ACT VALUE CHAIN

**INPUTS**

**FINANCIAL CAPITAL**
The financial capital provided by our shareholders delivers necessary funding for our business.

- **APM Terminals** 50% + 1 share
- **Aqaba Development Company** 50% - 1 share

**SKILLS AND EXPERTISE**
The individual skills, competencies and experience of our people is the engine of our success.

ACT’s unique partnership with APM brings incomparable international expertise and best-practices to the table.

**NATURAL RESOURCES**
We use energy and water in order to run our operations.

- 224,342 GJ of energy consumed
- 39,976 m³ of fresh water consumed

**SOCIAL AND RELATIONSHIPS**
Maintaining quality relationships with our stakeholders, particularly our customers, suppliers, employees, unions, regulatory and local communities are fundamental for growing and sustaining our business value.

**OUR BUSINESS**

Aqaba Container Terminal Pvt. Co. (ACT) is a transit and cargo terminal located on the Red Sea in Aqaba, Jordan. As Jordan’s only container terminal, ACT plays a vital role in supporting the national and regional economies through the import and export of goods.

**Our Location:**
Aqaba terminal is located in the city of Aqaba, in the Hashemite Kingdom of Jordan at the cross-roads of three continents and four countries.

**VISION:**
ACT’s vision is to be the Sustainable Gateway for Jordan and beyond.

**MISSION:**
To develop and upgrade a sustainable modern, transparent, competitive, reliable, and profitable supply chain component into Jordan, Iraq and the Levant region.

**OUTPUTS**

**792,841**
Total throughput (TEUs).

**97,950,000**
Total revenues in 2016.

**OUTCOMES**

**JOD 30.6 MILLION**
Taxes and royalties paid to Government.

**1,064**
Total workforce

**JOD 23.5 MILLION**
Wages and benefits for our workforce

**14,248**
Total training hours for our workforce

**11,321**
Tonnes of GHG emissions

**361,000**
Total waste generated (kg)

**79%**
Spending on locally based contractors and suppliers

**JOD 110,000**
Community investments
CEO MESSAGE

It is my pleasure to present ACT’s sixth sustainability report. This report demonstrates our strong commitment to deliver a positive impact to the overall environmental, social, and economic development of Jordan for generations to come.

As the only container port in Jordan, we recognise our responsibility to all stakeholders and the integral role we play in the Jordanian economy that extends beyond the boundaries of our conventional business domains.

At ACT, sustainability is central to our business at both the strategic and operational levels. We seek to minimise our environmental impact, provide a safe and secure working environment, and create shared value for all our stakeholders. ACT’s sustainability efforts are guided by its sustainability framework which helps us ensure sustainability is integrated in everything we do.

With the growing globalisation of trade, coupled with ACT’s strategic geographical location, the company is a regional gateway for trade between the Levant region and the rest of the world.

We live in challenging and uncertain times, but also find ourselves faced with many exciting opportunities. Despite the unstable political and socio-economic conditions in neighbouring countries, new regulatory and compliance requirements, industry evolution, and contemporary environmental challenges, ACT is confident that it can rise to overcome these challenges through its operational capabilities and resilient management structures. In 2016, ACT witnessed 5% increase in overall container throughput from the previous year.

We are committed to transparency and integrity, with zero tolerance to all forms of corruption. We take any breach to our code of conduct very seriously and ensure all our employees are well aware of these topics.

In 2016, ACT had many successes to celebrate, thanks to the hard work of our people and the quality of service we provide to our customers. I am happy to report that ACT continued its strong health and safety performance in 2016 with no fatalities and a reduction in lost-time injury rate of 18% compared to 2015.

On the environmental front, ACT received the ISO 14001:2015 certification for ACT’s Environmental Management System.

ACT is also proud of its contributions to the local community through a wide range of initiatives that target educational support, environmental awareness and general well-being. ACT has come a long way and I am very proud that our holistic focus on HSE has been recognised by industry peers, earning us two awards and three recognitions as finalists for the Lloyd’s awards.

2016 marked the 10-year anniversary of ACT. As we conclude this decade of activity, we celebrate this important milestone with the commitment to add value to our customers, people, and the community at large.

I sincerely thank each and every member of our ACT family for their outstanding efforts in 2016. I would also like to extend my gratitude to the members of the Board of Directors for their constructive insights to the management’s decision-making process.

Jeppe Jensen
Chief Executive Officer
Aqaba Container Terminal (ACT) is the gateway for import and export cargo trading between the Levant region and the rest of the world. As one of the most politically stable countries in the region, Jordan provides a secure corridor for trade with surrounding countries. In April 2015, the Jordanian government closed the border to Syria in response to the on-going conflict in the region, blocking the road used for Jordanian exports to access the markets of Syria, Lebanon, Turkey, and beyond. Consequently, this export traffic has had to be redirected to ACT to be shipped through the Suez and the Mediterranean Sea.

Without prior notice, ACT managed to handle this sudden and impressive surge of export containers (46% increase) at the busiest time of the year, thus demonstrating its strong support to Jordan’s industries and affirming its status as the most sustainable gateway to the Levant. In 2016, the full container exports witnessed another increase (up by 7% from 2015).

**APM TERMINALS ADVANTAGE**

With the largest and most balanced Port and Terminal global portfolio, APM Terminals (APMT) has brought extensive international experience as well as commercial and operational best practices to Jordan. ACT is today the logistical and economic backbone of the Aqaba Special Economic Zone Authority (ASEZA); serving as the preferred gateway to the region for many active markets around the world. Under APM Terminals management, the terminal has been a shining example of successful PPP, operating under progressive leadership and sustainable growth. Under the management of APM Terminals, ACT has benefited from adopting leading operational and commercial standards, and best practice. Over the past 10 years, ACT has invested over USD 300 million in the terminal, expanding its capacity, and improving its operations. At the same time, since 2006, 97% of the profit generated by the Terminal has stayed in Jordan. ACT reinvested close to 40% of its revenue into Terminal and equipment upgrades to prepare for future growth.

**INVESTING IN JORDAN**

Under the management of APM Terminals, ACT has benefitted from adopting leading operational and commercial standards, and best practice. Over the past 10 years, ACT has invested over USD 300 million in the terminal, expanding its capacity, and improving its operations. At the same time, since 2006, 97% of the profit generated by the Terminal has stayed in Jordan. ACT reinvested close to 40% of its revenue into Terminal and equipment upgrades to prepare for future growth.
ACT’S JOURNEY THROUGH THE YEARS

2003
- ACT faced a major congestion crisis

2004
- ADC and APM Terminals sign 2-year management contract, and APM Terminals took over the management of ACT

2005
- ACT begins the "Operational Excellence" programme through the introduction of world-class practices that increase performance, efficiency and reliability
- Installed new Ship-to-Shore (STS) and Rubber Tyred Gantry (RTG) cranes
- His Majesty King Abdullah II of Jordan inaugurates ACT’s berth expansion

2006
- ACT declared congestion free and the congestion charge is abolished
- ACT declared one of the three best terminals in the Middle East and the Indian Sub-Continent by Lloyd’s

2008
- ACT becomes a gateway to the Levant and Iraq with best international standards

2010
- Introduction of sustainability excellence through adopting sustainability reporting and a new sustainability framework to enhance performance, transparency, openness, and accountability

2011
- ACT adopts the journey to safety and development excellence programme to develop a positive safety culture
- ACT deemed a model privatisation venture within its category, according to report issued by the Jordanian government
- ACT receives the ISO 14001 certification for its comprehensive environmental management system
- ACT becomes a gateway to the Levant and Iraq with best international standards
- ACT reached the highest total throughput handled (872,810 TEUs)
- Berth expansion to 1,000 metres

2012
- ACT affirms its status as the most sustainable gateway to the Levant region by handling a sudden and impressive surge of export containers and demonstrating strong export support
- ACT shortlisted for the Lloyd’s Port Operator Award and HPH Environment Award in recognition of its efforts

2015
- ACT nominated as a finalist for the Lloyd’s Middle East and Indian Subcontinent “Safety” Award, “Hutchinson Ports Holding (HPH) Environment” Award, and “Port Operator” Award

2016
- ACT recognised by the Jordanian Social Security Corporation for exceeding all health and safety standards
- ACT received the APMT Global Safety Performance Award
- ACT declared one of the three best terminals in the Middle East and the Indian Sub-Continent by Lloyd’s
- ACT deemed a model privatisation venture within its category, according to report issued by the Jordanian government
- ACT received the APMT Global Safety Performance Award
- ACT nominated as a finalist for the Lloyd’s Middle East and Indian Subcontinent “Safety” Award, “Hutchinson Ports Holding (HPH) Environment” Award, and “Port Operator” Award

2017
- ACT reaches the highest total throughput handled (872,810 TEUs)
- Berth expansion to 1,000 metres

2018
- ACT affirms its status as the most sustainable gateway to the Levant region by handling a sudden and impressive surge of export containers and demonstrating strong export support
- ACT shortlisted for the Lloyd’s Port Operator Award and HPH Environment Award in recognition of its efforts

2019
- ACT recognised by the Jordanian Social Security Corporation for exceeding all health and safety standards
- ACT received the APMT Global Safety Performance Award
- ACT nominated as a finalist for the Lloyd’s Middle East and Indian Subcontinent “Safety” Award, “Hutchinson Ports Holding (HPH) Environment” Award, and “Port Operator” Award

2020
- ACT reaches the highest total throughput handled (872,810 TEUs)
- Berth expansion to 1,000 metres

2021
- ACT affirms its status as the most sustainable gateway to the Levant region by handling a sudden and impressive surge of export containers and demonstrating strong export support
- ACT shortlisted for the Lloyd’s Port Operator Award and HPH Environment Award in recognition of its efforts

2022
- ACT recognised by the Jordanian Social Security Corporation for exceeding all health and safety standards
- ACT received the APMT Global Safety Performance Award
- ACT nominated as a finalist for the Lloyd’s Middle East and Indian Subcontinent “Safety” Award, “Hutchinson Ports Holding (HPH) Environment” Award, and “Port Operator” Award

2023
- ACT reaches the highest total throughput handled (872,810 TEUs)
- Berth expansion to 1,000 metres

2024
- ACT affirms its status as the most sustainable gateway to the Levant region by handling a sudden and impressive surge of export containers and demonstrating strong export support
- ACT shortlisted for the Lloyd’s Port Operator Award and HPH Environment Award in recognition of its efforts

2025
- ACT recognised by the Jordanian Social Security Corporation for exceeding all health and safety standards
- ACT received the APMT Global Safety Performance Award
- ACT nominated as a finalist for the Lloyd’s Middle East and Indian Subcontinent “Safety” Award, “Hutchinson Ports Holding (HPH) Environment” Award, and “Port Operator” Award
SUSTAINABILITY AT ACT

AT ACT, SUCCESS IS MEASURED BY THE VALUE IT CREATES, INCLUDING THE ECONOMIC VALUE TO ITS SHAREHOLDERS, EMPLOYEES, AND THE COMMUNITIES IN WHICH IT OPERATES, AS WELL AS THE CONTRIBUTIONS IT MAKES TOWARDS CREATING A SAFE AND CLEAN ENVIRONMENT. ACT HAS TAKEN EVERY EFFORT TO PRESENT THESE VALUES IN A CLEAR AND CONCISE MANNER, SO STAKEHOLDERS CAN APPRECIATE THE COMPANY’S ACTIONS, IMPACTS, AND SHARED GOALS TOWARDS THE CREATION OF A SUSTAINABLE FUTURE.

