

# The most sustainable gateway to Jordan and beyond

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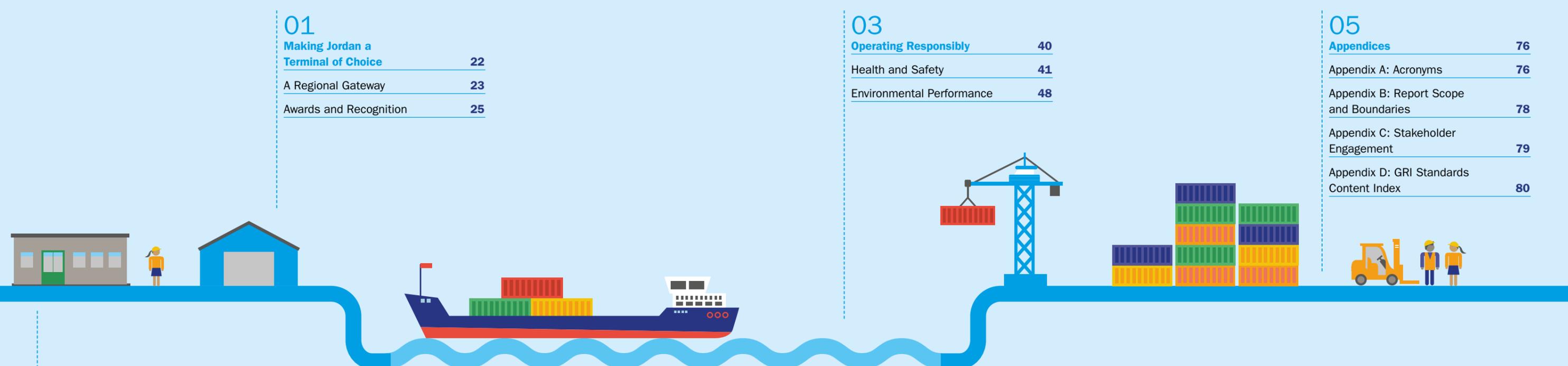
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# About this report

Since 2011, ACT has published an annual sustainability report, highlighting its activities and performance in the social, environment and economic aspects. This year's report continues to focus on ACT's sustainability performance in material issues that are important to ACT and its stakeholders.

This report has been prepared in accordance with the GRI Standards: Core option. The GRI Content Index and GRI Materiality Disclosures Service Mark are included in Appendix D.

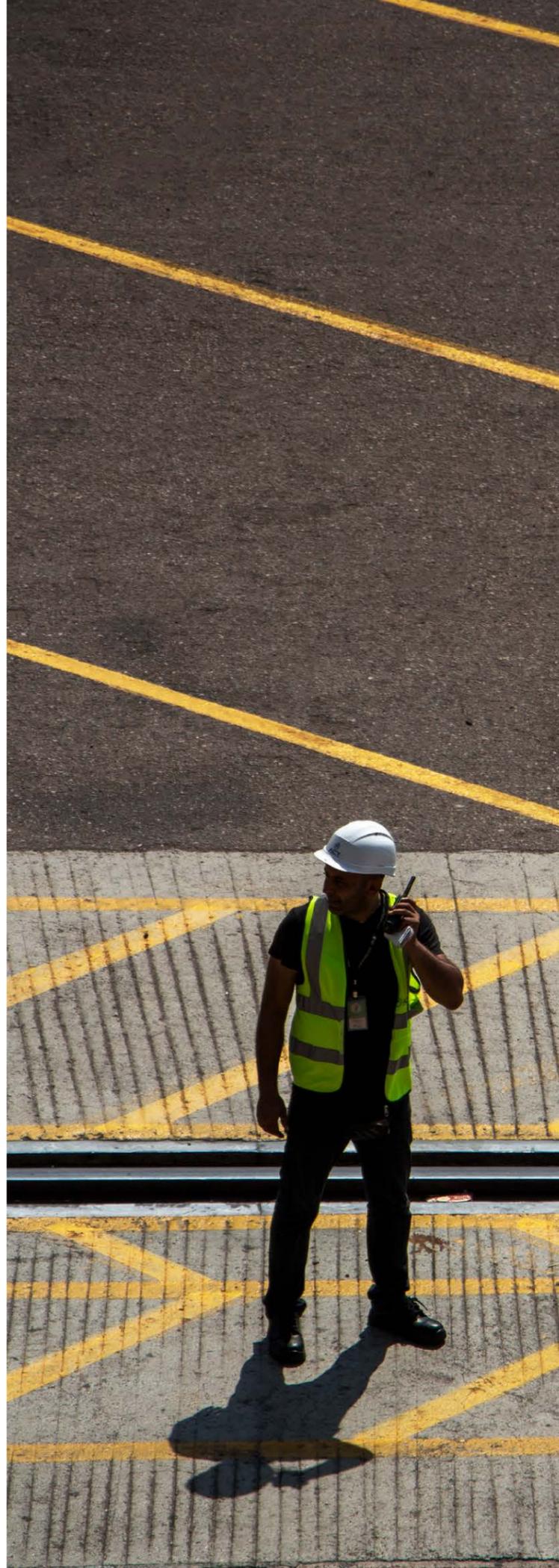
The report covers the calendar year ending 31 December 2019. Financial data is expressed in Jordanian Dinars, unless otherwise specified.

-  **Email:** [customerservice@act.com.jo](mailto:customerservice@act.com.jo)
-  **Twitter:** [ACTJordan](#)
-  **Facebook:** [Aqaba.Container.Terminal](#)
-  **LinkedIn:** [Aqaba Container Terminal-Act](#)
-  **Google plus:** [Aqaba Container Terminal-Act](#)

### Cautionary Message

This report contains statements that may be deemed as "forward-looking statements" that express the way in which ACT intends to conduct its activities. Forward statements could be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

ACT has made every effort to ensure the report is as accurate and truthful as possible. However, by their nature forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond ACT's ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will actually occur.



# CEO Message

It is with great pleasure to be introducing ACT's 9th Sustainability Report for the year of 2019, which marks my 3rd year as a CEO for ACT.

ACT takes its role as a corporate citizen seriously, and we are proud to showcase our progress across the three dimensions of sustainability: economic, environmental and social responsibility. We have based our sustainability report on the GRI Standards - our fourth alignment with the new Standards to describe our material issues, performance and initiatives.

Sustainability is integral to our core business objectives. It is embedded within ACT's governance, operations and culture. Our efforts are focused on addressing the most material issues across the six pillars of our sustainability framework, as they are crucial to our future success and prosperity.

Through our continued commitment to the UN Sustainable Development Goals (SDGs) and Jordan National Vision 2025, we take shared responsibility for achieving positive change. We have identified linkages between the national vision goals and ACT's business strategy and aligned our sustainability priorities to selected SDGs. We are also working with other foundations and organizations on opportunities for collaboration to make progress towards these national and international goals.

I am proud of ACT's achievements in sustainability and its contribution to long-term economic growth. As a demonstration of our action, ACT won the 2019 Workplace Health and Safety Award from the Social Security Corporation and was nominated as finalist for the coveted Lloyd's List South Asia, Middle East and Africa 2019 "Port Management and Infrastructure" Award.

Despite regional economic and geopolitical challenges, we have accomplished much over the past year. ACT has demonstrated its capacity to receive some of the largest ships in the world. In 2019, ACT recorded 798,160 TEUs (Twenty-foot Equivalent Unit) total capacity and over JOD 98 million in revenues.

ACT's journey as a responsible corporate citizen continues. Our community investments focus on three key areas: ensuring the well-being of society, promoting environmental protection and empowering future generations through the access to high quality education. Over the past five years, ACT made contributions of more than JOD 505 thousand to support initiatives in these areas.

Our environmental work focuses on energy efficiency, reducing waste and water use, and managing our impact in the context of climate change. We are progressing towards our goals, thanks to the expertise and commitment of our teams working together to develop operating techniques that are aimed at not only reducing our costs but also decreasing our negative environmental impact. In 2019, we have made

valuable advancements in reducing our energy intensity by 13%, improving water intensity by 9%, increasing recycled waste levels from 28% in 2018 to 33% in 2019, and decreasing our total Greenhouse Gas (GHG) emissions intensity by 13.5%.

Finally, I invite you to read this report to learn more about the progress we have made throughout 2019 in advancing sustainability in our daily operations.

Sincerely,  
**Steven Yoogalingam**



# A Gateway for Trade

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 the surrounding countries.

Over years, ACT has demonstrated its readiness to serve the wider Levant Region despite the turbulent geopolitical environment. ACT has the capacity, the infrastructure and the resources to support the Jordanian export industry, and to serve the historical Iraq and Syria import markets which are expected to experience strong growth when the reconstructions start. Taking advantage of Aqaba's natural deep waters and ACT's strong operational performance, all major global shipping lines call the Jordanian terminal on a weekly basis with large vessels, thus connecting the Levant region to the World.

## APM Terminals Advantage

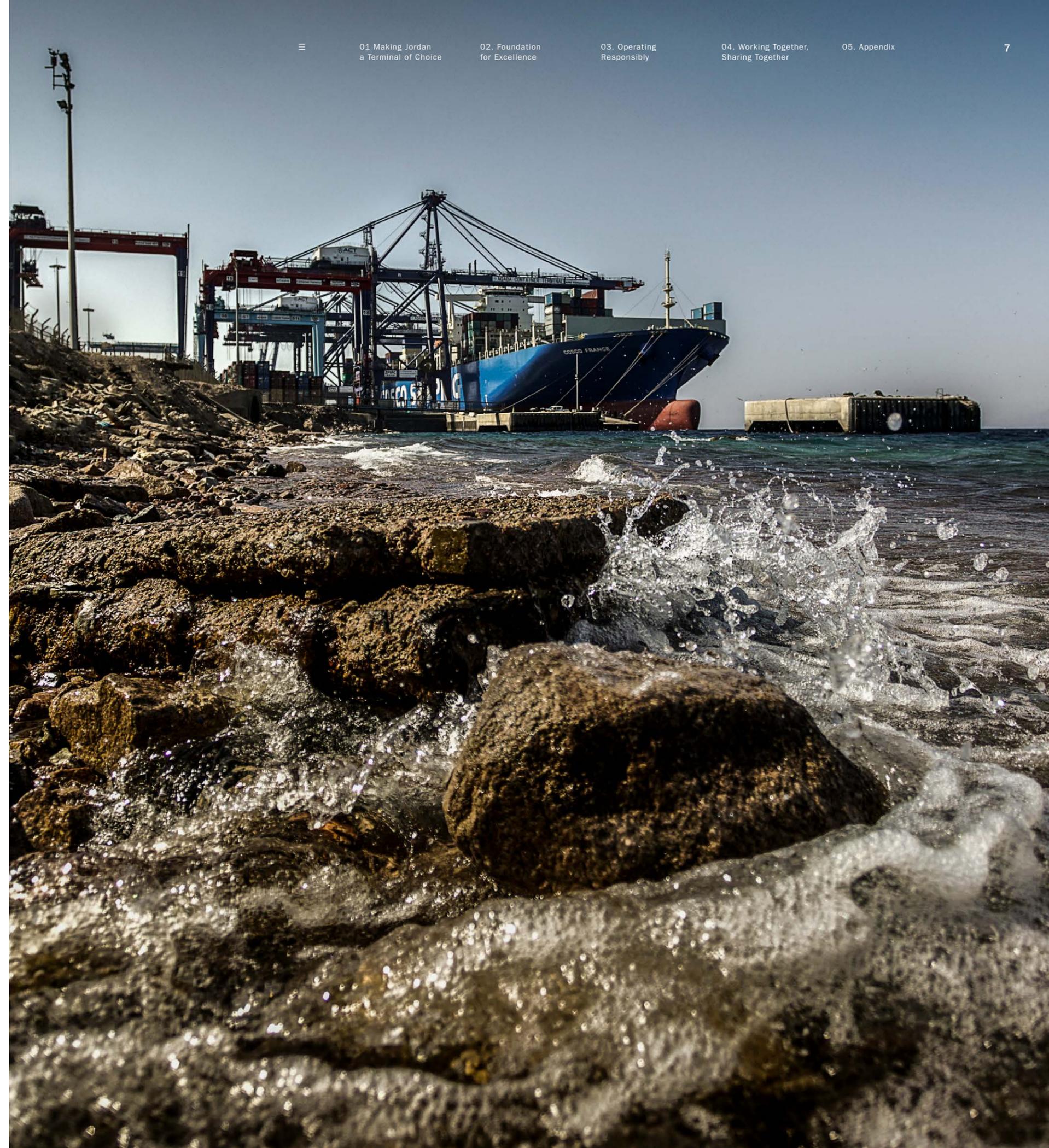
With the largest and most balanced Port and Terminal global portfolio, APM Terminals (APMT) is bringing extensive international experience as well as commercial and operational best practices to Jordan.

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.

## Aligning ACT's Priorities

The Sustainable Development Goals (SDGs) spearheaded by the United Nations offer a pathway to end poverty, fight inequality and tackle climate change while ensuring no one is left behind. The Jordan 2025 charts a path for the country's future and determines integrated economic and social framework that govern policies providing opportunity for all. ACT strongly believes that there is a strong correlation between its vision of being a sustainable gateway to Jordan and beyond and the society's collaborative ability to achieve these global goals and national targets.

To that end, ACT is committed to promoting the SDGs and Jordan National Vision 2025, by aligning its corporate strategy priorities and highlighting and communicating how its operations contribute toward achieving them.



# 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.

**161,533 GJ** of energy consumed

**26,249 m<sup>3</sup>** of fresh water consumed

### Stakeholder 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: transit and cargo terminal.

### Container cargo gateway serving the national and neighbouring markets

#### Mission:

ACT's vision is to be the Sustainable Gateway for Jordan and beyond.

#### Vision:

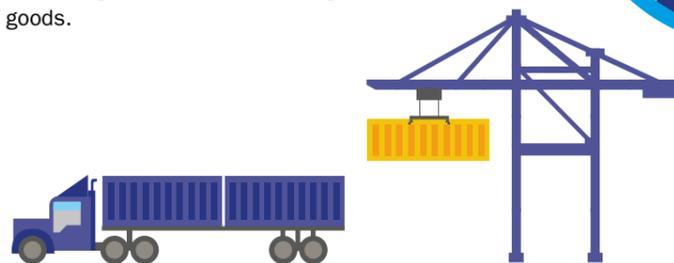
To develop and upgrade a sustainable modern, transparent, competitive, reliable, and profitable supply chain component into Jordan, Iraq and the Levant region.

#### Business Activities

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.



## Outputs



**798,160 TEU**

Total Throughput

## Outcomes

### Financial capital

**JOD 28,630,000**

Royalties

**JOD 25,628,437**

Wages and benefits for our workforce

### Skills and Expertise

**998**

Total workforce

**8,986**

Total training hours for our workforce

**99.80%**

Jordanian rate

### Natural Resources

**10.19**

Total Greenhouse Gas emitted per 1,000 TEU (metric tonnes of CO<sub>2</sub>e)

**268,877**

Total waste generated

### Stakeholder Relationships

**83%**

Spending on local procurement

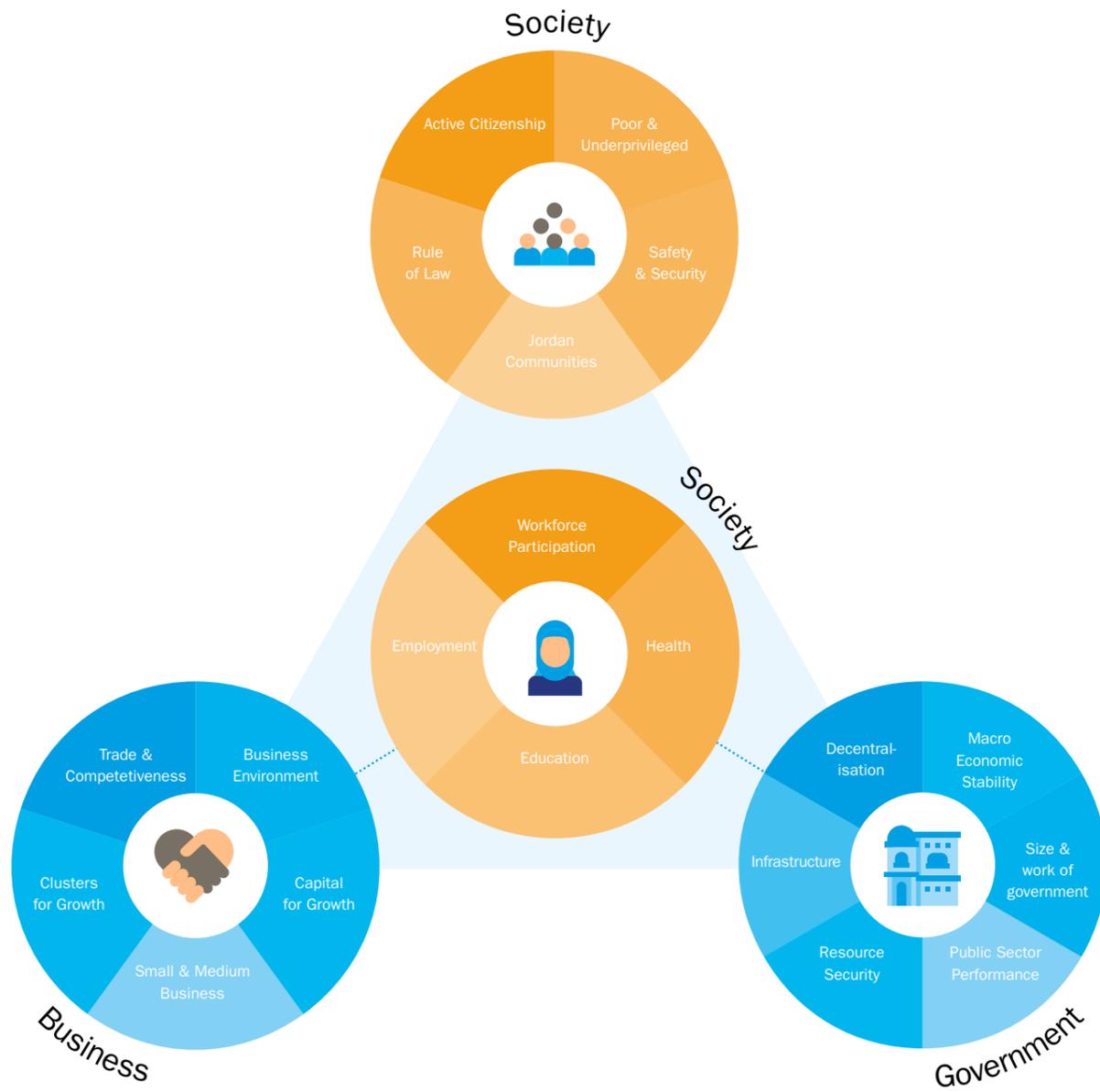
**80,370 JOD**

spent on community investments

Through our ambitions, ACT is supporting the UN Sustainable Development Goals

# Inputs and Outcomes

A wide range of inputs that flow into ACT's business model allow the terminal to create value across the four pillars of Jordan's 2025 National Vision and Strategy.



