

Materiality Analysis

The nature of HHLA's business means it has a large number of stakeholders with a variety of expectations and demands. In order to understand these expectations and demands more fully, HHLA conducted a materiality analysis in 2015 as part of its sustainable management activities, in which sustainability topics of potential relevance to its internal and external stakeholders were examined. The collection and evaluation of the data was based on the Global Reporting Initiative (GRI) guidelines.

The Stakeholder Survey Process

At a meeting of the Sustainability Council, HHLA's most significant stakeholders were first identified. This was initially based on internal sources, such as a list of key customers. The main stakeholders identified were **customers** (e.g. shipping companies), customers' customers (e.g. forwarders), **employees**, business partners and **suppliers**, the media, potential and existing **shareholders**, associations and institutions, research institutes, political decision makers, NGOs, and local residents close to the terminals.

Secondly, a list of topics known to be relevant to both internal and external stakeholders was drawn up. The results from HHLA's sustainability initiative "On Course" were also included in the data collection as the initiative had already discovered relevant topics and determined the main fields of activity.

► See Sustainability Strategy, page 160

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

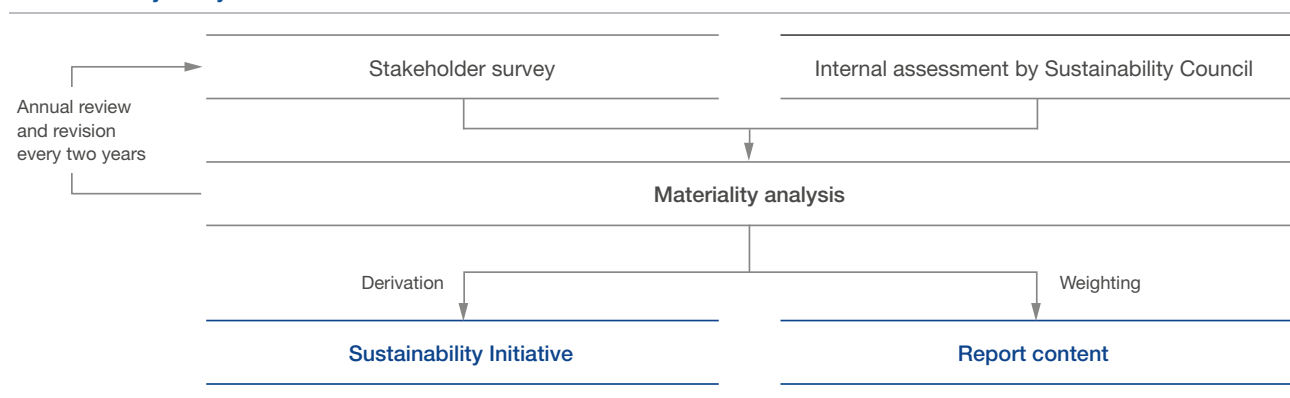
100 people rated topics of potential relevance to HHLA, particularly customers, business partners, suppliers and HHLA staff. All stakeholder groups participated in the survey. Stakeholders also had the chance to rate the importance of topics, as well as add to them or make comments on them. The results of the stakeholder survey were discussed during a Sustainability Council meeting and presented to the Executive Board.

Results of the Stakeholder Survey

The materiality matrix shows the ranking of all sustainability topics. The assessments provided by external stakeholders are combined with those of internal stakeholders in the matrix. The result is a prioritisation of the topics. Key aspects are considered material if they are relevant from the point of view of internal and/or external stakeholders.

