

Corporate Social Responsibility Report 2023

Grevenmacher, 28 February 2023

Foreword of the Executive Committee

Economic added value combined with social and ecological responsibility are the guiding principles for our business activities. Staying on track, also in challenging situations, is a challenge that we consistently rise to.

We haven't just been challenged by the pandemic; the developments in Ukraine and the resulting impact on the transport routes were and are issues that have challenged us. Thanks to the hard work of our employees worldwide, we have been able to come through these situations in good shape.

In this respect, we aren't only proud of our company's financial results, but also of our many social and ecological activities in another challenging year and business environment.

The presentation of our wide-ranging corporate social responsibility activities makes it clear that our success essentially depends on the actions of each individual. We shall build on the cooperation and dedication of our staff in all of our national companies, worldwide. In addition to this, we will also include our customers and suppliers. Sustainable change will only be possible when we all work together towards achieving this goal.

Executive Committee



Dr. Antonius Wagner



Sebastian Esser



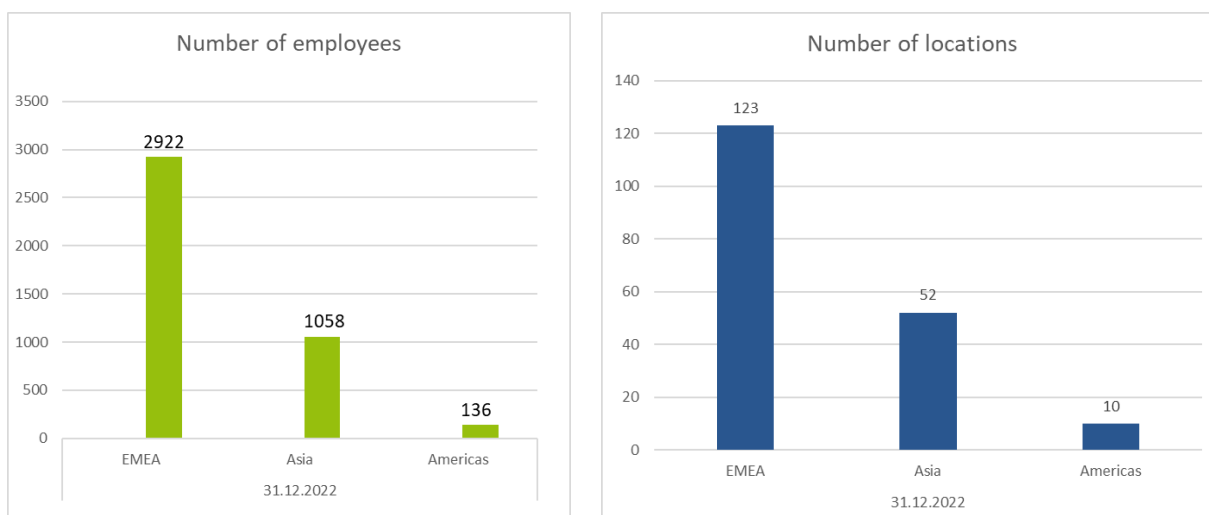
Hauke Müller



Axel Steiner

About us

The company **Logwin AG**, headquartered in Grevenmacher (Luxembourg), is a global logistics service provider with 4,100 employees at approximately 190 locations in 37 different countries. Logwin AG is listed in the Prime Standard of the Frankfurt Stock Exchange, and combines logistics services in the two market segments Solutions and Air + Ocean.



On 31 December 2022, the number of employees was almost unchanged compared with the end of 2021. Reductions in staff due to site closures and planned terminations of contracts in the Solutions business segment were offset by increases in the Air + Ocean business segment. The new appointments in the 2022 financial year took the continued high workload of the employees into account, in view of the challenging market conditions.

	2022	2021	Complete change
Logwin Group	4,116	4,087	29
thereof Air + Ocean	2,909	2,784	125
thereof Solutions	987	1,076	-89

Solutions primarily provides customers with individually-developed transport and contract logistics solutions. In particular, the segment delivers branch-specific transport and logistics services to companies in the industrial engineering, automotive, chemical, food and beverage segments, as well as in the field of fashion and retail.

Air + Ocean provides international transport by air and sea freight as well as related individual logistics services. It is based on a strong global network of subsidiaries as well as the close cooperation with partner firms, building on a high-performance, globally standardised IT system.

The Logwin corporation meets customer-specific needs by combining logistics services in the market segments of Air + Ocean and Solutions, and manages the logistics chain between suppliers and purchasers either partially or as a complete solution, according to requirements. For its customers, the Logwin corporation is responsible for supply chain management, warehousing, value added services and transport via road or rail, and with air and sea freight. A globally standardised IT system provides the foundation for globally standardised processes and straightforward customer connections, and guarantees that the ever-increasing demands regarding quality, safety and compliance are fulfilled.