## INPUTS

### Skills and expertise capital:

- Skilled, diverse and motivated national employees
- Experienced management team
- Healthy and safe working environment

### Social and relationship capital:

- Effective partnerships with non-profit organizations
- Positive relationships with local community with open communication channels

### Financial capital:

- Handling export containers
- Latest technologies and implementation
- Policies and procedures that drive operational excellence
- Capital investments and local supplier support
- Assets and equipment

### Natural capital:

- Energy
- Water
- Air quality
- Land

## VALUE CREATED ACROSS THE JORDAN 2025 NATIONAL VISION

### Citizen pillar:

- Creating high calibre employment and encouraging the participation of women in management positions
- Building knowledge and expertise and creating a motivated Jordanian workforce that is equipped with the skills to succeed
- Creating a safe and healthy work culture for employees and their families across the local community of Aqaba

### Society pillar:

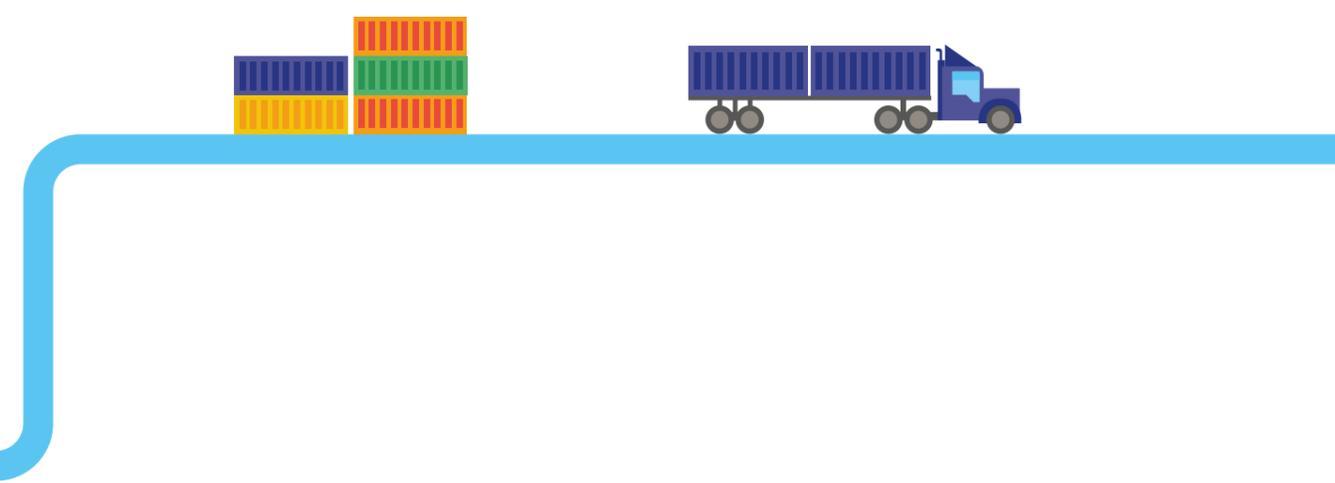
- An effective society based on active citizenship
- Strong families and communities across the Kingdom
- Protection and empowerment of those in need to providing decent life opportunities

### Business pillar:

- Strong support to Jordan's industries and a hub for international import and export activity for Jordan and beyond
- Wages and benefits that add direct economic value
- Indirect economic value and employment through supply chains
- New technologies and knowledge created for the transportation sector
- Reinvesting revenues into terminal and equipment upgrades to prepare for future growth
- World-class infrastructure that supports development

### Government pillar:

- Constructive engagement with government representatives and regulators
- Sustainable-long term management of energy, water, waste, and emissions requirements
- Conserving and protecting biodiversity
- Increased environmental awareness amongst the local communities and university students

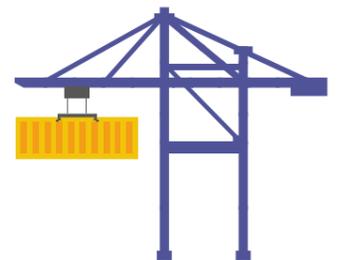




# Investing in Jordan

ACT is the kingdom's only container terminal and a hub for international Import and export activities for Jordan, and beyond. The company's commitment to sourcing local employees, local goods and services, and investing in the development of the terminal's capacity, has helped stimulate Jordan's economy, environment, and society.

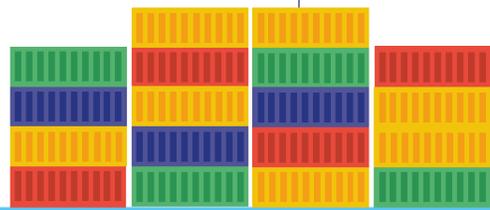
Under the management of APM Terminals, ACT benefits from leading operational and commercial standards as well as from the widest pool of best practices. Over the past 10 years, ACT has invested over USD 300 million in the terminal, expanding its capacity, and improving its operations.



# ACTs Journey Through the Years

## 2003

- ACT faces major operation melt-down resulting in severe congestion crisis



## 2004

- ACT faces major operation melt-down resulting in severe congestion crisis

## 2005

- 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

## 2006

- ADC and APM Terminals sign 25-year Joint Venture

## 2008

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

## 2011

- ACT introduces sustainability excellence through adopting sustainability reporting and a new sustainability framework to enhance performance, transparency, openness and accountability

## 2012

- ACT adopts the journey to safety and development excellence program to develop a positive safety culture

## 2010

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

## 2015

- 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

## 2013

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

## 2014

- ACT deemed a model privatization venture within its category, according to report issued by the Jordanian government

## 2017

- ACT nominated as a finalist for the Lloyd's Port Operator Award and HPH Environment Award and Safety Award
- ACT recognized at the Transport Arabia Excellence Awards as the "Most Sustainable Port Development"

## 2018

- ACT hosts the 2018 Trans Middle East Exhibition and Conference
- ACT wins the Terminal Operator Award at Lloyd's South Asia, Middle East & Africa Award ceremony

## 2019

- ACT renewed its ISO 14001:2015 certificate
- ACT nominated finalist for Lloyd's List "Port Management and Infrastructure" Award
- ACT won the 2019 Workplace Health and Safety Award from the Social Security Corporation
- Installation of Solar System in the Terminal as a renewable energy source

## 2016

- ACT receives the ISO 14001 certification for its comprehensive environmental management system
- ACT recognized by the Jordanian Social Security Corporation for exceeding all health and safety standards
- ACT receives 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 made 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.

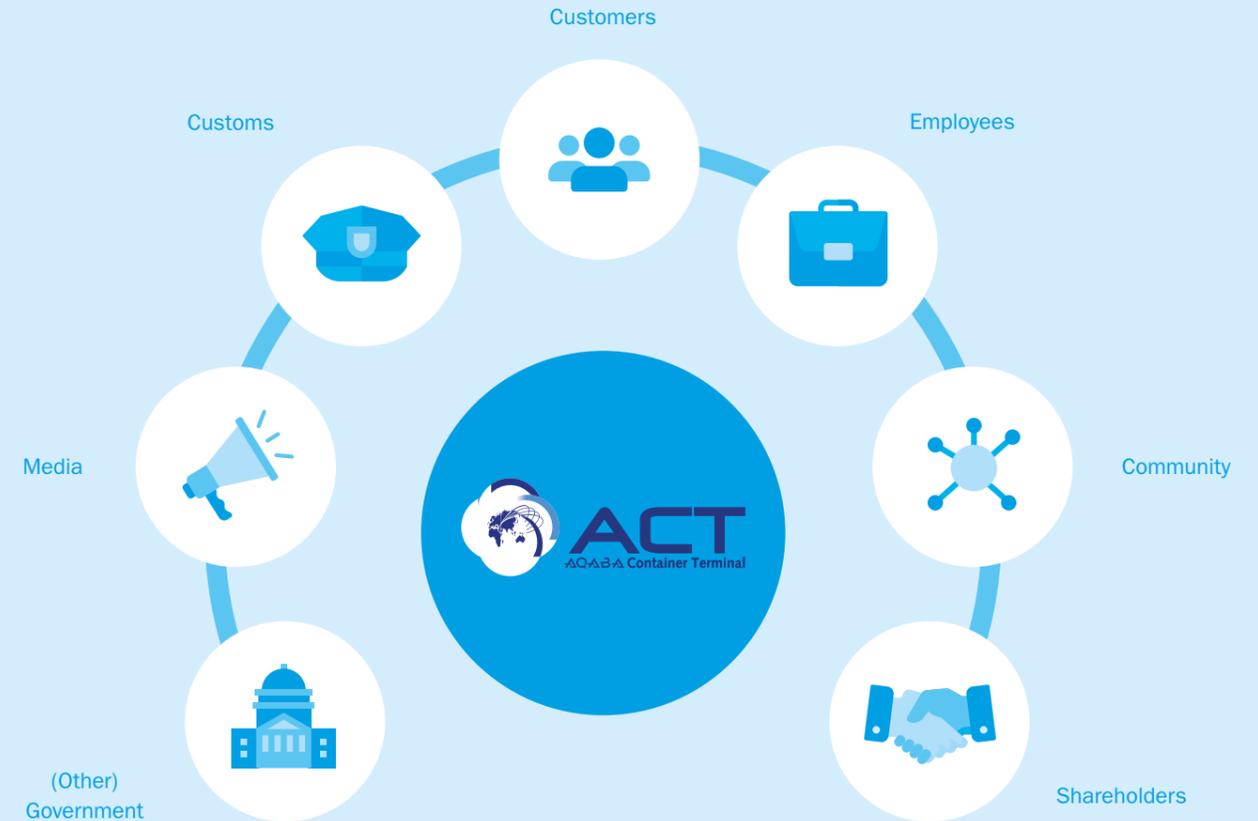
The framework consists of six pillars anchored to our vision of being a sustainable gateway to Jordan and the Levant region. Under each pillar, ACT has a set of key performance indicators (KPIs) that are clearly linked to the company's strategic priorities and help measure ACT's progress against each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



## Stakeholder Engagement

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

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 C.



[GRI 102-46] [GRI 102-47]

### Reporting on What Matters the Most

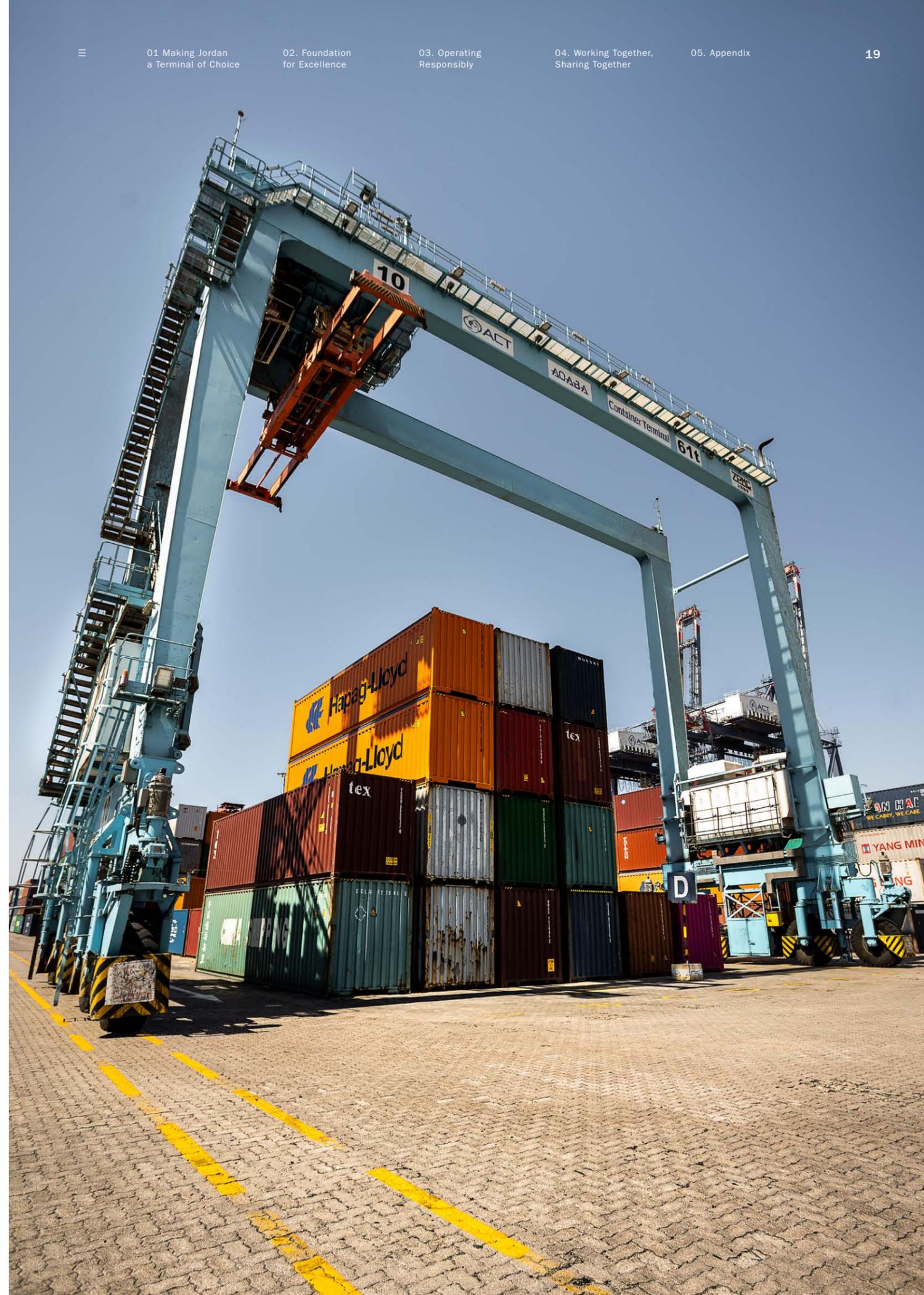
ACT's stakeholder-driven approach to materiality serves as the foundation for our sustainability reporting process. Through understanding important sustainability issues from both internal and external perspectives, ACT can focus its sustainability reporting and strategy on what is important to our stakeholder 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 2019, no significant changes were made to material topics 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.



# 2019 Performance Highlights

**998**

total workforces



ACT nominated finalist for Lloyd's List "Port Management and Infrastructure" Award

**Zero**

fatalities

**5%**

Increase in Recycled Waste Percentage



Renewal of ISO 14001: 2015 Certification for 2019

**38%**

female representation in middle management



Received the 2019 safety award for excellence from social security based on comprehensive audit

**13%**

drop in energy intensity



**17**

CSR projects



**9%**

improvement on water intensity compared to 2018



**8,986**

training hours



Received the Aqaba Special Economic Zone Authority (ASEZA) certification of environmental compliance with zero violations

**13.5%**

drop in total GHG emitted per 1,000 TEU



**798,160**

TEUs Total throughput

**6%**

drop in operating costs



**99.8%**

nationalization rate

Recovered over

**87,500 Kg**

of paper and cardboard which were then recycled

**5%**

turnover



**8**

improvement projects from the employee suggestion box

**86%**

employee engagement response rate

**JOD 98m+**

in revenues

Company generated JOD 15,842 in revenue by transforming scrap, oil waste and waste battery into consumable products

**8,128**

man-hours volunteered



**50%**

of ACT's total workforce participated in joint management-worker health and safety committees



# 01

## Making Jordan a Terminal of Choice

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.

