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ABOUT THIS REPORT

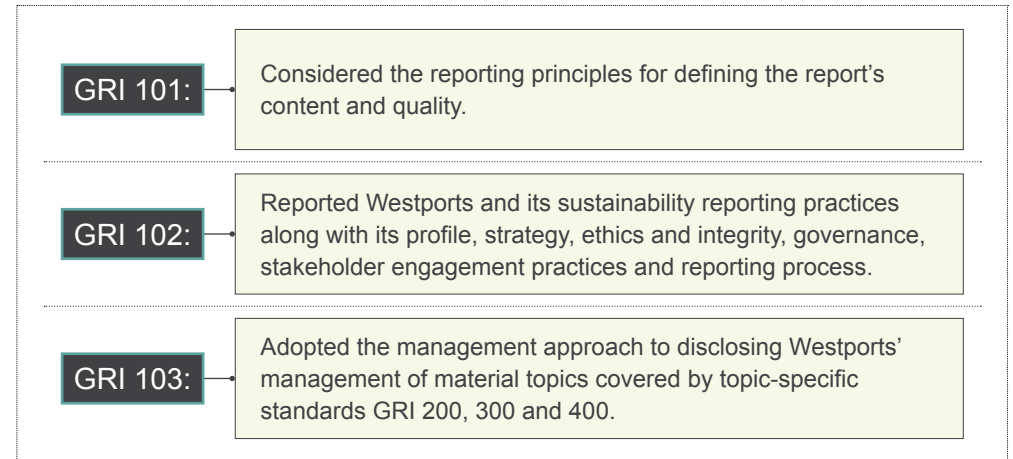
Sustainability reporting is an overview of Westports' economic, environmental and social impacts, caused by everyday activities. Presenting an annual commitment to a sustainable global economy helps Westports measure, understand and communicate its economic, environmental, social and governance performance. This detailed information is extremely important for setting goals and managing change more effectively.

Westports' annual and sustainability reports are separate publications that cover all business operations during the financial year from 1 January 2020 to 31 December 2020. Together, these two reports highlight issues that are material to Westports, its stakeholders, the economy and the local community. Specifically, this sustainability report:

-  Summarises sustainability programmes, strategies, progress and performance in 2020
-  Presents ongoing sustainability efforts to readers
-  Introduces new initiatives undertaken as Westports continues developing its diverse port operations and attains more efficient and sustainable productivity
-  Previews initiatives that are being considered in the future
-  Showcases achievements and accomplishments in the reporting year
-  Identifies challenges faced in the journey to becoming a sustainable, financially-resilient port that continues to lead in the areas of nation-building, safety, process excellence and environmental stewardship

“Westports”, “the Company”, “the Group”, “we”, “us” and “our” refer to Westports Holdings Berhad. Westports' fifth independent sustainability report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. All six GRI Standards, which have become the international framework for sustainability reporting, were used to define the report's essential content.

GRI STANDARDS USED IN DEFINING THIS REPORT'S ESSENTIAL CONTENT



This report complies with Bursa Malaysia's Sustainability Reporting Framework. Westports has also adopted the AA1000 standards in identifying its material sustainability topics. This report places greater emphasis on the United Nations Sustainable Development Goals (UNSDGs). The UNSDGs provide a shared blueprint for peace and prosperity for people and the planet.

A combined financial and non-financial assurance team from Bureau Veritas (M) Sdn Bhd adopted a combined assurance approach to the information in this report. Selected sustainability information was verified at a limited assurance level 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

CORPORATE OVERVIEW



Vision

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



Mission

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

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

Generate Sustainable Revenue	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.
Operational Efficiency	We provide operations and services excellence that exceeds global standards through effective training, continuous review of operational achievement and enhancement of SOPs.
World Class Productivity	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.
Employer of Choice	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.
Service Excellence	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.
Technology Driven	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.

WESTPORTS CULTURE

Teamwork	Westports believes in collective and cooperative teamwork which contributes to the achievement of the company’s vision and mission.
Accountability and Integrity	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 a positive work environment.
Now Culture	Westportians believe in the attitude and process of treating key business as if one’s life depends upon it. It is about the determination to stay focused and committed to delivering positive results. Westports cultivates a great sense of urgency and priority in every employee.
Safety Awareness	Safety is an integral part of sustaining our business growth success leading to an increase in productivity.
Responsible	This tenet is embraced by all employees where all are responsible for our actions and conduct.
Innovation	Westportians develop a passion for excellence and success through continuous innovation of new ideas and practices.
Good Family Values	We work together as a family and practise 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

Primarily, 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 10.5 million TEUs in 2020. The market share of the container business represents approximately 79% in Port Klang, 36% in Malaysia and 16% in the Straits of Malacca as of 2020.

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 around the world.

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 2020.

The conventional terminal also handled 10.9 million tonnes of bulk cargo in 2020. The 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

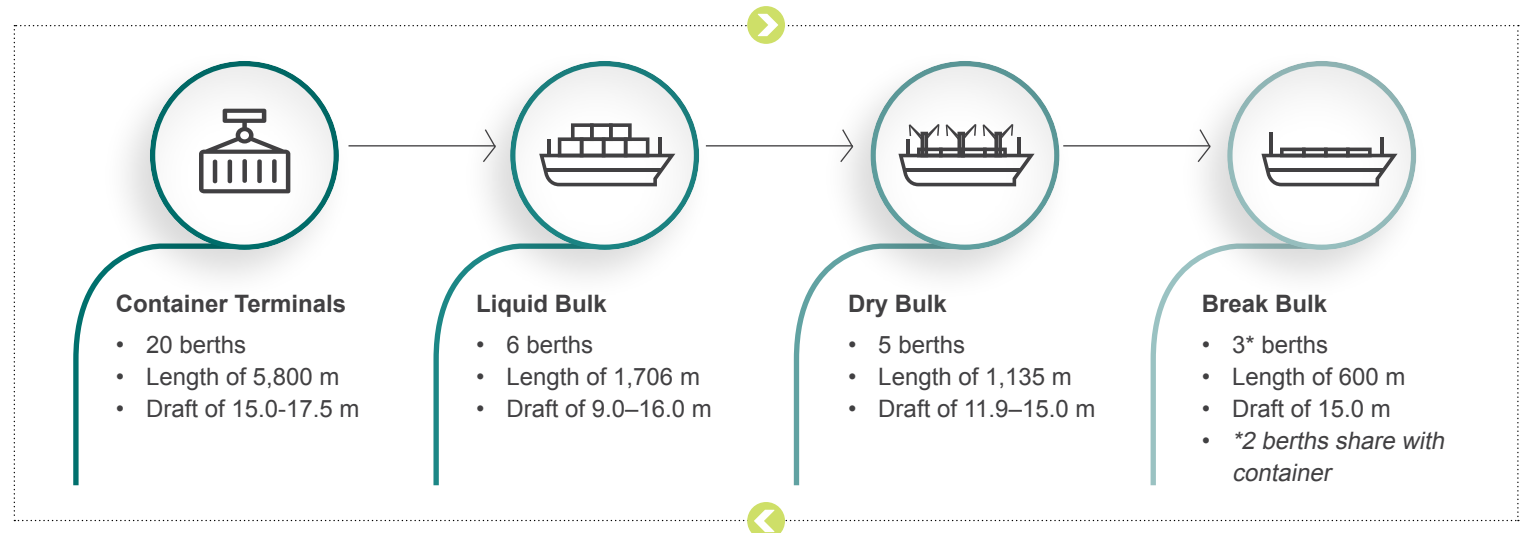
- 32 berths with an aggregate length of 8.8 km
- 24 berths contiguously connected in a straight line with a total length of 5.8 km for a large maximum usable quay length and flexible vessel berthing
- The latest ship-to-shore cranes are at a height of 52 metres at the wharves at CT8-CT9
- 17.5-m water depth accommodates the largest container vessels
- Contains an integrated 405-ha customs-free commercial and industrial zone



Achievements

- Second busiest port in South East Asia by container volume handled
- Accommodates the world’s largest container vessels of 23,000 TEUs
- Boasts the productivity record of 801 moves per hour with 12 quay cranes deployed on CMA CGM Mermoz in 2019
- Container throughput of 10.5 million TEUs and 61% of containers handled are for countries within Intra-Asia
- Conventional segment handled 10.9 million metric tonnes of bulk cargo in 2020
- Achieved more than RM1.8 billion in operational revenue

Current Berths at Westports



ABOUT WESTPORTS

GROUP PERFORMANCE (HIGHLIGHTS)

Financials	2020	2019	2018	2017	2016
Revenue (RM'000)	1,974,968	1,782,890	1,614,694	2,088,608	2,035,015
Profit before tax (RM'000)	865,067	773,809	701,217	676,882	754,819
Profit after tax (RM'000)	654,486	590,896	533,474	651,511	636,981
Shareholders' equity (RM'000)	2,829,110	2,560,295	2,415,086	2,336,847	2,131,091
Total assets (RM'000)	5,261,648	5,132,206	5,087,420	5,146,145	4,411,243

Per Share and Ratios	2020	2019	2018	2017	2016
Earnings per share (sen)	19.2	17.3	15.6	19.1	18.7
Dividend per share (sen)	11.5	13.0	11.7	14.3	14.0
Dividend payout ratio (%)	60.0%	75.0%	75.0%	75.0%	75.0%
Return on equity (%)	23.1%	23.1%	22.1%	27.9%	29.9%
Return on total assets (%)	12.4%	11.5%	10.5%	12.7%	14.4%

Operations	2020	2019	2018	2017	2016
Container throughput (million TEUs)	10.5	10.9	9.5	9.0	9.9
Container handling capacity (million TEUs)	13.6	13.9	14.0	13.0	12.0
Westports market share of Port Klang	79%	80%	77%	75%	76%
Conventional throughput (million MT)	10.9	9.9	10.7	10.9	11.8
Number of vessels accommodated	8,515	8,997	8,550	8,502	9,627

ABOUT WESTPORTS

GROUP PERFORMANCE (HIGHLIGHTS)

	2018	2019	2020
Environment			
Energy & Water			
Diesel (litres)	46,609,393	50,346,199	50,083,076
Electricity (MWh)	97,013	101,328	119,844
Water (m ³)	1,303,339	1,011,263	1,120,883

Efficiency	2018	2019	2020
TT (£/Move)	2.19	2.13	2.40
TT (£/TEU)	1.50	1.44	1.60
TT (£/hr)	5.95	5.81	6.04
RTG (£/Move)	1.33	1.20	1.21
RTG (£/TEU)	0.91	0.81	0.81
RTG (£/hr)	14.73	15.02	15.09
Tugboat (£/Move)	272.55	282.17	289.53
Tugboat (£/TEU)	1.10	1.07	0.97
Tugboat (£/Vessel Call)	1,224	1,284	1,196
Pilot Boats (£/TEU)	0.09	0.09	0.09
Pilot Boats (£/Move)	101	282	131
kWh/TEU	10.19	9.33	11.41

Emissions (tonnes)	2018	2019	2020
Scope 1	123,214	133,093	132,397
Scope 2	56,752	59,277	70,109
Scope 3 (Air Travel)	258	486	128
Scope 3 (Employees Commuting)	6,340	9,462	8,811

Emissions Intensity (kg)	2018	2019	2020
TT (CO ₂ e /Move)	5.79	5.64	6.33
TT (CO ₂ e /TEU)	3.97	3.81	4.24
TT (CO ₂ e /hr)	15.72	15.37	15.97
RTG (CO ₂ e /Move)	3.52	3.16	3.20
RTG (CO ₂ e /TEU)	2.41	2.14	2.13
RTG (CO ₂ e /hr)	38.93	39.72	39.89
Tugboat (CO ₂ e /Move)	720.51	745.93	765.38
Tugboat (CO ₂ e /TEU)	2.91	2.82	2.56
Tugboat (CO ₂ e /Vessel Call)	3,326	3,395	3,161
Pilot Boats (CO ₂ e /TEU)	0.25	0.24	0.25
Pilot Boats (CO ₂ e /Move)	266	746	347
Electricity/TEU	5.96	5.46	6.67
Ozone-Depleting Substances	0.00	0.00	0.00

Waste	2018	2019	2020
Scheduled Waste (tonnes)	151	312	255
Hydraulic Oil Recycled (tonnes)	10.8	7.6	13.4

A MESSAGE FROM THE EXECUTIVE CHAIRMAN AND GROUP MANAGING DIRECTOR

We are pleased to present our fifth annual sustainability report. The coronavirus outbreak in early 2020 has resulted in one of the worst pandemics in modern history. As the world grapples with the pervasiveness of the impact of COVID-19, investors realised that sustainability and ESG issues are some of the most critical parameters in investment and business decisions under this new-normal world.

Companies with a more robust ESG performance and track record generate alpha; they outperform their peers and have less volatility and downside risk. With greater appreciation of ESG risks, we are able to respond more comprehensively to these long-dated risks and develop the ability to assess and formulate our responses to mitigate these issues.

COVID-19, together with the heightened awareness of climate change, has inevitably compelled us to examine how we affect our well-being, community and Planet Earth. We are also now more convinced than ever that investors and companies that prioritise ESG parameters will benefit and contribute to a more sustainable society for us all.

As always, we have prepared this sustainability report in accordance with the Global Reporting Initiative (GRI) Standards, which have become the international framework for sustainability reporting. However, we had also emphasised the United Nations Sustainable Development Goals (UNSDGs) in this report. These 17 goals provide a shared blueprint for peace and prosperity for people and the planet. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality and spur economic growth – all while tackling climate change and working to preserve our environment – especially the oceans and the forests.

It is a pleasure to announce an overall healthy return for shareholders and update you on our strategy through these challenging times. The COVID-19-induced lockdowns across the globe and the subsequent repercussions contributed to Westports' container volume decreasing by 9% in the first half of the year. The economic activities, from consumption to investments and production-related activities, were disrupted as countries introduced various lockdowns and movement restrictions.

However, Westports' container throughput recovered in the second half of 2020 as the global supply chain fulfilled pent-up demand and consumption patterns shifted towards more goods instead of services. We ended the year by posting a modest volume decline of only 3% after handling 10.5 million TEUs of containers.

We are also pleased to share with you our achievements in our journey of becoming a green port. We believe that it is more effective to manage what we can measure. Hence, we are investing in a digital power metering project that connects 174 digital power meters with 27 substations. We can maximise the efficiency of our entire business operations once we have a clearer understanding of where every unit of electricity is being consumed.



A MESSAGE FROM THE EXECUTIVE CHAIRMAN AND GROUP MANAGING DIRECTOR



We are currently formulating a roadmap that will lead us eventually to be a carbon-neutral port in the future. We target to unveil this strategy within two years. In the meantime, Westports has approved the installation of solar panels on two future warehouses. These panels will collectively generate 9.5 MW or up to 12 million kWh of energy each year for the port's consumption to reduce its carbon emissions. We are also evaluating other sources of energy that can contribute to a reduction in our carbon footprint.

Energy and carbon emissions are not our sole environmental considerations. We are working towards restoring some biodiversity in our community and enhancing our port with more trees to sequester carbon dioxide. We also seek to minimise the proliferation of waste by restricting single-use plastics at the port. Westports sponsored the Interceptor 002 to extract rubbish from the River Klang.

We continue to positively affect the socio-economic well-being, safety and health of the Pulau Indah community. As the largest employer on the island, we create thousands of direct and indirect jobs while taking responsibility for improving many residents' livelihoods with low incomes.

Our Port Police continue to protect the port and keep Pulau Indah a relatively crime-free island. A Crime Investigation and Planning Committee was formed during the year. Westports' Port Police is honoured

to assist the Royal Malaysian Customs Department in crime investigation within the port premises, especially with cargo theft and suspicious cargo.

We hope you enjoy reading more about Westports and how we strive to protect our waters, reduce our environmental footprint and innovate for the future.

Eventually, there will be calm after the storm. Collectively, we will emerge stronger and wiser from this experience. We look forward to continuing our close collaborations with our stakeholders, from our customers to our regulators. From my family to your family: stay healthy, stay safe.

Sincerely,

Tan Sri Datuk G. Gnanalingam
Executive Chairman

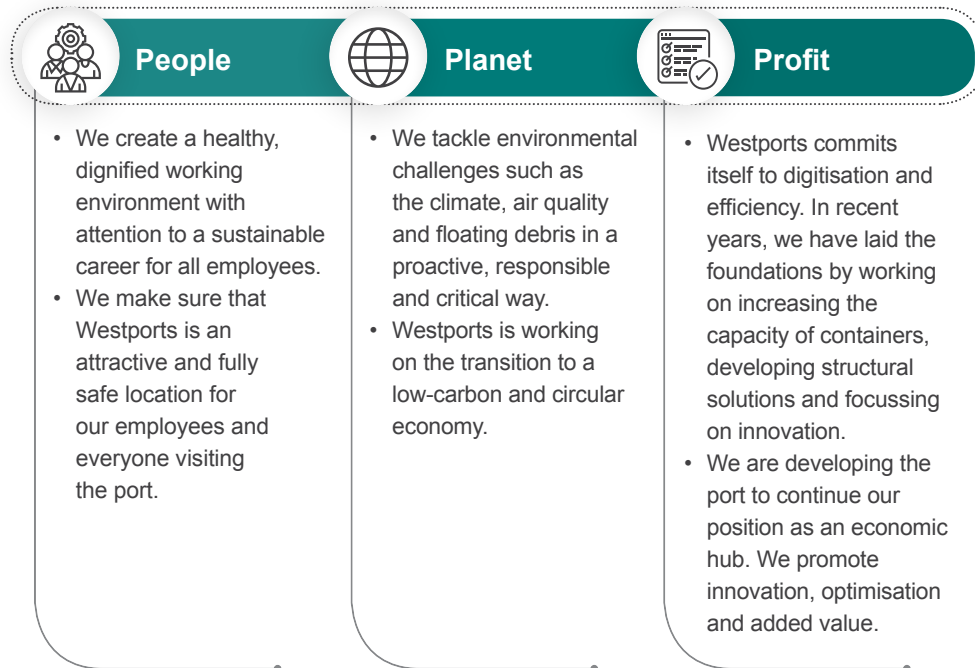
Datuk Ruben Emir Gnanalingam
Group Managing Director

GOVERNANCE

STRATEGIC SUSTAINABILITY

The world in which Westports operates is changing fast. To stay resilient, we continue to strengthen our base while retaining our ranking as one of the leading ports in the region. We integrate the concept of sustainability in all policies such as port design, infrastructure planning, business models, investment decisions and Corporate Social Responsibility (CSR) activities.

