in Executive Positions in the Public and Private Sectors and by the targets agreed by the Supervisory Board and, where applicable, the Executive Board. Corporate governance declaration

Age structure

The average age of staff in Germany in the reporting period was 45.2 (previous year: 45.1). Male employees had an average age of 45.8, while female employees were 42.4 years old on average. Over half of all employees are aged between 30 and 50. The average employee age at the foreign companies was 42.0.

Age structure of employees

in %	31.12.2021	thereof females	31.12.2020	thereof females
< 30 years	10.0	27.4	10.6	26.0
30 – 50 years	51.8	15.5	51.6	15.0
> 50 years	38.2	12.9	37.8	12.4
HHLA Germany	**100.0**	**15.7**	**100.0**	**15.2**

The average length of service with the company in Germany is approximately 15.5 years. By contrast, the figure outside Germany is 7.1 years.

Average employment period of employees

in years	31.12.2021	31.12.2020
< 30 years	4.5	4.8
30 – 50 years	12.1	11.8
> 50 years	23.0	23.4
HHLA Germany	**15.5**	**15.5**

The percentage of employees with a severe disability (including persons of an equivalent status) in Germany was 8.2 % at the end of the reporting period (previous year: 8.4 %).

Personnel development

HHLA invested a total of € 5.0 million in educating and training staff at its locations in Hamburg in 2021 (previous year: € 5.3 million).

As of 31 December 2021, 54 apprentices and 28 students were receiving training in Germany in ten different professions and seven dual study courses. 28.1 % of the 82 apprentices and students were female. The ratio of female students in 2021 was 39.3 % (previous year: 33.3 %). At the container terminal in Estonia, eight young apprentices (six industrial and two commercial) also completed internships as part of their vocational school education during the reporting period.

All 15 apprentices who successfully completed their training in the course of the year were given permanent contracts. A total of 21 new apprentices were taken on at the company's Hamburg facilities in 2021, of whom 33.3 % were women. At the start of the 2021 academic year, women accounted for 25.0 % of commercial apprentices, 33.3 % of industrial apprentices and in dual training 57.1 %.

In total, 642 events lasting one or more days were held in the reporting period, some of which were held digitally as a result of the coronavirus pandemic. Of the training and education measures offered, 490 were carried out as internal vocational courses conducted by HHLA's own trainers over 2,322 training days. In addition, 152 events lasting one or more days with over 1,654 participant days were organised as part of the company's cross-segment seminar programme. Of the participants, 38.6 % were women.

Detailed workforce-related information on strategic HR management, staff development, occupational safety and health promotion, as well as contracts, remuneration and additional benefits can be found in the Sustainability/society/working world section of the Annual Report.

Economic environment

Macroeconomic development

Following a dynamic start to 2021, the global economic recovery lost ever more momentum as the year progressed. In many parts of the world, economic growth was held back by resurgent infection rates. To make matters worse, each new wave of infections was increasingly out of step with the measures currently in place and their economic impact. Countries with high vaccination uptake, for example, were prepared to tolerate higher incidence rates and refrained from taking sweeping containment measures that would have severely curtailed economic activity. According to estimates of the International Monetary Fund (IMF) in January 2022, total growth in **global economic output** for 2021 as a whole will amount to 5.9 %.

Development of gross domestic product (GDP)

in %	2021	2020
World	5.9	- 3.1
Advanced economies	5.0	- 4.5
USA	5.6	- 3.4
Emerging economies	6.5	- 2.0
China	8.1	2.3
Russia	4.5	- 2.7
Eurozone	5.2	- 6.4
Central and Eastern Europe (emerging european economies)	6.5	- 1.8
Germany	2.7	- 4.6
World trade	9.3	- 8.2

Source: International Monetary Fund (IMF); January 2022

In addition to new virus variants, rising inflation in the second half of the year in particular had an adverse impact on the economy. Fossil fuel prices almost doubled in the reporting period, causing energy costs to soar in Europe in particular. In addition, capacity problems in the logistics system and supply bottlenecks impeded the upturn in industrial production in 2021, while the strong demand for goods – especially in the US – led to increasing price pressure. Nevertheless, the IMF forecasts significant catch-up effects in **trade volume** following the pandemic-related slump and anticipates growth of 9.3 % for 2021.

The total economic performance of the **advanced economies**, macroeconomic output rose by 5.0 % in 2021. The US economy recovered quickly from the slump at the start of the pandemic and recorded robust growth of 5.6 %. This upturn in the world's largest economy was accompanied by a strong rise in inflation. A broad-based upswing in Europe was also hampered by supply bottlenecks and new infection waves. The IMF expects that gross domestic product (GDP) in the eurozone grew by 5.2 % in 2021.

In the **emerging economies**, the prospect of a strong economic recovery was equally dampened by the Delta variant. According to the IMF's estimates, economic growth in the reporting period reached 6.5 %.

In **China**, new coronavirus outbreaks coupled with interruptions to industrial production due to power outages, falling real estate investment and a faster than expected pullback in government spending in the second half of the year contributed to an economic slowdown. Nevertheless, the world's second-largest economy grew by 8.1 % in 2021.

The **Russian economy** also had to contend with adverse conditions following the recovery in the first half of 2021. Any further upturn was stalled by output restrictions caused by new coronavirus waves. High commodity prices, however, have helped stimulate the economy. Experts forecast a 4.5 % increase in Russia's GDP for 2021. By contrast, the IMF's latest estimates from October 2021 indicate slower economic growth of 3.5 % for **Ukraine**, with not just the pandemic but in particular the simmering conflict with Russia adversely affecting the economy. The economy of **Estonia**, however, is expected to have grown by a robust 8.5 % in 2021.

