



Baltic Hub

A MEMBER OF THE PSA GROUP



SUSTAINABLE DEVELOPMENT
IN BALTIC HUB

2022

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Introductory letter



Charles Baker

Chief Executive Officer

Ladies and Gentlemen,

Baltic Hub is a responsible and conscious organization working for sustainable development, with concern for the local community's well-being. In our 2022 activities, we have supported education, training, and the surrounding neighborhoods' broader development, taking care of their recreational and environmental assets.

As part of our social responsibility, we joined in organizing or co-organizing numerous initiatives for the benefit of our neighboring districts. In this way, we actively supported environmental protection and promoted a responsible approach to our immediate surroundings. We are proud that our employees were also involved in these initiatives, which proves that social issues and ecology are close not only to us as an organization but also to the many people who make up the organization.

The year 2022 was also a year full of challenges and outreach activities for further neighbors. We could not remain indifferent in the face of Russia's invasion of Ukraine. Our priority was to support those affected by the armed conflict and Baltic Hub employees from Ukraine. Thanks to our staff's great commitment, we were able to provide in-kind and financial assistance to those in need, both directly and through charitable organizations.

At Baltic Hub, we believe that sustainability should be at the core of every entrepreneur's business, so a combination of economic, social, and environmental development is our primary goal. Thanks to the commitment, professionalism, and creative approach of our employees, we can successfully develop the company and implement further projects and initiatives. The employees of Baltic Hub are the driving force of our organization and the inspiration for further activities.

We invite you to read the latest sustainability report, which is a comprehensive analysis of Baltic Hub's operations in 2022. In the report, you will find detailed information about our place in the marine economy, our activities and initiatives undertaken for the benefit of the local community and the environment, and the progress we have recorded in the past year.

Our successes in 2022



A monthly record of
container throughput

216,437 TEU



1,207 +107 y/y

No. of employees in 2022



Second edition of
Busole District Grant

A record for containers handled
on the railway siding during
a 12-hour shift

830 TEU

Handlings in 2022

2.07 mln TEU



The record for moves
on a single ship

13,172

MADISON MAERSK

Record throughput on one vessel

21,371 TEU



Our awards in 2022



Award in the 'Social Responsibility Leader' category among medium and large enterprises in the Pomeranian Region in the competition 'Gryf Gospodarczy 2022'



The Baltic Hub was recognized as one of the esteemed winners in the 'TOP 100 Pomorza' ranking, which has been organized by the editorial team of Dziennik Bałtycki for 26 years



TSL Award
RZECZPOSPOLITA

TSL Award of the Rzeczpospolita Award in the 'Logistics Infrastructure Development' category for the major expansion of the rail terminal



Port of the Future Award received at the WOF EXPO in Bratislava



ESG Innovator
2022

Award for the 'Busole 2021' district grant in the 'ESG Innovator' competition, organized by the Polish association Polskie Stowarzyszenie ESG in the S- Innovation in the social area category

Our history



Our History

The concept for the deep-sea container terminal located in Gdansk began in the late 90's in order to address the ever-growing potential of the Baltic's deep-sea trading routes. Baltic Hub (earlier DCT Gdansk) was selected by the Port of Gdansk to design, construct and operate a new independent deep-sea container port that was aimed to be the largest of its kind in the Baltic.

2005

The construction of terminal began on October 25th 2005. The investment was completed in early 2007. Phase I of the construction included a 36-hectare container terminal capable of handling 500,000 TEU's per year along with a 650m long quay with 3 post-Panamax cranes and 5 RTG's



2010

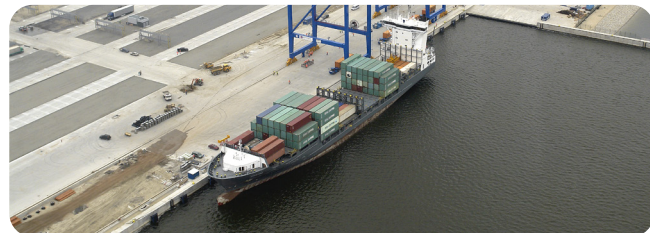
Since January 2010, as Poland's only deep-sea terminal, started receiving on a weekly basis 8,000 TEU container vessels departing from the Far East bringing Polish imports, picking up Polish exports, and carrying transshipment for the key Baltic ports.

2012

In March 2012, a land lease agreement was signed for the construction of a new container terminal - T2. Thanks to that the implementation of the strategy, aimed at making Poland, Pomerania and Gdansk the hub for Central and Eastern Europe and Russia, gained even more momentum.

2007

Terminal received its first vessel on the 1st of June 2007. The grand opening celebration took place on the 3rd of October 2007. During the first years of operations, the terminal specialized in handling feeder vessels, gaining important operational experience.



2011

The terminal started handling the Maersk Line's E-type class container vessels with the capacity of 15,500 TEU, the world's largest ships at that time. Thanks to this milestone, the company joined a prestigious group of North European deep-water container ports.



2013



The first Triple E container vessel with a capacity of 18,000 TEU arrived at terminal in August 2013. The uniqueness of EEE vessels stems not only from their size (400m long, 59m wide and 73m high), but also the efficiency and cost optimization they provide.

2014

In the second half of 2014, key decisions on the construction of the T2 terminal were made - the company closed the process of obtaining financing for the investment, obtained binding permits for the construction of the new part of the terminal and selected the contractor for the works.

This year, the terminal also opened a new four-track railway siding with a capacity of over 700,000 TEUs per year. As part of the project, container storage yards were built along the siding, as well as three crossings allowing the movement of handling equipment between the western and eastern parts of the siding.



2015

A landmark moment in the terminal's history was the start of cooperation with 2M Alliance in February 2015. Ships with containers from two of the world's largest shipping lines on one deck - Maersk Line and MSC - started arriving at terminal. The MSC shipowner also included its largest vessels with a capacity of over 19,000 TEUs (such as the MSC Maya) in the Gdansk service.

In May 2015, in response to container market demand the construction of a second deepwater berth was started - project T2. Completion of the EUR 200 million funded investment was scheduled for the end of 2016.

In August, terminal started cooperation with the G6 alliance (a combination of shipping lines APL, HMM, MOL, Hapag-Lloyd, NYK and OOCL). The second alliance marked the terminal's second weekly direct call from Asia to Gdansk and, most importantly, opened new prospects for companies involved in trade with the Far East.

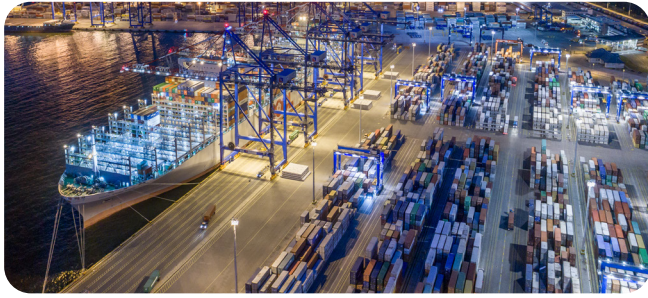
2016

In June 2016, the world's largest container ship at that moment with a capacity of 19,224 TEU - MSC Maya - arrived at terminal for the first time. The vessel was regularly calling at the terminal as part of the 2M alliance's (Maersk Line, MSC) weekly ocean service.

October 2016 saw the official opening of second deepwater container quay. The 650m long T2 quay has been equipped with five modern STS quay cranes, the largest in the Baltic Sea, capable of handling vessels with a capacity of over 22,000 TEU.

Terminal doubled its annual handling capacity from 1.5 to 3 million TEU, making it one of the largest container handling facilities in Northern Europe.





2017

The construction and opening of T2 has been carefully studied by shipowners. Proof of the rationality of this huge investment, was the decision of the members of the newly formed OCEAN Alliance (APL, CMA-CGM, COSCO SHIPPING, EVERGREEN and OOCL) to start cooperation with the terminal.

2018

In 2018, the implementation of the T2B Program began, under which the terminal's railway siding, the terminal access road were rebuilt. In addition, new equipment was purchased (STS, RMG and RTG cranes) and storage yards will be expanded.

Terminal has a 1.3km long deepwater quay line, 11 STS quay cranes and annually handles over 460 vessels (including 100 of the world's largest container vessels) and has an annual handling capacity of 3 million TEU, making it the largest container terminal in the Baltic Sea.



2019

March 2019 was very challenging. Terminal was jointly acquired by PSA International Ptd Ltd (PSA), the Polish Development Fund (PFR) and the IFM Global Infrastructure Fund (IFM).

At the end of 2019 terminal reloaded its 2 millionth container in 2019 and thus became the first terminal in the Baltic Sea to cross the border of 2 million TEU serviced in one year.

2020

In 2020 terminal has successfully implemented an OCR system on its gates. The OCR project involved the implementation of fully automated gates which use OCR cameras (Optical Character Recognition) to register trucks and containers that arrive at terminal.

This year terminal also created its representation located in Prague to work closely with customers in Czech Republic and Slovakia.



2021

Gdansk has risen to first place in the Baltic Sea container ranking in 2021. In April, the terminal handled its 15 millionth container since the start of operations. July brought the official awarding of the competition for the construction of T3. Thanks to the construction of the new terminal, a third deepwater berth will be added to the port, increasing terminal's annual handling capacity from 1.5 million to a total of 4.5 million TEU. In December a terminal was transformed from a joint stock company into a limited liability company. The terminal ended the year with a record result of 2.1 million TEU.