OUR SUSTAINABILITY FRAMEWORK:
ORGANISING OUR APPROACH

ACT’s sustainability framework articulates what sustainability means to ACT. It is a reflection of the company’s integrated approach to making ACT more sustainable, and addresses the issues that matter the most to ACT and its stakeholders.

The framework consists of six pillars anchored to our vision of being a sustainable gateway to Jordan and the Levant region. Under each pillar, ACT has a set of key performance indicators (KPIs) that are clearly linked to the company’s strategic priorities and help measure ACT’s progress against each element of its sustainability strategy.

STAKEHOLDER ENGAGEMENT

ACT’s sustainability management programme aims to integrate input from all stakeholders. ACT understands that open and transparent communication is paramount to continued positive relationships with its stakeholders.

As an example of the initiatives carried out in 2015, ACT set up employee feedback kiosks that allowed employees to give valuable feedback that will help the company implement improvements.

This seven-category graphic shows ACT’s main stakeholders. Further information about the company’s key stakeholders, their expectations of ACT, and the engagement methods is found in Appendix B.
**IMPORTANCE TO ACTORS AND ACTORS TO STAKEHOLDERS**

Safety and Security

Procurement and Contractor Relations

Customer Satisfaction

Environmental Management

Energy and Emissions

Materials, Waste and Water

Governance

Occupational Health

Employee Engagement

Financial Performance

Diversity and Equal Opportunity

**IMPORTANCE TO ACTORS**

**IMPORTANCE TO STAKEHOLDERS**

**REPORTING ON WHAT MATTERS THE MOST**

ACT’s stakeholder-driven approach to materiality serves as the foundation for our sustainability reporting. Through understanding important sustainability issues from both internal and external perspectives, ACT can focus its sustainability reporting and strategy on what is important to our stakeholder and business at the same time.

Following our in-depth materiality assessment conducted in 2013, ACT reviews and refines its materiality matrix annually to validate and update its material issues, keeping these in line with current sustainability and business contexts.

In 2016, no significant changes were made to material aspects compared to the previous year. Safety and Security remain an immutable top priority at ACT. Also, ACT continued to focus its efforts to strengthen its governance through intensive anti-corruption and legal compliance training.

More details about the materiality process are presented in Appendix B.

**2016 PERFORMANCE HIGHLIGHTS**

**INCREASING OPERATIONAL EFFICIENCY**

15% drop in operational costs

**COMPLETION OF WHARF UPGRADES**

5% increase in overall container throughput

**MITIGATING ENVIRONMENTAL IMPACT**

14001:2015 ISO CERTIFICATION

Establishment of Environmental Policy

**ACHIEVING SUSTAINABLE FINANCIAL PERFORMANCE**

JOD 23,505,000 employee wages and benefits

12.5% return on investment

JOD 97,950,000 total revenue

**SUPPORTING THE COMMUNITY**

JOD 110,000 total CSR expenditure

79% of total spending on locally based suppliers

**ENGAGING EMPLOYEES**

13 average hours of training per employee

14,248 total training hours

31% of workforce

**ENSURING SAFETY AND SECURITY**

18% positive improvement in lost time injury

**WORKPLACE SAFETY AND HEALTH AWARD**

**ZERO FATALITIES**

100% of employees and contractors trained in health & safety

**Materiality Matrix**

- Economic+ Social Aspects
- Economic Aspects
- Environmental Aspects
- Social Aspects

Local Employment and Economic Impact

Community Impact and CSR

Labour Rights and Relations

Operational Efficiency and Performance

Customer Satisfaction

Employee Engagement

Financial Performance

Diversity and Equal Opportunity

15% drop in operational costs

14001:2015 ISO CERTIFICATION

JOD 23,505,000 employee wages and benefits

12.5% return on investment

JOD 97,950,000 total revenue

JOD 110,000 total CSR expenditure

13 average hours of training per employee

14,248 total training hours

31% of workforce

18% positive improvement in lost time injury

**WORKPLACE SAFETY AND HEALTH AWARD**

**ZERO FATALITIES**

100% of employees and contractors trained in health & safety
CHAPTER 1
MAKING JORDAN A TERMINAL OF CHOICE

"WITH THE GROWING GLOBALISATION OF TRADE, COUPLED WITH ACT’S STRATEGIC GEOGRAPHICAL LOCATION, THE COMPANY IS A REGIONAL GATEWAY FOR TRADE BETWEEN THE LEVANT REGION AND THE REST OF THE WORLD."

Jeppe Jensen, ACT CEO

A REGIONAL GATEWAY

OVER THE PAST DECADE, ACT HAS EXPANDED ITS ROLE FROM AN OLD SMALL FEEDER PORT TO A MAJOR MODERN MAINLINER PORT WITH THE CAPACITY TO HANDLE AMONG THE LARGEST CONTAINER SHIPS.

While recent conflicts in neighbouring countries have led to the closure of their borders such as Iraq and Syria, Jordan stability remains exemplary and ACT’s role only more crucial to support the Jordanian people and their businesses. The restricted access by road to neighbouring markets redirected cargo to ACT to be shipped by sea. Consequently, the full container exports witnessed an increase of close to 7% compared to 2015 and a staggering 37% compared to 2014.

In this context, Jordan’s local market has shown resilience in 2016 with an increase of 5.5% in import full containers compared to the previous year. This growth can be mainly attributed to the influx of refugees increasing the demand for basic goods and a growing number of Iraqi traders purchasing goods from the local Jordanian markets instead of importing full containers in transit.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Throughput *</td>
<td>817,434</td>
<td>872,812</td>
<td>781,291</td>
<td>758,218</td>
<td>792,841</td>
</tr>
<tr>
<td>Full Export</td>
<td>64,208</td>
<td>77,343</td>
<td>86,940</td>
<td>111,241</td>
<td>118,912</td>
</tr>
<tr>
<td>Transit</td>
<td>104,003</td>
<td>92,094</td>
<td>51,850</td>
<td>19,546</td>
<td>9,282</td>
</tr>
<tr>
<td>Full Import</td>
<td>410,195</td>
<td>439,433</td>
<td>393,962</td>
<td>377,995</td>
<td>398,914</td>
</tr>
</tbody>
</table>

* Total throughput contains both full and empty containers, while export, transit and import performance represent full containers only.

37% INCREASE IN FULL CONTAINER EXPORTS SINCE 2014

5.5% INCREASE IN IMPORT OF FULL CONTAINERS IN JORDAN COMPARED TO 2015
AWARDS AND RECOGNITION

ACT’S HARD WORK SINCE 2006 ENSURES THAT ITS OPERATIONS ARE EFFICIENT, SAFE, AND RELIABLE IN THE MOST SUSTAINABLE WAY POSSIBLE. WE ARE PROUD OF OUR ACHIEVEMENTS THUS FAR, AND HUMBLED BY THE RECOGNITION AND ACCOLADES RECEIVED FROM THE JORDANIAN GOVERNMENT, SOCIAL SECURITY CORPORATION (SSC), ESTEEMED PEERS, AND ORGANISATIONS FROM OUR INDUSTRY.

These awards recognised our achievements in the areas of operations, environment, and health and safety. These are all highly significant areas of our business. ACT is committed to setting the bar higher and seeks to make progress in these and other material areas of our business in the coming years.

Below are highlights of awards and recognition that ACT has received in 2016:

**WORKPLACE SAFETY AND HEALTH AWARD**
ACT was once again recognised by the Jordanian Social Security Corporation for its achievement in exceeding all health and safety standards and benchmarks.

**APM TERMINALS GLOBAL SAFETY PERFORMANCE AWARD**
ACT received the APM Terminals Global Safety Performance Award at APM Terminals’ Global Leadership Conference in Rotterdam, in competition with the global APMT network of more than 72 port terminals.

**MIDDLE EAST AND INDIAN SUBCONTINENT FINALIST FOR “SAFETY” AWARD**
Lloyd’s List has nominated ACT as finalist for the Middle East and Indian Subcontinent “Safety” Award. ACT was recognised for its dedication to upholding the highest standards of safety.

**MIDDLE EAST AND INDIAN SUBCONTINENT FINALIST FOR “HPH ENVIRONMENT” AWARD**
Lloyd’s List has nominated ACT as finalist for the Middle East and Indian Subcontinent “Hutchinson Ports Holding (HPH) Environment” Award. ACT was recognised for promoting a conscious environmental friendly approach to its business operations.

**MIDDLE EAST AND INDIAN SUBCONTINENT FINALIST FOR “PORT OPERATOR” AWARD**
Lloyd’s List has nominated ACT as finalist for the Middle East and Indian Subcontinent “Port Operator” Award. ACT was recognised for its unconditional support to the export industry in critical times.
ALONG WITH SAFETY, OPERATIONAL EFFICIENCY IS AT THE CORE OF ACT’S BUSINESS. ACT CONSTANTLY SEeks FOR CONTINUOUS IMPROVEMENT IN ITS OPERATIONAL PERFORMANCE TO MAKE THE BEST USE OF OUR RESOURCES AND INFRASTRUCTURE, AND TO MEET AND EXCEED THE HIGHEST INTERNATIONAL STANDARDS.

OPERATIONAL EFFICIENCY

SINCE 2006, ACT HAS WORKED RELENTLESSLY TO DELIVER THE BEST SERVICE AND ENSURE ONGOING EXPANSION AND ENHANCEMENT OF ITS TERMINAL OPERATIONS. OVER THE PAST 10 YEARS, IT HAS INVESTED HEAVILY INTO STRATEGIC PROJECTS AND DRASTICALLY INCREASED THE TERMINAL CAPACITY, PRODUCTIVITY, AND EFFICIENCY.

