

OUR FOCUS
ON SUSTAINABLE
SHIPPING



SUSTAINABILITY
REPORT
2023

OUR PROFILE

With its fleet of 266 vessels and an annual transport volume of approximately 11.9 million TEU, Hapag-Lloyd is one of the world's leading liner shipping companies. We offer reliable transport solutions to our customers in 140 countries around the world. These include container transport by sea, as well as door-to-door transport. With around 16,300 employees, we are on hand for our customers wherever they are in the world.



OUR FOCUS ON SUSTAINABLE SHIPPING

The Hapag-Lloyd fleet is sailing into the future, maintaining its course to achieve net zero greenhouse gas emissions. Because for us, one thing is certain: Being the leader in quality also means always considering our impact on people and the environment when it comes to business decisions. We take a responsible approach and promote positive change in order to champion a liveable environment. It is for this reason that our contribution towards the decarbonisation of the shipping industry is of such major significance to our business agenda.



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websites

All passages marked with this
line and the "NfR" mark belong
to the non-financial report.

ACCELERATING SUSTAINABILITY

2-22

A letter from
Rolf Habben Jansen



Dear reader,

2023 was full of challenges: increasing geopolitical uncertainties, volatile economies and a complex global energy situation have all impacted the world. In addition, last year was one of the warmest on record.

The overall situation shows that our path towards sustainability demands our unwavering commitment. Corporations around the world must leverage their capabilities, reinforce their humanitarian efforts, and move boldly towards sustainable business practices. At Hapag-Lloyd, we have made good progress and got closer to our goals, but much remains to be done.

Towards Decarbonisation of Container Shipping

In 2023, we reduced our fleet's absolute greenhouse gas emissions by 0.8 million tonnes and significantly increased the amount of bunkered biofuel blend to more than 200,000 tonnes. Also, I am pleased to report that we successfully put three of our 12 new dual-fuel vessels into service. These fuel-efficient 23,600 TEU ships can run on liquefied natural gas (LNG) and future alternative fuels – thereby helping us on our journey to operating a net-zero fleet by 2045. Another milestone was the launch last May of Ship Green, our biofuel-based solution for emission-reduced ocean transportation. This option, which allows our customers to choose between three levels of CO₂e reduction for their

bookings, is an important step in helping to decarbonise our clients' supply chains. Moreover, we joined the Green Corridor Consortium, an initiative between the ports of Rotterdam and Singapore to significantly reduce greenhouse gas emissions on this vital shipping route. The most important measures include advancing and aligning standards for emerging zero- and near-zero-emission vessels, which will advance our industry's energy transition.

We believe that decarbonisation is not a competitive race. Instead, as an industry, we must all move in the same direction together. With this in mind, we ended the year by joining forces with four of the world's leading global shipping lines to issue a joint declaration calling for an end date for fossil-fuelled newbuildings. Additionally,



Our path towards sustainability demands our unwavering commitment. At Hapag-Lloyd, we have made good progress and got closer to our goals, but much remains to be done.

Rolf Habben Jansen

it urges the International Maritime Organization (IMO) to create the regulatory conditions to ensure a successful energy transition and a level playing field in our industry.

Elevating Social Responsibility

Alongside our environmental efforts, we recognise the importance of social sustainability. This includes upholding human rights throughout our supply chain, promoting diversity and inclusion in our workforce, and continuously improving the working conditions of our seafarers. To this end, we have implemented measures to monitor and address human rights issues and enhance the well-being of our employees.

Additionally, we are expanding our global and local social engagement and have entered into new partnerships that demonstrate our dedication to creating lasting value. These include collaborations with environmental organisations

aimed at preserving the world's oceans or providing clean drinking water to communities in need, for example One Earth – One Ocean and 4Life Solutions. Through these meaningful partnerships, we reaffirm our commitment to making a positive impact beyond our operations.

Strategy 2030: Driving Sustainability

It goes without saying that sustainability plays a key role in our new Strategy 2030. We want to be a driver of decarbonisation, and we are firmly committed to doing our part to keep global warming in line with the goals of the Paris Agreement, such as through fleet optimisation programmes, adopting new propulsion technologies and using alternative fuels. This green transition will require highly qualified and diverse teams capable of navigating the challenges that lie ahead. We will therefore continue to foster diversity among our employees and management, building on what we have already achieved.

As part of our commitment to continuous learning, we have established our Hapag-Lloyd Academy to guide and support our employees on their individual learning journeys. This professionalised approach to learning aims to equip our staff with the knowledge and skills they need for their work and personal growth.

I want to thank our customers, partners and employees for their continued trust in Hapag-Lloyd. With our global team – and their unwavering dedication to fostering responsible progress and change – I am convinced we will successfully tackle the challenges of both today and tomorrow.

Rolf Habben Jansen
CEO of Hapag-Lloyd AG

ABOUT THIS REPORT

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

Report content

This is the seventh sustainability report (SR) for 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 also 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. To locate CSR-RUG-relevant report contents, see table “Index for non-financial report”, p. 7. [_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. This content is marked “NfR” and features 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 SR. [_NfR](#)

Some of the content of the report is marked for both the NfR and the GRI Standards. This content was not checked with regard to the requirements of the GRI Standards. [_NfR](#)



INDEX FOR THE NON-FINANCIAL REPORT

CSR-RUG-RELEVANT REPORT CONTENTS IN THE SUSTAINABILITY REPORT 2023*		CHAPTER	PAGE
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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 and were validated in 2023. These material topics were also validated in 2023 for the newly incorporated terminal and logistics business of SAAM Terminals and are applied accordingly (see Scope and reporting period, Material topics and risks, p. 57 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 2023. [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 2023 (p. 159 et seq.). [_NfR 2-1](#)

As part of Strategy 2023, Hapag-Lloyd is continuously expanding its activities in the terminal sector. Following the acquisition of SAAM Ports S.A. and SAAM Logistics S.A. as well as an associated real estate portfolio (jointly SAAM Terminals) in August 2023, the business activities have been separated into the Liner Shipping and Terminal & Infrastructure segments. [_NfR](#)

The Group's terminal activities were combined into the new Terminal & Infrastructure segment in the third quarter of 2023 and are managed by Hapag-Lloyd Terminal Holding, which is based in Rotterdam. Since 1 January 2024, Dheeraj Bhatia has been responsible for the segment as a member of Hapag-Lloyd AG's Executive Board. Information about SAAM Terminals has been included in the report insofar as it was available at the time of reporting. [_NfR](#)

In addition to SAAM Terminals, the Terminal & Infrastructure segment includes the companies CMR Container Maintenance Repair Hamburg GmbH and Middle East Container Repair Company LLC. They are responsible for the storage, maintenance, repair and trade of containers, and all related transactions. The consolidated companies of Hapag-Lloyd Terminal Holding are part of our reporting framework. Due to the decentralised organisational structure of the companies, the management methods and content described in the non-financial report and the sustainability report are implemented as determined by local conditions and potential local application. As a result of the ongoing integration, we only report selected key figures. As part of the European Corporate Sustainability Reporting Directive (CSRD) and continuing integration, we aim to integrate the Terminal & Infrastructure segment fully in the next reporting year. Key figures and content are marked with corresponding footnotes in the non-financial report and the sustainability report if the companies mentioned above are included. Accordingly, these companies

are only part of the reporting if this is explicitly stated in a footnote. We are referring to the "Terminal & Infrastructure segment and the associated fully consolidated subsidiaries" in this regard. [_NfR 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, to which the same operational requirements apply as to our own vessels. Key figures including 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 Cority 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 the 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. 82 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](#)

In line with our understanding of diversity and integration, we seek to use gender-neutral language. However, we continue to use generic masculine forms for certain terms established within the Group or by legal requirements, such as “senior executive”. Collective groups not named individually such as “customers”, “suppliers”, “shareholders” or “investors” are also referred to using their generic masculine forms.

We published the Sustainability Report 2023 and the NfR contained therein, which was prepared as at 4 March 2024, in March 2024.

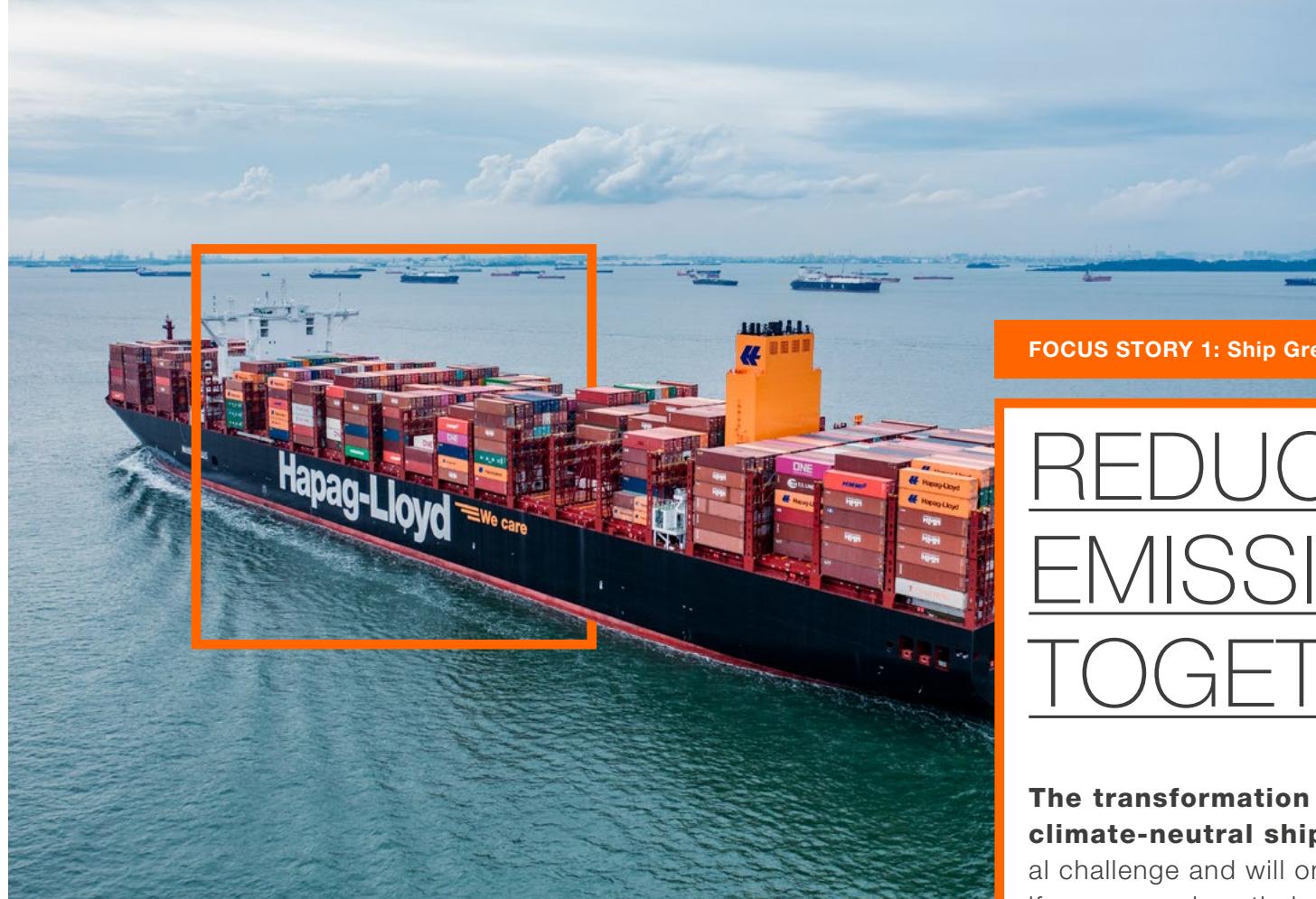
The Supervisory Board has reviewed and approved the Sustainability Report 2023. The next non-financial reporting will comply with the CSRD. The sustainability statement is scheduled for publication in March 2025 in the management report of the Hapag-Lloyd Annual Report. You can find further information about the current reporting on the Hapag-Lloyd website [. 2-3, 2-14](#)



WE FOCUS
ON PARTNER-
SHIP

HAPAG-LLOYD





FOCUS STORY 1: Ship Green

REDUCING EMISSIONS TOGETHER

SHIP GREEN

The emission reduction of the transport is available at any time and can also supplement existing bookings.

The transformation towards climate-neutral shipping is a global challenge and will only succeed if everyone plays their part. To help achieve this, Hapag-Lloyd launched Ship Green as a low-emission transport option in 2023. This allows our customers to use a product that offers an alternative to conventional transportation options and contributes towards the sustainable transformation of the shipping industry.

45
 ships in our
 fleet bunkered
 biofuel during the
 reporting period

SHIP GREEN – THE ALTERNATIVE FOR LOW-CARBON TRANSPORTATION

The new Ship Green product means customers can book low-emission shipping online. This enables a reduction in emissions of 25%, 50% or 100% – tailored to the customer's wishes. Using the "Book & Claim" approach, Hapag-Lloyd can transfer the emissions prevented through the use of biofuel to other sea shipments using a precise calculation method.



**PROACTIVE
EMISSIONS
AVOIDANCE**



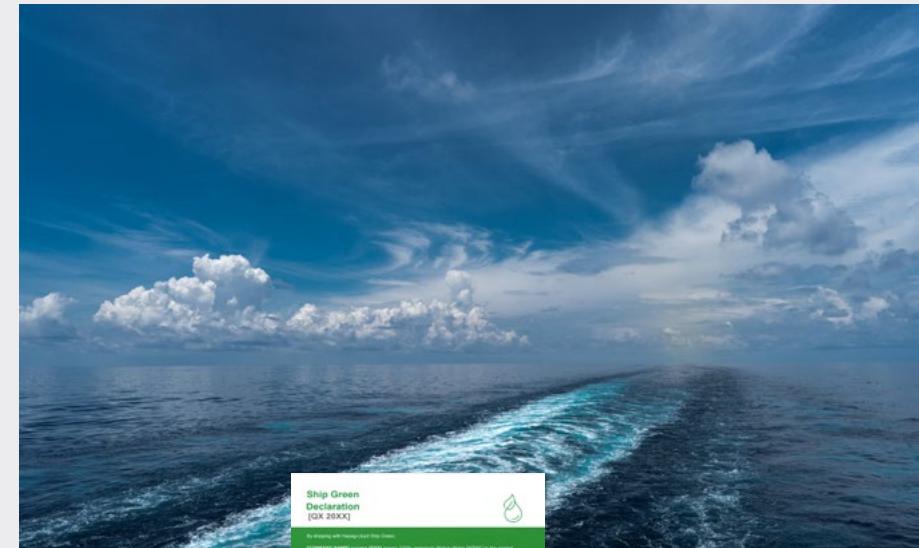
**EASY TO BOOK
ONLINE**



**THREE OPTIONS
OFFERING MORE
FLEXIBILITY**

Cooperations

Our partnership with Nestlé achieved a milestone during the reporting year: The company is accompanying us on our path towards decarbonising the supply chain by deciding to transport 100% of its goods shipped by Hapag-Lloyd during 2023 using our low-emission transportation product Ship Green. In this way, our alternative transportation solution is also helping to bring the food giant closer to its own net zero goals. Read more about it on page 78.



SHIP GREEN

Every customer receives a quarterly document confirming the emissions saved.

OUR PROFILE

The Hapag-Lloyd Group is one of the world's leading container liner shipping companies¹ and operators of terminals and infrastructure. Hapag-Lloyd's headquarters have been located in Hamburg since it was founded more than 175 years ago. Quality and responsibility are among the keywords that define our identity. They guide us as we pursue our vision of setting new quality standards around the world. We strive for reliability, service quality and responsible actions with regard to people and the environment and aim to be the industry's quality leader. We pursue this goal with a long-term perspective, attaching great value to sustainability as we do so. _NfR

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

Our core business is maritime container shipping using both our own and chartered vessels. This includes a portfolio of hinterland transport services that comprises transport by inland waterways, rail and road as well as door-to-door transport services around the world.

With high quality standards for services and sustainability aspects, through long-standing partnerships we aim to offer our customers the



best possible service in all of the business activities we are responsible for. _NfR

Following the acquisition of SAAM Ports S.A. and SAAM Logistics S.A. as well as an associated real estate portfolio (jointly SAAM Terminals) in August 2023, the business activities have been separated into the Liner Shipping and Terminal & Infrastructure segments.

Liner Shipping segment

Hapag-Lloyd has a fleet of 266 modern container vessels that sail all over the world. Its total transport capacity is 2 million TEU as a result. In its Liner Shipping segment alone, the Company has 13,400 employees and 403 offices at locations in a total of 140 countries. Our container fleet comprises 2.9 million TEU – including a large, modern reefer container fleet. 113 liner services operate worldwide and ensure fast, reliable connections between more than 600 ports on all continents. _NfR

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

STRUCTURE OF HAPAG-LLOYD'S CONTAINER SHIP FLEET _2-6

	31.12.2023	31.12.2022	31.12.2021
Number of vessels	266	251	253
of which our own vessels*	123	121	113
of which chartered vessels	143	130	140
Aggregate capacity of vessels (TTEU)	1,972	1,797	1,769
Aggregate capacity of containers (TTEU)	2,975	2,972	3,058
Number of services	113	119	126

* Includes our own and leased vessels

New Terminal & Infrastructure segment

Hapag-Lloyd has continuously expanded its activities in the area of terminals and has holdings in Container Terminal Wilhelmshaven, Container Terminal Altenwerder in Hamburg, Terminal TC3 in Tangier, Morocco, and Terminal 2 in Damietta, Egypt. In 2023, Hapag-Lloyd



acquired holdings in the Italian Spinelli Group and the Indian company J M Baxi Ports & Logistics Limited. In addition, Hapag-Lloyd acquired the terminals of SAAM Ports S.A., SAAM Logistics S.A. and an associated real estate portfolio (jointly: SAAM Terminals) in August 2023. This will enable us to strengthen our core business and secure capacities, bringing us decisively closer to our goal of establishing a robust, attractive terminal portfolio. Hapag-Lloyd's Terminal & Infrastructure segment combines its holdings in 20 terminals in Europe, Latin America, the USA, India and North Africa. This segment comprises 2,900 employees who provide terminal activities as well as complementary logistics services at selected locations.

| The acquired portfolio of SAAM Terminals comprises ten terminals. _NfR

| With locations in North Europe, South Europe, Asia, the Middle East, North America and Latin America, Hapag-Lloyd is represented all over the world. _NfR

The six regions of the Liner Shipping segment are subdivided into 29 organisational units.

INTEGRATION OF SAAM TERMINALS [_2-6](#)

In the reporting year, attention in the Terminal & Infrastructure segment centred on the acquisition of SAAM Terminals and its associated integration into Hapag-Lloyd's business processes (see About this report, p. 6). Integration into group-wide processes is currently being planned and will be further implemented in 2024. In 2023, Hapag-Lloyd conducted a validation of the materiality analysis for SAAM Terminals (see Material Topics and Risks, p. 57 et seq.).

The following section provides a brief overview of SAAM Terminals' sustainability organisation and management systems, which were used to manage material topics in the reporting year. Additional information regarding sustainability-related activities can be found in SAAM's Integrated Report 2022 [\[link\]](#).

Compliance

SAAM Terminals has a comprehensive compliance model with Risk Management and Internal Audit departments. A core component of this model is the Code of Ethics, which defines the company's values and how to handle conflicts of interest. Other tools include the whistleblower hotline, compliance training, preventive measures, the Ethics Committee and a compliance officer. Compliance with labour rights is required in contracts with suppliers, which provide for sanctions in the event of non-compliance. Furthermore, the Supplier Engagement Code imposes requirements on suppliers and their business relationship with SAAM Terminals.

Environmental protection

Environmental protection is also monitored systematically at SAAM Terminals. An implementation plan was established to reduce emission intensity. The focus is on the use of renewable energies, the modernisation of equipment, raising awareness of environmentally conscious driving behaviour and, in future, offsetting projects. Measures were also developed to promote a circular economy for internal waste, with a focus on reducing the volume of waste. Awareness and

communication campaigns for waste have also been conducted for employees and suppliers for this purpose. SAAM Terminals' environmental management also prioritises responsible water usage. As part of the "Eco-Water Balance" programme, various water quality indicators are monitored and emergency plans are defined to prevent pollution.

Employees

One component of the HR strategy is talent management. In 2023, training courses were held in particular as part of the BEST programme to develop skills relating to the Management Excellence System, lean tools and change management. English courses were also offered to prepare employees for the new requirements following the takeover. Another focus was on strengthening the training programmes for our crane and port equipment drivers. In 2023, steps were also taken to harmonise the vision of the company management and employee representatives with regard to the different requirements, including the development of a port career model and support for health and safety in the workplace.

Health and safety

Occupational health and safety management focuses on the following aspects safety culture, the obligation to report, prevention of incidents, occupational health and safety and work safety standards. A company-wide strategy applies to all operations and is managed by the Occupational Health and Safety Team. The model applies to all

employees, including external companies which carry out their activities within the different operations.





* Logistics locations of SAAM Terminals are not included.

Our services _2-6

Our 403 sales offices, our headquarters and our sales partners worldwide managed transport contracts for around 30,900 customers (2022: around 33,800) in the 2023 financial year. 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. 116 et seq.). We also use screening to ensure that no business is conducted with companies or persons on whom sanctions have been imposed. In addition, cargo which is subject to trade sanctions is not accepted. This pertains in particular to the laws and regulations of the European Union,

the Federal Republic of Germany, the United States of America, the United Nations and other international, national or regional requirements.

We ship goods of different product categories (see Annual Report 2023, p. 54), thereby adhering to the principle of diversification. Through the use of this principle, we aim to reduce our dependence on economic cycles in individual sectors so we can assume financially sustainable development of our company under stable economic conditions. Nfr

Flagging of Hapag-Lloyd vessels [_2-23](#)

Our fleet enjoys a strong reputation within the industry, making it attractive to highly qualified personnel. For this reason, we remain true to our principle of flying the German flag on a large proportion – 39 vessels – of our fleet. A flag state is primarily selected based on legal requirements, although financing conditions and the associated hedging instruments also play a role. Besides the German flag, Hapag-Lloyd only flies flags that have a good or even very good rating from port state controls (PSCs) and are listed on the Paris Memorandum of Understanding (Paris MoU) White List.

FLAGGING OF OUR SHIPS

Flags	Number of ships*
Germany	39
Liberia	64
Bermuda	12
USA	5
Chile	2
Cyprus	2
Total	124

* Includes own and leased vessels, except for one ship not operated by the company as at the reporting date;. See p. 14 for the structure of the container shipping fleet.

A vessel's flag no longer has any significant effects on the social or environmental conditions on board since all vessels must now follow international regulations such as the ISM, MLC, STCW and MARPOL². Some regional requirements in places such as the EU or the USA (see Protection of water and marine biodiversity, p. 81 et seq.) must be met, depending on the vessel's trade. Furthermore, we are committed to our own high standards for climate and environmental protection and apply high

2 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

standards for our own vessels that go beyond international requirements (see Climate and environmental protection, p. 69 et seq.).

Global customer service – our Quality Service Centres

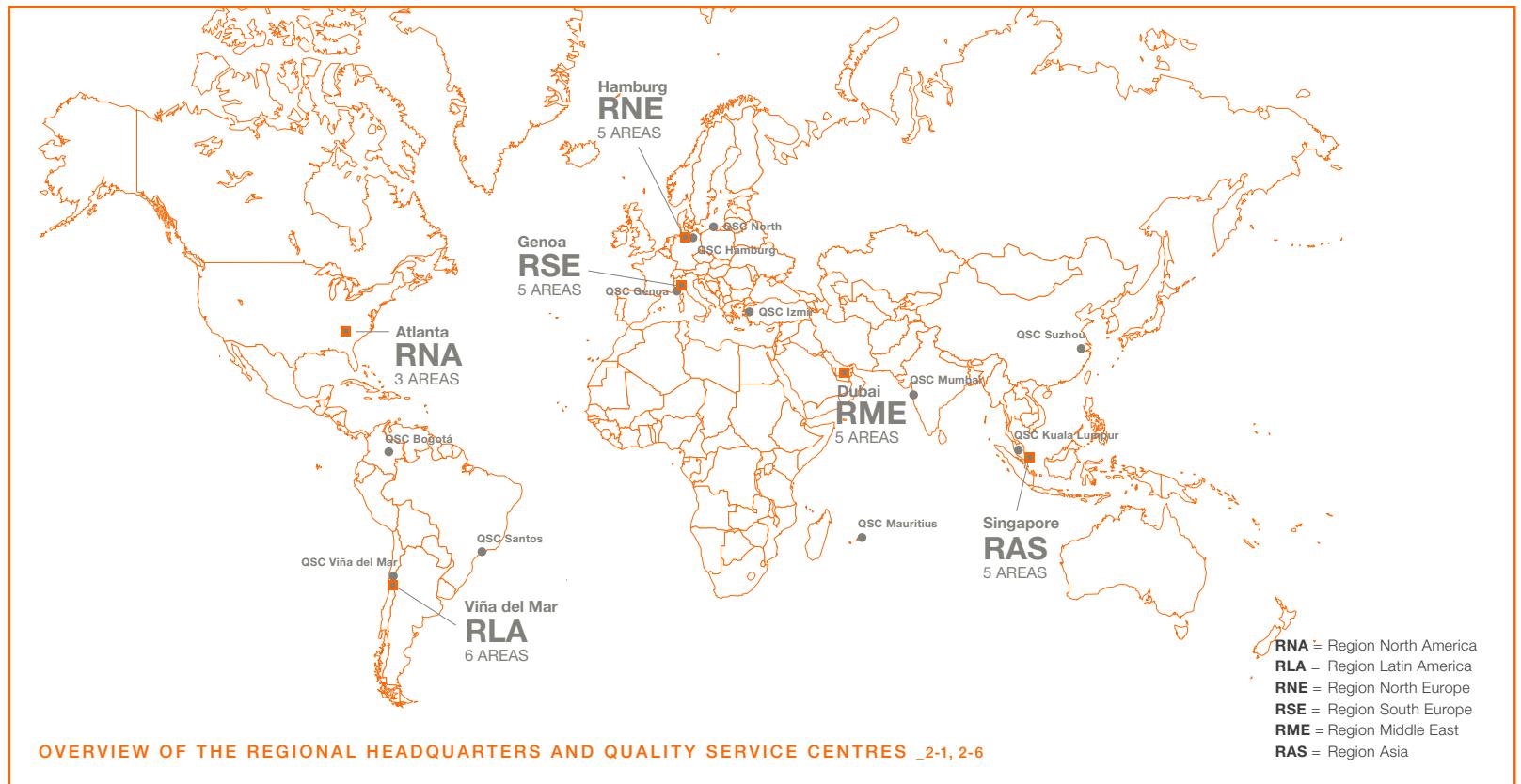
Hapag-Lloyd operates eleven Quality Service Centres (QSCs) worldwide. Each of these is responsible for several organisational units. This involves pooling selected service functions from various areas and creating the desired synergies. Our mission is to continuously improve our service quality. This is because we know that offering high-quality service, which also takes into account the special requirements for business practices, is indispensable in this day and age.

ECONOMIC DEVELOPMENT OF THE GROUP [_2-6, 3-3, 201-1](#)

In the 2023 financial year, the decline in demand for container transport continued. As global supply chains simultaneously returned to normal, transport capacities were freed up. The increase in the supply of container vessel capacities as part of vessel newbuilds exacerbated this trend. This caused a significant decline in average freight rates, leading to a noticeable year-on-year decrease in Hapag-Lloyd's Group net result.

In 2023, Hapag-Lloyd generated a Group net result (EBIT) amounting to EUR 2,532 million (2022: EUR 17,525 million). The significant decline was primarily due to the decrease in the freight rate to USD 1,500/TEU (2022: USD 2,863/TEU).

See our Annual Report 2023 for more information on our performance (p. 58 et seq.).



GROUP STRATEGY STRATEGY 2023 _2-12, 2-19, 3-3

Our Strategy 2023, which was formulated in 2018, contains several core elements, which include securing our position as a global player, achieving long-term economic success and establishing our worldwide 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 remain a focal point between now and 2030 (see Sustainability management, p. 44). Our remuneration guidelines

stipulate that the Executive Board's variable remuneration is also pegged to achieving the emissions reduction target. The performance achieved in relation to this target and thus also, by extension, 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 Strategy 2023 in our Annual Report 2023 (p. 36 et seq.). Your will also find information about our new Group strategy in the Annual Report 2023 (p. 39).

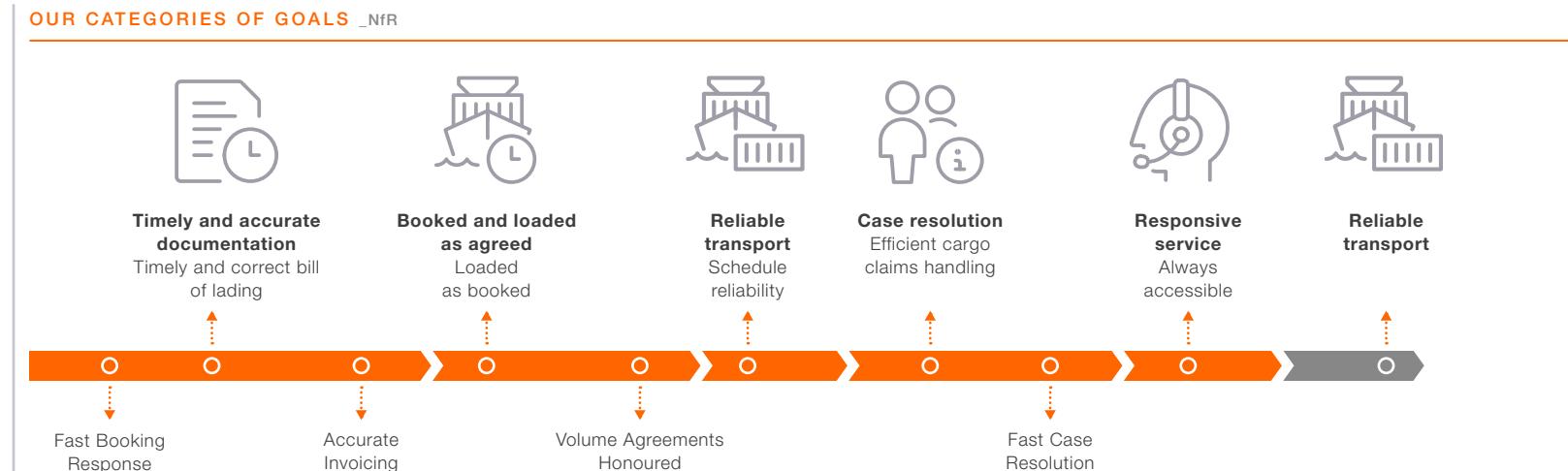
CUSTOMER FOCUS AND DIGITALISATION

We regard quality and service as two sides of the same coin and consider them to be inextricably linked. To be a leader in quality, it is essential at all times to remain focused on service in general and on providing a customer-friendly product in particular, while also continuously improving both of these. We firmly believe that a positive customer experience is based on delivering quality and providing services that are particularly customer-oriented. This philosophy is therefore embedded in our Strategy 2023. To enable us to realise our ambitions as effectively as possible and using the latest technologies, we focus on innovative solutions and in

particular on the opportunities provided by digitalisation. Digital tools and services open up the possibility of more efficient and more customer-friendly solutions that bring us considerably closer to our goals with regard to service and quality. [_3-3](#)

OUR QUALITY PROMISES

Our goals are divided into categories, each with associated quality promises. They enable us to quantify our progress and the measures we take. They also help us to evaluate our success.



