Other notes

45. Leases

Leases as a lessee

For further information about leases within the HHLA Group, please see Notes 6, 12, 14, 16, 23, 38 and 40.

Basic recognition of leases

Pursuant to IFRS 16, all leases are to be recognised on the balance sheet. The following significant leases currently exist within the HHLA Group:

The Group has concluded various lease agreements for a number of properties, technical facilities, and operating and office equipment. Among other things, these agreements relate to land, quay walls, lifting and ground-handling vehicles, container wagons and chassis, as well as IT hardware. In some cases, they include renewal and put options. The renewal options are always for the lessee; the put options can be used by the respective lessor to force a sale.

Leases recognised under liabilities to related parties

The Group rents mega-ship berths from the owner of the port areas, the Hamburg Port Authority (HPA), which is a related party, see Note 48. The fixed lease initially runs until 2036, but HHLA anticipates that the lease terms of these assets will extend over 50 years (as in the past). The agreements make provisions for the allocation of liability in the event of nullity and the associated premature termination of the lease as a result of conflict with EU law. The Executive Board of HHLA believes the risk of a conflict with EU law is currently very low.

Agreements exist between the Free and Hanseatic City of Hamburg and/or HPA and the HHLA Group for the lease of land and quay walls in the Port of Hamburg and in the Speicherstadt historical warehouse district by companies in the HHLA Group. The main agreements expire between 2025 and 2036. Under the terms of the agreements, the lease payments are generally reviewed every five years on the basis of price developments in relevant competing ports or based on appropriate rental indices. The expected rent increases for the past periods are included in the liabilities from leases. The rent increases for 2020 have been postponed to July 1, 2021. The postponement did not have any material impact on the consolidated financial statements. Leasing expenses for the space in the Speicherstadt historical warehouse district are partly linked to the development of Group income from subletting these buildings.

Without the prior approval of the lessor, the leased areas may not be relet and the buildings on them belonging to HHLA may not be sold or let. Major changes to the terms of subletting agreements also require the approval of the lessor.

Leases recognised under non-current and current financial liabilities

There are also leases relating to real estate and movable property at the container terminal in Odessa, Ukraine. On the whole, the rents payable for this are fixed and will only change during the course of the agreement as a result of future inflation. The company will not have purchase options at the end of the lease agreements. The respective lease agreements have remaining terms of between 1 and 33 years.

There are also significant leases for real estate at the container terminal in Tallinn, Estonia. On the whole, the rents payable for this are fixed and will only change during the course of the agreement as a result of future inflation. The company will not have purchase options at the end of the lease agreements. The respective lease agreements will expire in 2062.

The METRANS Group has concluded lease agreements for various motor vehicles and items of technical equipment. These leases have an average term of three to ten years and some include renewal options. The leases concluded for individual items of real estate have a term of up to 30 years and some of them also include renewal options. The lessee takes on no obligations when signing these leases. The METRANS Group also rents a terminal facility for a period of 30 years as part of a concession agreement.

Short-term lease agreements and leases for low-value assets

The Group rents technical equipment, motor vehicles, IT equipment, office furniture, etc. over terms of between one and three years. These lease agreements are either short term or (and) pertain to items of low value. In such cases, HHLA reports neither the rights of use nor lease liabilities. The following table shows the effects of leases in the income statement:

Leases in the income statement

in T€	2020	2019
Cost of materials and other operating expenses		
Expenses from non-current leases	7,004	9,505
Expenses from leases for low-value assets	785	569
Expenses from variable lease payments	297	408
Amortisation and depreciation		
Amortisation and depreciation of rights of use	49,039	50,259
Financial result		
Interest expenses from leasing liabilities	21,581	22,016

Future unrecognized cash outflows

The table below shows the future cash outflows which may be incurred by the lessee and which may not have been recognized when measuring the lease liability:

Future unrecognized cash outflows

in € thousand	31.12.2020	31.12.2019
Future variable lease payments	10,006	10,644
Extension and termination options	761	1,213
Residual value guarantees	19	23
Leases not yet begun	119	0
	10,905	**11,880**

Leases as a lessor

The Group has signed lease agreements for letting its investment properties on a commercial basis, see Note 24. HHLA has categorised these leases as operating leases because virtually none of the risks and potential rewards associated with ownership are transferred to the Group. The investment properties consist of office space, facilities and a commercial property not used by the Group. These leases have remaining uncancellable lease terms of between 1 and 15 years. After the end of the uncancellable lease period, some contracts give tenants the option of extending the lease for a period of between two years and a maximum of three times five years. Some leases contain a clause under which the rent can be increased in line with market conditions.

