management (QEM) system, which is certified to ISO 9001 (quality management) and ISO 14001 (environmental management) standards, lies at the heart of our sustainability management efforts. In accordance with our certification framework, we conducted on-site and virtual audits in 2022. Our QEM certificate covers the headquarters, all the regions and established Quality Service Centres (QSC). The list of all audited organisational units can be found in the current ISO certificate on our website [↗](#). Additionally, we continue to adhere to the established process and conduct yearly internal audits of areas, regions, QSCs and the headquarters in relation to the fulfilment of ISO requirements. We use the results of the audits to continuously improve our processes. [_NfR _2-18](#)

In 2022, a total of 99 (Hapag-Lloyd AG: 31) internal and external audits were conducted worldwide. Shore-based employees¹ take part in mandatory QEM training as part of this process; this training was updated during the reporting period. As part of the requirements of ISO 9001, customer focus, continuous improvement, occupational safety, employee training, customer focus and the evaluation of service providers, among other things, will be evaluated using a risk-based approach. Audits in accordance with ISO 14001 deal with topics such as the efficient utilisation of resources and reduction of negative environmental influences as well as the observance of all environmental laws and regulations. For some topics, we have defined cross-regional and regional QEM targets and packages of measures which are reviewed on an annual basis.

Organisation of sustainability management

Sustainability is managed by the Sustainability Management department at Hapag-Lloyd. The department forms part of the Regulatory Affairs & Sustainability unit and reports directly to the CEO. During the reporting year, the department was expanded to include a decarbonisation team. [_NfR _2-9, 2-12](#)

¹ The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.



The Sustainability department's decarbonisation team at a meeting. From left to right: Jasper Ploog, Laura Münsterberg, Arne Maibohm, Martin Koepke, Ratna Nataliani

Regulatory Affairs & Sustainability coordinates and manages our sustainability activities across all departments, including environmental management for sea and land-based operations as part of our Group-wide QEM system. The new decarbonisation team investigates future technologies and fuels, developments within the sector and potential energy efficiency measures for Hapag-Lloyd in close coordination with the specialist departments. The Regulatory Affairs & Sustainability department is also responsible for answering questions on sustainability-related topics, and cooperates in working groups on topics related to sustainability. Furthermore, it coordinates the preparation of the sustainability report. [_NfR _2-14](#)

The Sustainability department also informs the Sustainability Committee (comprising divisional managers and regional representatives) about ongoing sustainability activities. The committee assists with efforts to identify sustainability opportunities and risks, promotes the sharing of information across

divisions and is involved in coordinating sustainability-related measures. It reports directly to the Executive Committee, which the Executive Board is part of. The Sustainability Committee convened in spring 2022.

_NfR _2-9, 2-12, 3-1

The subject of regular meetings with the Executive Board are topics relevant to sustainability, such as sustainable propulsion systems. _2-12

ORGANISATION OF SUSTAINABILITY MANAGEMENT AT HAPAG-LLOYD



There are more than 100 QEM delegates active worldwide across the regions, areas and central departments (Hapag-Lloyd AG: more than 20). They support the operational sustainability work of the Sustainability department by coordinating our sustainability activities and ensuring that the QEM system is implemented. The delegates also participate in the annual sustainability conference. In 2022, the annual sustainability conference was held in December and addressed topics such as QEM status, the progress we have made in implementing our sustainability strategy, the sustainability report and new training courses. _NfR _2-14



Awards and ratings

In 2022, Hapag-Lloyd was once again evaluated by EcoVadis and received the silver award. Furthermore, we participated in a CDP rating for the second time in 2022 and received a “B” rating for our climate change management. We view this good rating as an incentive to implement additional measures and further expand our current activities, such as those forming part of our sustainability strategy and those in the area of climate protection. _2-18

Continued development of sustainability management

We aim to ensure the continued development of sustainability management at Hapag-Lloyd. In the reporting year, our efforts were focused on implementing our sustainability strategy, which will allow us to pursue specific sustainability targets in line with Hapag-Lloyd’s Strategy 2023. To achieve this, we continued to work on defining measures and projects in 2022.

Material topics and risks

Hapag-Lloyd is a global service provider. Our business and the decisions we make are linked to developments in society, the environment and the global economy. Our stakeholders place different demands on us, which we – just as we do with the associated risks – continuously analyse with regard to relevance and opportunities in order to align and adapt our business activities accordingly. [_NfR](#)

MATERIAL TOPICS [_3-1, 3-2](#)

In 2022, we once again carried out a materiality analysis in order to obtain a current overview of the most relevant sustainability-related topics for our company and our stakeholders. The analysis included an anonymous online stakeholder survey through which more than 125 external and internal stakeholders could evaluate the impact of various topics on the environment and society (inside-out perspective). [_NfR \[_2-29\]\(#\)](#)

To conduct the materiality analysis, we compiled a list of potential sustainability-related topics. To identify topics and impacts, we carried out a competitive analysis, analysed the draft European Sustainability Reporting Standards (ESRS) and used the

2019 materiality analysis as a reference framework. For the materiality analysis, we contacted the Group's own QEM delegates, employees, managers (levels 1 to 3) and the Supervisory Board in addition to external suppliers, customers, NGOs, representatives from academia and the media, and shareholders. Workshops were held in which experts evaluated the outside-in perspective on the coverage of the German CSR Directive Implementation Act (CSR-RUG). [_NfR \[_2-29\]\(#\)](#)

The evaluation criteria were the severity and probability of impacts. The subsequent evaluation was then carried out for both perspectives (inside-out and outside-in) using a scale of 0 to 4. A cut-off point for prioritisation was chosen, i.e. a topic had to have achieved a defined score from a particular perspective to be considered material. In addition to these criteria, Hapag-Lloyd treats all sustainability strategy-related topics as material, as these are all topics that are considered to have a high level of impact and are crucial to Hapag-Lloyd's business development. [_NfR](#)

The material topics were ultimately defined by the Sustainability department based on the preparatory work described above, in compliance with the requirements of the CSR-RUG. To do this, the criteria "impact of business activities on non-financial aspects" and "relevance to Hapag-Lloyd's business activities" were taken into account and the topics were then assigned to one of the following topic areas: economy, environment and social affairs. These are included in Hapag-Lloyd's non-financial



Hapag-Lloyd wants to make a fair contribution towards society and is active in a variety of associations, working groups and institutions. For example, we are active members of Clean Cargo and the Ship Recycling Transparency Initiative.

report (NfR). The process through which the evaluation results were obtained was also discussed with the Chair of Hapag-Lloyd's Sustainability Council by the Sustainability department. _NfR

In this Sustainability Report (SR), we mainly report on the topics identified as material. _NfR

MATERIAL TOPICS _3-2

ECONOMY	ENVIRONMENT	SOCIAL AFFAIRS
Governance _NfR	Emissions: greenhouse gases _NfR	Training and education _NfR
Compliance _NfR	Emissions: air pollutants _NfR	Occupational health and safety _NfR
Business strategy considering both sustainability opportunities and risks _NfR	Energy use and efficiency _NfR	Labour standards and human rights in the supply chain _NfR
Data protection and IT security _NfR	Disposal of waste and effluents _NfR	Diversity and equal opportunity _NfR
Digitalisation	Resource consumption _NfR	Corporate citizenship _NfR
Innovation and research	Protection of the oceans and marine biodiversity _NfR	Human rights in our own operations _NfR
Service/process quality	Environmentally friendly transport chains _NfR	Fair remuneration
	Water consumption and efficiency	Work-life balance
	Dangerous goods transport _NfR	

Changes to the material topics following the 2022 materiality evaluation are as follows:

Service/process quality is no longer included in the “Economy” topic area. The topic of governance takes its place. Use of resources, disposal of waste and effluents, and environmentally friendly transport chains are new additions to the “Environment” topic area. Dangerous goods transport was also deemed a material topic. The topics of corporate citizenship, diversity and equal opportunity, human rights and labour standards in the supply chain were also added as new material topics in the social affairs field. _NfR

The topics of business strategy considering both sustainability opportunities and risks, and data protection and IT security are – where relevant – addressed directly in the non-financial report (see Index for the non-financial report p. 12).¹ _NfR

¹ The sections containing topics identified as being subject to mandatory reporting as defined by the CSR-RUG are marked with NfR.

Social matters, as defined by the CSR-RUG, also play an important role for Hapag-Lloyd. Corporate citizenship is now part of this topic area and thus also part of the non-financial report. Beyond the non-financial report, this sustainability report includes reporting on customer focus and digitalisation, among other things (see p. 19 et seq.). _NfR

RISK MANAGEMENT

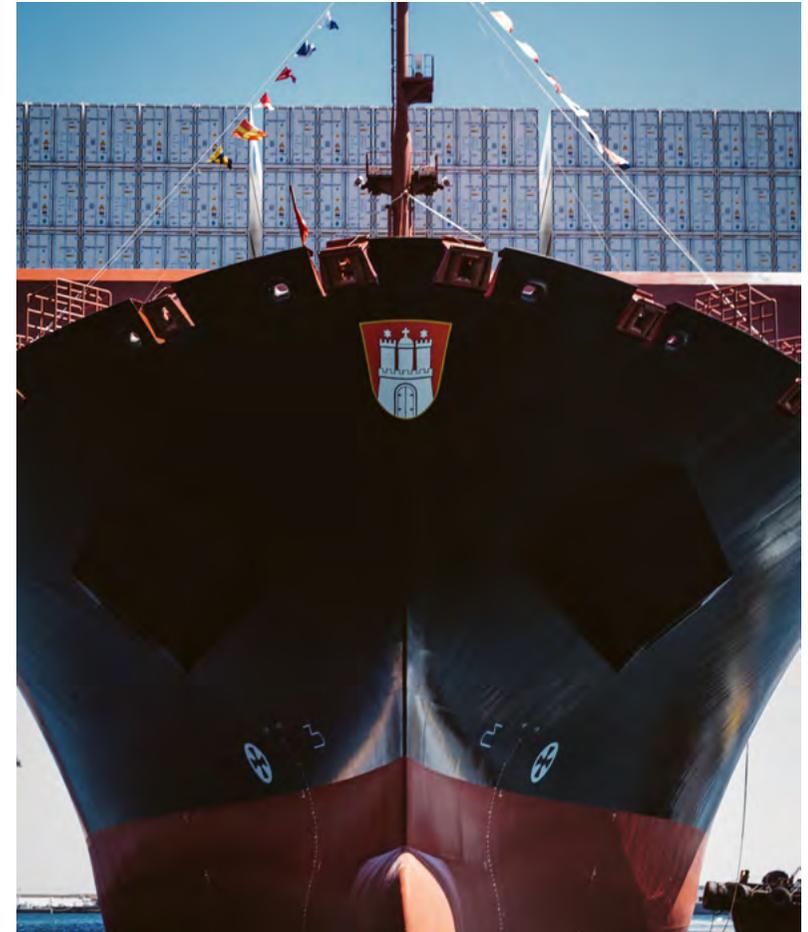
Our corporate strategy and our risk strategy, which is aligned with the medium and long-term targets set out in the corporate strategy, form the basis for lasting corporate success. Risks are identified via a net risk analysis as part of our Group-wide risk management system, in which all risks are recorded, assessed, managed and monitored in a systematic process. _NfR

The management system

The aim of risk management is to identify and analyze risks at an early stage and to develop and implement suitable management measures in order to reduce the risk position to an appropriate level and thus safeguard the achievability of Hapag-Lloyd's corporate goals. The effects of business developments and related risks on Hapag-Lloyd are monitored by means of control and management systems installed throughout the company. Risk management is decentralized in line with Hapag-Lloyd's organizational structure. _NfR

The separation of functions and the associated role concept are based on the three-line model of the Institute of Internal Auditors. These and other principles, roles and responsibilities, processes, and thresholds of risk management are defined in a Group policy that applies to the entire Group. In the context of the decentralized organization of risk management, risk managers have been appointed throughout the Group who are responsible for the ongoing identification, assessment, management and monitoring of risks in the regions and central departments. These risk managers document the identified risks and their assessment, including the measures taken to address the risks, as part of quarterly risk reporting. _NfR

Risks are assessed by the decentralized managers on the basis of at least one scenario. Optionally, further scenarios can be added to complete the risk quantification. The quantitative description of the scenarios includes an

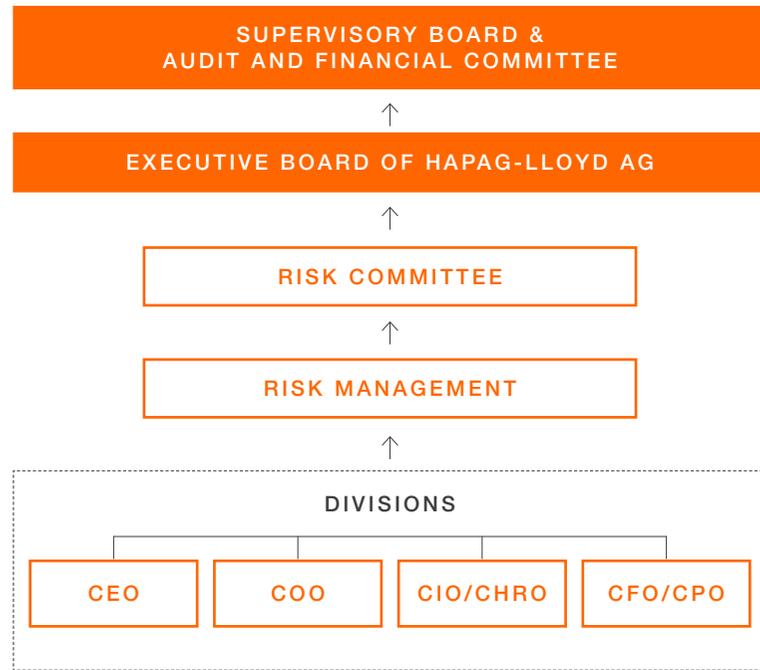


assessment of the probability of occurrence and the potential financial impact. Based on the initial gross assessment, the net assessment is derived, taking into account the coping measures already implemented that have an impact on the risks. A reporting limit of USD 1 million net loss value is applied here. Risk reports are submitted to the risk management function in the central Accounting department on a quarterly basis. Unscheduled reporting to the risk management function is required if risks are newly identified or reassessed and defined reporting limits are exceeded, or if

extraordinary circumstances arise that could result in a potentially critical level of damage (ad hoc reports). _NfR

The risk management function monitors regular reporting by the risk managers, completes the portfolio review and summarizes the most significant risks for the Risk Committee on a quarterly basis and in urgent cases on an unscheduled basis. The Risk Committee discusses the risks at hand and then reports on the overall risk situation to the Executive Board. _NfR

RISK MANAGEMENT AT HAPAG-LLOYD _NfR



In principle, the respective, partly local, departments are responsible for the implementation of due diligence obligations. There is currently no overarching, uniform approach due to the local and individual situations at the respective sites. _NfR

Non-financial risks _3-3

For the purposes of non-financial reporting, risks are considered relevant if they are linked to Hapag-Lloyd's business activities, business relationships, products and services, their occurrence is highly probable and they have a serious negative impact on aspects such as the environment or social issues. Other issues relevant to risk analysis include employee concerns, respect for human rights, and the fight against corruption and bribery. _NfR

Based on the risks reported via risk management, these are allocated to the above-mentioned topics. If a risk can be assigned to a topic relevant to non-financial reporting, the reported probability of occurrence and the impact on the topics are analyzed. In the event of a high probability of occurrence and serious negative impact on the non-financial aspects, this is a reportable risk. _NfR

The legal anchoring of corporate due diligence obligations in the area of international supply chains entails an expansion of the scope of responsibility of companies as well as increasing requirements, among other things, for the integration of corresponding monitoring and risk avoidance processes for respecting human rights and compliance with labour rights standards. There is a risk that Hapag-Lloyd could face significant fines in the event of a breach of due diligence obligations. _NfR

STAKEHOLDER DIALOGUE _2-29

Transparency is important to us and we maintain a regular dialogue with our relevant stakeholders. This allows us to learn about their expectations and perceptions and hear their suggestions and ideas for ways in which we can improve, which we then translate into concrete actions.

Dialogue with our shareholders and the financial market

The Hapag-Lloyd Executive Board and Investor Relations team regularly inform shareholders, analysts and investors about our development and current potential risks. They do this by publishing annual and interim reports as well as the sustainability report, and through face-to-face discussions at events such as our Annual General Meeting.

The ESG trend on the capital market continues. During the reporting year, we recorded an increase in the number of enquiries from rating agencies in regard to social matters and governance. Particular importance is being given to the topic of emissions savings. Demand from investors and creditors for climate-friendly investments is growing accordingly. Since 2021, Hapag-Lloyd has entered into three green financing arrangements for twelve new 23,660 TEU vessels with dual-fuel propulsion in line with the regulations set out in our Green Finance Framework. In mid-2021 Hapag-Lloyd also issued a bond with a sustainability dimension (sustainability-linked bond). In 2022, two syndicated lines of credit, for which a sustainability dimension was contractually agreed, were also set up. Based on the sustainability financing concept, the amount of interest accrued is dependent on the achievement of sustainability targets. Or in more specific terms, it is about reducing our fleet's CO₂ intensity, which will see the Average Efficiency Ratio (AER) reduced by 60% by 2030 (base year 2008). A trajectory for the necessary AER reduction by 2030 was developed based on our fleet's actual AER figures for the 2019 calendar year. This was externally reviewed and approved for 2021 by the classification society DNV in accordance with the Sustainability-Linked Bond Principles of the International Capital Market Association.

Dialogue with our employees²

We want to dismantle hierarchies, strengthen the feeling of community within the company and promote employee identification with Hapag-Lloyd as an employer. One way in which we achieve this is through annual employee meetings (Global Staff Dialogues, see Further education and talent development on land, p. 88 et seq.). In 2022, for the very first time, we offered meetings at which employees and managers could discuss matters with each other throughout the year as part of the revamped Global Staff Dialogue. We informed our employees about current challenges in virtual townhalls at a regional and area level.

The intranet and Logbook, our employee magazine, are important channels for communicating with our workforce. The Executive Board keeps in contact with all employees worldwide directly via email and is also engaged in regular dialogue with the Works Council. During the reporting year, we ran a company-wide campaign to mark Hapag-Lloyd's 175th anniversary.

In 2022, we continued to work on further developing our corporate culture based on our values. To achieve this, the competency model formerly used was replaced by a value-based model. These value-based behaviours apply to all (shore-based) employees and managers worldwide. They translate the values into everyday conduct in one's own role and provide an important basis for assessing performance during the annual employee review. We also held a "Values Day" during the reporting year, at which the corporate values were discussed with employees.

Dialogue with customers and business partners

Our customers are increasingly interested in topics related to sustainability — particularly the environmental impact of our activities and especially CO₂e emissions. We promote active dialogue with our customers in a range of formats, such as our "Customer Connect Calls" and annual meetings. We engage in dialogue with our suppliers through, for instance, joint projects such as terminal partnering. Thankfully, supplier meetings were once again able to be held in person in 2022. This year's main topic was active supplier development.

² The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.

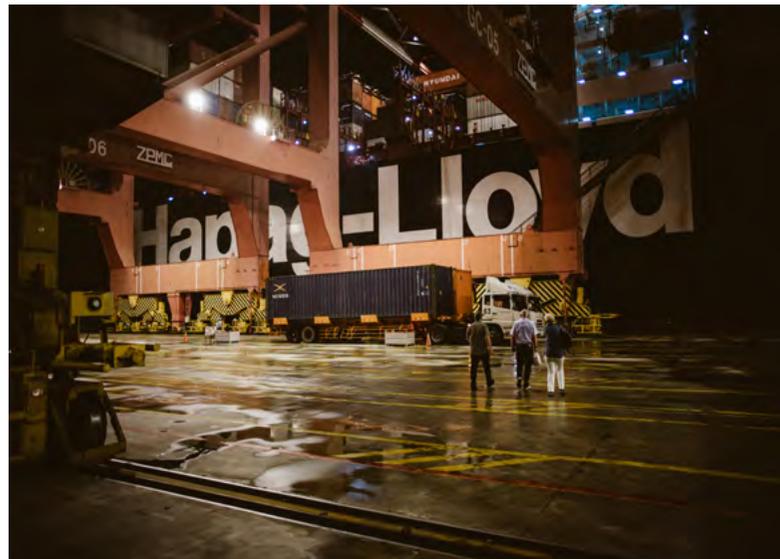
Dialogue with non-governmental organisations

We aim to maintain regular dialogue with non-governmental organisations (NGOs) in order to facilitate mutual understanding of important and critical topics. Focus is given primarily to ship recycling, the topic of emissions, and the protection of the waters that we navigate (see Climate and environmental protection, p. 62 et seq.). Using our expertise, we wish to play an active role in working to develop joint solutions, as part of a partnership with UNICEF, for instance (see chapter Corporate citizenship, p. 103). _NfR

Dialogue with policymakers _3-3

As an international container liner shipping company, we place particular importance on continuous dialogue with political actors. Our “Donations and Sponsorship” Group guideline stipulates that no donations or contributions may be given to political parties or voter’s associations.