Related Sustainable Development goals:



# 798,160

total throughput in 2019

# 12



of the largest global shipping lines called at ACT in 2019

# 5.3%



increase in total throughput in from 2015 to 2019

## A Regional Gateway

In 2019, twelve of the largest global shipping lines, jointly controlling more than 80% of the global container line capacity, called at ACT, giving the Jordanian and Iraqi business community a wide choice of carriers and extensive access to global import and export markets.

These container line services present many trading opportunities for investors, traders, importers, and exporters, which will further contribute to the socioeconomic progress in the Kingdom. ACT takes an active role in promoting Aqaba as a strategic regional trading hub, and the preferred gateway to the Levant region.

To further strengthen ACT's competitiveness as a gateway to Iraq, ACT worked with Jordan Customs to introduce new pre-arrival clearance protocols. Using the new pre-arrival clearance process, containers in transit to Iraq are now

arriving the border within 36 hours and 48 hours only to Baghdad after discharging at Aqaba. As a result, the volume of cargo discharged at ACT in-transit to Iraq was multiplied by a staggering 5.6 times in 2019 compared to 2018.

ACT's new endeavours in Iraq affirm its position as the growing logistics and transportation hub of the region. Looking ahead, ACT is prepared to serve the rest of the Levant, including but not limited to the Northern side of Saudi Arabia, Syria and Palestine.

# 5.6x



more volume of cargo being discharged at ACT in-transit to Iraq in 2019 compared to 2018

### CONTAINER MOVEMENTS (TEU)

	2015	2016	2017	2018	2019
<b>Total Throughput*</b>	758,218	792,841	796,087	816,369	798,160
<b>Full Export</b>	111,241	118,912	125,767	113,731	105,962
<b>Transit</b>	19,546	9,282	6,281	11,862	13,549
<b>Full Import</b>	377,995	398,914	401,759	410,754	405,631

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



Every Global Shipping Line calls Aqaba Container Terminal

Vessel size: from 1,700TEU feeders to large 15,000TEU ship

Direct links from/to Far East, Europe, Indian subcontinent, Arab Gulf & US East Coast



ACT - Iraq's Unique Gateway on The Red-Sea

<b>1. Direct access to your markets</b>	▶ Top 10 global carriers have direct calls at Aqaba Direct connections to/from your key markets
<b>2 Faster Ocean transit time</b>	▶ eg: Chicken from Brazil (Itajai) Meat and Fruits from Latin America, USA and Europe
<b>3 Lower Sea-Freight rates</b>	▶ Large vessels: 80% > 300m lond, 30% > 14,500TEU Vast open capacity on the ships calling Aqaba
<b>4 Lower Port Charges for Iraqi Cargo</b>	▶ 40% reduction on Terminal Handling Charges Competitive storage solutions
<b>5 Fast Cargo Transit</b>	▶ 36 hours from discharge to Trebil border 48 hours from discharge to Baghdad
<b>6 Support the Trucking and Logistics Industry</b>	▶ Direct employment for Jordan and for Iraqi operators Improve stability in the region
<b>7 Support Iraqi Trade and Industries</b>	▶ Lower logistic cost using Aqaba as supplementary gateway to Iraw's already strong port infrastructure

# Awards and Recognition

ACT's hard work since 2006 ensures that its operations are efficient, safe, and reliable in the most sustainable ways possible. We are proud of our achievements thus far and humbled by the recognition and accolades received from esteemed peers and organizations from our industry.

ACT was awarded and nominated in recognition of its achievements in the areas of sustainability, operations, environment, and health and safety.

These are all very important areas of our business. ACT is committed to continuously improve and make progress in these as well as other material areas of our business in the coming years.

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

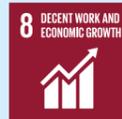
- 
**Safety award for excellence:** ACT won the 2019 safety award for excellence from social security based on comprehensive audit conducted early in 2019.
- 
**Lloyd's List finalist for "Port Management and Infrastructure" Award:** In 2019, ACT was nominated as a finalist for Lloyd's List "Port Management and Infrastructure" Award.
- 
**Lloyd's List Terminal Operator Award:** In 2018, ACT was chosen by a panel of expert judges as the winner of the Terminal Operator Award based on the Terminal's overall performance including its safety records, operational efficiency and customer care.
- 
**Most Sustainable Port Development Award:** In 2017, ACT received the Most Sustainable Port Development Award from the panel of judges of the Transport Arabia Excellence Awards.
- 
**Nominated finalist for Lloyd's List "HPH Environment" Award:** For three years in a row, Lloyd's List has nominated ACT as finalist for the Middle East and Indian Subcontinent "Hutchinson Ports Holding (HPH) Environment" Award. ACT is recognized for promoting a conscious environmentally friendly approach to its business operations.
- 
**Nominated finalist for Lloyd's List "Safety" Award:** For three years, Lloyd's List has nominated ACT as finalist for the Middle East and Indian Subcontinent "Safety" Award. ACT is recognized for its dedication to upholding the highest standards of safety.
- 
**Nominated finalist for Lloyd's List "Port Operator" Award:** For three years, Lloyd's List has nominated ACT as finalist for the Middle East and Indian Subcontinent "Port Operator" Award. ACT is recognized for its unconditional support to the export industry in critical times.
- 
**Workplace Safety and Health Award:** In 2016, ACT was once again recognized by the Jordanian Social Security Corporation for its achievement in exceeding all health and safety standards and benchmarks.
- 
**APM Terminals Global Safety Performance Award:** In 2016, 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.

# 02

## Foundation for Excellence

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 resources and infrastructure, and to meet and exceed the highest international standards.

Related Sustainable Development goals:



**5.3%** 

increase in throughput from 2015 to 2019

**8.86%** 

increase in gross crane productivity between 2015 and 2019



## 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 in strategic projects and drastically increased the terminal's capacity, productivity, and efficiency.

We are pleased to report that our commitment to continuous process improvement programs has yielded positive results. Total throughput increased by 5.3% from 2015 to 2019. Gross crane productivity increased by 8.86% between 2015 and 2019. Similarly, positive results were noted for truck turnaround time that decreased by 33.7% and dwell time for full import that decreased by 26.6% over the same period.

**33.7%** 

decrease in truck turnaround time between 2015 and 2019

**26.6%** 

decrease in dwell time for full import between 2015 and 2019



### OPERATIONAL EFFICIENCY

	2015	2016	2017	2018	2019	5-Year Trend
<b>Total Throughput*</b>	758,218	792,841	796,087	816,369	798,160	5.3%
<b>Gross Crane Productivity*</b>	30.32	33.8	34.67	34.14	33.01	8.8%
<b>Truck Turnaround Time (Hours)</b>	0.86	0.63	0.56	0.59	0.57	-33.7%
<b>Dwell Time for Full Import (Days) **</b>	11.9	10.14	8.99	9.74	8.73	-26.6%

\* 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 utilization of the terminal, reducing efficiency and limiting throughput capacity of the terminal.

# Customer Satisfaction

Receiving feedback from customers is an important indicator of how ACT is doing. The results enable the company to learn more about customers' needs, and what ACT can do to further enhance their business experience. To that end, ACT is committed to the development and maintenance of healthy customer relationships by delivering second to none services.

Because ACT operates in a fast developing business environment, the company decided to apply a new customer satisfaction measurement methodology, Net Promoter Score (NPS), in which the company reconsidered the content of its Customer Satisfaction survey to ensure the valuable customers' feedback enables ACT to take actions on clearly identified "pain points".

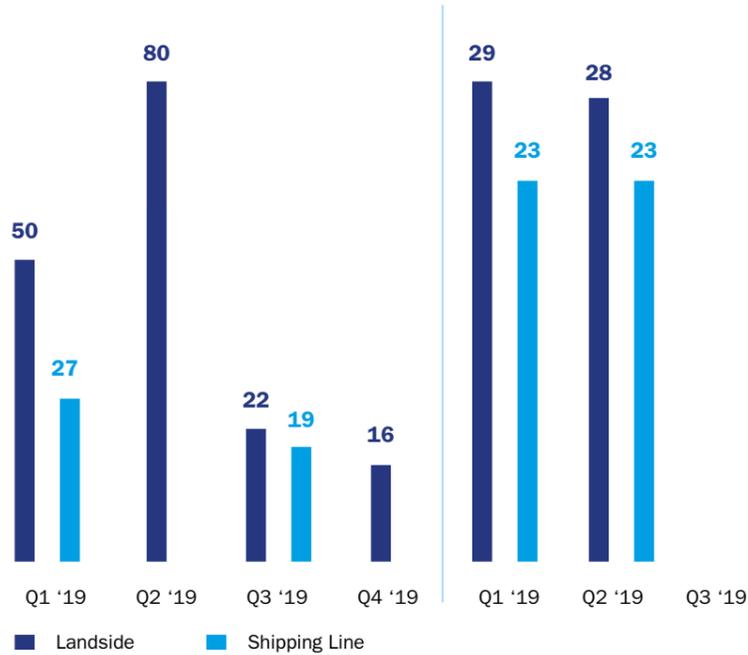
The Net Promoter® score is the most popular index that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand.

In 2019, 634 customers were invited to share their feedback on ACT's services. On a satisfaction score of 0 (extremely unhappy) to 10 (extremely satisfied), 54% of the customers who answered the survey gave ACT the top score of 9 or 10 and 67% gave ACT a score of 7 and above.

The NPS derived from the results of the survey showed that ACT managed to retain the excellent score of 28 for the landside customers and 23 for the shipping lines.



NPS Development



# Continuous Improvement

ACT is dedicated to increasing the effectiveness of its business operations, while at the same time reducing its negative environmental impact. These improvements range from simple changes in our day-to-day work approach to major shifts in focus and procedures across ACT.

Seeking continuous improvement for our processes is at the core of everything we do. To enhance the quality of our services as well as our health and safety culture, we implemented several improvement projects in 2019.

## Energy Efficiency with LED Lighting Project



### PHASE 1

In 2019, we replaced old traditional lighting with energy saving lightings (LED) across all the terminal's facilities. ACT replaced 320 double neon lights and installed photocells.

#### Project objectives:



Energy and emissions savings



Long lifespan



Low maintenance



Low operating costs

#### Project savings:

90K

kWh

15K

JOD



### PHASE 2

The second phase of this project was to achieve further improvements. In this stage, a more efficient illuminance and better intensity LED/200w lighting units were fitted instead of the old traditional High Bay lighting 250w Sodium units at the warehouse and the workshop. Moreover, 36 low energy consumption units were replaced, and better lighting LED units were installed.

#### Project objectives:



Safer working environment for the operators in the workshop and warehouse

#### Project savings:

6,000

kWh

1,000

JOD

(year on operational costs and maintenance)



2

### PHASE 3

ACT installed 80W new lighting units at overhaul workshop instead of all the old traditional High Bay 250W Sodium lighting units. While in the operation and admin buildings, all the old lighting units were replaced by a new higher illumination, better intensity and energy saving 48W LED lighting units.

#### Project savings:

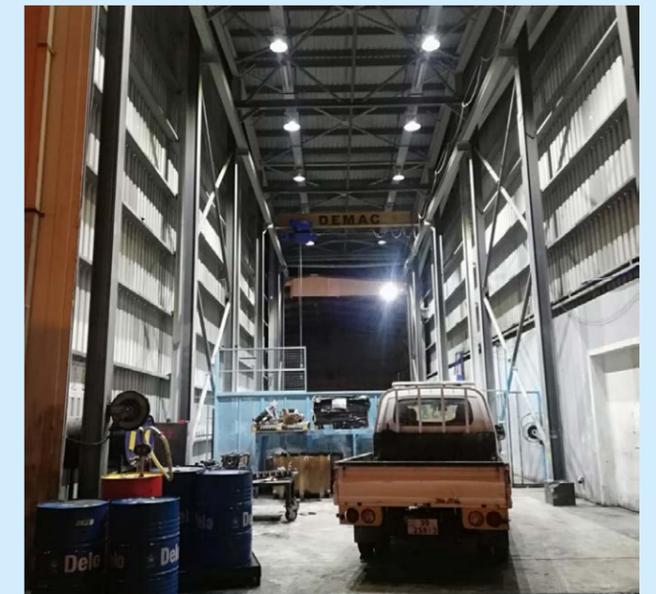
25K

kWh

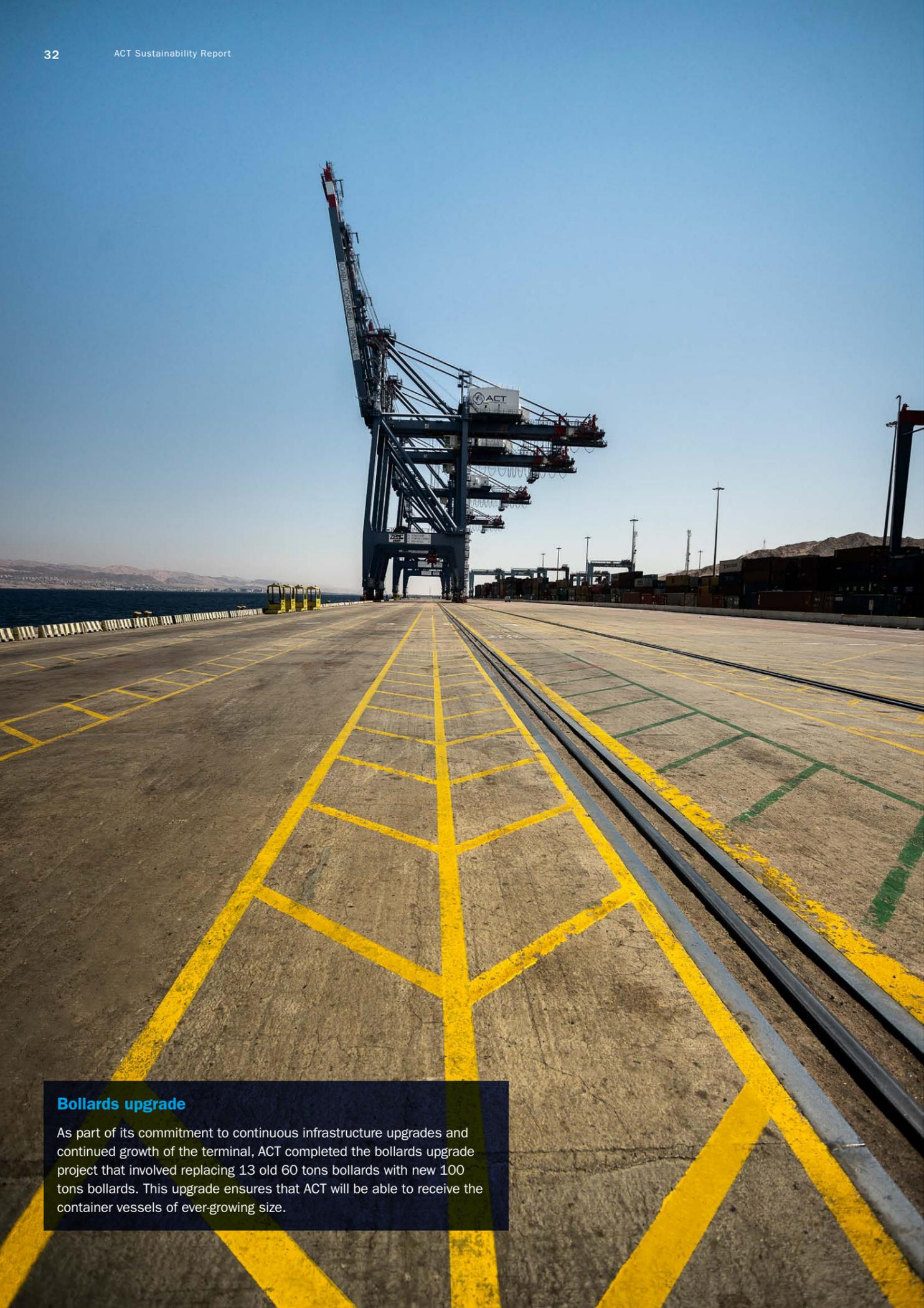
4,200

JOD

(year on operational costs and maintenance)



3



**Bollards upgrade**

As part of its commitment to continuous infrastructure upgrades and continued growth of the terminal, ACT completed the bollards upgrade project that involved replacing 13 old 60 tons bollards with new 100 tons bollards. This upgrade ensures that ACT will be able to receive the container vessels of ever-growing size.

**Optimizing Maintenance Practices**

In 2019, ACT rolled out its cost-efficiency strategy to further optimize operational and maintenance practices. ACT developed a 5-year equipment replacement plan that involved repairing spare parts together with some equipment improvement maintenance.