In the financial year, income of € 58,504 thousand (previous year: € 61,552 thousand) was earned from letting property, plant and equipment and investment property.

The table below is a maturity analysis of the receivables from operating leases and shows the undiscounted lease payments to be received after the end of the reporting period.

Due dates of receivables from operating leases

in € thousand	31.12.2020	31.12.2019
Up to 1 year	32,412	32,210
1 year to 2 years	27,739	26,599
2 years to 3 years	17,633	23,681
3 years to 4 years	13,666	14,211
4 years to 5 years	11,177	11,139
Over 5 years	43,021	35,585
	145,648	**143,425**

From the lessor’s perspective, there are no lease agreements categorised as finance leases.

46. Contingent liabilities and other financial obligations

No provisions were formed for the following contingent liabilities because it was deemed highly unlikely that they would be utilised.

Contingent liabilities

in € thousand	31.12.2020	31.12.2019
Guarantees	38,820	29,338
Comfort letters	0	0
	38,820	**29,338**

Within a one-year period from 31 December 2020, HHLA can make use of the existing guarantees up to a maximum amount of € 56,480 thousand.

The following other financial obligations existed on the reporting date:

Other financial obligations

in € thousand	31.12.2020	31.12.2019
Outstanding purchase commitments	125,009	119,166
Other	53,420	59,415
	178,429	**178,581**

Of the obligations from outstanding purchase commitments, € 85,030 thousand (previous year: € 87,529 thousand) is attributable to investments in property, plant and equipment and € 3,425 thousand (previous year: € 1,833 thousand) is attributable to investments in intangible assets.

47. Management of financial risks

To finance its business activities, the Group uses short-, medium- and long-term bank loans, lease and hire-purchase agreements, as well as cash and short-term deposits. The Group has access to various other financial assets and liabilities, such as trade payables and receivables which arise directly from its business.

Interest rate and market price risk

As a result of its financing activities, the Group is exposed to an interest rate risk which principally stems from medium- to long-term borrowing at floating rates of interest.

Managing the Group’s interest expenses involves a combination of fixed- and floating-rate debt, depending on the market.

The consolidated companies did not hold any interest rate swaps as of the balance sheet date.

As of the balance sheet date, 82.4 % (previous year: 76.8 %) of the Group’s borrowing was at fixed interest rates.

The fixed-interest financial instruments are not held at fair value and are therefore not subject to market price risks on the balance sheet.

Market price risks can, however, affect securities and equity investments in particular. Due to the minor scope of these instruments, the risk is deemed insignificant.

A change in the variable interest rate affects the interest expenses arising from floating-rate loans and the interest income from overnight deposits and time deposit investments.

If the variable interest rate had been 0.5 percentage points higher as of the balance sheet date, interest expenses arising from floating-rate loans would have been € 259 thousand p.a. higher (previous year: € 384 thousand p.a.) and interest income from overnight deposits and time deposit investments would have been € 1,038 thousand p.a. higher (previous year: € 1,265 thousand p.a.).

There are no effects on equity.

Exchange rate risk

Due to investments in countries outside the eurozone, changes in exchange rates can affect the balance sheet. Foreign currency risks on individual transactions are hedged by currency futures or currency options if a market analysis requires it. The hedging transactions are in the same currencies as the hedged item. The Group only concludes currency futures contracts when specific claims or obligations exist, or can be expected with reasonable assurance.

On the balance sheet date, there were currency hedging instruments with a volume of € 26.0 million (previous year: € 49.5 million) and maturities of up to 13 months. As of 31 December 2020, the market value was € 249 thousand (previous year: € 1,132 thousand). In the reporting year, changes in value from these currency hedging transactions, which constitute financial assets and/or liabilities held at fair value through profit and loss, were recognised in the income statement. These instruments do not constitute effective hedging relationships as per IFRS 9.

Revenue in the HHLA Group is predominantly invoiced in euros or in the national currencies of the European affiliates. Investments in these countries are largely transacted in euros.

Commodity price risk

The Group is primarily exposed to a commodity price risk when purchasing fuel. Depending on the market situation, the Group can arrange price hedges for part of its fuel requirements. This was not the case at the balance sheet date or on 31 December 2019.

In addition to the market risks mentioned, there are also financial risks in the form of credit and liquidity risks.

