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# ABOUT THIS REPORT

Welcome to Westports' Sustainability Report 2021. Sustainability reporting is a crucial platform for communicating the Group's sustainability performance. This annual publication considers the impacts on a wide range of sustainability issues and raises awareness of Westports' risks and opportunities.

## Reporting Period

1 JANUARY 2021 TO 31 DECEMBER 2021

## Reporting Cycle

ANNUAL

"Westports", "the Company", "the Group", "we", "us" and "our" refer to Westports Holdings Berhad. We strive to extend our scope and boundary to include all parties involved in our supply chain network.

Westports' annual and sustainability reports are separate publications covering all business operations during the financial year. These two reports highlight material issues to Westports, its stakeholders, the economy and the local community. Specifically, this sustainability report:



Westports prepared its sixth sustainability report, following the Global Reporting Initiative (GRI) Standards. The GRI Standards are the most recognised international reporting standards and have established norms for presenting sustainability information.

## GRI STANDARDS USED IN DEFINING THIS REPORT'S ESSENTIAL CONTENT

### GRI 101:

Considered the reporting principles for defining the report's content and quality.

### GRI 102:

Reported Westports' sustainability reporting practices and its profile, strategy, ethics and integrity, governance, stakeholder engagement practices and reporting process.

### GRI 103:

Adopted the management approach to disclosing Westports' management of material topics covered by topic-specific standards GRI 200, 300 and 400.

This approach also ensures that this report complies fully with Bursa Malaysia's Sustainability Reporting Framework.

This report considers the disclosure requirements of:

- Dow Jones Sustainability Indices
- MSCI ESG Rating Methodology
- Sustainalytics ESG Risk Ratings
- FTSE4Good Bursa Malaysia Index
- Vigeo-Eiris Assessments

Westports also adopted the AA1000 standards in identifying its material sustainability topics. This sustainability report emphasises the United Nations Sustainable Development Goals (UNSDGs). The UNSDGs provide a shared blueprint for peace and prosperity for people and the planet.

## ASSURANCE AND VERIFICATION FEEDBACK

SIRIM QAS International Sdn. Bhd. was engaged to assure Westports Sustainability Report 2021. The independent audit verified all sustainability-related activities and data included in this report according to the International Standard on Assurance Engagements (ISAE) 3000.

## FEEDBACK

We welcome your feedback on this report. Please submit your feedback or enquiries to:

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# ABOUT WESTPORTS

## OUR CULTURE



### MISSION

To be one of the leading gateway and transshipment ports of call in the world while continuing to be pride of Malaysia on employee relations, customer satisfaction and corporate citizenship



### VISION

To conduct our business with operational excellence and integrity to create value for all our stakeholders

## COMPANY OBJECTIVE - G.O.W.E.S.T

<b>Generate Sustainable Revenue</b>	We are determined to generate sustainable revenue through the consistent implementation of our values and corporate philosophy, continuous improvements and innovation, cost management and maintaining high customer satisfaction resulting in excellent returns for employees, shareholders and customers.
<b>Operational Efficiency</b>	We provide operations and services excellence that exceeds global standards through effective training, continuous review of operational achievement and enhancement of SOPs.
<b>World Class Productivity</b>	Our Vision is to be the First Port of Choice for our customers, shareholders and employees. We are determined to go the "Extra Mile" to delight our customers with services that exceed their expectations, which include world-class productivity standards exercised through continuous quality improvement.
<b>Employer of Choice</b>	Westports is determined in providing excellent compensation benefits and training to our employees, job enrichment and developing human capital, as they form an integral component of the company's achievements. We are determined to be the Employer of Choice by projecting best work practices.
<b>Service Excellence</b>	We are committed to providing world-class services that surpass our customers' requirements and expectations. We strive to offer the utmost focus, conduct in-depth study and unvarying improvement to meet our customers' ever-changing needs.
<b>Technology Driven</b>	We are committed to establishing the aspect of improvement by considering new technologies to expedite and simplify our processes and efforts as a part of the daily work of all departments and sections and ensure the problems are eliminated at the source itself in order to create better opportunities for improvements.

## CORE VALUES – T.A.N.S.R.I.G

<b>Teamwork</b>	Westports believes in collective and cooperative teamwork which contributes to the achievement of the company's vision and mission.
<b>Accountability and Integrity</b>	Integrity is the bedrock on which trust is built and is the hidden key to success. Employees are embedded with a deep feeling of trust and integrity which provides transparency and positive work environment.
<b>Now Culture</b>	Westportians believe the attitude and process of treating key business as if one's life depended on it. It is about determination to stay focused and committed in delivering positive results. Westports cultivates a great sense of urgency and priority in every employee.
<b>Safety Awareness</b>	Safety is an integral part in sustaining our business growth success leading to an increase in productivity.
<b>Responsible</b>	This tenet is embraced by all employees where are all responsible for our actions and conduct.
<b>Innovation</b>	Westportians develop a passion for excellence and success through continuous innovation of new ideas and practices.
<b>Good Family Values</b>	We work together as a family and practice candour, open communications and solve any issues or problems together. Things are done with good thoughts, intentions and deeds. Westports is a big family where everyone is treated with respect.

# ABOUT WESTPORTS

## ABOUT THE PORT

**WESTPORTS MANAGES PORT OPERATIONS DEALING WITH CONTAINERISED AND CONVENTIONAL CARGO. IT ALSO PROVIDES A WIDE RANGE OF PORT SERVICES, INCLUDING MARINE, RENTAL AND OTHER ANCILLARY SERVICES.**

Westports serves as the main gateway for containerised and conventional cargo for the central Peninsular Malaysia hinterland. The container business grew exponentially from 20,000 Twenty-foot Equivalent Units ("TEUs") in 1996 to 10.4 million TEUs in 2021. The market share of the container business represented approximately 76% in Port Klang, 38% in Malaysia and 16% in the Straits of Malacca as of 2021.

Business success is attributable to a strategic location, deep channel and wharf, linear berth, high productivity, dedicated young and vibrant employees, and connectivity to more than 350 ports worldwide.

Westports has 32 berths with a length of 8,841 metres, of which 20 container berths are connected in a straight line measuring 5,800 metres. The average container handling capacity stands at 13.6 million TEUs and the average capacity utilisation ratio was 77% in 2021.

The conventional terminal also handled 11.3 million tonnes of bulk cargo in 2021. Bulk cargo comprises mixed steel, steel coils, project cargo, animal feed, edible products, fertilisers, building-related cargo, palm oil, petroleum, chemical and liquefied petroleum gas.

## PORT STRENGTHS AND CAPACITY



**32 berths** with an aggregate length of 8.8 km



**24 berths** contiguously connected in a straight line with a total length of 5.8 km for a large maximum usable quay length and flexible vessel berthing



The latest ship-to-shore cranes are at a height of **52 metres** at the wharves at CT8-CT9

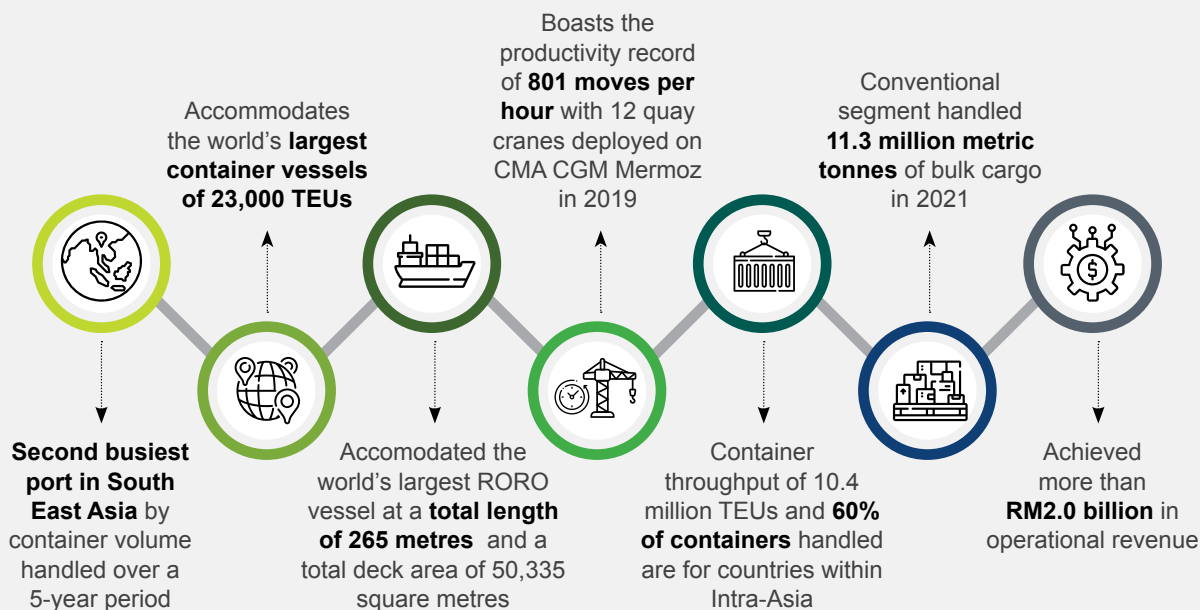


**17.5-m water** depth accommodates the largest container vessels



Contains an integrated **405-ha** customs-free commercial and industrial zone

## ACHIEVEMENTS



# ABOUT WESTPORTS

## GROUP SUSTAINABILITY PERFORMANCE DATA

Financials	2019	2020	2021
Revenue (RM'000)	1,782,890	1,974,968	<b>2,022,024</b>
Profit before tax (RM'000)	773,809	865,067	<b>1,039,549</b>
Profit after tax (RM'000)	590,896	654,486	<b>808,222</b>
Shareholders' equity (RM'000)	2,560,295	2,829,110	<b>3,126,854</b>
Total assets (RM'000)	5,132,206	5,261,648	<b>5,415,300</b>
Per Share and Ratios	2019	2020	2021
Earnings per share (sen)	17.3	19.2	<b>23.7</b>
Dividend per share (sen)	13.0	11.5	<b>15.0</b>
Dividend payout ratio (%)	75.00%	60.00%	<b>75.0%</b>
Return on equity (%)	23.1%	23.1%	<b>25.8%</b>
Return on total assets (%)	11.50%	12.40%	<b>14.9%</b>
Operations	2019	2020	2021
Container throughput (million TEUs)	10.9	10.5	<b>10.4</b>
Container handling capacity (million TEUs)	13.9	13.6	<b>13.6</b>
Westports market share of Port Klang	80%	79%	<b>76%</b>
Conventional throughput (million MT)	9.9	10.9	<b>11.3</b>
Number of vessels accommodated	8,997	8,515	<b>7,298</b>

# ABOUT WESTPORTS

ECONOMIC	2019	2020	2021
<b>Supply Chain</b>			
Total Local Procurement (RM'000)	294,815	316,634	<b>397,517</b>
Total cost of environmental fines and penalties	0	0	<b>0</b>
<b>Anti-Corruption</b>			
Fines and Settlements (RM)	0	0	<b>0</b>
Total amount (RM)	0	0	<b>0</b>
% of revenues	0	0	<b>0</b>
Total number of substantiated corruption & bribery cases	0	0	<b>0</b>
Fuel Costs Ratio (Share of fuel costs compared to total operating costs)	15.7%	11.7%	<b>15.9%</b>
<b>EC-to-Employee Compensation Ratio</b>			
Average Salary (RM'000 per/annum)	50.8	52.5	<b>51.7</b>
Executive Chairman Remuneration (RM'000 per/annum)	4,271	4,262	<b>4,246</b>
EC Salary To Average Staff Salary/Cost	84.0	81.2	<b>82.2</b>

ENVIRONMENT	2019	2020	2021
<b>Energy</b>			
Direct Energy: Diesel (litres)	50,346,199	50,083,076	<b>52,436,291</b>
Direct Energy: Diesel (MWh) *	539,824	537,002	<b>562,234</b>
Direct Energy: Diesel (TJ) **	1,943	1,933	<b>2,024</b>
Indirect Energy: Electricity (MWh)	101,328	119,844	<b>128,387</b>
Indirect Energy: Electricity (TJ)	365	431	<b>462</b>

\* Conversion coefficients for CDP Technical Note: Conversion of fuel data to MWh

\*\* Conversion coefficients for electricity and diesel to Joules are derived from the Malaysia Energy Commission 2016 Report.

ENVIRONMENT	2019	2020	2021
<b>Water (m³)</b>			
Total water withdrawal from municipal supplies	1,011,263	1,120,883	<b>1,534,578</b>
Total water withdrawal from fresh groundwater	0	0	<b>0</b>
Fresh groundwater	0	0	<b>0</b>
<b>Efficiency</b>			
TT (ℓ/Move)	2.13	2.40	<b>2.64</b>
TT (ℓ/TEU)	1.44	1.60	<b>1.74</b>
TT (ℓ/hr)	5.81	6.04	<b>5.69</b>
RTG (ℓ/Move)	1.20	1.21	<b>1.25</b>
RTG (ℓ/TEU)	0.81	0.81	<b>0.83</b>
RTG (ℓ/hr)	15.02	15.09	<b>14.85</b>
Tugboat (ℓ/Move)	282.17	289.53	<b>332.70</b>
Tugboat (ℓ/TEU)	1.07	0.97	<b>0.97</b>
Tugboat (ℓ/Vessel Call)	1,284	1,196	<b>1,378</b>
Pilot Boats (ℓ/TEU)	0.09	0.09	<b>0.08</b>
Pilot Boats (ℓ/Move)	282	131	<b>135</b>
kWh/TEU	9.33	9.61	<b>12.34</b>
<b>Emissions (tonnes)</b>			
Scope 1	133,093	132,397	<b>138,618</b>
Scope 2	59,277	70,109	<b>75,106</b>
Scope 3 (Air Travel)	486	128	<b>68</b>
Scope 3 (Employees Commuting) *	9,462	8,811	<b>9,110</b>



# ABOUT WESTPORTS

ENVIRONMENT	2019	2020	2021
<b>Emissions Intensity (kg)</b>			
TT (CO <sub>2</sub> e/Move)	5.64	6.33	<b>6.98</b>
TT (CO <sub>2</sub> e/TEU)	3.81	4.24	<b>4.61</b>
TT (CO <sub>2</sub> e/hr)	15.37	15.97	<b>15.05</b>
RTG (CO <sub>2</sub> e/Move)	3.16	3.20	<b>3.31</b>
RTG (CO <sub>2</sub> e/TEU)	2.14	2.13	<b>2.19</b>
RTG (CO <sub>2</sub> e/hr)	39.72	39.89	<b>39.26</b>
Tugboat (CO <sub>2</sub> e/Move)	745.93	765.38	<b>879.50</b>
Tugboat (CO <sub>2</sub> e/TEU)	2.82	2.56	<b>2.56</b>
Tugboat (CO <sub>2</sub> e/Vessel Call)	3,395	3,161	<b>3,643</b>
Pilot Boats (CO <sub>2</sub> e/TEU)	0.24	0.25	<b>0.22</b>
Pilot Boats (CO <sub>2</sub> e/Move)	746	347	<b>356</b>
Electricity/TEU	5.46	5.62	<b>7.22</b>
Ozone-Depleting Substances	0.00	0.00	<b>0.00</b>
<b>Waste (tonnes)</b>			
Total Scheduled Waste (Unrecycled)	312	255	<b>464</b>
Hydraulic Oil Recycled (tonnes)	7.6	13.4	<b>14.28</b>

SOCIAL	2019	2020	2021
<b>Cybersecurity</b>			
Total information security breaches or other cybersecurity incidents (number) *	1	0	<b>1</b>
Total data breaches (number)	0	0	<b>0</b>
Total customers and employees affected by company's data breach (number)	0	0	<b>0</b>
Total fines/penalties paid in relation to information security breaches or other cybersecurity incidents (RM)	0	0	<b>0</b>
* Both incidents were minor, detected, quarantined and deleted before negatively affecting operations.			
Customer Privacy: Complaints	0	0	<b>0</b>
Substantiated complaints received from outside parties (number)	0	0	<b>0</b>
Complaints from regulatory bodies (number)	0	0	<b>0</b>

SOCIAL	2019	2020	2021
<b>CSR</b>			
CSR donations (Charitable contributions and sponsorship) (RM'000)	2,840	2,746	<b>5,649</b>
Direct or indirect political contributions (RM)	0	0	<b>0</b>
<b>Diversity</b>			
<i>Gender (number/%)</i>			
Men	4,909 (97.36%)	5,328 (97.67%)	<b>5,658 (97.60%)</b>
Women	133 (2.64%)	127 (2.33%)	<b>139 (2.40%)</b>
<i>Age</i>			
<30	2,766 (54.86%)	2,992 (54.85%)	<b>3,222 (55.58%)</b>
31 - 50	2,072 (41.09%)	2,222 (40.73%)	<b>2,311 (39.87%)</b>
>51	204 (4.05%)	241 (4.42%)	<b>264 (4.55%)</b>
<i>Ethnicity</i>			
Malay	4,278 (84.85%)	4,669 (85.59%)	<b>4,986 (86.01%)</b>
Chinese	35 (0.69%)	34 (0.62%)	<b>37 (0.64%)</b>
Indian	544 (10.79%)	558 (10.23%)	<b>566 (9.76%)</b>
Others	182 (3.61%)	191 (3.50%)	<b>206 (3.56%)</b>
Foreigner	3 (0.06%)	3 (0.05%)	<b>2 (0.03%)</b>
Total Number of Employees	5,042	5,455	<b>5,797</b>
<i>Type</i>			
Permanent	N/A	N/A	<b>5,780</b>
Temporary	N/A	N/A	<b>17</b>
Other minorities	0	0	<b>0</b>
People with disability	0	0	<b>0</b>
<i>Recruitment/hiring (number/%)</i>			
Total	1,180	941	<b>914</b>
Gender: Male	1,151 (97.54%)	928 (98.62%)	<b>893 (97.7%)</b>
Gender: Female	29 (2.46%)	13 (1.38%)	<b>21 (2.30%)</b>
Age: <30	1,081 (91.61%)	857 (91.07%)	<b>840 (91.90%)</b>
Age: 31 - 50	90 (7.63%)	79 (8.40%)	<b>68 (7.44%)</b>
Age: >51	9 (0.76%)	5 (0.53%)	<b>6 (0.66%)</b>



# ABOUT WESTPORTS

SOCIAL	2019	2020	2021
<b>Diversity</b>			
<i>Training (number)</i>			
Average hours of training per employee	70	47	<b>95</b>
Average days of training per employee	8	6	<b>11</b>
Training Hours (Management)	31,536	2,844	<b>18,600</b>
Training Hours (Workforce)	323,806	253,257	<b>534,245</b>
Training Hours (Total)	355,342	256,101	<b>552,845</b>
Average Training Hours (Management)	70	6	<b>38</b>
Average Training Hours (Workforce)	70	51	<b>101</b>
<i>Turnover (number/%)*</i>			
Total employee turnover	745	524	<b>1,009</b>
Gender: Male	716 (96.11%)	504 (96.18%)	<b>999 (99.01%)</b>
Gender: Female	29 (3.89%)	20 (3.82%)	<b>10 (0.99%)</b>
Age: <30	590 (79.19%)	413 (78.82%)	<b>772 (76.61%)</b>
Age: 31 - 50	131 (17.58%)	93 (17.75%)	<b>198 (19.62%)</b>
Age: >51	24 (3.22%)	18 (3.44%)	<b>39 (3.87%)</b>

SOCIAL	2019	2020	2021
<b>Diversity</b>			
<i>Health and Safety Performance *</i>			
Incidents and Accidents (total)	626	716	<b>836</b>
Average number of cases per 100,000 TEU's (container operation)	5.74	6.78	<b>8.12</b>
Average number of cases per 100,000 tonnage (conventional operation)	0.03	0.00	<b>0.00</b>
Fatalities (employees)	0	0	<b>0</b>
Fatalities (third-party contractors)	2	1	<b>0</b>
Lost-Time Injury Frequency Rate (LTIFR) (per million hours worked) (employees)	0.14 <i>(for 4,835 employees)</i>	0.35 <i>(for 5,000 employees)</i>	<b>0.37</b> <i>(for 5,810 employees)</i>
Lost-Time incident Rate (per million hours worked) (employees)	0.41	0.80	<b>0.86</b>
Lost Workday Rate or Days Away (per 200,000 hours worked)	0	20	<b>0</b>
Occupational disease rates	0	0	<b>0</b>
Number of staff trained on health and safety standards	138 <i>(SHE Committee &amp; Crisis Committee trained on ISO45001)</i>	138 <i>(SHE Committee &amp; Crisis Committee trained on ISO45001)</i>	<b>138</b> <i>(SHE Committee &amp; Crisis Committee trained on ISO45001)</i>
Staff trained on safety	Chemical Handling Training	ISO 45001 (Introduction) Evacuation drill at Business Centre	<b>ISO 45001 (Internal Audit &amp; HIRARC) Oil Spill Contingency Plan (Emergency Response)</b>
Staff trained (general training which includes safety)	<ul style="list-style-type: none"> <li>• New Recruitment Programme</li> <li>• Port Attachment for new execs and managers</li> </ul>		

# A MESSAGE FROM THE EXECUTIVE CHAIRMAN AND GROUP MANAGING DIRECTOR



**WE ARE PLEASED TO PRESENT OUR SIXTH ANNUAL SUSTAINABILITY REPORT. THIS YEAR, WE HAVE INCREASED OUR DISCLOSURE AS STAKEHOLDERS REQUIRE MORE DETAILS OF OUR SUSTAINABILITY PROGRAMMES AND STRATEGIES. WE LOOK FORWARD TO THIS YEARLY DISCLOSURE AS IT IS AN OPPORTUNITY TO TRANSPARENTLY PRESENT THE RISKS AND OPPORTUNITIES WE HAVE FACED THROUGHOUT THE YEAR.**

We feel heartened that our sustainability reporting has been well received. We have met the FTSE4Good Bursa Malaysia Shariah Index criteria and became one of its first constituents following its launch in July.

We are also proud that we received several awards throughout the year, spanning all aspects of sustainability. The APSN Green Port 2020 recognised Westports as one of eight global green ports. The Asia Pacific Enterprise Award 2021 Regional Edition (APEA) recognised our Corporate Excellence in the Transport and Logistics category in the areas of sustainable growth, responsible leadership and operational excellence. Our exemplary sustainability programmes would not be possible without funding from our shareholders. We were pleased to be awarded the Highest Returns to Shareholders Over Three Years in the Category of Transportation and Logistics in the Edge Billion Ringgit Club Corporate Awards 2021.

Successful integration and effective sustainability management require committed leadership, clear direction and strategic influence. We formed the Board Sustainability Committee to guide the board on sustainability issues and demonstrate a corporate commitment at the highest levels. As Westports does not tolerate any form of bribery and corruption, we were pleased to sign off the comprehensive Anti-Corruption and Bribery Policy last year. This good work continued throughout 2021 as we worked towards the ISO 37001 Anti-Bribery Management System.

The COP26 summit, held earlier in the year, brought parties together to accelerate action towards the goals of the Paris Agreement and the UN Framework Convention on Climate Change. We have established internal carbon pricing as a strategy to start influencing climate-related business risks, decision-making processes and prepare for a transition to a low-carbon economy. This internal carbon price helps us consider climate challenges in our long-term economic decisions. We also commissioned an assessment to evaluate the potential implications of climate change on the risk profile



# A MESSAGE FROM THE EXECUTIVE CHAIRMAN AND GROUP MANAGING DIRECTOR

of Westports facilities and assist in developing a medium and long-term plan for climate change adaptation.

We have made significant progress in reducing our waste. Moving forward, we are aiming for zero single-use plastic by reducing its consumption.

Safety is essential; all employees and port users have the right to return home safely each day. Our operations were certified with ISO 45001:2018 in October 2021, which builds on the success of our previous OHSAS 18001, the International Labour Organization's (ILO) OSH Guidelines, various national standards and the ILO's international labour standards and conventions. Our exemplary occupational safety and health initiatives were recognised when Westports was named MSOSH OSH Gold Class 2 Award Winner For 2021.

Simple ideas are often the most effective. Installing dashboard cameras last year dramatically reduced the number of terminal tractor accidents. We discovered the remaining accidents primarily occurred during the night shift. Our Free Coffee Corner reduced the accident frequency by an additional 25%, with none due to sleepiness.

We remain committed to healthy industrial relations as freedom of association and the right to collective bargaining play an essential role in democratic societies. In 2021, Westports encouraged the formation of an independent union, Kesatuan Sekerja Pekerja Westports Malaysia Sdn Bhd, and finalised the first collective bargaining agreement. 85.6% of our workforce are already members. The collective bargaining agreements cover health and safety, CSR issues, remuneration, working hours, training, career development, flexibility, employability and lifelong learning, stress management and equal opportunities.

The COVID-19 pandemic intensified social concerns. We continued to allocate resources to reduce transmission risks such as SOPs, testing, PPE, quarantine and isolation. We delivered food and supplies to any employees testing positive so they could heal without worrying about food or infecting others.

However, we did not limit our pandemic efforts to employees and port users. In 2021, we donated RM3 million to the Ministry of Finance's Akaun Amanah Bencana Covid and medical equipment to the Ministry of Health and local government hospitals to help control the pandemic. Westports provided immediate assistance to needy families. Our employees distributed food packages to families affected by the prolonged Movement Control Order (MCO) 3.0.

The pandemic has undoubtedly taken its toll on all of us. Westports intensified mental health awareness and support, encouraging people to speak up, seek help and support others to resolve grievances and concerns. Employees may also book counselling through the clinic's dedicated COVID-19 hotline. The clinic is currently sourcing professional counsellors to support workers' emotional and physiological wellbeing.

The one-in-a-100-year heavy rainfall caused flooding throughout much of Malaysia in December 2021. Although Westports was not directly affected by the flash floods, some employees could not attend due to travel difficulties. Westports repaired access roads, cleared fallen trees and provided accommodation and food to affected evacuees in Westports' Dewan Budaya Tan Sri G Culture Hall while rendering other assistance.

On behalf of Westports, we thank you for your interest in our sustainability agenda and ESG disclosure. I would also like to thank all stakeholders who worked proactively with Westports to address issues, develop solutions and improve our performance. We are committed to setting sustainability goals and making capital investments in ESG-relevant initiatives. We welcome any feedback so we can continue to improve.

Sincerely,

**TAN SRI DATUK G. GNANALINGAM**  
*Executive Chairman*

**DATUK RUBEN EMIR GNANALINGAM**  
*Group Managing Director*



# AWARDS AND ACCOLADES

**THE PANDEMIC HAS SHOWN THE INCREASING SIGNIFICANCE OF SUSTAINABILITY AND HOW IT IS ESSENTIAL FOR THE CONTINUITY OF BUSINESSES AND ORGANISATIONS WORLDWIDE. WESTPORTS HAS CONSISTENTLY CHAMPIONED SUSTAINABILITY SINCE ITS INCEPTION.**

Various local and international awards recognised Westports' sustainability efforts in 2021. These accolades are a testament to our commitment and effective sustainability-driven strategies.

## APSN GREEN PORT 2020

In 2021, Port Klang was awarded the APSN (APEC Port Services Network) Green Port 2020 unification for the second time since 2017.

The GPAS (Green Port Award System) programme is a green evaluation system for ports in the APEC region developed by APEC Port Services Network (APSN). It represents an integral part of APSN's ongoing efforts to promote the green growth of the APEC port industry. APSN gives this award to deserving ports within the Asia Pacific Region.

This award was made possible by the efforts of Port Klang Authority and both its terminal operators, Northport (Malaysia) Berhad and Westports Malaysia Sdn Bhd, together.