**HIGHLIGHTS:**

**269**

spare parts repaired in-house to reduce maintenance cost per running hour



**147,377**

in total cost (JOD) avoidance due to the repairs

**5-year**

detailed equipment replacement plan developed



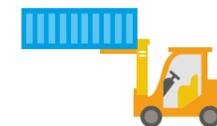
**44%**

cost reduction due to improved maintenance



**Safety Signage improvement in Engineering department**

As part of continuous improvement and to embed a strong safety culture, ACT intensified the installation of safety warning signs across different working areas such as emergency exits, assembly points.



# 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.

In 2019, ACT ended the year with revenues of JOD 98,158,458. ACT also contributed over JOD 25,026,241 in royalties and taxes for the government – revenues that help fund public sector programs, including education, health care and infrastructure.

**38 JOD** 

reduction in cost per unit moved from 2015 to 2019

**19.4%** 

Return on Invested Capital in 2019

**6%** 

reduction in operating costs

FINANCIAL PERFORMANCE (JOD)					
	2015	2016	2017	2018	2019
<b>Revenues</b>	111,563,000	97,950,000	92,440,000	100,154,000	98,158,458
<b>Year-to-year variance</b>	13%	-12%	-6%	8%	-2%
<b>Operating Costs</b>	73,400,000	63,759,000	58,350,000	61,381,000	57,762,103
<b>Year-to-year variance</b>	17%	-13%	- 8%	6%	-6%
<b>Royalties Paid</b>	38,555,000	29,433,000	25,290,000	28,360,000	25,026,241
<b>Taxes Paid</b>	1,171,000	1,189,000	902,200	1,400,000	1,492,340
<b>Cost Per Container Moved</b>	188	157	146	154	150
<b>Return on Invested Capital (%)</b>	13.1%	12.5%	12.6%	16%	19.4%

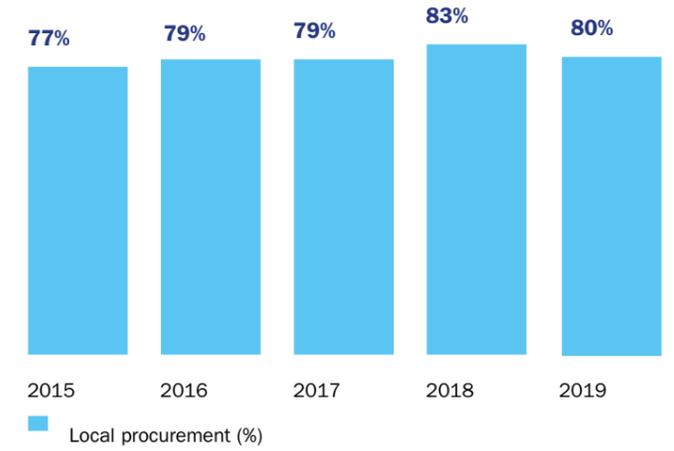
## ACT's Contribution to Local Procurement

Due to the nature of our work and the industry we operate in, our value chain depends on a wide range of suppliers. In alignment with the Jordan National 2025 Vision, ACT gives preference to sourcing goods and services from the national market. Our tendering process complies with the company's strict governance and ethical processes.

**80%** 

of our total procurement spending was awarded to locally based suppliers and contractors in 2019

## PROPORTION OF SPENDING ON LOCAL SUPPLIERS



# 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 and APM Terminals share the same strong values: constant care, humbleness, uprightness, our employees, our name. These values are instilled in each and every employee working at ACT. Our Code of Conduct gives guidance and provides resources to make sure everyone working at ACT performs work with the highest standards of ethics.

At ACT, business compliance is our watchword. In 2019, ACT participated in the annual Business Compliance Ambassadors (BCAs) workshop which focused on anti-corruption, foreign trade control, third party management and competition law. During this workshop ACT learned from its peers and shared experiences, drawing inspiration from international best practices.

We are proud to have been among the official organizations supporting the 2019 International Fraud Awareness Week, contributing to minimize the risk of fraud by promoting anti-fraud awareness campaigns.

## Whistleblowing and Grievance Mechanism

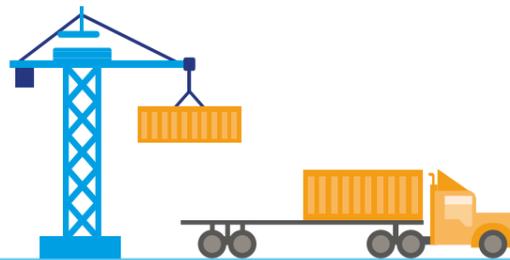
Our internal anonymous whistleblowing system enables our employees to report any cases of suspected illegal activities, including but not limited to fraud, corruption, insider-trading, competition law breaches, foreign trade controls violations, deliberate breaches of security, harassment, and discrimination.

Additionally, ACT has “contact us” webpage for external stakeholders to submit concerns. The ACT customer service desk addresses the issues and sends a follow-up email to the person who shared their feedback. In 2019, 100% of the issues raised through the system were resolved.

**100%**



of the issues raised through the ACT customer service desk system were resolved.



## Board of Directors

ACT's Board of Directors is made up of seven non-executive and fully independent members, with three representatives from Aqaba Development Corporation (ADC) and four representatives from A.P Moller Finance S.A. Board meetings are held on a quarterly basis, setting the overall objectives and direction for the company and ensuring ACT's full compliance with corporate governance. ACT's CEO reports directly to the Board of Directors.

The 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 ADC and A.P Moller Finance S.A. The Audit Committee meets twice a year and is steered by ACT's Internal Auditor.

### BOARD OF DIRECTORS:



## Senior Management Team

The ACT Senior Management Team, led by Mr. Steven Yoogalingam, 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.

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.

**75 years**

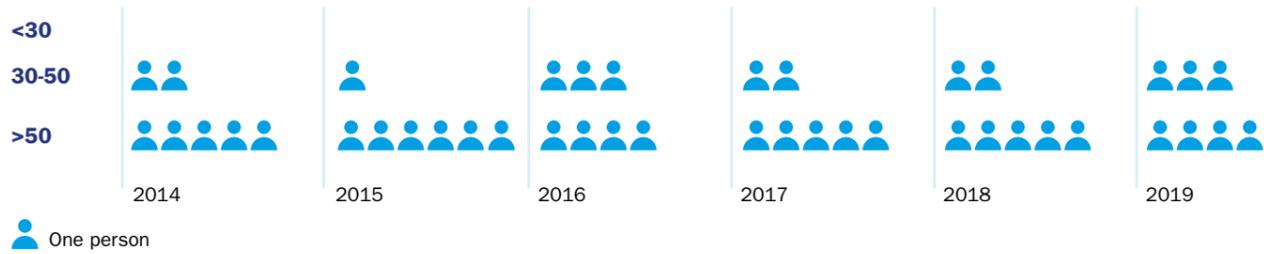
of collective experience in shipping across the senior management team

### SENIOR MANAGEMENT TEAM



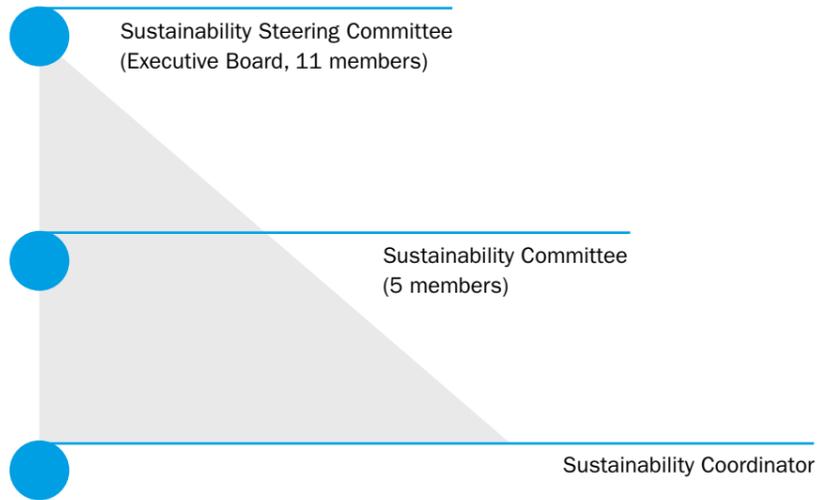
BOARD OF DIRECTORS					
	2015	2016	2017	2018	2019
Percentage of independent directors (%)	100%	100%	100%	100%	100%
Breakdown by age:					
< 30	0	0	0	0	0
30-50	1	3	2	2	3
> 50	6	4	5	5	4

BOARD OF DIRECTORS - BREAKDOWN BY AGE



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.



# 03 Operating Responsibly

ACT's commitment to safety and excellence in its operations defines the way in which business is conducted. Risk management, employee training and visible leadership are the foundation of ACT's safety and environmental programs. ACT invests strategically to minimize its environmental impact and upholds the highest environmental and safety standards.

**Related Sustainable Development goals:**



**3,239** 

safety observations were reported in 2019

**23%** 

decrease in total sick leave in 2019



# 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' program to protect employees and contractors from traffic accidents.

ACT adheres to the FATAL 5 Standards of APM Terminals. We remain committed to eliminating operational risks, applying best practices and spreading awareness on health and safety. All of our employees and contractors are trained on health and safety practices. We gladly report that for five years in a row, no fatalities were reported.

**THE FATAL 5 STANDARDS:**



**Transportation**  
Safeguarding people and equipment in operations through a focus on hard barriers where possible.



**Stored Energy**  
Identifying, isolating and controlling stored energy on site prior to people undertaking work activities.



**Suspended Loads and Lifting**  
Ensuring our equipment and work practices minimize exposure to personnel.



**Contractor**  
Ensuring contractors are capable of undertaking activities in a safe and efficient manner.



**Working at Heights**  
Ensuring controls have been implemented for the safe working at heights.

SAFETY PERFORMANCE					
	2015	2016	2017	2018	2019
<b>Lost Time Injuries Frequency Rate (Per Million Man Hours)</b>	1.65	1.34	1.79	1.78	2.24
<b>Fatalities (Contractors and Employees)</b>	0	0	0	0	0
<b>Employees Trained in Health and Safety Practices</b>	100%	100%	100%	100%	100%
<b>Contractors Trained in Health and Safety Practices</b>	100%	100%	100%	100%	100%
<b>Sick Leave (Number of Days)</b>	10,384	9,610	10,420	9,463	7,262
<b>Near Miss Incidents</b>	148	143	39	305	157
<b>Safety Observations Reported (Unsafe Acts and Unsafe Conditions)</b>	3,817	5,681	7,133	5,951	3,239
<b>External Safety Audits</b>	6	3	1	1	1

In 2019, APM Terminals auditors evaluated safety working conditions and the progress of the Fatal 5 standards implementation at ACT. The auditors interviewed randomly selected employees from different departments. The audit results, which reflect how ACT is performing and identifies areas of improvement, were shared with ACT's management.

Furthermore, ACT encourages its employees to report on unsafe acts and conditions. These safety observations stimulate proactive preventions of incidents and help improve safety in the workplace. During 2019, 3,239 safety observations were reported.

ACT continuously seeks to enhance the culture of employee involvement, and one way to do so is through joint management-worker committees through which employees engage in proactive discussions and decision making on health and safety issues across the company.

In 2019, 50% of ACT's total workforce participated in joint management-worker health and safety committees, up by five percent from 2018.

### Based on comprehensive audit conducted early in 2019, ACT won the 2019 safety award for excellence in the sector of logistics, warehousing, communication, transportation from social security.

After seeing a rise in sick leaves through previous years, ACT rolled out a new sick leave policy to reverse trends. ACT shared the new policy with all employees and conducted awareness sessions to managers and department heads. As a result, the total number of sick leaves decreased by 23% this year. This decrease can be also attributed to ACT's successful prevention campaigns and early identification on employees at risk.

Although 2019 recorded a 2.24 lost time injury frequency rate (per million man-hours) in comparison with 1.78 in 2018, it is considered a positive improvement due to the increase in reporting minor events across the organization, such as minor cuts and slips.

# 50%

of ACT's total workforce participated in the joint management-worker health and safety committees.



### Implementing GIZMO Incident Reporting Tool

We recognize that for a risk management system to be effective, the behavior and attitude of staff members is just as important as providing safe equipment, systems and procedures. The attitudes and values regarding safe working are important factors that influence our safety approach and performance.

In 2019, ACT continued implementing APM Terminal's GIZMO system which was launched in 2018 for the staff to record safety observation. GIZMO is a comprehensive system that allows for incident reporting in a 'no-blame' context while focusing on taking actions. It classifies accident severity automatically based on certain questions and promotes a positive safety culture through its user-friendly

features and its stepped process.

Our HSSE staff were trained on how to use this beneficial tool, FAQ page was beneficially used, and cheat sheets were circulated.

As a result, more than 1,834 safety observations were recorded on GIZMO in 2019 by employees in different ACT departments. This helped to correct unsafe conditions or acts that could have led to accidents, damages or injuries.

By involving employees, the GIZMO system promotes a safe work environment and creates a positive safety culture.

### Employees Medical Checks

ACT seeks to prevent inherent occupational health risks and requires all its employees to undergo periodic medical examinations. These examinations allow ACT to carefully monitor and manage any health risks. The goal of these checks is to determine whether an employee is fit to perform his/her job without risks.

In 2019, 98% of employees underwent the examinations, including visual acuity, hearing assessments, lung efficiency, and blood pressure tests.

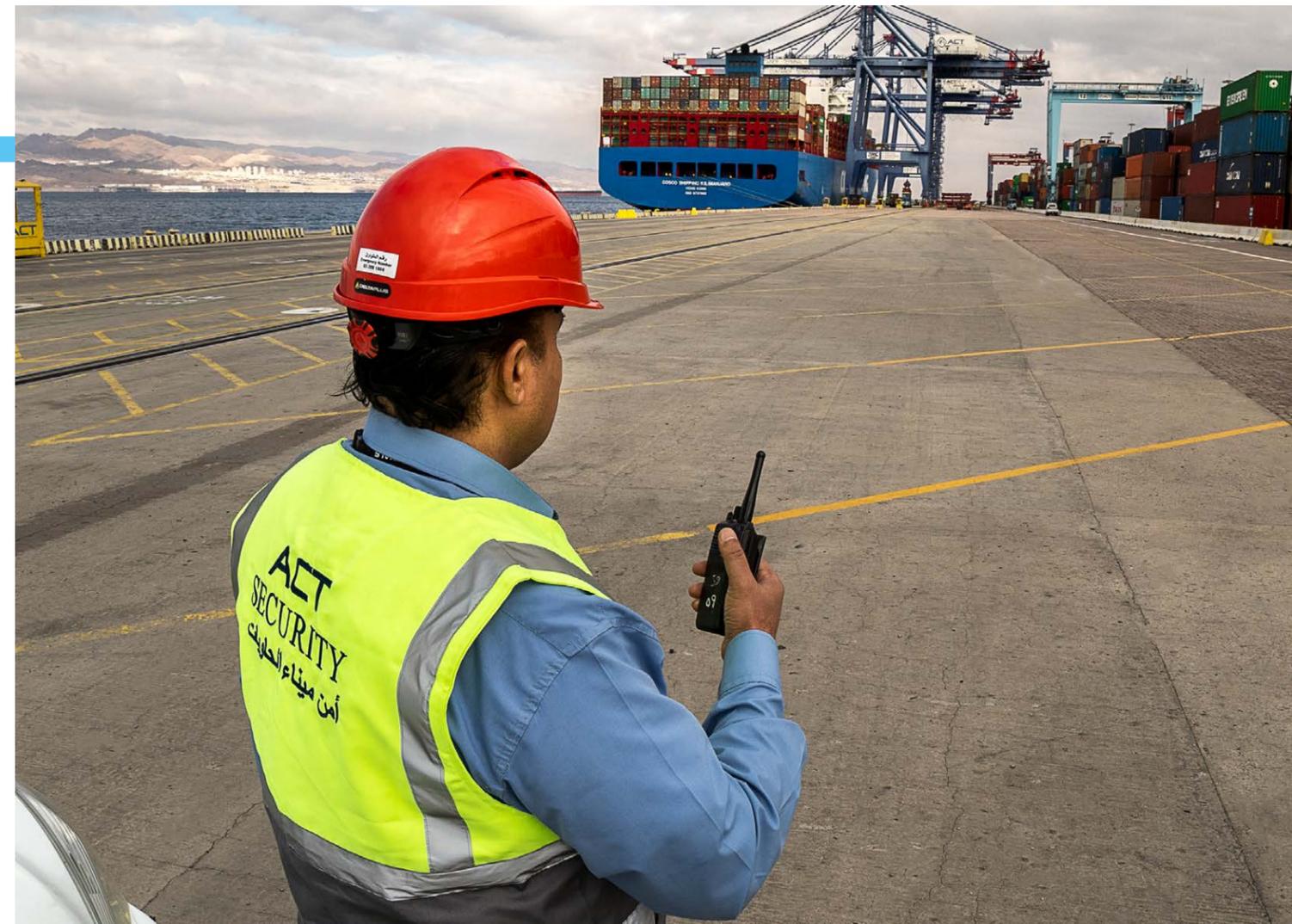
### Emergency preparedness and response

In all its planning activities, ACT strives to reduce risks by all possible means. ACT maintains strong emergency preparedness and response systems that are focused on regularly testing and improving ACT's response tactics and effective partnerships with local, regional and international first-response agencies and authorities.