Operational Efficiency

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>5 year trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Throughput</td>
<td>817,434</td>
<td>872,812</td>
<td>781,291</td>
<td>758,218</td>
<td>792,841</td>
<td>-3%</td>
</tr>
<tr>
<td>Gross crane productivity*</td>
<td>28.6</td>
<td>29.31</td>
<td>26.92</td>
<td>30.32</td>
<td>33.8</td>
<td>18%</td>
</tr>
<tr>
<td>Truck turnaround time (hours)</td>
<td>1.51</td>
<td>1.96</td>
<td>0.89</td>
<td>0.86</td>
<td>0.63</td>
<td>-58%</td>
</tr>
<tr>
<td>Dwell time for full import (days) **</td>
<td>10.7</td>
<td>10</td>
<td>0.89</td>
<td>11.9</td>
<td>10.14</td>
<td>-5%</td>
</tr>
<tr>
<td>Operational Cost Intensity (JOD/move) ***</td>
<td>71</td>
<td>90</td>
<td>122</td>
<td>149</td>
<td>125</td>
<td>76%</td>
</tr>
</tbody>
</table>

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* The Gantry Crane Moves Per Hour (GMPH) for the terminal has been impacted over the years due to external influences. The reported number is the gross value prior to any adjustments for Force Majeure events, despite this, the performance of the terminal is still improving.

** We report a dwell time value, but it is not a measure of ACT performance. Rather it is an indicator as to the use of the terminal as a storage facility due to inefficient clearance processes and customer choice. Higher dwell times lead to higher utilisation of the terminal, reducing efficiency and limiting throughput capacity of the terminal.

*** The figures have been restated based on improved calculation methodology.

In 2016, ACT continuous process improvement programmes delivered positive results. Gross crane productivity has increased by 18% between 2012 and 2016. The truck turnaround time has improved by 58% since 2012, despite a truck flow through the terminal which remains impeded by various customs processes still conducted within the terminal. Even though our operational cost intensity has increased over the past five years, in 2016 ACT managed to decrease its operational cost intensity by 16% in comparison to 2015.

The reliability of ACT’s equipment is critical to deliver the highest performance at any time. For that reason, the terminal invested in a robust predictive maintenance system.
INFRARED THERMAL IMAGING

ACT uses infrared (IR) thermal imaging for conditioned and predictive maintenance to detect faults more efficiently. This technology is based on the concept of heat emission from machinery and equipment to detect technical problems by IR imagery before damages, safety hazards and operational downtime take place. Adopting this proactive approach through this technology ultimately saves time, effort, cost and allows ACT to find technical solutions for problems before they develop into serious issues.

It is important that this technology is used by specialists and qualified personnel, so ACT conducted a training on IR thermal imaging, followed by hands-on practice and immediate implementation at the terminal. Five employees attended the training in 2016.

5 EMPLOYEES TRAINED

IMO’S “SOLAS” CONTAINER WEIGHING REGULATION COMPLIANCE

The International Maritime Organisation (IMO) amended the International Convention for the Safety of Life at Sea (SOLAS) regarding weight verification requirements that require container shippers to provide a weight certificate showing the Verified Gross Mass (VGM) of the container and its contents to the carrier in advance of vessel loading so this can be used in the preparation of the vessel’s stowage plan.

Effective 1 July 2016, this new regulation intends to enhance the safety of the personnel handling containers throughout the logistic chain and reduce the risk of damages to the cargo, the containers, the ship and the terminal handling equipment.

ACT prepared for this change of regulations, invested in new IT solutions and adapted its processes ahead of the deadline to ensure the full compliance of Jordan’s exports to this new international regulation. As a result, no export containers from Jordan missed a vessel sailing because of the new VGM regulations.

CONTINUOUS IMPROVEMENT

ACT IS DEDICATED TO INCREASING THE EFFECTIVENESS OF ITS BUSINESS OPERATIONS, WHILE AT THE SAME TIME REDUCING THE ENVIRONMENTAL IMPACT. THESE IMPROVEMENTS RANGE FROM SIMPLE CHANGES IN THE DAY-TO-DAY WORK APPROACH TO MAJOR SHIFTS IN FOCUS AND PROCEDURES ACROSS ACT.

IMPROVEMENT PROJECTS

In 2016, ACT has done several improvement projects in efforts to improve the quality of its services and its health and safety culture for many years to come.

<table>
<thead>
<tr>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Updating Operations, Standard Operating Procedures (SOPs) and Risk Assessment</td>
<td>Dual cycle: planning and executing container duel cycling while operating vessels on quay side. A Dual Cycle system was implemented by an APMT team as ACT’s planning and executing follow up and executed DC opportunities</td>
<td>Manpower Resources Utilisation: deploying ACT’s flexible labour for operations in an efficient way to ensure there are no over staffing costs and to reflect manpower on moves and taking out cost of contractor</td>
<td>Operating a second weighing bridge located in the reefers storage yard to increase efficiency and reduce traffic inside terminal. A new traffic management plan was implemented for the yard</td>
<td>Studying Truck Turnaround Time (TTT) for every stage that external truck goes through from the in-gate to the out-gate, finding which process take the most time</td>
<td>Reduce out of block stacking; maintain safety in yards by eliminating out of block stacking &amp; creating safe zones to temporary store containers</td>
<td>Adapting an automated check list through which equipment operators use the Radio Data Terminal (RDT) to complete the safety and operational check list, rather than using hard copy. The check list is updated and sent to engineering for faults reporting</td>
<td>Improving Daily Safety Talks by choosing better locations to do the safety talks, using VGM tools to aid the safety talks, and giving ops foremen presenter skills courses to improve message delivery</td>
<td>Improve CDM Reporting; operations staff were subject to intensive CDM courses to improve reporting quality</td>
<td>Truck alignment project study</td>
<td>Truck alignment system implementation</td>
<td></td>
</tr>
</tbody>
</table>

PREDICTIVE MAINTENANCE: TERMINAL DECK UPGRADES

In December 2015, ACT commenced activities to upgrade and strengthen its existing wharf to maintain its integrity and durability. To minimise disruptions of operations, the project was conducted in two stages; ACT removed and replaced the portion of the deck that needed to be upgraded. In 2016, all works were completed on time and as scheduled, and operations continued to their full capacity.
LOOKING FORWARD

TRUCK ALIGNMENT PROJECT:

This project was first introduced as a part of the organisation’s GMPH improvement plan. It aims to reduce the container handling time on Quay Side by eliminating the time consumed to align the terminal truck trailer to the Quay Crane (QC) spreader. An alignment system was developed within the ACT’s engineering facilities under operations supervision, and was deployed on two QCs for testing. After 6 months of studying and analysing results from the system, the project returned promising results and was deemed successful. Accordingly, the system will be installed on all remaining QCs in 2017, with further studies and analysis in 2018. Upon full completion of this project, ACT aims to reduce the average handling time by 1.5 seconds, improve handling safety, and enhance Man-Machine ergonomics.

ENHANCE SAFETY CULTURE:

Building on the safety culture survey conducted in early 2016, ACT planned and executed several solutions, actions, and initiatives to promote the safety spirit among ACT’s employees. In 2017, ACT plans to cascade safety ownership to each employee. The Operations department is planning on taking ownership over safety issues related to ACT’s operations. This will reduce the response time in cases of adverse events, enhance safety culture among operations staff, and improve integration of safety function within Operations. Also, ACT plans to develop a new Incident Investigation SOP that will transform the ownership of any incident to its respective department. The new SOP will conform with global incident standards, will be more comprehensive and aims to reduce the chance of accidents. Acting on safety principles like (You See It You Own It) will transfer safety ownership to every employee, and will help create a solid and sustainable safety culture and environment. By doing so, ACT can reduce safety violations, increase safety awareness and create a rich environment for safety innovations and improvements.

IMPROVE CUSTOMS SEALING AREA:

Governmental customs department has a sealing area located inside the terminal, in which external truckers complete customs formalities and seal containers. ACT aims to improve the sealing area, enhance its safety, and reduce the time consumed in the process to improve external truck turnover time inside terminal premises.

EXPERT DECKING:

ACT plans to deploy a comprehensive yard allocation module that facilitates real-time, accurate, and optimised stowage of containers in the yard. This will allow ACT to spend less time observing yard allocations, provide more time to manage the yard, help ACT increase its yard capacity, and optimise terminal operations.

BERTH TO FIRST MOVE TIME:

This project is set to improve ACT’s customer service by measuring the elapsed time between a vessel’s berth-time and first-move-time on ACT’s quay side, thereby eliminating unnecessary steps to improve workflow efficiency.

Our approach going forward will be combined with training of operations staff, and performance monitoring to strengthen the capabilities of our teams and foster knowledge transfer.
CUSTOMER SATISFACTION

RECEIVING FEEDBACK FROM CUSTOMERS IS AN IMPORTANT INDICATOR OF HOW ACT IS DOING. THE RESULTS ENABLE THE COMPANY TO LEARN MORE ABOUT CUSTOMER NEEDS, AND WHAT ACT CAN DO TO FURTHER ENHANCE THEIR BUSINESS EXPERIENCE.

Because ACT operates in a fast-developing business environment, the company decided in 2016 to reconsider the content of its Customer Satisfaction survey to ensure the valuable customers’ feedback enable the company to take actions on clearly identified “pain points”.

ACT will resume its Customer Satisfaction Surveys as soon as the new process is in place.

FINANCIAL PERFORMANCE

ACT IS PROUD OF ITS CONTRIBUTIONS TO THE ECONOMY AND THE WELL-BEING OF THE COMMUNITY, DISTRIBUTING THE ECONOMIC VALUE IT GENERATES THROUGH WAGES, BENEFITS, TAXES, ROYALTIES, AND PAYMENTS TO INVESTORS. ACT’S DIRECT CONTRIBUTIONS IN 2016 REACHED CLOSE TO JOD 55 MILLION, INCLUDING WAGES AND BENEFITS OF JOD 23.5 MILLION. THE AVERAGE SALARY OFFERED BY ACT TO BLUE-COLLAR WORKERS IS 2.3 TIMES HIGHER THAN THE NATIONAL AVERAGE PER PRIVATE SECTOR WORKER IN JORDAN, WHILE ACT’S GDP PER WORKER IS 3.2 TIMES HIGHER THAN THE NATIONAL GDP PER WORKER IN JORDAN.

ACT also has a significant positive impact on the development and the growth of Aqaba as an employer, and through the procurement of goods and services from the local economy. In an effort to better understand and quantify the company’s direct and indirect economic impacts, ACT completed in 2016 a detailed Economic Contribution Assessment. To read more on the results of this study, please refer to ACT’s Economic Contributions to Jordan section of the report.

The reduction in container volumes due to the conflicts in the neighbouring countries of Syria and Iraq has impacted the financial performance of ACT for the past three years. ACT actively engaged in cost efficiency initiatives which allowed to mitigate the financial impact of the volume reduction.