At the EU level, we are actively involved in the political decision-making process, for example, in the development of sustainable environmental legislation. Our aim in doing so is ensuring that our investment in more efficient and environmentally friendly ships does not put us at a competitive disadvantage.



In this area, we collaborate in the “Sustainable Alternative Power and Ship Efficiency” sub-group of the ESSF (European Sustainable Shipping Forum), among others. We are also represented at ESSF plenary meetings.

At a state and municipal level, we conduct frequent discussions with the City of Hamburg, which is part owner of Hapag-Lloyd and a central stakeholder. As part of our accountability obligations, we regularly provide the city with information about the company’s economic performance and Hapag-Lloyd’s strategic objectives. Three times a year we also send the political newsletter “Hapag-Lloyd Insight” to recipients in the world of politics as well as various associations and chambers.

Dialogue with the local community

As a traditional Hamburg company, maintaining dialogue with our local citizens is close to our hearts. We regularly open our doors to interested Hamburg citizens as part of the Supply Chain Day (Tag der Logistik) and the Heritage Day (Tag des offenen Denkmals) and invite them to public cultural and informational events (see chapter Corporate citizenship, p. 103).

Memberships and commitments _2-28

Hapag-Lloyd is a member of various associations, working groups and institutions, and is committed to working on various topics.

Many of the associated events continued to be held in digital form in 2022. For example, Hapag-Lloyd participated in the virtual meeting of the Responsible Sourcing Council (The Conference Board). We were also involved with the Hamburg Chamber of Commerce, Hamburg Metropolitan Region, Hanseatic Help, the American Chamber of Commerce, Atlantik-Brücke, Bundesvereinigung Logistik, the Academic Society and the German Asia-Pacific Business Association, to name but a few examples.

EXAMPLES OF OUR MEMBERSHIPS AND COMMITMENTS

ORGANISATION



Clean Cargo Initiative _2-28

International initiative to improve the environmental impact of container transport and to promote responsible shipping.



EcoTransIT World Initiative (EWI) _2-28

Calculation of environmental impacts in the transport sector and ongoing development of the EcoTransIT World (ETW) method.



Maritime Anti-Corruption Network (MACN)

International network to work for corruption-free trade in the maritime industry.



Maritime Platform

International platform for the reduction of emissions such as SO_x, NO_x, CO₂ and particulate matter, and for the exploration of alternative fuel sources with the aim of achieving cleaner and more cost-effective maritime and inland shipping.



Ship Recycling Transparency Initiative (SRTI) _2-28

Exchange of information on ship recycling in order to promote responsible practices.



UmweltPartnerschaft

German campaign and central platform for voluntary environmental protection and dialogue on environmental economic policy.

ORGANISATION



World Shipping Council _2-28

International association for liner shipping companies.



BIMCO _2-28

International organisation for improving standards and harmonising rules and laws in the shipping industry.



The Conference Board _2-28

European platform enabling senior executives to exchange expertise and experience in CSR management.



Getting to Zero Coalition

Multi-stakeholder initiative for the development and use of climate-neutral ships by 2030.



IMO Glofouling Working Group

Working group to further develop international biofouling standards.



Diversity Charter

Employer initiative to promote diversity in companies and institutions.

Sustainable procurement

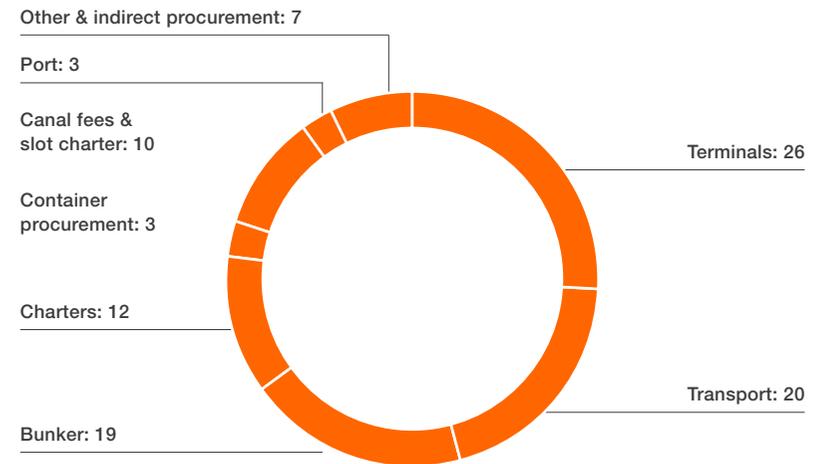
As a global company, Hapag-Lloyd's network includes a large number of manufacturers and service providers from all around the world. The sustainable procurement of goods and services is an important way in which we can help to protect the environment, resources and climate. At the same time, we want to deliver the best possible results for our customers whilst safeguarding our business operations. Against this backdrop, the professionalism of our global procurement management is a major factor in Hapag-Lloyd's success and sustainability. [_NfR](#)

MANAGEMENT APPROACH [_3-3](#)

Our goods procurement covers everything from bunkers, containers, container ships and replacement parts for ships to office materials. However, the vast majority of the procurement costs we incur are for services, such as those in the areas of transport and terminals, maintenance and repair, training and consultancy. In 2022, we procured goods and services worth approximately EUR 16.5 billion¹. [_2-6](#)

¹ Excluding companies in charge of the maintenance and repair of containers; annual spend calculated in EUR using average foreign exchange rate.

PROCUREMENT COSTS BY USAGE (IN %)



We are committed to doing our part to help create a more sustainable economy. This cannot be achieved without taking supply chains into consideration.

Sustainable supply chain management is becoming the focus of our procurement activities. Hapag-Lloyd is also involved in ongoing discussion with companies from other industries, as a member of the Responsible Sourcing Council, for example, which is responsible for the initiative "The Conference Board". This platform has already hosted several council meetings on topics such as EU taxonomy, human rights, sustainability in the supply chain and the circular economy. [_NfR](#) [_2-28](#)

Procurement organisation²

Our central Global Procurement organisation is responsible for a variety of procurement processes and global supplier management. One of its tasks is to evaluate how well our suppliers perform. This evaluation process takes into account CSR criteria such as human and employee rights, safety standards and environmental objectives. Our aim here is to minimise negative impacts on people and the environment while promoting human rights and decent work throughout our entire value chain. In addition to this, we offer our employees training on modern procurement methods and systems as well as on sustainability-related aspects. _NfR

We have implemented specific internal requirements for individual procurement categories, taking into account sustainability criteria. This means that sustainability, as measured using a comprehensive ESG questionnaire, will be a new criterion for making decisions to award contracts as part of tenders during the 2023 financial year. _NfR

Sustainable supplier management³ _3-3, 308-2, 414-2

Trusting and long-term relationships with our suppliers form the basis for effective, comprehensive and globally synchronised supplier management. Our Global Code of Ethics and our Supplier Code of Conduct, the QEM (Quality and Environmental Management) Manual and our Procurement Guidelines enable us to create understanding among our suppliers to ensure a uniform approach to our values. _NfR

Our Supplier Code of Conduct covers aspects such as the environment, employee rights, compliance with human rights and combating corruption and bribery. Suppliers who participate in tendering processes, submit self-assessments or conclude framework agreements with Hapag-Lloyd are required to sign the code or to have their own code. The suppliers are responsible for implementing the relevant content, such as that concerning anti-corruption, and the due diligence obligations associated with this. _NfR [_2-23](#)

- 2 The maintenance and repair of containers is not centrally organised at present and not integrated into the processes described above.
- 3 The companies specialised in the maintenance and repair of containers are not organised centrally and are currently not included in the description.

Currently, the approach used to identify risks of corruption in the supply chain and the relevant due diligence obligations is limited to the explicit commitment of suppliers to uphold the Supplier Code of Conduct, which addresses corruption and fair business practices. _NfR

Structured selection criteria, evaluation processes, supplier development and taking into consideration risks in the supply chain are other important aspects of our central supplier management. Furthermore, supplier audits were completed in 2022 for the first time since the start of the COVID-19 pandemic. These covered not only operational topics but also sustainability-related issues. Our suppliers are assessed based primarily on self-disclosures and information from external sources. _NfR

For approximately 300 of our largest suppliers, which represent 80% of the relevant procurement volume, we require a self-disclosure to be submitted every two years. This asks questions about subjects such as quality, compliance, employee aspects, the use of subcontractors and the environment. For all other suppliers, the audits and self-disclosures are optional.⁴

The topic of data protection is also mapped as part of the self-disclosure. _NfR

We are currently working on the preparation of Scope 3 accounts, which are expected to be completed in the second half of 2023. We are striving to achieve the greatest possible level of transparency to serve as a basis for reducing emissions in the supply chain and include the emission values in our supplier assessment process.

We maintain an Approved Supplier List (ASL), which includes suppliers that fulfil our requirements. This is updated every year. If a supplier fails to meet our requirements and we become aware of this, the responsible (usually local) procurement organisation contacts the supplier to clarify matters, agree on corrective measures and, if necessary, develop an associated joint action plan to restore compliance. During the reporting year, these activities were carried out under the responsibility of the relevant procurement organisations. If the action plan does not deliver the desired result, we reserve the right to

⁴ Refers to terminal, transport and port in the context of Global Procurement.

terminate the contract. For 2023, preparations are being made for the implementation of a central case management system and its associated processes in cooperation with an external service provider, so that the activities and implementation status can be centrally managed and monitored. _NfR

In 2022, no supplier relationships were terminated by Global Procurement due to activities that violated the Code of Conduct.

To help us work well together – in a general sense, but particularly in regard to the joint pursuit of ESG objectives – we also try to arrange face-to-face meetings with our suppliers. We were once again able to hold some of our supplier meetings in person during the reporting year. Topics such as tenders, sustainability and our performance feedback are addressed during these meetings.

Sustainability standards in container procurement

Depending on the type of cargo, we offer our customers various types of transport containers: standard containers, containers for special cargo and reefer containers. We own 58% of the containers and the remaining 42% are leased. Our own containers are manufactured in accordance with our quality requirements and specifications (see sub-chapter Responsible use of resources, p. 73).

We require both our producers and container leasing companies to sign the Supplier Code of Conduct and to regularly submit self-disclosures. _NfR

Software-based supplier monitoring⁵ _308-2, 414-2

Using eProcurement software, the self-disclosures provided by our suppliers are supplemented with audit results and evaluations of various internal stakeholders. This allows us to create a digitally supported supplier assessment process that involves all the parties concerned. _NfR

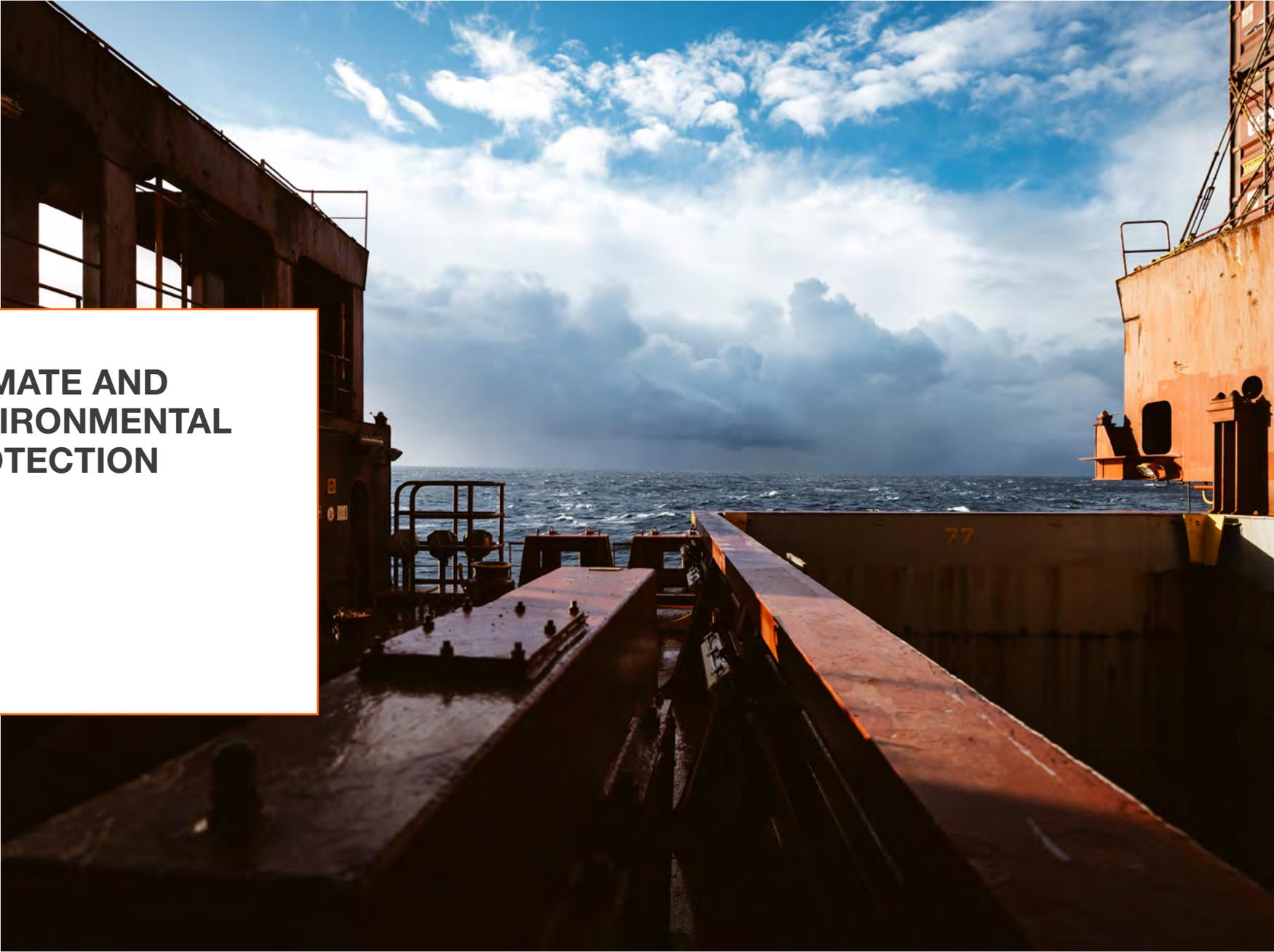
⁵ The companies specialised in the maintenance and repair of containers are not organised centrally and are currently not included in the description.

Our software also simplifies risk management by systematically recording and evaluating supply chain risks. It helps with the definition and standardisation of quality, environmental and social aspects as procurement criteria. We are currently tracking the latest developments of around 1,400 suppliers, including those relating to sustainability-related topics, using a tool for AI-based web crawling. More than 260 employees have been trained in how to operate the tool and use it. In addition to detailed supplier profiles, daily emails with news or updates about suppliers represent an enormous gain.

After focusing on establishing standardised processes, requirement and assessment criteria and contracts in 2021, our main goal in 2022 was to record and document all relevant processes via our eProcurement system.

_NfR





**CLIMATE AND
ENVIRONMENTAL
PROTECTION**

Management approach _3-3

At Hapag-Lloyd, our commitment to climate and environmental protection is one of the core elements of our corporate activity. We believe it is part of our responsibility to keep our environmental footprint as small as possible. With this objective in mind, we have implemented environmental and quality management standards in order to counteract climate change and minimise dangers to people and ecosystems. _NfR

Shipping is currently the means of global goods transport which generates the lowest emissions. Nevertheless, the entire industry is required to reduce its CO₂e footprint even further. Hapag-Lloyd is fully aware of this and is taking measures to make its contribution to achieving the goals of the Paris Agreement. _NfR

Increasing efficiency is vital during energy usage to reduce the amount of fossil and alternative fuels used. We also aim to comply with regulatory requirements regarding energy efficiency and emissions. _NfR

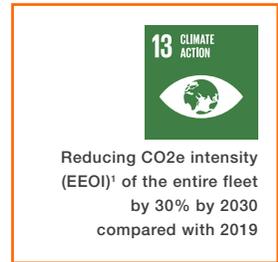
Since our business activities take place primarily at sea, they may have an impact on marine biodiversity, particularly along our shipping routes and in our ports of call (s. Protection of water bodies and marine biodiversity, p. 71). All our ship management companies for our own vessels are certified in line with the global environmental and quality management standards ISO 9001 and ISO 14001. With regard to measures that we adopt at our sites and on board our own vessels, we strive to fulfil the relevant requirements and monitor their compliance within the context of globally defined processes and audits. ISO 14001 is a management standard for environmental issues,

through which we commit to reducing our impact on the environment in relevant topics – this includes ballast water management and its impact on biodiversity. The Regulatory Affairs and Sustainability department handles environmental management at sea and for sites on land, with the implementation on board carried out by the respective ship managements. (see Sustainability management, p. 42 et seq.). _NfR

OUR COMMITMENT

The challenge of decarbonising shipping is too great for a single actor to overcome alone. This is why Hapag-Lloyd is participating in joint initiatives where stakeholders work together on solutions for decarbonising our industry. Our involvement with the Maersk McKinney Moller Center for Zero Carbon Shipping (MMMCZCS) and the Global Centre for Marine Decarbonization (GCMD) deserves a particular mention here. Both are think tanks that show how decarbonisation can be achieved and openly share their findings with the shipping industry (see Sustainability management, p. 42 et seq.). We are also a member of the German Shipowners' Association (VDR). Hapag-Lloyd is represented by our CEO on the Management Committee of the World Shipping Council (WSC). Hapag-Lloyd is active at both the Annual General Meeting and in working groups that are investigating alternative propulsion technologies and issues relating to ship efficiency in the European Commission's European Sustainable Shipping Forum (ESSF). This forum is concerned with the optimisation of commercial shipping while keeping environmental impacts in mind. We have been a member of the Green Shipping Expert Group of the EU Waterborne initiative for carbon-neutral maritime transport since mid-2020. _2-28

Climate protection and reduction of emissions



Our sights are firmly set on the long-term goal of decarbonisation of shipping. We aim to significantly reduce our emissions in our fleet operations through the efficient use of energy. _NfR

ENERGY USE AND ENERGY EFFICIENCY IN FLEET OPERATIONS _3-3, 302-4

We take measures through our Hapag-Lloyd Fleet Upgrade Programme (FUP) to make fleet operations as economical and efficient as possible in terms of energy use and consumption. We are continually investing in energy efficiency and we are striving for an overall fuel saving of 5% for the entire fleet by the end of 2025 through the FUP. _NfR

POTENTIAL MEASURES TO REDUCE EMISSIONS

LOGISTICS & DIGITALISATION	HYDRODYNAMICS	FACILITIES	FUELS & ENERGY SOURCES
<ul style="list-style-type: none"> – Ship size – Capacity – Port and terminal efficiency – Network design 	<ul style="list-style-type: none"> – Optimisation of hull design and propellers and rudders – Hull coating – Cleaning 	<ul style="list-style-type: none"> – Engine improvements – Waste heat utilisation and efficient energy generation on board – Onshore power 	<ul style="list-style-type: none"> – LNG – Biofuel – Power-to-X 

¹ EEOI = Energy Efficiency Operational Indicator. Measures the ratio of emissions per unit of real transport performance (in tonnes of cargo x nautical miles)

Energy efficiency measures in fleet equipment and materials

The issue of capacity utilisation is highly important for efficient energy use in the container shipping sector. We wish to identify potential for improvement in the utilisation of our fleet's capacity on a continuous basis. To this end, we pool and monitor the data from our ship operations with regard to trade and cargo mix. _NfR

Software solutions and process optimisations make a significant contribution to the optimum use of on-board space. Our software allows us to provide standardised reporting for the entire fleet. We record data relating to fuel, such as quality, bunker stocks, daily consumption and information relating to events, such as arrival, departure, waiting times at sea and bunker processes. The software is complemented by our digital route monitoring system, which helps us to optimise route planning and minimise environmental impacts and energy requirements. _NfR

Fleet Datalake is a project we have launched to interconnect different data sources and process vessel performance data in a cloud environment. The project aims to make it easier to perform analyses and exchange information between departments within the company.