In 2019, a "Safe Operations and Safety Culture mindset" initiative was launched and resulted – among other things – in ACT revised Business continuity plan (BCP) signed off by the CEO, shared and cascaded down to all departments. Awareness sessions to managers were conducted in addition to regular drills and exercises for all types of emergencies, security, environment and safety as part of its safety management system.

These drills assess ACT's readiness and emergency preparedness on handling hazardous materials spillages, firefighting and evacuation in case of fires or spills. During this year, 40 safety and emergency drills were conducted.

ACT HSSE team also installed 2 additional LED lights in the Truck lane for all RTGs to improve visibility for operators during the night shift and to improve the RTG safety measures. Managers have also been encouraged to conduct higher numbers of safety walks (so-called "Gemba") on vessels. During these safety walks and lashing "GEMBA", managers record their observations and talk directly to lashers to understand their safety concerns, listen to their suggestions and recommendation and jointly develop new solutions to constantly improve safety at work.



### Safe Driving Campaign

ACT recognizes that road safety is a shared responsibility and seeks to play its part to improve road safety for everyone. To this end, ACT focused its efforts and investment on proactively engaging its employees and the community to make their journeys safe.

In 2018, a safe driving campaign was implemented by the internal communication committee to highlight the safe driving messages for ACT employees and the community as a whole. To ensure maximum engagement, we communicated key safety driving messages across five different communication channels.

#### COMMUNICATION CHANNELS

-  Desktop background
-  Printed posters
-  Internal magazine
-  Tips on social media
-  Video played on TV screens across ACT facilities

#### KEY MESSAGES AND THEMES OF THE SAFE DRIVING CAMPAIGN:

- Avoid driving distraction
- Avoid speeding
- Check the vehicle before starting your trip
- Make sure to wear your seat belt
- Follow traffic signs and warning signs
- Be back home safely

#### MEET OUR ROAD SAFETY EXPERTS:



### Global Safety Day

On the 30th of April 2019, ACT celebrated the Global Safety Day. Group sessions were held to improve the interaction between all facilities workers focusing on major risks. In addition to conducting open discussion circles between staff and managers to evaluate and analyze different safety topics like containers lashing and pickups driving, under the GSD slogan “learning from the way we work”. Moreover, a new methodology was adopted by ACT in 2019 called “Safety Differently” which also aims to improve the interaction and partnership between management and employees in regard to health and safety measures.



Action plans are set at the end of each session aiming to provide a safer working environment for lashers and pickups drivers.

### “Your Safety our priority” campaign

For the purpose of improving safety awareness, ACT’s HSSE department conducted safety induction and awareness sessions for more than 2,000 external truck drivers regarding safety regulations inside the terminals. Reflective vests and

information brochures were handed to drivers in addition to practical trainings on how to be safe when driving inside the terminals, through facilities and roads.



### ACT Safety Committee (Safety Differently)

ACT’s management adopted a new safety methodology by conducting a one-hour monthly meeting for the Safety Committee in one of ACT yards, terminals or companies’ location. These meetings aim to improve the interaction and partnership between management and employees, which in turn enhance the working conditions and ensure employees and stakeholders’ commitment to health and safety policies.

These meetings are set to directly check safety issues and take proper actions to guarantee everyone’s safety. In addition, a safety inspection is held through handling reports to all department managers to conduct a detailed observation and to spot any unsafe situation. This is usually followed by taking proper actions and setting a correction plan that guarantees a safe working environment.



### Enhance Fire extinguisher

The HSSE department added new fire extinguisher cabinets all over the terminals as part of their plan to ensure better distribution, accessibility and visibility of fire extinguishers for potential users. These cabinets protect fire extinguishers and maintain them safe from misuse which increase their overall effectiveness.



### Chemicals accidents in containers” Training:

In 2019, ACT conducted 5 training courses to ninety attendees on how to safely deal with chemicals in containers and accidents. The objective of the trainings was to increase preparedness and decrease losses as results of such scenarios.

The objective of these trainings was to improve and provide the necessary practical skills of attendees to increase their readiness to deal with unfortunate accidents and decrease their potential negative impact.

#### Three Different scenarios were designated among this training:

- 1 First Scenario: inspect drums that generate high pressure and open containers safely / refill intermediate bulk containers 1,000 liters of liquid.
- 2 Second Scenario: inspect containers that generate gas and leakage points in drums inside containers.
- 3 Third Scenario: inspect fire inside containers / spark and decontaminate process through RIDS device.



### “Handling dangerous container” training

To ensure dangerous goods are properly handled by our team at the terminal, we organized a training course with the Federal Office of Civil Protection, Disaster Assistance, Jordanian Civil Defense team and ACT’s HSSE team on handling dangerous containers in case of fire, spills and explosion.

A designed scenario for a real drill was conducted at the end of the training by ACT HSSE, Aqaba Civil Defence and firefighting teams under the supervision of the Federal Office of Civil Protection and Disaster Assistance team.

The drill was demonstrated by setting a fire in two containers in parallel to another chemical container spilling dangerous leaks. The fire was extinguished by using fire trucks that belong to ACT & civil defence. Besides, the resulted “supposed -injuries” were dealt with by using decontamination followed by evacuation to hospital by ambulances for proper medical treatment.

The course added theoretical and practical experience to all parties and ensured their readiness at all times. It has also improved response time, collaboration and communication between teams in such incidents.



### Safety in Engineering Department

As part of its continuous and dynamic process of improving the safety culture and standardizing engineering’s safety talk process, ACT launched a safety toolbox talk booklet in 2019. This booklet includes more than 40 topics covering major safety issues, such as a reference for supervisors and technicians when conducting safety talks to ensure that relevant topics are discussed during the beginning of each shift.



### “Accidents investigation” training course

In 2019, ACT rolled out an accident’s investigation training course. “TOP SET” Incidents investigation methodology was used followed by a simple step-by-step process to enhance investigation skills and analyze accidents which in turn help in determining the root causes of these incident.



### Drinking water monitoring and control

HSSE Projects and Developments Departments implemented a monitoring program for drinking water within the terminal’s facilities to prevent heat stress and maintain the wellbeing of its employees. ACT regularly inspects the quality of drinking water across the terminal.



# Environmental Performance



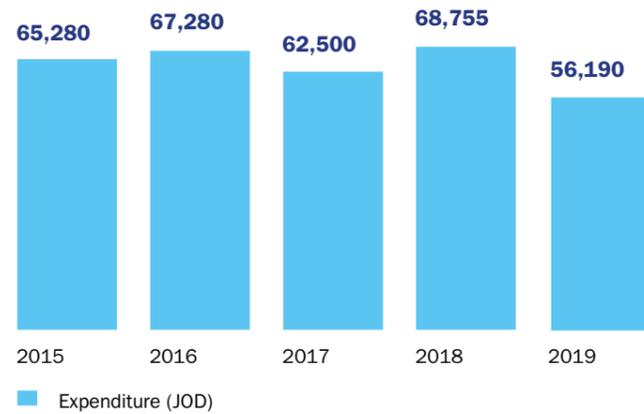
Environmental management enables ACT to optimize its environmental footprint by conducting higher levels of activity with a lower environmental impact. It also creates significant value for ACT by reducing the consumption of energy and resources as well as reducing the cost of waste management.

ACT recognizes the important role it plays in Jordan and its ability to positively influence the environmental behaviors 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. For the past three years, ACT has dedicated more than JOD 187,445 JOD in such environmental protection initiatives.

In 2019, more than 250 employees from different departments, contractors and suppliers attended environmental awareness sessions and drills.

ENVIRONMENTAL PROTECTION EXPENDITURE (JOD)



**250+**  
employees, contractors and suppliers attended environmental awareness sessions in 2019

## Go Green

ACT is heavily involved in the “Go Green” campaigns. Lead by 5 of the largest ports and terminal operators in the world, the “Go Green Global” initiative was the first ever joint industry environmental awareness program of such magnitude. ACT participated again in this year’s Go Green Week global initiative launched by the leading port and terminal operator, APM Terminals. Over the years, ACT has steadily demonstrated its endless concern for the marine ecosystem of Aqaba. This year, a special focus was given to cultivating community partnerships.

In 2019, ACT employees from Health, Safety, Security and Environmental Department (HSSE), CSR Committee, Environmental Steering Committee, along with Operations, Engineering, and Administration Departments, carried out several campaigns supporting our commitment towards the “Go Green” campaign:

A series of awareness sessions about the effect of plastic on both health and environment were conducted. Brochures and water bottles were distributed to each employee to replace the use of disposable plastic cups inside the terminal. Moreover, garbage bags were distributed to equipment operators to be used during their duty.

For the sixth year in row, and in collaboration with the Environmental Police in Aqaba, Aqaba Logistics Village (ALV), the Royal Marine Conservation Society of Jordan (JERDS), Fishermen Association, marine science station, Rosary school and ALV as well as the Aqabawi start-up, participated in a beach clean-up at ACT beside reefer yard whereas 1.5 tons of plastic waste has been collected in biodegradable bags and sent to local garbage reception facility.

Rolled out an initiative to increase greenery within ACT facilities. ACT repurposed and reused oil barrels and steel drums for planting trees. Increasing green areas not only benefits our health, but also promotes biodiversity, facilitates water management, and reduces the effects of noise pollution.

Beach clean-up at ACT beside reefer yard / Coral reef care



Tens of ACT employees in collaboration with the Environmental Police, the Royal Marine Conservation Society, the Marine Science Station, the Fishermen Association, the Rosary School and Aqaba Logistics Village, participated in the beach clean-up initiative. Participants collected 1.5 tons of plastic waste in biodegradable bags and sent to local garbage reception facility. Moreover, ACT diving volunteers along with an expert diving team collected solid waste near the northern part of the terminal from the bottom of the sea (plastic, metal, tires, wood and glass). The total weight of wastes collected during the go-green diving campaign was 800kgs.

ACT’s participation in “Go Green Week 2019” and “Clean-up the World” campaigns come as part of the company’s comprehensive efforts to promote environmental awareness and conservation.

### Environmental Compliance

In compliance with our commitment to act as an environmentally friendly entity, ACT renewed its ISO 14001:2015 certification for another three years. In 2016, ACT received its first certification in 2016 from Lloyds international, while this year it was received from SGS.

### Energy Management

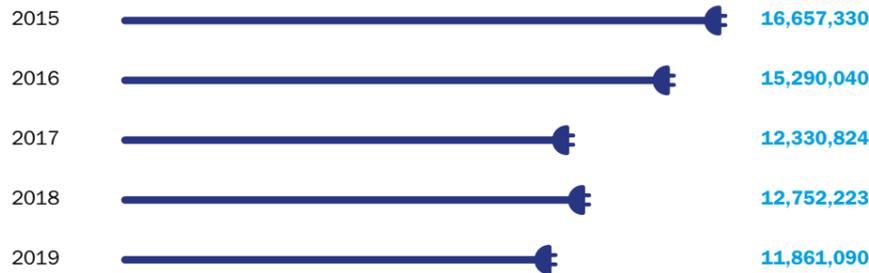
Given that ACT's operations are inherently energy intensive, the company is committed to continuously improve its energy efficiency. Reducing ACT's energy consumption not only makes good business sense by reducing costs, but it also helps minimize ACT's environmental footprint.

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 ACT's fleet of vehicles and some handling equipment.

In 2019, we witnessed a 13% decrease in total energy consumption. 15% of this reduction was in fuel consumption, while 7% was in electricity consumption.



#### ELECTRICITY (KWH)



ENERGY PERFORMANCE					
	2015	2016	2017	2018	2019
<b>Electricity (kWh)</b>	16,657,330	15,290,040	12,330,824	12,752,223	11,861,090
<b>Electricity intensity (kWh per TEU)</b>	22.0	19.3	15.5	15.6	14.8
<b>Total fuel consumption (litres)</b>	4,685,154	4,275,200	3,956,262	3,631,857	3,070,618
<b>Fuel intensity (litres per TEU)</b>	6.2	5.4	5.4	4.4	3.8
<b>Total Energy consumption (GJ)*</b>	241,281.85	220,494.38	197,498.31	186,460.87	161,533
<b>Energy intensity (GJ/TEU)</b>	0.32	0.28	0.25	0.23	0.2

#### The reduction in fuel consumption was realized through:

- Lower volume (TEU'S)
- Better equipment utilization
- Administrative control over operator's performance
- Equipment fuelling and refuelling control
- Better yard strategy and fare yard moves distribution
- Implementation of a software upgrade on all RTGs
- Balancing RTG vs. EH & RS moves
- Equipment idling control
- Engineering's idle system
- Efforts made by CI to find exactly where fuel is being wasted
- Analysis through our own developed system TEMS
- Close monitoring of equipment fuel consumption per move
- Installation of a solar system

#### The following measures were taken to reduce electricity consumption:

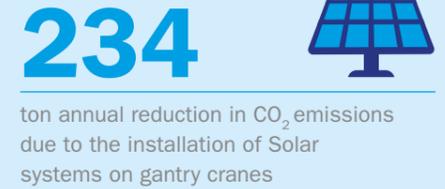
- Handling lower volume (TEU'S) of refrigerated containers
- Change of lighting system at yard 1, admin building and engineering department from 1,000W sodium light to LED 120W light
- Installing solar system on Gantry cranes

### Installing Solar system on Gantry cranes project

A study was conducted on installing a solar system on one of ACT's Gantry Cranes in order to reduce electricity cost and to maintain the environment. The system will feed electricity to the local grid to directly supply the crane. This project aims to reduce our environmental footprint, improve staffs' technical knowledge in solar systems, as well as reduce the cost of electricity bills by utilizing a free source of power, thus making our terminal one of the most eco-friendly terminals in the world.

The project was initiated by installing a 32 kW solar system (79 panels) on STS04, taking into consideration that the system will be monitored and tested for 6 months to get a better evaluation and valued review. According to our studies we expect around 53 MW annual power generation, annual reduction in CO2 emissions by 234.09 tons and an annual saving of around 9,000 JOD.

Based on the analysis of the results, a business case was prepared to cover the admin building electricity consumption through solar system by 2020.



#### PHASE 1

This stage is demonstrated through the installation of 50 kW solar system with the expectation of an annual power generation of around 90 MW. This is expected to reduce the annual cost by around JOD 15,000 with an annual reduction of 67.5 tons of CO2 emissions.

#### PHASE 2

This stage is still going through studies. It is demonstrated through the installation of 250 kW solar system with an expectation of 425 MW annual power generation. This would avoid us an annual cost of around JOD 72,250 and 318 tons of annual CO2 emissions.



#### Lighting Enhancement Project in ACT Facilities:

In 2019, an extensive project of improving the lighting in all facilities of ACT has been launched in the first quarter by replacing the old sodium and neon lightings with more efficient, higher lighting intensity and power saving LED lightings. The project was implemented on three phases, aiming to rationalize electricity consumption and reduce maintenance costs. Through our continuous improvement plans and as a result of implementing this project, we noticed a 7% decrease of electricity consumption in 2019 over the previous year.

Project savings	Previous lights	LED lights
<b>Average lifetime (hours)</b>	24,000 H	50,000 H
<b>Cost per hour</b>	(400W) JOD 0.068 (1,000W) JOD 0.17	(85W) JOD 0.0144 (120W) JOD 0.02
<b>Maintenance hours</b>	3 hours per RTG monthly	Maintenance free

### Climate Change and GHG Emissions

ACT is aware of the role Greenhouse Gas (GHG) emissions play in climate change. Therefore, ACT reviews its emissions and assesses possible mitigation measures on a yearly basis to manage emissions at all operational levels, within and beyond the national targets.

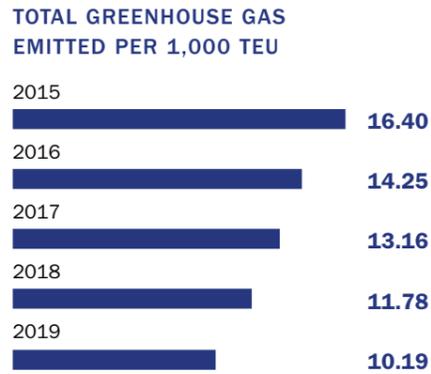
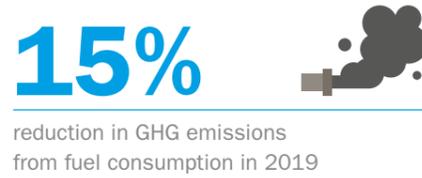
Building on the positive outcome of last year, ACT was again able to reduce its GHG emissions from fuel consumption by 15% and to reduce the total GHG emitted per 1,000 TEUs by 13% in 2019.

Air monitoring is an integral part of an effective air quality management system. In compliance with the ASEZA requirements, ACT monitors the noise and air quality of its facilities to ensure the noise and air emissions of Sulphur Dioxide (SO<sub>2</sub>), Nitrogen Dioxide (NO<sub>2</sub>), Total Volatile Organic Compounds (TVOC), and Carbon Monoxide (CO) are within the approved limits.

