



MANAGED BY
APM TERMINALS

SUSTAINABLE GATEWAY TO JORDAN AND BEYOND

**AQABA CONTAINER TERMINAL
2016 SUSTAINABILITY REPORT**



CONTENTS

ACT Value Chain	4
About this report	6
CEO Message	7
A Gateway for Trade	8
Investing in Jordan	9
ACT's Journey Through the Years	10
Sustainability at ACT	12
Chapter 1 – Making Jordan a Terminal of Choice	16
A Regional Gateway	17
Awards and Recognition	18
Chapter 2 – Foundation for Excellence	20
Operational Efficiency	21
Continuous Improvement	23
Customer Satisfaction	26
Financial Performance	27
Good Governance	28
Chapter 3 – Operating Responsibly	32
Health and Safety	33
Environmental Performance	36
Chapter 4 – Working Together, Sharing Together	44
Our Workforce	45
Our Economic and Social Impact	50
Chapter 4 Appendices	58
Appendix A – Acronyms	59
Appendix B – Report Scope and Boundaries	60
Appendix C – Stakeholder Engagement	61
Appendix D – GRI Content Index	62

ACT VALUE CHAIN

INPUTS

FINANCIAL CAPITAL

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

APM Terminals
50% + 1 share



Aqaba Development Company
50% - 1 share



SKILLS AND EXPERTISE

The individual skills, competencies and experience of our people is the engine of our success.

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

NATURAL RESOURCES

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

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

SOCIAL AND RELATIONSHIPS

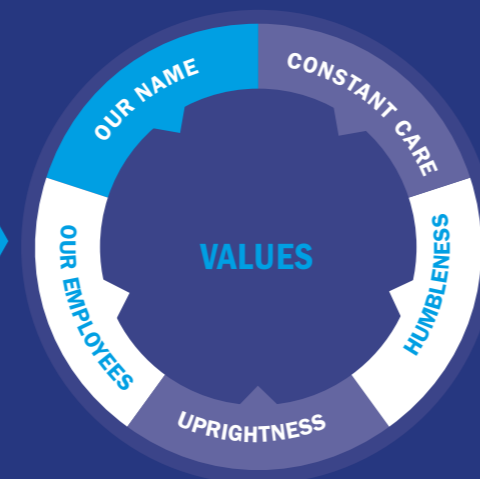
Maintaining quality relationships with our stakeholders, particularly our customers, suppliers, employees, unions, regulatory and local communities are fundamental for growing and sustaining our business value.

OUR BUSINESS

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

Our Location:

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



VISION:

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

MISSION:

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

OUTPUTS

792,841

Total throughput (TEUs).

JOD 97,950,000

Total revenues in 2016.

OUTCOMES

JOD 30.6 MILLION

Taxes and royalties paid to Government.

1,064

Total workforce

JOD 23.5 MILLION

Wages and benefits for our workforce

14,248

Total training hours for our workforce

11,321

Tonnes of GHG emissions

361,000

Total waste generated (kg)

79%

Spending on locally based contractors and suppliers

JOD 110,000



Community investments

ABOUT THIS REPORT

This is ACT's sixth sustainability report and presents its activities and performance in the social, environment and economic aspects. It covers the calendar year ending on 31 December 2016. Financial data is expressed in Jordanian Dinars, unless otherwise specified.

This report continues to focus on the sustainability issues material 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.

Inquiries, feedback and suggestions on this report are welcome through the following channels:

-  customerservice@act.com.jo
-  ACTJordan
-  Aqaba.Container.Terminal
-  Aqaba Container Terminal-Act
-  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 MY PLEASURE TO PRESENT ACT'S SIXTH SUSTAINABILITY REPORT. THIS REPORT DEMONSTRATES OUR STRONG COMMITMENT TO DELIVER A POSITIVE IMPACT TO THE OVERALL ENVIRONMENTAL, SOCIAL, AND ECONOMIC DEVELOPMENT OF JORDAN FOR GENERATIONS TO COME.

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

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

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

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

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

In 2016, ACT had many successes to celebrate, thanks to the hard work of our people and the quality of service we provide to our customers.

I am happy to report that ACT continued its strong health and safety performance in 2016

with no fatalities and a reduction in lost-time injury rate of 18% compared to 2015.

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

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

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

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

Jeppe Jensen

Chief Executive Officer



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 surrounding countries. In April 2015, the Jordanian government closed the border to Syria in response to the on-going conflict in the region, blocking the road used for Jordanian exports to access the markets of Syria, Lebanon, Turkey, and beyond. Consequently, this export traffic has had to be redirected to ACT to be shipped through the Suez and the Mediterranean Sea.

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

APM TERMINALS ADVANTAGE

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

ACT is today the logistical and economic backbone of the Aqaba Special Economic Zone Authority (ASEZA), serving as the preferred gateway to the region for many active markets around the world. Under APM Terminals management, the terminal has been a shining example of successful PPP operating under progressive leadership and sustainable growth.

7%

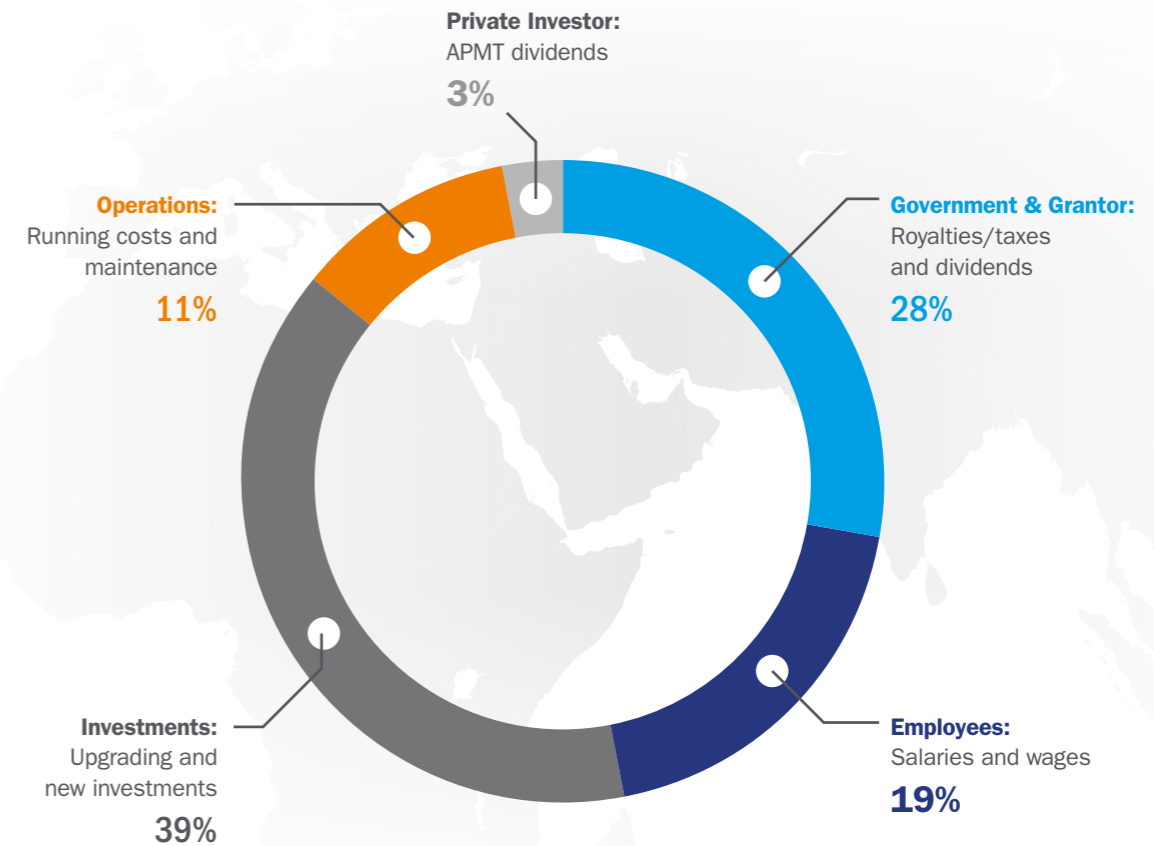
INCREASE IN
CONTAINER EXPORTS

INVESTING IN JORDAN

ACT IS THE KINGDOM'S ONLY CONTAINER TERMINAL AND A HUB FOR INTERNATIONAL IMPORT AND EXPORT ACTIVITY 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 has benefited from adopting leading operational and commercial standards, and best practice. Over the past 10 years, ACT has invested over USD 300 million in the terminal, expanding its capacity, and improving its operations.

At the same time, since 2006, 97% of the profit generated by the Terminal has stayed in Jordan. ACT reinvested close to 40% of its revenue into Terminal and equipment upgrades to prepare for future growth.



