





CEO's Message

Aqaba Container Terminal is a driver of economic and social development in Jordan. ACT makes a significant economic contribution to the Hashemite Kingdom of Jordan through wages and benefits, taxes, royalty payments, payments to suppliers, contractors and investors. The company has almost 1,000 employees, 99.5% of which are Jordanian. ACT also supports a whole ecosystem of indirect employees in the supply chain, boosting the socio-economic development of communities in Aqaba and beyond. ACT was lauded by the Jordanian Government's Privatisation Evaluation Committee as a successful example of public/private cooperation in recognition of the value that ACT has generated through its relationship with APM Terminals, a globally recognised sector leader.

As Jordan's only container port, ACT acts as a gateway to Jordan and the Levant, handling goods for import and export and promoting Aqaba as a developing logistics hub. Through partnership with APM Terminals, ACT has become the terminal of choice, achieving significant growth in its throughput and increasing the scale of operations by doubling its quay length to 1km and deploying an annual cargo capacity of 1.3 million twenty-foot equivalent units (TEUs).

Developing this annual sustainability report is a valuable exercise to review and renew ACT's commitments to creating economic, social and environmental value for all stakeholders. This fourth annual report focuses on the economic and social value ACT brings to Jordan through its operations and stakeholder engagement. It also addresses the opportunities and challenges the company has faced this year, and provides insight into how ACT will move forward. ACT continues to learn from and embed the principles of sustainability throughout its operations.

Thank you, and welcome to the ACT 2014 sustainability report.

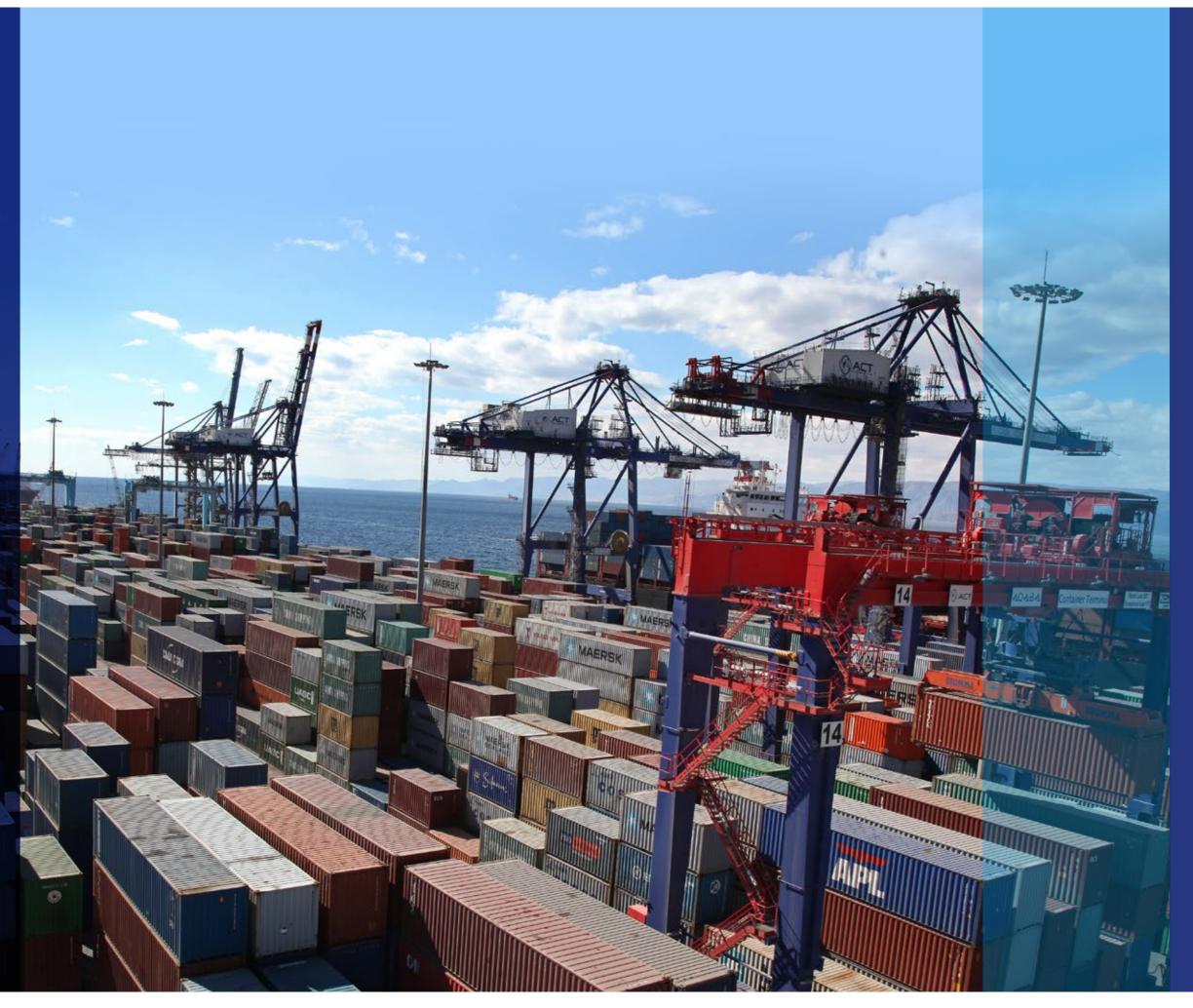
Jeppe Nymann Jensen

ACT Chief Executive Officer



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ACT and its Contribution to Jordan

Jordan's transport and logistics sector has huge potential for expansion. ACT is proud to be the Kingdom's only container terminal and the centre of international import and export activity for Jordan. Sound operations, committed management and strategic planning have enabled ACT to generate immense economic, social and environmental value for Jordan through its direct and indirect contributions to the economic and social development of the country.

ACT benefits from the world-class operational and commercial standards of its parent company, APM Terminals, APM Terminals, and Maersk Group as a whole, has been a global leader in the shipping and container industry for more than 100 years. ACT draws from this foundation of knowledge and resources to help ACT achieve its full commerical potential through strong operational performance, enhanced training and workforce leadership. In 2014, the Jordan Privatisation Committee acknowledged ACT as a model privatisation project based on its solid operational structure, performance monitoring, sustainability and operational management. The advantages of ACT's links with APM

Terminals are undeniable as the company continues to build upon past successes and moves forward with plans to maximise Agaba's commercial potential.

In 2014, ACT hosted the inaugural Aqaba Supply Chain Forum to address Jordan's logistic chain bottlenecks and build partnerships amongst logistics and transport operators for greater coordination and collaboration along the entire chain. ACT's vision is to serve Jordan in the same way that APM Terminals serves the countries where it operates as part of the company's commitment to "helping nations achieve their ambitions and businesses reach their goals".