### Examples of Westports' Green Initiatives



Solar energy and conservation, including replacing conventional lighting with LED lighting



Investing in more energy-efficient and environmentally-friendly cargo handling fleets



Monitoring carbon emissions from port equipment and vehicles



Monitoring marine water quality and treating it before being released into port waters



Introducing paperless transactions, waste management standard operating procedures and other ongoing green initiatives



## FTSE4GOOD INDEX SERIES BERHAD

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Westports Holdings Berhad has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to remain a constituent of the FTSE4Good Index Series. The global index provider FTSE Russell developed the FTSE4Good Index Series to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. Many market participants use the FTSE4Good indices to create and assess responsible investment funds and other products.

## FTSE4Good Bursa Malaysia Shariah-Compliant Index

Bursa Malaysia and FTSE Russell launched the FTSE4Good Bursa Malaysia Shariah (F4GBMS) index. This new Environmental, Social and Governance (ESG) themed index tracks constituents in the FTSE4Good Bursa Malaysia Index (F4GBM) that are Shariah compliant, according to the Securities Commission Malaysia Shariah Advisory Council (SAC) screening methodology. In 2021, Westports became a constituent of the F4GBMS index.



# SUSTAINABILITY GOVERNANCE

## CONTRIBUTING TO A SUSTAINABLE AND CIRCULAR SOCIETY IS CENTRAL TO WESTPORTS. BASED ON WELL-DEFINED AREAS OF RESPONSIBILITY AND FOLLOW-UP, WESTPORTS ENSURES THAT IT DELIVERS ON ESTABLISHED SUSTAINABILITY TARGETS.

Westports' overall objective is to maintain its economic, environmental and social value creation. Sustainability governance ensures the Group fulfils its commitments to all stakeholders. The Company has established several sustainability targets that are monitored and reported annually. Westports has introduced policies and management systems to achieve these targets.

As Westports has inculcated sustainability throughout its operations, sustainability governance has become an integral part of the overall corporate governance. The Board and Executive Management Team discuss sustainability-related matters in the meetings and various business functions. Westports' Board of Directors formally oversees sustainable business strategies and performance, integrating material and salient sustainability risks and opportunities into board discussions and decisions on strategy and risk. Several committees and business units in Westports contribute insight and seek supplementary expertise from external stakeholders, ensuring uniformity.



### CSR GOVERNANCE

Corporate Social Responsibility (CSR) matters are tabled during Sustainability Board Committee meetings and periodically discussed with shareholders and investors, such as one-on-one meetings and quarterly results presentations. These sessions can cover significant sustainability aspects such as stakeholder engagement, the environment, CSR, business ethics, human capital, responsible customer relations, directors' information and remuneration, and climate change.

## SUSTAINABILITY COMMITTEE CHARTER

Westports established a Sustainability Committee (SC) to help the Board review ESG and Sustainable related policies and practices under the applicable law.

An Independent Non-Executive Director will head the committee. The director will provide direction, oversight and guidance throughout Westports to implement sustainability-related projects. Appointed by the Board from among its members, the SC comprises a minimum of three directors, all of whom are independent and non-executive. The Chairman of the SC is also an independent non-executive director who is not the Chairman of the Board. The SC receives appropriate and timely updates to help all members discharge their duties. The SC will meet quarterly; its authority and responsibilities are listed below.

Committee Authority	Committee Responsibilities
1 Investigating any activities within its charter.	1 Reviewing the implementation of procedures for identifying, assessing, monitoring and managing ESG and sustainability risks related to the company's business.
2 Seeking any required information from any Group employees and is provided with full and unrestricted access to such information.	2 Reviewing the integration of ESG and sustainability policies, practices and goals into its business strategy and decision making.
3 Obtaining independent professional advice or invite outsiders with relevant experience to attend the Committee meetings and to advise the Committee, if appropriate, to carry out its functions under this Charter.	3 Reviewing the implementation of process automation and technology use to achieve ESG goals.
4 Having access to the Group's resources at the Group's expense to perform the Committee's duties.	4 Accelerating the implementation of digitalisation to achieve ESG goals.
	5 Reviewing the sustainability report and making recommendations to the Board for approval.
	6 Reviewing and making recommendations to the Board regarding compliance with the Malaysian Code on Corporate Governance 2021 and other best corporate governance practices.
	7 Recommending the Statement on Corporate Governance form and content that the Company is obliged to make in its annual report to the Board in compliance with the Listing Requirements.

# SUSTAINABILITY GOVERNANCE

## STRATEGIC SUSTAINABILITY

Our world is changing fast. Westports' stays resilient by strengthening its base while retaining its ranking as a leading regional port. Aspects of sustainability flow throughout all policies such as port design, infrastructure planning, business models, investment decisions and Corporate Social Responsibility (CSR) activities. Operational and CSR risks, such as climate change, will be covered in the Company's risk management and internal control systems. Westports will report the sustainability risk profile to the Board through its Board Sustainability Committee. There are no executives in the Board Sustainability Committee to ensure independence.

Westports presents its commitments in its strategic framework, objectives and strategies.

## OUR SUSTAINABILITY FOCUS AREAS



## RISK AND COMPLIANCE MANAGEMENT SYSTEM

Although all business activities have associated risks, identifying, evaluating and managing these risks is essential for Westports' management and control system. Risk management is an integral part of governance and management and is also a natural part of decision-making on different levels of Westports.

Westports' Risk Management Framework helps identify, regularly assess and create a responsive plan for these risks. Westports monitors the ongoing implementation of these response plans.

Westports' Risk Management Framework considers business, labour, operational, internal and external risks. Risk assessments are conducted for all existing and upcoming projects. Each risk category comprises various specific risks that are updated periodically to ensure their relevance. The Board reviews the risk management process quarterly.

Westports received no significant fines or non-monetary sanctions for noncompliance with laws and regulations in social and economic areas during the reporting period.

# STAKEHOLDER ENGAGEMENT POLICY AND PROCEDURES

**WESTPORTS' VISION TO BE A LEADING GLOBAL GATEWAY AND TRANSHIPMENT PORT OF CALL IS NOT LIMITED TO BUSINESS EXCELLENCE. IT EXTENDS TO ALL BUSINESS OPERATIONS AND THE IMPACT AND INTERACTIONS WITH ALL STAKEHOLDERS.**

A stakeholder-driven approach helps identify the salient sustainability impacts and opportunities for smooth operations. Engaging directly and indirectly with stakeholders helps identify and prioritise these areas.

## STAKEHOLDER IDENTIFICATION AND PRIORITISATION

According to the AA1000SES Standard, relevant stakeholders are “individuals, groups of individuals or organisations that affect and/or could be affected by an organisation’s activities, products or services and associated performance concerning the issues to be addressed by the engagement.”

Identifying key stakeholders, their interests, expertise and levels of influence is crucial for successful stakeholder engagement and allocating company resources as efficiently as possible.

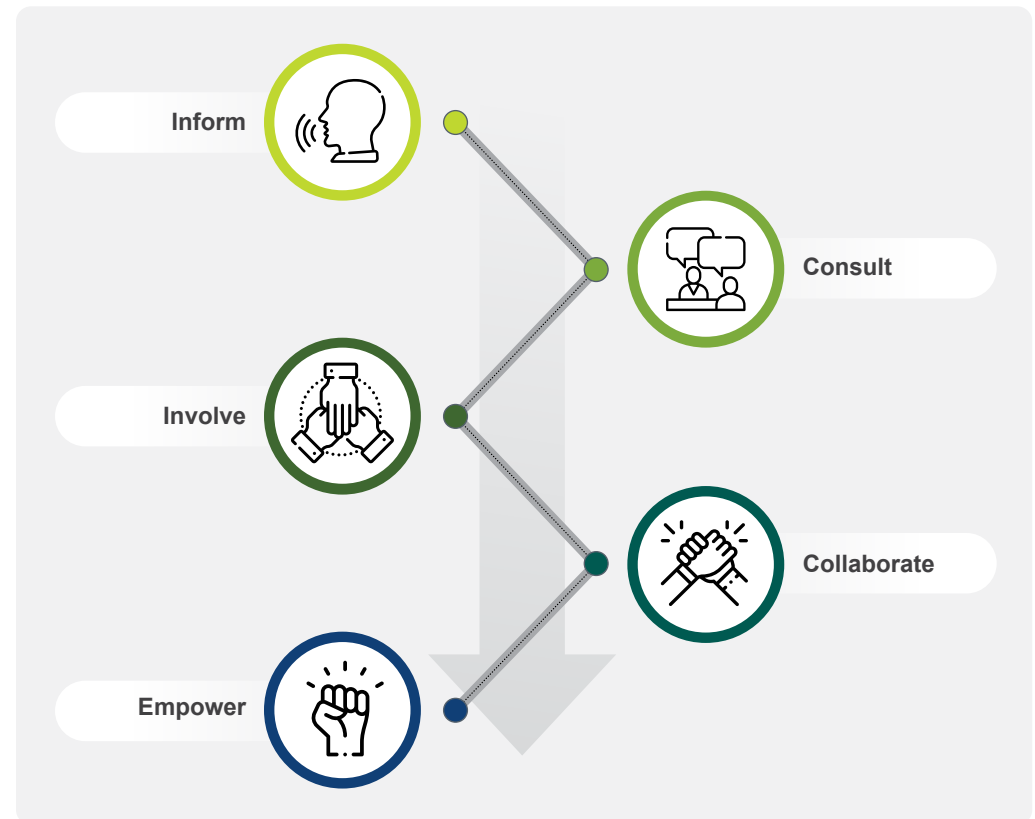
Westports has ongoing engagements with all stakeholders to understand or address their concerns.

## STAKEHOLDER ENGAGEMENT LEVELS AND METHODS

Westports consults with employees in all departments, key clients, investors, community members, governmental representatives and business partners to learn their expectations. Communicating with various stakeholders is a valuable corporate management tool that drives long-term success. Westports employs multiple channels to communicate regularly with stakeholders to understand their expectations and perceptions. Stakeholders’ comments and ideas help identify improvement areas and translate them into action.

There are various levels of engagement depending on the type of project, potential impacts and stakeholder types and needs at a particular time. For example, Westports mitigates climate change while ensuring that the port contributes significantly to national prosperity. We invited stakeholders in and around business operations to collaborate to overcome the challenges encountered in developing the port. Together, we create economic and social value and realise sustainable growth.





Typically, engagement levels fall into one of the following spectrums.



# STAKEHOLDER ENGAGEMENT POLICY AND PROCEDURES





We also develop our ambitions through dialogue with stakeholders and engage external experts to combat increasing sustainability challenges. Westports has a formal grievance mechanism, including a hotline and a dedicated email address for local stakeholders to report any concerns directly. Maintaining active and continuous stakeholder dialogue ensures that Westports' priorities and methods remain relevant.

Westports' stakeholder engagement model, which includes the engagement methods, frequency of engagement and key concerns of every key stakeholder group, is presented in the adjacent table.

Stakeholder Group	Engagement Method	Frequency of Engagement	Key Concerns
<b>PORT USERS</b> 	Customer feedback management Customer support centre Social media tools Market research Events, dialogue sessions, roadshows & engagement sessions Materiality survey	Daily Daily Regularly Regularly Ad-hoc Biennially	Port infrastructure Port safety Transparent operations
<b>GOVERNMENT &amp; AUTHORITIES</b> 	Formal meetings Performance reports Discussions on government initiatives Safety campaign Video conferencing Materiality survey	Ad-hoc Regularly Ad-hoc Annually Ad-hoc Biennially	Operational compliance & effective safety management
<b>SHAREHOLDERS &amp; INVESTORS</b> 	IR events Annual & sustainability reports Annual general meetings Extraordinary general meetings Shareholder updates Quarterly reports Corporate presentations Signing ceremonies Video conferencing Materiality survey	Ad-hoc Annually Annually Ad-hoc Regular Quarterly Ad-hoc Ad-hoc Ad-hoc Biennially	Good governance Ethical operations & compliance Business investments
<b>COMMUNITY</b> 	Website Annual & sustainability reports Visits, seminars & joint activities Community engagement activities Materiality survey	Daily Annually Ad-hoc Regularly Biennially	Employment of locals Infrastructure development Community engagement



# STAKEHOLDER ENGAGEMENT POLICY AND PROCEDURES

Stakeholder Group	Engagement Method	Frequency of Engagement	Key Concerns
<b>EMPLOYEES</b> 	Employee satisfaction survey	Annually	Employee well-being
	Dialogue & engagement	Regularly	Training & development
	HR Portal, departmental meetings & newsletters	Regularly	Occupational health & safety
	Employee engagement programmes	Regularly	Financial results, business strategies & development plans
	Video conferencing	Regularly	
	Employee survey	Annually	
	Materiality survey	Biennially	
<b>SUPPLIERS</b> 	Suppliers' survey	Ad-hoc	Supplier appraisal mechanism
	Suppliers' training programmes	Regularly	Effective communication
	Supplier relationship management	Regularly	
	Video conferencing	Ad-hoc	
	Materiality survey	Biennially	
<b>PROFESSIONAL BODIES</b> 	Dialogue & engagement	Regularly	Good governance
	Joint activities	Regularly	Ethical operations & compliance
	Consultations & negotiation	Ad-hoc	Business investments
	Certifications	Ad-hoc	Socio-environmental impact
	Annual & sustainability reports	Annually	
	Campaigns & roadshows	Regularly	
	Materiality survey	Biennially	
<b>NON-GOVERNMENTAL ORGANISATIONS (NGOS)</b> 	Dialogue & engagement	Regularly	Community involvement
	Collaboration	Regularly	Impact on society
	Sponsorships & donations	Ad-hoc	Collaborations
	Social media & other online channels	Daily	
	Materiality survey	Biennially	

## STAKEHOLDER ENGAGEMENT RISKS

It is essential to consider potential stakeholder engagement risks before selecting the level of engagement. Potential risks include participation fatigue, conflicts of interest, disruptive stakeholders and unwillingness to engage.

Key stakeholder groups may lack the capacity to engage with Westports due to financial resources, time, language skills, cultural understanding or awareness of issues. Westports considers other engagement processes without introducing a conflict of interest if more traditional methods are not possible.

## COMMUNICATING THE RESULTS OF ENGAGEMENT

Westports communicates the engagement results, which may include disclosing:

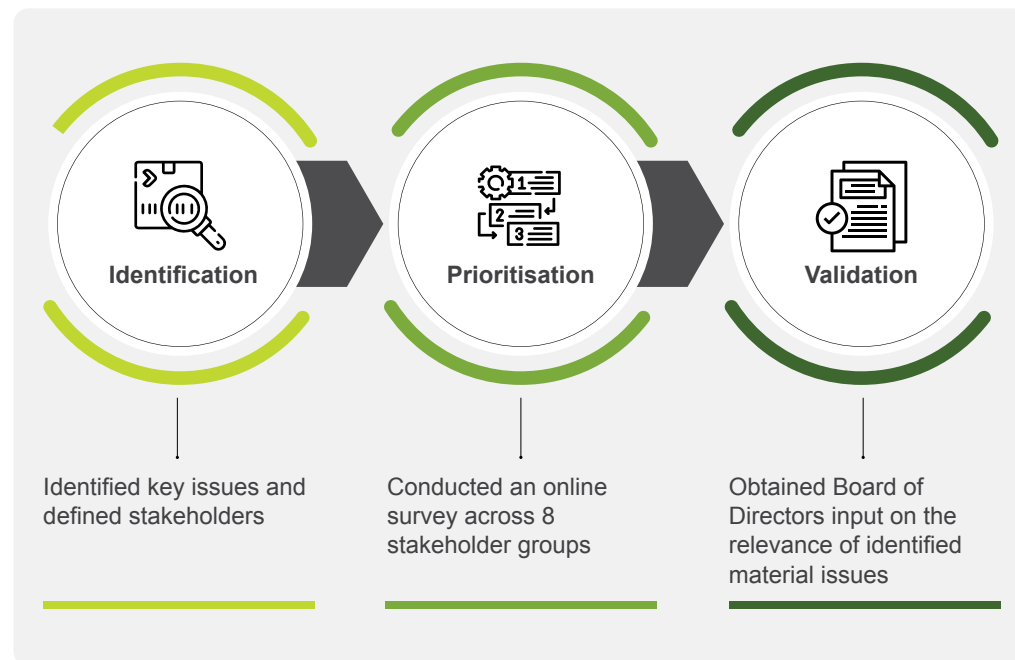
- A summary of discussions, stakeholder concerns, expectations and perceptions
- A list of outputs including recommendations and agreed decisions
- A list of participants
- Future action plans

Sometimes, Westports conducts a review of feedback gathered from stakeholders to measure the effectiveness of engagement.

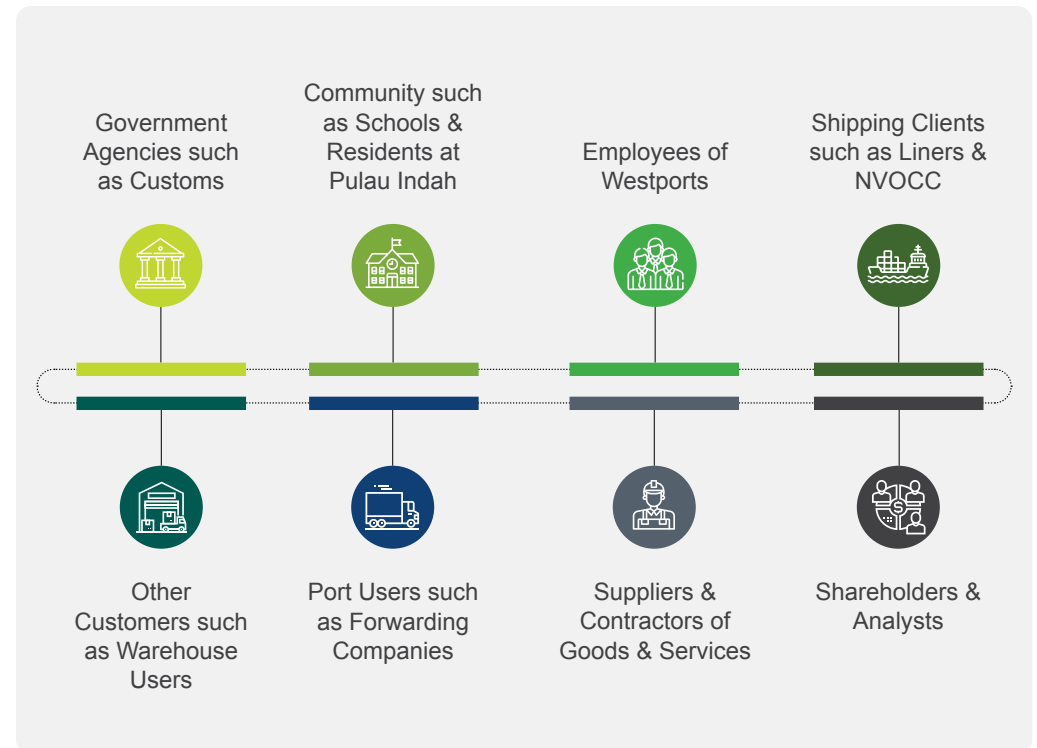
# MATERIALITY ASSESSMENT 2021

**WESTPORTS CONDUCTS A MATERIALITY ASSESSMENT TO IDENTIFY THE ASPECTS OF ITS BUSINESS THAT IMPACT THE ENVIRONMENT AND THE SOCIETIES IN WHICH IT OPERATES. THE REVIEW RANKS THE IMPORTANCE OF DIFFERENT TOPICS TO WESTPORTS AND ITS STAKEHOLDERS.**

## THE MATERIALITY ASSESSMENT PROCESS


























Westports conducted its third materiality assessment in the fourth quarter of 2020. An external consultant performed the study to ensure impartiality and secure the anonymity of the respondents. The survey asked respondents to rate the importance of 15 economic, environmental and social issues.



# MATERIALITY ASSESSMENT 2021

These issues with their related GRI topics and UNSDGs are summarised in the table below.

## SUSTAINABILITY AREAS ASSESSED IN THE MATERIALITY STUDY

Materiality Issue	Description	Related GRI Topic	Related UNSDGs
<b>ECONOMIC</b>			
<b>Regulatory compliance</b>	Preventing anti-competitive behaviour and complying with all other economic, environmental and social legislation	<ul style="list-style-type: none"> <li>• Anti-competitive behaviour</li> <li>• Environmental compliance</li> <li>• Socio-economic compliance</li> </ul>	 
<b>Nation-building</b>	Developing the port and local infrastructure which transforms local, regional and international trade	<ul style="list-style-type: none"> <li>• Indirect economic impacts</li> </ul>	     
<b>Anti-Corruption</b>	Reporting and managing Westports' anti-corruption processes through risk assessments, training and monitoring noncompliance	<ul style="list-style-type: none"> <li>• Anti-corruption</li> </ul>	
<b>ENVIRONMENT</b>			
<b>Energy</b>	Managing energy effectively to reduce it whenever possible	<ul style="list-style-type: none"> <li>• Energy</li> </ul>	   
<b>Climate change &amp; pollution</b>	Managing greenhouse gases, ozone-depleting substances and other harmful emissions	<ul style="list-style-type: none"> <li>• Emissions</li> </ul>	    
<b>Effluent &amp; Waste</b>	Disclosing effluent discharges and all wastes, including scheduled waste, spills and water bodies affected by operations	<ul style="list-style-type: none"> <li>• Effluents and waste</li> </ul>	    

# MATERIALITY ASSESSMENT 2021

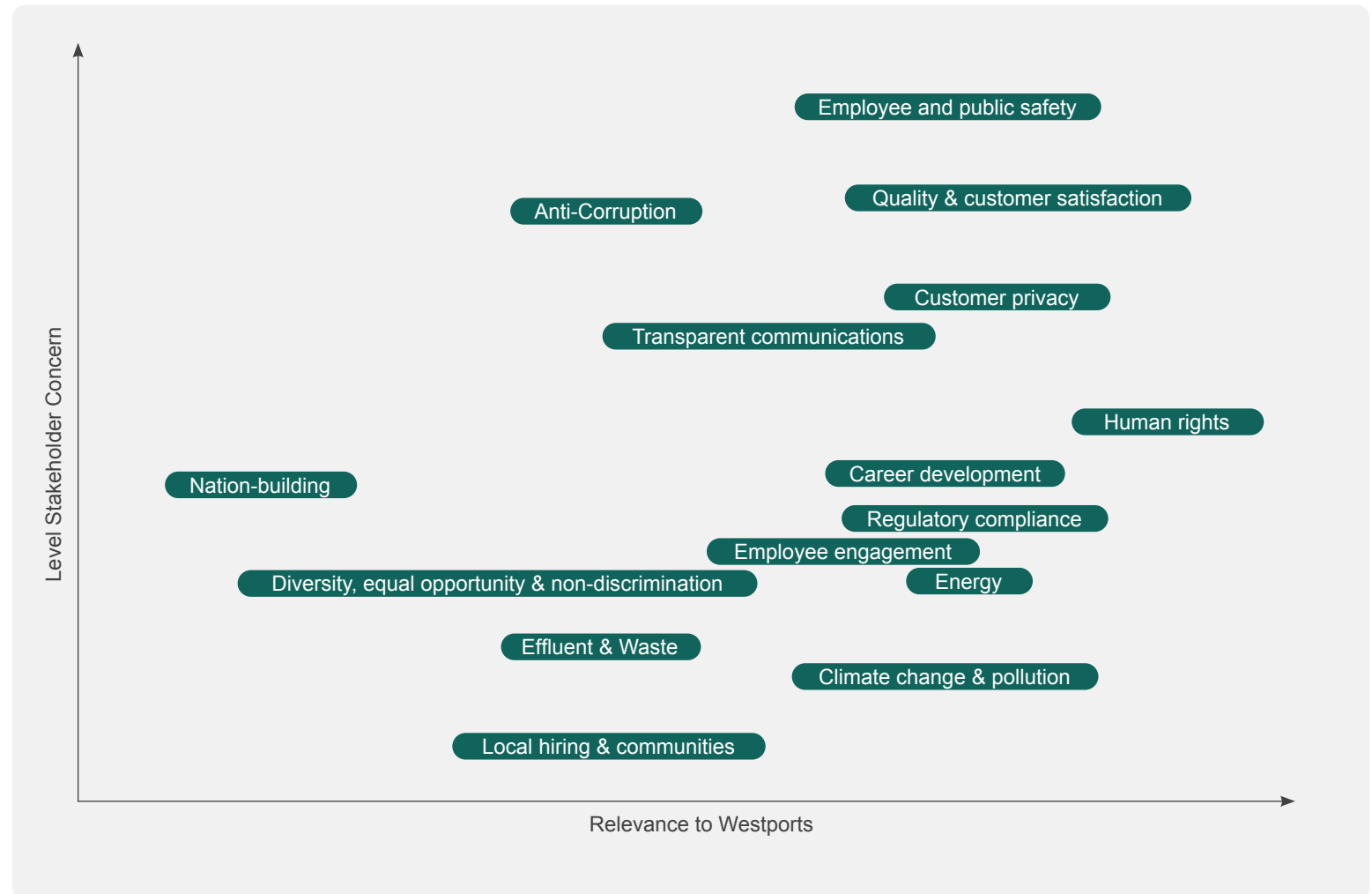
Materiality Issue	Description	Related GRI Topic	Related UNSDGs
<b>SOCIAL</b>			
<b>Diversity, equal opportunity &amp; non-discrimination</b>	Promoting diversity and equal opportunities and eliminating all forms of discrimination in the workplace	<ul style="list-style-type: none"> <li>Diversity and equal opportunity</li> <li>Non-discrimination</li> </ul>	   
<b>Local hiring &amp; communities</b>	Supporting all local communities as port operations have contributed to economic, social or environmental changes	<ul style="list-style-type: none"> <li>Local communities</li> <li>Local hiring</li> <li>Market presence</li> </ul>	 
<b>Human rights</b>	Protecting all aspects of human rights, including protecting the indigenous population, staff welfare and security and ensuring there is no child or forced labour in port operations	<ul style="list-style-type: none"> <li>Human rights assessment</li> <li>Rights of indigenous peoples</li> <li>Security practices</li> <li>Child labour</li> <li>Forced labour</li> </ul>	  
<b>Employee engagement</b>	Respecting employees' rights to joint representation and consultative practices through the Penghulu system	<ul style="list-style-type: none"> <li>Labour/management relations</li> <li>Freedom of association and collective bargaining</li> </ul>	
<b>Career development</b>	Improving hiring, recruitment and retention and conducting training and career development reviews	<ul style="list-style-type: none"> <li>Employment</li> <li>Training and education</li> </ul>	    
<b>Employee and public safety</b>	Keeping all workers safe, preventing noncommunicable and infectious diseases and protecting the well-being of the public and all port users	<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Customer health and safety</li> </ul>	  
<b>Transparent communications</b>	Providing accurate and transparent information in all aspects of corporate disclosure	<ul style="list-style-type: none"> <li>Marketing and labelling</li> </ul>	 
<b>Quality &amp; customer satisfaction</b>	Promoting quality throughout all aspects of port operations to ensure high levels of customer satisfaction	<ul style="list-style-type: none"> <li>Non-GRI topic</li> </ul>	
<b>Customer privacy</b>	Protecting the privacy of customers and members of the public	<ul style="list-style-type: none"> <li>Customer privacy</li> </ul>	



# MATERIALITY ASSESSMENT 2021

In 2021, Westports conducted a materiality assessment review to account for internal and external content changes since the previous year. The latest materiality matrix is still valid, and the business is still improving in these identified areas.

We will continue intensifying our efforts on these material topics. In some areas, we will build on the work done and drive continuous improvement; in others, improve and innovate to deliver significant gains. At the core, we seek preventive solutions that tackle the root cause of identified issues.