Credit risk / default risk

The Group only maintains customer relationships on a credit basis with recognised, creditworthy third parties. Clients who wish to complete transactions with the Group on a credit basis are subject to a credit check. Receivables are also monitored on an ongoing basis and impairment allowances are made if risks are identified, such that the Group is not exposed to any additional significant default risks on receivables. The maximum default risk for the trade receivables and other financial receivables is theoretically the carrying amount for the individual receivable. There is no significant concentration of default risks with individual customers.

In respect of some receivables, the Group may obtain securities in the form of guarantees that may be drawn upon as part of contractual arrangements if the counterparty falls into payment default.

The Group applies the simplified approach pursuant to IFRS 9 in order to measure expected credit losses, i.e. the expected lifetime credit losses are applied for trade receivables and contract assets. In order to measure the expected credit losses, trade receivables and contract assets are consolidated on the basis of shared credit risk characteristics and the number of days overdue.

The contract assets held by HHLA are deemed insignificant.

The expected losses given default are based on the payment profiles of the transactions over a period of twelve months prior to 31 December 2020 and the corresponding historic defaults in this period. Furthermore, HHLA factors anticipated changes to the economic environment into its calculations of these losses given default. Due to the continued uncertainty in the macroeconomic environment, HHLA has increased the existing expected loss ratio for trade receivables in the 91–180-day range by 30 %. Furthermore, HHLA has observed trade receivables on a case-by-case basis and made valuation allowances where necessary. The impact on the Consolidated Financial Statements is immaterial. On this basis, the following impairment was calculated on trade receivables as of 31 December 2020 and 31 December 2019:

Determination of impairment on trade receivables as of 31 December 2020

in € thousand	not due	1 - 90 days overdue	91 - 180 days overdue	181 - 270 days overdue	271 - 360 days overdue	more than 360 days overdue	Total
Trade receivables before impairment	131,370	35,678	1,849	10	321	994	170,222
Expected losses	0.45 %	0.85 %	58.57 %	100.00 %	100.00 %	100.00 %	
Impairment of the reporting year	597	304	1,083	10	321	994	3,309
Trade receivables after impairment							**166,913**

Determination of impairment on trade receivables as of 31 December 2019

in € thousand	not due	1 - 90 days overdue	91 - 180 days overdue	181 - 270 days overdue	271 - 360 days overdue	more than 360 days overdue	Total
Trade receivables before impairment	129,776	37,888	737	420	226	2,299	171,346
Expected losses	0.10 %	0.25 %	6.92 %	100.00 %	100.00 %	100.00 %	
Impairment of the previous year	130	93	51	420	226	2,299	3,219
Trade receivables after impairment							**168,127**

Impairments on trade receivables showed the following trends:

Development of the valuation allowances on trade receivables

in € thousand	**2020**	2019
Valuation allowances as of 1 January	**3,219**	**3,323**
Additions (valuation allowances recognised as expenses)	2,731	1,064
Used	- 1,263	- 601
Reversals	- 1,378	- 567
Valuation allowances as of 31 December	**3,309**	**3,219**

Trade receivables are derecognised when a reasonable assessment indicates that there is no prospect of them being realised. The indicators that point to no prospect of realisation following a reasonable assessment include the failure of a debtor to commit to a repayment plan agreed with the Group and the failure to make contractually agreed payments after being in arrears for 360 days.

Impairment losses on trade receivables are shown as other operating expenses in the operating result. Amounts that have been written off, but that are then generated in subsequent periods, are recognised as other operating income.

The default risk in the case of derivative financial instruments and cash, cash equivalents and short-term deposits is, in theory, that of counterparty default and is therefore equivalent to the carrying amounts of the individual financial instruments. The risk of default can be considered very low since the Group as a rule only conducts derivative financial transactions and liquid investments with counterparties with good credit ratings. In addition, credit risks may arise if the contingent liabilities listed in Note 46 are incurred.

Liquidity risk

The Group guarantees sufficient liquidity at all times with the help of medium-term liquidity planning, by diversifying the maturities of loans and leases, and by means of existing lines of credit and funding commitments. If covenants have been agreed for individual loans, they are monitored on an ongoing basis to make sure they are being complied with. HHLA will introduce measures it deems necessary to ensure that the covenants are met.

For details of the maturities of financial liabilities and liabilities to related parties, please refer to the table of residual maturities for non-current and current financial liabilities under Note 38 and the summary of non-current and current liabilities to related parties under Note 40.