The countries of the **European Union** also experienced an economic upturn with growth of 5.2 %. In **Central and Eastern Europe**, GDP growth was even stronger at 6.5 %.

The recovery of the **German economy** was weak by international comparison, with growth slower than originally expected at 2.7 %. According to estimates of the German Federal Statistical Office, GDP even fell in the fourth quarter.

Sector development

In 2021, global container throughput more than recovered from its pandemic-related slump. According to the latest Drewry estimates, however, full-year growth of 6.5 % was not as strong as expected in mid-2021, when global throughput growth of 8.2 % was considered feasible. In addition to new virus variants and rising inflation, experts cite the ongoing disruptions to supply chains and bottlenecks at ports around the world as the main reasons for slower than anticipated growth.

Development of container throughput by region

in %	**2021**	2020
World	6.5	- 0.9
Asia as a whole	5.4	- 0.3
China	5.2	0.8
Europe as a whole	4.6	- 3.2
North-West Europe	6.4	- 3.9
Scandinavia and the Baltic region	2.8	- 3.4
Western Mediterranean	4.6	- 4.1
Eastern Mediterranean and the Black Sea	2.2	- 0.8

Source: Drewry Maritime Research; December 2021

The noticeable upturn in throughput activity was observed in all shipping regions, albeit to different extents. The **Asia** shipping region, which has the highest volume of throughput globally, reported growth of 5.4 %. China's ports recorded slightly weaker growth of 5.2 % due to delays, congested harbours and new COVID-19 outbreaks.

In **Europe**, the total volume of containers handled at ports rose by 4.6 %, with growth driven by the container ports of North-West Europe in particular, where throughput was up 6.4 %. As a result of bottlenecks at the leading ports, Wilhelmshaven, Zeebrugge and Dunkirk served as valuable alternatives and benefited from the strong demand for handling capacity.

Container throughput in the leading ports of Northern Europe

in million TEU	**2021**	2020	Change
Rotterdam	15.3	14.4	6.6 %
Antwerp	12.0	12.0	- 0.1 %
Hamburg	8.7	8.5	2.2 %
Bremen ports	5.0	4.8	5.2 %

Source: Port Authorities

The trend among the major **container ports of the North Range**, as well as the largest ports of the Baltic Sea, was mixed. In the Port of Hamburg, throughput volume in the reporting period was slightly above the previous year at 8.7 million TEU (previous year: 8.5 million TEU). Europe's largest container port, Rotterdam, handled 15.3 million TEU in 2021, 6.6 % more containers than in the previous year. In Antwerp, container throughput stagnated at 12 million TEU due to the pandemic.The ports of Bremen, on the other hand, recovered and handled 5.2 % more containers than in 2020.

Traffic in Germany by modes of transport

in %	2021	2020
Transport volumes	**2.1**	**- 3.5**
Road traffic	1.7	- 2.7
Railway traffic	6.3	- 8.2
Multi-modal traffic	6.4	- 4.5
Traffic performance	**4.6**	**- 3.7**
Road traffic	4.5	- 2.2
Railway traffic	7.1	- 7.3
Multi-modal traffic	5.8	- 4.0

Source: Floating medium-term forecast for freight and passenger transport on behalf of the Federal Ministry of Transport and Digital Infrastructure, November 2021

The most recent estimates from November 2021 – when the effects of the fourth coronavirus wave could not yet be fully foreseen – indicate a noticeable catch-up effect in **all modes of freight traffic in Germany** for 2021 as a result of the macroeconomic upturn. Transport volumes are expected to be up by 2.1 % year-on-year, while traffic performance – transport volume multiplied by the distance travelled – is likely to rise by as much as 4.6 %. The renewed increase is reflected across all modes of transport. Road transport volumes are likely to have been 1.7 % higher than in the previous year. The growth in traffic performance is expected to be even stronger with a year-on-year increase of 4.5 %. Rail transport volumes are likely to achieve robust growth of 6.3 %. Traffic performance will probably rise by an even more significant 7.1 %. Robust growth is also expected for intermodal transport. Volumes are forecast to be 6.4 % up and performance 5.8 % up on the previous year.

Course of business and economic situation

Key figures

in € million	2021	2020	Change
Revenue	1,465.4	1,299.8	12.7 %
EBITDA	406.7	289.4	40.5 %
EBITDA margin in %	27.8	22.3	5.5 pp
EBIT	228.2	123.6	84.7 %
EBIT margin in %	15.6	9.5	6.1 pp
Profit after tax and minority interests	112.3	42.6	163.9 %
At-equity earnings	4.4	3.6	20.8 %
ROCE in %	10.6	5.9	4.7 pp

Overall view of the course of business

Despite the ongoing coronavirus pandemic, the HHLA Group made good progress in 2021. There were no other particular events or transactions during the reporting period, either in HHLA's operating environment or within the Group, that had a significant impact on its results of operations, net assets and financial position.

The guidance for 2021 given in the 2020 Annual Report was already raised for container transport and revenue of the Port Logistics subgroup and Group on publication of the half-year results. In October, the expectation for the financial year 2021 was adapted for almost all key figures. The revenue development for the Port Logistics subgroup and the Group was concretised to a range of € 1,410 million and € 1,450 million respectively (previously: significant increase in each case). Group EBIT was raised to around € 205 million (previously: € 153 to 178 million) and EBIT for the Port Logistics subgroup to around € 190 million (previously: € 140 to 165 million). Capital expenditure was also adjusted from the previous range of € 250 to 280 million in the Group to around € 200 million as a result of delays to planned investments in assets.

While container throughput at the end of the year was only slightly up on the previous year (expected: moderate increase), all other key figures confirmed or exceeded the most recent forecast.