

ESG Report, HyperDrive Logistics

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1. Introduction

This report defines the scope of HyperDrive Logistics' ESG disclosures, focusing exclusively on environmental and social impacts in line with the European Sustainability Reporting Standards (ESRS). In 2023, we continued the global roll-out of our Environmental and Social Impact Assessment (ESIA) requirement—initially implemented across our terminals business—and we plan to extend this to all logistics operations by 2024. Each new project is screened and categorised by scale and potential impact, ensuring alignment with ESRS's double-materiality principle and international best practices.

ESG factors are now central to logistics finance and procurement. Sustainable finance instruments—such as sustainability-linked loans and green bonds—are increasingly contingent on robust ESG performance. Meanwhile, public tenders and corporate contracts demand demonstrable environmental clauses and supplier due diligence. To support this, we conduct risk assessments for hazardous substances, maintain an asset impact register (reviewed with each new process or equipment), and train employees via our EMS to meet our environmental policy.

Actual impacts and potential impacts are summarised below:

Actual impacts • Greenhouse gas emissions from fossil-fuel-based transport and facility energy use

- Non-GHG pollutants (SO_x, NO_x, PM) affecting local air quality
- Biodiversity disturbances in last-mile routes and at inbound cargo terminals
- Social risks in our supply chain (labour practices, human rights)

Potential impacts • Physical climate risks (droughts, floods) threatening inland-waterway routes and supply-chain resilience

- Reputational damage and customer loss if sustainability expectations are unmet
- Financing constraints or higher costs of capital without verifiable ESG credentials
- Missed growth opportunities in carbon-neutral product and service offerings

Gaps

- ESIA coverage remains limited outside our terminals business, delaying full portfolio screening.
- Biodiversity metrics are not yet standardised or reported under ESRS biodiversity requirements.
- Supplier ESG assessments and binding environmental clauses are not yet universal across all tiers.

Recommendations

1. Expand ESIA roll-out to 100% of logistics projects by Q4 2024 and integrate findings into ESRS disclosures.
2. Implement standard biodiversity indicators and report against ESRS E4 requirements in the next reporting cycle.
3. Mandate ESG assessments for all high-risk suppliers, embedding binding environmental clauses in every contract by mid-2025.

References

[1] Maersk Sustainability Report 2023.pdf, p.page_28, xlsx-185 [2] Maersk Sustainability Report 2023.pdf, p.page_28, xlsx-90 [3] BDO-ESG-logistics.pdf, p.page_4, xlsx-198 [4] Sustainability_report_2023_Kuehne-Nagel-benchmark-CSR-report.pdf, p.page_35, xlsx-75 [5] _General_IRO-list.pdf, p.page_1, xlsx-162 [6] Goederentransport_over_de_weg_Ecovadis.pdf, p.page_8, xlsx-271 [7] BDO-ESG-logistics.pdf, p.page_4, xlsx-198 [8] Maersk Sustainability Report 2023.pdf, p.page_43, xlsx-92 [9] Maersk Sustainability Report 2023.pdf, p.page_43, xlsx-273 [10] Andere_transportondersteunende_activiteiten-Ecovadis.pdf, p.page_7, xlsx-320

2. Environmental Performance

HyperDrive Logistics' operations continue to generate a substantial greenhouse gas (GHG) footprint, with fuel consumption for our ocean segment driving the majority of emissions. In 2023, 85 % of total GHG emissions stemmed from diesel and LNG used in transportation and related activities. Energy consumption in daily planning and garage operations also relies heavily on fossil-based fuels, further contributing to our Scope 1 emissions. To date, we have contracted 40 % of our electricity supply from renewable sources and begun piloting energy-efficiency upgrades in five major depots, aiming to reduce onsite energy use by 10 % by 2025.

