

For the better. Together.

Hellmann sustainability report 2022



Content

1 Foreword of the Management Board	3
2 Hellmann and sustainability.....	4
2.1 Corporate culture: Hellmann Promise	4
2.2 Hellmann in figures.....	6
2.3 Sustainability approach and key topics.....	8
3 Environment	10
3.1 Energy	10
3.2 Emissions	11
4 Social	14
4.1 Employment relationship and anti-discrimination	14
4.2 Diversity and equal opportunities	16
4.3 Occupational safety and health protection.....	18
5 Governance.....	19
5.1 Products and innovation	19
5.2 Sustainable investments	21
5.3 Compliance	21
5.4 Supplier evaluations and human rights.....	23

1 Foreword of the Management Board

Anyone who thought that the "normality" of the pre-COVID years would return in 2022 was quite wrong. As a result, the reporting year was also characterized by turbulent conditions. The development of the COVID pandemic and Russia's war against Ukraine had a significant impact on the logistics industry worldwide: While the first half of the year continued to be characterized by capacity bottlenecks, particularly in the air- and seafreight sectors, demand for transport services declined significantly from the third quarter onwards due to subdued consumer spending worldwide. This in turn led to overcapacity in almost all product areas during the second half of the year and correspondingly falling rates on the global trade lanes. Despite this unsteady and challenging environment, the Hellmann Group managed to conclude the reporting year extremely successfully. As a result, total revenue increased to EUR 5.04 billion, accompanied by an increase in shipping volumes.

In times like these, which are characterized by operational challenges and constant change, it is more important than ever to define clear strategic goals and thus also create the conditions for future growth. The issue of sustainability is a decisive success criterion with regard to the company's strategic orientation. While Hellmann has always aspired to act sustainably, we have now taken the next logical step and elevated the issue of sustainability to the next level as a central component of our corporate strategy. Our goal is to further expand our corporate performance with regard to the three dimensions of environment, social responsibility and governance in the coming years and to take on a pioneering role. Thus, the topic of sustainability is not only central to our corporate strategy, but is also reflected in many places in our corporate culture, the "Hellmann Promise." With this approach, which sees sustainability as an integral part of all our activities, we as a logistics service provider not only want to secure our company's long-term profitability, but also join forces so we can contribute to overcoming the social and ecological challenges all of us face worldwide.

We would like to take this opportunity to thank all our employees and partners for their extraordinary commitment and the passion with which they make Hellmann what it is – a successful global family business with sustainable ambitions for the future. At the same time, we would also like to thank our customers for their loyalty and excellent cooperation.

Reiner Heiken
Chief Executive Officer

Martin Eberle
Chief Financial Officer

Jens Wollesen
Chief Operating Officer

2 Hellmann and sustainability

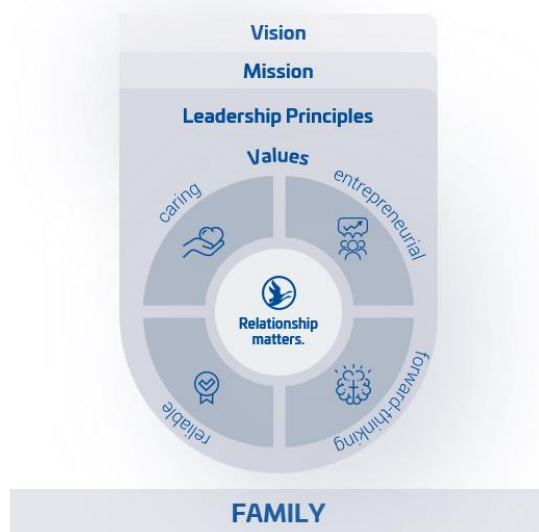
2.1 Corporate culture: Hellmann Promise

Hellmann is a global family-owned company with over 150 years of tradition. We are proud of that. And that is why we have always been committed to what family means: integrity, understanding, trust and, most importantly, good cooperation. This is the basis of our F.A.M.I.L.Y DNA, which has shaped the Group's positive development for decades.

The world in which we all operate is changing rapidly – from political and social challenges to climate change and fundamentally new market conditions. This constant change places new demands not only on Hellmann as a company but also on each of our employees. That is why we have significantly developed our corporate culture with the "Hellmann Promise" and consequently adapted the way we work together to the challenges of the future. The Hellmann Promise defines a vision – [For the better. Together.](#) It is the North Star for all of us and describes the overarching goal we pursue in everything we do. Our mission and values define how we intend to achieve this goal. Interpersonal relationships among colleagues and with external stakeholders remain a central element. After all, the decisive constant, in times characterized by constant change, are our approximately 14,000 employees as well as our customers and partners. This awareness is reflected in the overriding corporate value "Relationship matters".

The Hellmann Promise takes the corporate culture that has already been established over decades to a new level. In this way, Hellmann creates the prerequisite for securing the company's positive development over the long term, ensuring that the company also offers a wide range of opportunities for future generations.

Hellmann Promise



Hellmann Promise

For more than 150 years our Hellmann spirit has made the difference: All these years we have relied on our exceptional people in the global Hellmann Family and their unmatched passion and energy to serve our customers.

The world is becoming even more complex, presenting major social, environmental and economic challenges that need to be addressed. It is our outstanding Hellmann culture that enables us to collectively shape a sustainable future in logistics.

The Hellmann Promise includes our strong vision, mission, values and leadership principles. It manifests our unique Hellmann culture as the foundation for all our actions and decisions. We hereby all pledge to live up to the Hellmann Promise.

Our Vision

For the better. Together.

In our vision, we yearn and strive for a better world: A world where humankind takes care of the environment, quality of life is improved and social equity is reality.

We can only realize this world together!
Fostered by sustainable economic development and driven
by creative minds and innovation.

As the global Hellmann Family it is our greatest responsibility
to create this future jointly – in worldwide logistics.

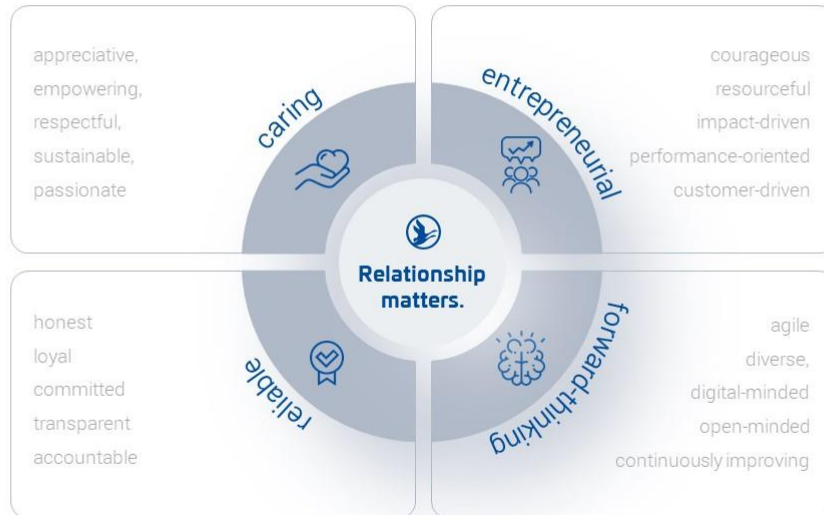
Our Mission

We care passionately for people and economies everywhere.