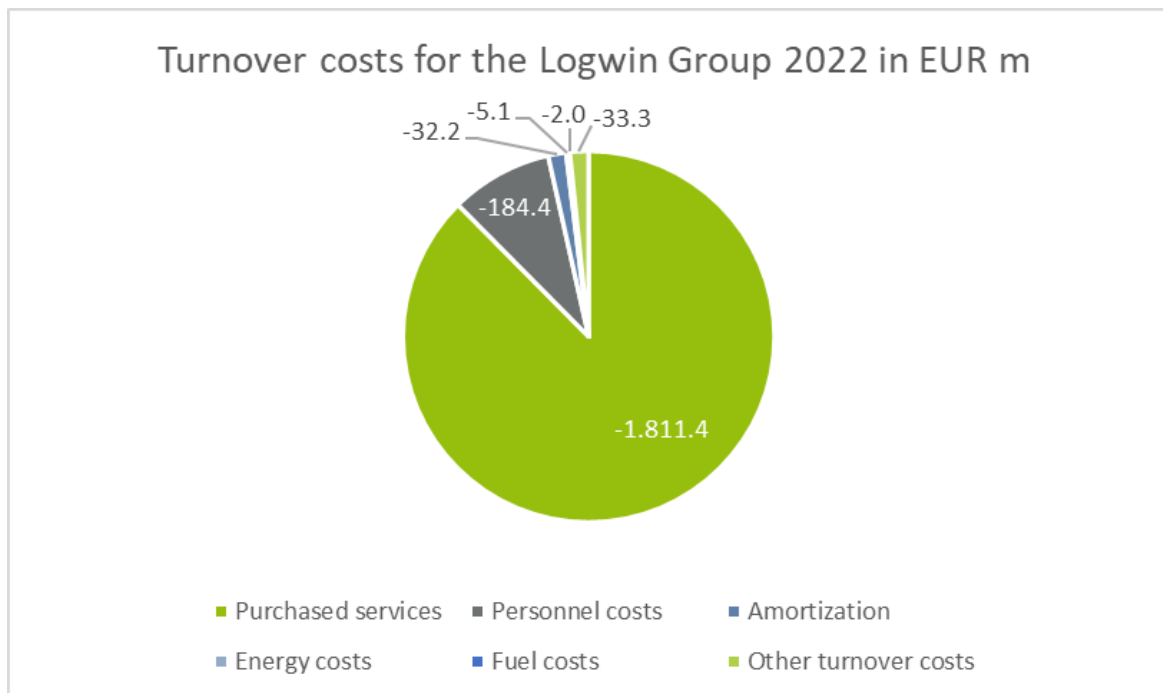
At the Logwin Group, the 2022 financial year was characterised by a strong start to the year. Over the course of the year, however, this was hampered by high rates of inflation and the ongoing war in Ukraine. In the Solutions business segment, the positive sales development in the financial year reflects the high level of freight rates and the catch-up effects following the Covid-19 pandemic. The international transport business in the business segment made a significant contribution to the increase in sales. The development of earnings from international activities also proved to be positive in 2022. However, extraordinary expenses for the termination of loss-making activities in Germany negatively affected the earnings of the Solutions business segment. In the financial year 2022, the Air + Ocean business segment recorded a slight fall in the volumes of sea and air freight in line with market developments. The historically high freight rates of the first half of the year were able to compensate for the decline in volumes. In 2022, the optimisation of the newly-introduced Transport Management System continued, with the aim of increasing productivity.

In the Air + Ocean business segment, the freight rates for 2023 as a whole are expected to be well below the previous year's level, and subdued demand for transport capacities is also expected. Margins are expected to decline over the course of the year due to the subdued sales development caused by the continued overcapacity. In the 2023 financial year, sales in the Solutions business segment are expected to fall due to the expected development of the international transport activities.

At EUR 2,259.0 million, the sales of the Logwin Group in 2022 were significantly higher than in the previous year. The extraordinarily high freight rates in the first half of the year, which had a significant impact on the Air + Ocean business segment, and the international transport business of the Solutions business segment, contributed to the increase in sales. In the second half of the year, the continued fall in the freight rates led to declining sales.

<i>in million €</i>	2022	2021	<i>Complete change</i>
Logwin Group	2,259.0	1,851.8	407.4
<i>thereof Air + Ocean</i>	1,796.0	1,517.0	279
<i>thereof Solutions</i>	466.3	337.0	129.4

A significant share of the costs incurred in generating revenue was allotted to services and personnel costs from third parties. Beyond compliance with globally applicable standards, the Logwin Group is only able to influence the way our suppliers provide services to a limited extent, particularly in the international transport business. In addition to our compliance with the legal requirements, which is a matter of course in our Group, we therefore focus our Corporate Social Responsibility activities on the areas of employee issues, social engagement and, to the extent that we are able to exert an influence, environmental protection measures.



Acting responsibly as a fundamental management approach

Setting high standards of quality and ensuring that logistics processes and transport chains are safe at all times: as the Board of Directors and Executive Committee, these are the principles to which we are dedicated. Sustainability is a key basis for our long-term business success. In this area, we combine the economic creation of value with ecological and social responsibility. If we succeed in successfully harnessing these three areas of interest, we will fulfil our aspiration to both perform and be perceived as a “Good Corporate Citizen” worldwide.

In our Corporate Governance Charter, we describe what we understand good and responsible business management to be. The Executive Committee is responsible for the operational implementation of such a form of management. This includes directing our actions towards Corporate Social Responsibility.

We are convinced that integrity and responsible conduct should determine the actions of all the employees in the Logwin Group. Legally-compliant conduct is a fixed part of our business activities and an important requirement for ensuring our success. Our primary objective in this respect is to reaffirm the confidence that shareholders, customers, business partners and the public have in our day-to-day actions.

Therefore, to adequately rise to the tasks and potential risks arising from this, Logwin AG has established a Compliance Management System. The Compliance Management System supports the Board of Directors, the Executive Committee and the management of the Group companies in running the company.

The compliance culture at Logwin is influenced by the fundamental outlook and conduct of the management. In this respect, it is particularly important to us to set the “tone from the top”; i.e. for the management team to communicate the mission statement, but above all else, to apply it. Sincerity towards customers and compliance with laws and regulations are the basis for the positive development of our company. The written expression of the compliance culture at Logwin is provided in the Code of Conduct. This reflects the fundamental statements of the company and the management regarding compliance.

The latest version of the Code of Conduct is published on the Logwin homepage. For employees across the globe, it provides binding rules regarding the relationships with customers, service providers, business partners, competitors and government agencies, for the confidentiality of information, through to the prevention of apparent nepotism. The Code of Conduct is available in five languages.

For the further development of our Compliance Management System, we have established a whistle-blower option with an ombudswoman. In the year under review 2022, nobody approached the ombudswoman in this respect.

To enable sound decision making, Logwin attributes considerable importance to having an organisation which is stable, globally consistent and transparent. This structuring, particularly in the areas of finance and IT, enables the ongoing, global control of our data and processes.

Quality, security and environmental management are key elements in the success of our business. To enable the management and development of these things, we have therefore established the relevant departments and processes. Our primary goal is to provide our customers with the best possible service in terms of reliability and value for money at all times, thus establishing and maintaining our customers’ trust. In this context, the accountabilities that arise from our Corporate Social Responsibility provide the basis for achieving this.

We pay close attention to the topic of climate change and the public debate in the countries in which Logwin is active. At present, no direct effects on the business model of the Logwin Group are evident, however.

As a voluntary contribution to combating climate change, in the Air+Ocean business segment we use calculation software to determine the emissions that occur at the shipment level, and create emissions reports for our customers. Our investment in gold standard and certified climate protection projects regarding the amount of emissions caused by our customers' transport operations is planned for the first quarter of 2023.