# MATERIALITY ASSESSMENT 2021

## PLAYING OUR ROLE IN THE GLOBAL SUSTAINABILITY AGENDA





The emergence of COVID-19 is a stark reminder that we are all intrinsically linked with nature, society and the environment. Our social and environmental stability efforts are essential for tackling this pandemic.

The United Nations Sustainable Development Goals (UNSDGs) are pivotal for breaking down silos and opening opportunities for new forms of working with specific agendas.




We must keep this momentum and achieve the UNSDGs to create a better world.

UNSDG	Rationale	What We Do	Impact And Measures
	<p>The global poverty rate has halved since 2000, but 800 million people remain below the international poverty line of \$1.90 a day. Building the incomes and economic resilience of people living in extreme poverty underpins the success of all UNSDGs. Financial inclusion is a critical enabler of the entire UNSDG agenda.</p>	<p>Poverty eradication is one of Westports' five CSR focus points. Westports adopted Pulau Indah during its inception. The 'Zero Poverty Programme at Pulau Indah' elevates the villagers' quality of life and upgrades the island's development.</p> <p>Westports is committed to paying at or above the national minimum wage. All employees receive a total compensation package that includes wages, overtime pay and other benefits.</p>	<ul style="list-style-type: none"> <li>Poverty has practically been eliminated on the island, down from 62% in 1995</li> <li>More than a third of Westports' employees are Pulau Indah residents</li> <li>86% of the workforce are <i>Bumiputera</i></li> </ul>
	<p>Approximately 800 million people are undernourished globally, and hunger is a humanitarian and economic crisis. Malnutrition has lasting effects on the development of individuals and societies.</p>	<p>When operations commenced, Pulau Indah's inhabitants were mainly fishermen and farmers, with a significant number of indigenous people living hand-to-mouth. Westports provides the means to raise their living standards through training and employment.</p>	<ul style="list-style-type: none"> <li>99.9% of the 5,797 people employed at the terminal are Malaysian, with approximately 35% residing on the island.</li> </ul>
	<p>Despite significant advances in recent decades, millions of people die each year from preventable causes. These deaths often occur disproportionately in the world's developing regions. Whether mental or physical, ill-health can prevent individuals from reaching their full potential, with their communities and economies feeling the knock-on effect.</p>	<p>Westports actively promotes employees' physical and mental health and social well-being to build a positive work environment and resilient organisation.</p>	<ul style="list-style-type: none"> <li>Childcare is available for all Westports employees</li> <li>Klinik Westports is the first in-house clinic on Pulau Indah designed for employees</li> <li>The Health Passport Programme monitors employees' health by measuring their Body Mass Index (BMI), cholesterol, glucose, waist-hip ratio and blood pressure.</li> </ul>

# MATERIALITY ASSESSMENT 2021




UNSDG	Rationale	What We Do	Impact And Measures
	<p>Equal access to education concerns eliminating gender disparities in education, among other barriers, and providing people with skills and training that contribute to sustainable development. Education is critical for future growth.</p>	<p>Education is the most crucial element in uplifting society's socio-economic status and livelihoods. Westports has invested a significant amount of time, energy and money in educating children in Pulau Indah.</p>	<ul style="list-style-type: none"> <li>Invested RM5.6 million in the Trust School Programme, which involved two schools on the island: SK Pulau Indah and SMK Pulau Indah</li> <li>Assisted special needs students, including giving a springboard, trampoline and plastic loops, to improve their learning and motor skills</li> <li>Westports delivered 552,845 hours of training and education to employees in 2021</li> </ul>
	<p>Addressing gender equality is a moral and economic imperative. Promoting gender equality delivers tangible business benefits by widening the pool of experience and expertise across the supply chain and workforce.</p>	<p>Ports and shipping remain the most male-dominated industries. However, Westports provides a work environment that is free from all forms of discrimination based on race, ethnicity, gender, creed, religion, age, family responsibilities, disability, medical condition, union membership and activities or sexual orientation.</p>	<ul style="list-style-type: none"> <li>Zero discrimination cases reported</li> </ul>
	<p>Nearly 2.5 billion people lack adequate sanitation. Addressing water, sanitation and hygiene needs is a significant opportunity.</p>	<p>Ports are highly concentrated industrial areas containing various activities such as container terminals, shipyards and cargo facilities. Westports assesses port operations' impact on the quality of receiving waters in and around the port to complement existing monitoring programmes for some marine organisms.</p>	<ul style="list-style-type: none"> <li>Oil and grease traps have been installed at all maintenance and repair workshops, and weekly cleaning is performed.</li> <li>Annual water sampling analysis is carried out at various outlets near the sea.</li> </ul>
	<p>Unaddressed, climate change will adversely affect economic growth and the UNSDGs. Climate action and sustainable development are closely related. Westports plays a leading role in achieving a low-carbon economy.</p>	<p>Energy consumption is a material aspect of port operations. Westports supports clean energy use whenever possible and explores new technical innovations to reduce reliance on fossil fuels and lower its overall carbon footprint.</p>	<ul style="list-style-type: none"> <li>The energy intensity of the STS cranes, reefer containers and port operational facilities were closely monitored in 2021.</li> <li>The number of futile trips for terminal tractors reduced, which contributes to emissions.</li> </ul>

# MATERIALITY ASSESSMENT 2021





UNSDG	Rationale	What We Do	Impact And Measures
	<p>As a fundamental principle, growth must come with responsible behaviour and respect for everyone in the supply chain. It is not just about legal obligations; it is part of who we are.</p>	<p>Westports provides the best service for all Shipping Lines by improving productivity and demonstrating its capacity and advantages as a major transshipment hub. Hopefully, Westports' sustainable growth plan will continue to attract the largest shipping lines to call and hub at Westports.</p>	<ul style="list-style-type: none"> <li>Westports captures 76% of the container volume moving through Port Klang.</li> <li>Westports is the largest container terminal in Malaysia over a five-year period and the second largest in Southeast Asia.</li> </ul>
	<p>Innovation fuels Westports. Low-carbon technologies, circular approaches and breakthrough business models can support enterprises and transform industries. Success depends on nurturing innovative technologies and new ways of doing business.</p>	<p>Connected technologies are moving Westports into the digital age — helping boost productivity and cut costs. Vessel size and cargo volumes rise as global trade increases, placing additional pressure on ship berths and yards. Westports must embrace smart solutions to boost efficiency and reduce costs. Westports has made significant progress in promoting a smart and efficient port by introducing various smart infrastructure and processes.</p>	<ul style="list-style-type: none"> <li>Streamlined operations and increased efficiency as a result of the Tablet Terminal Truck (TT-TAB) tracking system</li> <li>OPUS Terminal Operating System (TOS) resulted in: <ul style="list-style-type: none"> <li>30-40% reduction in futile trips compared to the previous system</li> <li>The efficiency rate of terminal truck pooling and deployment increasing from 5% to 42%</li> <li>10% reduced turnaround for exports</li> <li>40% reduced turnaround for imports</li> <li>Reduced vessel planning time by up to three hours per vessel</li> <li>1,100 man-hours saved per month</li> <li>50% improvement in tight connections</li> <li>Reduced planned amendments from 6.5% to 1.1%</li> <li>Increased dual transactions by 7% per month</li> </ul> </li> </ul>
	<p>The gap between the haves and the have-nots is already significant, and in many places, it is growing. Tackling inequalities requires challenging the attitudes and stereotypes that sustain them. Westports combats harmful discrimination throughout its value chain.</p>	<p>Westports prohibits discrimination in hiring and employment practices, including gender, race, religion, age, disability and nationality.</p>	<ul style="list-style-type: none"> <li>Flat hierarchy with all employees being of equal value</li> <li>Disciplinary action including possible termination of employment for any acts of discrimination or harassment</li> </ul>



# MATERIALITY ASSESSMENT 2021

UNSDG	Rationale	What We Do	Impact And Measures
	<p>There is a strong link between the quality of life in cities and how they draw on and manage the natural resources available to them. Due to their high concentration of people, infrastructures, housing and economic activities, cities are particularly vulnerable to climate change and natural disasters. Building urban resilience is crucial to avoid human, social and financial losses. Improving the sustainability of urbanisation processes is needed to protect the environment and mitigate disaster risk and climate change.</p>	<p>Westports ensures that port operations and environment are safe and sustainable at all times. Operational responsibility extends from the shipping companies to those working and living in or around the port.</p> <p>Westports Police, Fire &amp; Rescue and EHS Departments were established to keep the port and Pulau Indah safe and crime-free.</p>	<ul style="list-style-type: none"> <li>In 2021, 2,460 hours were dedicated to traffic management and 3,396 hours patrolling traffic.</li> <li>Westports monitors the total public accident cases.</li> </ul>
	<p>Sustainable consumption and production concerns:</p> <ul style="list-style-type: none"> <li>Doing more and better with less</li> <li>Decoupling economic growth from environmental degradation</li> <li>Increasing resource efficiency and promoting a sustainable lifestyle</li> </ul>	<p>Port veterans understand the potential risks associated with the nature of work. Westports takes full compliance with health and safety policies very seriously. Its teams relentlessly identify hazards, develop ways to mitigate them and track compliance.</p>	<ul style="list-style-type: none"> <li>Westports has a vision of becoming the leading EHS practising port in Malaysia</li> <li>100% of operations are ISO 45001:2018 certified</li> <li>More than RM250,000 was invested in a hydraulic recycling machine.</li> </ul>
	<p>Climate change is affecting every country on every continent. It is disrupting national economies and affecting lives. Weather patterns are changing, sea levels are rising, and weather events are becoming more extreme. Investing to eliminate carbon emissions from operations is the smart choice.</p>	<p>Westports monitors risks and opportunities posed by climate change that can potentially change operations, revenue or expenditure. Westports appointed a marine and coastal engineering specialist to study how weather changes would affect its future expansion plans. The Group also initiated an emissions monitoring programme and controls land vehicles' movement in and out of the terminal to reduce air pollution from lorries and ships. A smoother traffic flow reduces the amount of carbon monoxide released into the atmosphere.</p>	<ul style="list-style-type: none"> <li>Emission readings were within limits set by authorities</li> <li>Rising sea levels are considered during the terminal design</li> <li>Carbon monitoring is being developed to support a reduction in carbon emissions</li> <li>Switching to low sulphur fuel according to the International Maritime Organisation (IMO) requirements</li> <li>Euro 5 emission standards incorporated into the design of the new tractor fleet</li> </ul>

# MATERIALITY ASSESSMENT 2021

UNSDG	Rationale	What We Do	Impact And Measures
	<p>Approximately 100 million marine animals die each year from discarded plastic, and it is estimated that by 2050, there will be more plastic than fish in the oceans. The root cause of ocean plastic is complex, but urgent action is required on multiple fronts.</p>	<p>As part of its expansion risk mitigation plan, Westports monitors the impact on water quality during construction and proposes monitoring and controls to prevent pollution and minimise deterioration in water quality from vessel discharges.</p>	<ul style="list-style-type: none"> <li>• Zero pollution cases that may disturb marine ecology, fishing and aquaculture</li> <li>• To replant mangroves affected by Westports' expansion in the future</li> </ul>
	<p>Globally, biodiversity is in decline. According to the WWF Living Planet Report, wildlife populations have declined by over half in less than 50 years. Deforestation is a particular threat as forests support 80% of terrestrial biodiversity.</p>	<p>Westports initiated a mangrove replanting programme to rebuild the ecosystem and beautify Pulau Indah.</p>	<ul style="list-style-type: none"> <li>• In 2021, planted 200 mangrove saplings to provide a stable and cost-effective supply of trees in the future.</li> <li>• Planted a total of 8,488 mangrove trees in Sungai Chandong, Pulau Indah</li> </ul>
	<p>Peaceful and just societies benefit those who live in them. Businesses flourish when those around them succeed.</p>	<p>Westports' commitment to integrity and transparency is clearly stated in the Employee Handbook and Code of Conduct. Westports' anti-corruption policy is communicated to suppliers, contractors, subcontractors, agents, joint venture companies and third parties.</p>	<ul style="list-style-type: none"> <li>• The Board of Directors oversees compliance with anti-corruption policies</li> <li>• Zero major disciplinary cases were reported for corrupt practices, which resulted in the dismissal of employees</li> <li>• Zero fines and penalties from authorities on ethical issues</li> <li>• Illegal cargo and fraudulent misrepresentations on cargo documents are prohibited</li> </ul>
	<p>A successful development agenda requires inclusive partnerships — at global, regional, national and local levels — built upon principles and values and a shared vision and goals that place people and the planet at the centre.</p>	<p>Westports partners with key industry organisations and actively participates in port-related public policy discussions and regular communications with the port authority.</p> <p>Westports also engages with other port players, local authorities, forwarding agencies and business partners in developing the industry.</p>	<ul style="list-style-type: none"> <li>• Engaging with various government ministries and bodies such as the Economic Planning Unit, Performance Management and Delivery Unit, Ministry of Transport, Ministry of Finance, Ministry of International Trade and Industry, Malaysia Productivity Council and Malaysia External Trade Development Corporation</li> <li>• Holding regular dialogue sessions with local government agencies including the Port Klang Authority, Royal Malaysian Customs Department, Department of Safety and Health, Department of Environment, Royal Malaysia Police, Fire and Rescue Department, Port Health Authority and Klang Municipal Council</li> </ul>

**THE COVID-19 PANDEMIC CAUSED CONTAINER TRAFFIC FLUCTUATIONS AT PORTS WORLDWIDE. INITIALLY, SOME PORTS EXPERIENCED REDUCED VOLUME BUT RECOVERED WITH RECORD TRAFFIC AND CONTAINER HANDLING EQUIPMENT PRODUCTIVITY. THE GLOBAL SUPPLY CHAIN IS ADJUSTING TO HIGHER CONSUMER DEMAND FOR CONTAINERISED GOODS, LOCKDOWNS AND A GLOBAL SUPPLY CHAIN FOLLOWING COVID-19 PRECAUTIONARY MEASURES.**

Westports received the following awards in 2021:



The APSN Green Port 2020, from the APEC Port Services Network, recognises Port Klang as one of the eight global green ports.

1



The Asia Pacific Enterprise Award 2021 Regional Edition (APEA), for Corporate Excellence in the Transport and Logistics category, recognises sustainable growth, responsible leadership and operational excellence.

2



MSOSH OSH Gold Class 2 Award Winner For 2021 (category of Logistics and Transportation Sectors, which is equivalent to a Very Good OSH performance)

3



The Edge Billion Ringgit Club Corporate Awards 2021 – Category of Transportation & Logistics (Highest Returns to Shareholders Over Three Years)

4

The outlook for the regional port sector is resilient, underpinned by global trade and investment in manufacturing that generates significant inbound and outbound port traffic. Seaport throughput should continue to grow as global trade recovery gains further momentum, backed by the reopening of economies, businesses and borders.

## PROMOTING TRANSPORT INFRASTRUCTURE

Infrastructure investments lay the foundation for long-term economic growth and quality of life improvements for citizens. Westports accounts for 76% of all cargo handled in Port Klang. The port has excellent deep-water facilities, allowing the world's largest ships to dock easily. Westports also handles conventional shipments. The container and conventional cargo terminals provide ancillary services such as storage, an on-dock depot, bunkering and distribution facilities.

Managing the recent container yard congestion issue reflects our ongoing commitment to reinforcing Port Klang as the main transshipment hub for international container shipping alliances in Southeast Asia. Westports completed Container Yard Zone Z at CT9 in 2020 for a total cost of RM81 million and also converted a common area into a container yard.

Westports has proposed an expansion plan to cater for future container volume growth. This expansion project is a long-term prospect, with full completion envisaged after 2040. Westports II's total CAPEX is more than RM10 billion for CT10-17. The new container terminals should nearly double capacity to 28 million TEUs. Westports is exploring new designs and automation options for these new terminals.

Westports aims to increase efficiency and lower the long-term handling costs through its existing terminals' automation, including transportation.

## ACCOMMODATING THE WORLD'S LARGEST RORO VESSEL

Westports reached another milestone in 2021 by accommodating the world's largest roll-on/roll-off (RORO) vessel, Wallenius Wilhelmsen Ocean Lines' MV Tønsberg. She carried cargo from Port Klang to the United States of America and Turkey. The 265-m length overall (LOA) vessel transports high and heavy cargo loads and vehicles with six fixed heavy decks and three hoistable decks with a total deck area of 50,335 m<sup>3</sup>.

MV Tønsberg moored at Westports' berth 05 to load 126 tower cranes placed on roll trailers (MAFI), passenger vehicles, dump trucks and excavators. Following a 16-hour stay, the seven-cylinder engine vessel, designed for low-sulphur heavy-fuel oil, departed from Pulau Indah.

## VACCINATION PROGRAMME FOR THE TRANSPORTATION AND MARITIME SECTOR

The transport sector is an essential service that operates 24 hours a day, seven days a week, to ensure that people's lives and the movement of goods and passengers are not affected. The Ministry of Transport (MOT), in collaboration with the Ministry of Science, Technology and Innovation (MOSTI) and the Ministry of Health (KKM), launched the Transportation Sector Vaccination Programme, which covers maritime, aviation and land transport services.

The first transportation sector vaccination programme started through the maritime sector private PPV managed by the Port Klang Authority on 25 June 2021 at Dewan Kelab Sukan Lembaga Pelabuhan Klang (LPK) in Port Klang, Selangor. The programme involved 10,000 seafarers and port workers with a capacity of 1,000 recipients per day. This vaccination programme covered 40% of the total port and logistics workforce around Port Klang, including seafarers and port workers.

## PORT KLANG CRUISE TERMINAL SDN BHD (formerly known as Boustead Cruise Centre Sdn Bhd)

Westports agreed with Klang Port Management Sdn Bhd (KPM), a wholly-owned subsidiary of Northport (Malaysia) Bhd (Northport), to jointly acquire the entire 100% of Port Klang Cruise Terminal Sdn Bhd (PKCT), formerly known as Boustead Cruise Centre Sdn Bhd, from Boustead Holdings Berhad for a total cash consideration of RM230.0 million, payable by Westports and KPM in a 50:50 ratio.

The acquisition allows each party to expand into cruise terminal management. Westports and Northport plan to retain all existing PKCT personnel as we value their experience in managing the main cruise terminal within Port Klang. Westports and Northport will jointly explore additional business activities to improve PKCT's future welfare and promote Port Klang's competitiveness.

## PARTICIPATION IN INDUSTRY ASSOCIATION

### Industry associations play several societal roles such as:



Sharing global best practices in the interests of the industry and those who work in it; and



Developing technical standards and public policy positions.

Typically, associations are sector-specific. Westports supports port activities through this participation while providing a forum to advance industry standards.

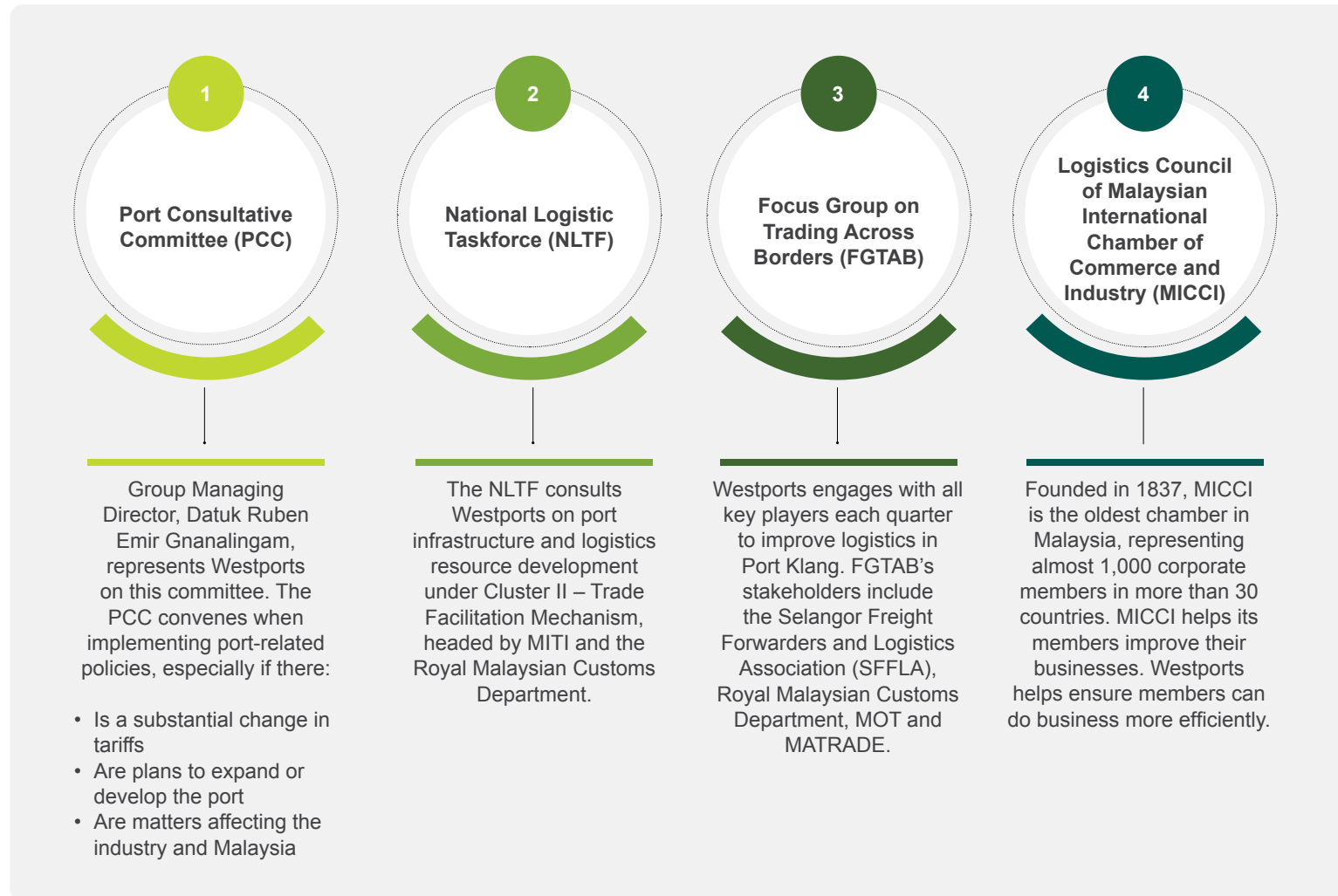
Westports' industry associations perform many functions that lead to better policy, practice and standards. Combining members' technical expertise in safety, health and the environment helps develop a sustainable development leadership position in the sector. Working with like-minded members also positively influences the industry as a whole. Finding practical solutions to complex challenges requires a transparent exchange of diverse views. Transparency is vital for making informed decisions. Westports actively participates in advancing the port industry by:

- Discussing port-related public policy and communicating regularly with the port authority
- Engaging with various government ministries and bodies such as the Economic Planning Unit (EPU), Performance Management and Delivery Unit (PEMANDU), Ministry of Transport (MOT), Ministry of Finance (MOF), Ministry of International Trade and Industry (MITI), Malaysia Productivity Council (MPC) and Malaysia External Trade Development Corporation (MATRADE)
- Advocating logistics matters and supporting the national transportation agenda
- Liaising with local government agencies such as the regulators to ensure compliance with their policies, rules and guidelines
- Holding regular dialogue sessions and collaborating with local government agencies, including the Port Klang Authority, Royal Malaysian Customs Department, Department of Safety and Health, Department of Environment, Royal Malaysia Police, Fire and Rescue Department, Port Health Authority and Klang Municipal Council



Westports also engages with other port players, local authorities, forwarding agencies and business partners in developing the industry.

## KEY INDUSTRY ROLES



## FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE

Humans have already caused the planet to warm by 1°C from preindustrial levels, according to the Intergovernmental Panel on Climate Change (IPCC) research. The overall social, environmental and economic impacts of climate change could rise to catastrophic levels according to current projections,

Westports monitors risks and opportunities posed by climate change that can potentially change operations, revenue or expenditure. The availability of fuel and changes in weather patterns affect business operations, although this is not deemed significant at this time. We do not consider rising sea levels to be a short-term risk. Nevertheless, Westports is assessing the need to conduct a more thorough analysis and consider the potential adverse impacts, especially during the tenure of the concession period.

## Biodiesel Programme

The Government implemented the B7 biodiesel programme for the industrial sector in 2019 to drive the demand for palm oil and increase the sustainability of energy resources. Biodiesel is an engine fuel created by chemically reacting fatty acids and alcohol. Typically, this involves combining palm oil with methanol in the presence of a catalyst such as sodium hydroxide. B7 biodiesel consists of 7% methyl ester and 93% petroleum diesel.

The biodiesel programme helps reduce greenhouse gas (GHG) emissions, saving an estimated 83,776 tonnes of carbon dioxide equivalent annually. All TTs and the newer RTG models can adapt to B7 without engine modifications. However, the engines of approximately 100 of the older RTGs required a double water filter to remove the residual water. All container yard equipment is now using B7 biodiesel.

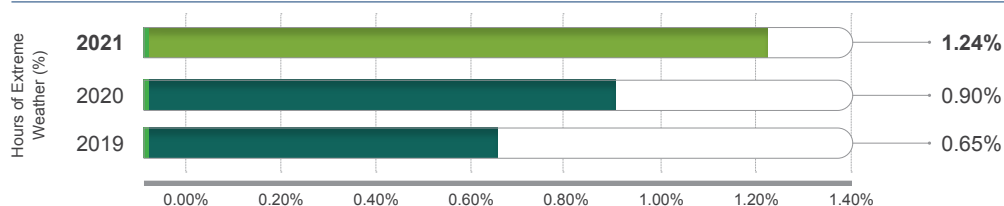
## Extreme Weather

Close to the equator, Malaysia's climate is hot and humid throughout the year. Climate change could have a notable effect on Malaysia, increasing sea levels and rainfall, increasing flooding risks, and extensive droughts.

Malaysia's weather patterns can affect port operations, particularly the Quay Cranes (QC). Westports monitors the shutdown of crane operations due to weather conditions, including haze, wind and rain.

The utilisation rate and total working hours are estimated as all QCs do not operate all day every day. The percentage of total hours with extreme weather over the total hours utilised by the QCs is presented in the following chart.

### Percentage of QC Operations Affected By Weather Conditions



## Impact Of Climate Change On Sea Level

Scientists have determined that global sea level has been steadily rising since 1900 at a rate of at least 0.04 to 0.1 inches per year. Sea level can rise by two different mechanisms due to climate change:

- Oceans warm from increasing global temperature, causing them to expand and takes up more space in the ocean basin; and
- Ice on land melts, and the water is added to the ocean.

Rising sea levels can affect coastal communities and some ports by reducing the dock freeboard, increasing the water depth and modifying wave propagation patterns. This represents a potential climatic risk since Westports plays a crucial role in the global economy as a transportation hub and economic activity in Malaysia, the region and the world.

The IPCC latest report projects the global mean sea level (GMSL) to rise under Representative Concentration Pathway (RCP) 2.6 by:

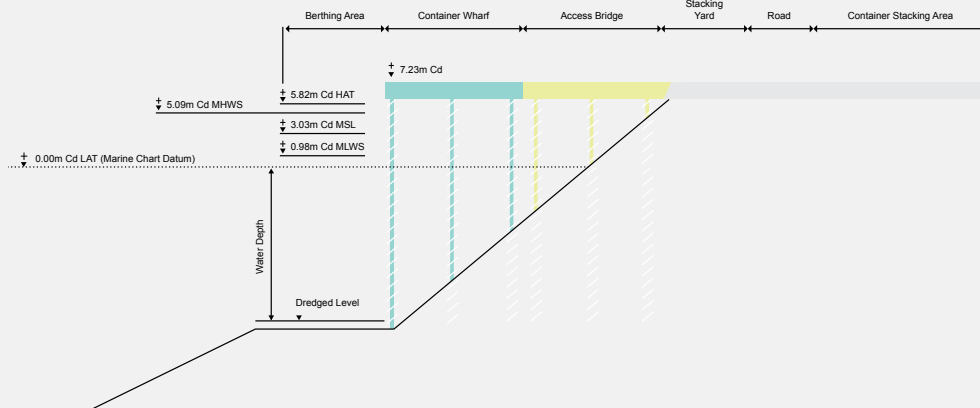
- 0.39 m (0.26–0.53 m, likely range) for 2081–2100; and
- 0.43 m (0.29–0.59 m, likely range) in 2100 for 1986–2005.