ACT Delivers Value for Jordan

Economic Prosperity

Environmental Stewardship

A Better and **Safer Society**

million JOD paid in taxes and royalties to Jordan

jobs created in 2014

reduction in spill volume in 2014



days for employees



are Jordanian

employee salaries in 2014

reduction in GHG emissions intensity from 2011-present



JOD invested in community initiatives



Indirect Job creator in the region

thousand TEUs imported to Jordan via ACT





Ecoport

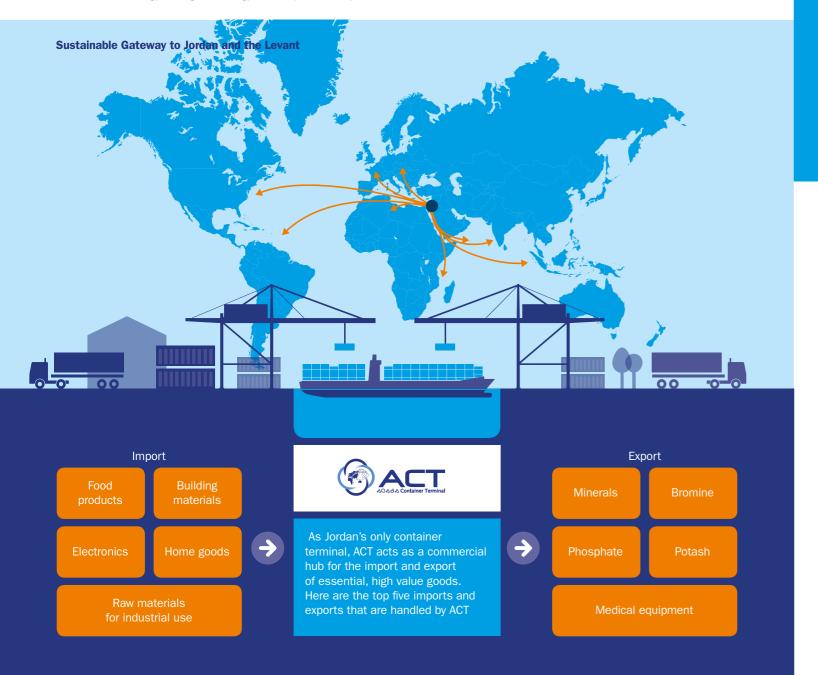
volunteering hours



The ACT Value Chain

The 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. It is the backbone of the Aqaba Special Economic Zone (ASEZ), enjoying a regional reputation for safety and efficiency.

ACT completed a significant investment in operational expansion in 2014, while also delivering value through increased operational efficiency, the hiring of over 100 new staff and consistently high nationalisation rate of 99.5%. Last year ACT also installed energy saving technology on heavy machinery that resulted in a 5.6% reduction in fuel consumption.





The APM Terminals Advantage

ACT is a joint venture between Aqaba Development Corporation and APM Terminals under a 25-year build-operate-transfer agreement that was signed in 2006. This unique partnership brings international industry expertise to the rich landscape of Aqaba, and helps Jordan to make the most of the transport and logistics sector's commercial opportunities to become a strong, globally competitive player.

As one of the world's largest shipping and logistics companies, APM Terminals operates in 58 countries and brings valuable knowledge and experience to improve operational efficiency and ensure alignment to international best practice. Since 2006, the shareholders have invested close to US\$300 million in the Aqaba Container Terminal to create the transportation hub for the Levant region. The successful growth and expansion of the terminal has significantly increased the positive economic and social impact that ACT has on Aqaba. The port's expansion plan included two new gantry cranes and a 460-metre quay extension, bringing the total to seven gantry cranes and 1km of quay length.





50% + 1 share



Sustainability at ACT

Growing a better and stronger business relies on economic performance coupled with close scrutiny of the impact on communities and the environment in which the company operates. ACT's impact, risks and opportunities are the focus of this report. The company takes every effort to present information in a clear, concise and balanced manner that allows all readers to understand the company's actions, their impact, and to fully comprehend the shared future goals and targets.

What Matters to ACT

The materiality assessment process captures ACT's current understanding of the key issues that define the company's ability to operate now and into the future. In 2014, ACT conducted a comprehensive internal review to prioritise which topics should be addressed first. Annual review is an important exercise to ensure that the materiality assessment reflects the priorities of the business and its stakeholders.

While safety and security remain the top priority, a number of issues have become more material in 2014, including; labour relations, operational reliability, and customer satisfaction, which together emphasise the strategic importance of these issues for the business operations. More details about the materiality process are presented on page 36 in Appendix A.

Materiality Matrix Economic+Social+Environmental Aspects Economic Aspects Economic+Social Aspects Environmental Aspects Social Aspects **ACT Material Issues 2014** Safety and security Labour rights and relations Safety and Operational efficiency and performance Employees and workforce Financial performance Diversity and equal opportunities Customer satisfaction Local employment and economic impact Procurement and contractor and contractor relations Governance Community impact & CSR Occupational health Financial Environmental management Energy and emissions Materials, waste and water Influence on Stakeholder and Decisions





ACT's sustainability team drives sustainability management within the organisation. The team is comprised of five employees from ACT's main departments including commercial operations, human resources, finance, HSSE, governance and communications. The team's responsibilities include collection and analysis of sustainability performance, producing ACT's annual sustainability report, and collaboration with other terminals for network-wide sustainability initiatives such as the Global Safety Day. Senior management are committed to sustainability management with the support of ACT's Sustainability Steering Committee, which is composed of 11 members including the executive management team and sustainability committee members.

ACT Sustainability Governance Structure Sustainabiltiy Steering Committee (Executive Board) ŤŤŤŤŤ Sustainability Committee (5 employees) Sustainability Coordinator

Stakeholders and Engagement

Understanding stakeholder priorities is an essential part of ACT's sustainability management programme. As the company moves forward from 2014, the importance of communications and stakeholder relations is increasingly apparent. A number of projects are underway to improve stakeholder engagement, including new employee feedback mechanisms, and enhanced communication with customers through the website and management team.

ACT uses a simple, seven-category framework to group stakeholders and analyse how the company engages with each group. Further information about stakeholders, what they expect from ACT and how the company engages with them is presented in Appendix B on page 37.









CHAPTER 1

Making Jordan a Terminal of Choice

Facilitating Regional Development

ACT has grown from a feeder port to a mature main liner container terminal and now plays a crucial role in the Jordanian economy. It serves as a gateway for the Jordanian market, and for cargo moving to and from other countries in the region. Positioned at the meeting point of the Red Sea and the Levant, Agaba is uniquely positioned as the gateway to commerce for a number of countries including Jordan, Iraq and the levant.

Regional events impact on ACT's commercial operations. Continued instability in Iraq and Syria has restricted the amount of cargo moving through the borders, while the increase of refugees in Jordan has created other commercial trade challenges.

Developing Jordan's Capacity to Attract Larger Ships

ACT's continuous investment in terminal infrastructure and equipment now enables three ships to be served simultaneously, and larger ships can now be accommodated. The largest ships calling at Agaba regularly are now reaching 8,700 TEUs of cargo capacity and exceed 300 metres in length.

The quay expansion, which represents an infrastructure and superstructure investment of US\$140 million, is the second phase of the terminal's development programme. This expansion began in 2009 and included the delivery of two new Ship-to-Shore (STS) gantry cranes with a 22-container outreach, and four rubber-tyre gantry cranes (RTG) in addition to other container terminal handling equipment. Over the coming years, ACT will have the opportunity to further optimise its capacity.