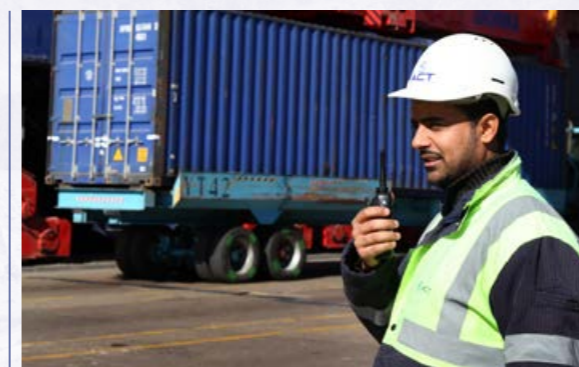
ACT'S JOURNEY THROUGH THE YEARS



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

- ADC and APM Terminals sign 25-year Joint Venture

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



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

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

- ACT receives the ISO 14001 certification for its comprehensive environmental management system
- ACT recognised by the Jordanian Social Security Corporation for exceeding all health and safety standards
- ACT received the APMT Global Safety Performance Award
- ACT nominated as a finalist for the Lloyd's Middle East and Indian Subcontinent "Safety" Award, "Hutchinson Ports Holding (HPH) Environment" Award, and "Port Operator" Award

2003

2004

2005

2006

2008

2010

2011

2012

2013

2014

2015

2016

- ACT faced a major congestion crisis

- 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

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

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

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

- 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



[GRI 102-40] [GRI 102-42]

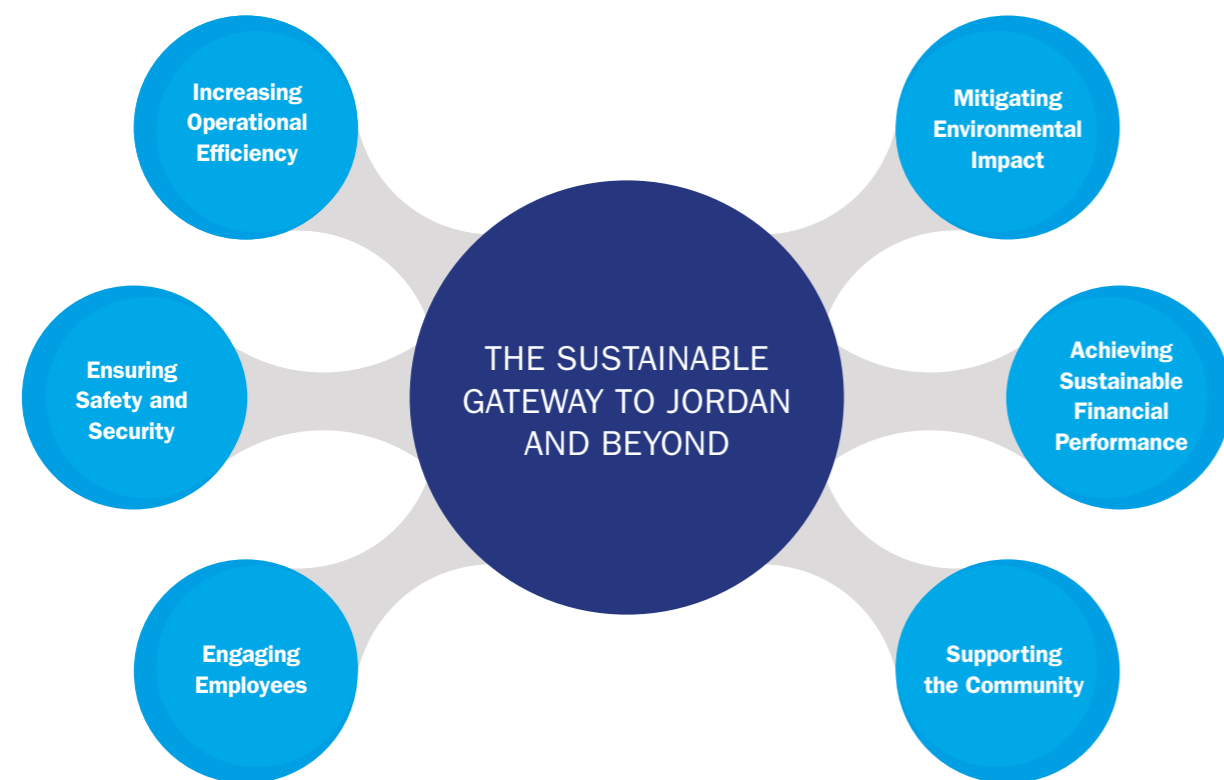
SUSTAINABILITY AT ACT

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

OUR SUSTAINABILITY FRAMEWORK: ORGANISING OUR APPROACH

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

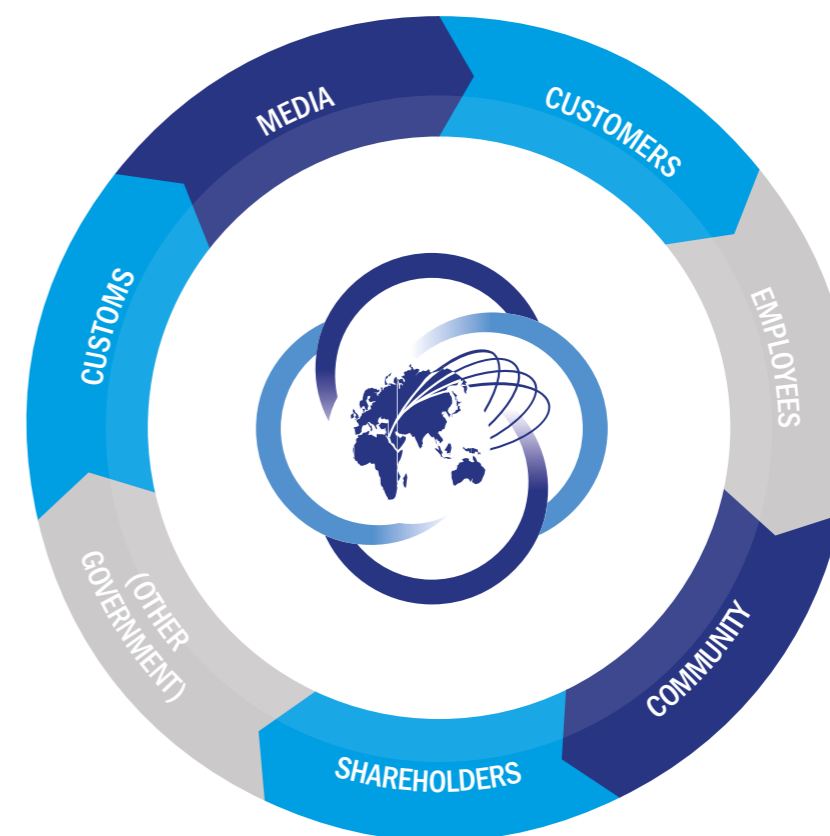
The framework consists of six pillars anchored to our vision of being a sustainable gateway to Jordan and the Levant region. Under each pillar, ACT has a set of key performance indicators (KPIs) that are clearly linked to the company's strategic priorities and help measure ACT's progress against each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



STAKEHOLDER ENGAGEMENT

ACT's sustainability management programme aims to integrate input from all stakeholders. ACT understands that open and transparent communication is paramount to continued positive relationships with its stakeholders. As an example of the initiatives carried-out in 2015, ACT set up employee feedback kiosks that allowed employees to give valuable feedback that will help the company implement improvements.

This seven-category graphic shows ACT's main stakeholders. Further information about the company's key stakeholders, their expectations of ACT, and the engagement methods is found in [Appendix B](#).



[GRI 102-46] [GRI 102-47] [GRI 103-1]

REPORTING ON WHAT MATTERS THE MOST

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

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

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

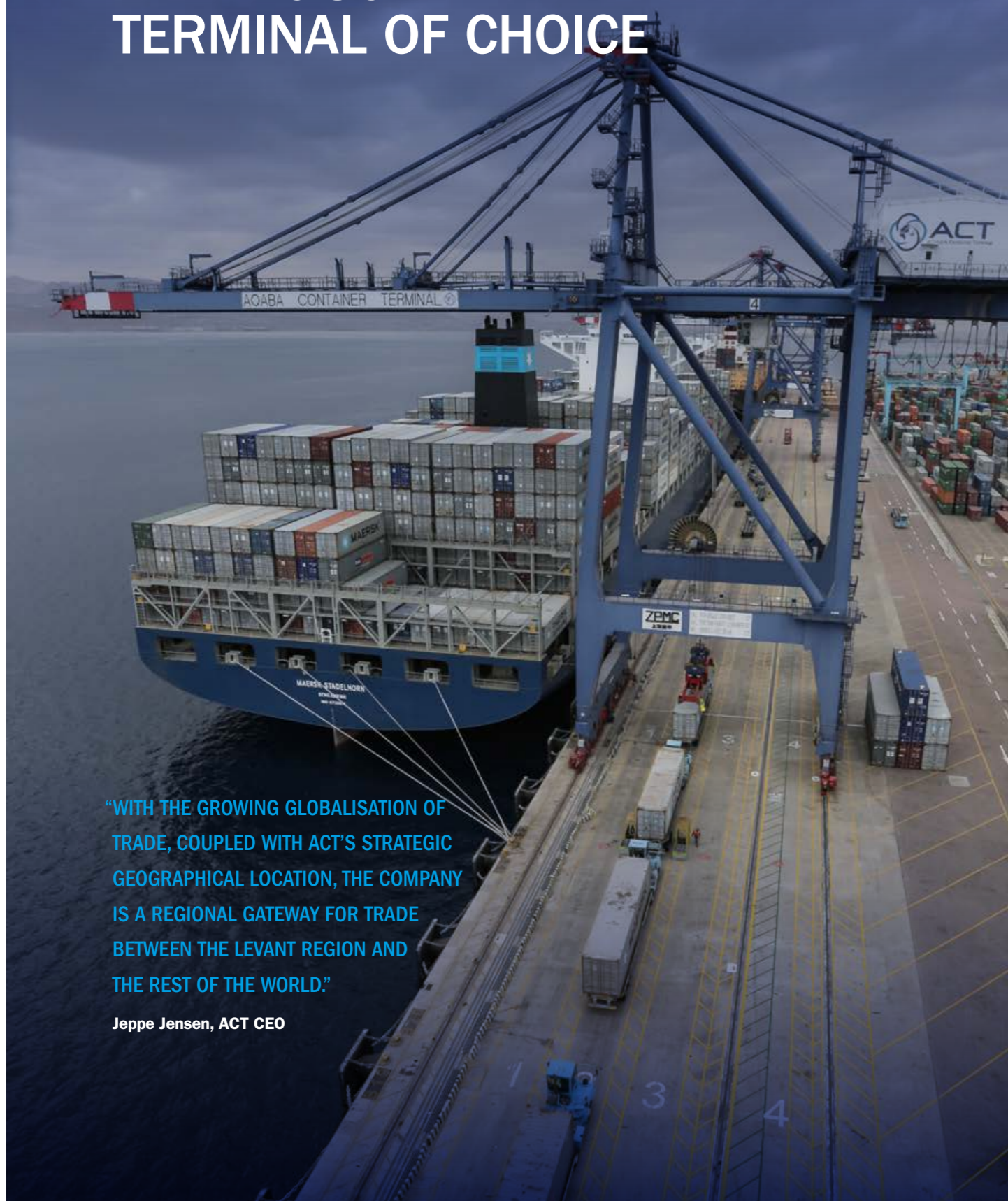
More details about the materiality process are presented in [Appendix B](#).