About Baltic Hub



Who we are?

The Baltic Hub is Poland's largest and fastest-growing container terminal and the only deepwater terminal in the Baltic Sea. We connect Asia, the European Union, including Poland, and the emerging markets of Central and Eastern Europe, as well as the entire Baltic Sea region. Our terminal attracts the world's largest ships that depart from the Far East. We handle Polish imports, exports, and transit, effectively competing with ports in Germany, the Netherlands, and Belgium. With our exceptional connectivity to various destinations, we serve as a natural gateway for goods from around the world, not only to Poland, but also to the entire Central and Eastern Europe. In 2022, we handled 2.07 million TEU and employed a workforce of 1,207 individuals.

GOOD TO KNOW

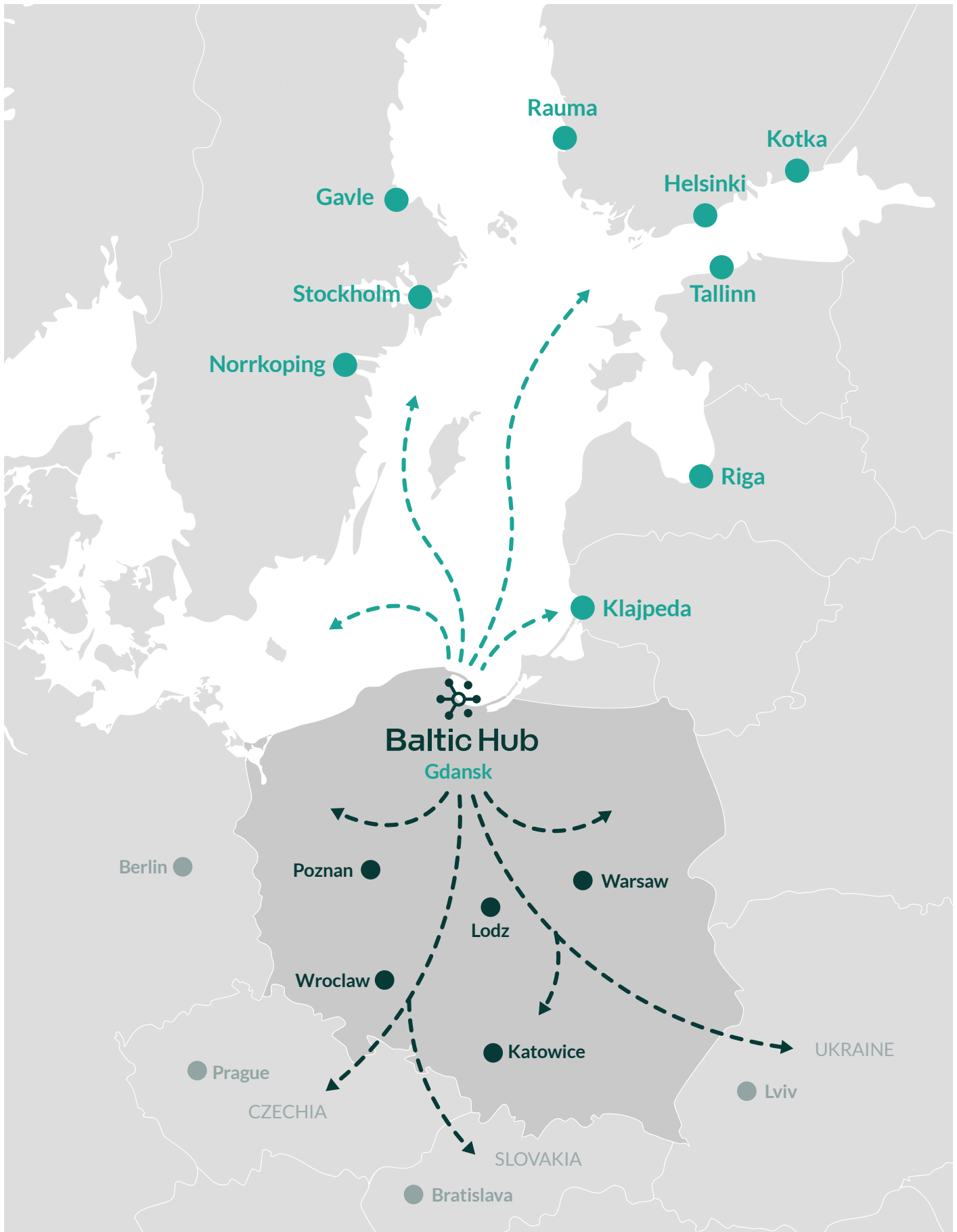
TEU (twenty-foot equivalent unit) is a unit of capacity used for ports and ships. It is equivalent to a container measuring 20 × 8 × 8.5 feet, or 6.10 × 2.44 × 2.59 metres.

The full name of our company is Baltic Hub Container Terminal Sp. z o.o. Previously, until October 2022, we operated under the name DCT Gdańsk Sp. z o.o. The change in the name reflects the company's development. We initially began as a deepwater container terminal (DCT) and have since transformed into the largest terminal complex in the Baltic Sea region within the span of 15 years. Today we have excellent land connections to various countries, including the Czech Republic, Slovakia, Ukraine, Hungary, and Germany. We made the decision to emphasize our exceptional growth, achievements, and at the same time highlight our current development plans through the adoption of the new name.

GOOD TO KNOW

The new name, the Baltic Hub, aptly reflects our ambition to operate as a regional Baltic container hub, where maritime and inland connections converge.

Terminal location



Our head office is located in Gdańsk. The shareholders of the Baltic Hub are:



PSA International (40%): a leading port group with operations in over 160 locations across 42 countries worldwide. The Group's portfolio encompasses deep-sea, rail, and inland terminals, along with associated businesses in distribution, warehousing, and maritime services.



Polish Development Fund (30%): a state-owned group consisting of financial and advisory institutions for businesses, local governments, and individuals. It contributes to the sustainable social and economic development of the country.



IFM Global Infrastructure Fund (30%) - a globally operating institutional fund management company.

Management Board



Charles Baker

Chief Executive Officer,
Member of the Board



A UK national, Charles is an experienced port industry executive. He started his career with Canada Maritime Agencies, a Canada's CP Ships company acquired by Hapag-Lloyd AG. He moved across the "K" Line agency before joining the Port of Felixstowe (HPH) in 1993 as a ship planner. Between 1993-2000 Charles worked in various operational and supervisory roles in planning and shift management areas before pursuing an interest in Sales and Marketing, moving to HPH's Thamesport. In the following years, he moved back to Felixstowe as Commercial Manager UK and then worked in Brasil for HPH. After that experience, he became HPH Commercial and Business Development Director in Barcelona. In 2008 Charles joined APM Terminals Commercial efforts in expansion at their global HQ in The Hague and managed the MSC and CMA CGM accounts worldwide. As part of the new Executive team, Charles returned to Spain to manage Noatum Ports, an JP Morgan Investment Fund investment. His last position before joining Baltic Hub was General Manager of PSA's terminal - TC Mariel in Cuba, a greenfield site opened in 2014.



Adam Żołnowski

Chief Financial Officer,
Member of the Board



Adam gained his wide experience also as Director General of the Polish Competition Authority and President of Polish Information & Foreign Investment Agency. In his professional career he worked with large international companies like LG, Samsung, Sharp, EoN and others to assist them to locate in Poland and Central-Eastern Europe. He was a member of Polish Securities and Exchange Commission, The Insurance and Pension Funds Supervisory Commission and an adviser of Uzbekistan government. More recently Adam was in charge of developing strategies for the Pomerania Region in Poland, where Baltic Hub is located. He is an author of several publications in the area of foreign investment and competition. Adam graduated Gdansk University and University of Sussex. He completed controller's application of Supreme Chamber of Control and Executive Management Program by Swedish Institute.



Ross Clarke

Chief Operations Officer,
Member of the Board



Ross is a vastly experienced shipping and port industry executive. He started his career as a ship's officer and after a decade at sea, joined Ports of Auckland in his home country of New Zealand. In 2005 Ross joined APM Terminals as a Regional COO for Asia & Oceania based in Singapore. In 2008 he transferred to APMT HQ where he was globally responsible for Terminal Design and Innovation, with a special focus on automated and semi-automated terminal operations. After 5 years back in New Zealand introducing automation to Ports of Auckland, he re-joined APMT as COO of their 3.0 MTEU transshipment hub in Tanger-Med, Morocco.

How we work at the Baltic Hub

Unloading and loading a container ship is a complex and precision-driven process. Containers must be placed in the exact designated locations, be it storage yard or onboard the ship. Our operations run 24 hours a day, 365 days a year.

After unloading, our customers decide on the further course of action for the containers. At the Baltic Hub, we provide the option for container loading to various modes of transport, including sea, rail, and road. Our infrastructure enables us to handle all types of containers, including non-standard oversized and extremely heavy cargo. We also offer warehouse services like forming and unforming containers, along with cargo storage solutions.

We specialize in maritime container handling services. Our customers are companies that seek to transport their goods via sea or collect goods that have arrived at the port of Gdańsk.

Logistics in numbers

789 Number of customers served

~2,600 Number of road hauliers

63 Number of railway operators

211 Number of cooperating customs agencies

Containerized cargo arrives at or departs from our facility via rail or road transportation.