Westports seeks to mitigate climate change while ensuring that the port contributes significantly to national prosperity. Stakeholders in and around the Port are invited to collaborate to overcome the challenges encountered in developing the Port. Together, we will create economic and social value and realise sustainable growth.



A stakeholder-driven approach helps identify the salient sustainability impacts and opportunities to sustain operations. Engaging both directly and indirectly with stakeholders is useful for identifying and prioritising these areas. Westports consults with employees from all departments along with key clients, investors, community members, governmental representatives and business partners to identify their expectations.



GOVERNANCE

We raise awareness and implement each sustainability priority, strengthening our focus while expanding business operations. These commitments are taken very seriously. Corporate scorecard performance measures both stakeholder and business needs. Increasingly, we consider how our actions affect sustainability and are mindful of stakeholders' priorities and interests.

In 2018, we reaffirmed our commitment to building a responsible and sustainable business that delivers robust economic growth while improving social welfare and environmental sustainability. We also intensified efforts to broaden the client mix, increase container volumes and formulate logistics solutions for cargo owners.

Adopting cutting-edge technology will help achieve lean operations. Front and back-end services are integrated and aligned through the new Terminal Operation System.

SUSTAINABILITY COMMITTEE

Westports' established a Sustainability Committee comprising key management members and heads of department in 2020. The committee will steer the Company from reporting sustainability activities towards incorporating sustainability thinking into all business processes and executions.

This broadened perspective is guided by the three pillars of sustainability: Environment, Social and Governance and the committee members will lead in the implementation of each area. The committee is also responsible for driving and cascading down these principles and values throughout the company so that sustainability becomes a key part of the corporate culture.

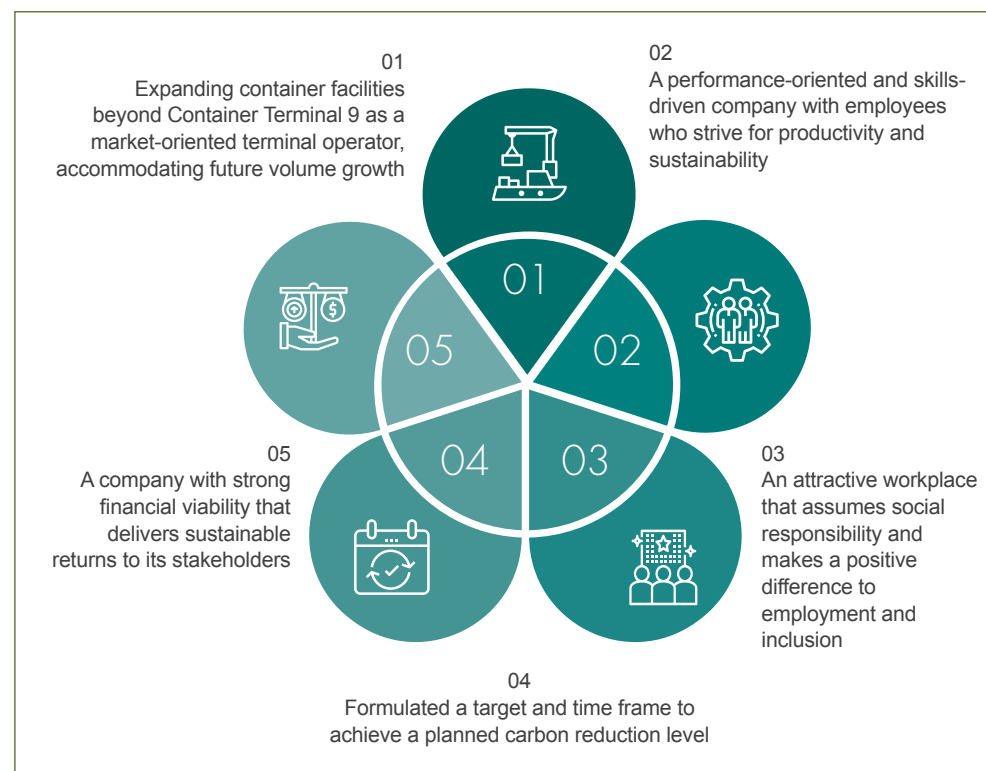
Datuk Ruben Emir Gnanalingam Bin Abdullah, as the Group Managing Director, heads the Committee. He provides direction, oversight and guidance throughout Westports to implement sustainability-related projects. Other roles also include:

- 01 > Explaining the material economic, environmental and social impacts to the Board that subsequently influence the assessments and decisions of stakeholders;
- 02 > Promoting the integration of sustainability impacts and considerations into the Westports risk management framework; and
- 03 > Reviewing the progress of action plans developed to meet the organisational strategic objectives.

The Committee meets each month to discuss operational matters, strategy, initiatives and progress of operations that affect the sustainability agenda. All senior leaders within Westports are also actively engaged in executing goals that affect overall sustainability and drive the sustainability agenda with their teams.

The Board plays an essential role in approving Westports' strategic sustainability priorities. It considers sustainability areas an integral part of its business oversight as sustainability-related issues are integrated into the overall Group business strategy. The Group Managing Director assists the Board in providing a more focused oversight of the Group's policies, programmes and related risks that concern key public policy and sustainability matters.

OBJECTIVES BY 2025



GOVERNANCE

RISK AND COMPLIANCE MANAGEMENT SYSTEM

Although all business activities have associated risks, the ability to identify, evaluate and manage these risks is an important part of Westports' management and control system. Risk management is an integral part of Westports' governance and management and is also a natural part of decision-making on different levels within the Company.

Westports' Risk Management Framework promotes the identification and regular assessment of risk as well as creating a responsive plan for these risks. Westports also monitors the ongoing implementation of these response plans.

Westports' Risk Management Framework considers different categories including 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 they are relevant. The Board reviews the risk management process quarterly.

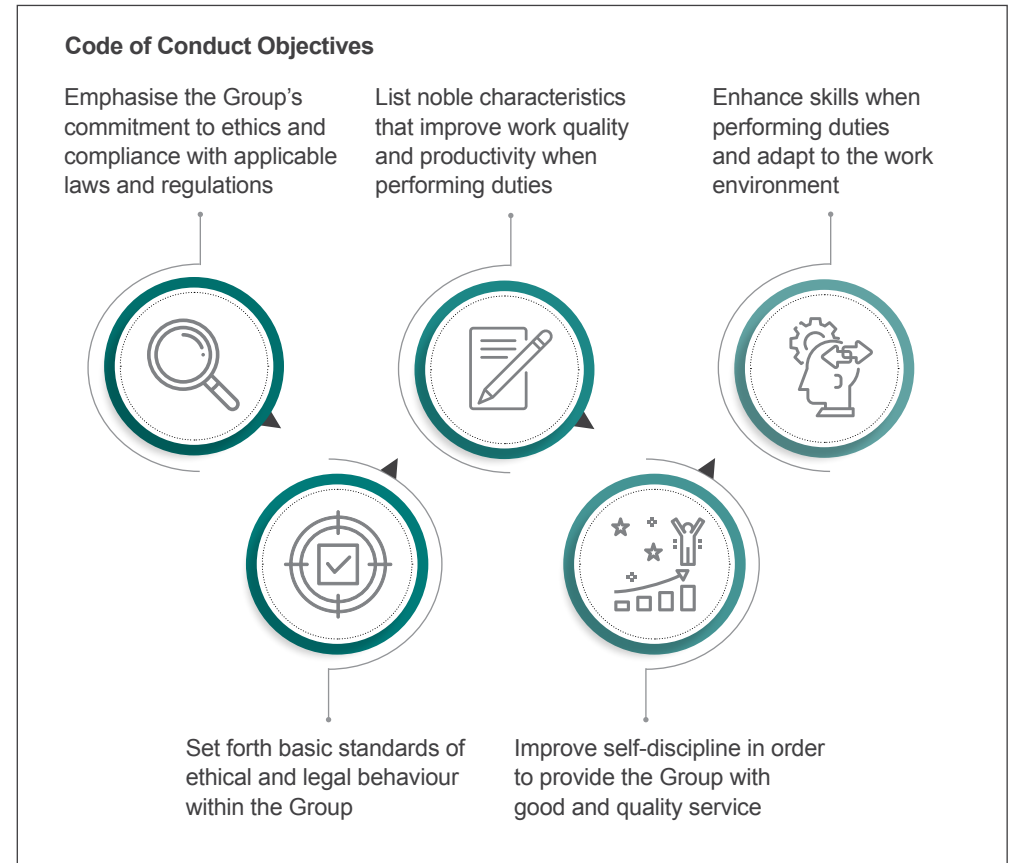
Westports received no significant fines or non-monetary sanctions for non-compliance with laws and regulations in social and economic areas during the reporting period.

CODE OF CONDUCT

Westports' Code of Conduct sets standards for Directors, management and employees within the Company and all subsidiary companies within the Group. Promoting honest and ethical conduct, the Code covers:



Employees are expected to carry out the mandate and responsibility to the best of their ability and maintain the highest standards of integrity and conduct.







Actions are taken against any person who fails to act in accordance with applicable statutory laws, company policies and procedures as well as the Code.





LONG-TERM RELATIONSHIPS WITH OUR STAKEHOLDERS

Stakeholders are entities or individuals that may be significantly affected by Westports' activities and services or whose actions may affect the Group's ability to implement its strategies or achieve its objectives. Westports' stakeholder engagement model drives long-term sustainability by providing opportunities to further align practices with societal needs and expectations. Understanding the most important social and environmental issues to stakeholders through close engagement helps improve decision-making and accountability.

Westports employs a stakeholder-driven approach to ascertain the most important sustainability impacts and opportunities to sustain the business. Direct and indirect stakeholder engagement helps identify and prioritise these areas. Employees from various functions and divisions are consulted, including key investors, community members, governmental representatives and business partners to identify their expectations.

Stakeholder Group	Engagement Method	Frequency of Engagement	Key Concerns
 Port Users	Customer feedback management	Daily	Port infrastructure
	Customer support centre	Daily	Port safety
	Social media tools	Regularly	Transparent operations
	Market research	Regularly	
	Events, dialogue sessions, roadshows & engagement sessions	Ad-hoc	
 Government & Authorities	Formal meetings	Ad-hoc	Operational compliance, effective safety management
	Performance reports	Regular	
	Discussions on government initiatives	Ad-hoc	
	Safety campaign	Annually	
	Video conferencing	Ad-hoc	
 Shareholders & Investors	IR events	Ad-hoc	Good governance
	Annual & sustainability reports	Annually	Ethical operations and compliance
	Annual general meetings	Annually	Business investments
	Extraordinary general meetings	Ad-hoc	
	Shareholder updates	Regular	
	Quarterly reports	Quarterly	
	Corporate presentations	Ad-hoc	
	Signing ceremonies	Ad-hoc	
	Video conferencing	Ad-hoc	
	 Community	Website	Daily
Annual & sustainability reports		Annually	Infrastructure development Community engagement
Visits, seminars & joint activities		Ad-hoc	
Community engagement activities		Regular	

LONG-TERM RELATIONSHIPS WITH OUR STAKEHOLDERS

Stakeholder Group	Engagement Method	Frequency of Engagement	Key Concerns
 Employees	Employee satisfaction survey	Annually	Employee wellbeing
	Dialogue & engagement	Regularly	Training and development
	HR Portal, departmental meetings & newsletters	Regularly	Occupational health and safety
	Employee engagement programmes	Regularly	Financial results, business strategies and development plans
	Video conferencing	Ad-hoc	
 Suppliers	Suppliers' survey	Ad-hoc	Supplier appraisal mechanism
	Suppliers' training programmes	Regularly	Effective communication
	Supplier relationship management	Regularly	
	Video conferencing	Ad-hoc	
 Professional Bodies	Dialogue & engagement	Regularly	Good governance
	Joint activities	Regularly	Ethical operations and compliance
	Consultations & negotiation	Ad-hoc	Business investments
	Certifications	Ad-hoc	Socio-environmental impact
	Annual & sustainability reports	Annually	
	Campaigns & roadshows	Regularly	
 Non-Governmental Organisations (NGOs)	Dialogue & engagement	Regularly	Community involvement
	Collaboration	Regularly	Impact on society
	Sponsorships/donations	Ad-hoc	Collaborations
	Social media & other online channels	Daily	

INDUSTRY ASSOCIATIONS – WESTPORTS' APPROACH

Industry associations play a number of roles in society such as:

- Providing a platform for sharing global best practice in the interests of the industry and those who work in it; and
- Developing technical standards and public policy positions.

Associations are usually sector-specific and Westports supports port activities through these memberships while providing a forum to advance industry standards.

Westports' industry associations perform a number of functions that lead to better outcomes on policy, practice and standards. Combining members' technical expertise in areas such as safety, health and the environment helps develop a leadership position on sustainable development in the sector. Working within associations with other like-minded members also exerts a positive influence on the industry as a whole. Finding effective solutions to complex challenges requires a transparent exchange of diverse views. Transparency is vital for making more informed decisions. Westports actively participates in the advancement of the port industry by:

LONG-TERM RELATIONSHIPS WITH OUR STAKEHOLDERS

- Actively participating in port-related public policy discussions and regular communications 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; and
- 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 Roles in the Industry

<p>Port Consultative Committee (PCC)</p>	<p>As stakeholders influence and are affected by the Port Klang Authority's decisions, the Ministry of Transport (MOT) appointed various government and industry representatives as PCC members. Group Managing Director, Datuk Ruben Emir Gnanalingam, represents Westports on this committee. PCC meetings are convened when port-related policies are implemented, particularly if there is:</p> <ul style="list-style-type: none"> • A substantial change in tariffs • Plans to expand or develop the port • Matters that will affect the industry and Malaysia
<p>National Logistic Taskforce (NLTF)</p>	<p>Meeting thrice a year under the purview of the MOT, the NLTF:</p> <ul style="list-style-type: none"> • Is responsible for designing, implementing and monitoring the action plans in the Logistics and Trade Facilitation Master Plan; and • Reports to the Special Committee on Services, which is chaired by the Prime Minister. <p>Westports is consulted on port infrastructure and logistics resource development under Cluster II – Trade Facilitation Mechanism, headed by MITI and the Royal Malaysian Customs Department.</p>
<p>Focus Group on Trading Across Borders (FGTAB)</p>	<p>FGTAB is a Ministry of International Trade and Industry (MITI) initiative to improve Malaysia's ranking in cross-border trading. Westports engages with all key players each quarter to improve logistics in Port Klang. FG TAB stakeholders include the Selangor Freight Forwarders and Logistics Association (SFFLA), Royal Malaysian Customs Department, MOT and MATRADE.</p>
<p>Logistics Council of Malaysian International Chamber of Commerce and Industry (MICCI)</p>	<p>Founded in 1837, MICCI is the oldest chamber in Malaysia, representing almost 1,000 corporate members in over 30 different countries. MICCI helps its members improve their businesses and Westports helps ensure members can do business more easily.</p>

MATERIALITY

Materiality is a long-established financial accounting concept that has been borrowed, adapted and applied to nonfinancial information.

The Global Reporting Initiative Standards and Bursa Malaysia's Sustainability Reporting Framework requires organisations to identify their stakeholders and outline ways in which sustainability reporting has responded to their reasonable expectations and interests.

Materiality assessments allow Westports to systematically identify and prioritise issues that matter most to its business and stakeholders. These assessments gain input from both internal and external stakeholders to objectively understand sustainability issues that are most important to all parties.

OUR APPROACH TO MATERIALITY














The Materiality Assessment Process



Westports conducted its third materiality assessment in the fourth quarter of 2020. The survey was performed by an external consultant to ensure impartiality and secure the anonymity of the respondents.