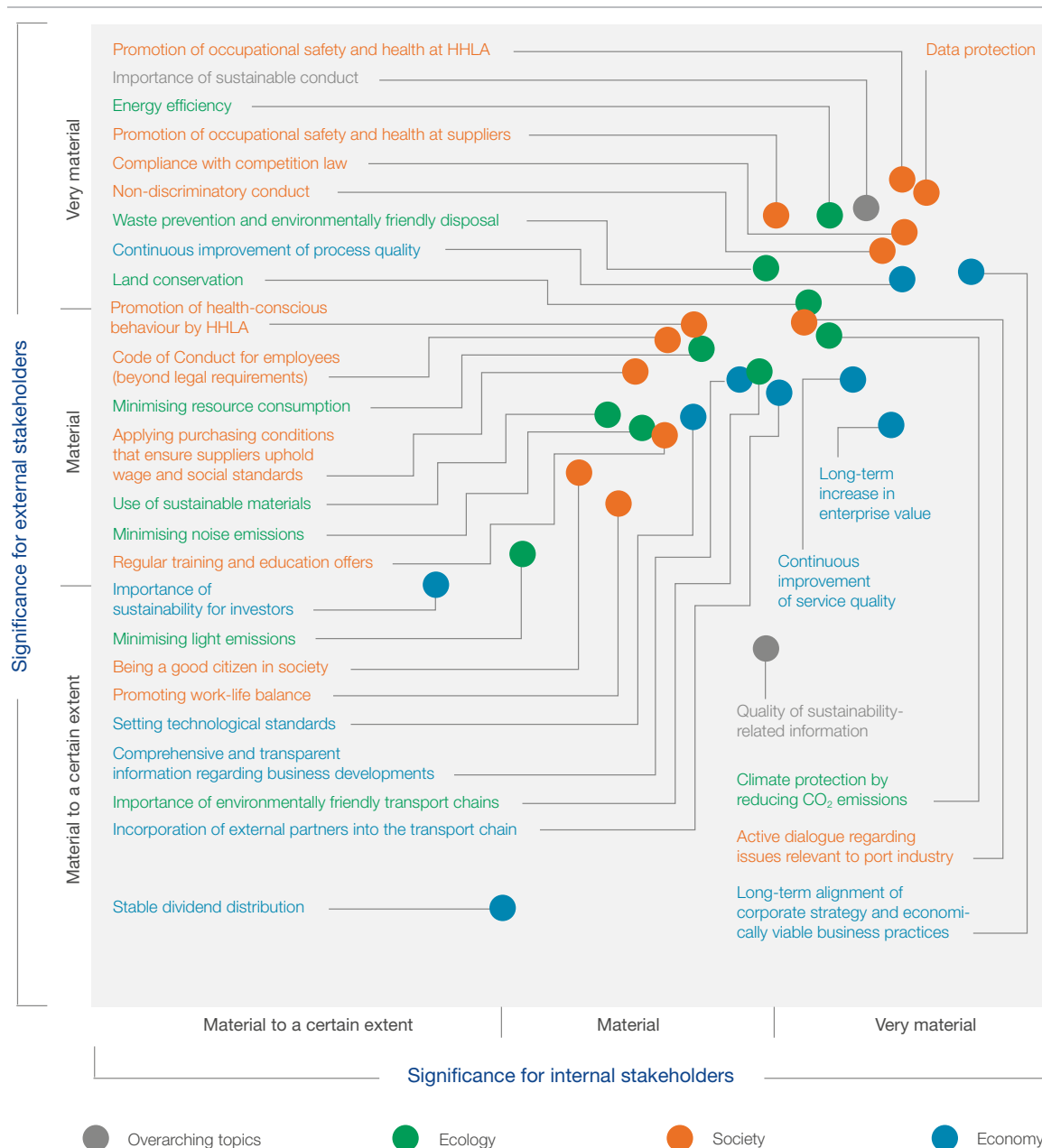
Ensuring a high level of data protection, high occupational safety standards, sustainable conduct, compliance, energy efficiency, continual improvements in quality, the long-term alignment of corporate strategy and the drafting of a Code of Conduct to ensure non-discriminatory behaviour amongst staff and towards third parties were all rated as very material. Carbon emission reductions, occupational safety and health promotion at suppliers, waste prevention and environmentally appropriate disposal, as well as area optimisation and an active dialogue on topics relevant to port management were regarded as material by the survey participants. With a clear majority, the main reasons stated for HHLA's sustainable approach were a long-term, stable economic development and a reduction of environmental effects. The majority of those surveyed considered themselves generally well informed regarding sustainability topics.

The Materiality Analysis Process



Materiality Matrix (Outcome of the Most Recent Stakeholder Survey)

Evaluating the Relevance of Sustainability Topics for HHLA



Due to the high correlation of external and internal stakeholders' ratings of potentially relevant topics, only slight adjustments had to be made to the weighting of topics compared with earlier reports. The main fields of activity defined during the

HHLA sustainability initiative were also largely confirmed by the results: none of the potentially relevant topics were rated as immaterial or less material.

Materiality Analysis

In line with the new G4 guidelines of the Global Reporting Initiative, a comprehensive materiality analysis was carried out for the first time. The results are displayed in the following table. The topics have been assigned to the fields of activity determined by HHLA's sustainability initiative "On Course". The topics "stable dividend distribution" and "importance of sustainability for investors" were rated as "only material to a certain extent". None of the potentially relevant topics covered were rated as immaterial or not very material.

Fields of activity		Relevance for the stakeholders asked	
		Material	Very material
General		Quality of sustainability-related information	Importance of sustainable conduct
Ecology	Ecological transport chains	Importance of environmentally friendly transport chains	
	Land conservation		Land conservation
	Nature protection	Minimising resource consumption	Waste prevention and environmentally appropriate disposal
		Use of sustainable material	
		Minimising noise emission	
Society		Minimising light emission	
	Climate protection		Climate protection by reducing CO ₂ emissions
			Energy efficiency
	Occupational safety/health promotion	Promotion of health-conscious behaviour by HHLA	Promotion of occupational safety and health at HHLA
			Promotion of occupational safety and health at suppliers
Economy	Staff development	Promoting work-life balance	
		Regular training and education offers	
	Compliance	Code of Conduct for employees (beyond legal requirements)	Non-discriminatory dealings
		Applying purchasing conditions that ensure suppliers uphold wage and social standards	Data protection
			Competition compliant behavior
Economy	Social responsibility	Being a good citizen in society	Active dialogue regarding issues relevant to port industry
	Added value	Setting technological standards	Long-term alignment of corporate strategy and economically viable business practices
		Incorporation of external partners into the transport chain	
	Business partners		Continuous improvement of process quality
			Continuous improvement of service quality
Economy	Shareholders	Comprehensive and transparent communication regarding business developments	Long-term increase in enterprise value

Reconciliation of Key Issues with the German Commercial Code

For the first-time production of the non-financial report according to CSR-RUG, the issues identified as material or very material in the HHLA materiality analysis were checked for commercial relevance and degree of impact by a specialist body and prioritised in line with the double materiality clause set out in Section 289c (3) of the German Commercial Code (HGB).

As a result, some issues which were assessed as very material in the stakeholder survey are not subject to reporting due to a lack of business relevance as defined by the CSR-RUG. ► see Information about the Non-Financial Report, page 162/Defining the Content of the Non-Financial Report