Financial Performance (JOD)

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</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>74,262,738</td>
<td>86,005,000</td>
<td>99,039,000</td>
<td>111,563,000</td>
<td>97,950,000</td>
</tr>
<tr>
<td>Year to year variance</td>
<td>22%</td>
<td>16%</td>
<td>15%</td>
<td>13%</td>
<td>-12%</td>
</tr>
<tr>
<td>Operating Costs*</td>
<td>37,435,000</td>
<td>50,755,000</td>
<td>62,954,000</td>
<td>73,400,000</td>
<td>63,759,000</td>
</tr>
<tr>
<td>Year to year variance</td>
<td>17%</td>
<td>36%</td>
<td>24%</td>
<td>17%</td>
<td>-13%</td>
</tr>
<tr>
<td>Employee wages &amp; benefits*</td>
<td>15,771,000</td>
<td>20,485,000</td>
<td>21,250,000</td>
<td>23,311,000</td>
<td>23,505,000</td>
</tr>
<tr>
<td>Year to year variance</td>
<td>25%</td>
<td>30%</td>
<td>4%</td>
<td>10%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Royalties paid</td>
<td>14,853,000</td>
<td>18,718,000</td>
<td>28,881,000</td>
<td>38,555,000</td>
<td>29,433,000</td>
</tr>
<tr>
<td>Taxes paid</td>
<td>1,908,000</td>
<td>1,938,000</td>
<td>1,284,000</td>
<td>1,171,000</td>
<td>1,189,000</td>
</tr>
<tr>
<td>Cost per container moved</td>
<td>94</td>
<td>114</td>
<td>157</td>
<td>188</td>
<td>157</td>
</tr>
<tr>
<td>Return on invested capital*</td>
<td>22.5%</td>
<td>14.5%</td>
<td>11.7%</td>
<td>13.1%</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

* Restated based on improved calculations.
GOOD GOVERNANCE

SOLID ETHICAL BUSINESS PRACTICES ARE THE FOUNDATION OF BUSINESS SUCCESS. CONSEQUENTLY, ACT HAS ADOPTED TRANSPARENT, STRUCTURED, AND MONITORED REPORTING AND GOVERNANCE SYSTEMS TO PREVENT CORRUPTION, FRAUD, AND ILLEGAL ACTIONS.

BUSINESS ETHICS AND COMPLIANCE

ACT shares the same strong values as APM Terminals: Constant Care, Humbleness, Uprightness, Our Employees, Our Name. These values are strongly ingrained in every employee and in every activity conducted by ACT. But compliance to rules and regulations that evolve through time require regular updates and trainings.

In partnership with APM Terminal’s Governance team, ACT hosted a compliance, corruption-prevention and competition laws awareness training in February 2016 for its employees as well as public officials of shareholder Aqaba Development Corporation. More than 50 people attended the training.

Cybercrime is another concern that ACT takes seriously. Cybercrime incidents can harm its ability to conduct business, compromise the protection of commercial and personal data, and undermine customers’ confidence. To mitigate such risk, ACT constantly raises employees’ awareness about cybercrime. It contracted a specialised IT Assurance service company to conduct a full audit on potential system vulnerabilities and continues to receive valuable guidance from APM Terminals Information Security team to develop effective controls and procedures.

ACT CELEBRATES UN GLOBAL ANTI-CORRUPTION DAY

Every year on December 9th, ACT celebrates the United Nations Global Anti-Corruption day with all employees. On that day, ACT reminds its employees of the Maersk Group policy regarding fraud, bribery and corruption schemes, raises their awareness about the risk and consequences of non-compliance and provides guidance on how to utilise the whistle-blower system to report cases deemed illegal, unethical, or not complying with the company’s policy.

NEW CODE OF CONDUCT

In March 2016, ACT updated its Code of Conduct. The new code was rolled out throughout the entire organisation and an introductory session was given by all department managers. The code of conduct contains guiding principles for good conduct, it embodies ACT’s commitment to the highest standards of honesty, integrity and ethical behaviour. The code was printed out in both Arabic and English languages and distributed to over 1,000 employees across ACT.

WHISTLEBLOWING AND GRIEVANCE MECHANISM

ACT has an internal anonymous whistleblowing system that enables any employee to report any cases of suspected illegal activities, including but not limited to fraud, corruption, insider-trading, competition law breaches, foreign trade controls violations, deliberate breaches of IT security, harassment, and discrimination.

For all other stakeholders, ACT has a “Contact Us” webpage through which external stakeholders can submit any concern. The matter will be addressed by ACT customer service desk and a follow-up email will be sent back to the person who shared their feedback.
BOARD OF DIRECTORS

ACT Board of Directors consists of seven nonexecutive and fully independent members, with three representatives from Aqaba Development Corporation (ADC) and four representatives from A.P Moller Finance S.A. The Board meets on a quarterly basis, sets the overall objectives and direction for the company and ensures ACT’s full compliance with corporate governance. The company CEO reports directly to the company’s Board of Directors. In 2016, two new board members joined the board: H.E. Nasser Shraideh, as Chairman of the Board, and Ahmed Hassan, as a representative of A.P Moller Finance S.A.

ACT’s Audit Committee is a permanent sub-committee of the Board. Its role is to guarantee the effectiveness of internal control systems, compliance and statutory requirements, risk management, internal audit and compliance. It consists of two independent members represented by Aqaba Development Corporation (ADC) and A.P Moller Finance S.A. The Audit Committee meets twice a year and is steered by ACT’s Internal Auditor.

The company’s Audit Committee consists of two independent members represented by Aqaba Development Corporation (ADC) and A.P Moller Finance S.A. The Audit Committee meets twice a year and is steered by ACT’s Internal Auditor.

SENior MANAGEMENT TEAM

Mr Jeppe Jensen, who joined ACT in October 2013, leads the ACT Senior Management Team, which is responsible for the day-to-day management of ACT’s business. The Senior Management Team represents more than 75 years of collective experience in shipping and logistics and are highly qualified to conduct their mission.

SEnior MANAGEMENT TEAM

The management approach is defined by continuous engagement, creating an open management structure where all employees are encouraged to communicate directly with relevant parties from line management to the CEO.

SUSTAINABILITY GOVERNANCE

Sustainability governance at ACT is integrated into every aspect of the business. The sustainability committee comprises of five employees from commercial, operations, human resources, finance and HSSE departments. The team is responsible for the monitoring and analysis of sustainability performance, producing ACT’s annual sustainability report, and collaborating with other terminals for industry-wide sustainability initiatives such as the Global Safety Day. The Sustainability Steering Committee comprises of 11 members including the executive management team and sustainability committee members.
CHAPTER 3
OPERATING RESPONSIBLY

ACT’S COMMITMENT TO SAFETY AND EXCELLENCE IN ITS OPERATIONS DEFINE THE WAY IN WHICH BUSINESS IS CONDUCTED. RISK MANAGEMENT, EMPLOYEE TRAINING AND VISIBLE LEADERSHIP ARE THE FOUNDATION OF ACT’S SAFETY AND ENVIRONMENTAL PROGRAMMES. ACT INVESTS STRATEGICALLY TO MINIMISE ITS ENVIRONMENTAL IMPACT AND UPHOLDS THE HIGHEST ENVIRONMENTAL AND SAFETY STANDARDS.

HEALTH AND SAFETY

SAFETY IS THE RESPONSIBILITY OF EVERY PERSON IN THE WORKFORCE. THE LARGE, HEAVY AND MECHANICAL NATURE OF MOVING CONTAINERS, BOTH FROM SHIP TO SHORE AND WITHIN THE STORAGE YARDS, AS WELL AS THE PROCESS OF SECURING OR LASHING CONTAINERS TO SHIPS AND TRANSPORT TRUCKS REQUIRE PARTICULAR ATTENTION TO BE EXECUTED IN A SAFE MANNER. SINCE 2012, ACT HAS IMPLEMENTED A ‘SEPARATION OF MAN FROM MACHINE’ PROGRAMME TO PROTECT EMPLOYEES AND CONTRACTORS FROM TRAFFIC ACCIDENTS.

ACT follows the FATAL 5 Standards of APM Terminals to build on best practices and eliminate unsafe behaviours. We also include health and safety criteria in our supplier evaluation. We are pleased to report that there were no fatalities in 2016, as a result of ACT’s management practices and training programmes. During the year, ACT conducted a safety survey among its employees to gather feedback on current safety management practices and measure how its workforce feels about safety. The gaps that were identified could then be addressed and re-evaluated at the end of the year.

ACT encourages its employees to report on unsafe acts and conditions. These safety observations stimulate proactive preventions of incidents and help improve safety at the workplace. During 2016, 5,681 safety observations were reported, almost doubled from the previous year.

Training is an important part of health and safety management at ACT, which is why we make sure that 100% of our employees and contractors have received training in our health and safety practices.

In 2016, ACT rolled out a new Contractor Safety Management (CSM) system launched by APM Terminals with the aim to help ACT ensure contractor safety as per APM Terminals contractor guidelines with full implementation of a Permit to Work (PTW) system.

15% of ACT’s total workforce participated in joint management-worker health and safety committees. ACT considers these committees as valuable tools to include its employees in the proactive discussions and decision-making on health and safety issues across the company.

15% OF ACT’S TOTAL WORKFORCE PARTICIPATED IN JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES

ZERO FATALITIES IN 2016
ROAD SAFETY AWARENESS

On the occasion of the Global Safety Day that was launched by APM terminals under the theme “Safe for you, safe for me”, ACT developed comprehensive awareness campaigns targeting both its employees and local community with the aim to raise awareness on road safety issues.

On this day, ACT rolled out numerous initiatives including a memorial for ACT employees who lost their lives outside of the terminal due to tragic road accidents caused by speeding. ACT also designed and distributed safety stickers to remind people of wearing their seatbelts while driving. One of the highlights of the event was the drawing competition for children of ACT employees. Their skills and creativity proved once again remarkable!

ACT also collaborated with the Jordan Traffic Institute to conduct an awareness session on road safety, during which employees were reminded of the importance of following the traffic regulations to avoid accidents. Awareness posters and videos were developed focusing on dangerous driving behaviours such as speeding, using phones while driving, not wearing seatbelts and engaging in other activities which may distract the attention of the drivers.

This campaign reached more than 3,000 people.

BROMINE PROTECTION PROJECT

To enhance the protection of the Bromine container storage area, ACT extended the boundaries of its Yard 3/ Bromine area, reinforced the perimeter with additional concrete jersey barriers and raised the existing fence with heavy duty steel plates.

ACT SAFETY HERO

To keep our employees engaged, and to instil a culture that fosters safety at all times, ACT gives recognition to one employee who demonstrates exemplary safety behaviour. ACT “Safety Hero” receives the accolades from the Management and proudly features in ACT’s monthly internal newsletter.

