

ASSUMING RESPONSIBILITY



Marquard & Bahls AG
Sustainability Report **2020**

“In tandem with the rapid innovation and transformation of the global energy landscape we have embarked on a change process that will ensure the sustainability of Marquard & Bahls in the future – one step at a time. Our goal is to shape and manage a portfolio of companies and investments that, among other things, actively contributes to establishing an energy supply with minimal impact on the environment. We are also strengthening our financial commitment in the chemicals industry, while setting stringent requirements for ESG (environmental, social, governance) performance. We firmly believe that it is possible for the global community to promote an economic transformation that steadily reduces its impact on people and nature. For eleven years now, we have been documenting our contribution to this transformation in annual sustainability reports – with tremendous detail and transparency based on clearly defined and measurable targets.”

A handwritten signature in white ink, appearing to read 'D. Weisser', is centered on the page.

Daniel Weisser
Chairman of the Supervisory Board, Marquard & Bahls AG



Who We Are

Marquard & Bahls, founded in 1947, is an agile, independent holding company operating in the energy & chemicals sector. Headquartered in Hamburg, Marquard & Bahls is represented in 29 countries in Europe, America, Asia and Africa through its subsidiaries and currently employs around 4,300 people worldwide in tank storage logistics and energy trading.

102-1, 102-2,
102-3, 102-4

What We Do

Our vision is to be a successful and ethical investor that fosters human development. For this reason, in addition to our central operating units Oiltanking and Mabanaf, we intend to continuously expand our portfolio to prepare our company for a sustainable future. Electrification and the need to reduce carbon emissions are key topics in the energy transition, and we are eager to make an active contribution to this process.

What We Stand For

Marquard & Bahls and the operating units share a value system that determines our actions and our behavior. It is important to us that we demonstrate respect in our interactions with each other, that we honor our commitments and act with both integrity and responsibility.

102-16

CONTENT

Foreword by the Executive Board 5

About this Report 6

A Portrait of Marquard & Bahls 7

We Are Driving Change Throughout the World 8

Our Business Areas 10



Responsible Corporate Governance 11

Key Performance Indicators

Responsible Corporate Governance 12

Corporate Strategy 13

Organizational Structure 13

Living Our Values 14

Sustainability Management 15

Sustainability Strategy 16

Sustainability Commitment & Strategic Action Areas 18

Our Sustainability Targets 19

Instruments & Measures 22

Stakeholders 24

Compliance 27

Anti-Corruption 29

Legal Compliance 30



Sustainable Growth 33

Key Performance Indicators

Sustainable Growth 34

Financial Performance 35

Sustainability Criteria for Future Investments 36

Innovation 37

Risk Management 37

Environmental and Social Challenges

Along Our Value Chain 39

Supplier & Customer Relations 40



Environmental Protection 41

Key Performance Indicators

Environmental Protection 42

Environmental Management 43

Spill Prevention 43

Energy Savings & Climate Protection 45

Fighting Climate Change With Reforestation 48

Conservation of Natural Water Resources 55

Waste & Wastewater Management 58



Our Employees 61

Key Performance Indicators

Our Employees 62

Human Resources Strategy 63

Employees in Numbers 64

Employee Turnover 65

Absence 66

Education & Training 67

Getting Through the Pandemic Together 68

Labor Standards 69

Equal Opportunity & Diversity 70

Work-Life Balance 71



Occupational Health & Safety 73

Key Performance Indicators

Occupational Health & Safety 74

Instruments & Measures 75

Healthcare Management & Prevention 76

HSSE Training 77

Workplace Accidents 77

Global Safety Day 78

Prevention of Fires 79

Noise 80

Safety on Business Trips 80



Corporate Citizenship 81

Key Performance Indicators

Corporate Citizenship 82

Our Commitment in Numbers 83

Environment 85

“Take a Wish” –

Our Pre-Christmas Social Project 86

Education 87

Health 87

Highlights of Our Worldwide Engagement 88

Culture & Sports 90

Humanitarian Aid 90

Appendices 91

Companies Covered 92

GRI Content Index 94

Abbreviations 97

Addresses 98

Colophon 99

FOREWORD BY THE EXECUTIVE BOARD



Dear Readers,

The challenges we currently face are more complex than ever before: In addition to addressing the coronavirus pandemic, key issues include climate change, the energy transition, digitalization and social cohesion. All individuals are confronted with these challenges, and we too must ask ourselves how we can safely navigate our company through this transformative period. Our answer is clear: We must assume responsibility and act even more sustainably than before by adapting our portfolio and our organizational structure. Our most recent decisions and developments demonstrate that we are ready: Once again in 2020, we worked intensively to make our core business more sustainable and to further develop the company beyond fossil fuels. We have, for example, added ESG criteria to the assessment of future investments and developed an initial set of rules for the operating units. Another focus was the establishment of a robust sustainability organization in our operating units.

102-14

To provide a better overview of our sustainability indicators, our key performance indicators were integrated into the HSSE dashboards of the operating units in the first half of 2020. We also pressed ahead with our commitment to good causes by supporting local charitable projects with almost one million euros and the valuable involvement of our employees. Our spending on donations and sponsorships thus increased by 29 percent compared to the previous year. In addition, this year we achieved eleven of our self-imposed milestones in the respective action areas and thus came a big step closer to implementing our sustainability goals.

In the future, we intend to place greater emphasis on our voluntary activities to protect the environment. We have therefore developed a comprehensive concept that includes the carbon offset of non-avoidable CO₂ emissions through reforestation measures.

In this, our eleventh Sustainability Report, we provide a transparent overview of further developments and key figures in the area of sustainability.

We wish you the best of health and hope you enjoy reading this report.

Hamburg, June 2021

Mark Garrett
Chief Executive Officer (CEO)

Olaf Schulz
Chief Financial Officer (CFO)

ABOUT THIS REPORT

102-46, 102-48,
102-49, 102-50,
102-51, 102-52,
102-53, 102-54

The Sustainability Report was prepared by the Group Function HSSE & Sustainability of Marquard & Bahls in Hamburg and was approved for publication by the Executive Board. This eleventh report provides a summary of our sustainability-related activities in the 2020 calendar year. Published yearly, our Sustainability Report covers all Marquard & Bahls companies, including joint ventures and even minority holdings. This does not include employee and environmental data of the companies Terminales del Peru (TdP), TransTank, Açu Petróleo, or our new minority holdings and employee-related data from the OIL! franchise companies. The appendix contains a list of all companies included in the report. The current report has been drawn up in accordance with the internationally recognized Global Reporting Initiative (GRI) standards. It meets the requirements of the GRI “core” option. The GRI Content Index in the appendix outlines where specific GRI reporting elements and indicators are addressed in the report. The structure of this report is based on the six action areas of our sustainability strategy.



Fig. 1: Action Areas in the Group-wide Sustainability Strategy



We use a target symbol in the margins of the text to highlight the goals we have set ourselves for the future, and summarize them in a table. In 2020, we again improved the quality of our data and assumptions. There may be year-on-year discrepancies in the data; if so, they are marked with an asterisk (*). Some of our performance indicators (PIs) as well as key performance indicators (KPIs) relate in particular to our tank storage activities, as these have a major impact on our environmental indicators, such as in the areas of energy, water and waste. Under “tank storage activities”, we combine the tank terminals of Oiltanking and the Oiltanking Deutschland (OTD) tank terminals which belong to the Mabanaf Group since 2020.

For the sake of readability, we have dispensed with gender-specific differentiation throughout the report. All financial information is given in euros (€). All foreign currencies have been converted to euros at the average exchange rates for 2020. This report is available in German and English. For more information about the company, please visit our website at www.marquard-bahls.com. If you have any questions or feedback about the Sustainability Report, please send an email to the Sustainability team in Hamburg: sustainability@marquard-bahls.com



A PORTRAIT OF MARQUARD & BAHLS

Responsible action, active collaboration, and a passion for their work have united our employees worldwide for more than 70 years. Apart from energy trading, the origin of our business activities, our range of services in 2020 also included tank storage logistics, aviation fuelling and fuel analysis.

Our worldwide business operations converge at our Hamburg headquarters. For the purposes of this report, the countries Marquard & Bahls operates in are summarized into the following seven regions: Germany, Europe, North America, Latin America, Middle East & Africa, India, and Asia Pacific. In 2020, the Marquard & Bahls Group employed an average of 6,463 people. Due to recent business divestments, the number of employees declined to around 4,300 as of June 2021. Despite the difficult circumstances, Marquard & Bahls had a satisfactory year operationally in 2020, a year that ended with pre-tax earnings of around 149 million euros. The tank storage logistics and trading businesses achieved good results, while aviation fuelling suffered a massive drop in sales due to coronavirus-related travel restrictions. A detailed breakdown of the key financial figures can be found in the Marquard & Bahls Annual Report 2020.

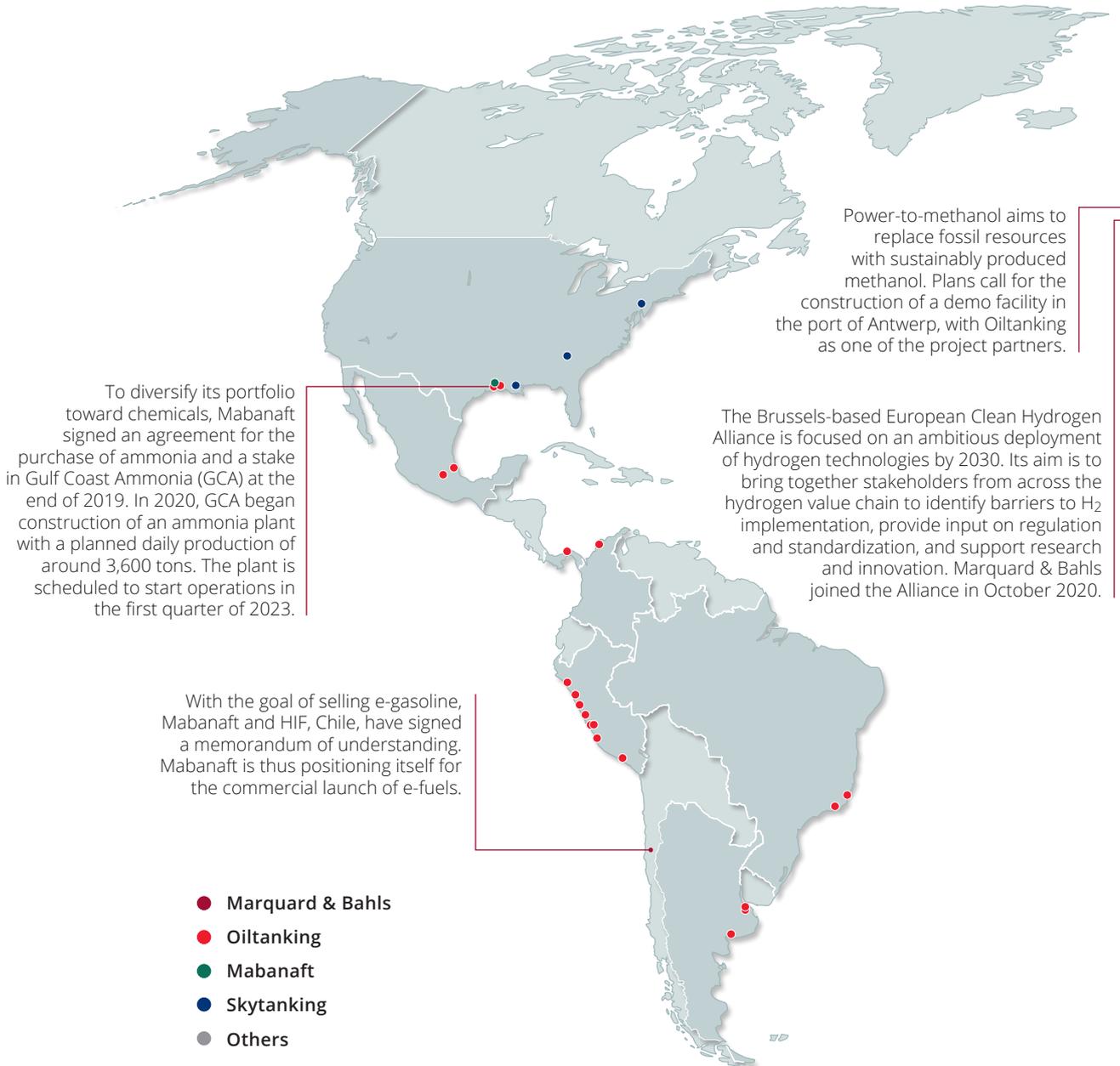
102-1, 102-2,
102-3, 102-4,
102-6, 102-7

2020 was a year of drastic change. In the first quarter, the coronavirus spread around the globe at a rapid pace – with far-reaching effects: Healthcare systems were put under extreme strain, public life came to a partial standstill and national economies collapsed. In this severe and ongoing crisis that affected almost all areas of life, the Marquard & Bahls Group once again demonstrated its flexibility. The operating units were fully functional at all times. At the very beginning of the pandemic, crisis management teams were established, strict hygiene standards and regular coronavirus reporting were introduced and the expansion of video communication systems was driven forward. The company also introduced mobile working and shift systems wherever possible. Additional support programs were in place at corporate headquarters: from lunch delivery services to online fitness classes and mental health assistance.

Through it all, we never lost sight of our goals. A central task in 2020, for example, was the implementation of the strategies for Marquard & Bahls as well as for Oiltanking, Mabanaft and Skytanking – which we pursued successfully. Other crucial measures are on the agenda for 2021: The holding company will be streamlined and will act as a strategic architect in the future, while the operating units will carry out their business entirely on their own responsibility according to the new governance structure. This follows the objective of establishing an agile organization capable of making decisions quickly so that it can operate successfully in the long term.

102-4, 102-6

We Are Driving Change Throughout the World



€ 9.2 billion
revenues (after energy taxes)



6,194 employees
as of December 31, 2020



33 countries
in which we were active in 2020



AquaVentus, a newly founded association whose founding members include Mabanaft, plans to install 10 gigawatts of offshore wind turbines in the North Sea by 2035. One million tons of green hydrogen per year could soon be produced on the high seas.

At the end of December 2019, Marquard & Bahls acquired a minority stake in Nordic Electrofuel. This was supplemented in October 2020 with an agreement under which Marquard & Bahls will further increase its stake in the Norwegian company and commit to equity financing once the final investment decision for the first plant has been made. Nordic Electrofuel is on track to establish the first industrial-scale power-to-liquid project.

Mabanaft will establish a joint venture, P2X Europe, with H&R Refining to market power-to-X products (e-fuels and synthetic raw waxes). For Mabanaft, this is another step in delivering innovative energy solutions to its customers.

The objective of the NAMOSYN research project is to develop SynFuels that can be produced and used sustainably. GMA (Gesellschaft für Mineralöl-Analytik und Qualitätsmanagement) is part of the consortium as an associated partner.

As of 31 December 2020



18.5 million m³
storage capacity at Oiltanking



16.5 million tons
sales at Mabanaft



11.4 million m³
jet fuel throughput at Skytanking

Our Business Areas

102-6, 102-7 Tank storage logistics, energy trading and aviation fuelling were the three core business areas of our company in 2020. We intend to use our new investments to sensibly complement our existing portfolio and support the energy transition.

⇒ OILTANKING

Oiltanking is one of the largest independent partners for the storage of oil, chemicals and gases. At its locations throughout the world, Oiltanking offers customized solutions and the highest quality of service while complying with all safety standards. At the end of 2020, the Oiltanking network consisted of a total of 47 tank terminals in 20 countries with a total storage capacity of 18.5 million m³ in Europe, North America and Latin America, the Middle East, Africa, India and Asia-Pacific. In 2020, total throughput was 140.1 million tons. An average of 2.705 employees worked for Oiltanking over the year (2019: 3,274).

⇒ MABANAFT

Mabanaft is a leading independent integrated energy company providing innovative energy solutions for transportation, heating and industry. The Mabanaft Group as an independent supplier concentrates on trading petroleum products, liquefied gases as well as chemicals and biofuels. The Mabanaft Group includes more than 100 companies spread across three newly established business units (BUs): Supply, Infrastructure & Trading, Marketing, and New Energy, Chemicals & Gas. Sales volumes amounted to about 16.5 million tons in 2020. On average, 1,416 employees worked for Mabanaft and its subsidiaries during the year (2019: 1,036), including 277 employees of OTD, which was transferred from the business unit Oiltanking to Mabanaft in 2020.

⇒ SKYTANKING

Skytanking provides aviation fuelling services. Besides into-plane fuelling, these include aviation fuel storage and hydrant management, investment in aviation fuel facilities at airports, and engineering. The company currently operates at 82 airports in 14 countries in Europe, Asia, Africa, North America and, since 2020, Australia, and employed an average of 2,006 people in 2020 (2019: 2,038). Skytanking, like the entire airline industry, was hit hardest by the coronavirus pandemic due to global travel restrictions. A noticeable recovery is not expected for several years. Marquard & Bahls has therefore sought a strategic partner that can better support Skytanking in the long term. The contract for the sale to PrimeFlight was signed at the end of 2020 and the closing followed on March 31, 2021. In the future, Marquard & Bahls will hold a minority stake in PrimeFlight and thus an indirect participation in Skytanking.

⇒ FUTURE INVESTMENTS

102-10 In 2020, Marquard & Bahls made investments in the areas of environmentally friendly synthetic fuels and gas. In addition to the investment in Nordic Electrofuel (previously Nordic Blue Crude), Marquard & Bahls acquired a stake in Superior Plus, a Toronto-based publicly traded company active in the distribution of propane gas. At year-end 2020, Marquard & Bahls AG held a minority stake of over 10 percent in Superior Plus; and 16 percent in April 2021.



RESPONSIBLE CORPORATE GOVERNANCE



We preserve our corporate culture and take responsibility for our actions. We maintain transparency vis-à-vis all stakeholders and are committed to fair competition. We take measures to prevent corruption and bribery from the outset.



KEY PERFORMANCE INDICATORS

| | 2018 | 2019 | 2020 | Change 2019/20 |
|--------------------------------------------------------------------------|---------|--------|--------------|-------------------|
| HSSE-related Audits | | | | |
| Total number of audits | 570 | 565 | 442 | - 21.8 % |
| Number of internal audits | 167 | 155 | 122 | - 21.3 % |
| Number of external audits | 403 | 410 | 320 | - 22.0 % |
| Certified Management Systems | | | | |
| Share of ISO 9001 certified Oiltanking & OTD sites | 57 % | 59 % | 42 % | ↘ |
| Share of ISO 14001 certified Oiltanking & OTD sites | 33 % | 35 % | 22 % | ↘ |
| Share of ISO 45001 (former OHSAS 18001) certified Oiltanking & OTD sites | 32 % | 31 % | 9 % | ↘ |
| Share of ISO 50001 certified Oiltanking & OTD sites | 20 % | 19 % | 18 % | ↘ |
| Share of ISO 9001 certified Skytanking sites | 6 % | 8 % | 2 % | ↘ |
| Share of ISO 14001 certified Skytanking sites | 31 % | 28 % | 22 % | ↘ |
| Share of ISO 45001 (former OHSAS 18001) certified Skytanking sites | 5 % | 4 % | 0 % | ↘ |
| Reports of Misconduct | | | | |
| Number of whistleblowing cases | 27 | 36 | 25 | ↘ |
| Legal Compliance | | | | |
| Total sum of penalties and fines in € | 18,025* | 68,317 | 6,619 | - 90.3 % |
| Thereof environmentally related fines in € | 3,002 | 250 | 2,009 | + 703.6 % |
| Total sum of penalties and fines in € per total revenues in million € | 1.22 | 4.92 | 0.66 | - 86.6 % |

* Corrected after publication of the Sustainability Report 2018

11 milestones reached in our six sustainability action areas



RESPONSIBLE CORPORATE GOVERNANCE

Our activities are not only economically relevant for our companies; they also have environmental and social impacts. For us, responsible corporate governance means ensuring our company's future viability and strong reputation and integrating the expectations of our stakeholders into our business activities.

102-16, 102-20

Corporate Strategy

Marquard & Bahls is an agile, independent holding company operating in the energy & chemicals sector. We consistently pursue our vision of being an ethical investor that fosters human development. Our three primary goals in 2020 were to diversify our portfolio and invest in new businesses while transforming our organization.

We actively manage a portfolio of innovative companies that conduct their businesses safely, responsibly and sustainably. We will also continue to pursue development toward gas, chemicals and new energies and make our portfolio more sustainable. Sustainability aspects will therefore continue to play a decisive role in our investment strategy and in the development of new projects. In addition, we continue the implementation of our four corporate values "Respect", "Accountability", "Integrity", and "Responsibility".



Milestone achieved:
Roll-out of a global values campaign

Organizational Structure

We continue to transform both our portfolio and our organization. In the future, the holding company will act as the strategic architect while the operating units will run their business completely independently. Oiltanking and Mabanaft will therefore be fully responsible for sustainability management in the future. In the course of the reorganization, many employees transferred from the holding company to the operating units. This follows the objective of establishing an agile organization capable of making decisions quickly so that it can operate successfully in the long term. The role of the holding company continues to include developing a general Group strategy, a sustainability strategy, structuring the Group portfolio and providing expertise in certain core areas. Governance principles ensure a common approach to management.

102-5, 102-20

Marquard & Bahls is managed by an Executive Board, which is supported by a Supervisory Board as a monitoring and advisory body. The Executive Board determines the company's strategy and regularly updates the Supervisory Board on the company's situation and

102-18



WHO WE ARE

We are an agile, independent holding company in the energy & chemical sector.

VISION

To be a successful ethical investor supporting human development.

MISSION

We build an investment-grade portfolio of innovative companies that operate safely.
We guide and support our companies to strengthen their competitive advantage.
We minimize our environmental footprint and live up to our values.

VALUES

RESPECT



- We have high respect for the individual and care for our people.
- We foster equal opportunity and diversity.
- We empower and promote our employees based on their talent, effort and achievements.

ACCOUNTABILITY



- We take ownership of what we do and live up to our high reputation.
- We stand by the commitments we undertake.
- We expect our employees to be accountable for their decisions and actions.



INTEGRITY



- We act ethically and comply with all legal requirements.
- We deal with all stakeholders honestly, fairly and transparently.
- We believe that trust is the foundation for long-term partnerships.

RESPONSIBILITY



- We commit ourselves to excellence in health & safety and continuous improvement.
- We strive to minimize our environmental impact and drive sustainability.
- We are good neighbors wherever we operate.



Living Our Values

102-16

Values are the guiding principles behind the behavior for which we are responsible and on which others can rely. The Marquard & Bahls holding company and the operating units follow their individual visions and missions. Within the group of companies, however, there is a common set of values that includes respect, reliability, integrity and responsibility.

As has been firmly established in Marquard & Bahls' strategic goals, we continue to work to fill these values with life and integrate them into our daily routines. To further ingrain our values throughout the organization, a workshop was held in Hamburg in February 2020 with the management of the holding company and the operating units.

the employees of the Marquard & Bahls holding company and employees of the Business Solution Center that existed at the time describe how they bring the values to life in their day-to-day work. Our values have also become an integral part of our annual employee appraisal questionnaires and are addressed in the Performance Review.

In the fall of 2020, we published a values campaign as a supplementary building block in which

As soon as the situation permits, we will further embed our values in workshops for employees.

*4 shared values
that unite us all*



performance. A lively, consultative exchange on all major matters at hand takes place between the two bodies. The Supervisory Board also approves key corporate decisions, such as major investments.

102-5, 102-18

Members of the Executive Board:

Mark Garrett – Chief Executive Officer (CEO)

Olaf Schulz – Chief Financial Officer (CFO)

Members of the Supervisory Board:

Daniel Weisser – Chairman

Margarete Haase, Tom Intrator, Stacy Methvin, Paul Reed, Maxim Weisser

Sustainability Management

We have embarked on a journey to shift our portfolio from fossil fuels to a stronger focus on gas, chemicals and new energies. We are also acquiring stakes in established companies like Superior Plus. These companies are active in the production and distribution of products that are part of the energy transition. These products are cleaner than mineral oils and provide returns that we can reinvest. As such, we are balancing our portfolio with investments that we see as making a positive difference to the energy transition and which are also profitable, as well as other businesses such as Nordic Electrofuel, that we see as part of our long-term future but which do not initially generate any earnings. In addition to transforming our portfolio, our core focus remains on making our operations as safe and environmentally friendly as possible. We can only be successful over the long term if we meet the needs of our customers today without compromising the quality of life of future generations or the environment.

102-11, 102-20

Because we are aware of the potential impact of our business activities on people and the environment, we seek to integrate the principle of sustainable development in all our activities. Our sustainability management therefore focuses on Health, Safety, Security & Environment (HSSE).

As part of the reorganization at Marquard & Bahls, the operating units have been given greater responsibility. At Oiltanking and Mabanaf, for example, relevant roles for sustainability have been defined and are currently being established. Following our reorganization, there will continue to be a team for sustainability issues within the newly created Corporate Responsibility & Communication department at Marquard & Bahls holding. Sustainability issues are reported directly to the Chief Executive Officer through the head of this department. The Supervisory Board is also regularly informed about sustainability issues and indicators by the Executive Board and, since the beginning of 2021, as part of shareholder reporting.