For the first time, in cooperation with the Fraunhofer IAIS, Logwin Air + Ocean has determined a CO₂e footprint in Scopes 1 to 3 for the year 2021, which will serve as the base year in the future for all its branches worldwide, not including the emissions occurring at the shipment level. The model developed for the calculation has been designed according to the operational control approach, and, as its operational and organisational limits, therefore includes all the greenhouse gas emissions whose origin and control stem 100% from the activities of the monitored office and/or storage locations of Logwin Air + Ocean. Logwin Air + Ocean has set itself the goal of determining its CO₂e footprint annually in the future, and to implement and monitor measures for the reduction of the arising emissions. Unavoidable emissions will be counteracted by a voluntary investment in climate protection projects according to the volume of emissions. For this purpose, certified climate protection projects in the countries in which Logwin is active will also be supported.

Through targeted training, Logwin promotes its employees' awareness of their responsibility for quality, safety and the environment. At the same time, Logwin continuously invests in the optimisation of its processes.

This is demonstrated by the numerous certifications and licenses held by the individual subsidiary companies:

- DIN EN ISO 9001 (quality management)
- SQAS (safety standards for the chemical industry)
- DIN EN ISO 14001 (environmental management)
- IFS-L (standards for the food industry)

- AEO (authorized economic operator)
- TAPA certification (specialist protection of high-value goods)
- OHSAS 18001 / ISO 45001 (certified work safety)

In close cooperation with our customers and suppliers, we strive to constantly improve our quality, safety and environmental performance, and to apply the latest technological developments. To this end, personnel from the quality management, process management and internal audit departments continuously carry out reviews of the activities and possibilities of the companies on site.

We choose our subcontractors carefully. In the course of our Supply Chain Management, the subcontractors whom we hire are queried and checked annually in terms of environmental, social and employment-related factors. In the area of the environment, for example, the queries relate to the presence of environmental and quality management certification (ISO 9001 and ISO 14001), as well as the presence of AEO certificates, minimum wage agreements and/or liability agreements.

In accordance with Art. 68bis (2), we have aligned this CSR report with the United Nations Global Compact, supplemented with relevant information relating to management concepts and performance indicators from the Global Reporting Initiative (GRI). In the current year under review 2022, the Corporate Social Responsibility activities were verified and updated again on the basis of a questionnaire that was distributed throughout the company. With respect to the EU Taxonomy requirements which were to be fulfilled for the first time in the year under review, workshops were held with internal and external specialists on the impact of the EU Taxonomy Regulation on the CSR report and the key figures to be reported. In particular, the relevance and materiality criteria were also discussed in depth. The CSR Report was discussed and agreed in detail by the Administrative Board and the Executive Committee supported by a materiality analysis according to Art. 68bis (2), paragraph 1. The CSR report will be published on the company homepage.

Employee issues / health

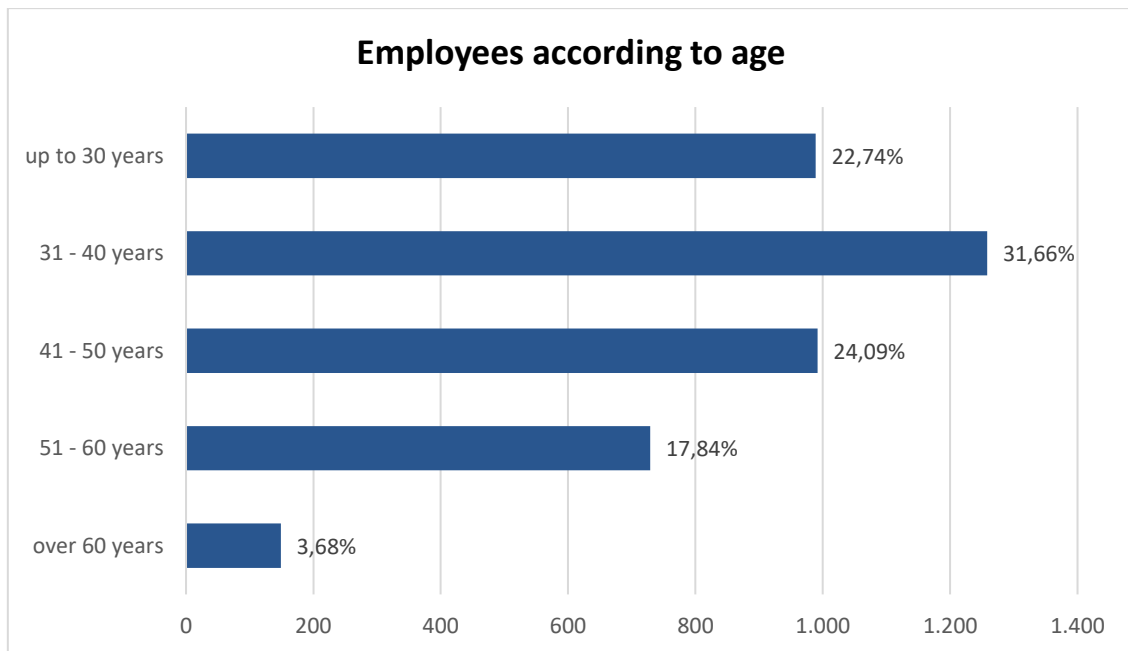
At Logwin, we rely on employees who are dedicated, skilled and who act responsibly, world-wide. To be able to operate sustainably and successfully as a company over the long term, we want to offer our employees a motivating and socially-appropriate working environment. In this respect, the basis for working together is sincere and respectful collaboration. The Logwin Code of Conduct has long existed as a central guiding principle in this respect.

The Code of Conduct is publicly available on our website and is also anchored in the employment contracts of our employees. Information and training events concerning the Code of Conduct take place regularly. A special online training course has been designed for managers and sales staff. We expect all employees to comply fully with the Code of Conduct. Violations of the Code of Conduct are rigorously sanctioned by the company.

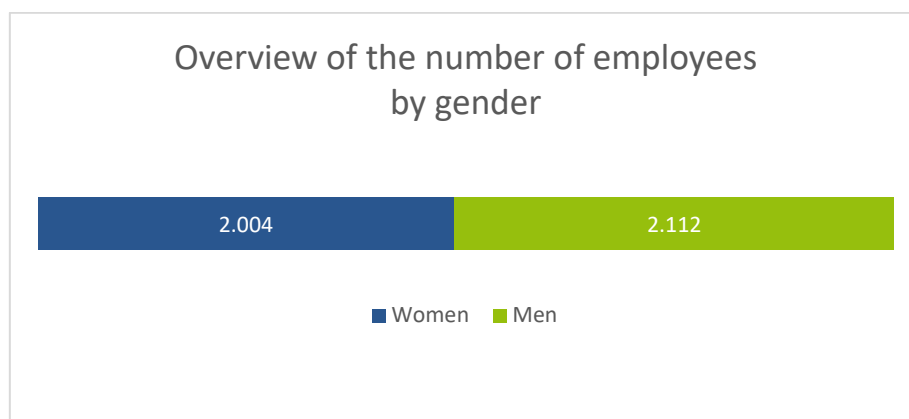
All staff can rest assured that national and local laws are applied upon their employment. In the event of inappropriate treatment, employees always have the right to complain to the respective management, the central HR department or the Chief Compliance Officer.