- 35% of the containers are transported by rail and we handle over 500 trains per month
- 65% of the containers are transported by trucks
- we provide convenient and regular feeder lines to the majority of the Baltic ports

GOOD TO KNOW

Feeder connections are transportation lines specializing in short-sea transportation, typically involving smaller vessels that distribute containers to or from container vessels.

GOOD PRACTICE

In 2022, we extended the railway tracks at the Baltic Hub and built new tracks, doubling the total length of the railway siding from 2.5 to 5.25 kilometres. Additionally, the permissible axle load of train sets was increased. These improvements allow us to transport higher volumes of goods while reducing our carbon footprint and minimizing road congestion.

Before loading or after unloading, containers are stored in our storage yard. Our storage capacity enables us to store 64,000 TEU.

For the transportation of containers to or from the ship, modern STS cranes are used, they are transported at the storage yard using 20 RTG and 20 eRTG cranes, and at the railway siding they are loaded and unloaded with 3 RMG cranes.

Baltic Hub in numbers



quay depth
17 m



quay length
2x 650 m



operational area
88 ha



annual throughput capacity
<3 mln TEU



reefer plugs
1,072



handlings in 2022
>2 mln TEU



storage capacity
64,000 TEU



trucks handled
447,000



warehouse size
8,200 m²

—○ We are committed to our values

Our vision: The Baltic Hub as the first choice terminal in the heart of the Baltic Sea

Our mission: We consistently generate added value for our customers and shareholders by adopting innovative approaches to meet their logistic and transportation needs.

Our values:

COMPETITIVENESS we offer unique services, transforming the logistic model in the region

INNOVATIVENESS we continually strive to find better ways to meet our customers needs and take on new challenges

RELIABILITY we deliver services at the highest level and always fulfil our commitments

SOCIAL RESPONSIBILITY at the Baltic Hub, it means an unwavering commitment to safety and respect for the local community and the environment

At the Baltic Hub, we act ethically and expect the same from our suppliers. In 2022, we initiated the development and implementation of a comprehensive document that outlines our ethical standards and the expected behaviour of our business partners. The Code of Conduct establishes clear guidelines for the expected standards of behaviour for all Baltic Hub suppliers, vendors, contractors, manufacturers, service providers, and business partners. According to the Code, all suppliers must comply with the applicable laws, maintain the highest levels of ethical, personal, and professional conduct, and always fulfil their commitments. The Code prohibits suppliers from engaging in any inappropriate behaviour or conduct that may undermine the reputation of the Baltic Hub.

Rules for our suppliers:

- Prohibition of any form of corruption
- Strict compliance with all sanction regulations
- Adherence to health and safety regulations
- Compliance with all applicable environmental regulations
- Confidentiality of information
- Implementation of sufficient controls to safeguard confidentiality, integrity, and availability of information, particularly in terms of cybernetic security
- Compliance with antitrust regulations
- Avoidance of conflicts of interest
- Protection of personal data
- Implementation of whistleblowing procedures
- Prohibition of employing minors
- Prohibition of forced labor

—○ We are committed to sustainable practices

We recognize the privilege and obligation of our location in Gdansk, which is a region that holds historical significance as an important communication hub and at the same time is a region surrounded by areas of historical, tourist, and natural value (Natura 2000). In November 2022, we published an updated Declaration of Sustainable Development, due to the organisation's name change, in which we make a commitment to global and local carriers to provide favourable mechanisms and conditions for transport chain planning. We are dedicated to ensuring optimal cost and quality, as well as comfort and safety minimizing environmental impact. The first Declaration was published in the Baltic Hub in June 2015.

Selected commitments outlined in the Baltic Hub Declaration of Sustainable Development:



Integrated organization management and the achievement of business results in a socially responsible manner



Reliability and competitiveness in meeting clients' needs and providing them with the highest-quality services



Innovation in business processes and in purchasing of goods and services, considering new technologies and solutions while incorporating quality, environmental, energy, and occupational safety aspects



Execution and optimization of processes in an energy-efficient manner to improve energy performance (as a crucial element of global climate policy and its connection to operating costs)



Ensuring safe and comfortable working conditions for all employees engaged in on-site activities, including clients and subcontractors, while implementing and maintaining a zero accidents principle



Elimination of hazards, reduction of risks, and prevention of occupational diseases



Respecting the environment and the natural world, and minimizing environmental impacts, including pollution prevention



Minimizing environmental impact by reducing CO2 emissions by 50% by 2030 against the 2019 baseline and achieving CO2 neutrality by 2050



Execution of investment processes while preserving biodiversity, and, if necessary, implementing nature compensation measures.

Since the beginning of 2021, Dominika Milion, the Sustainability Director, has been responsible for the ESG area at the Baltic Hub.

The Sustainability Department comprises four operational divisions: Health, Safety and Environment, sustainability, project safety and security and physical security (property protection).

The Sustainability Team's tasks are multi-faceted and include:

- Leading CO2 reduction initiatives within the organization and dedicating significant attention and efforts to environmental protection and sustainability. This includes developing ESG strategies, climate strategies (with a strong emphasis on marine environment protection), implementing decarbonization projects, conducting carbon footprint calculations, and transitioning towards a closed-loop economy and staying updated on legal developments in sustainability, including EU and national regulations (ESG, NFRD, CSRD, Taxonomy, and Fit for 55)
- Collaborating on the development and maintenance of the integrated management system, as well as acting as internal auditors, documenting processes, and creating system documentation
- Managing the corporate risk register and related documentation
- Overseeing Business Continuity Plans, Disaster Recovery Plans, Emergency Response Procedures, and BIA
- Conducting training sessions on sustainability and the integrated management system

We continuously engage in expanding our knowledge and adopting best practices in the field of ESG through, for example, leveraging the experience of PSA, one of our shareholders. ESG training programmes are conducted, and participants cascade the acquired knowledge throughout the Baltic Hub. Internal workshops on sustainability are also attended by Board members. In 2022, a total of 46 people participated in educational meetings on ESG, including members of top management and employees directly and indirectly involved in ESG issues.

—○ We are committed to principles

Our company's corporate governance system serves as the foundation for our operations, covering every facet of management, including action plans, management control, performance management, and reporting. At the Baltic Hub, our corporate governance framework encompasses practices, processes, and policies to ensure a balance between the interests of shareholders, management, customers, employees, suppliers, local communities, and financial institutions.

We have implemented an Integrated Management System to ensure the alignment of our processes with quality, environmental, OHS, and energy efficiency standards and to drive continuous improvement.

Preventing corruption and conflicts of interest

We do not accept bribery or any other form of unethical incentives or payments, including payments to expedite processes and gratuities. All our employees are obligated to adhere to the Anti-Corruption Policy, which broadly defines our understanding of corruption, highlights specific examples of unacceptable behaviour, and sets clear guidelines for anti-corruption practices. All our employees are well aware that confirmed involvement in corruption results in a summary dismissal. The policy also addresses matters related to gifts and business expressions of hospitality. As a general guideline, gifts should be of small value, transparent, and should not be given with the intention of exerting improper influence.

If an employee is found to have received or accepted a gift or incentive that could be perceived as a bribe, or if the value of such an offer exceeds 50 Euro and this information has not been reported to the director responsible for compliance procedures, disciplinary proceedings are initiated against that employee.

We have also incorporated provisions concerning conflicts of interest in the Anti-Corruption Policy. Our employees are expected to submit a written declaration if they find themselves in a situation where their loyalty to the company conflicts with personal interests. Such declarations should be submitted to their supervisor, who will then report them to the Director of Human Resources,

The Anti-Corruption Policy has been communicated to all 1207 employees of the company.

 GOOD PRACTICE

Instances of actions that are inconsistent with the Anti-Corruption Policy or other regulations adopted at the Baltic Hub can be reported through various channels, including:

- Special telephone number or email
- Direct supervisor
- Management Board

Our employees are also encouraged to use the Near Miss procedure available on the employee portal.

All reports are thoroughly reviewed and the identity of whistle-blowers is kept anonymous. Individuals who report information in good faith are protected against any form of retaliation.

In 2022, no reports of standard violation were filed, and there were no reported cases of corruption.

