



Sustainability Report 2023

DELIVERING.

BLG  LOGISTICS

Being successful requires two things: clear goals and a burning desire to achieve them.

**Johann Wolfgang
von Goethe**

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Read it online!

The online version provides you with lots of additional information, video clips and a KPI calculator. There you will find our Financial Report, Sustainability Report and the online magazine.

reporting.blg-logistics.com



Ulrike Riedel
Labor Relations Director
(CHRO)

Matthias Magnor
AUTOMOBILE & CONTRACT
Divisions
(COO)

Frank Dreeke
Chairman of the Board
of Management
(CEO)

Michael Blach
CONTAINER
Division

Christine Hein
Finances
(CFO)



Foreword by the Board of Management

Dear Sir or Madam,

The title and motto of this year's annual report is "Delivering." Pure and simple. Delivering is what we do on a daily basis. We move goods, raw materials and products of all kinds. From the smallest screws for global automotive production to core components of the Ariane 6, which will one day fly into space. We deliver. Every day. Performance, expertise and passion.

Once again in 2023, this wasn't always easy. The state of crisis in the world dominated the headlines in the reporting year. As logistics experts, we are directly affected by every shift in the economic or geopolitical landscape, every ripple, however small. The shortage of skilled labor, energy prices, climate change, inflation, the situation in the Middle East, attacks by Houthi rebels on merchant ships - the list of wars, crises and challenges is long and ever-changing. For logistics providers, this means having to deal with interdependencies that could already change again tomorrow. All this made for a challenging business environment in 2023. Given these complex challenges, we can be very satisfied with the strong operating performance and stable financial result of the BLG GROUP in the past financial year.

We delivered.

BLG LOGISTICS closed the 2023 financial year considerably better than anticipated. Combined Group revenue increased by EUR 91,055 thousand year on year to EUR 1,210,035 thousand, which was a respectable achievement given the large number of crises and challenges. All divisions and business areas and all colleagues contributed to this result. Reliability and adaptability were crucial to our ability to survive through these difficult times. By investing in new technologies, optimizing processes and further developing our services portfolio, we were able to enhance our competitiveness and strengthen our relationships with our customers.

In 2023, BLG LOGISTICS handled, transported, or technically processed around 5 million vehicles across its entire AUTOMOBILE network. BLG AutoTerminal Bremerhaven is on its way to positioning itself as a European hub for automobile transports between Asia and Europe. In the reporting year, for example, COSCO ran a first test shipment with a view to expanding its service to Europe.

In the CONTAINER Division, we had to absorb the loss of extra revenues from the coronavirus years considerably faster than planned in the 2023 reporting period. In addition, handling volumes in the CONTAINER Division continued their downward trend amid the muted

economic outlook. Implementation of the ongoing transformation process continued apace. The positive effects this had on earnings contributed decisively to the fact that despite the decline in line with expectations, the CONTAINER Division posted a year-end result still in clearly positive territory.

In May 2023, we officially inaugurated our new C3 Bremen logistics center in the presence of the Federal Minister for Economic Affairs and Climate Action, Dr. Robert Habeck. Our lighthouse project has in the meantime garnered several awards and is becoming a blueprint for sustainable logistics real estate. At the same time, it is an example of how we are finding new ways and solutions to not only give consideration to environmental concerns and the needs of our employees in our business activities, but to make them a priority. This is precisely the approach we are taking when we say: We want to play a role in shaping the sustainable logistics of tomorrow.


We are aware of the fact that a complex business model like ours cannot be changed overnight; however, we firmly believe that with shared convictions and drive progress can be made. This is also reflected in our new sustainability targets that we defined in the reporting year. The ten quantitative targets make progress in our key areas of

action measurable and controllable at an operational level and serve as a guide for forward-looking and ambitious sustainability management.

Our Mission Climate initiative continues to play an important role in this context, especially given that decarbonization represents both a major challenge and a major lever for the entire logistics industry. However, despite all our best efforts and willingness to invest, we are also dependent on policymakers creating the right framework conditions. In the reporting year, a lack of funding for example meant that we unfortunately had to shelve a planned project to electrify heavy goods vehicles for the time being. Nevertheless, we continued to make good progress overall and exceeded the target for reducing our CO₂e emissions set for the reporting period by a considerable margin. Our decision to set an even more ambitious climate protection target from 2025 once again underscores how seriously we take our responsibility in this area.

With our CONTRACT and AUTOMOBILE roadmaps, we have adopted the right strategy at the right time. In the CONTRACT Division, we made significant progress in 2023 thanks to the consistent implementation of the CONTRACT roadmap initiated in 2022. In 2023, we launched the AUTOMOBILE roadmap to enable us to similarly leverage synergies in this division and make it fit for the future. The first steps have already been taken.

The 2023 result is a testament to our consistency, our focus on solutions and our entrepreneurial courage in a dynamic and challenging business environment. However, we know that the economic and political uncertainties are likely to continue or even grow – and are preparing for this very intensively. Ensuring that we can continue to deliver in the future is a challenge we all face together. Our employees are the lifeblood of our company and impressively demonstrate day after day that if we support each other as partners there is no limit to what we can achieve.



Read it online!

The online report contains a longer version of the foreword with quotes from the members of the Board of Management.

reporting.blg-logistics.com/sustainability/foreword

Frank Dreeke
Chairman of the Management Board
(CEO)

Michael Blach
Management Board
CONTAINER Division

Christine Hein
Chief Financial Officer

Matthias Magnor
Chief Operating Officer
AUTOMOBILE & CONTRACT

Ulrike Riedel
Labor Relations Director

Services at a Glance



-  **Production logistics**
Supplying final assembly through optimum preparation of parts and components.
-  **Procurement logistics**
Ensuring availability of stocks via management and monitoring of procurement processes.
-  **Reverse logistics**
All logistics processes for returning goods or materials into the product cycle.
-  **Supply chain management**
Organization of integrated logistics chains in project and process management, technology, IT, and quality.
-  **Value-added services**
Value-creating activities such as technical processing, cleaning or surface treatment for finished vehicles.
-  **Distribution logistics**
Distribution of goods from production plants or central warehouses to the customers.
-  **Cargo handling logistics**
Extensive network of seaport and inland terminals.
-    **Transport logistics**
Secure transport of finished vehicles and other goods via road and rail, by sea and air.



Company Profile

BLG LOGISTICS GROUP AG & Co. KG (BLG KG) headquartered in Bremen is a seaport and logistics service provider with an international network. We offer extensive system services in automobile, contract and container logistics and devise sustainable logistics solutions along the entire supply chain. Our customers include the leading German automakers as well as leading companies in retailing and industry. Today, BLG LOGISTICS is represented in all the world's growth markets, with almost 100 locations and offices in Europe, America and Africa.

➤ www.blg-logistics.com/en

Our company is run by a management company organized as a private enterprise, BREMER LAGERHAUS-GESELLSCHAFT -Aktiengesellschaft von 1877- (BLG AG). The Free Hanseatic City of Bremen (municipality) is the main shareholder. The Board of Management of the listed joint stock corporation manages the business of BLG KG on its own responsibility. There was no change in the composition of the Board of Management in the reporting year. The 16-member Supervisory Board, in which employees and shareholders are equally represented, oversees and advises the Board of Management in its work. For more information about the composition of this governing body, the selection process and the skills and expertise its members possess, please refer to the Governance section from ► page 23.

The Group's sales revenue in financial year 2023 totaled EUR 1.21 billion. Detailed financial key figures are presented in our Financial Report.

➤ reporting.blg-logistics.com/en

Our ownership structure

As of December 31, 2023, the Free Hanseatic City of Bremen (municipality) was the main shareholder of BLG AG with a share of 50.4 percent. Other large institutional investors are Finanzholding der Sparkasse in Bremen and Panta Re AG, Bremen, each with a share of 12.6 percent, and the Waldemar Koch Foundation, Bremen, with a share of 5.9 percent. Free float shares account for 18.5 percent. Information on the legal group structure is presented in our Financial Report 2023.

➤ reporting.blg-logistics.com/en

AUTOMOBILE - Intelligent vehicle logistics from A to Z

BLG's AUTOMOBILE Division is a leading technical and logistics service provider for the international automotive industry. We offer multimodal transport concepts and dovetail individualized and innovative technical service packages. Distribution takes place by road, rail and inland waterway. In addition to the seaport terminals in Bremen, Bremerhaven, Cuxhaven, Hamburg (Germany) and Gdansk (Poland), the AUTOMOBILE Division also operates several inland terminals on the Rhine and the

Danube rivers. A modern truck fleet with around 500 own car transporters used exclusively for BLG LOGISTICS ensures a seamless logistics chain both nationally and internationally.

BLG AutoRail is a special provider of vehicle transport by rail. With a wagon fleet of close to 1,500 open railroad cars, including 200 flat wagons, it has modern and versatile rolling stock at its disposal, which operates in the German and Austrian rail network using green electricity every kilometer of the way. The subsidiary BLG RailTech also offers rail-bound car transport with targeted wagon maintenance. Thus, with our comprehensive range of services, we fully cover the logistics supply chain from the vehicle manufacturers to the end customer. We consistently supplement our logistics network with smart digital solutions and sustainable concepts for climate-friendly transport, making us one of Europe's leading automobile logistics companies. One reason for this is that we break new ground and find customized solutions, as exemplified by a new pilot project launched in 2023. Starting last August, two car trains a month now depart from the BLG AutoTerminal Kelheim to Köseköy in Turkey, where one of the largest logistics centers of the Turkish state railroad and the closest freight terminal to the metropolis of Istanbul are located. Rail transport to Turkey



is as sustainable means of transport offering attractive transit times.

In 2023, BLG LOGISTICS handled, transported, or technically processed around five million vehicles across its entire AUTOMOBILE network.

Due to the severe restrictions on business activities in Russia as a result of the Russia-Ukraine conflict, our local company BLG Logistics Automobile SPb was deconsolidated as of December 31, 2022.

Having entered into a strategic partnership in December 2021 with one of the world's largest RoRo shipping companies, Hyundai GLOVIS, to handle car transshipments in Bremerhaven, the "BLG GLOVIS BHV GmbH" joint venture went into operation in May 2022. Hyundai GLOVIS will in the coming years develop BLG AutoTerminal Bremerhaven as a European hub for its automobile transports between Asia and Europe. Other Asian customers are also increasingly using the car terminal. For example, in the reporting year COSCO ran a first test shipment with a view to expanding its service to Europe. The team from BLG AutoTerminal Bremerhaven was responsible for unloading, handling and preparing 530 imported vehicles for onward transport.

We are continuously expanding our expertise in the field of e-mobility and are also a strong partner for our customers in this area. At the terminals, BLG LOGISTICS provides services such as handling, technical processing and quality inspection through to customs clearance for electric vehicles on behalf of various manufacturers, and in this way contributes to the energy transition.

CONTRACT - Tailormade logistics solutions

In the CONTRACT Division, we manage complex logistics projects and offer our customers reliable upstream and downstream distribution solutions. The focus of our know-how and experience lies in procurement, production and distribution logistics, reverse and spare parts logistics, as well as freight forwarding services. We offer storage, transport, packing and unpacking services, handle conventional orders, e-commerce issues as well as a variety of value-added services.

As a logistics architect, we also plan, design and implement customized logistics solutions - ranging from highly-automated logistics centers to manual in-house processing. Professional project management, sustainability and agreed, reliable quality have top priority. Our customers are strong brands from industry and retailing, medium-sized companies as well as the major German and many international car manufacturers. At our logistics centers and our customers' production facilities and warehouses at over 40 locations in Europe and overseas, our teams of experts devise bespoke service packages for a wide variety of goods, ranging from automotive parts, railroad components, sneakers, printers, fashion, furniture and cookies to bathroom fittings.

In May 2023, we officially inaugurated our new C3 Bremen logistics center in the presence of the Federal Minister for Economic Affairs and Climate Action, Dr. Robert Habeck. In the same year, we received two awards for this flagship project. With the Supplier Award, Mercedes-Benz Group AG recognizes outstanding achievements by its suppliers. BLG LOGISTICS won the award in the Sustainability category. C3 Bremen also received the special "Energy

Efficiency" award of the German mobility industry. With this special award, the Deutsche Verkehrswissenschaftliche Gesellschaft e.V. (DVWG) honors successful projects and solutions that significantly reduce energy consumption and climate-relevant emissions in the transport sector in a measurable and verifiable way.

In 2023, BLG LOGISTICS expanded its activities in Falkensee by renting an almost 9,000 square meters logistics warehouse in the west of Berlin. This will handle the logistics for various international suppliers of a large motorcycle manufacturer in Berlin-Spandau as well as for a number of industrial companies. The new facility enables us to expand our expertise in the area of logistics and customs clearance for overseas suppliers.

We also increased our road transport operations in the reporting year and deployed the first 38 extended semitrailers for the efficient and sustainable transportation of goods. These can transport up to ten percent more goods than conventional semitrailers. The Road Freight area of the BLG GROUP in the CONTRACT Division operated a fleet of 70 tractors and almost 140 semitrailers in 2023. These transport some 30,000 full loads per year. Utilizing the longer semitrailers enables us to meet the growing customer demand for increased transport capacities.

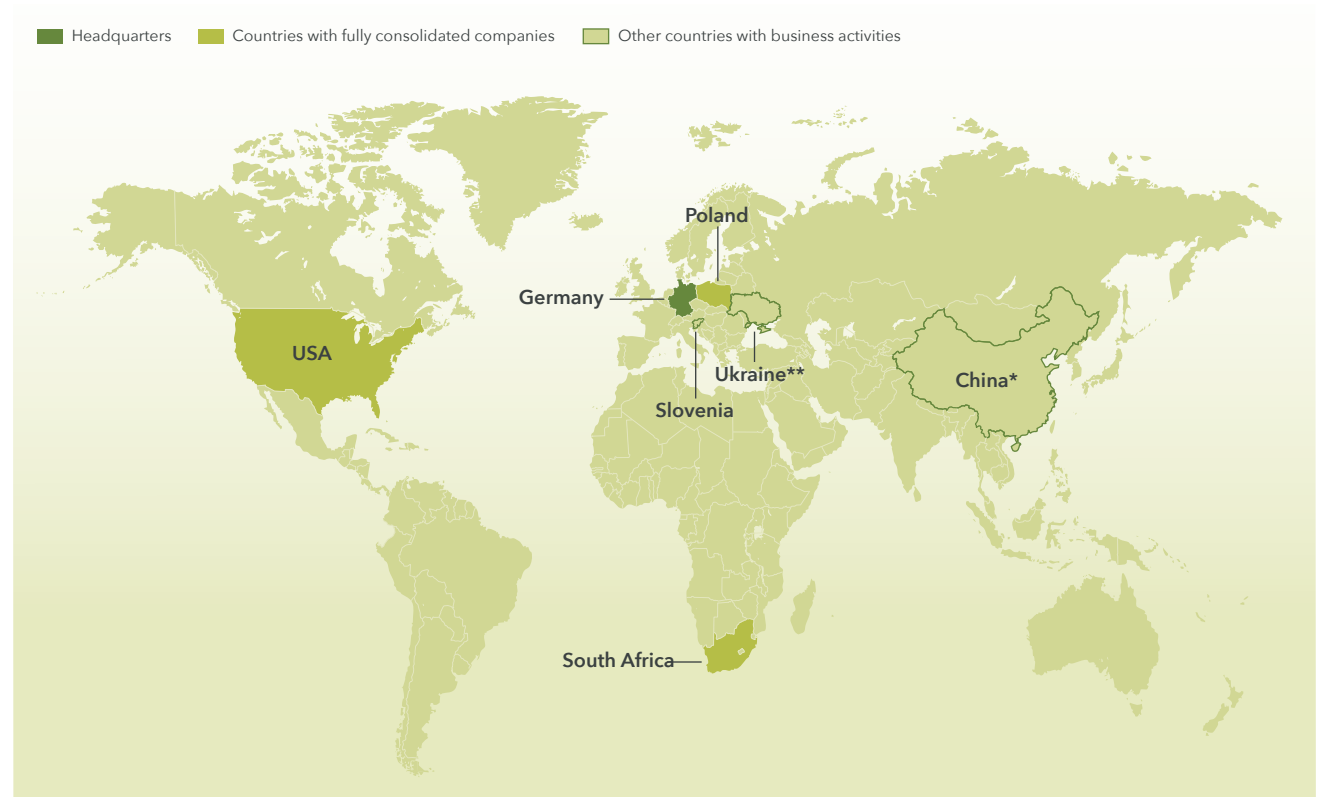
BLG expanded its inbound logistics business for the customer hansgrohe, which it has handled since 2007, and has managed an external warehouse in Willstätt since 2023, currently with around 40 additional employees.

New jobs were found at neighboring BLG locations for all of the approximately 170 employees affected by expired or discontinued operations in 2023, thus avoiding forced redundancies.

We disposed of shareholdings in the Asian region in the reporting year. As a consequence of the withdrawal from the Indian market, BLG Industrielogistik GmbH & Co. KG sold its shares in BLG Parekh Logistics Pvt. Ltd., Mumbai, India. The same applies to the shares in BLG SWIFT LOGISTICS Sdn. Bhd., Kuala Lumpur, Malaysia.

The map provides an overview of the global distribution of our fully consolidated companies as well as other countries with activities of the AUTOMOBILE und CONTRACT Divisions.

Automobile and contract logistics



* Representative office

** Since February 2022, business operations have been restricted or suspended due to the current conflict.



CONTAINER - Box services

In the CONTAINER Division, the EUROGATE Group, in which we have a 50 percent shareholding, is one of Europe's leading shipping line-independent container terminal groups. The Group's core business is container handling at seaports at nine terminal locations in Germany, Italy, Morocco, Cyprus and soon also in Egypt. Secondary services include seaworthy packaging or container depot, maintenance and repair services as well as intermodal transport.

EUROGATE GmbH & Co. KGaA, KG is a company consolidated using the equity method of accounting and managed separately from BLG LOGISTICS in all CSR-relevant areas. The information in this report relates to the fully con-solidated companies of the AUTOMOBILE and CONTRACT Divisions, including BLG AG and BLG KG (central departments). Information relating to the non-financial report of EUROGATE is presented separately on ► pages 72-75.

Around 11,500 employees shape logistics together

Our employees assume responsibility for smooth logistics of high-quality products day in and day out. In 2023, in its fully consolidated companies plus the CONTAINER Division (50 percent shareholding), BLG LOGISTICS had an average 11,487 employees globally (calculated according to Section 267 (5) of the German Commercial Code (HGB)). On the reporting date of December 31, 2023, there were 9,295 employees at more than 70 German locations in the AUTOMOBILE and CONTRACT Divisions as well as at the central departments, plus a further 841 employees at the international locations of our fully consolidated companies. Further information about

personnel statistics and development is provided in detail in the SOCIAL section from ► page 46.

KEY FIGURES

Absolute greenhouse gas emissions

(Scopes 1 and 2, 2018-2023)



Total energy consumption

214

GWh

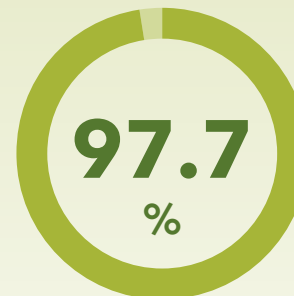
Employees worldwide



Women in management levels



Bound by collective pay agreement



Segregated waste collection rate





Strategy

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Sustainability Management

Sustainable action across all processes, departments and areas of responsibility is an integral part of our business activities. Crucial to this is our aspiration to continuously do better. This requires us to consistently pursue and regularly review our defined goals and targets. In addition to evaluating the progress made, this is also based on being receptive to external impulses and developments. Over the past few years, we have seen that pursuing our strategy with conviction bears fruit. This incentivizes us for the future as much as the increased expectations placed in us by our own employees, our customers or the more stringent regulatory requirements.

Reducing and managing our own emissions as well as those along the supply chain remains of crucial importance for our sustainability agenda. Our climate protection target, validated by the independent Science Based Targets initiative (SBTi), sets the direction. In order to make an even greater contribution to achieving national and global thresholds in the fight against climate change, we decided to tighten our target once again in 2023 by aligning it with the 1.5°C benchmark in accordance with the Paris Climate Agreement. In addition, our sustainability management focuses on other important issues, such as respecting human rights along the entire supply chain and ensuring comprehensive occupational safety for our employees.

The economic and geopolitical environment remains challenging. While the global economy performed better than expected and the high inflation seen at the beginning of the year gradually subsided, the business climate continued to be characterized by a high degree of uncertainty due, among other things, to wars and crises as well as decreasing transport volumes. Other contributing factors are increasing customer demands with regard to speed, flexibility and the quality of supply, and increasing environmental awareness among the population. The shortage of skilled labor remains a pressing concern. Our sustainability activities reflect major changes in the framework conditions, which can also lead to delays in implementation. However, in all cases, our action is guided by our long-term ambition to strike a balance between economic performance, social commitment and responsibility for the environment. By giving consideration to all three of these aspects in equal measure, we gain a holistic understanding of the opportunities, challenges and interdependencies, and on this basis can act responsibly in all matters relating to sustainability.

Our commitment builds on the three pillars ENVIRONMENTAL, SOCIAL and ECONOMIC. We explain on ► page 16 which specific fields of action we have assigned to each of these pillars and where and to what extent we are influencing sustainable change. In doing so,

we are also guided by external objectives and frameworks. For example, in 2022 we already signed the UN Global Compact, committing ourselves to integrating its ten principles into our corporate strategy, culture and day-to-day operations. Joining the UN Global Compact Network Germany (UN GCD) in December 2023 was the next logical step. More detailed information about our material topics is provided in the Materiality Analysis section from ► page 21.

Responsibilities and management accounting

Responsibility for monitoring, improving and implementing our sustainability management lies with our central Sustainability department, which also prepares this report and is assigned to the Finance department. Accordingly, the head of the central department reports directly to our CFO. The department is also where the sustainability-related activities from the AUTOMOBILE and CONTRACT Divisions are clustered, and it is also responsible for calculating our energy and carbon footprint as well as supporting cross-divisional energy management. In 2023, our head of Sustainability was also appointed human rights officer and in this role is responsible for the risk management system under the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz - LkSG), among other things.



The team acts as an interface and generates important initiatives and ideas, driving sustainability throughout the company. Of particular importance in this connection is the definition and implementation of sustainability targets and the selection of appropriate standards. Thus, a number of objectives were newly developed or adapted in the year under review - an overview is provided in the table on ► pages 17-18. The Sustainability Board (SSB), which was set up in 2021 and includes representatives from the central Sustainability, Legal, Insurance & GRC, Purchasing, Financial Services/Investor Relations, Human Resources, Safety & Environmental Protection and Integrated Management Systems departments, is also involved in steering our goals. The Board's mission, tasks and roles are being more sharply defined in order to enable it to respond even better to new and upcoming legal requirements. In future, the Board will not only evaluate the sustainability objectives and targets, but also the tasks arising under the provisions of the German Supply Chain Due Diligence Act.

Aspects of social sustainability, and specifically the interests of our employees, are the responsibility of the central Human Resources department, represented on the Board of Management in the reporting year by our Labor Relations Director. We can only act sustainably across the board if we develop together - and to achieve this, we rely on feedback and dialog. Under the umbrella of our culture change initiative #SuccessDependsOnEverybody, staff are given regular opportunities for feedback to the Board of Management and other executive staff. The culture and message behind #SuccessDependsOnEverybody were communicated at seven roadshows in the reporting year, bringing the number of events held at our sites across

Germany since the start of the roadshows to over 130. Taken together, over 800 questions from employees were answered at the roadshows in 2022 and 2023. 2023 was also the year for the entire workforce - not just senior executives - to reflect on their own actions and their impact. Sustainably managing experiences and mistakes is, after all, firmly anchored in our corporate culture. For more information about the people at BLG and our role as an employer, please refer to the SOCIAL section from ► page 46.