Ship crews can monitor their energy consumption: The "Feedback Dashboard" allows ship crews to access performance data for their own vessel and compare it with the performance of other vessels anonymously. The tool covers almost our entire fleet with the aim of helping to increase transparency in shipping and improve fuel efficiency. _NfR

Another way to increase energy efficiency is to reduce the engine power required for propulsion. One of the ways we achieve this is by working to optimise vessels in the context of our Fleet Upgrade Programme (FUP – see above). In the reporting period, this included retrofitting the bow on one vessel and replacing propellers on four of our vessels.

The use of high-performance marine paints across the fleet (both owned and long-term chartered vessels) is another effective investment, which we made for 26 vessels in 2022. Removing fouling from 30 ship hulls also enabled us to save around 8% in fuel for these vessels during the reporting period. _NfR
_305-5

Meeting the latest efficiency and environmental standards when implementing the FUP and when building new vessels helps us to conform with the requirements specified in CII, the EEDI or EEXI. We are also required to use the Energy Efficiency Design Index (EEDI method) to measure the efficiency of our newbuilds. The index states the CO₂ emissions caused by the power and specific fuel consumption of the engines in relation to the capacity and speed of the vessel. _NfR

We added two newbuilds to our fleet during the reporting period.

102 of our vessels² are also registered in the Environmental Ship Index (ESI), which regularly evaluates the environmental impact with particular regard to their emissions. Vessels with particularly good scores benefit from reduced port charges. _NfR _3-3

In 2022, we provided energy efficiency training to newly promoted captains and chief engineers. We also train our crews on other specific topics such as fleet monitoring, speed management, trim optimisation and reporting data quality. _NfR

Energy use and efficiency in ongoing fleet operations

In fleet operations, bunker provides us with important leverage for increasing energy efficiency. Hapag-Lloyd's bunker portfolio generally comprises marine distillates and residual oils and, since 2021, liquefied natural gas (LNG). Since the various bunker types differ in terms of their heating values, we ensure that the fuels we procure have the highest possible energy content. This minimises costs and emissions (see Cutting emissions, p. 68 et seq.).
_NfR

² Two bareboat charter vessels included

Clear guidelines in the Ship Energy Efficiency Management Plan (SEEMP) also ensure that our bunker consumption is kept as low as possible. Compliance with these guidelines is continuously monitored and relevant changes are promptly communicated to ship management. In 2022, the specific bunker consumption was 2.35 tonnes per slot (previous year: 2.4 tonnes per slot) [_NfR _302-3](#)

The COVID-19 pandemic continued to impair efforts to increase efficiency in fleet operations to some extent during the reporting period. This was due to lockdowns in China with sometimes forced long periods at dock. There was also a significant shortage of staff as a result of coronavirus quarantines and a lack of capacity with simultaneously high demand or strikes.

BUNKER CONSUMPTION (IN TONNES) [_NfR _302-1](#)

	2022	2021
MFO (high sulphur)	527,611	349,278
MDO, MFO (low sulphur)	3,607,570	3,843,212
LNG	4,582	2,551
Total bunker consumption	4,139,762	4,195,041



EMISSIONS FROM THE CONTAINER SHIP FLEET
(TONNES CO₂e)* [_NfR _305-1, 305-3](#)

Scope 1	Container ships	around 13,388,000
Scope 3	Upstream chain of procured fuels	around 2,288,000
Total		15,676,000

* based on bunker consumption, excl. onshore power supply

INNOVATIVE FUELS AND PROPULSION TECHNOLOGIES [_3-3](#)

We are currently working in close cooperation with industry partners to investigate possible ways of using methanol as a more sustainable fuel source. Finally, we also actively contribute to forums and technical committees, such as the STG (German Society for Maritime Technology) and the SGMF (the Society for Gas as a Marine Fuel).

By using LNG as a fuel, we are currently able to reduce emissions of sulphur oxide, nitrogen oxide, particulate matter and CO₂. Our 15,000-TEU vessel the “Brussels Express” is the first container ship of this size in the world to be retrofitted to run on LNG and we are gaining valuable experience with it (see Safety on the “Brussels Express”, p. 100). [_NfR](#)

We expect this to reduce CO₂ emissions by 15% to 25% and to significantly reduce sulphur oxide and particulate matter emissions. The aim is to run the vessel on synthetic LNG in the future.

LNG is the subject of critical debate due to “methane slip” (where methane escapes into the atmosphere). In order to minimise methane emissions on board, the main engine of the “Brussels Express” was equipped with a high-pressure gas injection system. This will also be implemented in our new dual-fuel vessels, which are currently under construction.



»It is our aim to increase the use of sustainable fuels, such as biofuels, while securing long-term access to synthetic fuels in meaningful quantities. We will need to work with different types of fuels over the coming decade.«

Jan Christensen,
Senior Director Global Fuel Purchasing

Twelve dual-fuel newbuilds using LNG, each with 23,660 TEU, are scheduled to go into operation in the period between 2023 and 2025. [_NfR_3-3](#)

Although we see fossil LNG primarily as a bridging fuel, propulsion technology using liquefied gas is viable for the future since LNG-powered vessels can also be operated with biological or synthetic methane as an alternative in the mid-

term. They then have the potential to be operated with greatly reduced emissions or even as a climate-neutral vessel. We are currently keeping a close eye on relevant developments. In this context, Hapag-Lloyd is already in talks with potential producers of biological and synthetically produced methane.

Biofuel propulsion

We have increasingly been using biofuels since 2022 in order to achieve our emission reduction targets. These comprise a waste-based biological raw material such as used cooking oil – from which fatty acid methyl ester (FAME) is manufactured – that is mixed with fossil VLSFO³ in varying proportions. Our aim is to use sustainable raw materials to produce biofuels. Greenhouse gas emissions from biofuels are over 80% lower compared to standard fuels.⁴

[_NfR_302-1](#)

During the reporting period, 24 vessels in the fleet were refuelled with biofuel, mostly in Rotterdam but also increasingly in Singapore. There is still no ISO standard for biofuels – updates on this important topic are expected in 2023. However, the availability of biofuels has improved significantly in the meantime. Other bunker ports are being examined in addition to Rotterdam and Singapore, including those in the Mediterranean, in China and on the east coast of the USA. Volume contracts have been concluded with major biofuel suppliers to create security of supply. Hapag-Lloyd is in talks with ship owners to supply more biofuel-powered charter ships – whether this is possible, however, very much depends on the trade and, of course, the availability of the biofuels in each case. In the reporting year, we used our green product to transport cargo for customers for the first time. We aim to expand this service and offer additional sales channels to our customers.

Around 120,500 tonnes of biofuels were bunkered during the reporting year.

[_NfR](#)

³ VLSFO = Very low sulphur fuel oil

⁴ Upstream greenhouse gas emissions are taken into account

CUTTING EMISSIONS _3-3

The amount of bunker consumed and bunker quality have a major impact on subsequent emission levels.

Greenhouse gas emissions _305-4

In 2021, we set a target to reduce the CO₂e emission intensity (EEOI) for the entire fleet by 30% compared to 2019 by 2030. In line with this, our target is a 60% reduction for our own fleet according to AER⁵ compared with 2008 by 2030.⁶ Furthermore, we are aiming for net zero greenhouse gas emissions for the entire fleet by 2045 using alternative fuels (see Hapag-Lloyd sustainability strategy, p. 42 et seq.). _NfR

For the year 2021, the achievement of the AER under the defined trajectory can be reported: 39% compared to 2008. According to the Clean Cargo Initiative's calculation method, the specific CO₂e emissions for the entire fleet amounted to 71.13 g CO₂e per TEU kilometre in 2021. This represents a deterioration of around 14% compared to the previous year due to operational challenges in the network and the use of a different emission factor for VLSFO⁷. _NfR _305-4

Air pollutants _303-2

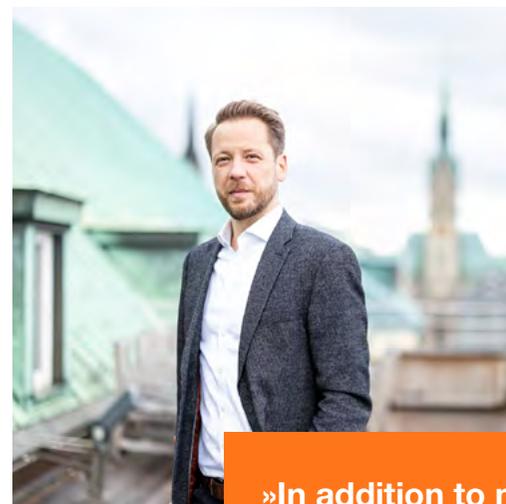
In addition to greenhouse gas emissions, fuel combustion also produces air pollutants such as nitrogen oxides (NOx) and sulphur oxides (SOx), which shape the environmental footprint of the shipping industry. We are striving to reduce air pollutants emitted by our fleet operations to the lowest levels possible. In doing so, we observe the relevant statutory regulations. _NfR

Wherever possible, we are also converting our vessels to dual-fuel propulsion and/or equipping them with exhaust gas cleaning systems known as scrubbers. _NfR

5 AER = Annual Efficiency Ratio

6 As defined in the Hapag-Lloyd Sustainability Linked Bond Framework 

7 VLSFO = Very low sulphur fuel oil



»In addition to making the switch to climate-neutral fuels, the Fleet division has initiated a comprehensive programme of technical upgrades. We are also making a great effort to improve cooperation between the teams on land and those at sea to make the operation of our vessels as energy-efficient as possible.«

Dr Georg Eljardt,
Fleet Analytics & Technical Optimization



Our vessels should be as efficient as possible, including in terms of their energy consumption, which is why the entire Hapag-Lloyd fleet is optimised on an ongoing basis (see Energy efficiency measures, p. 65).



»We want to offer our customers a sustainable commercial transport product based on the use of biofuel, thereby helping them to improve their CO₂e emissions footprint«

Marielena Winter, Senior Manager
Commercial Projects (left)



The decarbonisation of goods transport is a challenge that requires all stakeholders to rethink how they do things. Hapag-Lloyd offers a transport solution with reduced CO₂e emissions, for which biofuel blends are used to protect the environment and help build a greener future.

28 of our vessels are equipped with scrubbers in all – two with hybrid scrubbers and 26 with hybrid-ready scrubbers. This is our response to the growing number of local wash water prohibitions on open-loop technology. In open-loop operation, the scrubbers release the wash water at sea. This complies with the pH and residue levels stipulated in MARPOL Annex VI. We maintain a constantly updated list of territories where open-loop operations are banned. Our 2022 newbuilds also feature SCR⁸ catalysers for NO_x reduction for use in NECA⁹ territories. [_305-5](#)

Laboratory analyses in 2022 determined an average weighted sulphur content of around 0.76% for our fuel deliveries (previous year: 0.5%). The percentage of consumed bunker with a low sulphur content (low sulphur of 0.1% for MFO and 0.5% for MDO) and liquefied natural gas (LNG) fell from around 92% in 2021 to 87% in the reporting year 2022. This is due to the operation of a higher number of vessels with scrubbers that allow the use of fuels with a higher sulphur content. [_NFR](#)

Environmentally friendly transport chains

Our commitment also aims to reduce pre- and on-carriage emissions to protect the climate and the environment. Transparency is crucial to enable customers and other stakeholders to take the environmental impacts of services and products into account with regard to their own actions. To meet this requirement, we provide the free EcoCalc tool for their use on our website. It provides an insight into emissions values along transport chains.

As part of our Supply Chain Sustainability Strategy, we plan workshops with applicable suppliers and other external partners to identify possible solutions that make green door-to-door products possible. In this context, we launched a survey during the reporting period with the aim of finding further suitable technical solutions and partners to offer relevant green door-to-door products.

⁸ SCR (selective catalytic reduction) catalysers: exhaust gas denitrification by reduction using ammonia (ammonia is not fed directly to the system but as an aqueous urea solution (AUS40)).

⁹ NECA = NO_x Emission Control Area

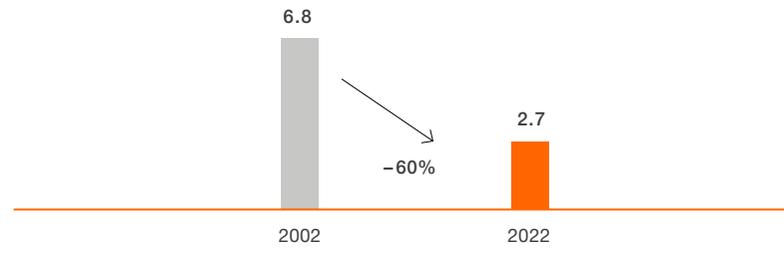
MORE SUSTAINABLE REEFER CONTAINERS _3-3

Cooled goods are transported in reefer containers, which are equipped with electrical units that can keep containers at a steady temperature of between $-30\text{ }^{\circ}\text{C}$ and $+30\text{ }^{\circ}\text{C}$. Hapag-Lloyd has a reefer fleet comprising around 289,600 TEU. _NfR

We have been using units with exclusively high energy efficiency ratings for many years now. By continually modernising our reefer fleet, we have been able to continually reduce energy consumption. As a result, the average energy consumption per 40-foot reefer container has decreased in the last 20 years, from 6.8 kWh/unit (2002) to 2.7 kWh/unit¹⁰ in the reporting year.

_NfR _302-4

AVERAGE ENERGY CONSUMPTION PER 40-FOOT REEFER CONTAINER (IN KWH/UNIT)



ENERGY SUPPLY WHILE SHIPS ARE DOCKED _3-3

Docked ships generally use bunker fuel to cover their energy requirements. Where it is possible on board and on land (to date mainly in California), we use onshore power instead of bunker. This helps to reduce local emissions of air pollutants in ports.

10 KPMG only checked the key figure 2.7 kWh/unit. The long-term trend is excluded from this.



We are gradually converting our vessels to use onshore power. In the reporting year, six of our own vessels and six charter vessels were compatible with onshore power and operated on routes with Californian ports. _NfR

ENERGY SUPPLY AT OUR SITES _3-3

We also set ourselves site-specific targets throughout the world, such as minimising energy consumption to generally reduce our energy use and emissions locally. At our Hamburg headquarters, 100% of our electricity comes from renewable energy sources. We also wish to use smart building measures to reduce energy consumption (s. Sustainability Management, p. 44).

EMISSIONS FROM LAND-BASED OFFICE ACTIVITIES* (TONNES CO₂e)

Scope 1		Company car, gas, heating oil	around 2,000
Scope 2		Electricity, district heating	around 9,000
Scope 3	Category 3	Company car, gas, heating oil, electricity, district heating	around 3,000
	Category 6	Flights	around 11,000
Total			25,000

* Offices used all year round

Protection of water and marine biodiversity

[_3-3](#), [303-1](#), [303-2](#), [304-1](#), [304-2](#)

As a global liner shipping company, we have an impact on marine ecosystems. We wish to keep this impact as low as possible and protect life under water and on land to the best of our ability. Therefore, reducing the negative impact on marine ecosystems continues to be a high priority for Hapag-Lloyd. [_NfR](#)

We have implemented water protection management systems on board our vessels. They comply with the requirements of the International Convention for the Prevention of Pollution from Ships (MARPOL) and the regulations on ballast water management. [_NfR](#)

A core target of our sustainability strategy is not to permit any breaches of the conventions on ballast water and released substances by our fleet and to operate our own vessels and our charter vessels to a uniformly high environmental standard. [_NfR](#)

In the reporting year, there were no spills affecting the maritime habitat (previous year: there was one incident in Rotterdam in late 2021.) [_NfR](#)

Prevention of the spread of invasive species

One side effect of releasing ballast water is the spread of invasive species far from their native regions. This could have a negative impact on the environment by throwing marine ecosystems out of balance. The International Maritime Organization's (IMO) Ballast Water Management Convention is one of the most important regulatory frameworks helping to prevent the spread of invasive species via ballast water. We aim to satisfy the requirements stipulated in these regulations throughout the entire Hapag-Lloyd fleet. [_NfR](#) [_303-2](#)

Regulations for the protection of native waters vary from region to region. One of the strictest regulatory frameworks applies to territory under the jurisdiction of the US Coast Guard (USCG). We are working towards our vessels' compliance with the stricter regulations by late 2023. [_NfR](#)

During the reporting period, we retrofitted a total of 21 vessels to the high USCG standard.

We also continued our dialogue as part of the GloFouling project of the IMO, the United Nations Development Programme (UNDP) and the Global Environment Facility (GEF) in the reporting year. The joint objective is to reduce the spread of invasive aquatic species. Implementing biofouling management will also reduce underwater resistance and, consequently, also greenhouse gases. [_2-28](#)



Hapag-Lloyd takes responsibility for protecting the waters it navigates and has implemented water protection management systems. Our internal "no garbage into the sea" policy serves as a guideline. The objectives of our sustainability strategy also contribute to this SDG.

Protection of marine mammals [_2-28, 304-4](#)

We are involved with a large number of partnerships and projects that aim to protect maritime biodiversity (see Memberships and commitments, p. 58). As part of the World Shipping Council (WSC), we are involved in a project to protect blue whales on their migration routes. We also support the “Protecting Blue Whales and Blue Skies” programme and the ECHO Program in the Haro Strait (USA/Canada) set up to protect orcas. The National Oceanic and Atmospheric Administration (NOAA) provides scientific assistance for the projects.

OTHER INITIATIVES FOR MARITIME ENVIRONMENTAL PROTECTION

As a signatory to the Arctic Shipping Corporate Pledge, we pledge to avoid the use of Arctic shipping routes if serious negative impacts on its unique ecosystem cannot be ruled out. During the reporting period, we also participated in the EcoAction Program in Vancouver (Canada), the Voluntary Vessel Speed Reduction Program in Los Angeles (USA) and the Green Flag Incentive Program in Long Beach (USA). [_2-28](#)



The responsible use of resources

[_3-3](#), [306-1](#), [306-2](#)

A variety of materials are required for marine operations. Materials such as steel and non-ferrous metals are of particular relevance to us. Materials from operations (rope, food waste) and the handling of water and effluents are also relevant in terms of resource use. [_NfR](#)

Resource preservation

The use of materials and recycling are key topics for us with regard to our fleet. As part of our sustainability strategy, we have defined measures for the efficient use of resources and/or reducing waste and for recycling. After the end of their useful lives, containers are sold for other uses, such as transportation or storage. [_NfR](#)

The stock of containers with steel floors increased to a total of around 68,000 TEU in the reporting year, corresponding to around 5% of containers in Hapag-Lloyd's own fleet¹. [_301-1](#)

Ship recycling

We take responsibility for the entire life cycle of our vessels and aim to minimise the negative impacts that our vessels have on society and the environment, including when they are recycled. We provide every newly built vessel with an Inventory of Hazardous Materials (IHM). This is envisaged in our Hapag-Lloyd Ship Recycling Policy in accordance with applicable EU law. It is

also our aim to meet the ship recycling requirements specified in the Hong Kong Convention. [_NfR](#) [_2-23](#)

Hapag-Lloyd is a founding member of the Ship Recycling Transparency Initiative (SRTI), which calls for environmentally friendly ship recycling under safe working conditions. We are also active on its steering committee to increase the scope of the initiative. [_2-28](#)

We did not recycle any of our vessels in the reporting year. If a vessel is to be recycled, we strive to select shipyards that meet the EU Ship Recycling Regulation (SRR) requirements.

Handling water and disposal of effluents

Both fresh water and drinking water are required on board ships. Fresh water is obtained using sea water evaporators and used for purposes such as cleaning, but drinking water must be procured for the crew. Waste water disposal complies with MARPOL Annex IV on board and with local legal requirements on land. [_NfR](#) [_303-1](#), [303-2](#)

Disposal and recycling of other waste at sea [_3-3](#)

“No Garbage into the Sea”: Preventing waste from entering the world's oceans is a major topic for the shipping industry. As a result, all waste generated on board our vessels is collected, separated and handed over for environmentally friendly disposal in the port. According to the statutory requirements stipulated in MARPOL, only kitchen waste generated on board may be shredded and disposed of at sea.