Impact on the economy



Terminal of the first choice

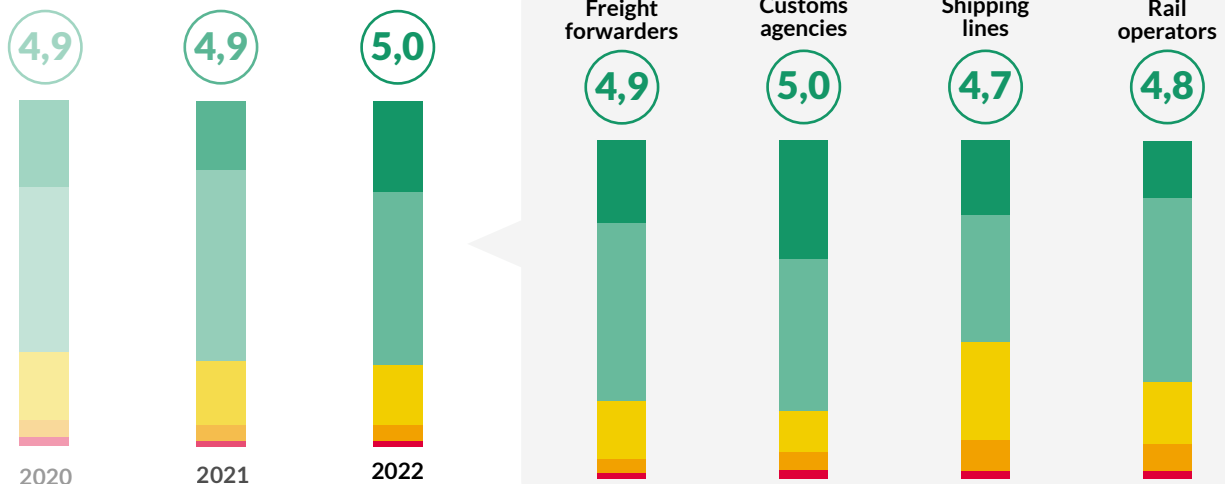
There is no doubt that the Baltic Hub has played a significant role in the commercial revolution in the Baltic Sea region. By offering direct connections for container ships from North-East Asia, we have assisted numerous Central European companies in establishing trade relationships with their global counterparts, ultimately fostering their growth. By leveraging our services, these companies avoid the expenses associated with extra ships or incurring additional handling fees at Western European ports. Furthermore, we contribute to the reduction of land transport costs and time.



The Baltic Hub has emerged as the first choice terminal for numerous shipping lines and freight forwarders. We are aware that this distinction can be attributed not only to our advantageous location and state-of-the-art infrastructure but, above all, to the quality of our services. We understand that in order to retain our existing customers and to attract new ones, we must continually provide a world-class service. We seek customer feedback through regular surveys, allowing us to fine-tune our operations to best meet their needs.

In the 2022 survey, a total of 512 Baltic Hub customers participated. The average rating for overall cooperation remained consistent with the previous year, maintaining the level of 5 on a 6-point scale. In this scale '1' represented the lowest rating, while '6' represented the highest. A significant 77% of customers rated their cooperation with us as '5' or '6' (73% and 76% in 2020 and 2021 respectively). Only 1% of customers assigned the lowest ratings of '1' or '2'.

Overall Assessment of Cooperation with Baltic Hub/ DCT Gdańsk in 2022



As a reliable business partner and a large company, we use services and supplies provided by thousands of small, medium, and large enterprises in Poland. Our success is also their success, and the growth of the Baltic Hub supports the development of subcontracting companies and contributes to employment growth, economic development, and increased tax payment. In 2022, our collaborative network included 789 forwarding companies, 2.6 thousand road hauliers, 211 customs agencies, and 63 railway companies. Through these collaborations alone, we estimate that we have indirectly contributed to the creation of nearly 36,000 jobs.

Furthermore, our operations have a positive effect on the country's budget. As a Polish tax resident, the Baltic Hub fulfils its tax obligations in accordance with the law, including the payment of taxes and fees. We do not engage in tax settlements in countries with harmful tax competition, known as tax havens. In 2022, we paid more than PLN 160 million to the state budget.

% Taxes and social security contributions paid in 2022 (in PLN)

12.1 mln

Personal
Income Tax

47.5 mln

Social Security
Institution

100.7 mln

Corporate
Income Tax

Our activities also indirectly support the Polish budget. In 2022, the work of the Baltic Hub resulted in the State Treasury receiving nearly PLN 8.5 billion from customs declarations.

 Polish budget receipts from customs declarations (in PLN)

23.1 mln

Import Excise Duty

3.2 bln

Customs Duties

5.2 bln

VAT

Cooperation and partnerships are integral to our core values. Since our inception, we have played a significant role in supporting state infrastructures, such as Maritime Authorities, which emphasize the high standard of operational activities, especially advanced safety measures.

In line with our commitment to collective efforts, we have entered into a cooperation agreement with the neighbouring port facility. This agreement enables both port operators to provide mutual support in enhancing security systems. This includes the exchange of vital intelligence data, securing the borders of the port facilities from sea-based threats, and developing an anti-drone system to prevent espionage and sabotage. We have also upgraded our access control systems. As a result of these implemented improvements, our organisation had no difficulty in 2022 in receiving again a positive assessment from the Maritime Authority, confirming that our operations are compliant with the applicable safety standards.

Environment



Our commitment to the environment



We support the implementation of the Sustainable Development Goals



Protecting and respecting the environment is an integral part of our business model and daily operations. We assess and manage our impact on nature to prevent or minimize any negative effects. We take compensatory measures, and our internal environmental standards are often more rigorous than the obligatory external environmental regulations. In 2021, we established our Sustainable Development Goals and are actively implementing them.

Our commitment to environmental sustainability is reflected in the following initiatives:

- Purchase of energy from renewable sources (since 2020)
- Acquisition of electric pool cars and fleet replacement
- Replacement of lighting in buildings with LED systems
- Purchase of new electric cranes with LED lighting

The Baltic Hub's Integrated Management System includes the following:

- Environmental protection system compliant with ISO 14001, EMAS and PSA corporate requirements
- Process energy efficiency system compliant with ISO 50001

GOOD TO KNOW

The Eco-Management and Audit Scheme (EMAS) is a voluntary EU environmental certification scheme for all types of organisations seeking to implement comprehensive environmental solutions. EMAS requirements provide guidance and direction so that organisations can effectively organise their environmental responsibilities, optimise costs, and efficiently manage energy and resources. Registration in the scheme means that an organisation meets high environmental standards.

Impact management in accordance with ISO and EMAS standards allows us to effectively monitor our business processes and improve our environmental and energy performance. Various elements of the Integrated Management System ensure that environmental aspects are identified and assessed, responsibilities and tasks are defined, and monitoring and evaluation are conducted



Dominika Milion
Sustainability Director

We have implemented a specific procedure company-wide for the identification and assessment of environmental aspects and risks. This procedure outlines the principles for identifying environmental aspects and risks and evaluating their significance. All our sites and business units are subject to this procedure. We also take into account the activities of our suppliers and subcontractors. These aspects are reported annually in our Environmental Declaration. Due to the later publication date of the 2022 Declaration, we are presenting the data from the 2021 Declaration below.

Directly significant environmental aspects	Environmental risks
Emissions of gases and dust into the air from installations and equipment	Air pollution from combustion products, hydrocarbons, dust, SO ₂ , NO _x , CO ₂ , CO; excessive consumption of natural resources (fossil fuels); the intensification of the greenhouse effect; and acidification of the atmosphere
Energy in the form of noise, vibration, and electromagnetic radiation	Environmental pollution from noise, vibration, and electromagnetic radiation
Hazardous and non-hazardous waste	Environmental impact of waste generation, including plastic, significantly affecting the environment
Rainwater and snowmelt	Pollution of harbour basin waters caused by petroleum hydrocarbons
Discharge of wastewater into sewerage facilities	Environmental impact of wastewater, including risks of eutrophication, ecosystem impoverishment, bioaccumulation of pollutants and genetic changes in living organisms
Water (from waterworks)	Consumption of natural resources
Fuels	Emission of pollutants into the air, including carbon dioxide, sulphur oxidises, nitrogen oxidises, and dust; consumption of natural resources (fossil fuels) through combustion in handling equipment, movers, and transport vehicles
Electricity	Emission of pollutants into the air; consumption of natural resources (fossil fuels) due to combustion, resulting from the activities of the producers of purchased energy
Sites, including nature-oriented sites (biodiversity)	Landscape changes, impact on cultural heritage, and exclusion of land from biological activity
Hazardous substances and mixtures, including substances of particular environmental concern	Water and soil pollution, impact on flora and fauna
Emergency situations	Atmospheric pollution caused by the release of hazardous combustion products during fire or explosion; the Gulf of Gdańsk water pollution due to spills or dumping of environmentally hazardous substances; soil contamination due to spills or dumping of environmentally hazardous substances; forest degradation due to fires; environmental impact of waste generated during fire or other accidents

 GOOD PRACTICE

Our terminal handles a diverse range of goods, including environmentally hazardous substances. At the Baltic Hub, we have implemented a comprehensive Chemical Substances and Mixtures Management Policy. This policy ensures compliance with all regulations and internal requirements, as well as the implementation of proper safety measures at our workplaces. It is complemented by a separate Policy on Dangerous Goods and Other Chemical Substances and Mixtures in Containers. The objective of this policy is to mitigate the risks associated with the accidental opening of containers containing substances hazardous to the environment and human health. Containers with hazardous cargo are always handled in accordance with the applicable technological instructions for the specific class of substance, the terminal's safe handling instructions for vessels, and the operating procedures for the handling of hazardous cargo. The policy also specifies the safe procedures for refuelling cranes and receiving diesel at the filling station.

At the Baltic Hub, we have implemented a precise set of actions to be taken in the event of a hazardous substance leak from containers. To address hazardous substance leaks, the company utilizes tub trailers and a dedicated containment area equipped with an underground tank for handling leaking containers. Specific sorbents are placed in labelled containers at various locations within the terminal. In the event of incidents, the Supervisors and Shift Managers from the operations and technical departments, present 24 hours a day at the port, are responsible for responding. They all have received a training by our company in emergency procedures.