Four quality promises pertain to categories 1 and 2, which were published in 2020. A year later, these were followed by a further five promises in categories 2, 3, 4 and 5. The publication of our latest promise in the “Reliable Transport” category is to be further advanced as part of Strategy 2023. The focus here is on “punctual delivery” and full transparency of the delivery status at container level so that we can make our services in ports, inland terminals and at our customers’ locations transparent in their entirety. The integration of our digital dashboard [\[1\]](#), which was created in the previous year, ensures greater visibility. Our quality promises continue to be a central aspect of our strategy.

Continuous improvements

Once again, our customer base has grown compared with the previous year. It now comprises around 30,900 direct customers and freight forwarders of various sizes. We regard their satisfaction as crucial, as reflected in our Strategy 2023, which places particular value on customer focus. We wish to further increase our performance in two areas in this respect: “Booked and loaded as agreed” and “Reliable transport”. Punctuality and adherence to delivery dates continue to be a major challenge for us, as congested ports and staff shortages are now the norm rather than the exception. We are continuously working on making progress in this area. Our focus is also on our quality promises “Always contactable” and “Fast case resolution”. In case management matters in particular, we have made improvements. For example, we have been able to significantly reduce average case management times through self-service solutions and, at selected locations, through chat services. The following measures were also implemented during the reporting year:

- Optimisation of our regular communication formats for lively interactions across all regions and regular communication on weak points and possible solutions
- Ongoing improvement of internal processes that enable the Hapag-Lloyd customer service teams to respond to customer enquiries more quickly

“Number One for Quality” – customers at the heart of all we do

To achieve our goal of remaining the number one for quality, it is crucial that we satisfy all of our customers. Digitalisation plays a major role in this regard. We are optimising existing systems and processes and are continuously developing new digital services. This is done by working together with our customers at all times. In addition, the rapid development of artificial intelligence (AI) technology has become a key topic. For this reason, we are taking corresponding steps to develop and expand our employees’ knowledge in this area (see section Involving our employees). We are looking for opportunities to use this technology to increase efficiency and quality.

We remain in dialogue with our customers, as only by doing so will we continue to develop ourselves further. We therefore use customer experience surveys, in which 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.

In the reporting period, we were pleased once again 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.

Measures

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

- Introduction of low-emission transport options: Ship Green gives our customers the opportunity to select biofuels when making their booking, thereby cutting their CO₂e emissions
- Adjustment of our documentation process: We deliver changes to bills of lading within just two hours of the enquiry
- Faster resolution of disputes: We have simplified the procedure for resolving disputes by setting up our online invoice portal, where our customers can submit disputes directly

- More digital solutions: We have introduced the Hapag-Lloyd virtual assistant, chatbot and live chat in selected markets, providing customers with immediate support and assistance

Our Freight Information System (FIS) and our web & mobile solutions are also continuously being enhanced. We are pleased that the level of customer satisfaction with our digital solutions was once again consistently high in the reporting year. We feel encouraged by this to continue focusing more and more on agile and digital work methods and services. These include:

QUICK QUOTES

Booking platform for digital enquiries about freight rates and subsequent booking. In 2023, around 21% of the booking volume was processed through Quick Quotes (previous year: around 25% – the reduction was due to the overall fall in demand and the steady decrease in market rates).

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.

We have also added more functions to our online tools QuickQuotes and QuickQuotes Spot with quotation applications: rates for dangerous goods and groups of goods.

Involving our employees [_404-2](#)

It is essential that we inform and train our employees about the key issues of customer focus and digitalisation so 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. In addition, training sessions on the topics mentioned are held every month. Furthermore, a three-level curriculum on the topic of digital transformation within Hapag-Lloyd has been developed and learning units produced for the first two levels.

Digital Week and Digital Future Day [_404-2](#)

We explain our digitalisation processes in training modules and outline our digital services to our customers. We organised a Digital Week and a Digital Future Day in connection with this. One area of focus here was raising awareness of the topic of AI and its effects on our work and business lives. The theme of Digital Week 2023 was: Getting Ready for the Known Unknown. The participants were our 70 digitalisation ambassadors as well as representatives from various specialist areas such as IT, Trade Management and Revenue Management. The aim was to convey the fundamentals in order to optimise resilience and preparedness for new digital technologies and associated changes. In addition, further areas of focus such as digital products, digital marketing, data & insights and customer growth were also covered each day. In December, we organised a further Digital Future Day focusing on the topics of customer focus and customer satisfaction with the help of digital products. In addition to our 70 digitalisation ambassadors, a further 650 Hapag-Lloyd employees took part.

CORPORATE GOVERNANCE AND COMPLIANCE

Our financial success is based on the trust that our employees, customers, partners and other stakeholders place in our company. We strengthen this trust with our Group-wide corporate governance and compliance requirements, which also include our Global Code of Ethics. [_3-3](#)

The Hapag-Lloyd Global Code of Ethics also applies to our business partners (see Code of Ethics [_3-3](#), p. 24). Compliance with laws and ethical standards, the avoidance of corruption and bribery, and compliance with human rights are also guaranteed for our business partners by applying the Supplier Code of Conduct.

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 (GCGC)

every year¹ with a Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (AktG) and report on this in the declaration on corporate governance (see Annual Report 2023, p. 101 et seq.).

[_NfR _2-23, 3-3](#)

Taking the GCGC 2022 recommendations as a basis, 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](#)

In accordance with Recommendation D.12 in the GCGC 2022, the Supervisory Board regularly 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

¹ The last Declaration of Conformity by the Executive and Supervisory Boards was issued in March 2023 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 and on the basis of the GCGC 2022 in its version dated 28 April 2022 (GCGC 2022), as published in the official section of the German Federal Gazette on 27 June 2022. The next regular Declaration of Conformity will be adopted in March 2024 in accordance with the GCGC 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.

the Executive Board that is based on mutual trust. Suggestions expressed in the self-assessment are taken into consideration in the Supervisory Board's ongoing work. Furthermore, the Supervisory Board also evaluates its work and that of the committees on a continuous basis. The members of the Supervisory Board last received an assessment form in December 2023. The results of this most recent self-assessment will be discussed in one of the meetings during the 2024 financial year. [_NfR](#) [2-18](#)

The Annual Report 2023 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](#)

We strive to comply with all applicable national and international laws, in particular with regard to corruption, bribery and competition law, and to only act in the spirit of fair competition. Hapag-Lloyd aims to avoid criminal offences and related fines in the company. This also includes preventing cases of corruption. We are a member of the global Maritime Anti-Corruption Network (MACN) and want our compliance structures to safeguard compliance with laws, standards and guidelines within our business activities. At the same time, we also want to make a 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, we strive to create a culture of integrity within the maritime community through our compliance management. [_NfR](#)

We tolerate no violations of these laws and regulations and also pursue legal action against violators. A relevant compliance statement from the entire Executive Board affirms our position on this. Our global compliance structures contribute to the systematic prevention of compliance

violations. The structures are continuously reviewed by the Compliance department and aligned with international standards, for example. [_NfR](#)

Compliance Management System (CMS)

Our CMS aims to ensure that Hapag-Lloyd takes sufficient precautions to prevent and identify instances of misconduct and to continually improve internal controls to combat bribery, corruption, fraud, embargoes and sanctions. The CMS is maintained, monitored and continually improved by the Compliance Department on the basis of the recommendations made by supervisory bodies around the world, in compliance with the German IDW Institute of Auditors standard PS 980 in the version titled "Grundsätze ordnungsmäßiger Prüfung von Compliance Management Systemen" (Principles for the Regular Auditing of Compliance Management Systems) and as per industry best practice. The CMS comprises ten elements that were explicitly integrated into the compliance structure in 2023. Furthermore, the application of the Three Lines Model for compliance is expressly mentioned in the guidelines for the Compliance organisation. There were no further changes to the Compliance structure. [_NfR](#)

THE TEN ELEMENTS IN THE HAPAG-LLOYD CMS:

- 1** Tone from the top
- 2** Supervision and resources
- 3** Code and guidelines
- 4** Risk assessment
- 5** Training and ongoing consultancy
- 6** Third-party management
- 7** Reporting and investigating
- 8** Incentives and corrective action
- 9** Continuous improvement
- 10** Mergers and acquisitions



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

We strive to achieve 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, combatting bribery, corruption and fraud, and for upholding antitrust laws. 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 affiliates, act as a contact partner to advise employees, and implement preventive measures such as training sessions and establishing frameworks and guidelines to mitigate/ avoid risks. The Chief Compliance Officer informs the CEO about incidents on a regular basis. In addition, the Human Rights Officer also submits regular reports to the Executive Board, and the management is regularly informed about compliance-related topics (on a quarterly basis, as well as ad-hoc). If relevant topics relating to human rights arise in these reports, the issues are discussed. [_NfR](#)

Global Code of Ethics [_2-23, 2-24, 3-3](#)

Our corporate culture is based on values that are enshrined in our Global Code of Ethics and that form the basis for cooperation throughout the company. This code sets out the behaviour we expect from our management and employees when dealing with colleagues, customers and business partners. The managers bear the responsibility for implementing and communicating suitable internal safeguarding and control mechanisms, and for monitoring adherence to them. They are also required to actively support the application of the Global Code of Ethics and ensure that all of the employees reporting to them are familiar with the code and implement it in their day-to-day work. To this end, we conduct regular compliance seminars (see Compliance training). New employees are familiarised with the Global Code of Ethics as part of the onboarding process. [_NfR](#)

One major basic value of the Global Code of Ethics is the observance of human rights. This also comprises the prohibition of all forms of discrimination, the prohibition of child or forced labour and sub-standard work-

ing conditions, and the right to freedom of association and collective bargaining. We regard these basic values as binding for our employees.

[_NfR](#)

Moreover, it is our aim to comply with the Maritime Labour Convention (MLC), which is legally implemented through, and 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 ships to ensure compliance with regulations.

[_NfR](#) [_2-23](#)

The Ethics Committee, which comprises the heads of the Compliance, Corporate Audit, Fleet and Human Resources departments, is responsible for following up on breaches of the Global Code of Ethics. [_NfR](#)

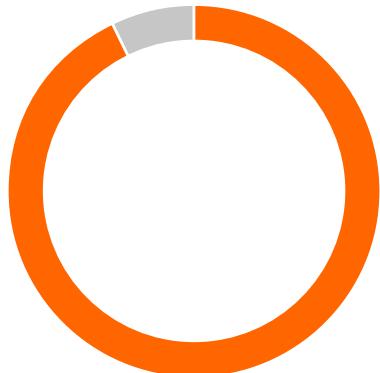
In 2023, there were 27 charges of discrimination forwarded to the Hapag-Lloyd Ethics Committee, which were then investigated. [_406-1](#)

Compliance training [_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 all personnel. Employees in departments deemed at a higher risk with regard to compliance-related topics (e.g. Sales, Customer Service, Procurement) are also required to attend the in-person training. These training sessions brief employees about our whistleblower system, amongst other things, and also cover a wide range of detailed bribery and corruption scenarios with examples. They are held at regular intervals (every two years as a minimum), more frequently if necessary. In 2023, more than 3,200 employees around the world received training in compliance-related topics, including corruption, via the channels described above. [_NfR](#)

COMPLIANCE TRAINING – DEGREE OF FULFILMENT _NfR _205-2

Around 93%
(Hapag-Lloyd AG:
around 87%)



The level of completion of our web-based compliance training, including on corruption, was approximately 93% of all employees required to take part in this type of training during the reporting year. At SAAM Terminals, the degree of fulfilment of this training was around 41%. The full integration of the Hapag-Lloyd compliance system is currently being implemented.

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, among other channels. 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 in our fleet under third-party management receive our “Owner’s Manual” in written form. Our Global Code of Ethics is included as an Annex to the Owner’s Manual. It includes principles for the respectful handling of the environment among other things. It is the responsibility of the ship’s manager to ensure that the requirements of the Owner’s

Manual, including the provisions of the Global Code of Ethics, are implemented. _NfR

A detailed ABC guideline (anti-bribery and anti-corruption policy) and a third-party management policy were uploaded to the intranet in 2022 with prior information communicated to the workforce as an integral part of internal regulations. The third-party management 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 ABC guideline includes guiding principles for managing businesses aligned with the Executive Board’s compliance requirements and the Global Code of Ethics. It was created to train all staff and provide them with a guide to bribery and corruption. It also constitutes the minimum requirements in terms of compliance with the relevant laws of the country in question. _NfR

Due diligence _2-23, 2-24, 407-1, 408-1, 409-1

The approach to fulfilling our due diligence in terms of protecting human rights at our own sites and in the supply chain was developed further during the reporting year: In line with the requirements of the German Supply Chain Due Diligence Act (LkSG), we conducted a global risk analysis, implemented preventive and remedial measures and developed our whistleblower system by establishing a Speak Up hotline. _NfR

During the reporting year, we also revised our Policy Statement on Social Responsibility and Human Rights and issued Rules of Procedure for the Speak Up Line (see Rules of Procedure Speak Up Line) (see Equal Opportunities, p. 103 et seq.). _NfR

The purpose of the Policy Statement on Social Responsibility and Human Rights is to underscore our commitment to the protection of human rights and the environment. Furthermore, we aim to develop mechanisms in order to prevent or minimise risks to the company resulting from human rights violations and thus safeguard human rights to a high degree.

The implementation of other aspects of due diligence required by LkSG was completed by the end of the year. The report must be submitted to the German Federal Office of Economics and Export Control (BAFA) by 31 May 2024 at the latest. [_NfR](#)

Notification mechanisms [_2-25, 2-26](#)

As a web-based mechanism hosted by an external website, our Speak Up hotline is available around the clock and in several languages for anyone wishing to make a report anonymously. The Speak Up hotline is offered via a system, which is certified in accordance with data protection laws and fulfils the requirements of the LkSG and laws to protect whistleblowers and data privacy. It is also designed to provide secure and anonymous access to all internal and external parties on land and at sea. Employees can also continue to consult their local or regional Compliance Officer, the Global Compliance Team or a direct supervisor. It is our mission to handle every report in accordance with a standardised procedure that fulfils the requirements of the relevant legislation. We encourage anyone involved either within or outside of Hapag-Lloyd, including its suppliers, to support this approach by reporting any actual or potential non-compliance, unethical or illegal behaviour. With our internal guidelines regarding whistleblower protection and non-retaliatory measures, we strive to build a credible system that offers sufficient protection to anyone wanting to report a compliance-related issue, and that ensures that reports are treated promptly on an objective, fair, confidential basis. [_NfR](#)

Any form of retaliation against whistleblowers is strictly prohibited at Hapag-Lloyd. People who submit a report in good faith will not be penalised for doing so. People who suspect that retaliatory measures have been taken against themselves or someone else must report this immediately to Hapag-Lloyd. [_NfR](#)

Furthermore, our marine personnel can report compliance violations, violations of marine labour law, human rights violations, 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 five conflicts.² In 2023, one complaint was received under the MLC Complaint Procedure for our own vessels. In addition, seafaring staff can call the whistleblower hotline if they have something to report. There is dialogue between the Fleet Management and Compliance departments. [_NfR](#)

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 anonymously via the whistleblower hotline or directly to the Compliance department. [_NfR](#)

Dealing with violations [_2-16, 2-25, 2-26, 406-1](#)

The Ethics Committee is responsible for following up on all reported violations. The committee meets immediately for serious suspected cases, such as forced labour or child labour. Otherwise, it meets once a month. If the Ethics Committee identifies suspected cases, measures are initiated to thoroughly investigate the circumstances. If there is specific, legal evidence, we take the necessary legal and disciplinary action. Criminal offences are reported to the relevant local authorities. Disciplinary measures include sanctions under employment law, such as an official warning. Serious violations may lead to the termination of the employment contract or further legal action. In the event of a confirmed serious violation by a business partner, we reserve the right to terminate the business relationship with immediate effect. Our Supervisory Board is informed every year of all critical incidents within the Hapag-Lloyd Group that are received via the reporting mechanisms. [_NfR](#)

2 Two bareboat charter vessels included

During the reporting period, there were 60 specific reports 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. 25 indications of compliance violations were reported at SAAM Terminals during the reporting period. [_NfR 205-3](#)

Five significant violations of the Global Code of Ethics were reported in the reporting year, none of which were human rights violations. No human rights violations were reported at SAAM Terminals either. 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 [_2-24](#)

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 conduct (Supplier Code of Conduct), which covers human rights, among other things, and was revised during the reporting year (see Sustainable procurement, p. 65 et seq.). 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](#)

Owners of charter ships and their technical managers are also required to sign our Supplier Code of Conduct or submit their own similar declaration. [_NfR](#)

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. [_NfR 2-15](#)

In addition to the Supplier Code of Conduct, we also expect suppliers to comply with the relevant laws. There is no quantitative target in this regard. [_NfR 407-1, 408-1, 409-1](#)

Through the described processes, Hapag-Lloyd limits the relevant risks relating to violation of the right to freedom of association or collective bargaining as well as relating to evidence of child, forced or compulsory labour, either at its sites on land or on its own and chartered vessels. At the same time, we are aware of the potential for higher risks in certain parts of the world with regard to child labour, freedom of association, discrimination, occupational health and safety and the use of force. In line with this, we see the potential for higher risks in particular with regard to the human rights situation on board chartered vessels.

[_3-3, 407-1, 408-1, 409-1](#)

DATA PROTECTION [_3-3](#)

We aim to adopt a leading position for our customers, business partners and employees when it comes to quality. As a global company in an increasingly digital, connected world, we champion compliance with all relevant laws and guidelines. We are guided by standards such as the EU's General Data Protection Regulation (GDPR) and specific data protection laws and regulations in particular when it comes to protecting the personal data that is entrusted to us. [_NfR](#)

Standards for the protection of data

Establishing a Group-wide global minimum standard for data protection creates a consistent framework for compliance by all companies – regardless of whether local data protection laws exist in the region in question. To do this, we put together an implementation package and launched it in prioritised countries in the past financial year; this will be rolled out to other countries in 2024.

With the launch of the global minimum standard for data protection, Data Protection Management was restructured during the reporting year, for example with the revision of the global Register of Processing Activities. In addition, an internal contractual package was rolled out to regulate the internal transfer of data between Hapag-Lloyd AG and all subsidiaries in which we have a majority shareholding or operational control and in which we employ staff. [_NfR](#)

In order to be able to respond flexibly to local requirements and changes, as well as customer wishes, we monitor the development and implementation of data protection laws around the world on an ongoing basis. In 2023, for example, we monitored compliance with these new laws in a selection of countries. We also assessed compliance with data protection in the central departments in order to identify areas where improvements are required.

To ensure a balance between compliance with data protection and customer-friendly solutions, we work closely together with trusted suppliers and business partners to keep up-to-date about new technologies, threats and upcoming legislation. [_NfR](#)

Hapag-Lloyd aspires to comply with applicable laws and fulfil specific customer requirements through strict technical and procedural standards and highly trained employees. One major area in this regard is the regular review of our technical systems and documentation. In this way, we are able to identify potential weak points, generally during normal operations, and to develop the relevant measures to remedy them. [_NfR](#)

At Hapag-Lloyd, we work together closely with the Chief Information Security Office when it comes to technical data protection. The same security standards apply to personal data as for other sensitive company information.

It is our aim to safeguard the confidentiality, integrity, availability and resilience of information. We strive to fulfil all relevant standards and requirements by implementing ISO standards 27001 and 27701, and we supplement these standards as required.

Organisational integration of data protection

Each business unit is responsible for ensuring data protection and every employee for maintaining data protection within the scope of their own activities.

In order to keep up with growing requirements worldwide, the Corporate Data Protection Office filled positions in Hamburg as well as in Singapore (for Asia and the Middle East and Africa) and Atlanta (for North and Latin America).

The Corporate Data Protection Office issues guidelines and advises the central departments and the regions and organisational units on compliance with data protection standards. Each region and organisational unit has its own data protection champion or officer (DPO) where required by law. The data protection champions or officers are local contacts for questions relating to data protection both for the management and for the staff. For more complex issues, the data protection champions and officers also involve experts from the Corporate Data Protection Office. [_NfR](#)

There is also a regular exchange of information between the Corporate Data Protection Office and the Chief Financial Officer. If necessary, there are also meetings with the Executive Board or other Executive Board members. [_NfR](#)

Data protection training [_404-2](#)

As with compliance, data protection training is compulsory for all employees worldwide.

We place great value on ensuring that all company employees are familiar with the responsible and legally compliant handling of personal data. To do this, we conduct training that combines various learning methods. For example, we use a training concept that includes web-based training, in-person events and information provided on the intranet. In addition to web-based training for new employees, there are also monthly in-person seminars for groups that are most likely to deal with risks,



DIGITAL SECURITY

We strive to offer our customers and employees the highest possible level of quality. In light of growing cyber threats and a growing dependence on IT and networked technology, this can only be achieved with rigorous cyber security measures and a strong commitment to compliance with the relevant laws and regulations, as well as ensuring secure services for our customers. For this reason, we are continually improving our cyber security measures and also work together with suppliers and public institutions in this area to keep up-to-date about the latest developments in technology, threats and upcoming legislation. [_NfR](#)

Our goals³ and measures in terms of cyber security are as follows:

- Building on leading information and cyber security standards and practices
- Safeguarding business continuity management for all critical services
- Implementing security as a fundamental aspect of our business through secure by design
- Continual adjustment and improvement of cyber credentials across all business processes, systems and data
- Ongoing compliance with major regulations

All of this is enshrined in a sophisticated compliance and risk management strategy and is supported with a strong awareness programme for promoting awareness of IT security.

Our cyber security framework is certified in accordance with the international security standard ISO 27001 and the relevant supplementary measures. Furthermore, our services in Germany are categorised as “critical infrastructure”, which means we are regularly audited in line with the German IT Security Act 2.0.

such as data analysts. Further training was also carried out in 2023 as required. [_NfR](#)

Data protection enquiries [_418-1](#)

The privacy statement on our website and on the mobile app and employee intranet provides transparent information on how we handle this topic. We continually receive specific enquiries from customers and employees regarding data protection and the processing of their data, including via our whistleblower hotline and via email.

There was one reportable incident in the area of data protection in 2023. This was a cyber security incident where a routine review discovered that employee user account data had been stored in an unprotected location on the Hapag-Lloyd network. A causal analysis was conducted and this was used to derive improvement measures for the service provider responsible. [_NfR](#)

The number of reportable incidents in the area of data protection at SAAM Terminals cannot currently be reported. The data collection process was initiated in the reporting year. [_NfR](#)

³ There are no quantifiable targets as yet.

Standards for the protection of IT systems

We strictly adhere to all relevant requirements and laws pertaining to IT security. The Directive of the European Commission on Network and Information Security (NIS Directive) and the German implementation of the NIS, the German IT Security Act 1.0 and 2.0 for the protection of critical infrastructure (KRITIS) and the Chinese Cybersecurity Act are some of the laws that are of key relevance.

As with data protection, our aspiration in digital security is to comply with applicable laws and fulfil specific customer requirements through our strict technical and procedural standards and highly trained employees. 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

Our information security management system was recertified according to ISO 27001 during the reporting period for the core business functions, services and activities within Hapag-Lloyd AG (Technical Infrastructure and Operations Management Business Divisions). The certificate is included in Annex A14. _NfR

Organisational integration of IT security

Within Hapag-Lloyd, responsibility for IT security lies with the relevant business units worldwide. More audits were conducted (e.g. in central departments) during the reporting year to identify where improvement measures need to be implemented. For example, we are working on expanding the documentation on IT security. _NfR

Our cyber security governance, risk, compliance, identity and access management, business continuity and security awareness, as well as the majority of our operational security expertise, have been bundled within the CISO department. We have invested in significantly more resources in the CISO department, improved processes and strengthened the reporting channels to the senior stakeholders and the Executive Board.

CISO Platform Security Leads have been integrated into key IT teams. The security leads provide advice on secure-by-design principles and our cyber security solutions and help with their implementation. This created a further interface between CISO and IT. In other IT teams, we integrate specially trained security champions to raise awareness of cyber security and compliance.

Security of the fleet's IT-based operational systems

For our own vessels, IT security at sea is the responsibility of regional Fleet Management teams. For example, the Fleet IT 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

We aim 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

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

During the 2023 reporting year, the network and server infrastructure was completely upgraded on board our vessels under the German flag in order to pre-emptively counter the increasing threat of cyber attacks, for example, and meet the latest security standards.

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. The regulations on cyber security, including responsibilities, processes, training events, assessments and contingency plans, form part of the responsible manager's safety management system in each case. Auditing and certification take place within the framework of ISM. [_NfR](#)

Information/cyber security training [_404-2](#)

We need to raise awareness among our employees throughout the company in regard to the responsible, legally compliant handling of information and data. Training in this area is provided to shore-based personnel using a blended learning concept. This combines several training types such as web-based and on-site training, and is supplemented with course content and news on the intranet. [_NfR](#)

The Security Awareness Programme was expanded in 2023 with Group-wide events, expert interviews, lectures and infotainment. We also continued the successful phishing campaign. In October, we published our new "CyberHarbour", which ensures a consistent look and provides tips and in-depth information about information and cyber security and awareness.

Marine personnel are trained in line with the requirements of the "Cyber Security Manual". Regardless of their rank, all crew members must complete basic and advanced cyber security training. Furthermore, a cyber security drill is conducted on board once a year to raise awareness among the crew. [_NfR](#)

RESPONSIBLE TAX POLICY [_3-3](#)

As a Group operating internationally, we attach great importance to the correct handling of tax issues. Continuously changing national and international legal requirements requires the ongoing, intensive monitoring of

existing structures and processes. The hotly anticipated Germany-wide implementation of the EU Directive to introduce a global minimum level of taxation (Pillar II) was one notable development in the 2023 financial year.

External regulations [_207-1](#)

As a result of our global business activities, we are liable to pay taxes in many countries and fulfil the various regulatory requirements that are placed on us there. The legal parameters comprise the respective national tax laws in conjunction with bilateral agreements for the avoidance of double taxation. Another decisive factor for us is a multilateral agreement developed as part of the Base Erosion and Profit Shifting (BEPS) 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 revenue of over EUR 750 million. The Implementation Act of 19 June 2023 also made the introduction of public country-by-country reporting legally binding in Germany. According to this legislation, Hapag-Lloyd must make the data in its country-by-country reporting available to the public from the 2025 financial year onwards. [_207-4](#)

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

Adopted in October 2021 by the 140 states in the OECD/G20 Inclusive Framework, the new regulations for the redistribution of taxation rights (Pillar I) and for a global minimum level of taxation (Pillar II) were developed further and the terms specified during the 2023 financial year. While an international consensus on how the regulations underpinning Pillar I are to be ultimately implemented has not yet been reached, the regulations underpinning Pillar II have now also been accepted by other countries. Efforts to push ahead with the relevant national legislation were continued in the 2023 financial year and these regulations will be applied for the first time by Hapag-Lloyd from the 2024 financial year. For this reason, we made a concerted effort in the past financial year to prepare ourselves for the new, complex process of collecting and reporting data under the legislation on a global minimum level of taxation.

The Act to Combat Tax Havens (StAbwG) was implemented in Germany with effect from 1 January 2022. The law aims to encourage what are known as tax havens (countries classified as such by the EU and placed on the EU Black List) to be transparent and exchange information. In the 2023 financial year, Hapag-Lloyd continued to work towards minimising the risks associated with business relationships that are indispensable to operations. Costs were in the double-digit million range in 2023. The German Federal Ministry of Finance published a draft letter of application on 30 November 2023 for the application of the Act to Combat Tax Havens. Statements on this matter may be submitted until 9 January 2024. Hapag-Lloyd expects that the letter of application will clarify various unresolved issues and that the scope of application will be specified in line with the intent and purpose of the regulation.

The Group parent company Hapag-Lloyd AG has opted for taxation by tonnage in Germany since 1999 (known as tonnage tax; see Annual Report 2023 , p. 192 et seq.). This decision continues to apply in 2023. Under this system, the tax burden for the income generated from international shipping 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 borne as a tax burden since income taxes are calculated and levied regardless of the earnings actually achieved. Other income (e.g. from capital investments or terminal activity) are subject to the usual tax regulations at the Hapag-Lloyd AG level, as are the gains from foreign subsidiaries and holdings.

2021 saw the rules in force in Germany since 2016 for the employer's complete exemption from wage tax payment for seafaring staff 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 a major step towards strengthening the profile of the German flag.

Organisational integration [_207-1, 207-2](#)

The Tax department is globally responsible for the organisation and monitoring of tax activities. Responsibilities and reporting and reconciliation requirements are regulated in the internal Group tax guidelines. During the reporting period, the project to update these guidelines with regard to the organisational changes and restructuring at Hapag-Lloyd was completed. With the decision of the Executive Board on 27 June 2023, the updated Group tax guidelines were adopted and came into force.

We issue regular comprehensive risk reports as part of our quarterly reporting. The requirements in terms of reporting and transparency are continuously increasing and overall complexity in the area of international taxation is also growing, which is why Hapag-Lloyd took the decision to hire additional internal tax experts in the 2023 financial year.

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 if necessary.