In 2019, we improved our air emissions monitoring approach and utilized a High Sensitivity Electrochemical Sensor monitoring methodology that is based on hourly monitoring of emissions. Therefore, all data prior to 2019 are not comparable with 2019 data due to the different methodologies and models used.

Our 2019 emissions records have increased due to improvements in accuracy emissions activity data. Nonetheless, the average recorded emissions are within the emission limits stipulated in the Jordanian Ambient Air Quality Standards (JS-1140/2006).

ACT continues to improve ambient air quality through continuous maintenance improvement programs and lower fuel consumption.



GHG EMISSIONS	2015	2016	2017	2018	2019
Total Greenhouse Gas Emitted from Fuel Consumption (CO <sub>2</sub> tonnes eq.)	12,433	11,321	10,476	9,617	8,131
Greenhouse gas emissions from electricity consumption (Metric Tonnes of CO <sub>2</sub> e)	4	4	3	3	3
Total Greenhouse Gas Emitted per 1,000 TEU	16.40	14.25	13.16	11.78	10.19

AIR EMISSIONS*	2016	2017	2018	2019
NO <sub>2</sub> (PPM)	0.02	0.02	0.02	22.06
SO <sub>2</sub> (PPM)	100.00	100.00	100	501.67
TVOC (PPM)	9.28	0.31	0.19	104.38
CO (PPM)	3.06	1.96	0.27	0.96

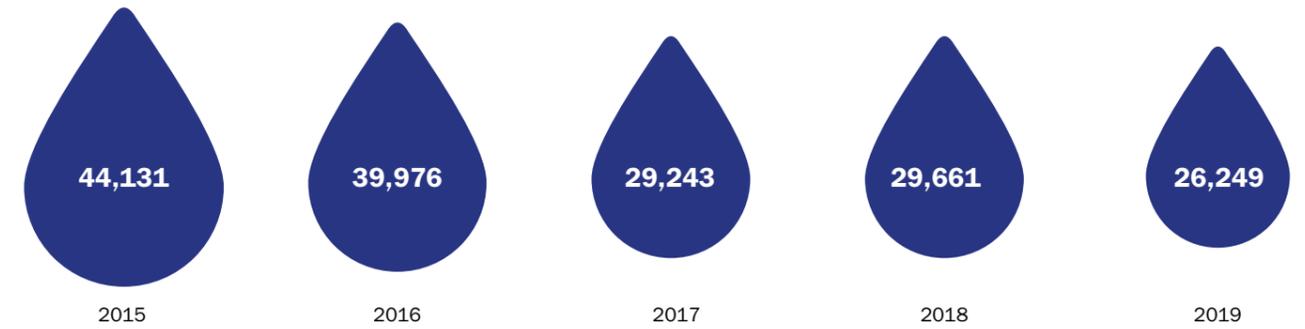
### Water Management

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 areas: maintenance, water conservation, education, and retrofitting of machinery and tanks.

Our commitment to follow water efficiency measures allowed ACT to further improve its water consumption intensity compared to previous years. In 2019, water consumption rate was reduced by 11.5% compared to 2018.

#### WATER CONSUMPTION (M3)



#### WATER CONSUMPTION

	2015	2016	2017	2018	2019
Water Intensity (m <sup>3</sup> per 1,000 TEU)	49.7	58.2	36.7	36.3	33



### Waste Management

ACT remains steadfast in minimizing the amount of waste it generates from its operations by implementing the 3R concept in waste management: reduce, reuse and recycle.

The company ensures that all waste is disposed of in a responsible and environmentally safe manner, in line with the local regulatory requirements.

As part of our Waste Management Action plan for 2019, that serves as an important strategy for reducing the environmental impacts of industrial production, we have implemented a new initiative: "Waste Segregation". This initiative was associated with a great impact not just on the environment, but on the community and the local economy as well. It demonstrates our commitment towards our economy and local community and creates the friendly environmental workplace we aim for.

Type of Waste	Per month
Organic Waste	3 times a week
Cartons & Papers	Ever month
Hazardous	Every year

This initiative saves natural resources and energy, thus protecting the environment while adding value to our economy. These objectives were addressed through recycling and awareness programs, distribution of more than 350 recycled paper posters and brochures to further educate our staff about recycling benefits.

In collaboration with ASEZA, more than 150 recycle bins were distributed across ACT to encourage on-site recycling segregation. Collected cans, cartons, paper, plastic, metal and wood are recycled by a contracting company. Non-recyclable waste is disposed of in a responsible manner using the services of specialized sub-contractors. In 2019, ACT recovered over 87,500 kg of paper and cardboard which were then recycled.

In 2019, ACT recycled 33% of waste generated up from 28% in 2018. The recycling program drove more than of JOD 48,000 of revenues in 2019.

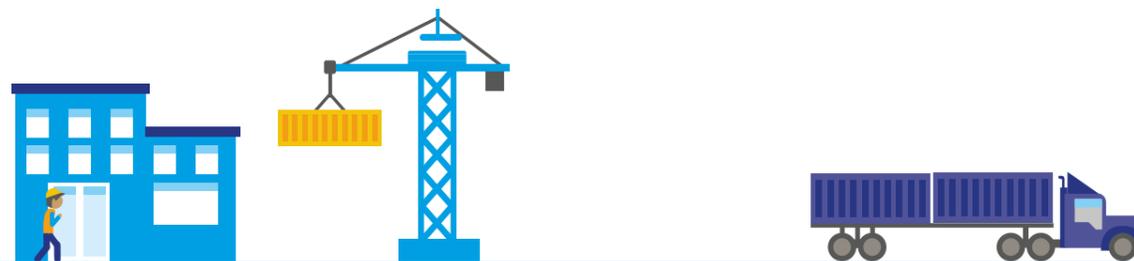
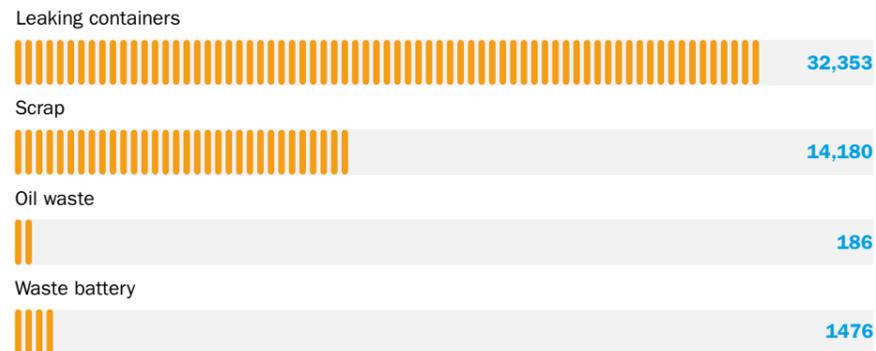
For instance, handling twhe waste of leaking containers in a responsible and safe manner helped ACT save JOD 32,352.90. Additionally, transforming scrap, oil waste and waste battery into consumable products generated JOD 15,842 in revenue.

On the other hand, the overall waste generation slightly increased in 2019 due to implementing different improvement projects, maintenance and replacement processes such as:

- The repairing and maintenance project for ACT yards 1,2,3,4,7, and 5H which increased disposal of waste.
- Implementation of the 5S project at ACT which caused generation of more waste including scrap and wood.

\*5S is a workplace organization method that uses a list of five words: "Sort", "Set In order", "Shine", "Standardize" and "Sustain".

#### TOTAL REVENUE FROM WASTE MANAGEMENT (JOD)



### Waste management plan

#### WASTE GENERATED:



- **Cleaning contractors appropriately collect waste and keep facility clean.**
- **HSE ongoing waste awareness programs are in place to boost environmental performance ownership including:**
  - Environmental behaviour in individual's job description
  - Include environmental objectives in top and middle management performance assessment
  - Activate disciplinary action
  - Awareness program tools including videos, allocation of posters and signs, environmental talks, email broadcasting, newsletters, notice boards, competitions, suggestions box, and environmental training.

WASTE MANAGEMENT	2015	2016	2017	2018	2019
Total Waste Generated (kg)	114,350	361,000	297,565	258,995	268,877
Waste Recycled (%)	17	14	18	28	33
Solid Waste - Wood, Plastic and Others (kg)	170,000	219,000	175,841	137,926	126,286
Recycling - Paper and Cardboards (kg)	19,000	52,000	53,380	72,573	87,719
Landfill - Organic Waste (kg)	125,000	90,000	68,344	48,496	54,872



**87,719**

kilograms of paper and cardboard recycled in 2019



### Oil Spills Prevention

ACT implements strict measures to prevent oil spills and has contingency plans for handling spillages 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 improves its ability to respond to oil spills.

As part of ACT's environmental drill plan, leakage prevention, control and response procedures are required to be implemented and regularly tested for all of the terminal's facilities and operations. Throughout 2019, ACT conducted 7 scheduled drills to test ACT's response procedure, the available response equipment, and the capabilities

of ACT's response team. These drills' aims and objectives are to provide the means to assist all staff to understand the risks of the leaking containers pollution in the port and to understand the duties and actions required to be carried out in such incidents.

Although the number of spills increased slightly in 2019 due to breakdowns and damaged hoses, the volume of spills actually decreased by almost 51% compared to 2018. Our staff and operators are well aware and prepared to combat such incidents. In addition, ACT continuously invests in improving the maintenance and reliability of its facilities and equipment to reduce spills.

### Reduce oils and filters consumption Initiative

On terminal, trucks filters, transmission oil, and differential oil are replaced every 1,000 hours. In 2019, ACT started a "reduce oils and filters consumption" initiative to reduce the consumption of oils and filters. As a result, the running cost of terminal trucks were reduced by JOD 6,000/year while saving technicians' efforts and maintenance time and contributing to the environment by reducing the amount of drained oil.

#### OIL SPILLS

	2015	2016	2017	2018	2019
<b>Total Number of Oil Spills</b>	19	24	19	18	21
<b>Total Volume of Spills (liters)</b>	280	991	357	765	376

51%

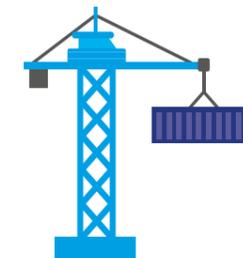


decrease in volume of spills

### Environmental Awareness

Through training and knowledge sharing, ACT strives to build a culture that focuses on environmental protection and seeks to promote environmental awareness among its people, their families and the community at large. In 2019, 250 employees attended awareness sessions about the EMS system "ISO 14001" and effectively participated in Environmental Steering Committee Activities with the HSSE Department.

100% of contractors and suppliers were screened using environmental criteria in 2019.

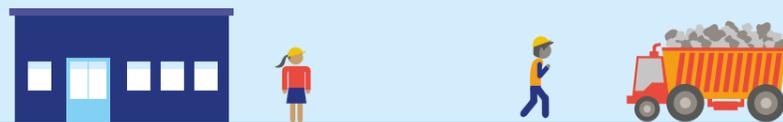


# 04

## Working Together, Sharing Together

ACT is characterized 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 to build a strong company that continues to make a positive contribution to the community of Aqaba and beyond.

**Related Sustainable Development goals:**



**99.8%**

nationalization rate

**99%**

local employment rate



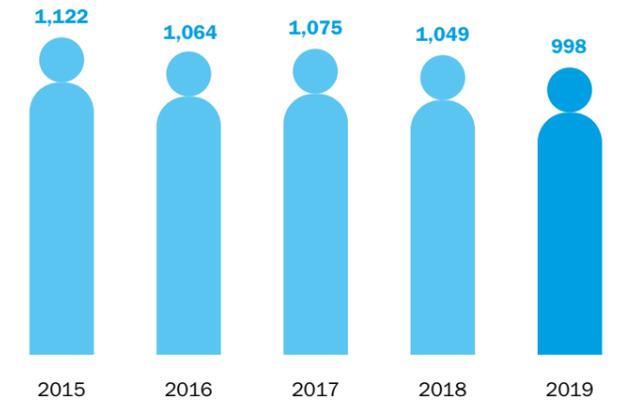
## Our Workforce

ACT is determined to meet employees' expectations by keeping them safe, investing in their development, and offering competitive compensation.

ACT aims to attract and retain passionate and talented individuals that aid in its success. We ensure this through regular engagement with our employees, providing them with evaluation sessions, feedback and satisfaction assessments. This plays a huge role in developing a more inclusive workforce, one that feels valued and respected.

ACT is considered as one of the major employers in Aqaba; ACT provides direct employment for more than a thousand people with a nationalization rate of 99.8%. Over the last 5 years, local employment rate exceeded 99%, demonstrating our strong commitment to contribute to the local economy and the local social development.

TOTAL WORKFORCE



**WORKFORCE PROFILE (NOT INCLUDING SUBCONTRACTORS)**

	2015	2016	2017	2018	2019
<b>Workforce by Employment Level:</b>					
Senior Management	7	7	6	6	4
Middle Management	26	25	26	26	26
Staff	1,089	1,032	1,043	1,017	968
<b>Workforce by Age Group:</b>					
18-30	465	334	315	279	254
31-40	318	381	388	400	401
41-50	274	285	276	268	256
51-60	65	64	96	96	87
<b>Workforce by Gender:</b>					
Female	20	18	20	20	20
Male	1,102	1,046	1,055	1,029	978
<b>Nationalization of Workforce</b>					
Jordanian Rate	99.50%	99.50%	99.63%	99.43%	99.80%

### Employees' kids visit to ACT

It is sometimes difficult to explain the nature of our work to our children. Therefore, our internal communication committee started an initiative for kids to visit their parents in the workplace and see with their own eyes what they are doing.

This initiative started in August 2016 and is carried out twice a year, once during the mid-year vacation and once during the summer vacation. Children visit various port facilities and learn about the work of their parents.

This year, the tour started with a visit to the administration building, where kids were welcomed by the CEO and the administrative staff. Special vests and ID cards were designed for them in an effort to allow them to live the whole experience. Afterwards, the kids visited the HSSE building and were introduced to basic safety measures. They also passed by the

clinic, and the fire and ambulance cars to understand what the HSSE is doing. The visit was concluded with a tour covering various port facilities such as the operations and engineering facility, where they watched the equipment being used in port operations and learned about the great efforts required to operate the large equipment.



### Diversity, Inclusion and Equal Opportunity

ACT is committed to creating an inclusive work environment and promoting equality. We firmly believe that a diverse workforce brings a wider range of skills. It improves creativity and employee engagement thus increasing productivity and making the workplace a better place.

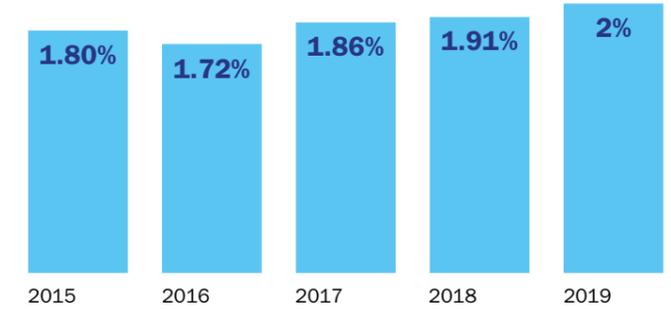
ACT regards itself as an equal opportunity employer. Therefore, we have a zero-tolerance policy towards any form of discrimination. Any candidates may apply for a position via our website and will be considered regardless of their origin, religion or gender. Our recruitment process includes clear procedures that allow us to select the best candidates for any opening.

### Female Employment

ACT seeks to provide a workplace environment in which our female employees can feel safe and protected. We do not tolerate any form of discrimination and harassment.

In 2019, female employment accounted for 2% of total workforce and occupied 38% of middle management positions. For three years in a row, no female employee left the terminal.

#### FEMALE EMPLOYMENT RATE

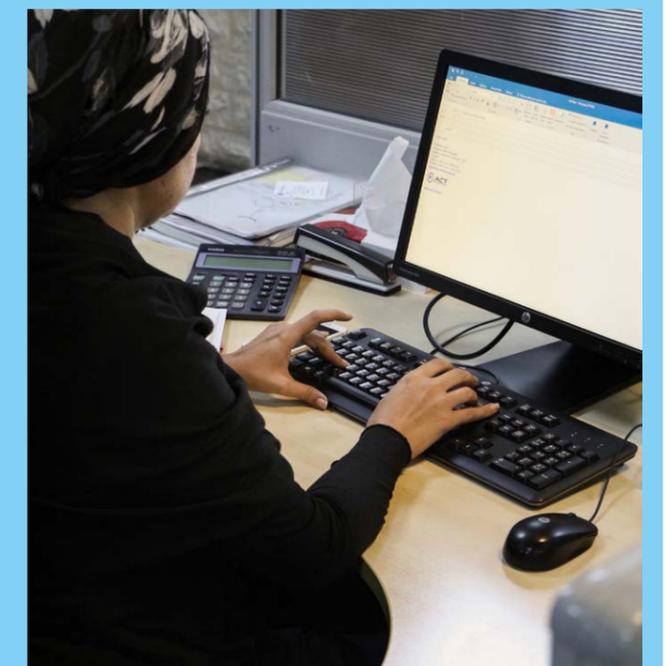


FEMALE EMPLOYMENT					
	2015	2016	2017	2018	2019
Females in Middle Management	2%	8%	12%	15%	38%
Female New Hires	0	0	2	0	0
Female Employees Who Left the Terminal	1	0	0	0	0

### Women Empowerment

We at ACT are aware of the important role women play in the society, thus we give our full support to women empowerment through many events and activities we do throughout the year. For instance, ACT honoured its employees in the occasion of International Women's Day by inviting them to attend and participate in a workshop entitled "Empowering the Woman. The workshop objective was to enhance the role of working-women in the society, highlighting the importance of integrating women in the overall development and raising the awareness about their rights and duties.