Delivering reliable integrated logistics solutions powered by
technology, expertise and entrepreneurial spirit.

Connecting the world every day.
Sustainably.

Our Values



2.2 Hellmann in figures





Hellmann Worldwide Logistics was founded in Osnabrück in 1871. Today, Hellmann is an established global full service provider and is represented with 241 of its own locations in 54 countries group-wide. [Hellmann offers](#) intermodal transport solutions worldwide through its land transport, air and seafreight as well as contract logistics product areas. The company's geographical activities are divided into five regions: Americas (AMCS), Asia-Pacific (APAC), India/Middle East/Africa (IMEA), Western Europe (WEUR) and Eastern Europe (EEUR). To meet the specific logistics requirements of individual industries, Hellmann also offers high-quality, specialized Industry Solutions for the following sectors: Automotive & Agricultural, Consumer Goods, Fashion, Healthcare, Industrial, Marine & Cruise, Renewables, Perishables and Technology.

As a family business with over 150 years of tradition, Hellmann has always focused on the relationship between people who interact with each other, which is also centrally anchored in the corporate culture: "Relationship matters" This is just as much about the relationships between the 13,949 employees worldwide as it is about the relationships with customers, suppliers and other partners. Cooperation based on trust and reliability, both internally and externally, is what makes the difference in logistics as a "people business" and positions a company strongly for the future, in addition to continuous further development of processes, innovations and sustainable management. Sustainability, with its three dimensions of the environment, social responsibility and governance, has always been of central importance to Hellmann, both in its operating business and in terms of its strategic corporate positioning, and is firmly anchored in its corporate culture..


Despite the ongoing COVID pandemic in large parts of the world and the war in Ukraine, the financial year 2022 was very successful for Hellmann. Both total revenue of EUR 5 billion (2021: EUR 4.1 billion) and shipment volumes of just under 20 million (2021: 18.1 million)* were increased in the reporting year 2022 compared to 2021.

*Explanation: In the reporting year 2022, the method of counting shipments was adjusted. Therefore, the number for 2021 has changed to 18.1 million compared to the last sustainability report.



	REVENUE SHARE INTERNATIONAL/GERMANY IN % INTERNATIONAL 69.0 GERMANY 31.0		REVENUE SHARE OF THE DIVISIONS IN % AIRFREIGHT 26.9 SEAFREIGHT 42.9 ROAD/RAIL 23.4 CONTRACT LOGISTICS 5.1 OTHERS 1.7
	REVENUE SHARE OF THE REGIONS IN % APAC 17.1 AMCS 26.4 IMEA 7.6 WEUR 43.8 EEUR 5.1		REVENUES OF THE DIVISIONS IN EUR M AIRFREIGHT 1,355 SEAFREIGHT 2,161 ROAD/RAIL 1,179 OTHERS 343

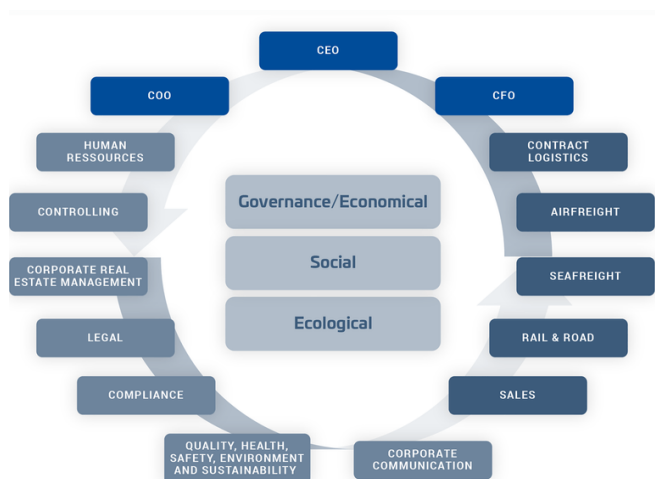
In addition to the increase in sales and shipments, the number of employees also grew significantly in the reporting period to 13,949 (2021: 12,348), largely due to the acquisition of companies, for example in Peru. The largest increase was in the Americas region, where the number of employees increased to 3,615 (2021: 2,758).

	EMPLOYEES	2021	2022	Δ 2022 VS. 2021
	APAC	1,624	1,613	-0.7%
	AMCS	2,758	3,615	31.1%
	IMEA	1,796	2,000	11.4%
	WEUR	5,587	6,215	11.2%
	EEUR	583	507	-13.4%
	TOTAL	12,348	13,949	13.0%

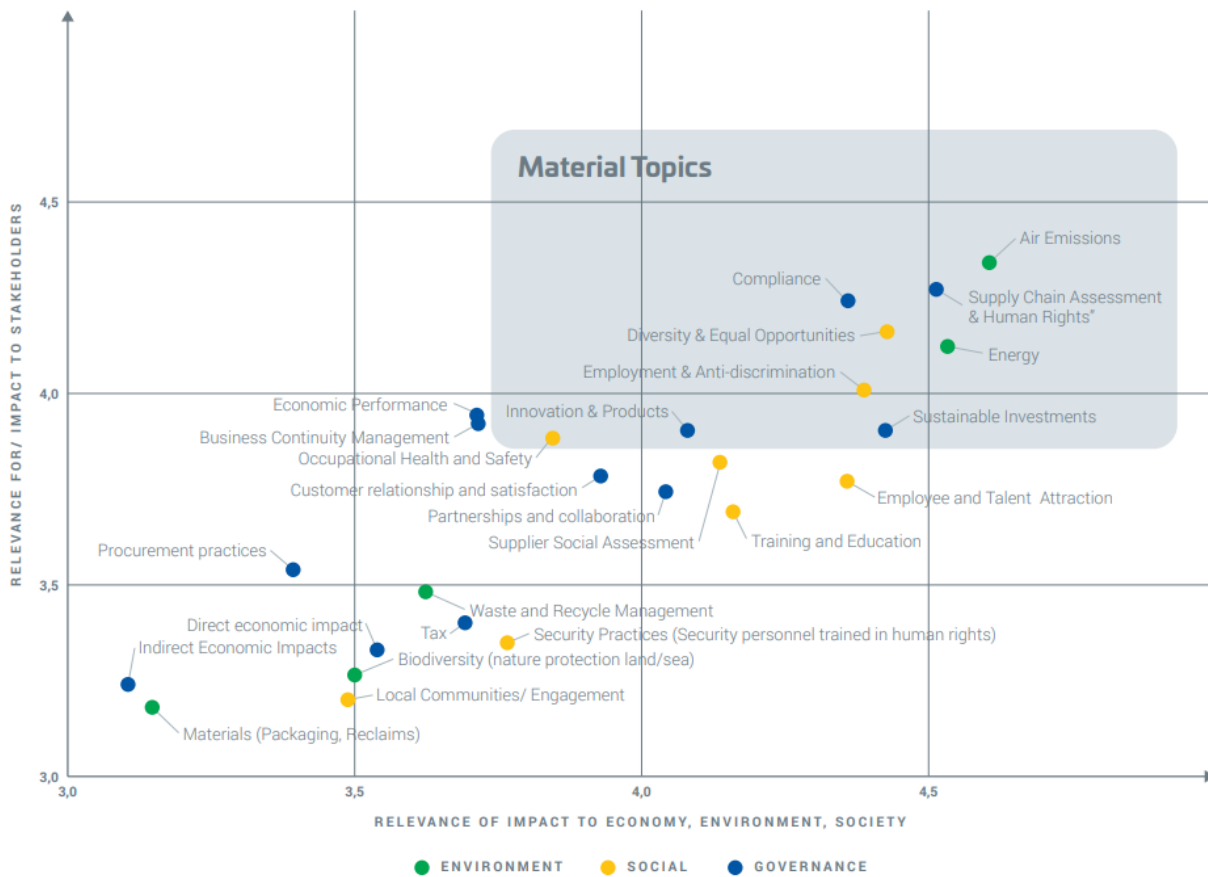
2.3 Sustainability approach and key topics