¹ Reefer containers are excluded from consideration

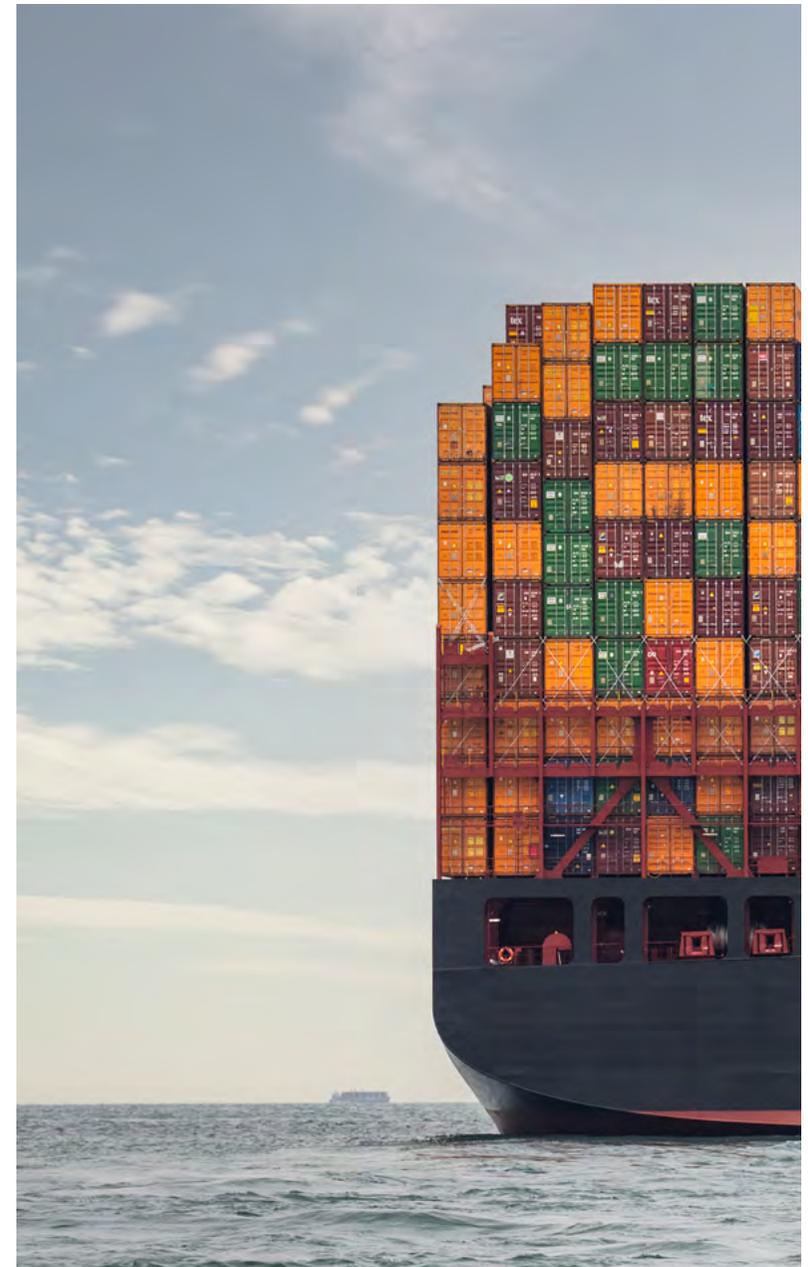
Local regulations may at times prevent proper disposal: For example, separated recyclable waste often cannot be handed over for recycling in EU ports because it would be classed as waste from non-member states. We find this regrettable and hope that the relevant regulations can be improved.

Waste on board is logged by category on a daily basis. Our cables, for example are made from plastic and are fed back into the materials cycle at the end of their useful lives. There are separate oil waste logs for used oil. Data on waste will be collected for our own vessels in a centralised way in the near future. The process to do this was started this year and is currently being rolled out. On charter vessels, managers are required to comply with all applicable international laws and regulations when dealing with waste and have their own management systems for this purpose. [_306-3](#)

Food waste from our crews on board vessels is kept to a minimum thanks to careful planning when procuring provisions and economical food preparation. We are always searching for other ways to reduce waste on board, for example when it comes to packaging. We are committed to globally practical solutions to avoid plastic waste on board (particularly plastic bottles) through the BIMCO².

Disposal and recycling of other waste on land

We are also working towards avoiding waste wherever possible at our sites. The corresponding measures are site-specific and waste disposal is conducted in compliance with local laws. In our regional offices, we separate waste so that it can be recycled and avoid the use of plastic products wherever possible. [_NfR](#)



2 Baltic and International Maritime Council

EMPLOYEES



Management approach¹ _3-3

In order for us to recruit and retain our employees, it is important to us that we act in a way befitting a responsible global employer. In doing so, our priority remains ensuring a healthy, safe working environment for everyone. We strive to continually evolve and set ourselves new targets, which we have laid out in the Hapag-Lloyd Strategy 2023 and firmly enshrined in our corporate values. Furthermore, we are making use of the opportunities afforded by digitalisation in the area of human resources. They are a key factor in allowing us to respond to the changes taking place in the world of work – from hybrid working to virtual training sessions to digitally assisted dialogue between managers and employees. _NfR

We invest specifically in the training and further education of our skilled workers and managers, as well as in the professional and personal development of young talent. Together with our employees around the world, we embody a positive corporate culture that fosters a collaborative attitude. This is what guides us in our day-to-day work, allowing us to give our all for our customers.

Digitalisation and agility are key elements of Strategy 2023. As such, the HR department has incorporated them into a global human resources strategy, focusing on a number of different topics. In the core area of HR digitalisation,

Hapag-Lloyd aims to efficiently advance employee care and development, from recruitment to departure, through the use of digital HR processes.

In addition to this, we are developing our Future Way of Working@Hapag-Lloyd concept, refining our change management processes and building our global employer branding.

Web-based training sessions are used to introduce our new employees around the world to our corporate values, data protection processes, IT systems and other company-related topics. One of the compulsory modules focuses on our Global Code of Ethics. This is currently being fully digitalised in order to standardise and consolidate our onboarding process. _NfR

Flexibility and innovation have been essential in enabling us to respond effectively to the challenges posed by the pandemic – particularly with digital solutions. However, our locations were affected by the pandemic, and the guidelines and restrictions that came with it, to widely varying degrees. Generally speaking, we saw COVID-19 restrictions in many countries relaxed during the reporting period. IT-supported communication tools help us to work together safely, whether at the office or from home. We are gradually and continually working to digitalise our advanced training measures. In November 2022 the company announced its partnership with LinkedIn Learning. Since this time, all employees have had access to the platform and its numerous services. LinkedIn Learning will also be our strategic partner in the development of the Hapag-Lloyd Academy (see Further education and talent development on land, p. 88).

¹ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description.

In some countries, our employees sometimes worked almost entirely remotely. In Germany, for instance, the office attendance rate during the first quarter was around 15%. As the coronavirus infection rate curve began to flatten and the corresponding regulations were eased, we launched the hybrid working model at many locations over the course of 2022, thus paving the way back to post-pandemic normality. The specific circumstances in each individual country with regard to the epidemic were, of course, taken into consideration. Thanks to our 3:2 model (3 days per week working at the office, up to 2 days working remotely) we have achieved an office attendance rate of approx. 60% in Germany since July 2022.

Our marine employees were again also affected by measures intended to combat the COVID-19 pandemic during the reporting year. However, the situation improved over the course of the year thanks to the relaxing of entry and exit regulations, including in Asian countries. Crew changes at key Asian ports (e.g. Singapore, South Korea, Hong Kong) were again able to take place, subject to acceptable restrictions, from the second quarter of 2022 onwards. The consequences of the war in Ukraine posed a new challenge during the reporting period, having a somewhat negative impact on crews' mental health due to fear and uncertainty. In order to prevent any further psychological stress wherever possible, we continued to focus on ensuring that our seafaring staff members were replaced in a timely manner. We also amended our COVID guidelines to reflect the lifting of the recommendation to restrict shore leave.

HUMAN RESOURCES MANAGEMENT ORGANISATION²

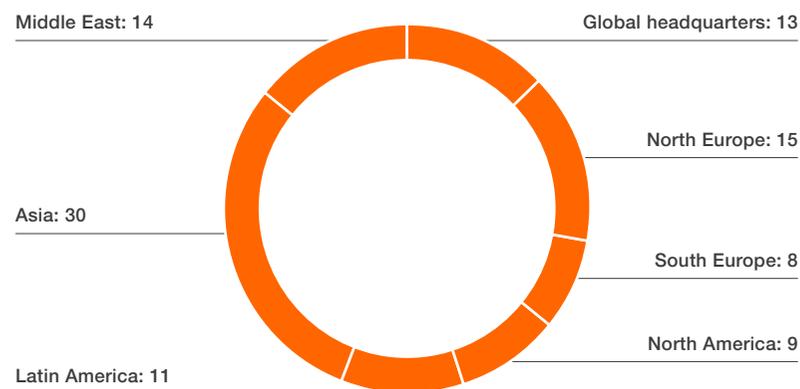
We consider it important to ensure a fundamental, global understanding of uniform structures in regard to employee issues such as remuneration policies, level structures, our Global Mobility Policy and our company-wide Code of Ethics. The Global Human Resources (Global HR) division manages our shore-based personnel around the world from the company headquarters and ensures that there are binding standards for human resources management and developing young employees. This includes regular dialogue with our employees, which follows the same structure in every country.

² The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

Global HR is regularly assessed through internal and external audits, which this year addressed data protection and IT security, and as part of QEM audits. This is seen as an opportunity to identify and implement potential improvements. _NFR

The Marine Human Resources department manages ships under the German flag and, together with Ship Management Dubai, is responsible for the majority of our marine personnel. Both units conduct training and further education for their employees. _NFR

DISTRIBUTION OF SHORE-BASED PERSONNEL BY REGION* (IN %) _2-7



* As at 31 December 2022 – excluding apprentices, Companies specialising in the maintenance and repair of containers are included.

During the fourth quarter of 2022, just as we did the previous year, we surveyed internal onshore customers around the world to review the focus of our human resources work and adjust it where necessary. This also provided us with valuable feedback on the progress made in regard to current human resources-related issues. We enjoyed some initial success with the introduction of our first tool as part of the implementation of a holistic digital HR process solution. Our employee appraisals were supported by the new platform for the very first time in 2022, with employee feedback being incorporated into the development and introduction of the new digital platform.

STAFF STRUCTURE [_2-7](#)

In 2022, Hapag-Lloyd employed around 14,200 people (2021: around 14,100 people) – 12,400 on land and 1,800 at sea. 13% of our employees³ on land are based at the global headquarters, 15% in North Europe, 8% in South Europe, 9% in North America, 11% in Latin America, 30% in Asia and 14% in the Middle East (including Africa).

Our employees at sea in our own fleet include both permanent employees and employees with fixed-term contracts. A small number of employees on Hapag-Lloyd's own ships are not covered by these types of employment contracts, such as service engineers or external apprentices who are gaining practical experience on board our vessels. We occasionally employ other temporary workers on land, primarily in the area of IT. [_2-8](#)

There was an increase in the number of employees in the reporting period, which was partly due to the integration of Deutsche Afrika-Linien (DAL) employees from the container liner shipping business.

No contracts for marine personnel were terminated in 2022 as a result of the pandemic. No permanent European marine personnel were subject to short-time working measures at any time. In Germany, we pressed ahead with making working hours at Hapag-Lloyd AG even more flexible, while demand for part-time employment and parental leave among marine personnel contin-

ued to rise in the reporting period. Requests for part-time employment are made, for example, when employees are caring for family members.

New employee hires and rehires following training fell short of expectations for certain positions, particularly third and second engineers, due to market conditions. As a result, we are seeing an increase in the average employee age in these areas of activity.

NUMBER OF EMPLOYEES (2022)

ON LAND AND AT SEA

	Hapag-Lloyd Group	Hapag-Lloyd AG
On land	12,446	2,881
of which apprentices	130	112
At sea	1,802	1,225
of which apprentices	98	95
Summe	14,248	4,106

As at 31 December 2022

NUMBER OF TEMPORARY THIRD-PARTY WORKERS (2022) [_2-8](#)

	Hapag-Lloyd Group	Hapag-Lloyd AG
On land	430	102
At sea	0	0

As at 31 December 2022

³ Excluding apprentices, including companies specialising in the maintenance and repair of containers



In regard to training, we are increasingly shifting our focus to IT and are offering additional training schemes, just as we have in previous years. For our shore-based apprentices we have set up apprenticeships for combined vocational training and degree programmes. _NfR

EMPLOYEES BY DIVERSITY CRITERIA (2022) _2-7

BY GENDER ON LAND AND AT SEA (IN %) _NfR _405-1

	Hapag-Lloyd Group	Hapag-Lloyd AG
On land		
Female	45	43
Male	55	57
Diverse	<0.1	0
At sea		
Female	1	2
Male	99	98

As at 31 December 2022 – excluding apprentices,
Companies specialising in the maintenance and repair of containers are included.

BY AGE STRUCTURE (IN %) _405-1

	Hapag-Lloyd Group	Hapag-Lloyd AG
Younger than 30 years of age	27	18
Between 30 and 50 years of age	57	61
Older than 50 years of age	16	22

As at 31 December 2022 – excluding apprentices,
Companies specialising in the maintenance and repair of containers are included.

Employee recruitment and retention

Finding and retaining highly qualified staff is one of our most important goals. In order to demonstrate that we are an employer offering excellent opportunities and a working environment in which employees feel valued, we focus on attractive remuneration packages and an extensive employee benefit programme. We will continue to offer hybrid working models beyond the end of the pandemic. We have fully incorporated this working model into our HR strategy, because we are convinced that this is the best way to adapt to the current and future requirements of the job market.¹

In the area of sea-based operations, we undertake to comply with specific regulations regarding occupational health and safety and employee remuneration. For example, the regulations of the Maritime Labour Convention (MLC) – including those governing working conditions and occupational health and safety – are a very well implemented aspect of our ship management system.

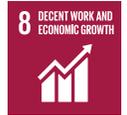
¹ The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

EMPLOYEE RECRUITMENT² _3-3

The international shortage of highly qualified personnel is being felt most keenly in the area of IT and the analytical professions. Additional bottlenecks are being seen at a regional level. For example, in Europe we are struggling to recruit qualified customer service staff. With this in mind, we implemented further employee recruitment measures in the reporting period. These included the pilot project for an employee referral scheme, which was launched in April 2022 and will run until the end of February 2023. We also obtained LinkedIn licences for recruiter seats, which allow us to contact potential candidates directly (active sourcing). Finally, since 2022 we have been working with an external agency specialising in employer branding.

In Germany, the employees of Deutsche Afrika-Linien's (DAL) container liner shipping business joined Hapag-Lloyd as a result of the transfer of operations. In South Africa, we purchased 100% of the shares in the company that operates there from DAL. The employees based there were also taken over following this acquisition. Only at sea was there no direct takeover of DAL marine personnel.

² The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.



Hapag-Lloyd contributes towards SDG 8 with its attractive working conditions, such as fair remuneration and measures to reconcile career and family life. Through works councils and other forms of co-determination, employees are involved in key decision-making processes and contribute their own ideas and suggestions.

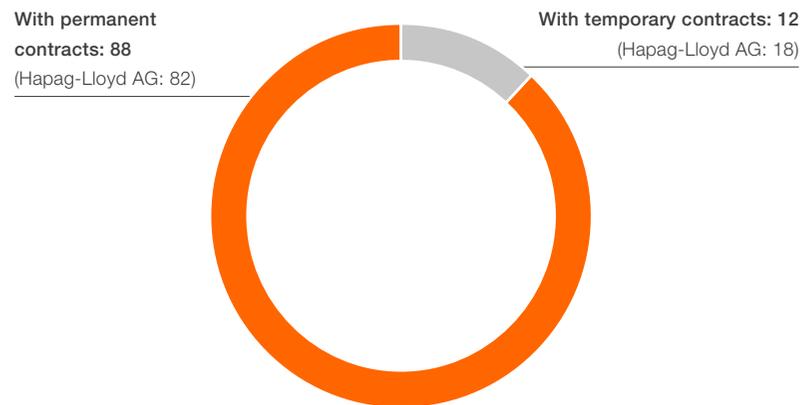
EMPLOYEE RETENTION³ _3-3

Framework agreements such as collective bargaining agreements instil loyalty and are a key tool for ensuring that our employees choose to remain with us as their employer. Additionally, Hapag-Lloyd takes various measures to boost employee retention. We have also used the challenges posed by the pandemic as an opportunity to actively care for and support our employees. As part of this process, flexible and remote working models, for example, were promoted and the technical conditions needed to implement these models were put in place. We also provided services for families and supported the introduction of hybrid working models by offering tailor-made series of events and training sessions. We want our employees to help shape the future working environment at Hapag-Lloyd, involving them in processes such as the development of plans for modern office spaces. Numerous events took place during the reporting year as part of our 175th anniversary celebrations. In addition to local company events at our various locations, a larger event was also held at the Hamburg headquarters, which included a soccer tournament in which teams of employees from around the world competed.

Naturally, we want to know how satisfied our employees are with Hapag-Lloyd as an employer, with their work-life balance, their career prospects, recognition of their work, etc. We therefore carry out regular surveys at a local, topic-based and departmental level. During the reporting period, a survey on satisfaction with working from home during and after two years of the pandemic was conducted at our location in South Korea; another monthly survey at the Singapore location focused on new employees' satisfaction with the onboarding process. The survey results were overwhelmingly positive. There are plans to conduct a global Employee Engagement Survey in 2023.

³ The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

EMPLOYEES BY CONTRACT TYPE (IN %) _2-7



As at 31 December 2022 – marine and shore-based personnel, excluding apprentices, Companies specialising in the maintenance and repair of containers are included.

Fair wages and salaries⁴

Paying staff a fair wage is another element of employee retention and part of our Global Code of Ethics (see Compliance, p. 23 et seq.). Remuneration is paid at market rates in line with employees' duties and performance, regardless of their gender or other characteristics. _3-3

During the reporting period, we adjusted our bonus payments to reflect Hapag-Lloyd's economic performance. This gives employees the opportunity to earn significantly higher bonuses during years in which the company performs well. In years where economic performance is poorer, bonuses linked to EBIT can still be achieved. All remuneration and bonus systems apply globally, but are structured differently depending on the employee's level. As an additional incentive to actively help us achieve our goal of being number one for quality, a quality bonus was introduced, based on the results of our semi-annual customer satisfaction survey.

⁴ The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

We are a member of the employers' association Hamburg Shipowners' Association (Verein Hamburger Rheder). Collective bargaining agreements for employees of the Hamburg Transport Industry are concluded through the collective bargaining association for the Hamburg Transport Industry. These agreements apply to employees working in Hapag-Lloyd AG's land-based operations in Germany. Collective bargaining agreements for shore-based employees of Hapag-Lloyd AG in Germany include minimum requirements for working conditions and salaries. Senior executives are not covered by these agreements. [_2-28](#)

The social benefits we offer also make us an attractive employer. The nature of these benefits and the amounts offered under such schemes vary from region to region and are based, among other things, on local statutory social security provisions.

Around 59% of all employees (Hapag-Lloyd AG: around 95%) are covered by collective bargaining agreements (as at: 31 December 2022).⁵ [_2-30](#)

Our marine personnel are covered by independent collective bargaining agreements which we conclude through our membership of the German Shipowners' Association (VDR) collective bargaining association in coordination with the International Transport Workers' Federation (ITF). We also apply the regulations of the Maritime Labour Convention (MLC), thus going far beyond the legal minimum requirements. Crews on ships registered under the German flag receive permanent contracts and are entitled to capital-forming benefits. In Germany, the seafarers' collective bargaining agreement also applies to marine personnel on ships registered under the German flag, who received another pay rise in 2022. This was the second stage of an increase that had been agreed the previous year. Staff receive an employer contribution towards sick pay. For ships registered under other flags, social benefits are arranged by the relevant company or agency responsible for ship management. We also grant employees on ships registered under the German flag profit-sharing opportunities and anniversary bonuses. [_2-30](#)

There are additional extras for our employees in the regional companies, such as a cycle-to-work scheme, meal allowances or various leisure activities.

⁵ Companies specialising in the maintenance and repair of containers are included.

Depending on the region, Hapag-Lloyd also contributes to pension schemes, private health insurance or offers free health check-ups. There are also sports courses and gym discounts for employees. Hapag-Lloyd AG's staff in Germany benefit from capital-forming benefits and subsidised public transport tickets.

Work-life balance⁶

Through our Future Way of Working@Hapag-Lloyd project, we are actively shaping the future working environment at Hapag-Lloyd; an environment that also aims to provide a good, healthy and family-friendly work-life balance. Hybrid working models are now an established part of this working environment. Flexibility and scope for our employees to choose their working hours and place of work have become important levers for us. Provided such measures are legally possible and compatible with work processes, this helps us enable our employees to find balance between their work and their private lives. As a modern, flexible employer, we also benefit from new ways of working together.