Our company does not tolerate any form of discrimination based on age, disability, origin, ethnic origin, gender, sexual orientation, religion, political opinion or trade union activity. This principle is not only anchored in the Logwin Code of Conduct. Managers and employees receive training at Logwin on how to respond appropriately and unambiguously in critical situations. The Board of Directors and the Executive Committee were not informed and/or are unaware of any discriminatory practices during the reporting period.

This maxim is also reflected in the composition of our staff regarding gender and age.



On 31 December 2022, Logwin employed 2,004 female and 2,112 male staff members.



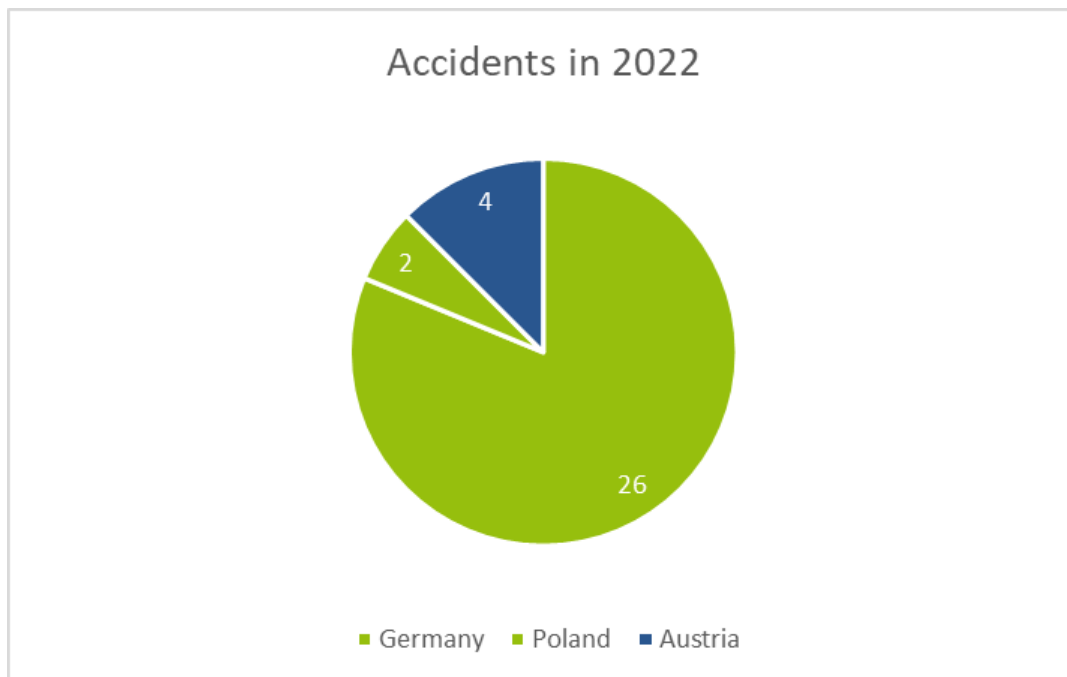
Health and safety at the workplace are very important at Logwin. This includes, among others, compliance with the working time and occupational safety regulations as well as the maintenance and promotion of the health of the individual. This is implemented continuously through internal review, the QSE department or the process management auditing. The results are made available to the respective managers and joint measures are specified for further optimisation.

In 2022, we continued to focus determinedly on ensuring the protection of our employees from the effects of the Covid-19 pandemic. In doing so, we were able to build very strongly

on the experiences gained in previous years; several tried-and-tested measures continue to be applied and have been integrated in the work instructions. In addition to protecting individual employees, customers and other business partners, the measures aim to safeguard the business operations and supply chains of the customers of the Logwin Group.

At the offices and logistics sites of Logwin, we continue to maintain the high standards of hygiene and infection control that were introduced in the wake of the Covid-19 pandemic. Despite the pandemic being redesignated as an epidemic, Covid-19 tests continued to be offered to employees at several locations, which, in addition to the social contribution, also amounts to a significant financial contribution to the fight against Covid-19. A concept for mobile working was developed and approved with the national companies and, as required, with the employee representatives, which has been in use since June 2022. With this concept, we have given many employees the opportunity to organise childcare, care for family members and home schooling. In this respect, the provision of the necessary IT infrastructure, taking our relevant IT security precautions into account, is to be emphasized.

Logwin also strives to prevent accidents, unwelcome forms of physical and mental stress and work-related illnesses. We are now certified for occupational health and safety management in accordance with ISO 45001. We prevent unwanted developments by providing our employees with training as well as the regular maintenance and testing of work equipment and resources. Where necessary, financial resources and appropriate investments are made available to eliminate potential hazards. Records and statistics are kept on accidents at the workplace. Due to the increased risk at locations with industrial personnel, we focus keenly on the analysis of the Logwin logistics locations in Germany, Austria and Poland. We are pleased to state that in the year under review, the number of workplace accidents fell by 41%.



To prevent accidents, we hold health and safety management courses to raise and deepen individuals' awareness on how to stay healthy.