The topic of sustainability has always been of particular importance to Hellmann and is firmly anchored in our corporate culture. Particularly in the past decade, the general conditions have changed significantly: Climate change, a shortage of skilled workers, changes in legislation, and new market and customer requirements are presenting the industry with new challenges. Now it is time to take the next step and raise the issue of sustainability to a new level as a central component of corporate strategy: Sustainability therefore plays a central role in the overarching corporate strategy worldwide. The aim is to significantly improve the company's performance in the three dimensions of the environment, social responsibility and governance and thus to play a pioneering role in the global market. Accordingly, a global sustainability strategy will be developed in the course of 2023 as one of four strategic pillars, as part of which far-reaching measures for the further development of corporate standards will be integrated into daily processes. Accordingly, this sustainability report also represents a further development compared to previous reports, in that it is based, for example, on the Global Reporting Initiative Standards as well as the key points of the European sustainability reporting Standards (ESRS) known at the time of editing. In the future, Hellmann will focus its sustainability reporting on the ESRS reporting standard.

In this context, a global "Sustainability Council" was established at the end of 2021 under the responsibility of the entire Management Board. In addition to the three members of the Management Board, the interdisciplinary Sustainability Council consists of a cross-functional team with colleagues from Sales, Product Management, Compliance, Legal, Real Estate, Human Resources, Communications, Controlling, Finance, and Quality, Health, Safety, Environment & Sustainability (QHSE).



With the aim of developing a holistic sustainability strategy for Hellmann, a materiality analysis was carried out in the reporting year 2022 with the help of a stakeholder survey. As part of this, employees, the entire management team, representatives of the shareholder families, and selected external business partners were asked which sustainability issues are most relevant to Hellmann from their perspective. The survey was conducted on the basis of relevance criteria. The survey asked how relevant the impact on the stakeholders themselves is and how relevant the impact of the respective topic is on the areas of the environment, social responsibility and governance. As a result, nine topics were identified as essential, which are also reflected in the structure of the sustainability report. The overall result of the survey is shown in the graphic below:



The results of the materiality analysis were evaluated and further elaborated in the reporting year with the involvement of various bodies such as the Supervisory Board, the Management Board and various other working groups. In this way, they ultimately also served as the basis for the further development of the company's strategic alignment, in which the topic of sustainability plays a central role. At the same time, the results of the analysis are also the basis for the sustainability strategy and consequently also for this report. Strategically, the topic of sustainability at Hellmann is viewed integratively and comprehensively in what is referred to as the sustainability house. The overriding goal is to develop targets for all key issues and to create transparency across all topics. Improvement projects continue to be defined and implemented in the three areas of the environment, social responsibility and governance. The annual monitoring of target achievement enables Hellmann to continuously take corrective measures and/or initiate further improvement projects.



FOR THE BETTER. TOGETHER.

3 Environment

3.1 Energy

Energy consumption has a direct impact on Hellmann's costs and, at the same time, with the implementation of the European Energy Efficiency Directive in Europe, the legislative authority has given the topic of energy a central role. As a result, energy consumption by companies is also increasingly in the public eye. Against this backdrop and due to Hellmann's established understanding that the responsible use of resources is essential, the topic of energy has been identified as a key issue.

Since 2017, Hellmann has established a certified energy management system in compliance with ISO 50001 according to the national implementation of the aforementioned EU directive (ESOS in the UK and EDL-G in Germany) at all major locations in Germany and the UK. In the course of this, regular energy assessments of these sites are carried out and improvement measures are evaluated in line with the standard.

Since the end of 2021, energy consumption at Hellmann has been recorded globally for selected sides. The responsibility for this lies centrally with the department of QHSE. The consumption data is compiled by the respective managers in the countries, aggregated per region and then transferred to a central reporting system. This is used to determine the company's total emissions. Monthly reporting also supports the planning and evaluation of improvement and reduction measures. The energy consumption for Hellmann, which was recorded globally for the first time, totaled 100,960 megawatt hours for the

financial year 2022. The main region here was Europe, with 67,902 megawatt hours. Further details can be found in the table below:

Region	Megawatt hours 2022
APAC	10,403
AMCS	8,474
IMEA	14,181
WEUR	67,163
EEUR*	739
Total	100,960

* Due to the effects of the war in Ukraine, data from Eastern Europe were only available to a limited extent at the time of collection.

In the reporting year, among other measures, old heating systems in the buildings were successively replaced by energy-efficient technologies such as geothermal systems. As a result, the company is continuously reducing its consumption of heating oil. In addition, further measures to reduce consumption (e.g. by adjusting the heating curve and lowering the flow temperature) were implemented during 2022 to also reduce consumption of natural gas, which led to a significant reduction in heating-related emissions. For further energy reduction, the company relies on economical LED lighting in its warehouses as well as the use of high-frequency lithium-ion batteries for industrial trucks.

Ultimately, the employees of a company the size of Hellmann, with almost 14,000 employees worldwide, also have a significant influence on energy consumption. Employees worldwide are made aware of their responsibility through regular training, continuing education and various awareness-raising measures. In the reporting year, training courses were also held in Germany for QHSE and energy officers in relation to the integrated management systems (including ISO 50001). In this context, an existing e-learning program was revised, which will be rolled out from 2023 and continuously assigned to the responsible employees. Control processes are currently taking place for the ISO 50001-certified locations mentioned above as part of internal and external audits.

The declared goal is to optimize energy consumption continuously on the basis of the data collection and the evaluations described above. Measurable key figures for reporting the improvements will be targeted in 2023, as soon as the prior-year figures are fully available for comparison.

Daniel Huelemeyer, Global Head of QHSE & Sustainability: “The topic of sustainability is of central importance for our company’s further strategic development. That is why we are now building on our solid foundation and will develop globally uniform standards across the board so we can define a worldwide climate target for the Hellmann organization. Because there is no doubt that we will continue to focus on sustainability in the future and want to move forward as a pioneer.”

3.2 Emissions

The reduction of emissions is another essential aspect and a central strategic goal with regard to the company’s future ecological orientation in order to make an adequate contribution to combating climate change. In this context, the central factors result from the reduction potentials in the area of energy, since there is a direct connection between energy consumption and the resulting emissions.