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<tbody>
<tr>
<td>Lost Time Injuries Frequency Rate (per million man hours)</td>
<td>0.78</td>
<td>1.07</td>
<td>0.96</td>
<td>1.65</td>
<td>1.34</td>
</tr>
<tr>
<td>Fatalities (contractors and employees)</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Employees trained in health and safety practices</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Contractors trained in health and safety practices</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Sick leave (number of days)</td>
<td>4,032</td>
<td>3,159</td>
<td>4,452</td>
<td>10,384</td>
<td>9,610</td>
</tr>
<tr>
<td>Near Miss Incidents</td>
<td>83</td>
<td>148</td>
<td>240</td>
<td>148</td>
<td>143</td>
</tr>
<tr>
<td>Safety observations reported (unsafe act and unsafe condition)</td>
<td>–</td>
<td>750</td>
<td>3,850</td>
<td>3,817</td>
<td>5,681</td>
</tr>
<tr>
<td>External Safety Audits</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>6</td>
<td>3</td>
</tr>
</tbody>
</table>

In 2016, ACT continued to make improvements in its safety performance. ACT witnesses a positive improvement in lost time injury frequency to 1.34 (per million man-hours) in 2016 down from 1.65 in 2015. The number of sick days per employee has also decreased to an average 9 days in 2016 down from 10.1 days in 2015.

ACT’s strong safety records are attributed to its deeply-rooted values and a relentless focus on safe work practices, training programmes and awareness sessions.
ENVIRONMENTAL MANAGEMENT ENABLES ACT TO OPTIMISE ITS ENVIRONMENTAL FOOTPRINT BY CONDUCTING HIGHER LEVELS OF ACTIVITY WITH A LOWER ENVIRONMENTAL IMPACT. IT ALSO CREATES SIGNIFICANT VALUE FOR ACT BY REDUCING THE CONSUMPTION OF ENERGY AND RESOURCES AS WELL AS REDUCING THE COST OF WASTE MANAGEMENT.

ACT recognises the important role it can play in Jordan and its ability to positively influence the environmental behaviours of its customers, suppliers, contractors, partners and local community. The protection of the environment is embedded into ACT operations and careful attention is given to GHG emissions, energy efficiency, water consumption, waste management and oil spill prevention.

ACT is intensively monitoring and controlling its environmental footprint and increased the budget allocated to environmental protection to reach JOD 132,560 over the past two years.

### GO GREEN

ACT actively engaged in the “Go Green 2016” campaign; initiated by leading Port and Terminal operators APM Terminals, DP World, Hutchison Port Holdings Limited (HPH), PSA International, Shanghai International Port Group (SIPG) and port of Rotterdam. It was first conducted in 2015 and was the first ever joint industry initiative of this magnitude to promote environmental awareness and make a sustainable difference in the communities in which they operate.

ACT conducted a series of activities such as:
- Recycling of trailer truck tires that were turned into stool and tables for rest break areas
- Beach clean-up involving employees and members of the community
- Dive clean-up with the support of local dive centres and the Royal Navy force.

### ENVIRONMENTAL POLICY AT ACT

As part of its dedication to operate its port in an environmentally responsible manner, in 2016 ACT developed and approved a formal Environmental Policy to represent its general position on environmental issues, and the policies and practices the company will apply in running its business. The purpose of the environmental policy is to help ACT continuously improve its environmental performance and ensure compliance with all applicable environmental standards. The policy places particular focus on the management of greenhouse gas emissions through implementation of an energy and climate change policy.

ACT’s environmental policy has been communicated to all employees, contractors, suppliers and made public on the company website.
ENVIRONMENTAL ACCREDITATION

In 2016, ACT received the ISO14001:2015 certification, making it the first and only company operating in Jordan under the ISO14001:2015 certification based on the latest 2015 norms. It is also the only port running an ISO-certified Environmental Management System (EMS). ACT is also the first terminal in the Middle East and only the second outside of Europe to operate under the most coveted EcoPort Label with an effective Port Environmental Review System (PERS). Further information can be found at www.ecoports.com.

In 2016, ACT also received the Aqaba Special Economic Zone Authority (ASEZA) certification of environmental compliance with zero violations.

ENERGY MANAGEMENT

Given that ACT’s operations are inherently energy intensive, the company recognises its responsibility to improve its energy efficiency. Reducing ACT’s energy consumption not only makes good business sense as it reduces costs, but it also helps minimise the environmental impact and carbon footprint. In a country like Jordan where resources are scarce, effective energy management is about operating responsibly. Electricity drawn from the Aqaba municipality is used to power some of ACT’s machinery as well as the terminal lighting system, whereas diesel is typically used for some handling equipment and ACT’s fleet of vehicles. In 2016, ACT’s electricity consumption and fuel consumption dropped by 8% and 9%, respectively. This positive performance can be attributed to ACT’s various projects designed to support its energy efficiency goals, such as the installation of LED lighting in key areas and other systems that reduce the fuel consumption of its heavy machinery. ACT’s commitment to the ISO 14001 and adherence to its new environmental policy have also positively contributed to its environmental performance in 2016.

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</thead>
<tbody>
<tr>
<td>Electricity (kWh)</td>
<td>16,072,300</td>
<td>16,217,590</td>
<td>15,460,300</td>
<td>16,657,330</td>
<td>15,290,040</td>
</tr>
<tr>
<td>Electricity intensity (kWh per TEU)</td>
<td>19.7</td>
<td>18.6</td>
<td>19.8</td>
<td>22.0</td>
<td>19.3</td>
</tr>
<tr>
<td>Total fuel consumption (litres)</td>
<td>3,191,000</td>
<td>3,923,623</td>
<td>3,962,420</td>
<td>4,685,154</td>
<td>4,275,200</td>
</tr>
<tr>
<td>Fuel intensity (litres per TEU)</td>
<td>3.9</td>
<td>4.5</td>
<td>5.1</td>
<td>6.2</td>
<td>5.4</td>
</tr>
<tr>
<td>Total Energy consumption (GJ)</td>
<td>183,622</td>
<td>185,500</td>
<td>215,328</td>
<td>214,154</td>
<td>224,342</td>
</tr>
<tr>
<td>Energy intensity (GJ/TEU)</td>
<td>0.23</td>
<td>0.25</td>
<td>0.27</td>
<td>0.32</td>
<td>0.28</td>
</tr>
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</table>

CLIMATE CHANGE AND GHG EMISSIONS

ACT is concerned about the role of Greenhouse Gas (GHG) emissions in climate change. Every year, ACT reviews its emissions and assesses possible mitigation measures to manage emissions at all operational levels, within and beyond national targets. In compliance with the ASEZA requirements, ACT monitors noise and air quality of its facilities to ensure the noise and air emissions of SO2, NO2, TVOC, and CO are within approved limits.

In 2016, ACT reduced its total GHG emissions by 9%, and experienced a decrease in the total GHG emitted per 1,000 TEU by 13%.

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<tbody>
<tr>
<td>Total greenhouse gas emitted (CO2 tonnes eq.)</td>
<td>10,038</td>
<td>10,460</td>
<td>10,492</td>
<td>12,433</td>
<td>11,321</td>
</tr>
<tr>
<td>Total greenhouse gas emitted per 1,000 TEU</td>
<td>12.20</td>
<td>11.90</td>
<td>13.40</td>
<td>16.40</td>
<td>14.25</td>
</tr>
</tbody>
</table>
Given that ACT operates in one of the world’s most water scarce countries, water management is on the company’s highest list of priorities. Over the years, ACT has developed and maintained an effective water management strategy, which focuses on five main areas: maintenance, water conservation, education, and retrofitting of machinery and tanks. By introducing water efficiency measures, ACT was able to improve its water consumption intensity by 9%.

### Water Consumption

<table>
<thead>
<tr>
<th>Year</th>
<th>Water Intensity (m³ per 1,000 TEU)</th>
</tr>
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<tbody>
<tr>
<td>2012</td>
<td>56.3</td>
</tr>
<tr>
<td>2013</td>
<td>40.4</td>
</tr>
<tr>
<td>2014</td>
<td>49.7</td>
</tr>
<tr>
<td>2015</td>
<td>58.2</td>
</tr>
<tr>
<td>2016</td>
<td>50.4</td>
</tr>
</tbody>
</table>

9% IMPROVEMENT IN WATER CONSUMPTION INTENSITY

In 2016, a total of 361,000 kg of waste were generated, 14% of which were recycled. The increase in wastes is mainly attributed to repairs and maintenance of the berth, in addition to the disposal of old and damaged containers. Throughout the year, ACT has run a successful recycling campaign of paper and cardboard. ACT recovered 52,000 Kg of paper and cardboard which were then recycled.
**Waste Management**

<table>
<thead>
<tr>
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<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total waste generated (kg)</td>
<td>155,288</td>
<td>280,293</td>
<td>114,350</td>
<td>361,000</td>
</tr>
<tr>
<td>Waste recycled (%)</td>
<td>56%</td>
<td>23%</td>
<td>17%</td>
<td>14%</td>
</tr>
<tr>
<td>Solid Waste - wood, plastic and others (kg)</td>
<td>32,065</td>
<td>39,240</td>
<td>170,000</td>
<td>219,000</td>
</tr>
<tr>
<td>Recycling – paper and cardboard (kg)</td>
<td>87,673</td>
<td>65,386</td>
<td>19,000</td>
<td>52,000</td>
</tr>
<tr>
<td>Landfill - organic waste (kg)</td>
<td>35,000</td>
<td>175,597</td>
<td>125,000</td>
<td>90,000</td>
</tr>
</tbody>
</table>

* Figures for year 2012 have been eliminated from this report and figures for 2013-2015 have been restated due to improved calculations. During 2012, the waste management system was in its implementation phase and numbers have been heavily distorted by the berth expansion and disposal of construction wastes.

**BEACH CLEAN-UP**

In coordination with the Jordan University, ACT held a day of beach clean-up where over 50 students participated in cleaning the beach adjacent to yard 4 and collected plastic waste. Volunteers collected more than 150 bags of plastic waste and ensured the waste was properly handled.

**OIL SPILLS**

ACT implements strict measures to prevent oil spills and has contingency plans for handling spillage if they occur. The company continuously trains its employees, monitors the integrity of its facility, and strives to reduce the risk of oil spills and improve its ability to respond to oil spills. Throughout the year, ACT conducted several scheduled drills to check the preparedness of its oil spill response team including container leaking and chemical leaking to help us better understand the risks of oil leaking pollution to the port, and develop oil spill prevention and response plans.

In the case of land leaks1, ACT deals with such incidents through an oil spilling contractor team that helps reduce the impact of the spill and cleans the yard. As for sea water leaks2, ACT cooperates with the Oil Spill Response Centre (OSRC) - Prince Hamzah Oil Spill Combat Centre. Also, ACT has an oil spill response unit based on-site and specialised in handling Tier 1 incidents.

One incident in 2016 posed serious risk of relatively large oil spill. Thanks to ACT’s contingency plans and swift actions, the spill was contained and the damage were limited. The figures below reflect the increased quantity of oil spill compared to the previous year, but the situation could have been a lot worse if ACT had not intervened.