2016 PERFORMANCE HIGHLIGHTS



CHAPTER 1 MAKING JORDAN A TERMINAL OF CHOICE



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

Jeppe Jensen, ACT CEO

A REGIONAL GATEWAY

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

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

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

Container Movements (TEU)

	2012	2013	2014	2015	2016
Total Throughput *	817,434	872,812	781, 291	758,218	792,841
Full Export	64,208	77,343	86,940	111,241	118,912
Transit	104,003	92,094	51,850	19,546	9,282
Full Import	410,195	439,433	393,962	377,995	398,914

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

37%

INCREASE IN FULL CONTAINER EXPORTS SINCE 2014

5.5%

INCREASE IN IMPORT OF FULL CONTAINERS IN JORDAN COMPARED TO 2015

AWARDS AND RECOGNITION

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

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

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



WORKPLACE SAFETY AND HEALTH AWARD

ACT was once again recognised by the Jordanian Social Security Corporation for its achievement in exceeding all health and safety standards and benchmarks.



APM TERMINALS GLOBAL SAFETY PERFORMANCE AWARD

ACT received the APM Terminals Global Safety Performance Award at APM Terminals' Global Leadership Conference in Rotterdam, in competition with the global APMT network of more than 72 port terminals.



MIDDLE EAST AND INDIAN SUBCONTINENT FINALIST FOR "SAFETY" AWARD

Lloyd's List has nominated ACT as finalist for the Middle East and Indian Subcontinent "Safety" Award. ACT was recognised for its dedication to upholding the highest standards of safety.



MIDDLE EAST AND INDIAN SUBCONTINENT FINALIST FOR "HPH ENVIRONMENT" AWARD

Lloyd's List has nominated ACT as finalist for the Middle East and Indian Subcontinent "Hutchinson Ports Holding (HPH) Environment" Award. ACT was recognised for promoting a conscious environmental friendly approach to its business operations.



MIDDLE EAST AND INDIAN SUBCONTINENT FINALIST FOR "PORT OPERATOR" AWARD

Lloyd's List has nominated ACT as finalist for the Middle East and Indian Subcontinent "Port Operator" Award. ACT was recognised for its unconditional support to the export industry in critical times.



CHAPTER 2 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 OUR RESOURCES AND INFRASTRUCTURE, AND TO MEET AND EXCEED THE HIGHEST INTERNATIONAL STANDARDS.

Material issues covered in this chapter:

- Operational Efficiency and Performance
- Customer Satisfaction
- Financial Performance
- Governance

[GRI 102-48]

OPERATIONAL EFFICIENCY

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

Operational Efficiency

	2012	2013	2014	2015	2016	5-year trend
Total Throughput	817,434	872,812	781,291	758,218	792,841	-3%
Gross crane productivity*	28.6	29.31	26.92	30.32	33.8	18%
Truck turnaround time (hours)	1.51	1.96	0.89	0.86	0.63	-58%
Dwell time for full import (days)**	10.7	10	11.7	11.9	10.14	-5%
Operational Cost Intensity (JOD/move) ***	71	90	122	149	125	76%

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

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

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

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

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

16%

DECREASE IN OPERATIONAL COSTS IN COMPARISON TO 2015

LOOKING FORWARD

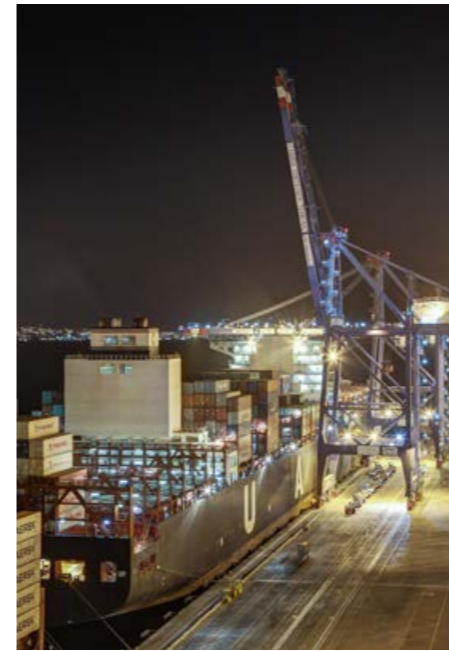
TRUCK ALIGNMENT PROJECT:

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



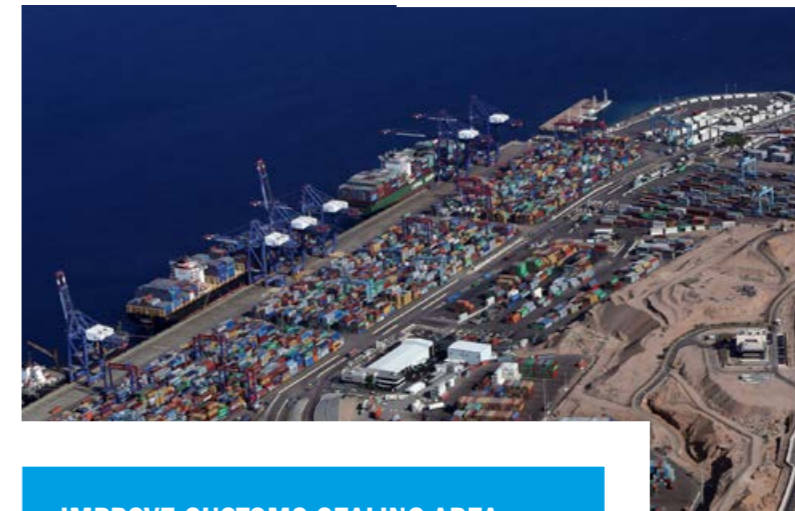
EXPERT DECKING:

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



ENHANCE SAFETY CULTURE:

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



BERTH TO FIRST MOVE TIME:

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

IMPROVE CUSTOMS SEALING AREA:

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



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

CUSTOMER SATISFACTION

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

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

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



[GRI 102-48]

FINANCIAL PERFORMANCE

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

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

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

GDP PER WORKER IS

3.2x

TIMES HIGHER THAN
THE NATIONAL GDP PER
WORKER IN JORDAN

Financial Performance (JOD)

	2012	2013	2014	2015	2016
Revenues	74,262,738	86,005,000	99,039,000	111,563,000	97,950,000
Year to year variance	22%	16%	15%	13%	-12%
Operating Costs*	37,435,000	50,755,000	62,954,000	73,400,000	63,759,000
Year to year variance	17%	36%	24%	17%	-13%
Employee wages & benefits*	15,771,000	20,485,000	21,250,000	23,311,000	23,505,000
Year to year variance	25%	30%	4%	10%	0.8%
Royalties paid	14,853,000	18,718,000	28,881,000	38,555,000	29,433,000
Taxes paid	1,908,000	1,938,000	1,284,000	1,171,000	1,189,000
Cost per container moved	94	114	157	188	157
Return on invested capital*	22.5%	14.5%	11.7%	13.1%	12.5%

* Restated based on improved calculations.

GOOD GOVERNANCE

SOLID ETHICAL BUSINESS PRACTICES ARE THE FOUNDATION OF BUSINESS SUCCESS.

CONSEQUENTLY, ACT HAS ADOPTED TRANSPARENT, STRUCTURED, AND MONITORED REPORTING AND GOVERNANCE SYSTEMS TO PREVENT CORRUPTION, FRAUD, AND ILLEGAL ACTIONS.

BUSINESS ETHICS AND COMPLIANCE

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

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

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

ACT CELEBRATES UN GLOBAL ANTI-CORRUPTION DAY

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



NEW CODE OF CONDUCT

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

WHISTLEBLOWING AND GRIEVANCE MECHANISM

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

For all other stakeholders, ACT has a "Contact Us" webpage through which external stakeholders can

submit any concern. The matter will be addressed by ACT customer service desk and a follow-up email will be sent back to the person who shared their feedback.



BOARD OF DIRECTORS

ACT Board of Directors consists of seven nonexecutive and fully independent members, with three representatives from Aqaba Development Corporation (ADC) and four representatives from A.P Moller Finance S.A. The Board meets on a quarterly basis, sets the overall objectives and direction for the company and ensures ACT's full compliance with corporate governance.