Expected liquidity outflows due to future interest payments for loans and for liabilities from leases

	Up to 1 year		1 to 5 years		Over 5 years		Total	
in € thousand	**31.12.2020**	31.12.2019	**31.12.2020**	31.12.2019	**31.12.2020**	31.12.2019	**31.12.2020**	31.12.2019
Outflow of liquidity for future interest payments on fixed-interest loans	4,437	4,710	13,598	15,135	8,692	11,592	26,727	31,437
Outflow of liquidity for future interest payments on floating-rate loans	127	438	197	722	0	13	324	1,173
For liabilities from leases	20,633	21,854	74,059	79,625	241,557	263,081	336,249	364,560
	25,197	**27,002**	**87,854**	**95,482**	**250,249**	**274,686**	**363,300**	**397,170**

The consolidated companies did not hold any interest rate swaps as of the balance sheet date, so no interest outflows are anticipated in this regard.

Financial instruments

Carrying amounts and fair values

The tables below show the carrying amounts and fair value of financial assets and financial liabilities, as well as their level in the fair value hierarchy, see also Note 6 and Note 7.

For financial assets and financial liabilities not held at fair value, there is no disclosure of the fair value in the fair value hierarchy where the carrying amount serves as a reasonable approximation of the fair value.

Financial assets as of 31 December 2020

	Carrying amount				Fair value			
in € thousand	Amortised cost	Fair value through profit or loss	Fair value through other compre-hensive income	**Balance sheet value**	Level 1	Level 2	Level 3	**Total**
Financial assets measured at fair value								
Financial assets		249	5,931	6,180	6,180			6,180
	0	**249**	**5,931**	**6,180**				
Financial assets not measured at fair value								
Financial assets	13,381			13,381				
Trade receivables	166,913			166,913				
Receivables from related parties	85,283			85,283				
Cash, cash equivalents and short-term deposits	126,858			126,858				
	392,435	**0**	**0**	**392,435**				

Financial liabilities as of 31 December 2020

in € thousand	Carrying amount: Amortised cost	Carrying amount: Fair value through profit or loss	Carrying amount: **Balance sheet value**	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: **Total**
Financial liabilities measured at fair value							
Financial liabilities			**0**				
	0	**0**	**0**				
Financial liabilities not measured at fair value							
Financial liabilities	**646,768**		**646,768**				
Liabilities from bank loans	295,100		295,100		295,929		295,929
Liabilities from leases	264,513		264,513				
Liabilities from Settlement obligation, non-current	23,377		23,377			23,377	23,377
Liabilities from Settlement obligation, current	24,584		24,584				
Other financial liabilities, non-current	21,083		21,083		21,083		21,083
Other financial liabilities, current	18,111		18,111				
Trade liabilities	**90,913**		**90,913**				
Liabilities to related parties	**496,701**		**496,701**				
Liabilities from leases	486,533		486,533				
Other Liabilities to related parties	10,168		10,168				
	1,234,382		**1,234,382**				

Financial assets as of 31 December 2019

in € thousand	Carrying amount: Amortised cost	Carrying amount: Fair value through profit or loss	Carrying amount: Fair value through other compre-hensive income	Carrying amount: **Balance sheet value**	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: **Total**
Financial assets measured at fair value								
Financial assets		1,132	6,040	7,172	7,172			7,172
	0	**1,132**	**6,040**	**7,172**				
Financial assets not measured at fair value								
Financial assets	12,584			12,584				
Trade receivables	168,127			168,127				
Receivables from related parties	98,805			98,805				
Cash, cash equivalents and short-term deposits	158,041			158,041				
	437,557	**0**	**0**	**437,557**				

Financial liabilities as of 31 December 2019

in € thousand	Carrying amount: Amortised cost	Carrying amount: Fair value through profit or loss	Carrying amount: **Balance sheet value**	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Fair value: **Total**
Financial liabilities measured at fair value							
Financial liabilities		**4,113**	**4,113**			**4,113**	**4,113**
	0	**4,113**	**4,113**				
Financial liabilities not measured at fair value							
Financial liabilities	**724,573**		**724,573**				
Liabilities from bank loans	331,787		331,787		345,487		345,487
Liabilities from leases	282,783		282,783				
Liabilities from Settlement obligation, non-current	30,492		30,492			30,492	30,492
Liabilities from Settlement obligation, current	35,170		35,170				
Other financial liabilities, non-current	30,061		30,061		30,061		30,061
Other financial liabilities, current	14,280		14,280				
Trade liabilities	**74,879**		**74,879**				
Liabilities to related parties	**522,594**		**522,594**				
Liabilities from leases	509,928		509,928				
Other Liabilities to related parties	12,666		12,666				
	1,322,046	**0**	**1,322,046**				

If there are no material differences between the carrying amounts and fair values of the financial instruments reported under non-current financial liabilities with details of fair value, they are recognised at their carrying amount. Otherwise, the fair value must be stated.