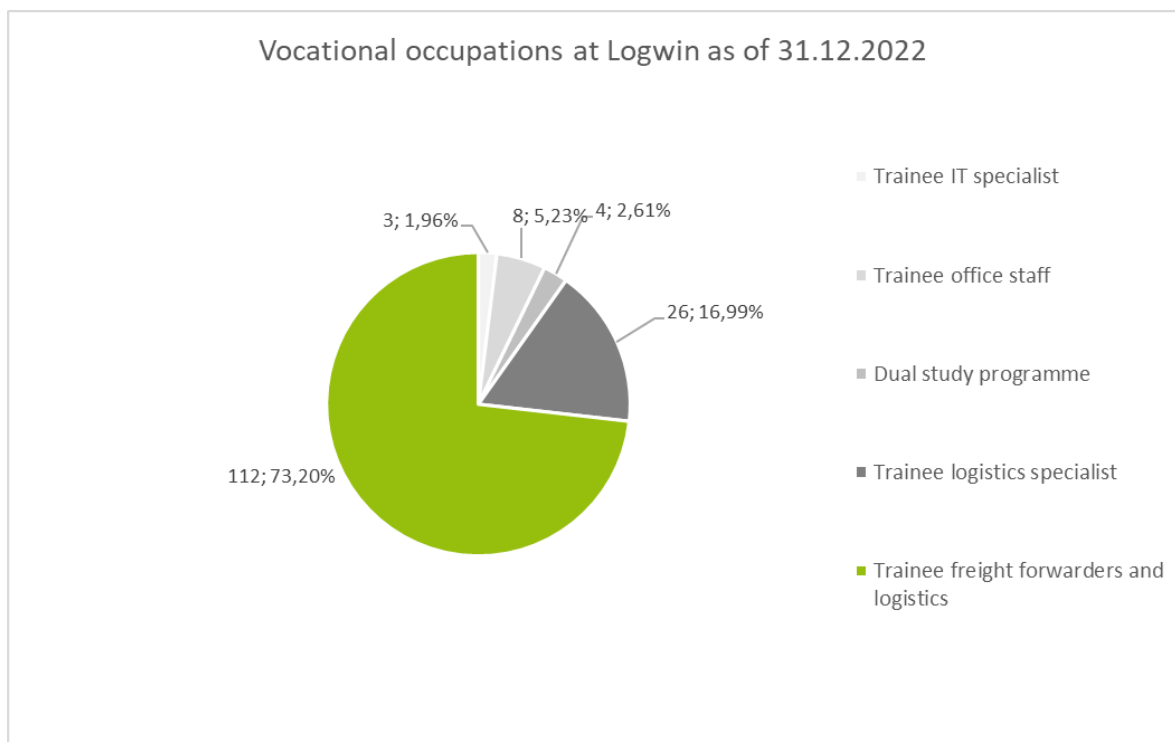
The further training that our employees receive goes far beyond training in health and safety.

For apprentices as well as experienced personnel, our "Logwin Elements" development programme offers a variety of training options, which range from internal seminars to junior and managerial staff courses. We also actively promote global interactions between personnel within our company. A basic instrument used for specific action is the annual appraisal interview, in which strengths and weaknesses as well as measures for further development are systematically discussed and recorded.

Since 2022, Logwin has been offering its employees three additional programmes for different target groups with the aim of supporting employees' long term development. "Flourish@Logwin" is a programme which is currently open to eight talented young employees worldwide who want to further develop their technical skills and sales expertise. Employees in the "Abroad@Logwin" programme are given the opportunity to gather international experience through a two-year assignment at our location in Dubai. In the third programme,

“Leadership@Logwin”, managerial staff complete several training modules. In the 2022 financial year, the Logwin Group invested 1.0 million euros (2021: 0.7 million Euros) in training measures for its staff. This underlines the importance that Logwin attributes to employee qualifications in a very challenging environment.

An additional focus is on the dual system of company-based training. In a customer-orientated and competitive field, it is essential to train and support talented young employees within the organisation. We therefore make sure we increase our number of apprentices; in this way, we also make a positive contribution at the community level.



We regularly review the development of our personnel. In this respect, in addition to their actual qualifications, we make sure that the salaries we pay are in line with the market and are socially adequate. We regularly review the salary levels and the developments in the various countries in which we are represented. This is exceptionally important if we are to continue to ensure the high motivation of our staff and to retain our employees.

An important indicator in this respect concerns the rate of employee turnover. This is especially important, as our customer relationships benefit from a consistent staff team.

In addition to the extensive training and development opportunities mentioned above, at Logwin we also encourage our employees to partake in shared sporting activities. Accordingly, several sports initiatives have been created worldwide which encourage both social interaction and staff health. After the restrictions caused by the Covid-19 pandemic, in 2022, the Logwin employees were once again able to take part in several sporting events sponsored by Logwin AG. At the beginning of May, 1,400 Logwin racers took part in the Wings for Life World Run. This time, Logwin fielded the world's third largest team for this unique digital charity run. The entry fees of EUR 22k paid by Logwin were donated to the Wings for Life Foundation for spinal cord research. In the same month, 34 Logwin employees with a love for cycling took part in the Skoda Velotour event.

In October, 50 Logwin employees enthusiastic for jogging took part in the Mainova Marathon in Frankfurt.

Social issues

Social engagement is firmly anchored at Logwin. We have supported campaigns and aid projects all over the world for several years. We combine this with the goal of being perceived as a "good corporate citizen" by our employees, customers, local business partners and the general public worldwide. In doing so, we ensure that responsibility is taken by the Logwin employees, ranging from apprentices and employee representatives through to individual employees, branch managers and the managing directors of our companies. We support this through financial and other donations and by offering our employees personal support at charity events.

In 2022, the Logwin charitable concept was continued, which gives our employees a big say in the choice of activities and organisations that we support. With two budgets, Logwin provides support to employees with their voluntary work, and also supports international aid projects. To this end, Logwin asked staff worldwide to submit suggestions. Here, too, being close to our employees and the value of their actions in the community is of great importance to us. Taking responsibility, improving living conditions and initiating social processes – such are the key attributes of the Logwin charity programme. In the past year, we supported selected charity campaigns started by our employees worldwide as part of this

programme. These include the Hope Reading programme in Malaysia, in which orphans are provided with school books, two campaigns to support Ukrainian refugees in Poland and Germany, and a visit to an orphanage in Thailand.

Together with a long-standing customer and the “Zukunft für Nepal Ostwürttemberg e.V.” aid organisation, we once again arranged a quick and straightforward donation transport that has the goal of improving the living conditions of people in Nepal. Among others, we transported prefabricated house parts for a half-timbered hall, as well as various machines on which young people can be trained in the future, so that they can find a skilled job in Nepal.

Fighting corruption and bribery

Compliance management has become an essential part of our daily work. Logwin has made a clear commitment to the topic of compliance as a part of a “zero-tolerance policy”.

Here, compliance with the legal requirements and internal guidelines in accordance with integrity and lawful conduct also serves to reduce risks with regard to:

- the reputation of Logwin and its staff;
- the emergence of financial disadvantages for the company e.g. due to theft, fraud, embezzlement and breach of trust;
- the payment of fines and penalties for the Logwin Group, its subsidiaries, board members and employees, up to and including their personal liability.

As in the previous year, as part of our preventive measures, a compliance risk assessment was carried out, which forms the basis of an appropriate and effective compliance program and thus, as a component, enables compliance risks at Logwin AG to be taken care of. In the year under review, the compliance risk assessment was evaluated and the implementation of individual measures resulting from this began.