For RCP8.5, the corresponding GMSL is projected to rise by:

- 0.71 m (0.51–0.92 m, likely range) for 2081–2100; and
- 0.84 m (0.61–1.10 m, likely range) in 2100 for 1986–2005.

Based on the existing and future design, we do not expect the projected sea level increase for Peninsular Malaysia to affect Westports' operations during the concession period. The highest astronomical tide (HAT) stands at +5.82m whereas our top of deck level is +7.23m. Nevertheless, Westports is evaluating the need to carry out further studies to assess the potential impact of climate change in the nearer term compared to IPCC's projected sea-level change by 2100.

## Assessment of Impact From Climate Change: Sea Level Rise By 2100

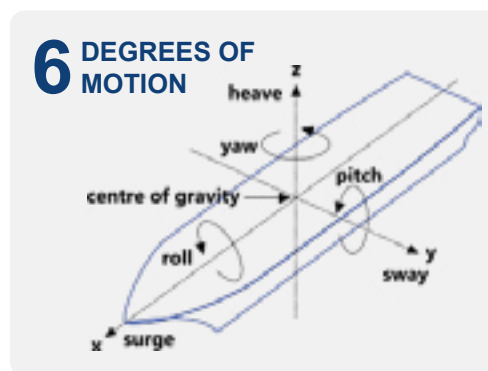


- ✓ Chart Datum is the level of water that charted depths displayed on a nautical chart are measured from. A chart datum is generally a tidal datum; that is, a datum derived from some phase of the tide. Common chart datums are the lowest astronomical tide and mean lower water.
- ✓ Highest astronomical tide (HAT) - The highest tide which can be predicted to occur is +5.82 m
- ✓ Mean high water springs (MHWS) - The average of the two high tides on the days of springs is +5.09m
- ✓ Mean sea level (MSL) - This is the average sea level of +3.03 m
- ✓ Mean low water springs (MLWS) - The average of the two tides on the days of spring tides is +0.98 m

## Impact Of Climate Change On Wave Height

Research suggests a warming planet may also alter ocean waves along more than 50% of the world's coastlines. The six degrees of motion of a ship at sea are displayed in the diagram below.

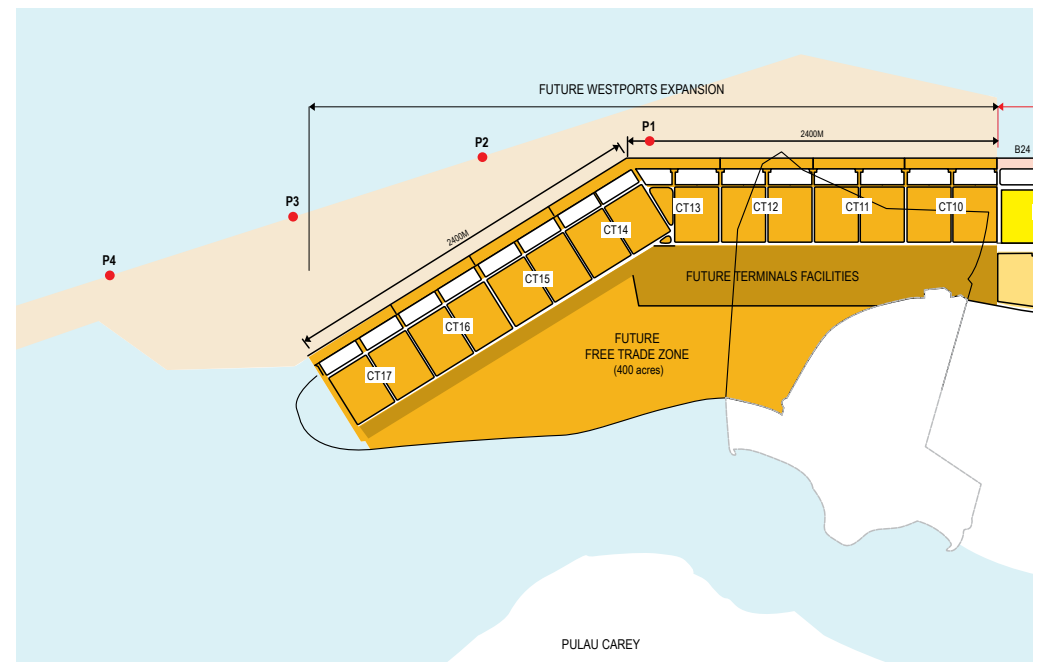
Surge motion is critical for smooth and safe container loading and unloading operations due to the movement of ship-to-shore cranes along the quay. Large waves can cause the



vessel to move beyond tolerance levels, which will affect the berthing, loading and unloading of containers. A cell guide ensures containers are aligned when loaded or unloaded from a vessel. Unwanted movement makes it more challenging to place them correctly in the cell guide.

Westports commissioned a marine and coastal engineering specialist to study the impact changes in wave height would affect its future expansion plans. Reference points P1, P2 and P3 are located at various distances along the proposed berths while P4 is located outside.

Exceedance of wave height (M)	P1 (%)	P2 (%)	P3 (%)	P4 (%)
1	0.0	0.1	0.3	0.3
0.75	0.3	0.7	0.9	1.1
0.5	2.0	4.8	6.7	8.9



The MarCom WG 115: Criteria for the (Un)loading of Container Vessels (2012) by The World Association for Waterborne Transport Infrastructure, PIANC, recommends limiting surge motion to less than 0.4m to ensure 95% efficiency of crane loading and unloading operations.

Wave conditions at the proposed berths are unlikely to be too dissimilar to those at the existing berths and unlikely to pose any operational constraints. A breakwater is not deemed necessary. However, Westports will continue to monitor the effect of wave height on port operations.

The financial markets need clear, comprehensive, high-quality information on the impacts of climate change, including the risks and opportunities presented by rising temperatures, climate-related policy and emerging technologies.

The Financial Stability Board created the Task Force on Climate-related Financial Disclosures (TCFD) to improve and increase reporting of climate-related financial information. Westports' Sustainability Committee and management formulate initiatives to mitigate the Company's carbon footprint and assess and mitigate climate change's potential impact.

### **Embedding Climate Action Into The Business's Strategy Task Force For Climate-Related Financial Disclosure (TCFD)**

Westports recognises the importance of identifying, assessing and mitigating climate-related risks for business continuity and resilience. The Company will adopt the Task Force on Climate-related Financial Disclosures (TCFD) framework to help identify and compile the information needed by investors, especially financial stakeholders, to evaluate climate-related risks and opportunities appropriately. Westports will develop voluntary, consistent climate-related

financial disclosures to help the financial community assess and understand any material risks.

### **Governance**

The Board Sustainability Committee was established to help the Board review applicable ESG policies, Environmental Policy, Sustainability Policy and Governance Policy. This committee will assess Westports' governance related to climate-related risks and opportunities, complementing the Management Sustainability Committee.

### **Strategy**

Westports assessed climate change as a significant potential threat to its present seaside-fronting wharves and society. The Company appointed an external consultant, DHI Water & Environment (M) Sdn Bhd (DHI), to conduct a study.

According to this external consultant's comprehensive Westports Climate Change Assessment Report, the highest potential risk is rising sea level. Its analysis shows that the sea level is projected to increase by between 0.65 meters, representing its central estimate with an 83% confidence level by 2080.

Waves from either natural causes or ships' wake could lead to overtopping at the jetty deck; the top deck is currently +7.23 metres, while the highest astronomical tide (HAT) is +5.83 metres. There is a low probability of overtopping the wharves after adding the projected sea-level increases to the HAT. Sea level rises are considered the highest risk factor among all evaluated parameters.

### **Risk Management**

Westports will enhance its Risk Management Framework to improve its climate-related risk processes. The DHI study highlighted other parameters for the Company to evaluate.

### **Metrics And Targets**

Westports discloses its Scope 1, Scope 2 and Scope 3 GHG emissions each year and introduced an internal carbon price starting from RM15 in 2020.

### **Westports Climate Change Assessment: Evaluation Of Climatic Changes And Initial Vulnerability Assessment**

As the preferred hub port for the shipping lines in the region, Westports takes the threat of climate change seriously. Climate change has become an increasing threat to ports and other critical infrastructure. As described in the IPCC's Sixth Assessment Report (AR6), the estimated global surface temperature has increased since AR5 (2014), principally due to further warming since 2003–2012. Depending on future measures, climate change trends are likely to continue and may affect Westports existing infrastructure and future operations. As this potentially represents a significant risk to the business, operations, safety and infrastructure, we must strengthen resilience and potentially adapt to meet the expected changes. Westports embraces this challenge of leading the industry towards a sustainable future while transparently reporting its progress.

In 2021, Westports embarked on a plan to evaluate the potential implications of climate change on its existing facilities in Port Klang.

### **Methodology**

The assessment methodology was based on 2020 PIANC "Climate Change Adaptation Planning for Ports and Inland Waterways" guidelines.

### **Goals**

The main goal of this study is to evaluate the potential implications of climate change on the risk profile of the Westports facilities and assist in developing a medium and long-term plan for climate change adaptation planning.

### **Scope And Limitation**




The climate change assessment focuses on analysing and evaluating various climatic and metocean parameters, including wind, water levels, waves, currents, rainfall and air temperature to assess their effect on port assets and operations. The climate change assessment has a timeframe of 60 years (2080) from a baseline period (2020), based on available data and model simulations from the IPCC Assessment Report AR5 Ref. /2/ issued in 2014.

### **Selection Of Climatic Scenarios**

Based on the assessment in the projection of future conditions, the selected future climate scenarios (high, medium and low) are presented in the following table.



## Selected climate change scenarios to evaluate changes in metocean and meteorological conditions in the Westports area

Climate Change Scenario 	Temperature Projections 	Wind Projections 
<b>HIGH</b> NorESM1-M/RegCM4 (RCP8.5)	Averaged temperature increase by 1.7-2.1°C	Increment of wind speed of ~0.3 m/s
<b>MEDIUM</b> Averaged from 10 different futures	Averaged temperature increase by 1.6-2.0°C	No change of wind speed in general
<b>LOW</b> MPI-ESM-MR/RegCM4 (RCP8.5)	Averaged temperature increases by 1.9-2.7°C	Decrement of averaged wind speed ~0.17 m/s

## Findings



### Rainfall

The key finds related to changes in rainfall conditions at the site can be summarised as follows:

- Concerning the total annual change in rainfall (PRCPTOT) experienced at the site, there is no clear evidence of a trend, with half of the models showing increased yearly rainfall and the other showing a reduction. The projected changes in annual rainfall totals range from a 400 mm decrease to a 200 mm increase.
- The simple precipitation intensity index (SDII), which calculates the typical rainfall occurring on wet days, shows four of the ten models projecting a 1-2-mm decrease in daily rainfall intensity and six an increase of 1-22 mm per day.
- The monthly maximum one-day precipitation (Rx1day) show more evidence of a pronounced increasing trend, with seven of the ten models showing a 5-25mm increase in the monthly maximum one-day rainfall events and only three decreasing by 1-3 mm.



### Air temperature

- Contribution to total precipitation from very wet days (R95pTot) shows an increasing trend in nine out of ten models. Very wet days are defined as days when the total rainfall are above the 95<sup>th</sup> percentile of daily precipitation, indicating future storm intensities for more severe events are expected to change by as much as 5 mm/day.
- The maximum dry spell length (CDD), defined as the maximum number of consecutive days where rainfall is less than 1mm, again shows predominately a positive trend, with seven of the ten climate models showing dry spells increasing in length between 1 and 4 days. Models showing a decrease in the duration of dry spells only decreases by a single day.

The assessment of future trends in temperature has indicated that temperatures will increase for all scenarios considered. Changes in temperature indices between the baseline period and the future are summarised below:

- The heatwave number (HWN), the number of individual heatwaves identified in a given period, is projected to increase by all climate models. The chance of heatwave occurring in the future is more than twice that of the baseline period.
- The length of heatwaves (HWD) identified by the HWN is also projected to increase in the future. Larger increments showing increases in the duration of heatwaves of more than ten days are projected by higher emission scenarios (RCP8.5) compared to the lower (RCP2.6) and middle (RCP4.5) scenarios, which typically shows a five-day increase in the duration of heatwaves.
- The peak daily value in a heatwave event (HWA) identified by the HWN is also projected to increase by more for the higher emission scenarios (RCP8.5) and less so for RCP2.6 and RCP4.5. The peak daily temperature is projected to increase by between ~0.5°C to >1.0°C, while the RCP 2.6 and RCP4.5 are generally <0.5°C.

The rising temperature may have significant implications for future heat and energy management of underlying infrastructures and facilities. The climate model projections do not consider the effect of local urban development; the urban heat island effect may cause higher heat stress increases than the projected values.



## Winds

The predicted wind changes for the three scenarios are summarised below.

- For the low scenario, a decrease in the future wind speed most of the months except for March and December is predicted. July displays large deviations with average peak storm wind speed; WSm<sub>max</sub> decreases by ~7% between the future low for present conditions. March indicates the most significant increment of close to 5%.
- The medium scenario observes minor changes of  $\pm 2\%$ .
- The high scenario shows an increase in wind speeds throughout the year. Higher average peak storm wind speeds may increase by 5-10% in November and June.
- The directional wind rises show that the future high scenario projects an increase of winds from the SW to NW sector accompanied by a generalized decrease of wind events from the NE to SE sector. Conversely, the future Low and Medium scenarios show increased influence by winds blowing from the NE to SE sector.

Evaluating the change of future squalls occurrences season shows considerable uncertainties, mainly related to the regional climate models.



## Waves and Currents

Overall changes in wave conditions in the study area are minor:

- The high scenario shows peak wind speed increases between 10 to 20% during the NE monsoon and SW less than 3%.
- Overall, no consistent trend is observed.
- Extreme conditions induced by squalls show significant uncertainty.



## Water Levels

The analysis of the sea level rise shows water level increases of 0.47 m to 0.65 m, representing central and 83% confidence levels. The predicted extreme water levels for the 100-year return period are 6.48 and 6.66 mCD for central and 83% confidence values. The predicted increase in sea level rise is considered significant.



## Currents

The results indicate minimal changes with the present scenario are predicted for all three future climate scenarios. Therefore, the future projection of currents in Westports is considered minor.

## PROCUREMENT AND SUPPLY CHAIN SUSTAINABILITY

Sustainability is integral to our procurement process. Through supplier engagement, supplier recognition and supplier procurement, we continue to improve our business practices and operations to manage risk while increasing productivity and efficiency within the supply chain.

Westports' procurement and supply chain procedures address process-related and product-related requirements, including the procurement of all materials, machinery, office products and service engagement.



Critical suppliers include high-volume suppliers, non-substitutable suppliers and vendors that supply essential products and services.

Sustainability creates value for Westports and is an opportunity for procurement to increase its value proposition. Westports is gradually integrating ESG objectives into procurement decisions and supply-chain management strategies such as zero-tolerance for suppliers' human rights violations, circularity and waste reduction in the supply chain, and a minimal carbon supply base.

## Environmental supply chain

The five leading general sourcing strategies are cost, time, quality, continuity of the supply chain, and suppliers' track records. Westports is committed to sourcing assessment processes for new suppliers, including incorporating ESG elements gradually, such as energy use, climate change impact measurement, greenhouse gas emissions, water use, biodiversity impacts, local pollution, waste reduction, resource use and other environmental issues.

Suppliers with environmental-related certifications such as the ISO 14001, ISO 9001 and quality certification standards receive additional merit in their applications. Certain materials, such as asbestos, are banned as they are hazardous for humans. Westports follows the Environmental Quality Act (EQA) and regulations.

Westports engages with suppliers to improve their environmental performance. For example, several suppliers, such as port reception facilities, are encouraged to install solar panels on their roofs. Suppliers should take appropriate climate protection in their operations, setting and achieving climate protection goals.

Westports has included environmental elements in contractual clauses (approximately 30%), supplier training and 30% of supplier questionnaires. Westports also raises awareness of its expectations in this field to suppliers. Every supplier is subject to a supply chain and environmental risk assessment. The procurement team also attends training and awareness sessions to

ensure their understanding of the Company's expectations of its supply chain partners.

Westports is gradually adding sustainability elements into new equipment purchases as a standard design.

Suppliers found to be non-compliant with Westports' policies are recommended for re-training, re-auditing with the possibility of having their contracts revoked. There were no significant cases of environmental non-compliance resulting in corrective actions taken in 2021.

## Social Supply Chain

Westports ensures that its major supply chain partners adhere to all social standards stipulated by Malaysian Labour Law and the International Labour Organisation (ILO). Supply chain management includes social factors including supplier screening, supplier training, suppliers' questionnaires and risk assessments. Social compliance is also part of contractual clauses. Westports is embarking on formalising its supplier's processes which address major social areas, including:

- Health and safety
- Decent and minimum living wages
- Standard of living conditions
- Maximum working hours
- Freedom of association and the right to collective bargaining
- Child and forced labour
- Non-discrimination
- Prevention of cruel, degrading and inhuman corporal punishment and disciplinary practices



Westports will continue to conduct training and awareness sessions for employees in charge of purchasing and the supply chain to ensure their understanding of the Company's expectations of its suppliers on social performance. There were no significant cases of social non-compliance resulting in corrective action in 2021.

## Sustainability Risk Management

Westports Sustainability Risk Framework assesses the social and environmental risks from business transactions. This risk management tool gradually formalises Westports' social and environmental respect. A company-wide due diligence process helps identify and assess the potential impacts of such transactions. The sustainability risk framework is updated regularly to address new industrial developments.

We have a formalised process to identify sustainability risks in the supply chain and include sustainability criteria in the supplier screening process. In 2021, we added two ESG elements into our supplier selection screening: corruption and local labour. Typically, pollution prevention and human rights are higher risk areas. Supply chain risks affect economic performance, strategies and the entire supply chain network. Our supply chain risk results are helpful when deciding Westports' green supply chain management.

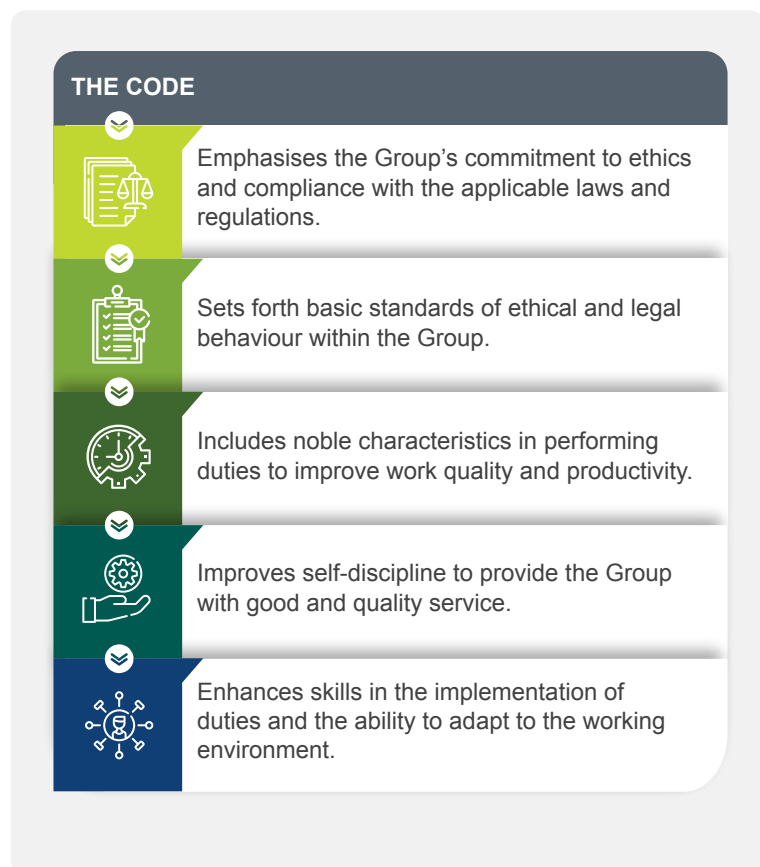
## Ethics and Values

Port employees achieve their shared mission through decisions and actions that honour Westports' values. As employees make choices in their everyday work, they are incredibly attentive to upholding these ethical values.

## Codes of Conduct

Westports' Code of Conduct guides ethical business and optimises operations' social and environmental. The Code of Conduct describes Westports' high ethical standards and integrity, based on applicable law and internationally recognised principles for responsible business conduct.

In performing their duties, employees must carry out the mandate and responsibility to the best of their ability and judgement and maintain the highest standard of integrity and conduct outside.



## Topics Covered in the Group-Wide Code of Conduct



## Anti-Competition And Fair Dealing

Westports complies with competition law and strictly observes the prohibition of anti-competitive agreements or substantial market power in all business transactions. Westports does not abuse its dominant position, engage in concerted practices or any anti-competitive behaviour that prevents, restricts or distorts competition. Westports respects confidential agreements at all times and does not tolerate competition law breaches.

Our commitment to anti-competition and fair dealing applies throughout all operations and has the full support of top management. We conducted awareness training for managers on the importance of anti-competition practices in November 2021.

The Port Klang Authority regulates rates; each shipping line has a specific terminal contract with Westports. Several major shipping lines perform third-party external audits, including investigating any allegations.

Westports' has a structured reporting system to prevent anti-competitive practices, which includes:

- Formalised procedures for receiving gifts by individual department heads
- Independent investigations by an external agency on allegations
- Internal audits to monitor our compliance with the code of conduct
- Due diligence in evaluating contracts and suppliers.

Westports has not been the subject of any investigation for anti-competitive practices since its inception.



## Anti-Corruption

Westports adopts a zero-tolerance policy against all forms of corruption and bribery and is committed to:

- Acting professionally, fairly and with integrity in all relationships and business dealings; and
- Implementing and enforcing an effective system to counter corruption and bribery.

Westports developed a comprehensive Anti-Corruption and Bribery Policy, which provides detailed processes and procedures in line with Malaysia's applicable laws and regulations. The Board approved the policy in May 2020. Westports is also working towards the ISO 37001 Anti-Bribery Management System.

The Anti-Corruption and Bribery Policy covers corruption and bribery, embezzlement, facilitation payments and kickbacks, gifts, hospitality and entertainment, charitable contributions and sponsorships, money laundering and conflicts of interest. It also covers all aspects of dealing with government or public officials, including direct and indirect political contributions and the illegal financing of political parties. Breaches to this policy may result in warnings, dismissal or prosecution depending on the severity of the case. We are pleased to report that there has been no disciplinary action or dismissal which resulted from non-compliance with anti-corruption (zero cases and RM0 penalties in 2021).

Compliance is not directly linked to employee remuneration nor included in the appraisal system. However, Westports places great responsibility on each employee to prevent, detect, and report bribery and other forms of corruption. Stakeholders can report any potential or actual corruption cases through a dedicated email at [integrity@westports.com.my](mailto:integrity@westports.com.my).

### Coverage Of Anti-Corruption And Bribery Policy



Our comprehensive corruption risk assessment covers all types of corruption, including bribery. Westports conducts due diligence on all personnel, business associates, contractors, agents, projects, significant business activities and new business partners, especially where there is substantial exposure to corruption and bribery risks. Due diligence is essential for operations assessed as “high risk”.

All new personnel receive Anti-Corruption and Bribery Policy training as part of the induction process. In July 2021, all executives and managers signed a Pledge for Anti Bribery. All employees receive regular, relevant reminders on adhering to this policy and formally accept in writing that they will comply with its terms periodically. In 2021, 56 executives and managers attended seven training sessions. Managers and executives also attended refresher training on anti-corruption and ethical behaviour.

Westports keeps detailed and accurate financial records and has introduced:

- Appropriate internal controls to provide evidence for all payments; and
- A system to ensure compensation paid to agents, including contractors and other third parties, is appropriate and justifiable for legitimate services rendered and delivered through bona fide channels.

In 2020, Westports performed its first internal audit to verify compliance with the code of conduct, Anti-Corruption and Bribery Policy and other relevant policies and procedures. The audit team checked compliance and coverage of the adequate procedures according to the TRUST principles. The team tabled the results during the committee meeting in November 2021.

Westports is also externally audited by an independent, external specialised organisation and submits a biannual report to the Malaysian Anti-Corruption Commission ("MACC"). MACC scrutinises the findings and has full authority to make additional checks, audits or investigations. Westports has also established a system that allows allegations to be investigated externally and refers any potential corruption cases to the Royal Malaysian Police or MACC.

Westports performs due diligence when evaluating contracts. Suppliers must acknowledge their commitments to corruption on the Vendor Pre-Qualification Assessment Form. Westports has a blacklist system for noncompliance and all criminal offences, including bribery and corruption.

## Gifts

Westports has adopted a No-Gift Policy. Employees must neither solicit nor accept any gifts from any third party with a direct or indirect business interest with the Group. The policy prohibits employees from receiving cash or cash value gifts except for fruits, flowers, token gifts, promotional items (less than RM500) or hampers of a reasonable value. These gifts are shared with team members or placed in common areas. Staff choosing to accept any item must declare it on the Gift Declaration Form.

Employees who cannot decline or return a gift exceeding RM500 must declare and surrender it to the department head who reports it to the Human Resources Department. The CEO, Group Managing Director or Chairman decide the best way to deal with the gift based on their due consideration.

The Whistleblowing Policy can be used to report corruption or bribery and offers complete protection under the policy and Whistleblower Protection Act 2010.

## Political Contributions

Westports' Anti-Corruption and Bribery Policy contains provisions for political contributions. As a matter of general policy, Westports does not make or offer monetary or any political contributions to political parties, political party officials or candidates for political office. The Group refrains from any actions that may be perceived as an attempt to gain an improper business advantage.

Westports' policy on political contributions prohibits any form of political giving or donations other than those which contribute to nation-building and benefit the people. We are committed to disclosing the amount and nature of these contributions and expect nothing in return. In 2021, we donated RM3 million to the Ministry of Finance's Akaun Amanah Bencana Covid and medical equipment to the Ministry of Health and local government hospitals to help control the pandemic, including purchasing PPE. Westports made no payments to political parties during the year (RM 0).

## Money Laundering

Money Laundering is the process by which persons or groups conceal the proceeds of illegal activities or make the sources of their illicit funds look legitimate. Westports is committed to conducting businesses with reputable customers with legitimate funds for legitimate business purposes.

## WHISTLEBLOWING

All employees play an essential role in maintaining the highest level of corporate ethics within the Group and are responsible for disclosing any known malpractices or wrongdoings. This policy aims to:

- Promote and maintain high transparency and accountability in the workplace;
- Promote sound corporate governance practices in the workplace;
- Ensure that employees can raise concerns without fear of reprisals and protect their confidentiality;
- Protect a whistleblower from retaliation as a consequence of making a disclosure;
- Provide a transparent and confidential process for dealing with concerns;
- Protect the long-term reputation of Westports;
- Support Westports' values; and
- Maintain a healthy working culture

The Whistleblowing Policy is available in English and the local language, Malay, and is proactively communicated to all employees. The Employee Handbook also covers Whistleblowing. An independent reporting hotline is available 24/7 that directs callers to the port police.