A basic distinction is made between company-specific and product or service-specific emissions at Hellmann. The Management Board is responsible for what is known as the company carbon footprint (CCF), i.e. the emissions that the

company can influence directly. The CCF will also be integrated into corporate reporting in the future. The product carbon footprint (PCF) describes the ecological footprint of a service or product in its entirety, i.e. in the case of logistics along the entire supply chain. This value is of particular importance for customers and external stakeholders, as they require the information for their own sustainability reporting. As a result, the PCF is an important criterion for the selection and evaluation of logistics service providers and also a key element in the assessment by sustainability audits. In addition, the measurement and reduction of all emissions will also be an important part of the annually required end-of-year reporting.

Therefore, emissions transparency and balancing play an important role. These are subject to the recognized guidelines and standards according to the European standard EN 16258 and GLEC (Global Logistic Emission Council). At the same time, the company is preparing for the implementation of ISO 14083, which will redefine standards of emissions accounting* in logistics. The responsibility for this lies with the department of QHSE.

*The company bases its accounting of company-specific emissions on the three scopes of the Greenhouse Gas Protocol. Hellmann is preparing an emissions report for the reporting year 2022 for direct emissions (Scope 1) and indirect emissions from its own electricity consumption (Scope 2). The company is planning a comprehensive analysis and preparation of an emissions report for indirect emissions (Scope 3) for 2023.

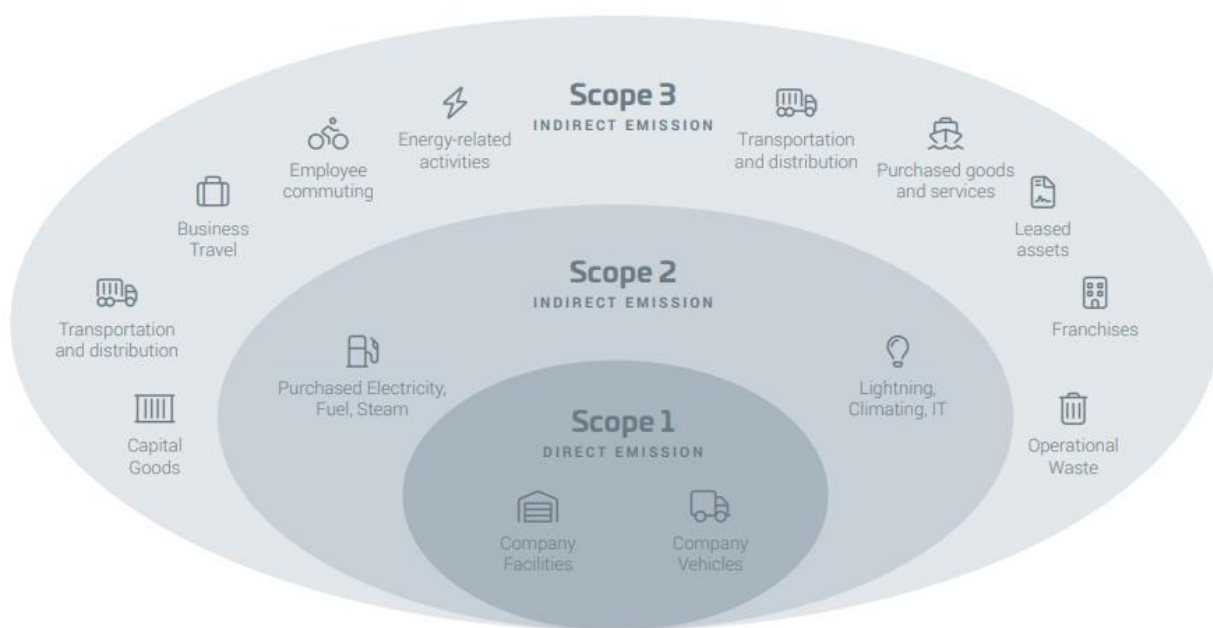


Illustration of emissions calculation according to the Greenhouse Gas Protocol

The emissions survey for Scope 1 showed 19,196 metric tons of CO₂ equivalents in the reporting year and a total of 5,258 metric tons of CO₂ equivalents for Scope 2. Emissions at Hellmann has been recorded globally for selected sites since 2021. Further details can be found in the table below.

Region	Scope 1	Scope 2	Total emissions
APAC	437	1,273	1,710
AMCS	290	1,845	2,135
IMEA	1,108	1,405	2,513
WEUR	17,177	706	18,882
EEUR*	184	29	213
Total	19,196	5,258	24,453

Figures in CO₂-equivalent metric tons

*Due to the effects of the war in Ukraine, data from Eastern Europe were only available to a limited extent at the time of collection.

In addition to the transparent calculation of the emissions caused, the reduction of these emissions is a central topic for Hellmann in its strategic corporate orientation. Avoiding emissions is the top priority here: Increased capacity utilization and more efficient use of transport capacities can bundle shipments and thus avoid additional or superfluous transports. Overall, however, the expansion of rail transport remains the most effective measure for reducing CO₂. According to current calculations, Hellmann saves around 89 tons of CO₂ per day (calculated on a flat-rate basis) by shifting domestic German transport to rail alone. Thanks to the switch to green electricity initiated since the end of 2022 in all German rail transport realized by Hellmann, these savings will be significantly greater in the future. Furthermore, unavoidable emissions are being reduced, for example, by using alternative fuels. In 2021 and 2022 new approaches were also taken in airfreight: As part of a project-based cooperation, the company purchased Sustainable Aviation Fuel for airfreight. The resulting CO₂ savings were also passed on to customers.

In addition, emission-free electricity was purchased at all German sites in the reporting year, meaning that 100 % CO₂-neutral electricity was consumed as an energy source. In total, around 6,000 metric tons less CO₂ were emitted compared to 2020. The aim is to transfer this approach to other countries in the future. Another example is the modernization of the truck fleet. In 2022, approximately 20 % of Hellmann's truck fleet already consisted of gas-powered trucks. Due to the extreme shortage of liquefied gas resulting from the war against Ukraine, this had to be temporarily taken out of service in the reporting year (from August to October 2022). In addition, the use of electrically powered test trucks was further advanced in 2022 and will be tested with further trials in the course of 2023.

At Hellmann, the balancing of shipment-related emissions is partially automated and is carried out with the help of the EcoTransIT software solution. In addition to the standard values obtained from EcoTransIT, the company also uses the SmartAir! internet platform, co-developed by Hellmann, to calculate emissions even more accurately. The strategic goal for 2023 is to further optimize the complete and automated calculation. In addition, in the reporting year, the total emissions for the LCL sea transport sector from the second half of the year amounting to 3,845 tons of CO₂ were fully offset via offset projects in cooperation with MyClimate. Based on the emissions data, the company is currently developing alternatives to existing products in order to further reduce emissions.

In summary, Hellmann has two main goals for reporting of emissions: For the CCF, the complete presentation of a holistic corporate emissions report across all three scopes is the goal by 2024 in order to derive science-based targets (SBTI). For the calculation of the PCF, the focus is on greater automation of the calculation as well as on integration into the Hellmann system landscape and the transport management systems.

Monika Schalldach, Specialist Quality Health Safety Environment & Sustainability: "Hellmann has stood for sustainability for generations. In addition to the social dimension, the ecological dimension plays a central role in our industry. With regard to the strategic avoidance and reduction of emissions, the compilation of a complete carbon footprint is essential: For this purpose, it is fundamental to be able to quantify the corporate ecological footprint as precisely as possible, in the best case on the basis of primary data."