Milestone achieved:

Further implementation of our Marquard & Bahls sustainability strategy

Sustainability Strategy

With our services related to the handling of petroleum products, gases and chemicals, we help to address several global challenges such as the persistently rising demand for energy coupled with increasing resource scarcity, and help to promote sustainable economic growth while working to ensure compliance with high social standards. We thus indirectly support the various dimensions of human development as well as the UN Sustainable Development Goals (SDGs), to which we once again commit ourselves. We have identified the SDGs that are most important to us on the basis of our business activities and sphere of influence and have integrated them into our strategy process. A further review took place in 2020. Eight of the 17 SDGs are most relevant to us as an independent holding company in the energy & chemicals sector whose vision is to be a successful ethical investor supporting human development. It is here that we believe we can have the greatest positive impact and create the most value for society – by providing secure jobs, supporting education, health and sustainable industrialization in the countries where we operate as well as by promoting innovation and minimizing our impact on climate change and the environment.



Ensure healthy lives and promote well-being for all at all ages.

We support these goals through our charitable commitment in the area of health. We want to contribute to better healthcare for people in the regions in which we operate by supporting community-based projects that address the lack of health care and primary care, and by supporting health campaigns that promote hygiene behavior, healthy eating and disease prevention.



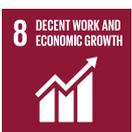
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

We support these goals through our charitable commitment in the area of education. We especially want to help socially disadvantaged children and young people to achieve an appropriate level of education and to support educational programs and institutions in the countries in which we are active.



Ensure access to affordable, reliable, sustainable and modern energy for all.

We support the energy transformation by continuously changing our portfolio in order to prepare it for a sustainable future. Electrification and the need to reduce carbon emissions are key topics in the energy transformation, and we are eager to make an active contribution to this process. By providing services from our existing operating units in the areas of tank storage logistics and energy trading, we create reliable access to energy and conduct these activities in the most environmentally friendly way possible.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

We support this goal by creating jobs and by investing in local infrastructure in Hamburg and in many other places around the world. Health and safety at work are top priorities for all our activities. We want to be a fair and preferred employer and to provide a healthy working environment for our employees.



Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.

To achieve sustainable industrialization and promote innovation, our operating units develop and operate reliable sites in 29 countries around the world. We research the introduction of state-of-the-art technologies and processes and accelerate innovation opportunities.



Ensure sustainable consumption and production patterns.

To ensure sustainable production in the chemical sector, we implement the highest environmental standards and integrate further sustainability considerations into our core activities. We deliver environmentally friendly solutions to our customers.



Take urgent action to combat climate change and its impacts.

To combat climate change and its impacts, we implement measures to minimize CO₂ emissions to as great an extent as possible. Specific savings targets are set at operating unit level.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

In order to preserve and utilize ocean, sea and marine resources for sustainable development, the prevention of product spills is one of our most important environmental goals. We conserve natural water resources.



We deliver on our claim of harmonizing our socio-ecological responsibility with our business interests in our six action areas. Our mission statement summarizes our identity and highlights what is important to us. Our strategy continues to include long-term goals with a time horizon until 2025. Close cooperation with the Executive Board will ensure that the sustainability strategy dovetails with the new corporate strategy. Because sustainability for us is about ensuring our future viability, it will be integrated even more closely into our investment decisions and processes in the future. Oiltanking already began defining its own sustainability strategy last year. The strategy is tailored to its core business and will include specific targets. For the Mabanaft Group, strategy development is on the agenda in 2021.



Milestone achieved:
Development of the Oiltanking sustainability strategy

OUR CO₂ ROADMAP



Roughly two-thirds of global greenhouse gas emissions are caused by the combustion of fossil fuels for heating, power generation, transport and industry. The 2015 Paris Agreement lays out a global framework to combat climate change: The goal is to limit global warming to well below 2° Celsius above pre-industrial levels, with a target of limiting the increase to 1.5° Celsius. With its new climate goals, the EU is targeting a 55 percent reduction in CO₂ emissions by 2030, compared to 1990 levels. In 2050, the EU wants to be climate neutral. Germany has the same goal for 2045. We recognize the importance of the need for action by policymakers and industry, and will do everything we can to achieve the target of greenhouse gas neutrality. This will be reflected both in our future investment decisions, on the one hand, and in the sustainability strategies at operating unit level, on the other. One objective is to understand and report on our material climate-related risks and opportunities in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The aim of the TCFD is to enable companies and investors to quantify the financial impact of climate change on the business model and to strengthen the resilience of the business strategy.

102-16, 102-47

Sustainability Commitment & Strategic Action Areas

↪ OUR SUSTAINABILITY COMMITMENT

By ensuring an outstanding sustainability performance, we aim to create added value for our employees, our shareholders, as well as society, while also protecting the environment. We put our values into action, integrate the principles of sustainable development across our entire value chain, and encourage our employees to participate in them.



Responsible Corporate Governance

We preserve our corporate culture and take responsibility for our actions. We maintain transparency vis-à-vis all stakeholders and are committed to fair competition. We take measures to preclude corruption and bribery from the outset.

- Ensure the future viability and high reputation of our company by pursuing an approach that goes beyond mere compliance and integrates our stakeholders' expectations into our business activities.



Sustainable Growth

We believe in controlled growth and long-term partnerships. We safeguard our future success with a healthy mix of risks across the business areas, without neglecting ecological and social aspects. We strive to steadily improve our services and offer the highest-quality products and services.

- Fulfill the ambitious company vision and transform the company away from fossil fuels.



Environmental Protection

We always strive to prevent product releases, minimize our environmental footprint, and use resources efficiently. At the same time, we aim to reduce our relative energy consumption as well as water consumption, reduce ozone-depleting emissions and further optimize our waste and wastewater management.

- Position ourselves as a company that is environmentally friendly in the context of our business activities – one that minimizes its negative impact on the environment wherever possible.



Our Employees

We promote equal opportunities and diversity and invest in the professional development of our employees. We seek to attract qualified, talented employees and retain them long-term.

- Be a fair employer with strong ethical principles and support company growth by recruiting qualified employees and providing them with a diverse and healthy working environment.



Occupational Health & Safety

Occupational health & safety have the highest priority in all our activities. We identify and analyze potential risks and take measures to avoid, prevent, control and limit them.

- Establish a proactive safety culture and continuously improve all our activities with regard to technological, organizational and behavioral safety.



Corporate Citizenship

We also take responsibility beyond our core business and support surrounding communities in our five focus areas: environment, education, health, culture & sports and humanitarian aid. We encourage and support our employees in their volunteer work.

- Improving the well-being and the standard of living in the communities around us through appropriate financial support as well as by supporting employee commitment.



Our Sustainability Targets

Responsible Corporate Governance

| Topic | Target | Achievements | SDG | Page |
|-------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------|
| Integrated Sustainability Approach | Integrate sustainability considerations into our company structures and all relevant processes | Development of Oiltanking's sustainability strategy; finalization and roll-out planned for 2021 |  Target supports all SDGs | 17 |
| Stakeholder Expectations | Incorporate stakeholder expectations into our strategic approach | Exchange of information and ideas on sustainability strategy and management approach with various business partners |  Target supports all SDGs | 25 |
| Sustainable Alignment | Strengthen our sustainability management and our ability to innovate | Integration of sustainability indicators into the dashboards of the operating units |  Target supports all SDGs | 23 |
| | | Joining alliances to promote renewable energies and fuels – including the European Clean Hydrogen Alliance (Marquard & Bahls AG) and the eFuel Alliance (Mabanaft and OIL!) | | 31 |
| Human Rights | Protect human rights across our entire value chain | Human rights issues, as described in the National Action Plan (NAP), have been an essential part of our new business partner assessment process since 2020 |  | 23 |
| Beyond Compliance Approach | Prevent fraud, money laundering, and risk of child and compulsory labor from the outset | Review of a country risk assessment for new projects and investments |  | 29 |
| | | Global campaign and introduction of mandatory e-learning on anti-sexual harassment & anti-discrimination | | 28 |

Sustainable Growth

| Topic | Target | Achievements | SDG | Page |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|------|
| Sustainable Business Development | Incorporate sustainability aspects into strategic corporate development and decision-making processes with the aim of supporting human development | Sustainability aspects were considered in construction activities |  Target supports all SDGs | 35 |
| | | Marquard & Bahls' minority stake of around six percent in Nordic Electrofuel, which is on its way to establishing the first publicly known industrial-scale power-to-liquid project | | 37 |
| Sustainable Investment | Consider ethical matters and sustainability criteria in existing as well as in new areas of business | Implementation of ESG aspects and sustainability criteria into the Marquard & Bahls AG investment processes |  | 36 |

Sustainable Growth

| Topic | Target | Achievements | SDG | Page |
|-------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------|
| Value Chain | Assess and address ecological and social risks along our entire value chain | Inclusion of sustainability and human rights aspects into the new, Group-wide assessment system for business partners (see also "Human Rights" target) | | 23 |
| Sustainable Procurement | Secure a sustainable procurement system | Integration of sustainability criteria into supplier qualification and, in particular, into the selection of new suppliers | | 40 |
| Innovation | Take advantage of our innovative strength | In their respective corporate strategies, Oiltanking and Mabanaft have a clear focus on innovation – for the development of low-carbon, innovative solutions for Mabanaft's customers, for example | | 37 |

Environmental Protection

| Topic | Target | Achievements | SDG | Page |
|-------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|
| Product Releases | Cause zero environmental impact due to spilled products | Regular oil spill response drills at our tank terminals, as well as liquid-tight surface design in potentially hazardous areas, such as loading and unloading stations, pump stations, or service stations | | 44 |
| Energy Consumption | Cut relative energy consumption of the operating units | Various energy-saving projects at local sites, including the installation of solar panels in Singapore | | 47 |
| | | Addition of further sites to the Oiltanking "Green Spots" environmental initiative | | 47 |
| | | Introduction of indicators to determine the share of renewable energies in total consumption | | 47 |
| Greenhouse Gas Emissions | Reduce relative carbon emissions and other ozone-depleting gases of the operating units | Introduction of a concept to offset unavoidable emissions; carbon offset of all emissions from business air travel in 2019 and 2020 | | 48 |
| | | Organization of an environmental action day as part of Climate Week at the company's Hamburg headquarters | | 55 |
| Water Consumption | Cut relative water consumption of the operating units | Expansion of our sustainability dashboard to include indicators for identifying water risks at our sites throughout the world | | 56 |
| Waste & Wastewater Management | Implement of a best-possible waste and wastewater management system for our marine environment | Drafting of a technical standard for storm water, wastewater, sludge and purification systems at tank storage facilities; completion & roll-out in 2021 | | 60 |



Our Employees

| Topic | Target | Achievements | SDG | Page |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------|
| Change Management | Empower our employees to both embrace and drive change | “Commitment” survey conducted at operating unit level | | 72 |
| Shared Values | Integrate our values into every facet of our company | Roll-out of a global values campaign | Target supports all SDGs | 14 |
| | | Implementation of a management workshop on the topic of “Living Our Values” | | 14 |
| Key Positions | Conduct active succession planning for key positions and further development for holders of these positions | Development of a comprehensive performance management concept for Marquard & Bahls AG | | 63 |
| Adequate Compensation | Ensure internally equitable and externally competitive compensation structures | As part of a global grading project, around 4,000 positions were evaluated and backed up with corresponding local salary scales in line with market conditions | | 69 |
| Personnel Diversity & Equal Opportunities | Promote diversity in our workforce and equal opportunities | Continuation of project to support young refugees at holding company level | | 89 |
| | | Signing of the Diversity Charter | | 70 |

Occupational Health & Safety

| Topic | Target | Achievements | SDG | Page |
|------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----|-------|
| Occupational Safety | Avoid all injuries and strengthen our safety culture | Staging of a Global Safety Day at all Marquard & Bahls Group locations worldwide | | 76 |
| | | Roll-out of various global safety campaigns, including “Target Zero” and “Life Saving Rules” at Oiltanking | | 78-79 |
| | | Developed an HSSE video series to further promote safety awareness among our employees | | 78 |
| Proactive Health Management | Promote the health and well-being of our employees | Various equipment offers, including additional hardware for the home office in Hamburg | | 76-77 |
| | | Providing tips and information on the subject of “Working in a Home Office” | | 76-77 |
| | | Regular information on the coronavirus pandemic and the measures taken by Marquard & Bahls | | 76-77 |
| Prevention of Fires | Prevent fires | Local firefighting trainings/drills | | 79 |
| | | Zero fires according to API RP 754 | | 79 |

Corporate Citizenship

| Topic | Target | Achievements | SDG | Page |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| Donations and Sponsorships | Increase the donation and sponsoring amounts in relation to earnings before taxes (EBT) | Donations and sponsorship totals up by 29 percent compared to the previous year |     | 83 |
| Employee Volunteering | Further support employee volunteering | Implementation of an incentive system through corporate matching for Marquard & Bahls AG |     | 85 |
| | | The rate of volunteer work on the part of our employees increased to an average of 0.48 hours per employee | | 84 |
| Location-Based Commitment | Increase the proportion of local projects in our defined focus areas to at least one project, activity or initiative per location and year | 25 percent of our global sites were active in financial support or charitable work |     | 83 |
| Promotion of Human and Sustainable Development | Ensure targeted implementation of projects that support the Human Development Index (HDI) and selected SDGs | Establishment of an action plan for our charitable commitment at the level of Marquard & Bahls AG |  Target supports all SDGs | 83 |

Instruments & Measures

We employ a variety of instruments and measures to anchor the programs and activities from the strategic action areas in our processes, to implement them locally and to ensure continuous improvement.

⇒ POLICY ON HSSE

Responsibility for environmental and social concerns has been firmly anchored at the highest level through our Policy on HSSE, signed by the Executive Board of Marquard & Bahls. The managements of all subsidiaries worldwide have also signed corresponding policies on HSSE.

⇒ GUIDELINES AND STANDARDS

We develop our internal policies and standards on the basis of internationally recognized principles of responsible entrepreneurship. This is based on our Code of Conduct, which is binding for all employees and was revised in 2019. We also respect the Universal Declaration of Human Rights as well as the four basic principles of the International Labor Organization (ILO) – freedom of association and the right to collective bargaining, elimination of all forms of forced or compulsory labor, effective abolition of child labor, and elimination of discrimination in respect of employment and occupation – and the eight fundamental conventions derived from them.

We will further embed the ten principles of the UN Global Compact, the Guidelines of the Organisation for Economic Co-operation and Development (OECD) for Multinational Enter-



prises as well as the principles of the German Corporate Governance Code in our processes, even if we are not an active signatory. Since 2011, we have reported in accordance with the Global Reporting Initiative (GRI), which has become established internationally as the standard for sustainability reporting. We have already integrated the requirements from the National Action Plan on Human Rights (NAP) into our compliance assessment process for new business partners. In the future, we will work to further expand the human rights risk management implemented to date at our operating units.

⇒ AUDITS

Our internal audits serve to continuously improve our performance in the areas of health, safety, security and environmental protection and to review our progress. In accordance with our HSSE & Sustainability Group Policy, each operating unit defines an audit process to review the internal HSSE requirements. HSSE & Sustainability experts also conduct their own or joint audits at selected operating unit locations – especially those with low HSSE performance. In 2020, the total number of HSSE audits at tank storage and aviation fuelling sites decreased to 122 internally (2019: 155) and 320 externally (2019: 410) due to coronavirus-related travel restrictions. The latter include audits by the authorities, customers or insurance companies.

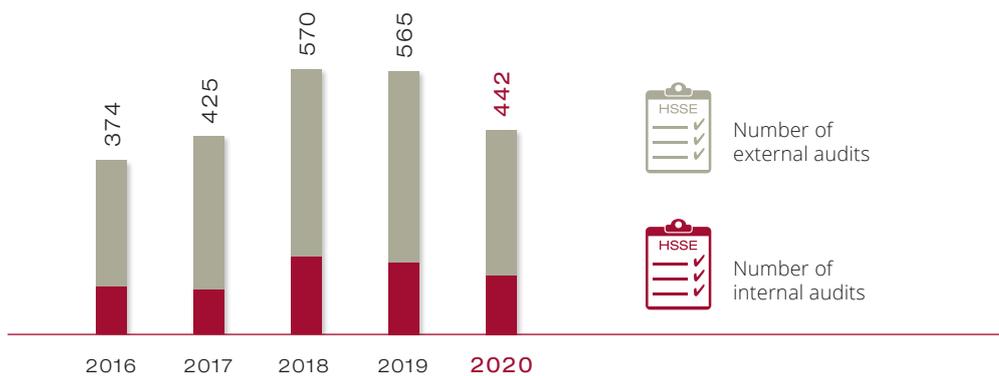


Fig. 2: Number of internal and external HSSE-relevant audits

⇒ KEY PERFORMANCE INDICATORS & STATISTICS

To continuously monitor and improve our HSSE performance, we use performance indicators (PIs) as well as key performance indicators (KPIs), a selection of which we publish in our annual Sustainability Report. As part of our sustainability strategy, we have defined specific KPIs that allow us to measure and evaluate our performance even more accurately. In addition, detailed HSSE statistics are prepared with “leading” (forward-looking) and “lagging” (retrospective) indicators for the Group, all operating units and their profit centers. Indicators like the number of fatal work accidents, the Total Recordable Injury Rate (TRI-R), the number of product releases as well as the rate of non-process fires are a bonus-relevant components for the Executive Board and the employees of Marquard & Bahls AG. Furthermore, the bonus systems of the operating units also include HSSE KPIs. To be able to respond even more quickly to developments of HSSE indicators in the future, dashboards were introduced across the Group. Based on the existing accident databases, the statistics for all HSSE KPIs can now be retrieved worldwide and updated daily. All sustainability indicators were integrated into the dashboards of the operating units in the first half of 2020 and have since enabled detailed analyses at Group and site level.



🔗 CERTIFIED MANAGEMENT SYSTEMS

Management systems are meant to continuously improve the effectiveness and efficiency of business processes. Our tank terminals apply ISO certifications, including for quality management (ISO 9001), environmental management (ISO 14001), health and safety management (ISO 45001) and energy management (ISO 50001) (Fig. 3). The number of certifications decreased in 2020 compared to the previous year, as some locations decided against pursuing the certifications and tank terminals such as those of the company TdP are no longer included in the reporting. At Skytanking, two percent of its locations are certified to ISO 9001 and 22 percent to ISO 14001. Mabanaft Germany is also certified in accordance with ISO 9001 and GMA in accordance with ISO/IEC 17025.

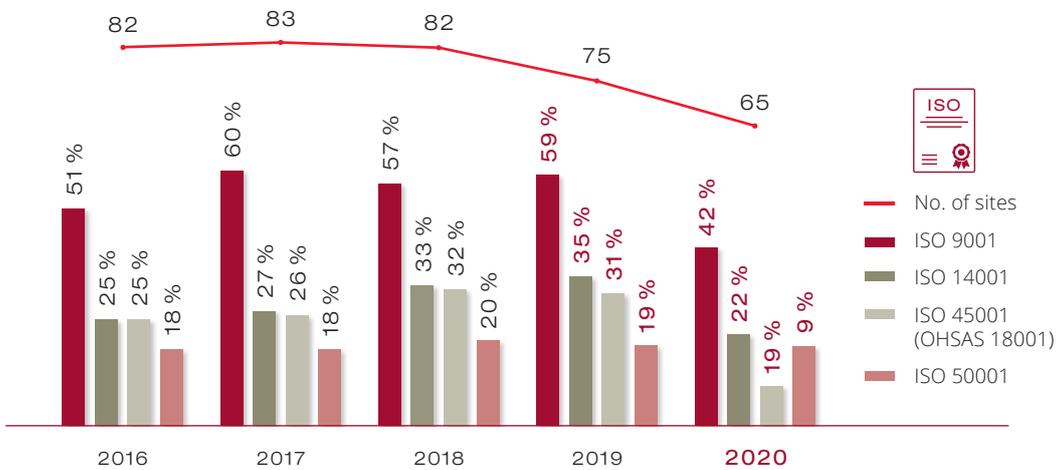


Fig. 3: ISO-certified tank terminals

Several other Marquard & Bahls companies have organized their management processes in a similar way, but have not had their quality, environmental or health and safety management systems certified.

Stakeholders

102-21, 102-40,
102-42, 102-43

A stakeholder is a person or group who has or might have a legitimate interest in a business. We identified our most important stakeholders through in-house discussions, workshops, external analyses and industry comparisons. The contact frequency and salient topics vary depending on the stakeholder group.

One important criterion in the GRI standard is that the contents of the report be compiled in accordance with stakeholder requirements. We generally survey our stakeholders every two years in order to identify and prioritize the topics relevant to our sustainability commitment. In spring 2019, we conducted our third web-based stakeholder survey and invited all global employees of Marquard & Bahls and its subsidiaries. Our next stakeholder survey will be conducted by our operating units and has been postponed to next year for this reason. We



also monitor changes in legal guidelines and relevant standards, such as the GRI Guidelines. In addition, the Sustainability Team regularly participates in dialogs, discussions, surveys and research studies.

102-21, 102-40, 102-42, 102-43



Fig. 4: Marquard & Bahls stakeholders

⇒ MATERIALITY ANALYSIS

As part of a materiality analysis, we regularly assess the importance of the topics identified in our stakeholder survey and in this way determine what we need to focus on in our sustainability strategy and reporting. We do not report on topics we have identified as immaterial or irrelevant, such as child labor. We can rule out child labor in our company due to the high degree of specialization required from our employees and strict regulations. An assessment of our supply chain shows a similar picture, as most of our business partners and customers in the oil or chemical industry require highly specialized employees for their companies.

102-46

We have presented the topics identified as material in 2019 in the materiality matrix (Fig. 5). This clearly shows that the fields of action “environmental protection” and “occupational health and safety” are considered most important by us and by our stakeholders. This is one of the reasons why we attach particularly high priority to these areas of action. In the future, we will



102-21, 102-43,
102-44, 102-46,
102-47

not only evaluate the topics according to the GRI requirements for materiality and our ability to exert influence, but will also include the effects of the topics on business development, results of operations and the company's situation in our evaluation.

Color Code:

- Responsible Corporate Governance
- Our Employees
- Sustainable Growth
- Occupational Health & Safety
- Environmental Protection
- Corporate Citizenship



Fig. 5: Issues of particular significance (our power of influence is reflected in the size of the icon; strategic action areas are shown in bold type)

Compliance

Our reputation is a valuable asset that must be protected. To safeguard it and ensure proper, lawful conduct, we have developed various guidelines and procedures as part of our Compliance Management System. These include our Code of Conduct and the Group-wide whistleblowing system for suspected misconduct. The Group Function Compliance identifies compliance risks and works with the operating units to develop appropriate programs focused on the prevention of corruption, bribery and fraud as well as on antitrust law and sanction issues. Compliance is also responsible for data protection at Marquard & Bahls. As part of the reorganization, compliance responsibilities will also be established at Oiltanking and Mabanaft in the future.

102-16, 102-17,
103-1, 103-2,
103-3

⇒ CODE OF CONDUCT

The principles of our Code of Conduct serve to create a uniform value horizon and to provide guidance for individual behavior in the context of Marquard & Bahls' corporate philosophy and values. While we are aware that the individuality of our employees forms part of Marquard & Bahls' success, we also demand from all our employees to act ethically at all times. We aim to create a fair and safe working environment as well as long-term business relationships with our customers and other business partners. We expect our employees, subcontractors, business partners and suppliers to comply with this Code. Since 2019, our employees have therefore received formal training on the topics of combating bribery and corruption and avoiding conflicts of interest as part of a mandatory e-learning program. This excludes about 700 employees from companies that cannot access the training due to an individually selected HR management software. Since 2020, we have had our Code of Conduct recognized by all strategically important new business partners. The Code of Conduct is available for download in ten languages on our website (www.marquard-bahls.com).

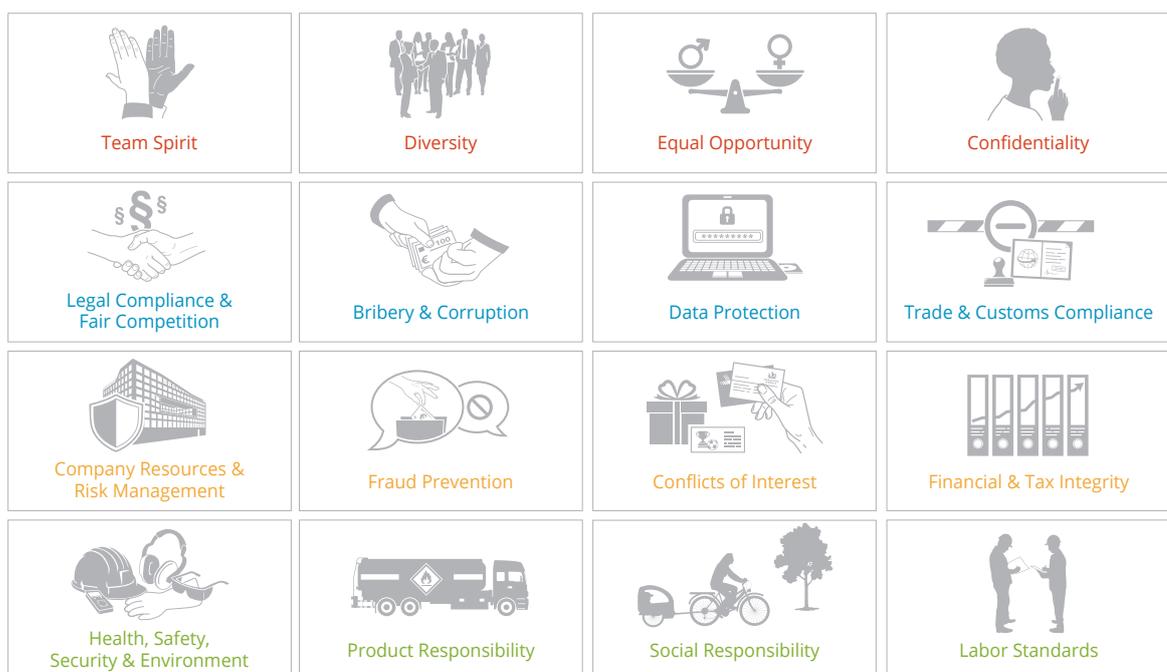


Fig. 6: The 16 Principles of our Code of Conduct

⇒ REPORTING MISCONDUCT

102-17, 102-33,
102-34

Alongside the usual reporting channels, the online platform CARE (“Concerns And REporting”) serves as our Group-wide whistleblowing system and offers employees and business partners a safe and uncomplicated way to report suspected misconduct. At <https://marquard-bahls.integrityplatform.org>, for example, erroneous, fraudulent or even corrupt behavior can be reported anonymously and externally, seven days a week, 24 hours a day, in the respective national language.