The respondents were asked to rate the importance they placed on 15 economic, environmental and social issues. 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
Economic			
Regulatory compliance	Preventing anti-competitive behaviour and complying with all other economic, environmental and social legislation	<ul style="list-style-type: none"> Anti-competitive behaviour Environmental compliance Socio-economic compliance 	 
Nation-building	Developing the port and local infrastructure which transforms local, regional and international trade	<ul style="list-style-type: none"> Indirect economic impacts 	     
Anti-Corruption	Reporting and managing Westports' anti-corruption processes through risk assessments, training and monitoring non-compliance	<ul style="list-style-type: none"> Anti-corruption 	
Environment			
Energy	Managing energy effectively with a view to reducing it whenever possible	<ul style="list-style-type: none"> Energy 	   

MATERIALITY

Climate change & pollution	Managing greenhouse gases, ozone-depleting substances and other harmful emissions	<ul style="list-style-type: none"> Emissions 	
Effluent & Waste	Disclosing effluent discharges and all wastes including scheduled waste, spills and water bodies affected by operations	<ul style="list-style-type: none"> Effluents and waste 	
Social			
Diversity, equal opportunity & non-discrimination	Promoting diversity and equal opportunities and eliminating all forms of discrimination in the workplace	<ul style="list-style-type: none"> Diversity and equal opportunity Non-discrimination 	
Local hiring & communities	Supporting all local communities as port operations have contributed to economic, social or environmental changes	<ul style="list-style-type: none"> Local communities Local hiring Market presence 	
Human rights	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"> Human rights assessment Rights of indigenous peoples Security practices Child labour Forced labour 	
Employee engagement	Respecting employees' rights to joint representation and consultative practices through the Penghulu system	<ul style="list-style-type: none"> Labour/management relations Freedom of association and collective bargaining 	
Career development	Hiring, recruitment and retention as well as training and career development reviews	<ul style="list-style-type: none"> Employment Training and education 	
Employee and public safety	Keeping all workers safe, preventing noncommunicable and infectious diseases and protecting the wellbeing of the public and all port users	<ul style="list-style-type: none"> Occupational health and safety Customer health and safety 	
Transparent communications	Providing accurate and transparent information in all aspects of corporate disclosure	<ul style="list-style-type: none"> Marketing and labelling 	
Quality & customer satisfaction	Promoting quality throughout all aspects of port operations to ensure high levels of customer satisfaction	<ul style="list-style-type: none"> Non GRI topic 	
Customer privacy	Protecting the privacy of customers and members of the public	<ul style="list-style-type: none"> Customer privacy 	

MATERIALITY

Response Rate of Stakeholders Contacted



11
Government Agencies
such as Customs



15
Community such as Schools &
Residents at Pulau Indah



825
Employees of Westports



29
Shipping Clients
such as Liners & NVOCC



9
Other Customers
such as Warehouse Users



7
Port Users
such as Forwarding Companies



5
Suppliers & Contractors of
Goods & Services

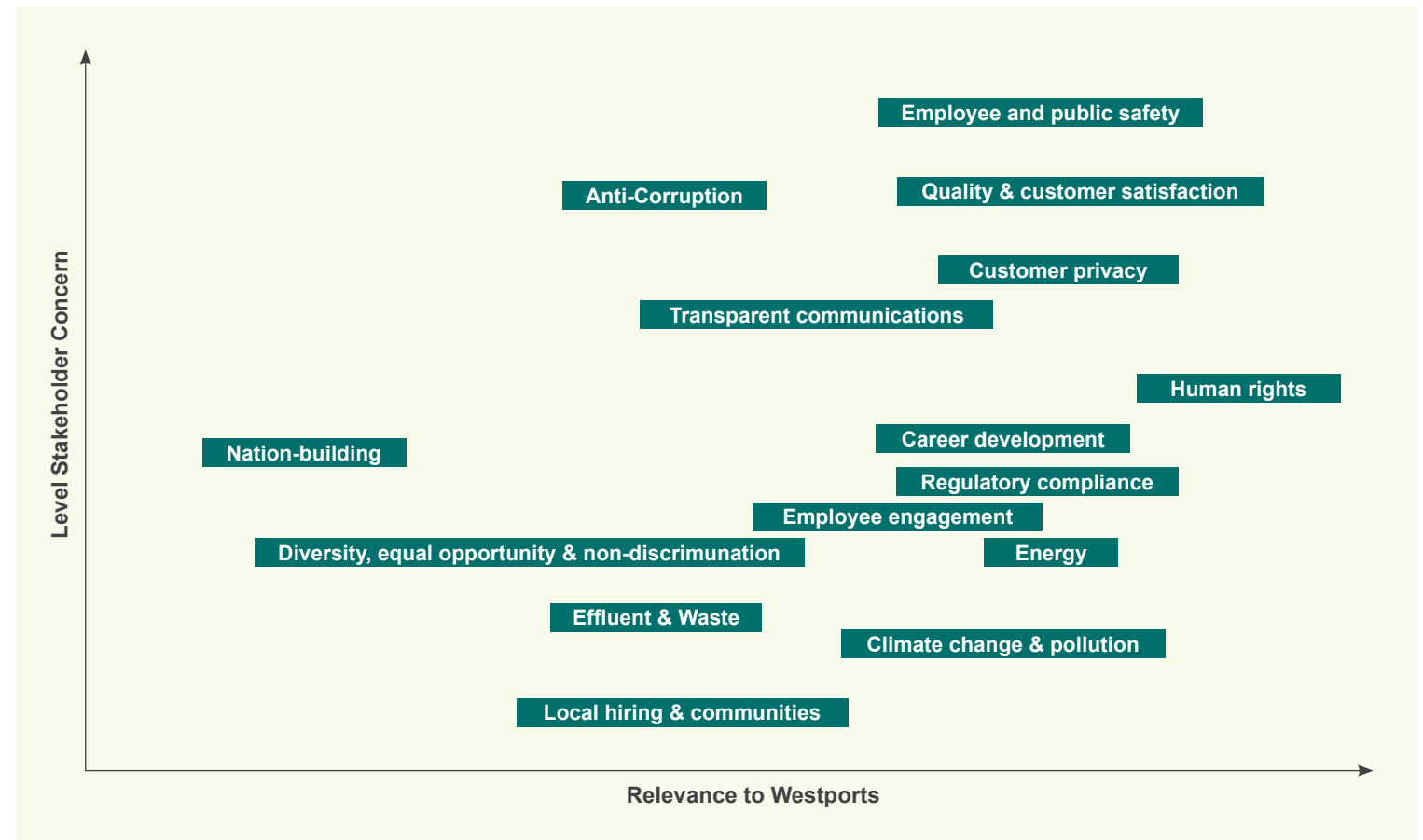


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Shareholders & Analysts

A five-point Likert scale allowed respondents to indicate the importance of each criterion from 'very unimportant' (1) to 'Very important' (5).

Unsurprisingly, the stakeholder groups were not represented equally with employees being the best represented. A separate average score was calculated for each of the 15 areas within each stakeholder group before an average from all nine stakeholder groups was obtained.

The same survey was completed by 12 members of the Board which represented the views of Westports.



UN SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (UNSDGs) are an excellent vehicle for driving change. Launched by the United Nations in 2015, they represent an action plan for society and the planet to thrive by 2030.

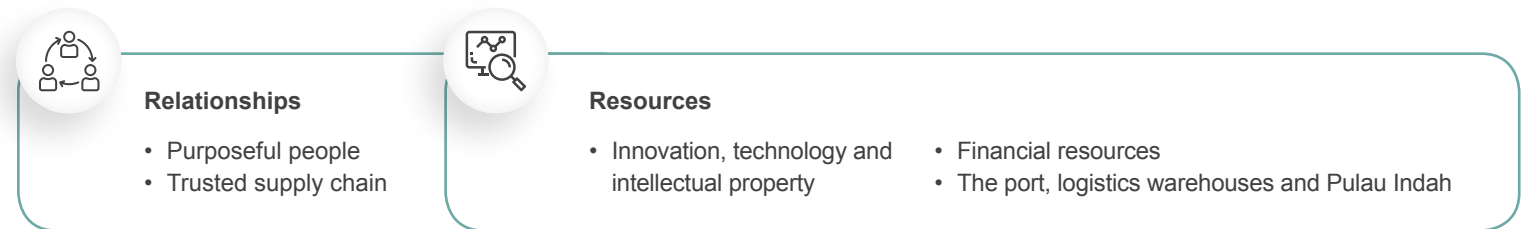
The UNSDGs are an important initiative for developing a sustainable society and improving the quality of people's lives by solving global social and environmental challenges. Westports has contributed to achieving the UNSDGs through innovative business, which also serves as a source of sustainable growth.






































Providing an innovative port boosts social, environmental and economic value as part of the management strategy. Westports also strives to enhance social contribution and mitigate the negative environmental impacts resulting from its business operations. Seeking a deeper understanding of business risks arising from social and environmental changes allows Westports to develop a robust response to these issues.

WESTPORTS STARTS IT RIGHT, COMMITTED TO THE END

A new business vision delivers growth by serving society and the planet. Generally, achieving the UNSDGs benefits both the global economy and business.

What we depend on...



Stakeholder Value	Goals Delivered
 Clients and customers	   
 Our people	         
 Society	     
 Planet	     
 Shareholders	     

UN SUSTAINABLE DEVELOPMENT GOALS

OUR CONTRIBUTION TO THE UNSDGs





Rationale

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 key enabler of the entire UNSDG agenda.

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.

Despite major advances in recent decades, millions of people die each year from preventable causes. These deaths often occur disproportionately in the world's developing regions. Ill-health, whether mental or physical, can prevent individuals from reaching their full potential, with a knock-on effect on their communities and economies.



What we do

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 quality of life of the villagers and upgrades the island's development.

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 standards of living through training and employment.

Westports takes an active role in promoting the physical and mental health as well as social wellbeing of employees to build a positive work environment and resilient organisation.



Impact and measures

- Poverty on the island has been basically eliminated, down from 62% in 1995
- 37% of staff are from Pulau Indah
- 83% of the workforce are *Bumiputera*

- 99% of the 5,455 people employed at the terminal are Malaysian with 37% of them being from the island itself.

- Childcare is available for all Westports employees
- Klinik Westports
- Health passport

UN SUSTAINABLE DEVELOPMENT GOALS



Rationale

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.

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.

Nearly 2.5 billion people lack adequate sanitation. Addressing water, sanitation and hygiene needs is a significant opportunity.



What we do

Education is the most crucial element in uplifting society's socioeconomic status and livelihoods. Westports has invested a significant amount of time, energy and money in providing education to children in Pulau Indah.

Although ports and shipping remain the most male-dominated industries, Westports remains committed to providing a work environment that is free from all forms of discrimination on the basis of race, ethnicity, gender, creed, religion, age, family responsibilities, disability, medical condition, union membership and activities or sexual orientation.

Port facilities are highly concentrated industrial areas containing various activities such as container terminals and cargo facilities. Westports assesses the impact port operations have on the quality of receiving waters in and around the port to complement existing monitoring programmes for some marine organisms.



Impact and measures

- More than RM5.6million was invested in the Trust School Programme which involved two schools on the island namely SK Pulau Indah and SMK Pulau Indah.
- Westports provided assistance for special students including a springboard, trampoline and plastic loops to improve their learning and motor skills.
- 256,101 hours of training and education was delivered to Westports employees in 2020.

- Zero discrimination cases reported.

- 100% compliance with the Effluent Regulations 2009.
- Oil and grease traps have been installed at all maintenance and repair workshops and weekly cleaning is performed.
- Annual water sampling analysis is carried out at various outlets near the sea.

UN SUSTAINABLE DEVELOPMENT GOALS



Rationale

If not addressed, climate change will affect economic growth and the progress of all UNSDGs will be severely hampered. Climate action and sustainable development are closely related and Westports plays a leading role in achieving a low-carbon economy.

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.

Westports is fuelled by innovation. 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.



What we do

Energy consumption is a material aspect of port operations and Westports supports the use of clean energy whenever possible. New technical innovations are explored to reduce reliance on fossil fuels and lower Westports' overall carbon footprint.

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.

Connected technologies are moving Westports into the digital age — helping boost productivity and cut costs. As global trade increases, so do vessel size and cargo volume, placing additional pressure on ship berths and yards. Westports must embrace smart solutions to boost efficiency and reduce costs. Significant progress has been made in recent years to promote a smart and efficient port by introducing various smart infrastructure and processes.



Impact and measures

- Energy intensity of the STS cranes, reefer containers and port operational facilities was closely monitored in 2020.
- The number of futile trips for terminal tractors reduced, which contributes to emissions.

- Westports captures 79% of the container volume moving through Port Klang
- Westports has become the largest container terminal in Malaysia and second largest in South East Asia.

- Streamlined operations and increased efficiency as a result of the Tablet Terminal Truck (TT-TAB) tracking system.
- OPUS Terminal Operating System (TOS) resulting in:
 - 30-40% reduction in futile trips compared to the previous system.
 - Increased efficiency rate of terminal truck pooling and deployment from 5% to 42%.
 - 10% reduced turnaround for exports.
 - 40% reduced turnaround for imports.
 - Reduced vessel planning time by up to 3 hours per vessel.
 - 1,100 man-hours saved per month.
 - 50% improvement in tight connections.
 - Reduced planned amendments from 6.5% to 1.1%.
 - Increased dual transactions by 7% per month.

UN SUSTAINABLE DEVELOPMENT GOALS



Rationale

The gap between the haves and the have-nots is already too great, and in many places, it is growing. Tackling inequalities means tackling the attitudes and stereotypes that sustain them and Westports challenges harmful discrimination throughout its value chain.

There is a strong link between the quality of life in cities and how cities draw on and manage the natural resources available to them. Due to their high concentration of people, infrastructure, housing and economic activities, cities are particularly vulnerable to climate change and natural disasters impacts. Building urban resilience is crucial to avoid human, social and economic losses while improving the sustainability of urbanization processes is needed to protect the environment and mitigate disaster risk and climate change.



What we do

Westports prohibits discrimination in hiring and employment practices including gender, race, religion, age, disability and nationality.

Westports ensures that the port, operations and environment are safe and sustainable at all times. Operations responsibility extends from the shipping companies to all those working and living in or around the port.

Westports Police, Fire & Rescue and EHS Department was established to keep the port and Pulau Indah safe and crime-free.



Impact and measures

- Flat hierarchy with all employees being of equal value.
- Disciplinary action including possible termination of employment for any acts of discrimination or harassment.

- Twenty-five years ago, the landscape was very different; where there are now roads, buildings and infrastructure, there were just mangrove swamps. Westports has played a major role in transforming Pulau Indah.
- Pulau Indah is a fast-growing industrial hub, as seen by the presence of landmarks such as the Pulau Indah Industrial Park, the Selangor Bio Bay and IKEA's regional distribution hub.
- Westports' Port Police is dedicated to traffic management and patrolling traffic. As first responders, they are responsible for the safety and security of the port and surrounding communities.

UN SUSTAINABLE DEVELOPMENT GOALS



Rationale

Sustainable consumption and production concerns:

- Doing more and better with less.
- Decoupling economic growth from environmental degradation.
- Increasing resource efficiency and promoting a sustainable lifestyle.

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.

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 it is clear that urgent action is needed on multiple fronts.

What we do

Port veterans understand the potential risks associated with the nature of work. Full compliance with health and safety policies is taken very seriously and Westports' teams relentlessly identify hazards, develop ways to mitigate them and track compliance.

Westports monitors risks and opportunities posed by climate change that can potentially change operations, revenue or expenditure. Westports commissioned a firm that specialises in marine and coastal engineering to study how changes in wave height would affect its future expansion plans. In order to reduce air pollution from lorries and ships, Westports initiated an emissions monitoring programme and also controls the movement of land vehicles in and out of the terminal. A smoother flow of traffic reduces the amount of carbon monoxide released into the atmosphere.

As part of Westports expansion risk mitigation plan, Westports monitors the impact on water quality during the construction phase and proposes monitoring and controls to prevent pollution and minimise deterioration in water quality from vessel discharges.

Impact and measures

- Westports has a vision of becoming the leading EHS practising port in Malaysia.
- 100% of operations are OHSAS 18001:2007 certified.
- More than RM250,000 was invested in a hydraulic recycling machine.

- Effluents and emission readings were within limits set by authorities.
- Rising sea levels are considered during terminal design.
- Carbon monitoring being developed to support a reduction in carbon emissions.
- Switching to low sulphur fuel according to the International Maritime Organisation (IMO) requirements.
- Euro 4 emission standards have been incorporated into the design of the new tractor fleet.

- There were zero pollution cases which may disturb marine ecology, fishing and aquaculture.
- Replanting mangroves affected by the Westports' expansion is planned for the future.

UN SUSTAINABLE DEVELOPMENT GOALS



Rationale

Globally, biodiversity is in decline. According to 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.

Peaceful and just societies are good for the people who live in them. Businesses flourish when those around them succeed.

A successful development agenda requires inclusive partnerships — at global, regional, national and local levels — built upon principles and values, and upon a shared vision and shared goals placing people and the planet at the centre.



What we do

Westports initiated a mangrove replanting programme to rebuild Pulau Indah's ecosystem and beautify the area.

Westports' commitment to integrity and transparency is clearly stated in the Employee Handbook and Code of Conduct. Westports' anti-corruption policy is also communicated to suppliers, contractors, subcontractors, agents, joint venture companies and third parties.

Westports partners with key industry organisations and actively participates in port-related public policy discussions and regular communications with the port authority.

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



Impact and measures

- An additional 650 mangrove seedlings were set to ensure a stable and cost-effective supply of trees in the future.

- The Board of Directors oversees compliance with anti-corruption policies.
- Zero major disciplinary cases reported for corrupt practices which resulted in the dismissal of employees.
- Zero fines and penalties from authorities on ethical issues.
- Illegal cargo and fraudulent misrepresentations on cargo documents are prohibited.

- 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.
- 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.

ECONOMIC

Malaysia is situated in an important region in world shipping, close to some of the world's most powerful and technologically advanced economies. Jointly controlling one of the most important shipping lanes in the world, the Malacca Strait, has allowed the country to place itself firmly as a major transshipment hub.

Westports has an economic responsibility to develop Malaysia's freight hub in a long-term and sustainable way. Westports ensures stable economic development and creates a space that enables long-term action.

Westports is much more than just a port. It is South East Asia's largest and most important freight hub, which due to its unique geographical location and high capacity, plays a crucial role in Malaysia as well as the region's imports and exports.

This chapter focuses on Westports' impacts on the economic conditions of its stakeholders and on economic systems at local, national and global levels.

BOOSTING MALAYSIA'S ECONOMIC DEVELOPMENT

Westports is the largest container terminal operator in Malaysia and second-largest in Southeast Asia. It is one of the three mega-hub ports in the region, handling 10.5 million TEUs in 2020. Well known for its high level of productivity and cost competitiveness, Westports has connectivity to more than 350 ports globally.