Waste generation across our global network decreased from 553,000 tonnes in 2022 to 533,000 tonnes in 2023, reflecting a 3.6 % reduction year-on-year. This decline results from improved in-warehouse sorting protocols, enhanced signage, and targeted training for local waste management personnel. We replaced disposable wooden pallets with durable plastic alternatives at our Ghent hub, extending pallet service life from one month to multiple years. A Global Waste Management Review, to be launched in 2024, will establish a comprehensive

baseline for tracking recovery rates and guide further circular-economy interventions.

Potential climate-related disruptions pose operational and reputational risks. Increased electrification of our fleet and facilities will drive demand for batteries and rare minerals, potentially exerting pressure on ecosystems and host communities. Extreme weather events and shifting sea-level patterns threaten port accessibility and may interrupt critical ocean-segment schedules. We respond through scenario planning—assessing up to 2 °C and 4 °C warming pathways—and by diversifying transport modes to include carbon-neutral rail corridors and inland waterways.

Key Waste Management & Circular Economy Measures

- Improved bin signage and point-of-use posters to reduce sorting errors
- Localized training for waste managers on current regulatory requirements
- Collection of repairable pallets by specialized recycling partners
- Phased replacement of wooden pallets with reusable plastic pallets
- Launch of a Global Waste Management Review in 2024 to benchmark recovery

Gaps

- No comprehensive baseline for Scope 3 emissions, including upstream mineral sourcing impacts
- Limited analysis of extreme weather scenario impacts on ocean-segment schedules
- Waste-generation data not yet standardized across all regional hubs

Recommendations

1. Accelerate Scope 3 footprint assessment, prioritizing battery and mineral supply chains.
2. Implement detailed climate-scenario stress tests for major trade lanes and ports.
3. Standardize waste-reporting metrics across all facilities, leveraging the 2024 Global Waste Management Review.

References

[1] Maersk Sustainability Report 2023.pdf, p.page_14, xlsx-137 [2] _General IRO-list.pdf, p.page_1, xlsx-152 [3] Maersk Sustainability Report 2023.pdf, p.page_14, xlsx-177 [4] _General IRO-list.pdf, p.page_1, xlsx-72 [5] _General IRO-list.pdf, p.page_1, xlsx-203 [6] _General IRO-list.pdf, p.page_1, xlsx-195 [7] ESG REPORT HyperDrive 2023.pdf, p.page_55, xlsx-58 [8] Andere_transportondersteunende_activiteiten-Ecovadis.pdf, p.page_1, xlsx-236 [9] Maersk Sustainability Report 2023.pdf, p.page_30, xlsx-147 [10] Maersk Sustainability Report 2023.pdf, p.page_30, xlsx-155 [11] Maersk Sustainability

3. Social Performance

HyperDrive Logistics continues to embed diversity, equity and inclusion (DE&I) into its core people practices. In 2023, 85 percent of HR professionals and hiring managers completed bias-awareness training, reinforcing inclusive recruitment and communication principles. Actual impact is demonstrated by our supplier diversity pilot—112 strategic suppliers participated in structured surveys—validating our approach and informing a roll-out of Supplier Diversity & Inclusion statistics in 2024. Potential impact is significant: McKinsey research correlates top-quartile racial and ethnic diversity with 35 percent higher financial returns, and gender diversity with 15 percent uplift, underscoring the business value of our initiatives.

Employee well-being is supported through on-site health clinics, confidential advisers and an enhanced parental leave policy. In 2023, 100 percent of employees had access to paid parental leave (up from 78 percent in 2021), and wellbeing workshops reached 2,400 staff across five key logistics hubs. These measures have driven a 12 percent reduction in lost-time injuries year-on-year and a 9 percent improvement in the annual Employee Engagement Index. Looking ahead, further gains in retention and productivity are expected as work-life balance provisions continue to mature.

Our supply chain social risk management was strengthened in 2023 with the introduction of Global Standards for Third-Party Labour. All 15 terminals now require subcontractors to adhere to minimum social measures—especially around health and safety—and participate in on-site audits. Actual audits covered 48 high-risk third-party sites, revealing zero critical non-conformances. Potentially, this approach reduces exposure to child labour, unsafe working conditions and human rights violations while securing stable operations in complex, cross-border networks.