The company CEO reports directly to the company's Board of Directors. In 2016, two new board members joined the board: H.E. Nasser Shraideh, as Chairman of the Board, and Ahmed Hassan, as a representative of A.P Moller Finance S.A.

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

- H.E Nasser Shraideh**
Chairman - Representative of Aqaba Development Corporation (ADC)
- H.E Mahmoud Khalafat**
Representative of Aqaba Development Corporation (ADC)
- Mr. Rashad M. Toukan**
Representative of A.P Moller Finance S.A.
- H.E Ghassan Ghanem**
Representative of Aqaba Development Corporation (ADC)
- Mr. Peder Sondergaard**
Vice-Chairman/
Representative of A.P Moller Finance S.A.
- Mr. Ahmed Hassan**
Representative of A.P Moller Finance S.A.
- Mr. Soren S. Jakobsen**
Representative of A.P Moller Finance S.A.

Board of Directors

	2012	2013	2014	2015	2016
Percentage of independent director (%)	100%	100%	100%	100%	100%
Breakdown by age:					
< 30	0	0	0	0	0
30-50	1	1	2	1	3
> 50	6	6	5	6	4

SENIOR MANAGEMENT TEAM

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

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.

- Jeppe Nymann Jensen**
Chief Executive Officer
- Mr. Vincent Flamant**
Chief Commercial Officer
- Mr. Jan Bandstra**
Chief Financial Officer
- Mr. Khalil Abu Al Hawah**
Project Implementation Manager
- Mr. Taysir Balbisi**
Human Resources General Manager
- Mr. Feras Al Taweil**
Head of HSSE
- Mr. Robert Snow**
Chief Operations Officer

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.

- Sustainability Steering Committee**
(Executive Board, 11 members)
- Sustainability Committee**
(5 members)
- Sustainability Coordinator**

CHAPTER 3 OPERATING RESPONSIBLY

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

Material issues covered in this chapter:

- Safety and Security
- Occupational Health
- Environmental Management
- Energy and Emissions
- Materials, Waste and Water

HEALTH AND SAFETY

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

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

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

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

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

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

15%

OF ACT'S TOTAL WORKFORCE PARTICIPATED IN JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES

ZERO

FATALITIES IN 2016

ROAD SAFETY AWARENESS

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

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

employees. Their skills and creativity proved once again remarkable!

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

This campaign reached more than 3,000 people.

Safety Performance

	2012	2013	2014	2015	2016
Lost Time Injuries Frequency Rate (per million man hours)	0.78	1.07	0.96	1.65	1.34
Fatalities (contractors and employees)	0	0	1	0	0
Employees trained in health and safety practices	100%	100%	100%	100%	100%
Contractors trained in health and safety practices	100%	100%	100%	100%	100%
Sick leave (number of days)	4,032	3,159	4,452	10,384	9,610
Near Miss Incidents	83	148	240	148	143
Safety observations reported (unsafe act and unsafe condition)	-	750	3,850	3,817	5,681
External Safety Audits	2	3	3	6	3

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

ACT's strong safety records are attributed to its deeply-rooted values and a relentless focus on safe work practices, training programmes and awareness sessions.

BROMINE PROTECTION PROJECT

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



ACT SAFETY HERO

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





ENVIRONMENTAL PERFORMANCE

ENVIRONMENTAL MANAGEMENT ENABLES ACT TO OPTIMISE ITS ENVIRONMENTAL FOOTPRINT BY CONDUCTING HIGHER LEVELS OF ACTIVITY WITH A LOWER ENVIRONMENTAL IMPACT. IT ALSO CREATES SIGNIFICANT VALUE FOR ACT BY REDUCING THE CONSUMPTION OF ENERGY AND RESOURCES AS WELL AS REDUCING THE COST OF WASTE MANAGEMENT.

ACT recognises the important role it can play in Jordan and its ability to positively influence the environmental behaviours of its customers, suppliers, contractors, partners and local community.

The protection of the environment is embedded into ACT operations and careful attention is given to GHG emissions, energy efficiency, water consumption, waste management and oil spill prevention.

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

Environmental Expenditure

	2013	2014	2015	2016
Environmental Protection Expenditure (JOD)	10,000	18,000	65,280	67,280

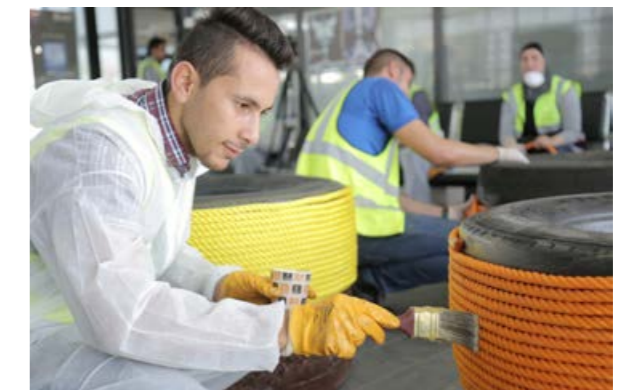
GO GREEN



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

ACT conducted a series of activities such as:

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



ENVIRONMENTAL POLICY AT ACT

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

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

ENVIRONMENTAL ACCREDITATION

In 2016, ACT received the ISO14001:2015 certification, making it the first and only company operating in Jordan under the ISO14001:2015 certification based on the latest 2015 norms. It is also the only port running an ISO-certified Environmental Management System (EMS).

ACT is also the first terminal in the Middle East and only the second outside of Europe to operate under the most coveted EcoPort Label with an effective Port Environmental Review System (PERS. Further information can be found at www.ecoport.com.)

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



ENERGY MANAGEMENT

Given that ACT's operations are inherently energy intensive, the company recognises its responsibility to improve its energy efficiency. Reducing ACT's energy consumption not only makes good business sense as it reduces costs, but it also helps minimise the environmental impact and carbon footprint. In a country like Jordan where resources are scarce, effective energy management is about operating responsibly.

Electricity drawn from the Aqaba municipality is used to power some of ACT's machinery as well as the terminal lighting system, whereas diesel is typically

used to for some handling equipment and ACT's fleet of vehicles. In 2016, ACT's electricity consumption and fuel consumption dropped by 8% and 9%, respectively. This positive performance can be attributed to ACT's various projects designed to support its energy efficiency goals, such as the installation of LED lighting in key areas and other systems that reduce the fuel consumption of its heavy machinery. ACT's commitment to the ISO 14001 and adherence to its new environmental policy have also positively contributed to its environmental performance in 2016.

Energy Performance

	2012	2013	2014	2015	2016
Electricity (kWh)	16,072,300	16,217,590	15,460,300	16,657,330	15,290,040
Electricity intensity (kWh per TEU)	19.7	18.6	19.8	22.0	19.3
Total fuel consumption (litres)	3,191,000	3,923,623	3,962,420	4,685,154	4,275,200
Fuel intensity (litres per TEU)	3.9	4.5	5.1	6.2	5.4
Total Energy consumption (GJ)	183,622	185,500	215,328	214,154	224,342
Energy intensity (GJ/TEU)	0.23	0.25	0.27	0.32	0.28

CLIMATE CHANGE AND GHG EMISSIONS

ACT is concerned about the role of Greenhouse Gas (GHG) emissions in climate change. Every year, ACT reviews its emissions and assesses possible mitigation measures to manage emissions at all operational levels, within and beyond national targets.

In compliance with the ASEZA requirements, ACT monitors noise and air quality of its facilities to ensure the noise and air emissions of SO2, NO2, TVOC, and CO are within approved limits.

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

9%

REDUCTION IN GHG
EMISSIONS IN 2016

GHG Emissions

	2012	2013	2014	2015	2016
Total greenhouse gas emitted (CO2 tonnes eq.)	10,038	10,460	10,492	12,433	11,321
Total greenhouse gas emitted per 1,000 TEU	12.20	11.90	13.40	16.40	14.25



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 main areas: maintenance, water conservation, education, and retrofitting of machinery and tanks. By introducing water efficiency measures, ACT was able to improve its water consumption intensity by 9%.

Water Consumption

	2012	2013	2014	2015	2016
Water intensity (m3 per 1,000 TEU)	56.3	40.4	49.7	58.2	50.4

9%

IMPROVEMENT IN WATER CONSUMPTION INTENSITY

Water Consumption (m3)