Values, guidelines and management systems

Our corporate values committed, respectful, passionate, responsible and open to change form the basis of our shared culture - and at the same time the guideposts for our sustainability management. Our set of guidelines maps the legal and ethical standards to which we have committed. This not only provides guidance for our employees in their day-to-day work, but also clearly communicates our expectations to partners and suppliers. Our overarching compliance system ensures adherence to laws and principles - more information in the respective section from ► page 63.

Our sustainability strategy is additionally flanked by tried-and-tested and in many cases certified management systems. These relate to quality management, environmental management, energy management, and occupational health and safety management. We have also established a compliance and information security management system. More details are provided in the relevant sections. We detail the key elements of our corporate governance structures in our Corporate Governance Report, which simultaneously constitutes the

corporate governance statement pursuant to Section 289a of the German Commercial Code (HGB). This focuses on the corresponding statement by the Board of Management and the Supervisory Board and significant corporate governance practices that go beyond the statutory requirements. It also explains the procedures of the Board of Management and Supervisory Board including their composition. For more information, see the Governance section from ► page 23.

Rankings and recognitions

BLG Handelslogistik GmbH & Co. KG is a member of the Advisory Board of the Lean & Green non-profit initiative. Having received the Lean & Green award in 2015, we now rank among the Lean & Green 1st Star winners in recognition of our significant reduction in CO₂ emissions. We again received honors in the reporting year, with our new and sustainable C3 Bremen logistics center scooping up two awards: the Supplier Award from our customer Mercedes-Benz Group AG and the special "Energy Efficiency" award of the German mobility industry.

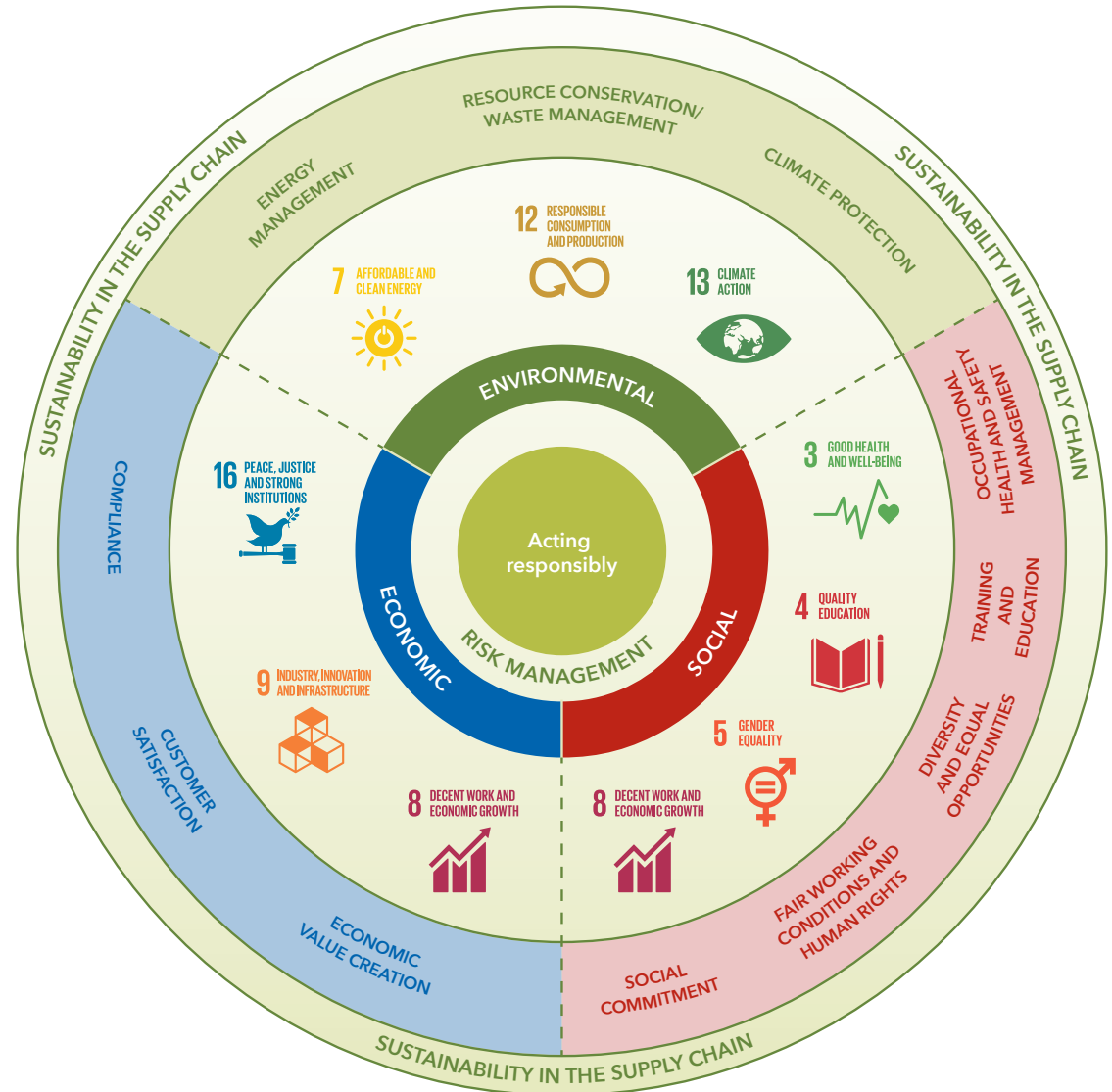
In order to obtain an independent appraisal, we regularly engage external agencies to evaluate our sustainability performance and again in 2023 achieved another silver CSR rating from EcoVadis, placing us among the top 23 percent of the companies assessed in our industry. For the third time, we disclosed our emission data to the Carbon Disclosure Project (CDP) in the reporting year. We were able to improve our ranking by one level to a "B" compared to the previous year and are now above the industry average.

Our Sustainability Approach

For us, acting sustainably means striking a balance between economic performance, social commitment and responsibility for the environment. Our goal is to include all three perspectives in our decisions and to anchor the resulting holistic approach deeply within the company and all processes. Only in this way can we gain an overarching understanding of the correlations, be well equipped to meet challenges and take advantage of opportunities not only for us as a company, but also in terms of our role in shaping the sustainable logistics of tomorrow.

In a nutshell: We want to act responsibly in every respect. This aspiration forms the backbone of our activities. We have assigned 11 concrete fields of action to the three supporting pillars ENVIRONMENTAL, SOCIAL and ECONOMIC. These map where our business activities impact the environment and society and, conversely, which topics influence our business development. Here we set ourselves goals, strive for change and want to do our part to contribute to progress.

In addition, we are guided by the Sustainable Development Goals (SDGs) of the United Nations. These aim to shape the world's development in a sustainable way and to offer tomorrow's generations a future. We want to play our part in this area, too, and to this end focus on nine selected goals that are particularly closely linked to our business.



Our New Sustainability Commitment Goals at a Glance

Our sustainability goals are developed through continuous internal and external dialog. This allows us to adopt more stringent targets if necessary, integrate new aspects or adjust KPIs. The targets listed here were adopted in 2023 and will apply in this form from 2024 or later. Some of them replace the previous targets, while others have been completely newly developed. Although the results for the 2023 reporting year are not yet measured against these targets, in the Status column we nevertheless provide an overview of where we currently stand.

| SDG reference | Field of action | Target | Target horizon | Status 2023 |
|---|--|--|---------------------------|--|
| Climate Protection | | | | |
| | We will become climate neutral and in doing so reduce our CO ₂ emissions within the company and externally. This goal is closely aligned with the Paris Climate Agreement. | <ul style="list-style-type: none"> ■ 30% absolute reduction in Scopes 1 & 2 ■ 15% absolute reduction in Scope 3 (2018 baseline) From 2025: more stringent target of 1.5°C* | € by 2030 | <ul style="list-style-type: none"> ■ -18.4% ■ -27.4% |
| Energy Management | | | | |
| | We are continuously working to increase our energy efficiency as well as the share of renewables. To achieve the latter, we rely both on the purchase of green electricity as well as increasing our own production via photovoltaics. | 100% green electricity | from 2025 | 59% (incl. support from the Renewable Energy Sources Act) |
| Waste Management and Resource Conservation | | | | |
| | We take responsibility for the environmentally compatible use of resources and aim to reduce our waste volume by avoiding, reducing, recycling and reusing waste. | ≥ 90% rate of separate collection | annually | 88% |
| Still pending In progress On course Achieved | | | Relevant for remuneration | |

*Validation of the more stringent climate target by the Science Based Targets initiative (SBTi) is still pending at the time of publication.

| SDG reference | Field of action | Target | Target horizon | Status 2023 |
|--|--|---|----------------|---|
| Occupational Health and Safety Management | | | | |
| | We take responsibility for providing a safe working environment with a focus on accident prevention. We also support our employees in staying healthy through a number of preventive measures. | 0 accidental deaths | annually | 0 |
| | | By 2024: ≤ 35 accident rate (1,000 employee rate at Group level) | annually | 41 |
| | | From 2025: reduce the accident rate (LTIF) by 10% annually | annually | - |
| Fair Working Conditions and Human Rights | | | | |
| | Our employees are crucial to our success. We offer them safe, attractive workplaces with fair pay, and are also mindful of the working conditions of the people in our supply chain. | 100% of our own employees and temporary employees are covered by collective agreements (or at least with a comparable wage level) | annually | 97.7% (covered by collective agreements) |
| Diversity & Equal Opportunities | | | | |
| | We employ people from more than 60 nations and respect their diversity. We also offer our employees equal career opportunities and in particular promote women in management. | ≥ 30% proportion of women on average at management levels 0-3 | by 2025 | 26.3% |
| Training and Education | | | | |
| | Our training programs take account not only of qualifications but also of personal background and life situation. We offer our employees further development opportunities throughout their careers. | From 2025: ≥ 2.0% trainee ratio | annually | 1.9% |
| | | ≥ 5,5 centrally recorded training hours per employee p.a. | by 2025 | 4.8 |
| Compliance | | | | |
| | We conduct our business in accordance with the law. We involve the entire organization by providing information and knowledge transfer. | From 2024: 90% of management staff (management levels 0-3) have a valid compliance training certificate | annually | 90.8% (within a three-year cycle) |

Still pending
 In progress
 On course
 Achieved

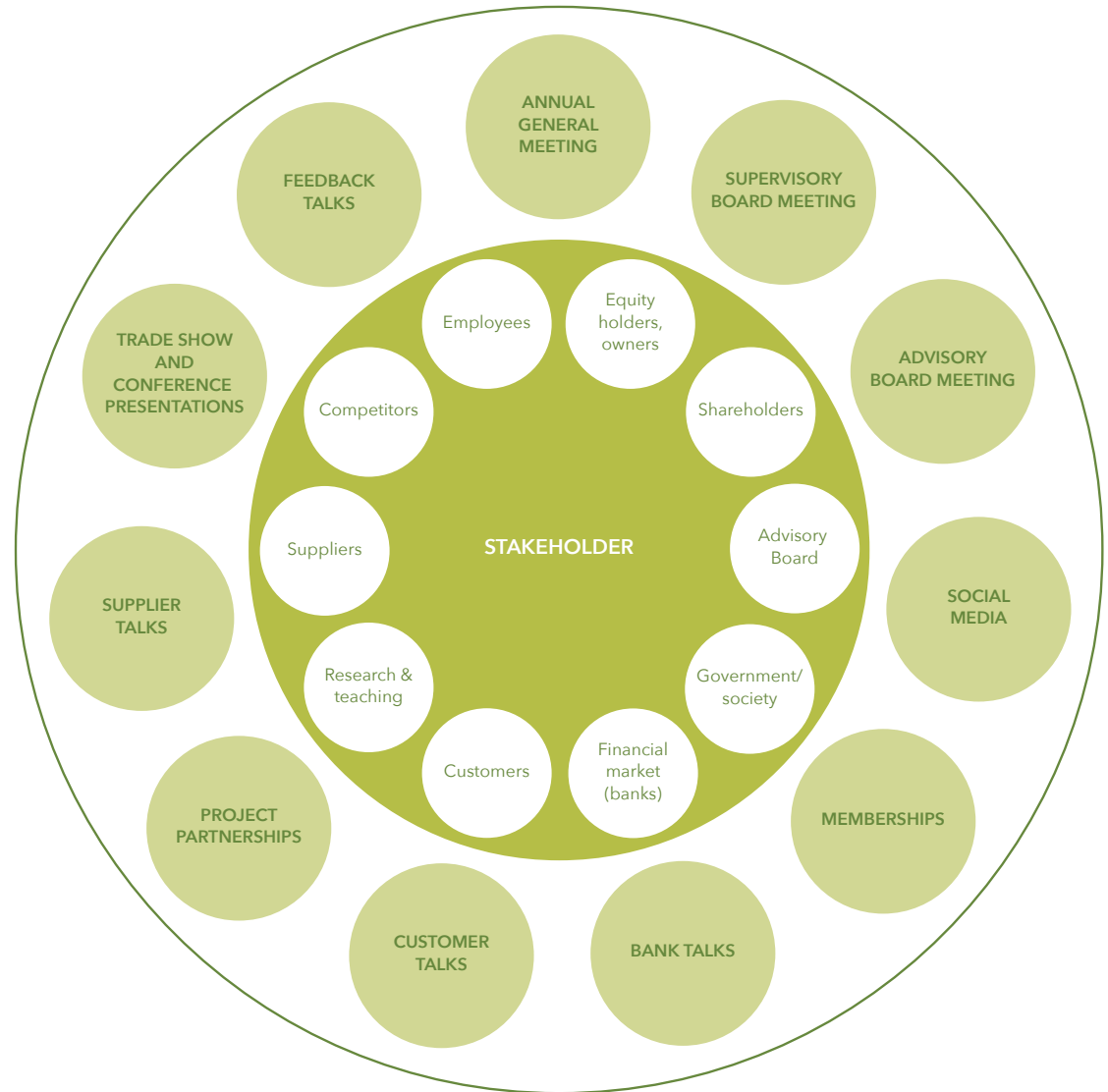
Relevant for remuneration

Fostering dialog with our stakeholders

When formulating the direction and the goals of our sustainability management, we take the perspectives and interests of our stakeholders into account. This includes all persons or groups who are directly or indirectly affected by our business activities now or in the future. With many of them we foster a regular dialog, giving particular priority to our customers’ needs. We communicate with them closely and as partners – all the more so where we specifically perform preliminary work for customers in our branches or at their own production sites. This exchange intensifies when developing new logistics sites or joint major projects and provides extremely focused and valuable feedback.

We also place a special focus on incorporating the expectations of our employees into our decision-making. One of the ways in which we do this is through the feedback conversations among colleagues and/or with supervisors. We also survey the people at BLG annually on employee mobility and have made reducing emissions in this area part of our climate protection strategy.

Similarly, we maintain close contact with the City of Bremen as our main shareholder. We provide information, participate in exchange formats and, last but not least, support Bremen’s climate protection goals through our own commitment to climate protection and our ambitious climate targets.




Important memberships in associations, organizations and initiatives

- | | |
|---|---|
| - Central Association of German Seaport Operators | - Charter of Diversity |
| - German Logistics Association (BVL) | - Awards Association Bremer Diversity Preis |
| - German Transport Forum | - Work-life balance initiative berufundfamilie |
| - Business Association Wirtschaftsverband Weser | - Lean & Green |
| - Company association Unternehmensverband Bremische Häfen | - Partnership of Environmental Enterprises (PUU) |
| - German Freight Forwarding and Logistics Association | - Mobility2Grid |
| - Promotional association Logistics Alliance Germany | - United Nations Global Compact (UNGC) |
| - AKJ Just-in-Time Working Group | - UN Global Compact Network Germany |
| - Association of European Vehicle Logistics (ECG) | - Taskforce „Nachhaltiger Schwerlastverkehr“ of the German Energy Agency (dena) |

We also participate in the Überseehafen Round Table under the auspices of the Senator of Economic Affairs, Ports and Transformation and organized by bremenports. As a member of the steering group and in cooperation with the companies involved, we are pursuing the common goal of ensuring a permanently resilient supply of the Bremerhaven overseas port, while at the same time realizing a CO₂-neutral port location. We reach other important groups through individual formats – see graphic on ► page 19. We also benefit from the fact that nearly all stakeholders of material importance to us sit on the Supervisory Board via representatives from industry, banks, the workforce, labor unions and the public sector. Our Advisory Board is made up of experts specializing in sustainable logistics, process innovation in logistics and

junior management training as well as representatives from business, trade associations and media.

It is an indisputable fact that the transformation to a sustainable economy can only succeed if we work together, which is why we collaborate with partners, institutions and also competitors in associations and professional circles to address the challenges we are all facing. Our CEO Frank Dreeke was a member of the Board of the Central Association of German Seaport Operators (ZDS) in the reporting year, having previously been Chairman for many years. The ZDS is one of the most important interfaces between the port sector and the political arena. Furthermore, Frank Dreeke is a member of the Presidium of the German Transport Forum (DVF) and Vice Chairman

of the German Logistics Association (BVL). We are also part of the spokesperson team of the BVL topic group “Nachhaltig gestalten” (“Shaping sustainability”) and are a member of the steering committee of the German Energy Agency’s (dena) “Nachhaltiger Schwerlastverkehr” platform has the goal to reduce emissions in heavy goods transport and, hand in hand with this, to support political energy transition targets – while at the same time providing long-term planning and investment security for the players. In the reporting year, position papers were published on the requirements for expanding the refueling and charging infrastructure for climate-friendly commercial vehicles and the introduction of a CO₂-based truck toll.

We have been a member of the Association of European Vehicle Logistics (ECG) for many years, which represents the interests of finished vehicle logistics companies in Europe. In a cooperation project with the German Association of the Automotive Industry (VDA), in which vehicle manufacturers and logistics service providers – including ourselves – are also involved, a standard for calculating and reporting emissions in the automotive industry supply chain was developed and published in 2023. Beyond this, the ECG and the ECG Academy training program it organizes are of particular importance when it comes to exchanging ideas within the industry.



Materiality Analysis

The Sustainability Report of BLG LOGISTICS has become a key component of our overall business reporting. It was prepared in accordance with the GRI standards. We make the associated GRI Content Index available online. reporting.blg-logistics.com/en

To get ready for mandatory sustainability reporting under the EU Corporate Sustainability Directive, we have taken first steps to prioritize the requirements that are expected to apply in the future. One aspect of this is deciding which fields of action to set targets for. As in previous years, the CSR Index on [page 78](#) shows where the topics relevant to non-financial reporting (NFR) appear in the various sections of the present report.

Boundaries and reporting scope

Our sustainability reporting covers the fully consolidated companies of the BLG LOGISTICS GROUP that belong exclusively to the AUTOMOBILE and CONTRACT Divisions. When identifying and selecting the material topics and prioritizing the contents for the combined non-financial statement, we focused on these two divisions as well as our central departments.

This report concentrates on the domestic BLG companies. They account for 91.7 percent of all employees and 95.7

percent of revenue of the fully consolidated locations, i.e., the most substantial part of our business activities. To present our sustainability performance as comprehensively as possible, we are constantly striving to collect and make available as much data as possible, including for our foreign companies. For a number of years now, we have included the consumption of the relevant international locations in our energy and greenhouse gas accounting, and from the last report we also began presenting differentiated human resources KPIs for the individual countries.

The third business division, CONTAINER, is represented by the EUROGATE Group, in which BLG LOGISTICS has a 50 percent shareholding. EUROGATE is the leading shipping line-independent container terminal group in Europe. EUROGATE manages the areas that are relevant for non-financial reporting - including energy, the environment, personnel and compliance - independently. We therefore present the NFR-relevant topics for the CONTAINER Division separately from [page 72](#).

Identifying and selecting the reported aspects

The topics we focus on in this report continue to take their cues from an extensive process to determine the content of our sustainability reporting developed in 2018 (see the Sustainability Report for that year), annual topic reviews, as





well as an in-depth internal materiality review conducted within the Sustainability Board in 2021. This re-evaluated the importance of the individual aspects for our economic success as well as the impact of our business activities on the environment and society, thus ensuring that the content of our reporting remains relevant and current developments and new insights are given consideration. Apart from this, we continued in 2023 to collect and report on the key performance indicators in line with the GRI requirements.

Weighting of our material topics

We have assigned our material topics to the three pillars ENVIRONMENTAL, SOCIAL and ECONOMIC and arranged them in the materiality matrix below according to their relevance for BLG LOGISTICS and their impacts on the environment and on society. This presents a classification of the aspects according to whether they are important, very important or of highest priority for us, with only the latter being included in our non-financial report. In addition, we have linked the topics to the respective SDGs that we want to contribute to achieving.

The materiality review described above gave rise to two changes compared to the previous year. With the coming into force of the German Supply Chain Due Diligence Act (LkSG), which as of 2023 is also mandatory for BLG LOGISTICS, it is once again reaffirmed by law that material topics for us, such as Fair Working Conditions, Occupational Health & Safety Management and Human Rights, are relevant along the entire supply chain. We have therefore decided to no longer list Sustainable Supply Chain separately in the matrix, but to treat it in future as an integrated aspect that encompasses or touches on numerous topics. We report on our progress in implementing the German Supply Chain Due Diligence Act and other explicitly supply chain-related aspects separately on ▶ page 29. In addition, we have defined a target for the aspect Resource Conservation and Waste Management (see overview of our ESG targets on ▶ pages 17 and 18). In this context, it was logical to assign this topic to the very important rather than the important aspects. There were no shifts with regard to any of the other topics.

In the following, we describe our management approach for each material topic, and also present selected key performance indicators in accordance with the GRI guidelines. In addition, we explain how we address the aspects of the NFR - and present the underlying concepts, results, evaluation methods and other relevant KPIs. You can find an overarching risk assessment from ▶ page 25.

-  Environmental
-  Social
-  Economic
-  Key topics from the employee perspective

Materiality matrix 2023





Governance

Management structure, governing bodies and selection criteria

BLG AG is a company under German law and as the personally liable general partner of BLG LOGISTICS GROUP AG & Co. KG is responsible for the management of the latter. A fundamental principle of German stock corporation law is the dual management system with strict separation of personnel between the Board of Management as the executive body and the Supervisory Board as the oversight body – with both bodies working together in a spirit of mutual trust in managing and overseeing the company. The Board of Management regularly informs the Supervisory Board in detail about all issues of strategy, planning, business development, financial performance, cash flows and compliance, as well as about entrepreneurial risks.

The Supervisory Board is composed of 16 members, half of whom are elected by the shareholders. The other half consists of members elected by the employees in accordance with the provisions of the German Codetermination Act. The members of the Supervisory Board currently include major shareholders, who account for a majority of the voting rights, as well as a number of independent members as specified in its rules of procedure. No former members of the Board of Management of BLG AG sit on the Supervisory Board. When making appointments to the Supervisory Board, the statutory provisions on gender quotas apply, which in our case must be fulfilled separately

by the shareholder members and the employee members. A profile of skills and expertise defined in 2018 aims to ensure that the Supervisory Board as a whole possesses the knowledge and experience that is considered essential in view of our business activities. This profile explicitly includes the aspect of Sustainability/ESG, keeping a particular focus on the topics of primary relevance to us: climate protection, energy management, diversity and equal opportunities, training and education, fair working conditions, human rights, compliance and customer satisfaction. The Supervisory Board currently covers all defined skills and areas of expertise. When making new appointments, it is examined in each case where knowledge should be strengthened.