4 Social

4.1 Employment relationship and anti-discrimination

As a family-owned company with a long tradition, where the focus is on joint action, the guiding principle: "For the better. Together." is our top priority worldwide. Behind this is the awareness that every single employee is important, because it is the employees who make Hellmann what it is: a globally successful family business. Thus, the **employment relationship**, i.e. the relationship between the employees and Hellmann as an employer, is more than a legal contract between two parties for the company. For this reason, the employee relationship has been identified as a key issue, along with the avoidance of discrimination. In this context, caring for each other is central, which is also reflected in our vision, mission and corporate values. The Hellmann Promise, for example, places a special focus on the topic of caring for one another and thus manifests the **Hellmann Code of Conduct**, which has applied globally since 2018 and states:

"Social responsibility: Our commitment to social responsibility encompasses not only our employees but also our partners and manifests itself in two ways. The first aspect is reflected in our active efforts to improve the standard of living of all our employees through education, understanding and respect. The second aspect is demonstrated by the fact that, in order to achieve this goal, we maintain an enriching and fair workplace and have established numerous programs, including in-house training, flexible working hours for parents [as well as employees who act as caregivers, etc.] and sponsorship of charity events, so that our employees can enjoy the satisfaction of fulfilling their potential at Hellmann."

In line with this conviction, the company's stated goal is to support and develop each of its 13,949 employees worldwide with regionally different strategies, projects and approaches. Thus, the responsibility for creating the framework conditions necessary for a good employee relationship and the prevention of discrimination lies with the HR department. Managers in particular are responsible for implementing an appropriate working environment.

Hellmann also offers its employees around the world a comprehensive range of services on topics such as health care, retirement benefits, and work-life balance. At the same time, it is also important to stand up for each other in difficult times. In the reporting year, for example, a global inflation compensation premium was paid to cushion the increase in the cost of living.

In addition, the non-profit association *Hellmann helps* e.V. ([Hellmann helps | Hellmann Worldwide Logistics](#)) was founded. This association has set itself the goal of promoting the areas of youth and elderly welfare, education and upbringing, environmental protection and nature conservation, as well as providing assistance for those persecuted in society on political, racial or religious grounds. A further concern of the association is to help colleagues and their families worldwide quickly and directly – particularly those in need. The association is financed by donations and membership fees, and all funds flow directly into aid projects. In the reporting year, donations amounting to almost EUR 150,000 have already been collected since the association was founded in April 2022. A large part of this has already been used to support colleagues and their families affected by the war in Ukraine, for example to purchase medical supplies and power generators and deliver them to Ukraine. The association was also able to finance the life-saving operation of the child of a colleague from Sri Lanka.

In addition to these global measures, there are also numerous regional support measures and offers. In Germany, "special care leave" was expanded from four to eight special leave days per year for employees who have relatives in need of care or

emergency childcare. Another local example that has received positive feedback is in South Africa: Here, expert lectures are offered every month on selected key topics, such as skin cancer, autism, HIV, etc., with a donation always being made to a non-profit organization. In addition to providing information, the aim is also to generate further support for affected families.

Hellmann South Africa was also very involved in the government's Broad-Based Black Economic Empowerment program to improve the economic participation of groups discriminated against during the apartheid regime: In 2022, a non-profit company called "Hellmann Educational NPC" (non-profit company) was established to support colleagues who are "people of color." The educational program is designed to provide targeted support for Hellmann employees and their families. The financial aid, which is explicitly earmarked for participation in educational opportunities, is therefore intended to promote economic advancement and make a contribution to society (e.g. through student loans, promotion of safety at schools, and development programs for people with disabilities).

The global fluctuation rate in 2021 was 26.2 % and increased to 38.5 % in the reporting year. This increase is mainly due to a new legal requirement for the registration of temporary workers in Mexico.

In the future, the company intends to focus its employee welfare activities on the strategic development of the "work-life balance" issue and the physical and mental well-being of its employees. In this context, there is also a plan to develop an "employee wellbeing model."

Frauke Bleich, Specialist HR Organization Development: "Hellmann is a traditional global company. For us, a culture of recognition and appreciation of diversity is a prerequisite for our employees to be able to actively contribute their different perspectives, experiences and skills. This is the basis for meeting the diverse needs of our customers and business partners. We are convinced of this and it determines our actions. At the same time, we want this corporate culture to help us offer our colleagues a good working atmosphere in the long term and thus keep staff turnover as low as possible in the future."

Furthermore, the topic of anti-discrimination has also been defined as essential for Hellmann. For a global company with an international workforce, success is based on thousands of people whose uniqueness and individuality are important. Hellmann's aspiration is for its colleagues to see themselves as part of a community and to be able to contribute to the company with their entire personality. Mutual respect and appreciation of diversity in all respects are essential for this. At the same time, Hellmann takes a clear stance against discrimination and, on the basis of its corporate culture, creates a shared working environment that is free of prejudice and provides equal opportunities for everyone.

In the **Hellmann-Code of Conduct** the topic is classified and defined as follows:

"7. Fair and equal employment.

Hellmann is committed to ensuring and promoting equal opportunities for all employees and applicants. Hellmann does not discriminate and will not tolerate discrimination (or any other form of unfair treatment) in employment opportunities or practices on the basis of race, ancestry, color, religion, sex, sexual orientation, marital status, national origin, age, disability, citizenship, veteran status, military service, or any other characteristic (all of which are considered "prohibited factors"), as this would violate human rights.

Hellmann's policies and personnel practices are designed to ensure that all Hellmann employees are treated equally, that recruitment, hiring, and promotion are conducted without regard to the prohibited factors, that employment decisions are made to promote the principle of equal employment opportunity, and that all personnel actions involving a condition or privilege of employment are conducted without regard to the prohibited factors, which are either protected by law or could be considered a violation of human rights."

Also with regard to the Hellmann Promise, it is central for the company that this Code of Conduct is globally binding for all employees. To ensure this, it is explicitly trained as part of onboarding, for example, and measures have been drawn up to take effect if behavior deviates from the code. The aim is to ensure an open and reliable working environment in which questions, doubts and concerns can be raised without fear of retaliation. In this context, there is a globally available whistleblower hotline that can be used to report violations of policies, values and laws – anonymously if necessary. This is also explicitly referred to during the onboarding process, as is our commitment to respecting human rights.

Beyond the global requirements on anti-discrimination, however, there are also regional differences, resulting, among other factors, from different legal requirements: For example, there is more mandatory training on the topic in the United States than in other countries. In South Africa, there is an Employment Equity Committee that works to integrate people with disabilities into the workplace. As part of this initiative, 20 African women with disabilities started training at Hellmann in South Africa in the reporting year.

In general, it can be summarized that a successful anti-discrimination policy has already been established in the company, so that diversity and inclusion are lived day-to-day in the workplace at Hellmann. The next step is to continue and further develop the topics of "anti-discrimination" and "diversity and equal opportunities" as a common theme under the umbrella topic of "Diversity, Equity and Inclusion" – also with regard to the company's strategic orientation and its corporate culture.