Our hybrid working model gives shore-based personnel the option of working remotely up to twice a week. This model may vary in individual cases due to pandemic-related factors and regional requirements. In North America, for example, employees were able to return to the office earlier and adopt the hybrid working model, whereas in South America it was introduced later on. Implementation is also currently ongoing in Asia. At the same time, additional measures to reconcile differing needs are being developed.

Part of the Future Way of Working@Hapag-Lloyd project is creating the necessary infrastructure. This includes modern software and hardware such as collaboration systems and video conference equipment as well as modern office concepts that can gradually be integrated throughout the company.

We want to support the parents that we employ in their day-to-day lives. "Voio" is a virtual childcare programme that was created for Hapag-Lloyd AG employees in Germany in collaboration with an external service provider. In addition to supporting the children's education, a wide range of active and virtual services were available and could be used flexibly at different times of day.

⁶ The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

In other regions, such as at the Global Service Centre in Asia, employees benefit from subsidised childcare facilities located close to the on-shore offices.

Despite our ambitions to bring greater flexibility to the workplace, we were delighted to welcome back our German employees in person in the summer of 2022. During our “Welcome back to the office” days, we welcomed our teams and used the time to discuss what the new normal might look like in a series of workshops. This dialogue continues to take place both in person and virtually. Colleagues from a range of areas share ideas on how to optimise working from home, for example, with the use of our seminars or digital communication with the team.

The working conditions of our marine crews differ from those of our shore-based personnel on account of the long absences, separation from families, irregular working hours, seven-day working weeks and limited leisure options. The Marine Labour Convention guidelines set out minimum standards for working and resting periods, overtime, meal provision and shore leave. We are committed to going above and beyond this, trying to balance the challenges that marine personnel face in the course of their work as best we can as an employer. For example, we provide on-board leisure facilities and organise events to support crew welfare. We provide special bereavement assistance and ensure that our employees have unlimited internet access at sea wherever possible. During the reporting period, family members of seafaring staff, such as spouses, partners or children, were also once again allowed to travel on board with them. Crew members on ships under the German flag were able to take parental leave as provided for by legal provisions.

We introduced flexitime and relatively short deployment times on our ships under the German flag; Ship Management checks compliance here through the use of time accounts. During the reporting year, further measures were initiated to promote balance between our employees’ private lives and ship-ping and to make deployments at sea easier to plan, so that they can be better adapted to employees’ individual needs. To better understand the impact that the stresses of the pandemic have had on marine personnel, we are considering implementing the risk management process (RAMS) earlier than planned.

EMPLOYEES ON LAND AND AT SEA _2-7

EMPLOYMENT TYPE (IN %) _102-8

	Hapag-Lloyd Group	Hapag-Lloyd AG
Full-time	96	88
Part-time	4	12

As at 31 December 2022 – excluding apprentices, Companies specialising in the maintenance and repair of containers are included.

ON PARENTAL LEAVE* _401-3

	Hapag-Lloyd Group	Hapag-Lloyd AG
Women	555	54
Men	286	74
Total	841	128

* Availability and extent depends on local laws, Companies specialising in the maintenance and repair of containers are included. Employees, with the diversity criterion diverse, are also to be considered for the coming reporting year 2023 within the framework of the key figure.

Co-determination⁷

In the interest of the company and all employees, we aim to promote a lively and constructive exchange of ideas based on trust. Works councils and similar bodies participate in the company by means of co-determination and/or information rights. Communication in the various countries is target group-oriented and takes into consideration local conditions.

Our management staff work closely with the national works councils and the European Works Council. The International Transport Workers' Federation (ITF) represents the employees in our entire fleet. All employees on our ships under the German flag are also represented by the marine works council (see Fair wages and salaries, p. 81). [_2-29](#)

⁷ The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

Supporting marine personnel

Employees working on ships registered under the German flag are supported by our crew managers on land, most of whom have worked at sea and have a great deal of relevant experience. Similar structures exist on all of our own ships.

Following each voyage, we discuss the technical aspects, the performance of the employees and other topics with the captain and with any other employee who wishes to do so. These discussions also take into account social aspects such as the compatibility of career and family life in the context of further deployment planning. We also discuss existing systems and processes in order to identify potential improvements, in regard to the increasing administrative burden, for example.



Training and staff development _3-3

Every vessel needs a well-trained and motivated crew. The same can be said for Hapag-Lloyd and all its employees on shore and at sea.

Last but not least, we believe that highly trained people are also important members of society who can play a role in advocating for social and environmental issues. As an employer, we feel it is our responsibility to promote existing talent and provide up-and-coming talent with interesting prospects.

We firmly believe that long-term employee retention and financial success go hand in hand, and have provided our employees with a wide range of training and further education opportunities. Developing new young employees is particularly important to us. _NfR

To enable us to cover our requirements for qualified workers, particularly in the areas of shipping and logistics, IT and data analysis, we rely on our training programmes and combined vocational training and degree programmes. The number of applicants for traditional apprenticeships on land remains low – something we feel is a direct result of the pandemic. To tackle the shortage of highly skilled personnel and applicants, we have shifted our focus to formats such as online-based recruiting. By offering apprenticeships and increasing the number of apprenticeships that are available, we also hope to make a concerted effort to help young employees gain high-level qualifications in a

more general sense, in order to address the shortage of highly skilled workers at a societal level. Services designed to provide information on potential career paths such as trade fairs were once again able to be held in person during the reporting year and we were also able to offer internships and informational events to school pupils. _NfR

We continue to work with the Hamburg School of Business Administration (HSBA) and the Nordakademie. At the HSBA, we are involved in the company working group, speed networking events and information days. At the Nordakademie, we are represented on the Employers' Advisory Council. In the reporting year, we provided a total of 15 places at the HSBA and Nordakademie. In addition, each year we offer four scholarship places to IT students, which we fill through our cooperation with Wedel University of Applied Sciences, among others.

Apprenticeships on land

In Germany, Hapag-Lloyd AG offers training for shipping agents, office management clerks, forwarding and logistics clerks, and cooks. There is a particular need for shipping agents. We are also looking for trainees who want to combine vocational training with a degree programme in IT and offer combined vocational training and degree programmes in International Business and Logistics Management. _NfR



We offer our employees a range of training and further education measures including international staff development programmes such as the Agile Leadership Programme at Hapag-Lloyd (ALPHA) and the Talent Development Programme (TDP). Our employees can access training measures easily via our Learning Management System (LMS). In the reporting period we began developing an internal academy to ensure the long-term, high-quality training of our employees.



40

land-based students on combined vocational training and degree programmes in Germany

35 new apprentices started their training with us in 2022. Right from the start, all apprentices were given equipment that would allow them to work remotely.

There are plans in place to increase the number of apprenticeships in the upcoming 2023 financial year. The Executive Board is provided with information about the current status and direction of the training. _NfR

Each year's group of new apprentices begin their time at Hapag-Lloyd with a three-week shared induction period for apprentices on land and at sea. This was once again able to take place during the reporting period after being postponed the previous year due to coronavirus, with the prescribed coronavirus measures taken into account. Ship tours were once again offered to our

apprentices at the end of 2022. However, travel on container ships had to be suspended in order to limit the risk of infection. _NfR

Outside Germany and the German apprenticeship system, the onboarding process for new employees varies depending on the region, position, and employees' experience. _NfR

It is our general intention to offer each apprentice a position and to ensure their seamless transition into the Hapag-Lloyd team.

In 2022, the proportion of those offered jobs at the end of their training was 88%¹, up from 73% in 2021. We want to stay in contact and keep the lines of communication open with apprentices who do not start working immediately after completing their apprenticeship, but first want to complete a course of study. Some former apprentices have the opportunity to continue working at Hapag-Lloyd during their studies and to start working for us again after they graduate.

In Chile, plans to set up an apprenticeship scheme for shipping agents based on the German model are being developed. We are currently evaluating how we can contribute to its development.

Apprenticeships at sea

For ships under the German flag, Hapag-Lloyd offers apprenticeships for ship mechanics, nautical officer's assistants and technical officer's assistants.

There is currently a particular need for apprentices in electrical engineering, for electrical engineering and automation technology assistants, for example. To help ease this bottleneck, the number of Filipino apprentices in electrical engineering was increased. _NfR

In the reporting year, we were able to recruit a total of 45 apprentices for the marine division.

¹ The hiring rate for apprentices at sea cannot be provided because they generally switch to a degree programme following their apprenticeship.

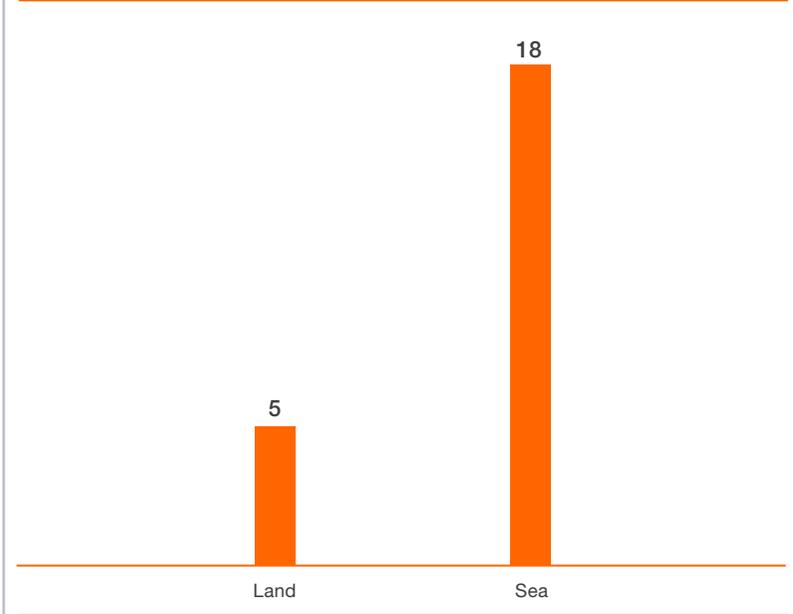
The lack of career fairs and informational events to help prepare people for future careers made the search for apprentices more difficult. Now that trade fair activities and informational events have become feasible again, Hapag-Lloyd's training department will make greater use of this opportunity to promote careers at sea with Hapag-Lloyd.

The content of the apprenticeships at sea is stipulated by the STCW convention. Training of cadets on ships under the German flag is carried out by Ship Management and managed from Germany. This training is managed via external ship managers or crew managers for ships under other flags. _NfR

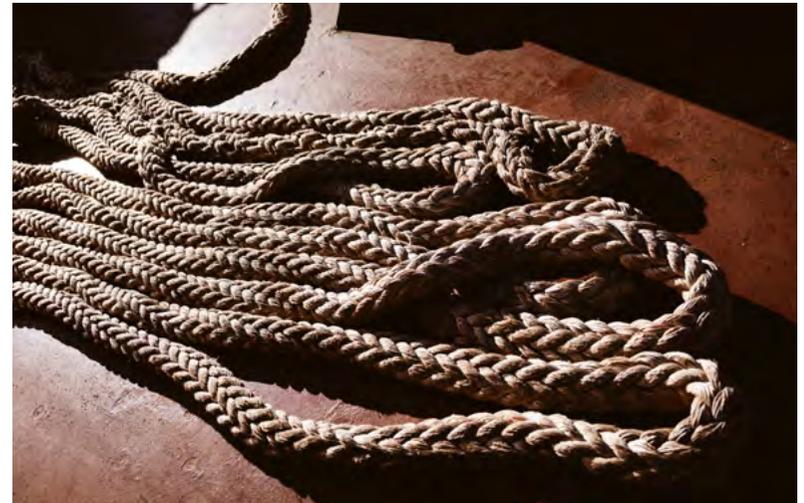
For certain roles, we require candidates on board our ships under the German flag to complete a course of study. We therefore only recruit nautical and technical officers if the number of graduates is too low to cover our staffing requirements. We cover our requirements for chief engineers and captains on ships under the German flag by promoting our own young professionals. On ships registered under other flags, we recruit young professionals with a nautical or technical degree. They must then complete a 12-month stint on board a Hapag-Lloyd ship. _NfR

Our apprentices in Germany undergo group training lasting several months, which focuses on team building and occupational safety (basic safety training) as well as other supplementary topics. The group training phase takes place at a training centre and on our training ships, and also includes leisure activities together, which are an important component of the training we offer. Shore excursions integrated into the training group phase were sometimes not possible in China and increasingly also off North American ports due to country-specific restrictions. _NfR

APPRENTICES RATIO* IN GERMANY (IN %) (ANNUAL AVERAGE) _NfR



* Percentage of apprentices: proportion of apprentices to permanent employees



FURTHER EDUCATION

We help our employees to develop their expertise through the in-service training programmes we offer in the form of virtual training and face-to-face events. Some of our on-shore training sessions were held online, while the rest were able to take place in person or in a hybrid format. During the reporting period, the number of face-to-face training courses increased slightly yet again compared to the previous year and we were once again able to run most of the courses and training sessions that require on-site attendance due to the nature of the training (simulator, practical exercises, etc.).

In 2022, we invested a total of around EUR 7 million² globally (Hapag-Lloyd AG: around EUR 4 million³) in the training and education of our staff. Due to the increase in travel associated with in-person training and the ramping up of our LNG training (see Safety on the “Brussels Express”, p. 100), training costs in the marine division increased for the reporting period.

In the year under review, onshore training and continuing education courses were held with a total duration of 20 hours⁴ per person (Hapag-Lloyd AG: 13 hours per person). In addition, training and continuing education courses are held locally that are not recorded centrally. [_NfR_404-1](#)

Further education and talent development on land⁵ [404-2](#), [404-3](#)

As part of the Global Staff Dialogue (GSD), our shore-based personnel regularly engage in a structured discussion with their supervisors to help identify and support opportunities for development. [_NfR](#)

We also started developing new leadership guidelines during the reporting period, following on from the introduction of our corporate values in 2020. [_NfR](#)

² Including travel costs

³ Including travel costs

⁴ The companies CMR Container Maintenance Repair Hamburg GmbH and Middle East Container Repair Company LLC specialising in the maintenance and repair of containers are not centrally organised and are currently excluded from the calculation of the ratio.

⁵ The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

The training we provide is also designed to help support our employees and senior executives in implementing the Future Way of Working@Hapag-Lloyd. In the reporting period, several training sessions on the topic of “Hybrid & Remote Working & Leadership” were held.

The Learning Management System (LMS) launched in 2020 is now firmly established and is undergoing further development on an ongoing basis. Our employees can choose from a variety of courses. We now have over 10,000 users registered in the system. In addition to the LMS courses, external training sessions are also being offered again. The services accessed through the new LinkedIn Learning platform (see Management approach, p. 76) have significantly increased the amount of available LMS content, improving the range and number of course formats we are able to offer.

Instructors from the areas of HR management and development, senior executives and internal mentors nurture our employees’ talents as part of the three-year Talent Development Programme (TDP). The courses and events that make up the programme took place online, in person and in hybrid formats, allowing participants to build their networks at an international and local level through a number of different channels. [_NfR](#)

The programme was attended by over 329 employees globally in 2022 (2021: over 330).

Another component of our talent development strategy is the Agile Leadership Programme at Hapag-Lloyd (ALPHA). This is a three-year development programme for senior executives working on land with an international focus. A number of network meetings and training sessions addressing the topics of leadership, change, storytelling and negotiations, to name but a few examples, took place in 2022. [_NfR](#)

In the previous reporting year, a total of 30 people took part in ALPHA.

We want to pool our qualification activities within the new Hapag-Lloyd Academy. This is set to comprise various units. In addition to training sessions and workshops, it will also include coaching and mentoring as well as a leadership academy. The various segments and sub-academies will be rolled out gradually. Because the academy is based on the concept of lifelong learning, our

Learning Management System will in future bear the name Hapag-Lloyd Learning Campus.

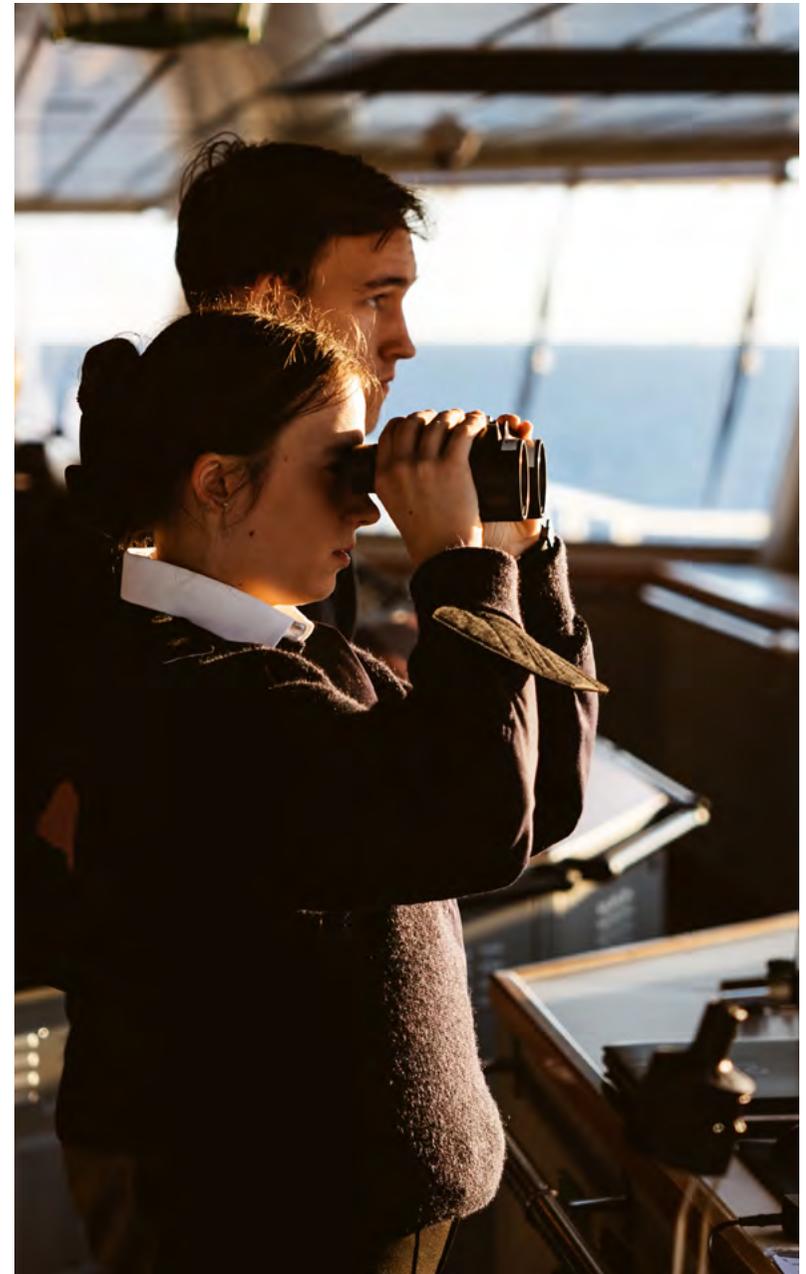
The global roll-out of the new Commercial Academy (Sales and Customer Service) is already underway; our revised Leadership Principles (see above) are to be promoted throughout the company via the Leadership Academy from as early as 2023. In addition to this, numerous other global training programmes are being set up, including those with a local focus, such as Mental Health Ambassador certifications in the United Kingdom.

Further education at sea [_404-2](#)

Further education is also an important topic for our seafaring staff. To this end, we have implemented an expertise management system on ships registered under the German flag. During annual employee reviews, the management and employees work out individual development goals and agree on suitable training measures. These are then conducted at training centres in cooperation with external service providers. In order to ensure that all required certificates are kept up to date, regular mandatory training must be completed. [_NFR](#)

The range of further education we offer on board ships registered under the German flag takes several forms: for example, during shore leave, marine personnel take part in e-learning modules or multi-day courses on legislation, language courses, and training in the Electronic Chart Display and Information System (ECDIS). Just as we have in previous years, we once again provided special training on LNG in 2022 in order to prepare our crews for the increased use of LNG on board our ships. The LNG training, which comprises theoretical and practical components, is also a prerequisite for the associated patent (see Safe ship operations, p. 100). Further training was additionally offered, such as training on new equipment and compliance-related matters in US waters. [_NFR](#)

Personnel on our ships under the German flag are employed for an average of around eight years. This is a sign that we are adopting the right measures for employee retention. However, we also know that groups of employees who have been with us for many years tend to leave the company in greater numbers later on. [_401-1](#)



Diversity and inclusion

Hapag-Lloyd is a global company that is shaped by internationality and diversity in a special way. Cultural and social diversity are among the key values embedded in our company's DNA.