Energy and emissions

To reduce emissions to zero by 2050, are implementing key initiatives:

- PSA Climate Response Management System – a standard that outlines our vision and objectives for decarbonization and establishes crucial climate response actions to align the efforts and initiatives of all PSA Group business units, including the Baltic Hub.
- The Baltic Hub is required to conduct assessments and manage its environmental impacts through a dedicated legal and technical unit. This includes ensuring compliance with local environmental laws and regulations, as well as advocating for change to enhance the implemented solutions.
- Implementing PSA Sustainable Buildings requirements – a standard that defines the minimum sustainability criteria for the construction of new buildings and significant building renovations (electricity, no gas, heat pumps, solar panels, low carbon footprint concrete, and others).

In 2022, several key implementations were introduced to complement the above systems:

- PSA Sustainable Procurement Framework – a standard that provides guidance on establishing and maintaining sustainable supply chains
- RE-ProGen Framework – a standard that provides oversight of sourcing and generating renewable energy sources
- Implementation of ePM guidelines addressing operational ecosystem issues related to the procurement and deployment of electric prime movers

To progress towards zero emissions, the following measures are being taken:

- Upgrading RTG yard cranes - the plan is to upgrade 10 diesel-powered RTG cranes by 2030 (half of the current fleet of diesel-powered yard cranes). This upgrade will result in significant savings, up to 33% of the fuel currently consumed.
What is more, in 2022, the lighting on four RTG cranes was successfully replaced, transitioning from sodium lighting to LED lighting.
- Infrastructure development for electricity grid to meet the growing demand for electricity and purchase of regulated guarantees of origin.

The ongoing projects aimed at achieving the declared objectives:

- The next phase of implementation focuses on installing energy-efficient LED outdoor lighting in our storage yards. We have succeeded in implementing LED lighting in the terminal buildings. Since 2022, we have been engaged in the search for the best partners to collaborate with in the development of external infrastructure. We have been collecting bids and analysing them with a dedicated team.
- Commitment to replacing diesel-powered internal movers (PM - Prime Motors) with electric or other alternative fuel options. Due to delays in the start of tests of electric movers to the Baltic Hub, the initial results will be known in Q1 2024 and the final results will be available in the first quarter of 2024. Deployment stage forecasts are planned for 2030.
- Expanding the fleet of electric vehicles. In 2022, four electric vehicles were acquired. The target is to acquire seven more electric vehicles in 2023.
- The replacement of internal combustion forklifts with a lifting capacity of over 8 tons poses a challenge for us. As existing solutions have not yet been proven, we continue to actively seek alternative options.
- Installation of solar and photovoltaic panels for the technical department's building at the end of 2022.
- Eighteen solar panels provide an auxiliary system to enhance the energy efficiency of the building. The expected impact of this installation is the avoidance of 4,723.81 kg CO₂ emissions from natural gas and 20,439 kg CO₂ emissions from non-renewable electricity.

Through purchasing:

- Green energy - in 2022, the Baltic Hub purchased 19% of green energy (4,185 MWh) from the port authorities. The remaining 81%, i.e. approximately 17,850 MWh, was purchased from the Energa Obrót group, which is part of the PKN Orlen group.
- Highly advanced equipment powered by renewable energy source – all of the currently used as well as the newly purchased diesel-powered equipment can operate on biodiesel or HVO100.

In 2022, the Baltic Hub signed a letter of intent to collaborate on alternative energy sources with PKN Orlen.




GOOD PRACTICE

In 2022, the Baltic Hub sourced most of its electricity from renewable sources - the total consumption amounted to 23,721 MWh. Out of the total consumption, 21,513 MWh was purchased and the remaining 2,218 MWh was generated through a phenomenon known as 'the reversibility' of electric motors. In the process of raising or moving the load, the motor consumes electrical energy while the load acquires potential energy. When lowering the load, the drive motor functions as a generator, being driven by the load itself. The potential energy stored in the load is used for braking purposes (ensuring the proper lowering speed). There is surplus energy that can either be dissipated or returned to the power grid. We have secured a green energy contract for both 2023 and 2024.

Structure of energy consumption and its use in processes and infrastructure in 2022

Source	Electricity (MWh)	ON fuel (MWh)	Natural gas (MWh)	Total (MWh)	TOE	Percentage share
Container handlings	14,349	52,201	-	66,550	5,722	85.8%
Container storage	6,547	-	-	6,547	562	8.4%
Maintenance	2,833	-	1,668	4,501	387	5.8%
TOTAL	23,729	52,201	1,668	77,598	6,671	

Production and consumption of electricity renewable sources

Energy source	Consumed (MWh)	Produced (MWh)
 Wind	10,756	-
 Solar	10,757	-
 Other renewable	2,218	2,218
TOTAL	23,731	2,218

Our flagship project aimed at reducing energy consumption involved the purchase of 10 new electric appliances as an alternative to their diesel counterparts, which started in 2021. We have estimated that with this investment we will prevent the emission of almost 2,500 Mg of CO₂ into the atmosphere. It is important to note that this project will lead to an annual avoidance of nearly one million litres of diesel consumption. We acknowledge that reducing energy demands and emissions of our organisation requires not only costly large-scale initiatives, but also smaller-scale actions that, when implemented, can make a significant difference.

Therefore, in 2022, we replaced the lighting in the Gate complex with energy-efficient LEDs. We also replaced outdated air conditioners in the server room with modern, energy-efficient units and installed blinds on the windows to reflect the sun's rays and lower the room temperature.

The Baltic Hub emissions in 2022:

SCOPE 1

Direct emissions from the combustion of fuels in stationary or mobile sources and from technological processes:

14,427 tCO₂e

SCOPE 2

Indirect emissions from the consumption of externally supplied energy:

15,850 tCO₂e

These emissions were 'offset' through the purchase of guarantees of origin for all consumed energy

We acknowledge that our emissions in 2022 were slightly higher compared to the previous year (13,989,487.49 kgCO₂). Several factors influenced this increase, including:

- significantly higher non-productive movements compared to the previous year (an 88.8% year-on-year increase)
- reduced gas consumption for heating buildings resulting from the warmer winter
- a decrease in the percentage of electricity consumption and a slight increase in the percentage of ON fuel combustion due to the higher number of non-productive movements
- increased ON fuel consumption by RTG cranes compared to 2021 due to the high occupancy of T1 terminal storage yards
- an increase in the percentage of fuel consumption by vehicles and equipment, both in the transshipment processes and overall energy output despite a 3.59% decrease in transshipments; the increase driven by the rise in non-productive movements, mainly due to sanctions imposed on Russia
- a slight increase in the ratio of electricity consumption to TEUs handled by ship-to-shore cranes due to the decline in transshipments, as a result of which the efficiency of ship-to-shore cranes also decreased
- a decrease in the electricity consumption rate of yard cranes due to the increased volume of containers handled at the railway siding

Our vehicle booking system (eBrama) helps to address air quality concerns, ensuring that trucks no longer have to wait outside the terminal to enter. Before the implementation of the eBrama system, there were instances of up to a kilometre-long queue of idling trucks - there are no vehicles waiting outside the gate now.



Dominika Milion
Sustainability Director

—○ Biodiversity and marine conservation

We are developing our port with respect for biodiversity. We are located next to the Natura 2000 area – the Bay of Puck - and we have a strong commitment to protecting the rare and valuable species found there, particularly birds. We have implemented compensatory measures that go above and beyond the recommendations of the Regional Directorate for Environmental Protection. Working closely with ornithologists, we have fenced off a portion of the beach adjacent to one of the terminals where protected bird species, such as little ringed plovers and common mergansers, have their breeding habitat. We also collaborate with chiropterologists who monitor the well-being of bats, which are a strictly protected species in Poland.

Any development of port infrastructure with respect for biodiversity is always preceded with an Environmental Impact Assessment that provides strict guidelines serving as the basis for our subsequent actions.

When we inaugurated the construction of the T3 terminal in October 2022, we also initiated extensive compensation and mitigation measures for marine fauna, in compliance with the environmental decision signed for the T3 project. These measures involved measuring noise, monitoring the impact of the construction on fish and mammals in areas beyond the project site, and conducting ornithological observations. In collaboration with specialists, we also launched a project aimed at responsibly and scientifically encouraging animals to voluntarily vacate the construction site (Smart Start). In addition, we temporarily suspend or limit certain activities between April and July each year for animal welfare reasons. Since our operations involve the utilization of forest land for non-forest purposes, we make annual contributions as determined by the Regional Directorate of the State Forests in Gdańsk. In 2022 the contribution amounted to: PLN 52,949.53.

To prevent water contamination, the construction site is equipped with permanent oil spill control measures, including specialized sorbents and oil barriers. The excavated material undergoes laboratory testing, and waste management procedures are implemented at the project site.

Environmental considerations were also taken into account during the selection of the construction contractor. The chosen company uses a dredging technology that allows for the consolidation of some of the silt on the bottom, thereby minimizing the extraction of silt and reducing the amount of material deposited at sea. As a result, the impact on the aquatic environment will be minimized.

Waste management

At the Baltic Hub, we actively promote a closed-loop economy and regenerate spare parts of our machines whenever possible. Our technical services handle the regeneration process for certain components, while other components are sent to specialized plants. This includes the regeneration of rope wheels, turbochargers, alternators, starters, gearboxes, hydraulic cylinders, and trailer axles, among others.