205-3

For the year 2020, 25 cases from all over the world were submitted, reviewed and investigated, with an upward trend in terms of use. The reports vary in nature and range from unspecified concerns to specific allegations of misconduct or potentially illegal conduct. Three incidents were reported that were thematically related to discrimination or harassment. It was determined that one third of all cases that were investigated were well-founded or partially well-founded, indicating that misconduct was present. In each of these cases, Compliance assumes responsibility for independent case management and commissions appropriate internal or external investigators. In other cases, there was no evidence of misconduct, but in a large number of cases this has also led to corrective measures and process improvements. The CARE platform has become an important element in protecting the company’s reputation and integrity and we continue to encourage employees to address and report suspected misconduct. The platform offers a secure, anonymous and confidential way to report, in particular, concerns about accounting fraud, banking and financial crime, corruption and other criminal activities.

⇒ ZERO TOLERANCE FOR SEXUAL HARASSMENT

At Marquard & Bahls, we share common values and are committed to treating each other with respect, honoring the commitments we make and acting with integrity and responsibility. We do not tolerate harassment or behavior that is humiliating, intimidating or hostile. This includes zero tolerance for sexual harassment.

Unfortunately, sexual harassment and many forms of discrimination in the workplace are global problems that are not limited to specific industries, countries or levels of employment. We therefore promote a “speak up culture” where any concerns can be raised without fear of retaliation.

Last year, we launched a global campaign against sexual harassment and discrimination of any kind. This involved not only introducing internal training measures such as mandatory e-learning on sexual harassment, but also providing funding of around 90,000 euros to prevent sexual harassment in the workplace and support those affected. In addition, our global sites can apply for funding of up to 5,000 euros if they set up projects to raise awareness and provide training in the areas of sexual harassment, equal opportunities, as well as support for victims.

Anti-Corruption

Marquard & Bahls does not tolerate corruption or bribery. In our Code of Conduct, we inform employees and business partners about our principles in this matter and call on them to report specific cases of – or concerns about – possible corruption via our CARE platform. To further raise our employees' awareness of these issues, we have issued a Group-wide guideline and published additional process instructions. Since the introduction of e-learning courses, all employees have been trained on the Code of Conduct with the help of Workday, while employees in management positions and those in direct contact with customers or authorities receive topic-specific training on corruption prevention and other issues.

102-17, 103-1,
103-2, 103-3,
205-1, 205-2

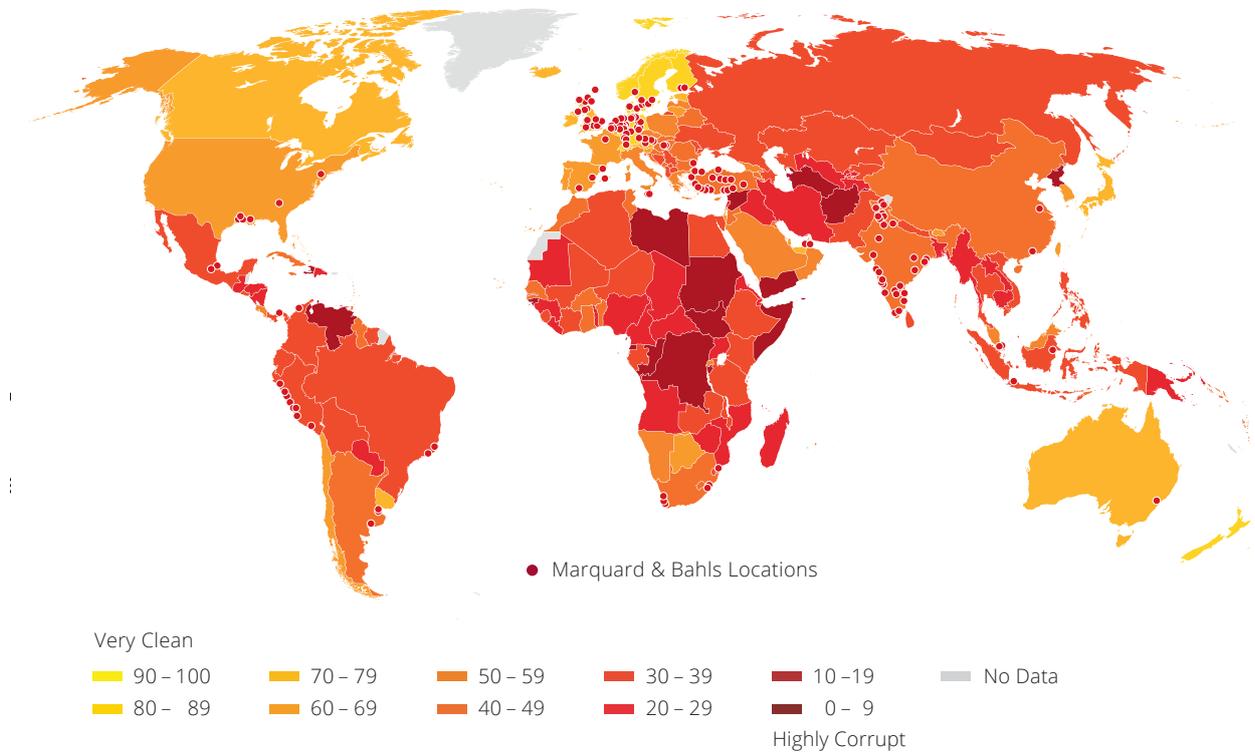


Fig. 7: Corruption risk according to the Transparency International Corruption Perception Index

To prevent corruption from the outset, we subject our business activities to an annual risk analysis. In countries with a high risk of corruption, we are stepping up our activities against corruption, although our revenues are largely generated in low-risk countries.

Legal Compliance

102-11, 307-1,
419-1

We see compliance with the law as a matter of course. This applies to both national and international laws and regulations. One important indicator of regulatory compliance is the number of fines and penalties. In 2020, we were fined a worldwide total of 6,619 euros (2019: 68,317 euros) for non-compliance with laws and regulations, with one fine of 2,009 euros and an additional four sanctions being related to environmental issues. These were imposed due to minor environmental violations at two tank terminals in the Netherlands. In relation to our total revenues, fines decreased by 87 percent compared to the previous year (Fig. 8).

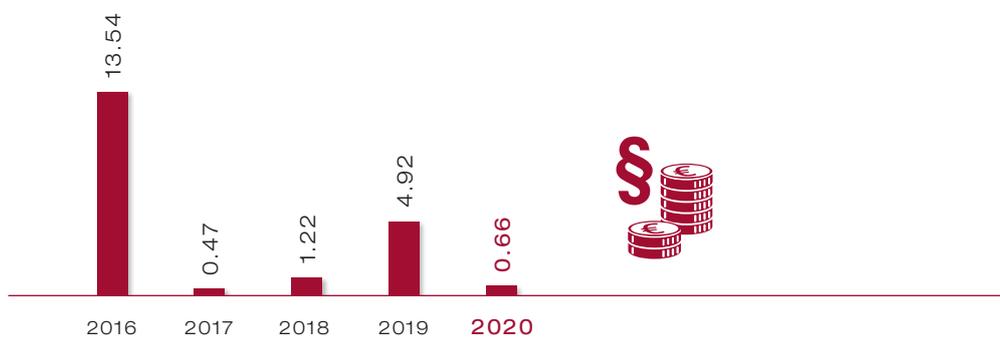


Fig. 8: Fines in euros in relation to total revenues in millions of euros

➔ PRODUCT RESPONSIBILITY

The products traded, transported, handled and stored by our Group are subject to national and international or European legislation and must therefore comply with hazard communication provisions. Requirements at Mabanaft include accurate product labeling and the provision of safety data sheets. Given that most of the products traded by Mabanaft are classified as dangerous, they are subject to strict product information requirements. Oiltanking's product database now includes data sheets on more than 1,000 products.



⇒ TRANSPARENCY

Our value “Integrity” requires us to be honest, fair and transparent in our dealings with all stakeholders. The comprehensive disclosure of relevant information to our employees and other stakeholders is therefore a high priority. At Group level, this task has until now been the responsibility of the Group Function Corporate Communication in close cooperation with the Executive Board and those responsible at the level of the operating units. In the future, the latter will increasingly take responsibility for their own communications. All progress in the area of our sustainability management has been communicated transparently in our annual Sustainability Reports since 2010. Internally, we provide regular information on current developments via regular townhall meetings and through connect, our global communication and collaboration platform. Other media include a monthly employee newsletter and circulars. Press releases and other publications can be found on the company websites.

102-16

⇒ DATA PROTECTION

Data protection is another important issue. Measures in Germany in this area include providing an extensive Data Protection Manual and carrying out staff training, topical consultation and audits. Extensive IT security systems guarantee the protection of employee, customer, supplier and other business data at a high level. In addition, the latest legislative initiatives are continually monitored to ensure present and future compliance with data protection laws. In particular, this continues to concern the EU General Data Protection Regulation, which took effect in all EU member states in May 2018.

⇒ INVOLVEMENT IN ASSOCIATIONS & POLITICS

Our political influence is limited to the activities of the Hamburg-based Public Affairs department and our representative office in Berlin. Payments to private accounts or political parties are forbidden under our Donations and Sponsorships Policy. Moreover, in the case of donations or sponsorships, there must be no close ties to public bodies or persons with whom Marquard & Bahls or its subsidiaries maintain business relations and which could therefore create inappropriate competitive advantages.

102-12, 415-1

102-12, 102-13 As part of its Public Affairs work, the Group has been represented in various networks to date. At a national and international level, we have actively participated in the following associations, among others:

International

- Bioenergy Europe** Formerly known as European Biomass Association, AEBIOM
- ECH2A** European Clean Hydrogen Alliance
- EFET** European Federation of Energy Traders Deutschland
- Eurofuel** European Heating Oil Association
- FETSA** Federation of European Tank Storage Associations
- UPEI** Union of European Petroleum Independents

National

- AFM+E** Aussenhandelsverband für Mineralöl und Energie e.V.
(Foreign Trade Association for Petroleum and Energy)
- bft** Bundesverband freier Tankstellen und unabhängiger Mineralölhändler e.V.
(Federal Association of Independent Service Stations)
- eFuel Alliance** Alliance for climate-neutral liquid fuels
- FPE** Fuel Power Energy e.V.
- IWO** Institut für Wärme und Öltechnik e.V.
(Institute for Heat and Oil Technology)
- MEW** Mittelständische Energiewirtschaft Deutschland e.V.
and its associations
- UTV** Unabhängiger Tanklagerverband e.V.
- WEC** World Energy Council

We are also active in the following HSSE-related industry associations:

- EBIS** European Barge Inspection Scheme
- OCIMF** Oil Companies International Marine Forum
- OSRL** Oil Spill Response Limited, the world's largest organization for oil spill response

As part of the reorganization project of the Marquard & Bahls holding, the association work will be transferred to the operating units as of August 2021. In the future, Mabanaft will work more intensively to support the petroleum associations in demonstrating the potential of carbon-neutral energy sources – so-called e-fuels – and to deal intensively with the future of liquid energy sources. With a strategic focus on its growth drivers of chemicals, gases and new energies – including hydrogen and liquefied natural gas (LNG) as a lower-emission fuel – Oiltanking will work with the associations to promote these products of the future and help actively shape the energy transition.



SUSTAINABLE GROWTH



We believe in controlled growth and long-term partnerships. We safeguard our future success with a healthy mix of risks across the business areas, without neglecting ecological and social aspects.



KEY PERFORMANCE INDICATORS

| | 2018 | 2019 | 2020 | Change 2019/20 |
|-----------------------------------------------------------|------------|------------|------------------|-------------------|
| Selected Financial Figures | in T € | in T € | in T € | |
| Revenues after energy taxes | 13,285,765 | 12,853,942 | 9,183,035 | - 28.6 % |
| Earnings before taxes (EBT) | - 38,331 | 107,689 | 149,445 | + 38.8 % |
| Cost of materials, mainly oil purchases | 12,387,299 | 11,461,936 | 8,348,913 | - 27.2 % |
| Wages and salaries | 325,457 | 332,361 | 254,155 | - 23.5 % |
| Social security contributions | 58,012 | 47,605 | 33,719 | - 29.2 % |
| Expenses for pensions | 10,349 | 7,253 | 8,947 | + 23.4 % |
| Interest expense | 94,079 | 220,260* | 79,600 | - 63.9 % |
| Investments in the community (donations & sponsorship) | 738 | 767 | 992 | + 29.3 % |

* Including accelerated interest payments due to the change in the financing structure of Oiltanking

+29%

*investments in
the community*





SUSTAINABLE GROWTH



For us, sustainability means securing our future viability. In the years ahead, it will therefore be even more closely integrated into our investment decisions as well as our daily workflows and processes. To this end, we continued developing a sustainability checklist for new projects, acquisitions and construction activities that gives greater consideration to sustainability risks and challenges.

103-1, 103-2,
103-3

Financial Performance

We publish our consolidated financial statements in our Annual Report. By additionally publishing economic indicators in accordance with GRI requirements in this document, we present a comprehensive picture of Marquard & Bahls' contribution to the sustainability of a larger economic system. We pay taxes, create jobs and invest in the local infrastructure in Hamburg and many other places around the world.

201-1

Despite the difficult circumstances, the Marquard & Bahls Group generated pre-tax earnings of around 149 million euros in 2020.

102-10

The operating result at Oiltanking was well above budget in 2020, driven in part by the contango situation. Highlights included the commissioning of Europe's largest butane tank at Oiltanking AGT in Antwerp, Belgium, and the start-up of the Oiltanking MOGS Saldanha tank terminal in South Africa.

Despite a challenging market environment, Mabanft was able to exceed its 2020 targets. After a turbulent start to the year, the trading business began to stabilize later, but earnings remained disappointing, while the retail companies OIL! Tankstellen and Petronord generated record earnings. To better meet market needs, a new strategy based on three business units was introduced at the end of 2020 with ONE Mabanft: Supply, Infrastructure & Trading, Marketing as well as New Energy, Chemicals & Gas.

Skytanking experienced a drop in sales of up to 70 percent due to global coronavirus-related travel restrictions. A noticeable recovery in the aviation industry is not expected to occur for several years. Against this backdrop, Marquard & Bahls decided to look for a strategic partner that could better support Skytanking in the long term. This partner was found at the end of 2020 with PrimeFlight. Because the purchase price consists of cash and shares in PrimeFlight, Marquard & Bahls will in the future hold an indirect stake in Skytanking.



Milestone achieved:
Implementation of ethical aspects and sustainability criteria in the Marquard & Bahls AG investment processes



Sustainability Criteria for Future Investments

In line with our vision of being an ethical investor, all new investments are subject to an assessment of ESG criteria. These criteria were developed by Marquard & Bahls Group Portfolio Development together with the Sustainability Team. In April 2020, several potential investments were analyzed in accordance with this newly developed two-step approach, which is based on a qualitative review of comprehensive sustainability criteria.

After successful screening, the first investment in a listed company was announced in November. Marquard & Bahls acquired a ten percent minority stake in Superior Plus, a Toronto-based distributor of propane-related products with a strong presence in North America.

At operating unit level, too, involvement in areas outside fossil fuels continued to pick up speed. In December, Mabanft became a founding member of AquaVentus.

Mabanft is involved in the newly founded AquaVentus development association, which aims to

install a total of 10-gigawatt offshore wind turbines in the North Sea between Helgoland and the Doggerbank sandbank by 2035. One million tons of green hydrogen per year could soon be generated on the high seas.

The EU and Germany have set the goal of being climate neutral by 2050. The production of green hydrogen from renewable energies at sea can make a significant contribution in this regard. Together with a strong group of leading companies, organizations and institutions, Mabanft is committed to the AquaVentus platform.

*Sustainability assessment established
for new investments*



In line with its objective of establishing new pillars for its portfolio, in 2020 Marquard & Bahls acquired a stake in Superior Plus, a Toronto-based, publicly traded energy company active in the distribution and marketing of propane-related products as well as distribution of liquid fuels. The minority stake was over 10 percent at year-end and stood at 16 percent in April 2021. 102-10

Marquard & Bahls has also decided to further expand its minority stake in Nordic Electrofuel – a pioneer in power-to-liquid – which it acquired at the end of 2019. A relevant agreement was signed in October 2020. It provides for a higher stake and equity financing once the final investment decision for the first plant has been made.

Innovation

Innovative strength and the ability to adapt to changing market requirements are of immense importance for our continued success. Marquard & Bahls will continue to pursue its chosen course of building a more diversified and sustainable portfolio in the years ahead. Oiltanking also pushed ahead with its innovation initiatives in 2020 and explored opportunities in market segments related to its core business. The main focus in 2020 was on implementing the Oiltanking Strategy 2025, the core elements of which include maximizing the value of existing assets and promoting profitable growth with a focus on gas and chemicals. Other important elements are a further strengthened customer focus, outstanding safety performance and increased sustainability promotion. Mabanaft also has a clear focus on innovation in its “ONE Mabanaft” strategy. This is reflected, among other things, in the company's purpose, which was redefined last year: “Throughout the energy transition, Mabanaft provides its customers with innovative energy solutions for their transportation, heating and industrial needs.” A focus will thus be on developing low-carbon, innovative solutions for customers. 102-15

European Clean Hydrogen Alliance



Joining the European Clean Hydrogen Alliance

On October 14, 2020, Marquard & Bahls was accepted as a member of the European Clean Hydrogen Alliance

(ECHA). Established in March 2020 as part of the European Strategy for New Industries, ECHA pursues the ambitious deployment of hydrogen technologies by 2030. With a wide range of applications from renewable energy storage to fuelling heavy-duty vehicles and use as a feedstock in energy-intensive industries, hydrogen will play a central role in supporting the EU's commitment to achieving carbon neutrality by 2050.

Risk Management

One of the greatest challenges as we pursue our strategy of long-term growth is to limit the manifold financial, operational and HSSE risks. That is why we work based on a permanent and thorough risk-management scheme that individually captures and evaluates all risks and defines tailor-made mandates, tasks and responsibilities. All risks – including social and environmental ones – are evaluated for all subsidiaries. Key risks that could impact our future 102-11

102-11, 102-15 business performance are summarized in the following. These risks include currency turbulence, a renewed flare-up of the international financial crisis, political conflicts and military clashes – especially in oil-producing countries – and resulting tensions on global oil markets. Other risks include rising prices for natural resources and purchased energy, environmental and natural catastrophes, the effects of climate change and an increase in country-specific risks. The coronavirus pandemic presents risks not only to the health of our employees but also to our business. Based on our long-established pandemic plans, we responded quickly and flexibly and conducted professional crisis management. This has allowed us to cope well with the crisis to date.

⇒ TRADING RISKS

For Mabanaft, relevant trading risks are those caused by volatility in commodity prices, currency exchange rates and interest rates. In 2020, in addition to the coronavirus pandemic, the differences of opinion among the OPEC-plus countries regarding future production volumes had a complicating effect; this led to fundamental changes in the energy markets with extreme volatility. These two factors combined dwarfed other challenges such as the U.S.-China trade war, Brexit and the IMO 2020 targets that will result in a global reduction of sulfur content in marine fuels to 0.5 percent. The global economic slump, driven primarily by the coronavirus crisis, led at times to a big gap between supply and demand in the oil market. Demand for oil fell sharply, causing prices to drop significantly at times. U.S. WTI crude oil fell into negative territory for a few days for the first time, reaching a historic low. A short time later, however, the price recovered and returned to positive territory. We counter trading risks in our markets through the systematic use of financial market instruments such as derivatives and futures; Mabanaft hedges against bad debts through credit insurance, bank collateral, or the settlement of commodity futures transactions through segregated brokerage accounts. Controlling makes sure that the established rules are followed.

⇒ HSSE-RISKS

Our main HSSE risks arise from working with highly flammable substances as well as environmentally harmful and sometimes toxic products. The activities tank storage logistics and aviation fuelling are especially exposed to these hazards, as are the service station and end-consumer businesses. Preventing potential hazards resulting from this, such as accidents, leakage or fire, is therefore a special focus of risk management at Marquard & Bahls and the operating units. Based on detailed regulations, site-specific risk assessments, an operating instruction for which regular training is carried out, as well as clear communications and detailed reporting, the line management and HSSE teams foster a proactive safety culture. A careful investigation of incidents and near misses as well as unsafe acts and conditions is an essential success factor for continuous improvement and hence for avoiding incidents with similar causes. To this end, the Group Function HSSE & Sustainability along with the responsible employees at the operating unit level have been working together closely for many years. As part of the current restructuring, responsibility will be transferred entirely to the operating unit level. As strategic architect, Marquard & Bahls will set Group-wide standards and ensure compliance with them.

Environmental and Social Challenges Along Our Value Chain

The oil, gas and chemicals value chain covers a broad spectrum of activities, from the exploration and production of crude oil to the manufacturing, processing and refining of products, as well as their transport, delivery, and sale. Through our subsidiaries, we are part of this supply chain that connects companies and people throughout the world. Together, we ensure that energy and chemicals are put to use wherever they are needed in a way that is both safe and environmentally friendly. Our companies operate primarily in the midstream and downstream sectors. Our subsidiaries are not active in extraction or refining. Trading, transportation, storage, handling and sale of petroleum products, gases and chemicals entail potential environmental and, in some cases, social risks. Therefore, we rely on a proactive HSSE management system in order to support ecological and social matters in all activities.

102-6, 102-9,
102-15

EXPLORATION, PRODUCTION & CRUDE OIL STORAGE

Exploration and production activities impact nature and therefore represent a potential threat to ecosystems. In addition, technical defects, human error and natural disasters can lead to serious accidents such as fires.

REFINING & PROCESSING

Handling hazardous materials and work processes at high pressure and temperatures at refineries and petrochemical plants involves the risk of spills and fires, which can have negative effects on the environment, the health and safety of employees and the surrounding communities. In addition, the processes are very energy intensive, which contributes to global warming.

PRODUCT STORAGE

The main risk in product storage arises from working with highly flammable substances, as well as environmentally hazardous, and sometimes toxic products. Preventing accidents, spills and fires is therefore a special focus in tank storage.

TRADING

Trading petroleum products involves the physical trading business as well as trading with foreign currency or securities on petroleum exchanges. The trading business is closely linked with the transport of goods and hence carries transport-related environmental risks.

DISTRIBUTION & END-CONSUMER BUSINESS

The distribution & end-consumer business involves supplying customers with fuels to produce heat and motion, as well as lubricants. The fuelling and consumer business that is part of this area is closely linked with the transport of the products, and therefore involves transport-related risks. Moreover, the process of fuelling road tankers, for example, involves the risk of accidents and spills.

⇒ SUBSEQUENT VALUE CREATION

At the various steps along the value chain, waste and wastewater are produced, which must be properly disposed of. And downstream of this, products are usually consumed or combusted, which contributes to global warming by releasing greenhouse gases.

Supplier & Customer Relations

102-15 It is part of our understanding of values that trust forms the basis for long-term business relationships and that we honor commitments we have made. We treat our suppliers with respect and cultivate honest dealings with everyone involved in the business processes. We strive for responsible conduct not only at our own sites, but across the entire supply chain. The diversity of our company is reflected in the broad spectrum of our suppliers, ranging from vendors of technical equipment for our tank terminals to office equipment suppliers.

Internal supplier lists and the classification of suppliers increase transparency regarding the quality and performance of our business partners, with the ultimate goal of giving our customers excellent services and products. A project initiated at Oiltanking aims to bundle global purchasing and focuses, among other things, on standardizing purchasing processes. Here, the verification of sustainability criteria will be integrated into the supplier qualification step and will be particularly relevant in the selection of new suppliers.

We also place great importance on safe working practices for contractors' employees at our sites. At Oiltanking, an integrated contractor management program has been in place for many years. It is described in more detail in the section "Occupational Health & Safety". Building long-term cooperative partnerships with our customers is another key strategic priority. Our employees play a central role in ensuring the satisfaction of our customers. Responsible and dedicated teams guarantee excellent services, which in turn lead to customer loyalty. We therefore feel it is important that our employees can make decisions autonomously, enabling them to respond flexibly to customer requests.

Since last year, we have also been using a new third-party management tool for the compliance assessment process in the Marquard & Bahls Group. It covers the four main risk categories: fraud/corruption, sanctions/embargoes, money laundering, and sustainability management/human rights. This ensures greater transparency and puts our values – respect, accountability, integrity, responsibility – into practice.



Milestone achieved:

Inclusion of sustainable and human rights aspects in the new, Group-wide assessment system for business partners



ENVIRONMENTAL PROTECTION



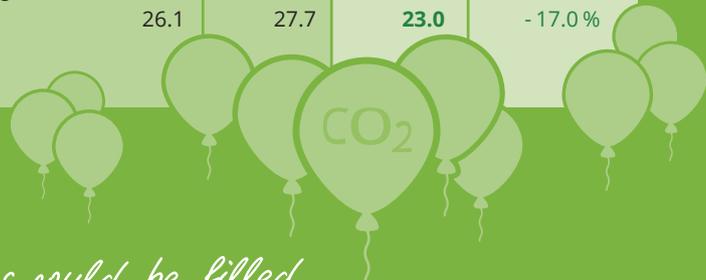
We always strive to prevent product releases, minimize our environmental footprint and use resources efficiently. At the same time, we aim to reduce our relative energy and water consumption, reduce ozone-depleting emissions and further optimize our waste and wastewater management.