Our principles for a responsible tax policy [_207-1, 207-3, 3-3](#)

Hapag-Lloyd champions fair and transparent company taxation and continues to act according to the guiding principle of paying a fair share to society. The following principles are of central significance for us:

- Transparent dialogue with stakeholders, including tax authorities
- Strict compliance with all legal requirements regarding tax matters
- Punctual and correct payment of all company 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 company tax regulations. [_207-2](#)

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 via 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 2023 financial year, Hapag-Lloyd once again worked consistently towards developing its tax compliance management system (Tax CMS) for Germany. The creation of the new role of Tax CMS Officer for Germany and the successful recruitment of the right candidate ensured that the process had the support it needed for us to be able to adopt the necessary directives and successfully implement our Tax CMS for Germany with the resolution of the Executive Board dated 27 June 2023. Causes for concern regarding our tax practices can be reported via our whistleblower system (see Compliance, p. 23 et seq.). No violations were recorded in 2023. [_207-1, 207-2, 207-3](#)

Tax reporting requirements

Hapag-Lloyd is subject to and fulfils the relevant national tax reporting requirements in all the countries where it operates as a matter of course. We are also in full observance of the legal requirements for submitting country-by-country reports in the national headquarters of our Group parent company (Germany) (see External regulations in the section Responsible tax policy, p. 31 et seq., 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 2023. 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 significantly lower economic result of the Hapag-Lloyd Group in the 2023 financial year compared to the extraordinarily good 2022 financial year, income tax expenses in accordance with IAS 12 also fell to around EUR 84 million (2022: EUR 200 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 2023 came to approximately EUR 34 million (2022: EUR 85 million). Measured by the result before income taxes (including freight taxes), the tax rate of the Hapag-Lloyd Group thus comes to approximately 3.8% (2022: 1.6%). [_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. Freight rates normalised in the 2023 financial year, as a result of which the tax rate has already recorded an initial increase. If this trend continues, a significantly higher effective tax burden can be expected again in the future. In the period 2009–2020, Hapag-Lloyd paid income taxes amounting to around EUR 383 million with pre-tax earnings (EBT) of just EUR 959 million. This corresponds to a tax burden of around 40% over the entire 2009–2020 period.

For more information about our tax policies, please refer to the Annual Report 2023 (p. 175 et seq.).

CONSOLIDATED DISCLOSURES PURSUANT TO ART. 8 OF THE TAXONOMY REGULATION

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 standardised classification system for environmentally sustainable economic activities and generally comprises the following six environmental objectives, which are governed by Art. 9 of the Taxonomy Regulation:

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 "Delegated Climate Act"), complements the Taxonomy Regulation and has been in effect since January 2022. A second delegated act for the remaining, non-climate related environmental objectives (Delegated Act (EU) 2023/2486, hereinafter "Delegated Climate Act Environment"), was published in November 2023 and has been applicable since January 2024. _NfR

In the following, we as a non-financial parent company pursuant to Art. 8 of the Taxonomy Regulation and the Delegated Act supplementing Art. 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 2023 reporting period. _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 Acts on the basis of our activities and attributed our activities to the following economic activities. The following table shows the environmental objective to which the activities are relevant: [_NfR](#)

Economic activity _NfR	Description	NACE code	Climate change mitigation	Climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity
CCM 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	✓	✗	✗	✗	✗	✗
CCM 6.16 Infrastructure enabling low carbon water transport	Building, upgrading, operation and maintenance of port structure	F52.22.2, F52.24.0	✓	✗	✗	✗	✗	✗

Hapag-Lloyd's core business is primarily the shipping of containers by sea using its own vessels and chartered vessels (economic activity 6.10 "Sea and coastal water transport of freight, vessels for port operations, and auxiliary activities in relation to the "Climate change mitigation" objective [CCM]). Since the acquisition of SAAM Terminals on 1 August 2023, Hapag-Lloyd Group business activities have been separated into the Liner Shipping and Terminal & Infrastructure segments. The business activities of the fully consolidated seaport terminals in the USA and Latin America need to be assigned to economic activity 6.16 "Infrastructure enabling low carbon water transport" in relation to the environmental objective "Climate change mitigation". [_NfR](#)



In addition to the economic activities identified for our own activities, economic activities of our suppliers have also been taken into account in the determination of the key figures for taxonomy eligibility. In contrast to the previous year, the efficiency-enhancing retrofitting of vessels (economic activity CCM 6.12) was included here and not regarded as Hapag-Lloyd's own economic activity. Reference is made to the explanations regarding our key figures and accounting principles for further information. [_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 climate change adaptation 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

No relevant Hapag-Lloyd activities were identified in relation to non-climate-related environmental objectives. _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 CCM 6.10, Hapag-Lloyd offers, in particular, not only 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 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 CCM 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 Hapag-Lloyd Group's revenue. Therefore, only economic activities of fully consolidated Group companies were taken into account. _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

CCM 6.10 Freight transport by sea

For economic activity CCM 6.10 "Sea and coastal water transport of freight", which is relevant to Hapag-Lloyd, currently 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 evaluate 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 practical use. There is currently no generation and supply infrastructure. If vessels produce direct carbon exhaust emissions but fulfil one of the other criteria, this is classified 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 achieve an EEDI (Energy Efficiency Design Index) that is 10% below the EEDI requirements that were applicable on 1 April 2022 and can be powered using fuels from

renewable sources. We believe that the EEXI (Energy Efficiency Existing Ship Index) can be considered a screening criterion that is equivalent 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 ones. The EEDI and EEXI have the same metric and reference values. _{NfR}

Fuels from renewable sources mean 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 powered using the appropriate fuels. Evidence that the vessels are actually powered using the appropriate fuels does not need to be provided. _{NfR}

CCM 6.16 Infrastructure for low-carbon shipping

For economic activity CCM 6.16, at least one of four technical criteria must be met with regard to the seaport terminal so that this economic activity can make a significant contribution to climate change mitigation. Moreover, the infrastructure must not be used to transport or store fossil fuels. The criteria refer, firstly, to infrastructure for vessel operation without direct carbon exhaust emissions and, secondly, to infrastructure for onshore power supply to vessels at their berths. Hapag-Lloyd's fully consolidated terminals currently do not feature any infrastructure for operating vessels without direct carbon exhaust emissions or any onshore power solutions. However, the Hapag-Lloyd terminals do have infrastructure and equipment designed for loading and unloading freight or transferring it between different modes of transport. This makes economic activity 6.16 fundamentally an enabling operation in accordance with Article 10(1)(i) of the Taxonomy Regulation. _{NfR}

DO NO SIGNIFICANT HARM (DNSH)

CCM 6.10 Freight transport by sea

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 CCM 6.10 were analysed with the assistance of an external advisor during the reporting year. The analysis was carried out at the level of the individual vessels or at the level of the (external) shipowners or ship managers. To obtain the relevant information, the shipowners or managers were asked to complete an online questionnaire. The answers provided by the external shipowners or managers were only verified by obtaining suitable documentary evidence if the vessel concerned had been taken into account when determining 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 impact the performance of our activities. The economic activities were considered separately when identifying and evaluating physical climate risks. The entire transport route from door to door was included for container shipping. The analysis was conducted on a regional level in this respect. If high risks to our economic activities have been identified based on assessments of severity and probability of occurrence, adaptation solutions will be appraised. _{NfR}

Sustainable use and protection of water and marine resources

With respect to the environmental objective of sustainable water use, activities that damage the condition or potential of water resources are considered to have a significant negative impact. _{NfR}

We have assessed our economic activities with respect to sustainable use and protection of water and marine resources by carrying out the water risk analysis (maintaining water quality, preventing water stress). Potential impacts on the marine environment from maritime shipping may arise especially due to from chemicals in vessel coatings, the introduction of non-native organisms through biofouling or ballast water, the discharge of wastewater and waste into the sea, pollutants from exhaust gases, and ship noise. 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). Our analysis was also based on waste management plans, inventory of hazardous materials and the shipboard management system, to name but a few examples. Furthermore, the Hapag-Lloyd ship recycling policy was also taken into consideration. Hapag-Lloyd is one of the first major shipping companies in the world to recycle its own vessels in accordance with strict EU environmental standards. _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. Moreover, checks are performed, in particular, on the IMO requirements for nitrogen oxide emissions from vessel engines and the use of reliable fouling protection systems. _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 through the biofouling of hulls and niche areas, and noise and vibrations caused by shipping. _NfR

The respective vessels' ballast water management systems and plans, biofouling prevention plans, noise reduction measures, measures to preserve the integrity of the seabed and point pressure measurements (change in the water pressure in relation to underwater noise) were analysed to ensure compliance with requirements in regard to biodiversity and ecosystems. _NfR

CCM 6.16 Infrastructure enabling low carbon water transport

The DNSH analysis criteria for economic activity CCM 6.16 could not be fully completed in the financial year due to the proximity of the seaport terminal acquisition to the balance sheet date. Although this economic activity is taxonomy-eligible, it is not considered essential to Hapag-Lloyd's business activities in the current financial year; hence, no additional assessment was conducted regarding taxonomy-alignment. _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) Core Labour Standards 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 safeguards for the entire financial year 2023. Implementation of the corresponding due diligence processes has now been completed so that proof can be provided from the financial year 2024 onwards. _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

Based on the explanations regarding minimum safeguards, Hapag-Lloyd is unable to report on taxonomy-aligned turnover and operating expenses for the 2023 financial year. The KPIs for the 2023 financial year are therefore as follows: _NfR

Key performance indicator (KPI)	Denominator 2023 (in EUR bn)	Taxonomy-eligible 2023 (in %)	Taxonomy-aligned 2023 (in %)
Revenue	17.9	99.6	0.0
Activity CCM 6.10		99.0	0.0
Activity CCM 6.16		0.6	0.0
Capital expenditure	3.3	97.2	6.5
Activity CCM 6.10		72.1	6.5
Activity CCM 6.16		17.2	0.0
Acquisition of production		7.9	0.0
Operating expenses	1.1	85.9	0.0
Activity CCM 6.10		73.5	0.0
Activity CCM 6.16		0.8	0.0
Acquisition of production		11.6	0.0

The KPIs from the previous year are as follows: _NfR

Key performance indicator (KPI)	Denominator 2022 (in EUR bn)	Taxonomy-eligible 2022 (in %)	Taxonomy-aligned 2022 (in %)
Revenue	34.5	99.9	0.0
Activity CCM 6.10		99.9	0.0
Activity CCM 6.16		0.0	0.0
Capital expenditure	2.6	98.4	16.3
Activity CCM 6.10		94.6	16.3
Activity CCM 6.16		0.0	0.0
Acquisition of production		3.8	0.0
Operating expenses	1.0	89.9	0.0
Activity CCM 6.10		79.0	0.0
Activity CCM 6.16		0.0	0.0
Acquisition of production		10.9	0.0

Below, we set out our accounting policies with respect to the relevant KPIs. _NfR

Revenue KPI

Definition

The proportion of taxonomy-eligible or -aligned economic activities in our total revenue was calculated as the portion of net revenue that is generated from products and services related to taxonomy-eligible or -aligned activities (numerator) divided by the net revenue (denominator), in each case for the financial year from 1 January 2023 to 31 December 2023.

_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 in Section "Accounting and measurement" within the Notes to the consolidated financial statements of our Annual Report 2023. _NfR

The numerator of the revenue KPI is defined as the net revenue generated from products and services related to taxonomy-eligible or -aligned economic activities. _NfR

Reporting

Our consolidated net revenue is EUR 17,929.5 million (previous year: EUR 34,542.7 million) and can be compared with our consolidated financial statements; see income statement in Section "Revenue" of our Annual Report 2023 ("Revenue"). _NfR

The taxonomy-eligible revenue amounted to EUR 17,857.0 million or 99.6% of Group revenue. Economic activity CCM 6.10 "Sea and coastal freight water transport, vessels for port operations and auxiliary activities" accounts for EUR 17,758.1 million or 99.0% (previous year: EUR 34,516.7 or 99.9%) of Group revenue. 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 demurrage and detention fees. Economic activity CCM 6.16 "Infrastructure enabling low carbon water transport" accounts for EUR 98.9 million or 0.6% of Group revenue. _NfR

Of the taxonomy-eligible revenues, EUR 1,838.1 million, which corresponds to 10.3% of Group revenue, can be allocated to vessels that meet the technical screening criteria for economic activity CCM 6.10. In particular, container demurrage and detention fees and revenue from pending voyages cannot be allocated to individual vessels. _NfR

As already explained, no assessment was conducted regarding taxonomy alignment for economic activity CCM 6.16. _NfR

Since Hapag-Lloyd is unable to demonstrate compliance with the minimum safeguards for 2023, the actual taxonomy-aligned revenue is EUR 0.0 million or 0.0% of Group revenue, as in the previous year. _NfR

Hapag-Lloyd not only transports containers using its own or chartered vessels, but also using third-party vessels obtained through alliance, vessel-sharing or slot charter agreements in a substantial number of cases. 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 in their entirety. _NfR

For the template for the "Revenue" KPI refer to page 126. _NfR

CapEx KPI

Definition

The CapEx KPI is defined as taxonomy-eligible or taxonomy-aligned capital expenditure (numerator) divided by our total capital expenditure (denominator). Total capital expenditure comprises additions to property, plant and equipment and intangible assets during the financial year under review before depreciation, amortisation, impairments and remeasurements, including those which result from remeasurements and impairments for the financial year in question and without changes in the fair value. 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 the 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 in Section “Fundamental accounting principles” within the Notes to the consolidated financial statements of our Annual Report 2023. _NfR

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

- a) Capital expenditure related to assets or processes that are associated with taxonomy-eligible or -aligned economic activities (“category a”)
- b) Investments which form part of a plan to expand taxonomy-aligned economic activities or convert taxonomy-eligible into taxonomy-aligned economic activities (“CapEx plan”) (“category b”)
- c) Investments related to the acquisition of production from taxonomy-eligible or -aligned economic activities and individual measures through which certain target activities are performed on a low-carbon basis or the emission of greenhouse gases is reduced (“category c”) _NfR

Reporting

In the financial year 2023, total capital expenditure in the Hapag-Lloyd Group amounted to

- EUR 466.8 million (previous year: EUR 10.3 million) on intangible assets
- EUR 2,834.4 million (previous year: EUR 2,591.9 million) on property, plant and equipment, including right-of-use. _NfR

The additions resulting from changes in the group of consolidated companies, which amounted to EUR 737.8 million in the financial year 2023 (previous year: EUR 141.2 million), are also included. The total capital expenditure therefore amounted to EUR 3,301.2 million (previous year: 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) of our Annual Report 2023. _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 with regard to our vessels and containers, including right-of-use assets for chartered ships and leased containers from economic activity CCM 6.10 “Sea and coastal freight water transport, vessels for port operations and auxiliary activities”, is included in the CapEx KPI numerator. Economic activity CCM 6.16 “Infrastructure enabling low carbon water transport” also considers investments in port terminals, including concessions and customer base (for company acquisitions) and land, infrastructure and equipment for the loading, unloading and handling of goods (gantry cranes, portal cranes, straddle carriers or reach stackers, as well as forklifts and heavy goods vehicles). _NfR

The taxonomy-eligible capital expenditure amounted to EUR 3,221.5 million or 97.2% (previous year: 2,561.2 million or 98.4%) of Group capital expenditure. These are mainly (EUR 2,390.8 million or 72.1% of Group capital expenditure) related to economic activity CCM 6.10 (category a and b). In addition, EUR 569.2 million or 17.2% of Group capital expenditure relates to economic activity CCM 6.16 (category a), which was newly added during the reporting year. Capital expenditure amounting to EUR 261.5 million or 7.9% (previous year: EUR 98.1 million or 3.8%) of Group capital expenditure associated with the acquisition of production from various taxonomy-eligible economic activities, particularly the acquisition or leasing of buildings and vehicles (economic activities CCM 6.5, 7.2 and 7.7 [category c]), is also included. _NfR

To prevent capital expenditure being counted twice, capital expenditure with regard to vessels was not taken into account again for economic activity CCM 6.12 “Retrofitting of sea and coastal freight and passenger water transport”. _NfR

Within economic activity CCM 6.10, capital expenditure can always be directly attributed to an individual vessel. 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 vessel. [_NfR](#)

Capital expenditure with regard to vessels that meet the technical screening criteria for economic activity CCM 6.10 and the proportionate capital expenditure on containers amounted to EUR 639.0 million or 19.3% (previous year: EUR 38.4 million or 1.5%) of Group capital expenditure. [_NfR](#)

As already explained, no assessment was conducted regarding taxonomy alignment for economic activity CCM 6.16. [_NfR](#)

Plans to expand our taxonomy-aligned economic activities include investing in the construction and acquisition of twelve 23,660 TEU dual-fuel container vessels. Three of these vessels were already completed and delivered in the financial year 2023. The rest of the vessels will be delivered in 2024 and 2025 and are to be subsequently used for economic activity CCM 6.10. Capital expenditure in 2023 with regard to vessels that are expected to make a significant contribution to "Climate change mitigation" and meet the relevant DNSH criteria amounts to EUR 214.8 million or 6.5% (previous year: EUR 423.8 million or 16.3%) of Group capital expenditure. Given the completed implementation projects, we anticipate that we will be able to demonstrate compliance with the minimum safeguards upon the delivery of the vessels. As a result, capital expenditure on the vessels in question is included as taxonomy-aligned. The expected total capital expenditure throughout the term of the CapEx plan is around EUR 2.0 billion. [_NfR](#)

Capital expenditure on the acquisition of production from economic activity CCM 6.12 which complies with the technical screening criteria of this economic activity amounted to EUR 43.6 million or 1.3% (previous year: EUR 15.6 million or 0.6%) of Group capital expenditure. To prevent capital expenditure being counted twice, only capital expenditure on

vessels that do not meet the technical screening criteria for economic activity CCM 6.10 was taken into account. [_NfR](#)

As Hapag-Lloyd is unable to demonstrate compliance with the minimum safeguards for the entire financial year 2023, only the capital expenditure from the CapEx plan can be treated as taxonomy-aligned. Taxonomy-aligned capital expenditure therefore amounts to EUR 214.8 million or 6.5% (previous year: EUR 423.8 million or 16.3%) of the Group's capital expenditure. [_NfR](#)

For the template for the "CapEx" KPI refer to page 127. [_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 all other direct expenses associated with the day-to-day maintenance of property, plant and equipment. This includes:

- Expenses for research and development which were recognised as expenses on the income statement in the reporting period (see Section "Notes to the consolidated statement of financial position" of the Annual Report 2023). 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.
- 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 Section "Other Notes" of our Annual Report 2023). 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 expenses associated with the day-to-day maintenance 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. _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 reasonable calculation of the OpEx KPI. _NfR

Like the CapEX KPI numerator, the OpEx KPI numerator is comprised of categories a) to c) of taxonomy-eligible or -aligned operating expenses. The relevant explanations regarding the categories of taxonomy-eligible or -aligned capital expenditure apply accordingly in regard to operating expenses. _NfR

Reporting

In the financial year 2023, total taxonomy OpEx in the Hapag-Lloyd Group amounted to EUR 1,065.3 million (previous year: EUR 1,060.3 million). _NfR

The taxonomy-eligible operating expenses amounted to EUR 915.4 million or 85.9% (previous year: EUR 953.4 million or 89.9%) of Group operating expenses. These are mainly (EUR 782.7 million or 73.5%) related to economic activity CCM 6.10 “Sea and coastal freight water transport, vessels for port operations and auxiliary activities” (category a). In addition, EUR 8.6 million or 0.8% of Group operating expenses relates to economic activity CCM 6.16 (category a), which was newly added during the reporting year. Operating expenses amounting to EUR 124.1 million or 11.6% (previous year: EUR 115.7 million or 10.9%) of Group operating expenses associated with the acquisition of production from various taxonomy-eligible economic activities, particularly upgrading, the acquisition or leasing of buildings and vehicles, and data hosting and related activities (economic activities CCM 6.5, 7.2, 7.7 and 8.1) (category c), are also included. _NfR

To prevent operating expenses being counted twice, operating expenses with regard to vessels were not taken into account again for economic activity CCM 6.12 “Retrofitting of sea and coastal freight and passenger water transport”. _NfR

Operating expenses with regard to vessels that meet the technical screening criteria for economic activity CCM 6.10 amounted to EUR 147.9 million or 13.9% of Group operating expenses. _NfR

As already explained, no assessment was conducted regarding taxonomy alignment for economic activity CCM 6.16. _NfR

Since Hapag-Lloyd is unable to demonstrate compliance with the minimum safeguards for 2023, the actual taxonomy-aligned operating expenses were EUR 0.0 million or 0.0% of the Group operating expenses, as in the previous year. _NfR

| For the template for the “OpEx” KPI refer to page 128. _NfR



**WE FOCUS
ON SUSTAIN-
ABILITY**

SUSTAINABILITY AT HAPAG-LLOYD



FOCUS STORY 2: New experts



SUSTAINABILITY IN PRACTICE

If we are to achieve our sustainability goals as a company, they need to be put into practice on a broad scale by our employees. As such, last year, we trained around 240 employees in the topics of key importance to us and on our progress in the area of sustainability.

240

participants
were trained on
sustainability
topics in 2023



FURTHER EDUCATION

The training carried out during the reporting year aimed to raise awareness among the participants of sustainability-related topics in the container shipping industry. Nearly 90 employees took part in four different events. Shorter management sessions were also held with around 150 participants. The focus of our training sessions was the key topics of decarbonisation, due diligence and human rights, sustainability reporting and QEM (quality and environmental management system). Read more about it on page 56.

The training showed me how committed my colleagues are to the topic of sustainability and how enthusiastically they worked together on the various topics.

Simone Ziegler, Sustainability Manager



TRAINING
Participants discussing sustainability issues.

SUSTAINABILITY MANAGEMENT

The aim and purpose of our work in the field of sustainability is to maintain opportunities and prospects for future generations, as well as for our own business. To integrate this focus into our business activities and day-to-day actions, we strive to continually develop our structures and processes in the field of sustainability management. [_NfR](#)

OUR SUSTAINABILITY VISION [_3-3](#)

At Hapag-Lloyd, sustainability is an integral feature of our quality leadership, which is based on protecting our planet, valuing people and bringing prosperity. As one of the leading companies in our sector, we consistently pursue this course to promote positive change and create a liveable environment.

We want to ensure that our impact on the climate and environment is as small as possible; for example, by cutting greenhouse gas emissions with the use of biofuels. Other initiatives aimed at reducing the environmental impact of our business activities include, for example, expanding the proportion of containers with steel floors, and participating in whale protection programmes to maintain biodiversity. With the implementation of our sustainability strategy, we also improve diversity within the company and make an important contribution to our society through corporate citizenship projects.

At the end of 2021, we incorporated sustainability into the "Hapag-Lloyd Strategy 2023" corporate strategy, with this representing its 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 want to make an effective contribution to sustainability in shipping in a way that is consistent with our corporate ethos. One major aim is to achieve net zero greenhouse gas emissions for our fleet by 2045. With our sustainability strategy, we aim to tackle global challenges as our sector moves towards a cleaner future. [_NfR](#)

Our sustainability strategy has 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 these areas, which we have been pursuing and implementing since 2022. The responsible sustainability team maintains ongoing communication with the specialist departments in regard to these matters. [_NfR \[_2-13\]\(#\)](#)

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. As a result, in 2023 we once again placed the focus on decarbonisation within the sustainability initiative of our “Prepare for Tomorrow” programme. We continued to focus on the following four areas: Sustainable Fleet, Sustainable Fuels, Sustainable Products and Sustainable Offices.

We also defined an additional area of focus in 2023: Sustainable Supply Chain. Here, our work included focusing on defining specific sustainability plans for the various purchasing categories, working with suppliers on the

topic of decarbonisation and creating transparency among our suppliers regarding the latest status of sustainability-related topics.

In the 2023 financial year, a new corporate strategy was developed for the period up to 2030. This is to include the focus topics for our sustainability work, enabling us to work on the basis of an integrated corporate strategy from 2024 onwards. The strategy is scheduled for publication in the second quarter of 2024.

Below, we report on the status of our activities up to the end of 2023:

SUSTAINABLE FLEET _NfR

TARGETS	MEASURES	STATUS 2023
Full fleet compliance with the regulatory changes (EEXI and CII) that apply from 1.1.2023	Constant analysis of the vessels	Evaluation of the Carbon Intensity Indicator (CII) for all vessels is ongoing (around 3% remaining in category “E”)
Improving the fleet's efficiency	Ongoing implementation of the fleet upgrade programme	Retrofitting 17 hydrodynamically optimised bulbous bows and 27 propellers, as well as replacing 56 coatings on vessels' hulls in the reporting year

SUSTAINABLE FUELS _NfR

TARGETS	MEASURES	STATUS 2023
Expanding the procurement of biofuels	Ensuring the supply of liquid biofuel through contracts with suppliers	Around 213,000 tonnes of bunkered biofuel blend (previous year: around 120,500 tonnes)
Ensuring access to selected alternative fuels at competitive prices in the medium to long term	Dialogue with potential suppliers	Continued dialogue with potential and existing suppliers

SUSTAINABLE PRODUCTS _NfR

TARGETS	MEASURES	STATUS 2023
Offering customers more sustainable, climate-friendly transport options through the use of biofuels	Further improvements to the Ship Green product	Launch of Ship Green, a product for the low-carbon transportation of goods
Providing our customers with greater transparency in regard to our CO ₂ e emissions	Development of a central IT solution to perform carbon calculations for various use cases	Initial functions in the emissions database have already been developed

SUSTAINABLE OFFICES NfR

TARGETS	MEASURES	STATUS 2023
Significantly reducing the greenhouse gas emissions generated by office operations (on land) by the end of 2023	Improving office buildings' energy efficiency	Measures and other actions in the pipeline or being implemented: Reduction of energy consumption with the installation of LED lighting with motion sensors, solar panels, green electricity, moving to more energy-efficient office buildings
	Green and smart building concepts for offices	"Green Commuting" budget since summer 2023 to promote green commuting initiatives in the various regions
Exclusively supporting electric company vehicles from 2027 onwards	Amendment of company car policy	Already completed in 2022
Promoting travel by train for business trips	Amendment of travel policy	New global travel guidelines introduced in October 2023

SUSTAINABLE SUPPLY CHAIN NfR

TARGETS	MEASURES	STATUS 2023
Increased transparency in terms of reducing emissions within the supply chain	Selection of a tool to record and measure Scope 3 emissions (see also Table "The eight focus topics in the sustainability strategy and objectives", p. 50)	Already completed in 2023



THE EIGHT KEY TOPICS OF THE SUSTAINABILITY STRATEGY AND THEIR TARGETS _3-3

CLEAN SHIPPING AND FUTURE-PROOF PROPULSION

TARGETS	MEASURES	STATUS 2023
Reduction in greenhouse gas emissions _NfR		
Reducing the entire fleet's CO ₂ e intensity (EEOI)* by 30% by 2030 as compared with 2019; consistent with the 60% reduction for our own fleet by 2030 according to AER** as compared with 2008	Investments in conversion measures designed to improve efficiency for approx. 150 vessels within the next five years (Fleet Upgrade Programme, FUP)	AER*** achieved under the defined trajectory 2022: -40% compared to 2008
Net zero greenhouse gas emissions for the entire fleet by 2045, to be achieved through the use of alternative fuels	Investment in twelve new dual-fuel container ships in 2020 and 2021 Increased bunkering and use of biofuel blends	Retrofitting 17 hydrodynamically optimised bulbous bows and 27 propellers, as well as replacing 56 coatings on vessels' hulls The first vessels are already being used in regular liner services
Clean air _NfR		
Continuously reducing emissions of air pollutants such as sulphur oxides and nitrogen oxides	Investments in twelve new dual-fuel container ships in 2020 and 2021 (see also "Reduction in greenhouse gas emissions" target)	Three dual-fuel newbuilds were completed in 2023
Reducing air pollutant emissions from land transport in pre-carriage and on-carriage	Preparatory measure: Development of an emissions database to improve transparency along the entire transport chain in regard to emissions	Initial elements of the solution have been programmed
Sustainable supply chain _NfR		
Developing a sustainable supply chain (see also "Sustainable procurement" chapter, p. 65 et seq.)	Selection and implementation of a software solution to report the Scope 3 CO ₂ e emissions of our suppliers Implementation of the German Supply Chain Due Diligence Act (LkSG)	Initial data have already been entered Implementation of the due diligence required by the LkSG

* 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) approach, thus taking into account the emissions generated during combustion in ship operation

THE EIGHT KEY TOPICS OF THE SUSTAINABILITY STRATEGY AND THEIR TARGETS _3-3

DIVERSITY AND SOCIETY		
TARGETS	MEASURES	STATUS 2023
Diversity _NfR		
Increasing the share of female employees enrolled in the talent development programme and management trainee programme to 50% by 2023	Selection of female employees for talent development programmes and management trainee programmes	Share of women in the TDP: 48% (2022: 47%) Share of women in ALPHA: 37% (2022: 37%)
Significantly increasing the share of female managers at the first four levels by 2030	Women@Hapag-Lloyd (working group)	In order to continue to boost the proportion of women in talent and management development programmes, five pilot Women@HL networking events were organised at our headquarters
	Selection of female employees for management positions	Share of female managers at the first four levels of shore-based personnel: 18% (2022: 17%)
Corporate citizenship _NfR _2-6		
Focusing on educational programmes, humanitarian aid and marine conservation	Supporting UNICEF's "Schools for Africa" initiative	Ongoing
	Hapag-Lloyd Cares: Involvement of employees* in social and environmental projects promoted through a volunteer day and financial support for local initiatives	Acquisition of two additional partners: One Earth – One Ocean for marine conservation and 4Life Solutions for education and humanitarian aid. Hapag-Lloyd Cares also runs local initiatives in parallel (see Corporate citizenship chapter, p. 118)

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

THE EIGHT KEY TOPICS OF THE SUSTAINABILITY STRATEGY AND THEIR TARGETS _3-3

COMPLIANCE AND RESPONSIBILITY		
TARGETS	MEASURES	STATUS 2023
Resource preservation _NfR		
We recycle 100% of our vessels in a sustainable way.	Fulfilling the requirements of the Hapag-Lloyd Ship Recycling Policy	Three vessels were recycled in 2023
Extensive prevention of waste by 2030: Waste generated in Hapag-Lloyd offices is to be gradually reduced and increasingly recycled.	Local Green Teams set up in the different regions. Initial measures planned and implemented during the reporting year	Further implementation of measures, including promoting recycling and avoiding single-use items
Transport safety _NfR		
Preventing containers from being lost at sea or on land	Exchange of ideas with specialist departments in-house regarding the implementation of a central monitoring system	Initial tests with containers with premium cargo via live tracking at sea. On land, containers are already being live-tracked via the installed system
Biodiversity _NfR		
Zero breaches of regulations relating to ballast water and released substances within our own fleet	Implementation of existing and new regulations by our management systems, e.g. by fleet circulars/owners' circulars Regular monitoring of the functionality of ballast water handling facilities	During the reporting period, there was no violation of international regulations on the handling of ballast water and no leakage.
Operating our own ships and charter vessels at consistently high environmental standards by 2024	Analysis of data on our own ships and charter vessels with a focus on environmental issues in order to monitor the potential harmonisation of environmental standards	Expansion of the digital reporting system for waste disposal

PROGRESS OF OUR SUSTAINABILITY ACTIVITIES IN 2023

Powering ships with LNG also played a major role in 2023. 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 Innovative

Fuels and Propulsion Technologies, p. 77 et seq.). We ordered a total of twelve vessels with dual-fuel propulsion in 2020 and 2021. The first three of these vessels were delivered in 2023.