We resolutely oppose any attempted corruption or bribery as well as infringements of competition laws. Such violations could significantly impair the development of the company. For this reason, evidence of violations are systematically investigated, e.g. by the corporate

audit department. Proven violations will be sanctioned in particular through labour laws. At Logwin, we consistently reject customer or business relationships if they fail to adhere to the above principles.

In this respect, we have established a prevention-orientated eLearning programme at Logwin. With the “Compliance & Corruption” e-learning module introduced in 2021, we want to ensure that a large number of managers and employees worldwide participate in the training and memorise its contents. More than 3,000 of our employees worldwide have successfully completed online training programmes on issues relating to corruption and compliance. To raise the awareness of all new employees for these important governance issues in the future, the two online training programmes have been integrated as a fixed part of the onboarding for all new employees.

In addition to the online self-learning modules, a two-hour workshop on compliance management in the webinar format was successfully continued for executives. To ensure that all employees worldwide have the same level of knowledge on the prevention of corruption, all employees regularly take part in refresher courses.

We consider a further measure to prevent corruption to be the continued centralisation of the accounting system and the increased transparency of the payment transactions that this yields. In this respect, the number of cash transactions and cash registers as well as the use and acceptance of cheques as a means of payment susceptible to fraud have been closely monitored over the past few years at Logwin as a preventive measure against unauthorised payments, and the double-checking principle has been consistently implemented for payment transactions.

Anti-terrorism and embargoes

As a logistics company with worldwide operations, we are strictly required to comply with special regulations and guidelines in foreign trade. These include, in particular, embargoes regarding specific economic sanctions and measures to combat the financing of international terrorism. The proper processing of customer orders in compliance with the international sanctions regime and compliance with the generally applicable legal requirements provides the existential basis for Logwin to participate in global business transactions.

Guidelines for export controls

In 2018, all the Logwin companies were prohibited from transporting in critical countries and from performing activities relating to potentially relevant persons and organisations. In the scope of the established risk management system, the monitoring and verification of compliance for customs and sanctions regulations has been systematically expanded in recent years and takes the continuously increasing requirements into account. In the past financial year, this applied, in particular, to the embargoes and sanctions against Russia and Belarus, which were significantly tightened several times as a result of the various EU sanctions packages which had to be observed.

The Group-wide regulation on export controls obliges all the companies and employees in the Logwin Group to comply with country-, goods- and personnel-related restrictions as well as financial sanctions. Compliance with the regulations is ensured and documented through internal controls and the full use of IT compliance tools, which compare all the relevant transactions with business partners against the valid lists of sanctions.

Embargo controls

Embargoes are restrictions on foreign trade that are applied for reasons of foreign policy or safety. They restrict or prohibit commercial and legal transactions in foreign trade concerning a particular country, or a particular person and/or group of people. It is imperative that embargoes are upheld.

An Anti-Terror and/or Embargo Check is automatically established in our processes through technical support so as to consistently prevent possible compliance-related violations. All employees are required to strictly comply with the respective processes.

Checking anti-terror lists

Checking deliveries and services against anti-terror lists is carried out on the system side. The subsidiaries of Logwin are required to ensure that all relevant deliveries and services are properly recorded in order to be able to automatically carry out these checks.

If the system finds a match, the subsidiary is informed immediately. The relevant delivery or service is then no longer possible. The delivery is halted and the subsidiary is required to follow further instructions from the assigned decision-making body.

Human rights

The Logwin Code of Conduct, which applies worldwide, requires all our employees to respect and comply with human rights in every aspect. In particular, at Logwin we regard the creation of jobs that respect human rights as being an important contribution to the observance of human rights in all the countries in which we are represented with business locations. In our view, this not only includes the cleanliness and safety of the workplace, but also the prevention of child labour and forced labour. Furthermore, we believe that fairly remunerating our employees based on national laws, the creation and/or safeguarding of non-hazardous working conditions, and the general respectful, non-discriminatory treatment of each other are essential parts of our corporate and working culture. In this respect, our standpoint is based on the UN Global Compact Initiative.

Moreover, it is important to us that service providers contracted by Logwin comply with the basic rules and/or compliance regulations laid down in the Code of Conduct. Through management training, we make it clear that we disapprove of human rights violations and have zero tolerance for such violations.

On the basis of our corporate values and the contracts of employment, we aim to guarantee that our employees can experience a working environment which is free from discrimination during both the appointment process and the ongoing employment.

We believe our employees have the right to the freedom of association, and to conduct pay negotiations according to the applicable domestic laws in the respective country. Another essential component of these rights is a cooperative approach to working with employee representatives. In regular meetings with German employee representatives, we exchange views on these topics and determine measures and joint agreements on the further development of the working conditions at Logwin.

Every employee has the opportunity to contact the Chief Compliance Officer confidentially in the case of violations. In the year under review, the Chief Compliance Officer did not receive any complaints concerning a violation of human rights.

Environmental issues

In addition to taking responsibility for our employees and customers, the conservation of the environment is also important to us. Compliance with the applicable national laws, official regulations and specific environmental requirements is a basic prerequisite in the completion of our business activities.

As part of the data collection process to determine the CO₂e footprint, various KPIs with environmental relevance are queried. In addition to the CO₂e footprint, in the future, these will also be used to derive and review measures for sustainable corporate management.

As a logistics company operating internationally, we differentiate our business according to the different influencing potential in the respective markets in which we are active. In the Air + Ocean business segment, where the transport services we organise are almost exclusively provided by external service providers, it is only possible to influence the environmental conduct of the suppliers that we use to a very limited degree. In particular, we are unable to exert any direct influence on the resources consumed during transport operations or the emissions caused, as the decision concerning the use of the means of transport essentially lies with our suppliers. Despite this, we monitor the work of the service providers in terms of the use of resource-saving means of transport and routes, especially because our customers also attach increasing importance to this.

In the Solutions business segment on the other hand, we have greater scope for exerting influence, particularly at our warehousing sites and with the HGV transports that we carry out, and we use this influence accordingly. This applies above all to the resources and materials that we use for the provision of services. For example, at locations where we handle or store dangerous goods for our customers, relevant laws exist as well as official requirements, the fulfilment of which we consider to be our minimum obligation. Our influence in terms of the consumption of resources and the emissions caused is limited when the majority of the warehousing sites that we operate are leased.

In 2022, there was one accident at our contract logistics sites (previous year: three) that had no impact on the environment.