Tariff Adjustment in 2014

The first tariff adjustment since 2010 was implemented in June 2014 to reflect the rising operational costs of the past four years. Since 2010, the cost of petrol has increased by more than 45% and the cost of electricity has increased by more than 100%. Overall, these increases represent more than 25% of ACT's operating cost.

Harnessing the Power of Data For Import Efficiency

Understanding the supply chain and its stakeholders is of fundamental importance for maximising logistical efficiency. In 2014, ACT embarked on a project to analyse the impact from selected supply chain stakeholders on a container's journey through Aqaba Container Terminal; a process which involves several activities and processing steps. More than 140,000 container movements were analysed and revealed opportunities for improvements by establishing a "single window system" for Customs that integrates data and activities into one seamless process. The project was followed up by a supply chain conference hosted by ACT and Agaba Ports Corporation to present and discuss the findings. ACT is continually exploring collaborations with external parties that will strengthen both ACT's and Aqaba's positions in the market.

Container Movements

	2010	2011	2012	2013	2014
Total throughput (TEU)	605,659	705,648	817,434	872,812	781,291
Full export (TEU)	56,494	64,189	64,208	77,343	86,940
Transit (TEU)	62,826	102,128	104,003	92,094	51,850
Full import (TEU)	300,654	358,092	410,195	439,433	393,962

^{*}Total throughput includes full and empty containers, while export, transit and import performance represent full containers.



ACT Recognised by Lloyd's List



Commercial Performance

From a performance perspective, 2014 was a challenging year for commercial operations. Continued instability and conflict in Iraq and Syria impacted the flow of goods to and from these areas via Jordan. In 2014, total cargo throughput was reduced by 10.5% compared to 2013.

2014 Commercial Highlights

Increase in Full Exports (TEUs)

781,291

Total Throughput (TEUs)

container shipping lines served at ACT

productivity level (gross moves per hour)



CHAPTER 2

Foundation for Excellence

Operational Efficiency

APM Terminals assumed management of ACT operations in 2006, and significant progress has been made in improving operational efficiency since then. ACT conducts regular benchmarks and assessments of productivity and efficiency against regional peers and international leaders using the standard operational metrics of the container terminal business.

The long-term growth and health of a business is driven by its ability to understand and identify opportunities for operational improvement. APM Terminals initiated a 'Global Transformation' programme in 2012 to improve the efficiency, operational health and quality of its services. ACT participated in this global initiative by completing the first step towards action – a gap analysis for performance and operational efficiency. The second step in this project was also completed in 2014 wherein five distinct areas of improvement were identified for operational excellence.

These focus areas are:

- Strategic management of yard space and storage,
- · Dual cycle loading and discharge of vessels,
- Batched trucking solutions to improve efficiency of import/export process,
- Tyre damage prevention and maintenance,
- Spare part warranty and replacement.

Action plans and programmes to address these specific opportunities will be implemented in 2015. These programmes will gradually enable ACT to take advantage of operational efficiency opportunities that will strengthen the commercial appeal and viability of the terminal, and will further align operations to international best practice.

Operational efficiency stems from efficient use of the machinery and manpower that is needed to load, move, and unload containers as well as effective management of yard space and the clearance process to transport containers away from the terminal. ACT operates a predictive maintenance programme that monitors and preemptively provides maintenance to machinery to ensure that it operates at optimum efficiency and reliability. Predictive maintenance is akin to annual car check-ups at the garage, providing an opportunity for maintenance and replacements to take place before a problem arises thereby eliminating the risks and challenges associated with machinery breakdowns in the field.

From a financial perspective, ACT's operational cost intensity has increased by 88% since 2010, with a 38% increase between 2013 and 2014. Operational costs are an ongoing challenge for ACT since the costs of electricity (+100%), petrol (+45%), and labour have all increased substantially since 2010.

The operational team's focus remains on continuous improvement and working more efficiently through an ongoing process of training and regular performance assessment. In addition, implementation of the standard three-shift (eight hour) system in 2015 will allow better utilisation of the handling equipment that is available in the Terminal.

Among other things, Operational Excellence requires efficient processes, collaborative efforts, advanced technology and planning.



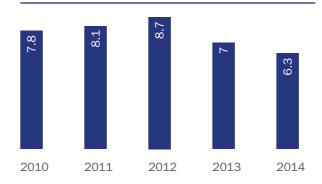
Operational Efficiency

	2010	2011	2012	2013	2014	5 year Trend	
Total throughput (TEU)	605,659	705,648	817,434	872,809	781, 291	+29%	
Gross crane productivity		27.56	28.60	29.31	26.92	_	
Truck turnaround time (hours)	1.14	0.83	1.51	1.96	0.89	-22%	
Dwell time for full import (days)	8.8	10.1	10.7	10.0	11.7	+33%	0
GHG emissions intensity (tonnes CO2e per 1,000 TEU)	28.6	12.5	12.2	11.9	13.4	-53%	0
Energy intensity (GJ/TEU)	0.28	0.26	0.23	0.25	0.27	-1%	
Water intensity (m3 per 1,000 TEU)			56.3	40.4	49.7		
Operational cost intensity (JOD/TEU)	42.73	47.72	49.08	57.97	80.25	+88%	0
Employees	727	704	802	886	984	+35%	

Customer Satisfaction

ACT's priorities are to maintain healthy customer relationships by delivering smooth and efficient services. During 2014, ACT faced labour challenges that resulted in a significant reduction to operational performance. This was the primary reason for the drop in customer satisfaction in 2014 to 6.3 out 10. ACT ensured contingency measures were in place to minimise disruption to customers, together with clear and transparent communication with customers on the challenges being faced.

Customer satisfaction score



Engineers Who Innovate

Employees are an essential part of ACT's operational efficiency. ACT has worked hard to build a strong team of engineers who are dedicated to maximising the efficiency of operations by making best use of machinery and optimising movements and processes within the terminal. More than 20 engineers participate in operational efficiency programmes each year to develop technical and process-based solutions that improve operational efficiency at ACT.





ACT is proud of its economic contributions to the economy through wages, benefits, taxes, royalties and payments to investors. ACT's direct economic contribution to Jordan was more than 57 million JOD in 2014. Beyond the company's direct generation of economic value, ACT also has a significant positive impact on the development and growth of the city of Agaba as an employer, and through the provision of goods and services from the local economy. While the company's indirect economic impact is not currently quantified, it will be the focus of future projects as part of the commitment to understanding the impact across the three pillars of sustainability.

Operational efficiency has never been more important to sustainability depends on its ability to ensure that ACT as the company faces the challenge of profitability amidst lower throughput volume alongside rising energy, supplier and staff costs. Recent national increases in fuel and electricity prices in Jordan have significantly increased overheads. Over the long term, ACT's financial

revenue growth is not outstripped by operating expenses. 2014 was a challenging year in this regard, with operational costs increasing by 24% and the cost per TEU increasing by 38% compared to 2013.