**Oil Spills**

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</tr>
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<tbody>
<tr>
<td>Total number of oil spills</td>
<td>31</td>
<td>29</td>
<td>25</td>
<td>19</td>
<td>24</td>
</tr>
<tr>
<td>Total volume of oil spills (litres)</td>
<td>3,772</td>
<td>404</td>
<td>313</td>
<td>280</td>
<td>991</td>
</tr>
</tbody>
</table>

1. Land leaks are oil leaks that occur on ACT’s yard caused by a failure in one of the company’s equipment.
2. Sea water leaks are oil leaks that occur on ACT’s berth caused by arriving vessels or from unknown external sources.
CHAPTER 4
WORKING TOGETHER, SHARING TOGETHER

ACT IS CHARACTERISED BY THE PEOPLE WORKING IN AND AROUND THE BUSINESS, BE IT EMPLOYEES, CONTRACTORS, CUSTOMERS, AND THE FAMILIES AND FRIENDS OF THOSE WHO LIVE AND WORK IN THE COMMUNITY. ACT IS FOCUSED ON BUILDING RELATIONSHIPS WITH THESE PEOPLE SO AS TO BUILD A STRONG COMPANY THAT CONTINUES TO MAKE A POSITIVE CONTRIBUTION TO THE COMMUNITY OF AQABA AND BEYOND.

OUR WORKFORCE

ACT IS DETERMINED TO MEET EMPLOYEES’ EXPECTATIONS BY KEEPING THEM SAFE, INVESTING IN THEIR DEVELOPMENT, AND OFFERING COMPETITIVE COMPENSATION. ENGAGING WITH EMPLOYEES THROUGH REGULAR EVALUATION, FEEDBACK AND SATISFACTION ASSESSMENTS HELPS DEVELOP A WORKPLACE WHICH IS MORE INCLUSIVE, WHERE PEOPLE FEEL VALUED AND RESPECTED FOR THE CONTRIBUTION THEY MAKE TO THE BUSINESS.

In 2016, ACT’s own employees totalled 1,064, of which 31% are young professionals aged between 18-30 years old. The key factors that attract young professionals to work at ACT include its reputation, the career development opportunities, the job security and the general positive atmosphere in the workplace.

As one of the major employers in Aqaba, ACT makes a strong contribution to the local economy and social development through employment of residents. While highly selective on resources that it employs, ACT provides attractive employment opportunities for Jordanians representing today and for the past 4 years 99.5% of the workforce.

ACT invests in its employees by offering above market average compensation packages. In 2016, the average annual ACT compensation was JOD 19,800 (total man power cost) per annum, a figure that is well above average package for similar jobs. Employees receive robust benefits that include, but are not limited to:

- Housing Allowance
- Transportation
- Inflation Adjustments
- Medical Insurance – Class A
- Labour Rights and Relations
- Local Employment and Economic Impact
- Community Impact and CSR
- Procurement and Contractor Relations
- Employee Engagement
- Diversity and Equal Opportunity

31% OF ACT’S OWN EMPLOYEES ARE YOUNG PROFESSIONALS (AGED BETWEEN 18-30)
Because it is not always easy to explain to our own kids what we do at work, we thought the best is to show them!

Since August 2016, ACT has been welcoming the children of employees, in small groups of 10 to 20, to show the Terminal and its firefighting station (so much fun!). The tour started at the administration building where the children were given special safety vests and ID cards for a true experience. The HSSE building was the second stop of the tour, where the children were introduced to basic safety measures and had the opportunity to visit the clinic, fire truck and ambulance vehicle to gain a better understanding of what a paramedic, firefighter and medical staff do on a daily basis. The tour concluded with a preview of some of the equipment used in our operations, where we illustrated the great efforts needed to operate those huge machines. Yes, all Mums and Dads working at ACT are super heroes!

EMPLOYEE HEALTH AND FITNESS

ACT has an onsite gym that offers fitness programmes and kickboxing training. In 2016, ACT fully maintained its gym at the ACT Club, and new equipment were added to the training area. Employees are always encouraged to exercise because physical and mental fitness are critical in our lives today. People who are both, physically and mentally fit are less prone to medical conditions.

Workforce Profile (not including sub-contractors)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Own Employees</td>
<td>8,02</td>
<td>8,86</td>
<td>9,84</td>
<td>1,122</td>
<td>1,064</td>
</tr>
<tr>
<td>Workforce by Level:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior Management</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Middle Management</td>
<td>20</td>
<td>22</td>
<td>22</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>Staff</td>
<td>776</td>
<td>858</td>
<td>956</td>
<td>1,089</td>
<td>1,032</td>
</tr>
<tr>
<td>Workforce by Age Group:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-30</td>
<td>207</td>
<td>312</td>
<td>410</td>
<td>465</td>
<td>334</td>
</tr>
<tr>
<td>31-40</td>
<td>300</td>
<td>301</td>
<td>330</td>
<td>318</td>
<td>381</td>
</tr>
<tr>
<td>41-50</td>
<td>248</td>
<td>244</td>
<td>218</td>
<td>274</td>
<td>285</td>
</tr>
<tr>
<td>51-60</td>
<td>47</td>
<td>29</td>
<td>26</td>
<td>65</td>
<td>64</td>
</tr>
<tr>
<td>Demographic of Own Workforce</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordanian Rate</td>
<td>99.10%</td>
<td>98.50%</td>
<td>99.50%</td>
<td>99.50%</td>
<td>99.50%</td>
</tr>
</tbody>
</table>
FEMALE EMPLOYMENT

ACT ensures to provide a workplace for women which is safe and free from discrimination. Regardless of gender, ACT offers fair pay and benefits to all its employees. Out of ACT’s 1,064 own employees, 18 are females; representing around 2% of the total workforce and 8% in middle management positions.

<table>
<thead>
<tr>
<th>Female Representation in Workforce</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Females</td>
<td>20</td>
<td>20</td>
<td>19</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>Percentage of Female Representation in Total Workforce</td>
<td>2.5%</td>
<td>2.3%</td>
<td>1.9%</td>
<td>1.8%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

EMPLOYEE ENGAGEMENT AND SATISFACTION

Each year, ACT asks its employees to participate in an annual employee engagement survey, giving the company deeper insights into the employees’ satisfaction with their jobs, and workplace experience in general. Employees are encouraged to provide honest feedback and the results are incorporated into the management teams’ action plans to address the challenges identified in the survey. In 2016, ACT had a 91% response rate with 3.9 satisfaction score on a scale of 5.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Engagement and Satisfaction Score (0-5 scale)</td>
<td>3.9</td>
<td>4.2</td>
<td>N/A</td>
<td>3.65</td>
<td>3.9</td>
</tr>
</tbody>
</table>

TRAINING AND DEVELOPMENT

One of the main goals at ACT is to create a learning organisation where employees are passionate for learning, and team leaders are motivated to continuously improve and transform the company.

In 2016, ACT focused on improving the efficiency of its training programs while reducing their costs. The company’s approach included in-house training, e-learning, soft-skills courses and advanced skills training that develop both technical and leadership skills of employees, reaching a total of 14,248 delivered training hours. The average number of training hours per employee slightly decreased in 2016 to 13 hours per employee in comparison to 15 hours per employee in 2015.

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Training Hours for All Employees</td>
<td>26,136</td>
<td>11,279</td>
<td>15,625</td>
<td>17,339</td>
<td>14,248</td>
</tr>
<tr>
<td>Total Cost of Training (JOD)</td>
<td>221,117</td>
<td>486,087</td>
<td>272,435</td>
<td>116,255</td>
<td>4,534</td>
</tr>
<tr>
<td>Total Average Number of Training Hours for Each Employee</td>
<td>28</td>
<td>13</td>
<td>16</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Average Cost of Training per Employee (JOD)</td>
<td>276</td>
<td>549</td>
<td>277</td>
<td>106</td>
<td>4</td>
</tr>
</tbody>
</table>
OUR ECONOMIC AND SOCIAL IMPACT

ACT is an important consumer of goods and services in Aqaba, creating an environment for positive economic and social development throughout Jordan.

Over the past 10 years, ACT has invested over USD 300 million in the terminal, expanding its capacity and improving its operations. Additionally, 97% of the cash generated by the Terminal since 2006 has remained in Jordan. ACT reinvested close to 35% of its revenue into Terminal and equipment upgrades to prepare for the future. ACT is committed to this approach to investing and is interested in exploring opportunities to further contribute to the development of Jordan’s economy through additional investments in other local projects.

ACT creates significant social and economic value for the Aqaba community through its employees. The company is one of the largest employers in Aqaba and as such, contributes to local economic development through salaries, wages and professional development, and strengthens the community through indirect job creation.

OUR ECONOMIC CONTRIBUTION TO THE COUNTRY

ACT’s extensive economic contribution to Aqaba brings benefits to many stakeholders and supports the economic development of Jordan. The company’s positive impact is made through the revenues it generates to its shareholders, the payments it makes to the government, the investments it makes in Jordan, the employment opportunities it creates, and the support it provides to the local community.

In 2016, ACT commissioned third party consultants “Sustainability Excellence” to conduct an assessment to better understand the company’s contribution to the Jordanian economy. The study assessed ACT’s contribution to the Gross Domestic Product (GDP) and employment in Jordan for the past 10 years. ACT creates employment opportunities either directly through its operations or indirectly through its spending on ACT’s employees and suppliers’ employees.

According to the study, ACT’s total contribution to the Jordanian GDP from 2006-2015 amounted to approximately JOD 650 million. This contribution was made up of 77% from direct Gross value added (GVA), 15% contributed via ACT’s supply chain expenditure, 7% contributed via ACT’s expenditure to suppliers’ employees, and 1% via ACT’s capital expenditure.

ACT’s average salary for a blue-collar worker is 2.3 times higher than the national average per private sector worker in Jordan, while ACT’s GDP per worker is 3.2 times higher than the national GDP per worker in Jordan.

<table>
<thead>
<tr>
<th>Over the Past 10 Years:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• ACT’s direct contribution to GDP amounted to JOD 503 million.</td>
</tr>
<tr>
<td>• ACT’s direct contribution to employment amounted to 8,234 years of employment.</td>
</tr>
<tr>
<td>• ACT’s total contribution to employment amounted to about 20,900 years of employment.</td>
</tr>
<tr>
<td>• ACT’s cumulative 10-year contribution represented 0.34% of Jordan’s cumulative GDP.</td>
</tr>
<tr>
<td>• For every 1 direct job at ACT, 1.5 more jobs are created in the Jordanian economy.</td>
</tr>
</tbody>
</table>

Employee Wages and Benefits

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>JOD</td>
<td>15,771,000</td>
<td>20,485,000</td>
<td>21,250,000</td>
<td>23,311,000</td>
<td>23,505,000</td>
</tr>
</tbody>
</table>

97% cash generated by ACT since 2006 remained in Jordan.