4.2 Diversity and equal opportunities

As an international company with employees from 143 nations and 39.5 % women, Hellmann is characterized by a very diverse workforce with a variety of different skills and characteristics. However, the company cannot and does not want to rest on its laurels: With the focus on the further essential topic of diversity and equal opportunity, the framework conditions are therefore to be strengthened so that diversity is given even more priority and value. The aim is for all employees to feel included so that they can contribute their own experiences and backgrounds in a constructive way.

Fundamentally, "Diversity & Inclusion" (D&I) culture" at Hellmann is based on the Learning approach motto: "Where are blind spots, where can a more inclusive approach be taken?" Diversity refers to the diversity of employees, and inclusion refers to the possibility of perceiving, incorporating and valuing this diversity. The overall goal is to establish a culture in which the desire and will to learn and develop is greater than the fear of failure. In order to bring together different perspectives and goals into the company, the topic of diversity was discussed in the various functional areas and countries as part of the strategic corporate alignment and then defined as a strategic goal by the Management Board. To anchor this regionally, it is essential that regional "Employee Resource Groups" discuss definitions and measures locally and implement them accordingly.

At the strategic level, Hellmann has decided to focus initially on two areas in the active implementation of its D&I culture. On the one hand, Hellmann has set itself the goal of promoting gender diversity. Specifically, the aim is to significantly increase the proportion of women/non-male individuals in management positions, as this is still considered low in some regions and areas. The overriding goal is to increase the proportion of women in top management (levels 1-3*) at Hellmann to 30 % overall (across all 3 levels combined) by 2027.

Gender distribution at the top 3 management levels at Hellmann (as of Dec. 31, 2022.)

Management level	Number of female managers	Number of male managers	Total	% proportion of female managers
1	0	3	3	0 %
2	1	12	13	8 %
3	24	117	142	17 %
Total	26	132	158	16 %

*Management level 1: Managing Board, 2: International Executive Board, 3: Direct reporting line to the level 1 & 2 with leadership responsibility

To achieve more diversity at management levels, the framework conditions are crucial. For this reason, the company also pursues the clearly defined goal of analyzing pay equality between men and women and correcting it where necessary. This is an essential element of equal opportunity between the sexes. Likewise, even more flexible and different working models, such as job-sharing offers, exchange programs, workation, workflex, etc., are to be established in order to meet individual needs. This also includes the global standardization of mobile working models wherever possible. This not only leads to a better work-life balance, but also helps reduce CO₂ emissions at the same time by reducing commuting to the office, etc. As an additional central step, the plan is to deepen the knowledge of all managers and employees on the subject of diversity through special training, e.g. on the subject of "reflecting on unconscious prejudices" and through the creation of a global female talent network.

Secondly, the **diversity of cultures** – particularly at senior management levels – is to be promoted, i.e. the proportion of managers with different cultural backgrounds will be increased. The goal is to increase or maintain the proportion of diverse nationalities in top management (levels 1-2)* at Hellmann to 30 % per level by 2027.

*Management level 1: Managing Board, 2: International Executive Board

Distribution of nationalities at the top 2 management levels at Hellmann (as of Dec. 31, 2022)

Management level	German	Other nationalities	% other nationalities
1	2	1	33 %
2	12	1	8 %
Total	14	2	13 %

To achieve this goal, it is important to sensitize employees to the opportunities associated with diversity. To this end, various intercultural training courses are to be developed and established, and an exchange program for employees is to be introduced. A lighthouse project in this area is the Global Finance Talent Program, which was launched in 2022: The aim here is to be able to fill the increasing demand for colleagues in the finance area from within the company's own ranks. To this end, the company has defined an international two-year development program that supports young talent through targeted training and the creation of a community within the group of participants. Twelve employees from nine different countries are currently taking part in the program.

All these measures are to be implemented in 2023. In some regions and product areas, the targets have already been achieved. For more transparency and to measure progress in the area, a management dashboard has been created that shows the number, age and gender of Hellmann employees in the respective regions and functions on a daily basis.

Friederike Prasuhn, Chief People Officer: "For us as a global company, the guiding principle 'Diversity is a given, inclusion is a choice' applies. That's why it's so important that our managers identify with the topic of diversity and inclusion, so they can talk about it openly on the one hand and simultaneously act as role models. In addition to the numerical targets, the most important thing is that all employees feel comfortable in the company. This can best be achieved if the diversity of employees is also reflected at all management levels. Our aim is to ensure that equal opportunities are lived and experienced by everyone – for everyone."

4.3 Occupational safety and health protection

We have always taken responsibility for protecting the health and promoting the health resources of our employees worldwide. Occupational health and safety is a key issue at Hellmann simply because the company employs people, particularly in the commercial sector, but also in the commercial area, who are exposed to occupational health and safety risks due to their work, e.g. through the use of floor conveyor technology, the physical handling of goods and the physical work involved in loading and unloading.

Minimizing these risks and creating and providing an adequate working environment is a key concern for the company and is therefore also firmly established in the integrated management system, which is validated by ISO 45001 certification. An example of the minimization of work-related risks is the procurement of state-of-the-art material handling equipment in order to integrate new and innovative safety systems into operational processes. The company's health management system also offers numerous training courses for industrial employees on proper lifting and carrying or the use of exoskeletons to minimize the stress caused by physical work. In implementing ISO 45001, the focus of certification is on the corporate headquarters in Osnabrueck (Germany), as this is where the management and development of Hellmann's entire occupational health and safety system takes place. In addition, further individual certifications have been implemented in individual countries. For example, the Johannesburg site in South Africa was separately certified to ISO 45001 in the reporting year.

In the reporting year 2022, a total of 354 occupational accidents were documented. The highest number of accidents occurred in the Americas and Europe. This can be explained by the comparatively high number of employees in these two regions.

Region	Number of accident 2022
APAC	75
AMCS	114
IMEA	23
WEUR	144
EEUR*	1
Total	354

*Due to the effects of the war in Ukraine, data from Eastern Europe were only available to a limited extent

The basic aim of occupational safety is to prevent accidents from the outset. Therefore, potential danger spots are minimized and workplaces are designed as safely as possible. Thus, in addition to minimizing accidents, one of the company's goals is also to reduce downtime. Within the framework of the legal requirements, corresponding regular training courses and basic instructions are carried out. Occupational health and safety are thus central aspects of internal auditing and are checked at least once a year as part of this process. Occupational health and safety continue to be integrated into the management system and are supervised and controlled by the company's QHSE officers. In particular, this involves the assessment and classification of risks, which are generally carried out on a decentralized basis in order to incorporate local aspects and conditions into the assessment. The focus is on meeting all legal requirements, which can vary greatly from region to region and locally due to the company's global positioning. For this reason, Hellmann defined the creation of an internal minimum standard back in 2014 and codified it in its QHSE policy. This policy is available to all employees on the intranet and on various notice boards. In many areas, however, the minimum standards have already been significantly exceeded in order to offer employees a high level of protection and to ensure safety.

Hellmann's commitment to employee health also goes far beyond the legal requirements: In the company's largest national organization, in Germany, where it has more than 4,800 workers, it has employed a health manager since 2014, who has established a systematic occupation health management system. Additionally, there are a variety of global approaches to sustainably promote the health of colleagues.

The focus is equally on mental and physical health, and in addition to preventive sports and relaxation programs, counseling and coaching are also offered for employees and their families. Health checks and mental training are also globally established instruments for preventively promoting employee health and shaping a generally applicable health policy within the company.