Westports protects the Whistleblower's identity and confidentiality from any third party not involved in the investigation or prosecution. Whistleblowers in Malaysia are also covered in court by the Witness Protection Act 2009 and Whistleblower Protection Act 2010. Whistleblowers can report:

- Improper activities relating to financial reporting, corruption, bribery, unethical or illegal conduct directly to the Chairman of the Audit, Risk and Management Committee
- Employment-related concerns to the Group Managing Director, CEO or Head of Human Resource Department
- Anti-competitive practices, which the audit team will investigate

Initial inquiries determine whether an investigation is appropriate and the form it should take. For example, crime-related matters are reported to the police or applicable law enforcement agencies. The Head of Human Resources investigates any wrongdoing involving a breach of the Code of Conduct. Some concerns may be resolved without an investigation. Any charges of misconduct brought due to an investigation under this policy must comply with established disciplinary procedures.

The ultimate responsibility rests with the board as a whole. However, the audit committee oversees the misappropriation and whistleblowing systems. The management and internal audit are directly responsible for anti-corruption.

## Reward For Information

All employees are obliged to report any corrupt, criminal or illegal activity under their employment terms. In 2019, Westports began offering a cash reward for helpful information based on the category.

## Confidentiality

Westports keeps the Whistleblower's identity strictly confidential and will not reveal it to any third party that is not involved in the investigation or prosecution unless:

- There is an overriding legal obligation to breach confidentiality;
- It is required by law; or
- Ordered to do so by a court of law.

Westports protects Whistleblowers against being dismissed or penalised and considers mitigating circumstances if the Whistleblower is involved.

## Protection Given to Whistle-blowers

Retaliation

Disciplinary action

Threat or intimidation of termination or suspension of service

Transfer

Obstructing Whistleblower's rights to continue performing their duties or making further disclosure

Refusal of promotion

Demotion

The Policy lists the structures and procedures to process whistle-blower reports. Westports also has a rewards system to encourage employees to report wrongdoing.

There have been no cases of corruption reported over the past three years.

# ENVIRONMENT

**WESTPORTS CONDUCTS OPERATIONS TO CONSERVE THE ENVIRONMENT AND VALUABLE MATERIALS. THE COMPANY IS COMMITTED TO PROTECTING THE ENVIRONMENT BY MINIMISING AND MITIGATING ENVIRONMENTAL IMPACTS THROUGHOUT THE OPERATIONS LIFE CYCLE. EMPLOYEES SHOULD REDUCE FINITE RESOURCES, INCLUDING ENERGY, WATER AND RAW MATERIALS. THEY SHOULD ALSO MINIMISE HARMFUL AIR AND OTHER ENVIRONMENTAL EMISSIONS, WASTE AND WATER DISCHARGES.**

## ENVIRONMENTAL POLICY

Westports operates its business in a responsible, environmentally-sound and sustainable manner. Our services, processes and supply-chain solutions have direct and indirect environmental impacts. We seek to identify effective ways of reducing or eliminating the adverse environmental effects where possible.

### Environmental Objectives

The Group is responsible for managing resources, operations, management, maintenance and developing the port. Westports is committed to:

- » Protecting the environment, preventing and controlling local pollution and reducing emissions, releases and management of waste from production, operations, services and business facilities;
- » Practising green distribution which refers to logistics practices that minimise environmental harm by making green choices across the supply chain whenever possible and practical
- » Consuming natural resources and energy more efficiently, reducing GHG emissions, reporting the Group's performance and performing internal GHG audits wherever possible;
- » Raising environmental awareness and consulting with stakeholders on environmental issues such as pollution when necessary;
- » Implementing an Environmental Management System throughout our operations, monitoring the Group's environmental performance and regularly reporting on notable environmental issues;
- » Optimising the fleet of terminal tractors and cranes and regularly evaluating the sourcing of alternative fuel or energy sources if beneficial to the business and/or environment;
- » Gradually engaging with suppliers, service providers, contractors and other key business partners to improve environmental performance through process and service-related requirements, and assess more favourably vendors or suppliers that can demonstrate better responsible management of their environmental footprint.

The Group Managing Director and the Board Sustainability Committee has specific responsibility for the Group's environmental policy and performance. This responsibility is delegated operationally through the line management structure, which includes the Chief Executive Officer and General Managers responsible for coordinating environmental performance across the Company. Westports conducts management reviews of its Environmental Management System (EMS) that measure environmental performance against targets.

**ENVIRONMENTAL  
COMPLIANCE**

**100%**

of our sites have been certified with ISO 14001 since 2009

# ENVIRONMENT

Our EMS covers 100% of operations as of 2021 and has been verified through international standards such as the ISO 14001. EMS data is verified internally and externally by a third-party auditor.

The EMS helps Westports track capital investments, expenses, cost savings and avoidance from environmental investments for all or specific parts of the business.

## POLLUTION PREVENTION AND CONTROL

Pollution caused by vessels is composed of air pollution and water pollution. Typically, water pollution is in ballast water from ships and oil leaks by maritime accidents. Air pollution comprises sulphur oxides, nitrogen oxides and volatile organic compounds released as exhaust gas from ships. Westports identifies relevant non-GHG emissions and is committed to reducing them. Management targets include air pollution, ozone layer-depleting substances, nitrogen oxides and sulphur oxides. Preventing oil discharge from vessels and waste management averts water pollution.

We have implemented successful programmes to reduce port air pollution and improve air quality for a more clean and sustainable port such as:

- Pollution control monitoring
- Training on pollution
- Risk assessment studies for pollution
- Implementation of risk prevention procedures for pollution
- Opting for low- nuisance equipment
- Rehabilitation of polluted soil
- Improving efficiency
- Participating in local and global initiatives in reducing pollution

Westports is committed to protecting people and the environment from the harmful effects of pollution. We provide a straightforward system for the public to raise their concerns about environmental pollution.

The Board Sustainability Committee targets to announce a net-zero plan after an internal assessment and evaluation in 2022.

## Air Emission Monitoring

Air Emission Monitoring compares pollution levels against ambient air quality standards. Robust monitoring helps guard against extreme events by alerting people and initiating action.

In 2020, Westports engaged Envichem Consults Sdn. Bhd to monitor air pollutant levels for Exhaust Engine (EE) RTG 165, EE RTG 184, EE RTG 111, EE RTG 66, EE RTG 142 and EE RTG 47 in compliance with the Environmental Quality (Clean Air) Regulations 2014. Total particulate matter (PM), oxygen (O<sub>2</sub>), carbon monoxide (CO), carbon dioxide (CO<sub>2</sub>), sulphur dioxide (SO<sub>2</sub>), nitrogen dioxide (NO<sub>2</sub>) and nitrogen oxide (NO) were measured. All Air Emission Monitoring results were below the Environmental Quality (Clean Air) Regulations 2014 during the sampling period.

In 2021, we reviewed the details and established the emission model for each type of RTGs including conventional, variable speed and hybrid RTGs. The next emission monitoring exercise is in 2022 for all RTGs and TTs.

## NOISE MANAGEMENT

Westports has developed a noise mitigation strategy to manage noise and its impact on the local community. The Group also has a policy commitment for managing noise levels at the port.

Westports has systematically incorporated the impact of noise into its business decisions. Monitoring noise readings help formulate appropriate measures to mitigate its effects.

Cranes do not produce enough noise to affect the communities as no residents reside nearby. However, Westports consults the local communities during a project's early stages. Westports systematically records and attends to all complaints and grievances.

There have been no complaints or incidence of non-compliance that resulted in investigation or correction plans.

## BIODIVERSITY

Pulau Indah's ecosystem and beauty rely on the nearby mangrove forests. Naturally, this area has become Westports' biodiversity priority area. These mangrove forests are highly productive ecosystems that benefit both the marine environment and people. They are home to various fish, crabs, shrimps and molluscs. Their dense root systems trap sediments flowing down rivers and off the land, stabilising the coastline and minimising erosion.

The Sustainability Board Committee is responsible for all biodiversity issues. Westports' formalised its commitment to minimising the impact on biodiversity in its Green Port Policy. Westports aims to minimise the long-term effect of biodiversity loss. It also includes our commitment to an employee awareness programme and stakeholder engagement on biodiversity. Westports systematically evaluates local threats to biodiversity beyond the company's business activities throughout Pulau Indah. Degraded materials are also reused for reclamation work to minimise the environmental impact of relying entirely on sand transported from elsewhere.

## Westports' Tree Planting

In 2021, Westports appointed FRIM Incorporated Sdn Bhd to determine the carbon sequestration of all the trees within the terminal's premises. The total amount of CO<sub>2</sub> equivalent sequester of flora is 595.9951 tonnes CO<sub>2</sub> eq and the total amount of CO<sub>2</sub> equivalent sequestration is 32.4558 tonnes CO<sub>2</sub> eq per year.

In 2020, Westports purchased 1,000 planted trees from EcoMatcher partners with vetted foundations worldwide that specialise in tree planting. EcoMatcher monitors the growth of each plant.



# ENVIRONMENT

## EFFLUENTS AND WASTE

Climate change, scarcity of resources and improper waste and effluents management are pressing global environmental issues that present regulatory, physical, operational and reputational risks. Effectively managing our environmental footprint is more important than ever.

Westports formalised its waste management and reduction practices in its Green Port Policy by:

- Resource use analysis by reducing use and improving efficiency.
- Reducing waste and increasing recycling or the beneficial reuse of all waste materials arising from administrative activities, site operations and all activities on its premises.
- Considering the end destination of all products and materials brought onto its premises.
- Separating disposable and recyclable waste to help prevent environmental pollution.

### Effluents

Ports house container terminals, warehouses and cargo facilities that may directly or indirectly affect water quality. In full compliance with the Industrial and Effluents Regulations 2009, Westports:

- Installed oil and grease traps at all maintenance and repair workshops; and
- Conducted annual water sampling analysis at port valuation points at various outlets near the sea.

Westports plans to build two new small-scale sewage treatment plants (SSTP) at CT10 and CT14. These SSTPs will support the maintenance and repair workshops and the administration building. The Extended Aeration System SSTPs will have a capacity of 250 P.E.

No operational effluents were released into the sewerage system or waterways as Westports processes them as scheduled waste. Westports' effluents during the year were within the limit set by the DOE. There have been no instances of non-compliance, which resulted in an investigation and corrective action.

Westports purchased a hydraulic recycling machine to reuse used hydraulic oil that it would otherwise discard as scheduled waste.

Terminal operations, infrastructure development and construction can affect water quality through spills, stormwater runoff and groundwater contamination. Vessels can also affect water quality from accidental spills and planned discharges into water.

## Waste

### Paper Waste

All departments use a significant amount of paper. Westports monitors the volume of paper consumed and the number of printed forms.



### Plastic Waste

Approximately 80 per cent of refuse arrives in the oceans via an estimated 1 per cent of the Earth's 100,000 rivers. Westports continued to crackdown with its single-use plastic campaign throughout 2021. Westports included A No Single-Use Plastic Policy in its Sustainability Policy and distributed a survey covering waste management to raise awareness of this initiative.

# ENVIRONMENT

## Featuring Interceptor 002

Solar energy completely powers Interceptor 002's autonomous extraction system. This custom-built vessel has been in operation since November 2019. It has been deployed as part of the Selangor Maritime Gateway's initiative under Menteri Besar Inc to spur and facilitate new sustainable social and economic growth along the Klang River. River cleaning, rehabilitation and development are components of this plan.



## Scheduled Waste

Westports is committed to managing scheduled waste safely and legally while minimising its environmental impact in its Green Port Policy. All scheduled waste must be stored and disposed of by an appointed licensed contractor as mandated by the Environmental Quality Act 1974. Westports reports the volume and types of scheduled waste in the Department of Environment's Electronic Scheduled Waste Information System (eSWIS).

Used oil and oil-water emulsion from lubricating the port's machinery constitute the bulk of Westports' scheduled waste. Other related waste consists of oil filters, drums, rags and sludge.

## Scheduled Waste Disposal (kg)

Waste Category	Waste Code	2019	2020	2021
Used Oil	SW305	87,000	116,000	<b>280,950</b>
Spent Mineral Oil-Water Emulsion	SW307	78,400	16,000	<b>66,000</b>
Sludge	SW312	46,610	26,200	<b>0</b>
Clinical Waste	SW404	-	109	<b>242</b>
Used Saw Dust	SW408	467	514	<b>0</b>
Empty Drums	SW409	31,200	21,600	<b>41,880</b>
Waste Rag, Gloves and Oil Filters	SW410	68,761	74,431	<b>74,910</b>
<b>Total</b>		<b>312,438</b>	<b>254,854</b>	<b>463,982</b>

## WATER MANAGEMENT

Westports is committed to promoting water savings and stewardship in its day-to-day water use. We have installed an automated water flow system in the toilets in five locations at the Port. In July 2021, we installed water meters to monitor water consumption.



For our water performance, please refer to the Group Sustainability Performance Data table on page 7.

## Rain Water Harvesting Phase 2

In 2017, Westports installed two rainwater harvesting systems in Container Terminal 7 and one in the TSG Multipurpose Hall. The total capacity of the three tanks is 22.8 m<sup>3</sup>. In 2021, we installed meters for all three tanks.

## ENERGY MANAGEMENT

Westports' Energy and GHG Management practices are underpinned by improving efficiency, embracing innovation and integrating renewable energy across the value chain.

Climate change is hitting harder and accelerating faster than predicted. The World Economic Forum's Global Risk Report 2020 identified failure to mitigate and adapt to climate change as the primary concern: number one risk by impact and two by likelihood over the next ten years.

Westports supports the global responsibility for mitigating climate change. Energy for operations is the most significant contributor to GHG emissions. A robust energy management system monitors energy consumption to reduce its intensity and dependence on fossil fuels. The primary sources of operational energy are:






- Electricity for quay cranes, offices, warehouses and reefers; and
- Diesel for TTs, RTGs, tug boats, pilot boats and buses.

According to Westports' Materiality Study 2020, energy and GHG emissions are of significant concern for stakeholders; all operations work diligently to monitor and reduce them. Westports dedicates ample resources to maintaining efficient operations and preventing environmental degradation, such as conducting energy conservation programmes, shifting to renewable alternatives and adopting cleaner technologies and operational practices.

Westports' meaningful and influential actions to achieve set energy goals include:

- Converting 100% of conventional light bulbs to LED alternatives;
  - > Phase I comprising the tower block, CT1, CT4 and Warehouse D has been completed
  - > Phase II is ongoing
- Installing submeters from June 2021 is now complete allowing us to monitor energy consumed by the cranes, reefers, warehouses and buildings;
- Replacing Euro 2M with Euro 5-grade diesel for improved air quality, with a lower sulphur content of 10 parts per million (ppm), compared to Euro 2M's sulphur content of 500 ppm;
- Adopting sustainable lighting at the Tower Block and adding power meters to each floor and chiller; and
- Installing solar panels: 172 kWp on TSG Hall, which is scheduled for completion in April 2022 and a projected 9.5 MWp on the warehouse, which will commence in the second quarter of 2022

## Sustainable Lighting Options for Tower Block

-  Replacing all conventional fluorescent lights with LED fittings
-  Employing IoT power meters to monitor consumption on each floor
-  Installing IoT power meters to monitor the chiller's power consumption
-  Exploring options to install occupancy sensors for all tower block toilets
-  Exploring options to create an integrated dashboard to monitor each floor's energy consumption online

Converting to LED lights at the Tower Block saved an estimated

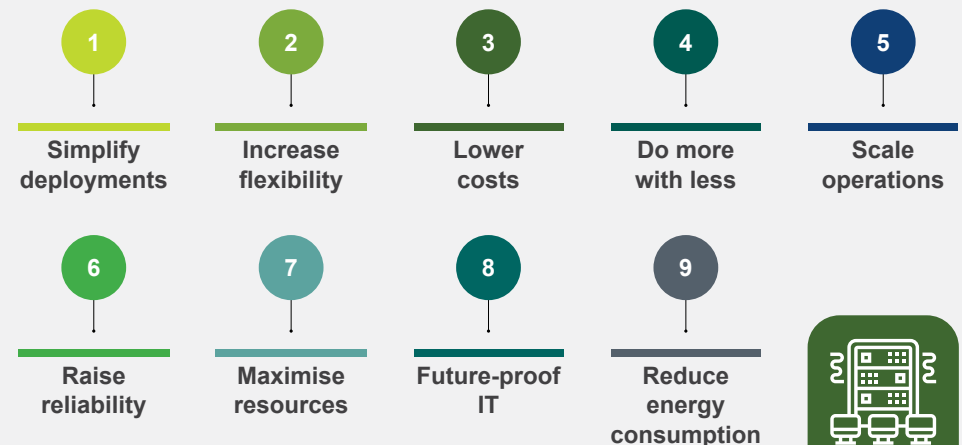
**147 kWh.**



## Hyperconvergence

Westports is moving toward hyperconvergence infrastructure to boost its data centre's green efficiency credentials. Hyperconverged infrastructure immediately makes the data centre more efficient and environmentally sound. As 12 disparate IT components can be condensed into a single solution, there is no longer a need to utilise storage space, power resources or cooling functions on them.

### Benefits of Hyperconvergence Infrastructure



Westports received the new hardware in December 2021; the entire project is scheduled for completion by the end of May 2022.

## Our Energy Performance

Operations consume significant amounts of direct energy, in the form of diesel, which powers mobile machinery. More static machinery such as quay cranes and container refrigeration is met through indirect energy in the form of electricity purchased from Tenaga Nasional Berhad.

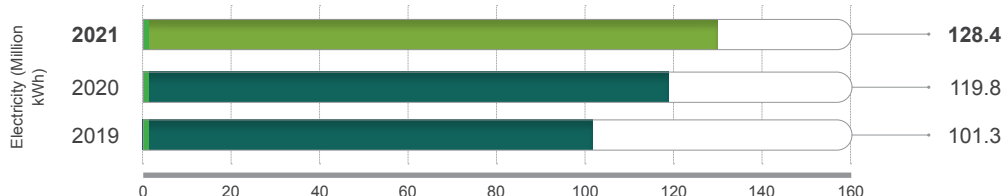
# ENVIRONMENT

## Direct Energy Consumption (Litres)

Use	2019	2020	2021
TT	17,692,935	18,364,430	<b>20,077,683</b>
RTG	18,521,165	18,729,575	<b>20,229,624</b>
Tug	11,566,701	10,180,863	<b>10,056,703</b>
Pilot	978,452	982,112	<b>850,632</b>
Others	1,586,946	1,826,096	<b>1,221,649</b>
<b>Total</b>	<b>50,346,199</b>	<b>50,083,076</b>	<b>52,436,291</b>

In 2021, rubber-tyred gantry cranes (39%) and terminal tractors (38%) consumed the majority of diesel. The remaining fuel was consumed by tugboats (19%) and pilot boats (2%). Pick-up trucks, forklifts, stackers, generator sets and buses consumed the remaining 2% of fuel.

## Electricity Consumption



## Energy Intensity

Westports expresses energy intensity as the total litres of fuel required per move, TEU or hour for its TTs and RTG cranes. The litres per move, TEU and vessel call are measured for tugboats and pilot boats. Tracking this information is an essential part of Westports' fleet optimisation. In 2020, Westports increased the granularity of its reporting by including pilot boats for all three reporting periods.



For our detailed energy intensity performance, please refer to the Group Sustainability Performance Data table on pages 7 and 8.

According to the IPCC, climate system warming is unequivocal. Each of the last three decades has been successively warmer than any preceding decade since 1850.

Climate change could significantly influence the business and the wider shipping, port and maritime industry. Mitigating climate change impact is now a strategic priority as it could potentially impact Westports, especially once the renewed concession period ends. The Group's climate change strategy includes engaging with employees and contractors. Westports is committed to reducing greenhouse gas emissions through:

- Innovation and adaptation;
- Research into deploying renewable energy;
- A complete climate change risk assessment;
- Realising efficiency gains and cost and emissions reductions by adopting new technology;
- Switching to cleaner fuels; and
- Implementing technical and operational measures that improve fuel efficiency.

Progress reports and proposals on energy management, climate change and pollution reduction, supported by financial indicators and Return on Investment calculations, are tabled at internal management and Board meetings. The Group Managing Director, Datuk Ruben Emir Gnanalingam, who also sits on the Board, is responsible for Westports' GHG and emissions management. Senior executives' remuneration includes sustainability and indirectly covers climate change performance. A climate change sub-committee, which includes executive members of Westports, has been formed in 2021, to monitor the Company's performance in achieving GHG reduction targets and deadlines.

As a member of the port industry in Klang, Westports works with the Port Klang Authority and indirectly with the International Maritime Organisation (IMO) to address increasingly diverse environmental performance challenges, compliance and efficiency within the port and maritime industries. During discussions, senior management personnel use their expertise to shape public policy and regulations. Westports is committed to reducing its long-term carbon emissions intensity and utilising energy-efficient terminal operating equipment as this technology becomes financially viable. Our role and involvement in this membership include identifying pressing environmental issues in climate change, water, waste and collaborating on solutions that drive improvement within Westports and throughout our supply chains. We continue to ensure consistency between our climate change policy and the position we advocate at trade associations of which we are members. When opinions contradict, we identify gaps and initiate a process that alerts the Company to new areas of good business practice.

# ENVIRONMENT

Climate change may impact our capital expenditures (CAPEX) as it will likely affect the nature, quality, and resilience of the structures we need to build and increase insurance costs. In 2021, Westports incurred some costs for buying electric bikes to evaluate whether they can replace the ICE bikes as part of the climate change adaptation and investment process.

Westports continues to raise awareness and devise plans for climate change activities in the future. Our climate change risk procedure is integrated into multi-disciplinary company-wide risk management and includes a climate-related risk management process. They are separate from other business risks and opportunities.

## Westports Climate Change Assessment

Westports commissioned a study to evaluate the potential implications of climate change on the risk profile of Westports' existing facilities. The consideration applies not just to risks related to climate change impacts but equally to the risks associated with responses to climate change, including adaptation (such as our operations adaptation strategy under the 2-degree scenario) and mitigation technologies, investments, practices, behaviours and policies. The study aimed to assist in developing a medium and long-term plan for climate change.

### Consolidation method in calculating the carbon footprint

Operational

### Organisational boundary for calculating the carbon footprint

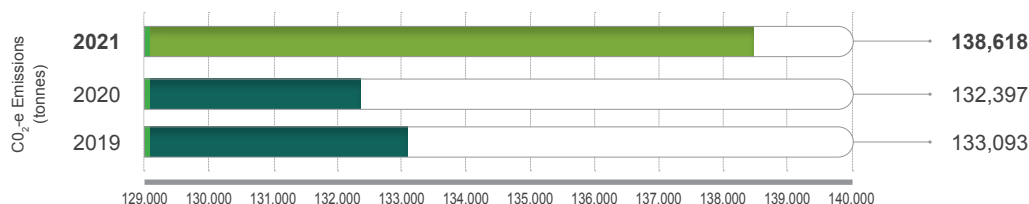
Accounts for 100% of GHG emissions where Westports has the authority to implement operational policies

### Independent review of environmental data

Sirim QAS International Sdn Bhd conducted a comprehensive audit process on the following environmental performances: environmental reporting, pollution prevention and resource reduction, hazardous substances, solid waste, air emissions, water management, energy consumption and greenhouse gas emissions.

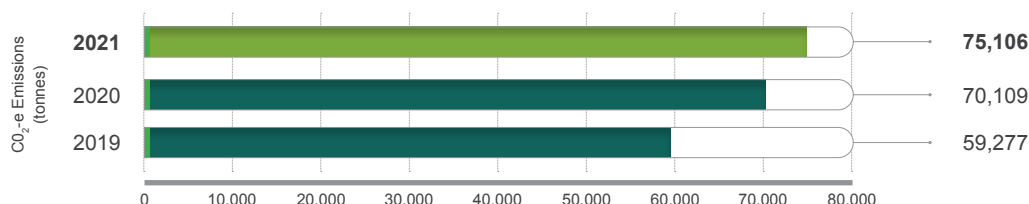
## SCOPE 1 COVERAGE: Entire Group (100%)

Westports uses petrol and diesel to power company-owned vehicles. Generators also require small amounts of diesel. The Group derives the CO<sub>2</sub> emissions from fuel consumption from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.



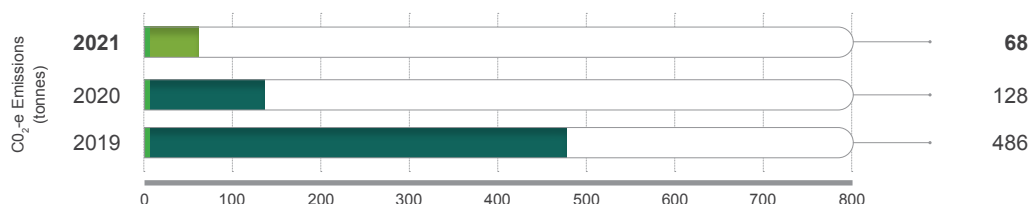
## SCOPE 2 COVERAGE: Entire Group (100%)

Westports uses the emission factor published by the Malaysian Green Technology Corporation for the Peninsular Grid to calculate CO<sub>2</sub> emissions from electricity use in Malaysia.



## SCOPE 3 COVERAGE: Entire Group (100%)

Westports calculates GHG emissions from point-to-point air travel, considering the number of onboard employees and distance travelled. Performing separate calculations for business and economy class flights, Westports uses online tools derived from the WRI Greenhouse Gas Protocol to calculate the CO<sub>2</sub> emissions from air travel.





## Scope 3: Employees' Daily Commute To Work

Significant CO<sub>2</sub> emissions result from employees travelling to and from the port. In 2018, we embarked on a project to estimate the total annual emissions produced by our entire workforce's daily commute. These emissions are tracked annually.

### Methodology

A survey was launched during the last quarter of 2021. Questions were presented to estimate the:

- Most common method of travelling, such as bicycle, LRT and own vehicle
- Approximate total daily distance travelled each day to work and back
- The type, age, engine size and type of fuel used if employees used their own vehicle

The survey was conducted online by an external consultant in English and Bahasa Malaysia. All employees were encouraged to respond.

The emissions of each respondent were calculated using a Mobile Combustion GHG Emissions Calculation Tool from the GHG Protocol Initiative. Employees work an average of 288 days a year and this information was used to estimate Westports' annual emissions.

### Results

40% of the total workforce were represented with 2,328 responses being amassed.

Method of Transport	Number of Employees in Sample	Estimated Total Number of Employees in Westports	% of Employees
Bicycle	2	5	0.09%
Bus	6	15	0.26%
KTM Komuter	3	7	0.13%
LRT	4	10	0.17%
Overground Train	1	2	0.04%
Own Vehicle	2,308	5,748	99.15%
Walking	4	10	0.17%
<b>TOTAL</b>	<b>2,328</b>	<b>5,797</b>	<b>100.00%</b>

In 2021, Westports employees travelled an estimated 51,823,012 km to and from work. The total estimated yearly CO<sub>2</sub> emissions for employees commuting in 2021 was 9,110 tonnes.

Method of Transport	Total Yearly Distance of Sample (km)	Estimated Total Year Distance (km) of Westports	Total Yearly Emissions (MT CO <sub>2</sub> e) of Sample	Estimated Total Yearly Emissions (MT CO <sub>2</sub> e) of Westports
Bicycle	4,324	10,768	0	0
Bus	32,287	80,399	2	5
KTM Komuter	75,529	188,077	9	22
LRT	17,585	43,789	2	4
Overground Train	26,810	66,760	3	8
Own Vehicle	20,650,878	51,423,170	3,643	9,071
Walking	4,036	10,050	0	0
<b>TOTAL</b>	<b>20,811,450</b>	<b>51,823,012</b>	<b>3,658</b>	<b>9,110</b>

### Emissions

Westports monitors RTGs emissions to ensure they are within limits set by the Clean Air Regulation 2014. Variable Speed RTGs and Hybrid RTGs have greater fuel efficiency, reducing emissions.