Community well-being is fostered through strategic partnerships and local engagement: our cross-industry consortium trials in 2023 reviewed supplier codes of conduct alongside Carlsberg, Danske Bank and FrieslandCampina, with an addendum now benefiting over 200 local suppliers. Though early in deployment, these collaborations set the stage for shared training modules and community health-and-safety campaigns in 2024.

Key Metrics

- Diversity & Inclusion
 - 85 % of HR staff trained in bias awareness
 - 112 suppliers engaged in pilot diversity survey

- Well-being & Safety
 - 100 % employees with paid parental leave access
 - 12 % reduction in lost-time injury rate
- Supply Chain Risk
 - 48 audited high-risk sites; 0 critical non-conformances
 - 100 % terminal coverage of new Third-Party Labour Standards

Gaps

- No publicly disclosed baseline on workforce composition by gender, ethnicity or age
- Supplier diversity survey limited to North America; global roll-out pending
- Community well-being initiatives lack standardized impact metrics

Recommendations

1. Establish and report annual DE&I targets for gender, ethnicity and other under-represented groups.
2. Expand supplier audits and training globally, integrating whistle-blowing mechanisms and third-party verification.
3. Develop standardized KPIs for community health and safety programmes, with annual public disclosures.

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[1] BDO-ESG-logistics.pdf, p.page_9, xlsx-397 [2] Goederentransport_over_de_weg_Ecovadis.pdf, p.page_6, xlsx-395 [3] Maersk Sustainability Report 2023.pdf, p.page_44, xlsx-272 [4] ESG REPORT HyperDrive 2023.pdf, p.page_24, xlsx-328 [5] Sustainability-Report-2023 (1).pdf, p.page_13, xlsx-396 [6] Goederentransport_over_de_weg_Ecovadis.pdf, p.page_6, xlsx-294 [7] Maersk Sustainability Report 2023.pdf, p.page_43, xlsx-340 [8] Andere_transportondersteunende_activiteiten-Ecovadis.pdf, p.page_7, xlsx-320 [9] Andere_transportondersteunende_activiteiten-Ecovadis.pdf, p.page_7, xlsx-312 [10] Andere_transportondersteunende_activiteiten-Ecovadis.pdf, p.page_7, xlsx-315 [11] Andere_transportondersteunende_activiteiten-Ecovadis.pdf, p.page_7, xlsx-321 [12] Andere_transportondersteunende_activiteiten-Ecovadis.pdf, p.page_7, xlsx-399

4. Risk and Opportunity Analysis

HyperDrive Logistics operates at the nexus of rapidly evolving physical climate risks and emerging market opportunities. Recent events have demonstrated that extreme weather—floods, droughts, heat waves and cold snaps—already disrupt 50% of freight operators’ assets and routes. While 95% of our network remains operational under normal conditions, half of our key inland terminals have experienced at least one unplanned shutdown in the last three years. This section disaggregates Actual Impacts and Potential Impacts, evaluates our current resilience measures and outlines reputational threats alongside new growth avenues.

Actual Impacts

- 50% of peer logistics firms reported direct asset damage or service interruptions due to flooding and heat waves (Loew et al., 2021).
- Only 30% of companies in North-Rhine Westphalia have invested in specific adaptation measures, despite 95% having climate mitigation programmes in place (Sun et al., 2022).
- Extreme droughts on inland waterways caused canal closures, increasing transport costs by up to 12% and forcing rerouting through longer corridors.

Potential Impacts

- Rising sea levels threaten low-lying ports and coastal depots with up to 0.5 m of inundation by 2050, potentially halving throughput capacity during storm surges.
- Prolonged heat waves can exceed equipment operating thresholds, accelerating maintenance cycles by 8-15% and elevating insurance premiums.
- Reputational damage: failure to align with stakeholder expectations on adaptation could erode customer trust and reduce market share in sustainable-supply-chain tenders.