Financial Performance

Description	2011	2012	2013	2014
Revenues	60,696,000	74,264,000	86,005,000	99,039,000
Year to year variance		+22%	+16%	+15%
Operating costs (Incl royalties and Operational Labour cost)	26,738,000	33,266,000	41,817,000	51,524,000
Year to year variance		+24%	+26%	+23%
Employee wages & Benefits	13,077,000	16,033,000	20,247,000	21,316,000
Year to year variance		+23%	+26%	+5%
Royalties paid	12,139,000	14,853,000	18,718,000	28,881,000
Taxes Paid	962,028	1,833,919	1,699,716	1,227,347
Cost per container moved	98	94	114	157
Return on invested capital	20.2%	22.5%	14.5%	11.7%

Good Governance Practices

Solid and 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. In 2014, ACT focused on making employees aware of good governance practices through several initiatives such as the anti-corruption awareness campaign and departmental compliance audits.

ACT has also introduced an anonymous reporting and whistleblowing system that enables all employees to anonymously report any instances 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. In addition, ACT conducts a comprehensive annual audit to meet APM Terminals governance standards.

Compliance with laws and regulations is key to ACT. It is one of ACT's fundamental business principles to comply with all local and international laws and regulations. Consequently, ACT introduced the Legal Compliance Manual during 2014 that was developed by the APM Terminals legal team at The Hague. It consists of guidelines related to competition law, anti-corruption and foreign trade controls, and other governance related topics. ACT conducts legal awareness sessions for employees at all levels.

Board of Directors

The ACT Board of Directors consists of seven nonexecutive and fully independent members, with three representatives from Agaba 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.

The Audit Committee is a permanent sub-committee of the ACT Board, responsible for reviews and oversight of company operations, including implementation of internal controls, efficient organising, integrity in financial reporting, compliance with statutory requirements, and risk management. The sub-committee consists of two independent members represented by Agaba 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.

H.E. Mohannad Al Qudah (1)

Chairman - Representative of Agaba Development Corporation (ADC)

Mr. Peder Sondergaard

Vice-Chairman/ Representative of A.P Moller Finance S.A.

Mr. Mahmoud Khlaifat (2)

Representative of Agaba Development Corporation (ADC)

Mr. Philip M. English

Representative of A.P Moller Finance S.A.

H.E. Ghassan Ghanem

Representative of Agaba Development Corporation (ADC)

Mr. Rashad M. Toukan

Representative of A.P Moller Finance S.A.

Mr. Soren S. Jakobsen

Representative of A.P Moller Finance S.A.

¹⁾ Replaced H.E. Dr.Kamel O. Mahadin effective January 26th, 2015

²⁾ Replaced Mr. Saleh Niadat effective July 27th 2015

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, Safety and Security

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. In 2015, this programme will be boosted by the initiation of a 'Fatal 5' safety assessment programme to identify and respond to the five most prevalent causes of safety incidents in any Container Terminal.

Senior Management Team

The ACT senior management team is led by Mr. Jeppe Jensen who joined ACT in October 2013. The management approach is defined by continuous engagement, which creates an open management structure where all employees are encouraged to communicate directly with relevant parties from line managers to the CEO. The seven individuals in the senior management team represent more than 50 years of experience in shipping and logistics. More than 40% of the senior management team is Jordanian.

Mr. Jeppe Nymann **Chief Executive Officer** **Mr. Vincent Flamant**

Mr. Jan Bandstra (1) CFO

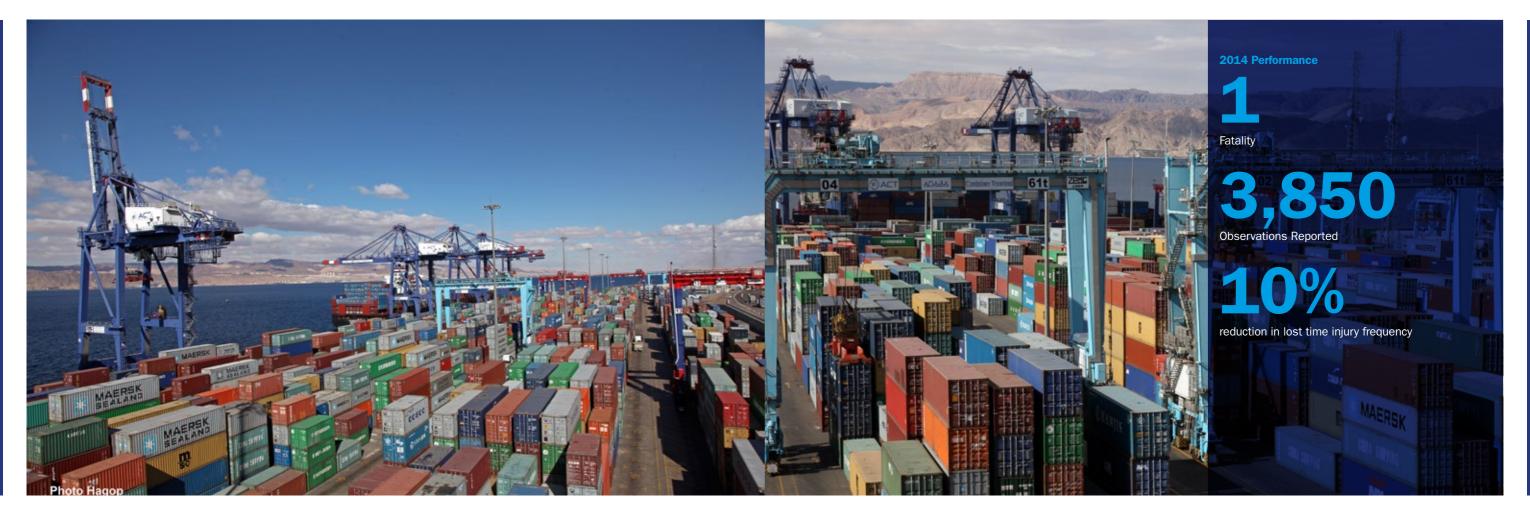
Mr. Khalil Abu Al Hawa Project Implementation

Mr. Taysir Balbisi (2) Human Resources **General Manager**

Mr. Feras Al Taweil **HSSE Manager**

Mr. Robert Snow

- (1) Effective 1st of May 2014
- (2) Replaced Mr. Ali Freihat effective January 2015.



Building Safety Culture, Achieving Best Practice

Proactive safety management has transformed ACT's operations and safety performance since the programme began in 2006 with APM Terminals assuming management of ACT. ACT follows the General Minimum Safety Requirements (GMR) of APM Terminals to build on best practices and eliminate unsafe behaviours. ACT has achieved significant improvements in many of its safety performance metrics and achieved a score of 94% in 2014 for successful application of the GMR standards. ACT will see further risk reduction and improved safety as ACT continues to focus on safety culture and proactive safety management.

In 2015, ACT will participate in the 'Fatal 5' APM Terminals safety campaign that focuses on raising awareness of the five operational components which posed the greatest risk, representing 90% of the serious safety incidents that occur at an APM Terminal container terminal. The 'Fatal 5' programme provides a clear and consistent framework to assist our risk management activity and help focus improvement plans on the issues that have the most significant safety impact.