The Supervisory Board appoints and dismisses the members of the Board of Management, decides on the remuneration system for the members of the Board of Management and submits it to the Annual General Meeting for approval. It also determines the total remuneration of the Board of Management. In this context, a new remuneration model for the Board of Management was introduced in 2021, which includes both financial and non-financial target indicators: CO₂ emissions, the trainee ratio and the 1,000-employee rate used as a basis for measuring the number of work-related accidents. While the existing remuneration-related target figures were still valid in the reporting year, they were revised in 2023 with a view to the coming years as part of the general

sustainability target program. Among other things, it was decided to tighten the climate target in line with the 1.5°C target and to replace the 1,000-employee rate with the internationally established Lost Time Injury Frequency Rate (LTIFR) in the future.

Together with the Board of Management, the Supervisory Board is also responsible for long-term succession planning for appointments to the Board of Management, with the aim to fill these positions from within the company. It is the task of the Board of Management to propose a sufficient number of suitable candidates to the Supervisory Board. This is underpinned by systematic management development that, when making appointments to the Board of Management, enables the Supervisory Board to ensure sufficient diversity with regard to professional training and experience, cultural background, internationality, gender and age in line with our diversity concept. In its current composition, the Board of Management meets these requirements. As of December 31, 2023, the proportion of women on the Board was unchanged at 40 percent, thus meeting the statutory quota.

In addition to the legally required Mediation Committee, the Supervisory Board has formed an Audit, a Human Resources and an Investment Committee. The Audit Committee is among other things responsible for reviewing the annual financial statements and



management report prepared by BLG AG and the combined financial statements and combined group management report of BLG LOGISTICS. It also prepares the Supervisory Board's decision on planning for the following financial year and deals with risk management and compliance. The Committee is made up of three shareholder representatives and three employee representatives; its incumbent chairman in the reporting year met the legal requirements for independence and expertise in the fields of financial accounting/reporting and auditing. The Human Resources Committee has equal representation and is composed of the Chair of the Supervisory Board, the Vice Chair and six other members of the Supervisory Board. Its tasks include proposing suitable candidates for the election of the Supervisory Board members, advising on the long-term succession planning for the Board of Management and deciding on the employment contracts with the Board of Management. The Investment Committee has six members - three shareholder representatives and three employee representatives of the Supervisory Board - and is chaired by the Supervisory Board Chair. The committee makes preparatory decisions and resolutions for specifically defined and urgent investment projects.

Detailed information about the governing bodies, committees and their composition can be found in the Corporate Governance Statement, which forms part of our financial reporting. The currently valid remuneration system for the Board of Management as well as the remuneration report are publicly accessible at www.blg-logistics.com/ir.

Anchoring sustainability within the company and its processes

Sustainable action is an integral part of our corporate strategy. We lay the foundation for this with company-wide policies and guidelines relating to topics concerning environmental, social and economic sustainability, as well as through greater integration of sustainability-related aspects into our training and education programs. How we incorporate this topic into our partnerships and business relationships along the supply chain is, among other things, set out in our Supplier Code of Conduct. For more information, please refer to the Sustainability Management, Training and Education, Compliance and Sustainable Supply Chain sections of this report.

Since October 2022, our CFO, Christine Hein, has been responsible for sustainability at Board of Management level. The full Board of Management and the Supervisory Board are responsible in their respective functions for overseeing the sustainability-related impacts of our business and, coupled with this, for ultimately reviewing the effectiveness of (counter)measures taken. Depending on their remit, individual Board of Management members are closely involved in the development of sustainability-related strategies, policies and targets. These are in all cases subject to approval by the full Board of Management. During the most recent materiality analysis, the Board of Management was also involved in identifying and selecting the topics to be included in the Sustainability Report, and it also approves the completed report each year prior to publication. At the invitation of the City of Bremen - our largest shareholder - the Board of Management regularly attended and continues to attend information events and workshops on sustainability-

related topics such as diversity and climate protection, and also incorporates the insights gained into corporate governance. In strategic and operational terms, all related activities are consolidated in the central Sustainability department, which reports directly to the Board of Management. In the reporting year, the topic of human rights due diligence was also more firmly anchored in the department with the appointment of a human rights officer. The latter is, in turn, supported by the Sustainability Board, on which all relevant departments are represented. For a more detailed description of how the cooperation works, please see the Sustainability Management section from ► page 14.

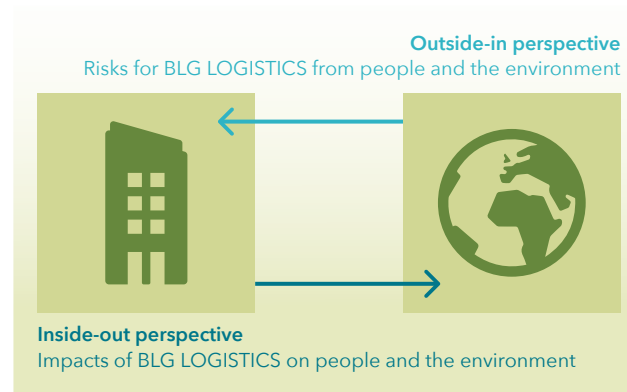
To enable us to realistically assess the impact of our business activities and the effectiveness of the measures already implemented, it is important that we make it as easy as possible for people - inside and outside the company - to inform themselves about the standards that apply, report deviations or air grievances. This can be done either through our compliance team or via a reporting process through our externally appointed ombudsperson. Please refer to the Compliance section from ► page 63 for more information. If events relevant to sustainability occur, they are first reported via the standardized information channel to the supervisor, who in the event of serious incidents is obliged to consult the compliance officer. Depending on the nature, location and scope of the incident, additional contact persons from the relevant departments are also involved to assist in assessment, resolution and prevention.

Risk Management

Monitoring potential risks and opportunities, managing them responsibly and factoring them into decision-making processes is an indispensable basis for sound corporate governance. Our opportunity and risk policy does precisely this and enables us to strategically further develop and profitably grow BLG LOGISTICS without exposing it to undue risks. With this in mind, we develop and integrate processes and tools that allow us to identify potential risks in good time and make reliable decisions to avoid or mitigate them.

Integrating sustainability into our risk management is an ongoing process. In 2023, we expanded our risk analysis to enable us to better identify and assess environmental and social risks. In the context of the German Supply Chain Due Diligence Act (LkSG), we thus carried out risk analyses in the reporting year with a focus on human rights and environmental protection-related risks in our own operating divisions and in the supply chain. In addition to our established risk analysis focusing on the risks for BLG LOGISTICS (outside-in perspective), we conduct our LkSG analysis to assess the abstract and concrete impacts of our business activities, including our supply chain, on people and the environment (inside-out perspective).

Perspectives of risk management



Principles of outside-in risk management

In line with our risk strategy, the basic elements of the risk management system are rolled out centrally to ensure clear risk accountability, and are described in the Group guideline on risk management. This allows systematic and comparable risk identification and documentation, risk analysis and assessment, risk control and monitoring as well as risk-related communication and reporting. We want to create a shared awareness and positive understanding - both at management level and among the entire workforce - in managing operating risks.

Responsibilities in connection with risk management organization

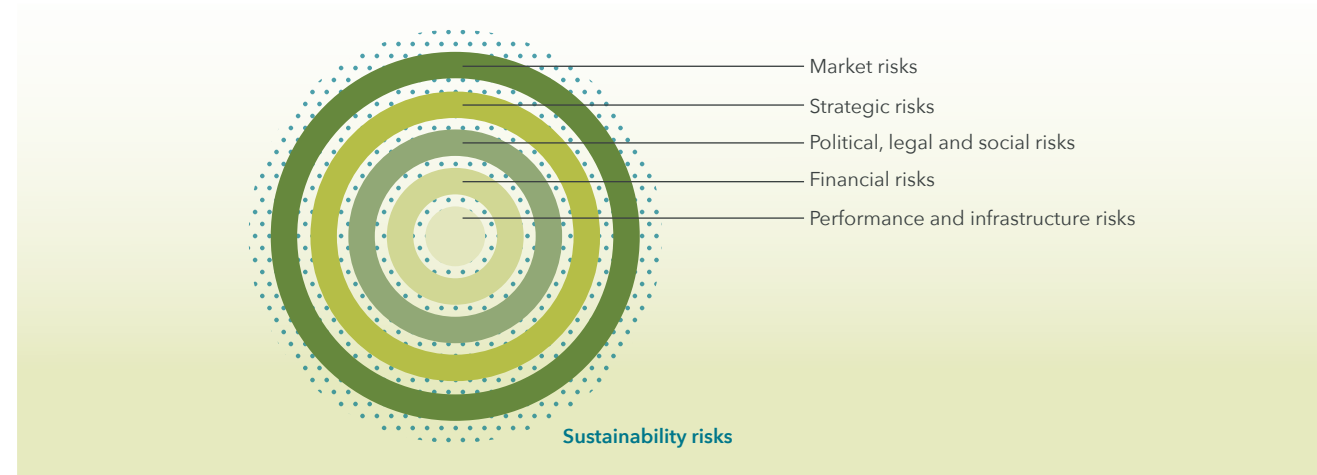


Objectives of risk management

- Identify risks early and prevent crises and insolvencies (support continuity of the organization)
- Improve planning reliability and risk costs through optimal risk management
- Sound preparation of operating decisions with risk analyses to improve the company's success
- Achieve sustainability-related corporate goals and monitor sustainability-related risks taking into account the principle of dual materiality

Overriding objective is to ensure the company's risk-bearing capacity. The aim is to identify and assess risks, manage and monitor them efficiently through appropriate and effective measures, and ensure ongoing risk reporting as a basis for sound decision-making. In this way, risk management is intended to support the corporate strategy and contribute to achieving our corporate objectives.

Identified risks are addressed and followed up through local and central measures. As an integral part of corporate governance, risks and the corresponding measures are regularly presented and discussed in the respective management groups. Again in the reporting year, the resulting risk report was submitted to the Board of Management on a quarterly basis and to the Supervisory

Influence of ESG topics on corporate risks


Board at each ordinary meeting in order to inform both bodies about the overall risk environment.

Risk categories and risk outlook for BLG LOGISTICS

With regard to potential outside-in risks, Group risk management focuses in particular on those that would have a noticeable effect on the company's financial position, financial performance and cash flows if they were to occur. We assign these risks to five defined risk categories (see graphic). Risks from the areas of Environment, Social and Governance (ESG, outside-in perspective) impact on all five categories. When considering the broad field of ESG, we see both risks and opportunities - the related topics can influence the entire risk situation, from financing to human resources (HR) policy and procurement.

Environmental risks

As a seaport and logistics service provider, we are very exposed to environmental and climate risks. Dealing with the effects of climate change on our operations is therefore a major challenge for us. Extreme weather events such as heat, flooding or storms can lead to disruptions in the supply chain, which can result in production downtimes and financial losses. The increasing frequency and intensity of such acute weather events combined with the longer-term chronic changes in the mean values and fluctuation ranges of various climate variables (e.g., temperature, precipitation, sea level) in particular pose an acute threat to our assets and business processes. To enable better assessment of these risks, various natural hazard scenarios for our property, plant and equipment and the potential operating downtimes associated with them were analyzed.



However, individual theoretical risks such as a storm surge cannot be fully insured. We address such risks as far as possible as part of our business continuity management (BCM). We also need to develop climate change adaptation strategies at potentially affected locations.

In response to the projected escalation of climate risks, BLG LOGISTICS actively promotes climate change action, and for example successfully implemented a number of projects in the reporting year designed to increase energy efficiency. In addition, optimizing the route planning of our transport operations helped to reduce the company's impact on the environment and cut costs at the same time. A detailed description of the implemented measures is provided in the Climate Protection and Energy Management sections from ► page 32.

Our far-reaching efforts not only serve to mitigate environmental and climate risks, but also to strengthen our long-term competitiveness. By integrating environmental aspects into our risk management and responding proactively to these challenges, we are perceived as a reliable partner for our customers in this area.

Social risks

Our employees are the most important success factor for our company. Their wellbeing and development are therefore a top priority for us. Working conditions play a vital role when it comes to avoiding the risk of a culture with low motivation and high staff turnover, together with the ensuing reputational damage. Furthermore, demographic change and increasing automation risk creating a shortage of suitable employees in many areas. Not being able to fill positions when needed or with the right

qualifications leads to a decline in productivity. At the same time, this puts additional strain on the workforce, possibly resulting in increased absenteeism and accidents, along with greater fluctuation. We are already noticing an increasing organizational overload on the back of various major projects, often with no redundancies available in critical functions. There is a risk that bottlenecks cannot be absorbed by external consultants, potentially leading to errors and putting excessive strain on employees.

To counter these risks, we are taking steps to enhance our employer attractiveness. This involves retaining employees through targeted employee development and remuneration in line with the market and at the same time increasing the effectiveness of our recruitment processes. In addition, we are continuing to expand our workforce in order to reduce the workload of individual employees. For more information about BLG LOGISTICS' human resources strategy, please refer to the SOCIAL section of this report from ► page 46.

With a wide range of measures to improve working conditions, guarantee fair pay and promote the professional development of our employees, we are positioning ourselves as a trusted and popular employer in the region. Our human resources strategy actively contributes to retaining talent and winning the contest for new recruits.

Governance risks

Possible changes in interest rates in particular represent a material economic risk. When the European Central Bank raises its base rate to combat inflation this also increases banks' refinancing costs, which they pass on to their

customers. Banks have also increased their requirements in respect of creditworthiness and sustainability partly as a result of the European Green Deal, which could put further pressure on the interest margin. When designing our sustainability strategy, we actively incorporate the requirements of banks and insurance institutions. Thus, in the reporting year quantitative sustainability targets were communicated in all key areas of activity.

Information security remains a key ESG-related risk with respect to data breaches and system vulnerabilities. Protecting personal and company data is of crucial importance in order to minimize potential negative consequences in particular for livelihoods, mental health and safety. It is therefore essential to design and implement measures to guarantee information security, damage limitation, cyber insurance and continuous adaptation to new threats.

Further development: our inside-out risk management

We are aware that our commitment to sustainability is a process that requires a continuous effort. We will continue to drive change in risk management through interdisciplinary collaboration, innovation and joint action in order to increase transparency and create sustainable added value for all stakeholders. In so doing, we are also complying with the disclosure obligations under the German Supply Chain Due Diligence Act.

In line with the due diligence obligations set out there, we also enhanced our existing risk management methodology, for example by performing risk analyses in order to determine the human rights and environmental risks in our



own areas of activity as well as those of our direct suppliers. In addition to internal evaluations and operational experience, the analyses drew on various indices relating to industry and country risks as well as on external expert opinions. A detailed description of the underlying process, the defined roles and accountabilities and the results of the human rights-related risk analyses can be found in our mandatory report under the German Supply Chain Due Diligence Act for the 2023 period.

Based on the experience gained in the reporting year, we will continue to develop our inside-out risk management in 2024. For more information on supply chain management, see the Sustainable Supply Chain section from [page 29](#).



Sustainable Supply Chain

We provide highly complex and tailor-made logistics solutions for our customers along global supply chains. For more information about the nature and scope of our services, please refer to the Company Profile section. We also coordinate the entire supply chain and establish integrated logistics chains, which we manage across the entire value creation process – especially in the areas of project and process management, technology, IT and quality. In this, we mainly work with products and components provided by our customers. We want to honor our responsibility and strive to ensure that our direct suppliers comply with human rights and environmental due diligence obligations. Our own commitment in this regard was underscored by the entry into force of the German Supply Chain Due Diligence Act (LkSG) in 2023.

The centrally managed purchasing processes at BLG encompass more than 100 product groups and are handled by our central Purchasing department. Our main procurement markets are located in Germany and neighboring EU countries, which are also subject to binding sustainability standards.

Clear standards, clearly communicated

We communicate very transparently to our customers how we meet our ethical, social and environmental responsibilities. We expect no less of our suppliers and take the relevant aspects into account when selecting suppliers and awarding contracts. For example, when commissioning subcontractors for transport services, we pay particular attention to industry-specific human rights risks such as the appropriateness of remuneration, the right to freedom of association, and respect for general occupational health and safety rights. Only in this way can we implement sustainability along the supply chain systematically and in compliance with the law. Our requirements with regard to environmental and social responsibility and ethical best practices are formulated in our Supplier Code of Conduct, which we have revised to fully reflect the legal requirements of the LkSG, which came into force on January 1, 2023. It goes without saying that the statutory provisions relating to the treatment of employees, occupational health and safety and environmental protection must be complied with at all times. We also expect appropriate measures to be taken to avoid or mitigate negative impacts on people and the environment. Our suppliers, in turn, are responsible for ensuring that their subcontractors are informed about and comply with the requirements.

➤ www.blg-logistics.com/agbo

We ensure compliance with supply chain-related due diligence obligations primarily through the closely coordinated interaction of the Purchasing, Legal, Insurance & GRC, Sustainability, Integrated Management Systems and Human Resources departments. Responsibility for overarching coordination and oversight is vested in our human rights officer appointed in the reporting year, who is also head of the central Sustainability department. We are currently in the process of further anchoring the organizational processes established in 2023 in the various companies. An overview of the associated roles and procedures for compliance with the human rights and environmental due diligence obligations are set out in our LkSG manual.

Systematic management: risk analysis and supplier evaluation

We identify any human rights or environmental risks along our supply and subcontracting chains using systematic risk analyses as the basis for defining and prioritizing prevention and remedial measures. Responsibility for performing the risk analysis for direct suppliers lies with the Purchasing department.

Risk classification is a two-stage process, consisting of an abstract and a concrete supplier evaluation. The former – abstract risk analysis – more specifically includes the



assessment of industry- and country-specific risks based on core supplier data, with the aim of identifying high- and medium-risk suppliers. These are then prioritized and examined in more detail in the subsequent concrete risk analysis, for example by verifying external certifications, requesting a self-declaration or carrying out audits. Further information about risk analysis at BLG LOGISTICS is provided in the Risk Management section from [page 25](#).

In 2023, the risk analysis was initially carried out in the form described above for all centrally managed suppliers. The result of the abstract risk analysis was that less than one percent of our suppliers have a medium level of risk. No high-risk suppliers were identified. The medium-risk suppliers were examined in more detail and the risks identified were further deprioritized based on existing certifications or the type and scope of their business activities. In 2024, we intend to further develop the risk analysis for direct suppliers. To this end, a software-supported risk tool was tendered out in the reporting year, which is to be rolled out successively across the Group.

Detailed information on our supply chain management in general and the risk analysis in particular can be found in our reporting relating to the German Supply Chain Due Diligence Act.

Independent of the processes described above, we have additionally been evaluating suppliers and service providers in cooperation with the responsible locations according to a defined scheme since 2016. Using a comprehensive questionnaire, we assess not only traditional purchasing criteria relating to quality, price and delivery time, but

also such criteria as environmental protection. The selection criteria also increasingly focus on energy efficiency, which is a key aspect for example when procuring lighting systems or forklift trucks. In addition, face-to-face meetings and on-site visits are an integral part of our dialog with main and new suppliers.

The process is completed without further action if there are no complaints, which applied to all evaluations in the reporting year. If, on the other hand, we identify a need for change or optimization, we work with the supplier to define steps for in-house or active development. We terminate relationships with suppliers that are unable to meet our requirements even in the medium term.



Environmental

- 32 Climate Protection
- 38 Energy Management
- 43 Waste Management and Resource Conservation

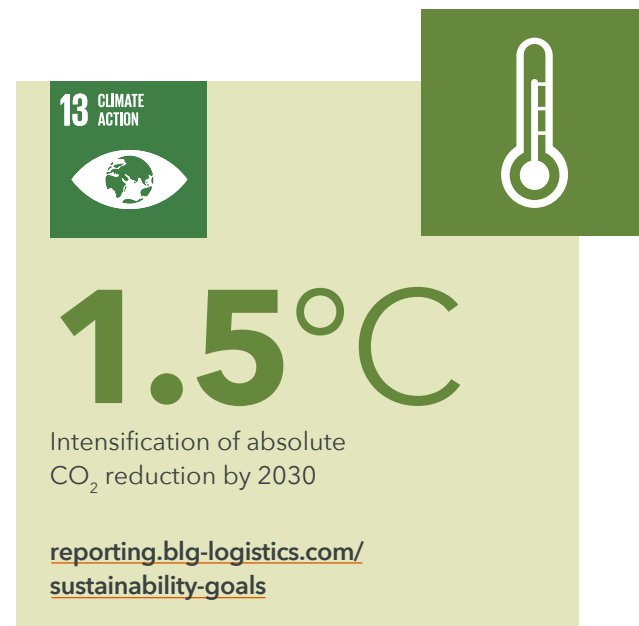
Climate Protection

By 2030, we will not only reduce our own CO₂e emissions, but also those generated outside the company. We are currently once again increasing the ambition of our emissions reduction targets to align with the 1.5 degrees in the Paris Climate Agreement.

The need for rigorous action to slow down climate change again became abundantly clear in 2023, whether as a result of the growing evidence of the negative impacts of climate change on people and the environment or stricter political and economic imperatives. As a logistics service provider, it is also incumbent on us to make a contribution to decarbonizing our industry, supply chains and the economy as a whole. We therefore want our ambitions to reach even higher. Always in our sights: our customers, whose carbon footprint is also positively impacted by our successes.

In this Sustainability Report, we describe for the fourth consecutive year our progress toward achieving our target to reduce our greenhouse gas emissions: By 2030, we will reduce our absolute Scope 1 and Scope 2 emissions by at least 30 percent and our Scope 3 emissions by at least 15 percent, in each case compared against the figures for the 2018 baseline. This target has been validated by the corresponding reduction in greenhouse gas emissions elsewhere in the amount of our remaining Scope 1 and Scope 2 emissions that despite our best efforts we cannot avoid entirely. In this way we will be net carbon neutral by

2030. The aggregate of these targets and objectives is our "Mission Climate." In this context, we would like to take a closer look at the term "climate neutrality" and, in the interests of transparency, point out that we will only achieve the status of a net carbon-neutral company by providing financial support for certified climate protection projects. As things currently stand, and particularly given that the target year of 2030 is not very far off, achieving net zero emissions is not realistic - we come to this conclusion primarily because the costs for using alternative drive systems in the transportation sector are still extremely high, combined with a lack of charging infrastructure and the largely absent funding landscape. The projects we support should therefore help from a global point of view to reduce those greenhouse gas emissions that we will not be able to avoid entirely by 2030. At the same time, we are aware of the difficulty of the term "climate neutrality." The last thing we want to do is trivialize the challenges that the necessary transition to a lower-emission economy entails, which is why we are currently reviewing how we use this and similar terms as part of the process of increasing the ambition of our absolute climate target.