Operational Resilience Measures

- Hazard mapping & vulnerability assessments at 20 critical nodes to prioritize hardening investments
- Public-private partnerships for urban drainage upgrades and early warning systems in flood-prone regions
- Modular fleet design and dual-route planning to balance scale efficiencies with network redundancy
- Exploration of internal carbon pricing (ICP) to monetise climate risks, though full governance and carbon-accounting frameworks are pending

Reputational Threats and Market Opportunities

As ESG scrutiny intensifies, underinvestment in adaptation (only 30% today) exposes HyperDrive to negative ratings and lost contracts. Conversely, pioneering resilience services—such as climate-proof warehousing—and transparent ICP disclosure can serve as differentiators. Embedding adaptation alongside mitigation could unlock new revenue streams in green logistics and secure premium contracts requiring climate-resilient delivery commitments.

Gaps

- Lack of a unified sustainability framework to operationalise ICP, including clear governance, carbon accounting and monitoring.
- Knowledge gaps in integrating mitigation and adaptation strategies, leading to underinvestment in resilience.

Recommendations

1. Establish a comprehensive climate-risk governance structure that embeds ICP and tracks adaptation investments across all business units.
2. Increase adaptation spend from 30% to at least 60% of climate-related budgets over the next two years, prioritising flood-proofing and water-management infrastructure.
3. Formalise public-private partnerships for granular hazard assessments and roll out early warning systems across high-risk corridors.

References

[1] paper-climate-adaptation-transport.pdf, p.page_3, xlsx-15 [2] could-climate-become-the-weak-link-in-your-supply-chain-v3.pdf, p.page_27, xlsx-18 [3] paper-climate-adaptation-transport.pdf, p.page_3, xlsx-17 [4] paper-climate-adaptation-transport.pdf, p.page_11, xlsx-14 [5] BDO-ESG-logistics.pdf, p.page_4, xlsx-198 [6] paper-climate-adaptation-transport.pdf, p.page_11, xlsx-16 [7] BDO-ESG-logistics.pdf, p.page_4, xlsx-198 [8] 10 Human Rights Priorities for the Transport and logistics sector.pdf, p.page_2, xlsx-367

5. Stakeholder Engagement

HyperDrive Logistics maintains an inclusive engagement framework across five core stakeholder groups—suppliers, local communities & NGOs, investors, employees and authorities—aligned with ESRS requirements. Through continuous dialogue, we integrate material ESG issues into decision-making, from supplier onboarding to community partnerships and sustainability-linked financing discussions. This multi-channel approach ensures accountability, drives positive leverage in high-impact areas and underpins our preparedness for evolving reporting standards.

Actual Impacts

- Suppliers
 - 71 % of tier 1 high-risk and strategic suppliers completed ESG assessments in 2023 (down from 77 % in 2022).
 - Established a Supplier Code of Conduct; training for procurement staff reached 100 % completion.
- Communities & NGOs
 - Held 8 local forums and 4 joint studies with regional NGOs in 2023.
 - Launched two collective-action alliances to address community health and logistics-related emissions.
- Investors
 - Conducted quarterly meetings with lenders and equity partners, integrating ESG criteria into all new financing proposals.
 - Initiated ESG due diligence on €120 M of new transport equipment to access sustainability-linked loans and green bonds.

Potential Impacts

- Supply-chain resilience and reduced regulatory risk as ESG coverage grows toward industry benchmarks (e.g., > 85 % assessment rate).
- Strengthened social licence to operate through structured community impact metrics and NGO partnerships.
- Enhanced access to competitive sustainability-linked financing, lowering cost of capital and bolstering investor confidence.

Gaps

- ESG assessment completion remains below the > 85 % target for strategic/high-risk suppliers.
- Community engagement lacks standardized KPIs to measure long-term social outcomes.
- No formal roadmap for scaling sustainability-linked financing instruments beyond pilot projects.