Fatal 5 safety risks:



(Lots of heavy equipment and vehicles continuously hazards with the move around the terminal);



(A number of operations have potential to release stored energy);



Suspended loads (Loading, unloading and moving containers, materials and goods are daily activities);



Working at heights (By default a lot of work takes place high up);



(Contractors are employed to carry out most of the highest-risk tasks).

Learning from Challenges in 2014

With great sadness, ACT experienced one fatality in 2014 when an external truck driver was caught between his and his son's vehicle within the inspection area. Following the fatality on 24th April 2014, a committee was established to conduct a thorough investigation, focusing on the root cause of the incident to make sure that a similar incident cannot occur again. Five key corrective actions were implemented to prevent recurrence, including using barriers for clear segregation of bays within the yard, and full HSSE induction training sessions for all external truck drivers.







ACT Certified as Secure Port

Security is a material issue for container terminals in view of the intense flow of cargo, employees, contractors, and visitors, Terminal properties and cargo movements within the terminal are protected against theft, vandalism or tampering.

ACT is in compliance with the International Ship and Port Facility Security Code (ISPS Code) and is certified as a secure port. ACT is also received a certificate for commitment to Port Security Excellence from the U.S. Coast Guard International Port Security Program. ACT implements a number of security actions to maintain a high level of security, including but not limited to:

- Increased manual inspections
- Port departure inspections
- · Security patrolling,
- CCTV monitoring
- Cargo profiling

- Container sealing
- Physical security measures · Electronic/smart ID cards
- Scanners and Detectors
- Monitoring and Access Controls · Safety and security awareness

Safety Performance 2010-2014

	2010	2011	2012	2013	2014
Lost Time Injury Frequency Rate (per million man hours)	2.33	1.52	0.78	1.07	0.96
Fatalities (contractors and employees)	0	0	0	0	1
Employees trained in health and safety practices	100%	100%	100%	100%	100%
Contractors trained in health and safety practices	100%	100%	100%	100%	100%
Rate of occupational diseases	12	20	17	0	0
Lost days	-	-	-	104	85
Sick leave (number of days)	-	5,710	4,032	3,159	4,452
Safety observations reported (unsafe act and unsafe condition)	-	-	_	750	3,850
Near miss incidents reported	31	70	83	148	240
Safety audits	-	1	2	3	3

Safety Campaign for Truck Drivers

ACT implemented a training and awareness campaign in 2014 to address the safety risk of external truck drivers leaving their cabins while in the terminal. This campaign was the direct result of analysing the HSI (High Severe Incidents) and noting that two thirds of all observed unsafe actions were related to external truck drivers. Safety induction trainings were conducted for 2,700 truck drivers to address this challenge. Training emphasised the safety expectations and rules for the terminal, with specific emphasis on remaining within the truck cabin while waiting or idling. In addition, ACT uses a banning matrix to prevent those involved in repeated safety violations to enter the terminal.



Global Safety Day 2014: Caring for Contractors

As part of its continued efforts to raise awareness about the importance of workplace safety, Agaba Container Terminal (ACT) celebrated World Safety Day with a public celebration. It was held in collaboration with other terminals within the APM Terminals network under the heading 'Caring for Contractors' and an internal campaign entitled 'Don't be Next, Don't be the with the Jordan Traffic Institute, comprised of a variety of lectures, workshops and awareness activities for the terminal's employees, third party truck drivers, contractors and visitors. A number of key topics were tackled, including contractors' safety and the causes, prevention and management of traffic accidents. The event also featured the unveiling of a 'safety backdrop' that was signed by employees and contractors. Safety puzzles and a series of medical examinations that included weight measurements, body mass indices, fat percentage tests, blood pressure tests and glucose tests were also part of the event.





Environmental Performance



Environmental management enables ACT to optimise its environmental footprint by conducting more 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. Environmental management is a consistent priority for ACT and its executive team, and subsequently ACT is the only port in the Middle East to operate with the PERS (Port Environmental Review System), an international industry standard for environmental management. Further information can be found at www.ecoports.com.

Annual energy, emissions, waste and spill targets are set and evaluated regularly to ensure that the company is making progress towards environmental management goals. While performance in 2014 didn't equal many of the record-setting reductions achieved in 2013, ACT's long-term environmental performance has improved. ACT's most significant achievement is halving the company's GHG emissions intensity from 2010-2014.

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20%

reduction in spill volume

2014 Performance

29%

reduction in spill volume

2015 Targets

10%

reduction in spill volume compared to 2014 performance

3%

reduction in CO2 emissions intensity compared to 2013

13%

increase compared to 2013, primarily as a result of reduced throughput in 2014

3%

reduction comparing with 2014 figures. Continuously monitor CO2 emissions.

Maintaining

90%

waste segregation rate

95%

waste segregationachieved

Maintaining more than

95%

of waste segregation

50 Environmental Talks in 2014

Increasing awareness of how personal actions impact upon the environment is a critical component of making long-term improvements in environmental performance. In 2014, the environmental management team conducted more than 50 talks to inform operations staff about important topics including spill prevention and reporting, workplace hygiene and cleanliness, idling and emissions reductions, and hazardous waste disposal. Further sessions will be conducted based on the positive response to these talks, and the opportunity they offer to enhance staff understanding and commitment to environmental management.



Energy

Energy efficiency is a critical part of ACT's long-term financial sustainability because it is a high priority for operational cost management. ACT draws electricity from the municipal power supply for use in its machinery, facility lighting, and offices. In 2014, total energy intensity remained relatively unchanged, having reduced by 1% over five years. Energy performance management focuses on intensity-based trends since they are the clearest measure of how performance changes over time. For example, net energy, electricity, and fuel usage all decreased from 2013-2014, however respective intensities all increased, reflecting a minimal decline in the overall energy efficiency. LED lighting is being installed in select areas to improve energy efficiency and reduce maintenance costs for the terminal.

To further improve energy efficiency, ACT began a project to implement energy management solutions for heavy machinery. This programme, implemented for 20% of machinery in 2014, has thus far generated a 5.6% net reduction in energy consumption with additional potential for energy savings after it has been rolled out further. In

total, the programme generated 124,721 JOD in savings and the investment made was recouped within two months. Fuel savings totalled 84,810 litres, which equates to 1.56 litres saved per hour of RTG crane operation.

Understanding Intensities

ACT measures environmental performance in two ways – net performance and intensity

- Net performance is a measure of the total usage/emissions that occur (i.e. the kilowatts of energy used in a year);
- Intensities are a measure of usage/emission relative to production (i.e. the kilowatts of energy used in a year divided by total throughput);

Intensities are a valuable tool for understanding performance in context, and evaluating performance over time. In some cases, net increase in consumption does not mean worse performance, but rather indicates that the scale of operations has changed.