KEY PERFORMANCE INDICATORS

| | 2018 | 2019 | 2020 | Change 2019/20 |
|------------------------------------------------------------------------------------------------|-----------|-----------|------------------|----------------|
| Product Releases | | | | |
| Number of incidents with product releases according to API RP 754 | 32 | 32** | 35 | + 9.4 % |
| Number of product releases according to API RP 754 per 1 million tons of throughput | 0.15 | 0.14** | 0.19 | ↗ |
| Total volume of product released in m ³ according to API RP 754 | 62 | 246 | 78 | - 68.3 % |
| Thereof share of unrecovered product in % | 34 % | 21 % | 24 % | + 15.2 % |
| Energy Consumption | | | | |
| Total amount of direct and indirect energy consumption in GJ (Scope 1 & 2) | 2,233,846 | 2,144,308 | 1,904,902 | - 11.2 % |
| Thereof direct energy consumption in GJ (Scope 1) | 1,246,958 | 1,173,716 | 1,053,947 | - 10.2 % |
| Thereof indirect energy consumption in GJ (Scope 2) | 986,888 | 970,592 | 850,955 | - 12.3 % |
| Relative energy consumption of the tank terminals in MJ per ton of throughput | 8.9 | 8.3 | 8.5 | + 2.4 % |
| Carbon Footprint & Emissions | | | | |
| Total CO ₂ e emissions in t | 348,210 | 396,914 | 415,969 | + 4.8 % |
| Direct CO ₂ e emissions Scope 1 in t | 82,852 | 77,701 | 62,121 | - 20.1 % |
| Indirect CO ₂ e emissions Scope 2 in t | 151,439 | 145,590 | 131,994 | - 9.3 % |
| Indirect CO ₂ e emissions Scope 3 in t | 113,919 | 173,623 | 221,854 | + 27.8 % |
| Transport-related CO ₂ e emissions, by mode of transportation in t | 118,873 | 176,488 | 230,682 | + 30.7 % |
| CO ₂ e emissions caused by air travel in t | 13,062 | 7,507 | 1,236 | - 83.5 % |
| Relative CO ₂ e emissions of the tank terminals in kg per ton of throughput | 1.03* | 0.97** | 0.97 | +/- 0 % |
| Relative VOCs of the tank terminals in g per ton of throughput*** | 27.8 | 25,3 | 27.2 | + 7.5 % |
| Conserving Natural Water Resources | | | | |
| Total water withdrawal in m ³ | 1,084,676 | 945,600 | 934,836 | - 1.1 % |
| Thereof water withdrawal in regions with high or extremely high water stress in m ³ | - | - | 120,921 | - |
| Drinking water in tank storage activities | 26 % | 30 % | 23 % | ↘ |
| Relative water consumption in tank storage activities in liters per m ³ capacity | 35.4 | 31.1 | 32.0 | + 2.9 % |
| Waste and Wastewater Management | | | | |
| Total amount of waste in t | 41,984 | 43,105 | 33,506 | - 22.3 % |
| Relative production of hazardous waste of the tank terminals in kg per m ³ capacity | 0.63 | 0.61 | 0.44 | - 27.9 % |
| Total amount of industrial wastewater in m ³ | 525,131 | 548,968 | 551,589 | + 0.5 % |
| Relative industrial wastewater of tank terminals in liters per m ³ capacity | 26.1 | 27.7 | 23.0 | - 17.0 % |

* Corrected after publication of the Sustainability Report 2018
 ** Corrected after publication of the Sustainability Report 2019
 *** Excluding O&M tank terminals



6 million balloons could be filled with the emissions saved at our sites (Scope 1 and 2) in 2020

ENVIRONMENTAL PROTECTION

It is not just greenhouse gas emissions that have an impact on the environment. We consume other natural resources in addition to energy, including water and construction materials, and the operations of our subsidiaries have the risk of potential product leaks. That is why we are committed to high environmental standards today and in the future, in order to limit any negative impact on the environment.

102-15, 103-1,
103-2, 103-3



Environmental Management

Environmental issues are an integral part of our HSSE management system. Our Policy on HSSE stipulates that we use energy and raw materials efficiently, avoid environmental pollution, and promote environmental awareness among our employees so as to minimize harmful influences. For many years now, we have been recording the frequency of product releases and their volume, the amount of energy and water used and the waste produced at our sites, and have established corresponding KPIs that enable us to better identify and evaluate our development. We bundle our growing number of sustainability indicators in internal dashboards, which provide site-specific data and are available to all operating units.

102-11

Spill Prevention

➔ PRODUCT RELEASES

Given the nature of our business activities, the prevention of product releases is a top priority for us. Modern facilities and efficient workflows, combined with preventive maintenance programs, serve to minimize the risk of spills. If product leaks nevertheless occur, we are prepared to stop the leak as quickly as possible and recover the product quickly and effectively. We document even the smallest amounts released and investigate the causes of the leak.

Since 2019, we have been reporting on product releases and fires in accordance with the API Recommended Practice (RP) 754, Process Safety Performance Indicator for the Refining and Petrochemical Industries. The use of this reporting standard allows us to better compare the indicator across the industry. Under this standard, it was necessary to classify 35 leaks as Loss of Primary Containment* (2019: 32**) according to API last year. Internally, all product leaks continue to be reported and investigated regardless of the volume of the leak. Overall, however, the product leaks classified by API resulted in a significantly lower total product volume of 78 m³ (2019: 246 m³) being released at our sites, of which it was possible to recover 59 m³. The largest product leak of 26 m³ of gasoline occurred during the unloading of a vessel

* An unplanned or uncontrolled release of any material from primary containment, including non-toxic and non-flammable materials such as steam, hot water, nitrogen, compressed CO₂ or compressed air. In accordance with API RP 754, incidents are counted that resulted in direct costs of more than USD 100,000 (Tier 1) and USD 2,500 (Tier2).

** We have retrospectively corrected the number of spills recorded under API from 35 to 32 for 2019 following a review and subsequent reclassification.

tied to the mooring buoy in Ghana. Shortly after the hose was disconnected, a deviation of the vessel from the standard process resulted in a sudden leak of gasoline that flowed into the containment area and eventually onto the deck. The leaked product was completely collected and pumped into the ship's used oil tank so that no product flowed into the sea.

In addition to the total volume, we measure the number of product releases in relation to throughput in millions of tons. In 2020, the rate increased to 0.19 (2019: 0.14*) despite just a slight increase in the number of product leaks, but due to significantly lower overall throughput than in the previous year.

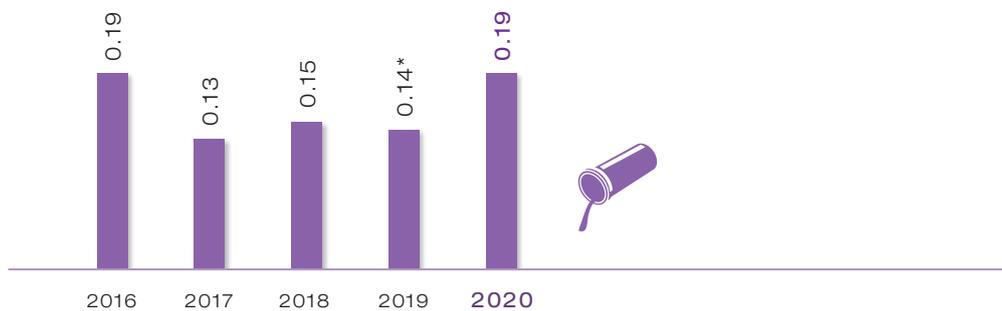


Fig. 9: Number of product releases in accordance with API RP 754 per million tons of throughput

⇒ PRECAUTIONS IN CASE OF SPILLS IN WATER

102-11, 102-13,
102-15

As a shareholder in OSRL, the world's largest oil spill response organization, Marquard & Bahls receives professional support in the event of major oil spills. OSRL was founded in 1984 and is wholly owned by international oil companies. All the relevant Oiltanking and Mabanft sites have developed scenario-specific contingency plans and conducted practical training programs. Marquard & Bahls is also a member of OCIMF, a voluntary association of oil companies. OCIMF aims to ensure the safe and ecologically responsible operation of oil tankers and marine tank terminals.

⇒ SHIP CHARTER POLICY

In Mabanft's Ship Charter Policy, detailed minimum release requirements for chartered or accepted vessels (C-term purchases) and barges ensure that petroleum products are only transported by vessels that meet our strict standards. The primary objective is the safe transport of the products as well as strict compliance with the requirements for the international tanker sector. In terms of their requirements, many of the criteria go beyond minimum legal standards. To enable a quick and up-to-date assessment of ships in accordance with this policy, we have commissioned a customized web-based information system which has been in use for many years. Most recently, the Ship Charter Policy was fully revised in February 2021.

* The correction to the number of product leaks also impacted the 2019 rate, which we were able to correct from 0.15 to 0.14.



Energy Savings & Climate Protection

As a company that operates in energy logistics, trading and supply, we see it as our responsibility to contribute to climate protection and to follow the path toward carbon neutrality, clean energy and an efficient use of energy. This path presents challenges such as reducing energy consumption at our own facilities, while at the same time offering opportunities and new business prospects for alternative and renewable energies.

103-1, 103-2, 103-3

⇒ ENERGY CONSUMPTION

We use direct forms of energy such as natural gas, heating oil and fuels to operate our sites as well as operational vehicles such as road tankers. Indirect energy – mainly electricity – is used, among other things, to operate product pumps, lighting, and hydrant systems for our aviation fuelling systems as well as for the servers and computers in our offices around the world. Other indirect energy sources that we use include district heating and, to a lesser extent, imported steam.

302-1, 302-3, 302-4

In 2020, our absolute energy consumption was 1,904,902 Gigajoules (GJ), a decrease of 11 percent (2019: 2,144,308 GJ). The reduction is mainly due to sold sites. Further, the drop in aviation fuelling caused Skytanking's fuel consumption to nearly half, which also had a noticeable impact on overall consumption.

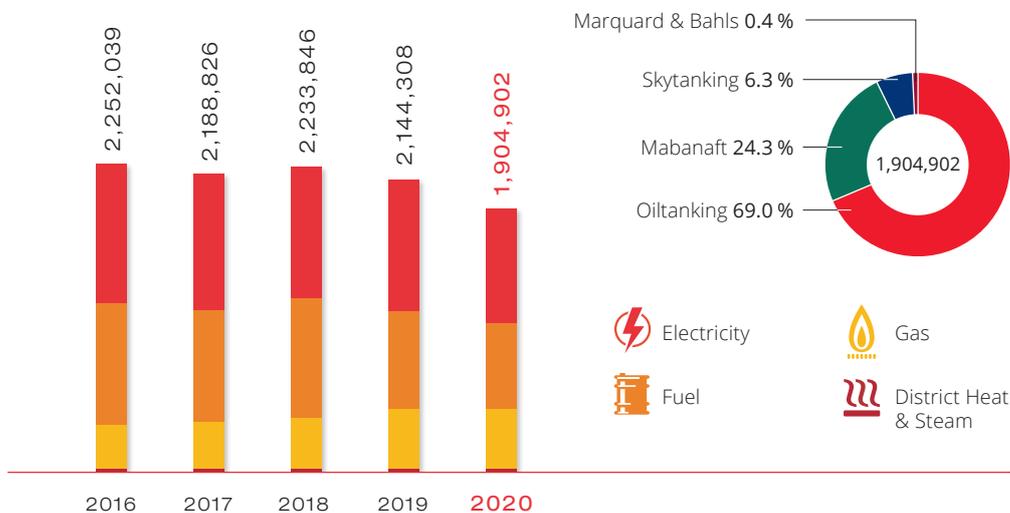


Fig. 10: Absolute energy consumption by type and company in GJ

To provide a complete picture, total energy consumption includes the consumption figures of all subsidiaries and joint ventures. Where possible, we have included estimates where data is missing. OIL! franchises are also included based on a projection. The approximately 240 Petronord automatic filling stations are an exception. This data is not included because

302-1, 302-3,
302-4

electricity consumption is often not measured separately, properties are shared with other owners, or energy costs are covered on a lump-sum basis. We also exclude facilities currently under construction. In order to provide a complete picture, we have included all of our joint ventures. Outside the organization, fuel is mainly used for product transports. Usually, we do not get absolute consumption figures from external service providers, but calculate the CO₂ emissions as stated in the “Emissions Related to Product Transport” section, based on the quantities and distances transported.

Due to the diversity of our Group, there is limited comparability between our companies’ consumption figures. At this point, we therefore report the principal consumptions arising from our tank storage activities compared with throughput. For other business areas, we calculate relative energy consumption for internal use.

Figure 11 shows that tank storage activities needed an average of 8.5 megajoules (MJ) last year to handle one ton of product and that the relative consumption increased slightly compared to the previous year (2019: 8.3).

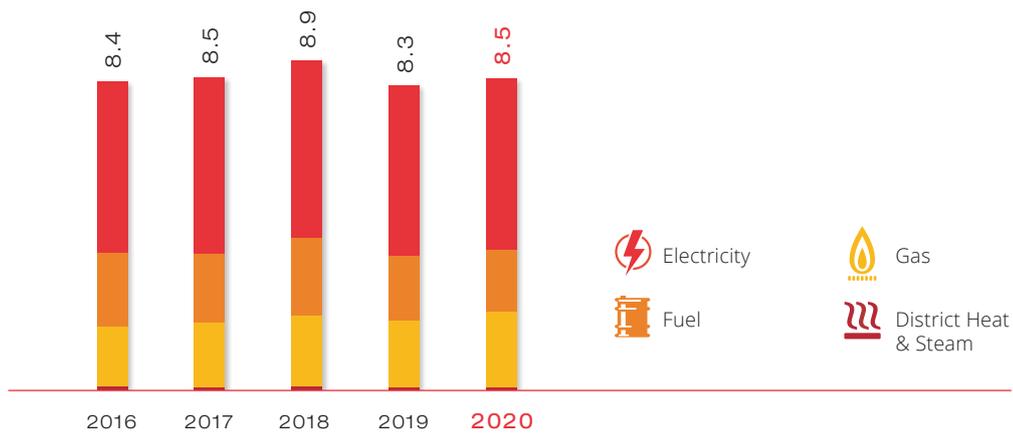


Fig. 11: Relative energy consumption in the areas of tank storage (MJ per ton of throughput)



Unfortunately, we have not been able to significantly reduce our relative energy consumption over the last five years despite our efforts and dedicated energy-saving projects. We will, however, continue to work on continuous improvement by identifying further savings potential and implementing it locally.

ENERGY SAVINGS & RENEWABLE ENERGIES

Pumping operations at the tank terminals require the most power across the Group. Our detailed Oiltanking Energy Saving Guideline provides background information and practical recommendations for identifying potential savings and taking measures to increase energy efficiency. New energy-saving projects and measures were also implemented in 2020. Oiltanking's "Green Spots" environmental initiative was successfully continued and extended to other tank terminals, including those in Singapore.

302-4, 302-5

An increasing number of our sites are specifically investigating the possibility of installing solar panels on buildings and land available to us. Since last year, for example, the Mabanft office roof in Budapest, Hungary, has been generating around 13,500 kWh of electricity. In addition, more than 1,500 solar modules were installed on the Oiltanking tank terminal in Singapore and have been in operation since January 2021. Oiltanking sites in Cartagena (Colombia), Raipur and Goa (India) and Ghent (Belgium) also have solar panels on their office buildings or in the tank terminal areas. We also purchase green electricity at our Hamburg headquarters. Nevertheless, the share of green electricity that we procure or generate worldwide is still marginal at 2.2 percent. We aim to increase this proportion significantly in the future.

The IOT biogas plant in Namakkal, India, also generates its own electricity. For more detailed information, please refer to the section "Renewable Energy & Alternative Product Sales".



Fighting Climate Change with Reforestation

Marquard & Bahls has made reforestation a key focus of its voluntary environmental protection activities. Last year, for example, we created a comprehensive concept that includes offsetting unavoidable emissions through reforestation measures. The concept has grown into a Group-wide project, which Marquard & Bahls and its operating units launched in September and will from now on implement independently and in cooperation with the Tree-Nation platform.

The total flight emissions of the entire Marquard & Bahls Group, amounting to 7,507 tons of CO₂ in 2019, will be captured in the next years by 26,000 young trees planted as part of the "ComuniTree" project in Nicaragua. This is our largest voluntary CO₂ offset to date. The selected project is a community-based reforestation initiative that brings together small farming families with the aim of conserving forests with their biodiversity and natural water sources and improving the families' standard of living. Currently, 32 small farmers and their families benefit from ComuniTree. This year, we will again offset the

1,236 tons of CO₂ from the 2020 flight emissions caused by the Group through reforestation measures in Nicaragua.

Other components of our project include tree gifts for employees, an idea that was rolled out at Marquard & Bahls AG, Mabanft and GMA as a gesture of thanks for each additional year of service. At the end of the year, Skytanking not only sent a Christmas greeting, but also a tree via eCard, and Mabanft increased the number of trees by 10,000 new plantings in Madagascar.

*40,257 trees
planted through Tree-Nation*

Nicaragua: <https://tree-nation.com/projects/limay/about#header>

Madagascar: <https://tree-nation.com/projects/eden-reforestation-madagascar/about#header>

Peru: <https://tree-nation.com/projects/camino-verde/about#header>



⇒ CARBON FOOTPRINT AND OTHER AIR EMISSIONS

We calculate the annual carbon dioxide (CO₂) footprint of the entire Group. In accordance with the Greenhouse Gas Protocol (GHG Protocol), we do so by calculating the total quantity of the six greenhouse gases listed in the Kyoto Protocol, measured in tons of CO₂ equivalent (CO₂e). In our case, these are primarily CO₂, methane (CH₄) and nitrous oxide (N₂O). To gain a comprehensive picture of our climate impact, we include 100 percent of the emissions from all subsidiaries and joint ventures. The only exceptions are the sites already referred to in the section “Energy Consumption”, which were unable to report their energy consumption. Other air pollutants such as nitrogen dioxide (NO₂), sulfur dioxide (SO₂) emitted by third-party shipping, or volatile organic compounds (VOCs) from our tank terminals, are recorded separately. We calculate the greenhouse gas emissions based on the latest Intergovernmental Panel on Climate Change (IPCC) emission factors and the GHG Protocol. In the case of emission factors for electricity, we take the energy mix of the relevant countries into consideration.

103-1, 103-2, 103-3

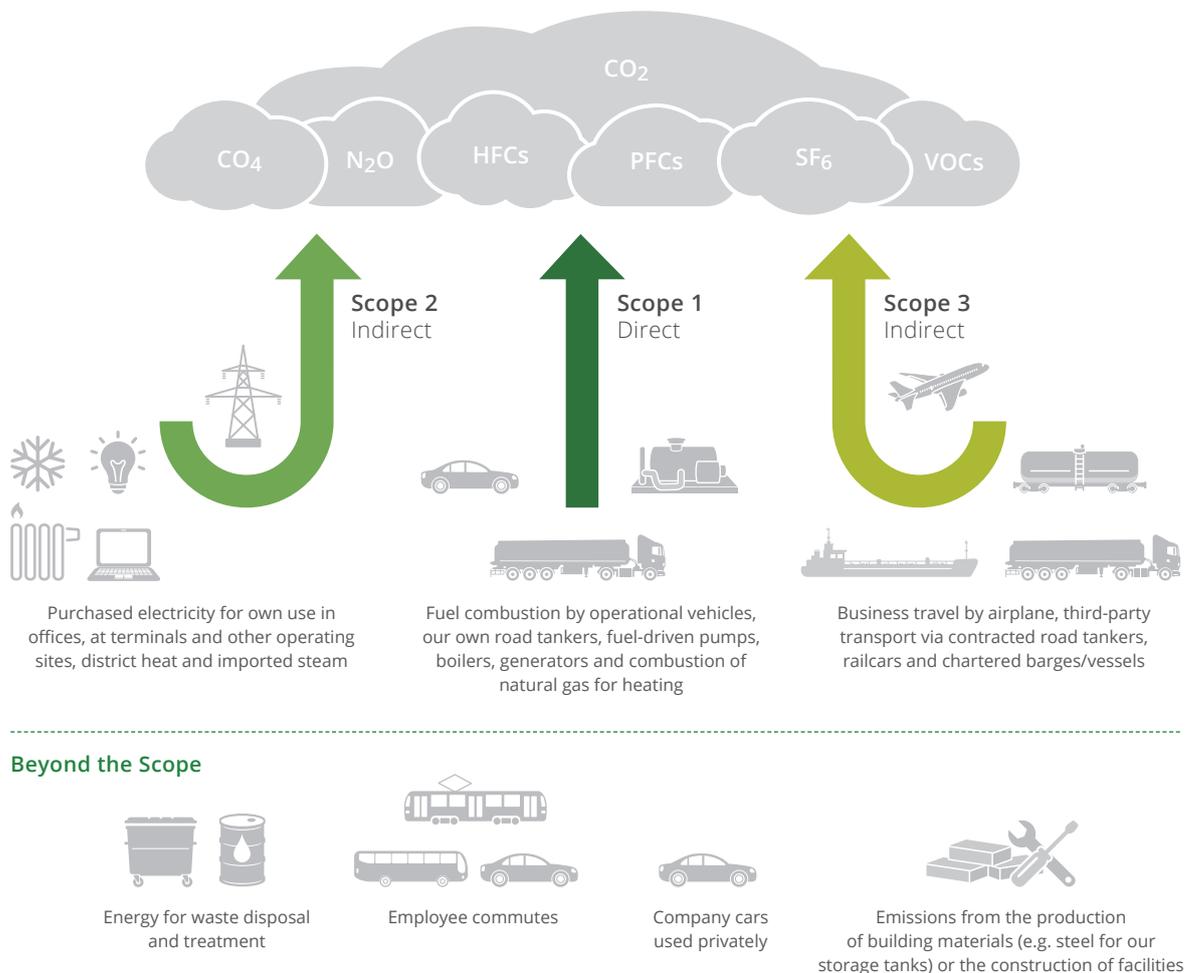


Fig. 12: Reporting scopes for greenhouse gas emissions at Marquard & Bahls

↪ DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS

302-2, 305-1,
305-2, 305-5



In 2020, direct and indirect CO₂ emissions totaled 415,969 tons (2019: 396,914 tons), increasing our CO₂e footprint by nearly five percent. This is once again due to an increase in commissioned transports in the trading sector in Scope 3, while emissions in Scope 1 and 2 decreased in line with energy consumption. Our goal remains to reduce our emissions wherever possible.

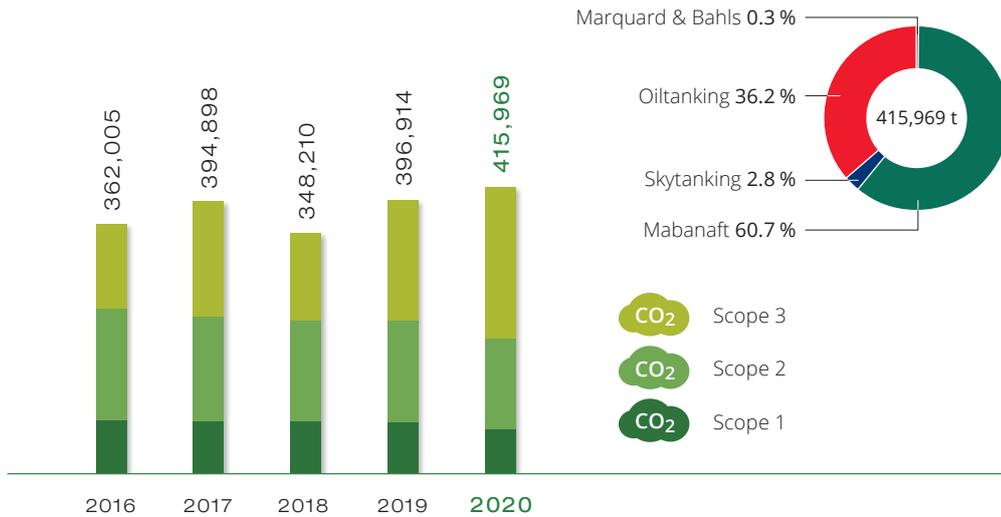


Fig. 13: Total CO₂e emissions by company

In order to put our CO₂e emissions in relation to our business activities and to be able to better understand the correlations in our energy consumption, we have been calculating the CO₂e emissions of Scope 1 and 2 in relation to throughput since 2019. Last year, our tank storage activities generated 0.97 kilograms of CO₂e per ton of throughput (2019: 0.97*). The rate thus remained unchanged compared with the previous year.



Fig. 14: Relative CO₂e emissions from the tank storage activities (CO₂e from Scope 1 and 2 in kilograms per tons throughput)

* Subsequent calculations impacted the CO₂e rate, which we had to revise upward from 0.93 to 0.97 for 2019 and from 0.98 to 1.03 for 2018.