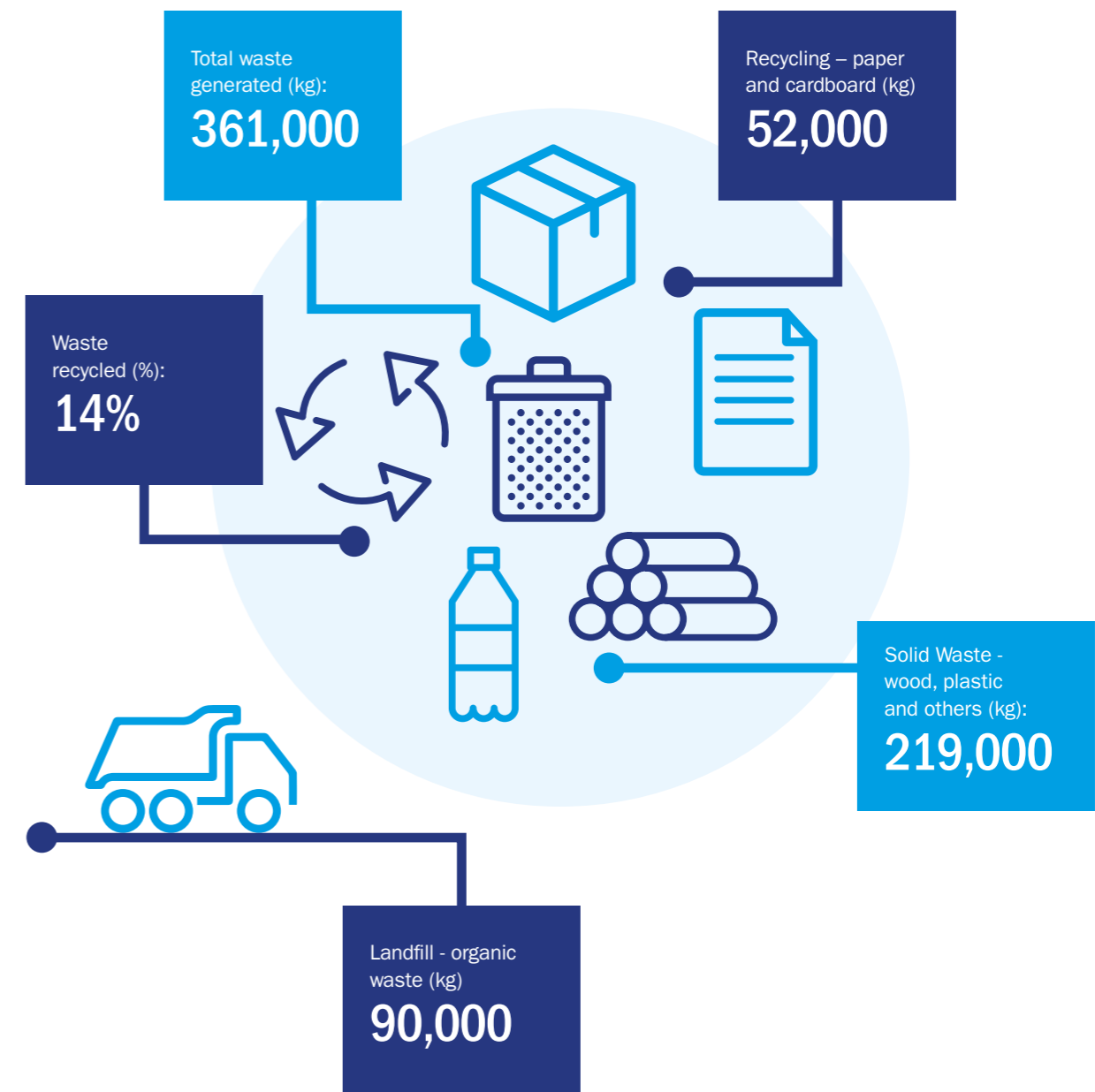
[GRI 102-48]

WASTE MANAGEMENT

ACT is committed to minimising the amount of waste it generates through its operations by implementing the key principles of waste management: reduce, reuse and recycle. The company ensures that all waste is disposed of in a responsible and environmental manner, that is in line with local regulations.

In 2016, a total of 361,000 kg of waste were generated, 14% of which were recycled. The increase in wastes is mainly attributed to repairs and maintenance of the berth, in addition to the disposal of old and damaged containers.

Throughout the year, ACT has run a successful recycling campaign of paper and cardboard. ACT recovered 52,000 Kg of paper and cardboard which were then recycled.



Waste Management*

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

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

BEACH CLEAN-UP

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



OIL SPILLS

ACT implements strict measures to prevent oil spills and has contingency plans for handling spillage if they occur. The company continuously trains its employees, monitors the integrity of its facility, and strives to reduce the risk of oil spills and improve its ability to respond to oil spills.

Throughout the year, ACT conducted several scheduled drills to check the preparedness of its oil spill response team including container leaking and chemical leaking to help us better understand the risks of oil leaking pollution to the port, and develop oil spill prevention and response plans.

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

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

Oil Spills

	2012	2013	2014	2015	2016
Total number of oil spills	31	29	25	19	24
Total volume of oil spills (litres)	3,772	404	313	280	991

1. Land leaks are oil leaks that occur on ACT's yard caused by a failure in one of the company's equipment.

2. Sea water leaks are oil leaks that occur on ACT's berth caused by arriving vessels or from unknown external sources.

CHAPTER 4 WORKING TOGETHER, SHARING TOGETHER



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

Material issues covered in this chapter:

- Labour Rights and Relations
- Local Employment and Economic Impact
- Community Impact and CSR
- Procurement and Contractor Relations
- Employee Engagement
- Diversity and Equal Opportunity

OUR WORKFORCE

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

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

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

31% OF ACT'S OWN EMPLOYEES ARE YOUNG PROFESSIONALS (AGED BETWEEN 18-30)

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





EMPLOYEES' CHILDREN TOUR EVENT

"DAD, WHAT DO YOU DO EXACTLY AT WORK?"
"WELL... COME, I WILL SHOW YOU"

Because it is not always easy to explain to our own kids what we do at work, we thought the best is to show them!

Since August 2016, ACT has been welcoming the children of employees, in small groups of 10 to 20, to show the Terminal and its firefighting station (so much fun!).



The tour started at the administration building where the children were given special safety vests and ID cards for a true experience. The HSSE building was the second stop of the tour, where the children were introduced to basic safety measures and had the opportunity to visit the clinic, fire truck and ambulance vehicle to gain a better understanding of what a paramedic, firefighter and medical staff do on a daily basis. The tour concluded with a preview of some of the equipment used in our operations, where we illustrated the great efforts needed to operate those huge machines. Yes, all Mums and Dads working at ACT are super heroes!

EMPLOYEE HEALTH AND FITNESS

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



Workforce Profile (not including sub-contractors)

	2012	2013	2014	2015	2016
Total Own Employees	8,02	8,86	9,84	1,122	1,064
Workforce by Level:					
Senior Management	6	6	6	7	7
Middle Management	20	22	22	26	25
Staff	776	858	956	1,089	1,032
Workforce by Age Group:					
18-30	207	312	410	465	334
31-40	300	301	330	318	381
41-50	248	244	218	274	285
51-60	47	29	26	65	64
Demographic of Own Workforce					
Jordanian Rate	99.10%	98.50%	99.50%	99.50%	99.50%

FEMALE EMPLOYMENT

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

Female Representation in Workforce

	2012	2013	2014	2015	2016
Females	20	20	19	20	18
Percentage of Female Representation in Total Workforce	2.5%	2.3%	1.9%	1.8%	1.7%

EMPLOYEE ENGAGEMENT AND SATISFACTION

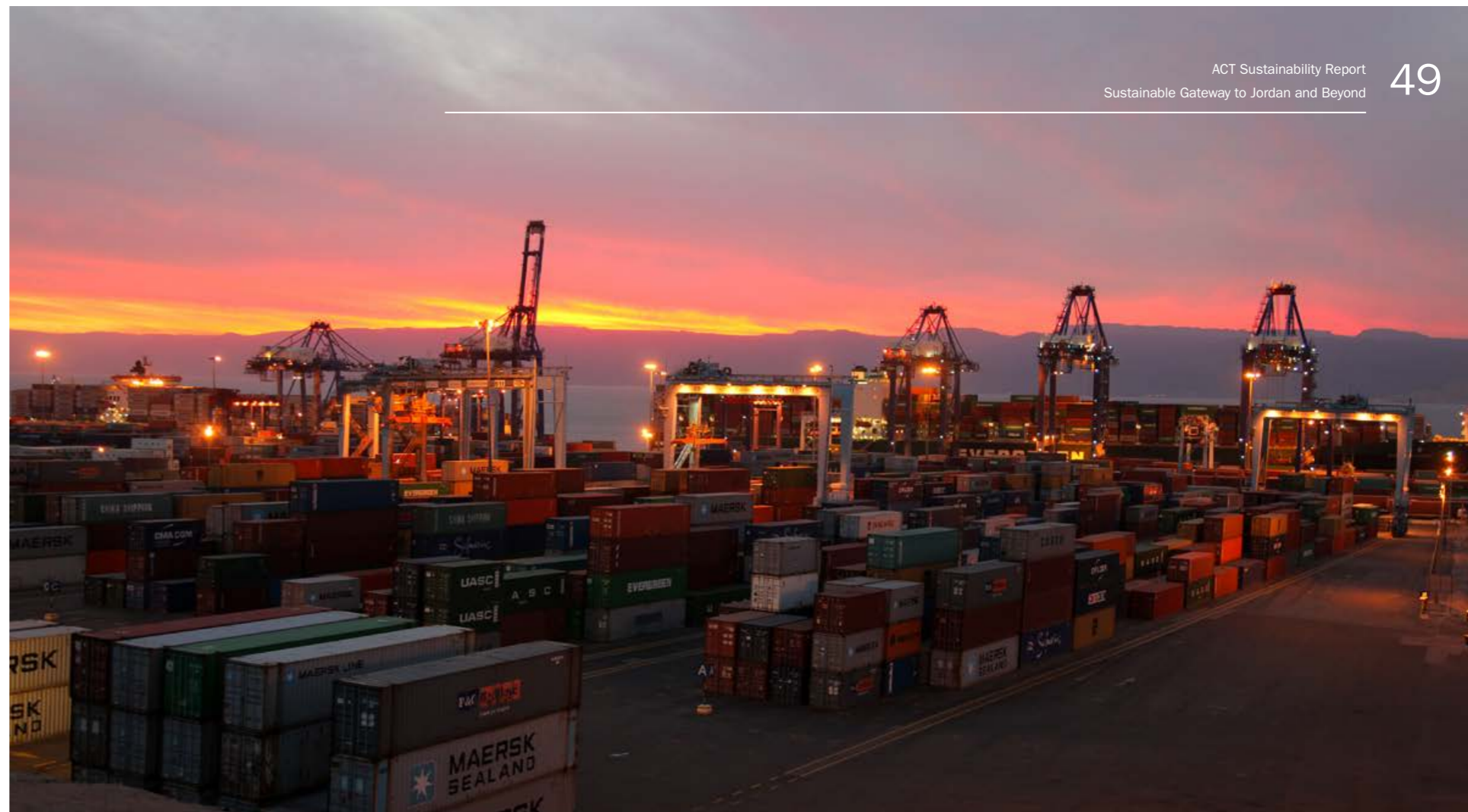
Each year, ACT asks its employees to participate in an annual employee engagement survey, giving the company deeper insights into the employees' satisfaction with their jobs, and workplace experience in general. Employees are encouraged to provide honest feedback and the results are incorporated into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