We continue to upgrade the technological status of our fleet through our Fleet Upgrade Programme. The 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% and 13% depending on sailing conditions. In 2023, the efficiency-enhancing measures implemented in the reporting year resulted in fuel savings of 1.4% for the entire fleet.

INITIATIVE FOR MORE SUSTAINABLE SHIPPING ROUTES [_2-28, 3-3](#)

In order to establish sustainable shipping routes, we joined the "Green & Digital Corridor" initiative of the ports of Rotterdam and Singapore during the reporting period. The aim of this initiative is to establish a sustainable shipping route by 2027. The Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping in Copenhagen and the Global Centre for Maritime Decarbonisation in Singapore – two other initiatives in which we are involved – are also on board. Under these initiatives, industry representatives come together to work on research and development projects in order to promote the decarbonisation of the shipping industry. A study investigating wind-powered solutions, in which Hapag-Lloyd is involved, shares similar goals.



We also made additional progress in 2023 with regard to the bunkered biofuel volumes. We also engaged in regular dialogue with suppliers with regard to the potential availability of green methanol and biomethane for our vessels.

In addition to focusing our activities on newbuilds and efficiency-boosting retrofits with the aim of further reducing the CO₂e emissions of our fleet, we launched our Ship Green product in 2023 (see p. 11 et seq., 78 et seq.). [_3-3](#)

During the reporting period we also pushed ahead with our activities to reduce CO₂e emissions in day-to-day office operations and in business travel by implementing appropriate measures and with the introduction of our global travel guidelines. Our Green Teams developed measures at a regional level to improve energy efficiency and prevent greenhouse gas emissions. You can read about the latest status on page 49 under Sustainable Offices. [_2-13, 3-3](#)

Many initiatives also centred around Hapag-Lloyd's corporate citizenship (see Corporate citizenship chapter, p. 118). [_3-3](#)

We also continued to implement precautionary measures to protect people, the environment, cargo, and property, plant and equipment during the reporting year. These include, to name but a few examples, certification in accordance with ISO standards, the continuation 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. 69 et seq.). [_NfR_3-3](#)

We are continually adding to our sustainability-related requirements for our suppliers and subcontractors (see German Supply Chain Due Diligence Act (LKSG), p. 25). Since 2023, we have been collecting in-depth information on the sustainability status of our suppliers as part of our tendering process. Our ESG survey covers environmental, social and compliance topics. The topic of sustainability is also the focus of related improvement projects that we are implementing in cooperation with our suppliers (see Sustainable supplier management, p. 66 et seq.). [_2-23, 2-24](#)

We support the SDGs

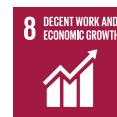
Through our activities we contributed to six of the 17 United Nations Sustainable Development Goals in 2023:



SDG 4:

High-quality education

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



SDG 8:

Humane working conditions and economic growth

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



SDG 13:

Climate action

Take urgent action to combat climate change and its impacts.



SDG 14:

Life under water

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



SDG 16:

Peace, justice and strong institutions

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



SDG 17:

Partnerships for the achievement of goals

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

HAPAG-LLOYD SUSTAINABILITY ADVISORY COUNCIL

Our Sustainability Advisory Council, which was founded in 2021, met once in 2023 to discuss the topics of decarbonisation and biodiversity. Hapag-Lloyd's aim in setting up the Sustainability Advisory Council is to obtain feedback on its sustainability activities from external representatives from the worlds of science and politics, UN organisations and NGOs. The Executive Board is informed about the outcomes. Six external sustainability experts, two Hapag-Lloyd Executive Board members and two Hapag-Lloyd employees sit on the Council. [_NfR_2-29](#)

Members of the Hapag-Lloyd Sustainability Advisory Council:

Aaron Dietenberger, member of the youth conservation organisation Naturschutzbund Naju — Boris Herrmann, professional sailor and climate activist — Dr. Bettina Kaltenhäuser, Corporate Partnerships Manager at UNICEF — Prof. Dr. Dr. h.c. Stefan Schaltegger, Professor of Sustainability Management — Dr. Anjes Tjarks, Senator of the Hamburg Authority for Transport and the Mobility Revolution [Behörde für Verkehr und Mobilitätswende] — Jörg Weber, Editor-in-Chief of ECOrporter — Janin Aden, Director Sustainability, Hapag-Lloyd — Mark Frese, Chief Financial Officer, Hapag-Lloyd — Rolf Habben Jansen, Chief Executive Officer, Hapag-Lloyd — Ulf Schwabohl, Senior Managing Director, Regulatory Affairs & Sustainability, Hapag-Lloyd

CERTIFIED QUALITY AND ENVIRONMENTAL MANAGEMENT [_3-3](#)

The basis for our sustainability management strategy is the quality and environmental management (QEM) system, which is certified in accordance with ISO 9001 (quality management) and ISO 14001 (environmental management). In accordance with our certification framework, we conducted on-site and virtual audits of Hapag-Lloyd offices once again in 2023. 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 organisational units, 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](#)

In 2023, a total of 165 (Hapag-Lloyd AG: 37) internal and external audits were conducted worldwide. Shore-based employees take part in mandatory QEM training as part of this process. As part of the requirements of ISO 9001, customer focus, continuous improvement, occupational safety, employee training, employee training and the evaluation of service providers, among other things, are 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. [_2-18](#)

Organisation of sustainability management [_2-12, 2-13](#)

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. Regular dialogue between the Head of Regulatory Affairs & Sustainability and the CEO

took place during the reporting year. Several new employees joined the team, particularly to ensure that the increasing regulatory requirements could be met before the relevant deadlines. [_NfR](#) [_2-9](#)

The Sustainability department 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 team works closely with the specialist departments to investigate future technologies and fuels, and potential energy efficiency measures for Hapag-Lloyd. The Sustainability department is also in charge of answering questions on sustainability-related topics and takes part in working groups on topics related to sustainability. It also coordinates the preparation of the sustainability report and the preparation of reports in accordance with the Corporate Sustainability Reporting Directive. [_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

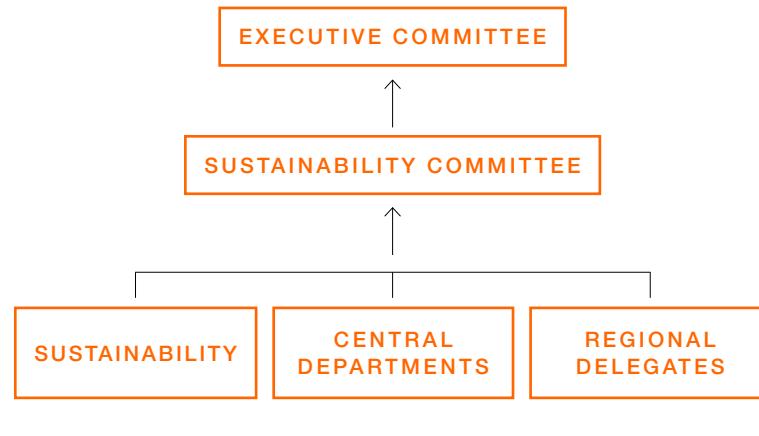


Sustainability Reporting, Methods & Communication Team (from left to right): Alexander Kinas, Simone Ziegler, Yves Kaminski, Liza Schneider, Finja Warnke, Janin Aden, Mark Pingel, Christin Grandt, Frank Dubielzig

information across divisions and is involved in coordinating sustainability-related measures. The Sustainability Committee convened in December 2023. [_NfR_3-1](#)

The regular meetings with the Executive Board deal with various topics relating to sustainability, with the main focus being the issue of decarbonisation.

ORGANISATION OF SUSTAINABILITY MANAGEMENT AT HAPAG-LLOYD



There are more than 105 QEM delegates active worldwide across the regions, organisational units and central departments (Hapag-Lloyd AG: more than 25). 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 take part in the annual Sustainability Conference. In 2023, two sustainability conferences with training sessions were held, including on the topics of audits, QEM status, environmental performance and environmental awareness. The QEM delegates take part in the annual sustainability conference and, like all employees, are required to complete the QEM training programme. [_NfR](#)

TRAINING TO QUALIFY AS A SUSTAINABILITY EXPERT [_404-2](#)

The Sustainability department trained 86 employees as sustainability experts in 2023. To do this, the Sustainability team conducted sustainability training in four Hapag-Lloyd regions in November 2023, namely, RNA, RLA, RAS and RME. The one-and-a-half-day training sessions were carried out both in person and virtually.

The aim of the training was to develop a broader understanding of sustainability in the container shipping industry among the participating colleagues from the Sales, Operations, and other departments. The relevance of decarbonisation to our business activities was the main area of focus in the training. Furthermore, we want all participants to be in a position in the future to discuss sustainability topics and Hapag-Lloyd's activities in this area.

The training also focused on, among other things, due diligence with regard to human rights, the requirements for sustainability reporting and our quality and environmental management system (QEM). The participants received the Sustainability Professional certificate from the Hapag-Lloyd Academy upon completion of the course.

Awards and ratings

In 2022, Hapag-Lloyd was once again evaluated by EcoVadis and received the silver award. This year, we also participated in our third CDP rating and received a "B" rating for our climate change management strategy. We view these positive ratings 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.

Continued development of sustainability management

We aim to ensure the continued development of sustainability management at Hapag-Lloyd. During the reporting year, our work focused on the topic of decarbonisation and the preparations for CSRD reporting.

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 continuously analyse with regard to relevance and opportunities – just as we do with the associated risks – in order to align and adapt our business activities accordingly. _NfR

MATERIAL TOPICS _2-29, 3-1, 3-2

We did not conduct another materiality analysis in 2023. The Sustainability department evaluated the material topics as still being valid. SAAM Terminals also agreed with this validation. _NfR

As part of our current efforts to prepare for the 2024 CSRD reporting requirements, we will be conducting a new materiality analysis and will be revising the relevant targets. The new materiality analysis will also cover the new Terminal & Infrastructure segment.

SAAM Terminals has already conducted a materiality analysis in the past within the SAAM Group (see SAAM Integrated Report 2022, p. 77 et seq.)

Following the mapping of material topics for Hapag-Lloyd and an internal evaluation of applicability, the analysis was fully validated by SAAM Terminals. As a result, all material topics for Hapag-Lloyd also apply to SAAM Terminals for the reporting year (from 1 August 2023). Within the validation process, no further interviews or dialogue with internal or external stakeholders took place this year. The materiality thresholds also were not adjusted because the validation process was applied to the existing materiality analysis of SAAM Terminals and Hapag-Lloyd. The German CSR Guideline Implementation Act (CSR-RUG) requirements were implemented in the 2022 materiality analysis and compliance with them is therefore still assured. _NfR



17 PARTNERSHIPS
FOR THE GOALS



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.

To conduct the 2022 materiality analysis, we compiled a list of potential sustainability-related topics. In this way, we were able to identify topics and impacts, carry out a competitive analysis, analyse the draft European Sustainability Reporting Standards (ESRS) in place at the time and use 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-RUG. [_NfR](#) [2-12](#)

The evaluation criteria were the severity and probability of impacts. These impacts had been identified the year before by external and internal experts. 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 treated 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 report (NfR). The process through which the evaluation results were obtained was also discussed with the Chair of Hapag-Lloyd's Sustainability Advisory Council by the Sustainability department. [_NfR](#)

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

MATERIAL TOPICS [_3-2](#)

ECONOMY

- | Governance [_NfR](#)
- | Compliance [_NfR](#)
- | Business strategy considering both sustainability opportunities and risks [_NfR](#)
- | Data protection and IT security [_NfR](#)
- | Digitalisation
- | Innovation and research
- | Service/process quality

ENVIRONMENT

- | Emissions: Greenhouse gases [_NfR](#)
- | Emissions: Air pollutants [_NfR](#)
- | Energy use and efficiency [_NfR](#)
- | Disposal of waste and effluents [_NfR](#)
- | Consumption of resources [_NfR](#)
- | Protection of the oceans and marine biodiversity [_NfR](#)
- | Environmentally friendly transport chains [_NfR](#)
- | Water consumption and efficiency
- | Dangerous goods transport [_NfR](#)

SOCIAL AFFAIRS

- | Training and further education [_NfR](#)
- | Occupational health and safety [_NfR](#)
- | Labour standards and human rights in the supply chain [_NfR](#)
- | Diversity and equal opportunities [_NfR](#)
- | Corporate citizenship [_NfR](#)
- | Human rights in own operations [_NfR](#)
- | Fair pay
- | Work-life balance

The following material topics from the 2022 Materiality Analysis were also validated for the reporting period:

The “Economy” topic area now also covers the issue of governance. The use of resources, disposal of waste and effluents, and environmentally friendly transport chains are included in the “Environment” topic area. The new topic of dangerous goods transport was also deemed material. The topics of corporate citizenship, diversity and equal opportunities, human rights and labour standards in the supply chain were also added as new material topics in the “Social affairs” topic area. 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 non-financial report, p. 7).¹ NfR

Social affairs, 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 foundation 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

¹ Sections containing topics which have been identified as requiring reporting under the CSR-RUG are marked NfR.

The management system

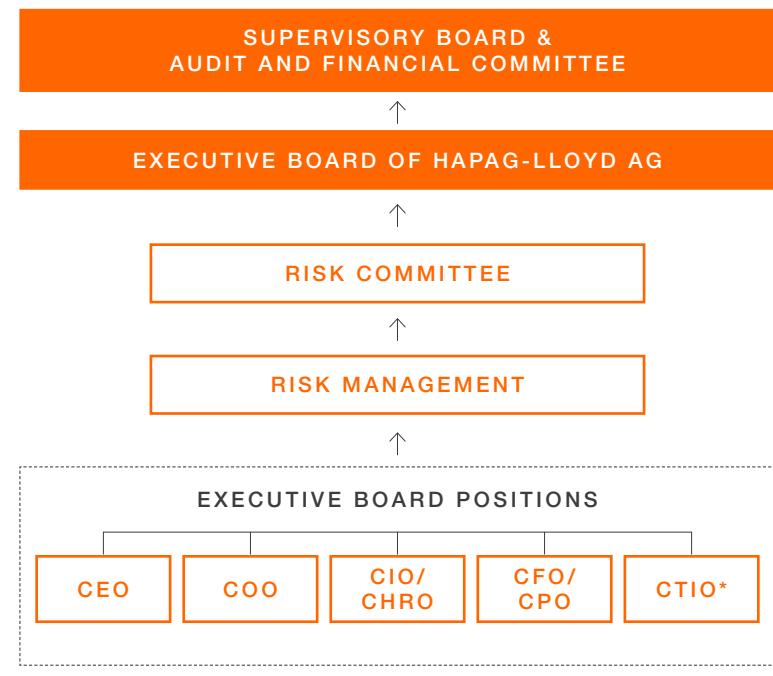
The declared objective of risk management is to recognise and analyse risks at an early stage and to develop and implement adequate risk responses to lower the risk to an acceptable risk level and therefore safeguard the achievement of Hapag-Lloyd’s business objectives. Thanks to monitoring and control systems installed throughout the Group, business developments and associated risks are regularly recorded, assessed and monitored with regard to their effects on Hapag-Lloyd. Risk management is decentralised in accordance with Hapag-Lloyd’s organisational structure. NfR

Segregation of duties and the associated role concept have been designed based on the Three Lines Model of the Institute of Internal Auditors. In addition, other principles, roles and responsibilities, processes and thresholds of risk management are defined in a Group guideline which is valid for the entire Group. Within the context of the decentralised structure of risk management, risk managers are appointed across the Group and are responsible for continuously identifying, assessing, managing and monitoring risks in the various divisions and central departments. They document the risks identified and their assessment, including the risk responses, as part of quarterly risk reporting. NfR

The risk assessment by the decentralised officers is carried out based on at least one scenario. Further scenarios may be added as required to enhance the risk quantification. The quantitative description of the scenarios includes an assessment of the probability of occurrence as well as the potential financial effects. Starting with the initial gross assessment, the net assessment is derived, taking account of the risk responses that have already been implemented and have an impact on the risks. In doing so, a reporting threshold of USD 1 million in net damages is applied. Risk reports are submitted on a quarterly basis to the risk management function in the central Accounting department. The unscheduled reporting to the risk management function is mandatory if risks are newly identified or newly assessed, with the result that reporting thresholds are exceeded, or extraordinary events occur which could cause potentially critical damage (ad-hoc reports). NfR

The risk management function monitors the regular reporting by risk managers, enhances the portfolio view and summarises the most significant risks for the Risk Committee on a quarterly basis and, if urgent, on an unscheduled basis. The Risk Committee analyses the risks before issuing a report on the overall risk situation to the Executive Board. _NfR

RISK MANAGEMENT AT HAPAG-LLOYD _NfR



* The newly created Terminal & Infrastructure division (CTIO) as of 1 January 2024 was integrated into the risk management system from that date. _NfR

The relevant, in some cases local, departments are responsible for ensuring that due diligence obligations are met. There is currently no overarching, standardised approach due to the unique local factors affecting the respective locations. _NfR

Non-financial risks _3-3

In terms of reporting on non-financial risks, risks are deemed to be relevant if they are associated with Hapag-Lloyd's business activities, business relationships, products or services; they are deemed very likely to occur; and they have serious negative effects on areas such as the environment or social affairs, for example. Other topics of relevance to the risk analysis include employee aspects, the observance of human rights and efforts to combat corruption and bribery. _NfR

Based on the risks reported within the risk management system, the risks are assigned to the topic areas above. If a risk is attributable to a topic that is of relevance to the non-financial report, an analysis is conducted of the likelihood of the risk occurring and its impact on the topics. If the risk is deemed likely to occur and would have a serious negative impact on the non-financial aspects, it must be reported. _NfR

The legal anchoring of corporate due diligence obligations in the form of the German LkSG entails an expansion of the scope of responsibility of companies in the area of international supply chains. This includes, for example, the integration of the relevant monitoring and risk avoidance processes in order to protect human rights and comply with the stipulations of labour law. In the event that Hapag-Lloyd were to breach this due diligence, there is the risk that it could face paying considerable fines. Moreover, when the European directive on companies' due diligence with regard to sustainability comes into force – the directive is currently at the drafting stage – requirements for company due diligence and liability claims will be more extensive. The associated increase in the scope of penalties will consequently heighten the exposure to risk. _NfR _2-23

STAKEHOLDER DIALOGUE 2-29

It is important for us to maintain transparency for our stakeholders with regard to our business activities and to align them with their expectations and requirements. In order to recognise these expectations and requirements so we can implement them through our strategic actions, we believe it is important to engage in regular dialogue with our key stakeholders. By doing so, we gain valuable insights and inspiration regarding our improvement potential, which we translate into specific measures.

Dialogue with our shareholders and the financial market

In addition to annual and interim financial reports, our sustainability reporting is a major instrument in order to keep shareholders, analysts and investors informed annually about our performance and current potential risks. Furthermore, our Executive Board and the Investor Relations team engage in dialogue with Hapag-Lloyd shareholders through one-to-one discussions and events such as our AGM.

Investors and creditors are making increasingly higher demands on climate-friendly investments. As in the previous year, we are registering more enquiries from ratings agencies on the topics of social affairs and governance and are also observing that particular attention is being given to the topic of emission reductions. With the Green Financing Framework published in 2021, Hapag-Lloyd has established a structure for debt instruments where the generated funds are used directly for projects that promote advances in environmentally compatible transport – in accordance with IMO guidelines, the Poseidon Principles, Climate Bonds Initiative standards, or other standards or initiatives applicable to the maritime sector and aligning with the HLAG Group's main business and sustainability strategy ("Green Debt Instruments"). Financing recognised under the Sustainability-Linked Bond Framework are the sustainability-linked bond, sustainability-linked revolving credit facilities, and loans and leasing contracts based on the recommendations of the International Capital Markets Association ("ICMA") and the Loan Markets Association ("LMA"). Unlike financing under the Green Financing Framework, however, the application of funds from these financing sources is open. Nevertheless, individual contractual components, especially the amount in the interest agreement, are linked to the reduction in the carbon



intensity of the company's own fleet. These financing instruments are audited externally by the classification society DNV in accordance with ICMA and LMA guidelines. The investment in more efficient vessels with dual-fuel propulsion and adherence to the trajectory for reducing the Annual Efficiency Ratio (AER) by 60% (base year: 2008) by 2030 are crucial in these financing instruments.

Dialogue with our employees

We maintain an open feedback culture with our employees because we are sure that employee dialogue strengthens the foundations of our business activities. We aim to dismantle hierarchies, strengthen the feeling of community within the company and promote employee identification with Hapag-Lloyd as an employer. To achieve this, we implement annual employee reviews (Global Staff Dialogue, see Further education and talent development on land, p. 100). Mid-year reviews between employees and management were offered for the first time in 2022 in the prior year period. This concept was continued during the reporting year. We also kept our employees informed about current challenges in virtual townhalls at a regional and organisational unit level.

The intranet and Logbook, our employee magazine, are important channels for communicating with our workforce. The Executive Board also keeps in contact with all employees worldwide directly via email and video message and is also engaged in regular dialogue with the Works Council.

Our value-based behaviours apply to all (shore-based) employees and managers worldwide and serve as points of reference for our corporate culture. They are based on the overarching corporate values, which are translated into guidelines for everyday conduct within our own roles. They also provide an important basis for assessing performance during the annual employee review. During the reporting year, we held a Women's Day to highlight these values for all employees with a live panel discussion featuring Rolf Habben Jansen, Chief Executive Officer of Hapag-Lloyd, and Donya Amer, Chief Information and Human Resources Officer. Employees also attended Christopher Street Day, representing our Hamburg site, and the Pride Parade in Atlanta, USA.

Dialogue with customers and business partners 2-12

Our customers are increasingly interested in topics related to sustainability – particularly the environmental impact of our activities, such as CO₂e emissions. We actively promote dialogue with our customers in a range of ways; for example, through "Customer Connect Calls", which are quarterly virtual live conversations with our CEO and annual end-of-year meeting with select customers.

We held sustainability workshops focusing on decarbonisation with our suppliers in all regions in 2023. The topic of human rights was also high on the agenda. With regard to the German Supply Chain Due Diligence Act (LkSG) and other EU regulations that are in the pipeline, human rights issues and environmental aspects within the supply chain are gaining in importance for the development of our supplier base (see p. 25, 66 et seq.).

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. 69 et seq.). To this end, during the reporting period, we held discussions with the Ship Recycling Transparency Initiative (SRTI), a global NGO committed to improving ship-breaking practices with regard to their environmental impact and human rights violations, and took part in events held by the German conservation society NABU. Through this dialogue, we want to contribute our expertise in order to develop mutual solutions. We also pursue this approach with our Sustainability Advisory Council, which not only includes scientists but also representatives from non-governmental organisations and the world of politics. NfR

Dialogue with policymakers 2-28, 3-3

Our "Donations and Sponsorship" Group guideline stipulates that no donations or contributions may be given to political parties or voters' associations. However, maintaining an independent, ongoing dialogue with policymakers is very important to us.

As an international container liner shipping company, we are actively involved in the political decision-making process at the EU level. Developing a viable implementation strategy in order to achieve climate targets is important to us and we contribute our expertise to the European Commission's Climate Change Expert Group (CCEG), for example. We are also continuing to collaborate in the "Sustainable Alternative Power and Ship Efficiency" sub-group of the ESSF (European Sustainable Shipping Forum). In doing so, this also helps us ensure at a political level that our investments in more efficient and environmentally friendly vessels do not put us at a competitive disadvantage. 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 shareholder. We seek out dialogue with the various political parties and regularly report on the company's

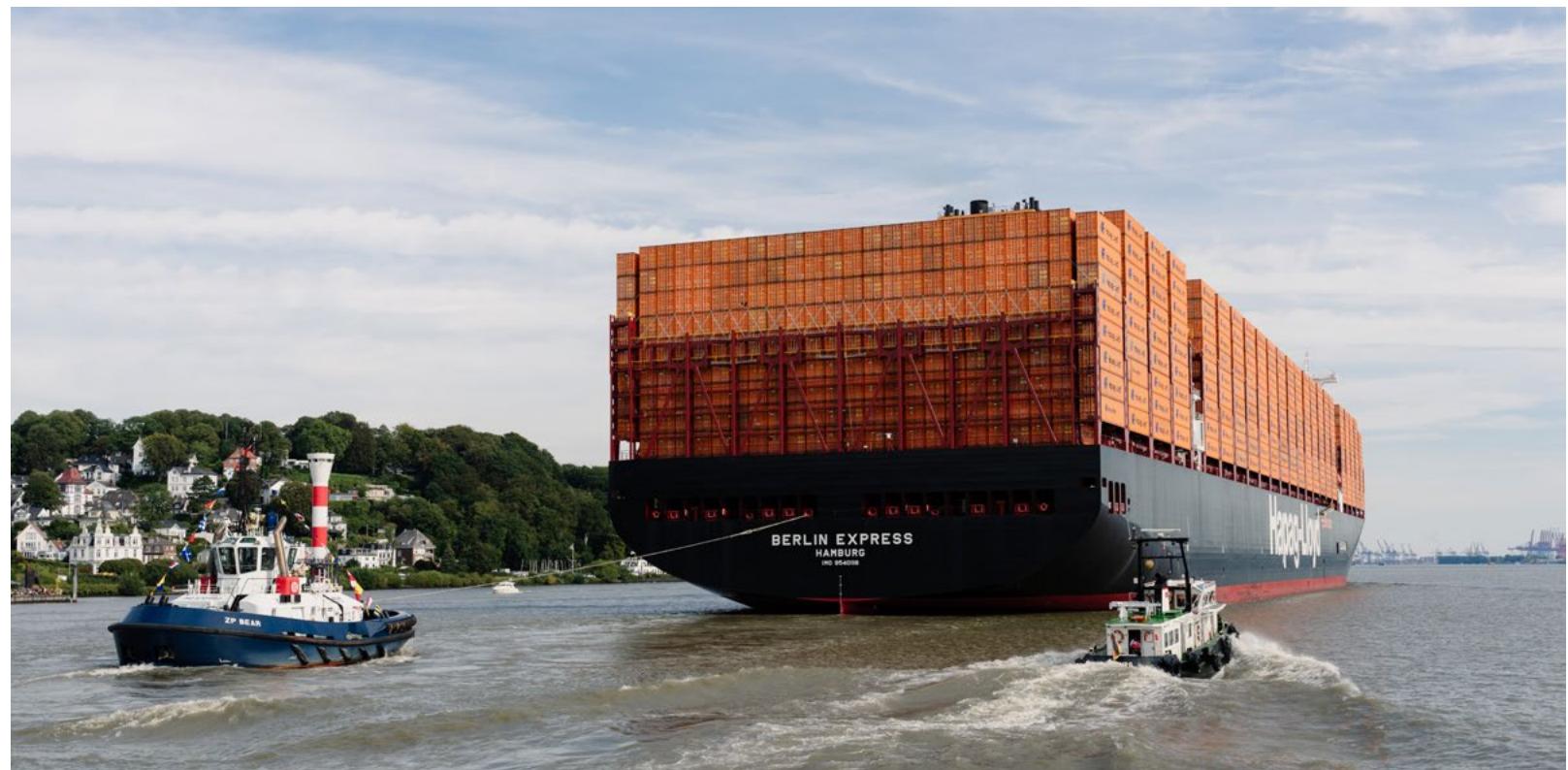
economic performance and Hapag-Lloyd's strategic objectives. Three times a year, including during this reporting year, we also send the political newsletter "Hapag-Lloyd Inside" to recipients in the world of politics, as well as various associations and chambers.

Dialogue with the local community

We are a global player based in Hamburg. Maintaining a dialogue with our local citizens is a matter close to our hearts. We regularly open our doors to interested Hamburg citizens, such as during Heritage Day (Tag des offenen Denkmals), and invite them to public cultural and informational events via our Hapag-Lloyd Foundation (see Corporate citizenship chapter, page 118).

Memberships and commitments [_2-28](#)

We are a member of various associations, working groups and institutions, and are committed to working on various topics affecting our business activities. For example, Hapag-Lloyd participated in the meeting of the Responsible Sourcing Council (The Conference Board) in 2023. 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 dedicated to reducing emissions such as SOx, NOx, CO₂ and particulate matter, and exploring 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 aimed at developing international biofouling standards further.



Diversity Charter

Employer initiative to promote diversity in companies and institutions.

SUSTAINABLE PROCUREMENT

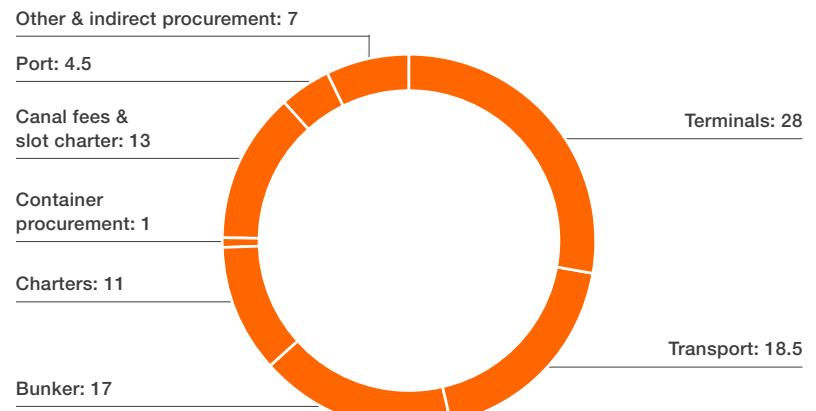
Our global procurement management team makes a significant contribution towards the success of the Hapag-Lloyd business model and, in particular, to the realisation of our sustainability ambitions. As a global company, Hapag-Lloyd's network includes a large number of manufacturers and service providers 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 draw on our network of manufacturers and service providers in order to safeguard and optimise our business operations so that we can give the best possible performance for our customers. [_NfR _2-6](#)

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 2023, we procured goods and services worth around EUR 13.8 billion¹ (previous year: EUR 16.5 billion). The downward trend is particularly due to lower costs in the area of transport and terminals. [_2-6](#)

¹ Annual spend calculated in EUR using average foreign exchange rate

PROCUREMENT COSTS BY USAGE (IN %)



In order to help green the economy, we are turning our attention primarily to our supply chains. In 2023, we completed the development of our strategy for a sustainable supply chain and started to implement it.