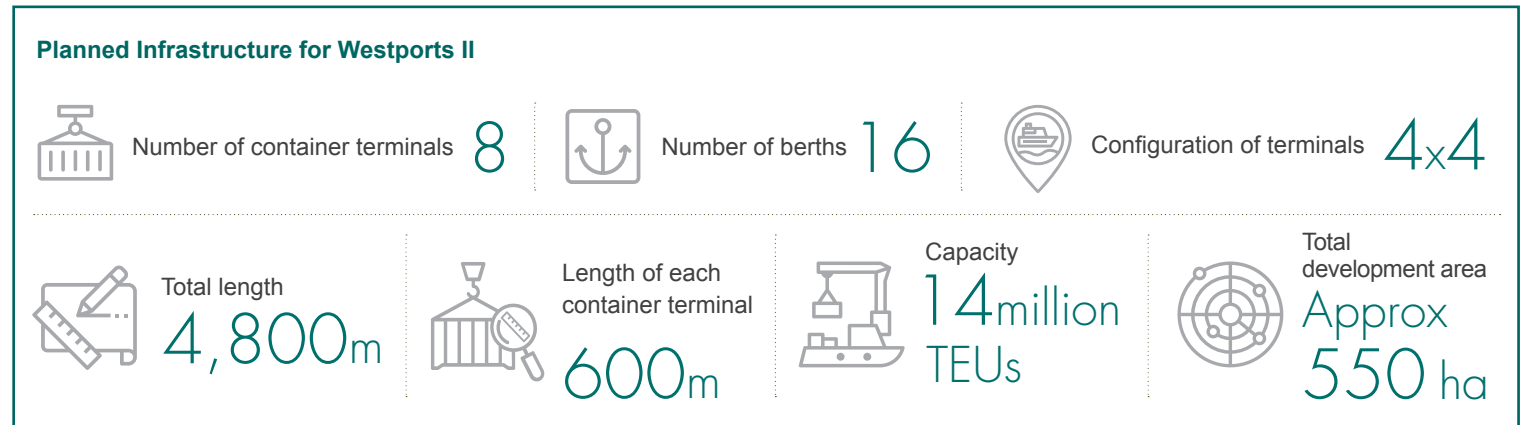
Westports was the first single hub port to be established in Malaysia. Previously, containers were shipped to Singapore before being transshipped to the final destination. Westports established its conventional or non-container business in 1994 and started its container operations two years later. Growth has been phenomenal, transforming Westports not only into a regional hub but also the preferred port of calls among the shipping lines. As a mega-hub with extensive service coverage and connectivity, Westports has benefited industries across Malaysia.

WESTPORTS II EXPANSION

Westports is planning to expand its existing port facilities. The construction of eight additional container terminals will almost double the current port capacity of 14 million to 28 million TEUs. Approximately, 550 ha will be developed, which involves constructing additional berths, container yards, terminal facilities and a containment area for a future free trade zone (FTZ). Westports Phase II will be integrated with Westports' existing CT1-CT9 terminals.

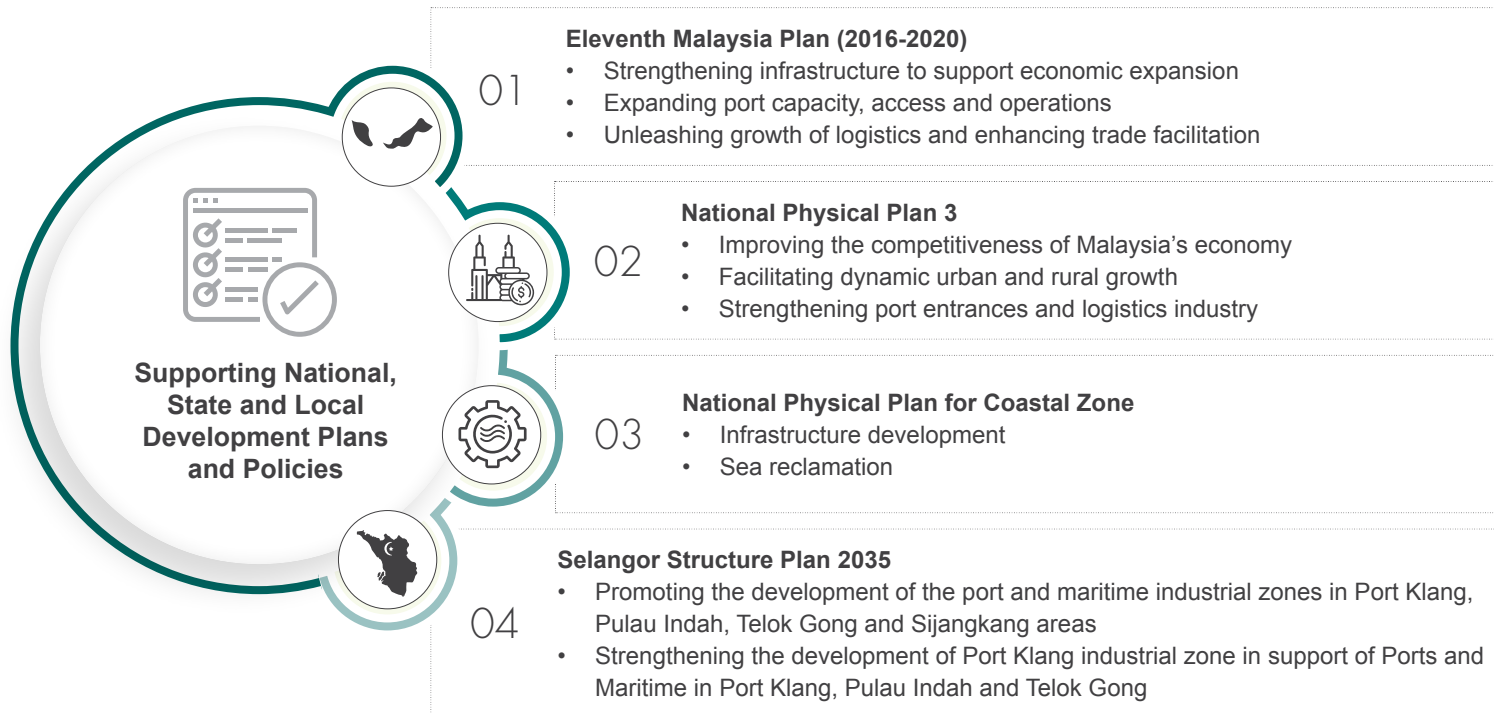
This multi-billion container terminal expansion is planned over the next two decades to support its longer-term growth and strengthen Port Klang's role as the pre-eminent port for the nation's container trade. The Westports II expansion will:

- Create thousands of high-quality employment opportunities for locals, youth and graduates from various qualifications backgrounds; and
- Boost Westports position as the largest employer of choice on Pulau Indah and probably the greater Klang area.



ECONOMIC

An FTZ of approximately 162 ha (400 acres) will be located to the east of the new container terminals, extending from the southern tip of Pulau Indah. The FTZ will be developed into an industrial area with light and medium industries.



The Eleventh Malaysia Plan (2016-2020) aims to strengthen the foundation of economic expansion and provide an enabling environment that supports growth. Westports II Expansion will directly affect:

- Focus Area A: Building an integrated need-based transport system
- Focus Area B: Unleashing growth of logistics and enhancing trade facilitation

The national economic growth through trade and exports will require greater capacity and efficiency of ports infrastructure. Malaysia is targeted to become one of the preferred future Asia logistics gateways.

Westport II Expansion Highlights



8 additional terminals and container yard facilities



Additional liquid bulk terminal (LBT5)



Total of **16** berths



8 container terminals CT10 to CT17



Quay length of **600 m** per terminal



Navigation width of the existing South Channel will be maintained at **500 m**



Widening of the entrance of existing navigation channel up to 800 m with a dredged depth of -18.0 m

ECONOMIC

THE IMPACT OF THE GLOBAL PANDEMIC ON WESTPORTS EXPANSION

The COVID-19 crisis created a challenging year of which the global industry and the ports sector were not exempted. Container terminal facilities of CT1 to CT9 are utilising 77% of the total terminal handling capacity. As the current container terminal facilities are expected to be fully utilised within the next few years, additional handling capacity is required to support long-term growth.

The development period for CT10 to CT17, over a period of 25 to 30 years, is awaiting the signing of a concession agreement with the Government. Land reclamation would be the first development required for the additional container terminals. The expansion will allow Westports to increase its total handling capacity over the medium to long-term to cater to the expected long-term growth in the demand for port services.

ETHICS AND INTEGRITY

Westports is committed to promoting sustainable development and disseminating ethical principles and integrity throughout the value chain.

CONFLICTS OF INTEREST

Westports' Code of Conduct contains provisions to prevent conflicts of interest among employees performing their duties. Employees are required to maintain a high standard of commitment, observe impartiality, ensure they are free from conflict of interest and avoid both personal gain and advantage. Employees must not participate in any activity or relationship that could be construed as a conflict of interest.

Westports' Policy on Employment of Relatives states that close relatives may be employed subject to several conditions. For example, close relatives cannot:

- Be assigned to the same department;
- Hold a position in which they will be required to check, process, approve, audit or review the work of the other; or
- Work in the Finance or Human Resources Department.

ABUSE OF POWER

Abuses of power occur when individuals use their positions of influence, power or authority improperly. Misusing positions to adversely affect others' careers or employment conditions are serious abuses.

Employment Conditions Affected by Abuses of Power



Abuse of power may be a one-time event or a series of incidents. Using intimidation, threats, blackmail or coercion leads to a hostile or abusive work environment.




Employees must treat everyone with dignity and cases of abuse of power and gender discrimination are not tolerated. Any cases must be reported to an immediate superior or through the whistleblowing channels.

ECONOMIC

ANTI-COMPETITION AND FAIR DEALING

Employees are required to comply with competition law and strictly observe the prohibition of anti-competitive agreements, concerted practices and abuse of a dominant position or substantial market power. This applies to all business transactions as breaches of competition law are not tolerated. Westports does not abuse its dominant position, engage in concerted practices or any anti-competitive behaviour that prevents, restricts or distorts competition.

Dos and Don'ts for Employees

 <p>Treat customers, suppliers, competitors, governmental authorities, fellow employees and members of the public fairly</p>	 <p>Take unfair advantage or mislead, manipulate, conceal or abuse privileged or confidential information</p>	 <p>Misrepresent material facts or engage in fraudulent behaviour or any other unfair dealing practice</p>
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Employees are required to perform their duties and responsibilities with the highest degree of integrity, honesty, diligence and responsibility in accordance with applicable laws. Employees must not knowingly be party to any illegal activity or engage in acts that discredit Westports. Integrity requires employees to observe both the form and the spirit of ethical principles.

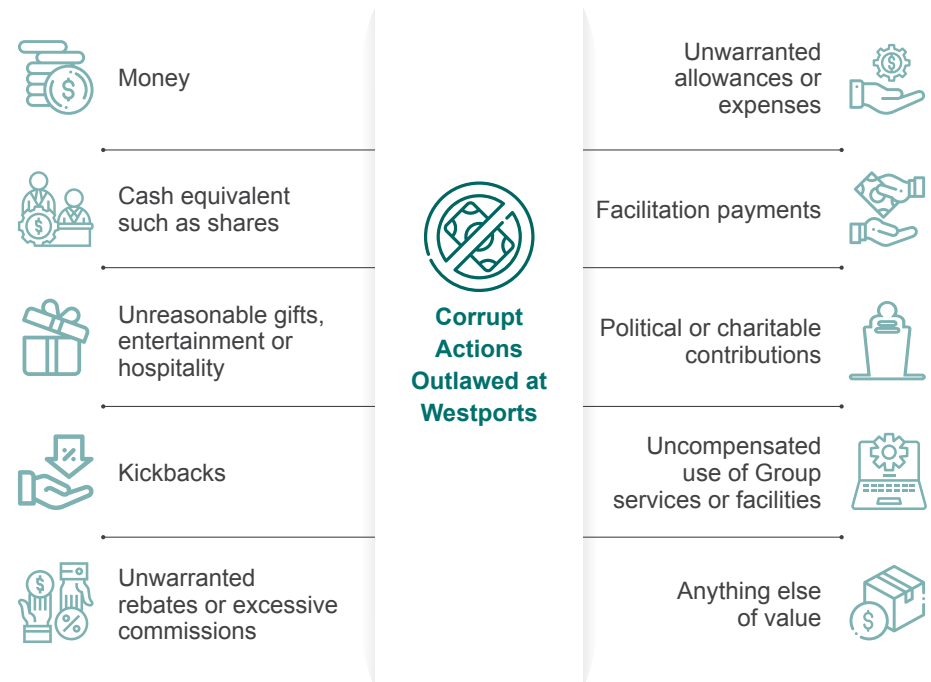
Westports' commitment to preventing anti-competitive practices addresses its main responsibilities including market sharing, abuse of dominant position, dumping, industrial espionage, price fixing and non-respect of confidential agreements. This commitment applies throughout the Company and is supported by top management.

ETHICAL AND ACCOUNTABLE

Westports has established a series of policies and procedures that apply to its people to ensure high standards of ethical and accountable conduct. Westports has adopted a zero-tolerance policy to counter all forms of corruption and bribery and is committed to:

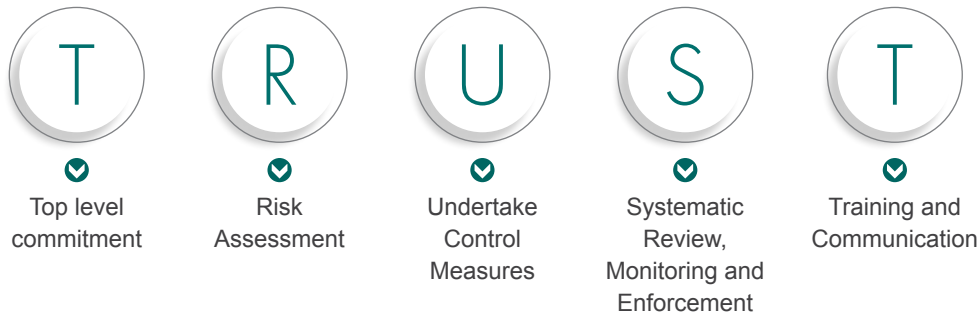
- Acting professionally, fairly and with integrity in all relationships and business dealings; and
- Implementing and enforcing an effective system to counter corruption and bribery.

Corruption has a broader definition than bribery. "Corruption and Bribery" is a standard term to cover all types of gratification.



ECONOMIC

Westports prepared a checklist with 120 measures to ensure there are adequate procedures to prevent corruption. The checklist is based on Ministerial guidelines issued by the Prime Minister's Office on Adequate Procedures based on the acronym T.R.U.S.T.



All managers and executives were notified of the Policy on 1 June 2020 and received a QR code so they could download it on their chosen device. Comprehensive training programmes were delivered to representatives from all departments on 10 June 2020.

All employees are expected to uphold the high ethical standards stipulated in governing documents and the Code of Conduct. Heads of Department and Heads of Section must ensure that all employees adhere to this Anti Bribery Policy. Employees are responsible for preventing and reporting instances of both bribery and other suspicious activity or wrongdoing which may lead to bribery. Employees suspecting or observing any contravention must report their concerns through the "Whistle Blower Policy" as early as possible. Any employees found to have committed bribery will be subject to disciplinary action and possible termination.

The Policy also applies to the Group's business associates including vendors, contractors, sub-contractors, consultants, trainers, agents, representatives, tenants and other intermediaries who are performing work or services, for and on behalf of Westports. Westports' Vendors Pre-Qualification Assessment Form requires suppliers to declare that they will not offer or give any form of bribe as a means to obtain a contract or to facilitate certain procurement processes. Vendors must refrain from being involved in corrupt practices throughout the procurement process until the project is awarded. The declaration also underlines the measures that should be taken in the event that the declaration is breached.

Other policies that contain anti-corruption provisions include the Employee Handbook, Code of Conduct and Insider Dealing Policy. Communication of our expectations and policies

is provided to all people during the induction programme at the commencement of their employment. Refresher training and ongoing communication around these material aspects are provided regularly.

Internal controls for preventing corruption include:

- ✓ Approval procedures for gifts
- ✓ Investigations of allegations
- ✓ A dedicated channel for confidential whistleblowing
- ✓ Risk assessment (especially for areas deemed to be 'high risk')

No fines, penalties or settlements were incurred in 2020 in relation to corruption. No staff received disciplinary action or were dismissed due to non-compliance with Westports' anti-corruption policy.

INTEGRITY PLEDGE

Westports employed an Integrity/Compliance Officer. This senior manager is working towards implementing an Integrity Pledge that will be signed by the Top Management, C suite officers, and department heads.

WHISTLEBLOWING

All employees play an important part in maintaining the highest level of corporate ethics within the Group and have a professional responsibility to disclose any unknown malpractices or wrongdoings.

Under Westports' Whistleblowing policy, whistleblowers are completely protected from any unfair practice such as retaliation, threat or intimidation of termination, suspension, disciplinary action, transfer, demotion, refusal of promotion or any other unfair treatment.

Whistleblowers can report improper activities including those relating to financial reporting, unethical or illegal conduct directly to the Chairman of Audit, Risk and Management Committee. Employment-related concerns can be reported to the Group Managing Director, CEO or Head of Human Resource Department. Whistleblowers may also report anti-competitive practices which will then be followed with an investigation by the audit team.

ECONOMIC

Initial inquiries are made to determine whether an investigation is appropriate and the form that it should take. Some concerns may be resolved without the need for an investigation.

If an investigation leads the investigator to conclude that a crime has probably been committed, the results of the investigation are reported to the police or other appropriate law enforcement agency.

If an investigation leads the Investigator to conclude that the suspect has engaged in conduct that may violate the Group's Code of Conduct, the investigation results are reported to the Head of Human Resource Department or Group Managing Director in accordance with the applicable procedures for company conduct and the administration of discipline. Any charges of misconduct brought as a result of an investigation under this policy must comply with established disciplinary procedures.

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 useful information based on the category.

Employees providing information are protected and their details kept as private and confidential. Each report is reviewed by the Head of Port Police and both the EHS and Legal departments and their committee members. These parties are also responsible for identifying the case and the subsequent arrest and recovery of items. This policy encourages and appreciates employees' roles in keeping Westports safe.

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) including:

- 1 > Policies on the prevention of child labour: all suppliers must adhere to the Malaysian Labour Law on the minimum legal working age.;
- 2 > Policies on the prevention of forced labour;
- 3 > Policies on the provision of equal opportunities and non-discrimination;
- 4 > Freedom of association where everyone is free to belong to any organisation of their choice;
- 5 > Right to collective bargaining and forming a union;
- 6 > Eliminating excessive working hours by offering fair overtime pay and limiting working hours;
- 7 > Exceeding Malaysia's minimum wage; and
- 8 > A safety policy, code and practices on the provision of a safe and healthy workplace.