Energy Performance

	2010	2011	2012	2013	2014
Electricity (kWh)	13,373,080	13,902,000	16,072,300	16,217,590	15,460,300
Electricity intensity (kWh per TEU)	22.08	19.70	19.66	18.58	19.8
Total fuel consumption (litres)	2,981,578	3,339,373	3,191,000	3,923,623	3,962,420
Fuel intensity (litres per TEU)	4.9	4.7	3.9	4.5	5.1
Total energy consumption (GJ) electricity + fuel consumption	167,406	183,622	185,500	215,328	214,154
Energy intensity (GJ/TEU)	0.28	0.26	0.23	0.25	0.27



Climate Change and Emissions

Globally, climate change is one of world's most pressing problems. While container freight is one of the most energy and emissions-friendly transport mechanisms, energy used for machinery, lighting and cranes is essential in container terminal operations. The primary sources of greenhouse gas (GHG) emissions for ACT are the use of petrol and diesel fuel in operations vehicles and heavy machinery such as generators. Indirect GHG emissions are attributed to the terminal's use of electricity from the Jordanian national grid.

GHG Emissions

	2010	2011	2012	2013	2014
Total Greenhouse Gas emitted (tonnes)	17,322	8,846	10,038	10,464	10,496
Total Greenhouse Gas emitted per 1,000 TEU	28.6	12.5	12.2	11.9	13.4

In 2014, net emissions remained unchanged, increasing by less than 1% from 2013. Emissions intensities increased by 13% compared to 2013, primarily due to the 9% decrease in total throughput. Overall, emissions efficiency will continue to be a priority as ACT works towards the target of achieving 3% reduction in emissions intensity in 2015.

Water

Operating in Jordan, one of the world's most waterpoor countries, means that water management and conservation is a high priority for ACT. Since introducing water management into the company's PERS environmental management register in 2013, water management has improved significantly by focusing on six areas including maintenance, water conservation, education, and retrofitting of machinery and tanks.

In 2014, water management performance receded compared to 2013, with net water consumption and water consumption intensities increasing by 9% and 23% respectively. Reduced throughput was the primary

reason for the decrease. Moving forwards, ACT aims to reduce its water-use intensity by focusing on proactive water management and upgrading valves and pumps to increase efficiency and prevent leaks.

ACT will begin a green spaces project to plant trees and herbaceous plants in the terminal, which will improve air quality and provide a nominal offset of emissions through the natural carbon sink properties of trees. This project will take place in 2015 and cover around 3% of the open spaces on the premises.

Water Consumption

	2012	2013	2014
Water consumption (m3)	46,001	35,227	38,793
Water intensity(m3 per 1000 TEU)	56.3	40.4	49.7



Waste Management

ACT is committed to sound waste management and reduction in waste sent to landfill through active recycling and reuse of materials. Over the past four years, a number of significant events have impacted on waste management performance and created significant trends that are not representative of the company's strong waste management commitments. For example, in 2014, ACT conducted a major cleaning and dust removal project during which 95% of ACT yards were thoroughly cleaned. This project improved the safety and

health of the working environment, but created an 80% increase in the volume of waste generated compared to 2013. In addition, a number of engineering projects for decommissioning and infrastructure development also contributed to the increase in waste generated. ACT's 2012 waste management performance was heavily influenced by the expansion of the quay, which generated a high volume of waste. ACT is proud to have achieved 76% recycling of this waste by collaborating with contractors for waste segregation and sorting.

Waste Management

	2011	2012	2013	2014
Total waste segregated (kg)	246,861	4,357,795	155,288	280,293
Waste recycled (%)	5%	76 %	56%	23%
Solid waste (wood, plastic, container seals, tires) (kg)	53,429	87,058	32,065	39,240
Paper and cardboard (kg)	13,432	3,321,000	87,673	65,386
Organic waste (kg)	159,000	940,000	35,000	175,597
Medical waste (kg)	21	38	55	70

Oil Spills

Spill prevention is a high priority for ACT environmental management since spills have significant detrimental environmental and safety implications. ACT conducts daily water quality testing to ensure it complies with national and local environmental regulations.

Oil Spills

	2011	2012	2013	2014
Total number of oil spills	-	31	29	25
Total volume of spills (litres)	-	3,772	404	313

In 2014, ACT conducted a comprehensive oil spill drill in coordination with Aqaba Ports Corporation. The drill was very successful and included a full simulation of oil spill containment and environmental management. ACT is equipped to handle Tier 1 oil spills and has done extensive training to ensure that all equipment will be deployed properly in the event of an emergency.







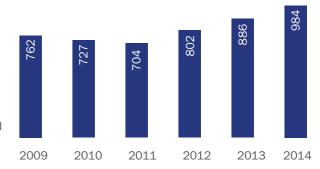
Employees

ACT is determined to meet employees' expectations by keeping them safe, investing in their development, offering competitive compensation, and cultivating a respectful and inclusive workplace. Engaging with employees through regular evaluation, feedback and satisfaction assessments makes the business stronger and improves operations.

During 2014, labour disruption took place during the collective bargaining agreements process for employee benefits and business needs. This was resolved on 10th November 2014 through a Labour Court Judgement on the disputes. Moving forward, relations with the labour union are focused on maintaining a constant and constructive dialogue while meeting the growing demand for commercial efficiency and output.

ACT hired 123 new employees in 2014 as operations continue to grow. The company strives to ensure equality and fairness in all recruitment via clearly defined recruitment process and procedures, which enables ACT to select the best candidates for any position in the business. By the end of 2014, 99.5% of the ACT workforce was made up of Jordanian nationals.

Total Workforce

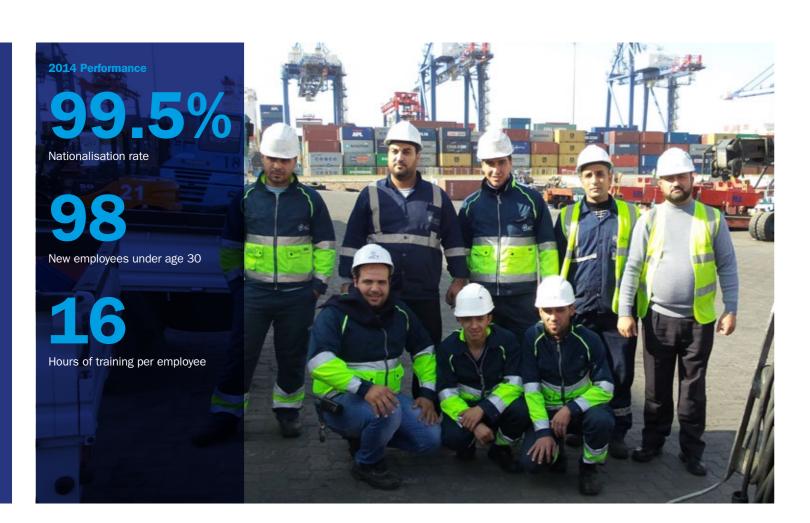


Workforce

	2009	2010	2011	2012	2013	2014
By employment level						
Senior management	6	6	6	6	6	6
Middle management	21	22	24	20	22	22
Staff	735	699	674	776	858	956
By age group						
18-30	138	134	111	105	312	410
31-40	312	299	304	300	301	330
41-50	247	249	255	248	244	218
51-60	65	45	34	47	29	26
By gender						
Male	753	716	692	782	866	965
Female	9	11	12	20	20	19

Employee Retention & Nationalisation

	2009	2010	2011	2012	2013	2014
Employee engagement and satisfaction score* (0-5 scale)	3.54	3.72	3.95	3.90	4.2	N/A
Workforce turnover rate (%)	4%	6%	6%	2%	2%	3%
Total number of employees who left the organisation	28	45	40	12	33	32
Nationalisation	98.8%	99.0%	99.1%	99.1%	99.5%	99.5%





Investment in the training and skills development of employees is an increasingly important focus as the workforce transitions towards younger, lower-skilled employees and the long-time employees transition out of the organisation. Knowledge transfer through mentorship programmes and leadership development have thus become the most prominent training focus areas.