Sustainable supply chain management is thus becoming the focus of our procurement activities. We are engaged in ongoing dialogue with notable companies from other industries in this regard, including within the Responsible Sourcing Council's "The Conference Board" initiative. Council meetings were once again held during the reporting year on key topics such as decarbonisation, sustainability KPIs, the EU Corporate Sustainability Due Diligence Directive (CSDDD) and transparency in the supply chain. [_NfR _2-28](#)

Procurement organisation 3-3

Our central Global Procurement organisation is responsible for a variety of procurement processes and for global supplier management. ESG criteria such as human and employee rights, safety standards and environmental objectives are taken into account when evaluating our suppliers' performance. Our aim here is to minimise negative impacts of our supply chain on people and the environment while promoting human rights and decent work. In order to strengthen this aspect, organisational units for the topic areas of supplier sustainability and the German Supply Chain Due Diligence Act (LkSG) were established within Global Procurement during the reporting year, and the Human Rights Office was also situated there. The Supply Chain Due Diligence Act (LkSG) requires regular reports (at least once a year) to be issued by the Human Rights Officer in order to inform the Hapag-Lloyd Executive Board of the status of human rights in the supply chain. We have also appointed Sustainability Champions in the various regions in order to represent all the key topics relating to sustainable supplier management on a local basis. We also offered our employees training in purchasing methods and systems during the reporting year and, as part of this, also in sustainability-related topics. _NfR

We have implemented new specifications in individual purchasing categories in order to safeguard the consideration of sustainability criteria in procurement. Since the reporting year, an ESG questionnaire has formed the basis for incorporating sustainability aspects when awarding contracts. The ESG questionnaire covers the topics of environment, social issues and compliance. It is to be included in the Approved Supplier List in the future and used to monitor supplier performance. It is our aim to be able to achieve a comprehensive overview of the status of our suppliers with regard to how they handle sustainability issues. _NfR

Sustainable supplier management 2-23, 2-24, 308-2, 414-2, 3-3

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 Quality and Environmental Management (QEM) Manual and our Procurement Guidelines enable us to create understanding among our suppliers to ensure a uniform approach to our values. During the reporting year,

we extensively revised our Supplier Code of Conduct in order for it to put a stronger focus on human rights aspects. _NfR

Our Supplier Code of Conduct covers aspects such as the environment, employee rights, compliance with human rights and combatting corruption and bribery. Suppliers who participate in tendering processes, submit self-assessments or conclude framework agreements with Hapag-Lloyd are required to sign the Supplier Code of Conduct or to provide evidence of their own similar supplier code of conduct. _NfR

Within the scope of the abstract external risk analysis, we identified numerous suppliers as being high-risk due to their location and area of activity. The expected key risk areas within the supply chain, such as child labour, forced labour, the use of violence, discrimination, occupational health and safety and a living wage, were confirmed because the LkSG categorises these risks as being particularly high in certain countries. These suppliers then received a self-assessment form on the topic of human rights due diligence. The evaluation of the results is not yet complete. We will send these high-risk suppliers the new Hapag-Lloyd Supplier Code of Conduct for them to commit to, and also integrate them into ongoing media scrutiny to ensure that we are promptly informed of any breaches. Supplier training and local audits are also planned as additional steps for 2024. _NfR

In 2024, we aim to make the new Supplier Code of Conduct available to all of our suppliers for their formal recognition. Furthermore, we are also planning additional measures for 2024, such as supplier visits in connection with the topic of human rights and employee rights, as well as supplier training. We are also aiming to review our framework agreements and align ourselves with international guiding principles for contract preparation, such as those that have been developed within the "Responsible Contracting Project Toolkit". _NfR

Structured selection criteria, evaluation processes, supplier development and taking into consideration risks in the supply chain are important aspects of our central supplier management. In this context, supplier audits provide important findings that not only pertain to operational issues but also sustainability-related topics. In 2023, again largely internal supplier audits were conducted and documented in our eProcurement system. No critical deviations were discovered. The following sustainability-related topics are covered by our standardised audit questionnaire: Acknowledgement and confirmation of our Supplier Code of Conduct, status regarding the environmental management system, waste and environmental pollution, energy, health and safety, human rights and subcontracting. Where it is logical to do so, every audit also includes the visual inspection of the supplier's operations. [_NfR](#)

Around 600 suppliers with the greatest supply volumes account for around 80% of our relevant procurement volume. Based on the stipulations of the QEM Manual, we require them to submit a self-assessment every two years, with the next one being in 2024. With the LkSG requirements in mind, we aim to increase our focus on ESG issues. For all other suppliers, the audits and self-assessments are optional. [_2-6, 308-2, 414-2](#)

| The self-assessment also includes the topic of data protection. [_NfR](#)

With regard to our aim to achieve the greatest possible degree of transparency in terms of reducing emissions within the supply chain, we are currently working on issuing Scope 3 accounts, which are expected to be completed in the second half of 2024. A suitable tool for recording and measuring Scope 3 has already been selected and the transport-related categories (Scope 3.4) were already displayed in full by the end of 2023. The integration of additional Scope 3 categories is scheduled during the course of 2024.

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. [_NfR](#)

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 terminate the contract. [_NfR](#)

During the reporting period, we implemented a new central case management system, along with the associated processes. Most of the procurement organisation was trained in its use by the end of 2023. We strive to record and document LkSG-relevant incidents among our direct suppliers as cases in our system. The communication with the relevant suppliers regarding the causes, background, measures adopted, etc., takes place via the case management system and, as such, is documented centrally and can be evaluated using various criteria. [_NfR](#)

We did not terminate any supplier relationships in 2023 due to breaches of our Supplier Code of Conduct. We are not aware of any cases where our suppliers have had a significant negative impact on the environment or a negative social impact.

To help us work well together – particularly in regard to the joint pursuit of ESG objectives – we also try to arrange face-to-face meetings with our suppliers. During the reporting year, various supplier events were held in a range of formats (in person, virtual, one-to-one or in groups) on a variety of topics ranging from decarbonisation and operational topics to process optimisation and the tendering process. Furthermore, we actively address the topic of supply chains and look for ideas and approaches to implement the ESG targets in procurement by expanding our supplier base.

Sustainability standards in container procurement

Depending on the type of cargo, we offer our customers various types of containers: standard containers, containers for special cargo and reefer containers. We own 60% of the containers and the remaining 40% are leased. Our own containers are manufactured in accordance with our quality requirements and specifications (see Responsible use of resources subchapter, p. 83).

We also require manufacturers, the container leasing companies and container procurement companies to sign our supplier code of conduct and to provide regular self-assessments. [_NfR _308-2, 414-2](#)

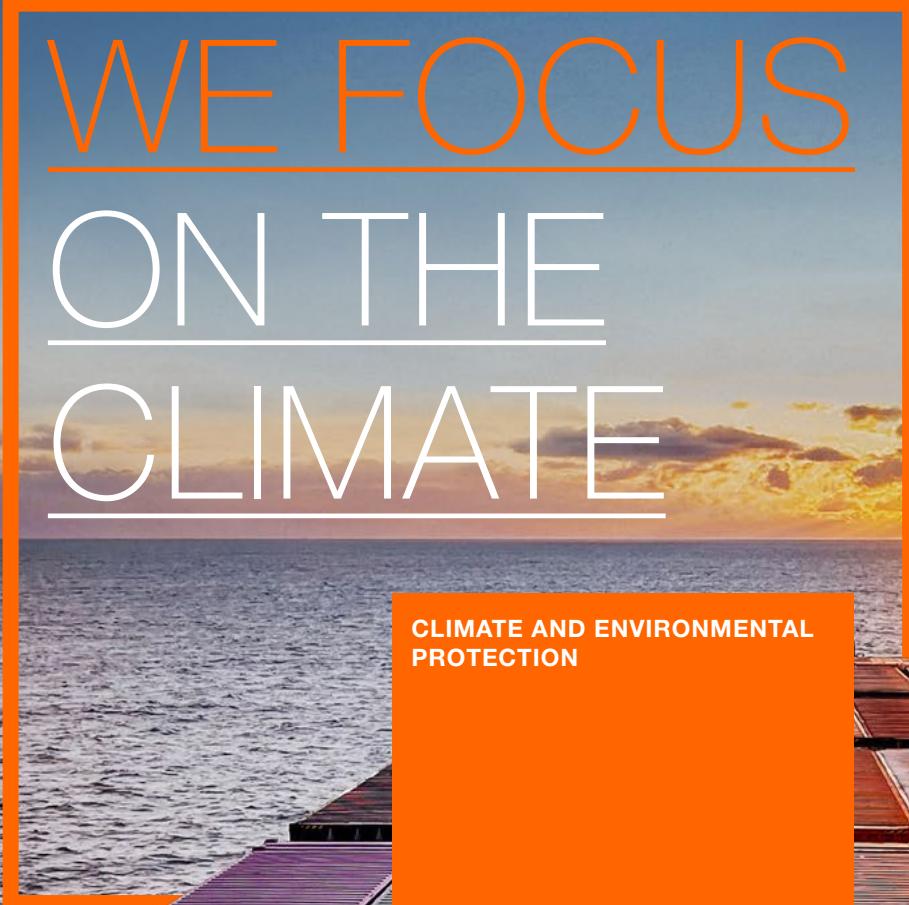
Software-based supplier monitoring

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](#)

Our software also simplifies risk management by systematically recording and evaluating supply chain risks and helps to define and standardise quality, environmental and social topics as criteria in procurement. More than 240 employees have been trained in the use of a tool for AI-based web crawling and use it to track the latest developments of around 1,700 suppliers, including with regard to sustainability-related topics. In addition to detailed supplier profiles, daily emails with news affecting our suppliers represent an enormous gain. [_308-2, 414-2](#)





WE FOCUS
ON THE
CLIMATE

CLIMATE AND ENVIRONMENTAL PROTECTION



NEW ERA – BERLIN EXPRESS

The naming ceremony on 2 October

2023 marked the beginning of a new era for the Hapag-Lloyd fleet. Equipped with dual-fuel technology, the “Berlin Express”, which measures 400 metres long and 61 metres wide, is one of the biggest container vessels in the world. By 2025, we will be putting a further eleven sister ships with similar dimensions into service.

CHRISTENING OF THE SHIP

Godmother Elke Büdenbender with Captain Michael Kowitz in front of the Berlin Express





DUAL-FUEL ENGINE

View into the engine room of the Berlin Express



As the captain of a new class of ship, it is important to me that we keep an eye on the environment as well as steering the ship safely.

Michael Kowitz, Captain of the Berlin Express

DUAL-FUEL BY THE DOZEN

The “Berlin Express” will provide a liner service between the Far East and North Europe, powered by a high-performance MAN main engine. Each of the twelve new large container ships has a capacity of around 23,600 TEU and will be equipped with 1,500 power connection points for reefer containers.

Setting sail for the future

Thanks to its dual-fuel technology, the new ship class can be run on low-sulphur bunker oil and liquefied natural gas and will also be able to use non-fossil fuels such as bio-methane or e-methane in the future. When powered by LNG, this can reduce CO₂ emissions by as much as 15% to 25%. With the use of alternative fuels such as e-methane, greenhouse gas emissions are over 80% lower compared to standard fuels. Read more about it on page 77 et seq.

MANAGEMENT APPROACH

_3-3

As a shipping company with operations around the world, Hapag-Lloyd is committed to a more sustainable future and the sustainable transformation of the industry. Our ambition is to conduct our commercial activities in a way that keeps our environmental footprint as small as possible. To achieve this, we have implemented environmental and quality management standards across the Group. The aim of our commitment in this area is to counteract climate change and minimise dangers to people and ecosystems. _NfR

Shipping is currently one of the means of global goods transport that generates the lowest levels of emissions. Nevertheless, the entire industry is required to reduce its carbon footprint even further. Hapag-Lloyd is fully aware of this and is taking measures to make a contribution to achieving the goals of the Paris Agreement. One of the most essential of these measures is our Fleet Upgrade Programme (FUP), through which we want to reduce our fleet's CO₂ emissions by around 9%. _NfR

In order to reduce the use of fossil and alternative fuels, increasing efficiency is a key objective. By making adjustments to our ship operations, such as sailing at reduced speeds (slow steaming), we have been able to noticeably increase the efficiency of our fleet. This is because of the cubic law governing ship speed and power output needed, i.e. minor adjustments to speed result in relatively major changes in terms of power output. We also aim to comply with regulatory requirements regarding energy efficiency and emissions, such as the Energy Efficiency Design Index (EEDI), the Energy Efficiency Existing Ship Index (EEXI) and, insofar

as it is practically possible while still maintaining our services, the Carbon Intensity Indicator (CII). _NfR

Our business activities have the potential to impact marine biodiversity, particularly along our shipping routes and in our ports of call. This is an issue that is becoming increasingly important, both on the capital market and fundamentally in terms of environmental protection, and one which we are prioritising (see Protection of water and marine biodiversity, p. 81). The Regulatory Affairs and Sustainability Unit handles environmental management at sea and for sites on land, with the implementation on board carried out by the respective ship management teams (see Sustainability management, p. 44 et seq.). _NfR

OUR COMMITMENT

Certifications

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 take account of all 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 topic areas – this includes ballast water management and its impact on biodiversity (see Protection of water and marine biodiversity, p. 81).

Decarbonisation

Accelerating the decarbonisation of global shipping is a particular challenge. For the shipping industry, it is imperative to meet the IMO targets for 2030, 2040 and achieve net zero greenhouse gas emissions by 2050. The industry is responsible for 2% to 3% of global greenhouse gas emissions, and its task lies in shaping the transition from fossil fuels to low-emission and zero-emission fuels on a large scale and at speed. This task is too great for a single actor to take on alone. Against this backdrop, a joint declaration was issued by the CEOs of the world's leading liner shipping companies, including Hapag-Lloyd, at COP 28 in Dubai in the reporting year. In this declaration, they call for an end date for new-builds that are operated solely by fossil fuels and also urge the International Maritime Organization (IMO) to create the regulatory conditions for a faster transition to more sustainable fuels.

Industry initiatives 2-28

Hapag-Lloyd also participates in other initiatives where representatives of the industry work together on solutions for decarbonisation. Our involvement with the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping (MMMCZCS) and the Global Centre for Marine Decarbonization (GCMD) deserves a particular mention here, as does our membership of the Global Maritime Forum. Hapag-Lloyd is represented by our CEO on the Management Committee of the World Shipping Council (WSC). We are also a member of the German Shipowners' Association (VDR). 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.



We have a shared responsibility for a sustainable future. At Hapag-Lloyd, we are committed to driving forward decarbonisation and want to accelerate the energy transition of the maritime industry. To achieve this, a clear regulatory framework and precise targets are crucial. Only then will we be able to advance the use of alternative fuels and reduce our carbon footprint.

Rolf Habben Jansen, CEO of Hapag-Lloyd

CLIMATE PROTECTION AND REDUCTION OF EMISSIONS



Our target: Reducing CO₂e intensity (EEOI) of the entire fleet by 30% by 2030 compared with 2019.

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. Our commitment to the IMO targets on reducing greenhouse gases for 2030, 2040 and 2050 is linked

to the firm belief that working even more closely with the IMO will lead to effective and concrete political measures. These are needed to promote investment in the shipping industry and its supplier sectors and to advance decarbonisation with the necessary speed. _{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– Biomethane 

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

ENERGY USE AND ENERGY EFFICIENCY IN FLEET OPERATIONS [_3-3](#)

We want to make our fleet operations as economical and efficient as possible in terms of energy use and consumption and we take measures to achieve this through our Hapag-Lloyd Fleet Upgrade Programme (FUP). Based on continuous investment in energy efficiency, we are striving to achieve CO₂ savings of around 9% for the entire fleet with the help of the FUP. [_NfR](#)

Energy efficiency measures in fleet equipment and materials

We are working continuously on improving the capacity utilisation of our vessels, as this plays a particular role in the efficient use of energy. To this end, we pool and monitor the data from our ship operations with regard to trade and cargo mix. Measures implemented in the reporting year as part of the FUP led to increased vessel capacities. In addition, we have worked on optimising our stowage operations and the time spent in port. [_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 (e.g. quality, bunker stocks, and 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](#)

In a rapidly changing environment such as global logistics, data analyses are becoming increasingly important, and we are continuously working to advance the digitalisation of our business. With the help of business analytics, we are developing tools to optimise our workflows, for example by finding the best ways to utilise the capacity of our fleet, to distribute empty containers or to transport full containers from their origin to their destination in the fastest and most efficient way. Fleet Datalake is a project we established 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 them to access performance data for their own vessel and anonymously compare it with the performance of other vessels. The tool covers almost our entire fleet in order to increase transparency 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 upgrading and retrofitting vessels as part of our Fleet Upgrade Programme (FUP – see above). In the reporting period, this included retrofitting of 17 hydro-dynamically optimised bulbous bows and 27 propellers. The use of lower-friction marine paints (on both owned and long-term chartered vessels) is another effective investment, which we made for 56 vessels in 2023. Removing fouling from 77 ship hulls also enabled us to save around 8% in fuel for these vessels during the reporting period. [_NfR](#) [_302-4](#)

We added four newbuilds to our fleet during the reporting period. Three of these are fitted with dual-fuel propulsion. A further nine vessels with dual-fuel propulsion will enter operation in 2024 and 2025. [_NfR](#)

180 of the vessels¹ operated by us 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 can benefit from reduced port charges. [_NfR](#)

¹ Two bareboat charter vessels included

In the reporting year, 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

Hapag-Lloyd's bunker portfolio generally comprises marine distillates and residual oils and, since 2021, liquefied natural gas (LNG). To increase energy efficiency in continuous fleet operations, bunker provides us with important leverage. We can save costs and reduce emissions by ensuring that the fuels we procure have the highest possible energy content (see Cutting emissions, p. 78). [_NfR](#)

Bunker consumption

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 to be monitored on an ongoing basis. Relevant changes are promptly communicated to ship management. In 2023, bunker consumption was 2.12 tonnes per slot (previous year: 2.35 tonnes per slot). [_NfR](#)

There were no more restrictions as a result of the COVID-19 pandemic in terms of energy efficiency in the reporting year. Bunker consumption decreased due to lower transport volumes, the clearing of congestion in front of ports and lower vessel sailing speeds.

As a result of climate-related drought and the resulting drop in water level in the Panama Canal, restrictions on ship transits were put in place by the local canal authorities. In response to these restrictions, we have been rerouting some of our vessels since the fourth quarter. In addition, due to the geopolitical situation around the Red Sea, at the end of December 2023 we began rerouting all of our vessels scheduled to pass through the Suez Kanal around the Cape of Good Hope.

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

	2023	2022
MFO (high sulphur)	752,437	527,611
MDO, MFO (low sulphur)	3,196,549	3,607,570
LNG	22,769	4,582
Total bunker consumption	3,971,755	4,139,762

* Utilisation after journey completion

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

Scope 1	Container ships	around 12,608,000
Scope 3	Upstream chain of procured fuels	around 2,233,000
Summe		14,841,000

* Based on daily consumption; excluding onshore power supply

ENERGY CONSUMPTION OF THE TERMINAL COMPANY SAAM TERMINALS [_NfR](#) [_302-1](#)

Electricity consumption in MWh:	21,813
Fuel consumption (in litres):	
Diesel	5,401,680
Liquefied petroleum gas	95,622
Petrol	158,607

EMISSIONS OF THE TERMINAL COMPANY SAAM TERMINALS (TONNES CO₂e) [_NfR](#) [_305-1, 305-2, 305-3](#)

Scope 1	Terminal & Infrastructure	15,751
Scope 2	Emissions from electricity production	4,022
Scope 3	Upstream chain of purchased energy sources	3,926

The consumed bunker volumes per fuel were multiplied by the respective emission factors. The emission factors are from the FuelEU Maritime Regulation, EU 2023/1805. The global warming potentials (GWP) were taken from the IPCC AR6 Report.

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

Several fuels are currently being considered as potential alternatives to fossil fuels. It is not yet clear which fuels, if any, will emerge as suitable. This is due, among other things, to the lack of infrastructure and security issues. The shipping industry still lacks security in regard to which fuels will emerge as practical alternatives in the future. Global availability, transport volume and other criteria play a role here.

We are working in close cooperation with industry partners to investigate possible ways of using alternatives such as methanol as a more sustainable fuel source or indeed more sustainable propulsion technologies. A concept for a methanol ship was developed and presented in the reporting period, as well as a concept for a sail-assisted container vessel. As a global actor, 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 can 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 LNG Vessels, p. 115). [_NfR](#)

It is contributing to a reduction in CO₂ emissions of 15% to 25% and to a significant reduction in sulphur oxide and particulate matter emissions in particular. The vessel can also be operated using biomethane and synthetic methane. In the reporting period, we added a further three vessels that can be operated using LNG to our fleet.

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 has also been implemented on our three new dual-fuel vessels (see above).

A further nine dual-fuel newbuilds using LNG, each with 23,660 TEU, are scheduled to go into operation by 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. We are currently keeping a close eye on relevant developments. In this context, Hapag-Lloyd is already working with potential producers of biological and synthetically produced methane.

An initial project design for synthetic methane is currently in development. We expect to be able to bunker the first quantities from 2026. For the current year 2024, we have planned a pilot bunkering programme with biomethane. When exactly it will be possible to use synthetic methane on our dual-fuel vessels is still unclear at the current time. An advantage of synthetic methane is that methane slip during manufacture is a great deal less than with the production of fossil LNG. It can also be monitored more effectively.

To further promote the use of biomethane, we are part of a consortium for a Green & Digital Corridor between Rotterdam and Singapore. The consortium aims to reduce CO₂ emissions on this main trading route by 20% to 30% by 2030. Hapag-Lloyd is part of the biomethane track and is working towards a pilot bunkering programme in Singapore in 2024. We are also involved in the expansion of digitalisation for the planning and handling of vessels and their cargo.

PARTNERSHIP FOR THE DECARBONISATION OF SUPPLY CHAINS 2-6

In 2023, Hapag-Lloyd and Nestlé entered into a partnership to jointly contribute to the decarbonisation of supply chains and advance the vision of cleaner shipping. Nestlé decided to make Ship Green, our lower-emission transport solution, an element of its sustainability initiatives. By switching to cargo vessels that use fuel generated from waste, the company wants to reduce its annual greenhouse gas emissions from its sea transport by around 200,000 tonnes of CO₂ equivalent, as per its own figures. The partnership between Hapag-Lloyd and Nestlé is an important milestone for both companies and emphasises our shared commitment to more sustainable solutions in logistics.

Biofuel propulsion 2-6

We have increasingly been using biofuels since 2022 in order to achieve our emission reduction targets. Our objective here is to obtain these fuels using sustainable raw materials such as used cooking oil – from which fatty acid methyl ester (FAME) is manufactured – that is mixed with fossil VLSFO² in varying proportions. Greenhouse gas emissions from biofuels are over 80% lower compared to standard fuels.³ NfR

During the reporting period, 45 vessels in the fleet were refuelled with biofuel. This occurred mostly in Rotterdam, but also increasingly in Singapore, and, for the first time, in Genoa, Barcelona and Jebel Ali. In Antwerp, ultra low sulphur biofuel was also used for the first time instead of very low sulphur biofuel, which has been typically used up until now.

There is still no ISO standard for biofuels. The new ISO standard is expected in 2024. However, the availability of biofuels has improved significantly in the meantime. Other bunker ports are being examined, including in South Korea, West Africa, South Europe and on the west

² VLSFO = Very low sulphur fuel oil

³ Upstream greenhouse gas emissions are taken into account.

coast of the USA. Volume contracts have been concluded with major biofuel suppliers to create security of supply.

Hapag-Lloyd remains in continuous talks with ship owners so that charter vessels can also operate on our behalf using biofuels. In the reporting year, we rolled out our Ship Green product company-wide, a new offering for low-emission transport using biofuel. Our customers can choose from three different options that make it possible to prevent greenhouse gas emissions: 100%, 50% or 25% of the CO₂e emissions of their sea shipments. Using the “Book & Claim” approach, Hapag-Lloyd can transfer the emissions prevented through the use of biofuel to other sea shipments, irrespective of the vessel and route. Within the Company, our Ship Green Community has been established, comprising Regional Ship Green Heroes and their representatives in the organisational units. The latest information about Ship Green is circulated and best practice information shared via this community.

We bunkered around 213,000 tonnes of biofuel during the reporting year. NfR

CUTTING EMISSIONS 3-3

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

Greenhouse gas emissions 305-4, 305-5

Our target is to reduce the CO₂e emission intensity (EEOI) for the entire fleet by 30% by 2030 compared with 2019. In line with this, our target is a 60% reduction for our own fleet (according to AER)⁴ by 2030 compared with 2008.⁵ We want to achieve net zero greenhouse gas emissions for the entire fleet by 2045 (see Hapag-Lloyd sustainability strategy, p. 47 et seq.). NfR

⁴ AER = Annual Efficiency Ratio

⁵ As defined in the Hapag-Lloyd Sustainability Linked Bond Framework

For 2022, the achievement of the AER under the defined trajectory can be reported: –40% compared to the base value in 2008. According to the Clean Cargo Initiative's calculation method, the specific CO₂e emissions for the entire fleet amounted to 70.59 g CO₂e per TEU kilometre in 2022. This represents a slight deterioration of around 1% compared to the previous year. _{NfR}

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}

A total of 29 of our vessels are equipped with scrubbers – three 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 newbuilds also feature SCR⁶ catalysts for NOx reduction for use in NECA⁷ territories.

Laboratory analyses in 2023 determined an average weighted sulphur content of around 0.84% for our fuel deliveries (previous year: 0.76%). 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 slightly from around 87% in 2022 to 81% in the reporting year 2023. 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

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. This was also confirmed by a survey that we conducted among our partners in the reporting period. For this reason, we include the upstream and downstream elements of our services and products in our efforts to find more sustainable solutions and pursue the goal of transparent transport chains. To meet this requirement, we provide the emissions data of routes in the Quick Quotes Spot section on our website [...](#). Our new Ship Green product, which we introduced to offer our customers lower-emission container sea transport, also satisfies this objective. In addition, Hapag-Lloyd is currently working on setting up a new and enhanced system for calculating and displaying emissions. Furthermore, since the reporting year we have had a new tool that we want to use to create greater transparency about our suppliers' emissions in the future. Measures to reduce our Scope 3 emissions will be documented from 2024.

During the reporting year, workshops on the following content were also held with individual suppliers in every region: Hapag-Lloyd sustainability strategy, supplier sustainability strategy and status, analysis of supplier processes and identification of CO₂ hotspots, identification of existing and potential solutions to reduce or eliminate CO₂e emissions.

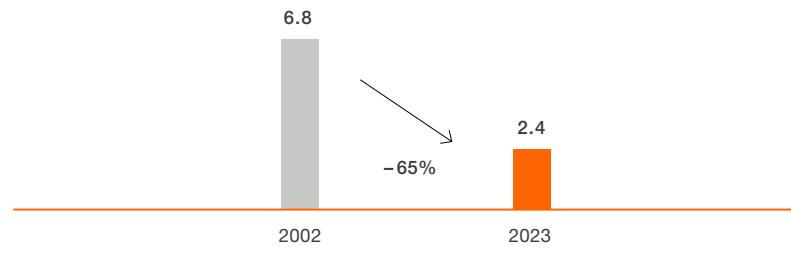
⁶ SCR (selective catalytic reduction) catalysts: exhaust gas denitrification by reduction using ammonia

⁷ NECA = NOx Emission Control Area

MORE SUSTAINABLE REEFER CONTAINERS [_3-3, 302-3](#)

Cooled goods are transported in reefer containers, which are equipped with electrical units that can keep containers at a steady temperature of between -30 °C and +30 °C. As we only procure extremely energy-efficient units and continually modernise our reefer fleet, we continuously reduce energy consumption. The average energy consumption per 40-foot reefer container has decreased in the last 20 years, from 6.8 kWh/unit (2002) to 2.37 kWh/unit⁸ in the reporting year. As at 31 December 2023, Hapag-Lloyd has a reefer fleet comprising around 320,355 TEU. [_NfR](#)

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 emissions of air pollutants in ports.

We are gradually converting our vessels to use onshore power. In the reporting year, none of our own vessels and four charter vessels were compatible with onshore power and operated on routes with Californian ports. [_NfR](#)

ENERGY SUPPLY AT OUR SITES [_3-3, 302-1](#)

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, we obtain 100% of our electricity from renewable energy sources, as in previous years. We also wish to use smart building measures to reduce energy consumption (see Sustainability management p. 47).

EMISSIONS FROM LAND-BASED OFFICE ACTIVITIES*
(TONNES CO₂e) [_305-1, 305-2, 305-3](#)

	2023	2022
Scope 1	Company car, gas, heating oil	around 2,000
Scope 2	Electricity, district heating	around 8,000**
Scope 3	Category 3 Company car, gas, heating oil, electricity, district heating	around 3,000
	Category 6 Flights	around 11,000
Summe		32,000
		25,000

* Offices used throughout the year, incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. SAAM Terminals)

** Correction of Scope 2 data for the year 2022

Scope 2 emissions fell in the reporting period due to the increase in the proportion of green electricity. We recorded an increase in emissions in Scope 3, Category 6 as a result of the increase in passenger kilometres flown. [_305-5](#)

8 KPMG only checked the key figure 2.37 kWh/unit. The long-term trend is excluded from this.

PROTECTION OF WATER AND MARINE BIODIVERSITY

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



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.