Employee Response Rate

Employee Engagement and Satisfaction

	2012	2013	2014	2015	2016
Employee Engagement and Satisfaction Score (0-5 scale)	3.9	4.2	N/A	3.65	3.9



TRAINING AND DEVELOPMENT

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

In 2016, ACT focused on improving the efficiency of its training programs while reducing their costs. The company's approach included in-house training,

e-learning, soft-skills courses and advanced skills training that develop both technical and leadership skills of employees, reaching a total of 14,248 delivered training hours. The average number of training hours per employees slightly decreased in 2016 to 13 hours per employee in comparison to 15 hours per employee in 2015.

Employee Training

	2012	2013	2014	2015	2016
Total Number of Training Hours for All Employees	20,136	11,279	15,625	17,339	14,248
Total Cost of Training (JOD)	221,117	486,087	272,435	116,255	4,534
Total Average Number of Training Hours for Each Employees	28	13	16	15	13
Average Cost of Training per Employee (JOD)	276	549	277	106	4

OUR ECONOMIC AND SOCIAL IMPACT

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

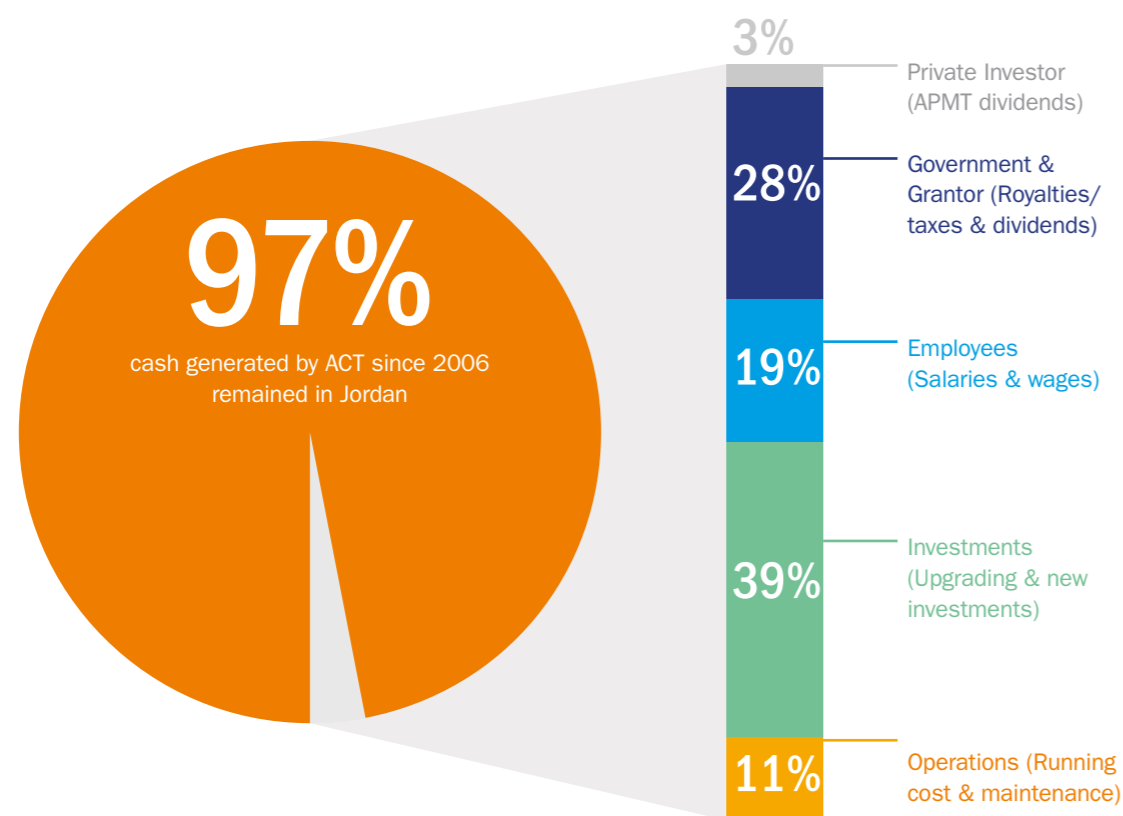
Over the past 10 years, ACT has invested over USD 300 million in the terminal, expanding its capacity and improving its operations. Additionally, 97% of the cash generated by the Terminal since 2006 has remained in Jordan. ACT reinvested close to 35% of its revenue into Terminal and equipment upgrades to prepare for the future. ACT is committed to this approach to investing

and is interested in exploring opportunities to further contribute to the development of Jordan's economy through additional investments in other local projects.

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

Employee Wages and Benefits

	2012	2013	2014	2015	2016
Employee Wages and Benefits (JOD)	15,771,000	20,485,000	21,250,000	23,311,000	23,505,000



OUR ECONOMIC CONTRIBUTION TO THE COUNTRY

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

In 2016, Act commissioned third party consultants "Sustainability Excellence" to conduct an assessment to better understand the company's contribution to the Jordanian economy. The study assessed ACT's contribution to the Gross Domestic Product (GDP) and employment in Jordan for the past 10 years.

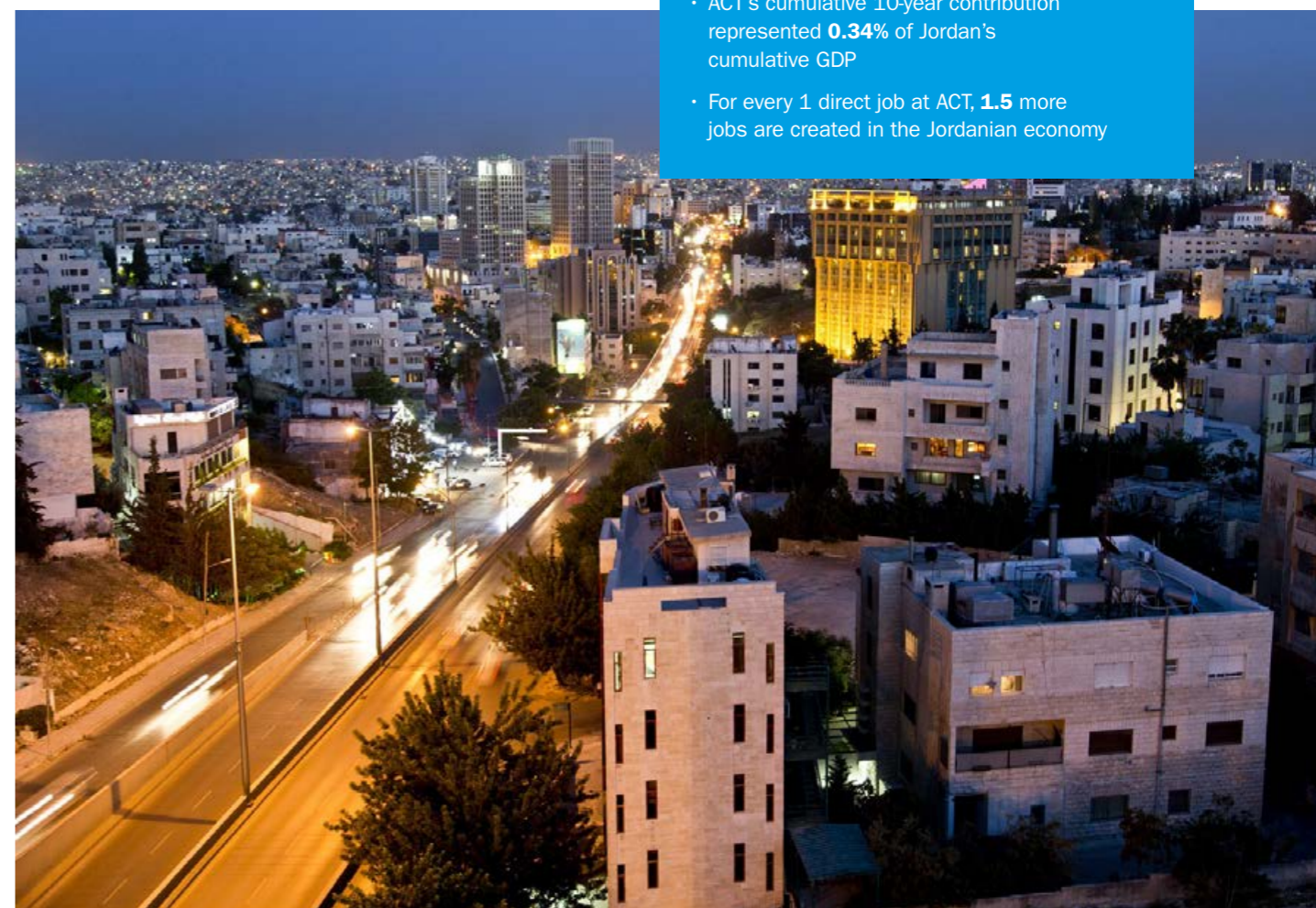
ACT creates employment opportunities either directly through its operations or indirectly through its spending on ACT's employees and suppliers' employees.