The course addressed several topics such as empowerment definition, types of women-violence which has a negative effect on their performance and their social and economic potentials. A number of solutions were also proposed during the lecture on how to face the obstacles that women, and working-women in particular, may encounter, drawing attention to the vital role emotional intelligence has in the overall journey of women-empowerment. Some important explanations of this skill were provided along with some techniques that can be done to elevate it.



### Aqaba Container Terminal celebrates International Women's day and Mother's Day

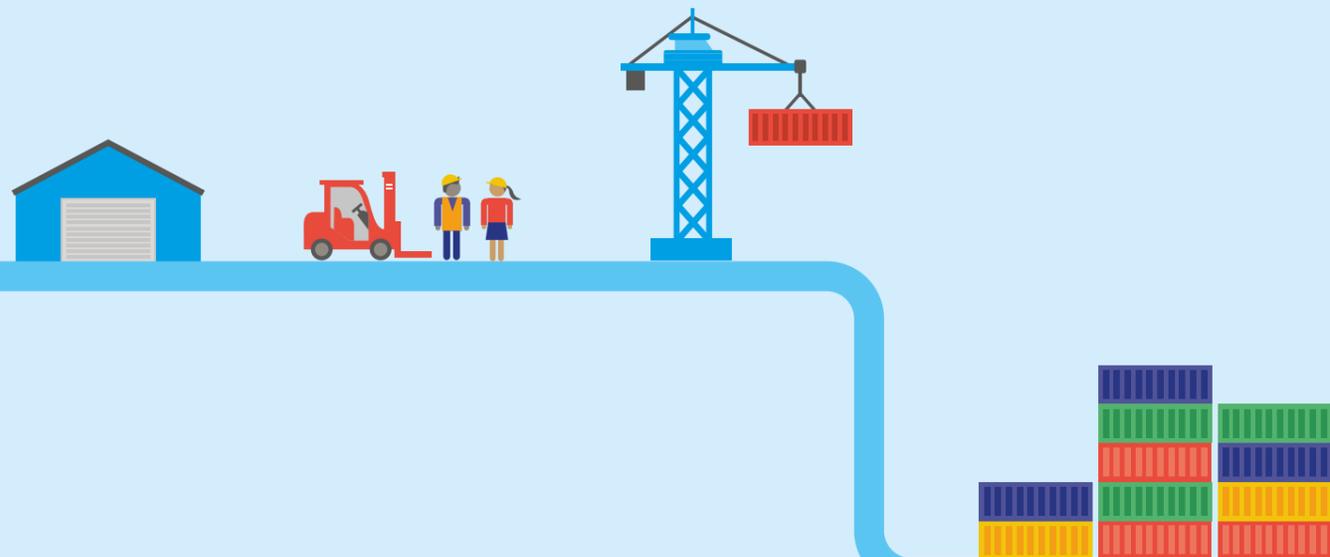
In addition, the company celebrated the International Women's Day and Mother's Day as part of ACT's belief in women's role in society and our commitment to support them to be leaders in their communities and their families.

The events focused on promoting women's empowerment. As an extension to the events themes, we provided attendees with gifts that give back to the society. The giveaways were hand-made products created by a group of women in the local community.



### Parental Leave and Return to Work

It is important to balance careers with parental responsibilities. Therefore, ACT encourages its employees to take parental leave. In 2019, one female employee enjoyed a period of parental leave, and returned to work after her leave.



## Employer of Choice

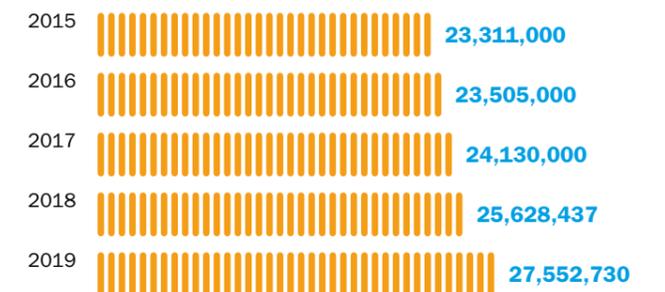
ACT is deemed an employer of choice in Jordan. We offer our employees competitive compensation and benefits, and reward performance via different incentive systems.

### COMPENSATION AND BENEFITS

We invest in our employees and offer them several benefits including, but are not limited to:



### EMPLOYEE WAGES AND BENEFITS



### Employee Engagement and Satisfaction

ACT provides its employees with an employee engagement survey on an annual basis. Through this survey, ACT gains deeper insights regarding the satisfaction of employees with their jobs, as well as workplace environment in general. We always encourage our employees to provide honest feedback. Survey results are later addressed and considered in the action plans of ACT's management team.

Each year, ACT asks its employees to participate in an annual employee engagement survey, giving the company deeper insight 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 2018, ACT decided to reconsider the content so as to further improve the effectiveness of its Employee Engagement and Satisfaction survey. The results of 2019's survey are therefore not directly comparable to historic results. Nonetheless, 2019's survey confirmed the positive engagement of ACT employees with an overall employee engagement and satisfaction score of 4.08 (on a scale of 1 to 5).

#### EMPLOYEE ENGAGEMENT AND SATISFACTION



Furthermore, ACT arranges several activities that include employees and their families to promote team spirit, teamwork, and higher engagement.



**Kids' summer club**  
 ACT Club hosts kids' summer club which welcomes more than **140** of our employees' kids.

English courses, art, handcraft and kick boxing trainings are delivered to them.

### Employee Attraction and Retention

Our employees are at the core of our business and we firmly believe that successful businesses require motivated and satisfied workforce. We take pride in our stable work environment, best reflected in our low turnover rate. In 2019, turnover rate stood only at 5%.

ACT undertakes a systematic performance review process in which we assess the capabilities of our employees, examine gaps, and introduce plans for the future development of each member of our workforce.

Every employee has his or her own individual performance management plan. Together with their manager, they set clear objectives that support ACT's corporate goals, identify skills gap and, if any, design personal development plans to fill the gaps.

In 2019, 100% of our employees received periodic performance reviews and personal development plans.

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER					
	2015	2016	2017	2018	2019
Total number of new employees who joined the organization	139	8	35	0	0
Total number of employees who left the organization	61	59	24	26	51
Workforce Turnover rate (%)	5%	5%	5%	2%	5%

### Training and Development

ACT seeks to promote training and development across its workforce. ACT aims to provide a nurturing culture, stimulating the continuous development and learning of its employees.

Technical skills and leadership development training are offered both internally and externally to ensure ACT employees have the tools, resources, and confidence to perform their work in the best possible manner.



In 2019, ACT offered its employees

**8,986 hours**

of training with an average of 9 hours per employee.

TRAINING					
	2015	2016	2017	2018	2019
Total Number of Training Hours for All Employees	17,339	14,248	15,213	16,811	8,986
Total Cost of Training (JOD)	116,255	4,534	113,355	37,750	36,855
Total Average Number of Training Hours for Each Employees	15	13	14	16	8.99
Average Cost of Training Per Employee (JOD)	106	4	105	19.30	36.92

**Training completion for the first graduates under scholarship program**

The company offers scholarship programs for bachelor's degree, providing financial support to the students during the university period, based on agreed conditions and requirements. After completing the studies, students must commence a 12-month apprenticeship at ACT in the departments relevant to their studies, with receiving nominal salaries. In 2019, 2 young females were trained at ACT in several departments, giving them valuable experience and skills before entering the job market.

**Problem Solving Training**

"Problem solving" is a critical skill and thought process that enables us to achieve our objectives in the best interests of the Company by addressing the problem's root cause and applying effective sustainable solutions. It is a component of Lean Management, that is being rolled out globally across APM Terminals and ACT is proud to be part of this global initiative.

In 2019, ACT rolled out the first phase of the initiative which involved conducting four problem solving workshops. In 2020, ACT plans to roll out the second phase with the objective to include other employees from different levels within the company.

2



**young females were trained at ACT in several departments, giving them valuable experience and skills before entering the job market**

# ACT's Social Impact

ACT delivers both business growth and positive social impact. We believe that caring for the wellbeing of the citizens in Aqaba and its surrounding communities is fundamental to the way we aspire to do business.

We seek to advance the livelihoods of the thousands of people living in Aqaba and its surrounding areas and are committed to achieving a balanced society where opportunities are available to all. Therefore, we partner with local communities to make meaningful contributions that create shared value and improve people's quality of life.

Our approach focuses on education, healthcare, caring for the environment, donations, 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.

ACT's broad portfolio of community investments directly support a number of UN SDGs and continues to advance the achievement of the Jordan National Vision 2025.

**ACT'S GEOGRAPHIC SOCIAL IMPACT FROM 2016-2019**

**Ahl Al Khair**  
 School supplies support  
 Winter blanket campaign  
 School bags

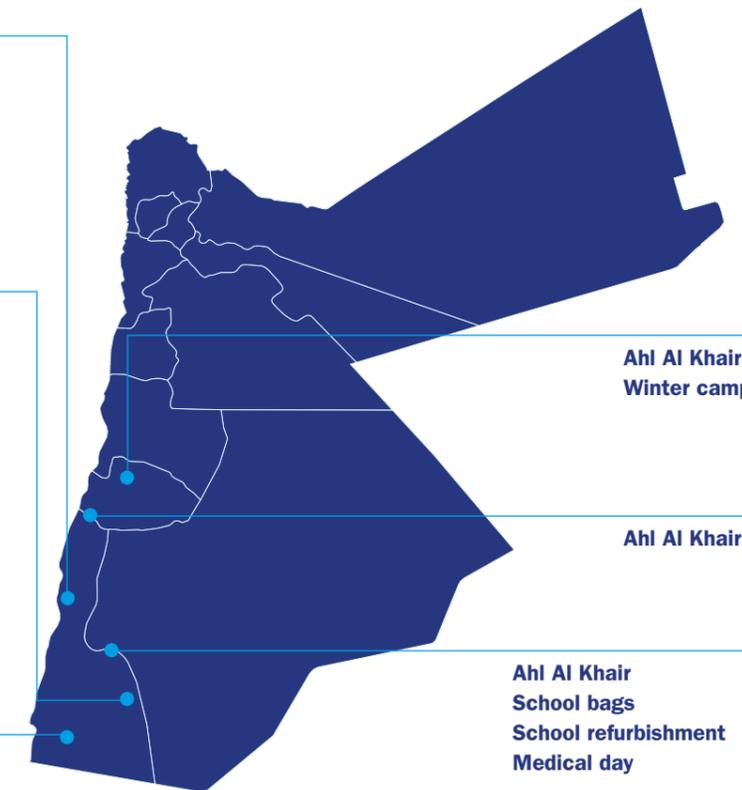
**School bags**  
 School refurbishment  
 Medical day  
 Ahl Al Khair

**School fees support**  
 School bags  
 School refurbishment  
 Medical day  
 Ahl Al Khair  
 Tkiyet Um Ali  
 Ahl Al Khair  
 Medical day

**Ahl Al Khair**  
 Winter campaign

**Ahl Al Khair**

**Ahl Al Khair**  
 School bags  
 School refurbishment  
 Medical day



**ACT's Support for Neighbouring Districts (2015-2019)**

ACT aims to have an important and lasting positive impact on its surrounding communities, thus partnering with nongovernmental organizations (NGOs) and community-based organizations in Aqaba and its surrounding areas in the northern and southern sides of the city. The purpose behind these partnerships is to give ACT's CSR initiatives a more profound impact by creating higher value, extending its outreach and optimizing cost at the same time.

Over the last five years, ACT contributed JOD 564,678 towards community programs. In 2019, ACT contributed JOD 82,337 towards its CSR initiatives and projects, representing 0.354% of pre-tax profits, a 0.211% decrease from the previous year's contribution.

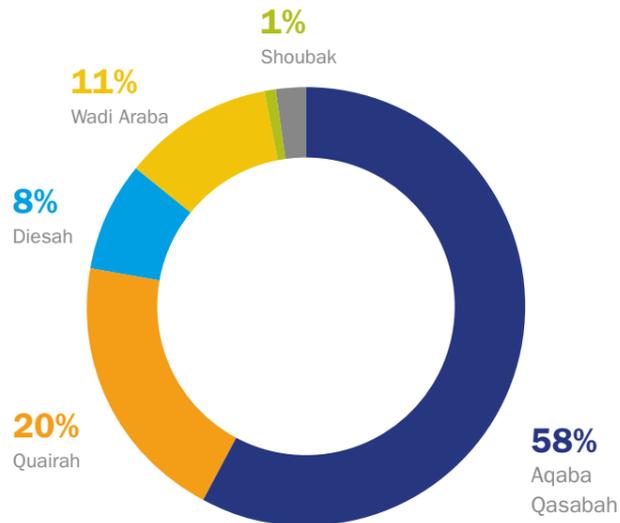
**For the past three years:**

- ACT supported +2,800 students in taking care of their tuition fees, school supplies or school bags.

- More than 1,500 food parcels were delivered to families and individuals experiencing hardships in Aqaba and neighbouring areas
- ACT helped refurbish 6 schools to ensure students and staff have a safe and good school environment.

Volunteerism is a critical aspect of ACT's mission in supporting the local community. ACT engages its employees in volunteering activities to deliver a wider, deeper impact.

In 2019, ACT logged 8,128 community service man-hours by 2,409 volunteers.



**Community Involvement in 2019**

**2,409**

volunteer participants

**17**

CSR projects

**8,128**

man-hours of volunteering

**251**

days of volunteering

**JOD 80,370**

community investments



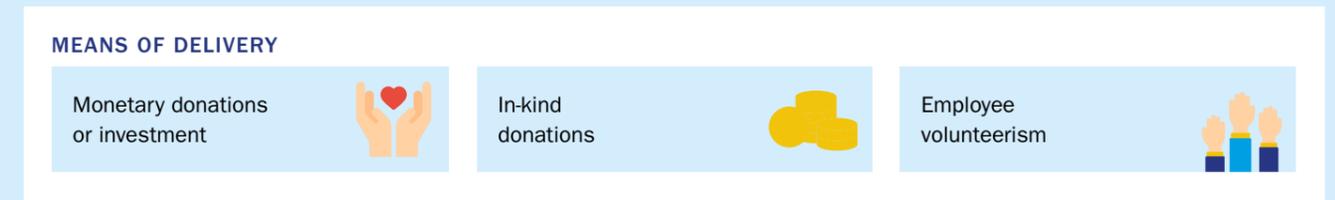
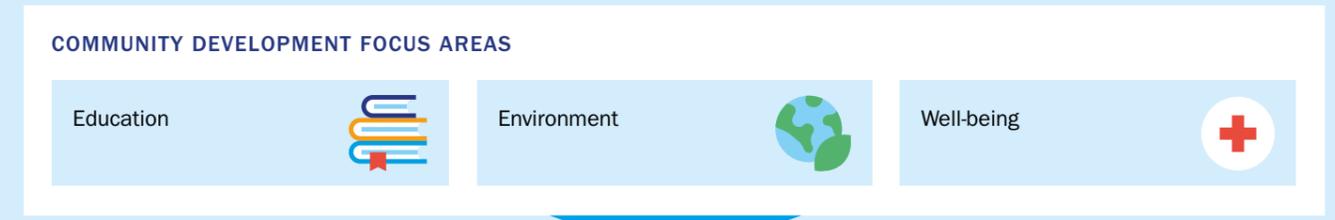
COMMUNITY INVESTMENTS	2015	2016	2017	2018	2019
Community Investments as Percentage Pre-Tax Profits (%)	0.800%	0.620%	0.424%	0.565%	0.354%
Community Investments (JOD)	150,000	110,000	100,000	122,341	80,370

**ACT's Strategic Community Investments**

ACT's CSR strategy focuses on three areas with the aim to have a greater impact: education, well-being and environment. Our CSR activities are directly linked to our business case.

ACT is heavily involved in the community, listening to the locals, non-profit partners and employees. Our community activities are monitored, and the results of the initiatives are measured. This allows us to set future plans on how to further improve our CSR programs and ensure a wider outreach.

**CSR strategy:**



## Education

As part of its education initiatives, ACT focuses on providing educational opportunities for underprivileged children with the aim to offer them a better future. ACT provides school supplies and financial assistance to cover school tuition fees.

