management. This was implemented for the top product groups. The concept will be rolled out to other product goods in the coming years. Supplier management is a further key topic. Plans include the replacement of the tool currently used for supplier management in 2022. The aim is to use a standardised and integrated system as part of the revised catalogue tool.

The department also continues to focus on centralising and mapping Group standards. The objective over the coming years is to integrate foreign associates more closely.

Sustainable performance indicators

Direct and indirect energy consumption by HHLA and its companies was as follows in the year under review:

Direct and indirect energy consumption and supply

	2017	2018	2019	2020	2021
Diesel, petrol and heating oil in million liter	27.4	28.4	28.0	24.1	24.1
Natural gas in million m^3	3.6	4.4	8.0	9.1	7.5
Electricity[1] in million kWh	135.6	135.9	123.2	117.0	133.7
thereof from renewable energies in million kWh	82.8	78.9	78.7	86.2	97.4
Traction current in million kWh	157.5	181.4	185.0	191.9	208.7
thereof from renewable energies in million kWh				6.6	115.7
District heating in million kWh	3.6	3.7	3.6	3.1	4.0
District heating supply[2] in kWh	–	10.9	33.3	32.8	25.5

Consumption of natural gas, traction current and district heating in 2021 is based on preliminary and estimated figures.

1 Electricity without traction current

2 Generated by a highly efficient combinded heat and power generation plant (CHP) based on preliminary figures

For more information about sustainability, please refer to the Sustainability section of the Annual Report.

Non-financial report

HHLA reports on the Group and HHLA AG in the form of a combined separate non-financial report. The non-financial report serves to fulfil the statutory requirements arising for HHLA in connection with the Act to Strengthen Companies' Non-Financial Disclosure in their Management Reports and Group Management Reports (known as the CSR Directive Implementation Act for short). It also fulfils the regulatory requirements resulting from the EU Taxonomy Regulation, which came into force in mid-2020. As a standardised and legally binding classification system, it establishes which economic activities are regarded in the European Union as "environmentally sustainable".

The entire content of the non-financial report is integrated into the Sustainability section of this Annual Report. The non-financial report is also available as a separate PDF from the download centre for the online Annual Report. report.hhla.de/non-financial-report

Employees

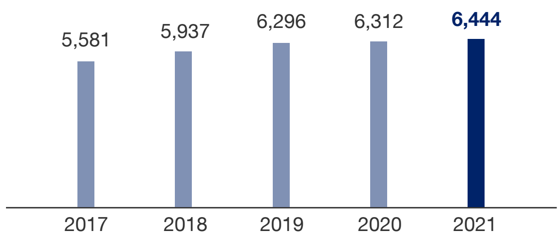
Development of headcount

The HR strategy of HHLA comprises five action fields: "Employer of Choice", "Develop Further", "Work Together", "Resource Management" and "Co-Determination". Strategic planning is geared towards the future development of the various departments and aims to help HHLA react more swiftly in future to qualitative and quantitative manpower requirements. The main focus areas of the "Employer of Choice" action field, for example, are the optimisation of recruitment and the further development of the HHLA employer brand.

The aim is to provide the majority of services using in-house staff. Employees of Gesamthafenbetriebs-Gesellschaft (GHB) are used by the container handling firms in Hamburg to cover peaks in operating manpower requirements. The recruitment processes used by the individual companies of HHLA AG are monitored by the HHLA manpower planning team. Proposals to create additional jobs are examined for their consideration of economic planning and operational necessity as well as other options for filling positions internally or taking alternative action. This ensures that recruitment does not exceed the strategic HR needs planning for individual companies approved by the Executive Board and that it can be synchronised with headcount trends at the other firms with the possibility of synergy effects.

Employees at the HHLA Group

as of 31.12



HHLA had a total of 6,444 employees at the end of 2021. This figure rose by 132, or 2.1 %, compared to the previous year. In addition, HHLA used an annual average of 624 employees of GHB (previous year: 549).