Changes in value were reported under financial income in the income statement on financial assets in the amount of € 249 thousand (previous year: € 1,132 thousand) that are held at fair value through profit and loss, see Note 16.

Valuation methods and key unobservable input factors for calculating fair value

The table below shows the valuation methods used for level 2 and level 3 fair value measurement and the key unobservable input factors utilised.

Financial instruments not measured at fair value

Type	Valuation method	Key unobservable input factors
Financial liabilities (liabilities from bank loans and other financial liabilities, non-current)	Discounted cash flows	Not applicable
Financial liabilities (liabilities from settlement obligations, non-current)	Discounted cash flows	Annual result (estimated)

There was no reclassification between the individual valuation levels in the reporting year.

48. Related party disclosures

IAS 24 defines related parties as companies and individuals which directly or indirectly control or exert significant influence over the Group or over which the Group has control, joint control or significant influence.

The shareholder HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH, Hamburg (HGV), and its shareholder, the Free and Hanseatic City of Hamburg (FHH), companies over which the shareholder or the Free and Hanseatic City of Hamburg has control or significant influence, the members of HHLA's Executive and Supervisory Boards, and the subsidiaries, associates and joint ventures in the Group are therefore defined as related parties. HGV is the parent company of HHLA, which publishes Consolidated Financial Statements. These are published in the electronic version of the German Federal Gazette under HRB 16106. Hamburger Hafen und Logistik Aktiengesellschaft (HHLA) is the parent company of the Group.

Transactions with not fully consolidated related parties

	Income		Expenses		Receivables		Liabilities	
in € thousand	**2020**	2019	**2020**	2019	**31.12.2020**	31.12.2019	**31.12.2020**	31.12.2019
Companies with control over the Group	1,286	104	780	1,070	82,262	95,464	0	0
Non-consolidated subsidiaries	0	0	353	352	0	79	51	111
Joint ventures	19,582	20,375	15,299	15,553	2,344	2,472	8,651	6,501
Associated companies	200	551	0	0	79	30	77	77
Other transactions with related parties	6,024	7,119	9,429	9,826	598	760	487,922	515,905
	27,092	**28,149**	**25,861**	**26,801**	**85,283**	**98,805**	**496,701**	**522,594**

The receivables from companies with a controlling interest mainly relate to receivables from cash clearing with HGV, see Note 29. HHLA's receivables accrued interest at a rate of 0.00 % p.a. (previous year: 0.00 % p.a.) in the reporting period.

The transactions with joint ventures pertain to transactions with companies accounted for using the equity method. This primarily affects the companies HHLA Frucht- und Kühl-Zentrum GmbH and Kombi-Transeuropa Terminal Hamburg GmbH.

Lease liabilities, primarily for the lease of land and quay walls from Hamburg Port Authority (HPA), are included in other transactions with related parties. For more details, see also Note 40 and Note 45.

Furthermore, HGV and the Free and Hanseatic City of Hamburg as parties related to HHLA have provided various comfort letters and guarantees to lender banks for loans granted to companies in the Group. The nominal amount of the associated liabilities from bank loans is € 103,000 thousand (previous year: € 103,000 thousand), of which approx. € 40,453 thousand was still outstanding on the balance sheet date (previous year: € 46,246 thousand) plus interest.

With effect from 18 October 2007, a partial loss compensation agreement was concluded between HHLA and HGV. HGV hereby undertakes to assume each annual deficit posted by the HHLA Real Estate subgroup as per commercial law during the term of the agreement. This applies insofar as the deficit is not compensated for by transferring amounts from retained earnings, other revenue reserves or the capital reserve which were carried forward as profit or transferred to these reserves during the term of the contract in accordance with Section 272 (2) (4) HGB.

Expenses and income from related parties are on standard market terms. The amounts outstanding at year-end are not secured and – with the exception of overnight funds in clearing – do not attract interest.

On 28 December 2020, HHLA concluded two agreements related to spaces leased by HHLA from HPA in the O'Swaldkai terminal. These consist of a three-party agreement ("Trilateral Agreement") with HPA and FHH and an amendment contract to an existing lease contract between HHLA and HPA ("Amendment Contract"). HHLA's Supervisory Board has given its consent to the Trilateral Agreement and the Amendment Contract.