The sea is home to complex ecosystems, some of which are unique. Maritime shipping puts pressure on the marine environment. As a global liner shipping company, we too have an impact on marine ecosystems through our commercial activities. To keep our impact as low as possible and protect life below water and on land to the best of our ability, we adopt measures to protect the waters we navigate as a high priority. [_NfR](#)

We adhere to our internal “no garbage into the sea” policy and pursue the objectives of our sustainability strategy. [_NfR](#)

We comply with the requirements of the International Convention for the Prevention of Pollution from Ships (MARPOL) and the statutory regulations on ballast water management. [_NfR](#)

Ballast water management system

A core principle 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. There is not a single vessel in our own fleet that operates without a ballast water management

system (BWTS). We use various laboratories for regular testing. Vessels that sail in US waters undergo BWTS tests twice a year; for all other vessels, testing is conducted once a year. [_NfR](#)

In 2023, there was one leakage with an impact on the maritime environment in the Liner Shipping segment. No such leaks occurred at SAAM Terminals, which is part of the Terminal & Infrastructure segment, during the reporting period. [_NfR](#)

Prevention of the spread of invasive species [_304-4](#)

There is an ever-growing awareness of the problem of invasion by alien species, through the release of ballast water, for example. 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](#)

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). [_NfR](#)

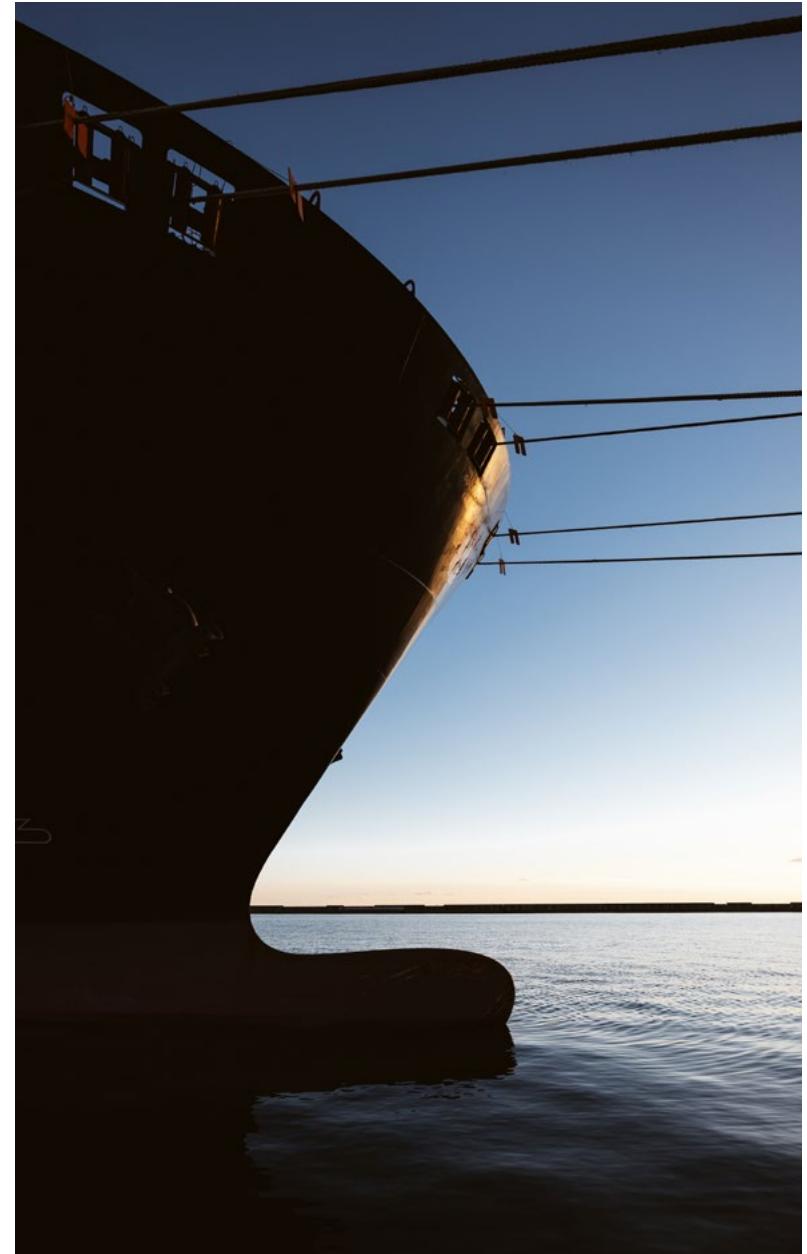
We also continued our involvement in the IMO's GloFouling project, the United Nations Development Programme (UNDP) and the Global Environment Facility (GEF). The aim here is keep vessels' hulls free from biofouling in as environmentally friendly a manner as possible, with the additional joint objective of reducing the spread of invasive aquatic species. Recommendations were developed in the reporting period in this regard. Implementing biofouling management will also reduce underwater resistance and, consequently, also greenhouse gases. [_2-28](#)

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. 65 et seq.): As part of the World Shipping Council (WSC), we are involved in a project to protect blue whales on their migration routes. In the reporting period, for example, we jointly worked on the development of the "WSC Whale Chart", a global navigation aid to protect whales. We also support the "Protecting Blue Whales and Blue Skies" programme, in which we were able to achieve maximum status in the reduction of vessel speed on selected routes for the first time, as well as the ECHO programme 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](#)



RESPONSIBLE USE OF RESOURCES

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

A variety of materials are required for maritime 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](#)

Conservation of resources

As part of our sustainability strategy, we have defined measures for the efficient use of resources and/or reducing waste and for recycling. These measures relate to the targeted use of materials and to recycling options, which are key topics for us with regard to our fleet in particular. 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 83,000 TEU in the reporting year, corresponding to around 6% of containers in Hapag-Lloyd's own¹ fleet. [_301-1](#)

Ship recycling [_2-23](#)

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. The scrapping of old ships is already strictly regulated in the EU. From mid-2025, globally

standardised regulations for environmental and workplace protection (Hong Kong Convention) will apply.

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. In the reporting period, we participated in a panel discussion as part of the TradeWinds Ship Recycling Forum in Singapore. [_2-28](#)

We provide every newly built vessel with an Inventory of Hazardous Materials (IHM). This is provided for 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](#)

The process of recycling three of our vessels began in the reporting year. For each vessel that is to be recycled, we strive to select a shipyard that meets the EU Ship Recycling Regulation (SRR) requirements.

Handling water and disposal of effluents

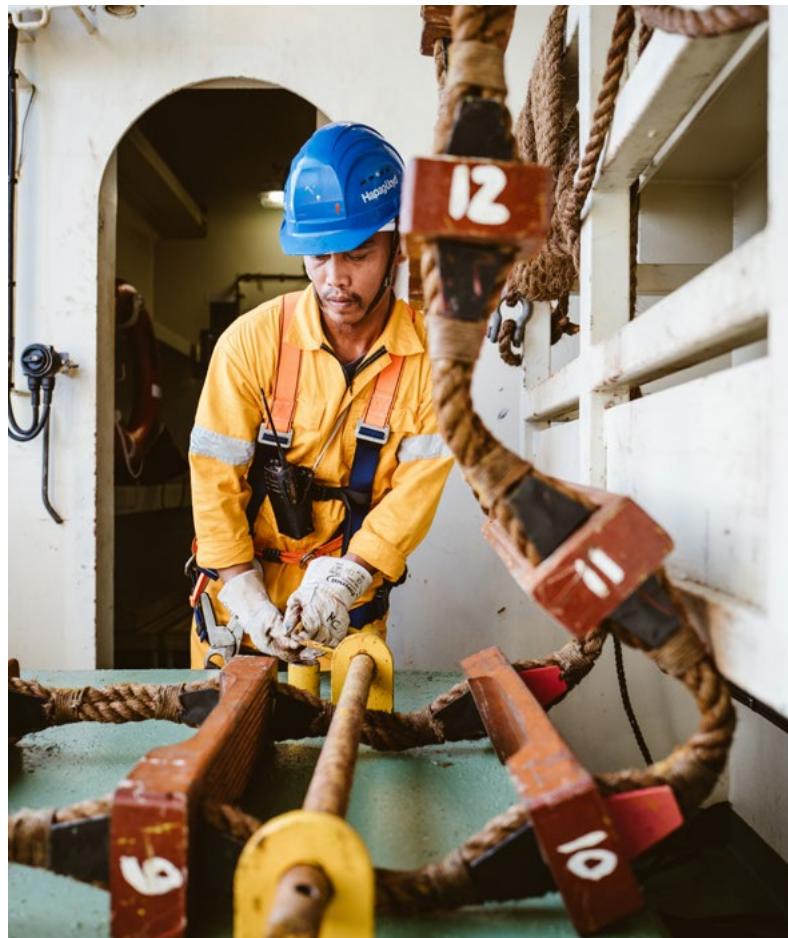
Both fresh water and drinking water are required on board. Fresh water is obtained using sea water evaporators and used for purposes such as cleaning, but drinking water must be procured for the crew. Waste water disposal complies with MARPOL Annex IV on board and with local legal requirements on land.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

¹ Reefer containers are excluded from consideration

Disposal and recycling of other waste at sea

Preventing waste from entering the world's oceans is a major topic for the shipping industry. The "No garbage into the sea" principle is an important, binding policy for Hapag-Lloyd.

In order to dispose of or recycle waste in as environmentally friendly a manner as possible, it is essential to carefully collect and sort it. All waste generated on board our vessels is collected and separated so that it can



be 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.

Waste on board is logged by category on a daily basis. Our cables, for example, are made from plastic and are fed back in to 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 in the reporting year and is still being rolled out. On charter vessels, managers are required to comply with all applicable international laws and regulations when dealing with waste. They have their own management systems for this purpose. [_306-3](#)

We are significantly reducing food waste from our crews 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 in order to avoid plastic waste on board (particularly plastic bottles) through the BIMCO².

Regrettably, 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.

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





FOCUS STORY 4: Diversity

PRIDE IN DIVERSITY

I for International and D for Diversity: That's our "ID" as a global company because we identify with the values of diversity and are proud of the fact that more than 14 different nationalities are represented on board internationally. Furthermore, it is particularly important for us to increase the proportion of women in nautical professions and in leadership positions at Hapag-Lloyd.

ON DECK

Lara Marie Habedank, during routine inspection of the "Berlin Express".



WOMEN IN THE HAPAG-LLOYD FLEET

Navigation, maintenance work, keeping watch: At Hapag-Lloyd, women already play key roles on board our vessels as part of our normal fleet operations. But there's still room for improvement. We make a targeted effort to motivate, recruit and support women with our clear message: "More women on board!".

Role models around the world

Since 2021, Swetlana Timm-Vengerov has been coordinating mechanical work and staff as a Second Engineer and manager. After her training as a shipping agent, Lara Habedank decided to go to sea and is now an Officer of the Watch. As a young mum, Ronja Becker manages to strike a balance between being at sea and having a young family and has already completed her first long training voyage, as has Dimple from Nashik near Mumbai, who is currently training to be an officer.

The fact that I'm often the only woman on board isn't a huge deal for me. We are treated completely equally."

Lara Marie Habedank, Officer of the Watch

14
different nationalities are represented among our seafaring staff

MANAGEMENT APPROACH

_3-3

Digitalisation and agility, the training and further education of our skilled workers and managers, and the professional and personal development of young talent are key elements of our global human resources strategy.

Worldwide, we want to act and be regarded in a way befitting a responsible employer. Our aim is to retain employees in the long term and attract new talent to Hapag-Lloyd. _NfR

To achieve this, our priority is to ensure a healthy, safe working environment for all employees on shore and at sea. _NfR

Digitalisation and agility

We strive to continually evolve and we pursue the targets we have laid out in our strategy and firmly enshrined in our corporate values.

The core area of HR digitalisation is a focus of our global human resources strategy. Here we aim to advance employee support and development, from recruitment to departure, with the aid of digital HR processes.

We use the opportunities presented by digitalisation and agile working 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. In addition to this, we are continuously expanding our Future Way of Working@Hapag-Lloyd concept (see p. 95). _NfR

We already introduced our hybrid working model at many locations over the course of 2022. Following the lifting of the last coronavirus measures during the reporting year, all shore-based personnel have returned to the office on the basis of our 3:2 model (three days per week working at the office, up to two days working remotely). A global employee survey has confirmed to us that our staff also consider the hybrid working model a success.

Training and further education & onboarding

We invest continuously to promote the professional and personal development of young talent and the training and further education of our skilled workers and managers. In doing so, we focus on the growing opportunities of digitalisation, for example web-based training with AI-generated avatars¹. This allows us to make further education measures available to all employees at Hapag-Lloyd worldwide. Every department has access to tailored seminars. With the introduction of more than 20 different modalities of digital content, the focus of digital learning at Hapag-Lloyd has shifted to interactive and experiential elements. The web-based training developed during the reporting year combines different types of digital content to ensure a motivating learning experience. We have been in partnership with LinkedIn Learning since November 2022. The platform provides a vast array of resources for all employees worldwide and is actively used by them. During the reporting year, LinkedIn Learning was also our strategic partner in the development of the Hapag-Lloyd Academy (see Further education and talent development on land, p. 100). Our qualification and further education measures are consolidated within the Hapag-Lloyd Academy. We launched our first Academy courses in the reporting period, providing training, for instance, on sales and data protection to our employees.

¹ A virtual character that acts in a digital application and was created with the help of artificial intelligence

Web-based training sessions are also 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 for all employees focuses on our Global Code of Ethics (see p. 24 et seq.). We pressed ahead with the standardisation, refinement and consolidation of our onboarding process during the reporting year and are currently working on its full digitalisation. [_NfR](#)

Focus on employees

We foster a corporate culture that puts an emphasis on people and interaction. Here at Hapag-Lloyd, we firmly believe that we can only collectively and consistently give our best for our customers when our work is underpinned by the strong foundation of a positive corporate culture. It is also important to provide an environment that promotes mental health. Our employees at sea in particular are often especially subject to stress due to their working hours as well as the great distance and sometimes prolonged time away from their family and home. In order to minimise the stress faced by these personnel and help stabilise their mental health, during the reporting year we continued to place a particular focus on ensuring that our seafaring staff were replaced in a timely manner. The increase in the level of fluctuation among employees at sea posed a challenge in 2023. In the reporting period, we therefore worked more intensively on the topic of leadership with regard to employee retention and developed a leadership programme that will be introduced in 2024. We also focused on the area of culture, with efforts including three workshops on the topic of diversity in 2023.

HUMAN RESOURCES MANAGEMENT ORGANISATION

The Global Human Resources (Global HR) division manages our shore-based personnel from the company headquarters and ensures that there are binding standards around the world for human resources management and developing young employees. Our focus is on ensuring a fundamental, global understanding of uniform structures in regard to employee issues such as remuneration policies, level structures and our company-wide Code of Ethics. These standardised global structures are also central to our Global Mobility Policy, to give one example. We clearly

distinguish between three core target markets (long-term assignments of up to five years in duration, short-term assignments of up to two years in duration and shorter “local plus” assignments) and ensure personal needs are accommodated by being very transparent about conditions and taking individual components into consideration.

In addition, we value dialogue with our employees, which follows the same structure in every country. Regular internal and external audits of our Global HR division are intended to ensure that potential improvements can be identified and corresponding measures taken. [_NfR](#)

The Marine Human Resources department manages vessels under the German flag and is responsible for the majority of our marine personnel, including the implementation of training and further education measures. [_NfR](#)

In Q2 2023, we asked our shore-based personnel around the world for feedback on our HR activities and developments in respect of current HR issues. The survey achieved a very high participation rate of 86% and delivered valuable findings that we will now use to derive department-specific measures. The main topics included the establishment of regular town hall meetings between management and employees, intensified communication about change processes in the company and the promotion of equal opportunities and a sense of belonging through activities initiated by the HR department. [_2-29](#)

STAFF STRUCTURE [_2-7](#)

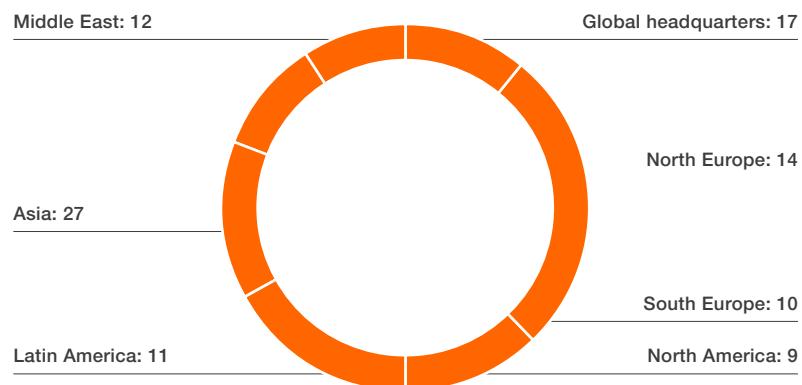
In 2023, Hapag-Lloyd employed 16,295 people² (2022: 14,248 people). Of this total, 13,426 employees were in the Liner Shipping segment – 12,121 on land and 1,305 at sea.

² As at 31 December 2023 incl. Terminal & Infrastructure segment and the associated fully consolidated companies

The new Terminal & Infrastructure segment employed 2,869 people.

17% of our employees on land are based in the global headquarters, 14% in North Europe, 10% in South Europe, 9% in North America, 11% in Latin America, 27% in Asia and 12% in the Middle East (including Africa).

DISTRIBUTION OF SHORE-BASED PERSONNEL BY REGION* (IN %) 2-7



* As at: 31 December 2023, incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. SAAM Terminals), excl. trainees

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 sustained demand for part-time employment and parental leave among marine personnel 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 (2023) NfR

	Hapag-Lloyd Group 31.12.2023	Hapag-Lloyd Group 31.12.2022	Hapag-Lloyd AG 31.12.2023	Hapag-Lloyd AG 31.12.2022
Liner Shipping	13,426	13,982	4,070	4,106
of which shore-based apprentices <small>2-8</small>	134	130	115	112
of which marine personnel	1,305	1,802	1,305	1,225
of which apprentices at sea <small>2-8</small>	97	97	97	95
Terminal & Infrastructure	2,869	—	—	—
of which Container Repair Companies	273	266	—	—
of which SAAM Terminals and Terminal Holding	2,596	—	—	—
Total	16,295	14,248	4,070	4,106

As at: 31.12.2023

NUMBER OF TEMPORARY THIRD-PARTY WORKERS (2023)* _2-8

	Hapag-Lloyd Group	Hapag-Lloyd AG
On land	443	91
At sea	0	0

* As at 31 December 2023 incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. SAAM Terminals)

NUMBER OF FULL-TIME EMPLOYEES BY GENDER (IN %) (2023)*

	Hapag-Lloyd Group	Hapag-Lloyd AG
Full-time	96	87
Male	58	67
Female	38	20
Gender diverse	0	0
Part-time	4	13
Male	3	3
Female	1	10
Gender diverse	0	0

* As at 31 December 2023 incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. SAAM Terminals), excl. trainees

We are increasingly shifting the focus of our training activities to IT and are offering additional training schemes, just as we have in previous years. For our shore-based apprentices, we still have apprenticeships for combined vocational training and degree programmes. [_NfR](#)

BY GENDER ON LAND AND AT SEA (AS A %)* [_NfR](#) _405-1

	Hapag-Lloyd Group	Hapag-Lloyd AG
On land		
Female	46	44
Male	54	56
Gender diverse	<0,1	0
At sea		
Female	2	2
Male	98	98
Gender diverse	0	0

* As at 31 December 2023 incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. SAAM Terminals), excl. trainees

BY GENDER AT SAAM TERMINALS (AS A %)

Female	16
Male	84

AGE CATEGORY (AS A %)* [_405-1](#)

	Hapag-Lloyd Group	Hapag-Lloyd AG
younger than 30 years of age	26	18
between 30 and 50 years of age	58	60
older than 50 years of age	16	22

* As at 31 December 2023 incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. companies (excl. SAAM Terminals), excl. trainees

EMPLOYEE RECRUITMENT AND RETENTION

_3-3

Our qualified personnel are the basis of our success. Recruiting skilled staff and ensuring they remain at Hapag-Lloyd for many years is one of our most important goals. With this in mind, we take various measures to position ourselves as a credible employer offering excellent opportunities and a modern working environment. Attractive remuneration packages, an extensive employee benefit programme and hybrid working models are some of the cornerstones of our human resources strategy. We are therefore in a position to respond to the current and future requirements of the job market.

To ensure the appeal of our sea-based posts, we place particular emphasis on workplace safety, security and excellent working conditions. We comply with the relevant regulations, such as those of the Maritime Labour Convention (MLC) governing working conditions and occupational health and safety, which are an integral part of our vessel management system.

EMPLOYEE RECRUITMENT

_3-3

The shortage of skilled labour also poses a challenge for Hapag-Lloyd in recruiting employees, particularly in analytically oriented professions and in the IT sector. We plan to introduce targeted expert development paths

with the intention of boosting our appeal as an employer and will start by piloting the concept in Global IT.

There are also specific regional circumstances. In Singapore and Malaysia, for example, competition remains strong due to our competitors having established regional offices in the meantime. This primarily affects the areas of trade, freight flows and stowage planning. In Europe, it is also proving particularly difficult to recruit qualified customer service staff. A market study was conducted in the GCC (India) to identify what action we need to take to recruit for posts that are specially difficult to fill ("niche" positions). We moved to fill these posts "under our own steam" by providing further training for those already in our talent pool and fostering their development.

An effective strategy for recruiting suitable employees not only meets the need for personnel but also creates the foundations for long-term business success. We can only achieve our goals as a company with well-trained staff. With this in mind, during the reporting period we continued to work hard on identifying and implementing suitable employee recruitment measures. These included partnering with recruitment agencies and actively communicating the benefits of working for Hapag-Lloyd, such as the flexibility of our working model. To attract apprentices to Hapag-Lloyd, we established the Azubi Meet & Greet online format in 2023 so that we can now connect and communicate directly with first-year to third-year apprentices.

Activities through which we fulfil our social and environmental responsibility at Hapag-Lloyd as a company are also promoted across various areas (see Further education, p. 100, and Corporate citizenship, p. 118). For example, they are an obligatory element of the talent development programme for the North Europe region and round off Hapag-Lloyd's image as a responsible employer, both internally and publicly.

EMPLOYEE RETENTION [_3-3](#)

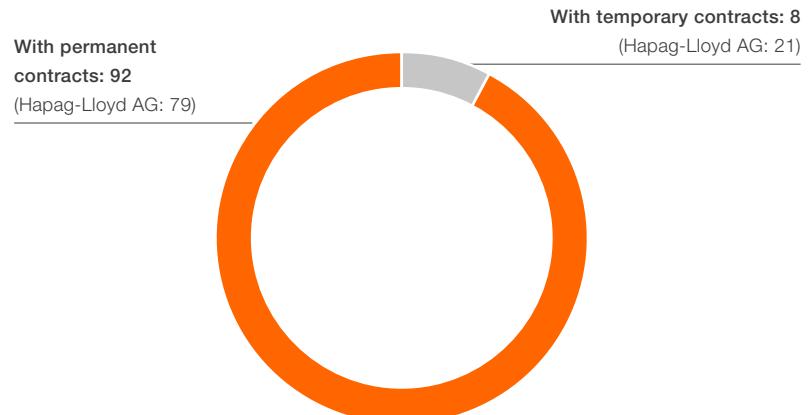
Given the increasing challenge in finding qualified personnel, it is important to ensure that our employees choose to remain with us in the long term. We therefore take various measures at Hapag-Lloyd to boost employee retention. These include a range of employee offerings. Take, for instance, our green commuting concept with its business bike scheme and subsidised rail card. In Germany, we have entered into a new partnership with EGYM Wellpass, a corporate fitness programme, through which we want to further contribute to helping our employees stay healthy by means of an extensive portfolio of sports, fitness and wellness offerings. In the reporting year, we also began implementing a regional programme recognising special achievements and practices. This has given us more ways in which to show our appreciation to employees. The intention behind this is to further increase employees' engagement and sense of belonging within the company. Development initiatives under the "Ready.Steady.Grow." banner have been introduced in Area UK and Area Benelux to provide a structure through which we can motivate employees to take responsibility for their own personal and professional development with Hapag-Lloyd's support as an employer. Last, but not least, framework agreements such as collective bargaining agreements instil trust and loyalty and are a key tool for ensuring that our employees choose to remain with us as their employer.



By providing stronger support for flexible and remote working models and putting in place the technical conditions needed for their implementation, we also stepped up our efforts at Hapag-Lloyd to deliberately commit to an increasingly family-friendly work set-up in the company.

We want to know how satisfied our employees are in respect of these and other matters, such as Hapag-Lloyd as an employer, 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. A global Employee Engagement Survey was conducted as planned in the reporting year. The satisfaction rate across the company as a whole was 85%. New employees in the Global Capability Centre (GCC) in India are also surveyed (after 30 and 90 days) as part of our conceptual framework for employee engagement. The satisfaction rate here was 98% in the reporting year (unchanged against the previous year). [_2-29](#)

EMPLOYEES BY CONTRACT TYPE (IN %)* [_2-7](#)



* As at 31 December 2023, incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. companies (excl. SAAM Terminals), excl. trainees)

Fair wages and salaries [_3-3](#)

Paying our personnel a fair wage is not simply another element of employee retention – we have made it 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.

Bonus payments are adjusted 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. As the bonus factor for all employees was again increased in the reporting year, even higher bonuses are now possible in particularly good financial years. All remuneration and bonus systems apply globally, but are structured differently depending on the employee's level. For example, the remuneration system for senior staff has been aligned with that of the Executive Board and takes account of ESG factors in addition to financial components. [_2-19](#)

With our sights set on being number one for quality, we also pay our employees a quality bonus (introduced in 2022) based on the results of our semi-annual customer satisfaction survey. Through this, we want to provide an incentive for them to play an active role in the achievement of this goal, as employees and part of Hapag-Lloyd. The quality bonus system has worked very well to date and was therefore continued in the reporting year.

Around 66% of all employees (Hapag-Lloyd AG: around 9%) are covered by collective bargaining agreements (as at: 31.12.2023).¹ Where this is not the case, Global HR works closely with regional management to align employment terms and compensation with company-wide standards, for example in respect of counteracting the effects of inflation, etc. [_2-30](#)

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, 2-30](#)

MYPENSION

During the reporting year, we began in Germany to replace our existing pension scheme system with a new one. The switch-over for around 2,500 employees was completed on 1 July. The new myPension system is based on a central works agreement for land and sea. Using this modern and transparent solution, employees can independently decide whether they wish to make additional provision for their retirement on top of Hapag-Lloyd's contribution to the company pension scheme.

¹ Incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. SAAM Terminals)

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. Depending on the region, Hapag-Lloyd contributes to pension schemes, private health insurance or offers free health check-ups. Hapag-Lloyd AG's staff in Germany enjoy capital-forming benefits, subsidised public transport tickets (with the costs of the Deutschlandticket assumed in full) and our business bike concept – an attractive bicycle leasing scheme for all employees. There are additional extras for our employees in the regional companies, such as a cycle-to-work scheme, meal allowances, monthly family time days, various leisure activities (some of which are open to family members as well), etc.

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 vessels 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 vessels registered under the German flag. Staff receive an employer contribution towards sick pay. For vessels registered under other flags, social benefits are arranged by the relevant company or agency responsible for vessel management. These benefits are set out in collective bargaining agreements, negotiated with local trade unions and reviewed by ITF. We also grant employees on vessels registered under the German flag profit-sharing and anniversary bonuses. [_2-30](#)

Work-life balance

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 compatible with work processes, this helps us guarantee our employees balance between their work and their private lives. By establishing new ways of working together, we also set ourselves apart as a modern, flexible employer. One milestone in this regard is our Future Way

of Working@Hapag-Lloyd project, with which we are actively shaping the working environment at Hapag-Lloyd with the express intention of enabling an environment that provides a good, healthy and family-friendly work-life balance.

Our hybrid working model gives shore-based personnel worldwide the option of working remotely up to twice a week. Globally, there is very good uptake of this offering. Transition workshops were run at our North Europe headquarters to help any employees interested in this to get started and familiarise themselves with remote working. Furthermore, a global cloud solution was introduced during the reporting period to further facilitate mobile working. At the same time, we are developing additional measures to reconcile differing needs. For example, we want to support the parents that we employ in their day-to-day lives. "Voiio" is a virtual childcare programme that was created for Hapag-Lloyd AG employees in Germany back in 2022. In addition to supporting the children's education, a wide range of active and virtual services are available and can be used flexibly at different times of day. Approximately 450 employees took advantage of the offering during the reporting year. In other regions, such as at the Global Capability Centre in Asia, employees benefit from subsidised childcare facilities located close to the on-shore offices. Furthermore, employees in Asia have established an adapted form of the Future Way of Working@Hapag-Lloyd project to facilitate an alternating pattern of two weeks of working from the office followed by two weeks of working from home. The employees have also been given the necessary IT equipment for this.

Part of the Future Way of Working@Hapag-Lloyd project is providing the appropriate infrastructure: this includes advanced software and hardware such as collaboration systems and video conference equipment as well as modern office concepts that we are gradually integrating throughout the company. In the reporting year, we reopened offices in Barcelona, Izmir, Le Havre and elsewhere following extensive modernisation measures. These spaces are now ultra-modern, sustainable working environments. We have placed an emphasis on open office concepts designed to create optimal working conditions in order to promote employee collaboration and well-being.



Change management remains a relevant topic for us. We continued to work on developing the Change World at HL platform during the reporting period, with the intention of supporting employees' personal development through training. Employees will gain access to the Change Compass and a means of evaluating their own development, goals and prospects on this platform, along with other tools. We plan to roll out the Change World at HL project in 2024.

Special aspects of work-life balance at sea

The working conditions of our marine crews are characterised by 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 not only comply with these but commit to going above and beyond. We want to balance the challenges that marine personnel face in the course of their work as best we can as an employer through on-board leisure facilities and events. The well-being of each crew member is very much a top priority for us, including when they are facing particular personal situations and sources of stress. We provide special bereavement assistance and ensure that our marine personnel have unlimited internet access at sea wherever possible. During the reporting period, family members of seafaring staff, such as spouses, partners and children, were allowed to travel on board with them. Crew members on vessels under the German flag were able to take parental leave as provided for by legal provisions. [_401-3](#)

We offer flexitime and relatively short deployment times on our vessels under the German flag; Vessel Management checks compliance here through the use of time accounts. We aim through these and further measures to promote balance between our employees' private lives and time at sea and to make deployments at sea easier to plan so that they can be better adapted to employees' individual needs. To improve our understanding of the impact that the stresses of the pandemic have had on marine personnel, we conducted a survey on what is known as the Risk Assessment Mental Stress (RAMS) on our vessels under the German

flag in 2023. We will repeat this and extend the scope in 2024 so that we are in an even better position to support our employees' mental health in the longer term. [_2-29](#)

NUMBER OF EMPLOYEES ON PARENTAL LEAVE (IN % OF TOTAL EMPLOYEES)* [_401-3](#)

	Hapag-Lloyd Group	Hapag-Lloyd AG
In total	4	3
Women	2	1
Men	2	2
Gender diverse	0	0

* As at 31 December 2023, incl. Terminal & Infrastructure segment and the associated fully consolidated companies (excl. companies (excl. SAAM Terminals), excl. trainees

Co-determination [_3-3](#)

A good corporate culture facilitates the constructive exchange of ideas based on trust. Works councils and similar bodies play an important role here, including at Hapag-Lloyd, where they actively participate 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 ITF represents the employees in our entire fleet. All employees on our vessels under the German flag are also represented by the marine works council. [_2-29](#)

Employees working on vessels 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 vessels. Following each voyage, the technical aspects, the performance of the crew members and other topics are discussed



with the captain and with all other employees if so requested. Among other things, these discussions 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 and, where possible, limit the increasing administrative burden.