13 CLIMATE ACTION

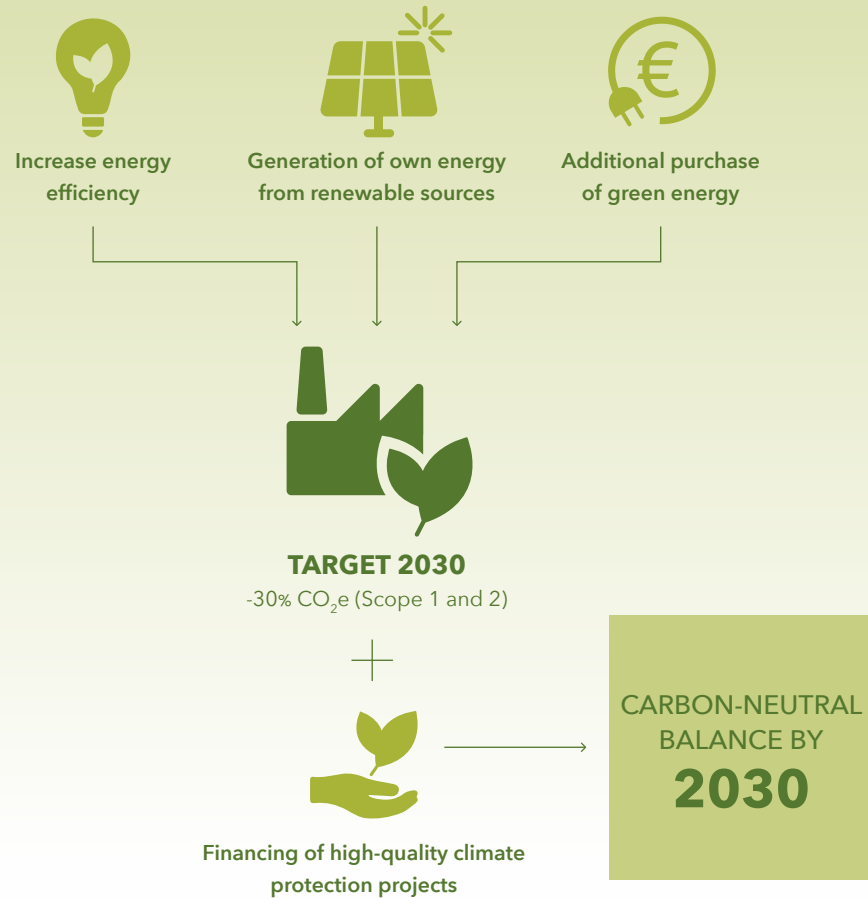
1.5°C

Intensification of absolute CO₂ reduction by 2030

reporting.blg-logistics.com/sustainability-goals

OUR CLIMATE TARGETS AT A GLANCE

Climate target within the company



Absolute CO₂ reduction in the supply chain



From 2025, BLG will tighten its climate protection targets to align with the 1.5°C target in the Paris Climate Agreement.



Three levers for climate protection

We use three main levers to achieve the planned reductions in emissions: continuously increasing our energy efficiency, producing our own renewable electricity and purchasing green electricity. In this, we follow the avoid - reduce - offset approach. We are therefore placing a special focus on increasing efficiency with the aim of using energy in such a way that can achieve more output for the same input. For more information on how we do this, see the Energy Management section from ► page 38.

Regarding the second lever, the fourth and, at around 9 MWp, largest and most powerful photovoltaic system (PV system) at our locations to date was connected to the grid in the reporting year: Since October 2023 it has been generating green energy on the roof of the newly built C3 Bremen logistics center which exceeds the consumption of our location. Although the fourth quarter had fewer sunny days than usual, the system supplied almost half a million kWh of electricity during this period - 100,000 kWh of which we used at the site. Together with the three other systems already in operation in Kelheim and Waiblingen, a total of around 450 MWh of our electricity requirements were generated directly at the sites. This corresponds to a CO₂e saving of 147 metric tons in the reporting year. We will continue to systematically pursue the use of solar power from our roofs.

However, despite this, even in the future we will not realistically be able to cover all of our electricity needs at our locations with local PV systems. So as to nevertheless guarantee the supply of our facilities with 100 percent green electricity, we have set ourselves a clear goal: From 2025, we will procure 100 percent of our third-party

electricity from renewable sources (see also the overview of our ESG targets from ► page 17).

Our absolute emission reductions also have a positive impact on our customers' carbon footprint, as our emissions are recognized in their Scope 3 emissions. Furthermore, when working with us, our customers can opt for net carbon-neutral services. At their request, we can record the emissions generated for the respective customer and offset them in the corresponding amount through a Gold Standard climate protection project.

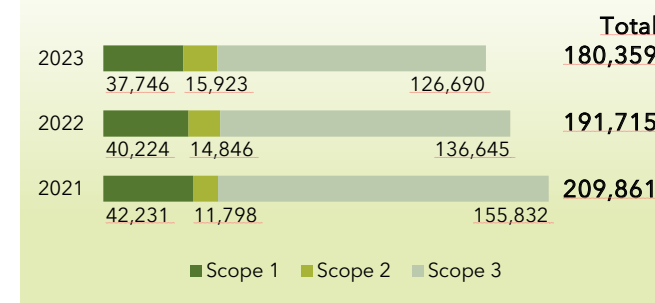
Documentation of our greenhouse gas emissions

If we want to reduce our CO₂ emissions in a targeted manner, we need to know where and how much energy is being consumed and corresponding greenhouse gases are being produced. We collect, validate and evaluate energy consumption data decentrally, directly at our locations. Our central Sustainability department uses this data to calculate the emissions generated. We currently take into account the consumption at the German sites of our fully consolidated companies as well as around 95 percent of the energy consumption of the associated sites outside Germany. In our AUTOMOBILE and CONTRACT Divisions, we use our own diesel trucks. Their consumption is included in our energy and greenhouse gas accounting. Especially in the freight forwarding and car transport business areas, we also draw on the services of subcontractors, which are included in our extended reporting (Scope 3).

For our greenhouse gas accounting, we are guided by the principles of the Greenhouse Gas Protocol (GHG Protocol), and present direct and indirect greenhouse gas

emissions separately. We distinguish between Scope 1 (direct emissions from the combustion of natural gas, heating oil, diesel and gasoline), Scope 2 (indirect emissions from electricity and district heat generation) and Scope 3 (other indirect emissions). We have been calculating our CO₂ equivalents (CO₂e) since 2011. This includes not only carbon dioxide, but also other gases with high greenhouse gas potential (details in the Glossary).

Absolute greenhouse gas emissions (in tCO₂e) broken down into direct and indirect emissions



For the CO₂e calculation of gasoline and diesel vehicles, we use well-to-wheels emission factors (WTW) from the Global Logistics Emissions Council (GLEC). These include all generated CO₂e emissions, from provision of the energy sources used through to the operating phase, and also take the proportion of biodiesel or ethanol into account. To calculate the further emissions from the primary energy sources including the upstream chain, we use the CO₂e emission factors from the Global Emission Model for Integrated Systems (GEMIS) for the International Institute for Sustainability Analysis and Strategies (IINAS). We regularly adjust the factors in line with the adjustments

in the respective source, also retrospectively. The emission factors used for electricity apply on a site-specific basis depending on the energy supply company. The corresponding electricity emission factors for our foreign sites are based on the respective country mix from GEMIS.

In the reporting year, we made two major adjustments to our greenhouse gas accounting. In order to ensure a more precise and comprehensive sustainability assessment along the entire value chain, we switched the calculation of our Scope 3 emissions completely and retroactively to WTW emissions. To take account of the deconsolidation of the company BLG Logistics Automobile SPb, our business activities in Russia, including emissions generated there, were derecognized - also retrospectively - in accordance with the requirements of the GHG Protocol.

Own emissions: further reductions

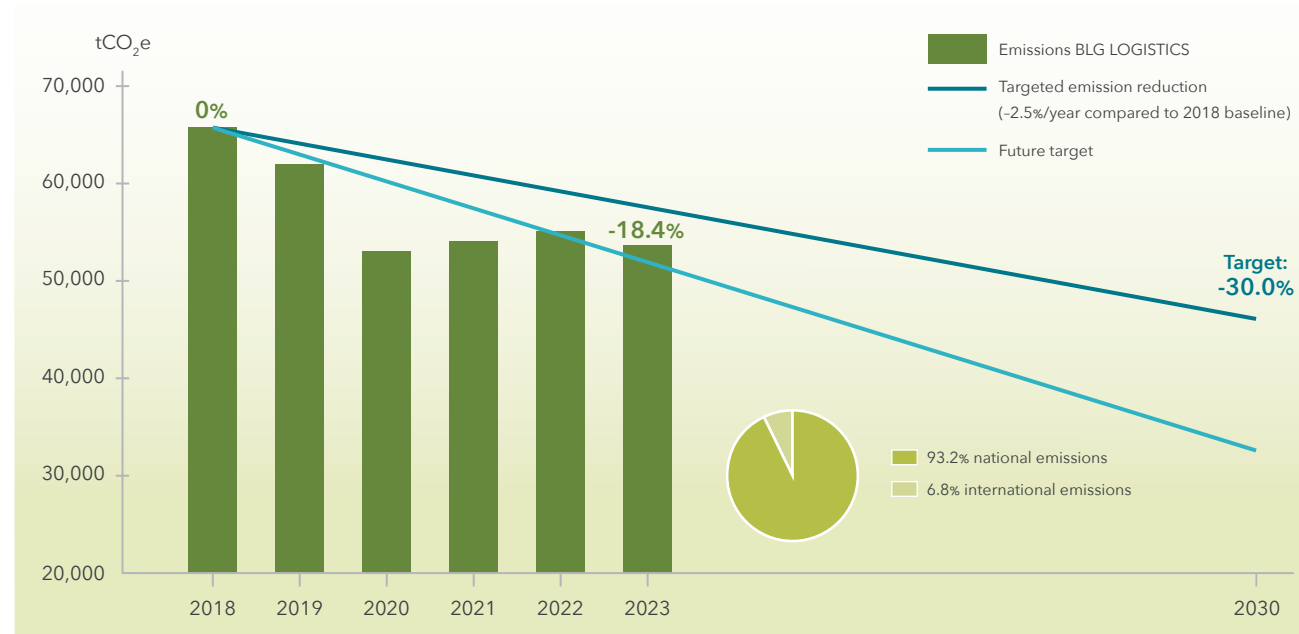
In order to achieve our climate target, we must reduce our CO₂ emissions by 2.5 percent each year compared with the 2018 baseline. This comparison already shows a substantial reduction. Overall, we reduced our greenhouse gas emissions by 18.4 percent in 2023 compared with 2018. We thus clearly surpassed our minus 12.5 percent target for the reporting year and remain well on track toward our Mission Climate.

Accounting for a good 93 percent, our German sites were responsible for the majority of our global emissions, with around seven percent attributable to our foreign locations.

Emissions in the supply chain: progress in many areas

When defining our climate targets in relation to Scope 3 emissions in line with the SBTi requirements, we identified

Absolute greenhouse gas emissions (Scope 1 + 2) from 2018 to 2023 and target until 2030 (tCO₂e)



those from each of the 15 categories of the GHG Protocol which, taken together, account for over two-thirds of our emissions. For these, we set a separate sub-target, which was a reduction of 15 percent compared with the baseline by 2030. In this context, we consider upstream transports by our subcontractors, our equity investees, employee mobility, and also monitor the upstream chains of primary energy sources.

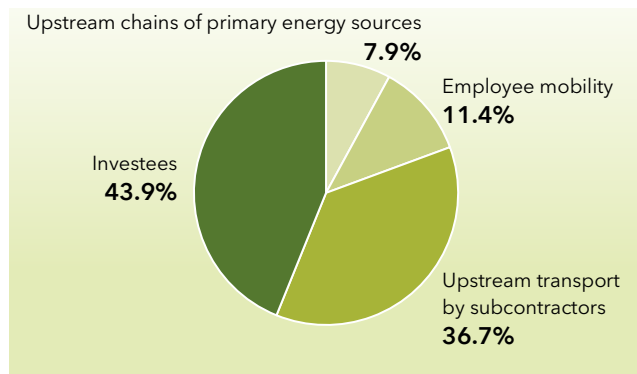
Our equity investees are the biggest emitter within Scope 3, followed by upstream transports. Taken together, they account for more than 80 percent of the emissions incurred in this category. In the case of upstream

transports, we report on emissions that result from third-party transportation services by truck and rail. To calculate the emissions from truck transportation, we already in some cases use software that is accredited in accordance with international greenhouse gas accounting standards. Where feasible, this links transport order data with telematics data from our own trucks or those of our subcontractors to ensure that the calculation of emissions is as far as possible based on primary data. We were able to significantly expand the areas of application of the software in the reporting year and are currently examining ways to use it even more widely in the future. Since 2023, we have been deploying extended semitrailers, which can

transport up to ten percent more goods than conventional semitrailers. This reduces the number of journeys, which in turn means lower emissions. We currently have 38 longer trucks on the road and - where technical conditions allow - will continue to increase their number.

Percentage share of Scope 3 emissions 2023

broken down by categories considered



When considering investees, we proportionately include the emissions of our EUROGATE joint venture, which make up the absolute majority in this category, plus individual other companies. With respect to the upstream chains of the primary energy sources, we record emissions that result from production and transport of the energy we use.

Concerning employee mobility, we report on emissions from our employees' daily commute to and from the workplace, those from business trips using private cars as well as those from our company cars and rental vehicles, and from business flights. To calculate the former as accurately as possible, we again carried out our annual survey. This gives employees an opportunity to communicate topics that concern them, many of which we have

followed up on. The site inspections carried out in the past reporting year to assess the possibilities for installing charging infrastructure for employees have already led to decisions, with installation of the respective charging points planned for the first half of 2024. The system for employees to use the charging points has already been successfully trialed at C3 in Bremen for over six months and is to be rolled out in identical form at the other locations.

Currently, we are also working on offering our employees a carpooling service within the BLG app, which will go live in the course of 2024. It is hoped this will encourage employees Germany-wide to create carpools. One key lever for reducing emissions from our company cars is electromobility. We are also investing in this area and have increased the proportion of all-electric vehicles in our company car fleet and centrally managed carpool by 63 percent compared to the previous year. We have also examined the framework conditions for implementing a mobility budget that enables the flexible use of services such as car sharing, public transport and long-distance travel as alternatives to company cars. In a next step we will examine how such a model can be integrated into existing processes.

Compared to the previous year, we again saw a significant reduction in Scope 3 emissions. For 2023, at minus 27.4 percent compared with the baseline, they were once again markedly below the 2030 target. It is especially worth highlighting the emissions reductions at our EUROGATE subsidiary, which in particular reflected a sharp drop in the consumption of diesel and electricity. For more

information see the separate non-financial statement of EUROGATE from ► page 72.

Across all three scopes, we generated 180,359 t CO₂e in 2023, which is an overall saving of 5.9 percent year on year. In the reporting year, we again comfortably exceeded our annual target for both our Scope 1 and Scope 2 emissions, as well as those that fall within Scope 3 We describe the measures that have specifically contributed to lowering our Scope 1 and Scope 2 emissions in the Energy Management section from ► page 38.

Encouraged by the sustained positive development over recent years as described above and given the ecological, social and economic need to act consistently, we decided again in 2023 to significantly increase the ambition of our climate targets: We are currently looking to bring our greenhouse gas emissions reduction target into line with the 1.5°C target called for in the Paris Climate Agreement. This will then be resubmitted to the SBTi for review. We have already included this new ambition in the overview of our ESG targets on ► pages 17 and 18.

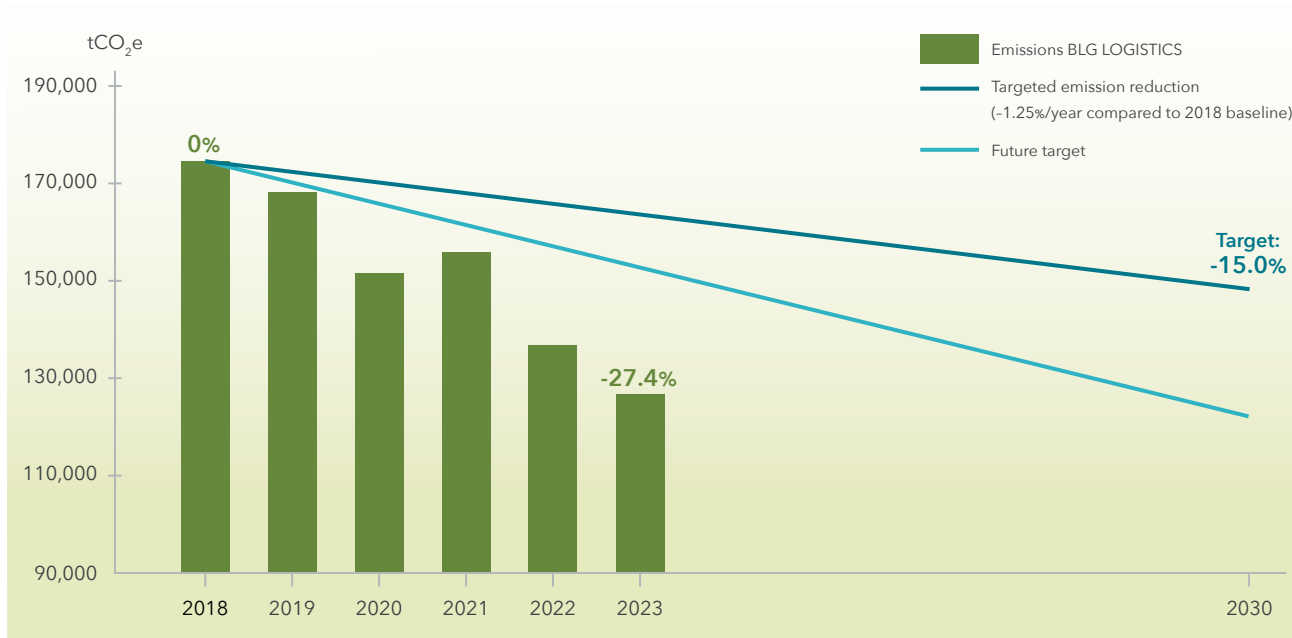
Support for international climate protection projects

In pursuing our climate targets, we follow the clear avoid - reduce - offset approach. Nevertheless, financing climate protection projects is fundamental to achieving a balance between carbon emissions and compensation or removal - because currently it is not possible to eliminate all emissions completely. Since 2020, we have been calculating the emissions from our company car fleet and our air travel and supporting selected climate protection projects that lead to a corresponding reduction of greenhouse gas



emissions. These projects are exclusively certified and audited in accordance with the Gold Standard. In 2023, we retired carbon credits totaling 1,383 t CO₂e from a project to provide solar cookers in the Chinese province of Henan.

Absolute greenhouse gas emissions (Scope 3)
from 2018 to 2030 and target until 2030 (tCO₂e)





Energy Management

We are continuously working to increase our energy efficiency and are looking to generate more of our own electricity from renewable sources.

Effective energy management can bring both environmental and economic benefits. We count on it as an important means of increasing our efficiency, thus helping us to move closer each year to achieving our climate protection targets. Our environmental and energy policy, which is publicly available, is commensurate with this. Among other things, it commits us to consistently and systematically reducing both our energy consumption and our emissions and to continuously improving our performance in the overarching areas of energy and the environment.

➤ www.blg-logistics.com/en/sustainability

Energy planning at our individual locations is carried out by our respective on-site energy officers. In addition to systematic data capture, their remit involves regular energetic evaluations as well as documenting planned and implemented measures. All activities are monitored and managed by a central Management Accounting department. Currently, 28 locations in the CONTRACT Division are certified to ISO 50001. In the reporting year, we decided to also certify our energy management system in use within the AUTOMOBILE Division in accordance with the same standard. With this, we are continuing to

drive harmonization within the BLG GROUP and are thus also fulfilling the obligation incumbent on us under the German Energy Efficiency Act (EnEfG). Furthermore, our environmental management system has already been certified since 2014 in accordance with ISO 14001 at all our German auto terminals and transport centers in the AUTOMOBILE Division and now also at 13 locations in the CONTRACT Division.

Systematic action based on clear consumption data

We want to permanently reduce our energy consumption – and hence our greenhouse gas emissions. To achieve this, we need to clearly identify how much energy our processes and facilities consume. Our energy officers obtain the necessary information through decentralized, on-site recording, validation and evaluation. The only exception to this are sites whose energy consumption we cannot control. The consumption of all fully consolidated companies is aggregated by the central Sustainability department and used to prepare the annual energy and carbon accounting.

We are constantly working to further enhance data transparency and accuracy – also to enable us to more easily record and track the effects of actions taken. We have been supported in this for some time now by the EnEffCo energy management software, which we continued to roll out in the reporting year. This allows more detailed and largely automated recording and evaluation of our energy consumption, and consequently even more targeted identification of potential savings. Additional German sites will continue to be incorporated in 2024, enabling monitoring across locations and business divisions via user-defined dashboards. Even with partial use of the system, gaps, anomalies and also weaknesses in the previous recording procedure came to light, which optimized validation will enable us to close or eliminate in future. We will also introduce new key performance indicators and collect additional data.



Absolute energy consumption

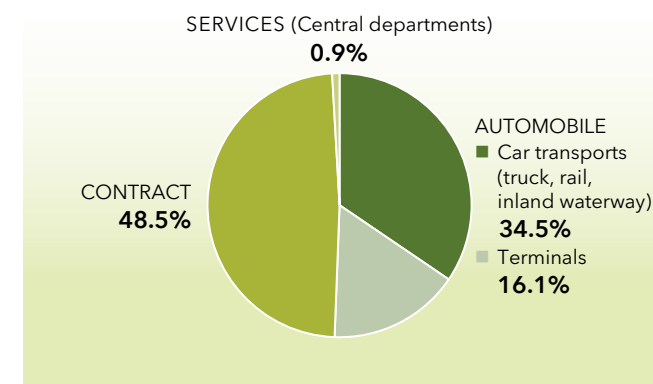
broken down according to energy sources

| | | 2023 | 2022 | 2021 |
|--|------------------|----------------|----------------|----------------|
| | Liters | MWh | MWh | MWh |
| Electricity | | 49,900 | 51,759 | 53,811 |
| Germany | | 48,817 | 51,136 | 53,215 |
| Self-generated electricity (utilized) | | 450 | 337 | 345 |
| Self-generated electricity (fed into grid) | | - | - | - |
| Foreign | | 633 | 286 | 251 |
| Natural Gas | | 61,560 | 68,029 | 75,800 |
| Germany | | 61,370 | 67,819 | 75,678 |
| Foreign | | 190 | 210 | 122 |
| District heat | | 621 | 609 | 405 |
| Germany | | 621 | 609 | 405 |
| Foreign | | - | - | - |
| Heating oil | 860,665 | 8,563 | 9,355 | 10,274 |
| Germany | 860,665 | 8,563 | 9,355 | 10,274 |
| Foreign | - | - | - | - |
| Diesel | 9,120,544 | 90,476 | 93,690 | 94,289 |
| Germany | 7,819,437 | 77,569 | 80,479 | 82,919 |
| Foreign | 1,301,107 | 12,907 | 13,211 | 11,370 |
| Gasoline | 245,137 | 2,160 | 2,652 | 3,037 |
| Germany | 245,137 | 2,160 | 2,652 | 3,037 |
| Foreign | - | - | - | - |
| Automotive gas | | 723 | 938 | 734 |
| Germany | | 55 | 54 | 25 |
| Foreign | | 668 | 884 | 709 |
| Total energy consumption | | 214,003 | 227,032 | 238,350 |
| Germany | | 199,606 | 212,442 | 225,899 |
| Foreign | | 14,397 | 14,590 | 12,451 |

Energy consumption in the reporting year

Compared with 2022, we again lowered our total energy consumption, this time by around 5.7 percent to 214 GWh, which was reflected across all energy sources with the exception of district and local heating. In addition to various measures to increase efficiency, which we explain in this section, business- and weather-related circumstances that we cannot actively influence also contributed to this. These result in natural fluctuations in energy requirements and are reflected accordingly in the accounting.