We expect our supply chain partners to inform their workers of their social obligations in a language they can understand. New and existing major suppliers are subjected to a social risk assessment to ensure they comply with Westports' standards. Major suppliers are assessed both informally and formally, through physical inspection audits if necessary. The social conduct expected from major suppliers is communicated in Westports' purchasing policy, supplier contract and training.

Vendors' Pre-Qualification Screening

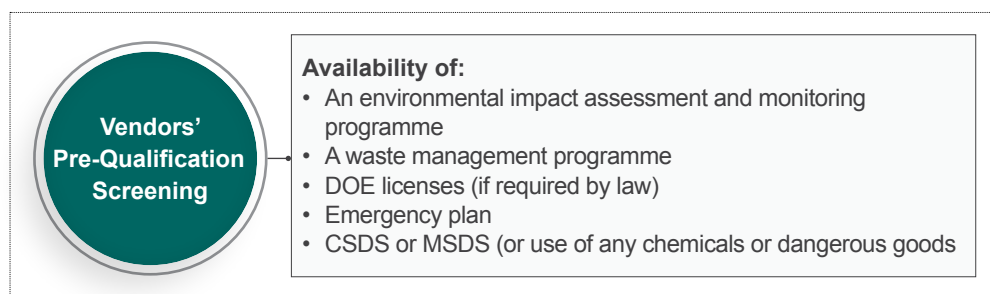
- Are all staff over 16 years old? Are all staff registered with SOCSO?
- Are all employees competent in Malay or English? Do foreign staff have permits?
- Have all staff had a medical check-up prior to employment?

Westports engages with its major suppliers in building capacity in areas that include social issues. Westports also shares best practices from other industry players for their development through these engagement sessions. During regular meetings with suppliers, all parties support each other by sharing best practice.

ENVIRONMENTAL SUPPLY CHAIN

Westports is committed to its supplier sourcing assessment processes which include environmental elements such as energy use, climate change impact measurement including greenhouse gas emissions, water use, biodiversity impacts, local pollution, waste reduction, resource use and other environmental issues.

Environmental elements are integrated into contractual clauses and supplier questionnaires. Westports also raises awareness of the Company's expectations in this field to suppliers. Every supplier is subject to an environmental risk assessment. Suppliers who are found to be non-compliant are recommended for re-training with the possibility of having their contracts revoked.



Expectations of major supply chain partners are communicated through Westports' regular engagement channels such as emails and meetings. Major suppliers are subjected to an environmental risk assessment to ensure their complete compliance with Westports' environmental standards. Supply chain partners are invited to play their part on Westports' green journey by encouraging them to monitor, record and report their environmental performance and impact reduction.

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. Under current projections, the overall social, environmental and economic impacts of climate change could rise to catastrophic levels.

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 have some effect on business operations although this is not deemed significant at this time. Rising sea levels are not considered to be a near-term risk. Nevertheless, Westports is assessing the need to conduct more thorough analysis and consider the potential adverse impacts, especially during the tenure of the concession period.

MALAYSIA'S 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 that is 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 2.16 million tonnes of carbon dioxide equivalent annually.

All TTs and the newer RTG models are able to adapt to B7 without any 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

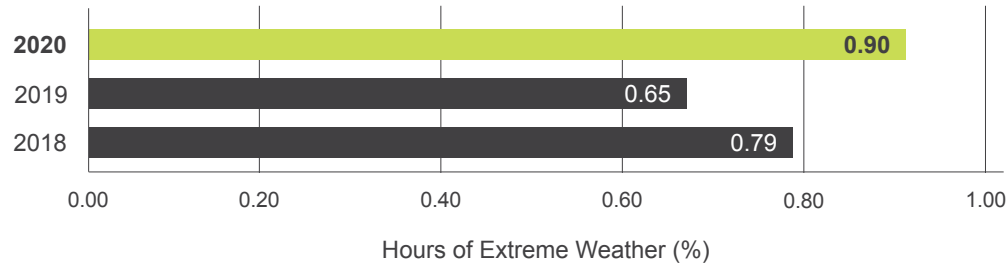
Close to the equator, Malaysia's climate is hot and humid throughout the year. Climate change could have a notable effect on Malaysia, increasing sea levels and rainfall, increasing flooding risks and leading to large droughts.

Port operations, particularly the Quay Cranes (QC), can be affected by Malaysia's weather patterns. 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.

ECONOMIC

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 as well as 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 world.

Based on Intergovernmental Panel on Climate Change (IPCC) latest report, the global mean sea level (GMSL) is projected to rise under Representative Concentration Pathway (RCP) 2.6 by:

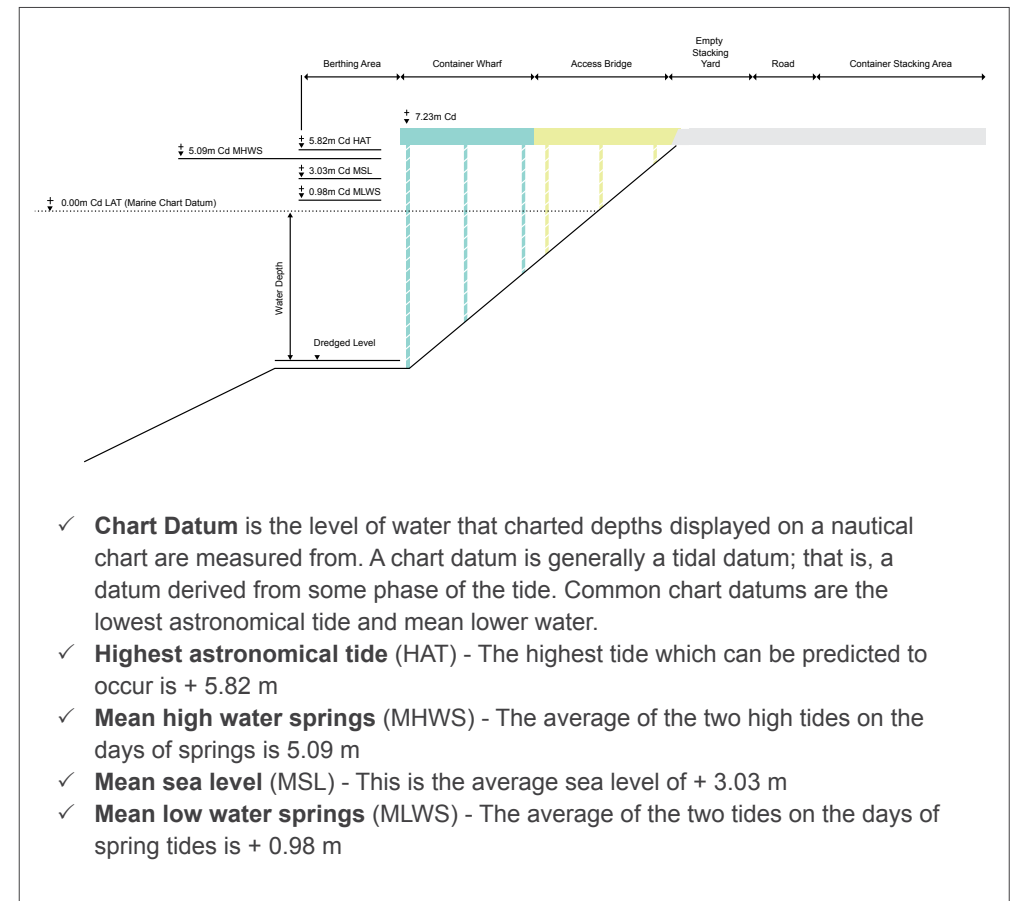
- 0.39 m (0.26–0.53 m, likely range) for the period 2081–2100; and
- 0.43 m (0.29–0.59 m, likely range) in 2100 with respect to 1986–2005.

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 with respect to 1986–2005.

Based on the existing and future design, either projected sea level increase for Peninsular Malaysia is not expected to adversely 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 as compared to IPCC's projected sea level change by 2100.

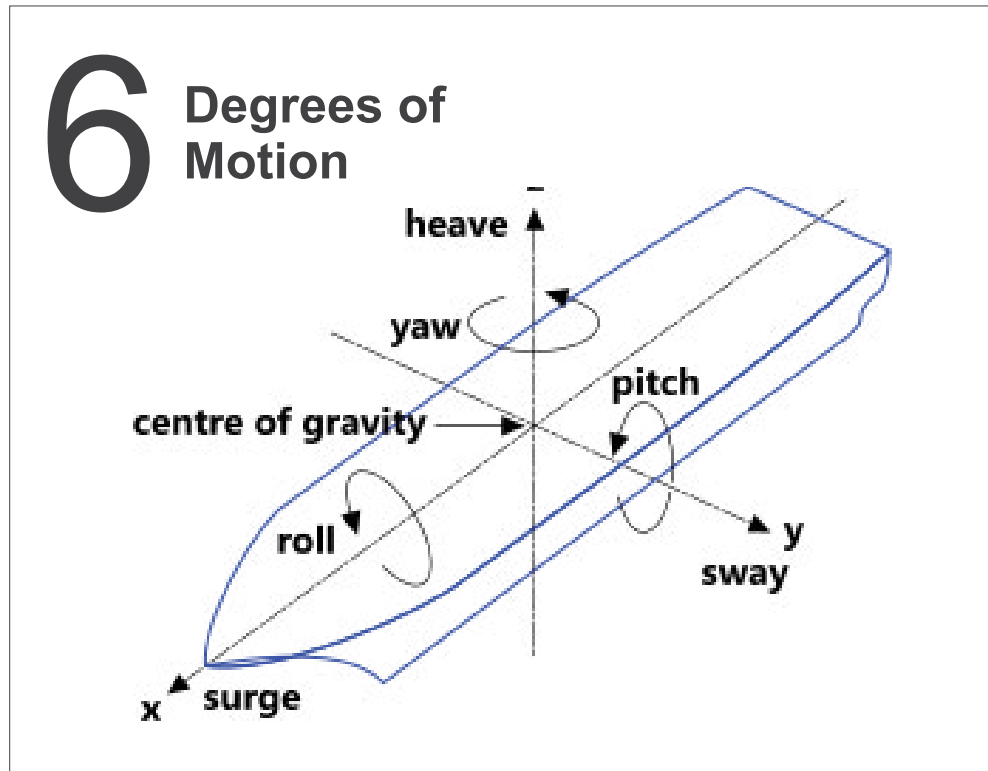
Assessment Of Impact From Climate Change: Sea Level Rise By 2100



ECONOMIC

IMPACT OF CLIMATE CHANGE ON WAVE HEIGHT

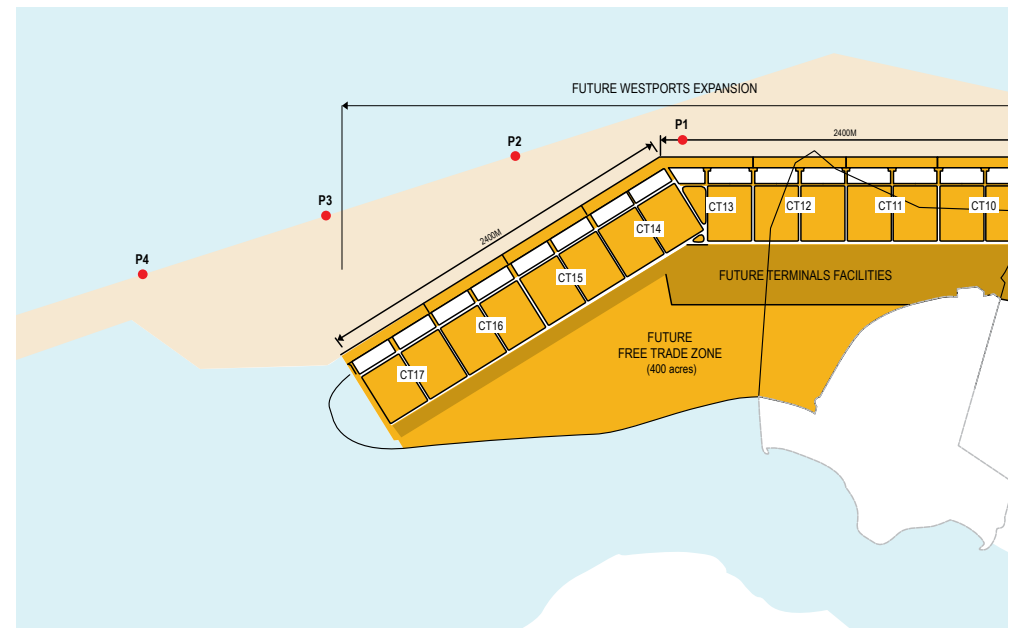
Research suggests a warming planet may also alter ocean waves along more than 50% of the world's coastlines. The six degrees of motion of a ship at sea are displayed in the diagram below.



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 they are loaded or unloaded from a vessel. Unwanted movement makes it more difficult to place them correctly in the cell guide.

Westports commissioned a specialist in marine and coastal engineering 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 (%)
1.00	0.0	0.1	0.3	0.3
0.75	0.3	0.7	0.9	1.1
0.50	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 that surge motion should be limited to less than 0.4m to ensure 95% efficiency of crane loading and unloading operations.

ECONOMIC

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. This includes 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. At Westports, the Sustainability Committee has been established and management is now involved in formulating initiatives that would mitigate the Company's carbon footprint and also assess and mitigate the potential impact of climate change.

MARITIME SECURITY

Increasingly, maritime cargoes and vessels are targeted by organised criminal conspiracies and individuals, globally. Exploiting weaknesses in port security is central to crimes such as alien smuggling, cargo theft, drug smuggling and terrorism. The associated costs reduce the

competitiveness of those affected including the ports. Port security will continue to be essential while there are threats to trade.

Westports works closely with the Port Klang Authority to prevent stowaways by introducing physical access controls at port terminal facilities, vessels, warehouses and storage areas. However, sophisticated smuggling rings hide stowaways in containers during freight forwarding. This is challenging as it occurs before delivery to the marine terminal. Corrupt port and vessel personnel allowing access to stowaways is a critical issue.

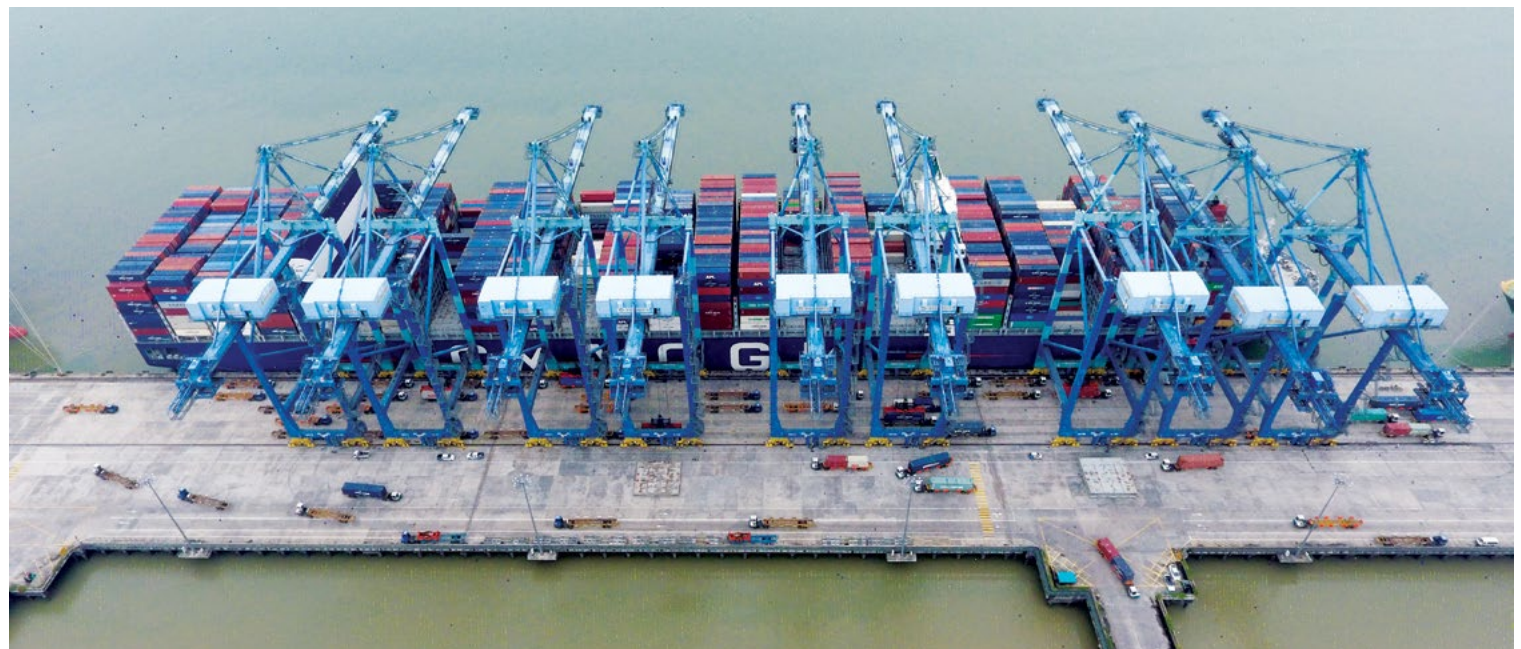
Westports has identified the most effective technological equipment to improve security and control access to the port. Integrating port planning and operations functions with port security has improved security. Introducing a standardised declaration of containers with more stringent controls has improved customs' knowledge of the goods entering and leaving the port.

Containers with high-value cargo may be intentionally wrongly declared to avoid duties or tax. Tobacco and alcohol products have ready buyers, are easy to sell and

harder to trace once sold. Bootlegged products have a significant economic impact on government revenue from lost duties and taxes. Westports has improved the monitoring of these high-value cargo containers.