⇒ EMISSIONS RELATED TO PRODUCT TRANSPORT

Marquard & Bahls subsidiaries transport products by road tankers, railcars, barges and sea-going vessels. We always strive to identify and use the types of transport with the least impact on the climate and continue to place a strong focus on transportation by water, since this is the most efficient option. We calculate the emissions of time-chartered ships and our fleet of road tankers under Scope 1 and the emissions of service providers that transport our products under Scope 3. To reduce emissions from our own road tanker fleets at Petronord subsidiaries and Thomas Silvey, we invest in latest-model vehicles with energy-efficient engines and in some cases carry out training programs for fuel-efficient driving. At OIL! Tankstellen, road tankers from reputable third-party companies with fuel-efficient fleets are contracted to deliver fuel to the service stations. With regard to marine transport at Mabanaft, we have included emissions from chartered vessels, but not from vessels that were chartered by third parties, as these are beyond our scope of influence. For 2020, our calculation includes 184 transports with chartered sea-going vessels (2019: 91) and 1,566 transports in Germany alone (2019: 1,632) with 122 different inland barges. When chartering vessels, Mabanaft takes the energy efficiency of the ships into account whenever possible. The largest share of shipments is made up of ocean-going vessels.

302-2, 305-1,
305-2, 305-5

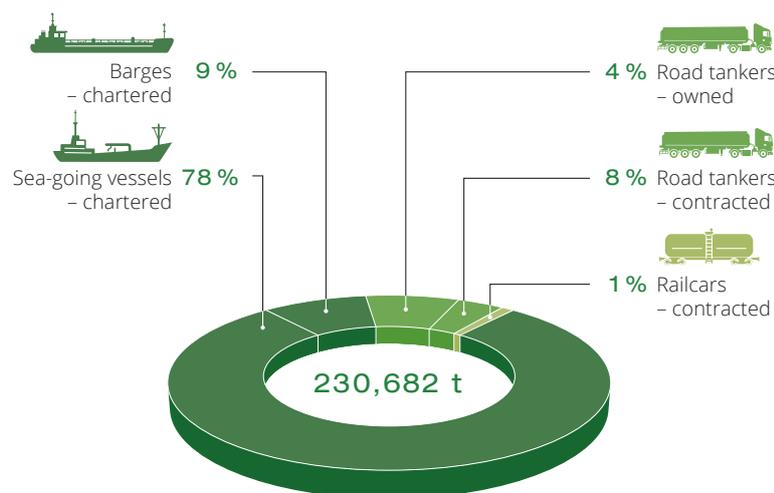


Fig. 15: Transport-related CO₂e emissions by mode of transportation

Ships are often the most environmentally friendly mode of transport. However, their use generates significant volumes of nitrogen oxides (NO_x) and sulfur oxides (SO_x), despite new regulations demanding lower sulfur fuels to be used in the marine sector. NO_x and SO_x can contribute significantly to environmental problems such as acidification, nutrient enrichment and summer smog, and are among the substances that are toxic for humans. The ships we chartered were responsible for emissions of 2,714 tons of nitrogen oxides (NO_x) (2019: 2,197 tons) and 1,853 tons of sulfur dioxide (SO₂) (2019: 1,406 tons) in 2020. In addition, 178 tons of non-methane hydrocarbons (NMHC) (2019: 142 tons) and 249 tons of particulate matter (PM) (2019: 195 tons) were emitted during the sea transport of the products. These figures are based on the IFEU EcoTransIT method, which was also used to calculate the CO₂e emissions caused by third-party transport.

305-7

305-1, 305-2, 305-5 To calculate CO₂e emissions, we use emission factors if data on total consumption is available. To calculate the transports carried out by third-party contractors, we have chosen the Business Solution of the Ecological Transport Information Tool (EcoTransIT World) as the most informative and detailed tool. EcoTransIT was developed by the Institute for Energy and Environmental Research (IFEU) in Heidelberg, the Öko-Institut (Institute for Applied Ecology) in Berlin, and the Ingenieurgesellschaft für Verkehr und Eisenbahntechnik (IVE mbH, a consulting company for traffic and railway engineering) in Hannover.

⇒ EMISSIONS FROM BUSINESS TRAVEL

305-3 Due to the international nature of our business, air travel by our employees is sometimes unavoidable and cannot be replaced with video conferencing. The coronavirus pandemic, however, has taught us that flying is not a given, and business travel is not always business-critical. Last year, we were forced to limit the number of trips we could make to a minimum, and we learned how to deal with the situation. This resulted in a significant reduction in emissions caused by air travel in 2020: Throughout the entire Group, CO₂ emissions from air travel fell to 1,236 tons, a significant decrease of 84 percent compared with the previous year (2019: 7,507 tons). 361 tons were generated by flights of holding company employees (2019: 2,415 tons), of which 165 tons were again generated by Marquard & Bahls employees (2019: 1,265 tons). The employees of the Marquard & Bahls Group circumnavigated the globe by air approximately 86 times (2019: 660). CO₂ emissions from air travel were calculated by Atmosfair gGmbH based on data provided by Marquard & Bahls. This comprehensive method takes into account the effects of different air pollutants at high altitudes, as well as the aircraft and booking class.

As in the previous year, emissions caused by air travel will be offset by the reforestation of young trees as part of the "CommuniTree" project in Nicaragua and in cooperation with Tree-Nation.

Company cars used primarily for business purposes, such as those of the OIL! Tankstellen field staff, are included in Scope 1. Company cars that are predominantly used privately were not included in our emissions calculations. Last year, the CO₂ emissions generated by the fuel consumption of the entire OIL! passenger car fleet – with a total of 14 vehicles – were also fully offset by the purchase of a compensation certificate in accordance with the UN standard.

⇒ OZONE-DEPLETING EMISSIONS

305-6 Our activities do not cause significant emissions of nitrogen oxides, sulfur oxides or ozone-depleting substances, which are mainly emitted upstream in the value chain during the cooling or flaring processes. Volatile organic compounds (VOCs) can, however, be formed at our tank terminals during tank breathing as well as during loading and unloading. The control and minimization of product vapors are of great importance in terms of their negative impact on health and the environment. It is also economically important to avoid product losses. To this end, internal floating roofs have been installed on the vast majority of tanks containing volatile products. The floating roofs prevent evaporation by covering the surface of the liquid. Other techniques used by Oiltanking and Mabanft to reduce emissions are vapor balancing, vapor treatment and vapor recovery systems, which have been installed at many sites. A technical

standard developed in 2019 at Oiltanking ensures that our high standards for reducing and controlling VOCs are implemented in the construction and conversion of tank terminals. 305-6

VOC emissions were calculated for 2020 at 12 Mabanaft and 11 Oiltanking tank terminals. The measured amount of VOCs emitted in relation to tank terminal activity was 27.2 grams per ton of throughput and increased slightly compared to the previous year (2019: 25.3 grams/ton). The reason for this is not an increase in the absolute amount of VOCs measured, but an increase in throughput at some sites.



Fig. 16: Relative VOCs of tank terminals in grams per ton of throughput

It is critical to point out that not all Oiltanking tank terminals report VOCs on an annual basis. Additionally, the data is based on complex calculations, as the emissions are highly dependent on various factors such as the vapor pressure of the product, the size, paint, and insulation of tanks, the average ambient temperature and the efficiency of the vapor recovery system. A special infrared gas detection camera can be used by the European tank terminals to detect escaping VOCs. In this way, even the smallest gas leaks can be identified and repaired, further minimizing emissions.

Economist Climate Risk Week – Speaking & Sponsoring

Climate Risk Virtual Week 2020 offered global insights from industry leaders on how to better measure, manage, mitigate and report on climate-related risks. Mark Garrett, CEO of Marquard & Bahls, also joined the discussion on “Making ESG Work, Work for ESG”, while Matti Lievonen, CEO of Oiltanking, spoke on “Fuelling a low-carbon economy”. Marquard & Bahls sponsored this and two other major Economist events with a total of over 70,000 euros to promote an exchange of information and ideas on this important topic across industries.



⇒ CLIMATE PROTECTION INITIATIVES

In 2008, Mabanaf, Petronord, and OIL! Tankstellen launched the Initiative Pro Klima to balance climate protection with trading activities. Its efforts focus on three core areas: The range of energy-efficient products, consulting on environmentally relevant energy issues and the promotion of climate protection projects, especially in the area of reforestation. In addition, to reflect the diversity of climate protection, a commitment to insects and native species was also included in the portfolio. In cooperation with various partners, more than 162,000 new trees have been planted nationwide to date. Last year, there were no community reforestation measures due to the coronavirus; however, the initiative took over the flower sponsorship for an area of 2,500 m² in Löhne in North Rhine-Westphalia, Germany.



Food for the bees

The goal of flower sponsorship is to provide new habitats for insects and other native species on a regional and sustainable basis, thus creating protection and food. The areas planted in April 2020 showed their full flowering splendor in August: Bright colors underscored the diverse buzzing and humming of a wide range of insects. A perennial seed was used for the new wildflower meadow in Löhne, which should also guarantee insect food next year.

© Isabelle Schломann

⇒ SALE OF RENEWABLE ENERGIES & ALTERNATIVE PRODUCTS

Biogas

Our biogas plant in Namakkal, India, managed by IOT Infrastructure & Energy Services since last year, has been producing biogas from organic residual and waste materials since 2012. The biogas plant makes exclusive use of organic waste materials, chicken manure and agricultural residues. In addition to producing and marketing its own organic fertilizer, the plant produced nearly 2,400 MWh of electricity in the last year due to the corona pandemic (2019: approximately 6,000 MWh) and contributed to the electricity supply for more than 2,500 residents in India.

Wood Pellets

Compared to other fuels, wood pellets have a significantly lower energy balance as well as lower CO₂ emissions. Wood pellets therefore already have an established place in the assortment of some Petronord Group companies. Only fresh sawdust and wood chips, which are by-products of the sawmill industry in Germany, are used for the production of the wood pellets we trade.

Green electricity from hydropower

When it comes to sustainable energy, the Petronord Group's product portfolio is complemented by its electricity offer. This is green electricity, 100 percent of which comes from European hydropower plants meeting the most advanced environmental standards. As a responsible energy provider, Petronord thus not only enables the purchase of green electricity, but also promotes the expansion of renewable energies.

Practicing conservation for Climate Week

On September 24, 2020, a dozen employees got active in the "Wilde Weiden" nature reserve during Hamburg's Climate Week. The military past of the area in Hamburg and Schleswig-Holstein has ensured that the lack of agricultural use has led to the development of a steppe-like landscape, where a large number of threatened or endangered plant and animal species are concentrated. Together with two biologists from the Nature in the North Foundation, our employees helped to regenerate the area and stop the advance of unwanted plants by clearing birch trees with pickaxes and spades.



Conservation of Natural Water Resources

Water is one of the most valuable and vital resources on Earth. Although two-thirds of the Earth is covered with water, only about 0.3 percent of it is drinkable and also very unevenly distributed. On top of this there are climate changes and accompanying droughts as well as a growing global water shortage. Given this situation, it is understandable that there is already fierce competition for this highly sought-after resource in many places. It is thus all the more important that we contribute to the protection of natural water resources and use the water required for our operational processes efficiently and that we do not have a negative impact on water quality.

103-1, 103-2,
103-3, 303-1

Every year, we calculate our total water needs, including data from all subsidiaries. This does not include surface water from the Oiltanking gas terminal in Antwerp, which uses large

303-1, 303-3 quantities thereof for cooling purposes without compromising water quality or availability. In 2020, the volume of water extracted by the Marquard & Bahls Group amounted to 934,836 m³, a slight decrease over the previous year (2019: 945,600 m³) (Fig. 17).

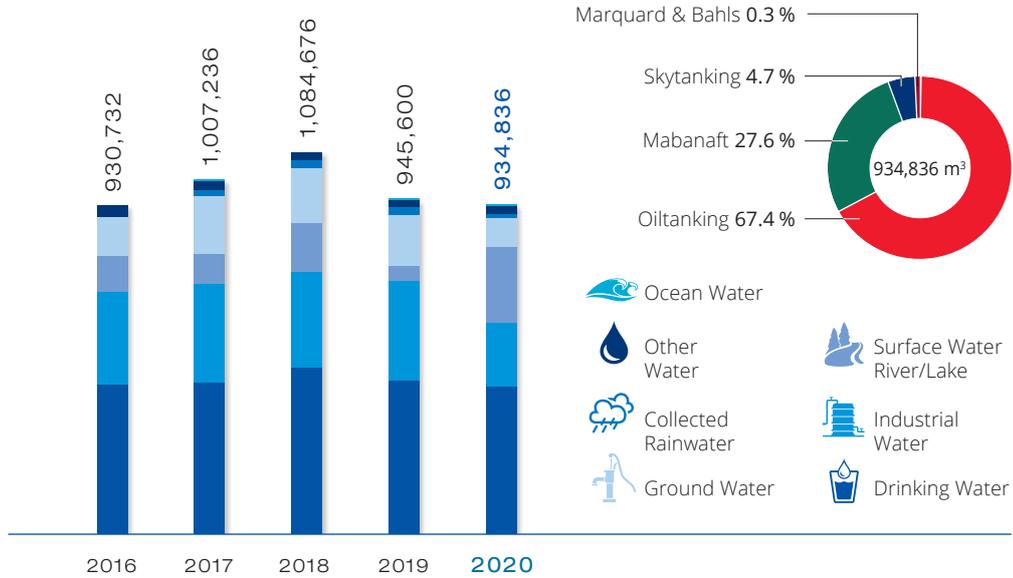


Fig. 17: Total water demand by source and company in cubic meters

For three years now, we have been analyzing how many and which operational sites are located in regions affected by water stress*. Since this year, we have been using the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI). We used it for the first time in 2020 to calculate the amount of water we extracted from water-stressed regions. The analysis covers all Marquard & Bahls sites except for the OIL Tankstellen. In total 120,920 m³ – i.e., 17 percent of the analyzed volume – came from regions experiencing high to extremely high water stress. This figure is mainly attributable to 15 tank terminals located, for example, in Malta, China, India, South Africa and Peru.

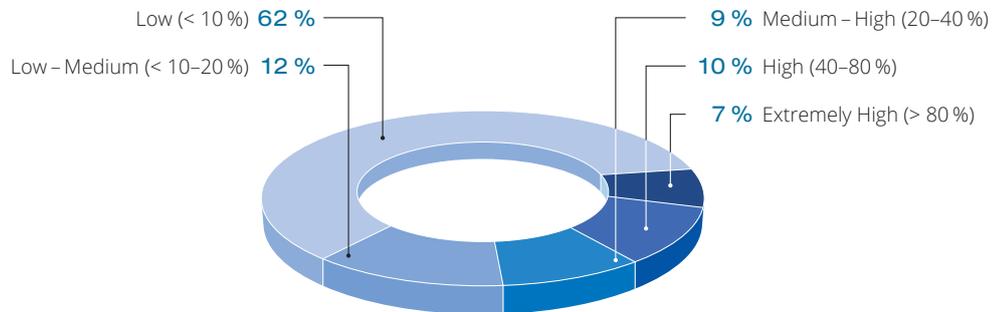


Fig. 18: Water extraction by water stress severity

* Baseline water stress measures the ratio of total water extraction to available renewable surface and groundwater supplies. Higher figures indicate greater competition among users.



Milestone achieved:
Development of a tool to assess water risks at operating locations

Overall, the greatest amount of water extraction, over 69 percent, is due to tank terminal activities. Our tank terminals often use fresh water for the cleaning of tanks, hydrostatic tank tests, steam, fire drills and sanitary facilities in the office. Usually, the hydrostatic tank tests have no environmental impact, because the water can still be reused as industrial water after the tests are completed. Seawater is very rarely used in our operations because the high salt content can lead to corrosion of the tanks.

303-1, 303-3

Due to the significant use of water in our tank terminal activities, we have for years been measuring water extraction in relation to storage capacity (Fig. 19). This remained almost unchanged last year at 32.0 l/m³ (2019: 31.1 l/m³). The use of surface water in particular rose sharply once again – significantly due to various hydrostatic tests on the tank terminal in Amsterdam, while the share of industrial process water declined. The proportion of drinking water used decreased, falling to 23 percent (2019: 30 percent).

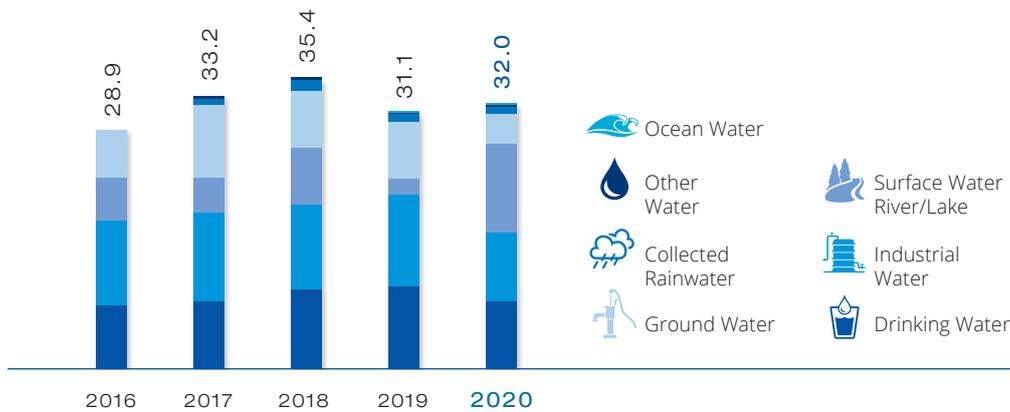


Fig. 19: Relative water extraction of tank terminal activities (in liters per cubic meter of storage capacity)



To further our goal of reducing the relative water consumption at our operating units, we have already integrated water management into Oiltanking's energy-saving program and included it in the sustainability e-learning developed in 2017. Areas where water consumption can be minimized include tank cleaning and steam generation in boiler houses.

At the local level, as in India and Singapore, for example, measures have already been successfully implemented to replace drinking water used for industrial activities with rainwater and to recycle cooling water through closed water systems. At OIL! Tankstellen, older car-washing facilities – usually owned by the station operator – are gradually being replaced by water-saving models. The following section on “Waste & Wastewater Management” contains information about the disposal of wastewater.

Waste & Wastewater Management

103-1, 103-2,
103-3

Currently, over two billion tons of waste are produced each year worldwide – and there is a strong upward trend. And while our world's oceans are gradually beginning to acidify, they are also heavily polluted by improper or non-existent waste and wastewater management. This makes it all the more important for us to make a positive contribution – through efficient waste and wastewater management and the professional conduct of our employees.

⇒ WASTE PRODUCTION

306-1, 306-3

Hazardous and industrial waste is of fundamental importance in our business. Under hazardous waste, we include all waste with physical properties such as flammability, toxicity or corrosiveness, which require special recycling and disposal, usually in accordance with country-specific requirements. Under industrial waste, we include all waste not normally found in households, such as scrap metal and rubble. In 2020, our business activities caused a total of 33,506 tons of waste (2019: 43,105 tons). This represents a reduction of more than 20 percent of the absolute volume of waste generated by our operating business; however, this resulted partly from the sale of locations.

About 40 percent of the total waste classifies as hazardous waste and 60 percent as industrial waste. In order to establish comparability with previous years, waste generated by large-scale construction activities or individual projects is excluded from the total. Moreover, office waste plays a secondary role and is therefore not recorded Group-wide.

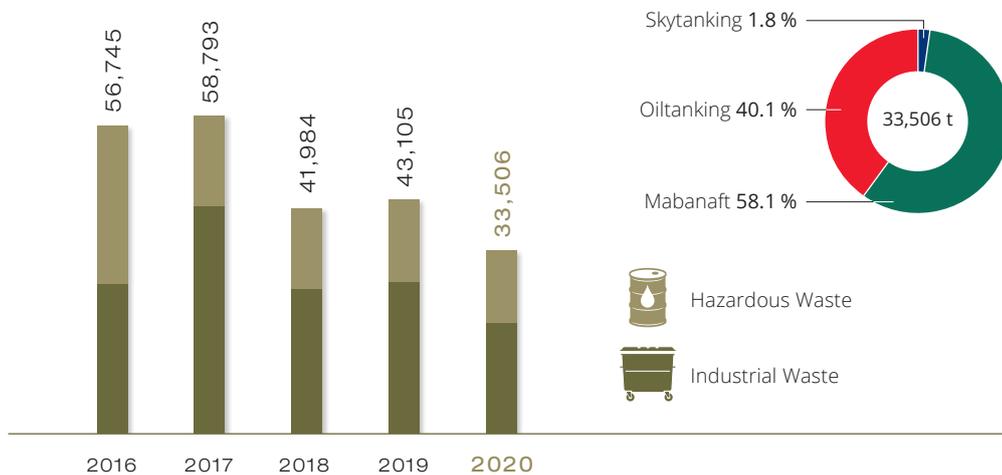


Fig. 20: Total waste by type and company in tons

Split by company, 40 percent of the waste volumes are generated by Oiltanking. 58 percent come from Mabanaft, where the waste is mainly generated in the retail business. Skytanking, at less than two percent, is of minor importance compared with the rest of the Group.



Dismantling and recycling of molasses tanks

When five molasses storage tanks had to be dismantled at Oiltanking Amsterdam's tank terminal last year, great care was taken in selecting the contractor for the job – not only because of its professionalism and expertise in the petrochemical industry, but also because the contractor committed to 100 percent recycling and reuse of all the items it dismantled. As a result, tank walls became car doors, residual molasses became animal feed, and debris became the substructure for highways.



A special focus is placed on our hazardous waste volumes, which we set in relation to our business activities. We have been calculating the ratio to total storage capacity at Oiltanking and Mabanft tank terminals for many years. Based on this calculation, the relative production of detectable waste from tank terminal activities decreased from 0.61 kg/m³ (2019) to 0.44 kg/m³ (2020). This rate is closely related to the tank cleaning required by our customers, which has a particular impact on the generation of hazardous waste and which was less necessary last year.

306-1, 306-3

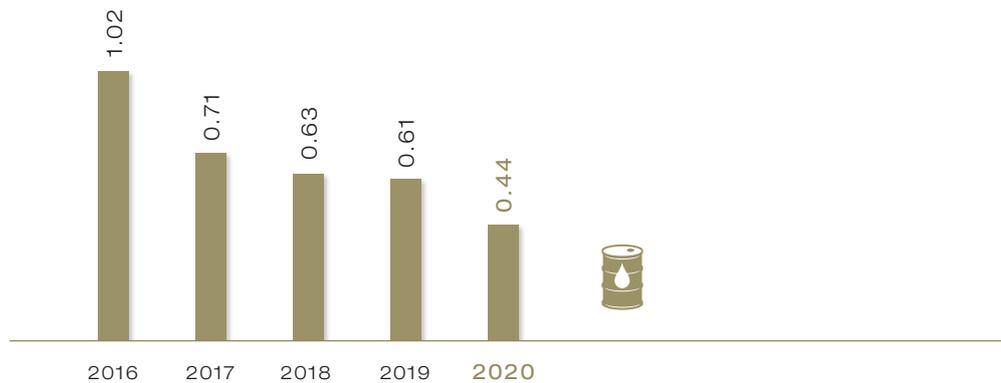


Fig. 21: Relative hazardous waste production of tank storage activities (waste in kilograms per cubic meter of storage capacity)

🔗 HANDLING AND DISPOSAL OF WASTE

Most of the hazardous waste at our plants continues to consist of contaminated water from oil-water separators and residues from tank and pipeline cleaning. It is collected and processed by us or by licensed contractors. When soil is contaminated with products, the soil must be excavated and treated as hazardous waste. Last year it was possible to recycle roughly 34 percent of hazardous waste. Industrial waste is mainly generated by construction activities. As this often relates to packaging and metals, the proportion of recycled material is generally higher. In 2020 it was 61 percent.

WASTEWATER PRODUCTION AND TREATMENT

303-4, 306-1,
306-3

Industrial wastewater is generated almost exclusively at our tank terminals. Last year, this amounted to 551,589 m³, which means that the total volume changed little compared to the previous year (2019: 548,968 m³). As the figure also includes the rainwater collected from tank pits, there can be meteorological fluctuations. Residues from wastewater processing are classified as hazardous waste and are pumped out by vacuum trucks, treated by external companies and usually recycled.

Since last year, we have been reporting the industrial wastewater disposed of in relation to tank storage capacity and since this year, we have also been able to show the discharge type. In 2020, 23.0 l/m³ were treated and for the most part discharged into surface waters. Decreased demand for tank cleaning meant that the rate fell by 17 percent compared to the previous year (2019: 27.7 l/m³).

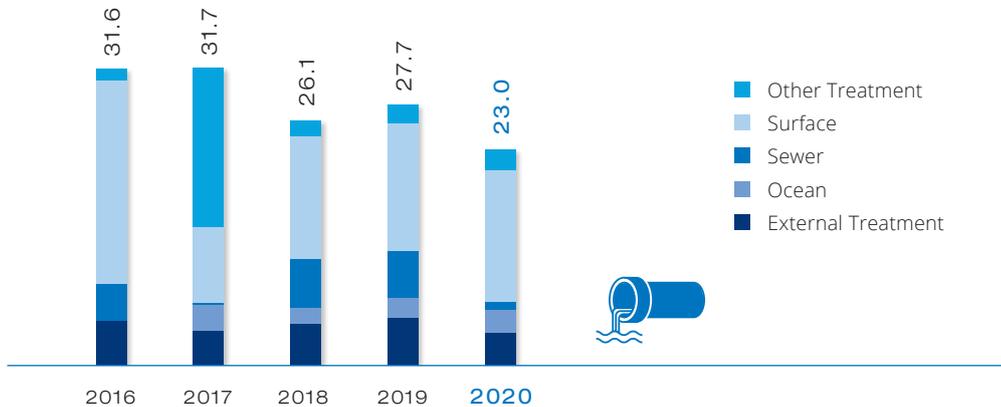


Fig. 22: Relative production of industrial wastewater at tank terminals (industrial wastewater in liters per cubic meter of storage capacity)

All our service stations and tank terminals use oil-water separators or complex wastewater treatment systems to process wastewater. Samples are regularly taken to monitor the functioning of the wastewater systems and to ensure that safety values are adhered to. At some tank terminals, gravity oil-water separators are combined with coalescing filters, skimmers, activated charcoal filters or strippers to meet all requirements. Only after treatment and control is the water discharged on our tank terminals. In 2020, Oiltanking developed a new technical standard for storm water, wastewater, sludge and treatment systems at tank terminals. This standard will be rolled out in 2021.