TRAINING AND STAFF DEVELOPMENT

_3-3

We need well-trained and motivated employees to ensure the quality of our service. As an employer, we therefore feel it is our responsibility to promote talent and provide our employees with attractive prospects. We firmly believe that long-term employee retention and financial success go hand in hand. On the basis of this conviction, we focus our HR activities on training and further education and provide a range of options in these areas. _NfR

TRAINING AT HAPAG-LLOYD

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. Applications rose slightly in 2023. The number of applications from female talent still fell far short of our expectations. In principle, we are continuing to focus on formats such as online-based recruiting in order to expand our radius. In keeping with how we view ourselves, we offer apprenticeships and increase the number of apprenticeship places that are available with the intention of helping young people gain

high-level qualifications, including at a general societal level, to address the shortage of highly skilled workers. Services designed to provide information on potential career paths such as trade fairs were part of our offering in the reporting year, along with internships and informational events for 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 18 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 such international staff development programmes as the Agile Leadership Programme at Hapag-Lloyd (ALPHA) and the Talent Development Programme (TDP). The ada Fellowship is a new addition – a one-year programme with monthly activities for the expansion of digital skills in which we participated with 30 employees ("fellows").

46

students on
combined voca-
tional training
and degree
programmes on
land in Germany

In the reporting year, we increased the number of apprenticeships as planned and were able to welcome 43 new shore-based apprentices (8 more than in the previous year). Even in these economically challenging times, training remains a priority at Hapag-Lloyd, both as a social responsibility and in the interest of our own operations. The Executive Board is kept informed of the current status of training and the latest developments. 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. Later on in their training, the apprentices have the option to tour vessels and travel on one of our container ships. NfR

Outside Germany and the German apprenticeship system, trainee onboarding depends on the position and employee's experience as well as the regional circumstances. NfR

It is our general intention to offer all apprentices a position in the company. In the reporting year, the proportion of those offered jobs at the end of their training was 83%¹, a further increase compared to the previous year (82%). Some apprentices first want to complete a course of study after their apprenticeship. It is important for us to remain in contact with them throughout this, for example by giving them the opportunity to continue working at Hapag-Lloyd during their studies and to join our ranks again after they graduate.

Apprenticeships at sea

For vessels under the German flag, Hapag-Lloyd offers apprenticeships for ship mechanics, nautical officer's assistants and technical officer's assistants. There is a particular need for apprentices in electrical engineering, e.g. for electrical engineering and automation technology assistants. To

help ease this bottleneck, the number of Filipino apprentices in electrical engineering was increased. We have also launched an electrician apprenticeship programme in the Philippines as we are affected by shortages in this profession as well. NfR

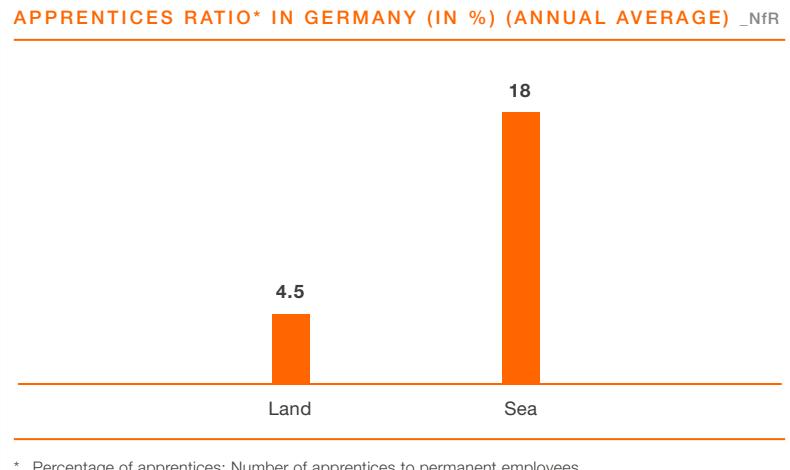
Our apprentices in Germany undergo group training lasting several months, which focuses on team building and occupational safety (basic safety training) as well as other supplementary topics. The group training phase takes place at a training centre and on our training vessels. Joint leisure activities are also an important component of the training we offer. NfR

During the reporting period, we were again in a position to make greater use of career fairs and informational events designed to help prepare people for future careers as an opportunity to promote careers at sea with Hapag-Lloyd. In the reporting year, we were able to recruit a total of 44 apprentices for the marine division.

The content of the apprenticeships at sea is stipulated by the STCW convention. Training of cadets on vessels under the German flag is carried out by Vessel Management and is managed from Germany. For vessels under other flags, this training is organised via external ship managers or crew managers. NfR

For certain roles, we require candidates on board our vessels 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 meet our staffing needs. We cover our requirements for chief engineers and captains on vessels under the German flag by promoting our own young professionals. On vessels 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 vessel. NfR

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



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. A selection of our courses and training sessions require on-site attendance, for example because they mainly involve practical exercises or the like.

We further expanded the Hapag-Lloyd Academy in the reporting year. The first of the Academy's courses were launched, providing targeted training to our employees on topics such as sales matters and data management (see Further education and talent development on land, p. 100).

The Learning Management System (LMS) launched in 2020 is now firmly established and is undergoing further development on an ongoing basis. It gives our employees direct access to numerous internal training measures (see Further education and talent development on land, p. 100).

In principle, course contents are accessible to all (shore-based) personnel. The online offerings are also available to all employees at sea. A further education programme designed to ensure that employees across every region are helped to build their skills is also under development.

In 2023, we invested a total of approximately EUR 8.7 million² (Hapag-Lloyd AG: approximately EUR 4.5 million³) in the training and further education of our employees. Due to the increase in travel associated with in-person training and the ramping up of our LNG training (see Safety on LNG Vessels, p. 115), training costs in the marine division increased for the reporting period.

In the reporting year, the onshore training and further education courses held amounted to a total duration of 17 hours per person (Hapag-Lloyd AG: 19 hours per person). Local training and further education programmes were also carried out that were not managed centrally. _NfR [_404-1](#)

In SAAM Terminals, the training and further education courses amounted to 26 hours per person. _NfR [_404-1](#)

Further education and talent development on land [_404-2, 404-3](#)

The option of evaluations was implemented during the reporting year in the Global Staff Dialogue (GSD), under which employees regularly engage in a structured discussion with their supervisors. The entire process was streamlined so that opportunities for development could be even more easily identified, seized and supported. _NfR

2 Including Travel costs

3 Including Travel costs

The training we provide is also designed to help support our employees and senior executives in implementing the Future Way of Working@ Hapag-Lloyd. Several training sessions on the topic of "Hybrid & Remote Working & Leadership" were held in 2023.

Our employees can choose from a variety of other courses in our Learning Management System (LMS). We now have 16,004 users registered in the system. In 2023, various content elements (reporting features, Cornerstone Learn app, backend) were optimised and the user interface was updated to improve usability. The services accessed through the LinkedIn Learning platform (see Management approach, p. 98) have significantly increased the amount of available LMS content.

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

HAPAG-LLOYD ACADEMY

With our HL Academy, Hapag-Lloyd has established a structured learning architecture for the further education of all employees. This architecture is made up of four components, namely "Personal Competency", "Functional Capability Building", "Core Curriculum" and "Tools, Product and Processes". Within these, the learning pathways are divided into four competence levels – Basic, Professional, Advanced and Master. After completing a level, users are officially certified for its content. In addition to the Commercial Academy, further functional academies – Sustainability, IT, Data, Digital, Finance, Procurement and Trade Management – were successfully established in the reporting year together with the departments. Also worthy of emphasis are special leadership programmes within the Hapag-Lloyd Academy (Blinkist pilot and Leadership Toolbox) as well as a programme on the topic of climate change/oceans (Malizia programme).

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 completed by over 382 employees globally in 2023 (2022: 329).

Another component of our talent development strategy is the Agile Leadership Programme at Hapag-Lloyd (ALPHA). This three-year development programme for senior executives working on land is designed with an international focus. In the reporting year, a total of 30 people took part in ALPHA. _NfR

77% of graduates were subsequently considered for internal job postings.

We pool our qualification activities within the Hapag-Lloyd Academy. This comprises various units. In addition to training sessions and workshops, it incorporates coaching and mentoring as well as leadership programmes ("Leadership Academy"). During the reporting year, some learning pathways within the individual segments were rolled out in the Learning Campus (Digital, Data, Sustainability). Further learning pathways are under development (IT, Finance, Procurement, Cyber Security and Trade Management) and will be made available in the coming year. There are also plans to bring together various regional on-site training concepts of the individual departments and anchor them under one umbrella in the future.

The Leadership Academy piloted another two programmes – the in-person Leadership Toolbox as well as an online coaching and mentoring course for young managers run in cooperation with Blinkist. The new Commercial Academy (Sales and Customer Service) was rolled out globally in 2023. In addition to this, other global training programmes were established, including those with a local focus, such as Mental Health Ambassador certifications in the United Kingdom (North Europe region, RNE). Specific language and management courses were run in the South Europe region (RSE), while training was provided in Asia (RAS) on, for example, presentation techniques, mental health, reporting and analytics. Our Global Capability Centre (GCC) launched numerous talent development and tailored learning initiatives.

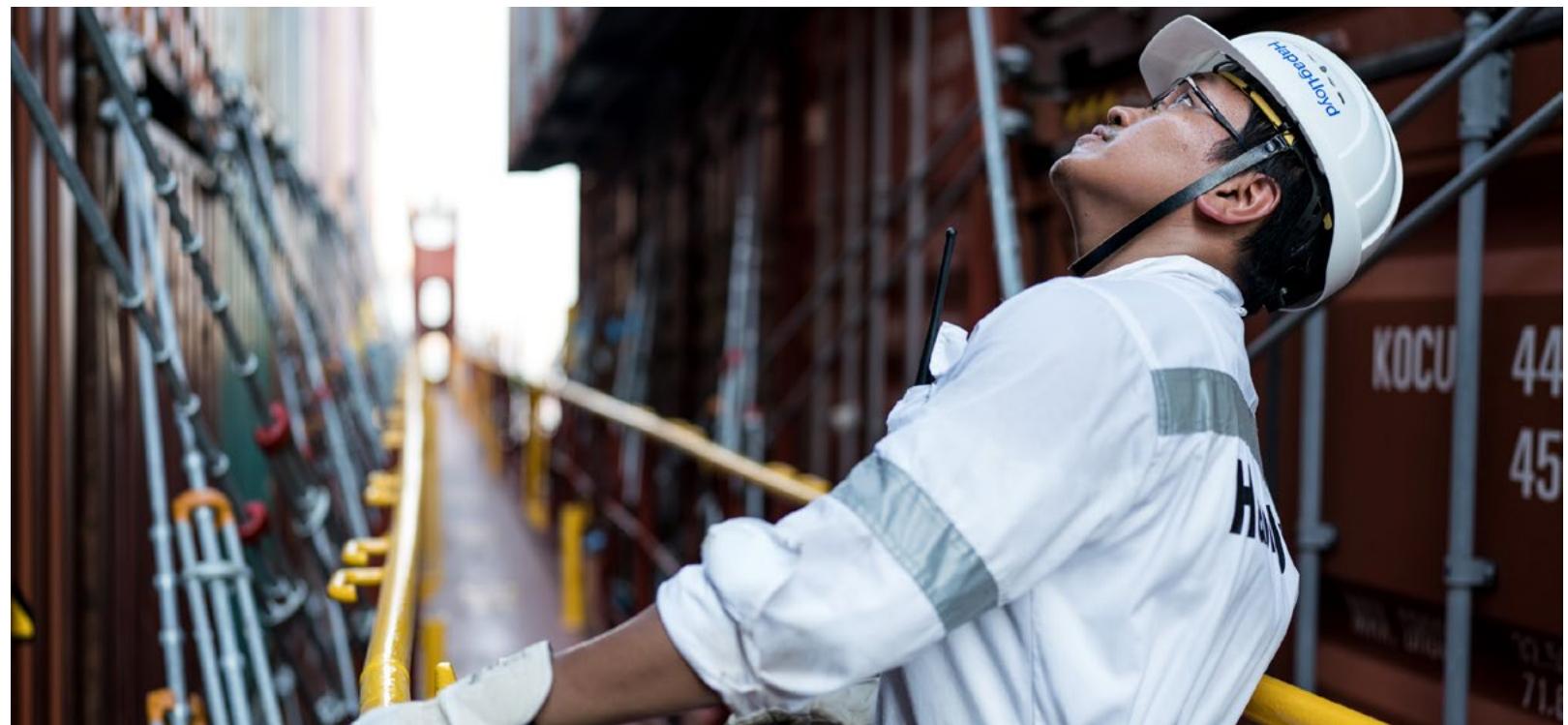
Further education at sea [_404-2](#)

For vessels registered under the German flag, the further education of our seafaring staff is organised via our skills management system. The range of options on offer 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 2023 in order to prepare our crews for the increased use of LNG on board our vessels. The LNG training, which comprises theoretical and practical components, is also a prerequisite for the associated patent (see Safe ship operations, p. 112). Further training was additionally offered – including a new course on vessel handling introduced during the reporting year in Illawa, Poland. [_NfR](#)

Individual development goals and suitable training measures – held in cooperation with external service providers – are established during annual employee reviews. Our marine personnel also complete regular mandatory training to ensure that all required certificates are kept up to date. [_NfR](#) [_404-3](#)

Personnel on our vessels under the German flag have been employed with us for almost eight years on average. This is a sign that we are adopting the right measures for employee retention (see Employee retention, p. 93). However, we also know that as the length of service increases, so too does the likelihood of employees leaving the company.

[_401-1](#)



DIVERSITY AND INCLUSION

Cultural and social diversity is natural and desirable for Hapag-Lloyd as a global company and it is only right that we support it. The topic of diversity is becoming increasingly important in personnel development and is deeply rooted in our corporate values. Diversity, as a focus topic, is an explicit part of our Human Resources strategy.

CORPORATE VALUES 2-23

Our corporate values are part of the Hapag-Lloyd Strategy 2023. In order to break down Hapag-Lloyd's overarching strategic direction into our work and management activities on an everyday basis, we have used these values as the basis for determining behaviours in the form of company-wide skill sets, which translate our corporate values into specific practices.

MANAGEMENT CULTURE AND DEVELOPMENT PROGRAMMES AT HAPAG-LLOYD 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 matters to us that all employees are able to

communicate with every senior executive. We promote interaction as equals. NfR

We foster dialogue between senior executives and the crews at sea through various formats, such as the career and travel talks with captains held at Hamburg's Ballindamm. In the reporting year, a virtual CEO update (presentation plus Q&A with the Chief Executive Officer) with all employees worldwide was one of the additional formats established.

Development programmes such as ALPHA and TDP serve as networking opportunities for senior executives and young professionals (see Further education and talent development on land, p. 100) These are accompanied by several digital options, including on topics such as our corporate values, corporate social responsibility and the Hapag-Lloyd leadership culture. We also engage in dialogue with other companies as a member of the Deutsche Gesellschaft für Personal-führung e.V. (German Association for Personnel Management, DGFP) and through direct contact.

DIVERSITY 3-3

People of more than 100 nationalities work for Hapag-Lloyd around the globe. We aim to promote and embody diversity. This holds for our employees at our headquarters in Hamburg and in all regions worldwide. We are particularly focused on improving the representation of women among our managers and marine personnel. NfR

115
different
nationalities
working for
Hapag-Lloyd

EQUAL OPPORTUNITIES [_2-23](#), [_2-24](#), [3-3](#)

We are expressly committed to the diversity recommendations of the Government Commission for the German Corporate Governance Code (GCGC) and to the objectives of the Diversity Charter. When hiring new employees, our processes are also based on relevant country-specific provisions, such as the German General Act on Equal Treatment. Through regional projects and initiatives, including Hanseatic Help and "Hapag-Lloyd Cares" (see Wide-ranging involvement, p. 122), we wish to create impetus and raise awareness of the benefits of diversity and equal opportunities both within the company and also in the regions in which we operate. We are committed to fostering the talents of our employees entirely irrespective of gender, nationality, ethnic origin, religion and ideology, disability, age, sexual orientation and identity. New employees should be hired solely on the basis of their qualifications, social skills and their readiness and ability to perform the work. Our marine personnel, for example, are selected based on suitability for working at sea, flexibility and manual skills. _NfR

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.¹ _NfR

When implementing measures, we focus on the circumstances in each of the individual regions. In the North Europe region (RNE), we regularly analyse the proportion of women in management positions at regional level and discuss what action we can take to raise this. In the UK, we have introduced mandatory diversity training. As part of one measure in Asia (RAS), employees received training on reducing prejudice and combatting harassment in the workplace. The inclusion of employees with disabilities was a focus topic for the reporting year at our Global Capability Centre (GCC) in India. Examples of further measures included awareness training on sexual harassment and discriminatory behaviour towards

¹ Because we do not fulfil the mandated 5% German employment rate for severely disabled people in 2022, we pay the quota compensation levy, which applies to both our shore-based personnel and our employees at sea.



employees with disabilities as well as collaboration with diversity and inclusion specialists on an evaluation of the GCC human resources policy. Our goal with this was to learn from examples of best practice in order to promote inclusion within our ranks.

Insights from people who either belong to minorities and/or advocate for equal rights are published on our intranet as part of the "We are Hapag-Lloyd" diversity series. Through this, employees are given the space to express their thoughts on diversity and talk about their own personal experiences. 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 Hapag-Lloyd and Pride at Hapag-Lloyd.

At a regional level, further initiatives have been launched in many locations around the world, such as the installation of postboxes that employees can use to anonymously express their views on diversity-related topics and experiences. Additional impetus in this direction was provided during the reporting year through our revision of our Policy Statement on Social Responsibility and Human Rights and the release of a code of procedures for our whistleblowing system (Code of Procedures for the Grievance Mechanism (Speak UP Line)).

Women in management positions 405-1

The targeted advancement of women to management positions is also one of Hapag-Lloyd's aims. We meet the challenge of recruiting and inspiring women for management positions in particular in various ways. Our aim is to demonstrably increase the proportion of women in management positions in the first four levels of our shore-based personnel by 2030 (current number: 18%). 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 female gender must be received, especially when hiring for managerial positions. For programmes such as ALPHA and TDP, every second nominee must be a woman. In TDP, the proportion of women is 48%, meaning we have reached almost gender parity. There is still an imbalance in ALPHA, however, with approx. 37% women (previous year: 37%). In SAAM Terminals, the proportion of women in management positions is 2.5%. NfR

An internal working group has produced recommendations for further measures for the advancement of women and provided the impetus needed for their implementation. Measures include the Women Business Club, a networking programme for women at Hapag-Lloyd, and various training sessions (on the topic of self-marketing for women, for example).

As an employer, we are facing up to the challenge of ensuring that the framework conditions needed to enable female employees to develop their career are in place. This includes, for example, facilitating part-time leadership roles. We use and create appropriate channels, such as networking events, to get suitable female employees interested in managerial positions.

The Hapag-Lloyd Supervisory Board abides by the legally mandated goal of a gender quota of at least 30% (see Annual Report 2023, p. 124 et seq.).



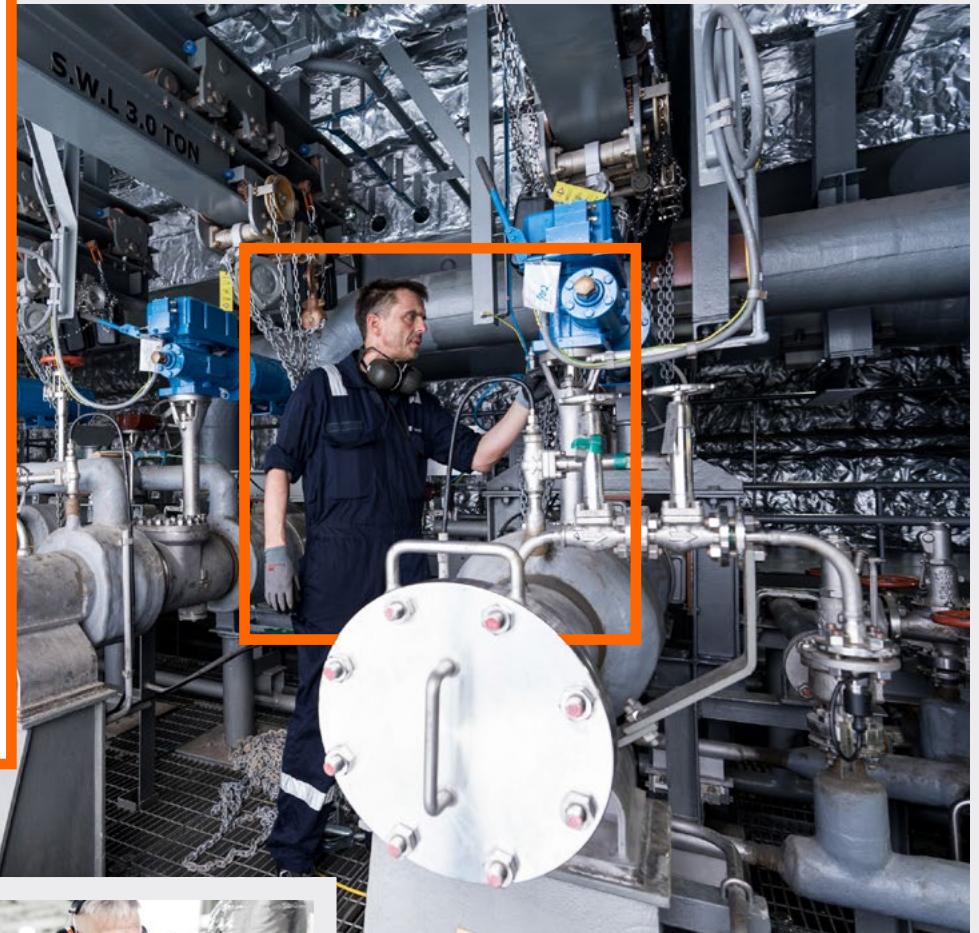
**WE FOCUS
ON HEALTH
AND SAFETY**

HEALTH AND SAFETY



USING NEW TECHNOLOGIES SAFELY

The maritime industry expects that the number of seafaring staff working on vessels powered by liquefied natural gas could increase by around 100,000 every other year until 2038. These crews will need to be trained in handling the alternative fuel sources in order to use the new technology safely. Hapag-Lloyd has launched a training programme to do this.



TRAINING DURING WORK

Safety and occupational health and safety have top priority at Hapag-Lloyd. Employees therefore receive continuous training.



OUR “PROFICIENCY CERTIFICATE” FOR DUAL-FUEL VESSELS

The introduction of dual-fuel propulsion systems that can run on liquefied natural gas (LNG) is a first step on our path towards becoming carbon-neutral – but is of course also a major challenge for our crews. As a result, all of Hapag-Lloyd's seafaring staff will be training for their “LNG certificate” in 2023 and 2024. The participants learn what LNG is and how to handle it. As part of this, they will be taught completely new technical principles that are of key relevance to safety on board dual-fuel vessels. The mobile bunker station of a vessel has been recreated in Hamburg for training purposes. For more information [here](#).

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employees were
trained in safety
on LNG ships
in 2023.



LNG EXTINGUISHING EXERCISE

Training participants
in extinguishing gas fires.

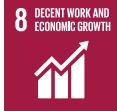


REFUELLING EXERCISE

The bunkering process with LNG is practised on various refuelling systems.

OCCUPATIONAL HEALTH AND SAFETY ON LAND

_3-3



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

We want our employees to not only work in a motivating, respectful environment but also feel that their well-being and physical safety are very much a top priority for us. Local management is in charge of the health and safety of our shore-based personnel in the individual regions in cooperation with the HR department responsible. Our managers are responsible for observing and implementing the relevant regulations on site. [_NfR](#)

In addition to the EU directive on safety and health at work, we also comply with national legislation in Germany, 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) 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. As in the previous year, there was no inspection by the Employer's Liability Insurance Association or the Office for Work Safety during the reporting period. However, we are in contact with these institutions, regularly exchange information with them and occasionally conduct joint voluntary walk-throughs.

[_NfR](#) [_2-23, 2-24](#)

Our aim is to promote and maintain our employees' health and their ability to work for the long term. The specific measures that we take to ensure this is the case, whether they be preventive or corrective, essentially depends on the job concerned and the place of work. The effects of a comprehensive health and safety management system (OHS management) on the working environment play an important role in this context. [_NfR](#) [_403-1](#)

Last but not least, effective healthcare in the workplace results in a decrease in social costs.

We gradually eased our pandemic-related precautions during the reporting period in line with the recommendations from public authorities. We remain committed to allowing our employees to work remotely or adopt a hybrid working model.

OCCUPATIONAL SAFETY AT THE SITES¹

[_403-3, 403-4, 403-5](#)

In comparison to most shore-based employees who carry out sedentary office work, our employees in kitchens, warehouses, ports or depots are exposed to a greater risk of injury. We identify any specific hazards and then implement suitable protection measures.

¹ Contents pertaining to Germany relate to Hapag-Lloyd AG.

In-house training sessions on occupational health and safety can be completed on 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. Employees at our global sites are involved with safety-related matters in line with the relevant local statutory requirements. In Germany, colleagues can also consult the occupational safety officer as needed.

Workplace accidents on land [403-9](#)

In 2023, we recorded around 1.13 occupational accidents per 1,000 shore-based employees (Hapag-Lloyd AG: around 1.08) and no fatal accidents.² NfR

The number of occupational accidents at SAAM Terminals was 7.88 per 1,000 employees. SAAM Terminals also did not record any fatal accidents at work in this reporting year. NfR

Occupational safety organisation³ [3-3, 403-1, 403-2, 403-4](#)

In Germany, a Health and Safety Committee is responsible for the health and safety of our shore-based personnel. Committee members include Executive Management, an occupational safety officer, the safety officer and members of the Works Council. NfR

Information relating to occupational health and safety is exchanged through direct consultation with the relevant member of the Executive Board. The in-house occupational safety officer in Germany has a basic qualification as a safety officer and is also qualified as a health and safety coordinator, an internal auditor for OHS⁴ management systems according to ISO 45001 and, since 2023, as a fire safety officer (TÜV). The safety officer conducts walk-throughs at the individual locations on a regular basis. NfR

The plan is to introduce an OHS software as the basis for creating a certified OHS management system in the first quarter of 2024. In the future, all shore-based employees, locations and activities are to be recorded in this system.

In Germany, an external service provider, RGM Facility Management GmbH, handles facility management. Other countries also use external services. Employees are trained as fire safety assistants in-house. In Germany, regular basic and refresher courses for first-aiders are a legal requirement. In 2023, these courses took place according to the usual schedule with the result being that more than 200 employees were able to undertake training.

Ongoing improvements to fire protection⁵ [403-2](#)

Maintaining a fully functional fire protection system is a matter of course for Hapag-Lloyd. Our workforce undergoes regular fire safety training. Recompiled the previous year and available on the intranet, our fire safety regulations serve as the basis for this training. Evacuation drills and training on how to behave in the event of a fire have been conducted at various locations. In 2023, we once again provided training on how to behave in the event of a fire for employees at all locations. An external service provider supplies the fire safety officer.

HEALTH AND SAFETY ON LAND⁶ [403-6](#)

The greatest health risks for our shore-based personnel include lack of movement, postural deformity, vision disorders and psychological stress. As a result, we aim to organise exercise initiatives and other preventive measures for all workers in Germany at least once a year. In Hamburg, all employees have access to our company sports club activities and the EGYM Wellpass company fitness programme (see Employee retention, p. 93). NfR

² Excluding commuting accidents; including the Terminal & Infrastructure segment and the associated fully consolidated companies (excl. SAAM Terminals)

³ Contents pertaining to Germany relate to Hapag-Lloyd AG.

⁴ OHS = occupational health and safety

⁵ Contents pertaining to Germany relate to Hapag-Lloyd AG.

⁶ Contents pertaining to Germany relate to Hapag-Lloyd AG.

Provision on land⁷

The occupational safety officer ensures compliance with the legal requirements for health prevention for employees in Germany. They monitor laws and regulations, compile a risk assessment and establish health protection measures, including necessary occupational healthcare provision. Hapag-Lloyd provided free flu vaccinations in 2023. We also continued our regular screening campaigns for the early detection of bowel cancer and our series of lectures on the subject of care, as well as maintaining the in-house massage programme for our employees. Our initiatives continued to focus on mental health in the reporting year. We again offered mental health coaching for our employees and their families in partnership with the Fürstenberg Institute. Together with pronova BKK, we regularly provide needs-based services and preventive measures tailored to current requirements, such as the five-week digital Mental Health programme that we ran again in the reporting year.

[_NfR _403-3](#)

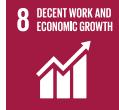
We have offered employees in Germany the opportunity to lease up to two bicycles since 2020. In doing so, we seek to contribute to climate protection whilst also promoting good health among our employees. We continually adapt other healthcare measures using regular questionnaires as a basis in order to meet current needs and reflect specific regional differences. We actively involve our trainees in developing services that are specifically designed with them in mind. [_403-4](#)

⁷ Contents pertaining to Germany relate to Hapag-Lloyd AG.



SAFE SHIP OPERATIONS

_3-3



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 vessels.

We consider our employees' safety to be our most valuable asset. This applies especially to our staff at sea, who are faced with specific safety-related challenges due to the nature of their work. Furthermore, we take into account that the measures to ensure the safety of our employees and sea-based operations may also have an influence on smooth workflows and the protection of the cargo, vessel and the environment from risks that arise from shipping. _NfR

One relevant topic during the reporting period was the commissioning of the first newbuild with LNG propulsion and its integration into safe onshore and maritime operations.

OCCUPATIONAL HEALTH AND SAFETY AT SEA

_2-23, 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 International Convention for the Safety of Life at Sea (SOLAS) established by the International Maritime Organization (IMO), which includes regulations on workplace safety on ships as per the International Safety Management (ISM) Code and the International Ship and Port Facility Security

(ISPS) Code on the prevention of maritime security risks, the occupational safety standards specified in the Maritime Labour Convention (MLC) 2006 and the International Labor Organization (ILO). _NfR

Our safety management system

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

In addition to specific instructions, there are also briefings and training sessions designed to ensure that employees are familiar with the SMS. Assessments and reviews document the risks and the effectiveness of measures. The constituent parts of every SMS within our fleet are reviewed and certified each year according to international standards. This same process applies to charter vessels, which must fulfil the same international legal requirements.