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

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

OVER THE PAST 10 YEARS:

- ACT's direct contribution to GDP amounted to **JOD 503 million**.
- ACT's direct contribution to employment amounted to **8,234** years of employment
- ACT's total contribution to employment amounted to about **20,900** years of employment
- ACT's cumulative 10-year contribution represented **0.34%** of Jordan's cumulative GDP
- For every 1 direct job at ACT, **1.5** more jobs are created in the Jordanian economy



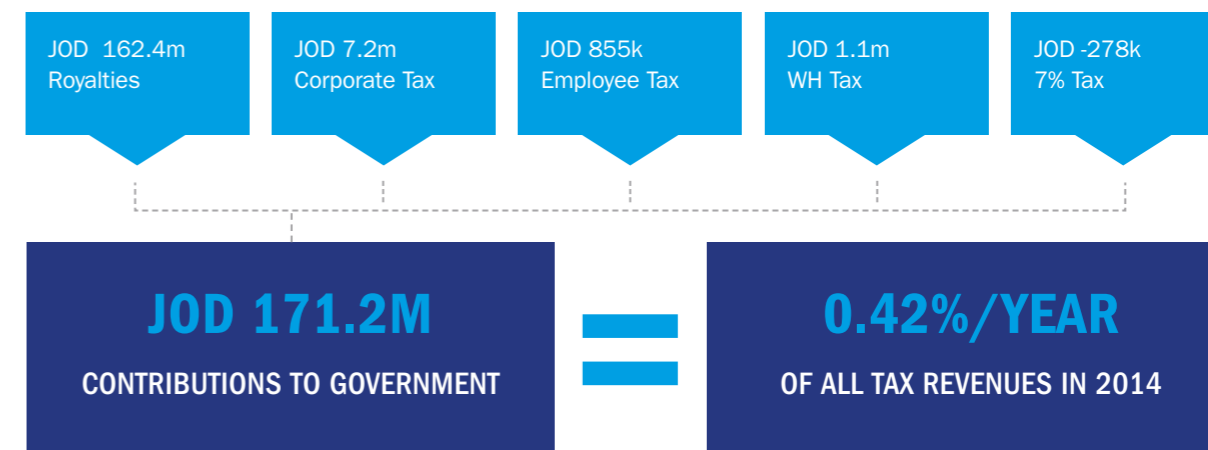
DEFINITIONS AND METHODOLOGY OF THE STUDY

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

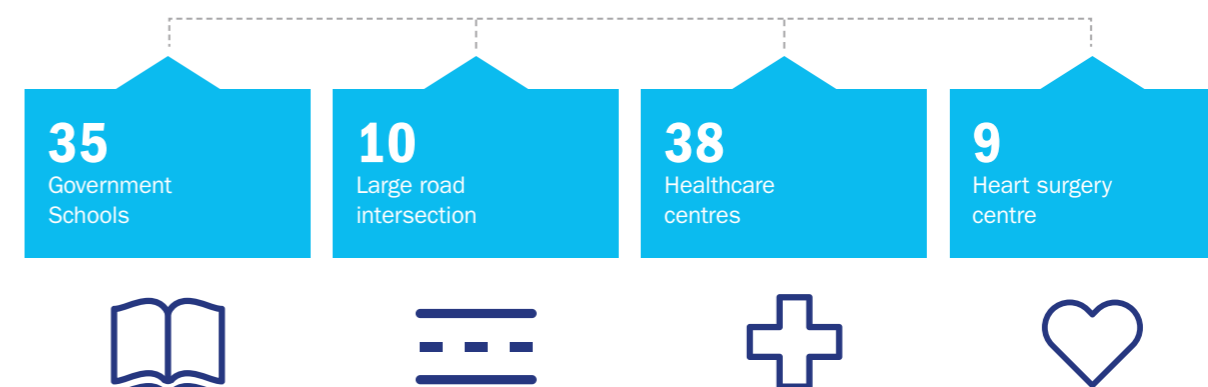
ACT's direct contribution to GDP consists of profits (before interest, taxes, depreciation and amortisation and wages including benefits).

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

ACT'S CONTRIBUTION TO PUBLIC FINANCE

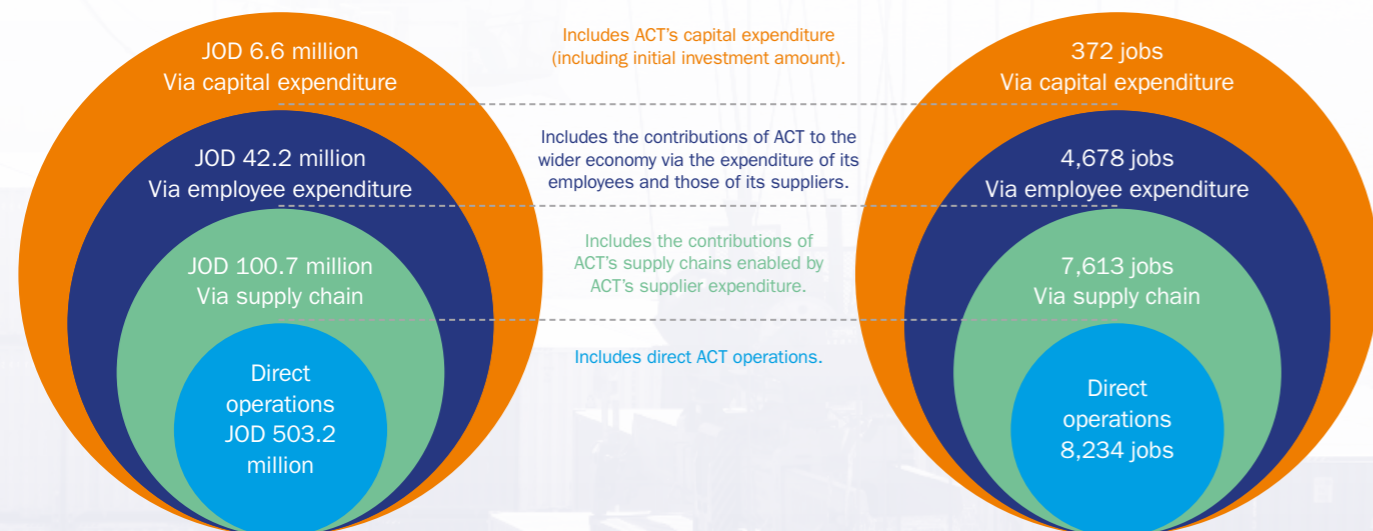


ENOUGH TO BUY:



JOD 653 MILLION

20,897 JOBS



Equivalent to 0.34% of Jordan's Cumulative GDP for 2006-2015

Equivalent to 2,090 jobs per year from 2006-2015

OUR CONTRIBUTION TO LOCAL PROCUREMENT

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

In 2016, local procurement represented 79% of ACT's total procurement, increasing by 2 percentage points from 2015. Almost all of ACT's service providers are also local.

Local Procurement

	2012	2013	2014	2015	2016
Spending on Locally Based Contractors and Suppliers	43%	35%	67%	77%	79%

OUR SOCIAL CONTRIBUTION TO THE COUNTRY

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

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

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

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

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

Community Investment

	2012	2013	2014	2015	2016
Community Investments (JOD)	100,000	175,000	175,000	150,000	110,000
Community Investments as % of Pre-tax Profits	0.134%	0.780%	1.100%	0.800%	0.620%

“EKFAL TALEB” INITIATIVE



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

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

In partnership with Aqaba Governorate's Directorate of Education, ACT assists local communities

by contributing to lowering the access cost of education for the families most in need and to lowering school dropout rates of their children.