Hellmann also benefited from its health management in 2022, a year still heavily influenced by the COVID pandemic. For example, health rates in Germany were kept stable at 95.1 % in the commercial area and actually increased slightly year-on-year to 90.2 % in the industrial area.

Occupational health and safety will continue to play an important role at Hellmann in the future, as they are vital for the company. The aim is therefore to continuously improve the system and raise standards wherever possible.

Adam Pietzka, Health Manager, Germany: "Hellmann has very high standards for occupational health and safety, because we know that our colleagues are our most valuable resource. It is therefore important to us that employees feel good at work, because satisfied, motivated employees also lead to better work results due to less absenteeism and a positive working atmosphere. In addition to physical health, physical and social well-being also play a central role in health protection. That's why we take a holistic approach to the issue and offer a wide range of different measures and initiatives around the world – from seminars on employee and health-oriented leadership, to offers for mental recovery and resilience, and participatory exercise initiatives, as well as social and nutritional counseling, ergonomic training, and even vaccination offers."

5 Governance

5.1 Products and innovation

Hellmann stands for innovation and entrepreneurship. True to its vision: "For the better. Together.", one of the company's key objectives is to continuously develop its products and industry solutions and to move forward courageously with a forward-looking error-management culture in order to think about and test new topics as a pioneer. This means that innovative products, processes and services are of vital importance for Hellmann and therefore also an essential topic for the organization's further development. Whether organically or in collaboration with external partners, Hellmann is always on the

lookout for new ideas and approaches to improve its position a little bit every day – and in particular with a focus on the topics of digitalization and sustainability.

As such, Hellmann's innovation strategy is based on two elements. In principle, it is about the ability to develop successfully in the existing core business model ("Core"/"Exploitation") through improvement and increased efficiency, and at the same time to open up something new ("Exploration") through experimentation and flexible action. In 2023, the plan is to work out exactly how this can be achieved most effectively in the area of innovation. Close collaboration with partners and customers is a key element of this. The aim is to use co-creation in partnership to ensure that the company always initiates and establishes innovations with regard to the needs of its partners and customers.

In addition, innovations are also a "must" for a logistics service provider in terms of reducing the ecological footprint: To sustainably reduce the energy consumption of the existing range of services and the associated emissions, it is therefore an important concern for Hellmann to continuously review and adapt its products for potential emission reduction or prevention – whether via alternative drive models or with regard to the digitalization of processes. In the reporting year 2022, for example, Hellmann began to further develop its standard products, which were previously based primarily on fossil fuels, and launched the new "Cleaner Logistics" product. This refers to CO₂-reduced products. For example, the use of Sustainable Aviation Fuel (SAF) has already been realized in the air freight sector. In addition, a cooperation agreement was concluded with AirFrance/KLM to further develop the purchase of SAF. In the LCL seafreight segment, CO₂-neutral transport of goods is already being implemented through compensation measures (MyClimate). In addition, in the fourth quarter of the reporting year, all German rail shipments were switched to green electricity and are now also CO₂ neutral. The aim for 2023 is both to further automate customer CO₂ reporting and to further expand the range of environmentally friendly products.

In addition, partnership collaborations, referred to as co-creations, were successfully realized in the reporting year. They are briefly presented here as examples:

Co-creation with a partner: Dronamics

Hellmann plans to use drones to transport goods as part of a cooperation project with Dronamics, the leading developer and operator of middle-mile cargo drones. The drones have a range of up to 2,500 km, a transport volume of 3.5 m³ with a payload weight of 350 kg. These transport options are expected to increase flexibility as well as speed and reduce transport costs and emissions. Hellmann will launch the first test flights as a practice partner in 2023.

Co-creation with a customer: SmartAir!/SmartOcean

With SmartAir! Hellmann provides a real-time monitoring system that defines transparency beyond classic milestone tracking by enabling customers to query information on the performance of airlines, their documents or the emissions emitted per shipment stage. Through the detailed knowledge of which aircraft actually transported the goods and the identification of so-called "road feeder services," SmartAir! delivers significantly more accurate WTW (well-to-wheel) emissions than the usual market calculation with standard values. With the "Hellmann ECO-Score," which was developed in house, the system provides a better understanding of the emissions emitted and establishes comparability between individual shipments, regardless of the transport route and weight of the goods. The summarized emissions data of the customers can be analyzed in a compressed CO₂ performance report and a CO₂ trade lane report.

Hellmann plans to launch the same functions in its sister system "Smart Ocean" in 2023. In addition, the functions for calculating CO₂ emissions are to be expanded in SmartAir! by integrating primary data from the airlines and differentiating **the fuel used, thus ensuring an even more accurate emissions calculation.**

Tobias Heuser, Head of Digital Products: "Hellmann has stood for sustainability and innovation for more than 150 years. This was and is our basis for growing globally across all product areas: It is not enough to move with the times, we must always be one step ahead in order to think about and, if possible, map the logistics of tomorrow right now. To do this, we need to think creatively – in exchange with partners, with our diverse in-house experts, and directly with our customers. Because only together can we create sustainable solutions that will satisfy our customers over the long term."

5.2 Sustainable investments

As part of the materiality analysis at Hellmann, the topic of "sustainable investments," which is already firmly established in the corporate culture, was identified as another key area for action. As also defined in the overarching corporate vision, the focus here is on long-term, sustainable corporate development. At the same time, the aim is to protect people, society and the environment in all areas in which the company operates. This must be taken into account in all investment decisions. One example of this is Hellmann Germany's switch to green electricity. Furthermore, as part of the EU taxonomy*, from 2025 there will be a legal obligation to record data demonstrating sustainable investments and to publish it in the following year. The issue of taxonomy is of central strategic importance for Hellmann. Accordingly, the company will engage intensively with this topic in 2023, identify necessary adjustments and begin implementation. The first data, which will be compiled as part of an automated data collection process, will be collected in 2024.

In the context of sustainable investments, in addition to ongoing investments in sustainable and energy-saving buildings, various projects from 2022 are worth highlighting. On the one hand, for the first time in the second half of 2022, all LCL transports in the main leg in seafreight were offset, so that these were offered to customers in a completely CO₂-neutral manner. In addition, Hellmann participates in sustainable start-ups via the venture capital fund "Rethink Ventures" and plans to enter into strategic partnerships in this area. In addition, the planning of photovoltaic systems at the Bremen site was completed, with installation scheduled for 2023. The charging infrastructure for e-vehicles in Germany was also successfully expanded. Looking to the future, activities in the area of sustainable investments are to be significantly expanded, particularly also in cooperation with customers.

*EU Taxonomy: The European Commission defines the EU Taxonomy as a system that establishes a classification for environmentally sustainable economic activities. It will play an important role in helping the EU expand sustainable investment and implement the European Green Deal. The EU Taxonomy will provide businesses, investors and policy makers with appropriate definitions of which economic activities can be considered environmentally sustainable. In this way, it will not only provide certainty for investors and protect private investors from greenwashing, but also help companies operate in a more climate-friendly way, mitigate market fragmentation, and help direct investment to where it is most needed.