The Trilateral Agreement and Amendment Contract regulate the following:

As a result of FHH's planned urban development of the Grasbrook district and with the aim of securing the location for HHLA for the long term, the areas that HHLA leases at the O'Swaldkai terminal will be reduced in size; in exchange, the lease agreement for the remaining areas will be extended ahead of time until 2049. During this process, there will also be a partially retroactive, future adjustment of the annual net basic lease fee. Taking into account the reduction in area, the present value of lease payments for the term of the amended lease agreement is € 99.1 million. HHLA will receive financial compensation, especially for the early return of sub-areas and to carry out necessary modification measures to ensure that its operations at the O'Swaldkai terminal can be maintained at the same level. The compensation is capped at a maximum of € 120 million, including value added tax. Under certain circumstances, this amount may be increased by up to € 10 million, including value added tax. The precise amount will be determined by an independent appraiser. The Trilateral Agreement and Amendment Contract are contingent upon conditions precedent being met.

No loans or comparable benefits were granted to the members of the Executive and Supervisory Boards in the reporting year or in the previous year.

The disclosures on the amount of equity and the earnings of the individual companies published in the list of shareholdings in the 2020 financial year will be included with the previous year's dates for foreign companies. This is due to a delay in the preparation process for the Consolidated Financial Statements.

List of HHLA's shareholdings by business sector as of 31 December 2020

Name and headquarters of the company	Share of capital held directly in %	Share of capital held indirectly in %	Equity in € thousand	Result for the financial year: Year	Result for the financial year in € thousand
Port Logistics subgroup					
Container segment					
HHLA Container Terminal Burchardkai GmbH, Hamburg[1, 2, 3b]	100.0		76,961	2020	0
Service Center Burchardkai GmbH, Hamburg[1, 2, 3c]		100.0	26	2020	0
HCCR Hamburger Container- und Chassis-Reparatur-Gesellschaft mbH, Hamburg[1, 2, 3b]	100.0		1,942	2020	0
HHLA Container Terminal Tollerort GmbH, Hamburg[1, 2, 3b]	100.0		34,741	2020	0
HHLA Rosshafen Terminal GmbH, Hamburg[1, 2, 3a]		100.0	26,208	2020	0
HHLA Container Terminal Altenwerder GmbH, Hamburg[1, 2, 3b]	74.9		80,433	2020	0
SCA Service Center Altenwerder GmbH, Hamburg[1, 2, 3c]		74.9	601	2020	0
Kombi-Transeuropa Terminal Hamburg GmbH, Hamburg[4]		37.5	320	2020	135
HVCC Hamburg Vessel Coordination Center GmbH, Hamburg[4]	66.0		100	2020	0
CuxPort GmbH, Cuxhaven[4]	25.1		14,421	2019	940
Cuxcargo Hafenbetrieb GmbH & Co. KG, Cuxhaven[5]	50.0		42	2020	4
Cuxcargo Hafenbetrieb Verwaltungs-GmbH, Cuxhaven[5]	50.0		13	2020	0
DHU Gesellschaft Datenverarbeitung Hamburger Umschlagsbetriebe mbH, Hamburg[4]	40.4		1,148	2020	371
HHLA International GmbH, Hamburg[1, 2, 3b]	100.0		8,360	2020	0
HHLA TK Estonia AS, Tallinn/Estland[1]		100.0	59,314	2019	3,085
SC Container Terminal Odessa, Odessa/Ukraine[1]		100.0	60,033	2019	13,408
Intermodal segment					
CTD Container-Transport-Dienst GmbH, Hamburg[1, 2, 3c]	100.0		1,256	2020	0
HHLA Project Logistics LLC, Poti/Georgien[1]		75.0	1,667	2019	423
LLC "HHLA Intermodal Ukraine", Odessa/Ukraine[1]		100.0	–	2019	–
LLC "Ukrainian Intermodal Company", Odessa/Ukraine[1]		100.0	–	2019	–
METRANS a.s., Prag/Tschechien[1]	100.0		286,442	2019	57,829
METRANS Adria D.O.O., Koper/Slowenien[1]		100.0	1,291	2019	471
METRANS (Danubia) a.s., Dunajská Streda/Slowakei[1]		100.0	108,729	2019	15,600
METRANS (Danubia) Kft., Győr/Ungarn[1]		100.0	2,001	2019	465
METRANS Danubia Krems GmbH, Krems an der Donau/Österreich[1]		100.0	552	2019	107
METRANS D.O.O., Rijeka/Kroatien[1, 5]		100.0	11	2019	3
METRANS DYKO Rail Repair Shop s.r.o., Prag/Tschechien[1]		100.0	6,670	2019	928
METRANS İSTANBUL STI, Istanbul/Türkei[1]		100.0	- 73	2019	- 5
METRANS Konténer Kft., Budapest/Ungarn[1]		100.0	10,254	2019	1,325
METRANS (Polonia) Sp.z o.o, Warschau/Polen[1]		100.0	8,850	2019	3,459
METRANS Rail s.r.o., Prag/Tschechien[1]		100.0	3,832	2019	3,331
METRANS Rail (Deutschland) GmbH, Leipzig[1]		100.0	9,111	2020	2,088
METRANS Umschlagsgesellschaft mbH, Hamburg[1]		100.0	22	2020	- 3
TIP Žilina, s.r.o., Dunajská Streda/Slowakei[1]		100.0	- 2,334	2019	- 2,325
UniverTrans Kft., Budapest/Ungarn[1]		100.0	2,369	2019	758
METRANS Railprofi Austria GmbH, Krems an der Donau/Österreich[1]		80.0	1,260	2019	1,190
IPN Inland Port Network Verwaltungsgesellschaft mbH, Hamburg[5]	50.0		43	2020	2
IPN Inland Port Network GmbH & Co. KG, Hamburg[5]	50.0		60	2020	- 3