Our organization generates a significant amount of waste. The waste transfer process is formalized and documented. Waste records are kept in the BDO register maintained by the ministry responsible for the environment.

In 2022, a total of 31,340 kg of waste was generated, consisting of 29,580 kg of hazardous waste and 1,760 kg of non-hazardous waste.

In 2022, a total of 390,608.00 kg of waste was sent for recycling, comprising 63,409 kg of hazardous waste and 327,199 kg of non-hazardous waste.

In compliance with legal regulations and our contractual agreements, we are committed to collaborating with the best waste collectors. We have an ongoing long-term product fee contract with the Oiler Recycling Sp. z o.o. group for the collection of lubricants, batteries, and accumulators. They collect the most hazardous waste, such as sorbents, empty chemical waste drums, antifreeze, fluorescent lamps, and other waste containing mercury.

Every year we continue to extend our contract with trusted partners, including Recykl, Camso, Gumeko, and Colmec.

GOOD PRACTICE

In 2022, we remoulded 357 tyres for our Prime Movers, which allowed us to reuse them. This approach reduced the need to purchase new tyres and minimized waste generation. The tyres that could not be remoulded were collected by specialist recycling companies and processed into various materials, including pellets used for covering sports fields. We also entrust recycling companies with the disposal and recycling of used motor oil and batteries.

GOOD PRACTICE

The process of changing the name of our organisation necessitated the replacement of our marketing materials. The old banners promoting DCT Gdańsk were not sent to landfill. Instead, we turned them into unique backpacks and sachets that our employees could buy to support charity events. The funds collected during the events were donated towards the medical treatment and support of our employees.



Bags made of advertising banners

Water resources

Despite our proximity to the sea, the Baltic Hub does not use water as resource for its operational activities. Water is primarily used within our company to meet the basic living needs of our employees. We source water from the Port of Gdańsk Authority (ZMPG) and discharge it into the port authority's sewerage system. In compliance with the Polish Water Law Act, we discharge rainwater and snowmelt into the Bay of Gdańsk, following specific guidelines. What is more, we conduct rainwater and industrial wastewater quality tests twice a year during spring and autumn. These tests are performed in accordance with the environmental decision DROŚ-SW.7322.118.2017/MM, the current waste water decision GD.RUZ.4210.262.7.2021.KF (water law permit for the discharge of industrial waste water containing substances particularly harmful to the aquatic environment into sewerage facilities owned by another entity), and the corresponding agreement with ZMPG: Agreement 1264/TE/2011 with appendixes.

We maintain an ongoing relationship with the Polish Waters, to which we make annual payments. In 2022, the total fee (fixed and variable) amounted to PLN 228,436. Each year, we submit a report on our activities to the Port of Gdańsk Authority S.A., declaring the results of rainwater tests. We also provide copies of information statements on the use of the environment regarding water intake and wastewater discharge into water bodies or the ground throughout the operational period of the Baltic Hub terminal up to the present date.

At the same time, we take a responsible approach to the environmental safety of the Baltic Sea. We understand the potential pollution risks associated with the operations of large transport vessels in the port, such as refuelling and mechanical repairs. We have implemented and strictly adhere to applicable spill and fire prevention procedures. Our company ensures that specialized spill containment kits and complete firefighting equipment are available to the relevant services. We also manage the responsible collection of waste from vessels in our port. Waste is collected by relevant companies.



All Baltic Hub activities comply with the International Convention for the Prevention of Pollution from Ships.

Employees



Active OHS Day
September 2022 r.

Our Staff

At the Baltic Hub, we provide employment opportunities for over 1,200 individuals, and our aim is to foster long-term careers that support the company's growth. Our staff members are employed based on employment contracts. We offer attractive salaries, a comprehensive benefits package, opportunities for professional development, and clear career paths.

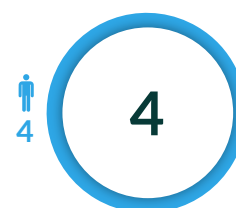
We operate based on transparent and straightforward guidelines. Throughout their careers at the Baltic Hub, individuals are evaluated based on their competence and dedication, disregarding such factors as age, background, orientation, or any other non-merit based characteristics. We value diversity and welcome professionals from various fields and age groups: 39% of our employees are under 39 years old, 53% are under 50 years old, and 9% are over 50 years old. We respect workers' rights and human rights, ensuring that forced labour and underage labour are prohibited.



Total number of permanent employees
(permanent contracts)



Total number of employees
(full-time)



Total number of employees
(part-time)

In 2022, we conducted 65 recruitment campaigns and successfully hired 205 new employees, with the highest number of new 143 hires in the Operations Department. When seeking potential candidates, we collaborate with pracuj.pl, a popular recruitment advertisement platform, and post recruitment information on LinkedIn. Nearly 80% of our new hires were referred by our employees through our employee referral programme. In 2022, we increased the rewards for employee referrals from PLN 500 to PLN 2,000.

 **GOOD PRACTICE**

Twice a year, we provide work experience opportunities to students from the patronage class of the maritime school Szkoła Morska in Gdańsk. Furthermore, during the summer holidays, we offer paid internships to students from various institutions, including Gdańsk University of Technology. At the end of these internships, we assess the interns based on their competence development and commitment. This evaluation process may also include the possibility of extending a job offer to the interns.

In 2022, we had the opportunity to meet with students from the technical school Szkoła Okrętowo-Techniczna Conradinum. We organized a workshop on automation that was conducted by one of our employees from the Technical Department. We also provided the students with a tour of our terminal. Nine of the students expressed interest in a month-long internship. After completing the internship, two of them were offered paid internships in the Technical Department. One of the students participated in an internship in the Technical Department again in the winter period, and we have plans to employ him in the third quarter of 2023.

In addition to salary, we provide our employees with non-wage benefits, and each employee is allocated a specific budget ranging from PLN 250 to PLN 400 per month. This budget can be used for various purposes, such as a sports card, life insurance, or personal needs as a prepaid card. We also offer subsidies for meals in the canteen.

 **1000+**

group insurance policies were signed by our employees with two collaborating insurers.

 **745**

active medical packages for our employees in 2022

 **GOOD PRACTICE**

At the Baltic Hub, it has become a cherished tradition to celebrate holidays together. We come together each year to celebrate occasions such as Women's Day, Men's day, Employee's Day, or Fat Thursday. We provide Christmas gifts in the form of prepaid cards for our employees' children.

—o Trainings

At the Baltic Hub, we believe that a well-trained workforce is fundamental to the company's success. We create a training and development programme for our staff every year. In 2022, we allocated PLN 800,000 for the training and development initiatives of our employees. These activities are divided into two areas: training and development. The training area focuses on specialized training that is essential for employees to carry out their job responsibilities while also enhancing work efficiency. The development area encompasses activities that foster the growth of soft skills, such as leadership skills.

👍 GOOD PRACTICE

At the Baltic Hub, we encourage our employees to enhance their English language skills. To support this, we provide subsidies for studies and offer classes with a teacher as well as access to a language learning platform. Between 2021 and 2022, we allocated PLN 150,000 for these activities.



Selected training programmes in 2022

Leadership Academy: a six-month programme for the Baltic Hub leaders, focusing on topics such as task delegation and task enforcement, feedback, communication, and performance assessment

Leanovatica training platform: access for over 100 employees

Specialized training sessions covering changes in labour law and tax regulations

Machinery operation training

IT training, including Powershell, Fortiweb, CISCO, Windows Server, MS Office, Linux Administration, and ITIL Foundation

Negotiator Academy: annual training that focused on project management, emotion management and risk analysis

Mindfulness sessions

Technical and operational training

Climate change training for the Sustainability Department

We also make use of the training courses and materials provided by the PSA Group that cover a range of topics including change management, presentation skills, MS Project, and time management.

In 2022:



We delivered an average of 35 training hours per employee

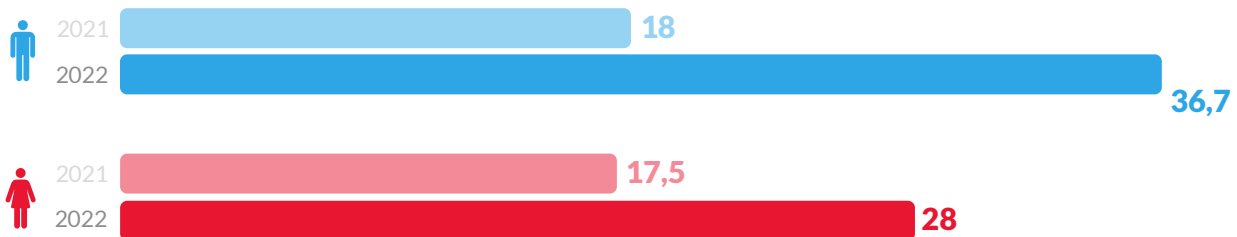


841 employees were trained



We covered 218 training topics.

The average number of training hours per employee by gender:



Competence development is facilitated through the use of accurate job descriptions and systematic implementation of competence matrices for individual processes. In 2022, a competence matrix was developed for the Technical Department. The document clearly outlines the essential skills required for various areas, enabling supervisors to plan and optimize the career development paths of their employees.

GOOD PRACTICE

Once a year, employees across all departments undergo annual performance assessment. This appraisal allows us to summarize their work achievements and professional competences developed throughout the calendar year, as well as collaboratively plan their future development in alignment with the annual training plan. Managers and employees in the administrative departments also undergo performance reviews that assess their progress in achieving bonus targets.