In the last four years, ACT has invested more than 1 million JOD in providing almost 60,000 hours of training for its employees. 2014 marked the continuation of the training programme with an average of 16 hours of training received by each employee, and a total of 15,625 hours of training conducted overall. The focus of ACT's training programmes is twofold: technical skills development, and leadership and management skills development. Some examples of training programmes include Strategies for Success, ReQuip Safety training, First Aid training course, TOP-SET incident investigation tools, and the company also provides individual education grants.

Employee Training

	2011	2012	2013	2014
Total amount spent on employee training (JOD)*	116,272	221,117	486,087	272,435
Total amount spent on employee training (JOD) per employee	165	276	549	277
Total number of training hours	12,235	20,136	11,279	15,625
Average hours of training provided per employee	18	28	13	16

^{*}Figures for training expenditure and expenditure per employee have been restated for 2012 and 2013.

Supporting the Local Community

Supporting the local community is part of ACT's corporate social responsibility and its commitment to making a positive impact on Aqaba. All of ACT's CSR programmes are undertaken in Aqaba and the surrounding villages so it can maximise the relevance and local impact of the company's support.

A formal committee manages CSR activities and evaluates the success and focus of each project to ensure that it aligns with company goals and objectives. ACT community activities provide meaningful support for young people and families through the provision of education, food, household items and activities. Through these programmes, ACT forms strong connections with people from the communities in which the company works and lives. Actively engaging with the community in this way also creates opportunities for employees to contribute to social goals through volunteering and community programmes.

ACT has contributed more than 550,000 JOD towards community programmes in the last five years. In

2014, ACT's community investment of 175,000 JOD represented 1.1% of pre-tax profits, which exceeds the company's sustainability commitment to contribute 1% of pre-tax profits to the community. The focus of ACT's community programmes is education, skills development and providing for local families who are in need. Moving forward, ACT will continue to support the community through its CSR programmes and supplement these programmes with employee volunteering opportunities. ACT aims to contribute 10,000 hours of volunteer time towards its CSR programmes in 2015.

The CSR Programme focuses on the environment, education and local community. Examples of the activities ACT conducted in 2014 are provided below and on page 35.



One of ACT's leading CSR programmes focuses on youth education. Through this programme, ACT adopted a school, helped to create a school library, refurbished interiors and enhanced classrooms with materials and furniture. Since 2007, ACT has supported the Al Shamleh School that has 1,300 female students aged 15-18.

Ekfal Taleb is another ACT CSR initiative that supports students in rural schools by providing a backpack full of school supplies at the beginning of each school year. Now in its third year, this programme served 500 students from 18 schools in 2014.

In addition, ACT is part of the Madrasati initiative for youth education in Jordan led by Her Majesty Queen Rania Al Abdullah.

In addition, ACT supported 500 students in 23 villages by providing them with essential supplies for their education.

Healthcare

Free Medical Day and ACT's Hygiene Awareness programme are the centre of the company's health promotion activities. In 2014, Free Medical Day was conducted in the villages of Wadi Araba. Programmes included health screenings, flu shots and donation of wheelchairs for physically handicapped individuals in the village.







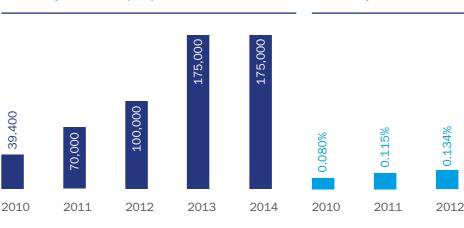
Employee and Family Engagement

ACT operates a family club to provide activities and social connections for ACT employees and their families. Some of the campaigns that took place in 2014 include the "Don't be Next" global safety awareness day and educational teaching programmes for employee's children.

Donations and Sponsorship

ACT supports a number of charities through direct contributions. For the fourth consecutive year, ACT supported the AI Khair charity for underprivileged families. Food and other household goods are donated to families in the surrounding community of Aqaba, AI Disi and Wadi Araba.

Community investment (JOD)



Entrepreneurship

ACT supports the success of local businesses through a mentorship programme that provides apprenticeship opportunities for Aqaba youth to pursue careers as certified divers and dive instructors. This programme includes a partnership with local dive shops to teach diving skills, leadership and business management. Graduates of the programme are employed in Aqaba dive shops that serve tourists and marine industries.

Community investment as % of pre-tax profits

2013

2014

Appendices

Appendix A: 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 10 - 13, 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 G4 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 41 specific disclosure topics from the GRI, and this list was then consolidated into the 16 topics that are presented in the materiality framework on page 10. 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.

How Materiality Is Assessed

Materiality assessment is an ongoing process. As such, the materiality matrix below represents ACT's current understanding of the priorities and rankings of issues for ACT and its stakeholders at the time of publication of this report.

In 2014, ACT revised its materiality assessment in

- 1) Revisit the material issues that were identified, and supplement with additional issues that are relevant to ACT based on the reporting standards of industry peers and APM Terminals' sustainability programme. This process increased the number of issues in the materiality assessment from 16 to 41.
- 2) Using the new list of material issues, a formal survey was given to sustainability steering committee members so they could rank the significance of each of the 41 material issues on a scale of 1 to 10. Rankings evaluated the issue according to the significance of its impact on ACT. In addition, each member ranked the issues from the perspective of three stakeholder groups based on their own experience and expertise. Each of ACT's seven stakeholder groups was considered by at least one member's rankings.
- 3) From this ranking exercise, an average score for each issue was developed and became the assessment presented on page 10. The finished materiality assessment includes 16 material issues that have been consolidated from the 41 initially identified. The aim of this consolidation was to streamline and focus the materiality assessment, and provide a suitable number of issues that could be understood and evaluated by all of ACT's stakeholders.

How Materiality Influences Reporting

Materiality assigns tangible rankings to topics that help the company to prioritise the level of discussion and detail with which to address each topic. Comprehensive disclosure on every material topic is not yet within ACT's capacity, however ACT continues to build the company's management and reporting systems to better reflect the company's responsibilities as operations mature. For this report, the highest priorities or most material subjects defined by the assessment are discussed in the greatest detail, while topics of lower materiality will be covered in less detail.