_NfR _403-5, 403-7

The SMS is updated based on feedback on its use in practice. Any new additional hazards on board are reported to the ship management organisation concerned as part of the regular master's review. We also obtain regular feedback from the fleet in order to optimise our guidelines and promote the exchange of information. In addition to any changes in legislation, protective measures implemented following incidents and (near) accidents are also integrated into the review. During the reporting period, we shared instructions on aspects such as bunkering LNG with our fleet through informational newsletters and fleet circulars, for example. [_NfR](#) [403-4](#)

In 2023, we recorded 0.33 work accidents¹ per vessel (Hapag-Lloyd AG employees: 0.37 accidents per vessel) on our own vessels [_NfR](#) [403-9](#)

| There was no fatal accident in 2023. [_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 losses, emergencies or pollution, or by minimising their consequences through professional crisis management. All this also indirectly reduces social costs. Precautions related to occupational safety and healthcare have an overall similar effect, contributing to a reduction in sick leave and helping to lower social costs.

In addition to the internal review, numerous inspections are conducted to ensure practical implementation on board the vessels. 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

[_403-3, 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 include monitoring compliance with the ISM Code, the ISPS Code and 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 vessels belonging to our own fleet every two and a half years. ISO 9001, ISO 14001 and ISO 45001 audits are carried out regularly on a set number of vessels. [_NfR](#)

In 2023, Hapag-Lloyd carried out a total of more than 136 internal and 209 external audits² on its own vessels.

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

Digital security is regulated by the ISM Code. The compulsory measures associated with this code have been in force since 2021. This similarly applies to charter vessels. It was possible to perform the audits during the reporting period. [_NfR](#)

All management-relevant ship certificates were issued for our own fleet and charter vessels during the reporting period. Commonly known as Safety Management Certificates (SMCs) and International Ship Security Certificates (ISSCs), they confirm the compliance of our own fleet with the ISM Code and ISPS Code. [_NfR](#)

The flag states or the classification societies that they appoint verify and certify not only the vessels but also the shore-based ship management organisations on a yearly basis. As was the case in previous years, all

¹ Excluding commuting accidents, two bareboat charter vessels included

² Two bareboat charter vessels included.

the ship management organisations of our vessels 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 _403-3

Port states are authorised to carry out what are known as port state controls (PSCs). During these checks, all vessels are inspected regarding their condition, equipment and proper operation to ensure compliance with the applicable or ratified international standards. These also include occupational safety and health matters. _NfR

Currently, countries in nine regions around the world have signed what are known as 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 the topic of fire safety. _NfR

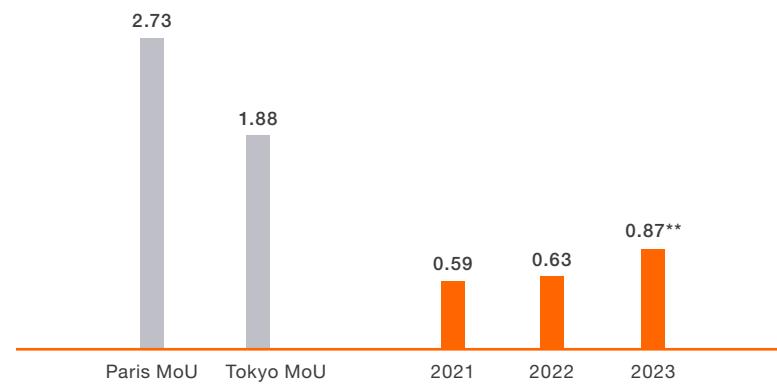
Overall, our vessels underwent 276 port state controls³. On average, 0.87 deficiencies⁴ were found during these checks. _NfR

Comparison with average global deficiency rates [e.g. Paris MoU: 2.73 (2022) and Tokyo MoU: 1.88 (2022)] demonstrates the success of our safety management systems. During the reporting period, the deficiency rate, especially the one in the Tokyo MoU, increased because more inspections were conducted following the end of their COVID-related suspension. During the reporting period, one affected ship was banned from leaving port on the basis of port state controls.

³ Two bareboat charter vessels included

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

AVERAGE DEFICIENCY RATE*



* Deficiency rate = deficiencies/PSCs

** _NfR

Certified by US Coast Guard

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

Regular training on risks in ship operations

_403-5, 403-9

Operating our vessels is associated with specific health and safety risks for our employees. These include hazards posed by large, heavy, moving equipment, stress caused by noise, travel through different time and climate zones, the motion of the vessel and bad weather. _NfR

Improving safety on board is a top priority for us. That is why we are permanently working on safety, with regular training courses on safety-relevant topics for marine personnel forming a key cornerstone of our efforts. _NfR

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

It was possible to carry out training activities without any limitations and these were increased further during the reporting period. [_NfR](#)

SAFETY ON LNG VESSELS [_403-5](#)

Crews are facing entirely new requirements due to LNG-powered vessels such as the Brussels Express or Berlin Express. As a result, not only the technical equipment but also the handling of LNG as a fuel requires special instruction and targeted safety training.

We continued suitable training in 2023. This includes theory-based modules in addition to a 30-day practical component spent on board a vessel. These must be completed in order to attain what is known as the patent (authorisation to sail on LNG-powered vessels). Training is a top priority for us as we have now placed orders for additional dual-fuel vessels. During the reporting year, 124 participants attended IGF basic (IGF I) and IGF advanced (IGF II) training at Wilhelm Rump KG in Hamburg. 41 individuals have now completed the required 30-day practical component for the advanced IGF certificate.

HEALTH MANAGEMENT AT SEA [_403-2, 403-3, 403-6](#)

In the event of health-related issues arising on our vessels, the captain or Medical Treatment Officer are the first people to contact as they are trained for this eventuality as per international requirements. The Tele-medical Maritime Assistance Service is available for complex cases. 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 vessel is berthed in port. [_NfR](#)

If a medical emergency occurs at sea, the international rescue system comes into play. This is designed to ensure that consistent standards are upheld during emergency 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 vessels, employees must be declared fit to work at sea in accordance with the MLC. Fitness for our seafaring staff is confirmed by certificates and is monitored continually. [_NfR](#)

Promoting mental health

Since 2019, we have applied what is known as the Risk Assessment Mental Stress (RAMS) on our vessels registered under the German flag to provide a risk assessment on psychological health. RAMS is a scientifically validated mental stress analysis based on the EU directive on safety and health at work and the German Occupational Health and Safety Act. Our vessels registered under other flags fulfil similar standards in compliance with international law (IMO and MLC). [_NfR](#)

We have also undertaken additional measures on all German-flagged vessels in the recent past, including setting up a counselling hotline, to ensure further promotion of our crews' psychological well-being. We also provide crews with an unlimited data volume so that they can contact their friends and family (see Employees, p. 85 et seq.).

CRISIS MANAGEMENT _403-2

In the event of a crisis, our Emergency Response Manual serves as a guide to prevent or limit harm to people, our vessels and the company. The following fundamental principles must be observed without exception in this respect:

1. Save and protect lives
2. Save the vessel
3. Protect the environment
4. Prevent damage to the Company _NfR

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

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 hours a day. Clear responsibilities and reporting channels ensure that the Executive Board can be informed as quickly as possible in crisis situations. _NfR

PIRACY AND TERRORISM _403-2

Flag states assess the risks from piracy and terrorism differently. For this reason, we compile an individual and extremely comprehensive overview of potential risks in the regions where we sail and draw up route-specific risk assessments for our vessels. These are updated annually, or even more frequently if required, such as in relation to the acquisition of Deutsche Afrika-Linien (DAL). This enables us to provide the fastest possible response if any changes occur. 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 was one terrorist incident on one of our own vessels in 2023 but no crew member was injured. _NfR

HANDLING 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. Various aspects of a good are used to identify the potential danger that it represents, such as its physical and chemical properties, reactivity and stability, and toxicological and environmental information. We implement special measures to ensure safe transport – for our employees, the vessel, the cargo and the environment. _NfR

All aspects of dangerous goods transport are regulated internationally. 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 2023, Hapag-Lloyd transported around 480,000 TEU of dangerous goods, accounting for around 4% of its entire transport volume. The dangerous goods business is an important strategic growth market, which is why Hapag-Lloyd plans to expand it further in future. _NfR

Dangerous Goods Manual and Hazcheck Detect software used for risk assessment

Hapag-Lloyd has its own internal regulations on 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 vessel exterior to ensure that cargo is protected 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, even 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 ports and on vessels. Shipments not declared as dangerous goods are inspected using Hazcheck Detect software. In the reporting year, we were able to identify around 3,900 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 in the Liner Shipping and at SAAM Terminals segments 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. They serve to familiarise employees with 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](#)

All training during the reporting year 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 founding member of the CINS (Cargo Incident Notification System), a non-profit initiative which records cargo or container accidents in a database and analyses them. The aim of the initiative is to identify adverse 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 German Shipowners' Association (VDR) and chair its Hazardous Goods committee. Hapag-Lloyd also belongs to the Baltic and International Maritime Council (BIMCO) and is 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.



WE FOCUS
ON
CORPORATE
CITIZENSHIP

CORPORATE CITIZENSHIP



FOCUS STORY 6: We Care

WE PUT OUR CORPORATE VALUES INTO PRACTICE

SOCIAL ENGAGEMENT

Hapag-Lloyd supports the UNICEF education programme "Schools for Africa".



INITIATIVE FOR THE ENVIRONMENT

Employees from Ecuador collected waste on the beach on Coastal Cleanup Day.

Around the world, we support social and humanitarian aid projects, sports and cultural events, as well as environmental initiatives. Our main focus is on projects that are linked to the shipping industry – ensuring healthy, clean seas and shipping routes. The commitment of our employees around the world also plays a major role in this.

SELECTED PROJECTS WORLDWIDE

UNITED STATES Water initiative

The Chicago sales team participated in the World Vision Global 6K Walk to collect donations for the aid organisation's water projects.



GERMANY Trainee initiative

Nine trainees took part in the Social Action Day and distributed food to around 800 homeless people.



VIETNAM Educational initiative

At the start of the new school year in 2023, employees went to the Tan Thoi School near Ho-Chi-Minh City and gave the pupils 30 packages of school materials plus 15 bicycles.



PERU Environmental project

Employees in Peru have been supporting local environmental projects at schools, for example, since 2022.



INTERNATIONAL Coastal Cleanup Day

Also in 2023, more than 1,000 colleagues and their families in the Region Middle East took part in Coastal Cleanup Day for a cleaner planet.



INDIA Advancement of women

The Quality Service Centre in Mumbai is working with the local Vipla Foundation to assist women in their search for work.

CORPORATE SOCIAL RESPONSIBILITY

With our corporate citizenship, we wish 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](#)

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 and to what extent they will fund them. A guideline governs our donation activities across the company and the compliance officer responsible reviews every project which is to be funded. No further checks are currently performed regarding due diligence. Political parties do not receive any donations from us. In addition to our action at Group level, all regions 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 all employees one day a year for personal involvement with training programmes, humanitarian projects and marine preservation. [_NfR](#)

We have consciously not set ourselves a quantitative target such as the number of funded projects to ensure we can 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. For example, Hapag-Lloyd and the Hapag-Lloyd Foundation donated EUR 500,000 to help finance the Caspar David Friedrich exhibition at the Hamburger Kunsthalle art museum. The company is also one of the main patrons of the Hamburg Harbour Front Literature Festival, having donated EUR 100,000 to the event, and has also contributed EUR 70,000 to aid the work of seafarers' missions in Hamburg. The foundation is not part of the Group and acts independently. [_201-1](#)



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, 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. In 2023, as part of our Hapag-Lloyd Cares initiative, we also helped with relief efforts for Ukraine, particularly with logistical services. Furthermore, we made donations to assist earthquake victims in Turkey, Syria and Morocco.

In Hamburg, the non-profit organisation Hanseatic Help provides assistance to people in emergency situations with a minimum of bureaucracy. We worked together with Hanseatic Help to open a Hanseatic Help Store in our main building on Ballindamm in Hamburg in 2022. War refugees from Ukraine were hired there as permanent staff and continued to hand out everyday essentials in 2023.

We have been working in partnership with the United Nations Children's Fund UNICEF since autumn 2021. Scheduled to run for three years initially, the project continued during 2023 and included a donation to the UNICEF Schools for Africa educational programme focusing on Ghana, Kenya and South Africa. The programme aims to give every child access to a good education. _NfR



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To date, Schools for Africa has helped more than 30 million children realise their dream of receiving an education. We also continue to support UNICEF's global fund for children in the fields of health, child protection, nutrition and emergency aid. This type of aid 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 in which we are involved for society worldwide. 2023 saw Hapag-Lloyd North America collect donations amounting to 65,000 US dollars for the Ansley Foundation during a charity golf tournament as part of the Hapag-Lloyd Cares initiative. The

foundation funds research into treatment and cure of cancer in children. It also offers direct support for families facing the challenges of a cancer diagnosis in children. Also as part of the Hapag-Lloyd Cares initiative, Hapag-Lloyd India funded the college education of 41 orphaned young adults during the reporting period with mentors giving advice and assistance to students throughout the year. [_201-1](#)

Hapag-Lloyd employees also collected donations for the impact company 4Life Solutions for TDP We Care Day in 2023 and subsequently provided further support through the Sustainability Department.

For example, we set up a cooperative partnership with this start-up company, initially for three years, in October 2023. As part of this partnership, we make donations every year to support different projects to provide access to safe, clean drinking water in low-income countries.

[_NfR](#)

In 2023, our collaboration financed a grand total of 45,000 safe drinking water bags (SaWa bags). This donation allowed some 25,000 families in Tanzania and Kenya to obtain clean drinking water. The SaWa bags impress due to their reusability and can be used up to 500 times. Up to 90 million litres of water can be purified and made drinkable as a result. The use of 45,000 bags also eliminates 25 tonnes of carbon dioxide emissions as there is no longer a need to burn wood to boil water.

Employees in our Quality Service Center in Mauritius and at our headquarters in Hamburg stepped up once more to give blood on World Blood Donor Day 2023. 31 employees also donated blood to the National Blood Bank in Mauritius on the World Day for Safety and Health at Work on 28 April. In January and September, the German Red Cross organised additional blood donation campaigns at our headquarters in Hamburg. A large number of employees participated once again. It was particularly pleasing to see many do this for the first time.



ENVIRONMENTAL ACTION

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

For example, we set up a cooperative partnership with the environmental organisation One Earth – One Ocean e.V. in 2023, which will initially run for three years. [_NfR](#)

The organisation aims to clear oil, chemicals and plastic refuse from bodies of water worldwide and regards itself as a 'maritime refuse collection service'. It operates various vessels as part of its efforts, including the SeeHamster and the SeeKühe. Hapag-Lloyd employees will continue to assist the organisation with their participation in clean-up campaigns or training events in the future. In 2023, employees cleaned stretches of rivers and coast once more in all regions where Hapag-Lloyd operates. The company also aided projects aimed at protecting the environment.

Sponsorship

Hapag-Lloyd and Boris Herrmann signed an official five-year sponsorship agreement in 2021. The world-famous yachtsman and his Team Malizia organisation aim to raise awareness of climate change. Hapag-Lloyd also aided research initiatives which study the effects of climate change on the oceans in 2023.

Local initiatives for the environment

Dedicated people around the world participated in Coastal Cleanup Day again in 2023. Once more, these included numerous Hapag-Lloyd employees worldwide, who joined in as part of the Hapag-Lloyd Cares corporate citizenship programme to help with effective ocean and environment protection through clean-up campaigns. In Hamburg, employees came together on several days to help clean up the city.

In Singapore, a Hapag-Lloyd team cleared plastic refuse from the East Coast Park, where the beach is heavily polluted with waste. A Singaporean community centre for plastic recycling coordinated the collaborative effort, thus helping to achieve tangible results at the end of the day. Employees from both Peru and Ecuador took part in the international coastal clean-up campaign together with local environmental organisations. After a presentation on the ecological challenges our oceans face, the team set about cleaning up a local beach. They collected an impressive 433 kilograms of refuse in all. In our Region Middle East, more than 1,000 colleagues and their families from countries such as Ghana, South Africa, Kenya, Saudi Arabia, the United Arab Emirates and India worked towards a cleaner planet by gathering plastic waste from their beaches. They thus also set a positive example for their communities.

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

The world map on page 120 offers an overview of other selected regional environmental protection projects in which we have been involved worldwide in the fields of environment, social affairs and education during the reporting period.

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 donated EUR 250,000 to help fund the Hapag-Lloyd

Center for Shipping and Global Logistics (CSGL) research centre at the Kühne Logistics University (KLU). The research centre investigates subject matter 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. Hapag-Lloyd has also been a host for information events at German and foreign schools, universities and other further and advanced training institutions in Hamburg for many years. [_201-1](#)

OTHER FUNDING INITIATIVES AT THE HEADQUARTERS IN HAMBURG

We think and trade globally, but also value our role on a local level. 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 acted as a sponsor for the HSV football club once more 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.

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 Literature Festival once more during the reporting year by providing spaces for public events. The Hapag-Lloyd Foundation also held its own concerts in the Hapag-Lloyd AG building, inviting the general public to attend.

An open day took place on the famed Ballindamm boulevard for the first time in 2023, which several hundred visitors attended. Hapag-Lloyd also participated in the Day of Open Monuments once again when it welcomed some 200 visitors.



INFORMATION

TABLES ON THE DATA OF THE TAXONOMY REGULATION

TURNOVER_NfB

Financial year 2023	2023	Substantial contribution criteria										DNSH criteria ("Does Not Significantly Harm") (h)									
		Code (a) (2)	Turnover (3)	Proportion of Turn-over, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or-eligible (A.2.) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)	
Economic Activities (1)		EUR mio.	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	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)

Environmentally sustainable activities (Taxonomy-aligned)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Of which enabling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	E
Of which transitional	0.0	0.0	0.0														0.0	0.0	T

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

	EL; N/EL (f)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%							
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	1,838.1	10.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	N	4.0		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	15,920.0	88.8	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	95.9		
Infrastructure enabling low carbon water transport	CCM 6.16	98.9	0.6	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	n/a		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	17,857.0	99.6	99.6	0.0	0.0	0.0	0.0	0.0	0.0								99.9		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)	17,857.0	99.6	99.6	0.0	0.0	0.0	0.0	0.0	0.0								99,9		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy non-eligible activities (B)	72.5	0.4
TOTAL	17,929.5	100.0

CAPITAL EXPENDITURE (CAPEX) NfB

Financial year 2023	2023		Substantial contribution criteria										DNSH criteria ("Does Not Significantly Harm") (h)																	
	Code (a) (2)	CapEx (3)	Proportion of CapEx, year 2023 (4)	Climate Change Mitigation (5)		Climate Change Adaptation (6)		Water (7)		Pollution (8)		Circular Economy (9)		Biodiversity (10)		Climate Change Mitigation (11)		Climate Change Adaptation (12)		Water (13)		Pollution (14)		Circular Economy (15)		Biodiversity (16)		Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or eligible (A.2.) CapEx, year 2022 (18)	Category enabling activity (19)
			EUR mio.	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
Economic Activities (1)																														
A. TAXONOMY-ELIGIBLE ACTIVITIES																														
A.1. Environmentally sustainable activities (Taxonomy-aligned)																														
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	214.8	6.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	16.3					
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		214.8	6.5	6.5	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	16.3						
Of which enabling				0	0	0	0	0	0																0	E				
Of which transitional				214.8	6.5	6.5																			16.3		T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																														
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	639.0	19.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	n/a						
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	1,537.0	46.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	N	N	N	N	N	N	78.4						
Infrastructure enabling low carbon water transport	CCM 6.16	569.2	17.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	N	N	N	N	N	N	n/a						
Retrofitting of sea and coastal freight and passenger water transport	CCM 6.12	43.6	1.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	0,0						
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	2.2	0.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	N	N	N	N	N	N	0,0						
Renovation of existing buildings	CCM 7.2	9.3	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	N	N	N	N	N	N	n/a						
Acquisition and ownership of buildings	CCM 7.7	206.4	6.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	N	N	N	N	N	N	3.8						
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,006.7	90.7	97.2	0	0	0	0	0															98.4						
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		3,221.5	97.2	97.2	0	0	0	0	0															98.4						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																														
CapEx of Taxonomy-non-eligible activities		93.8	2.8																											
TOTAL		3,315.4	100.0																											

OPERATING EXPENSES (OPEX) _NfB

Financial year 2023	Substantial contribution criteria										DNSH criteria ("Does Not Significantly Harm") (h)									
	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)	
		EUR mio.	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
Economic Activities (1)																				
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Of which enabling			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	E	
Of which transitional			0	0													0		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																				
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	6.5	0.6	EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	0.3			
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	147.9	13.9	EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	N	n/a			
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	634.8	59.6	EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	79.0			
Infrastructure enabling low carbon water transport	CCM 6.16	8.6	0.8	EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	n/a			
Renovation of existing buildings	CCM 7.2	6.0	0.6	EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	0.8			
Acquisition and ownership of buildings	CCM 7.7	1.3	0.1	EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	0.1			
Data processing, hosting and related activities	CCM 8.1	110.2	10.3	EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	N	9.7			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	915.3	85.9	85.9	0	0	0	0	0									0			
A. OpEx of Taxonomy-eligible activities (A.1+A.2)	915.3	85.9	85.9	0	0	0	0	0									0			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities			150.0	14.1																
TOTAL			1,065.3	100.0																

STANDARD TEMPLATES FOR THE DISCLOSURE REFERRED TO IN ARTICLE 8(6) AND (7)**TEMPLATE 1 NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES**

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

GRI CONTENT INDEX 2023

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
GRI 2: GENERAL DISCLOSURES		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
2-1	Organizational details		8, 13, 14, 16
2-2	Entities included in the organization's sustainability reporting		8
2-3	Reporting period, frequency and contact point		7, 9
2-4	Restatements of information	There are no restatements of information from previous reports.	
2-5	External assurance		139
2-6	Activities, value chain and other business relationships		8, 13, 14, 15, 16, 17, 51, 65, 67, 78
2-7	Employees		89, 90, 91
2-8	Workers who are not employees		90, 91
2-9	Governance structure and composition		55 Annual Report , 102 ff., 116–121, Declaration on Corporate Governance
2-10	Nomination and selection of the highest governance body		Annual Report , 111, 114–115, Declaration on Corporate Governance
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	Annual Report , 119, 125, Declaration on Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts		18, 55, 56, 58, 62
2-13	Delegation of responsibility for managing impacts		47, 53, 55, 56
2-14	Role of the highest governance body in sustainability reporting		9, 55
2-15	Conflicts of interest		27 Annual Report , 30, 31, 111–114, Declaration on Corporate Governance Global Code of Ethics , 6

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SHIPPING**

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	REQUIREMENT(S) OMITTED / REASON / EXPLANATION	PAGE
2-16	Communication of critical concerns			24, 26
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			22, 23, 43
2-19	Remuneration policies			18, 94 Annual Report , 103–105, Remuneration Report Declaration on Corporate Governance
2-20	Process to determine remuneration			Annual Report , 120, 122, Remuneration Report Declaration on Corporate Governance
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.		
2-22	Statement on sustainable development strategy	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 15,883 employees in the 2022 financial year (full-time equivalent; previous year: 14,004 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
2-23	Policy commitments	Code of Conduct Compliance Commitment		4, 5
2-24	Embedding policy commitments			17, 22, 23, 24, 25, 26, 53, 60, 66, 67, 68, 103, 104, 105, 112 113
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		23, 24, 25, 26, 27, 53, 66, 67, 69, 83, 104, 105 Global Code of Ethics
				26, 27

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
2-26	Mechanisms for seeking advice and raising concerns	The complaints procedures are part of the Whistleblower System described in the "Reporting mechanisms" section.	24, 25, 26, 27
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		53, 62, 63, 64, 65, 73, 82, 83, 94, 95, 117
2-29	Approach to stakeholder engagement		54, 57, 58, 59, 61, 62, 63, 63, 89, 93, 96, 97
2-30	Collective bargaining agreements		94, 95
GRI 3: MATERIAL TOPICS			
3-1	Process to determine material topics		55, 56, 57, 58, 59
3-2	List of material topics		57, 58, 59
GRI 201: ECONOMIC PERFORMANCE			
3-3	Management of material topics		17, 33 Annual Report , 176, 177, 188 191, 192, 212
201-1	Direct economic value generated and distributed		17, 33, 121, 122, 124 Annual Report , 61, 66, 67, 77, 150, 154, 155
201-2	Financial implications and other risks and opportunities due to climate change		Annual Report , 101
GRI 203: INDIRECT ECONOMIC IMPACTS			
3-3	Management of material topics		122, 123
203-1	Infrastructure investments and services supported		122, 123

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT REQUIREMENT(S) OMITTED / REASON / EXPLANATION	PAGE
GRI 205: ANTI-CORRUPTION			
3-3	Management of material topics		23, 24, 25, 26, 27
205-2	Communication and training about anti-corruption policies and procedures		24, 25
205-3	Confirmed incidents of corruption and actions taken		27
GRI 206: ANTI-COMPETITIVE BEHAVIOUR			
3-3	Management of material topics		23, 24, 25, 26, 27
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		31, 32, 33
207-1	Approach to tax		31, 32, 33
207-2	Tax governance, control, and risk management		32, 33
207-3	Stakeholder engagement and management of concerns related to tax		32, 33
207-4	Country-by-country reporting		31, 33
GRI 301: MATERIALS			
3-3	Management of material topics		83, 84
301-1	Materials used by weight or volume		83

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
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 302: ENERGY			
3-3	Management of material topics		75, 76, 77, 78, 79, 80
302-1	Energy consumption within the organization		76, 80
302-3	Energy intensity		67, 79, 80
302-4	Reduction of energy consumption		75
GRI 303: WATER AND EFFLUENTS			
3-3	Management of material topics		81, 82
303-1	Interactions with water as a shared resource	Water consumption at SAAM Terminals amounted to around 52,000 m ³ in 2023. _Nfr	81, 82, 83
303-2	Management of water discharge-related impacts		79, 81, 82, 83
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		81, 82
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		81, 82

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
304-2	Significant impacts of activities, products and services on biodiversity		81, 82
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		81, 82
GRI 305: EMISSIONS			
3-3	Management of material topics		75, 76, 77, 78, 79, 80
305-1	Direct (Scope 1) GHG emissions		67, 80
305-2	Direct (Scope 2) GHG emissions		67, 80
305-3	Other indirect (Scope 3) GHG emissions		67, 80
305-4	GHG emissions intensity		78, 79
305-5	Reduction of GHG emissions		78, 79, 80
GRI 306: WASTE			
3-3	Management of material topics		83, 84
306-1	Waste generation and significant waste-related impacts		83, 84
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.	83, 84

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	PAGE
		REQUIREMENT(S) OMITTED / REASON / EXPLANATION	
306-3	Waste generated	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.	
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT			
3-3	Management of material topics	65, 66, 67, 68	
308-2	Negative environmental impacts in the supply chain and actions taken	66, 67, 68	
GRI 401: EMPLOYMENT			
3-3	Management of material topics	93, 94, 95, 96, 97	
401-1	New employee hires and employee turnover	102	
401-3	Parental leave	96, 97	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY			
3-3	Management of material topics	88, 89, 92, 93, 109, 110, 112, 113	
403-1	Occupational health and safety management system	109, 110, 112, 113	
403-2	Hazard identification, risk assessment, and incident investigation	109, 110, 112, 113, 114, 116, 117	
403-3	Occupational health services	111, 113, 114	

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT REQUIREMENT(S) OMITTED / REASON / EXPLANATION	PAGE
403-4	Worker participation, consultation, and communication on occupational health and safety		109, 110, 111, 113
403-5	Worker training on occupational health and safety		109, 110, 112, 114, 115, 117
403-6	Promotion of worker health		110, 111, 115, 116
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		112, 113, 114
403-8	Workers covered by an occupational health and safety management system		112, 113
403-9	Work-related injuries	Work-related injuries are currently reported per ship and per 1,000 employees. In future, the reporting of the key figure will be reviewed with regard to the applicable ESRS requirements.	110, 113, 114, 115
GRI 404: TRAINING AND EDUCATION			
3-3	Management of material topics		88, 89, 98, 99, 100, 101, 102
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.	100
404-2	Programs for upgrading employee skills and transition assistance programs		21, 28, 29, 31, 56, 100, 101, 102
404-3	Percentage of employees receiving regular performance and career development reviews		100, 101, 102
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY			
3-3	Management of material topics		88, 89, 94, 95, 103, 104, 105
405-1	Diversity of governance bodies and employees		105
GRI 406: NON-DISCRIMINATION			
3-3	Management of material topics		24, 66, 67, 68, 104, 105
406-1	Incidents of discrimination and corrective actions taken		24, 26, 27

GRI STANDARD	DESCRIPTION OF INDICATOR	COMMENT	REQUIREMENT(S) OMITTED / REASON / EXPLANATION	PAGE
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING				
3-3	Management of material topics			60, 66, 67, 68, 94, 95, 97
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk			27, 24, 25, 26
GRI 408: CHILD LABOUR				
3-3	Management of material topics			23, 24, 25, 26, 27, 60, 66, 67, 68
408-1	Operations and suppliers at significant risk for incidents of child labour			27, 24, 25, 26
GRI 409: FORCED OR COMPULSORY LABOUR				
3-3	Management of material topics			23, 24, 25, 26, 27, 60, 66, 67, 68
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour			27, 24, 25, 26
GRI 414: SUPPLIER SOCIAL ASSESSMENT				
3-3	Management of material topics			65, 66, 67, 68
414-2	Negative social impacts in the supply chain and actions taken			66, 67, 68
GRI 418: CUSTOMER PRIVACY				
3-3	Management of material topics			27, 28, 29
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data			29

INDEPENDENT ASSURANCE

PRACTITIONER'S REPORT

2-5

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 to December 31, 2023 (further: "Non-Financial Report").

The Non-Financial Report of Hapag-Lloyd for the business year from January 1 to December 31, 2023 is an integrated part of Hapag-Lloyd's sustainability report 2023. 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 to December 31, 2023 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 imminent 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).

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, 2023 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, 2023 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 2023 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, March 5, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Modder pp. Mathias
Wirtschaftsprüfer
[German Public Auditor]

CONTACT AND IMPRINT

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takes precedence in case of any discrepancies.

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The logo for cority, featuring the word "cority" in a bold, orange, sans-serif font. The letter "i" has a small orange dot above it, and there is a small orange square icon to the right of the "y".

Data was collected using the software cority.