Name and headquarters of the company	Share of capital held directly in %	Share of capital held indirectly in %	Equity in € thousand	Result for the financial year Year	Result for the financial year in € thousand
Logistics segment					
Bionic Production GmbH, Lüneburg[1]	50.1		3,167	2020	- 2,314
HPC Hamburg Port Consulting GmbH, Hamburg[1, 2, 3a]	100.0		1,023	2020	0
UNIKAI Lagerei- und Speditionsgesellschaft mbH, Hamburg, Hamburg[1]	51.0		9,993	2020	548
ARS-UNIKAI GmbH, Hamburg[4]		25.5	36	2020	- 14
HHLA Sky GmbH, Hamburg[1]	100.0		54	2020	- 2,282
Third Element Aviation GmbH, Bielefeld[4]		29.7	356	2020	- 11
modility GmbH, Hamburg[1]	100.0		1,428	2020	- 322
HHLA Frucht- und Kühl-Zentrum GmbH, Hamburg[4]	51.0		20,366	2020	38
Ulrich Stein Gesellschaft mit beschränkter Haftung, Hamburg[4]	51.0		914	2020	311
Hansaport Hafenbetriebsgesellschaft mit beschränkter Haftung, Hamburg[3b, 4]	49.0		n/a	2020	n/a
Hyperport Cargo Solutions GmbH i.G., Hamburg[4]	50.0		–	2020	–
Spherie UG (haftungsbeschränkt), Hamburg[4]	25.1		316	2019	- 375
Holding/other					
GHL Zweite Gesellschaft für Hafen- und Lagereiimmobilien-Verwaltung mbH, Hamburg[1, 2, 3c]	100.0		3,609	2020	0
HHLA-Personal-Service GmbH, Hamburg[1, 2, 3b]	100.0		45	2020	0
Real Estate subgroup					
Real Estate segment					
Fischmarkt Hamburg-Altona Gesellschaft mit beschränkter Haftung, Hamburg[1, 2, 3a]	100.0		4,518	2020	0
HHLA Immobilien Speicherstadt GmbH, Hamburg[1, 5]	100.0		37	2020	- 59
HHLA 1. Speicherstadt Immobilien GmbH & Co. KG, Hamburg[1, 3d]	100.0		14,305	2020	1,263
HHLA 2. Speicherstadt Immobilien GmbH & Co. KG, Hamburg[1, 3d]	100.0		69,185	2020	6,647

1 Controlled companies.

2 Profit and loss transfer agreements were held in these companies in 2020.

3a The non-disclosure option provided for in section 264 (3) of the German Commercial Code (HGB) was used for these companies.

3b The non-disclosure option and the option of non-inclusion in the Management Report provided for in section 264 (3) of the German Commercial Code (HGB) were used for these companies.

3c The non-disclosure option and the option of non-inclusion in the Management Report and the notes provided for in section 264 (3) of the German Commercial Code (HGB) were used for these companies.

3d The non-disclosure option provided for in section 264b of the German Commercial Code (HGB) was used for these companies.

4 Companies recognised using the equity method.

5 Due to the overall minor importance of these companies, they are not recognised in the consolidated financial statements or accounted for using the equity method, instead, they are reported as shares in affiliated companies or as other participations.

Remuneration for key management personnel

IAS 24 requires the remuneration of key management personnel to be disclosed. This relates to the active Executive Board and the Supervisory Board. Apart from the details provided below, there were no notifiable transactions with related parties or their close relatives in the 2020 financial year.