Milestone achieved:

Development of a technical standard for storm water, wastewater, sludge and purification systems at tank storage facilities



OUR EMPLOYEES



We promote equal opportunities and diversity, and invest in the professional development of our employees. We seek to attract qualified, talented employees and retain them long-term.



KEY PERFORMANCE INDICATORS

| | 2018 | 2019 | 2020 | Change 2019/20 |
|----------------------------------------------------|---------|--------|---------------|----------------|
| Our Employees in Numbers | | | | |
| Number of employees at year-end | 7,651 | 6,715 | 6,194 | - 12.2 % |
| Average number of employees for the year | 7,890 | 6,857 | 6,463 | - 5.7 % |
| Proportion of staff in operations | 54 % | 63 % | 64 % | ↗ |
| Work hours of employees and contractors in million | 30.2 | 27.1 | 19.1 | - 29.7 % |
| Share of work hours by contractors | 48 % | 49 % | 39 % | - 20.5 % |
| Employee Turnover | | | | |
| Employees who entered the company | 1,240 | 1,253 | 783 | - 37.5 % |
| Hire rate according to GRI | 21.0 % | 18.0 % | 12.6 % | - 29.9 % |
| Employees who left the company | 950* | 1,134 | 846 | - 25.4 % |
| Fluctuation rate according to GRI | 12.2 %* | 16.5 % | 13.7 % | ↘ |
| External fluctuation | 8.3 % | 9.3 % | 5.1 % | ↘ |
| Absence Rate | | | | |
| General absence rate | 2.7 % | 3.1 % | 3.1 % | → |
| Trainees /Apprentices | | | | |
| Number of junior staff** | 52 | 40 | 26 | - 35.0 % |
| Equal Opportunity | | | | |
| Number of different nationalities in the company | 64 | 71 | 67 | ↘ |
| Rate of disabled employees (Germany) | 0.7 % | 2.1 % | 2.1 % | → |
| Share of female employees | 16.6 % | 15.1 % | 14.6 % | ↘ |
| Working-Time Models | | | | |
| Share of part-time contracts | 8.0 % | 6.5 %* | 5.7 % | ↘ |

* Corrected after publication of the Sustainability Reports 2018 & 2019
 ** Refers only to Germany from 2019

64% of our employees work in operations





OUR EMPLOYEES

Our employees are the essential foundation of our success and our corporate culture – hence, we assume responsibility for them. The corona pandemic has made this even clearer to us. We are aware that we placed particularly high demands on our employees and contractors in 2020 – in return, we strive to offer them reliable, safe and flexible working conditions.

102-8, 103-1,
103-2, 103-3

Human Resources Strategy

For Human Resources, 2020 was characterized by close support for the transformation process, which will continue in 2021, as well as the usual HR tasks, with a focus on personnel planning, recruitment and development as well as compensation management.

Ongoing support of the operating companies was a key component of the tasks at hand, as was the recruitment and development of talented junior staff, employees and managers. In this context, succession planning for the holding company and all operating units was further professionalized and expanded in 2020.

As part of a global grading project, around 4,000 positions were evaluated and backed up with corresponding local salary scales in line with market conditions. The ongoing development of employees is the focus of the performance management initiative implemented by Human Resources. Goal setting, goal achievement, general assessments and career planning were further professionalized through the HR management system.



Human Resources also supported the implementation of the new holding governance and the associated transformation process. As part of the reorganization, separate HR departments were implemented or expanded in the operating units – Oiltanking, Mabanafit and Skytanking.



Milestone achieved:

Development of a comprehensive performance management concept for Marquard & Bahls AG

Employees in Numbers

102-8, 401-1

We report employee figures as headcounts in accordance with GRI requirements. At the end of 2020, we employed 6,194 people including the employees from all not fully consolidated and associated companies (2019: 6,715) with an annual average of 6,463 employees (2019: 6,857). As a result, the number of employees was reduced by a further 12 percent at the end of the year. This was mainly due to the difficult situation at Skytanking, which had to reduce staff at some sites because of the coronavirus crisis. The sale of the company took place in March 2021 and will have a significant impact on the total number of employees in the next reporting period.

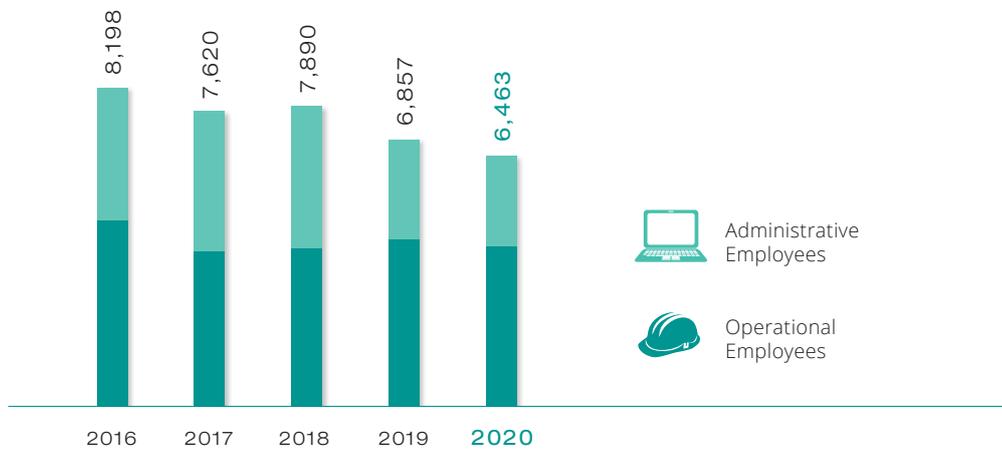


Fig. 23: Average number of employees, broken down into operational and administrative staff

About 95 percent of our employees have permanent employment contracts. 64 percent work in operations, and 36 percent are office workers in administration. Not least due to this high proportion of operational activity, we place a special focus on occupational health and safety, and have dedicated a separate strategic action area to such matters.

In total, roughly 19 million hours were worked as part of our business activities (2019: 27.1 million hours). The figure includes the working hours of external service providers contracted by us – generally contractors at Oiltanking and Mabanaf. Last year, the pandemic reduced the share of such providers to 39 percent (2019: 49 percent).



Employee Turnover

Demographic shifts and the associated shortage of skilled workers as well as natural fluctuation due to retirement or other changes due to personal issues represent an ongoing challenge for the recruitment of new employees. At the same time, we work to retain our talented employees over the long term by positioning ourselves as a fair and attractive employer. Last year, for example, we were able to recruit 783 new employees, which corresponds to a hiring rate of 12.6 percent (2019: 18 percent).

401-1

At the same time, a total of 846 employees left us in 2020. Of these, 316 employees left at their own request and 452 had their contracts terminated, mostly pandemic-related at Skytanking. 78 employees retired. In accordance with the GRI guidelines, we define the fluctuation rate as the number of employees who left the company in the reporting period on their own initiative, through dismissal or due to retirement in relation to the number of employees at the end of the year*. Accordingly, fluctuation due to the sale of companies and expiring contracts do not count. This results in an overall fluctuation rate of 13.7 percent, which is encouragingly lower than in the previous year (16.5 percent). Broken down by company, the highest turnover was at Skytanking, at 23.2 percent (2019: 21.7 percent), partly due to the reduction in staff at numerous sites because of the crisis.

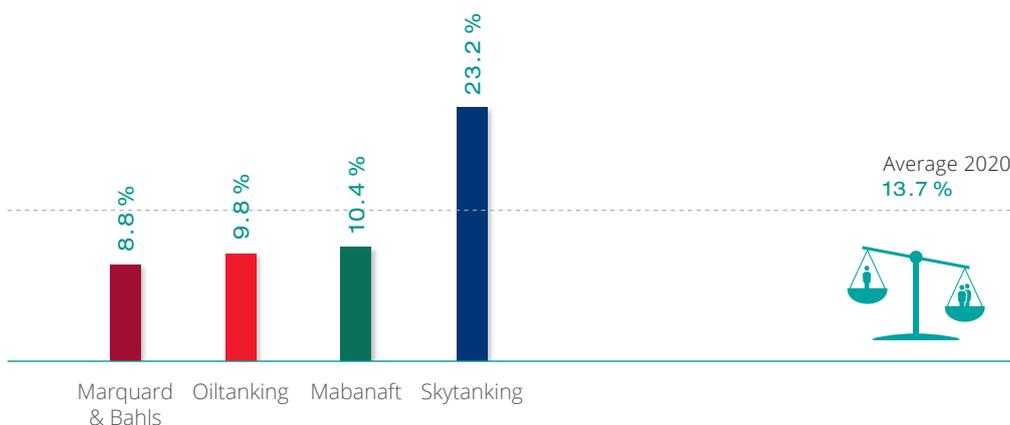


Fig. 24: Staff turnover by company

Since last year we have also been reporting the non-company fluctuation of the Marquard & Bahls Group, which exclusively includes termination or cancellation of the contract initiated by the employee, to facilitate comparisons with industry standards. As a result, the fluctuation rate for the past year was only 5.1 percent (2019: 9.3 percent).

* We previously used the average number of employees for the year for the calculation. Starting from this reporting year, we report end-of-year totals in accordance with GRI.

Absence

We calculate the absence rate from the absence days in relation to the absolute number of days that the staff should have worked and include all the days of absence from work, including those caused by work-related injury or illness. Authorized leaves of absence such as holidays, study, maternity leave, paternity leave and compassionate leave are excluded. For 2020, the overall absentee rate was 3.1 percent. This means that once again there was no increase in the rate compared to 2019 (3.1 percent), but it is still at a fairly high level compared to previous years. This rate is both an indicator of employee satisfaction and health and impacts occupational accidents and local social legislation. We will continue to closely monitor this trend in the future to better understand the reasons for fluctuations and to be able to identify appropriate measures.

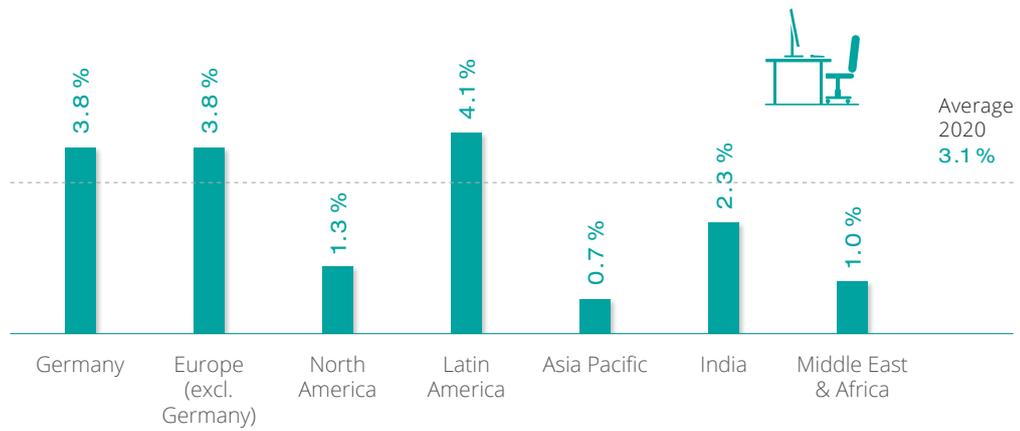


Fig. 25: Absence rate by region

To better support the compatibility of work and private life, flexible working hours and sabbaticals have been offered to employees at company headquarters since 2018.

Education & Training

In our corporate value “Respect”, we state that we assign responsibility and develop our employees based on talent, performance and success. To ensure that the right employees are available at the right sites at the right time, we systematically promote our employees’ professional expertise and abilities and – in addition – train next-generation talent. Sustainability issues are increasingly being incorporated into the internal knowledge transfer.

103-1, 103-2,
103-3

⇒ PERSONAL AND PROFESSIONAL DEVELOPMENT

We feel it is very important to learn by performing practical tasks in the day-to-day routine and in projects as well as by participating in seminars and coaching. Depending on individual needs, these can be specialist training courses, IT seminars, language lessons or, for example, workshops on time management. Since last year, for example, the e-learning program for our employees has been expanded. Our employees were able to take part in feedback training, for example. Further training aimed at practicing awareness, stress-free and productive work in the home office as well as other topics will be implemented over time. When the new organizational structure takes effect, responsibility for training and development will also be shifted to our operating units.

⇒ TRAINING JUNIOR STAFF

Our social responsibility includes offering young people sound vocational training and accompanying them through the first steps of their professional lives. At the same time, by training junior staff, we ensure that we regularly attract young, motivated people. We deliberately do not train according to a given apprenticeship quota, but according to the needs of our operating units – in classical apprenticeship programs, dual-study programs, and in the graduate program. Over the course of 2020, 14 apprentices (2019: 21) and ten dual-study students (2019: 11) were under contract in Germany. In 2020, two trainees (2019: 8) were supervised in Germany in various areas.

Teamwork at “Hamburg packt's zusammen”

In September 2020, some of our junior staff actively supported our packing campaign as part of the aid initiative “Hamburg packt's zusammen” and managed to pack about 500 solidarity bags with basic foodstuffs, such as noodles, rice and oatmeal, which were distributed to those in need.





Getting Through the Pandemic Together

We are well aware of the toll that the ongoing coronavirus pandemic continues to take on our employees. Oiltanking staff that bravely kept up operations despite coronavirus-related sick leave among colleagues. Mabanaft traders working remotely in extremely volatile markets. Petronord tanker truck drivers, who were stretched to the limit by the strong heating oil demand. Employees at Skytanking who had to be flexible yet focused when fuelling the few planes that flew at all, while home office workers were impacted by isolation and challenges such as homeschooling and childcare.

At company headquarters, we have been offering additional support programs since the start of the crisis: We were one of the first companies to introduce a lunch delivery service, which has become extremely popular. Lunches are prepared using the “cook & chill” method and delivered to employees' home offices several times a week. This is extremely helpful for employees at the Hamburg site, because if you don't have to think about the nutritional balance of your lunch, you'll be happier and more productive at work.

Employees also benefit from online fitness courses and receive help with mental health, because we want to support our employees as much as possible during these challenging times.

On a specially established platform, our employees receive tips on all aspects of working in a home office. Topics include proper ergonomics, routines, good habits, learning from home or with children. The platform also facilitates an exchange of experiences among employees. Since April 2020, our employees at headquarters in Hamburg have been able to order additional equipment such as a monitor, mouse or keyboard for their home office.

In the fall, 77 employee bicycles were serviced free of charge by a service partner at the headquarters, fitted with spoke reflectors and checked for road safety. This also encourages employees to cycle to work instead of using public transport.

*Meal delivery service, online fitness
and additional IT equipment*



Labor Standards

We abide by the Universal Declaration of Human Rights and the UN protocols, protecting human rights within our sphere of influence. Compliance with the standards of the ILO is set out in our Code of Conduct. With our new "Third Party Management Tool", we and our operating units ensure that in the future all new and strategically important business partners recognize our Code of Conduct and share our understanding of values. We also use it to check whether business partners with a high calculated risk index take human rights into consideration.

We of course ensure our employees have freedom of association and the right to collective bargaining. Our employees are organized in trade unions in various countries, including Argentina, Belgium, France, the Netherlands and Malta. In the event of changes in our operations or company sales, we work closely with the relevant social partners to ensure that our employees are taken over.

As an international company, we ensure that our working hours reflect local requirements and best practices. We usually hire our employees under full-time contracts for indefinite periods.

⇒ FAIR WAGES AND SALARIES

One of our fundamental interests is to employ the best employees. It is therefore a matter of course for us to pay our employees fairly. This remuneration practice applies to all employees, whether they are employed full-time or on a temporary basis. Our salary arrangements are based solely on qualifications, performance and other work-related factors such as responsibility, skills or experience. As part of the above-mentioned global grading project, all positions represented in the company were also evaluated and assigned corresponding local salary scales in line with the market. In the Code of Conduct, Marquard & Bahls stipulates that factors such as gender, nationality or age may not influence salary. In addition to the basic salary, we offer voluntary additional benefits that are calculated based on the basic salary. Some of these additional benefits are performance or success based. For years, there has been a firmly established employee bonus system in Germany as well as a system for short and long-term compensation components for executives of Marquard & Bahls AG. Since 2019, there has been a transparent employee bonus system for employees of Marquard & Bahls AG, which is communicated to employees at the beginning of each year with financial and strategic targets.

We are also active in low-wage countries such as India or China. All business units must adhere to the required minimum standards. The minimum standards are declared binding in the Group-wide HR Policy.

⇒ COMPANY PENSION

The state pension is one of the main pillars of people's retirement arrangements, but it rarely covers their financial needs in old age. Our employees' future is very important to us, so at many subsidiaries and in many countries we offer a voluntary, additional employer-financed company pension.

Equal Opportunity & Diversity

102-17, 103-1,
103-2, 103-3,
406-1

We are proud to have people from 67 countries (2019: 71) as employees in the Group. This is because we regard diversity as an invaluable commodity and a central resource for innovation and competitiveness and we seek to foster it in our workforce. Similarly, the application and promotion of equal opportunities and equal treatment without discrimination are part of our corporate culture and are set out in our Code of Conduct. We make employment-related decisions such as hiring, promotion, evaluation, compensation and termination solely on the basis of talent, performance and success. Ethnicity, religion, skin color, national origin, age, gender, political preference or sexual orientation do not play a role. Furthermore, in the event of discrimination, harassment or other violations of the Code of Conduct, all employees as well as externals can report anonymously at any time using the CARE platform.



Marquard & Bahls signs Diversity Charter

Mark Garrett signed the Diversity Charter – a voluntary commitment to promote equal opportunity and diversity – at Marquard & Bahls headquarters in Hamburg on December 8, 2020. Signing the Charter is the first step in formally demonstrating our commitment and clears the way for the operating units to develop their initiatives in creating a working environment free of prejudice and discrimination.

To promote equal opportunity for new hires, we seek to achieve a balanced ratio of female and male candidates. However, the energy and chemical industries continue to be male-dominated, especially in operating functions. This means that significantly more men than women apply for technical positions. In 2020, the proportion of female employees decreased slightly to 14.6 percent (2019: 15.1 percent). With a rate of 2.0 percent, we do not meet the 5 percent mandatory job quota under the German Social Security Code (SGB IX) for the employment of severely disabled people in Germany and make corresponding compensation payments.

Work-Life Balance

Since the onset of the coronavirus crisis, challenges related to work-life balance have been greater than ever. For parents in particular, the task of organizing childcare, homeschooling, everyday family life, meal preparation and the job has become a real test of endurance. As an employer, it is clear to us that a good work-life balance is a key productivity factor and contributes greatly to the well-being of our employees. That's why we offer – wherever possible – targeted measures and models to support this balance.

WORKING-TIME MODELS

To make work arrangements more flexible and promote a healthy work-life balance. In some countries, various models such as part-time work, work-time accounts and trust-based working time are used wherever possible in conjunction with an individual, case-by-case assessment. Like all employers, we were required for many months during the coronavirus pandemic to enable our employees to work from home wherever possible. We intend to maintain this flexibility of remote working for our employees – at least at company headquarters in Hamburg – even after the end of the crisis. This means that our Hamburg employees will be able to work in a home office for ten days a month if they wish, after consulting with their supervisor, provided that the job allows it.

401-3

Part-time contracts are of key importance, especially for parents, and will be made possible on request – if the job permits. In 2020, the share of part-time contracts was 5.7 percent and thus declined slightly as compared to the previous year (2019: 6.5* percent). There are also working-time models to encourage employees to return to work after parental leave. On average, a total of 22 employees at German sites were on parental leave in 2020 (2019: 26).

EMPLOYEE ASSISTANCE PROGRAM

Nine years ago, to offer employees support in various life situations, Marquard & Bahls signed a contract for an external Employee Assistance Program (EAP). In all, 44 new cases were recorded last year, which translated to a usage rate of 4.5 percent (2019: 6.5 percent). This figure continues to be slightly above the provider's average. Work-related topics accounted for 6.8 percent of the cases (2019: 1.2 percent); the remaining inquiries were personal in nature. In addition to the external employee hotline, our cooperation partner also offers many other services and a wide range of online seminars. All employees in Germany as well as family members living in the same household can take advantage of this offer of support.

* Due to subsequent calculations, we had to correct the figure from 7.7 to 6.5 percent.

⇒ FAMILY-FRIENDLY EMPLOYER

For employees in Hamburg, we offer a variety of attractive measures to encourage a healthy work-life balance. These usually include the coordination of vacation care for the children of employees, a childcare room at headquarters, and events for children and families. Last year, we were unable to celebrate such events – neither in Hamburg nor at our sites around the world. Some of our sites, however, including the location in Colombia, got creative and developed games and theme days for employee children so they would not be bored at home.



Christmas family day

Our Oiltanking employees in Colombia didn't miss out on their Christmas party and organized a virtual family day, where they baked cookies, danced and enjoyed a lot of laughter.

⇒ EMPLOYEE SATISFACTION

102-17, 102-33

To regularly monitor employee satisfaction, surveys are conducted at a local level using paper or electronic questionnaires, or through formal employee interviews. Last year, for example, we conducted a pulse check of our employees at Marquard & Bahls AG and the Business Solution Center to find out how we can support them even better during the coronavirus crisis. Oiltanking also conducted a global employee survey at the end of 2020, in which 87 percent of the staff participated. Other channels for employees to provide feedback to the company or talk about their level of satisfaction, but also concerns or worries, include – in addition to talking directly to their supervisor – our internal CEO discussion rounds under the motto “Let's Talk”. Our Let's Talk format took place last year in small groups of up to 20 participants and exclusively online due to the pandemic. The objective is an informal open dialog with the Executive Board and promotion of the flow of information across company boundaries – an important part of our corporate culture. This also includes regular townhall meetings with the Executive Board, an internal trust team and a feedback box at company headquarters, the globally active CARE platform for compliance-related cases and external employee counseling.



Let's talk about ... Sustainability!

Following the publication of Marquard & Bahls' 10th Sustainability Report, the important topic of sustainability was discussed in our Group in a Let's Talk round in August 2020. Due to the coronavirus pandemic, Mark Garrett and the other participants virtually talked about sustainability in our operating units and in the investments we make.



OCCUPATIONAL HEALTH & SAFETY



Occupational health & safety have the highest priority in all our activities. We identify and analyze potential risks and take measures to avoid, prevent, control and limit them.



KEY PERFORMANCE INDICATORS

| | 2018 | 2019 | 2020 | Change 2019/20 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|----------------|-------------------|
| HSSE Training | | | | |
| Total number of HSSE training hours at our operating units | 230,066 | 212,983 | 153,721 | - 27.8 % |
| Average HSSE training hours per operations employee in tank storage logistics | 62 | 66 | 61 | - 7.6 % |
| Workplace Accidents | | | | |
| Number of fatalities | 1 | 0 | 1 | ↗ |
| Number of injuries resulting in fatalities, lost time days, restricted work or medical treatment that involved our own employees and contractors, per 1 million working hours (TRI-R) | 4.8* | 4.0 | 3.4 | - 15.0 % |
| Average days of absence per employee incident (accident severity) | 18.7 | 24.1 | 19.6 | - 18.7 % |
| Average days of absence per third-party incident (accident severity) | 24.0 | 34.7 | 17.4 | - 49.9 % |
| Fires | | | | |
| Number of fires according to API RP 754 | 0 | 0 | 0 | → |
| Number of not-process-relevant fires & explosions per 1 million tons of throughput | 0.10 | 0.07 | 0.01 | - 31.0 % |

* Corrected after publication of the Sustainability Report 2018

15.0%

less employee injuries than in the previous year



OCCUPATIONAL HEALTH & SAFETY



Excellence in health and safety is a very important element of our “Responsibility” value. We strive to ensure that every one of our employees and everyone who works at our facilities returns home in good health every day. We only conduct business that we can carry out safely and ethically. We also verify this for new investments through detailed HSSE and ESG assessments as part of our due diligence. Health and occupational safety is reflected in a separate strategic field of action in our sustainability strategy and in the established responsibilities at operating unit level.

102-11, 103-1,
103-2, 103-3,
403-1

Instruments & Measures

The Group Function HSSE & Sustainability has developed Group-wide guidelines and minimum requirements. We strive for continuous improvement and have defined targets and indicators, which we carefully monitor for achievement. Due to the diversity of the Group's activities, all associated risks are assessed individually and tailored solutions are developed. One important element here is the creation of comprehensive HSSE manuals specifically tailored to the individual operating units and on the basis of which the sites develop local management systems. Our globally implemented incident database for all subsidiaries helps us to learn from incidents. To prevent incidents and their reoccurrence, all accidents, incidents, near misses as well as unsafe acts and conditions are carefully analyzed. Our dashboard applications enable daily detailed analysis using “leading” and “lagging” HSSE indicators.

403-2

HSSE experts conduct audits at selected sites in order to monitor our internal standards. The Group Function HSSE & Sustainability and the operating units develop campaigns to raise risk awareness in day-to-day business and conduct safety culture surveys that support our proactive approach. Since the end of 2019, the operating units have assumed responsibility for their HSSE management.