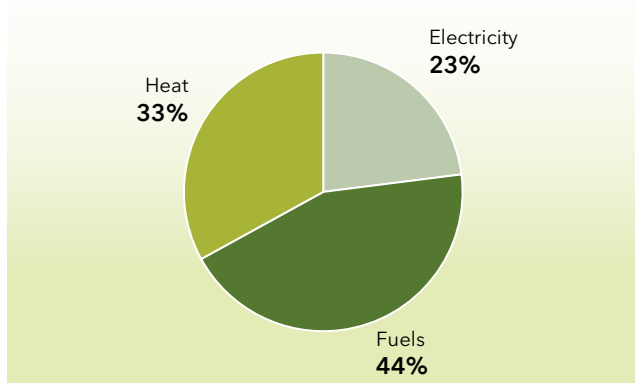
Percentage share of energy consumption 2023 broken down according to divisions and business areas



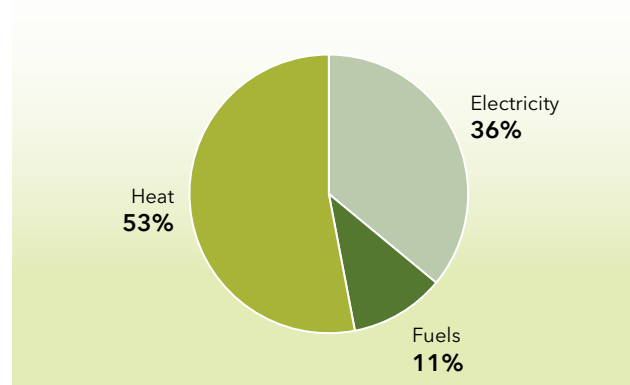
Percentage share of energy consumption 2023

broken down according to energy sources

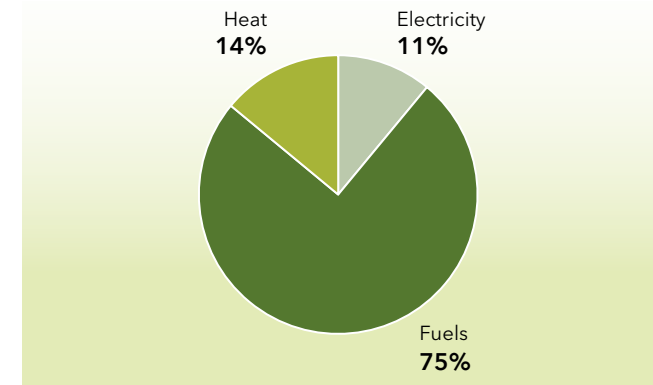
Total



CONTRACT division



AUTOMOBILE division



Fuels: diesel, gasoline, CNG and LPG
 Electricity: third-party electricity procurement and own electricity production
 Heat: natural gas, heating oil, district and local heating

Various levers for greater efficiency

Again in the reporting year we continued or successfully completed a number of projects. These included the ongoing conversion of our real estate and outdoor areas to energy-efficient LED lighting. At our Bremen car terminal alone, the conversions carried out in 2023 are expected to result in annual savings of around 400 MWh of electricity. Lighting retrofits on different scales were also carried out at other locations. When implementing completely new lighting concepts, as well as efficient light sources we also focus on intelligent and automated control. By checking and adapting twilight sensors, we were able to reduce the lighting duration in many places.

Our newest logistics facility, C3 Bremen, is just one example of the positive impact of this measure. Here, in addition to the already lower energy requirements thanks to LEDs, we were able to save between a further 25 and 75 percent of the energy required for lighting - depending on the month - thanks to automated, demand- and location-based control.

At one of our CONTRACT logistics locations in Bremen, we have been using a built-in weighing device on our straddle carriers since 2023. Previously, the vehicles had to take a detour to weigh the load, which is no longer necessary.

We initially equipped three straddle carriers with the technology, enabling us to save around 480 MWh of diesel per year.

To further reduce heat loss at one of our logistics locations in Bremen, two conventional gates were replaced by high-speed gates in the reporting year. We expect the shorter opening times of the gates to bring a saving in our annual natural gas consumption of around 300 MWh. At a number of other locations, optimizing the heating control and/or temperature settings in 2023 will result in a planned annual reduction in natural gas consumption of around 1.3 GWh.

Raising awareness throughout the organization

Once again in 2023, we kept our employees informed about ways to use energy efficiently through various formats ranging from training to posts in our digital channels. For example, right at the beginning of the year, we used our BLG employee app under the heading “Fit for the winter” to inform about practical measures that can also help reduce heating requirements in the home. Information on the progress of individual measures such as the expansion of the charging infrastructure for employee cars or other energy-related topics of personal interest was also shared through this or similar channels.

We also foster a regular dialog on the topic of energy management and efficiency with the energy officers at our individual locations, for example by providing targeted information on new legal regulations or potential savings. Conversely, the energy officers have the possibility to raise energy-related questions or topics of concern. This is one of the ways in which we promote the direct exchange and transfer of knowledge between the locations.

To further raise and sharpen the awareness among our administrative staff of the contribution each and every one of them can make on a daily basis, we continue to offer an e-learning module on environmental and energy management. As many as 1,400 employees have successfully completed the online training to date. With this, we aim to ensure that everyone at BLG is aware of our environmental and energy policy and the related corporate objectives.

Relying on clean energy

Our first photovoltaic system with a generator area of 430 square meters and an output of 74 kWp has been producing electricity on the roof of the technical building at the AutoTerminal Kelheim for the processes there since 2019. A second, much larger system with a generator area of 2,000 square meters and an output of 400 kWp was installed on the roof of a multistory car park at the same location a few years later. Three additional storage batteries allow us to store up to 210 kWh of surplus power for later use. The system not only covers the energy requirement for lighting the car park, but also supplies 55 wall boxes for charging e-cars. Since 2020, a PV system has also supplied our Waiblingen site with renewable electricity. Most recently, our fourth and largest PV system to date on the roof of our new C3 logistics facility in Bremen, with an output of around 9 MWp, was connected to the grid in October 2023. Our commitment to clean energy and sustainability was recognized with the special “Energy Efficiency” award of the German mobility industry and the Mercedes-Benz Supplier Award 2023 in the Sustainability category for the C3 logistics center. Through additional measures such as an integrated energy concept, we are striving to achieve a Platinum Sustainable Building Certificate from the Deutsche Gesellschaft für Nachhaltiges Bauen - DGNB, as well as “climate-positive” status for the site.

In total, we were able to cover around 450 MWh of our electricity requirement with the PV systems at our locations in the reporting year. We are currently reviewing installation possibilities at other locations.

However, irrespective of this, even in the future we will not realistically be able to cover all of our electricity needs at our locations with local PV systems. So as to nevertheless guarantee the supply of our facilities with 100 percent green electricity, we have set ourselves a clear goal: From 2025, we will procure 100 percent of our third-party electricity from renewable sources.

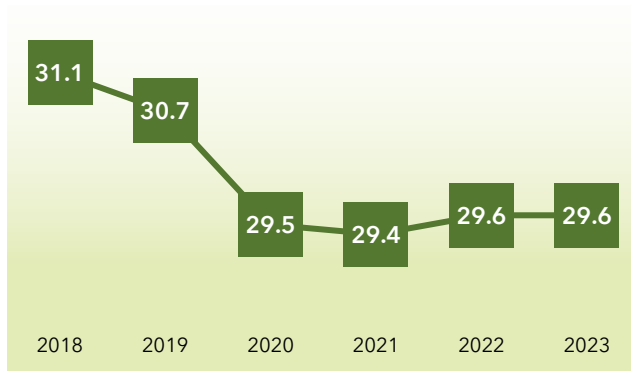


In a step designed to further improve the sustainability credentials of the C3's heat supply, we are planning to install an air-to-air heat pump there. The installation is scheduled for completion in fall 2024. Combined with the PV system, we are thus creating a sustainable, low emission possibility to heat the facility. This concept can also serve as a blueprint for other locations.



Specific diesel consumption of own automobile transport fleet (Germany)

liters/100 kilometers



Our company BLG AutoTransport offers transport services for new and used vehicles and in the reporting year operated its own fleet of 182 trucks in Germany, all of which meet the EURO 6 standard. In 2023, we added 23 efficient new commercial vehicles to our fleet. After recording a minimal increase in average diesel fuel consumption in 2022 for the first time since 2014, consumption levels, at 29.6 l/100 km, remained unchanged in the reporting year. As the above-mentioned new trucks were not purchased until the end of the year, the expected efficiency increase was not yet reflected in the reporting period.

The electrification of heavy goods vehicles will become increasingly relevant also for us in the future. After first successfully testing an electric tractor unit in normal operations in 2022, we did so again in the reporting year. We subsequently calculated a business case and began

preparations for regular operation. However, the lack of funding in Germany has meant we have had to put the project on ice for the time being. The same applies to the AUTOMOBILE Division, where we also looked closely at using e-trucks in the car transport business area. For the reasons stated above, however, the latest procurement of new vehicles did not include e-models.

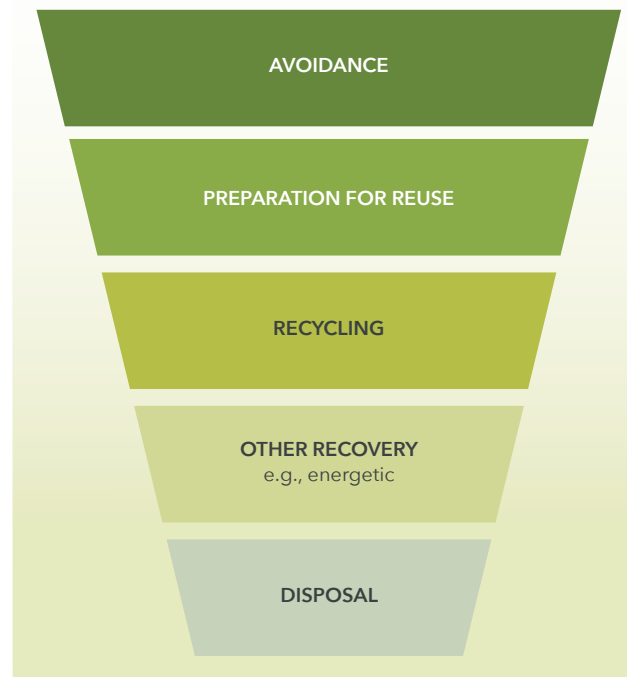
Waste Management and Resource Conservation

Our environmental responsibility also includes the responsible use of resources and management of waste generated at our sites. With systematic green waste management, we reduce negative impacts on the environment.

As a logistics service provider, BLG LOGISTICS produces waste through the transportation and storage of goods. In order to reduce the resulting impact on the environment, we are continuously improving our waste management with a particular focus on waste disposal processes by measuring and managing recyclables and waste volumes. We have also formulated this commitment, which is based on the waste hierarchy of the German Closed Substance Cycle Waste Management Act (Kreislaufwirtschaftsgesetz - KrWG), in our environmental and energy policy: We assume responsibility for the environmentally compatible use of resources and set ourselves realistic targets, in particular for the avoidance, reuse or recycling of recyclable materials and waste.

Our environmental management system has been certified in accordance with EN ISO 14001 for ten years now - in the meantime at all German auto terminals and transport centers in our AUTOMOBILE Division as well as at 13 CONTRACT logistics locations. Two more are to follow in 2024. The management system sets the guide-

Five levels of the waste hierarchy according to the Closed Substance Cycle Waste Management Act (KrWG)



lines for processes, responsibilities and, not least, implementation of environmental protection requirements, including those relating to waste management.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

≥ 90%

of our waste is collected in segregated fractions

reporting.blg-logistics.com/sustainability-goals

We defined an initial concrete target in the reporting year: to achieve an annual segregated waste collection rate of 90 percent or higher from 2024. In addition, we are looking at waste-related transports and ways of reducing them.

Targeted collection, targeted improvement

Our sites are responsible for the legally compliant separation, collection and disposal of recyclable materials and waste and to this end work with mostly certified waste management companies that have specialized in recycling, energy recovery and waste disposal. A large proportion of the waste generated results from our customers’ business activities - for example, if goods are delivered to us packaged, we are responsible for disposing of the packaging. At 20 percent of our 50 locations, waste disposal is entirely in the hands of the customer: They specify and organize the disposal channels.

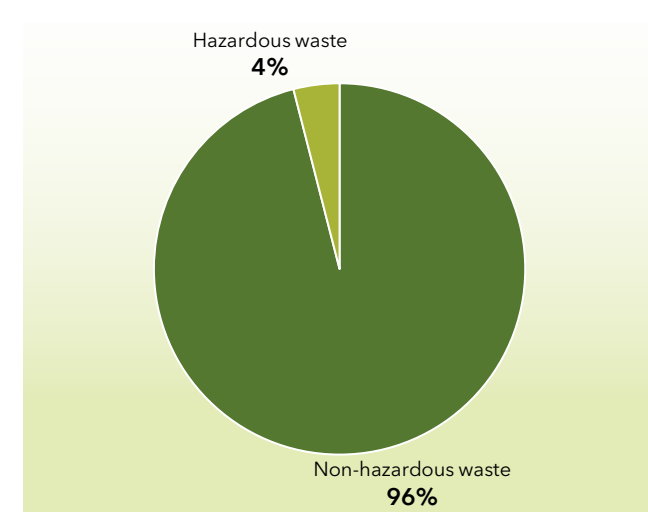
In our own area of responsibility, we centrally and uniformly document all quantities and types of waste generated. Responsibility for documenting waste management lies with the Integrated Management Systems department. It is supported by the central Safety and Environmental Protection department in close collaboration with the locations and Quality Management of the AUTOMOBILE and CONTRACT Divisions. The individual sites for example train their own environmental management coordinators, who are responsible for capturing the data and also act as contact persons for the employees. In addition to the provisions of the German Commercial Waste Ordinance (Gewerbeabfallverordnung - GewAbfV), this is based on a management system module that our employees can access at any time and that explains the processes and responsibilities. We were able to integrate

all locations for which we are responsible into the data capture process in the reporting year. This was also achieved retrospectively for the previous year, after we were initially only able to report 80 percent in the 2022 Sustainability Report - we have adjusted the data accordingly. The established, standardized procedure and the associated documentation enables us to not only meet our own standards in this area, but also the growing demands placed on us by our customers and lenders in this regard.

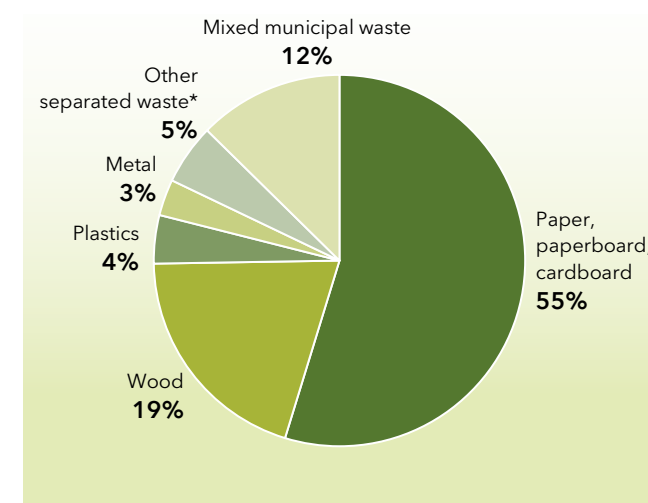
Overall, we were able to reduce our waste volume by around 6 percent compared with the previous year to 17,751 metric tons. The volumes fell across all waste fractions with the exception of metal and other separately collected waste. Paper, paperboard and cardboard, as well as wood remain the proportionally largest fractions. In the reporting year, we achieved a segregated collection rate of 88 percent, which was a slight increase over the previous year. We aim to further increase this figure in line with our new target.

Hazardous waste again accounted for as little as 4 percent of the total waste volume in 2023. Indeed, in absolute terms, the volume was almost 13 percent lower than in 2022. Most of our hazardous waste is machine, gear and lubricating oils, absorbent and filter materials, and rechargeable batteries. Protecting people and the environment is our top priority, in particular when dealing with these waste materials.

Percentage breakdown of generated waste in 2023



Percentage breakdown of non-hazardous waste in 2023



* including glas, organic and textile waste

**Customized solutions from recycling to reduction**

Many of our sites already have measures in place to either reduce waste or improve reuse and recycling. One example is the reuse of Styrofoam packaging, which we receive as protection for products or components that we further process for our customers. Rather than disposing of this material after unpacking, we compact it on site and remarket it. We also compact wood waste at a number of locations, enabling us to reduce the number of transports to the disposal site as well as the corresponding emissions.

Waste management was factored in from the outset when designing C3 Bremen, where it meets the requirements of the WELL standard. By providing labeled trash containers directly at source, we make it as easy as possible for our employees to separate waste correctly. As far as possible, we avoid the use of plastic trash sacks. The disposal concept provides for the separate collection of paper, paperboard and cardboard packaging, foil packaging, mixed residual waste and wood in color-coded large containers. Even in the washrooms we provide separate bins for used paper towels, which are returned to our suppliers' plants for recycling.



Social

47 Fair Working Conditions
and Human Rights

51 Training and Education

54 Occupational Health
and Safety Management

57 Diversity and Equal Opportunities

60 Social Commitment

Fair Working Conditions and Human Rights

Our employees are crucial to our success. We offer them secure and attractive jobs and fair pay. We also assume this responsibility along the supply chain.

Our business success depends to a large extent on our employees. With their experience and passion for logistics, they ensure that BLG LOGISTICS as a company never stands still. For us it is a matter of course that each individual is treated with equal respect and nobody is subject to discrimination. For us, fair working conditions also include transparent and competitive wages and salaries in line with collective agreements.

In addition to our own business divisions, we also give consideration to the people along our supply chains who are closely associated with our services.

Fair working conditions and respect for human rights are irrevocable cornerstones of our corporate actions and, as such, also characterize our relations with our suppliers.

Clear structures for labor and human rights

In the reporting year, we created the position of human rights officer, which is held by the head of our central Sustainability department. Appointed by the Board of Management, the human rights officer acts as a point of contact for employees and suppliers in all matters relating to human rights risks and violations, while also liaising with the Board of Management.

This involves continuous optimization of preventive and remedial measures to minimize risks and prevent violations, as well as regular and ad-hoc reporting to the Board of Management on matters relevant to human rights. In fulfilling the human rights due diligence obligations, the human rights officer cooperates closely with other concerned departments. Our approach is described in detail in the Sustainability Management section from ► page 14.

Employment contract and type

| | Germany 9,295 employees | | | USA 210 employees | | | South Africa 580 employees | | | Poland 51 employees | | |
|----------------------------|----------------------------|-----------------|-------------------|----------------------|-----------------|-------------------|-------------------------------|-----------------|-------------------|------------------------|-----------------|-------------------|
| | total | of whom male | of whom female | total | of whom male | of whom female | total | of whom male | of whom female | total | of whom male | of whom female |
| | in % | in % | in % | in % | in % | in % | in % | in % | in % | in % | in % | in % |
| Employment contract | | | | | | | | | | | | |
| permanent | 90.6 | 72.6 | 27.4 | 97.6 | 66.3 | 33.7 | 90.5 | 77.0 | 23.0 | 88.2 | 64.4 | 35.6 |
| temporary | 9.4 | 72.7 | 27.3 | 2.4 | 80.0 | 20.0 | 9.5 | 45.5 | 54.5 | 11.8 | 83.3 | 16.7 |
| Employee type | | | | | | | | | | | | |
| full-time (100%) | 89.7 | 76.2 | 23.8 | 100 | 66.7 | 33.3 | 90.5 | 77.0 | 23.0 | 96.1 | 65.3 | 34.7 |
| part-time (<100%) | 10.3 | 41.4 | 58.6 | 0 | 0 | 0 | 9.5 | 45.5 | 54.5 | 3.9 | 100 | 0 |

Employment contracts, wages and salaries

At December 31, 2023, BLG LOGISTICS employed 10,136 people worldwide in our fully consolidated entities. The majority of our employees, at 90.7 percent, is employed on a permanent basis. In the reporting year, 90 percent of our workforce worked full-time. As in previous years, women made up the largest group of part-time employees with 58.2 percent - with Germany again accounting for the highest proportion of part-time employees in 2023 at 10.3 percent. However, in South Africa the ratio rose from 5.6 percent to 9.5 percent in the reporting year and is therefore at a comparable level.

In 2023, we continued to categorize our workforce into women and men only; however, we are aware that not everybody self-identifies with one of these two genders. To date, only a few of our own employees have identified as diverse. As they currently account for a proportion of less than 0.1 percent of the total workforce, we do not yet explicitly include this group in our statistics, partly to avoid any conclusions regarding individual persons. However, in the interests of equal representation, we are continuing to monitor this aspect.

Our employees are paid on the basis of the collective agreements applicable in our industry and at the respective locations, or in individual cases at comparable rates. We also support collective bargaining regulations in our foreign companies that enable transparent and fair working conditions. It goes without saying that the statutory minimum wage applies to both our own employees and temporary agency workers. Everyone has the right to freedom of association and collective bargaining. In 2023, the proportion of our employees in Germany

integrated into a collective bargaining system stood unchanged at 97.7 percent. As part of the development and revision of our ESG targets, we have stipulated that 100 percent of our own employees and temporary workers should be covered by collective agreements or have at least a comparable wage level.



The collective employment protection agreement concluded in May 2022 for the employees at our Bremerhaven car terminal remained valid in the reporting year. The agreement, which was negotiated with the involvement of the local collective bargaining committee and the ver.di trade union and has a term of 24 months, contains comprehensive assurances on job security and the

protection of our employees that reach far beyond the term of the collective agreement. In return, the employees have contributed additional working hours over 24 months and waived part of their wage increase.

We wish to be mindful of our employees' needs in all life situations and therefore provide targeted support with reconciling career and family. In addition to the possibility to work part-time, BLG LOGISTICS offers additional options through flextime models as well as remote working to help employees find the best possible work-life balance. In the reporting year, it was decided not to pursue the existing certification by berufundfamilie Service GmbH aimed at implementing a family-conscious human resources (HR) policy. The recommendations from the audits carried out in previous years have been successfully implemented. The capacity freed up by the expiry of the certification will instead be invested in further developing the topics.

Codetermination and one BLG for all

The megatrends automation and digitalization are reshaping the economy, and do not stop at the gates of the logistics sector. We see these changes as an opportunity that we want to seize. At the same time, we are striving to manage the transformation in a socially acceptable way and involve our employees in every step of the journey.

In 2020, initial talks began on a possible collective agreement to regulate the repercussions of automation and digitalization processes, after having previously concluded such an agreement at EUROGATE in 2018. Put on hold during the coronavirus pandemic, the ongoing exchange shows how diverse the approach to



implementing such projects at BLG LOGISTICS can be. The situation is currently being reevaluated in dialog with the operating partners to clarify how a regulation under collective bargaining law can provide guidelines for the design of these projects.

Practiced codetermination is an integral part of our corporate culture. We promote dialog with our employees and attach great importance to respectful collaboration. This builds on mutual trust and a strong representation of interests by the works councils and the employee representatives on the Supervisory Board. The resulting exchanges are both valuable and rewarding for the entire company. In the reporting year, newly elected works councils were constituted for the first time at three locations – Falkensee, Verden and Cologne.

Equal integration for temporary agency workers

In the logistics sector, fluctuations in the order situation are commonplace. For BLG LOGISTICS, this means that we have to rely on agency employees as a backup during order peaks or very short-term contracts. Here, we work exclusively with service providers that meet the minimum wage requirements. We guarantee the contractually agreed work assignment flexibility for both groups – temporary workers and own employees – in equal measure. This also includes short-term notice of work assignments, overtime or weekend work. It goes without saying that we adhere at all times to the principle of “equal pay for equal work” in line with the requirements of the German Temporary Employment Act (Arbeitnehmerüberlassungsgesetz – AÜG).

With regard to compliance with human rights due diligence obligations under the German Supply Chain Due Diligence Act (LkSG), we also consider the working conditions of our temporary workers and, where applicable, contract workers, alongside those of our own employees.

We welcome it when we are able to take employees from agencies and personnel service providers into permanent employment and give them preference when additional positions need to be filled – in the reporting year, 338 of them became “fully-fledged” members of BLG. As of December 31, 2023, we employed 83.2 percent own staff in Germany, 4 percent employees from the Central German Seaport Operators (Gesamthafenbetrieb – GHB) and 12.8 percent employees from other personnel service providers. This corresponded to a decrease of 6.5 percentage points for temporary agency staff compared to 2022.

Human rights along the supply chain

We consider respecting human and labor rights to be an integral aspect of our corporate social responsibility, both with respect to working conditions within our own operating divisions and in cooperation with direct suppliers, subcontractors and business partners. We are also committed to ensuring that rights are upheld along the entire supply chain.