Variable speed engines deliver optimum power levels as required while reducing the engine speed wherever possible. The drive system ensures precise control over the entire process resulting in further fuel savings.

Hybrid engines offer substantial savings without any loss in productivity. Using stored power from the reserve whenever possible, the reduced dependability on the diesel engine typically delivers fuel savings of up to 30%, depending on operations.

The M&R Department maintains emissions at 20% to 40% through corrective RTG maintenance. Westports' in-house RTG engine injector servicing facilities help reduce heavy black and white smoke being emitted during injector failures by 10%. All new terminal tractors (TTs) follow the Euro 5 emissions standards.

# ENVIRONMENT

Emissions intensity, or carbon intensity, is a better measure of the emissions efficiency of the port. Westports expresses emissions intensity as the total emissions over the total volume (TEUs).



For our detailed emission intensity performance, please refer to the Group Sustainability Performance Data table on pages 7 and 8.

Approximately 62% of Westports RTGs are the older conventional type (RTGC), with the remaining being Hybrid RTGs and variable speed (VS) RTGs. Westports replaces RTGCs with VS models once they approach their end of life.

Hybrid RTGs are the most efficient, consuming approximately eight litres of fuel per hour. However, the battery cells must be changed every six years; replacement costs are as much as an engine. The performance reduces as temperatures rise, which leads to additional inefficiencies. The high price, the environmental impact of producing the required batteries and social issues must also be considered.

The bulk of power saved by VS motors is while engines are idling. Few environmental benefits can be enjoyed when VS RTG are working at almost 100% capacity.

Carbon emissions can be reduced significantly by carefully deploying the VS RTGs, where more engine idling is anticipated. The M&R Department works closely with the Planning Department to maximise these environmental benefits.

Westports has planned to change the engines of more than 10 RTGCs, which consume 20 litres of diesel per hour, with VS motors in 2022.

## Electric Scooter Trial

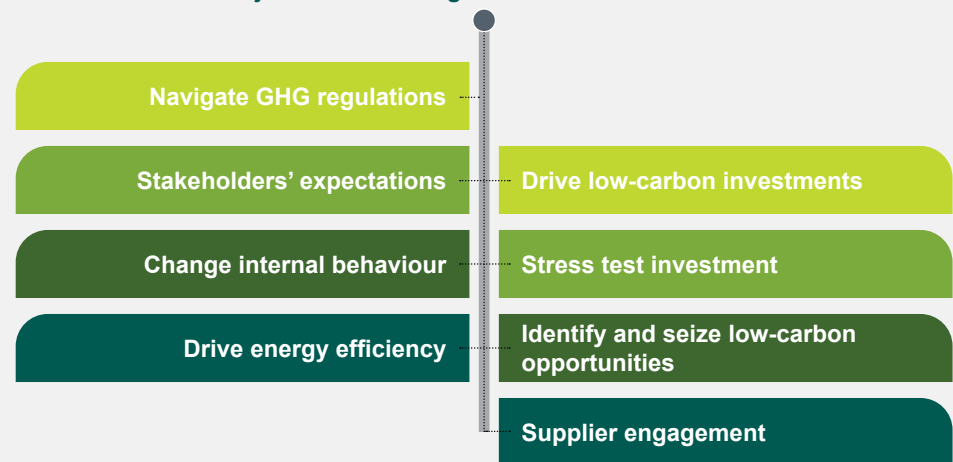
In February 2021, Westports purchased two Oride Electric XYH Solid Scooters for use around the port on a trial basis. The scooters produce no local pollution and are generally more environmentally friendly than a petrol-powered scooter. Westports decided that these scooters were unsuitable for the port environment. The main concerns are safety as our roads are rugged and users are rough, which makes the units vulnerable to hazards.

## Internal Carbon Price

Westports has applied an initial internal price for CO<sub>2</sub> emissions at RM15 per tonne in its investment decisions. Establishing a “price signal” is a powerful tool of involvement. Westports will use this internal carbon price to consider climate challenges in its long-term economic decisions. The amount would be regularly evaluated and increased when necessary.

The internal carbon price drives new investment decisions throughout the transition to a low carbon economy. Establishing a cost for greenhouse gas emissions and evaluating emissions savings helps Westports redirect its investments to low carbon.

### Objectives of Setting an Internal Carbon Price



## ENVIRONMENTAL COMPLIANCE

Westports opens its operational environmental data to the scrutiny of an independent third party. Following this ISO standard ensures compliance with the Environmental Quality Act, 1974.

All environmental policies, management systems, review processes and programmes promote compliance with environmental requirements and provide a platform for surpassing legal and regulatory baselines.

There was no significant noncompliance or fines for environmental damage, including air and soil pollution, during this reporting period.

WESTPORTS TAKES A HOLISTIC APPROACH TO SUPPORT ITS PEOPLE, FOCUSING ON BEING A LEADER IN SAFETY MANAGEMENT AND A 'ZERO HARM' WORKPLACE FOR ALL EMPLOYEES AND PORT USERS. INSTILLING A WORKPLACE CULTURE THAT CHAMPIONS DIVERSITY, EQUITY AND INCLUSION, WESTPORTS PROMOTES STAKEHOLDERS' GROWTH AND DEVELOPMENT IN THE PURSUIT OF OPERATIONAL EXCELLENCE AND SUCCESS.




## LABOUR STANDARDS



Employees are essential ingredients for the company's success. We provide a positive, productive and supportive working environment where all employees are valued and motivated. Westports also improves labour standards through its participation, membership and support of recognised international frameworks such as the United Nations Global Compact, International Labour Organisation, Universal Declaration of Human Rights, Social Accountability International's SA8000, Malaysian Employers Federation and the Human Resources Development Fund.

Westports fully complies with all labour standards, laws and regulations. No complaints or incidents have been reported against the labour standards, laws and regulations.

The labour standard policies are communicated to all employees and are available in English and Bahasa Malaysia. As part of due diligence, Westports also conduct risk assessments on labour issues, especially for potential new operations or projects and existing processes. A human capital risk assessment highlighted several labour issues, as summarised below.

Labour Standard	Westports' Approaches
<b>Child labour</b> 	Westports abides by Malaysia's minimum legal working age in the Children and Young Persons (Employment) (Amendment) Act 2010. The Group also ensures that all employees and its vendors are 18 years and above.
<b>Forced and compulsory labour</b> 	99.9% of the workforce is local. Trafficking is not applicable as it is a migratory context. Westports does not tolerate the use of bonded or involuntary labour and prohibits the use of both in its supply chain.

Labour Standard	Westports' Approaches
<b>Working hours</b> 	Westports sets a cap of 48 work hours a week. Even though the current overtime rate is considered low (4%), Westports strives to meet its zero-overtime target.
<b>Living wage, benefits and remuneration</b> 	<p>Westports' pay and benefits exceed the minimum rate set by national laws and regulations.</p> <p>In 2020, Westports produced a White Paper that compared its minimum wage against the Employment Act 1955 and Industrial Court cases. The Group evaluated basic salaries, overtime and other benefits, such as an overtime meal allowance, shift allowance, laundry allowance, incentives, bonuses and annual bonuses. The review concluded that the lowest workers' basic salaries are at least 25% above the Minimum Wage; additional benefits increased these workers' salaries by 116% on average.</p>
<b>Freedom of association and collective bargaining</b> 	All workers have the right to join or form trade unions of their choice and bargain collectively. Westports encouraged the formation of an independent union in December 2021 and is committed to healthy industrial relations.
<b>Discrimination</b> 	Westports neither engages in nor supports discriminatory practices in hiring, remuneration, access to training, promotion, termination or retirement. Discrimination is forbidden based on race, national or social origin, caste, religion, gender, sexual orientation, political affiliations, age or other conditions that could give rise to discrimination unless required by law.

Labour Standard	Westports' Approaches
<b>Health and safety</b> 	Westports takes every step to prevent potential accidents and injury to employees' health by minimising the causes of hazards inherent in the workplace. All employees receive safety and job-specific instructions during their employment.
<b>Disciplinary and grievance practices</b> 	Westports treats all employees with dignity and respect. The Company neither engages in nor tolerates corporal punishment, mental or physical coercion or verbal abuse of employees. Westports has an established process where all workers can give feedback through worker surveys, a confidential compliance hotline, and regular direct management and human resources channels.

## PERFORMANCE MANAGEMENT

Westports' commitment to training and development aims to enhance career opportunities and personal development. We conducted several personal development training programmes throughout the year such as report writing, presentation skills, customer engagement and PHP programming.

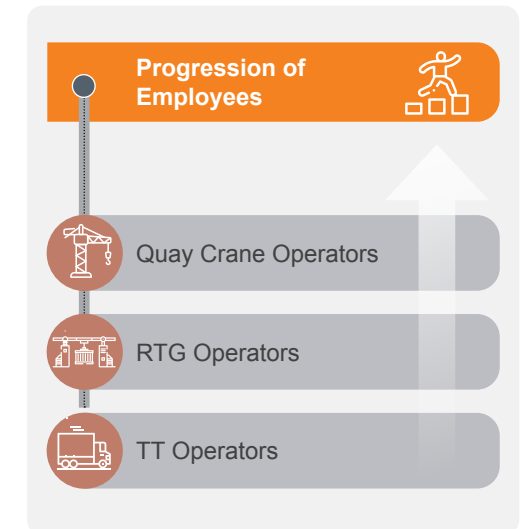
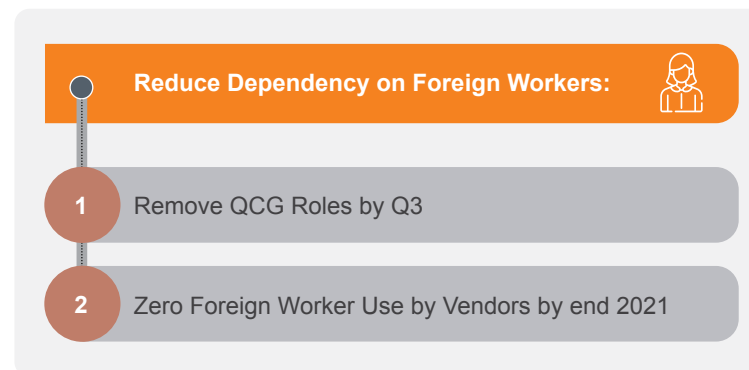
Westports uses People Analytics (PA) to measure employee performance and decide incentives. The PA also helps in strategic workforce planning through the Manpower Deployment System (MDS) and identify current workforce skills gaps. Based on these, Westports plans its recruiting and hiring strategy, such as evaluating recruiting channels, screening candidates, coding succession plans and assessing talent supply and demand.

Westports also uses PA to plan and manage the workforce as this approach identifies workplace risks. For example, the Company can identify talent gaps and high attrition levels using performance management and payroll data. Employee engagement or satisfaction survey data feeds the analytics engine to spot underperforming departments for Westports to assess current workforce conditions.

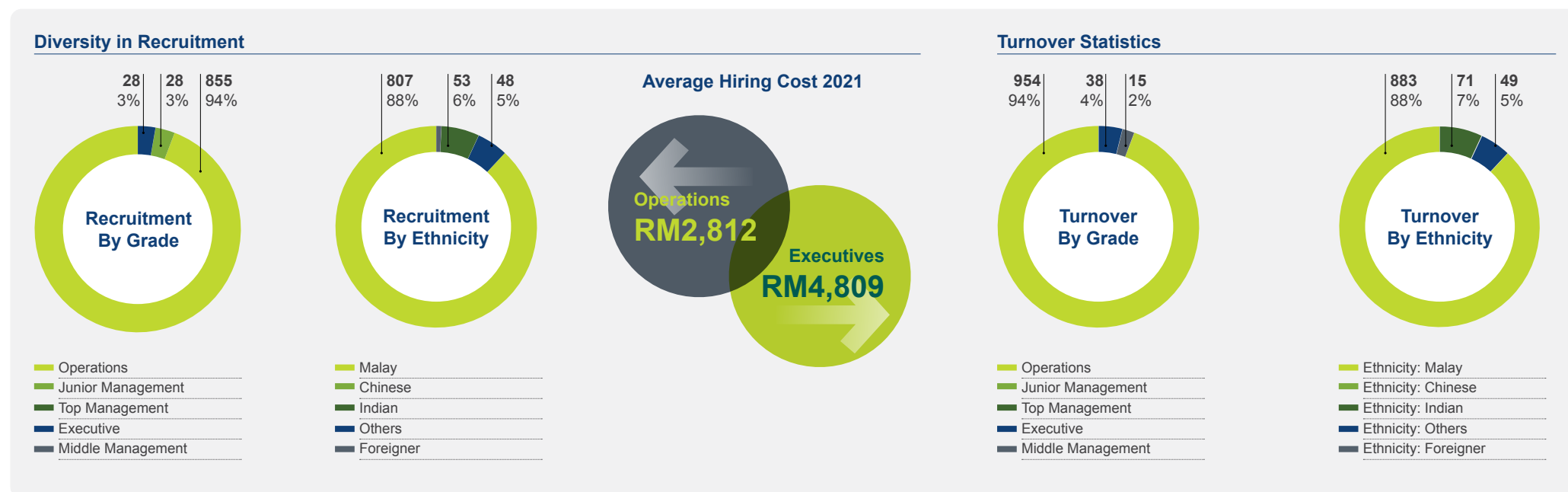
## TRAINING, CAREER DEVELOPMENT AND THE PROMOTION OF EMPLOYABILITY

Westports has established a formal policy to promote career management and training and uses mechanisms such as a training request form, training needs assessment, training feedback form and encourages training feedback from participants and vendors. Promoting an open feedback culture helps the HR Department understand employees' career progression needs.

Human Resources anticipates long-term employment needs and skill requirements six months in advance for transfers and job rotation. Westports' concerted, transparent and customised career management framework considers roles, responsibilities and minimum requirements. Reengineering prepares employees for future assignments and positions. Employees can progress from operating TTs to RTGs and RTGs to quay cranes.



The Human Resources Department exhausts internal recruitment before seeking external talent. The HR strategy supports and enhances Westports' business objectives and profitability by improving the employee experience through HR plans and initiatives. Westports evaluates all confirmed employees (100%) on their performance, including senior managers and line managers.



Several talent recruitment initiatives have also been introduced, such as offering PHP internships to fresh graduates. Westports may hire these interns full time upon completion. In 2021, we hired three internship candidates as full-time employees. Westports also introduced a competence evaluation model.

Examples of employee development programmes that upgrade and improve employees' skills are presented below.

## Safety Training

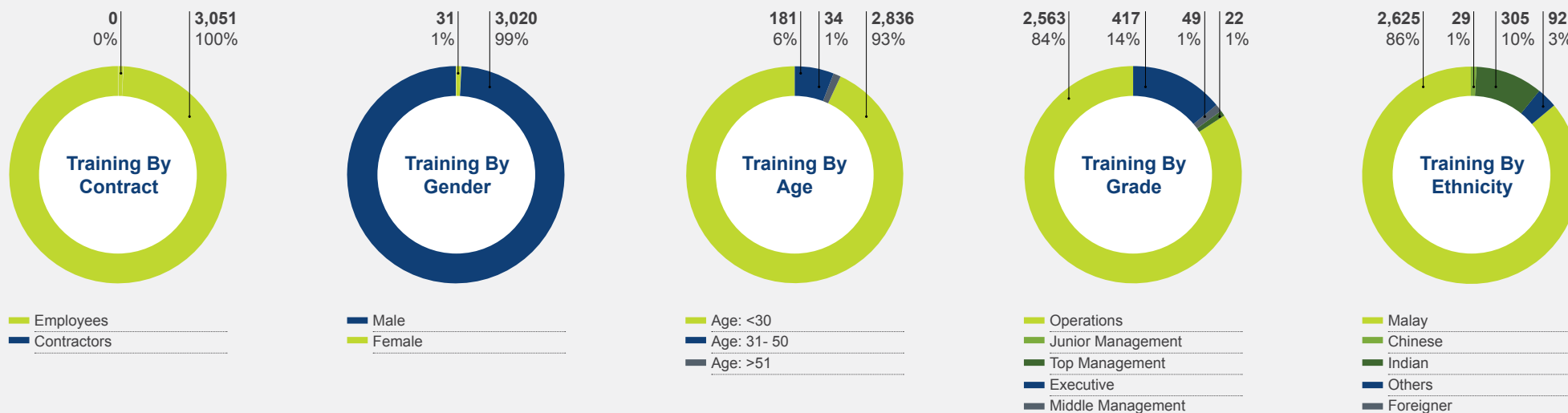
Westports has implemented various safety training such as working at height, scheduled waste management, fire drills, evacuation plans and workplace violence procedures. The initiatives help prevent work-related injuries, particularly for staff exposed to extreme heights and those using toxic chemicals or other hazardous chemicals.

## Competency-Based Modules (CBM)

Maintenance & Repair's in-house training team developed a batch of competency-based modules (CBM) to tutor our technicians on technical and soft skills, waste management, equipment handling and safety. 1,410 technicians attended 141 workshops for developing and enhancing knowledge competencies.



## Training Session Diversity



## PERFORMANCE APPRAISAL

100% of confirmed employees undergo Westports' annual performance appraisal process. Before the appraisal, the line superior and employee discuss and agree on the set KPIs, progress, gaps and improvement areas. Human Resources uses a multidimensional performance appraisal (360-degree feedback) for executive-level employees.

## EMPLOYEE RELATIONS

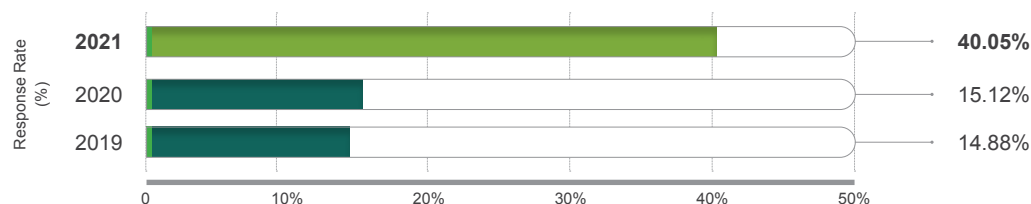
Westports breaks down traditional hierarchies and promotes an open culture where employees of all levels can share ideas. The Company is proud of its familial work culture with solid and dynamic relationships. Westports has developed an online intranet platform to communicate updates and changes. The management recognises the importance of two-way dialogue with employees. Top managers receive training on capacity building and engagement methods specified in the stakeholder engagement policy and procedure.

Westports operates in Malaysia, where there is no restrictive legislation for an employee representative body. However, as part of initiatives to promote labour relations, Westports has recently finalised a collective agreement on 13 December 2021 with the union representatives.

The Westports Joint Consultative Council (WJCC) is a platform for discussion and consultations between employees and company representatives. Monthly dialogue sessions promote two-way communication between the management and employees and update the business performance. Employees voice out and share their thoughts on their daily work during these sessions.

## Employee Engagement Survey Response Rate

Human Resources conducted an employee survey during the last quarter of 2021.



Westports also gauges employee engagement levels for non-executive employees and annual management during the communications day.

## BENEFITS AND SALARIES

Paying a quality wage and remuneration is essential for creating an attractive working environment. Westports guarantees all employees decent income and social security (100%). It ensures transparency and communication when settling and reviewing remuneration and considers individual achievements when considering pay rises and bonuses. Westports promotes access to social security and pays a higher EPF contribution rate based the years of service. Certain elements relevant to an employee's job scope are included in their remuneration to drive employee performance and motivation.

The Head of Human Resources is the designated person accountable for ensuring that our compensation and benefits package remains competitive by conducting salary benchmarking within the industry.

Currently, the Government's minimum salary is RM1,200. Westports minimum wage is significantly higher and will increase to RM1,500 on 1 January 2022.

## EQUAL EMPLOYMENT OPPORTUNITY

A workforce of 5,797 employees spans a wide range of technical, operational and professional disciplines. We recognise, embrace and value the diversity of backgrounds, perspectives and experiences of our people and their unique contribution to the workplace. Westports adheres to the recommendations made by the International Labour Organisation (ILO) Convention.

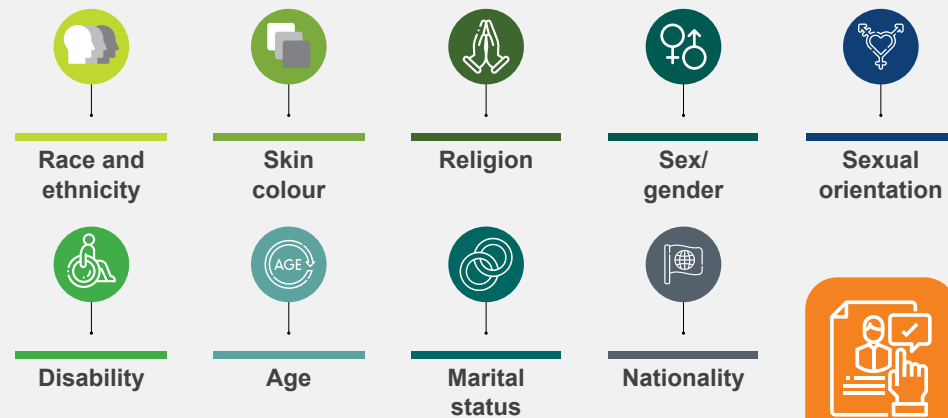


**Target:**  
Readiness for women in all positions



Westports introduced a comprehensive Equal Employment Opportunity ("EEO") Policy in 2021. Equal opportunities are given to all employees concerning hiring, pay and remuneration rates, training and development, promotions and other terms of employment.

### Characteristics Protected by Equal Opportunities Policy



As an equal opportunity employer, Westports provides the same opportunities for hiring, the rate for the job/experience, pay grades and rates, training and development, promotions and other terms of employment without discrimination.

All partners, vendors, contractors, suppliers, associates and affiliates are encouraged to adopt a similar EEO Policy in their organisations. The Group conducts training for all employees on discrimination and harassment in the workplace.

Westports' Equal Employment Opportunity Action Plan coordinates input from all relevant departments such as:

- Endorsing the policy statement and roadshow for acceptance and mindset change
- Obtaining Ministry of Human Resources approval for women to work overnight shifts
- Recruitment changes such as modifying job specifications, application forms, interview processes, pre-employment medical examinations, a job specification checklist, uniforms, child care, a hostel for women and appointing an onboarding buddy
- Changes to facilities such as the panel clinic, lockers, restrooms, toilets and personal hygiene equipment
- Security, safety and health considerations such as transport, the shuttle bus, patrolling with female Port Police Officers, security protocol, PPE, Health and Hygiene, and a counselling service
- Strategic deployment, providing safety in numbers, to ensure female workers are free from sexual harassment and abuse

## Ceo Action For Diversity And Inclusion

CEO Action Network (CAN) is a closed-door peer-to-peer network. Westports supports CAN, and Group Managing Director Datuk Ruben Emir Gnanalingam is a member of this network. Governed and driven by private sector leaders, CAN influences policy decisions and takes action to accelerate sustainable development and sustainable business within and outside of Malaysia.

## Discrimination And Harassment

Any forms of discrimination harassment are strictly prohibited, and Westports has formalised its stand in the Equal Employment Opportunity Policy and Code of Conduct. The Company practices zero tolerance for discrimination. The Discrimination Policy refers to the ILO conventions and includes all forms of discrimination, such as against race, religion, gender, age, sexual orientation, disabilities, nationality, social background and political opinion.

Westports forbids intemperate language and utterances against any foreign or local individual or group. Employees found to have committed such conduct when dealing with employees, customers and/or suppliers face strict disciplinary action, including possible termination of employment. The Policy also addresses bullying and harassment.

Westports upholds the stand of 'equal pay for equal work' and publishes a statement in its Equal Opportunity Policy and Handbook. Women in the same employment performing equal work must receive equal pay unless the difference is justified. Equal pay applies to all contractual terms, including basic salary, bonuses, overtime rates, allowances, performance-related benefits, access to pension schemes, hours of work, fringe benefits and other benefits in kind.

Westports trains every employee and manager to handle reports of instances of bullying and harassment. They are familiarised with channels to raise any incidents and discriminatory behaviour.

The Group has also taken several measures to prevent discrimination and promote diversity, including:

- Raising awareness
- Offering maternity and paternity pay that is beyond the statutory requirements
- Introducing job sharing initiatives including shadowing, upskilling and rotation
- Monitoring salary disparities
- Establishing a confidential reporting system and grievance procedures
- Delivering affirmative action programmes for individuals committing discriminatory acts
- Providing child care facilities, subsidies and career break opportunities (case-to-case basis)
- Monitoring, reporting and reporting incidences of discrimination and harassment

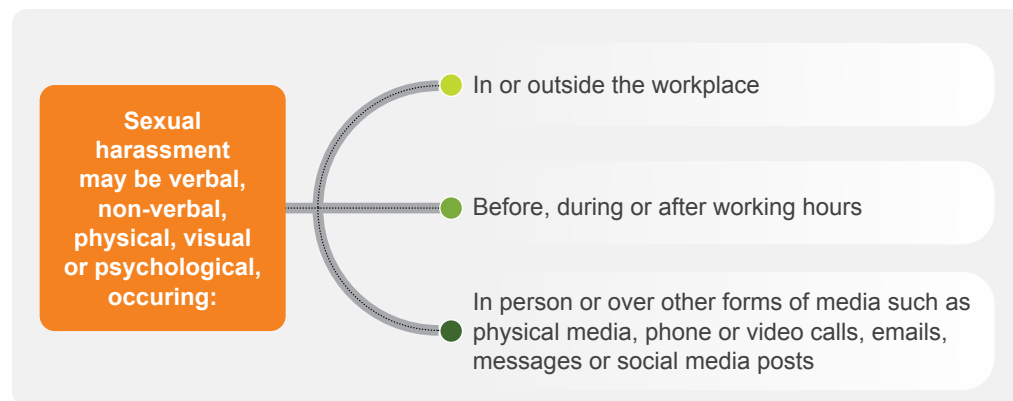
## Sexual Harassment

Westports has formalised its opposition to sexual harassment by introducing a Sexual Harassment at the Workplace Policy that builds on its Equal Employment Opportunity Policy and Code of Conduct. This policy prevents, corrects and disciplines behaviour that violates Westports' high standards in line with Malaysia's applicable laws and regulations. The policy applies to all stakeholders, including:

- Temporary, contract and permanent employees, directors; and
- All business associates, including vendors, contractors, sub-contractors, consultants, trainers, agents, representatives, tenants and other intermediaries.

Sexual or non-sexual harassment is inappropriate conduct, which is unwelcomed and personally offensive, for the purpose or effect of creating an intimidating, hostile, or offensive work environment. This unreasonable behaviour may also interfere with an individual's work performance.

Sexual harassment can be committed by and can happen to any person or group of persons to whom the Policy applies, regardless of gender (this includes harassment committed against members of the same sex) and reporting relationship.



Westports diligently monitors these procedures to ensure that they meet the objectives of relevant legislations and implements changes if necessary. Regular auditing of internal control systems and processes to prevent sexual harassment ensure effective practice.

## OCCUPATIONAL SAFETY AND HEALTH

Port environments can be loud and busy places. An efficient, sustainable and profitable business relies on maintaining an engaging and safe working environment on land and at sea. Westports must provide a safe and healthy port for its workers and all other persons present and within its vicinity. We have a firm policy and commitment to reducing health and safety impacts with a target of zero major injuries by 2022. We strive to achieve and sustain the effectiveness of the Safety, Health and Environmental Policy by complying with OSHA 1994, EQA 1974, FSA 1988 and other applicable acts, legislations, orders, rules, code of practices and other requirements.