CORPORATE VALUES¹ _2-23

As part of the Hapag-Lloyd Strategy 2023 we have redefined and communicated our corporate values. In the 2022 reporting period, these were used to determine our value-based behaviours – the new company-wide skill sets. These translate our corporate values into specific practices.

THE HAPAG-LLOYD MANAGEMENT CULTURE² _3-3

Throughout the Group, a positive relationship between senior executives and employees is particularly important to us. We primarily facilitate this through flat hierarchies, efficient decision-making pathways and a culture of open feedback. It is important to us that all employees are able to communicate with every senior executive. We promote interaction as equals. _NfR

We promote dialogue between senior executives and the crews at sea through various formats. These discussions, which took the form of career talks and travel talks with captains, were once again able to be regularly held in person at Hamburg's Ballindamm during the reporting year. At the end of September,

1 The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.
2 The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.

a virtual Q&A was held to obtain feedback from seafaring staff on holiday regarding the upcoming fleet restructuring.

Development programmes such as ALPHA and TDP serve as networking opportunities for senior executives and young professionals. Several digital options were added last year, including on topics such as our corporate values, corporate social responsibility and the Hapag-Lloyd leadership culture. However, as a member of the Deutsche Gesellschaft für Personalführung e.V. (German Association for Personnel Management, DGFP), we also engage directly in dialogue with other companies.

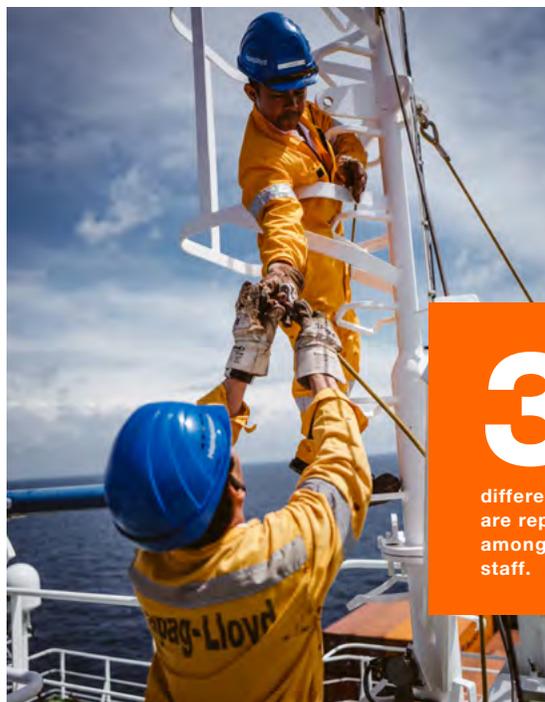
DIVERSITY³ _3-3

The diversity of our staff is one of our strengths and an important element of our sustainability strategy. We strive to promote and embody diversity at all times. _NfR

People of more than 100 nationalities work for Hapag-Lloyd around the globe.

It is our aim to make our company even more diverse, particularly within the workforce and at management level in north Europe and at our headquarters in Hamburg. At sea, we are focused on improving representation of women on board. We have already taken some initial steps towards achieving this, particularly by improving infrastructure and equipment within our own fleet. _NfR

3 The companies specialising in the maintenance and repair of containers are not centrally organised and are currently not included in the description.



32

different nationalities
are represented
among our seafaring
staff.

EQUAL OPPORTUNITY⁴ _3-3

We want to foster the talents of our employees irrespective of gender, nationality, ethnic origin, religion and ideology, disability, age, sexual orientation and identity. We are committed to hiring new employees solely on the basis of their qualifications, social skills and their readiness and ability to perform the work. We are expressly committed to the diversity recommendations of the Government Commission for the German Corporate Governance Code (GCGC) and the objectives of the Diversity Charter. When it comes to hiring new employees, our processes are also based on relevant country-specific provisions, such as the German General Act on Equal Treatment. _NFR

⁴ The companies specialising in container maintenance and repair are not organised centrally and are currently not included in the description.

The selection of our marine personnel is based on suitability for working at sea, flexibility and manual skills, for example. Furthermore, we endeavour to adopt an inclusive approach in recruiting, by using gender-neutral terminology, for instance.

We integrate employees with disabilities into our operational workflows and the social environment in the same way we do any employee.⁵

More is being done to address the topic in the area of recruiting in several regions around the world, e.g. in Asia. In Korea, for instance, annual training sessions are held to improve recognition of people with disabilities. Plans are increasingly being made to hold similar training sessions in other locations, aimed at combating prejudice. The inclusion of employees with disabilities is a focus topic for the upcoming financial year at the Global Service Centre in India. Preparations for this were underway during the reporting period.

We have already conducted several training sessions on the topic of unconscious bias, diversity and equal opportunities in the past. As part of our “We are Hapag-Lloyd” series, interviews are conducted with people who either belong to minorities and/or fight for equal rights, and then made available via the intranet. _NFR

Following on from this, a diversity series was launched on the intranet during the reporting period. In these interviews, employees are offered a space in which they can express their thoughts on diversity and talk about their own personal experiences with the topic. The aim of the series is to eliminate any shame or inhibitions in regard to diversity within the company. The series has resulted in the formation of two interest groups: Women at HL and Pride at HL. Hapag-Lloyd has also been a patron of the Welcoming Out initiative since it was first started in 2022. The WELCOMING OUT symbol is used as a way for people to make clear their open-minded and accepting attitude towards people who identify as LGBTQIA+.

⁵ Because we do not fulfil the mandated 5% German employment rate for severely disabled people for 2021, we pay the quota compensation levy, which applies to both our shore-based personnel and our employees at sea.

At a regional level, initiatives have been launched in many locations around the world, such as sexual harassment prevention training or the installation of post boxes that employees can use to anonymously express their views on diversity-related topics and experiences.

Women in management positions _405-1

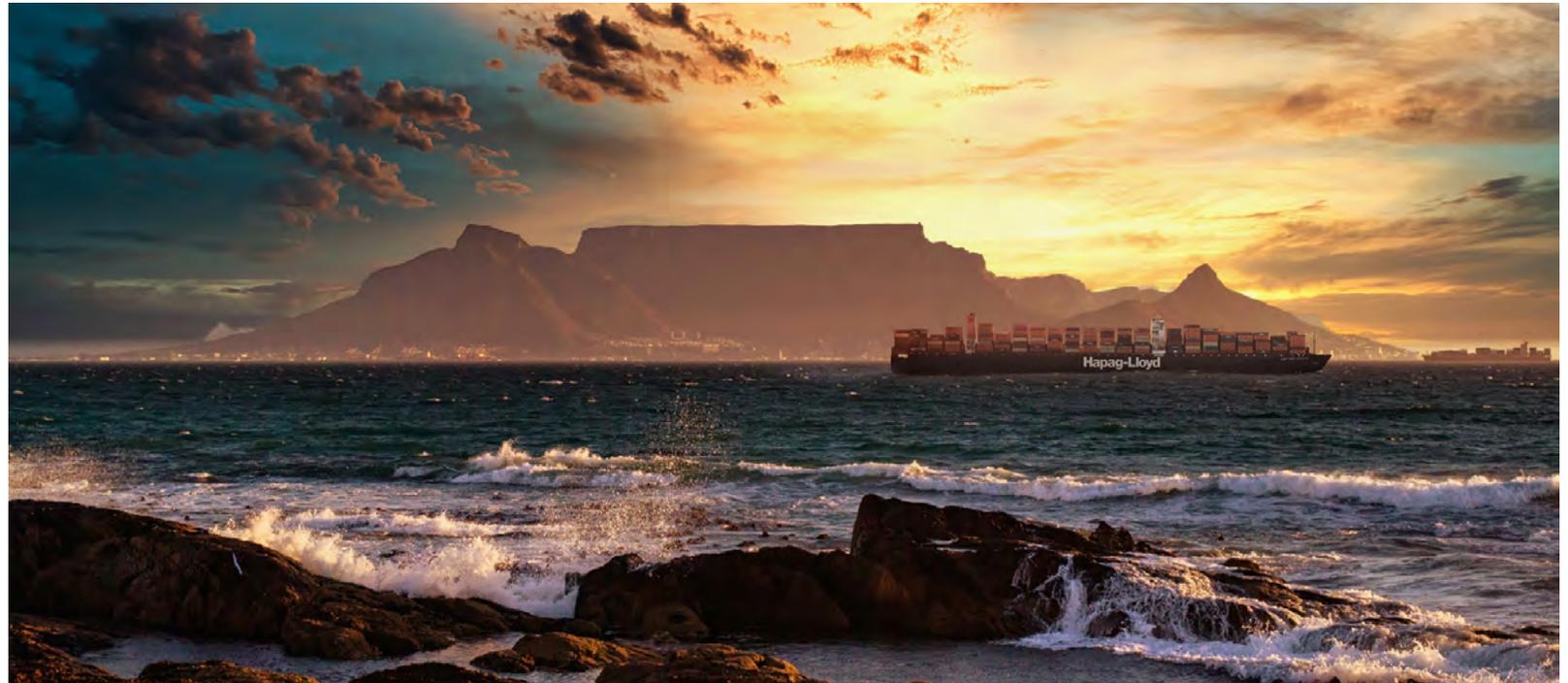
The targeted advancement of women to management positions is one of Hapag-Lloyd's aims. In order to achieve this, we have undertaken to reach important milestones. By 2023, we aim to raise the proportion of women in management development programmes (TDP and ALPHA) to at least 50%. We want to demonstrably increase the proportion of women in management positions in the first four levels of our shore-based personnel by 2030 (current number: 17%). _NFR

The principle of equal opportunities applies to the filling of new vacancies. We have also stipulated that at least one application from a member of the other

gender must be received, especially when hiring for managerial positions. With a quota of at least 50% women in programmes such as ALPHA and TDP, we aim to increase the size of the pool of female candidates by 2023. In TDP, the proportion of women is 47% meaning we have almost reached parity. There is still a significant imbalance in ALPHA, however, with 37% women (previous year: 23%). _NFR

Against this backdrop, an internal working group has already developed recommendations for measures and provided the impetus needed to implement these. There is the Women Business Club, a networking programme for women at Hapag-Lloyd, and various training sessions, (on the topics of self-marketing for women, for example), among other measures.

The Hapag-Lloyd Supervisory Board abides by the legally mandated goal of a gender quota of at least 30% (see Annual Report 2022 [↗](#), p. 50 et seq.).

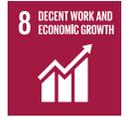


HEALTH AND SAFETY



Occupational health and safety on land

_3-3



We contribute to SDG 8 through our health and safety measures and activities for our employees.

The health and safety of our employees is our top priority at Hapag-Lloyd. The local management is in charge of the health and safety of our shore-based personnel in the individual regions in cooperation with the responsible HR department. Our managers are responsible for observing and implementing the relevant regulations on site.¹ _NfR

In addition to the EU directive on safety and health at work, we also comply with national legislation, such as the Act on the Implementation of Measures of Occupational Safety and Health to Encourage Improvements in the Safety and Health Protection of Workers at Work (Arbeitsschutzgesetz, ArbSchG) in Germany, as part of our overarching set of regulations. The German Employer's Liability Insurance Association and the Occupational Safety and Health Office carry out spot checks to ensure that we are complying with regulations at our German locations. The German Employer's Liability Insurance Association did not conduct any checks in 2022.² _NfR _403-1

- 1 The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.
- 2 The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.

Our aim is to maintain the long-term ability of our employees to work. As part of these efforts, we also rely on the impact of health and safety management on the working environment. The field of work and location of our employees determine which preventive and corrective measures we adopt to ensure our employees' health and safety.³ _NfR

A notable indirect positive effect of providing our employees with healthcare is the reduction in the wider cost to society.

We maintained our diligent approach to infection protection during the reporting period by continuing to provide our employees in Germany with free disinfectant, masks and lateral flow tests, for example.⁴ We continued to rely on allowing our employees to work remotely or adopt a hybrid working model. In Hong Kong and China, we sent care packages to employees under quarantine due to the pandemic.

- 3 The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.
- 4 The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.



OCCUPATIONAL SAFETY AT THE SITES⁵ [_403-3](#), [403-5](#)

The majority of our shore-based personnel are involved in seated office-based work. The risk of injury is higher for employees working in kitchens, warehouses, ports or depots. Potential hazards are identified and appropriate protective measures are set out.

Internal training sessions on occupational safety and health can be completed via the intranet and sometimes also in person.

Certain training modules providing basic knowledge of all relevant health and safety-related topics are mandatory for all shore-based employees. In Germany, there is also opportunity for regular discussions with the health and safety officer. Employees at our global sites are integrated into safety-related topics in line with the relevant local legal requirements.

Workplace accidents on land [_403-9](#)

In 2022, we recorded no fatal occupational accidents⁶ for the Group's shore-based employees. The recording and documentation of the remaining accident indicators for the Group as a whole is also currently being revised. [_NfR](#)

Organisation of occupational safety⁷ [_3-3](#), [403-1](#), [403-2](#), [403-4](#)

In Germany, a Health and Safety Committee consisting of the company management, an occupational health and safety officer, the safety officers and members of the Works Council is responsible for protecting the health and safety of our shore-based personnel. [_NfR](#)

Exchange on the topics of occupational health and safety takes place through direct discussions with the responsible member of the Executive Board. The internal occupational safety officer in Germany has a basic qualification as a safety officer and is also qualified as a health and safety coordinator and an internal auditor for OHS⁸ management systems according to ISO 45001. [_NfR](#)

⁵ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description. Contents pertaining to Germany relate to Hapag-Lloyd AG.

⁶ Excl. commuting accidents, incl. companies for maintenance and repair of containers

⁷ The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description. Contents pertaining to Germany relate to Hapag-Lloyd AG.

⁸ OHS = occupational health and safety

We intend to have our OHS management system certified in the medium term; the structures needed to achieve this are currently being created, although only for German sites initially. Initial offers have already been obtained from various software solution providers. In-depth discussions are scheduled to take place in the first quarter of 2023.

In Germany, facility management is handled by an external service provider, RGM Facility Management GmbH. Other countries also use external services. Employees are trained as first-aiders and fire protection officers internally.

In Germany, regular basic and refresher courses for first-aiders are a legal requirement. In 2022, a first-aid course was held every month from October onwards, resulting in the training of 64 employees in total.

Ongoing improvements to fire protection⁹ [_403-2](#)

Maintaining a fully functional fire protection system is a matter of course for Hapag-Lloyd. During the reporting period, fire protection regulations were drawn up and published on the intranet. Our workforce will receive training on the new concept. We have also implemented preventive maintenance measures in Hamburg. Three training course dates for fire protection and evacuation staff, each for 65 participants, were also offered during the reporting period. The fire protection officers are provided by an external service provider.

9 The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description. Contents pertaining to Germany relate to Hapag-Lloyd AG.

HEALTH AND SAFETY ON LAND¹⁰ [_403-6](#)

The greatest health risks for our shore-based personnel include lack of movement, postural damage, vision disorders and psychological stress. We aim to organise exercise initiatives for all workers in Germany at least once a year, in addition to other preventive measures. In Hamburg, for example, all employees are invited to participate in a wide range of options offered through our company sports club. [_NfR](#)

Prevention on land¹¹

The legal requirements for health prevention for employees in Germany are covered by the occupational safety officer. We continued our COVID-19 vaccination campaign into the start of 2022. Employees were also able to benefit from free flu vaccinations. In addition, we continued our regular screening campaigns for the early detection of bowel cancer and our series of lectures on care and massage. In 2022, our initiatives focused on the topic of mental health. Due to an increase in mental stress and illness, this year we began offering mental health coaching for our employees and their families in partnership with the Fürstenberg Institute. Together with pronova BKK, we regularly introduce services and preventative measures tailored to current needs, such as the five-week digital “Mental Health” programme that we ran in 2022. [_NfR](#) [_403-3](#), [403-5](#)

We have offered employees in Germany the opportunity to lease up to two bicycles since 2020. In doing so, we want to contribute to climate protection whilst also promoting good health among our employees. Based on regular surveys, we adapt our health promotion measures to meet current needs and regional characteristics. We actively involve our apprentices in the development of offers that are specifically designed with them in mind.

10 The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description. Contents pertaining to Germany relate to Hapag-Lloyd AG.

11 The companies specialising in container maintenance and repair are not centrally organised and are currently not included in the description. Contents pertaining to Germany relate to Hapag-Lloyd AG.

Safe ship operations _3-3

We consider our employees' safety to be our most valuable asset. This applies especially to our staff at sea, who are faced with particular safety-related challenges due to the nature of their work. Furthermore, through the measures we have in place to ensure the safety of our employees and sea-based operations, we also aim to create smooth workflows, protect the environment from risks that can arise from shipping and prevent risks to the ship and cargo. _NfR

The COVID-19 pandemic continued to pose particular challenges during the reporting period, especially in the first half of the year, when crew changes could only take place under challenging conditions (local entry and exit regulations, sometimes long quarantine periods) or were in some cases just not feasible (see Employees, p. 77). Global entry and exit regulations were relaxed in the second half of the year and operations at Asian ports returned to something resembling normality. Hygiene regulations on board ships and on land and additional internal directives were based on the key guidelines for health protection on board in addition to regional regulations. These are binding for our 37 ships registered under the German flag, but they also serve as an example of good practice on board all other Hapag-Lloyd ships. We remained in constant communication with the owners of the charter ships regarding necessary measures. _NfR [_403-7](#)

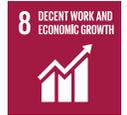
OCCUPATIONAL HEALTH AND SAFETY AT SEA

_403-1, [403-2](#), [403-8](#)

The land-based ship management organisations are responsible for the safety of our employees at sea and for ship operations as a whole. External regulations that apply to us are the Safety of Life at Sea Convention (SOLAS) of the International Maritime Organization (IMO), which includes regulations on workplace safety on ships in accordance with the International Safety Management (ISM) Code and the International Ship and Port Facility Security (ISPS) Code on the prevention of maritime security, the occupational safety standards in accordance with the Maritime Labor Convention (MLC) 2006 and the International Labor Organization (ILO). _NfR

Our safety management system (SMS) _403-4

The international requirements of the ISM Code are implemented via the relevant safety management system (SMS), with each ship management organisation being responsible for its own vessels. The SMS sets standards and describes specific measures to ensure safety in ship operations (including occupational health and safety) and to minimise the impact of such operations on the environment. It also sets out measures to prevent damage to the ship, cargo and property. The SMS comprises all safety-relevant work and safety processes on board with the aim of maximising occupational safety for our employees and when working with external companies as well as minimising hazards. _NfR



The safety management system (SMS) plays a key role in ensuring safety at sea and covers all occupational safety processes and measures on board our ships.

Instructions coupled with training and induction sessions ensure that employees are familiar with the SMS. Risks and the effectiveness of measures are documented using risk assessments and reviews. All these components of every SMS within our fleet are reviewed and certified according to international standards each year. This same process applies to the charter vessels, which have to fulfil the same international legal requirements. [_NfR 403-5, 403-7](#)

The SMS is updated based on feedback on its use in practice. We obtain regular feedback from the fleet in order to optimise our guidelines and promote the exchange of experiences. In addition to any changes in the law, the review also includes protective measures following incidents and near accidents. In the reporting period, we revised the SMS, implemented numerous minor changes and adopted additional safety measures, such as those designed to prevent stevedore accidents (accidents involving external loading staff at ports). Causal analyses help us to optimise operations on board and to prevent safety risks. [_NfR](#)

In 2022, we recorded 0.32 occupational accidents¹ per ship (employees of Hapag-Lloyd AG: 0.40 accidents per ship) on our own ships operated by the managers Hapag-Lloyd Fleet Management and Anglo-Eastern (Germany) GmbH, which cover 72 ships and thus around 60% of our own fleet. [_NfR](#)

There were no fatal accidents in 2022. [_NfR 403-9](#)

An effective SMS not only reduces the risk of accidents occurring on board through safe operational workflows, it also reduces risks for the high seas and port and coastal states by preventing accidents, emergencies or pollution, or by minimising their consequences through professional crisis management. By achieving this, it also indirectly reduces the cost to society. Precautionary measures relating to occupational safety and health care have the same overall effect: they contribute to reducing the number of sick days taken, thereby helping to reduce the cost to society.