In the reporting year, BLG LOGISTICS GROUP AG & Co. KG for the first time fell within the scope of the German Supply Chain Due Diligence Act (LkSG). This shifted the BLG-wide management processes to promote human rights back into the focus, which were adapted where necessary. For example, the existing grievance system was extended to take account of the provisions of the LkSG. In

order to raise awareness of human rights issues among our employees, we again offered a corresponding training course in 2023.

All processes for complying with the due diligence obligations under the LkSG are described in a BLG-specific LkSG manual. This serves as a guide for employees involved in implementation and contains an overview of the legal requirements, the defined roles and responsibilities and detailed descriptions relating to the specific implementation of the individual due diligence obligations at BLG LOGISTICS. The LkSG is updated on an ongoing basis and in 2024 will also be adapted to optimized processes such as the planned software-based risk analysis. For more information on how we fulfill our due diligence obligations, see the sections on Risk Management from ▶ page 25, Sustainable Supply Chain from ▶ page 29 and Compliance from ▶ page 63.

Fluctuation as a metric

Employee fluctuation acts as a barometer for measuring employee satisfaction. How happy our employees feel in their job is also economically relevant, because recruiting and onboarding new colleagues is time- and cost-intensive. In 2023, 608 employees left us at their own request. Compared with the previous year, the rate thus again increased from 5.0 percent to 6.4 percent. This trend is strengthened by the general shortage of skilled labor, which is opening up new prospects on the job market for many people. To help us understand our employees’ individual reasons for switching jobs, we conduct exit interviews as a standard procedure, which give us pointers for measures that could be implemented in the future.



Support in individually challenging situations

Our company social counseling service is available to our employees and their families at our Bremen and Bremerhaven sites. This offers employees advice and support in a wide range of challenging situations, including personal stress at work, family problems, psychosomatic complaints, acute life crises and addictions. A total of 76 employees took advantage of the offering and were supported in corresponding counseling sessions, equating to a rate of 2.8 percent of the employees falling within the service's area of responsibility. We also offer our employees subsidies for dental prostheses, homeopathic treatment and hearing aids, as well as for rest and respite leave, which are funded by the employer-financed support association, BLG LOGISTICS GROUP e.V.

Training and Education

We offer our employees a wide range of initial and advanced training and education opportunities - throughout their career. Our training programs are tailored to the individual qualification level, personal background and life situation.

We attach great importance to giving our employees opportunities for personal development, because attracting, promoting and retaining qualified skilled employees and young talents is a key factor for BLG LOGISTICS' corporate success. Our central HR department therefore coordinates these tasks as a priority issue and supports employees at the locations in consultation with human resources managers, training managers and site managers should questions or conflicts arise. Staff can also seek the advice of the works councils in these matters.

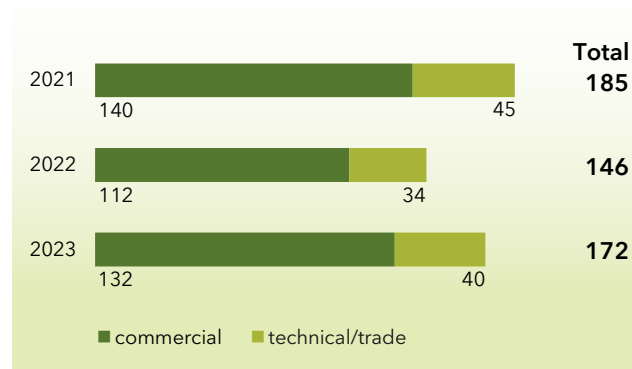
Promoting young talent: a win-win

Behind every service that we provide for our customers every day are employees whose commitment guarantees our high quality and reliability. Our success confirms our approach: We closely support our junior staff from the very first day of their training, equipping them with the right tools from the get-go and imparting our values to them. We offer different apprenticeships, including mechatronics engineer, professional driver, industrial or HR services clerk. In addition, there are three dual Bachelor's degree courses in Freight Forwarding, Transport and Logistics as well as Information Science. In the reporting year, we filled

96 new apprenticeship places, bringing the total number of trainees to 172 - 40 in technical/trade and 132 in commercial professions. This represents a trainee ratio of 1.9 percent.

Against the background of the challenge posed by the shortage of young talent for society as a whole, we are striving to achieve an annual trainee ratio of at least two percent by 2025 as part of our new sustainability targets.

Number of trainees at BLG LOGISTICS*



*As the apprentice figures in previous years for systemic reasons included an investee beyond the reporting scope, we have adjusted the figures accordingly in the present report.

4 QUALITY EDUCATION

≥ 2%
proportion of trainees from 2025

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We are endeavoring to raise our attractiveness as an employer and get young talent excited about working at BLG LOGISTICS through recruiting campaigns via various social media channels aimed at specific target groups, participating in high-school career fairs, organizing training days and offering student internships. In line with our company guarantee, we again made all qualified graduates an offer of employment in 2023, thus transferring 67 percent of our trainees at the Bremen location to permanent employment contracts or, for example, to dual degree programs within BLG LOGISTICS.

Furthermore, we continued the already established support program offered to existing employees, enabling them to qualify as a warehouse logistics specialist. A total of 24 employees took advantage of the opportunity in 12 weeks of full-time training to prepare for the exam, and it was gratifying to note that 23 of them passed at the first attempt. We will offer this 12-week full-time course sponsored by the German Federal Labor Agency again in 2024. Active Sourcing as a means of directly approaching candidates, which was launched as a pilot project in 2021 and initially only targeted IT specialists, was also further extended. A new colleague was hired to work with the newly purchased LinkedIn Recruiter, enabling us to now target suitable candidates for our vacancies on both the Xing and LinkedIn business platforms. In addition, we used the "Get in IT" platform in a pilot project to find suitable candidates for IT.

Job opportunities in logistics

In the reporting year, we participated for the first time as a practical partner in the "Fit for Logistics" project. In cooperation with ma-co maritimes kompetenzzentrum

GmbH and the Bremen Chamber of Commerce - IHK for Bremen and Bremerhaven, BLG LOGISTICS supported refugees from Ukraine with targeted measures to help them enter the logistics industry and in so doing offers them concrete job prospects. In ten-day courses, the participants could expect not only a comprehensive skills assessment for work in logistics, but also individual job application coaching and practical job speed dating at BLG. Two runs of the information event and practical course took place in March and June and met with great demand. The courses were accompanied by interpreters so that all participants could also learn the helpful content in their native language. Afterwards, 41 promising candidates were selected to receive targeted support with further developing their German skills and making them fit for employment.

Flexible professional development

We offer our employees further development opportunities throughout their career - regardless of where they are on the career ladder. In the reporting year, we conducted 5,616 centrally organized training days - in person or as webinars and blended learning to give participants more flexibility in terms of time and location.

Training hours per employee



Thus the number of training hours once again increased. By 2025, we are aiming for at least 5.5 centrally documented training hours annually per employee. This figure does not take into account the additional training offerings at our individual locations that are not documented centrally.

4 QUALITY EDUCATION

≥ 5.5

annual training hours per BLG employee by 2025

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Our central Tutorize learning management system now has around 2,200 registered users, an increase of 19.5 percent year on year. Users can choose from among 125 e-learning courses as well as 32 courses from the central training catalog.



Together with our cooperation partner ma-co as well as the ver.di trade union, the Central Association of German Seaport Operators (Zentralverband der deutschen Seehafenbetriebe - ZDS), Hamburger Hafen und Logistik GmbH (HHLA) and an IT partner, we launched the "PortSkill 4.0" joint project at the end of 2021. The focus is on the transformation in port operations and the associated changes with regard to required skills and qualifications. The project is funded by the German Federal Ministry of Digital Affairs and Transport and aims to develop new learning concepts and methods to impart the necessary skills. In the first two years, new digital learning environments were designed within the scope of the project, and a digital test and training center (DTTC) is currently being set up. The research project will run until the end of 2025 and forms a good basis for future developments in port operations, directly related administrative tasks and the ensuing adjustments with regard to qualification requirements.

In 2023, we continued to advise and support the SMA-LO - Smart Learning in Logistics project launched in 2022 through our involvement as a member of the Advisory Board. By drawing on AI-supported methods, the project, which will wrap up in 2024, aims among other things to create a learning ecosystem that enables individual learning based on flexible learning paths.

Developing young talent

Alongside our established Junior Management Program (JMP), we launched a second trainee program in 2023 entitled "Specialist Program." The program focuses on specialist career paths and offers students the opportunity to acquire knowledge and skills in the fields of

finances/management accounting, human resources, project and process management or IT. In the course of the two-year program, the candidates spend time in different areas within BLG LOGISTICS and also gain valuable insights from workshops on topics such as communication and conflict resolution. The new cohorts of both programs started at the beginning of May 2023. Four participants are enrolled on the JMP and five on the specialist program.

To ensure consistent management development, our qualification programs for operational managers were also continued: In the reporting year, 14 shift supervisors and six operations managers successfully completed the program. We also held our "TAKE THE LEAD" management training courses again, with the fourth management workshop under the motto "Reflection" taking place in a new digital format in the reporting year.

Further development through individual feedback

In order to support our employees in their individual development, our managers conduct annual employee appraisals in which, based on defined criteria, they review performance and discuss potential. These serve as the starting point for drawing up individual development plans for suitably qualified employees. These form the basis for selecting participants in our qualification programs. If desired, Tutorize can be used to conduct and document the interviews - an option that had already been used in over 1,000 cases by the end of 2023.



Occupational Health and Safety Management

We have a responsibility to provide a safe working environment for our employees. By implementing preventive measures, we strive to avoid accidents and actively support our employees in staying healthy.

We have a commitment toward our employees who, through their experience, dedication and ideas, contribute decisively to our joint success. Their health and safety are our top priority. This maxim was further reinforced in 2023, as BLG LOGISTICS additionally prioritized responsibility for occupational safety at our locations within the framework of the German Supply Chain Due Diligence Act (LkSG). In addition to avoiding accidents at the workplace, targeted offers of support also help our employees stay fit and healthy.

Proven systems and clear responsibilities

At Board of Management level, our Labor Relations Director is responsible for occupational health and safety. Our employees can address their questions and concerns in this regard to various points of contact: The HR department, the central company health management system, the social counseling service and the representative body for persons with disabilities are all happy to assist. In addition, intercompany services deploy company physicians at each of our locations, who are qualified in line with statutory guidelines and are known to all employees.

Occupational health and safety is of paramount importance in logistics. At BLG LOGISTICS, the central Safety and Environment Protection department (PSU) performs essential work in this field with regular facility inspections, workplace inspections and preventive processes, along with corresponding training. The staff in the department all have the legally required qualifications to carry out their work. We attach great importance to feedback from employees who are directly involved in performing activities and implementing processes on a day-to-day basis. We therefore encourage them to actively share concerns and suggestions regarding occupational safety with us - anonymously via our external ombudsman if they wish. In turn, we provide them with regular and comprehensive information on our occupational health and safety measures, for example through meetings at operational level and via our employee app. Employees with personnel responsibility have access via the intranet to the safety and environmental protection portal. In addition to an overview of binding standards and processes, this contains current templates as well as risk assessment forms and provides information about new legal require-

ments. Management staff with responsibility for occupational safety also receive corresponding training in line with BLG LOGISTICS' occupational health and safety policy and the supplementary guidelines. For around 50 employees, this formed part of the "New BLG Managers" training series in the reporting year. Specifically for office workplaces, occupational health and safety instructions are available via the Tutorize training platform.

Following certification of the BLG LOGISTICS GROUP with the central PSU department, the company BLG Cargo Logistics and the AutoTerminal Kelheim in accordance with ISO 45001 for their occupational health and safety management system, our BLG AutoTerminal Bremerhaven location with the company BLG AutoTec domiciled there began the certification process in the reporting year. Thanks to defined occupational health and safety standards for BLG Germany it is also easy to transfer existing systems to certification at further locations.



Clear processes ensure safety

Jobs in logistics are often physically challenging – this is particularly true of activities in warehouses and ports. In these areas there are often interfaces between people and machines, making special safety precautions necessary. In this context, hazard assessments and regular effectiveness checks are the cornerstones of an effective occupational health and safety system. The hazard assessments are used to derive concrete operating instructions and induction guidelines that our employees follow in their daily work. Each location also has its own Occupational Health and Safety Committee, which implements new measures on site as required. In addition, alarm and hazard prevention plans are in place that contain important instructions in the event of an accident or fire, as well as information on first aid.

To facilitate the creation and regular updating of hazard assessments, a corresponding software tool was purchased in 2023. The integrated work steps were individually adapted to BLG’s processes by the central Safety and Environmental Protection department. In a future project phase, it is planned to interface the “Works Incidents” log book with the “Hazard Assessment,” which will ensure that accident prevention measures derived from accident investigations flow directly into the hazard assessment.

Across all German companies in 2023, 403 reportable work accidents were registered that led to sick leave of more than three days. The increase in the number of reportable accidents compared with the previous year (353) despite fewer hours worked led to a 12.5 percent increase in the 1,000 employee rate from 36.1 to 40.6.

By contrast, the Lost Time Injury Frequency Rate (LTIFR), which indicates the frequency of injuries at the workplace resulting in at least one day’s absence from work, fell to 26.4 per 1,000,000 hours worked (previous year: 35). In addition to our own workforce, our accident statistics also include employees who work for us through personnel service providers.

**Reportable work accidents
Number per 1,000 employees**



To enable us to better analyze the increasing number of accidents and derive conclusions for preventive measures from the investigations, the new “Safecon” digital works incidents log book introduced in 2022 was expanded to include the classification of the cause of accidents according to predefined hazard factors. The assignment of hazard factors enables us to identify key focus areas when assessing accidents. The available figures show that in the year under review accidents involving tripping, slipping or falling (TSF) made up the largest percentage, accounting, for example, for 40 percent of accidents to be assessed at the Bremen car terminal and 29 percent at Industrielogistik Bremen. This confirms the trend noted in German companies by many of the German Social Accident Insurance Institutions (Berufsgenossenschaften) and the Federal

Institute for Occupational Safety and Health (Bundesanstalt für Arbeitsschutz und Arbeitsmedizin – BAuA).

The topic of occupational health and safety was included in the target agreements of BLG management staff for the first time in the year under review. This step emphasizes the importance given to occupational health and safety at BLG and is intended to help further strengthen the preventive approach. Occupational health and safety was also anchored in the newly developed sustainability goals in the reporting year. The overarching goal is zero fatal accidents. Moreover, we are planning to replace the 1,000 employee rate as a remuneration-relevant target by the internationally established LTIFR from 2025, from which time on we have set ourselves the goal of reducing the LTIFR by ten percent each year.

All employees – whether in-house or external – are trained, instructed and kitted out with personal protective equipment in the same way. When providing employees with safety gear, we not only ensure that safety requirements are met, but also as far as possible take personal needs into account, for example by providing custom-made hearing protection in exposed areas. The safety regulations are also communicated to guests, suppliers and other persons who have cause to visit our locations. To ensure that our employees are able to move around safely at their workplace, we provide comprehensive training on topics such as fire prevention or dangerous goods handling. This is generally carried out by external instructors, with support from our central PSU department depending on the content.

3 GOOD HEALTH
AND WELL-BEING


0

accidental deaths & from 2025 **10%**
reduction of our accident rate annually

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Fit through more exercise

BLG LOGISTICS supports its employees with various modules to help them stay fit and healthy. One of these is our "Fit & Fun" prevention program, which has proven particularly popular over the years. Together with an external provider, we give our employees access to over 8,000 partner studios across Germany - from fitness studios and yoga to swimming and bouldering, participants can choose from a wide range of activities every day. If they wish, they can also take advantage of online courses via the corresponding app. In the final quarter of 2023, 1,330 employees were enrolled in Fit & Fun.

It is also important to us to support our employees in promoting health and wellbeing in their daily work and

again organized health days at a number of locations. The focus in 2023 was on diabetes and strokes. As well as being offered practical tests, employees could learn about prevention, early detection and how to live with these conditions. We also developed a new format, the "Digital Health Day", which was primarily aimed at our administrative areas. This day of action offered employees the opportunity to watch a presentation and practical exercises on back health, independently of their location or even when working remotely. The session is available Germany-wide in our employee app.

Many of our employees are on their feet a great deal and cover a lot of ground every day. Following the introduction in retail logistics at the initiative of the general works councils in 2022, all employees BLG-wide can now take advantage of the offer to have their feet individually measured. Where required, suitable insoles are then issued for their work shoes, which increase wearing comfort and help to prevent foot problems.

Ergonomic workplace design, for example with height-adjustable desks and work tables, also contributes to prevention. As part of the MEXOT project, we are testing a concept for intelligent work ergonomics that comprises the subsystems of an intelligent exoskeleton and a driverless transport vehicle with follow-me mode. The focus is on researching the interaction of the two technologies to improve ergonomics in order picking and assembly processes. In another research project entitled "Resource development in service work - RessourcE", technical solutions and concepts for health-promoting work design are being tested and examined with regard to their

generalizability. BLG is represented as an application partner with its Bremen logistics center.

Reintegration promotes a positive return to work

We want to maintain our employees' capacity for work over the long term, and therefore support those who have been absent from work for more than six weeks within a 12-month period through our company reintegration management system. Together with the colleagues, we design individual concepts to ease them back into work, either gradually or accompanied by medical and occupational rehabilitation programs. Absenteeism appraisals help us ascertain whether and to what extent the workplace impacts on employees' health, and what we can do to mitigate this in order to reduce absenteeism due to sickness and promote our employees' long-term health.

The work incapacity rate in 2023 fell compared with the previous year by 0.56 percentage points to 10.33 percent. The rate of continued pay during sick leave was down from 7.84 to 7.39 percent. Through our company social counseling service, we offer professional support to employees, managers and officers with personal issues or their professional role. In the reporting year, 2.8 percent of employees in our area of responsibility took advantage of this service.



Diversity and Equal Opportunities

Diversity in togetherness and equal opportunities on all levels: Our corporate culture is rooted in the recognition, appreciation and acceptance of our employees' differences.

BLG LOGISTICS is multifaceted and diverse: We employ people from over 100 different countries. They each bring their own backgrounds, experiences and skills to the table, and contribute to the diversity and strength of our

company. We therefore advocate respectful collaboration - both within and outside the company. Every single employee, regardless of age, gender, origin, sexual orientation or qualifications, has equal opportunities for

personal growth. We believe in allowing each and every person to develop individually and focus on the people behind the job titles.

Age structure and gender distribution according to employee category

| | Germany 9,295 employees (♀ = 27.3%) | | | USA 210 employees (♀ = 33.3%) | | | South Africa 580 employees (♀ = 26.0%) | | | Poland 51 employees (♀ = 33.3%) | | |
|-------------------------------|--|--------------------|----------------------|----------------------------------|--------------------|----------------------|---|--------------------|----------------------|------------------------------------|--------------------|----------------------|
| | Share of age groups in % | of which male in % | of which female in % | Share of age groups in % | of which male in % | of which female in % | Share of age groups in % | of which male in % | of which female in % | Share of age groups in % | of which male in % | of which female in % |
| White-collar employees | | | | | | | | | | | | |
| <30 years | 16.7 | 59.3 | 40.7 | 15.0 | 66.7 | 33.3 | 11.6 | 57.1 | 42.9 | 14.8 | 75.0 | 25.0 |
| 30-50 years | 50.4 | 59.0 | 41.0 | 70.0 | 71.4 | 28.6 | 64.5 | 60.3 | 39.7 | 55.6 | 20.0 | 80.0 |
| >50 years | 32.8 | 62.9 | 37.1 | 15.0 | 66.7 | 33.3 | 24.0 | 79.3 | 20.7 | 29.6 | 50.0 | 50.0 |
| Blue-collar workers | | | | | | | | | | | | |
| <30 years | 9.5 | 72.8 | 27.2 | 34.2 | 73.8 | 26.2 | 13.1 | 56.7 | 43.3 | 4.2 | 100 | 0 |
| 30-50 years | 46.9 | 77.8 | 22.2 | 48.9 | 61.3 | 38.7 | 70.4 | 78.0 | 22.0 | 45.8 | 100 | 0 |
| >50 years | 43.6 | 75.9 | 24.1 | 16.8 | 65.6 | 34.4 | 16.6 | 85.5 | 14.5 | 50.0 | 100 | 0 |

Diversity for a strong BLG

The strategic management of diversity within the company is a central task of our Human Resources department. Our HR colleagues advise both the Board of Management and the entire workforce on issues relating to this topic and once a year prepare a diversity management scorecard for the Board of Management and the Supervisory Board.

The basis for all activities in this area is our diversity concept, which covers the entire workforce and sets the tone for our corporate and leadership culture. The concept is based on our Code of Conduct, a number of in-house agreements and our commitment to the Charter of Diversity, the principles of which we signed up to in 2016, thereby pledging to promote diversity and equal opportunities at the workplace.

➤ www.charta-der-vielfalt.de/en

As an integral part of our corporate culture, the diversity concept is anchored at all levels of the company and serves as the basis for our corporate decision-making, for example in the areas of recruitment and training measures. Since 2016, we have also been a member of the awards association "Trägergemeinschaft Bremer Diversity Preis" and in this role help advocate diversity beyond our corporate boundaries.

Logistics is becoming more female

Women are still underrepresented in the logistics industry. To bring about change, BLG LOGISTICS actively champions more women both in operational roles and in management positions. In the spirit of equal opportunities for all, our initiatives and development programs are aimed at all genders. They encompass vocational training right up to

our management trainee program for university graduates. The aim behind this is to enable our female employees to gain management experience from an early stage and support them in taking up senior positions.

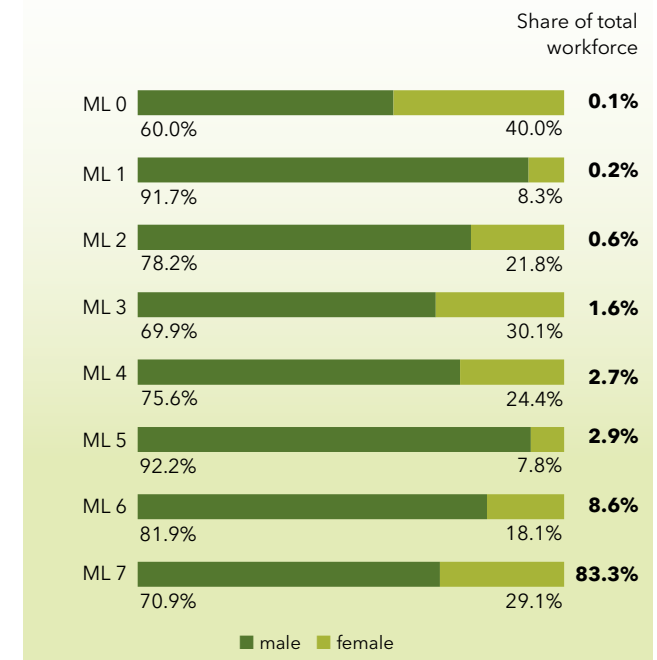
A key component of our "Equal Opportunities" training initiative is the "Women in Management" program founded in 2017. The program imparts theoretical and practical knowledge in areas such as personal leadership, personality development and self-marketing, and offers interested participants the possibility to take part in a tandem exchange with experienced managers. The program's success was recognized at the "Logistics is female" award ceremony in 2023 by the Logistik Initiative Bayern and the Bavarian Ministry of Transport with the "Strategy is female" award. The award honors companies that have demonstrated exemplary commitment to gender-sensitive issues. BLG impressed the judges in this category among other things with a 40 percent proportion of women at Board of Management level and targeted programs to develop female employees for qualification and leadership roles.