Private Investor (APMT dividends) 3%

Government & Grantor (Royalties/taxes & dividends) 28%

Employees (Salaries & wages) 19%

Investments (Upgrading & new investments) 39%

Operations (Running cost & maintenance) 11%
DEFINITIONS AND METHODOLOGY OF THE STUDY

ACT’s contribution to GDP is measured in terms of GVA which is the company level equivalent of GDP. GVA is a measure of the value generated in the economy and represents the difference between the value of goods and services sold and the value of goods and services used as an input in their production.

ACT’s direct contribution to GDP consists of profits (before interest, taxes, depreciation and amortisation and wages including benefits). For purposes of this study, direct economic contributions relate to ACT and its main businesses operations. Operational-related employment is measured as headcount, and jobs represent person years of employment. Both the supply chain and employee spend contributions to GDP and employment have been estimated using economic input-output modelling, publicly available economic statistics and financial information provided by the different businesses assessed.

---

For purposes of this study, direct economic contributions relate to ACT and its main businesses operations. Operational-related employment is measured as headcount, and jobs represent person years of employment. Both the supply chain and employee spend contributions to GDP and employment have been estimated using economic input-output modelling, publicly available economic statistics and financial information provided by the different businesses assessed.

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ACT’s direct contribution to GDP consists of profits (before interest, taxes, depreciation and amortisation and wages including benefits). For purposes of this study, direct economic contributions relate to ACT and its main businesses operations. Operational-related employment is measured as headcount, and jobs represent person years of employment. Both the supply chain and employee spend contributions to GDP and employment have been estimated using economic input-output modelling, publicly available economic statistics and financial information provided by the different businesses assessed.

---

**ACT’S CONTRIBUTION TO PUBLIC FINANCE**

\[ \text{JOD 171.2M} \]

**CONTRIBUTIONS TO GOVERNMENT**

\[ \frac{\text{JOD 162.4m}}{\text{JOD 7.2m}} \]

**OF ALL TAX REVENUES IN 2014**

**ENOUGH TO BUY:**

- **35** Government Schools
- **10** Large road intersection
- **38** Healthcare centres
- **9** Heart surgery centre

**OUR CONTRIBUTION TO LOCAL PROCUREMENT**

ACT’s value chain depends on a wide range of suppliers. ACT gives preference to local goods and services in its contracting, and implements a tender process that complies with the company’s strict commercial and ethical processes.

In 2015, local procurement represented 79% of ACT’s total procurement, increasing by 2 percentage points from 2015. Almost all of ACT’s service providers are also local.

**Local Procurement**

<table>
<thead>
<tr>
<th>Year</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spending on Locally Based Contractors and Suppliers</td>
<td>43%</td>
<td>35%</td>
<td>67%</td>
<td>77%</td>
<td>79%</td>
</tr>
</tbody>
</table>
OUR SOCIAL CONTRIBUTION TO THE COUNTRY

ACT commits itself to working with local communities to make meaningful contributions that create a shared value and improve quality of life. ACT's broad portfolio of community investments focuses mainly on education, healthcare, caring for the environment, donations and sponsorships, and community engagement.

ACT's CSR Committee manages the company's CSR activities and evaluates the success of each project, ensuring alignment with ACT's goals and objectives.

Over the last five years, ACT contributed JOD 710,000 towards community programmes. In 2016, ACT contributed JOD 110,000 towards its CSR initiatives, representing 0.6% of pre-tax profits.

In 2016, almost 7,000 volunteering hours were spent on our CSR activities by 924 volunteers form inside and outside the company.

Some of ACT's community investments that occurred in 2016 are highlighted below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Community Investments (JOD)</th>
<th>Community Investments as % of Pre-tax Profits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>100,000</td>
<td>0.134%</td>
</tr>
<tr>
<td>2013</td>
<td>175,000</td>
<td>0.780%</td>
</tr>
<tr>
<td>2014</td>
<td>175,000</td>
<td>1.100%</td>
</tr>
<tr>
<td>2015</td>
<td>150,000</td>
<td>0.800%</td>
</tr>
<tr>
<td>2016</td>
<td>110,000</td>
<td>0.620%</td>
</tr>
</tbody>
</table>

SPONSORING THE AYLA RED SEA HALF MARATHON

For its fourth year in a row, ACT was the silver sponsor for the Ayla Red Sea Half Marathon. The marathon aims to support wide variety of charitable and humanitarian causes in Jordan by allowing runners to compete on behalf of the nonprofit organisation of their choice.

By providing support to this charity activity, ACT aims to elevate the Kingdom’s athletic scene and health awareness in line with the company’s commitment to the local community.

‘AHL EL KHAIR’ INITIATIVE

“Ahl El Khair” is a socially driven and humanitarian-based food distribution initiative that takes place yearly during the holy month of Ramadan.

In 2015 and over the course of three days, ACT’s CSR committee and Internal Communication committee distributed a total of 600 food packages to underprivileged families in Aqaba and the greater Aqaba region, including the cities of Qraiqrah, Feynan, Wadi Rum, Deseh, Taweel, Al Ghal, Tweseh, and Qwairah. As an additional provision to 2016’s initiative, ACT signed an agreement with Helping Hand for Relief and Development to distribute even more packages than it has in the past.

“EKFAL TALEB” INITIATIVE

In line with its ongoing dedication to expanding educational horizons for residents of Aqaba and the surrounding communities, in 2016 ACT carried out its renowned ‘Ekfal Taleb’ campaign for the fifth consecutive year.

The ‘Ekfal Taleb’ campaign name translates to “Sponsor a Student” in English and is a targeted CSR activity that ACT conducts to enhance educational opportunities for those living within the Aqaba governorate. The campaign was first launched in 2012 and has now become one of the major recurring events supporting the education pillar of ACT’s overall CSR strategy.

In partnership with Aqaba Governorate’s Directorate of Education, ACT assists local communities by contributing to lowering the access cost of education for the families most in need and to lowering school dropout rates of their children.

In 2016, ACT’s CSR committee worked diligently to organise, prepare and distribute school supplies to a number of underprivileged families, providing children with materials essential to educational success and ensuring they receive sufficient supplies for the entire school year. A total of 700 school bags, filled with school supplies, were distributed to children in 24 different schools.

Seeking to support children of all ages, in 2016 ACT fully furnished three preschools in Aqaba.
INTERNATIONAL TREE DAY CELEBRATIONS

As part of its long-term sustainability commitment to supporting the environment in Aqaba, every year ACT celebrates national tree day with its employees. On this day, ACT spreads environmental awareness among the community, employees and their families. During the event, ACT distributed plants and trees to its employees so they can plant them in their own gardens at home.

INTERNATIONAL WOMEN’S DAY CELEBRATIONS

In honour of international Women’s Day and Mother’s Day, ACT paid tribute to its female employees by organising a special celebration that included lectures and a bazaar celebrated with their families.
### APPENDIX A – ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>Aqaba Container Terminal</td>
</tr>
<tr>
<td>APM</td>
<td>AP Moller Terminal</td>
</tr>
<tr>
<td>ASEZA</td>
<td>Aqaba Special Economic Zone Authority</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CMO</td>
<td>Incident reporting system by APM named CMO</td>
</tr>
<tr>
<td>COM</td>
<td>Commercial</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>DG</td>
<td>Dangerous Goods</td>
</tr>
<tr>
<td>EMS</td>
<td>Environmental Management System</td>
</tr>
<tr>
<td>FTE</td>
<td>Full Time Employee</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GHG</td>
<td>Greenhouse Gas</td>
</tr>
<tr>
<td>GJ</td>
<td>Giga Joule</td>
</tr>
<tr>
<td>GMPH</td>
<td>Gantry Crane Moves Per Hour</td>
</tr>
<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
</tr>
<tr>
<td>GVA</td>
<td>Gross Value Added</td>
</tr>
<tr>
<td>IMDG Code</td>
<td>International Maritime Dangerous Goods Code</td>
</tr>
<tr>
<td>IMO</td>
<td>International Maritime Organisation</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organisation for Standardisation</td>
</tr>
<tr>
<td>JOD</td>
<td>Jordanian Dinars</td>
</tr>
<tr>
<td>KPI</td>
<td>Key Performance Indicator</td>
</tr>
<tr>
<td>Kwh</td>
<td>Kilo Watt hour</td>
</tr>
<tr>
<td>LED</td>
<td>Light Emitting Diode</td>
</tr>
<tr>
<td>PERS</td>
<td>Port Environmental Review System</td>
</tr>
<tr>
<td>PTW</td>
<td>Permit to Work</td>
</tr>
<tr>
<td>QC</td>
<td>Quay Crane</td>
</tr>
<tr>
<td>RDT</td>
<td>Radio Data Terminal</td>
</tr>
<tr>
<td>RTG</td>
<td>Rubber Tyred Gantry Crane</td>
</tr>
<tr>
<td>SOLAS</td>
<td>Safety of Life at Sea</td>
</tr>
<tr>
<td>SOP</td>
<td>Standard Operating Procedure</td>
</tr>
<tr>
<td>STS</td>
<td>Ship to Shore</td>
</tr>
<tr>
<td>TEU</td>
<td>Twenty-foot Equivalent Unit</td>
</tr>
<tr>
<td>TTT</td>
<td>Truck Turnaround Time</td>
</tr>
<tr>
<td>VGM</td>
<td>Verified Gross Mass</td>
</tr>
</tbody>
</table>
APPENDIX B – REPORT SCOPE AND BOUNDARIES

Aspect Boundaries
The scope and aspect boundaries defined in this report reflect the information that is available to ACT at the time of production. ACT includes the performance of contractors where possible. ACT is committed to extending the reporting scope to include further information on stakeholders, supply chain and contractors in the future based on availability and relevance of data. Further engagement with stakeholders, both external and internal, will influence how ACT defines report content and boundaries in the future.

Materiality Process
As noted in the sustainability section on page 12, the content of the report is influenced and defined by the company’s materiality assessment. ACT has conducted this assessment internally incorporating information from external parties and stakeholders through passive channels including board meetings, public feedback, and press coverage about the company.

In alignment with the principles of the GRI standards reporting guidelines, ACT used a four-step materiality assessment: 1) identification of relevant topics 2) prioritisation of topics against stakeholder and company influence and impacts 3) validation of topic prioritisation and identification through review and evaluation 4) review of context on an annual basis. ACT’s sustainability team led the identification process with the assistance of a third-party consultant. Initial assessments included the 45 specific disclosure topics from the GRI, and this list was then consolidated into the 15 topics that are presented in the materiality framework on page 14. ACT recognises the value of widening engagement with stakeholders to improve the materiality assessment, and to increase the relevance of the report in line with stakeholder priorities.

Reporting Cycle
This report presents information and details of ACT’s operations from January - December, 2016.