403-4



Milestone achieved:
Expansion of the Global
Safety Days to all operating units

403-2, 403-5 Since 2008, we have honored the commitment of our Oiltanking locations to work safely by presenting an award for the best HSSE performance and an award for the greatest HSSE improvement. Since 2019, Marquard & Bahls has presented a Safety Award to employees, contractors and other third parties who have demonstrated outstanding safety performance at our facilities. In 2020, Marquard & Bahls held its first company-wide Global Safety Day.



Three Marquard & Bahls Safety Awards

Last year, three Marquard & Bahls Safety Awards were presented for outstanding safety behavior. One of the awards went to an employee at the Oiltanking chemical tank terminal in Singapore who – although a routine gas measurement showed no result – noticed the smell of liquefied gas (C3). After taking additional measurements, he discovered a small gas leak at one of the end flanges of a vent valve on a C3 carrier gas line. Because of this exceptional safety awareness and proactive action, critical situations were prevented.

403-3, 403-6

Healthcare Management & Prevention



Our goal is to prevent all accidents, injuries and occupational health hazards. We want to harmonize internal regulations throughout the company and establish the use of best available technology.

The progression of the coronavirus pandemic was tracked from its start by a Crisis Management Team (CMT) led by the central Marquard & Bahls HSSE team. The CMT met regularly to evaluate data, define protective measures, establish travel restrictions, coordinate actions for headquarters as well as those of the operating units, and keep employees fully informed of the current situation. By the end of 2020, 280 employees worldwide had tested positive for the coronavirus. Sadly, one Oiltanking Oman employee unfortunately passed away as a result of Covid-19.

Many of our sites around the world offer preventive measures in addition to the health check-ups required by law. In addition, also in 2020, many Oiltanking and Mabanft as well as some Skytanking sites conducted health and awareness campaigns on various topics, although these were limited due to the coronavirus pandemic. Marquard & Bahls corporate headquarters also offers a wide range of health promotion services, including a free fitness area, which continued to make services available to employees digitally during the pandemic period. Our Hamburg



employees can also benefit from ergonomically designed office equipment, balanced meals in the company restaurant – something that was also offered as a delivery service during the pandemic – and health days on various topics. The popular annual Health Day at company headquarters had to be canceled in 2020 due to the coronavirus. Employees were nonetheless offered a digital consultation day with the company doctor.

403-2, 403-3,
403-6

HSSE Training

Our Policy on HSSE requires that all employees receive training and job-specific education. This includes trainings on the risks inherent in dealing with the products that are stored and handled at our sites. New employees as well as contractors are instructed in matters of HSSE before taking up their work. Any persons who have to perform potentially dangerous tasks receive specific training. At Oiltanking, at the Oiltanking Deutschland terminals under Mabanaft and at Skytanking, a total of 153,721 hours of HSSE training were completed for operational staff in 2020 (2019: 212,983 hours). Last year, the average number of HSSE training hours received by each operational employee at Oiltanking decreased slightly to 61 hours (2019: 66 hours), as not all events could take place due to the coronavirus pandemic. In addition to computer-based HSSE trainings for employees, Oiltanking uses an in-depth HSSE learning program for managers.

404-1

Workplace Accidents

We report accidents that result in fatalities, lost days, restricted work or medical treatment using the industry-standard Total Recordable Injury Rate (TRI-R) in accordance with OSHA regulation (29 CFR 1904). According to this regulation, only employee and contractor accidents are to be counted, but no accidents incurred by other third parties such as visitors. We will, however, continue to count all third-party accidents in our internal statistics. In 2020, the rate of reportable injuries among employees and contractors decreased by 15 percent to 3.4 (2019: 4.0). The continuation of this positive trend remains one of the strategic, bonus-relevant goals of the Marquard & Bahls Group.

403-9



This success, however, was overshadowed by a fatal work accident at IOT's tank terminal in Paradip, India. During the inspection of an air conditioning unit on the roof of the technical building, a contractor fell from a cage ladder. He died from his injuries a short time later. The company deeply regrets this incident. Oiltanking subsequently organized a Safety Stand Down at all sites worldwide to share information about this accident, its immediate causes, and preliminary findings. To avoid a recurrence, the lessons learned were circulated throughout the Group.



Global Safety Day

403-2, 403-5

In October 2020, the Marquard & Bahls Group organized a company-wide Global Safety Day, which was carried out both at the Hamburg headquarters and at the operating units, taking into account the local Covid-19 situation. While this was the fourth consecutive Global Safety Day for Oiltanking, it was the first time that it was also held for Marquard & Bahls as well as Mabanaft and Skytanking.

The opening keynote speech from Mark Garrett, CEO, as well as the launch of our Marquard & Bahls safety campaign "Target Zero" were streamed live for employees in more than 25 countries.

The ensuing program was adapted by the Hamburg holding company and its operating units to reflect their specific location requirements. The Marquard & Bahls employees, for example, were able to participate in a resuscitation training, a firefighting training and a workshop on office hazards.

The local sites supplemented the program with workshops, discussions and exercises. At the Oiltanking tank terminal in Daya Bay, for example, a height rescue exercise was conducted together with the fire department, while at the Sangatta

terminal in Indonesia, the agenda included – next to the input on the "Live Saving Rules" and "Target Zero" campaigns – sport activities in the form of a badminton tournament.

At Mabanaft, in addition to presentations from the head office on the topics of "Product Quality and Hazards", the Ship Charter Policy as well as Oil Spill Response, there were also local workshops, for example on the topic of "Intervene with Respect".

At the Skytanking sites, the agenda included presentations and subsequent discussions on the topic "Slips, Trips and Falls" as well as on a new method for hazard identification and risk control during daily work. In addition, the results of the latest safety culture survey were presented.

Over 230 sites participated in the Global Safety Day 2020

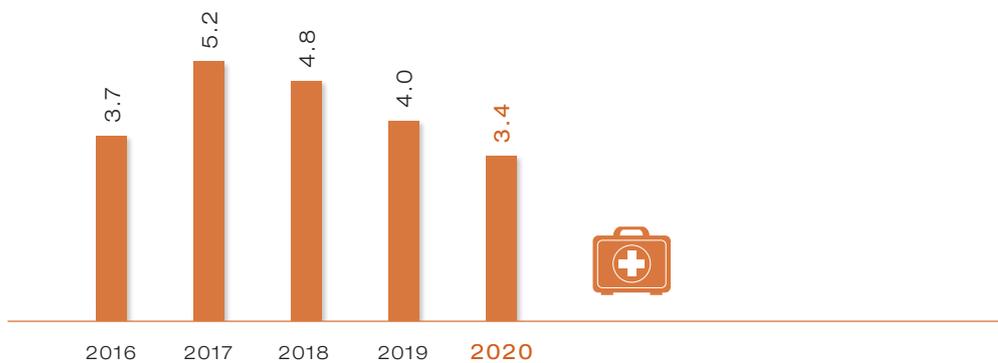


Fig. 26: Number of injuries resulting in fatalities, lost time days, restricted work or medical treatment that involved our employees and contractors, per 1 million working hours

In 2020, the absolute number of Group-wide accidents resulting in lost workdays that involved our own employees was 43 (2019: 76). These accidents resulted in a total of 646 lost workdays (2019: 1,527). Another 20 accidents involved employees of contracted external companies (2019: 33).

102-15, 403-2,
403-9

We define the severity of accidents involving our own employees based on the average number of lost workdays per incident. Across the Group, the average severity of accidents in 2020 was 19,6 lost workdays per accident (2019: 24.1). For contractors, this figure was 17.4 (2019: 34.7). It was thus possible to significantly reduce the severity of work-related accidents.

Oiltanking has launched several initiatives to improve its safety culture, including workshops with senior staff and HSSE managers, the introduction of a Global Safety Day in 2017, a management safety inspection program and personal safety plans. In 2020, in addition to a set of safety principles, Oiltanking also introduced the "6 Life Saving Rules" to emphasize the immediate importance of safety for employees, contractors and other third parties working at Oiltanking sites worldwide.

Prevention of Fires

Oiltanking has a mandatory Fire Protection Standard that often goes beyond legal requirements. However, incidents within our industry have shown that technical measures and codes of conduct are not always sufficient to prevent fires. In 2020, there were no process-relevant fires in accordance with API RP 754. There was also a significant reduction in the rate of non-process-related fires from 0.07 (2019) to 0.01 (2020). As a result of immediate intervention, no significant financial damage resulted from the events.

102-15, 403-5

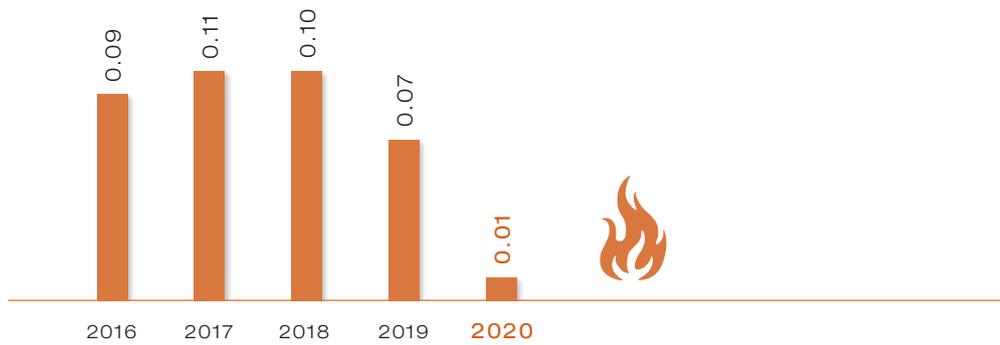


Fig. 27: Number of non-process-related fires and explosions in relation to throughput (in one million tons)



Effective collaboration

In April 2020, a specialized industrial firefighting service with its own firefighting station in the port of Amsterdam went into operation. It emerged from the GBA* initiative, which Oiltanking Amsterdam joined in 2016. Currently, a team of six professional industrial firefighters is available around the clock near our tank terminal and guarantees a response time of only six minutes after the alarm.

* GBA (Gezamenlijke Brandweer Amsterdam = Unified Industrial Fire and Rescue Service Amsterdam)

Noise

403-2 As noise can have a negative impact on the working environment, local residents and wildlife, we aim to minimize noise production wherever possible. Potential sources of noise include pumps, generators and industrial vehicles. We reduce noise through regular maintenance and shielding, but also by replacing aging equipment. In the event that specified noise thresholds are exceeded, noise protection is part of our employees' mandatory personal protective equipment.

Safety on Business Trips

403-3 Many of our employees travel as part of their work. Travel safety is therefore an important issue on our HSSE agenda. In order to provide the best medical advice and services for employees on their travels, as well as for ex-pats, Marquard & Bahls has again signed a service contract with International SOS, the leading provider of medical assistance, international healthcare, and security services. To support our employees in planning international business trips, there is also a Group-wide manual on travel safety and a web-based airline-vetting database that is updated daily. Business trips were reduced to the absolute minimum during the coronavirus pandemic and only approved for business-critical reasons and with the necessary safety precautions.



CORPORATE CITIZENSHIP



We also take responsibility beyond our core business and support surrounding communities in our five focus areas: environment, education, health, culture & sports and humanitarian aid. We encourage and support our employees in their volunteer work.



KEY PERFORMANCE INDICATORS

| | 2018 | 2019 | 2020 | Change 2019/20 |
|-----------------------------------------------------------------------------------------------------------------|----------|---------|----------------|-------------------|
| Financial Support | | | | |
| Investments in the community (donations & sponsorship) in € | 737,669 | 767,181 | 992,041 | + 29.3 % |
| Donation fulfillment rate (donations & sponsorship in € in relation to earnings before taxes in € *0.5 %) | achieved | 142 % | 133 % | - |
| Staff Volunteering | | | | |
| Number of staff volunteers | 1,762 | 1,127 | 438 | - 61.1 % |
| Total hours of volunteer work | 3,889 | 3,134 | 3,029 | - 3.4 % |
| Volunteer work in hours per employee | 0.49 | 0.46 | 0.47 | + 2.2 % |
| Share of sites engaged in corporate citizenship | 27 % | 26 % | 25 % | - 6.5 % |

Our top **3** sites in terms of volunteer hours worked



CORPORATE CITIZENSHIP

We have the grand vision of supporting human development – including the well-being of the communities around us. Within the framework of the five focus areas we have defined – “Environment”, “Education”, “Health”, “Culture & Sports” and “Humanitarian Aid” – we are committed to providing financial support, voluntary work from our employees and cooperation with charitable organizations.

103-1, 103-2,
103-3, 413-1

Our Commitment in Numbers

In 2020, Marquard & Bahls and its subsidiaries spent a total of 992,041 euros (2019: 767,181 euros) on charitable causes, of which 535,702 euros was for donations and 456,339 euros for sponsoring expenses. Overall, this means we have increased our community spending by 29 percent over the previous year. In terms of our focus areas, the majority, 36 percent, was devoted to educational projects. Our new Group-wide reforestation project and voluntary carbon offsetting through Tree-Nation also enabled us to significantly increase spending on the environment and redress the previous strong imbalance in our focus areas.

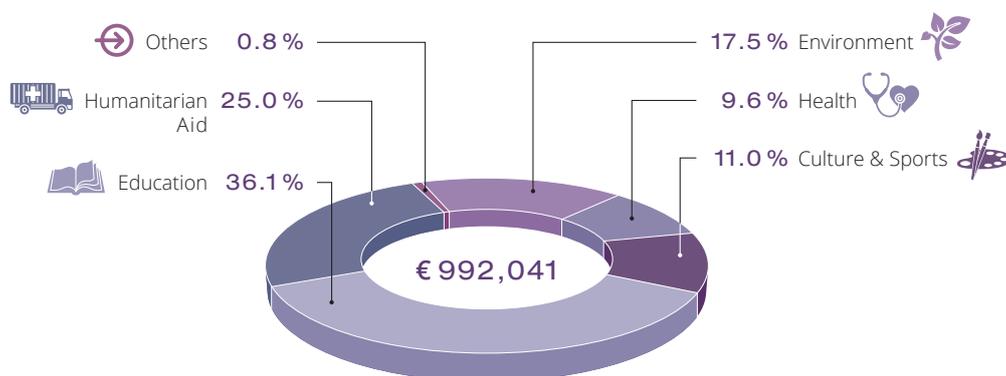
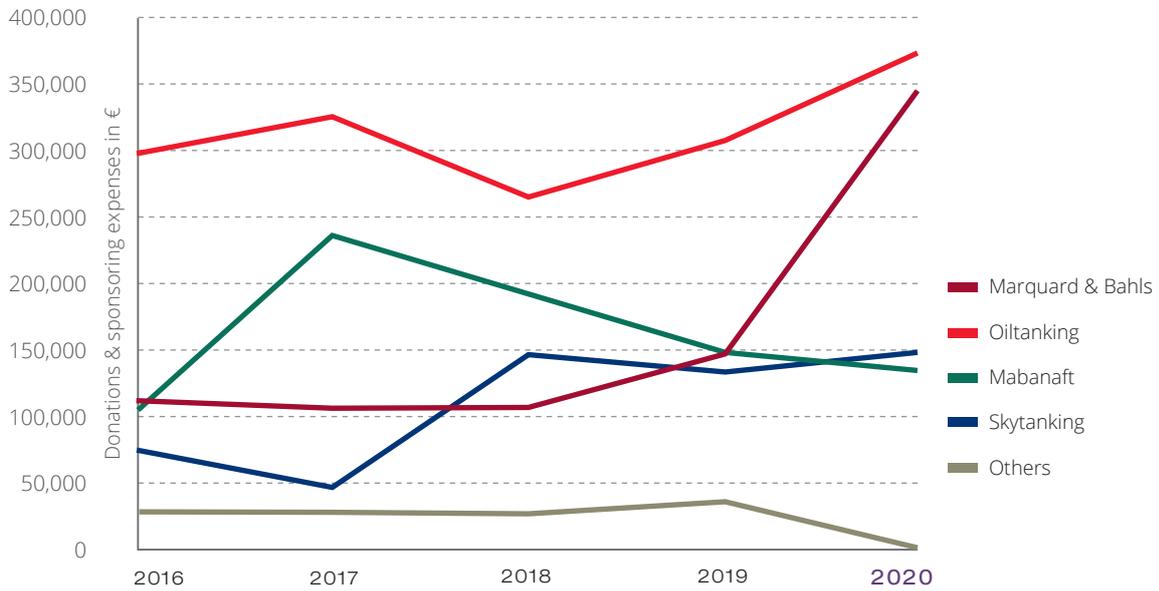


Fig. 28: Corporate citizenship expenditures by focus areas

The financing made available to non-profit organizations as part of our global campaign against sexual harassment and discrimination more than doubled spending, particularly at Marquard & Bahls holding.

Overall, 25 percent of our global sites (2019: 26 percent) were active in financial support or charitable work.





413-1 **Fig. 29: Corporate citizenship expenditures by company in the last five years**

438 employees (2019: 1,127) were involved in various charitable initiatives and projects with a total time donated of 3,029 hours (2019: 3,134 hours). Due to the coronavirus pandemic and the restrictions in place far fewer employees were active; however, the individual time commitment was significantly higher than in the previous year. On average, our employees volunteered 0.47 hours (2019: 0.46 hours).

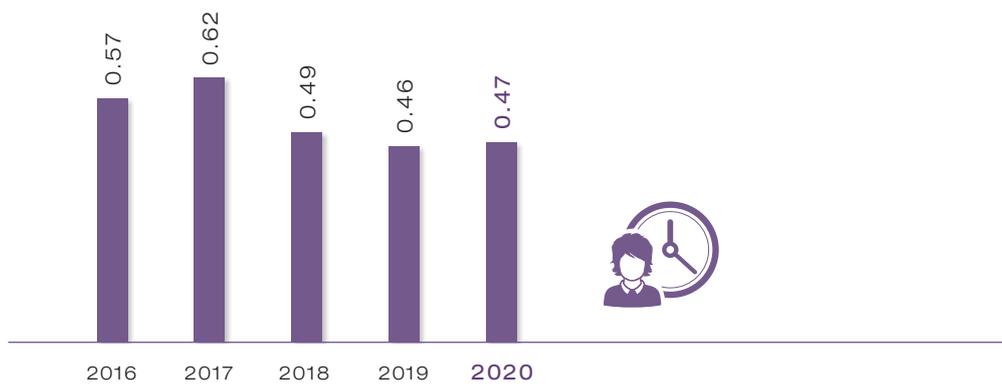


Fig. 30: Voluntary hours worked for charitable purposes per employee



In the future, Marquard & Bahls AG will focus its charitable commitment even more strongly on projects that contribute to the Human Development Index (HDI) and selected SDGs. Our aim is to make sure that we are financially involved in an appropriate manner within the scope of our focus areas and that we support the charitable work of our employees. In Hamburg, we have already introduced the first forms of so-called corporate matching and indirectly reward the commitment of our employees.

103-1, 103-2,
103-3, 413-1

Our sites around the world also organize voluntary social and environmental projects. Since our sites best understand the needs of the surrounding communities, local community involvement continues to be initiated and organized locally, but as part our Group-wide corporate citizenship strategy. The corresponding indicators are reported annually to the Sustainability Team in Hamburg by the sites and are subjected to random checks by Internal Audit as part of their audits.

The following shows a cross-section of our local initiatives and projects in 2020; it reflects the spectrum of different activities.



Milestone achieved:

Development of an incentive system for charitable commitment through corporate matching for Marquard & Bahls AG

Environment

Coastline Cleanup on Karimun Island, Indonesia

Our tank terminal on Karimun is located directly on the northwestern coastline of the island. Unfortunately, large amounts of trash wash up on the coast every year, so our Oiltanking employees on site have made it an annual routine to clean the coastal strip. At the end of last year, our employees and contractors went about collecting the garbage – mainly plastic and scrap metal. They will continue to work to ensure that the coast and surrounding area of the tank terminal are always clean.

Clean coastline

Thanks to our employees at the tank terminal on Karimun, the adjacent coastline is clean again for the time being – unfortunately, so much trash washes up every year that this action is necessary every year.





413-1

Take a Wish – Our Pre-Christmas Social Project

For the fourth year in a row, our employee fundraiser “Take a Wish” took place just before Christmas. In 2020, about 90 employees contributed over 6,600 euros to make many small wishes come true from Hamburg project partners in the areas of children, the homeless and refugees.

The past year was different and much more challenging than usual in many respects. The year was particularly challenging for our social project partners, their charitable work and their beneficiaries, program participants or clients. This is why we were eager to continue Take a Wish during this time, as our eight Take a Wish partners had many needs to address. Our employees were able to make designated donations, which paid for Christmas trees for the residents of the “Grossstadt-Mission Hamburg”, Christmas presents for the “Löwenhaus” children, a new collection of books for small children for the “Mamalies” initiative, and much more.

Marquard & Bahls quadrupled the corporate matching sum to 24,360 euros in this exceptional year. Our employees' online voting determined which three out of eight proposed projects were supported with this additional sum. The result: 9,000 euros – minus employee donations – went to Kids Welcome for toy bags for children in refugee shelters, to ArztMobil Hamburg for medicines and packed lunches for the homeless, and to Kinderlotse for a vacation camp for seriously ill children and their siblings.

*31,035 euros for
social projects in Hamburg*

Education

Construction of Another Elementary School in India

IndianOil Skytanking has set the goal of radically and sustainably improving the quality of life for residents living near airports where the company is active. The primary focus of its Corporate Social Responsibility commitment is on improving education in surrounding areas. Five years ago, IndianOil Skytanking launched a program of building and renovating school buildings. In this way, four Indian schools have already been built or renovated and handed over to the communities. Last year a new elementary school was built in Vijayapura. The company provided nearly 135,000 euros for the construction and furnishing of classrooms and toilet facilities as well as a suitable water supply.

413-1

Ceremonial opening of the school

The new school building was inaugurated on November 30, 2020 by the CEO of IndianOil Skytanking in the presence of school authorities and officials from the State Government Education Department.



Health

Financing of a Covid Test Center in Sohar, Oman

Almost all countries were impacted by the global coronavirus pandemic. Oman was hit hard at the end of March 2020. Our Oiltanking tank terminal in Sohar did not want to remain idle and therefore decided to contribute more than 32,000 euros to equip a regional test center, a so-called molecular PCR laboratory (Polymerase Chain Reaction – short PCR), and thus help combat the virus. The PCR lab is a joint CSR project, in coordination with the existing tenants at Sohar Port who support the development of the project. The new laboratory will act as an alternative to the Ministry of Health's central health laboratories in emergencies and includes a highly skilled technical team of 12 employees. It will be equipped with the latest equipment to perform the required tests for Covid-19 and will also include analytical capabilities for other diseases, including influenza and hemorrhagic fevers. The laboratory went into operation in April 2021.

Detecting Covid-19 quickly

The new Covid test center will play a key role in speeding up diagnostic processes. The average time to conduct tests in this region is expected to decrease from two weeks to three days.



413-1

Highlights of Our Worldwide Engagement

Medical aid for the homeless

At Christmas, Oiltanking GmbH once again decided to donate 8,000 euros instead of printing Christmas cards for business partners. The money went to ArztMobil Hamburg for the purchase of urgently needed medicines and hygiene supplies to care for needy homeless people and senior citizens.



Food packages

In July, Oiltanking employees at the Tuxpan tank terminal in Mexico spontaneously organized an employee fundraising campaign that raised more than 1,500 euros. With an additional contribution from Oiltanking, it was possible to purchase more than 460 food packages which employees then distributed to the surrounding communities.



Basketball sponsorship

The Kangaroos Iserlohn are a successful basketball club that has been playing in the 2nd German League since the 2014/15 season. The lockdown in 2020 also put a premature end to their season. This made the support of new sponsors even more important than in normal years. One such sponsor is Petronord company Lipps Mineralöle, which supported the club financially.



Christmas packages

The Oiltanking-operated site in Camisea, Peru, put together food packages for Christmas and brought them to families in surrounding villages.



Food aid

In spring 2020, not only the Sustainability Committee of Oiltanking Terminais, but also the employees of Oiltanking Açú Serviços in Brazil distributed more than 200 food packages to families in the surrounding communities to provide short-term assistance during the lockdown.

Various donations for the community

Our Argentine subsidiary Oiltanking Ebytem S.A. donated nearly 20,000 euros to various small projects that benefited surrounding communities. More than 10,000 euros of this went to the Caritas organization, which distributed hygiene items and food to poor families in Punta Alta.





Mentoring and training for young refugees

Last year, employees of Marquard & Bahls and its subsidiaries continued their commitment to participants of the JOBLINGE program through digital conversation training and personal mentoring in Hamburg. Since 2020, Marquard & Bahls has promoted this commitment with corporate matching and has been donating 500 euros to JOBLINGE per commitment as a mentor and 100 euros as a trainer. An impressive total of 5,200 euros was raised in this way!



Survival kits & hygiene items

During the pandemic, access to basic supplies has become a potentially life-threatening problem for many families in India. Many IOT tank terminals and project sites therefore worked with neighborhood and community organizations to distribute survival kits to local communities. In addition, the company distributed nearly 2,000 liters of hand sanitizer as well as 4,000 face masks, and supported the local authorities in the Raigad district, the location of two of its tank storage facilities, with a donation of more than 11,000 euros to the Central Pandemic Fund of India and the local disaster management authority.



Trees for Jurong Island

The artificial island of Jurong is very industrial and therefore also quite gray. A new greening initiative has set the goal of planting 30,000 new trees by 2040 at the latest. Oiltanking in Singapore contributed 55 trees worth more than 10,000 euros, financed by donations from Oiltanking employees and the company.



Commitment to fight childhood dementia

Last year, our Petronord company Staack Pooltankstellen donated to various social organizations in Hamburg. Part of the money went to the NCL Foundation for a future without childhood dementia.