Our Board of Management is setting a good example in promoting equal opportunities, as the five-member body has two female representatives in Ulrike Riedel and Christine Hein. This puts BLG AG in the top group of listed companies in Germany in terms of the proportion of women in senior management and supervisory board positions. With this, we are sending a strong signal both outside and inside the company and hope to encourage female employees at BLG to grasp their opportunities. The proportion of women in the overall workforce is 27.3 percent in Germany (27.4 percent worldwide), which is a

slight decrease on the previous year. The proportion of women on management levels (ML) 0-3 fell slightly from 26.7 to 26.3 percent. When making appointments to the Supervisory Board, we comply with the statutory regulations regarding the gender quota.

Proportion of women in management levels (ML*)

Basis: Germany 9,295 employees (status as of: 12/31/2023) in %



*ML 7 encompasses all employees without management responsibilities, ML 0 Board of Management, ML 1-5 disciplinary management, ML 6 technical management

5
GENDER
EQUALITY

≥ 30%

women in management by 2025

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superiors and colleagues. To attract new employees to BLG and at the same time give young people long-term prospects for the future, we for example support young people in taking their first steps into the regular labor market through internships, entry-level qualifications and apprenticeships. One example of this is our “Training through Work” program, which was again continued last year. In 2023, BLG LOGISTICS also participated for the first time as a practical partner in the “Fit for Logistics” project. In cooperation with ma-co maritimes kompetenzentrum GmbH and the Bremen Chamber of Commerce - IHK for Bremen and Bremerhaven, the BLG GROUP supports refugees from Ukraine with targeted measures to help them enter the logistics industry and thus offers them concrete job prospects.

In a bid to increase the proportion of women at management level over the long term, BLG LOGISTICS set itself the target in the reporting year to achieve an average proportion of women in management levels 0-3 of at least 30 percent by 2025.

Individual promotion for better integration

We believe in success through individual integration measures tailored to the needs of our employees. For example, we offer part-time training programs that give young parents as well as people caring for their relatives the possibility to combine work and family. In addition, we offer in-house language courses that equip employees who are not proficient in German with the basic skills they need to do their job and to communicate with their

Social Commitment

We do our part to create a strong society: whether on our own doorstep or beyond national borders, through financial aid or active project work. We provide assistance wherever support is needed.

We regard it as part of our social responsibility to get actively involved in the regions where we operate and to contribute to a livable society for all. For us and our employees, it is therefore only logical to contribute our expertise and our individual skills in different projects and initiatives – both on our own doorstep and beyond national borders.

Help for earthquake victims in Turkey and Syria

On February 6, 2023, devastating earthquakes shook the southeast of Turkey and the northwest of Syria. More than 47,000 people lost their lives. Just two weeks later, two more earthquakes struck in the Turkish-Syrian border region. We also have a large number of colleagues in the company who have family, friends and acquaintances in the affected regions. The decision as a company that we wanted to help was quickly made, with the Board of Management donating 25,000 euros to the joint account of the "Alliance Development Works" ("Bündnis Entwicklung Hilft") and "Aktion Deutschland Hilft." The Alliance forwards donations to its member organizations and ensures that the aid gets where it is intended to go.

Support for the WFP

BLG LOGISTICS has been supporting the UN World Food Programme (WFP), the largest humanitarian organization in the fight against worldwide hunger, for over ten years, and is in the meantime one of 28 partner organizations. Our contribution consists in making logistics expertise available to inspect and analyze the logistics capacity of ports, roads, railway lines, warehouses and other logistics facilities.



Logistics experts support the UN World Food Programme

Last year, employees were able to contribute their expertise on a mission in southern Africa: In Namibia and South Africa, the colleagues analyzed a total of four ports and associated corridors to the northeast. The aim was to inspect the entire infrastructure of ports, warehouses, rail and road connections and find ways to efficiently provide humanitarian aid in crisis situations in threatened regions of Africa, as well as make concrete recommendations for action.

Free visit to Bremerhaven's Klimahaus

Fourth-grade schoolchildren from Bremerhaven schools went on another day trip in 2023. BLG LOGISTICS again invited the elementary schoolchildren for a free visit to the Klimahaus Bremerhaven. Since 2013, up to 1,000 fourth graders each year have been offered the opportunity to participate in this generous initiative. On an area of 11,000 square meters, they can have fun learning about the earth's different climate zones, the inexorable march of climate change and various scenarios for the future. As an award-winning extracurricular learning venue, the Klimahaus also shows what steps we can take to actively mitigate the effects of climate change.

Simulating a Climate Change Conference in Bremerhaven

As part of the Climate Change Conference Week in November 2023, ninth and tenth graders got to simulate a real UN Climate Change Conference. Just as in reality, as representatives of their countries the participants had to deploy their negotiating skills and make decisions in order to limit the increase in the average temperature to 1.5 degrees Celsius by 2100. This daunting and difficult task not only appeals to the emotions, but also strengthens analytical thinking and invites discussion. Keeping the goal in mind and developing solutions together through strong arguments was the central challenge, inviting the students to explore global correlations and the most important issues surrounding climate change in a hands-on way.

"Gift a Smile" campaign

At Christmastime, it has become a firm tradition for us to participate in the "Schenk ein Lächeln" ("Gift a Smile") campaign organized by the charity Bremer Tafel e.V. Organized and coordinated by our junior management staff, BLG employees again donated almost 100 gifts in 2023, which were distributed to the children by BLG's very own Santa Claus. The Bremen Winter Bus was another social commitment cause selected by our junior management staff. The project was initiated in 2012 as a drop-in center where the homeless could get a hot drink and soup. On St. Nicholas Day, members of the Board of Management also put their aprons on and baked waffles for colleagues at the BLG central departments in Bremen to raise funds for this good cause. Subsequently, the Board of Management generously more than doubled the money raised to 2,000 euros.



Donations handed over to the Bremen Winter Bus

Engagement for sports und culture

The BLG GROUP has sponsored the Bremerhaven Eisbären for 18 seasons, and for 13 years as main sponsor. In July 2023, BLG LOGISTICS not only renewed, but also extended its partnership with the basketball team, with a focus on investing in the Eisbären's sustainability goals in the future. One emphasis will be the Bremerhaven team's work with young players. BLG's CEO Frank Dreeke confirms: "Eisbären Bremerhaven's commitment to youth development is exemplary and fits in well with our goals, namely to promote projects that make our region more environmentally, economically or socially sustainable." The Eisbären are ranked 17th in the German Basketball Association's (DBB) list of the 100 clubs in Germany with the most members. The Eisbären regularly see the biggest growth in their junior teams. With the youngest players, measures such as elementary school leagues, visits from Eisbären pros and vacation camps are a big hit.

In 2023, BLG extended its engagement in sports and now also sponsors the Fischtown Pinguins. In the ice hockey team's arena, Board of Management member and COO Matthias Magnor put it in a nutshell: "BLG and the Fischtown Pinguins - it's simply a good fit."

BLG was also active in the music world. For many years, the company has supported the Bremen Music Festival, the Bremen Film Festival and The Deutsche Kammerphilharmonie Bremen. Last year, the Bremen musicians won the Gramophone Classical Music Award in the category "Orchestra of the Year," one of the classical music scene's most prestigious awards. Since 2007, the orchestra has had its rehearsal rooms on the premises of the Gesamtschule Bremen-Ost (Bremen East Comprehensive School) in Osterholz-Tenever, a disadvantaged neighborhood with a variety of social challenges. The close proximity to the school gave rise to the "Future Lab," in which members of The Deutsche Kammerphilharmonie Bremen promote individual personal growth through music. In 2023, around 70 senior BLG executives took part in a conference at the comprehensive school within the scope of the "Melody of Life" show series and exchanged views with the students.



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Compliance

Compliance is an important basis for our corporate action and day-to-day business activities. We apply our ethical standards beyond our own business operations along our entire supply chain.

Applicable law and our own best practice principles are the yardstick that we as a company apply to all our actions and business decisions. This makes us a trustworthy and reliable partner for our employees, customers, business partners and shareholders. Contravening applicable laws can cause serious and long-term damage to the company. We have therefore established a compliance management system to actively safeguard against risk factors such as bribery and corruption, giving or accepting of undue advantage, embezzlement and collusion against the rules of fair competition. In order to ensure that this preventive approach is effective across the entire organization, we prioritize educating our employees.

Responsibility for compliance matters lies with the central Legal, Insurance & GRC (Governance, Risk, Compliance) department, whose head reports directly to the Chief Compliance Officer, our CEO. We do not tolerate any form of corruption, do not permit discrimination and attach great importance to occupational health and safety. We utilize resources responsibly and regard fair competition as an indispensable prerequisite for a free market. In the reporting year, no violations of the law were documented that resulted in or could result in the issuing of fines.

Our regulations, monitoring and reporting systems

Ongoing development of our compliance strategy, including a regular review of the system's effectiveness, is the responsibility of the compliance officer appointed by the Board of Management. Both are done in close consultation with the Chief Compliance Officer, to whom regular reports are made. In addition, the Supervisory Board is informed once a year about all compliance-related issues, processes and incidents. As a further link in the chain, our Internal Audit department also regularly checks for compliance violations. In the reporting year, no critical concerns were brought to the attention of the Board of Management.

In day-to-day operations, the compliance officer is the first neutral point of contact for our employees and is happy to receive tip-offs, answer questions and offer advice - also of a preventive nature - in the event of possible legal violations. Employees as well as third parties also have the possibility of reporting suspected compliance violations to an externally appointed and therefore independent and impartial ombudsperson - anonymously if they wish. All contact details are available on our website and are also published in the relevant policy guidelines. In the reporting year, the existing complaints procedure was again revised and a corresponding procedural regulation

Our principle

When exercising their duties, no BLG employee may offer, promise or accept incentives, preferential treatment or other benefits that are intended to influence fair, objective and proper decisions, or that even appear to do so.

was published. This combines the obligations to set up reporting systems under the German Whistleblower Protection Act (Hinweisgeberschutzgesetz - HinSchG) and the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz - LkSG).

Our Board of Management and senior executives have a responsibility to lead by example and are tasked with ensuring that the employees they supervise are informed about and comply with all corresponding rules. In addition, each and every individual at BLG LOGISTICS, regardless of position, is obligated to point out grievances or suspected violations of the law. It is therefore all the more important to make employees aware of the inherent risks of corruption. Furthermore, in practice the dual control principle that is established in all relevant business processes protects both them and the company as a whole.



Our Code of Conduct and compliance policy are key elements of our compliance management system. In addition to our requirements relating to working conditions, environmental and climate protection, the Code of Conduct contains in particular guidelines for legally and ethically irreproachable dealings with business partners, competitors and authorities. It also regulates the arrangement of donations and sponsorships as well as conduct in the event of conflicts of interest. The compliance policy contains essential rules of conduct for the prevention of compliance risks typically encountered in globally operating companies and sets out the associated processes, including the Know Your Customer principle. Like all internal guidelines and policies, both documents apply to all companies in which we have a direct or indirect shareholding of more than 50 percent or in which BLG LOGISTICS is responsible for management, and are binding for all internal and external employees as well as consultants acting for us. In companies that are subject to foreign law, the guidelines in accordance with that law must be implemented. New BLG employees receive the Code of Conduct in their welcome pack; temporary workers are made aware of it during their onboarding. Like the compliance policy, the Code of Conduct is posted on the intranet. The intranet also contains information on our compliance system, the Code of Conduct and relevant contacts. At our international locations, the policies are available in English.

Raising awareness, education and information

As BLG LOGISTICS, we can only ensure compliance if everyone gets on board. To achieve this, we sensitize our decision-makers and managers, inform them about the relevant topics and keep them up to date on an ongoing basis. Mandatory training courses on compliance, antitrust

and competition law were held in 2023 for the Board of Management, employees on management levels 1-3 and all employees in Purchasing and Sales. The existing target to ensure that at least 90 percent of employees on management levels 1-3 receive corresponding training within a three-year cycle was slightly exceeded in 2023 at 90.8 percent. It was not possible to expand this to cover mandatory annual training on all levels in the reporting year due to a system-based cutover to a new training methodology. As part of the revision of our sustainability targets, a fixed target for compliance was agreed. From 2024, 90 percent of managers on levels 0-3 at our German and foreign locations should have a valid training certificate each year.

We are continuously updating, expanding and broadening our training system in this area and will roll out additional new e-learning refresher courses on the Code of Conduct and the fundamentals of compliance in 2024. Our central Tutorize training platform offers the possibility to complete all modules independently of time and place, with each completed course being documented by the system.

Training for the aforementioned groups will continue to be mandatory on a yearly basis. Managers below the above-mentioned levels will additionally receive appropriate training. We also use various communication channels to inform all other employees about compliance-related issues on a regular and need-to-know basis.

Assuming responsibility along the supply chain

Compliance also impacts our collaboration with our business partners and is communicated in our upstream and downstream supply chains. In our General Terms and Conditions of Contract and Purchase, we require our suppliers and service providers along the entire supply chain to comply with the applicable regulations as well as with our Supplier Code of Conduct.

➤ www.blg-logistics.com/agbo



≥ 90%

of our management employees
receive annual compliance training

[reporting.blg-logistics.com/
sustainability-goals](http://reporting.blg-logistics.com/sustainability-goals)



Information security plays an important role

Information technology permeates all our processes, and our business relies on secure systems that are functional at all times. Our customers, suppliers and employees also trust in this. We are therefore constantly working to embed IT security in our projects, in our day-to-day business and in the mindset of the entire organization. We ensure a consistently high level of security through the application of our information security management system (ISMS), which is based on the international standards ISO 27001 and ISO 27002. The maturity and effectiveness of our measures are regularly reviewed internally and externally. In the reporting year, BLG LOGISTICS was successfully audited for 14 locations according to the automotive industry standard "Trusted Information Security Assessment Exchange - TISAX". Consideration is given to all information assets of BLG, particularly those relating to our IT systems. We also attach great importance to securing our operational technologies and to business continuity management (BCM). Our information security policy provides the framework for all aspects that are relevant in this context. This policy applies to BLG LOGISTICS including all majority shareholdings, as well as to non-controlling interests that utilize our IT systems, and is also binding for contractual partners and suppliers subject to deviating regulations. When working with service providers, we ensure compliance with all relevant certifications such as ISO 20000, ISO 27001 and ISO 22301, and review these regularly.

Due to the increasing threat posed by cyberattacks, we not only constantly review all existing organizational and technical measures to secure our information and IT environment, but also implement new ones on an ongoing

basis to ensure that installed systems always stay leading edge. This safeguards the business continuity of the company and also meets the requirements of our customers. This process is supplemented by a continuous awareness program designed to sensitize and train our employees. In the reporting year, a company-wide "phishing campaign" specifically addressed the threat level regarding email and ransomware.

Overall responsibility for all matters relating to information security lies with the Information Security Officer (ISO) within the Information Security Management department, who reports directly to the head of the central Legal, Insurance & GRC department. The tasks of the ISO include the operation and continuous development of the BLG LOGISTICS information security system, issuing advice on information security issues, in-depth risk analysis, the implementation of awareness-raising and training measures, and emergency preparedness. Our employees can also report to them anonymously in the event of security incidents or suspected breaches. As a matter of principle, our ISO must be involved in all security-relevant processes Group-wide.

Focus on data protection

The central Legal, Insurance & GRC department is responsible for matters relating to data privacy at BLG LOGISTICS. Our internal guidelines are based in part on the requirements of the GDPR relating to the processing of personal data. Regular and systematic on-site checks serve to verify compliance with coordinated processes, identify possible deviations and potential for optimization, thus ensuring a uniformly high level of data protection implementation across the organization.

In 2023, we were able to conduct 28 checks with the support of officers on site.

An online training course has been developed to raise awareness of data privacy among our employees. All commercial employees receive refresher training every two years. We additionally take advantage of events such as the European Data Protection Day to raise awareness of this important topic in-house. In the event of questions or suspected privacy breaches, our external data protection officer can be contacted at any time and also accepts reports of suspected data privacy violations anonymously. Their contact details are publicly available on our website. Processes are documented using a centrally managed tool that maps interfaces with IT and Information Security. We thus achieve a level of documentation that even in the case of very short-term events or requests from supervisory authorities allows us to respond quickly and reliably.



Economic Value Creation

We strive for strategic and sustainable growth – while always being mindful of the responsibility that we also bear for the region as a major employer at many locations.

We provide a wide range of services at interfaces between producers, retailers and consumers. This includes production supply and goods distribution or vehicle transport by road, rail and water. As logistics tasks become increasingly complex, the demands on our portfolio and individual services also grow. These ever more rapid changes are driven above all by ongoing globalization coupled with shorter product life cycles, increasing urbanization and digitalization. The logistics industry continues to benefit from rising demand, which is still being driven in particular by the growth of e-commerce models. At the same time, the unrelenting pressure on margins remains a challenge, as does the growing shortage of skilled workers and labor, which in light of the demographic trend is likely to continue in the foreseeable future. Additional factors include the growing dominance of online retailing, ever-higher customer expectations in terms of speed, flexibility and the quality of supply, as well as growing environmental awareness throughout society. The economic environment remained challenging for us in the reporting year and was characterized by great uncertainty. The reasons for this were the ongoing wars in Europe and the Middle East, accompanied by persistently high inflation and an overall decline in transport volumes.

Financial corporate management

Within the scope of our mission and vision, as well as the sharper definition of our strategic guiding principles, we have designed our management system with maximum clarity and transparency. Revenue, earnings before taxes (EBT) and the EBT margin derived from both of these, as well as earnings before interest and taxes (EBIT) are the key performance indicators. In the future, RoCE will also be included in monthly reporting. Since 2021, the remuneration system for the Board of Management has also included non-financial target indicators: CO₂ emissions, the trainee ratio and the 1,000 employee rate used as a basis for measuring work-related accidents. In the reporting year, these were applied incrementally for the first time also for all non-tariff employees. For more information, see the Fundamental Information about the Combined Group – Combined Group management section of the Financial Report.

Despite the above-mentioned difficult geopolitical and economic conditions, we nevertheless closed the 2023 financial year considerably better than initially projected. This once again underscored the value of our diversified and hence robust corporate structure. In particular, the

situation in the AUTOMOBILE Division improved significantly compared to the previous year, partly due to good capacity utilization in vehicle handling at the domestic terminals and the increased outsourcing of activities by car manufacturers, including to logistics service providers. The CONTRACT Division was in line with expectations, while in the CONTAINER Division the slack economy had a comparatively significant impact, as manifested in lower handling volumes.

Overall, combined Group revenue increased quite significantly year on year by EUR 91.1 million to EUR 1,210.0 million, a plus of around 8.1 percent. Earnings (EBT) in the AUTOMOBILE Division improved substantially overall, while at Group level EBT decreased by EUR 19,627 thousand year on year. This is attributable mainly to the decline in net investment income from the CONTAINER Division. The significant deviation from the previous year is also due to the fact that the previous year's result included a reversal of a write-down of non-current financial assets of (proportionately) EUR 35.4 million, which related to the reversal of an impairment loss on the equity-method carrying amount of EUROGATE Container Terminal Wilhelmshaven GmbH & Co. KG. EBIT declined



accordingly year on year by EUR 18,390 thousand to EUR 46,192 thousand. The EBT margin was therefore 3.0 percent in the 2023 financial year (previous year: 5.0 percent). The financial management of BLG LOGISTICS is detailed in depth in our Financial Report 2023. Even though we were able to take advantage of opportunities that arose in the past year and once again held our ground even under difficult conditions, we expect the market environment to remain volatile in the near future. We will counter this by resolutely tackling important topics such as digitalization and artificial intelligence, automation and also sustainability, and are working intensively to constantly improve BLG LOGISTICS' economic position.

Key performance indicators

| | | 2023 | 2022 | 2021 |
|------------|-------------|-------------|---------|---------|
| Revenue | EUR million | 1,210.0 | 1,119.0 | 1,050.4 |
| EBIT | EUR million | 46.2 | 64.6 | 61.5 |
| EBT | EUR million | 36.1 | 55.7 | 52.5 |
| EBT margin | in % | 3.0 | 5.0 | 5.0 |

Value added statement

The information on economic value creation and distribution discloses how we generated and deployed the company's assets for our stakeholders. Net value creation is used as the key indicator for the economic value creation of our business operations. It is calculated as the gross operating revenue less expenses, depreciation and amortization (excluding personnel expenses). In the reporting year, it totaled EUR 573.7 million. The largest portion of the value added, at EUR 492.2 million, was used to cover costs for the employees of BLG LOGISTICS. In addition to wages and salaries, these include expenses such as statutory social security and post-employment benefit costs. Personnel costs increased significantly on the previous year, although the number of employees remained relatively constant. This was primarily due to new collective wage agreements and the resulting higher basic remuneration.

In addition to covering personnel expenses, the value added also provides a return to the capital providers. Of this, an amount of EUR 8.8 million was attributable to distributions and dividends to the main shareholder of BLG LOGISTICS, the Free Hanseatic City of Bremen (municipality). In addition, profit distributions were made to the partners of fully-consolidated joint ventures and the shareholders of BLG AG, as well as interest payments for bank loans. Payments to the public purse consisted mainly of taxes and ground rent.

Value added statement of BLG LOGISTICS 2023

| Financial year 2023 | EUR million | in % |
|---|----------------|------------|
| Revenue | 1,210.0 | |
| Other income | 85.5 | |
| Gross operating revenue | 1,295.5 | |
| Cost of materials | 503.2 | |
| Depreciation and amortization expenses, impairment losses | 84.6 | |
| Other expenses | 134.0 | |
| Total advance payments | 721.8 | |
| Value creation | 573.7 | 100 |
| Utilization | | |
| Employees | 492.2 | 86 |
| Public authorities | 25.2 | 4 |
| Lenders | 22.9 | 4 |
| Shareholders | 33.4 | 6 |
| Total | 573.7 | 100 |



Customer Satisfaction

**Innovation and process efficiency are the future of logistics.
In the pursuit of both, customer orientation is and remains our driving force.**

We foster long-standing business relationships with many of our customers and collaborate with them in a spirit of trust on wide-ranging projects. We play to our strengths particularly well when it comes to realizing custom solutions or designing and subsequently operating entire logistics centers. Above and beyond this, we also provide extremely reliable and efficient logistics services 365 days a year. Irrespective of the nature and scope of the contract, it is crucial for us to understand our customers' business and carefully consider their needs in our planning and consulting, while also anticipating any changes within their industry or in the market. One of the ways in which we do this is through supporting the transition to electromobility – a key challenge for many of our customers – by continuously expanding our services and our own expertise in the field. Long-term contracts allow us to act with such foresight and also create scope and the necessary security to invest in sustainable solutions.

With its emphasis on sustainability, our new C3 Bremen logistics center sets an important benchmark in this respect. Since 2023, we have consolidated the production supply to global assembly plants of a leading automotive

manufacturer here. In addition to meeting the customer's needs, the concept places a focus on modern workplaces. With the largest continuous roof-mounted PV system in Germany to date and net carbon-neutral operation, we are setting a new environmental standard for logistics real estate.

Quality thanks to effective structures and processes

We contractually assure our customers of the quality of our services and aim to convince them anew every day that we are the right choice of partner. In doing so, we particularly value long-term collaboration, but are also delighted when new companies choose us. In the reporting year, we were able to further expand our partnership with Siemens Energy and assume responsibility for production logistics for hydrogen systems for our customer's new plant in Berlin. We also took on additional sequencing activities for the Mercedes-Benz plant in Bremen. At three other locations, we leased new space to accompany the growth of existing customers.

Following major restructuring measures in 2022, particularly with the merging of the AUTOMOBILE and

CONTRACT Board of Management functions under the management of our COO Matthias Magnor, we continued to adapt to the requirements of the market and our customers in the reporting year. In addition to the systematic implementation of the CONTRACT roadmap drawn up in 2022, a similar roadmap was developed for the AUTOMOBILE Division in the reporting year. As part of the restructuring, the Cargo Logistics company, which includes our breakbulk business and thus services relating to general and heavy cargo, was assigned to the CONTRACT Division as of January 1, 2023.