— Career development

We provide opportunities for both horizontal and vertical promotions. In the Technical and Operations Departments, annual HR meetings are held with managers and foremen to collaboratively select candidates for promotions. Prior to these meetings, the HR Department prepares a summary based on pre-agreed criteria. This summary includes an evaluation of the candidate's work, any penalties or awards received, past performance assessments, feedback, and their seniority within the position.

In administrative departments, individuals for promotion are identified by the head of the department, with the support of the HR Director. During this process, factors such as work performance, competence development potential, and commitment are taken into consideration. At the Baltic Hub, employees have the opportunity to participate in internal recruitment with the approval of their supervisors.

GOOD PRACTICE

We are working to eliminate barriers that discourage women from pursuing careers in our industry. In 2022, on the occasion of the Women's Day, we launched the 'Power in Femininity' campaign to present and appreciate women working in our company.

In 2022, we implemented a specialized development programme called 'Competences of the Future' for leaders in the Operations Department. This programme consisted of several stages. In the initial stage, we checked participants' knowledge levels in various areas, such as English proficiency, knowledge of the Baltic Hub shareholders, labour law, knowledge of the maritime industry and familiarity with our internal regulations. The objective of this stage was to establish expectations regarding knowledge and competences for managerial positions and provide individual feedback to each participant. In the next stage, development plans will be prepared and implemented based on the results. In 2023, we plan to extend this approach to the Technical Department.

—○ Safety

A container terminal is a high-risk environment that requires special attention and care. With round-the-clock traffic of many vehicles and various machines, cranes lifting thousands of containers, mooring lines, and slippery surfaces caused by humidity, our employees face daily risks. At the Baltic Hub, with our comprehensive safety management system, we prioritize the health and life of our employees. Our OHS Management System is an integral part of our Integrated Management System. The Director of Sustainability Department is accountable to the President of the Board for the health and safety of all employees. Each director and manager is responsible for ensuring their own health and safety, as well as the health and safety of their subordinates, guests, visitors, and all individuals who are not under their direct supervision but conduct business at the site they oversee.

To ensure safety, we adhere to our Health and Safety Policy, which is applicable organization-wide and applies to all employees. According to the provisions outlined, we commit to the following:

- Complying with all occupational safety regulations, rules, and standards.
- Providing and maintaining technical equipment in good and safe condition.
- Providing occupational health and safety instructions and training to employees.
- Informing managers about their personal responsibility for the safety of their subordinates.
- Raising employee awareness and promoting personal responsibility for their own safety and the safety of others.
- Conducting tests and measurements of harmful health factors present in the workplace.
- Developing procedures to ensure a thorough consideration of factors relevant to the health and safety of workers.
- Providing appropriate personal protective equipment suitable for employees working conditions and duties.
- Ensuring the availability of first aid facilities.

We have prepared individual risk assessment sheets for each position. We included the opinions of employees and the Social Labour Inspector. All employees undergo relevant health and safety training and receive information about specific risks associated with their role and position from their superior. Each employee is provided with a risk assessment sheet and is required to acknowledge in writing that they understand its contents and are aware of potential risks.

We have also implemented a system for reporting near misses. All such reports are thoroughly investigated, and appropriate risk management actions are taken when necessary. Health and safety officers are authorized to stop work if they identify any safety hazards, and supervisors have the responsibility to prevent employees from engaging in any activity they deem unsafe. Moreover, employees have the right to refuse any activity that may jeopardize their health or life, and they cannot be held accountable for exercising this right.

We provide regular OHS training. Training courses that our employees receive include:

- Initial and periodic OHS training
- Job-specific training
- Fire training
- First aid training
- Working at height training

In addition, we have introduced mandatory training on the Baltic Hub's OHS rules for all subcontractors who provide services for us at the terminal.

 **GOOD PRACTICE**

Employee health is important to us. We provide ergonomic chairs and adjustable desks for administrative staff, as well as massage chairs and stretching ladders in staff rooms. We regularly organize meetings to promote healthy eating habits among our employees.

 GOOD PRACTICE

We foster a culture of safety of our employees through our regular Safe Employee of the Quarter competition. We evaluate our employees based on 10 principles:

- Reporting near misses and/or hazards and taking immediate action to minimize or eliminate the risks involved
- Active participation in health and safety and fire safety competitions
- Promptly addressing instances of gross negligence/ violation of health and safety regulations by colleagues and other individuals within the terminal area
- Avoiding and preventing accidents (based on quarterly statistics)
- Offering solutions to enhance safety
- Participating in internal training sessions organized by the Employer
- Taking responsibility for personal safety as well as the safety of colleagues
- Showing willingness to seek knowledge/ information regarding OHS issues
- Making suggestions to update relevant health and safety documents, such as instructions, procedures, and risk assessment sheets

Employees who receive the title of Safe Employee of the Quarter have the opportunity to select a local charitable cause to which a donation of two thousand zloty is made.

In January 2022, we held our annual Safety Week with the central theme of 'Appreciating Life'. As part of the celebration, we featured videos from the executives of the PSA Group on public monitors. We also organized a competition for employees where we encouraged them to share a photo or video showing moments from their personal lives that manifested the essence of the Safety Week slogan.

In 2022, we also implemented a programme to promote COVID-19 vaccination. We made a commitment to our employees that if 70% of them were fully vaccinated against Covid-19, all vaccinated employees would receive an extra day of annual leave. We promised to grant a similar bonus once the threshold of 95% vaccinated workers was exceeded.

In September 2022, we organized an Active OHS Day. We invited employees and their families to our site and arranged a variety of educational safety activities. These activities included staged first aid classes in realistic accident situations, as well as the opportunity to test special 'drunk goggles'. Another highlight for employees and their families was witnessing the spectacular dropping of various items from heights, which demonstrated the importance of wearing a safety helmet. We also showcased the controlled crushing of a car wreck by a container. The event featured additional attractions such as a rollover simulator and instructions how to properly handle loads. We also organized a 2.5 km Charity Run, with the proceeds being donated to fund a medical trip to the USA for one of our Baltic Hub employees.



Active OHS Day

Social responsibility



Cleaning Day
September 2022 r.

—○ CSR vision and goals

Social responsibility is an integral part of our business strategy and one of the most important values embedded in our daily operations at the Baltic Hub. Our company's CSR vision and goals are a response to the challenges posed by the principles of sustainable business development. They are based on three main pillars:



CSR Vision: An unwavering commitment to safety and respect for the local community and the environment.

CSR Goals:

- conservation of natural resources, ensuring safety at the terminal, and minimizing potential environmental risks
- supporting the well-being of employees and local communities, as well as their physical and intellectual activity
- demonstrating responsible and ethical behaviour towards employees and business partners

At the Baltic Hub, we have a global presence, but we remain committed to our local community. For years, we have actively participated in local projects and supported social initiatives that are significant to the residents. We consider it our responsibility to contribute to the well-being of our immediate surroundings. Our sense of belonging to Gdańsk Pomerania and our neighbouring districts motivates us to care for the region's inhabitants and engage in projects that enhance their quality of life.

—○ Busole grant programme

In 2022, our flagship programme dedicated to local communities was the Busole grant programme. Its objective was to identify and provide funding for projects that best addressed the needs of residents in the neighbouring districts. A total of 18 organizations, including schools, kindergartens, and foundations operating in the districts of Stogi, Przeróbka, and Krakowiec-Górki Zachodnie, participated in the competition. The jury, composed of representatives from the Baltic Hub, the Port of Gdansk, and the University of Gdansk, awarded seven projects that focused on areas such as environment, education, local history, and initiatives aimed at combating social exclusion within specific community groups.

- We provided funding for new furniture and equipment for the Community Library, established by the residents of Stogi Island in 2008. The association that runs the Library received new carpeting, curtains, a camera, a projector, a screen, chairs, and a bookcase for the concert hall. The Library was established through the collaborative efforts of the residents, without official support. Its primary objective is to improve and beautify the surrounding world.
- We assisted in establishing a modern tailoring workshop room at Primary School No 72 in Stogi. The workshop room is available for both students and their families. It is equipped with sewing machines, lighting, a set of needles, and mannequins that can be used to measure clothes. There is also equipment for creating prints and trimming fabric.
- At School no. 61 in Gdansk Przeróbka district, we established a creative space dedicated to play and learning. The natural playground incorporates innovative solutions and nature, and the focal point of the project is the mud kitchen, constructed using wooden elements. It is an area where children can play at cooking with mud, leaves, twigs, or chestnuts. The kitchen is equipped with pots, pans, spoons, and access to fresh water. There is an obstacle course next to the kitchen.
- We organized Park Games, a series of recreational and sporting events aimed at promoting active leisure, discovering interesting locations, particularly parks and woodlands, and enjoying outdoor fun together. The games were organized as orienteering marches and runs. Participants were provided with colourful maps and offered four interesting routes of varying difficulty. They could also enjoy warm tea. At the finish line, all participants received commemorative medals and took part in a prize draw.