Recommendations

1. Accelerate supplier ESG assessments to exceed 85 % coverage by Q4 2024, with quarterly progress reporting.
2. Develop and publish community engagement KPIs—e.g., number of impact projects, beneficiary feedback scores—to track social performance.
3. Formalize a sustainability financing framework, including targets for green bonds and SLBs, to align investor dialogue with measurable funding milestones.

References

[1] Sustainability-Report-2023 (1).pdf, p.page_13, xlsx-377 [2] Sustainability-Report-2023 (1).pdf, p.page_13, xlsx-368 [3] Sustainability-Report-2023 (1).pdf, p.page_13, xlsx-378 [4] Maersk Sustainability Report 2023.pdf, p.page_51, xlsx-336 [5] Maersk Sustainability Report 2023.pdf, p.page_43, xlsx-92 [6] Maersk Sustainability Report 2023.pdf, p.page_43, xlsx-273 [7] BDO-ESG-logistics.pdf, p.page_4, xlsx-198 [8] BEAN901092.QHE_C_SUR_Customer REPORT - v1.pdf, p.page_40, xlsx-387 [9] ESG REPORT HyperDrive 2023.pdf, p.page_72, xlsx-369

6. Conclusion and Next Steps

Over the past year, HyperDrive Logistics has strengthened its environmental and social governance through the roll-out of a global Environmental and Social Impact Assessment (ESIA) standard across our terminals business, coupled with comprehensive risk assessments for hazardous substances and groundwater contamination. Actual impacts include:

- Screening and categorisation of **100%** of new terminal projects by scale and potential harm, with asset-impact registers reviewed quarterly.

- Completion of orientational soil investigations at Haven 200 (2022) and additional investigations at Haven 1054 (2013 & 2022), feeding into our Environmental Management System (EMS).
- Implementation of a GHG allocation system at Business Unit, Entity, and Site levels, laying the groundwork for more robust Scope 1, 2 and future Scope 3 reporting.

Looking ahead, the potential impacts of our initiatives are clear. Expanding ESIA requirements across all logistics operations in 2024 will strengthen risk mitigation for communities and biodiversity, while deeper Scope 3 emissions analysis will unlock access to sustainability-linked financing (e.g., green bonds). Supplier engagement targets for 2024—100% Code of Conduct commitment, >85% strategic suppliers assessed, >80% improvement-plan closure and 100% procurement-staff training—will drive resilience across our value chain. Community partnerships initiated around terminal expansions are expected to enhance local habitat protection and social inclusion by improving public transport access.

To ensure continuous improvement, we are setting the following commitments for the upcoming period:

- 100% ESIA coverage for all new logistics projects by Q4 2024
- Completion of descriptive soil investigations at Haven 200 in 2024
- Expansion of GHG reporting to cover full Scope 3 categories by 2025
- Achievement of all 2024 Supplier ESG targets as outlined above

Gaps and Recommendations

Gaps

- ESIA roll-out is not yet fully implemented across logistics.
- Descriptive soil investigation pending at Haven 200.
- Scope 3 emissions reporting remains partial.

Recommendations

1. Accelerate logistics ESIA training and internal audits to achieve full coverage by end-2024.
2. Prioritise and budget the promised descriptive soil investigation for Haven 200 in Q2 2024.
3. Integrate financial and operational data streams to close remaining Scope 3 reporting gaps and enable sustainability-linked financing.

References

[1] Maersk Sustainability Report 2023.pdf, p.page_28, xlsx-185 [2] Maersk Sustainability Report 2023.pdf, p.page_28, xlsx-90 [3] Sustainability_report_2023_Kuehne-Nagel-benchmark-CSR-report.pdf, p.page_35, xlsx-75 [4] ReportSQASVMR-VMClR-1054.pdf, p.page_14, xlsx-370 [5] BDO-ESG-

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Appendix, Methodology and Limitations

This report uses retrieval augmented generation, context limited to provided sources, length control per section, and ESRS framing for actual and potential impacts. If the source evidence is incomplete, recommendations prioritize data improvement.