Each employee is responsible for adhering to the prescribed safety rules and acts and raising any concerns that may represent a potential threat to health and safety. Workers and all other persons in the vicinity must be aware of the health and safety risks while carrying out their work. Stringent health and safety standards, including our Accident Tracking System (ATS), help prevent hazards and incidents for all employees and port users. All employees are responsible for reporting incidents, near-incidents, safety breaches and threats. Moving forward, Westports is formalising the You See You Act (UCUX) programme, which will allow employees to lodge reports through a mobile phone. As part of our commitment to continuous improvement, we ensure that employees receive training on the health and safety standards practised in the Company.

## Westports health and safety objectives:

- ✓ Increased awareness on health and safety among employees
- ✓ Reduced the number of work accidents and their severity
- ✓ Zero occupational disease
- ✓ Reduced stress through job redesign and analysis of internal H&S data, opinion surveys and training on stress for employees and managers
- ✓ Enhanced well-being and mental health
- ✓ Improving workplace ergonomics, especially for TT operators who sit for extended periods
- ✓ To reduce accidents and incidents at operations by 20%

Westports approach to effective health and safety management include:

- Mapping and prioritising areas for every business function with quantified targets
- Holding regular discussions of health issues between human resources, business functions, safety team, and executive management and reporting the outcomes to the Board
- Evaluating progress in reducing and preventing health risks against targets
- Conducting internal inspections and consultations by a safety and health specialist

There were no serious or fatal injuries reported during the year. Westports did not receive any fines or allegations on safety non-compliance in 2021.



For our detailed Occupational Safety and Health performance, please refer to the Group Sustainability Performance Data table on page 9.

Westports' Safety and Health Committee is responsible for improving working conditions and helps employees and management solve health and safety problems. The SHE Committee, comprising a chairman, and management and employee representatives, reviews safety concerns and performance. Led by Mr Eddie Lee, Chief Executive Officer of Westports, the committee reports the Company's safety performance to the Board. The committee convenes at least monthly and is responsible for:

- Investigating and inspecting
- Conducting awareness programmes
- Managing near misses
- Monitoring accidents and incidents

All employees are responsible for safety with the remuneration and bonus of Group MD, Datuk Ruben Emir Gnanalingam Bin Abdullah, and CEO, Eddie Lee now being directly linked to fatalities. Westports' stand on health and safety also applies to contractors and other port users. Westports' Environmental Health and Safety (EHS) officers are responsible for:

- Coordinating and ensuring EHS programmes are implemented effectively;
- Checking that the port's facilities and infrastructure comply with applicable EHS standards;
- Ensuring employees and port users meet all EHS requirements; and
- Inspecting the port facilities and infrastructure daily to ensure compliance with the Occupational Safety and Health Act 1994, Act 514 (OSHA 1994) and Westports' safety guidelines.

## Emergency Response Programme

Westports' comprehensive emergency response plans are tailored to each operation and function to cover different risks. We regularly review, audit, update and test these plans to ensure they work as expected when responding to emergencies. Our emergency management programmes outline the review and improvement cycles.

Dato K. Manoharan, Head of Safety, Port Police, Legal and Public Relations, heads Westports' Emergency Response Team in overseeing the company's emergency preparedness plan and effectiveness, response and investigation.

## Assessing Safety Risk And Compliance

The health and safety of employees and contractors are protected by identifying risks, developing solutions and encouraging participation.

The prevention of health hazards, accidents and injuries is a critical element of Westports' sustainable strategy and an integral part of business risk management processes. Westports develops central safety programmes and processes as part of the internal monitoring systems and internal controls. A SHE monitoring and measurement matrix helps each function implement a corrective and preventative procedure for actual and potential nonconformities. We work closely with the *Jabatan Kerja Raya* to increase the signage in accident-prone areas.

The ESH Department conducts a health and safety risk assessment for existing and potential new operations or projects as part of its due diligence. Westports benchmarks its performance monitoring results and trends against company targets and industry standards.

Biannual internal and external audits check SHE Management Systems are effective and operations conform to ISO 14001 standards. The audit team evaluates practice and records, interviews relevant staff, drafts corrective action and presents their findings to the Board.

## ESH Highlights



Zero fatalities at Westports: a policy and safety target



No major industrial accidents



Reduced near-miss accidents

## ESH Certification

Westports achieved ISO 45001:2018 certification in October 2021. ISO 45001 builds on the success of earlier international standards such as OHSAS 18001, the International Labour Organization's (ILO) OSH Guidelines, various national standards and the ILO's international labour standards and conventions.

## OSH Approach To Safety In The Supply Chain

Many OSH challenges require action far beyond the efforts of a single company. Larger companies such as Westports have extensive supply chains such as stevedores and lashing gangs. Vendors must abide by strict guidelines and requirements during the pre-qualification stage. Our vendor pre-qualification questionnaire requires vendors' staff to identify safety/ environmental hazards and conduct risk assessments.

### Vendors' Pre-Qualification OSH Screening (Civil Works)



Health, Safety and Environment (HSE) and health policy?



Do you provide Personal Protective Equipment to the staff?



Can workers conduct risk assessments?



Can workers identify safety or environmental hazards?



Safe operation Work Instruction?



Does all machinery have a DOSH permit or license?

## Safety Initiatives

Safety initiatives, internal monitoring and internal safety audits include creating a robust set of safety protocols and delivering carefully developed safety orientation and ongoing training. Westports extends its safety initiatives and training to all employees, contractors and subcontractors.



## Klinik Westports

Established in 2009, Klinik Westports is the first in-house clinic on Pulau Indah designed for employees. The clinic extends employee health and wellness incentives to their spouses and children, entitling all family members to a free consultation and treatment. Westports funds the entire running and maintenance of this clinic. The experienced resident doctor treats all illnesses and injuries common to the industry.

Klinik Westports remained open throughout the pandemic to ensure employees and the surrounding community got the help they needed.

## Health Passport

In 2011, Westports introduced a Health Passport Programme to monitor employees' Body Mass Index (BMI), cholesterol, glucose, waist-hip ratio and blood pressure.

### Medical Profiles Indicate Overall Health



#### HIGH-RISK

Healthy lifestyle advice is given by our in-house doctor and gym attendance is compulsory. Diet control is monitored by our panel of private hospitals and employees are reviewed in six months.



#### MODERATE

Healthy lifestyle advice is given by our in-house doctor and workers are encouraged to exercise at least two to three times a week.



#### GOOD

Healthy lifestyle advice is given by our in-house doctor.

Health Passport	No. of Employees		
	2019	2020	2021
Red	93	102	101
High Amber	94	372	440
Low Amber	846	1,246	1,246
Green	374	1,220	1,220
<b>TOTAL</b>	<b>1,407</b>	<b>2,940</b>	<b>3,007</b>

## EHS Digitalisation

Previously, Westports printed all permits to work. Contractors can now apply online, and the EHS department issues the permit electronically.

## Dashcams

We have installed dashboard cameras in 575 of our terminal tractors. The cameras provide a front view and also capture the driver. Fewer accidents have occurred at the port due to this initiative since being introduced in 2020.

**TARGET:**  
**Zero Accidents**



## No Smoking

Westports' No Smoking Policy has been broadened to only allow smoking in certain areas within the port premises. Smoking is strictly prohibited at the Liquid Bulk Terminal for safety, as it contains liquid and gas cargo. Westports enforces the ban, preventing operators from smoking in the cabins of cranes and trucks.

## Pedestrian Policy

Pedestrians safety remains a significant concern. The ESH Department examined various risk factors for pedestrian road traffic injuries such as vehicle speed, lack of safe infrastructure and inadequate visibility. Westports also raised awareness of the dangers to pedestrians by delivering safety tips and an educational campaign to all port users.

## Fire Drills

Westports plans for potential fire and safety evacuation by planning and scheduling fire

drills. Fire SOPs and guidelines are delivered electronically, and printed copies are displayed strategically around the port.

## Haze Monitoring

Air pollution is an ongoing problem in many Southeast Asian countries. Haze has been an issue for Malaysia, driven by slash and burn practices by farmers and peat fires blown by the wind from Indonesia.

Westports installed air monitoring equipment to measure PM2.5, PM10 and carbon monoxide, covering a 10-km radius. The system alerts high pollution, allowing Human Resources to activate the Crisis Management Plan.

## Crisis Management Plan

Westports introduced a Crisis Management Plan to combat disasters and incidents such as haze and other environmental factors. The Crisis Management Committee (CMC), Port Police, Fire and Rescue Team, Paramedics and Westports Clinic are responsible for the plan.



## CONTRACTOR SAFETY

All contractual agreements include safety; company safety objectives and targets apply to contractors. The ESH Department prescreens all contractors for their safety performance and risks. The Operations Team reviews safety and productivity performance quarterly.

The ESH Team handles contractor safety management. Contractors and supply chain partners are welcome to attend safety training by the Port Police. Westports checks all contractors have valid certification to operate machinery relevant to their jobs, such as forklifts and stackers.

Any breach of safety guidelines results in charges, penalties and the possible suspension of port passes and terminal access.

## MINIMISING RISK OF COVID-19 TRANSMISSION AMONG CONTRACTORS

Westports has established administrative controls to reduce transmission risks among contractors, including:

- A standard operating procedure to prevent the spread of COVID-19 infection
- Screening calls to assess potential exposures in the work environment before worker entry
- Other control measures including PPE, quarters' living conditions, and quarantine or isolation guide.

## HOLISTIC WELLBEING

COVID-19 has elevated the importance of physical and mental health and wellbeing for employees and their families over the last 12 months. COVID-19 has presented many challenges and accelerated Westports' plans to achieve increased work-life balance for its people.

## Mental Health Priority

Mental health and psychosocial wellbeing were defined as an integral part of health by the WHO and addressed in many UN resolutions. When world leaders adopted the SDGs in 2015, they also prioritised the "prevention and treatment of non-communicable diseases, including behavioural development and neurological disorders, which constitute a major challenge to sustainable development".

We prioritised mental health awareness and support this year, encouraging people to speak up, seek help, and support others to resolve grievances and concerns. Employees may also call the clinic's dedicated COVID-19 hotline to book counselling in addition to HR's dedicated grievance channels. The WJCC also requested that external councillors be made available to address emotional and non-work-related problems. The clinic is currently sourcing professional councillors to support workers' emotional and physiological wellbeing.

## INDUSTRIAL COUNSELLORS

Previously, Westports' Penghulu Programme provided a direct feedback mechanism to build relationships through dialogue and engagement. The programme has been the brainchild of Westports' Executive Chairman since 2011. Comprising executives and managers, the Penghulu solicits feedback and provides regular updates to non-executives. Appointed by senior management, mentors act as guides and soundboards to help Penghulus manage complex people dynamics. 100% of employees are members of the Penghulu. Employees are welcome to raise their concerns in any areas related to their work and personal lives, including health and safety, CSR issues, remuneration, working hours, training, career development, work time flexibility, employability, stress and equal opportunities.

In 2021, we selected several counsellors amongst our Penghulus. These industrial counsellors analysed the behavioural changes in employees and whether the problem is work-related. Helping employees cope with these issues and resolving the conflicts and tribulations reinforce the desired results.



In fostering healthy mental health and wellbeing among our people, Westports introduced:

- Working from home arrangements and support
- Childcare facilities at Westports office tower for all employees' children
- Maternity and paternity leave that exceeds the legal minimum

## Working Hours Policy

Westports' working hours policy is aligned with the Malaysian Employment Act 1955 and is stated in the Employee Handbook and employment contract. The port operates around the clock, and we cannot afford any downtime. We also understand that the job nature, especially in the yard, can be demanding and physically draining. Westports is flexible and announces the roster and shift work pattern at least one year in advance. We constantly monitor atypical

working hours. Employees are compensated for overtime but cannot work more than a double shift for health and safety reasons. Westports' imposed this limit to reduce excessive working hours. We also respect employees' rest days and off days.

## Free Coffee Corner Project

Coffee Corner aims to reduce TT accidents from sleepiness during the first shift. Although conceptualised in November 2020, the project entered the first trial in February 2021. The trial commenced with a total of 40 cups of coffee per shift being provided equally between the two stations. Surprisingly, no sleep-related accidents occurred.

In April 2021, the second phase involved placing two canisters that dispensed 60 litres of coffee to RTG operators, Stacker operators and QC operators. Following excellent feedback, the third phase commenced in May 2021, dispensing four canisters of coffee, one of which served all Terminal Equipment Operators during the first shift. None of the staff who consumed the coffee was involved in an accident.

The project entered the fourth phase in May 2021 by providing coffee to all three shifts: four canisters during the first shift and two for the second and third. The second and third shifts gradually increased to three canisters by early June 2021. In July, accidents were reduced by 20% compared to June 2021, and none occurred due to sleepiness. The fifth phase commenced in October due to COVID-19 restrictions, with four canisters catering to all three shifts.

## DIVERSITY AND INCLUSION

Diversity, equity and inclusion are central to who we are and how we act. We define diversity as recognising, respecting and valuing differences in our workplace and community.

Our senior leadership team encourages increased female participation in the sector, participating in events that highlight senior women within the transport industry and championing the importance of diversity.

The CEO and GMD are responsible for diversity initiatives within Westports. Diversity training and guidance is provided during onboarding and is covered in detail in the Employee Handbook. Westports surpasses legal compliance with regards to diversity by:

- Conducting studies on a gender-friendly working environment;
- Providing training on sexual harassment;
- Delivering various training on promoting diversity through different communication channels, including emails and WhatsApp; and
- Circulating diversity awareness in English and Bahasa Malaysia.

# SOCIAL

The WJCC, Penghulus and HR champions play an essential role in promoting diversity. Westports welcomes and encourages rural and indigenous people (“*Orang Asli*”). Currently, the HR department is employing a targeted female recruitment strategy for vessel planning.

Westports’ commitment to gender diversity applies to the workforce and the Board. Currently, there are 2% women on the payroll. Westports’ diversity performance is presented in the table below. Our entire workforce consists of full-time, permanent employees.



*For our detailed diversity performance, please refer to the Group Sustainability Performance Data table on page 8.*

## NOTICE PERIOD

Effective operational change management is vital, regardless of the extent. Change management can deliver good results with minimal disruption for all concerned.

Westports has a clear commitment to manage reorganisations responsibly, guided by labour law and the Code of Industrial Harmony. We also consult the WJCC and union representatives on the impact of reorganisation on our people. These reorganisations may include discussions such as significant financial compensation, early retirement, reduction of labour time, internal mobility programme and outplacement services.

Employees who may be affected by operational changes are informed through email or other communication channels. This notice period may vary depending on the circumstances. Westports also follows up with individual employees to ensure they adapt to the reorganisation and establish additional assistance such as re-training.

## CYBERSECURITY

Westports is making a concerted effort to invest in emerging technologies and automation to create extra capacity through its terminal expansion project. Westports is adopting high standards of information security practices as an ongoing and continuous action plan to mitigate information security breaches. As a part of Hutchison’s Global Information Security Group, Westports adheres to the global information security standards. The standard security policy, bi-annual assessment and action plan review apply to Westports for implementing the latest security policy and measures to secure all hardware, software, system access, backup, operations technology and cloud computing.

Westports classified information security and cybersecurity as potential risks and have covered them in Enterprise Risk Management since January 2020. These topics are revised continuously and presented to the top management before a final presentation to the Board of Directors.

The Chief Executive Officer oversees the Information Security Management System (ISMS) Policy and cascades its enforcement and implementation to various department heads. This policy comprises an acceptable use policy, data classification and protection policy, system access, security standard policy and ISMS scope. The Acceptable Use Policy guides employees in escalating any dubious, suspicious or malicious act by reporting directly to their superior. Alternatively, they may contact [infosec@westports.com.my](mailto:infosec@westports.com.my).

Established in 2020, the Information Security Committee meets quarterly with minuted action plans sent to senior management. Westports’ Security Manager within the Infrastructure section proactively coordinates and implements security processes and manages IT outsourcing vendors to further improve cybersecurity.

Westports’ IT processes are certified under ISMS, ISO 27001; external auditors, Deloitte, also audited the IT infrastructure in 2021. Two external parties perform a biannual penetration test, and this vulnerability analysis includes simulated hacker attacks.

All employees have unrestricted access to Westports’ ISMS Policy through the HR portal. An ISMS awareness programme is a component of the induction programme for recruits and covers Westports information security policies. Currently, the IT Department is updating security information on users’ screen savers each quarter to raise awareness of cybersecurity. All employees receive quarterly awareness training that the IT Department coordinates with departmental leaders. IT also delivers bi-annual HPH IT Security and Awareness.

Business Contingency Plans for Container Operations ensure a manual backup plan is activated within 30 minutes of system failure. The IT Department tests these contingency plans quarterly, involving key priority departments: Container Operations, Container Planning and Gate Operations. The IT Department performs a quarterly system failover and backup restoration exercise. IT implemented a quarterly system failover and backup restoration exercise; a disaster recovery (DR) site is scheduled for completion by the second half of 2022.

## PRIVACY

Westports handles all private and confidential personal data fairly, accurately, and securely. Those who possess or process personal data must ensure that it safeguards stakeholders' interests. Employees who process personal data comply with relevant established rules, regulations, legislation and controls to protect personal information and adhere to the seven enforceable data protection principles of good practice outlined in the Personal Data Protection Act 2010. Westports encourages stakeholders to lodge a formal report with Port Police for external breaches; employees may report internal violations to the HR Department.

### Customers Decide How Private Data is Collected, Used, Retained and Processed



Opt-out option is available



Op-in consent



Request access to data held by the company



Request their data to be transferred to other service providers



Request their data to be corrected



Request their data to be deleted

Westports stores all private and confidential hardcopy files in a protected room with limited access, separated from the HR, IT, Finance, Engineering and Marketing departments. All softcopy files are encrypted. Westports keeps hardcopy and softcopy of legal and corporate files for seven years.



For our cybersecurity and privacy performance, please refer to the Group Sustainability Performance Data table on page 8.

## FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Westports has a formal policy to support and respect freedom of association and the right to collective bargaining. Our policy and commitment to freedom of association and collective bargaining is beyond compliance with local laws. Westports' Code of Conduct and Business Ethics contains group-level guidance for freedom of association and collective bargaining.

In 2021, we registered a Trade Union, Kesatuan Sekerja Pekerja Westports Malaysia Sdn Bhd and finalised the first collective bargaining agreement. More than 85.6% of our workforce are members of the union. Non-executives handling confidential matters are not allowed to be union members but are covered by the same terms. The collective bargaining agreements cover health and safety, CSR issues, remuneration, working hours, training, career development, flexibility, employability and lifelong learning, stress management and equal opportunities.

Westports guarantees employees can effectively exercise their trade union rights in the workplace. Employees are free to join organisations of their choice under local laws. The Group also promotes direct and open communication between employees and management. We will continue to promote and raise awareness among employees to understand their rights and implement collective bargaining agreements.

In exercising employees' rights, we undertake various measures, including:

- Occupational risk mapping;
- Regular internal audits;
- Monitoring of labour rights risks, especially within the port industry; and
- Cooperation and close working relationships with unions such as joint audits and awareness-raising of human rights for local communities



## HUMAN RIGHTS

Human rights are universally valued rights. Westports is committed to aligning its human rights practices with local and international instruments and following their directives, including:

- Respecting and protecting freedom of association and the right to organise (ILO C87)
- Respecting the right to collective bargaining (ILO C98)
- Respecting and protecting workers' representatives (ILO C135)
- Preventing workers' representative discrimination
- Guaranteeing trade union rights in the workplace

### Westports Group's Commitment to Human Rights

- 1 Provides a safe and healthy workplace for associates
- 2 Prevents human trafficking
- 3 Does not use child labour
- 4 Does not use forced, prison, indentured, bonded or involuntary labour
- 5 Prohibits discrimination in hiring and employment practices including gender, race, religion, age, disability and nationality
- 6 Equal remuneration
- 7 Prohibits physical abuse and the harassment of associates and threats of either

8 Supports freedom of association and collective bargaining

9 Provides mechanisms that allow employee representatives to engage with company management

10 Ensures work-life balance by prohibiting excessive working hours and exceeding the local minimum wage

Westports' summarises its human rights policy in the Code of Conduct and expects suppliers to adhere to these high standards. The Code addresses all human rights elements listed above. All parties, including suppliers and other organisations having direct and indirect activities with Westports, are familiarised with this Code of Conduct from time to time.

### Human Rights Risks And Assessment

Westports analyses potential human rights issues across business activities. The Group regularly reviews the labour standards of existing and potential business and supply chain partners as part of its risk assessment procedure. For example, we ensure that our vendors' staff are registered with SOCSO and paid fairly.

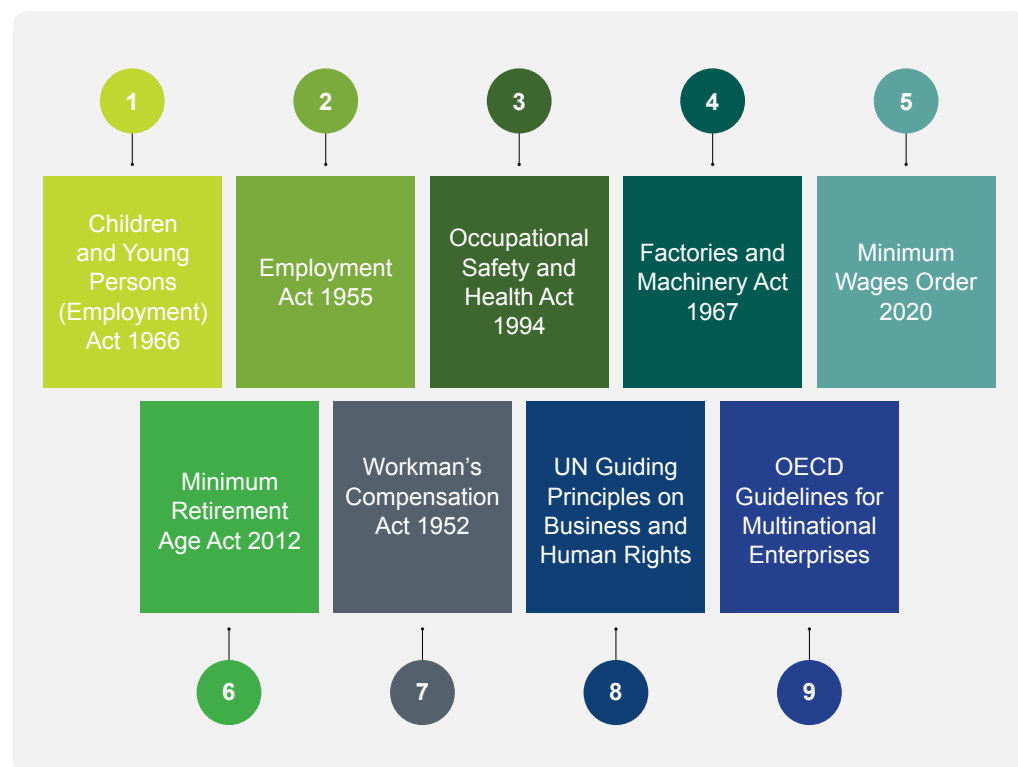
Westports conducts this due diligence risk identification process on its operations, value chain partners, activities and new business relations, covering issues such as discrimination, equal remuneration, child and forced labour. Vulnerable groups at risk of human rights include employees, women, children and local communities.

Human rights assessments also form part of regular engagement with employees. Our commitment and policy in respecting and promoting human rights in society include:

- Preventing cruel, inhuman or degrading treatment
- Preventing complicity in human rights violations
- Respecting the right to personal security

## Effective Hiring And Treatment

Westports adheres to the Employment Act 1955, the primary labour legislation in Malaysia. The Employment Act 1955 provides minimum terms and conditions for paid leave and holidays, the minimum wage, sick leave, overtime pay and working hours. Westports also adheres to all relevant laws and regulations on hiring and treating workers.



## Advocating Human Rights

Periodically, Westports participates in workshops or industry/topic-specific collaboration projects that improve industry solutions for Malaysia's labour standards and employment rights. Westports' human rights practices also:

- Recognise human rights as a critical management issue when conducting business
- Respect the human rights of all stakeholders, including employees and supply chain partners
- Raise awareness of human rights
- Promote the use of a grievance mechanism such as a formal whistleblowing channel to address employee concerns, including incidences of bullying and harassment throughout Westports

Westports carried out various initiatives to advocate human rights in society, the workplace and the entire supply chain, including:

- Employee awareness-raising and training programmes
- Grievance mechanism for members of the public to raise their concerns
- Human rights impact assessments, especially with the port expansion project
- Regular consultation with local society and residents' representatives

## Human Rights Compliance

There have been no incidents of non-compliance or violations of Westports' labour standards during this financial year. Westports took no human rights mitigation and remediation actions. There were also no incidents or risks of child, forced or compulsory labour or human rights violations involving the rights of indigenous people at any time in Westports' history.

# OUR COMMUNITIES

WESTPORTS IS COMMITTED TO GIVING BACK TO SOCIETY. THE PORT IS MORE THAN A SOURCE OF LOCAL EMPLOYMENT; IT IS PART OF THE FABRIC OF THE COMMUNITY AND PLAYS AN ESSENTIAL ROLE IN EVERYDAY LIFE.

WE WANT TO SUPPORT OUR EMPLOYEES AND THEIR COMMUNITIES AND IMPROVE THEIR QUALITY OF LIFE. OUR APPROACH HELPS OUR COMMUNITIES THROUGH TARGETED SOCIAL INVESTMENT. THIS PHILOSOPHY UNDERPINS WESTPORTS' APPROACH TO SOCIAL INVESTMENT.

WE ARE A SIGNIFICANT EMPLOYER IN OUR COMMUNITIES. WESTPORTS ENCOURAGES EMPLOYEES TO VOLUNTEER AND SUPPORTS OUR SOCIAL INVESTMENT PROJECTS. WESTPORTS ALSO PARTNERS WITH COMMUNITIES IN PROTECTING THE ENVIRONMENT AND COORDINATING LAND USE PLANNING TO INCORPORATE COMMUNITY AMENITIES.

## SUPPORTING OUR NEIGHBOURS DURING CRISIS

Westports has worked hard to support local communities in responding to COVID-19 throughout 2021. However, Westports nurtures its relationship with society through various community care programmes.

COVID-19 vaccinations are free of charge for everyone in Malaysia; however, travelling to the vaccination centre can be challenging, particularly for those living in remote areas without access to public transport. Westports provided transportation to the vaccination centre to encourage residents to be vaccinated. Six Westports Public Relations Department representatives volunteered for this worthy cause.

Malaysia announced its next step of adolescent vaccinations, following the success of the adult vaccination programme. Westports donated six tents to the Klang District Office and State Education Department of Klang for vaccinating school children aged between 12 and 17 years.

### Solidarity In Fighting COVID-19

On 31 May 2021, then Prime Minister Tan Sri Muhyiddin Yassin announced that all federal ministers and deputy ministers would donate their salaries to the Disaster Trust Account for three months. The money funded COVID-19 expenditure. Westports also contributed RM3 million to help Malaysia fight the pandemic.

## SHARING OUR DREAM WITH THE PULAU INDAH COMMUNITY

Westports fosters a shared vision with the community and this commitment extends beyond the port. Our business activities affect employees' livelihoods and the quality of life of neighbouring communities. We recognise our ability and responsibility for improving neighbours' quality of life.

## Westports Foundation

The Westports Foundation was incorporated in 2019:

- To provide educational scholarships to students and grant aid including but not limited to the supply of books, stipends, medals, prizes, grants, scholarships, awards, medicines, educational career supports, bursaries and other incentives for the purposes of the advancement of knowledge, education and literacy.
- To give, provide and/or render food, medicine and other help and/or assistance in any shape or form to the underprivileged persons and/or communities.
- To promote for the benefit of the community in environment, health, education, social and sports including sports development programmes, religious and cultural programmes, etc.