FINANCIAL ASSISTANCE FROM THE GOVERNMENT

Westports' solar panel project is eligible for a Green Investment Tax Allowance (GITA). 100% tax allowance is granted on the qualified capital expenditure approved by the government through Malaysia Green Technology Company ("MGTC").



ENVIRONMENT

Efficient ports are important for the economic development of their surrounding areas. However, the related ship traffic, the handling of cargo in ports and hinterland distribution can result in several negative environmental impacts. Westports work actively with a long-term perspective to minimise the environmental impact of operations, and the impact on the sea and land.

Impact Shipping has on Westports and Nearby Areas



Noise from ship engines and machinery used for loading and unloading



Exhausts of particles, CO₂, NO_x and SO_x from the ship's main and auxiliary engines



Dust from handling dry bulk



Road traffic to and from the port

ENVIRONMENTAL POLICY

Westports is committed to running its business in a responsible, environmentally sound and sustainable manner. We recognise that our services, processes and supply-chain solutions offered to our clients have both direct and indirect environmental impacts. We seek to identify effective ways of reducing or eliminating the adverse environmental impacts where possible.

ENVIRONMENTAL OBJECTIVES

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

- ▶ Protecting the environment, preventing and controlling local pollution and reducing emissions, releases and waste;
- ▶ 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;
- ▶ Working towards 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 the latter can be shown to be beneficial to the business and/or environment;
- ▶ Engaging with suppliers 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 is the Board member with 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, who are responsible for coordinating environmental performance across the Company. Westports conducts management reviews of its Environmental Management System (EMS) in which environmental performance is measured against targets.

A GREEN PORT

Cargo volumes continue to increase nationally, regionally and internationally. Westports is looking to new technologies to help manage resources in a more sustainable and cost-effective manner through digitalisation and big data.

ENVIRONMENT

In 2020, Westports formalised its commitment by introducing a Green Port Policy. This policy complements the existing Environmental Policy and Sustainability Policy.

The Green Port Policy covers all aspects of port operations including energy management, waste management and reduction best practices, scheduled waste, water consumption, noise pollution and climate change.

Westports' policy is to reduce the impact Group operations has on the environment through green initiatives. The goal is to promote sustainability and environmental awareness at all levels of the Group by:

- Complying with all applicable environmental legislation and sustainability commitments.
- Measuring and analysing the carbon footprint of all business activities in conjunction with other climate change mitigation and adaptation efforts.
- Preventing pollution and reducing the consumption of resources through waste management strategies that promote waste minimisation, re-use, recovery and recycling, as appropriate.
- Incorporating energy efficiency measures into the Group's facilities and promoting efficient energy use in all relevant areas of business activity to minimise its usage.
- Promoting and continuing to invest in technologies that provide alternatives to business travel.
- Adopting a procurement programme that considers the environmental impact of products and services and supports the purchase of energy-efficient products and services.
- Ensuring staff are familiar with the environmental impacts of their work activities and encouraging them through regular awareness training to minimise those impacts.
- Promoting the protection and enhancement of biodiversity and ecosystems through employee awareness programmes and stakeholder engagement.
- Pursuing a programme of continuous improvement by reviewing our Environmental Management System and related objectives, targets, policies and practices.

Port Klang's concerted efforts to transform the port industry by adapting new environmentally-sustainable practices were recognised internationally. Port Klang was awarded the APSN (APEC Port Services Network) Green Port 2020 unification for the second time since 2017.

Established under the auspices of APEC on May 18 2008, the Beijing-based APEC Port Services Network (APSN) encourages greater collaboration in maritime activities among members of the economic bloc.

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

This achievement recognised the efforts of Port Klang Authority and both its terminal operators Northport (Malaysia) Bhd and Westports.

Green Initiatives Implemented

 <p>Alternative solar energy</p>	 <p>Energy conservation including replacing conventional lighting with LED alternatives</p>	 <p>Investing in more energy-efficient and environmentally-friendly cargo handling fleets</p>	 <p>Monitoring carbon emissions from port equipment and vehicles</p>
 <p>Marine water quality monitoring and treatment</p>	 <p>Paperless transactions</p>	 <p>Establishing waste management standard operating procedures</p>	 <p>Other ongoing green initiatives</p>

ENVIRONMENT

Pollution Prevention Controls at the Port



Pollution control internal checks and audits



Training



Risk assessments and identification studies



Implementation of risk prevention procedures

JOURNEY TO A GREEN PORT

The power system is embedded within the energy system, which in turn is embedded within the economy, society and the Earth. Multiple interactions and feedback between these systems require an integrated, holistic approach to the energy transition. Westports has adopted a fast-track approach to managing energy in its journey to becoming a green port.

ENERGY MANAGEMENT

Energy consumption in port terminals can be significant. The cost of energy and its associated emissions are correlated with the overall activities and throughput levels.

Westports has significant control over its energy footprint and is therefore committed to:

- Consuming energy as efficiently as possible in order to reduce its reliance on fossil fuels;
- Addressing energy use and targets to reduce its impact;
- Lowering its overall carbon footprint; and
- Regularly evaluating the sourcing of alternative fuel or energy sources for its fleet and other equipment if proven to be beneficial to the business and/or environment.

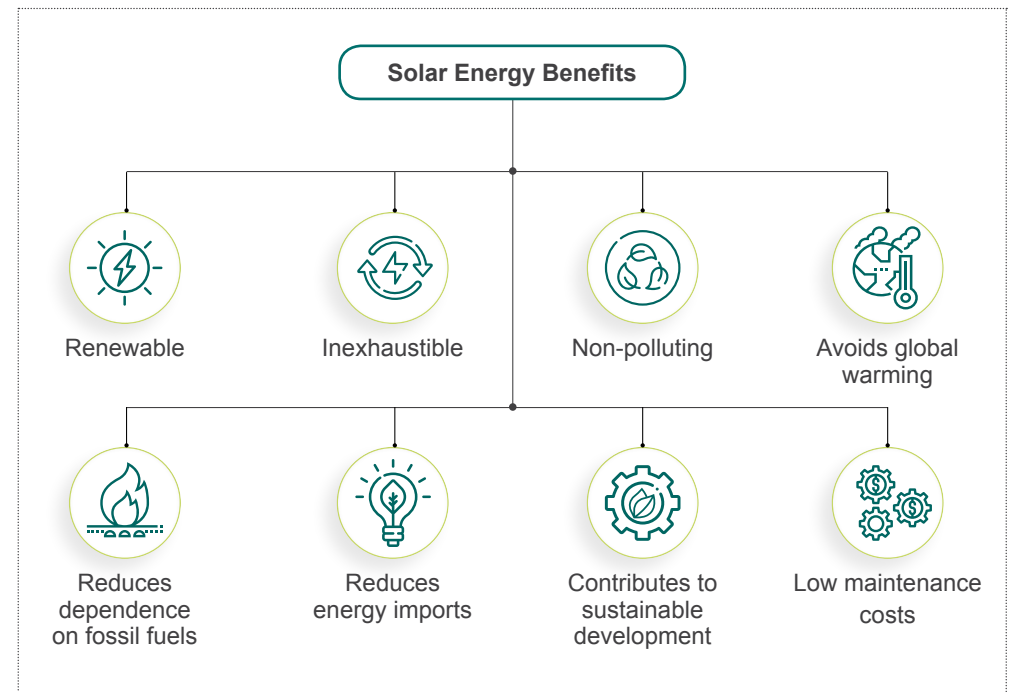
As part of the global logistics supply chain and the nation's largest container terminal that accommodates international container shipping alliances, Westports will evaluate and target for eventual alignment with the international maritime authority and some of the global maritime coalitions. Obtaining detailed energy consumption data is therefore instrumental in an energy management plan and for targeting areas that reduce direct carbon emissions.

Westports' digital power metering project has commenced at an estimated cost of RM1 million. The project involves connecting 174 digital power meters into 27 substations. Connected to a cloud server, the project went live in September and was completely operational in December 2020. This building and facilities optimisation is an effective way of monitoring Westports' energy consumption.

Currently, almost 10,000 MWh of electricity is consumed each month by port operations. Digital power metering will provide accurate consumption data from the quay cranes, reefers and other supporting building and services. Full real-time data should be available in the first quarter of 2021. The energy consumption data will also be used by TOS to determine the efficiency of each quay crane.

CAPTURING SOLAR ENERGY

In 2020, Westports began evaluating a proposal to install solar panels on two landed clients' warehouses. Collectively, these panels will generate 9.5 Mega-Watt peak ("MWp") or up to 12 million kWh of energy each year for the port's consumption to reduce its carbon emissions.



This project is part of Westports' commitment to improving its sustainability and gradually reducing its energy intensity.

ENVIRONMENT

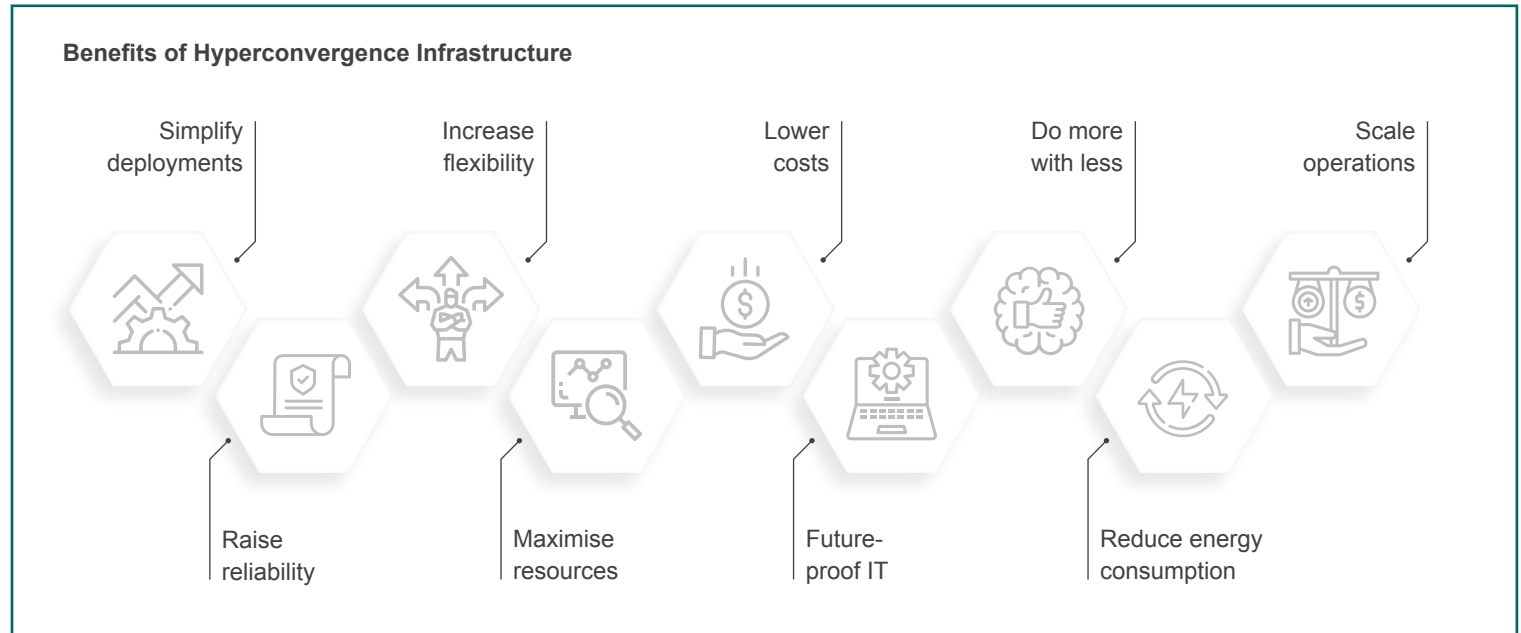
DIGITALISATION

Previously, permits to work were printed. In 2020, contractors can now apply online and the permit is issued electronically.

HYPERCONVERGENCE INFRASTRUCTURE

Traditional IT environments consume significant amounts of energy such as power and cooling. Efficiency in energy consumption, processes and systems are instrumental for organisations migrating to greener data centres.

Westports is moving toward the 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.



ENERGY PERFORMANCE

Operations consume significant amounts of energy. Mobile machinery is powered by direct energy in the form of diesel. 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.

Direct Energy Consumption (Litres)

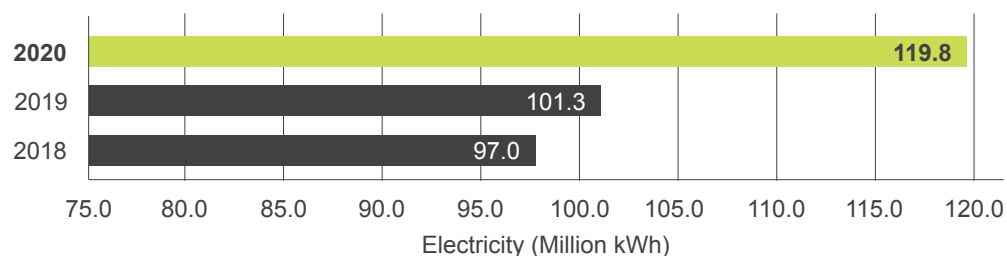
Use	2018*	2019*	2020
TT	16,220,879	17,692,935	18,364,430
RTG	17,472,366	18,521,165	18,729,575
Tug	10,467,113	11,566,701	10,180,863
Pilot	890,388	978,452	982,112
Others	1,558,647	1,586,946	1,826,096
Total	46,609,393	50,346,199	50,083,076

* Restated due to improved monitoring processes

ENVIRONMENT

In 2020, rubber-tyred gantry cranes (37%) and terminal tractors (37%) consumed the majority of diesel. The remaining fuel was consumed by tugboats (20%) and pilot boats (2%). Pick-up trucks, forklifts, stackers, generator sets and buses consumed the remaining 4% of fuel.

Indirect Energy Consumption (Million kWh)



Significant electrical energy is used by our quay cranes, reefer containers and port operational facilities. Our office building also uses electricity. In 2020, 93% of our electricity was used for container operations.

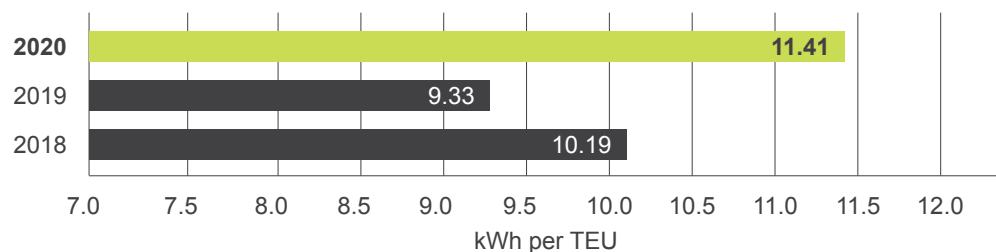
ENERGY INTENSITY AND FUEL EFFICIENCY

Electrical energy efficiency is calculated by dividing the total energy consumption by the number of moves in the year. The digital power metering project will help Westports identify inefficiencies and improve the accuracy of this indicator.



$$\text{Energy efficiency} = \frac{\text{Total energy consumption (kWh)}}{\text{Total Volume (TEUs)}}$$

Electricity Efficiency



Total energy consumption is a poor indicator of energy efficiency as the number of containers handled fluctuates annually. Energy intensity is a much better measure of the energy efficiency of Westports' operations.

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

Year	TT			RTG			Tug Boats			Pilot Boats	
	ℓ/Move	ℓ/TEU	ℓ/hr	ℓ/Move	ℓ/TEU	ℓ/hr	ℓ/Move	ℓ/TEU	ℓ/Vessel Call	ℓ/Move	ℓ/TEU
2018	2.19	1.50	5.95	1.33	0.91	14.73	272.55	1.10	1,224	101	0.09
2019	2.13	1.44	5.81	1.20	0.81	15.02	282.17	1.07	1,284	282	0.09
2020	2.40	1.60	6.04	1.21	0.81	15.09	289.53	0.97	1,196	131	0.09

EMISSIONS

RTGs emissions are monitored to ensure they are within the limits set by the Clean Air Regulation 2014. Westports' Variable Speed RTGs and Hybrid RTGs have greater fuel efficiency which leads to reduced 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 savings in fuel consumption.

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.

Corrective RTG maintenance ensures emissions are maintained between 20% and 40%. 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 (kg)

Year	TT			RTG			Tug Boats			PilotBoats	
	CO ₂ e /Move	CO ₂ e /TEU	CO ₂ e /hr	CO ₂ e /Move	CO ₂ e /TEU	CO ₂ e /hr	CO ₂ e /Move	CO ₂ e /TEU	CO ₂ e /Vessel Call	CO ₂ e /Move	CO ₂ e /TEU
2018	5.79	3.97	15.72	3.52	2.41	38.93	720.51	2.91	3,236	266	0.25
2019	5.64	3.81	15.37	3.16	2.14	39.72	745.93	2.82	3,395	746	0.24
2020	6.33	4.24	15.97	3.20	2.13	39.89	765.38	2.56	3,161	347	0.25

OPTIMISING RTG USAGE

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 8l of fuel per hour. However, the battery cells must be changed every six years and replacement costs are as much as an engine. The performance reduces as temperatures rise, which leads to additional inefficiencies. Significant cost, 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 a greater proportion of engine idling is anticipated. The M&R Department works closely with the Planning Department to maximise these environmental benefits.

One hundred and one of the fleet are RTGCs. Westports plans to change 30 of these engines, which consume 20l of diesel per hour, with VS motors in 2021.

STRIVING FOR FULL ELECTRIFICATION OF THE FLEET

Westports is committed to optimising the fleet of terminal tractors and RTG cranes and sourcing alternative fuel sources if they are beneficial to the business and/or environment. Currently, the Group is carefully evaluating the benefits of changing some or all of its fleet of terminal tractors and RTGs to electrification in the future.

Battery electric vehicles (BEV) are a type of electric vehicle that exclusively uses chemical energy stored in rechargeable

battery packs, with no secondary source of propulsion. Electric motors and motor controllers replace internal combustion engines for propulsion.