- We provided funding for a series of community-oriented open lectures, demonstrations, sports activities, meetings, and workshops for seniors, focusing on topics such as dietetics, mental health, physical activity, rehabilitation, and recreation. Specialists from various fields, including doctors, dieticians, physiotherapists, athletes, and coaches were invited to lead the classes. We also collaborated in organizing 'Senioriada', a festive event dedicated to promoting active lifestyle among the older generation. It also aimed at using the knowledge gained from the workshops and preventing social exclusion by inviting whole families and children to participate in sports competitions together with the seniors.
- We provided support for the sports activation of young residents of Przeróbka, Stogi, and Krakowiec-Górki Zachodnie and help in organizing free sports activities in Drakkar club facilities. Children and young people had the opportunity to participate in various sports activities, including training sessions in the sports hall and gym, using rowing ergometers, engaging in running games, and enjoying activities on rowing boats and kayaks. These activities were open to all children and young people aged between 11 and 18, regardless of their sporting level or physical abilities.
- We were also involved in co-organizing the Active in Our District project for young residents in our community. Participants were introduced to the macrame technique and were able to make ornaments and everyday objects with their own hands. Children had the chance to make glycerine soaps and ecological advent calendar. Additionally, participants were introduced to a new form of movement called 'Animal Flow'. For adults, meetings were organized to introduce stress management techniques.

GOOD PRACTICE

Our Busole district grant was awarded in the ESG Innovator competition organized by the Polish association Polskie Stowarzyszenie ESG in the S- Innovation in the social area category and received the Gryf Pomorski award in the 'Social Responsibility Leader' category among medium and large enterprises in the Pomorskie Region. The organizers recognized the Busole grant programme as a project that solidified the Baltic Hub's reputation as a leading 'local citizen' and a good neighbour among businesses in Gdansk and Tricity area. The Baltic Hub also received the Economic Gryf award, which has been present in the Pomorskie Region since 2000 to recognize the top-growing companies in the region.

—○ Social activities

In 2022, we participated in various social activities:

- We joined the beach cleaning campaign in Gdansk's Stogi as part of the 'My Baltic' project organized by the editors of Dziennik Bałtycki. Alongside local residents, tourists, and students from several Gdańsk schools, we cleaned the beach from plastic and glass bottles, nets, cigarette butts, paper, and even... an old television set.
- Throughout 2022, we ran the #SZANUJMYSIĘ [let's respect each other] safety campaign for truck drivers. We prepared a film about safe transport practices at the terminal, leaflets, posters, and a safety competition with prizes.
- We collected money and food, as well as clothes, toys, and stationery for the Noble Gift programme. In 2022, the aid was directed to a needy family in the Stogi district, near our company. The Baltic Hub has been supporting the Noble Gift programme for several years.
- Together with the Port of Gdansk, we organized the Summer Cinema in Stogi, featuring open-air film screenings on the beach. This annual even is highly popular among both local residents and tourists who visit the Stogi beach.
- We collaborated with the Inspirujące Przykłady [Inspiring Examples] Foundation, which for years has been dedicated to promoting entrepreneurship among young people and fostering ethical business practices. One of the Foundation's primary objectives is to inspire students to explore beyond the safe boundaries of their school, expand their horizons, and ignite their aspirations. Visits to major companies in the Pomorskie Region are organized to help young people make decisions about their future education and demonstrate that good employment prospects are available not only abroad.
- We sponsored the 'Great Commotion in Gliwice - We Spin Kilometres for the Gliwice Hospice' campaign, where students from Szkoła Podstawowa z Oddziałami Integracyjnymi nr 21, a primary school with integrated classes in Gliwice, cycled from Gliwice to Hel. For each of the more than 700 kilometres covered in seven days, our company donated five zlotys - the money went towards the expansion of the Hospice of Divine Mercy in Gliwice. On the sixth day of the expedition, the cycling team visited the Baltic Hub.

They were welcomed by the representatives of our cycling team in Pruszcz Gdański. Together, they cycled to the terminal and had the opportunity to witness the handling of the world's largest container ships. The children enjoyed lunch on-site and received gifts.

- For another year in a row, we participated in the 'Hope Relay' charity event. The goal of the relay is to accumulate as many kilometres as possible in running and cycling within 24 hours. In 2022, the residents of Tricity, the Baltic Hub employees, and representatives from various organizations and clubs accomplished a record distance of 23,489 kilometres. For each kilometre run or cycled, the Baltic Hub donated once zloty to the Pomeranian Hospice for Children.



Summer cinema at Stogi (fot. Port of Gdansk)

Support for Ukraine

Our involvement in 2022, driven by special and dramatic circumstances, was a response to the war in Ukraine. The Baltic Hub took immediate action following the Russian aggression against Ukraine. Our dedicated employees played a crucial role in providing in-kind and financial assistance to Ukrainian citizens affected by the war, both directly and through NGOs and charities.

We collaborated extensively with the County Youth Centre in Garczyn, near Kościerzyna, to provide shelter for 120 children from Ukrainian children's homes. This included retrofitting the Centre's kitchen to eliminate the need for external catering. We also donated six laptops and one desktop computer to the children and initiated a fundraising campaign among the Centre's employees. Every one zloty donated by the employees was doubled by our company. With the funds raised, we purchased prepaid cards for clothes shops where children from the Centre could buy clothes and shoes.

Ukrainian citizens were also provided with medical assistance. The Baltic Hub employees, in collaboration with our shareholder PSA Group, collected first aid kits in a campaign initiated by one of our employees of Ukrainian origin. Some of the first aid kits were donated to the Hospitallers Medical Battalion, which was running a collection to support soldiers with medical aid. The majority of the kits were delivered directly to the Polish-Ukrainian border.

In partnership with non-governmental and humanitarian organizations, we helped refugees who had to leave everything behind in Ukraine:

- We provided support to the Polish Red Cross - the funds raised were used to purchase food and clothes and to meet other priority needs.
- We made donations to UNICEF - the money was used to provide safe shelter, psychological support, and medical care to children.
- We provided financial support to abandoned children and foster families in Ukraine through SOS Children's Villages.

- We made contributions to the Polish Humanitarian Action to provide direct assistance (food and other forms of support) to individuals who were forced to flee their homes. Support was extended to both individuals in Ukraine and refugees in Poland.
- We donated funds to the Gdańsk Help Foundation to support NGOs already involved in the humanitarian work in Ukraine and to assist Ukrainian community in Gdańsk.
- We provided financial assistance to the Stella Maris Seafarer's Centre in Gdynia, which offered safe shelter to 48 people from Ukrainian families of sailors and seafarers.



Packing first aid kits for Ukraine

Industry Memberships & Initiatives

In cooperation with local and international organizations Baltic Hub became a part not only of the global maritime community, but also of the local Polish community. By working together, we contribute to the development of the Polish economy and the international supply chain. Through our participation in organizations, we work together with our stakeholders, participate in meetings, conferences and actions.

Terminal cooperates with few national and regional organizations and agencies to support construction of the new terminal and build strong relationship with national and Pomeranian influential entrepreneurs.



Business Centre
Club

Business Centre Club

The BCC is a prestigious business club for entrepreneurs and the largest statutory organization of individual employers in the country. Its members employ more than 400,000 people, with company revenues of more than PLN 200 billion and headquarters in nearly 250 cities.



Confederation Lewiatan Pomerania

Polish business organisation. Through their activities, companies influence the shape of the law, engage in dialogue with the administration and receive tools to develop their business.



American Chamber of Commerce in Poland (AmCham)

The American Chamber of Commerce in Poland is the leading voice for international investors in Poland. It is composed of over 300 companies representing a wide range of sectors and has a significant American presence, including 80 of the Fortune 500 companies. Members share the will to build connections and develop the business market in Poland.



Pracodawcy
Pomorza

“Pomeranian Employers” organization (Pracodawcy Pomorza)

“Pomeranian Employers” organization is a member of the Polish Confederation Lewiatan, established for the nation-wide representation of Polish employers within the European Union.



Gdansk Business Club (Gdański Klub Biznesu)

The Gdansk Business Club is an association of entrepreneurs, managers, and intellectuals of the Pomerania. It was established in 1994 and its mission is to activate the economy, mutual support in business activities, as well as development of culture, education, health care as indispensable factors for creating prosperity and development in the region.

Summary letter



Dominika Milion

Sustainability Director

At the Baltic Hub, our priority is to consciously establish a leading position in the maritime sector, taking into account economic, social, and environmental factors. In addition to maintaining strict adherence to workplace safety and showing respect for the community, we also hold a strong commitment to environmental protection. We are dedicated to ensuring both financial stability and socio-economic development of Poland, recognizing the significance of the quality of our work.

Based on our analysis, companies have a substantial social impact, which results from the combination of macroeconomic, social, and business elements working together for the overall welfare. Our business strategy is deeply influenced by our understanding of and dedication to sustainability. To develop effective and efficient initiatives, we continually strive to integrate our business plan with our sustainability strategy.

Our objective is to ensure comfort, safety, and environmental impact while maximizing quality. Sustainability is a priority in all our business decisions. Our terminal operates with a focus on minimizing harmful environmental impacts. We also take preventive measures in the event of potentially negative environmental consequences.

At the Baltic Hub, we actively contribute to local communities by investing in educational projects for schools and universities, promoting physical activity among children and young people, and assisting the elderly. We are also conscious of environmental needs. As we expand our business, we remain dedicated to protecting the environment and the community in which we operate.

We cordially invite you to read our Sustainability Report, which provides an overview of our environmental and community activities and initiatives.

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