5.3 Compliance

Fighting corruption and preventing anti-competitive behavior

For Hellmann, the principle of fair business conduct and competition with integrity is paramount. This approach is an integral part of Hellmann's self-conception and thus an unshakeable claim the company makes on itself. Compliance has therefore been defined as a key issue.

Hellmann pursues a zero-tolerance strategy in the area of anti-corruption by complying with relevant national and international anti-corruption laws and ensuring this through defined measures that correspond to the risk profile of an internationally active logistics company. Furthermore, the company pursues a consistent fair business strategy towards market competitors, customers and other business partners.

Hellmann therefore operates a comprehensive [compliance management system \(CMS\)](#) based on the "three-pillar model" ("prevent, detect, respond"). Responsibility for this issue lies with the compliance officer appointed by the Management Board. The compliance officer is responsible for managing both a centralized and a decentralized team. A compliance officer has been appointed in each Hellmann region. These teams implement defined measures (e.g. policies, training, etc.), which are continuously monitored in terms of their effectiveness by means of reviews and analyses to identify any need for improvement or supplementation.

Extensive processes have been implemented as part of the CMS, such as:

- Internal control system,
- Anti-bribery and anti-corruption policies,
- Guidelines on gifts and hospitality
- Supplier Code of Conduct,
- Fair competition policy,
- Whistleblower policy and
- Limits of authority policy.

Any indications of possible compliance violations are consistently investigated according to professional standards and – in the event of confirmation – the identified misconduct is effectively stopped and punished. At the same time, appropriate measures are taken to prevent recurrences or similar violations.

In the reporting year 2022, a total of 7,154 training sessions were held and a "Digital Gift & Hospitality Tool" was introduced for the standardized assessment of gifts (receipt and granting). In addition, awareness trainings were conducted. The table shows the total number of trainings. While these have decreased in comparison to 2021, they can still be considered very good in relation to the total number of employees. In the future, the training units will continue to be adapted to the target group, as this approach has proven successful in the past.

KPI	2021	2022	Explanation
Compliance trainings	8,220	7,154	Mixed learning variants (attendance and electronic learning units)

In addition to the standardized CMS reporting system for the management levels, a monthly reporting system has also been established. In the future, compliance indicators will also be included in the general sustainability reporting system for management on a monthly basis. The declared aim for 2023 is also to maintain the high compliance standards and continuously develop them in line with requirements.

In the reporting year 2022, there were no legal proceedings or convictions relating to anti-competitive behavior, monopoly or cartel formation.

Dominik Waszczynski, Head of Global Compliance: "Hellmann is a global player with almost 14,000 employees who work for our company worldwide – interacting with customers, partners, suppliers and many other stakeholders. Every interaction offers various opportunities for the sustainable further development of our organization. At the same time, however, these

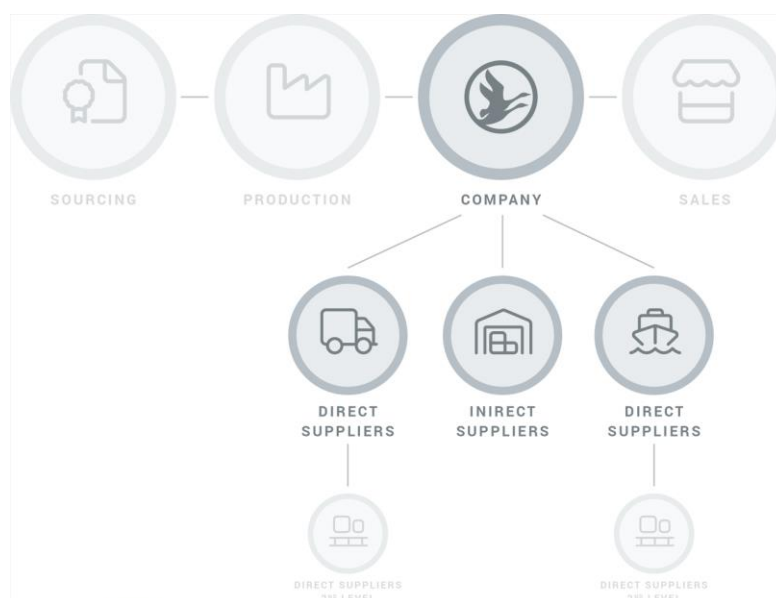
interactions also harbor risks. That's why it's important to think about our vibrant compliance culture in everything we do and to act accordingly. The fact that Hellmann also considered the topic of compliance to be particularly relevant in the materiality analysis reflects the high value that our company and its people place on it. We want to maintain this and to continue to actively strengthen it."

5.4 Supplier evaluations and human rights

Actively shaping the integration of sustainability efforts starts within the company itself and extends throughout the supply chain. This is because companies also have an impact on the environment and society along the supply chain. At the beginning of 2023, the Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz – LkSG*) came into force, which provides for defined structures and, in the future, a detailed report on human rights and environmental issues. In this way, human rights are to be sustainably protected in global supply chains, while simultaneously preventing negative impacts on people and the environment caused by economic activity.

Hellmann buys additional transport capacity in all product areas and purchases related services from carriers and other logistics companies. Against this backdrop the company had already introduced a third-party due diligence policy in 2019. In it, Hellmann commits to conducting business with a high level of ethics, integrity and compliance with all applicable laws. As part of this commitment, it is essential to be aware of the third-party companies with which a business relationship is entered into so that only reputable and trustworthy third-party companies that share these values are engaged. The policy provides the guidelines for the careful evaluation of all third-party companies and sets out the requirements for the selection and management of third-party companies. Furthermore, suppliers are also evaluated on environmental criteria on a regular basis and in accordance with the requirements of ISO 9001. In addition, the Management Board adopted a [policy statement on human rights](#) in December of the reporting year and expanded the existing [compliance whistleblower hotline](#). Supervision of the topic was assigned to the management of the finance department. In the reporting year 2022, a total of six complaints regarding human rights violations were received via the hotline. These were processed and resolved accordingly by the Compliance Officer and the HR department.

Illustration of the supply chain



The overall process resulting from the policy statement will be fully implemented for the first time in 2023 and, in addition to a risk analysis, also provides for the implementation of preventive and remedial measures. As part of this, targets will also be defined and integrated into the regular management reporting. In addition, one of the company's goals is to enable and motivate its suppliers in the future to continuously increase their climate protection activities in order to prevent or minimize any resulting human rights violations. The overall process will be rounded off by regular effectiveness monitoring in the future and annual reporting starting in fiscal 2023.

Regulatory process on human rights



The business relationship with suppliers begins with the initiation of business and the placing of orders. Sustainability criteria have already played an important role in the past, both in the company's own employee code of conduct and in the code of conduct for suppliers. For 2023, Hellmann has planned to integrate further sustainability criteria into its purchasing policy, so that even more emphasis will be placed on the ambition of harmonizing environmental, social and governance issues. In addition, there will be an examination of which options for sustainability assessment can be implemented by all major suppliers and can be looked at in more detail if necessary.

Sven Jansen, Human Rights Officer: "Sustainability and, in this context, fair and resilient supply chains have always been important to us at Hellmann and are part of our corporate principles. With the entry into force of the Supply Chain Act in Germany and the accompanying legal anchoring, the protection of human rights in global supply chains will be improved. As a company that has always valued the individuality of each person, one of our key concerns is to ensure that our global supply chains also respect and protect human rights."



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