A Life Cycle Assessment (LCA) helps assess the environmental impact associated with all stages of a product's life from cradle to grave. The LCA considers all aspects including the extraction and processing of raw materials, the product's manufacture and its use in everyday life and finally its end of life and dismantling. GHG emissions from raw materials and production LCA phases are typically higher for BEVs than internal combustion engine vehicles (ICEVs). Significant amounts of energy are required for raw material extraction and processing as well as producing the batteries. However, new processes must be considered in the context of future access to rare earth elements.

A major advantage of BEVs is that they do not produce local exhaust emissions. Currently, electricity generation in Malaysia produces emissions but urban air quality

improves as power stations are located away from population centres. Hopefully, renewable energy will increase in the energy mix which will help to reduce these impacts.

The largest potential reduction in GHG emissions of BEVs compared with ICEV occur during the in-use phase. However, the extent of this advantage depends strongly on the electricity mix. Primarily, Malaysia's energy is produced using fossil fuels.

Electric vehicles are a smart choice for Westports as the equipment is in constant use; the higher the lifetime mileage of a vehicle, the lower the influence of production-related impacts.

The effects of BEVs on freshwater ecotoxicity and eutrophication can be higher than for ICEVs due to mining and processing metals as well as the coal burnt to produce electricity.

The role of low-carbon electricity sources is important across all life-cycle stages to help achieve the full GHG reduction potential from BEVs. As the proportion of renewable electricity increases and coal combustion decreases, the air-quality advantage of BEVs will increase over ICEVs. Westports also plans to produce its own clean energy from solar and Waste to Energy. Undoubtedly, this will make the shift to electrification more environmentally and financially attractive.

ENVIRONMENT

MANAGING EFFLUENTS AND WASTE

WASTE MANAGEMENT AND REDUCTION BEST PRACTICES

Westports formalised its waste management and reduction practices in its Green Port Policy. The Group is committed to:

- Reducing waste and increasing recycling or the beneficial reuse of all waste materials arising from administrative activities, site operations and all activities that take place 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.

INTERCEPTOR

Plastic waste is a huge problem and it is polluting our rivers. Approximately 80 per cent of refuse arrives in the oceans via an estimated 1 per cent of Earth's 100,000 rivers. Westports has helped tackle this problem through its sponsorship of Interceptor 002, which has been collecting solid waste from the Klang River.

Interceptor 002's autonomous extraction system is fully powered by solar energy. 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.

Interceptor 002's Highlights



Collects
10,000 kg
of solid waste from the river daily



Costs
€700,000
to manufacture



Powered by a
20-kWh
Li-ion battery and solar panels with a 5.6 kWp capacity



Extracts a maximum of
24kg
per second



source: <https://theoceancleanup.com/rivers/>

Multiple internal dumpsters distribute the rubbish evenly. The vessel alerts the operator that the dumpsters are full through 4G so the contents can be emptied and recycled. This solar-powered barge can remove plastic waste without interfering with other vessels or impeding the movement of wildlife.

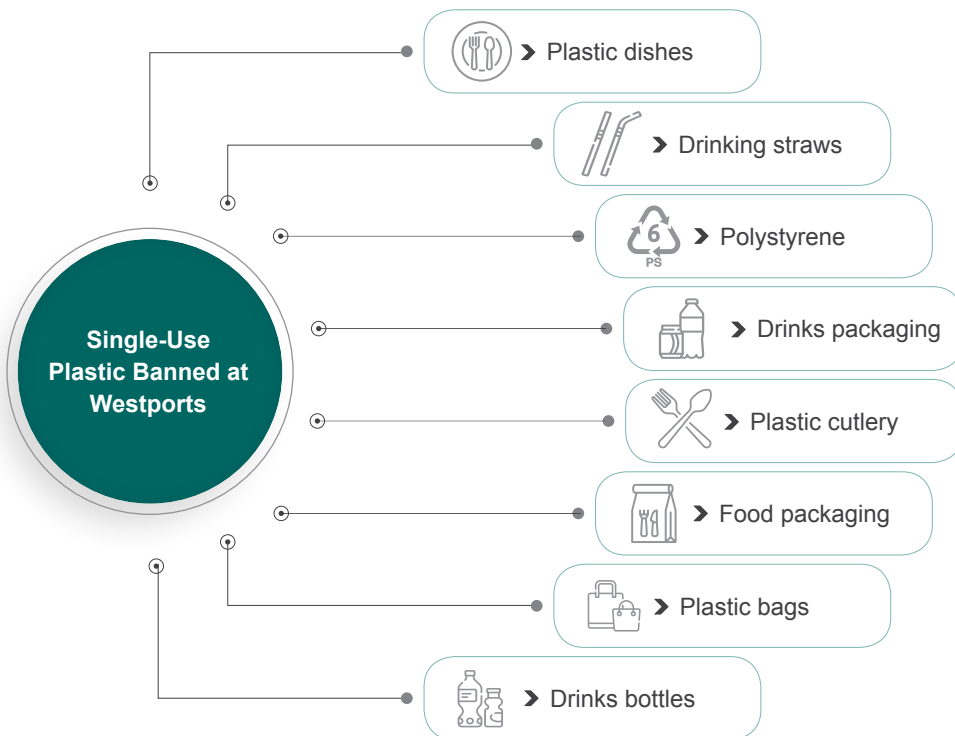
Unfortunately, Interceptor 002 was not operational from March to August 2020 because of the COVID-19 pandemic. Despite this, 100.68 tonnes of waste were collected from November 2019 to October 2020.

ENVIRONMENT

SINGLE-USE PLASTICS ARE OUT

Single-use plastic is disposable plastic that is discarded after its first use. Westports restricts the use of plastics and non-biodegradable products to maintain public health and prevent environmental pollution.

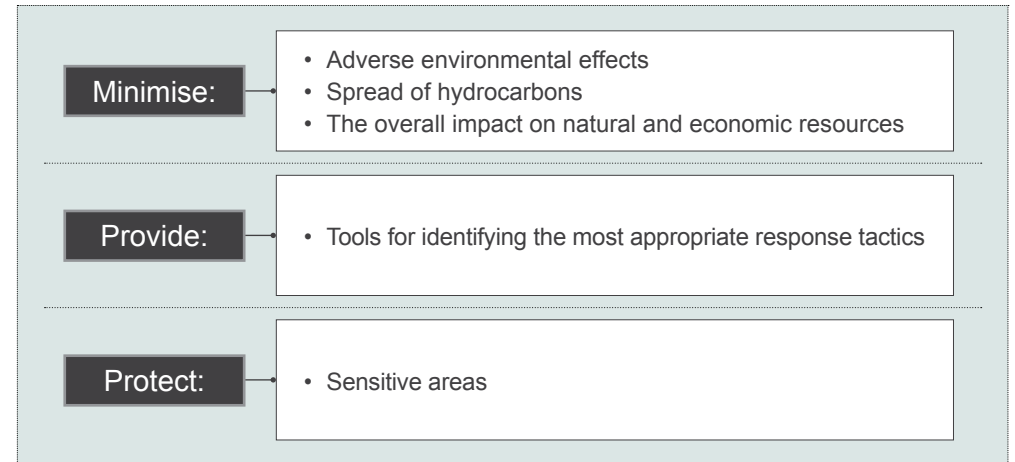
All canteen operators were banned from using disposable plastic for take-away food and beverages from 1 August 2020. Employees are encouraged to bring their own personalised containers to store purchased food. Posters have been displayed around the port to remind all employees and port users to change to reusable containers.



OIL SPILL CONTINGENCY PLAN

Westports has developed a comprehensive Oil Spill Contingency Plan (“OSCP”) to combat oil spills. These guidelines have been written by an external consultant. Primarily, the OSCP establishes effective emergency procedures to respond to oil spills affecting Westports’ operations. The OSCP also contains provisions to ensure all relevant staff are trained to handle oil spills.

OSCP Objectives



The OSCP also contains provisions to ensure all relevant staff train to handle oil spills.

Last year, a fire outside the port caused water and silicone to enter the drain and flow to the sea. Although the incident was external, Westports managed to control the spill with the help of external contractors. Westports will continue to help counter spills occurring outside the port but can affect the water.

SCHEDULED WASTE

Westports’ commitment to managing scheduled waste safely, legally and with minimal environmental impact is outlined in its Green Port Policy. All scheduled waste must be stored and disposed of by an appointed licensed contractor as mandated by the Environmental

ENVIRONMENT

Quality Act 1974. The volume and types of scheduled waste must be reported using the Department of Environment's Electronic Scheduled Waste Information System (eSWIS).

Scheduled wastes are any wastes with hazardous characteristics or can potentially adversely affect public health and the environment. The bulk of Westports scheduled waste is used oil and oil-water emulsion used to lubricate the port's machinery. Other related waste consists of oil filters, drums, rags and sludge.

Westports produced clinical waste such as disposable masks and gloves used during the COVID-19 pandemic. Instructions for the safe disposal of this type of waste were given to all members of staff. Clinical waste was placed in the yellow bins provided and collected by a licensed contractor.

Scheduled Waste Disposal (kg)

Waste Category	Waste Code	2018	2019	2020
Used Oil	SW305	1,000	87,000	116,000
Spent Mineral Oil-Water Emulsion	SW307	49,000	78,400	16,000
Sludge	SW312	-	46,610	26,200
Clinical Waste	SW404	-	-	109
Used Saw Dust	SW408	3,454	467	514
Empty Drums	SW409	24,000	31,200	21,600
Waste Rag, gloves and oil filters	SW410	73,508	68,761	74,431
Total		150,962	312,438	254,854

WASTE TO ENERGY

Westports is examining the feasibility of constructing a Waste-to-Energy (WtE) plant to provide an alternative source of energy. Waste-to-Energy (or energy-from-waste) facilities provide a safe, technologically-advanced means of waste disposal that reduces greenhouse gases, generates clean energy and recycles metal.

Waste-to-Energy (WTE) is widely recognised as a technology that can help mitigate climate change. Waste combusted at a WTE facility doesn't generate methane, as it would at a landfill. As the 100-year global warming potential of methane is 21 times that of carbon

dioxide, WTE facilities are the only form of energy generation that actually reduce greenhouse gases.

Energy produced at WTE facilities is also reliable baseload power as it is generated 24 hours a day, seven days a week. This is an important consideration as Westports operates 24 hours a day.

EFFLUENTS MANAGEMENT

Port facilities are highly concentrated industrial areas housing container terminals, warehouses and cargo facilities that may directly or indirectly affect water quality. In adherence to the Industrial and Effluents Regulations 2009, Westports:






- Installed oil and grease traps at all maintenance and repair workshops;
- Performed weekly cleaning as required; and
- Conducted annual water sampling analysis at various outlets near the sea.

Currently, one SSTP at CT7 serves the marshalling building, 14-lane exit gate, and maintenance and repair workshops. Two additional small-scale sewage treatment plants (SSTP) will be constructed at CT10 and CT14. These SSTPs will support the maintenance and repair workshops as well as the administration building. The Extended Aeration System SSTPs will have a capacity of 250 P.E.

RECYCLING HYDRAULIC OIL

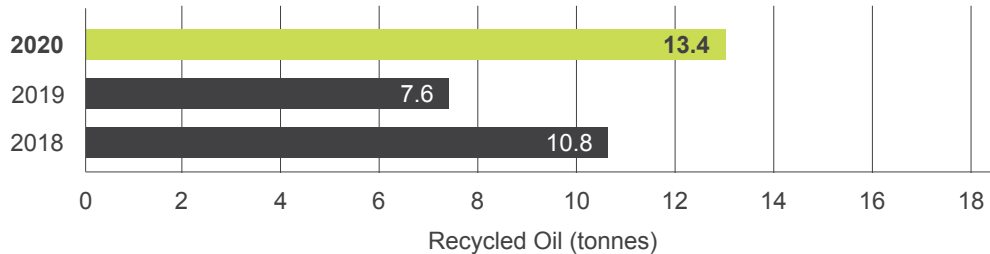
Westports uses significant volumes of hydraulic oil to lubricate and as an energy transfer medium. Westports invested in a hydraulic recycling machine to reuse used hydraulic oil that would otherwise be discarded as scheduled waste.

Recycling Hydraulic Oil Benefits

-  Cost savings
-  Environmental benefits
-  Decreased time spent on oil changes
-  Less environmental contamination
-  Increased machine reliability

ENVIRONMENT

Hydraulic Oil Recycling



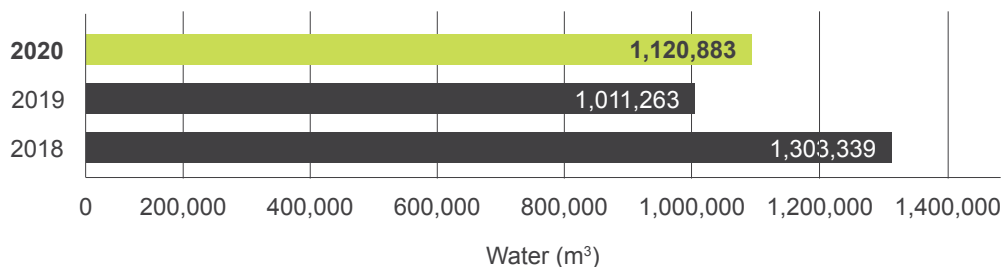
WATER MANAGEMENT

Water is central to human health and business sustainability. Westports commitment to managing its water consumption has been formalised in its Green Port Policy.

Westports is committed to:

- Transparently reporting its water consumption to the sustainability committee; and
- Working with government agencies and stakeholders to promote more effective water governance and stewardship.

Water Consumption



RAINWATER HARVESTING

In 2017, Westports installed three rainwater harvesting systems: two in Container Terminal 7 and one in the TSG Multipurpose Hall. The total capacity of the three tanks is 22.8 m³.

Rainwater harvesting is the collection and storage of rainwater. Rainwater is collected from a rooftop and redirected to a tank. Rainwater harvested from roof catchment areas is of higher quality due to lower human activity.

NOISE POLLUTION

Ports are characterised by several complex operations, especially if compared with other logistic nodes. In these scenarios, noise pollution analysis is complicated as several sound sources with different characteristics may be present in the same area. Noise from port areas comes from ferries, ships, trade, industrial activities and auxiliary services.

Noise from port areas originates from several different sources and is often outside Westports' control. There are no residential homes in the immediate vicinity of the port. Nevertheless, the Company acknowledges that noise pollution can negatively affect the ecosystem, urban population and human health. Westports is committed to monitoring

noise during any construction works at the port if required. Westports uses low nuisance equipment and conducts regular dialogue sessions with relevant stakeholders and implements various programmes in the port vicinity to reduce local pollution. There were no major complaints received from residents regarding local pollution resulting from operations.

CLIMATE CHANGE MANAGEMENT

Climate change challenges productivity and the well-being of the entire planet. Mitigating climate change is now a strategic priority as it could potentially impact Westports, especially after the renewed concession period ends. The Group's climate change strategy includes engaging with both 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 as well as cost and emissions reductions by adopting new technology;
- Switching to cleaner fuels and;
- Implementing technical and operational measures that improve fuel efficiency.

ENVIRONMENT

Westports continues to work with the Port Klang Authority and indirectly with the International Maritime Organisation (IMO) to collectively mitigate the impact of climate change. Senior management personnel use their expertise during discussions 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.

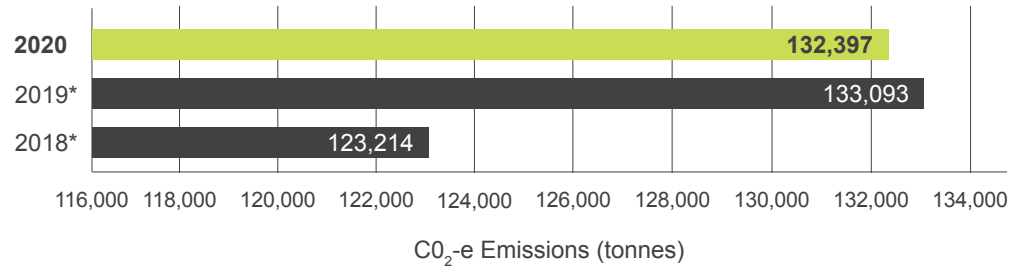
Progress reports and proposals on energy management, climate change and pollution reduction, supported by financial indicators and Return on Investment calculations, are tabled at internal management and Board meetings. Datuk Ruben Emir Gnanalingam Bin Abdullah, as the Group Managing Director, oversees the Port's progress in combatting climate change.

Westports is working towards managing and measuring its carbon emissions as part of its Carbon Management Plan. The internationally-recognised Greenhouse Gas ("GHG") Protocol established by the World Business Council for Sustainable Development (WBCSD) and World Research Institute (WRI) has been adopted.

Westports' emissions accounting is based on the GHG Protocol classification of direct and indirect emissions.