In addition to the internal review and updating of the SMS, numerous reviews of its practical implementation on board the ships are conducted. These take the form of internal and external audits, flag state inspections, inspections by

classification societies and port state controls (PSC), for example. These checks allow a wide range of parties and authorities to ensure that all international regulations and specific SMS guidelines are respected and complied with. [_NfR](#)

Regular audits ensure that relevant requirements are met [_403-7](#)

Regular internal and external audits check that all statutory and internal requirements regarding occupational health and safety are being met. Internal audits take place every year and monitor compliance with the ISM Code and ISPS Code as well as internal ISO requirements. Any deficiencies or potential areas for improvement are identified during the course of these audits. External ISM, ISPS and MLC audits are carried out on each one of our ships every two and a half years. ISO 9001 and ISO 14001 audits are carried out regularly on a set number of ships. [_NfR](#)

In 2022, Hapag-Lloyd carried out a total of more than 120 internal and 70 external audits² on its own vessels.

Implementation of and compliance with legal requirements regarding safety on board ships and occupational safety also forms the basis of all contracts with external managers and charter companies. The respective ship owners and their appointed managers are ultimately responsible for ensuring compliance with contractual provisions and for conducting the relevant audits – including on the charter vessels. [_NfR](#)

Digital security is regulated by the ISM Code. The compulsory measures associated with this have been in force since 2021. This applies correspondingly to charter vessels. The audits were able to be carried out during the reporting period. [_NfR](#)

1 Excl. commuting accidents

2 Two bareboat charter vessels included

During the reporting period, all management-relevant ship certificates were issued for our own fleet and charter ships. These so-called Safety Management Certificates (SMCs) and International Ship Security Certificates (ISSCs) confirm compliance with the ISM Code and ISPS Code. _NfR

In addition to the ships, the flag states or the classification societies commissioned by them also verify and certify the land-based ship management organisations every year. As was the case in previous years, all the ship management organisations of our ships were awarded the Document of Compliance (DOC). All ship management companies are also certified according to ISO standard 9001:2015 and 14001:2015. _NfR

Deviations from the requirements are documented in audit reports. Corrective measures must be implemented within a clearly defined time period and are then evaluated. _NfR

Port state control – Hapag-Lloyd deficiency rates demonstrate the success of our SMS

Port states are authorised to carry out port state controls (PSCs). During these checks, the condition, equipment and proper operation of all ships is inspected to ensure compliance with the applicable international agreements or those which have been ratified by the port state, including those concerning occupational health and safety-related matters. _NfR

Currently, countries in nine regions around the world have signed memoranda of understanding (MoU) regarding port state controls. They also conduct Concentrated Inspection Campaigns (CICs) focusing on specific topics. During the reporting period, the CICs addressed “Standards of Training, Certification and Watchkeeping for Seafarers (STCW)”. _NfR

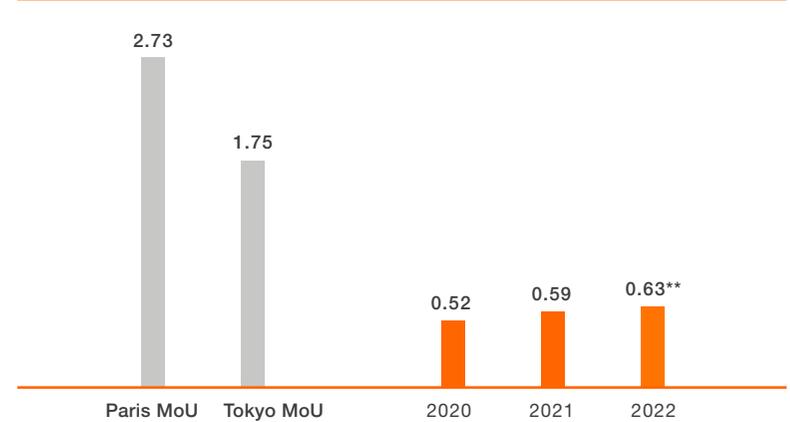
Overall, our ships underwent 246 port state controls³. On average, 0.63⁴ deficiencies were found during these checks. _NfR

³ Two bareboat charter vessels included

⁴ The individual data on deficiency rates of the charter fleet are not recorded centrally, two bareboat charter vessels included

Comparison with average global deficiency rates – e.g. Paris MoU: 2.73 (2022) and Tokyo MoU: 1.75 (2021) – and our own average deficiency rate in recent years demonstrates the success of our safety management systems.

AVERAGE DEFICIENCY RATE*



* Deficiency rate = deficiencies/PSCs

** _NfR

Accolade from US Coast Guard

Since 2018, our ships registered under the German flag which have undergone a PSC safety examination in the USA in the last 24 months have been part of the Qualship 21 programme. At the time of certification, less than 20% of all ships operating under foreign flags in US waters met the high quality and safety requirements needed to achieve this. The certificate for our ships is valid until 2024.

Regular training on risks in ship operations _403-5, 403-9

The operation of our ships is associated with specific health and safety risks for our employees, including those posed by large, heavy moving equipment, stress caused by noise, travel through different time zones and climates, the motion of the ship and bad weather. _NfR

We continually work towards improving safety on board. One key element is the regular training of marine personnel in safety-relevant topics. _NfR

Training sessions, drills and inductions are reviewed for effectiveness as part of the certification process for the respective SMS and during corresponding audits. Hapag-Lloyd and all managers of Hapag-Lloyd vessels ensure that new staff members understand what their responsibilities are in regard to safety and environmental protection. Each crew member on our own ships is instructed in the safety features and procedures on board when they start work, and learns about the relevant regulations and guidelines. All new employees must be familiar with emergency preparation measures. Furthermore, there are training sessions on behaviour in the event of a fire or evacuation at least once a month during sea deployments. Training on various ship accident situations (such as collisions or running aground) is provided at least once a year. Regular training sessions are also carried out on land. For example, basic safety training on managing risks and hazards on board, which takes place over the course of several days, is provided every five years.

_NfR

Training activities were able to resume during the reporting period, with a few exceptions. Some of the courses we offer have been adapted and updated. For example, the new BG Verkehr specialist seminar “Safe and healthy work in the shipping and fishing industry” is no longer aimed specifically at managers (as it was previously), but at anyone who plays an active role in on-board occupational health and safety. _NfR

HEALTH MANAGEMENT AT SEA _403-2, 403-3, 403-6

In the event of health complaints on board our own ships, the captain or the medical treatment officer are the initial contacts. They are trained for this according to international requirements. In complex cases, the Telemedical Maritime Assistance Service is available. In the event of medical emergencies, visits by a doctor and care at land-based medical centres can be arranged at any time while a ship is berthed in port. _NfR

Medical emergencies at sea are handled by the international rescue system. This is to ensure that consistent standards are upheld during emergency



SAFETY ON THE “BRUSSELS EXPRESS” _403-5

LNG-powered ships such as the “Brussels Express” place completely new demands on our crews. Both the technical equipment and the handling of LNG calls for special instruction and specific safety training.

We continued to provide the relevant training in 2022. This includes theory-based modules in addition to a 30-day practical component spent on board a ship, and must be completed in order to secure the so-called patent (authorisation to sail on LNG-powered ships). As we have placed orders for additional dual-fuel-powered vessels, training is a top priority for us. During the reporting year, 101 participants took part in the IGF basic (IGF I) and advanced (IGF II) training at Wilhelm Rump KG in Hamburg, and 18 people also completed the required 30-day practical component for the advanced IGF certificate on board the “Brussels Express”.

rescues at sea and Maritime Rescue Coordination Centres in all coastal states around the world provide appropriate rescue services. _NfR

In order to work on board a vessel, employees must be declared fit to work at sea in accordance with the MLC. For our seafaring staff, this is confirmed by certificates and is monitored continually. _NfR

Supporting mental health

Since 2019, we have applied the Risk Assessment Mental Stress (RAMS) on our ships registered under the German flag to assess risks with regard to psychological health. RAMS is a scientifically validated stress analysis. It is based on the EU directive on safety and health at work and the German Occupational Health and Safety Act. Our ships registered under other flags fulfil similar standards in compliance with international law (IMO and MLC).

_NfR

To go even further to help support the mental health of our crew, we recently implemented additional measures on all our ships registered under the German flag, making provisions for a phone counselling service, for instance. We also provide the crews with unlimited data, so they can stay in touch with friends and family (see Employees, p. 76 et seq.).

CRISIS MANAGEMENT [_ 403-2](#)

In the event of a crisis, our Emergency Response Manual serves as a guide to avoiding or minimising harm to people, our ships and the company. The following fundamental principles must be observed, without exception:

1. Save lives
2. Save the ship
3. Protect the environment
4. Prevent damage to the company _NfR

Reporting based on these principles has largely been standardised for all of our own ships.

A team of experts comprising representatives from all relevant departments and external institutions is responsible for handling any incident that may occur and is available 24/7. Clear responsibilities and reporting channels ensure that, in crisis situations, the Executive Board can be informed as quickly as possible. _NfR [_403-3](#)

PIRACY AND TERRORISM [_403-2](#)

The risks from piracy and terrorism are evaluated differently by various flag states. This provides us with an individual and comprehensive overview of potential risks in the areas in which we sail and allows us to draw up route-specific risk assessments for our ships. These are updated annually, or even more frequently if required, such as in the context of the acquisition of Deutsche Afrika-Linien (DAL). This enables us to react quickly to changes in the situation. To provide the highest level of protection, we also comply with the guidelines on risk avoidance, such as the Best Management Practices to Deter Piracy and Enhance Maritime Security in the Red Sea, Gulf of Aden, Indian Ocean and Arabian Sea (BMP5). There were no incidents of piracy and/or terrorism on our own ships⁵ in 2022.

DEALING WITH DANGEROUS GOODS [_403-2](#)

We only transport goods that are legally classified as dangerous goods if they meet all international, national and local laws and guidelines in full, such as the International Maritime Dangerous Goods (IMDG) Code. The potential danger posed by a good is assigned a classification based on various characteristics, such as its physical and chemical properties, reactivity and stability, and toxicological and environmental information. By implementing special measures, we ensure that their transport is safe for our employees, the ship, the cargo and the environment. _NfR

⁵ Two bareboat charter vessels included

All aspects of dangerous goods transport are internationally regulated. This enables all dangerous goods to be identified anywhere in the world by means of their dangerous goods class and UN number. These two parameters determine which specific requirements must be met in terms of transport. _NfR

In 2022, Hapag-Lloyd transported around 480,000 TEU of dangerous goods, accounting for around 4% of the entire transport volume. The dangerous goods business is an important strategic growth market that Hapag-Lloyd plans to expand further in future. _NfR

Dangerous Goods Manual and Hazcheck Detect software used for risk assessment

Hapag-Lloyd has its own internal regulations for the transport of dangerous goods that exceed statutory requirements. These rules are developed on an ongoing basis to reflect current events, following in-depth consultation with internal experts, and apply to Hapag-Lloyd's entire fleet. The guidelines include the provision that no dangerous goods may be stored in front of or behind the crew quarters in order to protect the crew and cargo. This also applies to the outsides of the ship, in order to protect the cargo from breaking waves and pirate attacks or in the event of a collision. All regulations and work processes relating to dangerous goods are set out in the binding Hapag-Lloyd Dangerous Goods Manual. This manual is used by our dangerous goods experts as well as by all relevant parties, such as ship planners and Port Terminal Operations. The manual features an exclusion list of all goods we refuse to transport, though it would be legally permissible to do so. The risk assessments are updated daily. If there are any changes in the risk assessment due to current events or developments, the manual and/or the exclusion list is revised and all relevant offices are informed immediately.

_NfR

Our dangerous goods experts report regularly to the central Hapag-Lloyd dangerous goods officer. They are responsible for the proper and legally compliant handling of dangerous goods transportation, both in the ports and on the ships. Shipments not declared as dangerous goods are checked using Hazcheck Detect software. In 2022, we were able to identify around 4,800 cases of incorrect declarations. The transports were then refused.

_NfR

Dangerous goods checks and compliance with applicable laws and internal regulations help to prevent accidents involving dangerous goods that could potentially cause serious harm to both people and marine biodiversity.

There were no reportable accidents involving dangerous goods during the reporting year. _NfR

Raising awareness among our employees through dangerous goods training _403-5

Employees on land and at sea who deal with dangerous goods, such as captains and cargo officers, are regularly trained by the Hapag-Lloyd dangerous goods officer. These training sessions comply with legal requirements under the IMDG Code, the German Ordinance on the Transport of Dangerous Goods by Sea (GGVSee) and 49 CFR, and serve to inform people about the special requirements for the transport of dangerous goods and provide information on the risks involved. This helps our employees around the world to recognise irregularities and causes for concern. _NfR

During the reporting year, all training took place in a hybrid format. The number of training sessions is determined by the legal requirements. Training remains valid for three years under 49 CFR and five years under the IMDG Code. _NfR

Initiatives and memberships _2-28

Hapag-Lloyd is an active and founding member of the CINS (Cargo Incident Notification System), a non-profit initiative through which cargo or container accidents are recorded in a database and analysed. The aim of the initiative is to identify negative developments at an early stage and enable critical action to be taken, thereby improving operational safety at all levels of transport.

We continue to be an active member of the Association of German Shipowners (Verband Deutscher Reeder/VDR) and chair its Hazardous Goods committee. Hapag-Lloyd is also part of BIMCO and an Executive Committee member of the International Vessel Operator Dangerous Goods Association (IVODGA).

In addition, Hapag-Lloyd sat on the Safety and Security Council of the World Shipping Council (WSC) during the reporting year and participated in a number of events such as the IMO CCC meetings and VDR, CINS and IVODGA sessions.

CORPORATE CITIZENSHIP



Corporate Social Responsibility

Through our corporate citizenship, we seek to create positive impetus and bring to life our corporate citizenship culture and our corporate value “We Care”. We regard ourselves as part of society and have a duty to give something back. We wish to focus on assisting maritime-related projects on a local, regional and global level. _NfR

We consciously did not set a quantitative goal such as the number of supported projects to ensure we’d be able to respond as flexibly as possible to circumstances and developments during the reporting year. _NfR

The Hamburg Hapag-Lloyd Foundation has been involved in the fields of culture, science and social affairs, especially on a regional level, since 1997. One example of involvement is funded projects for young talent in the cultural sector. The foundation is not part of the Group and acts independently.

ORGANISATIONAL STRUCTURES AND AWARD CRITERIA _3-3

Corporate Communications, the Sustainability Department and the Executive Board decide every year which particular projects and initiatives Hapag-Lloyd will finance. A guideline governs our donation activities across the company¹, and the compliance officer responsible reviews every project which is to be funded. Political parties, for example, do not receive any donations from us. In addition to our action at Group level, each region and the Hapag-Lloyd Global Service Centers all receive a fixed budget to fund regional projects. _NfR

We also seek to have a positive impact on our corporate culture and on society as a whole through our employees’ individual social actions. We grant each employee² one day a year for personal involvement with training programmes, humanitarian projects and marine preservation. _NfR

- 1 The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.
- 2 The companies specialised in the maintenance and repair of containers are not organised centrally and currently not included in the description.



Wide-ranging Involvement

Sports and cultural events benefit from our commitment as much as social and humanitarian aid projects and environmental protection initiatives for clean and healthy bodies of water.

SOCIAL RESPONSIBILITY [_203-1](#)

We aid organisations all over the world that lend support to people in conflict zones or help in general emergency situations. Since the start of the war in Ukraine in February 2022, we have undertaken numerous relief operations as part of our “Hapag-Lloyd Cares” initiative and helped people with food worth EUR 150,000, monetary donations of EUR 100,000, logistics services and more than 100 tonnes of donated items of all types. Numerous departments and regions across the company took part in this relief effort. We will also continue to participate in aid efforts for Ukraine in the future.

In Hamburg, the non-profit organisation Hanseatic Help provides assistance to people in emergency situations with a minimum of bureaucracy. Besides the homeless, refugees and low-income families, other people in need also receive help through clothing and hygiene donations. We worked together with Hanseatic Help to open a “Hanseatic Help Store” in our main building on Ballindamm in Hamburg in 2022, where war refugees from Ukraine are also employed as permanent staff.

We have been working in partnership with the United Nations Children’s Fund UNICEF since autumn 2021. Scheduled to run for three years to begin with, the project continued during the reporting period and included a donation to

the UNICEF “Schools for Africa” [↗](#) educational programme with a focus on Ghana, Kenya and South Africa. The programme aims to give every child access to a good education. [_NfR](#)

“Schools for Africa” has helped more than 30 million children realise their dream of receiving an education to date. We also support UNICEF’s global fund for children in the fields of health, child protection, nutrition and emergency aid. This type of support is highly important for UNICEF because it can be used flexibly in places where children and families are in extremely urgent need of assistance.



There are numerous other projects we are involved in worldwide. As part of “Hapag-Lloyd Cares” initiative, for example, we financed the manufacture and distribution of more than 200 artificial legs in collaboration with the “Walk India” project. Thirty Hapag-Lloyd colleagues from Chennai and Mumbai helped distribute the artificial limbs. Promoting a culture of change and influencing people’s lives in a meaningful way is one of our priorities. Initiatives such as these show our sense of responsibility with regard to the environment and the community at large.

The Global Service Center India has donated a water dispenser system that will supply clean water to more than 500 local families within the framework of another campaign that puts our “We Care” value into practice. The “TDP We Care Day” with the participants in our Talent Development programme also focused on improving access to safe, clean drinking water. As part of the awareness raising and donation campaign, more than 6,400 Safe Water Bags by the Danish start-up 4LifeSolutions were distributed to some 3,200 families in Kenya and Nigeria, who will receive 4,600,000 litres of clean drinking water with the bags while also saving 3,200t CO₂ emissions. Lastly, a large blood donation campaign was undertaken in the Middle East region on World Blood Donation Day 2022, in which 370 employees took part with some needing to travel long distances to help.



ENVIRONMENTAL ACTION

We also champion environmental issues on an international level with a focus on marine life. Furthermore, we are also involved in various environmental projects at our global locations as part of our CSR activities.

Sponsorship

Hapag-Lloyd and Boris Herrmann have signed an official five-year sponsorship agreement. The world-famous yachtsman and his Team Malizia organisation aim to raise awareness of climate change. We also aid research initiatives which study the effects of climate change on the oceans.

Local initiatives for the environment

Dedicated people around the globe participated in “Coastal Cleanup Day” once again in September 2022. Numerous Hapag-Lloyd employees joined in worldwide as part of the “Hapag-Lloyd Cares” corporate citizenship programme to help with effective ocean and environment protection with clean-up campaigns. In Hamburg, different employees came together on several days as clean-up volunteers in the city with several hundred kilos of refuse collected during a joint event between Hapag-Lloyd and Hamburg-based non-profit company “oclean”.

Hapag-Lloyd always supports initiatives such as these with the aim of raising awareness of waste prevention and disposal among participants and their social environment.

Our teams also volunteered in environmental and social projects in other parts of the world during the reporting period. The many other local initiatives ranged from turtle rescue in Thailand and Malaysia through to planting 2,500 trees in the Vietnamese mangrove forests.

The world map on the next page offers an overview of selected regional environmental protection projects in which we are involved worldwide in the areas of environment, social affairs and education.

**UNITED STATES AND CANADA
FUNDRAISING FOR UKRAINE**

Fundraising project for Ukraine: The North America region collected donations amounting to USD 15,265 for people in Ukraine. Hapag-Lloyd is doubling the amount to USD 30,530. The donation will go to relief projects in the war region.



**GERMANY AND WORLDWIDE
OCEANS EDUCATION INITIATIVE**

“A race we must win”: We share yachtsman and environmental campaigner Boris Herrmann’s decarbonisation vision. Through our sponsorship agreement, we also support, among other things, Herrmann’s My Ocean Challenge educational initiative, which aims to promote the education of school children worldwide with regard to marine conservation.



**VIETNAM
MANGROVE PLANTING**

We planted 2,500 mangrove trees in Tra Vinh province as part of a programme to reforest 30,000 hectares of mangroves in the Mekong Delta. School classes from the surrounding area took part in the planting campaign and learned a great deal about the key role that mangroves play in the local and global ecosystem.



**CHILE
REFORESTATION**

Hapag-Lloyd employees and their families in Chile reforested the “green lungs” of Santiago de Chile in cooperation with the non-profit organisation Tambo Roca: The volunteers planted a total of 150 native tree saplings in the Parque Metropolitano on the Cerro San Cristóbal in the heart of the metropolis.