Reporting Principles for Defining Quality
We acknowledge that there are areas of potential improvement; however, this report marks significant progress from our previous report. There are indicators we are working on reporting that will contribute to greater transparency in the future.

Balance
ACT’s management were actively involved in the collection of the data presented in this report. The content is presented in a way that allows a balanced view of the company’s economic, social, and environmental performance.

Comparability
We include in this report data on our progress compared against our 2015 report.

Data Measurement Techniques
To the best of our knowledge, all the information within this report is accurate and represents the best data available to ACT and its stakeholders. Any data estimation or calculation has been stated within the report.

Significant Changes
This report contains no significant changes in the scope, boundary, or measurement methods applied in the 2015 report.

Assurance
The report has not been externally audited or assured.

APPENDIX C – STAKEHOLDER ENGAGEMENT

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Methods of Engagement</th>
<th>Stakeholder Priorities</th>
<th>ACT’s Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers (shipping lines, companies, unions)</td>
<td>Web-based communication system, trade meetings, customer satisfaction surveys, annual sustainability report, website</td>
<td>Transparency and accountability, operational efficiency, service excellence</td>
<td>Sustainability report, sustainability strategy, port expansion project</td>
</tr>
<tr>
<td>Employees</td>
<td>Direct meetings, engagement workshops, team buildings, annual sustainability report, website, ACT TV, volunteering activities</td>
<td>Learning and development programs, reward and recognition initiatives, competitive salary packages, open communication channels, health and safety working conditions, work-life balance, labour-management relations, CBA</td>
<td>Close relationship with unions, performance management, health and safety policy, learning and development policy, in-house &amp; on-job training, AMI Global Terminal Development Programme (GTDP)</td>
</tr>
<tr>
<td>Community (Local community, suppliers, Union)</td>
<td>Direct communication, participation in events, annual sustainability report, website, CSR Committee and man hours</td>
<td>Local development, job creation, volunteering activities, sponsorships, good citizenship</td>
<td>In-kind contributions, volunteering activities, school refurbishments, local procurement, support on safety emergencies, health and safety awareness, local community engagement</td>
</tr>
<tr>
<td>Shareholders (APM, ADC)</td>
<td>Sustainability report, website</td>
<td>Local development, job creation, volunteering activities, sponsorships, good citizenship</td>
<td>Creation of a corporate sustainability committee, sustainability strategy, sustainability report, port expansion project</td>
</tr>
<tr>
<td>Government and Regulators (KSEZA, Customs)</td>
<td>Direct communication, meetings, annual sustainability report, website</td>
<td>Transparency and accountability, good governance, economic value, job creation, compliance to policies standards</td>
<td>Web-based communication system, regular meetings</td>
</tr>
<tr>
<td>Media</td>
<td>Press Releases, press conferences, ACT’s website, CSR activities, tours inside the terminal, invitation for the major events that ACT is launching, keep in touch with the CEO on desk interview</td>
<td>Clear and transparent information, close relationship, regular information monthly bases, press conferences for more engagement with the company</td>
<td>Sustainability report, website</td>
</tr>
</tbody>
</table>
APPENDIX D – GRI CONTENT INDEX

This report has been prepared in accordance with the GRI Standards: Core option. The references for the GRI Content in the report can be found in the table below.

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>Disclosure</th>
<th>More Information</th>
<th>Omissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 101: Foundation 2016</td>
<td></td>
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<tr>
<td>102-1 Name of the organization</td>
<td>Aqaba Container Terminal</td>
<td></td>
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</tr>
<tr>
<td>102-2 Activities, brands, products, and services</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>102-3 Location of headquarters</td>
<td>Aqaba, Jordan</td>
<td></td>
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</tr>
<tr>
<td>102-4 Location of operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-5 Ownership and legal form</td>
<td></td>
<td></td>
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<tr>
<td>102-6 Markets served</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>102-7 Scale of the organization</td>
<td></td>
<td></td>
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<tr>
<td>102-8 Information on employees and other workers</td>
<td></td>
<td></td>
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<tr>
<td>102-9 Supply chain</td>
<td></td>
<td></td>
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<tr>
<td>102-10 Significant changes to the organization and its supply chain</td>
<td>There were no significant changes during the reporting period.</td>
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<tr>
<td>102-11 Precautionary Principle or approach</td>
<td></td>
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<tr>
<td>102-12 External initiatives</td>
<td></td>
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<tr>
<td>102-13 Membership of associations</td>
<td></td>
<td></td>
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<tr>
<td>102-14 Statement from senior decision-maker</td>
<td></td>
<td></td>
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<tr>
<td>102-15 Key impacts, risks, and opportunities</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>102-16 Values, principles, standards, and norms of behavior</td>
<td></td>
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<tr>
<td>102-17 Mechanism for advice and concerns about ethics</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>102-18 Governance structure</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>102-23 Chair of the highest governance body</td>
<td></td>
<td></td>
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<tr>
<td>102-25 Conflicts of interest</td>
<td></td>
<td></td>
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<tr>
<td>102-26 Role of highest governance body in setting purpose, values, and strategy</td>
<td></td>
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<tr>
<td>102-27 Collective ownership of highest governance body</td>
<td></td>
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<tr>
<td>102-28 Evaluating the highest governance body’s performance</td>
<td></td>
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<tr>
<td>102-30 Effectiveness of risk management processes</td>
<td></td>
<td></td>
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<tr>
<td>102-31 Review of economic, environmental, and social topics</td>
<td></td>
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<tr>
<td>102-32 Highest governance body’s role in sustainability reporting</td>
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<tr>
<td>102-33 Communicating critical concerns</td>
<td></td>
<td></td>
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<tr>
<td>102-37 Stakeholders involvement in remuneration</td>
<td></td>
<td></td>
<td>45</td>
</tr>
<tr>
<td>102-38 Annual total compensation ratio</td>
<td></td>
<td></td>
<td>45</td>
</tr>
<tr>
<td>102-39 Percentage increase in annual total compensation ratio</td>
<td></td>
<td></td>
<td>45</td>
</tr>
<tr>
<td>102-40 List of stakeholder groups</td>
<td></td>
<td></td>
<td>13, 61</td>
</tr>
<tr>
<td>102-41 Collective bargaining agreements</td>
<td>All ACT employees have formal individual labour contracts, where applicable, employees may also receive additional benefits under collective bargaining agreements.</td>
<td></td>
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</tr>
<tr>
<td>102-42 Identifying and selecting stakeholders</td>
<td></td>
<td></td>
<td>13, 61</td>
</tr>
<tr>
<td>102-43 Approach to stakeholder engagement</td>
<td></td>
<td></td>
<td>61</td>
</tr>
<tr>
<td>102-44 Key topics and concerns raised</td>
<td></td>
<td></td>
<td>61</td>
</tr>
<tr>
<td>102-45 Entities included in the consolidated financial statements</td>
<td>Financial statements include the activities of ACT. No other entity is included.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-46 Defining report content and topic boundaries</td>
<td></td>
<td></td>
<td>60, 14</td>
</tr>
<tr>
<td>102-47 List of material topics</td>
<td></td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>102-48 Restatements of information</td>
<td></td>
<td></td>
<td>21, 27, 43</td>
</tr>
<tr>
<td>102-49 Changes in reporting</td>
<td>There have been no significant changes to the report scope and aspect boundaries.</td>
<td></td>
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</tr>
<tr>
<td>102-50 Reporting period</td>
<td>ACT reports according to the Calendar year.</td>
<td></td>
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<tr>
<td>102-51 Date of most recent report</td>
<td>2015 Sustainability Report</td>
<td></td>
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</tr>
<tr>
<td>102-52 Reporting cycle</td>
<td>Annual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-53 Contact point for questions regarding the report</td>
<td>Ihab Alrawashdeh, <a href="mailto:IhabAlrawashdeh@act.com.jo">IhabAlrawashdeh@act.com.jo</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-54 Claims of reporting in accordance with the GRI Standards</td>
<td></td>
<td></td>
<td>6, 62</td>
</tr>
<tr>
<td>102-55 GRI content index</td>
<td></td>
<td></td>
<td>62-65</td>
</tr>
<tr>
<td>102-56 External assurance</td>
<td>ACT does not seek external assurance for its sustainability report.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
GRI 101: Economic Performance 2016
201-1 Direct economic value generated and distributed 27
201-2 Financial implications and other risks and opportunities due to climate change 38
201-3 Defined benefit plan obligations and other retirement plans 27, 45
201-4 Financial assistance received from government No financial assistance is given by the government.

Indirect Economic Impacts
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 50-57
103-2 The management approach and its components 50-57

Procurement Practices
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 53
GRI 204: Procurement Practices 2016
204-1 Proportion of spending on local suppliers 53

Anti-corruption
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 28
103-2 The management approach and its components 28

GRI 109: Anti-corruption 2016
109-1 Operations assessed for risks related to corruption 28
109-2 Communication and training about anti-corruption policies and procedures 28
109-3 Confirmed incidents of corruption and actions taken There were no confirmed incidents of corruption with employees and business partners. There were no public legal cases regarding corruption brought against the organisation or its employees during the reporting period.

GRI 302 Environmental Standards Series
Energy
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 38
103-2 The management approach and its components 37, 38

GRI 302: Energy 2016
302-1 Energy consumption within the organization 38
302-2 Energy intensity 38
302-4 Reduction of energy consumption 38
302-5 Reductions in energy requirements of products and services 38

Water
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 40
103-2 The management approach and its components 40

GRI 303: Water 2016
303-1 Water intensity 38
303-2 The management approach and its components 38

GRI 306: Effluents and Waste 2016
306-1 Effluents and waste by type and disposal method 41
306-2 Waste by type and disposal method 41
306-3 Significant spills 43

GRI 400 Social Standards Series
Employment
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 45
103-2 The management approach and its components 45

GRI 401: Employment 2016
401-1 Workers representation in formal joint management-worker health and safety committees 45
401-2 Programs for upgrading employee skills and transition assistance programs 45
401-3 Benefits provided to full-time employees that are not provided to temporary or part-time employees 45

GRI 402: Training and Education 2016
402-1 Average hours of training per year per employee 49
402-2 Programs for upgrading employee skills and transition assistance programs 49

Diversity and Equal Opportunity
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 48
103-2 The management approach and its components 48

GRI 403: Diversity and Equal Opportunity 2016
403-1 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities 33-34

GRI 404: Diversity and Gender Diversity 2016
404-1 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities 33-34

Local Communities
GRI 103: Management Approach 2016
103-1 Explanation of the material topic and its Boundary 54
103-2 The management approach and its components 54

GRI 411: Local Communities 2016
411-1 Operations with local community engagement, impact assessments, and development programs 54
411-2 Operations with significant actual and potential negative impacts on local communities 54

GRI 418: Customer Privacy 2016
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data 43

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