How Materiality Will Evolve

The process of defining materiality continues to evolve and will be evaluated by the sustainability committee on an annual basis to ensure that it aligns with current operations and understanding of stakeholders' needs and priorities. It is likely that the materiality assessment will change as ACT continues to engage stakeholders and conduct internal reviews of the materiality assessment. This is part of the natural evolution of sustainability management within a company and will be reflected in subsequent reports.

Appendix B: Stakeholder Map





Government and Regulators



Stakeholder	Methods of Engagement	Stakeholder Priorities	ACT's Response
Customers (shipping lines, clearance and trucking companies,end-users and consignees)	 Web-based communication system Trade missions Customer satisfaction surveys Annual sustainability report Website 	 Transparency and accountability Operational efficiency Service excellence 	Sustainability reportSustainability strategyPort Expansion Project
Employees	 Direct meetings; Intranet Engagement workshops Team buildings Annual sustainability report Website ACT TV Volunteering activities 	Learning and development programs; Reward and recognition initiatives; Competitive salary packages; Competitive benefits; Open communication channels; Health and safe working conditions; Work-life balance; Labour-management relations; CBA	Close relationship with Union Performance Management Health and safety policy Learning and development policy In-House & On-Job Training APM Global Terminal Development Programme (GTDP) Medical Check-ups Transportation, Health Insurance, Social Security, Employees Club, Annual leave. Superior Compensation Packages
Community (Local community, suppliers, Union)	 Direct communication Participation in events Annual sustainability report Website CSR Committee and man hours 	 Local development; Job creation Volunteering activities; Sponsorships; Good citizen 	In-kind contributions; Volunteering activities School refurbishments Local procurement Support on safety emergencies Health and safety awareness Local community engagement
Shareholders (APM, ADC)	Sustainability report Website	Sustainable profits Transparency and accountability Good governance Business ethics Risk management Cost reductions	 Creation of a corporate sustainability committee; Sustainability strategy Sustainability report Port Expansion Project
Government and Regulators (ASEZA, Customs)	Direct communication;Meetings;Annual sustainability reportWebsite	 Transparency and accountability; Good governance; Economic value; Job creation; Compliance to policies standards; 	Web-based communication system Regular meetings
Media	 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 	Clear and transparent information Close relationship Regular information monthly bases Press conferences for more engagement with the company	Sustainability Report New Website
Stakeholder		Relevant Aspects	
Customers		Safety and security, customer satisfaction	on
Employees		Labour rights and relations	
Community		Community impact and CSR	
Shareholders		Operational efficiency and performance,	financial performance, governance

Financial performance, governance



Appendix C: GRI G4 Content Index

External Assurance General Standard Page Number **Disclosures**

Disclosures		
GENERAL STA	NDARD DISCLOSURES	
Strategy and A	nalysis	
G4-1	3	None
Organisational	Profile	
G4-3	8	None
G4-4	6, 8	None
G4-5	Aqaba	None
G4-6	8	None
G4-7	9	None
G4-8	8, 9	None
G4-9	9, 15, 18, 31	None
G4-10	31	None
G4-11	All ACT employees are covered under labour contracts that include collective bargaining agreements.	None
G4-12	8, 15	None
G4-13	No significant changes during reporting period.	None
G4-14	8, 27	None
G4-15	22, 23 ,24, 25	None
G4-16	25	None
Identified Mate	erial Aspects and Boundaries	
G4-17	All financial statements and non-financial disclosures cover ACT only	None
G4-18	10, 36	None
G4-19	10	None
G4-20	10, all aspects are material for ACT	None
G4-21	37	None
G4-22	Limited restatements of data have been made to improve quality. All restatements are noted clearly in text.	None
G4-23	No significant changes.	None
Stakeholder Er	ngagement	
G4-24	12	None
G4-25	12	None
G4-26	37	None
G4-27	37	None
Report Profile		
G4-28	ACT reports according to the calendar year.	None
G4-29	2013 Sustainability Report.	None
G4-30	ACT reports annually.	None
G4-31	Ihabalrawashdeh@act.com.jo	None
G4-32	38, 39	None
G4-33	This report is not assured.	None
Governance		
G4-34	19, 20	None
Ethics and inte	egrity	
G4-56	9	None

DMA and Indicators	Page Number	Omission	External Assurance	DMA and Indicators	P
	STANDARD DISCL	OSURES		CATEGORY	
	ECONOMIC			SUB-CATEG	
	pect: Economic Pe	erformance		Material As	•
G4-DMA	18		None	G4-DMA	3
G4-EC1	18		None	G4-LA1	3
	pect: Market Pres	ence		Material As	pec
G4-DMA	6, 7		None	G4-DMA	3
G4-EC6	20		None	G4-LA4	C
Material As	pect: Indirect Eco	nomic Impact			o h
G4-DMA	3, 6, 7, 32		None	Material As	
G4-EC7	14		None	G4-DMA	. рсс 2
G4-EC8	3, 6, 7, 32		None	G4-LA6	2
CATEGORY:	ENVIRONMENTAL	-		Material As	
Material As	pect: Energy			G4-DMA	pec 3
G4-DMA	26		None	G4-DIVIA G4-LA10	3
G4-EN3	27		None		
G4-EN4	27		None	Material As	•
G4-EN5	27		None	G4-DMA	3
G4-EN6	26, 27		None	G4-LA12	3 e
G4-EN7	26, 27		None	_	f
Material As	pect: Water				n
G4-DMA	28			SUB-CATEG	ORY
G4-EN8	28			Material As	pec
Material As	pect: Emissions			G4-DMA	3
G4-DMA	27		None	G4-S01	3
G4-EN18	27		None	Material As	pec
G4-EN19	27		None	G4-DMA	1
Material As	pect:: Effluent and	d Waste		G4-S04	1
G4-DMA	28		None	SUB-CATEG	ORY
G4-EN23	28		None	Material As	pec
G4-EN24	29		None	G4-DMA	1
				G4-PR5	1

	DMA and Indicators	Page Number	Omission	External Assurance
	CATEGORY:	SOCIAL		
	SUB-CATEG	ORY: LABOR PRACTIO	CES AND DECE	NT WORK
	Material As	pect: Employment		
	G4-DMA	30, 31		None
	G4-LA1	31, 32		None
	Material As	pect: Labour Relation	ıs	
	G4-DMA	31		None
	G4-LA4	Changes are made once accepted by both parties	e	None
_	Material As	pect: Occupational H	ealth and Safet	ty
_	G4-DMA	21		None
	G4-LA6	23		None
	Material As	pect: Training and Ed	ucation	
	G4-DMA	33		None
-	G4-LA10	33		None
_	Material As	pect: Diversity and Ed	qual Opportunit	y
_	G4-DMA	31		None
	G4-LA12	31 – 2% female employees, 0% female board members		None
	SUB-CATEG	ORY: SOCIETY		
_	Material As	pect: Local Communi	ties	
	G4-DMA	34		None
	G4-S01	34, 35		None
_	Material As	pect: Anti-corruption		
	G4-DMA	19		None
	G4-S04	19		None
	SUB-CATEG	ORY: PRODUCT RESF	PONSIBILITY	
_	Material As	pect: Product and Se	rvice Labeling	
_	G4-DMA	17	<u> </u>	None

None

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