**INTERNATIONAL
COASTAL CLEANUP DAY**

As the result of a joint corporate citizenship initiative between Hapag-Lloyd and DHL Global Forwarding, more than 700 volunteers came together on Coastal Cleanup Day 2022 to clear coasts in Africa, UAE, Kuwait, India and Pakistan of litter. Similar actions took place in other regions from Asia to Europe. Some of the collected waste is recycled and thus transformed into sustainable products.



**THAILAND
AND MALAYSIA
TURTLE RESCUE**

Volunteers in Thailand gave a donation and helped out at the Sea Turtle Conservation Centre as turtles were carried into the ocean by hand. Turtles were also rescued in Malaysia: Thanks to our sponsorship of their nests, over 260 eggs of the endangered green sea turtle arrived at a hatchery with 129 baby turtles then released into the sea.



RESEARCH AND EDUCATION

Many of the issues we deal with as a global shipping company are researched at scientific institutions, where they advance solutions. Hapag-Lloyd helps finance this vital work. For example, during the reporting period, we helped fund the research centre Hapag-Lloyd Center for Shipping and Global Logistics (CSGL) at the Kühne Logistics University (KLU) with EUR 200,000, mainly used to provide equipment. The research centre investigates topics such as digitalisation, sustainability and value creation in the shipping and logistics industry. Hapag-Lloyd also held a symposium entitled “Transitions: Readiness and challenges in the shipping industry” at the KLU.

OTHER FUNDING INITIATIVES AT THE HEADQUARTERS IN HAMBURG

We think and act globally, but we also attach great importance to the role we play in our local area. Consequently, we have been involved with sports and

cultural activities in Hamburg for many years. We have been the main sponsor for first division handball club HSVH since mid-2021. We also became a sponsor of the HSV soccer club for the first time during the reporting period. We have been sponsoring the Thalia Theater for a long time – for example, when special events such as panel discussions are planned. We sponsored such an event in November 2022 on the topic “Europe at a turning point” with politicians Dr Wolfgang Schäuble and Joschka Fischer in attendance.

In addition to our many years’ involvement with seafarers’ missions, including the Duckdalben in Hamburg, we also promote events organised by local clubs and initiatives. We also assisted with the Filmfest Hamburg and the Harbour Front Festival by providing spaces for public events during the reporting year. The Hapag-Lloyd Foundation also held its own concerts in the Hapag-Lloyd AG building, inviting the general public to attend.





INFORMATION

Tables on the data of the taxonomy regulation

TURNOVER _NfR

Economic activities (1)	Code(s) (2)	Substantial contribution criteria							DNSH criteria										Category (enabling activity or) (20)	Category '(transitional activity)' (21)
		Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, year N (18)	Taxonomy-aligned proportion of turnover, year N-1 (19)		
		EUR mio.	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Activity 1	6.10	0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	n/a	n/a	n/a	N	0.0	n/a	-	T
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	n/a	n/a	n/a	N	0.0	n/a		

A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

Activity 1	6.10	34,516.7	99.9																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		34,516.7	99.9																	
TOTAL (A.1 + A.2)		34,516.7	99.9																	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities (B)		26.0	0.1																	
TOTAL (A + B)		34,542.7	100.0																	

CAPITAL EXPENDITURE (CAPEX) _NfR

Economic activities (1)	Code(s) (2)	Substantial contribution criteria							DNSH criteria											Category (enabling activity) (20)	Category '(transitional activity)' (21)
		Absolute CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx, year N (18)	Taxonomy-aligned proportion of CapEx, year N-1 (19)			
		EUR mio.	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

Activity 1	6.10	423.8	16.3	16.3	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	16.3	n/a	-	T
Activity 2	6.12	0.0	-	-	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	n/a	n/a	n/a	N	0.0	n/a	-	T
CapEx of environmentally sustainable activities (Taxonomy-aligned)		423.8	16.3	16.3	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	Y	Y	Y	Y	16.3	n/a		

A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

Activity 1	6.10	2,039.2	78.4																	
Activity 2	6.12	0.0	0.0																	
Activity 3	6.5	0.3	0.0																	
Activity 4	7.7	97.8	3.8																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,137.3	82.1																	
TOTAL (A.1 + A.2)		2,561.2	98.4																	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities (B)		41.0	1.6																	
TOTAL (A + B)		2,602.2	100.0																	

OPERATING EXPENSES (OPEX) _NfR

Economic activities (1)	Code(s) (2)	Substantial contribution criteria							DNSH criteria											Category (enabling activity) (20)	Category '(transitional activity)' (21)
		Absolute OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of OpEx, year N (18)	Taxonomy-aligned proportion of OpEx, year N-1 (19)			
		EUR mio.	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

Activity 1	6.10	0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	n/a	n/a	n/a	N	0.0	n/a	–	T
Activity 2	6.12	0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	n/a	n/a	n/a	N	0.0	n/a	–	T
OpEx of environmentally sustainable activities (Taxonomy-aligned)		0.0	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	Y	Y	n/a	n/a	n/a	N	0.0	n/a		

A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

Activity 1	6.10	837.7	79.0																	
Activity 2	6.12	0.0	–																	
Activity 3	6.5	3.4	0.3																	
Activity 4	7.2	8.5	0.8																	
Activity 5	7.7	1.3	0.1																	
Activity 6	8.1	102.5	9.7																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		953.4	89.9																	
TOTAL (A.1 + A.2)		953.4	89.9																	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities (B)		106.9	10.1																	
TOTAL (A + B)		1,060.3	100.00																	

GRI Content Index 2022

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
GRI 2: GENERAL DISCLOSURES			
2-1	Organizational details		11, 15, 16, 23
2-2	Entities included in the organization's sustainability reporting		11, 12, 13, 15
2-3	Reporting period, frequency and contact point		12, 13, 125
2-4	Restatements of information	There are no restatements of information from previous reports.	
2-5	External assurance		122
2-6	Activities, value chain and other business relationships		13, 15, 16, 18, 46, 59
2-7	Employees		77, 78, 79, 81, 83
2-8	Workers who are not employees		78
2-9	Governance structure and composition		23, 50, 51 Annual Report ↗ , 45–59 Declaration on Corporate Governance ↗ , 2f, 7f, 11ff
2-10	Nomination and selection of the highest governance body		23 Annual Report ↗ , 55–59 Declaration on Corporate Governance ↗ , 12, 13
2-11	Chair of the highest governance body	As can be seen in the Corporate Governance Statement, the Chair of the Supervisory Board does not hold any other management role in the company	23 Declaration on Corporate Governance ↗ , 14, 20
2-12	Role of the highest governance body in overseeing the management of impacts		18, 50, 51
2-13	Delegation of responsibility for managing impacts		42, 43
2-14	Role of the highest governance body in sustainability reporting		13, 50, 51

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	PAGE
2-15	Conflicts of interest		23, 26 Annual Report ↗ , 38, 53–55 Declaration on Corporate Governance ↗ , 9
2-16	Communication of critical concerns		25
2-17	Collective knowledge of the highest governance body	Regular training sessions are held for the Supervisory Board, which will increasingly focus on sustainability-related topics in future.	
2-18	Evaluation of the performance of the highest governance body		23, 50, 51
2-19	Remuneration policies		18 Remuneration Report ↗ , 2–27 Remuneration System Supervisory Board ↗ , 1–4 Remuneration System Executive Board ↗ , 1–16 Declaration on Corporate Governance ↗ , 3, 4
2-20	Process to determine remuneration		Remuneration Report ↗ , 2, 3, 25, 27 Remuneration System Supervisory Board ↗ , 1–4 Remuneration System Executive Board ↗ , 2, 3 Declaration on Corporate Governance ↗ , 2
2-21	Annual total compensation ratio	The average remuneration of employees, as well as a list detailing the remuneration of Executive Board and Supervisory Board members, is presented in the Remuneration Report. The change in average remuneration of the employees is presented based on the Hapag-Lloyd Group's total workforce worldwide, including apprentices, which comprised an average of 14,004 employees in the 2022 financial year (full-time equivalent; previous year: 13,381 employees [full-time equivalent]). The average remuneration of the employees essentially comprises the personnel expenses for wages and salaries, for fringe benefits, for employer contributions to social insurance and for the variable remuneration components attributable to the financial year. Chief Executive Officer is the highest-paid position.	Remuneration Report ↗ , 27–29
2-22	Statement on sustainable development strategy		9, 10

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
2-23	Policy commitments		17, 22, 23, 24, 25, 60, 73, 90
2-24	Embedding policy commitments		23, 24, 26
2-25	Processes to remediate negative impacts	The complaints procedures are part of the Whistleblower System and MLC Complaint Procedure described in the "Reporting mechanisms" section	25
2-26	Mechanisms for seeking advice and raising concerns	The complaints procedures are part of the Whistleblower System described in the "Reporting mechanisms" section.	23, 25
2-27	Compliance with laws and regulations	Comprehensive and Group-wide information on the number of violations of laws and regulations as well as corresponding fines or other sanctions is not centrally recorded in the required quality. There are no plans to do so in future due to the relatively great effort this would require.	
2-28	Membership associations		57, 58, 59, 63, 72, 73, 82, 102
2-29	Approach to stakeholder engagement		49, 52, 56, 57, 84
2-30	Collective bargaining agreements		82
GRI 3: MATERIAL TOPICS			
3-1	Process to determine material topics		50–54
3-2	List of material topics		53–54
GRI 201: ECONOMIC PERFORMANCE			
3-3	Management of material topics		18
201-1	Direct economic value generated and distributed		18, 31
GRI 203: INDIRECT ECONOMIC IMPACTS			
3-3	Management of material topics		46, 104
203-1	Infrastructure investments and services supported		105–106

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
GRI 205: ANTI-CORRUPTION			
3-3	Management of material topics		23–26
205-2	Communication and training about anti-corruption policies and procedures		23–24
205-3	Confirmed incidents of corruption and actions taken		26
GRI 206: ANTI-COMPETITIVE BEHAVIOUR			
3-3	Management of material topics		23–26
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	During the reporting period, there was one instance of legal proceedings due to anti-competitive behaviour, anti-trust and monopoly practice. The total number is not published for reasons of confidentiality.	
GRI 207: TAXES			
3-3	Management of material topics		29–31
207-1	Approach to tax		29–31
207-2	Tax governance, control, and risk management		30–31
207-3	Stakeholder engagement and management of concerns related to tax		30–31
207-4	Country-by-country reporting		29, 31
GRI 301: MATERIALS			
3-3	Management of material topics		73–74
301-1	Materials used by weight or volume		73
301-2	Recycled input materials used	Our company's core business is services. For this reason, we do not calculate the percentage of renewable or recyclable materials for externally procured materials. If one of our fleet's vessels is recycled, all components are separated and either reused or duly disposed of in accordance with the applicable provisions.	

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
GRI 302: ENERGY			
3-3	Management of material topics		50, 63–67, 70
302-1	Energy consumption within the organization		66–67
302-3	Energy intensity		66
302-4	Reduction of energy consumption		64–66, 70
GRI 303: WATER AND EFFLUENTS			
3-3	Management of material topics		50, 63, 68–69, 71–72
303-1	Interactions with water as a shared resource		71–73
303-2	Management of water discharge-related impacts		68–69, 71–73
303-4	Water discharge	Solid and liquid waste that accrues on the ships is collected locally in accordance with MARPOL and duly disposed of in the respective destination ports. All waste disposal is documented on board in accordance with the applicable provisions and checked in the course of port state controls. Complete centralized tracking of waste and effluent figures is associated with high administrative costs and therefore still does not currently take place.	
GRI 304: BIODIVERSITY			
3-3	Management of material topics		47, 50, 63, 71–74
304-2	Significant impacts of activities, products and services on biodiversity		71–72
GRI 305: EMISSIONS			
3-3	Management of material topics		45, 50, 63–70
305-1	Direct (Scope 1) GHG emissions		66
305-3	Other indirect (Scope 3) GHG emissions		66
305-4	GHG emissions intensity		68

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
GRI 306: WASTE			
3-3	Management of material topics		47, 50, 63, 73–74
306-1	Waste generation and significant waste-related impacts		73–74
306-2	Management of significant waste-related impacts	If one of our fleet's vessels is recycled, all components are separated and either reused or duly disposed of in accordance with the applicable provisions.	73–74
		Solid and liquid waste that accrues on the ships is collected locally in accordance with MARPOL and duly disposed of in the respective destination ports. All waste disposal is documented on board in accordance with the applicable provisions and checked in the course of port state controls. Complete centralized tracking of waste and effluent figures is associated with high administrative costs and therefore still does not currently take place. However, there are plans to do so in future with the expansion of the digital reporting system for waste disposal. The required quality for the office waste KPI data has not yet been achieved and, as such, this data cannot be reported.	
306-3	Waste generated		74
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT			
3-3	Management of material topics		45, 59–61
308-2	Negative environmental impacts in the supply chain and actions taken		60–61
GRI 401: EMPLOYMENT			
3-3	Management of material topics		76–79, 81–84, 90
401-3	Parental leave		83

		COMMENT	
GRI STANDARD	DESCRIPTION OF INDICATOR	REQUIREMENT(S) OMITTED / REASON / EXPLANATION	PAGE
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
3-3	Management of material topics		47, 94–102
403-1	Occupational health and safety management system		94–100
403-2	Hazard identification, risk assessment, and incident investigation		95–102
403-3	Occupational health services		95–96, 100–101
403-4	Worker participation, consultation, and communication on occupational health and safety		95–96, 97–98
403-5	Worker training on occupational health and safety		95–96, 98–100, 102
403-6	Promotion of worker health		96, 100–101
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		98–99
403-8	Workers covered by an occupational health and safety management system		97–100
403-9	Work-related injuries	<p>The process and documentation for recording accidents on shore and at sea for the entire for the entire fleet is currently being revised to increase the quality of the data.</p> <p>The figures for onshore accidents are expected to be reported again for the 2023 financial year. The figures for occupational accidents at sea for the entire own fleet are also expected to be reported from the 2023 financial year onwards.</p>	95, 98–100

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
GRI 404: TRAINING AND EDUCATION			
3-3	Management of material topics		85–89
404-1	Average hours of training per year per employee	The process and documentation for recording key figures of training hours at sea is not available in the required data quality. It still needs to be verified to what extent this figure can be reported in the near future.	88
404-2	Programs for upgrading employee skills and transition assistance programs		21, 28, 88–89
404-3	Percentage of employees receiving regular performance and career development reviews		88
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY			
3-3	Management of material topics		22, 23, 46, 81, 90–92
405-1	Diversity of governance bodies and employees		79, 92
GRI 406: NON-DISCRIMINATION			
3-3	Management of material topics		23–26, 59–61, 91–92
406-1	Incidents of discrimination and corrective actions taken	The process of evaluating violations of the Global Ethics Policy is currently being worked on. Nevertheless we did not identify any cases of discrimination during the reporting period.	
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
3-3	Management of material topics		23–26, 55, 59–61
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		24–26
GRI 408: CHILD LABOUR			
3-3	Management of material topics		23–26, 55, 59–61
408-1	Operations and suppliers at significant risk for incidents of child labour		24–26

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
GRI 409: FORCED OR COMPULSORY LABOUR			
3-3	Management of material topics		23-26, 55, 59-61
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		24-26
GRI 414: SUPPLIER SOCIAL ASSESSMENT			
3-3	Management of material topics		45, 59-61
414-2	Negative social impacts in the supply chain and actions taken		60-61
GRI 418: CUSTOMER PRIVACY			
3-3	Management of material topics		26-28
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		28

Independent assurance practitioner's report¹

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TO HAPAG-LLOYD AG, HAMBURG

We have performed an independent limited assurance engagement on the separate non-financial group report of Hapag-Lloyd AG (further "Hapag-Lloyd" or the "Group") for the business year from January 1, 2022 to December 31, 2022 (further: "Non-Financial Report").

The Non-Financial Report of Hapag-Lloyd for the business year from January 1 to December 31, 2022 is an integrated part of Hapag-Lloyd's sustainability report 2022. The information constituting the Non-Financial Report is marked with the abbreviation "NfR" and a grey line at the left side of the text indicates the corresponding paragraphs. All other information in the sustainability report of Hapag-Lloyd AG as well as an assessment of conformity with the reporting framework of the Global Reporting Initiative (GRI) were not part of our assurance engagement.

Responsibilities of the Legal Representatives

The legal representatives of Hapag-Lloyd AG are responsible for the preparation of the Non-Financial Report for the business year from January 1, 2022 to December 31, 2022 in accordance with Sections 315c in conjunction with 289c to 289e HGB [Handelsgesetzbuch: German Commercial Code] and with Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (further "EU Taxonomy Regulation") and the supplementing Delegated Acts as well as the interpretation of the wording and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the Company as

disclosed in Section "Consolidated disclosures for the taxonomy regulation" of the Non-Financial Report.

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the Non-Financial Report and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, the legal representatives are responsible for such internal control as they consider necessary to enable the preparation of the Non-Financial Report in a way that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

The EU Taxonomy Regulation and the supplementing Delegated Acts contain wording and terms that are still subject to substantial uncertainties regarding their interpretation and for which not all clarifications have been published yet. Therefore, the legal representatives have included a description of their interpretation in Section "Consolidated disclosures for the taxonomy regulation" of the Non-Financial Report. They are responsible for its tenability. 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 Assurance of the Assurance Practitioner's firm

We have complied with the independence and quality assurance requirements set out in the national legal provisions and professional pronouncements, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

¹ Our engagement applied to the German version of the Report. This text is a translation of the Independent Assurance Report issued in German language, whereas the German text is authoritative.

Responsibility of the Assurance Practitioner

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

We conducted our assurance engagement in accordance with the 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 Non-Financial Report of the Group for the business year from January 1 to December 31, 2022 has not been prepared, in all material respects, in accordance with Sections 315c in conjunction with 289c to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation of the wording and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the legal representatives as disclosed in Section “Consolidated disclosures for the taxonomy regulation” of the 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 judgment of the assurance practitioner.

In the course of our assurance engagement we have, among other things, performed the following assurance procedures and other activities:

- Obtaining an understanding of the structure of the Group’s sustainability organization and stakeholder engagement.
- A risk assessment, including a media analysis, of relevant information about the Group’s sustainability performance during the reporting period.

- Inquiries of the legal representatives and relevant employees involved in the preparation of the Non-Financial Report about the preparation process, about the internal control system related to this process, and about disclosures in the Non-Financial Report.
- Identification of probable risks of material misstatement in the Non-Financial Report.
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and the group management report.
- Analytical assessment of the data and trends of the quantitative disclosures reported for consolidation at Group level by all entities included in the scope of the Non-Financial Report.
- Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample test.
- Assessment of the overall presentation of the disclosures in the Non-Financial Report.

With regard to the audit of the non-financial information on the EU Taxonomy, the following audit procedures and other activities were performed, among others:

- Interviewing responsible employees at the Group level to obtain an understanding of the procedures for identifying taxonomy-eligible and -compliant economic activities in accordance with the EU Taxonomy.
- Assessment of the design and implementation of systems, processes and measures for the identification, processing and monitoring of data on sales, capital expenditures and operating expenses for the taxonomy-eligible and -compliant economic activities.

- Interviewing staff at the corporate level responsible for identifying disclosures of concepts, due diligence processes, results, and risks, performing internal control actions, and consolidating the disclosures.
- Assessing the process for identifying taxonomy-eligible and -compliant business activities and the corresponding disclosures in the Non-Financial Report.
- Assessing the overall presentation of the EU Taxonomy disclosures.

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the legal representatives 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 the evidence obtained, nothing has come to our attention that causes us to believe that the Non-Financial Report, marked as “NfR”, of Hapag-Lloyd AG for the business year from January 1, to December 31, 2022 has not been prepared, in all material respects, in accordance with Sections 315c in conjunction with 289c to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation disclosed in Section “Consolidated disclosures for the taxonomy regulation” of the Non-Financial Report.

Our assurance opinion is only referring to the content of the Non-Financial Report. We do neither express an opinion on any other information contained in Hapag-Lloyd’s sustainability report 2022 nor do we express an opinion on the report’s conformity with the standards of the Global Reporting Initiative (GRI), which were not part of our assurance engagement.

Restriction of Use/Clause on General Engagement Terms

This assurance report is solely addressed to Hapag-Lloyd.

Our assignment for the supervisory board of Hapag-Lloyd AG and professional liability is governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this report, each recipient confirms notice of provisions of the General Engagement Terms (including the limitation of our liability for negligence to EUR 4 Mio as stipulated in No. 9) and accepts the validity of the General Engagement Terms with respect to us.

Hamburg, February 27, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Modder	Dr. Röhrich
Wirtschaftsprüfer	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]

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