Ongoing monitoring and systematic checks by the monitoring bodies and in particular by the quality management officers at the Logwin Group ensure that potential environmental risks are identified at an early stage and, in ideal circumstances, eliminated. Regular training courses for employees on handling hazardous materials are firmly anchored in the respective annual plans for each specific location. We are certified in the affected areas and/or locations. The validity of the certificates is checked regularly, including as part of the auditing checks.

In Germany, Logwin uses an integrated legal and workplace safety management system for monitoring the current legal requirements. The system includes possible legal obligations. This also includes the relevant environmental regulations. The legal obligations are transformed into specific tasks and then assigned.

The site-specific assessments consist of random sample tests as internal audits, as stipulated by ISO standards. The assessments are carried out at least once a year, and can also take place without prior notice.

Inconsistencies discovered during the various audits, as well as improvement measures, are captured, processed and tracked as part of a continual improvement process in the legal and workplace safety management system. The evaluation takes place with the use of annually updated, standardised checklists, which are regularly adjusted to take account of the changing conditions, legal requirements and regulations.

In Germany and Austria, our commitment is now recognised through the corresponding DIN EN ISO 14001 certifications, and we are also certified in several other countries (e.g. Australia, Korea and Vietnam). We see such certification as confirming our work and as clear evidence that we are aware of our responsibilities. We will also make efforts in the future to retain this seal of quality.

At our ISO-certified locations, we check the effectiveness of our environmental measures on the basis of the obligatory environmental performance. This gives us an overview of the relevant resource consumption per location. Such data is currently unavailable for the Logwin Group as a whole.

Reporting according to the EU Taxonomy Regulation

With the framework of the EU Action Plan on Sustainable Finance, the redirection of capital flows towards sustainable investments is a key objective. Before this backdrop, Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020 establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the Taxonomy Regulation) entered into force as a single and legally-binding classification system to determine which economic activities are considered “environmentally sustainable” in the EU. The results of this classification are to be reported annually on a company-specific basis.

Article 9 of the Taxonomy Regulation identifies the following six environmental objectives:

- a) climate change mitigation;
- b) climate change adaptation;
- c) the sustainable use and protection of water and marine resources;
- d) the transition to a circular economy;
- e) pollution prevention and control;
- f) protection and restoration of biodiversity and ecosystems.

The EU has recently published targets for sustainable economic activities in terms of EU Taxonomy for two of the environmental goals (climate change mitigation and climate change adaptation).

The description of the individual economic activities in the two Delegated Acts to the EU Taxonomy Regulation (Annexes I and II) defines those economic activities that are considered Taxonomy-eligible and/or Taxonomy-aligned (environmentally sustainable). Accordingly, to be classified as Taxonomy-aligned, it is necessary to assess whether the mentioned technical assessment criteria and the minimum social safeguards are fulfilled.

For the year under review 2022, the group-wide Taxonomy-eligible and Taxonomy-aligned proportions of turnover, as well as the proportions of capital expenditure (CapEx) and the proportions of operating expenditure relating to assets or processes (OpEx) associated with economic activities that are considered environmentally sustainable are to be determined and disclosed.

The amounts that are used to calculate the turnover, CapEx and OpEx ratios are based on the figures reported in the consolidated financial statements. All fully consolidated and proportionately consolidated Group companies are included in this analysis.

According to Article 8 of the Taxonomy Regulation, we are obliged to apply the regulatory provisions of the Taxonomy Regulation. The consolidated financial statements of Logwin AG and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS), such as they are to be applied in the European Union.

Ratios

Turnover ratio

The turnover ratio is the ratio of the turnover revenues from Taxonomy-eligible and/or Taxonomy-aligned economic activities in a financial year to the total turnover revenues for that financial year.

The total turnover revenues for the 2022 financial year of TEUR (thousands of euros) 2,259,0 form the denominator of the turnover ratio, and can be taken from the consolidated income statement.

The turnover revenues reported in the consolidated income statement are examined across all Group companies to determine whether they were generated from Taxonomy-eligible and/or Taxonomy-aligned economic activities according to Annex I (significant contribution to climate change mitigation) and Annex II (significant contribution to climate change adaptation) of Delegated Regulation 2021/2139 to the Taxonomy Regulation. A detailed analysis of the items included in the turnover revenues results in the allocation of the respective turnover to the Taxonomy-eligible economic activities. Taxonomy-aligned turnover is not available.

According to Taxonomy Regulation Art. 8 Annex I 1.1.2.2, the CapEx ratio indicates the proportion of capital expenditure that is either related to a Taxonomy-eligible economic activity, is associated with a credible plan to expand or achieve an environmentally sustainable economic activity, or relates to the purchase of products and services from a Taxonomy-eligible and/or Taxonomy-aligned economic activity.

The basis of capital expenditure is the additions to property, plant and equipment and intangible assets as well as rights of use according to IFRS 16 before depreciation and any revaluations for the financial year in question, and without changes in fair value. The total capital expenditure according to Taxonomy Regulation Art. 8 Annex I 1.1.2.1 amounts to TEUR 41,035 (see the respective disclosures in the consolidated statement of changes in fixed assets).

Using the description of the additions, an analysis is carried out with regard to the Taxonomy-eligibility and a comparison with Annex I (significant contribution to climate protection) and Annex II (significant contribution to adaptation to climate change) of the Delegated Regulation 2021/2139 on the Taxonomy Regulation.

The OpEx ratio indicates the proportion of operating expenses, as defined by the EU Taxonomy Regulation, associated with Taxonomy-eligible and/or Taxonomy-aligned economic activities, with a CapEx plan described above, or with the acquisition of products from a Taxonomy-eligible and/or Taxonomy-aligned economic activity.

The basis for determining the ratio is the sum of expenses for research and development, building renovation measures, short-term leasing and maintenance and repair in the reporting year 2022. They form the denominator of the OpEx ratio and amount to TEUR 8,907.

The numerator of the OpEx ratio according to Taxonomy Regulation Art. 8 Annex I 1.1.3.2. results from an analysis of the assets relating to the expenses recorded in the above-mentioned accounts regarding their Taxonomy-eligibility. Within the scope of the analysis, we identified significant Taxonomy-eligible components in OpEx resulting from maintenance and repair expenses for buildings and commercial vehicles. Taxonomy-aligned proportions were not identified.

During the evaluation of the conformity criteria, it is assessed whether the Taxonomy-eligible economic activities make a significant contribution to an environmental objective defined by the Taxonomy Regulation, and whether no other environmental goal (adaptation to climate change, sustainable use of water resources, circular economy, pollution and biodiversity) is significantly impaired in the process.