Employees by segment

In the Container segment, the number of employees rose to 3,149 as of 31 December 2021. Total headcount was up by 17 year-on-year in the reporting period (previous year: 3,132). This represents an increase of 0.5 %. Due to the expansion of services and the increase in vertical integration, headcount in the Intermodal segment rose by a further 31 employees in total to 2,310 (previous year: 2,279). Employee numbers in the Logistics segment also increased to 253 in the reporting period (previous year: 186). This represents an increase of 36.0 % and is partly due to the development of further business fields and the associated inclusion of additional companies in the consolidated group. The number of employees at the strategic management holding company increased by 2.7 % to 645 (previous year: 628). In the Real Estate segment, headcount amounted to 87 as of 31 December 2021 (previous year: 87). This figure includes employees from the management holding company who are assigned to the Real Estate segment.

Employees

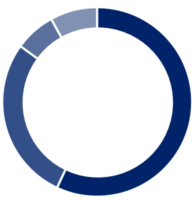
by segments	2021	2020	Change
Container	3,149	3,132	0.5 %
Intermodal	2,310	2,279	1.4 %
Holding/Others	645	628	2.7 %
Logistics	253	186	36.0 %
Real Estate	87	87	0.0 %
HHLA Group	**6,444**	**6,312**	**2.1 %**

Employees by region

In geographical terms, the workforce was concentrated mainly in Germany, with 3,674 employees (previous year: 3,632), the majority of whom worked in Hamburg. This corresponds to a share of 57.0 % (previous year: 57.5 %) and is due to the development of further business fields abroad and a simultaneous slight rise in the number of staff employed abroad of 3.4 % to 2,770 (previous year: 2,680). In Central Europe, headcount increased slightly year-on-year to 1,774 (previous year: 1,752), while the number of employees in Estonia decreased to 212 (previous year: 224). In Ukraine, the number of employees rose by 0.9 % to 473 (previous year: 469).

Employees by region

Number of employees as of 31.12.2021: 6,444



1 Czech Republic, Slovakia, Hungary, Slovenia

Recruitment

Of the 147 new employees who had not previously worked for HHLA in Germany, for example via GHB, 43.5 % were under 30 years of age.

Recruitments 2021

	Total	thereof females	thereof females
< 30 years	64	23	35.9 %
30 – 50 years	66	18	27.3 %
> 50 years	17	6	35.3 %
HHLA Germany	**147**	**47**	**32.0 %**

Since 2013, HHLA has been employing a self-developed **selection process** (assessment centre) in Germany that considers not only the applicant's personal and professional suitability but also diversity aspects. These processes have been used for all blue-collar roles since the end of 2013 and at the holding company and all container terminals in Hamburg since 2014. Members of the company's staff selection panels receive special training. In addition, the selection panel must include at least one woman for all selection processes in which the pool of applicants includes women.

351 employees were hired by HHLA's foreign subsidiaries during the reporting period. 77.8 % of new hires were in the Intermodal segment. Of these 351 new hires, the proportion of women was just under 26.8 %, while the proportion of under-30s was 52.4 %.

At 4.4 %, the **fluctuation rate** (excluding internal transfers within the Group) in Germany decreased slightly year-on-year (previous year: 4.8 %). Of the 160 people who left the company, 41.9 % were retirees (previous year: 42.2 %). The fluctuation rate at our foreign subsidiaries was 11.7 % in the reporting period (previous year: 11.1 %). By comparison, the proportion of people leaving the company as retirees was very low at 0.3 % (previous year: 2.7 %).

Personnel structure

The majority of jobs at HHLA are in a segment of the labour market in which men are traditionally employed and women are under-represented. The ratio of women employed by HHLA in Germany (incl. apprentices) amounted to 15.7 % (previous year: 15.2 %). During the reporting period, the proportion of women working at the foreign subsidiaries was 21.5 % on average (previous year: 22.2 %).

Gender distribution on the Executive Board and in the two management levels below the Executive Board is governed by the German Act on the Equal Participation of Men and Women 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