It goes without saying that the systematic reduction of loss ratios is another important indicator of the quality of our performance, which is why we are continuously looking for possibilities to achieve this. To this end, the central Quality departments are responsible for establishing, refining and overseeing certification of our quality management systems. They also support the integration and implementation of our environmental, occupational health and safety and energy management systems. Most of our German and foreign locations – including all sites in the AUTOMOBILE Division – are certified according to DIN EN



ISO 9001, and the automotive locations additionally according to VDA 6.2. Our customers also regularly carry out their own audits at our car terminals. In the CONTRACT Division, our services are strongly oriented toward our customers' production processes and in some cases even closely dovetailed with theirs. We identify potential for improvement through regular exchanges at operational and management level. Optimizing value-creating activities is an especially important success factor. To help us continuously streamline individual processes, entire systems and consequently our overall performance, we organize our workflows according to lean management principles and rely on the Six Sigma management system. Lean management was firmly integrated into the corporate culture at all CONTRACT locations in 2017. The five lean principles - identifying value, mapping the value stream, creating flow, establishing a pull system and pursuing perfection - are considered a recipe for continuous improvement. Identifying value defines added value from the customer's perspective. Mapping the value stream focuses processes that generate value, while the flow principle is aimed at eliminating bottlenecks. Orientation toward a pull system only pulls the service that has been ordered by the downstream process. Finally, the pursuit of perfection is a principle that creates sustainable benefits for the entire company through innovative thinking and action. Our production system is agile and constantly evolving. It is not just a set of rules for designing, introducing and maintaining processes, but also embodies a philosophy in that it always aims to reduce waste and increase added value. Continuous maturity level measurements create transparency regarding the degree of lean penetration, allowing recommended actions for site development to be generated. The maturity level results

prove that our approach is already having a positive impact at the CONTRACT sites. We remain committed to continued development and therefore still have a lot in the pipeline, because the pursuit of continuous improvement knows no limits. Our employees play a decisive role in the success of lean management. Their active participation and commitment are of great importance, which is why we encourage them to make suggestions for improvement and actively help to shape their working environment. Managers have the task of supporting them, motivating them and creating the conditions for the successful implementation of the production system.

Shaping the future of logistics

We are continuously developing new solutions designed to make our customers' logistics processes fit for the future. In the reporting year, the Technology department was fully established in the CONTRACT Division. The department has the goal to increase the level of automation and digitalization at the BLG locations by means of viable technical solutions such as driverless transport vehicles, autonomous driving, robotics or e-mobility. The Digital Services department as part of central IT is responsible for implementing digitalization activities relating to data strategies, artificial intelligence (AI) and digital workflows.

Together with partners from science and industry, we are working on entirely new, highly complex concepts in research and development projects. In the reporting year, we participated in seven cooperation projects with a volume of around EUR 62.85 million. The "Isabella 2.0" project funded by the Federal Ministry for Digital and

Transport (BMDV) was successfully completed. This project aims to integrate the loading and unloading of trucks, railroad cars and ships into an intelligent management approach that had been developed in the earlier "Isabella" project and uses artificial intelligence to continuously optimize the control algorithm. The app-based order management system developed for car shunting activities is now already being implemented at the Hamburg car terminal. The "KITE" project was also concluded in the reporting year. This was concerned with developing a demonstrator in which vehicles, existing transport orders, freight exchange orders and AI-generated forecast orders flow together for the purpose of route optimization. The idea was to help lower emissions by reducing empty runs.

Four projects were continued as planned: "PortSkill 4.0" focused in 2023 on defining future job profiles in the port environment and, building on this, created first training concepts. The "MEXOT" project is an Innovative Port Technologies (IHATEC) research project for holistic ergonomic design of technical workstations and upstream picking activities. For this purpose, passive exoskeletons are being augmented to include measuring sensors and coupled with driverless transport vehicles to enable (semi-)automated materials allocation. The ergonomics data will be used to develop an incentive platform that gives employees direct personal feedback and integrates gamification approaches to increase motivation. In the "Mobility2Grid" project funded by the Federal Ministry of Education and Research, the goal through to 2027 is to develop efficient and networked systems for a climate-neutral city. In this context, BLG LOGISTICS is developing concepts for the complete electrification of a logistics site. Simulation studies are also being used to



validate the concepts in order to ensure that delivery schedules are adhered to and vehicle battery capacities are sufficient. Finally, within the framework of “HyBit,” 18 network partners are addressing the question of how hydrogen hubs can contribute to a sustainable and climate-neutral Europe. We are primarily involved in the “Mobility and Logistics” project cluster, which is concerned with designing analysis and evaluation methods for various possible uses for hydrogen that we will later test under practical conditions.

The RessourcE - Resource Development in Service Work research project was launched in the reporting year. Here, technical solutions and concepts for health-promoting work design and diversity-oriented skills and qualification development in unskilled jobs are being tested and examined with regard to their generalizability. Within the scope of the project, BLG is testing innovative ergonomic solutions in practice. Studies accompanying the tests examine the implications of the introduction of assistance technologies with regard to process-related and human-centered factors. Based on the findings, software tools are also being developed to aid the systematic selection of assistance technologies and sensory-enhanced assistance technologies.



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EUROGATE

Reporting on non-financial performance indicators for EUROGATE

For EUROGATE, sustainability means, above all, ensuring the future viability of the corporate Group. Within the scope of its business activities and on the basis of internal processes, EUROGATE gives equal consideration to economic efficiency, environmental protection and social responsibility. Compliance with laws and internal policies and guidelines forms the natural basic prerequisite for day-to-day business operations.

Container terminals are hubs of international trade; therefore efficient seaport operations are key to enabling EUROGATE to ensure that its customers benefit from reliable goods transport. At the same time, EUROGATE strengthens the local economy and provides jobs. Its business activities impact on both people and the environment, for instance through the Group’s consumption of resources.

The material non-financial key performance indicators for EUROGATE are environmental matters (energy and greenhouse gas emissions/CO₂), the employee dimension (occupational health and safety), anti-corruption and anti-bribery, as well as IT security.

Environmental matters - energy consumption and greenhouse gas emissions (CO₂)

Energy consumption is a key performance indicator in resource management and has a direct impact on incurred costs, and hence on financial performance.

Relevant non-financial key performance indicator (KPI):

- Energy consumption in megawatt hours*

Energy consumption is regularly monitored. The following table shows the current status of target attainment:

Table 1: Current status of target attainment

| | |
|-------------|---|
| Target | Lower energy consumption |
| Status 2022 | 407,075 MWh (of which 13,358 MWh renewables) |
| Status 2023 | 332,760 MWh (of which 11,780 MWh renewables) |
| Comment | In view of the increasing importance of the carbon footprint, the goal is to further expand renewables and further reduce energy consumption. Energy consumption was down in the 2023 financial year. The decline in container handling is the main reason for this. Some energy-reducing measures, such as the investment in hybrid straddle carriers, are already having an effect. |

*When calculating the key performance indicator MWh, the consumption figures for the principal companies (the German EUROGATE terminal operations in Bremerhaven, Hamburg and Wilhelmshaven and the respective service companies at each location, as well as the EUROGATE holding company) were taken into consideration.

Greenhouse gas emissions (CO₂) at EUROGATE are controlled via energy input. A management approach does not exist. The tax legislation for CO₂ introduced in 2020 has a negative impact of approximately EUR 1.5 million on the business performance based on the diesel consumption in 2021.

Relevant non-financial key performance indicator (KPI):

- Development of CO₂ emissions in metric tons**

CO₂ emissions are regularly reviewed. Table 2 shows the current status of target attainment.

**Table 2: Current status of target attainment**

| | |
|--|--|
| Target | 1. CO ₂ neutrality by 2040 (relating to Scope 1 and Scope 2 emissions) 2. 50% reduction of CO ₂ emissions by 2030 compared to the 2022 base year (relating to Scope 1 and Scope 2 emissions) |
| Status 2022 | 130,832 t CO ₂ *** |
| Status 2023 | 106,111 t CO ₂ |
| Comment | EUROGATE has set the target to be CO ₂ neutral by 2040 (relating to Scope 1 and Scope 2 emissions). CO ₂ emissions (Scope 1 and Scope 2) were lower in 2023 than in the previous year. The decline in container handling is the main reason for this. Some emission-reducing measures, such as the investment in hybrid straddle carriers, are already having an effect. |
| **When calculating the key performance indicator t CO ₂ , the consumption figures for the principal companies (the German EUROGATE terminal operations in Bremerhaven, Hamburg and Wilhelmshaven and the respective service companies at each location, as well as the EUROGATE holding company) were taken into consideration. | |
| ***The data published in the non-financial Group report for the 2022 financial year was revised in 2023 and the calculation is now based on CO ₂ emission factors including upstream chain emissions. As a result, the CO ₂ emissions for 2022 are higher year on year. | |

Table 3: Current status of target attainment

| | |
|---|---|
| Target | Minimize the number of work-related accidents and prevent accidental deaths |
| Status 2022 | Work-related accidents: 268 Accidental deaths: none |
| Status 2023 | Work-related accidents: 250 Accidental deaths: 1 |
| Comment | The target to lower the number of work-related accidents was met; however, in January 2023 there was one accidental death. The drop in the number of work-related accidents is attributable on the one hand to the lower number of containers handled. On the other hand, the lower number of work-related accidents for this financial year is within the range of natural statistical fluctuations. |
| ****In Germany, all accidents must be reported that result in death or injury that prevents a person from working for more than three days. The EUROGATE figure includes accidents involving not only the company's own employees, but also temporary contract workers. It does not record accidents involving employees of external contractors. | |

Employee dimension - occupational health and safety management

Protecting the Group's own employees and employees of external companies against work-related injuries or sickness and safeguarding their health and wellbeing is a top priority. Most work is performed using heavy equipment at the terminals (mainly straddle carriers and container gantries), and is susceptible to prevailing weather conditions. Considering the manual nature of this work and the deployment of much of the workforce in a three-shift system, promoting and protecting their health is especially important.

Management of occupational health and safety is the responsibility of the individual companies and their respective managing directors.

Relevant non-financial key performance indicators (KPIs):

- Number of reportable work-related accidents at the workplace and on the way to/from work****
- Number of accidental deaths at the workplace and on the way to/from work

As an indicator of occupational safety, the number of work-related accidents is regularly monitored. Table 3 shows the current status of target attainment.



Anti-corruption and anti-bribery

To achieve long-term success, a company must conduct its activities in a legally compliant, fair and reliable way. Within the EUROGATE Group, the umbrella term “compliance” relates to the adherence to statutory standards as well as internal corporate guidelines and policies and working to ensure their observance in the EUROGATE Group companies. These include the relevant policies and principles for preventing bribery and corruption.

Technical competence for the compliance management system lies with the Legal department of the EUROGATE holding company and the compliance officer. Responsibility for adherence to the compliance policy lies with the Group Management Board and the management boards of the respective EUROGATE Group companies.

Relevant non-financial key performance indicator (KPI):

- Number of confirmed cases of corruption

The number of corruption cases serves as a key anti-corruption and anti-bribery metric and is reviewed regularly. Table 4 shows the current status of target attainment.

Table 4: Current status of target attainment

| | |
|-------------|--|
| Target | No cases of corruption |
| Status 2022 | None |
| Status 2023 | None |
| Comment | The target was met. There were no confirmed cases of corruption in the reporting year. |

IT security

Secure and reliable IT-assisted processes are the prerequisite to enable a container terminal to operate efficiently. This applies not only from an entrepreneurial point of view, but is also important economically. As hubs where national and international supply chains converge, container ports help to ensure the smooth functioning of the economy and trade. Efficient IT security protects the processes at the container terminal and consequently the entire port system.

The ever-growing number of IT-based business processes that have emerged in recent years, as well as the dovetailing of EUROGATE’s systems with those of other providers along the logistics chain, demand a secure IT infrastructure. Cyberthreats are on the increase all the time and are constantly changing. At the same time, the EUROGATE Group’s reliance on IT systems is growing, especially in light of the planned automation projects. IT security is therefore crucial to enabling and ensuring efficient business processes across the companies in the EUROGATE Group. Furthermore, as an operator of critical infrastructure, EUROGATE is obliged by law to implement a state-of-the-art information security management system.

Technical competence for the EUROGATE information security management system (ISMS) lies with the IT department of the EUROGATE holding company (EGH IT). Overall responsibility lies with the Group Management Board and the management boards of the respective companies in the EUROGATE Group. An IT security officer (responsible for defining the ISMS and reporting to the Group Management Board) and an operational technology security architect (OT security architect) have been appointed.

An IT and an OT security board have also been set up and equipped with resources from the EGH IT department and EUROGATE Technical Services. A dedicated unit responsible for implementing the ISMS has also been set up within EGH IT. Measures and budgets are identified and decided as part of the annual IT planning process. The ISMS covers all German EUROGATE terminals with the exception of North Sea Terminal Bremerhaven GmbH & Co. (NTB) operated as a joint venture between EUROGATE and APM Terminals, which is managed separately. An ISMS guideline and policy generally regulate the organizational and technical requirements of the EUROGATE ISMS. The ISMS is reviewed and approved annually by the Group Management Board.

The main focus of the existing concept is on the availability and integrity of the IT systems and data, with the aim of creating a resilient infrastructure based on risk assessment and of minimizing potential damage recovery times. A key element of the ISMS is a risk management system geared toward minimizing risk or creating an acceptable level of residual risk for EUROGATE. The ISMS is implemented on the basis of the PDCA (Plan - Do - Check - Act) cycle. The ISMS follows ISO 27001 and in the area of plant and machinery is additionally based on the IEC 62443 standard.

In addition, the Group coordinates and exchanges information with local and European logistics partners (for example via EU-ISAC), as well as with relevant authorities and EUROGATE service providers. These help to ensure that new risks can be promptly identified and addressed. The EUROGATE ISMS includes information technology and operating technology, as well as the cloud services and platforms used.



The EUROGATE ISMS defines and regulates the necessary organizational structures, procedures, roles and accountabilities. It encompasses organizational, technical, regulatory and staff training measures. All measures are conceived and approved by the Group Management Board as part of an annual planning process. They are generally structured systemically and include the development of rules and guidelines, measures to implement the requirements and internal audits to check their effectiveness. Ad-hoc measures may be introduced during the year based on weak point analyses and alerts. The results are reported to EUROGATE’s risk management and to the Group Management Board in the IT security officer’s annual review. This report contains the current implementation status, a review of the past year and recommendations for the coming year. The EUROGATE Supervisory Board discusses the current security status in detail annually on the basis of this report. The current OT security status and the measures derived from it are reported every six months. Manual and automated compliance checks are performed as internal audits and extended where necessary. The results of these checks are included in the above reports.

The goals and targets are set on the basis of a general risk assessment for EUROGATE and concrete risk analyses for the respective projects. The EUROGATE ISMS was audited in the 2022 financial year in accordance with the guidelines of the Federal Office for Information Security (BSI), since EUROGATE is classified as an operator of critical infrastructure (KRITIS) pursuant to the IT Security Act (ITSG). The focus of the audit was to assess the status quo with respect to implementing the remedies identified in the 2020 audit as well as the current level of maturity of the ISMS. The deviations and recommendations resulting from the

audit were dealt with in 2023 within the scope of targeted adaptation measures. Implementation will be reviewed in the 2024 financial year within the scope of the next KRITIS audit. A malware protection solution supports the continuous weak point monitoring of IT systems and their patch status in the site networks and the company’s own cloud environments. A penetration testing tool is used for internal penetration tests. The allocation, setup and documentation as well as the number of active user accounts are monitored automatically. In addition, in various areas of the IT landscape internal audits to check compliance with the guidelines are carried out and recorded in an annual audit plan. A tool-supported assessment of the achieved ISMS maturity level has been in use since 2023.

The key performance indicators at CONTSHIP Italia and EUROGATE are system failures/downtimes due to security incidents and cases of data loss and/or manipulation. These KPIs serve as central IT security metrics and are regularly reviewed.

Relevant non-financial key performance indicators (KPIs):

- System failures/downtimes due to security incidents
- Data loss/manipulation

Table 5: Current status of target attainment

| | |
|-------------|---|
| Target | No system downtimes due to security incidents and no cases of data loss and/or manipulation |
| Status 2022 | System downtimes due to security incidents: 0 Cases of data loss and/or manipulation: 0 |
| | System downtimes due to security incidents: 0 Cases of data loss and/or manipulation: 0 |
| Status 2023 | The target was met. There were no cases of data loss or significant system failures in the 2023 financial year. |



Glossary

Accident rates

BLG LOGISTICS measures the number of accidents using two independent rates: The previously used 1,000-man rate describes the relative frequency of reportable accidents per 1,000 full-time employees. The Lost Time Injury Frequency Rate (LTIFR), on the other hand, includes all accidents with lost time and sets them in relation to 1,000,000 hours worked.

CDP

The CDP (formerly the Carbon Disclosure Project) is a non-profit organization that provides a platform for the publication of environmental data from companies and municipalities. On a voluntary basis, they are called upon to fill out questionnaires in order to collect information, for example on CO₂ emissions, climate risks, etc.

CKD

The CKD (Completely Knocked Down) method involves combining vehicle parts from individual deliveries from suppliers and manufacturers, packaging them into specific kits and then delivering them to the appropriate foreign assembly plants via sea transport.

Corporate Governance

Rights and obligations of the various parties involved in the company, in particular the shareholders, Board of Management and Supervisory Board.

CO₂ equivalents (CO₂e)

Measure for standardizing the greenhouse effect of different greenhouse gases. The reference value is carbon dioxide CO₂. DIN 16258:2013-03 takes into account: CO₂, CH₄, N₂O, HFC, PFC and SF₆. These six gases are also listed in Annex A of the Kyoto Protocol to the United Nations Framework Convention on Climate Change. Included in GEMIS: CO₂, CH₄, N₂O, C₆F₁₄ and C₂F₆.

CSR

Corporate Social Responsibility. Social responsibility of companies as part of sustainable business operations.

EBIT

Earnings before interest and taxes, and net financial income (costs). EBIT represents the operating result of a company for a financial year.

EBT

Earnings before taxes (pre-tax profit). A value for determining profitability independently of tax-related effects which cannot be controlled. This is also suitable for measuring profitability in an international comparison.

EBT-Marge

Division of EBT by revenue. The EBT margin is an indicator of the efficiency and profitability of a company.

Equity-Method/At Equity

Method for recognition of equity investments that are not included in the consolidated financial statements on the basis of full consolidation with all assets and liabilities. The carrying amount of the investment is increased or decreased by the development of the proportionate share in the equity of the investment. This change is recognized in the statement of profit or loss of the parent company.

Full consolidation

Procedure for the inclusion of subsidiaries which are included in the consolidated financial statements with all assets and liabilities.

German Supply Chain Due Diligence Act (LkSG)

Law on corporate due diligence to prevent human rights violations in the supply chain valid in Germany since January 1, 2023.

Globales Emissions-Modell integrierter Systeme (GEMIS)

A life-cycle analysis model to determine material flows with an integrated database for energy, materials and transport systems. It is available to download free from the International Institute for Sustainability Analysis and Strategy (IINAS) and is used in more than 30 countries to analyze costs and environmental impacts.

**Global Reporting Initiative (GRI)**

Internationally active organization that works with various stakeholders (including companies, human rights organizations and environment organizations) to develop guidelines for compiling sustainability reports. The GRI guidelines or standards constitute the most commonly used framework for sustainability reporting around the world.

Greenhouse-Gas-Protocol

Most widely adopted global standard for uniform accounting of and reporting on greenhouse gas emissions.

Information Security Management System (ISMS)

An Information Security Management System (ISMS) defines structures and processes that ensure, control, monitor and continuously improve information security within the company.

Joint Venture

Legally and organizationally independent company that is jointly established or acquired by at least two independent partners.

Lean Management

Process optimization approach designed to minimize waste and harmonize processes.

RoCE

Business indicator that measures how efficiently companies use the capital employed. RoCE can be calculated by dividing EBIT by the capital employed in the company.

Science Based Targets initiative (SBTi)

A collaboration between leading environment and climate protection organizations which defines a framework according to which companies can reduce their greenhouse gas emissions on a scientific basis. One of the SBTi targets is to limit global warming to significantly below 2 °C, as demanded by the Paris Climate Agreement.

Six Sigma

A management system for process improvement and statistical quality targets, and simultaneously a method of quality management. The core element is the description, measurement, analysis, improvement and monitoring of business transactions with statistical means.

Sustainable Development Goals (SDGs)

In 2015, the United Nations agreed on 17 goals for sustainable development (SDGs) which should be achieved by 2030. The SDGs shape the sustainability debate on national and international levels. As a global target system, they offer a common language and a compass for the challenges of the 21st century.

United Nations Global Compact

Global pact between companies and the United Nations to support socially fair and environmentally sustainable globalization. The members undertake to follow ten principles in the areas of labor and human rights, environment, and anti-corruption. In Germany, the UN Global Compact Network Germany supports companies in strategically anchoring the ten goals.



CSR Index

As a joint parent company, BREMER LAGERHAUS-GESELLSCHAFT -Aktiengesellschaft von 1877-, Bremen, and BLG LOGISTICS GROUP AG & Co. KG, Bremen, issue voluntary combined financial statements and have for several years already integrated a non-financial Group report (NFR) with the information required under the CSR Directive Implementation Act into their sustainability reporting. The Sustainability Report 2023 was prepared in accordance with the GRI standards.

The table opposite gives an overview of the contents of the non-financial reporting and the allocation of the reporting aspects determined in accordance with the materiality principle (pursuant to Section 315c, German Commercial Code - HGB).

The non-financial Group report deals with the contents defined as essential by the CSR Directive Implementation Act for the fully consolidated BLG companies. Responsibility for the CONTAINER Division lies with the EUROGATE joint venture, which manages the topics relevant for CSR separately from BLG LOGISTICS. Therefore, contents of the non-financial report for the EUROGATE company accounted for using the equity method are shown separately on ► pages 72 to 75.

| Components of the NFR | Relevant contents | Page number Sustainability Report |
|----------------------------------|---|-----------------------------------|
| Business model | Brief description of the business model of BLG LOGISTICS | 8 to 11 |
| Sustainability management | Accountabilities (control and authorizations) | 14 to 15 |
| | Governance (management structure incl. competencies, remuneration model and grievance mechanism) | 23 |
| Materiality analysis | Selection of relevant contents of the report | 21 to 22 |
| Risk management | Statement of the main risks relevant to CSR | 25 to 28 |
| Environmental topics | Climate Protection | 32 to 37 |
| | Energy Management | 38 to 42 |
| Employee topics | Fair Working Conditions and Human Rights | 47 to 50 |
| | Training and Education | 51 to 53 |
| | Occupational Health and Safety Management | 54 to 56 |
| Respect for human rights | Fair Working Conditions and Human Rights | 47 to 50 |
| | Compliance | 63 to 65 |
| | Risk Management | 25 to 28 |
| Anti-corruption and anti-bribery | Due diligence along the supply chain | 29 to 30 |
| | Compliance | 63 to 65 |
| Social topics | The materiality analysis did not identify any issues that are significant in the sense of the CSR Directive Implementation Act. Therefore, social topics are not part of the NFR. | |

Contact

Sustainability

Yvonne Bonventre

Phone: +49 421 398 2817

Mail: green-logistics@blg.de



Read it online!

The online version provides you with lots of additional information, video clips and a KPI calculator. There you will find our Financial Report, Sustainability Report and the online magazine.

reporting.blg-logistics.com

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Yvonne Bonventre
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Christina Hofmann

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