The technical assessment criteria that determine whether an economic activity makes a significant contribution to an environmental objective and whether significant harm to any

of the other environmental objectives is avoided (DNSH) were applied to all Taxonomy-eligible activities either on the basis of the technical characteristics of individual assets or on the basis of national laws.

The Taxonomy-aligned activities result from investments in energy-efficient equipment (LED lighting) and investments in charging stations for electric vehicles. A detailed climate risk analysis was carried out for investments related to these investments. The results from the individual checks of the DNSH criteria are shown in the following tables. Whether a significant contribution is made to achieving one or more of the environmental objectives of the Article, whether there is no detrimental effect on one or more of the environmental objectives and whether the technical assessment criteria have been met, has been verified and documented with the aid of individual evidence.

In addition, the fulfilment of minimum social standards according to the OECD – Guidelines for Multinational Enterprises, the UN – Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights has been verified and documented at the level of taxonomy-capable activities on the basis of various documents, guidelines and voluntary commitments (for example, the Logwin Code of Conduct, Supplier Code of Conduct) and/or, at the level of the individual taxonomy-aligned economic activities, confirmations from suppliers.

In determining the above-mentioned ratios, any double counting of economic activities was avoided through various verification steps, including the documentation of the data generation and ensuring the reconciliation with other financial information.

The KPIs for the financial year are as follows:

Turnover															
Economic activities (1)	Code(s) (2)	Absolute Turnover (3) T€	Proportion of Turnover (4) %	Substantial contribution criteria		DNSH-criteria ("Do Not Significant Harm")						Minimum safeguards (17) Yes / n/a	2022	Category (enabling activity) (19) E	Category (transitional activity) (20) T
				Climate change mitigation (5) %	Climate change adaptation (6) %	Climate change mitigation (11) Yes / n/a	Climate change adaptation (12) Yes / n/a	Water and marine resources (13) Yes / n/a	Circular economy (14) Yes / n/a	Pollution (15) Yes / n/a	Biodiversity and ecosystems (16) Yes / n/a		Taxonomy- aligned proportion of Turnover (18) %		
A. Eligible activities															
A.1 Eligible Taxonomy-aligned activities															
Turnover of eligible Taxonomy-aligned activities (A.1)		0	0,0%	0,0%	0,0%								0,0%		
A.2. Eligible not Taxonomy-aligned activites				not to be reported											
Traffic		9.074	0,4%												
Freight transport services by road	6.6.	9.074	0,4%												
Turnover of eligible not Taxonomy-aligned activities (A.2)		9.074	0,4%												
Total (A1 + A2)		9.074	0,4%												
B. Taxonomy-non-eligible activities															
Turnover of Taxonomy-non-eligible activities (B)		2.249.953	99,6%												
Total (A+B)		2.259.027	100,0%												

CAPEX				Substantial contribution criteria (%)		DNSH-criteria ("Do Not Significant Harm")							2022		
Economic activities (1)	Code(s) (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx (18) %	Category (enabling activity) (19) E	Category (transitional activity) (20) T
		T€	%	%	%	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a			
A. Taxonomy-eligible activities															
A.1 Environmentally sustainable activities (taxonomy-aligned)															
Building and real estate		52	0,1%										0,1%		
Installation, maintenance and repair of energy efficiency equipment	7.3.	33	0,1%	100,0%	0,0%	n/a	Yes	n/a	n/a	n/a	n/a	Yes	0,1%	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings	7.4.	19	0,05%	100,0%	0,0%	n/a	Yes	n/a	n/a	n/a	n/a	Yes	0,05%	E	
CAPEX of eligible Taxonomy-aligned activities (A.1)		52	0,1%	100,0%	0,0%								0,1%		
A.2. Eligible not Taxonomy-aligned activities															
Traffic		2.133	5,2%												
Transport by motorbikes, passenger cars and light commercial vehicles	6.5.	1.588	3,9%												
Freight transport services by road	6.6.	545	1,3%												
Building and real estate		32.039	78,1%												
Acquisition and ownership of buildings	7.7.	32.039	78,1%												
CAPEX of eligible not Taxonomy-aligned activities (A.2)		34.172	83,3%												
Total (A1 + A2)		34.224	83,4%												
B. Taxonomy-non-eligible activities															
Turnover of Taxonomy-non-eligible activities (B)		6.811	16,6%												
Total (A+B)		41.035	100,0%												

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OPEX				Substantial contribution criteria (%)		DNSH-criteria ("Do Not Significant Harm")							2022		
Economic activities (1)	Code(s) (2)	Absolute OpEx	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of OpEx (18) %	Category (enabling activity) (19) E	Category (transitional activity) (20) T
		T€	%	%	%	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a	Yes / n/a			
A. Taxonomy-eligible activities															
A.1 Environmentally sustainable activities (taxonomy-aligned)															
OPEX of eligible Taxonomy-aligned activities (A.1)		0	0,0%	0,0%	0,0%								0%		
A.2. Eligible not Taxonomy-aligned activities															
Traffic		912	10,2%												
Freight transport services by road	6.6.	912	10,2%												
Building and real estate		7.918	88,9%												
Acquisition and ownership of buildings	7.7.	7.918	88,9%												
OPEX of eligible not Taxonomy-aligned activities (A.2)		8.830	99,1%												
Total (A1 + A2)		8.830	99,1%												
B. Taxonomy-non-eligible activities															
Turnover of Taxonomy-non-eligible activities (B)		77	0,9%												
Total (A+B)		8.907	100,0%												

Risk management

Our activities are not free of risks for people, the environment or property. A wide range of risks are associated with logistics services regarding transport, trans-shipment and storage. We manage risks by recognizing, assessing and reporting risks as quickly and soon as possible, so that the appropriate measures can be taken immediately in order to reduce or prevent risks.

The company-wide risk management system established by the Logwin Group is an important element in the planning and internal control system, and is therefore a key element of the corporate management and control. Risk management is ensured by Group-wide guidelines and regulations that are summarised in a risk management guideline. “Risk owners” within the companies identify and evaluate the risks that arise in their specific areas of the company. These are systematically summarised and then communicated – depending on predefined reporting thresholds – to the respective management levels of the Logwin AG business segments, the Executive Committee and the Board of Directors. In addition to financial risks, the system of risk management also records qualitative risks such as reputational risks.

In the year under review 2022, no risks in the key areas of corporate social responsibility were reported to the Executive Committee and the Board of Directors of Logwin AG.

A full description of the risks facing the Logwin corporation is provided in the 2022 annual financial report, which is available on the company website.