- Programs:**
- ▶ University Support
  - ▶ Ekfal Taleb Campaign
  - ▶ School Refurbishment

A total of  
**800**  
School Bags distributed



**250**

School bags distributed inside Aqaba governorate



### 8<sup>th</sup> Consecutive Annual 'Ekfal Taleb' Campaign

As part of its ongoing commitment to improving educational opportunities in Aqaba and the southern area of the Kingdom, ACT conducted its annual 'Ekfal Taleb' campaign for the 8th year in a row, providing school supplies to hundreds of students in Aqaba and its surrounding villages.

Through 'Ekfal Taleb 8', ACT's CSR Committee worked tirelessly to organize, prepare, and distribute school bags to underprivileged children throughout Aqaba governorate on their first day of school. Each bag was stocked with an array of essential school supplies and educational materials, ensuring that the students received enough supplies to last for the entire school-year.

**550**  
school bags distributed to village & area outside province



**30**  
Volunteer participants



**11**  
Schools



**358**  
Man-hours volunteered



## Family open day

In line with its plans for 2019 and part of the company's keenness to nurture, motivate and appreciate its human resources, ACT's Internal Communications Committee organized a "Family open day" event that was also a part of the annual volunteering campaign program managed by the CSR Committee in cooperation with the Applied University of Balqa.

The event included some activities like face painting and competitions for kids between 3-7 years. The aim of this event was to enhance communication not only between employees but also with their family members.



Man-hours volunteering  
**120**



Volunteer participants  
**30**



## Well-being

ACT commits to good corporate citizenship, engaging in activities and initiatives that support the less fortunate and improve the community's well-being.

### Programs:

- ▶ Free Medical Day
- ▶ Support King Hussein Cancer Foundation
- ▶ Women and Child program
- ▶ Charity Night
- ▶ Charity People
- ▶ Global Safety Dat
- ▶ Winter Campaign
- ▶ Support Autism Center
- ▶ Support Fajrona Establishment



### Ahl Al Khair

ACT distributed 530 food parcels for underprivileged families in Aqaba governorate and surrounding areas within its well-known campaign "Ahl Al Khair".

Distributing food parcels is an annual good act during the month of Ramadan besides other several social responsibility initiatives carried out throughout the year, such as: supporting and adopting schools, and carrying out free medical days in some areas.

**530**

food parcels



**32**

Volunteer participants



Man-hours volunteering

**218**



## Strategic partnerships for social development

ACT signed two partnership agreements with prominent non-governmental charity organizations to expand the reach of its support to those in need.

We have renewed our collaboration with Tkiyet Um Ali (TUA) for the third year in a row to provide food parcels to families in need in the surrounding villages of Aqaba. 360 food parcels were distributed which add up to an overall 1,080 food parcels in the 3-year collaboration period with TUA. ACT will collaborate with TUA in further campaigns in line with our extensive CSR program.

ACT also renewed its partnership with Helping Hand for Relief and Development (HHRD) for the fourth consecutive year. HHRD and ACT developed a strong cooperation in ACT's campaign "Ikfal Taleb". HHRD also collaborated extensively with us in Ahl Al Khair initiative, providing food packages to the families in need prior to the beginning of Ramadan. We will combine our efforts with HHRD in the near future to provide essential medical supplies and equipment to some Medical Centers operating in the governorate's poorest areas.



### Support Autism Center

Fulfilling its commitment to empower underprivileged communities, in 2019 ACT held a workshop for the teachers of the Autism Center to develop their skills and to get to know the latest updates in the field in regards to measurement tools and modern diagnosis methods.

ACT also held employee awareness campaigns on the importance of food for autistic children and trends in the diagnosis of autism.



## Environment

We aim to protect the environment and preserve the natural resources. We conduct awareness-raising activities to emphasize the importance of protecting the environment.

- Programs:**
- ▶ Ayla Red Sea Marathon
  - ▶ Go Green
  - ▶ Clean up the World

30



ACT employees participated in the 10 km race

### Aqaba Container Terminal sponsors Ayla Red Sea Half Marathon for third consecutive year

In line with its on-going efforts to support and enrich the local community, ACT signed an agreement to serve as a silver sponsor at Ayla Red Sea Half Marathon 2019.

The Ayla Red Sea Half Marathon aims to support a wide variety of charitable and humanitarian causes in Jordan by allowing runners to compete on behalf of the non-profit organization of their choice. This allows the marathon to serve as a platform for numerous social, educational and humanitarian causes, while raising money for local NGOs. Thirty of ACT employees participated in the 10 km race.



## 05

# Appendices

## Appendix A

### Acronyms

ACT	Aqaba Container Terminal
ADC	Aqaba Development Corporation
APMT	AP Moller Terminal
ASEZA	Aqaba Special Economic Zone Authority
BCA	Business Compliance Ambassadors
BI	Business Intelligence
CEO	Chief Executive Officer
CI	Continuous Improvement
CMO	Incident reporting system by APM named CMO
CO	Carbon Monoxide
CO2	Carbon Dioxide
CO2e	Carbon Dioxide Equivalent
CSR	Corporate Social Responsibility
EMS	Environmental Management System
FAQ	Frequently Asked Questions
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GJ	Giga Joule
GMPH	Gantry Crane Moves Per Hour
GPG	Global Ports Group
GRI	Global Reporting Initiative
HHRD	Helping Hand for Relief and Development

HPH	Hutchinson Ports Holding
HSSE	Health, Safety, Security and the Environment
ISO	International Organization for Standardization
JOD	Jordanian Dinars
JREDS	Royal Marine Conservation Society of Jordan
Kg	Kilograms
Km	Kilometre
KPI	Key Performance Indicator
Kwh	Kilo Watt hour
LED	Light Emitting Diode
LTIF	Lost Time Injury Frequency
m3	Cubic Meter(s)
NGO	Non-Governmental Organization
NO2	Nitrogen Dioxide
PERS	Port Environmental Review System
pH	Potential of Hydrogen
PPM	Parts Per Million
PPP	Purchasing Power Parity
QC	Quay Crane
RIDS	Handheld Radionuclide Identification Devices
RORO	Roll-on/Roll-off
RTG	Rubber Tyred Gantry Crane
SDGs	Sustainable Development Goals
SGS	A world leading inspection, verification, testing and certification company.
SO2	Sulfur Dioxide
STS	Ship-to-Shore
TEMS	Total Energy Management System
TEU	Twenty-foot Equivalent Unit
TVOC	Total Volatile Organic Compound
UHF	Ultra-High Frequency
USD	United States Dollar

# Appendix B

## Report Scope and Boundaries

<b>Topic Boundaries</b>	The scope and topic 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.
<b>Materiality Process</b>	<p>As noted in the sustainability section on page 9, 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.</p> <p>In alignment with the principles of the GRI Standards, ACT used a four-step materiality assessment: 1) identification of relevant topics 2) prioritization of topics against stakeholder and company influence and impacts 3) validation of topic prioritization 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 15 topics that are presented in the materiality framework on page 10 . ACT recognizes 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.</p>
<b>Reporting Cycle</b>	This report presents information and details of ACT's operations from January-December, 2019.
<b>Reporting Principles for Defining Quality</b>	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.
<b>Balance</b>	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.
<b>Comparability</b>	We include in this report data on our progress compared against our 2018 report.
<b>Data Measurement Techniques</b>	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.
<b>Significant Changes</b>	This report contains no significant changes in the scope, boundary, or measurement methods applied in the 2018 sustainability report.
<b>Assurance</b>	The report has not been externally audited or assured.

# Appendix C

## Stakeholder Engagement

Stakeholder	Methods of Engagement	Stakeholder Priorities	ACT's Response
<b>Customers (shipping lines, clearance and trucking companies, end-users and consignees)</b>	<ul style="list-style-type: none"> <li>Web-based communication system</li> <li>Trade missions</li> <li>Customer satisfaction surveys</li> <li>Annual sustainability report</li> <li>Website</li> </ul>	<ul style="list-style-type: none"> <li>Transparency and accountability</li> <li>Operational efficiency</li> <li>Service excellence</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability report</li> <li>Sustainability strategy</li> <li>Port Expansion Project</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Direct meetings</li> <li>Intranet</li> <li>Engagement workshops</li> <li>Team buildings</li> <li>Annual sustainability report</li> <li>Website</li> <li>ACT TV</li> <li>Volunteering activities</li> </ul>	<ul style="list-style-type: none"> <li>Learning and development programs</li> <li>Reward and recognition initiatives</li> <li>Competitive salary packages</li> <li>Competitive benefits</li> <li>Open communication channels</li> <li>Health and safe working conditions</li> <li>Work-life balance</li> <li>Labour-management relations</li> <li>CBA</li> </ul>	<ul style="list-style-type: none"> <li>Close relationship with Union</li> <li>Performance Management</li> <li>Health and safety policy</li> <li>Learning and development policy</li> <li>In-House &amp; On-Job Training</li> <li>APM Global Terminal Development Program (GTDP)</li> <li>Medical Check-ups</li> <li>Transportation, Health Insurance, Social Security, Employees Club, Annual leave.</li> <li>Superior Compensation Packages</li> </ul>
<b>Community (Local community, suppliers, Union)</b>	<ul style="list-style-type: none"> <li>Direct communication</li> <li>Participation in events</li> <li>Annual sustainability report</li> <li>Website</li> <li>CSR Committee and man hours</li> </ul>	<ul style="list-style-type: none"> <li>Local development</li> <li>Job creation</li> <li>Volunteering activities</li> <li>Sponsorships</li> <li>Good citizen</li> </ul>	<ul style="list-style-type: none"> <li>In-kind contributions</li> <li>Volunteering activities</li> <li>School refurbishments</li> <li>Local procurement</li> <li>Support on safety emergencies</li> <li>Health and safety awareness</li> <li>Local community engagement</li> </ul>
<b>Shareholders (APM, ADC)</b>	<ul style="list-style-type: none"> <li>Sustainability report</li> <li>Website</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable profits</li> <li>Transparency and accountability</li> <li>Good governance</li> <li>Business ethics</li> <li>Risk management</li> <li>Cost reductions</li> </ul>	<ul style="list-style-type: none"> <li>Creation of a corporate sustainability committee</li> <li>Sustainability strategy</li> <li>Sustainability report</li> <li>Port Expansion Project</li> </ul>
<b>Government and Regulators (ASEZA, Customs)</b>	<ul style="list-style-type: none"> <li>Direct communication</li> <li>Meetings</li> <li>Annual sustainability report</li> <li>Website</li> </ul>	<ul style="list-style-type: none"> <li>Transparency and accountability</li> <li>Good governance</li> <li>Economic value</li> <li>Job creation</li> <li>Compliance to policies standards</li> </ul>	<ul style="list-style-type: none"> <li>Web-based communication system</li> <li>Regular meetings</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>Press Releases</li> <li>Press conferences</li> <li>ACT's website</li> <li>CSR activities</li> <li>Tours inside the terminal</li> <li>Invitation for the major events that ACT is launching</li> <li>Keep in touch with the CEO on desk interview</li> </ul>	<ul style="list-style-type: none"> <li>Clear and transparent information</li> <li>Close relationship</li> <li>Regular information monthly bases</li> <li>Press conferences for more engagement with the company</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability report</li> <li>Website</li> </ul>

# Appendix D

## GRI Standards 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.

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

This service was performed on the English version of the report.

GRI Standard	Disclosure	Page number(s) and/or direct answer
<b>GRI 101: Foundation 2016</b>		
<b>General Disclosures</b>		
<b>Organizational profile</b>		
<b>GRI 102: General Disclosures 2016</b>	102-1 Name of the organization	Aqaba Container Terminal
	102-2 Activities, brands, products, and services	8-9
	102-3 Location of headquarters	Aqaba, Jordan
	102-4 Location of operations	8-9
	102-5 Ownership and legal form	8-9
	102-6 Markets served	22-24
	102-7 Scale of the organization	8-9
	102-8 Information on employees and other workers	59
	102-9 Supply chain	8-9
	102-10 Significant changes to the organization and its supply chain	There were no significant changes during the reporting period.
102-11 Precautionary Principle or approach	36, 40, 48, 50	
102-12 External initiatives	9, 10, 11, 49, 50	
102-13 Membership of associations	49	
<b>Strategy</b>		
102-14 Statement from senior decision-maker	5	
<b>Ethics and integrity</b>		
102-16 Values, principles, standards, and norms of behaviour	8-9	

<b>GRI 102: General Disclosures 2016</b>		
<b>Governance</b>		
102-18 Governance structure		36-38
<b>Stakeholder engagement</b>		
102-40 List of stakeholder groups		17, 79
102-41 Collective bargaining agreements		100% of total employees are covered by collective bargaining agreements.
102-42 Identifying and selecting stakeholders		17, 79
102-43 Approach to stakeholder engagement		79
102-44 Key topics and concerns raised		79
<b>Reporting practice</b>		
102-45 Entities included in the consolidated financial statements		Financial statements include the activities of ACT. No other entity is included.
102-46 Defining report content and topic Boundaries		18, 78
102-47 List of material topics		18
102-48 Restatements of information		There have been no significant changes to the report scope.
102-49 Changes in reporting		There have been no significant changes to the report scope and topic boundaries.
102-50 Reporting period		ACT reports according to the Calendar year.
102-51 Date of most recent report		2018 Sustainability Report
102-52 Reporting cycle		Annual
102-53 Contact point for questions regarding the report		Ihab Alrawashdeh, ihabalrawashdeh@act.com.jo
102-54 Claims of reporting in accordance with the GRI Standards		4
102-55 GRI content index		80-84
102-56 External assurance		ACT does not seek external assurance for its sustainability report.

### Material Topics

#### GRI 200 Economic Standard Series

#### Economic Performance

<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	34-35
	103-2 The management approach and its components	34-35
	103-3 Evaluation of the management approach	34-35

<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	34-35
	201-4 Financial assistance received from government	No financial assistance is given by the government.

#### Market Presence

<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	59
	103-2 The management approach and its components	59
	103-3 Evaluation of the management approach	59

<b>GRI 202: Market Presence 2016</b>	202-2 Proportion of senior management hired from the local community	59
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Indirect Economic Impacts		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	5, 6, 26, 32, 34
	103-2 The management approach and its components	5, 6, 26, 32, 34
	103-3 Evaluation of the management approach	5, 6, 26, 32, 34
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	5, 6, 26, 32, 34
	203-2 Significant indirect economic impacts	5, 6, 26, 32, 34
Procurement Practices		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	36
	103-2 The management approach and its components	36
	103-3 Evaluation of the management approach	36
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	36
Anti-corruption		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	36
	103-2 The management approach and its components	36
	103-3 Evaluation of the management approach	36
<b>GRI 205: Anti-corruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	36
	205-3 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 300 Environmental Standards Series		
Energy		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	50-51
	103-2 The management approach and its components	50-51
	103-3 Evaluation of the management approach	50-51
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	50-51
	302-3 Energy intensity	50-51
	302-4 Reduction of energy consumption	50-51
Water		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	53
	103-2 The management approach and its components	53
	103-3 Evaluation of the management approach	53
<b>GRI 303: Water 2016</b>	303-1 Water withdrawal by source	53
Emissions		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	52
	103-2 The management approach and its components	52
	103-3 Evaluation of the management approach	52
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	52

<b>GRI 305: Emissions 2016</b>	305-2 Energy indirect (Scope 2) GHG emissions	52
	305-4 GHG emissions intensity	52
	305-5 Reduction of GHG emissions	52
	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	52
Effluents and Waste		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	54-55
	103-2 The management approach and its components	54-55
	103-3 Evaluation of the management approach	54-55
<b>GRI 306: Effluents and Waste 2016</b>	306-2 Waste by type and disposal method	54-55
	306-3 Significant spills	57
Environmental Compliance		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	50
	103-2 The management approach and its components	50
	103-3 Evaluation of the management approach	50
<b>GRI 307: Environmental Compliance 2016</b>	307-1 Non-compliance with environmental laws and regulations	50
GRI 400 Social Standards Series		
Employment		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	58-65
	103-2 The management approach and its components	58, 62, 63
	103-3 Evaluation of the management approach	58, 62, 63
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	65
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	63
	401-3 Parental leave	62
Occupational Health and Safety		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	41-47
	103-2 The management approach and its components	41-47
	103-3 Evaluation of the management approach	41-47
<b>GRI 403: Occupational Health and Safety 2016</b>	403-1 Workers representation in formal joint management-worker health and safety committees	42
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	41
Training and Education		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	65,66
	103-2 The management approach and its components	65,66
	103-3 Evaluation of the management approach	65,66
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	65

<b>GRI 404: Training and Education 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs	65,66
	404-3 Percentage of employees receiving regular performance and career development reviews	65
<b>Diversity and Equal Opportunity</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	58-61
	103-2 The management approach and its components	58-61
	103-3 Evaluation of the management approach	58-61
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	59
<b>Local Communities</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	67-74
	103-2 The management approach and its components	67-74
	103-3 Evaluation of the management approach	67-74
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	67-74
<b>Customer Privacy</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	28
	103-2 The management approach and its components	28
	103-3 Evaluation of the management approach	28
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	0. In 2018 there were no complaints concerning breaches of customer privacy or loss of data