# OUR COMMUNITIES

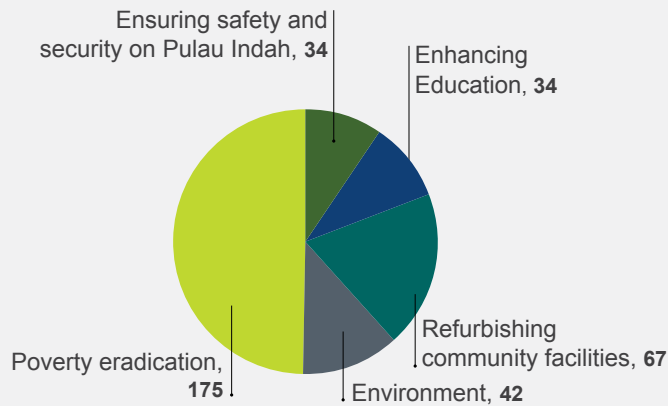
Benefiting society and residents, community investment supports Westports' vision of becoming the leading gateway and transshipment port of call globally while being Malaysia's 'pride on corporate citizenship'.

Westports' community projects commenced in 1995 with the building and renovation of houses, schools, sports and recreational facilities on the island. Westports contributed to various CSR causes, including charitable donations, community investments and commercial initiatives. Westports' extensive Corporate Social Responsibility initiatives focus on five main areas. We are committed to monitoring our impact and progress made for each and reporting our footprint in the quarterly CSR report.

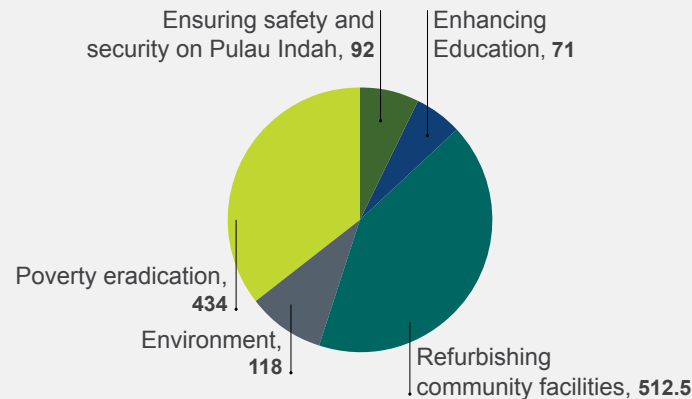
## Structures To Facilitate Employee Engagement

All departments are involved in CSR activities. Westports recognises employee volunteerism and appreciates their efforts in developing Pulau Indah. In complementing employees' charitable contributions, employees are encouraged to conduct their volunteering activities during work hours. Westports introduced a specific structure to facilitate employee engagement and promote volunteering and involvement with philanthropic partners. Every department within the Company champions a specific CSR activity.

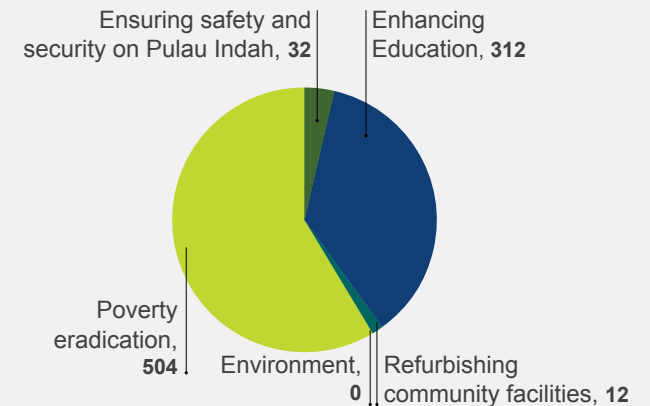
**Number of Westports Volunteers by Community Investment Area**



**Total Number of Hours by Community Investment Area**



**Breakdown of Participants Benefiting by Community Investment Area**



## POVERTY ERADICATION

Westports positioned Pulau Indah at the core of its CSR initiatives from the onset. The 'Zero Poverty Programme at Pulau Indah' elevates villagers' quality of life and upgrades the island's development. Westports provides income-generating opportunities for vulnerable islanders, offering job opportunities to locals and financial and in-kind support for various community projects.

Prioritising local hiring does not discriminate in employment of underprivileged groups, including those from deprived backgrounds with a poor social status. Westports' hiring strategy addresses youth unemployment by offering apprenticeships and graduate placement programmes. M&R provides training for KVK students and helps them tackle interview questions.



Approximately 35% of Westports' employees are Pulau Indah residents. The Westports Poverty Eradication Programme success is evident in the lower poverty levels on the island.



Since Westports was incorporated, we have a community development target to do everything we can to eliminate poverty effectively.

# OUR COMMUNITIES

## Donation Of Food Packages

Westports provided immediate assistance to needy families. Three PR Department employees distributed food packages to families affected by the prolonged MCO3.0 at Flat Samudera, Pulau Indah.

Westports' CSR Committee replicated this programme at Port Klang on 12 August and Kapar on 17 August 2021.

## White Flag Campaign

Westports' White Flag Campaign provided food packages to families in need. In September 2021, this campaign offered immediate assistance to families affected by the prolonged MCO3.0.

## Entrepreneurship Programme

Westports launched the Entrepreneurship Programme at Kg. Sg. Kembong on 27 September 2021. Nine Finance Department employees strengthened Pn Hamidah's business by supplying furniture and cooking items.

The Westports Foundation also helped Pn Sadhana expand her business in Kg. Sungai Pinang on 12 April 2021. Ten Finance Department employees installed permanent roof cladding and provided tables, chairs and cooking items.

Westports promotes the creation and development of local businesses. In the last quarter of 2021, ten volunteers from our Finance Team painted Pn. Juliana's food stall and sponsored essential items to support her

small business. These include a 20-litre rice cooker, cold storage boxes, food containers and utensils.

## House Repairing Programme

The Engineering Department conducted a house repairing programme from 1 to 5 March 2021. Seven volunteers worked on rotation to provide a comfortable living environment for a Pn. Norazlin and her husband, who suffered from health issues. Pn. Norazlin and her husband live with their four children.

A similar programme was conducted for a husband and wife in Kampung Teluk Nipah from 5 to 8 April 2021. Seven staff worked on rotation to improve the living environment for Pn. Jumaah and her husband.

In October 2021, two volunteers from our Engineering Department repaired and refurbished houses at Kg. Perigi Nenas at Pulau Indah. The work included replacing the septic tank, repairing the pipe and installing new flooring and tiles.

## Hanging Fertigation Chili Farming

Westports expanded its fertigation project in 2021. Twenty-seven participants joined seven Planning Department employees for this project, which focused on planting chillies using the fertigation method.

## Installing A New Roof

Two Engineering Department volunteers installed a new house roof in Kg. Sg. Kembong, Pulau Indah. This project provided safe and conformable living conditions for the large family.

## ENHANCED EDUCATIONAL ACHIEVEMENTS

Westports supports the Children's Rights and Business Principles, an initiative developed by UNICEF and the UN Global Compact. Westports focused on enhancing education in the community, including children and developing individual skills to improve their livelihoods. Westports ensures every child has a right to education through this community investment to address children's rights, other than child labour.

### Career Talk

The M&R Department delivered a career talk to 70 students and 17 committee members from Kolej Vokasional Klang ("KV") on 3 February 2021. The collaboration between KV and the port industry introduced industrial culture, the latest job requirements and the working environment. This programme was the first held with KV using Google Meet.

### Mock Interview

Nine volunteers from the M&R Department conducted a mock interview for 46 first-year students and officers from Klang Vocational via Google Meet. This interview exposed the students to an actual industrial culture, the latest job requirements and the working environment.

### Competition Skills On PLC Programme

Westports delivered a PLC programme to students via Google Meet on 28 September 2021. The programme, conducted by the M&R Department, helped students improve

their self-confidence in presenting. It also tested their creativity in applying their knowledge.

## Sponsoring Tablets And Books

Westports sponsored tablets and books for the teachers and students of SMK Pulau Indah, which is particularly important as online learning has become the norm in education. This initiative improved students' access from lower-income families to online classes, especially those sitting for their SPM examinations.

## Online Scam Awareness Talk

Westports' Port Police organised a virtual awareness session on online scams for 110 residents of Pulau Indah. Insp. Norizan Binti Dollah from the Crime and Investigation Unit of IPD Klang Selatan delivered the talk.

## IMPROVED COMMUNITY FACILITIES

Westports has invested in community-building activities on Pulau Indah. Westports has developed social infrastructure by establishing two clinics in the terminal: Klinik Westports for employees and Klinik Masyarakat for the general community.

Employees also volunteered in various infrastructure and facilities development to make the island and its neighbourhoods more liveable, providing residents with opportunities to improve their quality of life.



# OUR COMMUNITIES

## Air Conditioning Services

The Maintenance & Repair (M&R) Department used its technical expertise to service 20 critical air conditioning units in three Pulau Indah schools. This assistance saved some of the schools' maintenance budget for more pressing matters.

## Internet Upgrade Survey

The IT Department surveyed the internet at SK Pulau Indah 2. The team checked the internet connection and IT devices in the school computer lab.

## Gotong-Royong Programme

Fifteen Container Department employees conducted a *gotong-royong* programme on 7 April 2021. The programme provided a more conducive environment for a low-income family in Kg. Sungai Kembong. Westports' volunteers helped cut the grass, rake the lawn and clear the path to the house.

## Electrical Maintenance At Local Mosque

Westports Maintenance and Repair team audited electrical defects such as circuit and lighting of Masjid Sultan Abdul Aziz Pulau Indah on 4 October 2021. The team repaired old cables and converted fluorescent light fixtures to LEDs.

## Schools Computers Refurbishment

Westports sponsored 15 refurbished computers for SMK Pulau Indah to upgrade their existing IT at the school library and computer labs. Westports also donated 15 units to SK Pulau Indah.

## ENSURING SAFETY AND SECURITY ON PULAU INDAH

Westports provides policing and fire and rescue services to improve safety on Pulau Indah. The Auxiliary Port Police safeguards the terminal's security and handles general policing duties across the island.

### Total Hours Dedicated for each Port Police Service Area



**PATROLLING**  
Total man hours  
**3,396**



**TRAFFIC ASSISTANCE**  
Total hours  
**2,460**



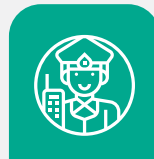
**FIRE ENGINE OPERATION**  
(Outside Westports)  
Total hours  
**27**



**AMBULANCE SERVICES**  
Total hours

Staff  
**618 hours**  
**25 minutes**

For The Public And Port Users  
**251 hours**  
**58 minutes**

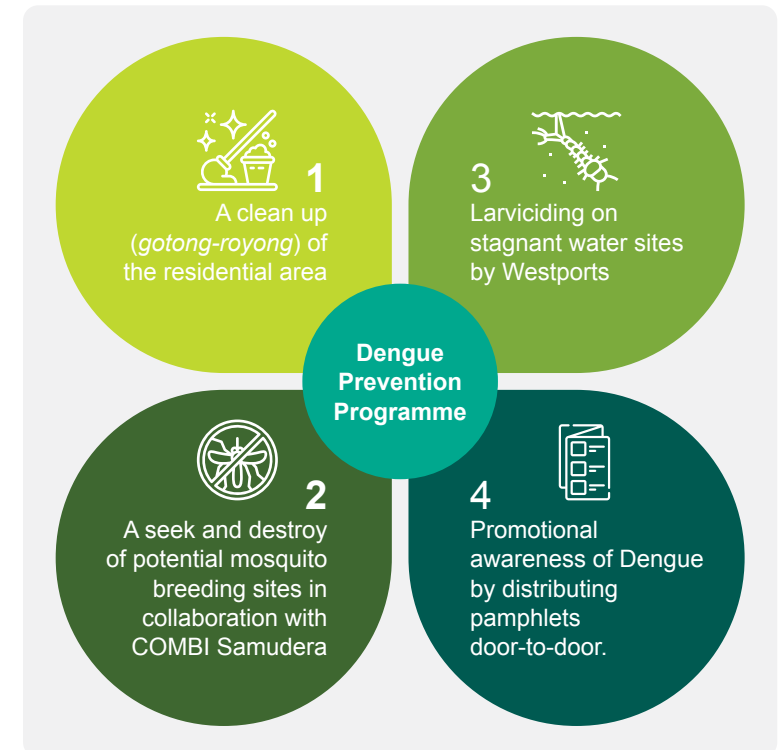


## Fire Fighting Equipment Audit

Fire extinguishers are vital safety equipment in schools when dealing with fire emergencies. The Port Police Department performed a Fire Fighting Equipment Audit at SK Pulau Indah on 25 February 2021. The Port Police helped ensure that all firefighting equipment was in good condition and helped refill six extinguishers with gas or powder.

## Dengue Prevention Programme

Dengue is a mosquito-borne viral infection causing a severe flu-like illness. Sometimes, Dengue can cause a potentially lethal complication called Severe Dengue. The Dengue Prevention Programme, conducted by the Environment, Safety and Health (EHS) Department, included performing:



# OUR COMMUNITIES

## Medical Equipment Donations

Westports Foundation donated approximately RM400,000 worth of medical equipment to Hospital Tengku Ampuan Rahimah Klang (HTAR) in June 2021 and August 2021. The medical equipment improved the HTAR's medical facilities in treating COVID-19 patients.

## ENVIRONMENT

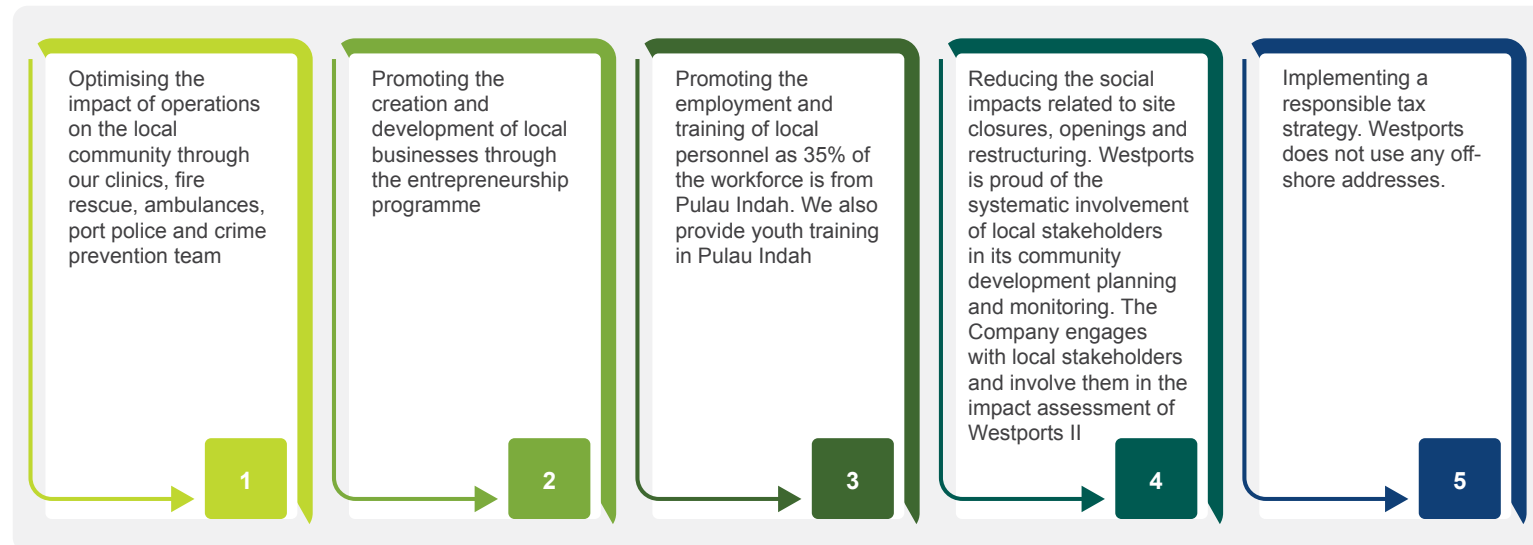
### Captain Planet

Twenty-two Westports Marketing Team volunteers conducted a clean-up programme at four villages in Pulau Indah. The team collected 168 items of recyclable waste, including paper, plastic, metal and aluminium. A significant number of face masks were collected. Face mask waste releases plastic or microplastics as they contain polypropylene, polyethylene, polyurethane, polystyrene, polycarbonate or polyacrylonitrile.

## PROGRESSIVE SOCIO-ECONOMIC DEVELOPMENT

We are committed to community development and progressive socio-economic policies and programmes in the local communities and economies we operate in, focusing on addressing local needs and encouraging community self-reliance through education and service support such as healthcare and infrastructure provision.

Our commitment to promoting social and economic development focus on the following areas:



## FLOOD RELIEF ASSISTANCE

The nation's worst floods hit several areas in Peninsular Malaysia, including Klang. Westports collaborated with the Port Klang Authority to provide essential items to approximately 700 community members from surrounding villages and schools. We transformed the TSG Multipurpose Hall and Port Police dormitory into a temporary shelter for 250 community members.

# SUSTAINABLE OPERATIONS

WESTPORTS DELIVERS, SUPPORTS AND ACTIVELY PROMOTES EFFICIENT OPERATIONS TO MEET CURRENT AND FUTURE DEMAND. DEVELOPING HIGH-QUALITY AND EFFICIENT CONTAINER PORT INFRASTRUCTURE IS CRUCIAL TO SUCCESSFUL EXPORT-LED GROWTH STRATEGIES. EFFICIENT PORTS ALSO ENSURE BUSINESS CONTINUITY AND IMPROVE THE RESILIENCE OF THE MARITIME GATEWAYS AS ESSENTIAL NODES IN THE GLOBAL LOGISTICAL SYSTEM.

## REVOLUTIONISING THE PORT INDUSTRY

Driven by innovation to stay ahead, Westports has quickly become a mega port and significant regional hub. More than simply adopting state-of-the-art equipment and practices, it architects its technological advances to remain on the cutting-edge and be a centre of excellence.

## REMOTE PHYSICAL CHECK SYSTEM

Every container unloaded or loaded onto a vessel must be verified at the wharf. The Remote Physical-Check System (RPS) allows the verification process to be performed via Video Analytic Cameras installed on the Quay Cranes structure. Previously, stowage clerks physically inspected the containers at the wharf. The RPS is the first implementation on a wireless network and infrastructure in the world.

RPS demonstrates Westports' ethos and culture of developing innovative solutions to improve operational efficiency for clients and employee safety. Developed internally over two years, it promotes the stowage clerks, allowing them to perform the verification process remotely.



24/7 video streaming also facilitates a weather and pollution-proof verification process. These outdoor certified and weather-proof Pan Tilt Zoom CCTV cameras stream video 24/7 through networking devices installed at the Stowage Cabin. There is no degradation to video quality with night imagery being as clear as day.

Westports Malaysia is the World's first Terminal implementing this technology via a Wireless Infrastructure.

## PUBLIC SAFETY

### Measures to Ensure the Safety of the Port and its Surrounding Areas



# SUSTAINABLE OPERATIONS

## Crime Free Port

Westports Port Police was given assigned policing powers in 2009 under the NKRA programme for all Pulau Indah. Westports mission is to protect the port's security and Pulau Indah a crime-free island. Westports Port Police provides the community with security and law enforcement services through a layered security structure. The dedicated team is in charge of traffic control, search and rescue, crime prevention and emergency responders.

Westports' Port Police acts as first responders in emergencies and first to attend the scene. Ambulances and fire engines are on standby to attend to emergencies and accidents. Westports delivers one month of search and rescue, firefighting and paramedic training for every officer. The officer must also pass PDRM's training on various incident drills and weapons use before being certified for duty.

## Crime Free Port

Westports' Port Police works diligently on enhancing its processes and preventing illegal intrusions. Reports of people and vehicles trespassing and entering the port without the correct documentation is concerning. The Port Security Enhancement Project introduced various online controls such as the port pass application, turnstile, card reader and boom gate.

Westports formed a Crime Investigation and Planning Committee with systematic guidelines and standard operating procedures. Criminals, some of whom are on the Police wanted list, have been uncovered and charged in court. Cigarettes and other stolen items have also been recovered.

Westports' Port Police are honoured to assist the Royal Malaysian Customs Department in crime investigation within the port premises, especially cargo theft and suspicious cargo.

## Drug Use: A Look at the Growing Problem in the Port Industry

Drug-induced accidents are increasing in the port industry. This abuse can significantly affect the safety of all those in the port. Many port operations require precision, such as operating specialist heavy machinery and berthing expensive vessels at the quay. Working around-the-clock shifts, seven days a week, anything less than complete concentration is unacceptable.

Westports introduced an alcohol and drug screening programme to become a zero-harm workplace. Employees afflicted with drug addiction were offered rehabilitation services with the National Anti-Drug Agency. Those caught abusing substances face dismissal and criminal action.

## Automation and Digitization

Terminals experience smoother and faster operations with easy information flow. Yards that store high-value cargo and containers are equipped with CCTV, monitoring movement and other information.

## Stricter Summons Regulations

Westports' Port Police has been granted the authority by PDRM to issue traffic summons for speeding, illegal parking and dangerous driving. All summons issued for traffic offences must be paid immediately to retain the port pass.

## Smuggling

Westports continues to help the Royal Malaysian Customs Department (JKDM) crack smuggling syndicates whose modus operandi is often falsely declaring merchandise and import certificates.

Westports' Port Police will continue to perform stringent checks on manifests and forensic analysis, especially suspicious containers.

## Reward for Information

In 2020, Westports Port Police Department launched a 'Reward for Information' programme as part of Westport's commitment to crime prevention. Employees and the public can disclose genuine whistleblowing information on crime and wrongdoings. Westports protects whistleblowers' rights to remain anonymous and protects them against any retaliation.

## Efficient Transshipment With TOS

Transshipment occurs when cargo or containers change vessel while in transit. Transshipped containers count twice in the port performance as cranes have to both unload and load the same container.

The bulk of containers are transshipment with Westports connecting mainline liners with feeder vessels. These ships often berth very far apart.

Traditionally, a staging area was used between two vessels for storage before the containers were transported to their final location. Adding this temporary storage area required 60,000 additional TT trips and 70% of RTG movements were for housekeeping. With the TOS system, containers can now be sent directly to their final location since the system offers better visibility for TTs. A significant amount of time is saved while reducing emissions and enhancing efficiency.

## INDEPENDENT ASSURANCE STATEMENT

### Scope and Objective

SIRIM QAS International Sdn. Bhd., a Conformity Assessment Body in Malaysia, with extensive expertise and experience in the provision of sustainability-related assurance services, was engaged by Westports Holdings Berhad (hereafter referred to as Westports) to perform an independent verification and provide assurance of the Westports Sustainability Report 2021. The main objective of the verification process is to provide assurance to Westports and its stakeholders of the accuracy and reliability of the information presented in this statement. This was established through checking and verifying claims made in the report. The verification by SIRIM QAS International covered all sustainability-related activities which had been included in Westports Sustainability Report 2021. Further details provided in Appendix 1 of this statement.

The management of Westports was responsible for the preparation of the Sustainability Report. The objectivity and impartiality of this verification statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the Westports Sustainability Report and Annual Report 2021.

### Verification team

The verification team from SIRIM QAS International consists of:

- 1) Ms. Aernida Abdul Kadir : Team Leader
- 2) Ms. Kamini Sooriammoorthy : Team Member
- 3) Ms. Farhanah Md. Shah : Team Member

## Methodology

The verification process was carried out by SIRIM QAS International in February 2022. It involved the following activities:

- Reviewing and verifying the accuracy of data collected from various sources and that are presented in the statement;
- Reviewing of internal and external documentation and displays such as awards, press releases, media publications, internal newsletters, internal systems, etc.:



- Interviewing of key personnel responsible for collating information and writing various parts of the statement in order to substantiate the veracity of the claims;
- Evaluating the adequacy of the Sustainability Report of Westport and its overall presentation against the GRI Standards requirement.

During the verification process, issues were raised, and clarifications were sought from the management of Westports relating to the accuracy of some of the data and contents contained in the report. The report was subsequently reviewed and revised by Westports in response to the findings of the verification team. It can be confirmed that changes that have been incorporated into the final version of the report satisfactorily addressed the issues that had been raised.

### Limitation

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of information reported in Westports's Annual Report 2020/2021 and Sustainability Report 2020;
- The verification was designed to provide limited assurance in reference to International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, irrespective of the organization's ability to achieve its objectives, targets or expectations on sustainability-related issues;
- The corporate office of Westports, at Pelabuhan Barat, Port Klang, was visited as part of this assurance engagement. The verification process did not include physical inspections of any of Westports operating assets; and,
- The verification team did not verify any contractor or third party data.

## Materiality Matters

The materiality assessment process has been conducted in 2020, which has been performed by appointed external consultant to ensure impartiality and secure the anonymity of the respondents.

## Conclusion

Based on the scope of the assessment process and evidence obtained, the following represents SIRIM QAS International's opinion:

- The level of accuracy of data included in Westports Sustainability Report 2021 is fairly stated;
- The sustainability report was prepared in accordance with the GRI Standards: Core Option;
- The level of sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The sustainability report provides a reasonable and balanced presentation of the sustainability performance of Westports Holding Berhad.

Statement Prepared by:



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AERNIDA ABDUL KADIR

Team Leader

Management System Certification Department  
SIRIM QAS International Sdn. Bhd.

Date : 4 March 2022

Statement Approved by:



MOHD HAMIM BIN IMAM MUSTAIN

Senior General Manager

Management System Certification Department  
SIRIM QAS International Sdn. Bhd.

Date : 8 March 2022

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date.

SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date.



Appendix 1 The topics and information covered in this assessment is tabulated below:		CLASSIFICATION OF DATA		
		HIGH	MEDIUM	LOW
Sustainable Governance	Sustainability Committee Charter			
	Strategic Sustainability			
	Risk and Compliance Management System			
Stakeholder Engagement Policy and Procedures	-			
Materiality Assessment 2021	-			
Economic	Promoting Transport Infrastructure			
	Accommodating The World's Largest RORO Vessel			
	Vaccination Programme for the Transportation and Maritime Sector			
	Boustead Cruise Centre			
	Participation in Industry Association			
	Financial Implications and Other Risks and Opportunities Due to Climate Change			
	Procurement and Supply Chain Sustainability			
	Ethics and Values			
	Whistleblowing			
Environment	Environmental Policy			
	Pollution Prevention and Control			
	Noise Management			
	Biodiversity			
	Effluents			
	Waste			
	Water Management			
	Energy Management			
	*Energy			
	Climate Change Management			
	*Greenhouse gas emissions – Scope 1 & 2			
Social	Labour Standards			
	Performance Management			
	Training, Career Development and the Promotion of Employability			
	Performance Appraisal			
	Employee Relations			
	Benefits and Salaries			
	Equal Employment Opportunity			
	Occupational Safety and Health			
	*Fatalities (employees and contractors)			
	*LTIFR (employees)			
	*LWR (employees)			
	Contractor Safety			
	*Fatalities (contractors)			
	Holistic Wellbeing			
	Diversity and Inclusion			
	Notice Period			
	Cybersecurity			
	Privacy			
	Freedom of Association and Collective Bargaining			
	Human Rights			
Our Communities	-			
Sustainable Operations	-			

**Note 2:**

Definition of LOW, MEDIUM and HIGH

LOW – Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have the access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.

MEDIUM – Data and information has been confirmed with the direct owners. However, the source of the data origin has been based on secondary data which is not accessible by the verifiers during the conduct of the assessment.

HIGH – Data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.



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