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

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



SPONSORING THE AYLA RED SEA HALF MARATHON

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

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

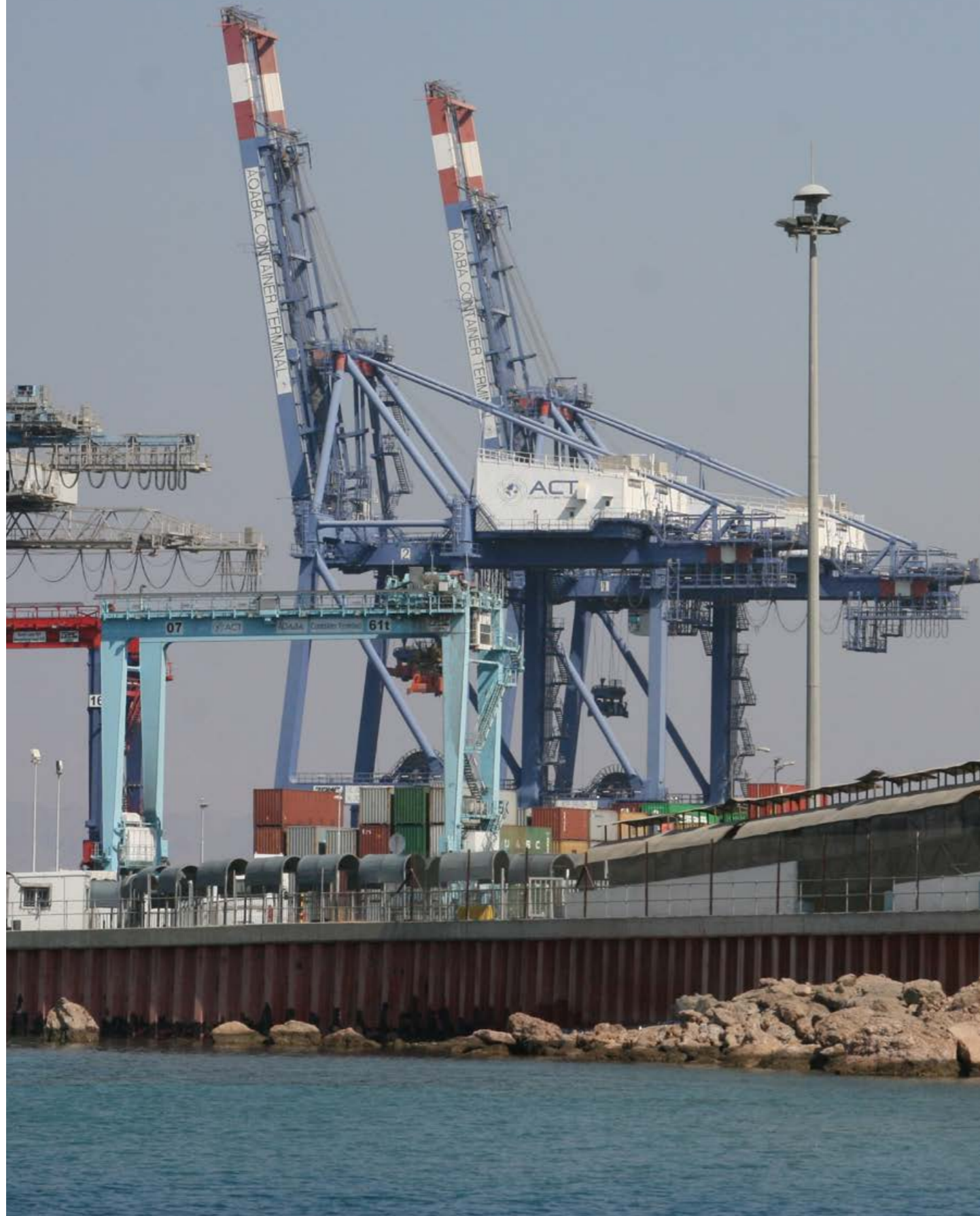


'AHL EL KHAIR' INITIATIVE

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

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





INTERNATIONAL TREE DAY CELEBRATIONS

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



INTERNATIONAL WOMEN'S DAY CELEBRATIONS

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



CHAPTER 5 APPENDICES



APPENDIX A – ACRONYMS

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

[GRI 102-46]

APPENDIX B – REPORT SCOPE AND BOUNDARIES

Aspect Boundaries	The scope and aspect boundaries defined in this report reflect the information that is available to ACT at the time of production. ACT includes the performance of contractors where possible. ACT is committed to extending the reporting scope to include further information on stakeholders, supply chain and contractors in the future based on availability and relevance of data. Further engagement with stakeholders, both external and internal, will influence how ACT defines report content and boundaries in the future.
Materiality Process	<p>As noted in the sustainability section on page 12, the content of the report is influenced and defined by the company's materiality assessment. ACT has conducted this assessment internally incorporating information from external parties and stakeholders through passive channels including board meetings, public feedback, and press coverage about the company.</p> <p>In alignment with the principles of the GRI standards reporting guidelines, ACT used a four-step materiality assessment: 1) identification of relevant topics 2) prioritisation of topics against stakeholder and company influence and impacts 3) validation of topic prioritisation and identification through review and evaluation 4) review of context on an annual basis. ACT's sustainability team led the identification process with the assistance of a third-party consultant. Initial assessments included the 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 14. ACT recognises the value of widening engagement with stakeholders to improve the materiality assessment, and to increase the relevance of the report in line with stakeholder priorities.</p>
Reporting Cycle	This report presents information and details of ACT's operations from January-December, 2016.
Reporting Principles for Defining Quality	We acknowledge that there are areas of potential improvement; however, this report marks significant progress from our previous report. There are indicators we are working on reporting that will contribute to greater transparency in the future.
Balance	ACT's management were actively involved in the collection of the data presented in this report. The content is presented in a way that allows a balanced view of the company's economic, social, and environmental performance.
Comparability	We include in this report data on our progress compared against our 2015 report.
Data Measurement Techniques	To the best of our knowledge, all the information within this report is accurate and represents the best data available to ACT and its stakeholders. Any data estimation or calculation has been stated within the report.
Significant Changes	This report contains no significant changes in the scope, boundary, or measurement methods applied in the 2015 report.
Assurance	The report has not been externally audited or assured.

[GRI 103-1] [GRI 102-43] [GRI 102-44] [GRI 102-40] [GRI 102-42]

APPENDIX C – STAKEHOLDER ENGAGEMENT

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

APPENDIX D – GRI CONTENT INDEX



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

GRI Standard	Disclosure	More Information	Omissions
GRI 101: Foundation 2016			
General Disclosures			
GRI 102: General Disclosures 2016			
Organizational profile			
	102-1 Name of the organization	Aqaba Container Terminal	
	102-2 Activities, brands, products, and services	4,5	
	102-3 Location of headquarters	Aqaba, Jordan	
	102-4 Location of operations	8	
	102-5 Ownership and legal form	4,5	
	102-6 Markets served	8,17	
	102-7 Scale of the organization	21, 27, 47	
	102-8 Information on employees and other workers	45-49	
	102-9 Supply chain	4, 5	
	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	36-38	
	102-12 External initiatives	33, 38	
	102-13 Membership of associations	28	
Strategy			
	102-14 Statement from senior decision-maker	7	
	102-15 Key impacts, risks, and opportunities	30, 32, 43	
Ethics and integrity			
	102-16 Values, principles, standards, and norms of behavior	4, 5	
	102-17 Mechanisms for advice and concerns about ethics	28	
Governance			
	102-18 Governance structure	28	
	102-19 Delegating authority	30, 31	
	102-21 Consulting stakeholders on economic, environmental, and social topics	13	
	102-22 Composition of the highest governance body and its committees	30	
	102-23 Chair of the highest governance body	30	
	102-25 Conflicts of interest	28, 29	
	102-26 Role of highest governance body in setting purpose, values, and strategy	30, 31	
	102-27 Collective knowledge of highest governance body	30	
	102-28 Evaluating the highest governance body's performance	30	
	102-30 Effectiveness of risk management processes	30	
	102-31 Review of economic, environmental, and social topics	13	
	102-32 Highest governance body's role in sustainability reporting	31	
	102-33 Communicating critical concerns	29	

102-37 Stakeholders involvement in remuneration	45
102-38 Annual total compensation ratio	45
102-39 Percentage increase in annual total compensation ratio	45

Stakeholder engagement

102-40 List of stakeholder groups	13, 61
102-41 Collective bargaining agreements	All ACT employees have formal individual labour contracts, where applicable, employees may also receive additional benefits under collective bargaining agreements.
102-42 Identifying and selecting stakeholders	13, 61
102-43 Approach to stakeholder engagement	61
102-44 Key topics and concerns raised	61

Reporting practice

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	60, 14
102-47 List of material topics	14
102-48 Restatements of information	21, 27, 41
102-49 Changes in reporting	There have been no significant changes to the report scope and aspect boundaries.
102-50 Reporting period	ACT reports according to the Calendar year.
102-51 Date of most recent report	2015 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	6, 62
102-55 GRI content index	62-65
102-56 External assurance	ACT does not seek external assurance for its sustainability report.

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27
	103-2 The management approach and its components	27

GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	27
	201-2 Financial implications and other risks and opportunities due to climate change	38
	201-3 Defined benefit plan obligations and other retirement plans	27, 45
	201-4 Financial assistance received from government	No financial assistance is given by the government.
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	50-57
	103-2 The management approach and its components	50-57
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	50-57
	203-2 Significant indirect economic impacts	50-57
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	53
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	53
Anti-corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	28
	103-2 The management approach and its components	28
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	28
	205-2 Communication and training about anti-corruption policies and procedures	28
	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		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	38
	103-2 The management approach and its components	37, 38
GRI 302: Energy 2016	302-1 Energy consumption within the organization	38
	302-3 Energy intensity	38
	302-4 Reduction of energy consumption	38
	302-5 Reductions in energy requirements of products and services	38
Water		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	40
	103-2 The management approach and its components	40
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	39
	103-2 The management approach and its components	39

Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	41
	103-2 The management approach and its components	41
	306-2 Waste by type and disposal method	41
	306-3 Significant spills	43
GRI 400 Social Standards Series		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	45
	103-2 The management approach and its components	45
	103-3 Evaluation of the management approach	45
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	45
Labor/Management Relations		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	45
	103-2 The management approach and its components	45
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33
	103-2 The management approach and its components	33
GRI 403: Occupational Health and Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	33
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	33-34
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	49
	103-2 The management approach and its components	49
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	49
	404-2 Programs for upgrading employee skills and transition assistance programs	49
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	48
	103-2 The management approach and its components	48
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	30
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	54
	103-2 The management approach and its components	54
	103-3 Evaluation of the management approach	51-53
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	54
	413-2 Operations with significant actual and potential negative impacts on local communities	54
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	0. In 2016 there were no complaints concerning breaches of customer privacy or loss of data

-  Aqaba.Container.Terminal
-  ACTJordan
-  Aqaba Container Terminal-Act
-  Aqaba Container Terminal-Act
-  customerservice@act.com.jo