Renovation work

Our Oiltanking tank terminal on Karimun, Indonesia, donated almost 18,000 euros to charitable causes last year. Of this amount, more than 3,000 euros were used for renovation work at the Teluk Senang mosque and on the building of the Polsek Meral non-profit organization.



Support for SOS Children's Villages

Instead of Christmas presents, Marquard & Bahls supports an international aid project with 100,000 euros each year. For the eighth year in a row, the donation went to SOS Children's Villages – in this case for the SOS Children's Village program to promote youth employability in India.



Food distribution and child welfare

Last year, our South African subsidiary Oiltanking Grindroud Calulo provided nearly 30,000 euros to help its communities with food distribution and child welfare. Our employees actively supported the projects on site.

Culture & Sports

Integrative Cultural Program for Young Mothers and Their Children in Hamburg

413-1

"Mamalies" has been operating an education and meeting center close to our Hamburg headquarters since the beginning of 2017. The center was originally conceived as a drop-in facility for mothers and young children from the follow-up accommodation for refugees who were threatened by social isolation. Now, the daily classes and childcare offered are also used by other women outside Hafencity. At Mamalies, the most important course contents are language, orientation to everyday life and basic knowledge of German society, and the non-profit company defines two further target groups in addition to the women: First among these are the women's children, who are cared for and provided with early childhood language support. On the other hand, retired women and other volunteers, who are given the opportunity to contribute within a defined framework and who, at the same time, enrich Mamalies across generations and in the interests of an intercultural exchange. However, a funding gap opened up at the end of last year. Marquard & Bahls decided to help with a donation of 25,000 euros to ensure the center's continued existence.



A strong team

The "Mamalies" are a team of volunteer female supporters in Hafencity. Their goal is to give women and children the best possible start in life in Germany through education and encounters.

Humanitarian Aid

Corona Aid Initiative "Hamburg packt's zusammen"

The effects of the coronavirus pandemic seriously impacted many people who were already in precarious situations before the crisis. Just a few weeks after the start of the German lockdown, the "Hamburg packt's zusammen" initiative came together in April 2020, with Marquard & Bahls as co-initiator, to help people in need in the greater Hamburg area with solidarity bags packed with essential basics. The contents of the solidarity bags were provided by almost 30 corporate partners: Depending on the target group, the bags contained hygiene articles, clothing, colored pencils, coloring books, adhesive tape and magazines, as well as tea, chocolate bars, coffee and other non-perishable foodstuffs with a total material value of over 700,000 euros. Additional donations of more than 100,000 euros made it possible to purchase more items. By the end of the year, more than 30,000 bags had been packed and distributed to needy groups through our cooperation partner Hanseatic Help.



Packing together

From May to December 2020, around 30 of our employees spent a total of 132 hours packing solidarity bags with other packers in the warehouse of our corporate partner Budnikowsky in Wandsbek.



APPENDICES

- Companies Covered
- GRI Content Index
- Abbreviations
- Addresses

MARQUARD & BAHL'S AG

Hamburg, Germany

OILTANKING GMBH

Hamburg, Germany

EMEA

Oiltanking Amsterdam B.V.
Amsterdam, Netherlands
Oiltanking Antwerp Gas Terminal NV
Antwerp, Belgium
Oiltanking Bulgaria A.D.
Varna, Bulgaria
Oiltanking Copenhagen A/S
Copenhagen, Denmark
Oiltanking Finance B.V.
Amsterdam, Netherlands
Oiltanking Finland Oy
Kotka, Finland
Oiltanking Ghent NV
Ghent, Belgium
Oiltanking Grindrod Calulo Proprietary Limited
Cape Town, South Africa
Oiltanking Malta Ltd.
Birzebbugia, Malta
Oiltanking MOGS Saldanha (RF) Proprietary Limited
Cape Town, South Africa
Oiltanking Stolthaven Antwerp NV
Antwerp, Belgium
Oiltanking Terminals & Co. LLC
Sohar, Oman
Oiltanking Terneuzen B.V.
Terneuzen, Netherlands
Star Energy Resources Ltd.
Dubai, United Arab Emirates

Americas

Açu Petroleo S.A.
Rio de Janeiro, Brazil
Colon Oil and Services S.A.
Panama City, Panama
Consortio Terminales
Lima, Peru
Logistica de Quimicos del Sur S.A.C.
Lima, Peru
Oiltanking Açu Serviços Ltda.
Rio de Janeiro, Brazil
Oiltanking Andina Services S.A.C.
Lima, Peru

Oiltanking Colombia S.A.
Bogota, Colombia
Oiltanking Colombia Servicios S.A.
Bogota, Colombia
Oiltanking Ebytem S.A.
Buenos Aires, Argentina
Oiltanking Galveston County, LLC
City of Wilmington, USA
Oiltanking Logistica Brasil Ltda.
Rio de Janeiro, Brazil
Oiltanking Mexico S. de R.L. de C.V.
Mexico City, Mexico
Oiltanking Peru S.A.C.
Lima, Peru
Oiltanking Terminais Ltda.
Rio de Janeiro, Brazil
Oiltanking Texas City L. P.
Texas City, USA
Terminales del Peru
Lima, Peru

APAC

Daya Bay Public Pipe Rack Co. Ltd.
Huizhou, China
Huizhou Daya Bay Oiltanking Petrochemical Public Jetty Co. Ltd.
Huizhou, China
IOT Infrastructure & Energy Services Ltd.
Mumbai, India
Oiltanking Daya Bay Co. Ltd.
Huizhou, China
Oiltanking Helios Singapore Pte. Ltd.
Singapore
Oiltanking (Nanjing) Co. Ltd.
Nanjing, China
Oiltanking Singapore Chemical Storage Pte. Ltd.
Singapore
Oiltanking Singapore Ltd.
Singapore
PT Oiltanking Karimun
Jakarta, Indonesia
PT Oiltanking Nusantara Persada
Jakarta, Indonesia
Zuari Indian Oiltanking Limited
Goa, India

MABANAFT GMBH & CO. KG

Hamburg, Germany

Supply, Infrastructure & Trading

Mabanaft Deutschland GmbH & Co. KG
Hamburg, Germany
Mabanaft Energy Trading Inc.
Houston, USA
Mabanaft Pte. Ltd.
Singapore
Oiltanking Deutschland GmbH & Co. KG
Hamburg, Germany
Oiltanking Hungary Kft.
Budapest, Hungary
Oiltanking Tanklager Waltershof GmbH & Co. KG
Hamburg, Germany
TransTank GmbH
Gelsenkirchen, Germany
Weser Tanking GmbH & Co. KG
Bremen, Germany

Marketing

AUSTROLUB GmbH & Co. KG
Vienna, Austria
BAT Auerswalde Nord GmbH & Co. KG
Heidenau, Germany
Benol Energieservice GmbH
Frankfurt/Main, Germany
Böttcher Energie GmbH & Co. KG
Regensburg, Germany
BOMIN Bunker Oil Corp.
Houston, USA
B.W.O.C. Limited
Weston-super-Mare, United Kingdom
Deglmann Energie GmbH & Co. KG
Weiden/Oberpfalz, Germany
EAG Energie Abrechnungs- und Service GmbH
Hiddenhausen, Germany
Fundins Olja AB
Tranås, Sweden
Greiner GmbH
Wabern, Germany
Hartmann Energie GmbH
Oberleichtersbach, Germany



Hempelmann Wittemöller GmbH
Hiddenhausen, Germany

JB German Oil GmbH & Co. KG
Wittenburg, Germany

John Schmierstoff Service GmbH
Altlandsberg, Germany

Junction 29 Truckstop Limited
Chesterfield, United Kingdom

Kaiser Söhne Mineralöle
GmbH & Co. KG
Arnsberg, Germany

Keck Energieservice GmbH & Co. KG
Brakel, Germany

Keck Schmierstoffservice
GmbH & Co. KG
Brakel, Germany

Kiessling Energie GmbH & Co. KG
Lauterhofen, Germany

Klindworth-Kronol Energie GmbH
Hamburg, Germany

Lipps Energie GmbH
Hagen, Germany

LSA Lubes Services GmbH & Co. KG
Vienna, Austria

LTH Tank- und Haustechnik GmbH
Purkersdorf, Austria

Mabanaft Hungary Kft.
Budapest, Hungary

Mabanaft Limited
London, United Kingdom

Mabanaft Natural Gas Products Ltd.
London, United Kingdom

Mabanol GmbH & Co. KG
Hamburg, Germany

Mabanol Bitumen GmbH & Co. KG
Hamburg, Germany

Mabanol
Schmierstoffservice GmbH & Co. KG
Bremen, Germany

Manfred Mayer MMM Mineralöl
Vertriebsgesellschaft m.b.H.
Neudörf, Austria

Mühlenbruch Stinnes TOTAL GmbH
Bremen, Germany

NB Oljor
Västerås, Sweden

NordBit GmbH & Co. KG
Hamburg, Germany

Oiltech Lubes Service
GmbH & Co. KG
Erkrath-Unterfeldhaus, Germany

OIL! Tankstellen GmbH
Hamburg, Germany

OIL! Tankstellen AG
Rüti, Switzerland

OIL! tank & go ApS
Vejle, Denmark

OIL Tankstellen GmbH
Vienna, Austria

Petrocargo Mineralöl-Logistik
GmbH
Hiddenhausen, Germany

Petronord GmbH & Co. KG
Hamburg, Germany

PS Olje AB
Halmstad, Sweden

Schmidt Energiehandel GmbH
Ascheberg-Herbern, Germany

Staack Pooltankstellen
GmbH & Co. KG
Hamburg, Germany

Stockholms Diesel & Oljehandel AB
Bromma/Stockholm, Sweden

Swelube AB
Angered, Sweden

Thomas Silvey Ltd.
Bristol, United Kingdom

Uhlenbruck Energie
GmbH & Co. KG
Mühlheim an der Ruhr, Germany

ZIEGLMEIER Energie GmbH
Schrobenhausen, Germany

**New Energy, Chemicals
& Gas**

GCA Holdings LLC.
Texas City, USA

SKYTANKING HOLDING GMBH

Hamburg, Germany

Hydrant Refuelling System NV
Zaventem, Belgium

IndianOil Skytanking Limited
Bangalore, India

IndianOil Skytanking Delhi Limited
Delhi, India

Luxfuel S. A.
Luxembourg

Skytanking Australia Pty Ltd
Sydney, Australia

Skytanking Austria GmbH
Vienna, Austria

Skytanking Calulo (Pty) Ltd.
Bryanston, South Africa

Skytanking Frankfurt GmbH
Frankfurt, Germany

Skytanking GmbH
Zurich, Switzerland

Skytanking GmbH & Co. KG
Hamburg, Germany

Skytanking Germany GmbH & Co. KG
Hamburg, Germany

Skytanking Limited
Birzebbugia, Malta

Skytanking Munich GmbH & Co. KG
Hamburg, Germany

Skytanking North America, Inc.
Houston, USA

Skytanking NV
Zaventem, Belgium

Skytanking Ovenon
Havacilik Hizmetleri A.S.
Istanbul, Turkey

Skytanking Spain SLU
Madrid, Spain

Skytanking Stuttgart GmbH & Co. KG
Hamburg, Germany

S & JD Robertson North Air Ltd.
Aberdeen, United Kingdom

**GMA
GESELLSCHAFT FÜR
MINERALÖL-ANALYTIK UND
QUALITÄTSMANAGEMENT
MBH + CO. KG**

Frankfurt/Main, Germany

Companies Covered

As of 31 December 2020



This report is based on the internationally recognized Sustainability Reporting Standards of the Global Reporting Initiative (GRI) that were published in 2016 and partly revised in 2018 and 2020. This report has been prepared in accordance with the GRI Standards: Core option. The content of this report has not been subjected to an external audit.

102-55 GRI Content Index

| GRI Standard | Disclosure | Page number(s) | Reported | Note |
|-------------------------------------|-------------------------------------------------------------------------------|-----------------------------|----------|------|
| GRI 101: FOUNDATION | | | | |
| GRI 102: GENERAL DISCLOSURES | | | | |
| Organizational Profile | | | | |
| 102-1 | Name of the organization | 3, 7 | ● | |
| 102-2 | Activities, brands, products, and services | 3, 7 | ● | |
| 102-3 | Location of headquarters | 3, 7 | ● | |
| 102-4 | Location of operations | 3, 7, 8-9 | ● | |
| 102-5 | Ownership and legal form | 13, 15 | ● | |
| 102-6 | Markets served | 7-10 | ● | |
| 102-7 | Scale of the organization | 7, 10 | ● | |
| 102-8 | Information on employees and other workers | 63-64 | ● | |
| 102-9 | Supply chain | 39-40 | ● | |
| 102-10 | Significant changes to the organization and its supply chain | 10, 35, 37 | ● | |
| 102-11 | Precautionary principle or approach | 15, 30, 37-38, 43-44, 75-76 | ● | |
| 102-12 | External initiatives | 31-32 | ● | |
| 102-13 | Membership of associations | 32, 44 | ● | |
| Strategy | | | | |
| 102-14 | Statement from senior decision-maker | 5 | ● | |
| 102-15 | Key impacts, risks, and opportunities | 37-38, 39-40, 43-44, 77-80 | ● | |
| Ethics and Integrity | | | | |
| 102-16 | Values, principles, standards, and norms of behavior | 3, 13-14, 18, 27, 31 | ● | |
| 102-17 | Mechanisms for advice and concerns about ethics | 27-29, 70, 72 | ● | |
| Governance | | | | |
| 102-18 | Governance structure | 13, 15 | ● | |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | 13, 15 | ● | |
| 102-21 | Consulting stakeholders on economic, environmental, and social topics | 24-26 | ● | |
| 102-33 | Communicating critical concerns | 28, 72 | ● | |
| 102-34 | Nature and total number of critical concerns | 28 | ● | |
| Stakeholder Engagement | | | | |
| 102-40 | List of stakeholder groups | 24-25 | ● | |
| 102-42 | Identifying and selecting stakeholders | 24-25 | ● | |
| 102-43 | Approach to stakeholder engagement | 24-26 | ● | |
| 102-44 | Key topics and concerns raised | 26 | ● | |
| Reporting Practice | | | | |
| 102-45 | Entities included in the consolidated financial statements | 92-93 | ● | |
| 102-46 | Defining report content and topic boundaries | 6, 25-26 | ● | |
| 102-47 | List of material topics | 18, 26 | ● | |
| 102-48 | Restatements of information | 6 | ● | |
| 102-49 | Changes in reporting | 6 | ● | |
| 102-50 | Reporting period | 6 | ● | |
| 102-51 | Date of most recent report | 6 | ● | |
| 102-52 | Reporting cycle | 6 | ● | |
| 102-53 | Contact point for questions regarding the report | 6 | ● | |
| 102-54 | Claims of reporting in accordance with the GRI Standards | 6 | ● | |
| 102-55 | GRI Content Index | 94-97 | ● | |

Reported ● fully ○ partially



| GRI Standard | Disclosure | Page number(s) | Reported | Note |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 200 ECONOMIC STANDARDS | | | | |
| Economic Performance | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 35 | ● | |
| 103-2 | The management approach and its components | 35 | ● | |
| 103-3 | Evaluation of the management approach | 35 | ● | |
| GRI 201 Economic Performance | | | | |
| 201-1 | Direct economic value generated and distributed | 34–35 | ● | |
| Anti-corruption | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 29 | ● | |
| 103-2 | The management approach and its components | 29 | ● | |
| 103-3 | Evaluation of the management approach | 29 | ● | |
| GRI 205 Anti-corruption | | | | |
| 205-1 | Operations assessed for risks related to corruption | 29 | ● | |
| 205-2 | Communication and training about anti-corruption policies and procedures | 29 | ● | |
| 205-3 | Confirmed incidents of corruption and actions taken | 28 | ● | |
| GRI 300 ENVIRONMENTAL STANDARDS | | | | |
| Energy | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 45 | ● | |
| 103-2 | The management approach and its components | 45 | ● | |
| 103-3 | Evaluation of the management approach | 45 | ● | |
| GRI 302 Energy | | | | |
| 302-1 | Energy consumption within the organization | 45–46 | ● | |
| 302-2 | Energy consumption outside of the organization | 50–51 | ● | |
| 302-3 | Energy intensity | 45–46 | ○ | Due to the diversity of our Group, there is limited comparability between our companies' consumption figures. That is why, for purposes of comparison, we cite the consumption figures of Oiltanking tank storage activities, which are our largest, per tons of throughput. |
| 302-4 | Reduction of energy consumption | 45–47 | ● | |
| 302-5 | Reductions in energy requirements of products and services | 47 | ○ | In addition to absolute demand, we report the relative changes in Oiltanking tank storage activities. |
| Water & Effluents | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 55–56 | ● | |
| 103-2 | The management approach and its components | 55–56 | ● | |
| 103-3 | Evaluation of the management approach | 55–56 | ● | |
| GRI 303 Water & Effluents | | | | |
| 303-1 | Interactions with water as a shared resource | 55–57 | ○ | We do not yet distinguish between water withdrawal and water consumption. We will improve our reporting on this in the future. |
| 303-3 | Water withdrawal | 56–57 | ● | |
| 303-4 | Water discharge | 60 | ○ | We currently only report industrial wastewater, but have not evaluated water stress or substances of concern. |
| Emissions | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 49 | ● | |
| 103-2 | The management approach and its components | 49 | ● | |
| 103-3 | Evaluation of the management approach | 49 | ● | |
| GRI 305 Emissions | | | | |
| 305-1 | Direct (Scope 1) GHG emissions | 50–52 | ● | |
| 305-2 | Energy indirect (Scope 2) GHG emissions | 50–52 | ● | |
| 305-3 | Other indirect (Scope 3) GHG emissions | 52 | ● | |
| 305-5 | Reduction of GHG emissions | 50–52 | ● | |
| 305-6 | Emissions of ozone-depleting substances (ODS) | 52–53 | ● | |
| 305-7 | Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions | 51 | ○ | Only emissions such as NO _x , SO _x from third-party transports that were calculated using the EcoTransIT method can be reported. |



| GRI Standard | Disclosure | Page number(s) | Reported | Note |
|-----------------------------------------------|-----------------------------------------------------------------------------------------|----------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 300 ENVIRONMENTAL STANDARDS | | | | |
| Waste | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 58-60 | ● | |
| 103-2 | The management approach and its components | 58-60 | ● | |
| 103-3 | Evaluation of the management approach | 58-60 | ● | |
| GRI 306 Waste | | | | |
| 306-1 | Waste generation and significant waste-related impacts | 58-60 | ◐ | So far, we report the amount and type of waste we generate. We will continuously improve our reporting so that in the future we can also report on waste-related impacts along our entire value chain. |
| 306-3 | Waste generated | 58-60 | ● | |
| Environmental Compliance | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 43 | ● | |
| 103-2 | The management approach and its components | 43 | ● | |
| 103-3 | Evaluation of the management approach | 43 | ● | |
| GRI 307 Environmental Compliance | | | | |
| 307-1 | Non-compliance with environmental laws and regulations | 30 | ● | |
| GRI 400 SOCIAL STANDARDS | | | | |
| Employment | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 63 | ● | |
| 103-2 | The management approach and its components | 63 | ● | |
| 103-3 | Evaluation of the management approach | 63 | ● | |
| GRI 401 Employment | | | | |
| 401-1 | New employee hires and employee turnover | 64-65 | ◐ | For reasons related to data protection, we cannot disclose the turnover figures by age group and gender, as this would make it possible to make personal inferences at some smaller companies. |
| 401-3 | Parental leave | 71 | ◐ | The data refers to our German locations. |
| Occupational Health and Safety | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 75 | ● | |
| 103-2 | The management approach and its components | 75 | ● | |
| 103-3 | Evaluation of the management approach | 75 | ● | |
| GRI 403 Occupational Health and Safety | | | | |
| 403-1 | Occupational health and safety management system | 75 | ● | |
| 403-2 | Hazard identification, risk assessment, and incident investigation | 75-80 | ● | |
| 403-3 | Occupational health services | 76-77, 80 | ● | |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | 76 | ● | |
| 403-5 | Worker training on occupational health and safety | 76-78 | ● | |
| 403-6 | Promotion of worker health | 76-77 | ● | |
| 403-9 | Work-related injuries | 77, 79 | ◐ | In the future we will breakdown the most important types of work-related accidents. |
| Training and Education | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 67 | ● | |
| 103-2 | The management approach and its components | 67 | ● | |
| 103-3 | Evaluation of the management approach | 67 | ● | |
| GRI 404 Training and Education | | | | |
| 404-1 | Average hours of training per year per employee | 77 | ◐ | So far, only the training hours for HSSE are recorded worldwide. |

Reported ● fully ◐ partially



| GRI Standard | Disclosure | Page number(s) | Reported | Note |
|-----------------------------------------|------------------------------------------------------------------------------------------|----------------|----------|------------------------------------------------------------------------------------------------|
| GRI 400 SOCIAL STANDARDS | | | | |
| Non-discrimination | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 69–70 | ● | |
| 103-2 | The management approach and its components | 69–70 | ● | |
| 103-3 | Evaluation of the management approach | 69–70 | ● | |
| GRI 406 Non-discrimination | | | | |
| 406-1 | Incidents of discrimination and corrective actions taken | 70 | ● | |
| Local Communities | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 83–85 | ● | |
| 103-2 | The management approach and its components | 83–85 | ● | |
| 103-3 | Evaluation of the management approach | 83–85 | ● | |
| GRI 413 Local Communities | | | | |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | 83 | ◐ | We only report the proportion of sites that work with charitable projects for the common good. |
| Public Policy | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 31 | ● | |
| 103-2 | The management approach and its components | 31 | ● | |
| 103-3 | Evaluation of the management approach | 31 | ● | |
| GRI 415 Public Policy | | | | |
| 415-1 | Political contributions | 31 | ● | |
| Socioeconomic Compliance | | | | |
| GRI 103 Management Approach | | | | |
| 103-1 | Explanation of the material topic and its boundary | 28 | ● | |
| 103-2 | The management approach and its components | 28 | ● | |
| 103-3 | Evaluation of the management approach | 28 | ● | |
| GRI 419 Socioeconomic Compliance | | | | |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | 30–31 | ● | |

ABBREVIATIONS

| | | | |
|------------------------|---------------------------------------------------------------|-----------------------|----------------------------------------------------------|
| API | → American Petroleum Institute | LNG | → Liquefied natural gas |
| BU | → Business Unit | MJ | → Megajoules |
| CARE | → Concern And REporting | NAP | → National Action Plan on Human Rights |
| CH₄ | → Methane | NMHC | → Non-methane hydrocarbons |
| CMT | → Crisis Management Team | NO₂ | → Nitrogen dioxide |
| CO₂ | → Carbon dioxide | NO_x | → Nitrogen oxide |
| CO₂e | → Carbon dioxide equivalents | OECD | → Organization for Economic Co-operation and Development |
| ESG | → Environment, social & governance | OHSAS | → Occupational Health and Safety Assessment Series |
| GCA | → Gulf Coast Ammonia | OTD | → Oiltanking Deutschland |
| GHG | → Greenhouse gases | PCR | → Polymerase Chain Reaction |
| GJ | → Gigajoules | PI | → Performance indicator |
| GMA | → Gesellschaft für Mineralöl-Analytik und Qualitätsmanagement | PM | → Particulate matter |
| GRI | → Global Reporting Initiative | SDGs | → Sustainable Development Goals |
| HDI | → Human Development Index | SO₂ | → Sulfur dioxide |
| HIF | → Highly innovative fuels | SO_x | → Sulfur oxide |
| HR | → Human Resources | TCFD | → Task Force on Climate-related Financial Disclosures |
| HSSE | → Health, Safety, Security & Environment | TdP | → Terminales del Peru |
| ILO | → International Labor Organization | TRI-R | → Total Recordable Injury Rate |
| IPCC | → International Panel on Climate Change | UN | → United Nations |
| ISO | → International Organization for Standardization | VOCS | → Volatile organic compounds |
| KPI | → Key performance indicator | | |

ADDRESSES



MARQUARD & BAHLIS AG

Koreastraße 7 ... 20457 Hamburg ... Germany
Phone + 49 40 370 04-0 ... Fax + 49 40 370 04-7242 ... www.marquard-bahls.com



OILTANKING GMBH

Koreastraße 7 ... 20457 Hamburg ... Germany
Phone + 49 40 370 04-0 ... Fax + 49 40 370 04-7499 ... www.oiltanking.com



MABANAFT GMBH & CO. KG

Koreastraße 7 ... 20457 Hamburg ... Germany
Phone + 49 40 370 04-0 ... Fax + 49 40 370 04-7352 ... www.mabanaft.com



GMA – GESELLSCHAFT FÜR MINERALÖL-ANALYTIK UND QUALITÄTSMANAGEMENT MBH + CO. KG

Koreastraße 7 ... 20457 Hamburg ... Germany
Phone + 49 40 370 04-7159 ... Fax + 49 40 370 04-7299 ... www.gma-analytik.de



COLOPHON

PUBLISHER

Marquard & Bahls AG

CONCEPT, TEXT & COORDINATION

Anna Weritz, Sarah Dannenfeldt, Jörg Walter
Marquard & Bahls AG, Group Function HSSE & Sustainability

DESIGN

Alwin Wehsling, Projekt 7 (Hamburg)

PRINTING

Beisner Druck GmbH & Co. KG (Buchholz)

Paper: RecyStar Polar 300 g/m² and 150 g/m²
(recycled paper with blue angel label)
The carbon emissions generated by paper
and printing were compensated. ID No. 21104433



Print run: 300 German and 300 English copies
Editorial deadline: June 30, 2021

This Sustainability Report is also published in German.
The German version is authoritative.

www.marquard-bahls.com
sustainability@marquard-bahls.com