For further details of the remuneration paid to individual Executive and Supervisory Board members, please see the remuneration report, which forms part of the Combined Management Report.

Remuneration for active members of the Executive and Supervisory Boards

Remuneration for active members of the Executive and Supervisory Boards

	Executive Board		Supervisory Board	
in € thousand	**2020**	2019	**2020**	2019
Short-term remuneration	3,182	3,060	312	306
of which is non-perfomance-related	1,620	1,565	–	–
of which is perfomance-related	1,562	1,495	–	–
Benefits due after termination of the contract	1,537	3,050	–	–
	4,719	**6,110**	**312**	**306**

The performance-related portion of the Executive Board's remuneration had not been paid as of the balance sheet date.

In the 2020 financial year, the short-term benefits payable to the Supervisory Board totalled € 312 thousand (previous year: € 306 thousand). Fixed basic salaries accounted for € 197 thousand (previous year: € 192 thousand) of this, remuneration for committee work made up € 77 thousand (previous year: € 75 thousand) and € 38 thousand (previous year: € 39 thousand) consisted of meeting fees.

The past service cost resulting from pension provisions for active members of the Executive Board is reported as post-employment benefits. As of the reporting date, the associated obligation stood at € 11,471 thousand (previous year: € 9,831 thousand).

The Executive Board members' individual pension entitlements as per HGB are as follows:

Individual pension claims of members of the management board in accordance with German Commercial Code (HGB)

in € thousand	**31.12.2020**	31.12.2019
Angela Titzrath	3,260	2,451
Dr. Roland Lappin	4,017	3,756
	7,277	**6,207**

Former members of the Executive Board

Benefits totalling € 1,139 thousand (previous year: € 1,097 thousand) were paid to former members of the Executive Board and their surviving dependants. The defined benefit obligation for current pensions calculated in accordance with International Financial Reporting Standards amounts to € 30,329 thousand (previous year: € 28,784 thousand).

49. Board members and mandates

The members of the company boards and their mandates are listed in the Combined Management Report under corporate governance in the Corporate Governance Declaration.

50. German Corporate Governance Code

HHLA has based its corporate governance on the recommendations of the German Corporate Governance Code (the Code) as published on 16 December 2019. Information on corporate governance at HHLA and a detailed report on the amount and structure of the remuneration paid to the Supervisory Board and Executive Board can be found in the Combined Management Report and Note 48 of this report. The Executive Board and Supervisory Board discussed matters of corporate governance in 2020 and on 11 December 2020 issued the 2020 declaration of compliance in accordance with Section 161 AktG, which is permanently available to shareholders on the company's website at www.hhla.de.

51. Auditing fees

In both the reporting year and the previous year, fees for auditing the financial statements primarily consisted of fees for the audit of the Consolidated Financial Statements, the audits of the financial statements of Hamburger Hafen und Logistik Aktiengesellschaft (HHLA) and its domestic subsidiaries, and the review of the interim financial statements. The other certification services primarily encompass the review of the non-financial report pursuant to ISAE 3000 (revised), the review of the compliance management system as well as the review of key financial figures, in particular according to the Renewable Energy Sources Act (EEG) and the Combined Heat and Power Act (KWKG). The tax advisory services include training services on reporting obligations in connection with international tax structuring. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft was appointed as the auditor for the 2020 financial year, as in the previous year.

Auditing fees

in € thousand	**2020**	2019
Audit of financial statements	557	536
Other certification services	68	43
Tax advisory services	10	0
Other services	0	37
	635	**616**

52. Events after the balance sheet date

The acquisition by HHLA International GmbH of 50.01 % of shares in the multi-function terminal Piattaforma Logistica Trieste (PLT) in Trieste, Italy – as announced in September 2020 – was completed on 7 January 2021. The handling facility will operate as HHLA PLT Italy.

Furthermore, the acquisition by Hamburger Hafen und Logistik Aktiengesellschaft (HHLA) of 80.0 % of shares in iSAM AG, Mülheim an der Ruhr, was completed after the balance sheet date on 19 January 2021.

Both companies will be included in HHLA's group of consolidated companies as of 31 March 2021. For further information, please refer to Note 3.

There were no other events of special significance after the balance sheet date of 31 December 2020.

Hamburg, 15 March 2021

Hamburger Hafen und Logistik Aktiengesellschaft

The Executive Board

Angela Titzrath	Jens Hansen	Dr. Roland Lappin	Torben Seebold