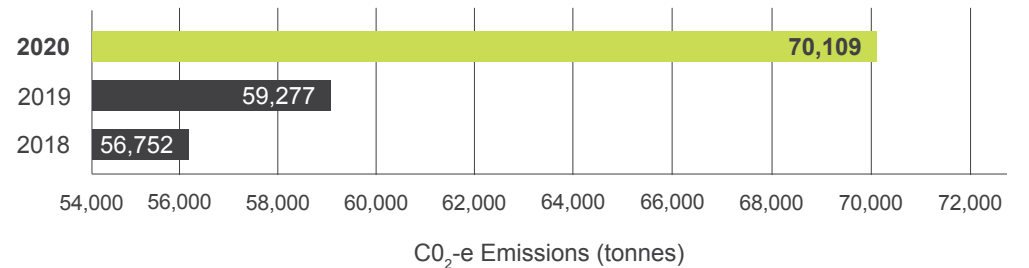
Scope 1: Direct GHG Emissions	Scope 2: Indirect GHG Emissions	Scope 3: Other Indirect GHG Emissions
<ul style="list-style-type: none"> Produced by company-owned vehicles and machinery such as TTs, RTGs, tugboats, pilot boats and buses Emission factor: IPCC Guidelines for National Greenhouse Gas Inventories 	<ul style="list-style-type: none"> Purchased electricity used to power STS cranes, reefer containers and the port operational facilities at the company headquarters Emission factor: Malaysian Green Technology Corporation for the Peninsular Grid 	<ul style="list-style-type: none"> Air travel <ul style="list-style-type: none"> Emission factor: Online tools derived from the WRI Greenhouse Gas Protocol Employees travelling to and from work <ul style="list-style-type: none"> Emission factor: Mobile Combustion GHG Emissions Calculation Tool from the GHG Protocol Initiative

Scope 1

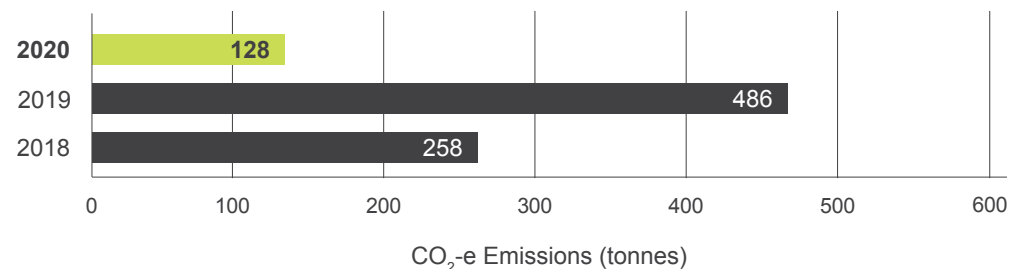


* Restated due to improved monitoring processes

Scope 2



Scope 3: Air Travel



ENVIRONMENT

EMPLOYEES' DAILY COMMUTE TO WORK

Significant CO₂ 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 2020. 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 both 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

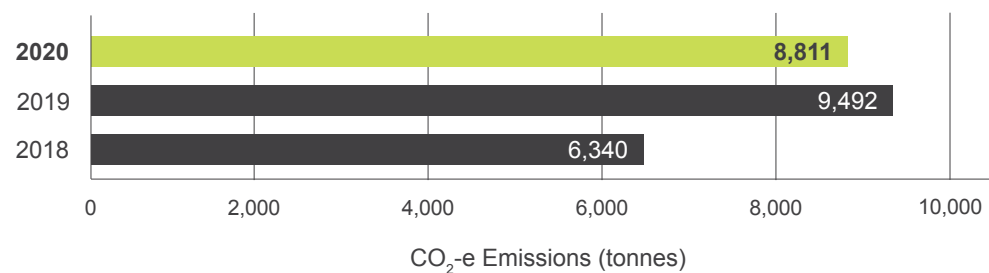
15% of the total workforce were represented with 824 responses being amassed.

Method of Transport	No. of Employees in Sample	Estimated Total No. of Employees in Westports	% of Employees
Bicycle	1	7	0.12%
Bus	3	20	0.36%
Overground Train	1	7	0.12%
Own Vehicle	819	5,421	99.39%
Total	824	5,455	100.00%

In 2020, Westports employees travelled an estimated 47,447,885 km to and from work. The total estimated yearly CO₂ emissions for employees commuting in 2020 was 8,811 tonnes.

Method of Transport	Total Yearly Distance of Sample (km)	Estimated Total Year Distance (km) Of Westports	Total Yearly Emissions (Mt CO ₂ e) Of Sample	Estimated Total Yearly Emissions (Tonnes CO ₂ e) Of Westports
Bicycle	8,648	57,254	0.0	0
Bus	5,189	34,352	0.3	2
Overground Train	11,531	76,338	1.3	9
Own Vehicle	7,141,828	47,279,942	1,329.2	8,800
Total	7,167,197	47,447,885	1,330.8	8,811

Scope 3: Employees' Daily Commute



ENVIRONMENT

BIODIVERSITY

Westports promotes green initiatives as part of its port operations. The planning, design, and operational concepts for Westports Phase II will consider these initiatives to ensure that the port extension is environmentally sustainable. While retaining its position as a regional leader in containerised trade, Westports also aims to increase its reputation as a cultivator of zero-emissions technologies and as a global resource for environmental best management practices for the current port operations and the future Westports Phase II expansion development.

Unfortunately, 97 hectares of mangrove must be cleared when developing the Marina land to develop from Container Terminal 10 onwards. Westports plans to transplant this mangrove in a suitable area. Dredged materials will also be reused for reclamation work to minimise the environmental impact of relying entirely on sand transported from somewhere else.

TREE PLANTING

Westports has begun to plan offsetting its environmental impact further by planting more trees. As climate change escalates, trees are recognised as nature's way of absorbing carbon dioxide that we keep putting into the atmosphere.

Westports has partnered with EcoMatcher, a certified corporation that aims to plant a billion trees by 2023. In November 2020, Westports paid for a forest of 1,000 trees to be planted in the Philippines. The forest comprises four to five different species of native trees.

ENVIRONMENTAL IMPACT ASSESSMENT (EIA)

The environmental impact assessment (EIA) study was conducted to:

- Determine the status of the existing environment
- Identify any sensitive receptors that may be impacted by the activities
- Identify the key environmental issues and the main impacts likely to arise from the proposed development
- Recommend mitigation measures to avoid or minimize the potential impacts of the project

The EIA study encompasses other studies relevant to the project as illustrated in the following diagram.



Hydraulics and hydrodynamics assessment

Hydraulic modelling studies waves, currents and sediment transport in the project area. It also assesses the:

- Temporary impacts from the development such as sediment spills associated with capital dredging and reclamation works.
- Permanent impacts such as changes in water levels, flushing capacity, current flows, waves and sediment transport conditions.



Soil investigation

Soil investigation studies the geotechnical engineering properties of the subsoil condition at the proposed project site for foundation design. In-situ tests are performed and both disturbed and undisturbed soil samples are collected for laboratory testing, which are important for design and construction works.



Soil erosion and sedimentation analysis

Soil erosion and sedimentation analysis determines the erosion rates and sediment yield at the project site in its existing condition, with and without mitigation measures, during the construction and operational phases. The high erosion risk and high sedimentation yield periods are covered and mitigation measures proposed.



Marine ecology assessment

The marine ecology assessment encompasses the marine habitats and their biological productivities as well as the capture fisheries and aquaculture activities within and surrounding the project area. Once the marine ecosystem in the study area is established, the potential impacts on the marine ecology and fisheries activities can be evaluated. Recommendations to mitigate the impacts can also be offered.

ENVIRONMENT



Social impact assessment

Social impact assessment determines the demographic profile of the area, assessing the potential impacts on local stakeholders such as fishermen, aquaculture owners, village heads and other local residents. Recommendations are proposed to minimise social issues that may arise due to the development.



Marine traffic risk and navigational safety assessment

- The marine traffic risk assessment covers existing and expected traffic from the pre-construction, dredging, construction and operational phases that may contribute to congestion and affect navigational safety. All scenarios that a vessel may be exposed to during transit are considered including vessel manoeuvrability and the support required, site conditions such as sea room, and adverse met-ocean conditions prevalent at the project site.
- A supplementary Full Mission Shiphandling Simulation (FMSS) also creates a scenario of a project site on a 3D database. A series of real-time shiphandling simulation runs are carried out using the model, under accurate and realistic environments.



Land traffic impact assessment

The traffic impact assessment covers the current traffic and road performance and addresses the expected increase in traffic arising from the proposed expansion of Westports Phase II and the impacts on the existing road network and junctions in 2028 and 2038.

ENVIRONMENTAL COMPLIANCE



100% OF OUR SITES HAVE BEEN CERTIFIED WITH ISO 14001 SINCE 2009.

Westports opens its operational environmental data to the scrutiny of an independent third party and following this ISO standard ensures compliance with the Environmental Quality Act, 1974. This management standard provides a systematic framework to manage the immediate and long-term environmental impacts of its services and processes. This environmental legislation relates to the prevention, abatement, control of pollution and enhancement of the environment. Westports' environmental policies have clear objectives and targets for an effective and sustainable environmental management system.

Our environmental policies, management systems, review processes and programmes are designed to promote compliance with environmental requirements, as well as to provide a platform from which we can take our performance beyond the legal and regulatory baselines.

We are pleased to report that there were no major incidents of noncompliance or fines for environmental damage including pollution (air and soil) during this reporting period.

OUR PEOPLE

Leading in the industry is down to our people. As part of our commitment to excellent labour relations, we continue to work to attract the best, develop the best and establish an engaged, high-performing and diverse workforce.

Human capital drives the business and positions Westports as one of the world's leading ports. Employees develop professional and personal skills throughout their employment. Rewarding jobs, roles and projects help employees leverage their strengths to maximise their development.

MANAGEMENT APPROACH

We want to be a responsible and attractive employer. Delivering the best possible service to our stakeholders would not be possible without the selfless contributions of employees. Specifically, we invest in training and the education of skilled workers and managers. The professional and personal development of all young talent is also an important part of our human resources. Maintaining a positive corporate culture and a healthy and safe working environment is vital.

INCLUSIVE CULTURE. DIVERSE TALENT. INSPIRED INNOVATION

Having a strong and diverse employee base is an important part of being a leading regional and global port. A diverse array of ideas, experience and perspectives are instrumental in solving complex problems, identifying growth opportunities and unleashing new capabilities that make a positive difference in the industry.

The leaders and all Westportians are responsible for nurturing an environment in which employees can reach their full potential. Employees come from various cultures and social backgrounds, each with different ways of thinking, perspectives and experiences. This diversity brings added value, which is encouraged in the long term.

Westports promotes fairness and diversity as part of its equal employment opportunity practice. All reasonable requests from qualified individuals with known disabilities are accommodated unless this would cause undue hardship. Disabled employees are encouraged to contact the Human Resource Department to discuss possible arrangements. Inclusive initiatives include:

- Using inclusive language in all signs, documents and webpages;
- Modifying structures and facilities to accommodate people with disabilities;
- Providing parental leave and flexible work arrangement policies;
- Hiring, training and evaluating employees using job-related criteria;
- Permitting employees to take religious or national holidays that are not included in Westports' official schedule;
- Training employees on communication and diversity; and
- Implementing an Open Door Policy that allows employees to easily report discrimination.

Diversity	2018			2019			2020		
	Operation	Management	Total	Operation	Management	Total	Operation	Management	Total
Gender									
Male	4,100	370	4,470	4,498	411	4,909	4,889	439	5,328
Female	99	34	133	96	37	133	89	38	127
Age									
<30	2,289	137	2,426	2,591	175	2,766	2,817	175	2,992
31 - 50	1,750	246	1,996	1,829	243	2,072	1,952	270	2,222
>51	160	21	181	174	30	204	209	32	241

OUR PEOPLE

Ethnicity	Operation	Management	Total	Operation	Management	Total	Operation	Management	Total
	2018			2019			2020		
Malay	3,616	224	3,840	4,015	263	4,278	4,383	286	4,669
Chinese	8	23	31	8	27	35	9	25	34
Indian	401	151	552	391	153	544	397	161	558
Others	174	4	178	180	2	182	189	2	191
Foreigner		2	2	0	3	3	0	3	3
Total Number Employee	4,199	404	4,603	4,594	448	5,042	4,978	477	5,455

Recruitment	Operation	Management	Total	Operation	Management	Total	Operation	Management	Total
	2018			2019			2020		
Gender									
Male	613	54	667	1,061	90	1,151	868	60	928
Female	14	1	15	21	8	29	9	4	13
Age									
<30	579	40	619	1,006	75	1,081	819	38	857
31 - 50	48	14	62	72	18	90	56	23	79
>51	0	1	1	4	5	9	2	3	5
Total Number Employee	627	55	682	1,082	98	1,180	877	64	941

Westports expands leadership opportunities for its diverse emerging talent. Inclusion efforts have significantly improved the representation of diverse individuals at the highest levels of the organisation.

Gender equality is promoted throughout all business operations and units. These efforts will be expanded to present our diverse talents with an opportunity to join the leadership team that allows Westports to progress in the market and industry.

CEO ACTION FOR DIVERSITY & INCLUSION

Research shows that diversity increases creativity and innovation, promotes higher quality decisions and enhances economic growth. CEO Action Network (CAN) was established as 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.

OUR PEOPLE

Resignation	Operation	Management	Total	Operation	Management	Total	Operation	Management	Total
	2018			2019			2020		
Gender									
Male	642	49	691	661	55	716	474	30	504
Female	21	6	27	24	5	29	14	6	20
Age									
<30	545	18	563	575	15	590	402	11	413
31 - 50	103	34	137	91	40	131	74	19	93
>51	15	3	18	19	5	24	12	6	18
Total Number Employee	663	55	718	685	60	745	488	36	524
Retention % Of Recruitment	-5%	0%	-5%	58%	63%	58%	80%	78%	80%
Turnover % To Headcount	16%	14%	16%	15%	13%	15%	10%	8%	10%

EQUAL OPPORTUNITIES

Equal development opportunities are given to all employees to facilitate their advancement within the organisation. Their fundamental rights and freedoms are protected in line with the Code of Conduct and human rights. Westports is committed to preventing all discrimination based on nationality, class, race, disability, gender, age, religion and political views throughout the organisation.

Westports nurtures a positive work environment that values the wide-ranging perspectives of its diverse workforce, fosters individual growth and achieves business goals. The commitment applies throughout the Company and is supported by senior management.

Key Focus Areas of Proposed Charter




Environmental Stewardship

- Climate Action
- Climate Governance
- Carbon Financing and Taxes
- Incentives and Provisions
- Green and Frontier Technologies
- Green Finance
- Green Infrastructure
- Green Business Models



Socio-Economic Value

- Supply Chain Integration
- Financial Inclusion
- Access to Equitable Opportunities
- Mainstreaming Disadvantaged Communities and Stakeholders
- Gender Equity



Good Governance

- Board level interventions and innovations,
- Fiduciary roles and responsibilities
- Affirmative action programmes
- Disciplinary procedures
- Confidential reporting system
- Statutory and global best practices on sustainability strategies

Values Promoted in Employees



Candour



Courtesy



Ability to deal with change



Respect for humanity, personal dignity and privacy

OUR PEOPLE

The Group is working towards formalising its position by establishing an Equal Employment Opportunity (“EEO”) Policy. The proposed policy formulates that equal employment opportunities are to be provided to all individuals regardless of race, ethnicity, skin colour, religion, sex or gender, gender identity, disability, age, marital status or any other characteristics protected by law. As an equal opportunity employer, the Group will also comply with all applicable laws, rules and regulations preventing discrimination against job applicants.

Proposed EEO Policy Coverage



MANAGING FOREIGN WORKERS

Westports has a policy of hiring Malaysians; however, third party companies that manage the Company’s outsourced work do hire foreign workers. Hence, all workers are treated with fairness, dignity and equality without distinction, irrespective of whether they are locals or migrants. Any form of exploitative and abusive practices against workers is prohibited. Foreign workers hired legally are accorded equal treatment and the same working conditions as locals in line with the United Nations Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

Foreign workers are given fair pay and suitable accommodation for its location. This accommodation is clean, safe and meets workers’ needs. Vendors who hire foreign workers must adhere to Westports’ Code of Vendor Conduct which stipulates the expected standards for labour, working conditions, management systems and environmental management. Westports ensures that vendors adhere to its Code of Vendor Conduct by:

- Randomly checking salary payments and both the living and working conditions of foreign workers.
- Performing quarterly audits on salary payments made to foreign workers by scrutinising overtime rates and checking deductions are made in accordance with the Malaysian Employment Act 1955.
- Checking that daily working hours do not exceed 16 hours a day.
- Ensuring workers take sufficient rest and are not exploited in any other ways.
- Performing quarterly audits on foreign workers’ accommodation to assess living conditions such as hygiene, safety and the availability of a fit for purpose first aid kit.
- Requesting that vendors document foreign workers’ rights to social security, welfare measures and providing benefits in accordance with applicable laws.

FAIR PAY, BENEFITS AND SALARIES

Recruiting and retaining employees with relevant qualifications are some of the most important aspects of human resource management. Westports is an attractive workplace that draws on talented and dedicated professionals by offering meaningful work, a positive atmosphere, and competitive wage and benefit packages.

Paying a quality wage and remuneration is an important part of creating an attractive working environment. Westports’ Code of Conduct which applies to all employees (100%) commits the Group to comply with all local guidelines on working times, minimum wages and fair pay throughout the Company. Overtime is paid but employees are not permitted to work more than a double shift for health and safety reasons. Westports guarantees decent remuneration and social security to all employees (100%). It ensures transparency and communication when setting and reviewing remuneration, and takes into account individual achievements when considering payrise and bonuses.

Employees’ gender does not feature in fixing remuneration, which is solely dependent upon duties, performance and general market conditions. Men and women must be treated equally and gender is not considered when determining salaries.

OUR PEOPLE

Examples of Westports' Social Benefits and Wellbeing Packages



Pension and life insurance



Health insurance



Parental leave



Retirement provision



Above-minimum-wage salary

ENHANCING PARENTAL LEAVE

Westports supports its employees as they expand their families and began upgrading its parental leave benefit in 2020. This enhanced benefit includes extending:

- Maternity leave from 90 to 120 days
- Total maternity leave from 300 to 500 days
- Paternity leave from four to seven days

requirements. Westports has put in place a concerted career management framework for all its employees including managers and non-managers which is transparent and individualized.

The commitment and motivation of well-trained employees influence the quality of services and general business success. Optimal services are provided by delivering extensive training and education to all employees and trainees.

Training Hours

	2018	2019	2020
Management	20,770	31,536	2,844
Workforce	398,098	323,806	253,257
Total training hours	418,868	355,342	256,101

Training Hours Per Year Per Employee

	2018	2019	2020
Management	51	75	8
Workforce	102	105	68
Total average per employee	153	180	75
Average days	18.0	21.2	8.8

TRAINING AND CAREER DEVELOPMENT

Previously, ports were mainly general cargo terminals where non-standardised units were loaded and unloaded from the hold of a vessel onto the quay. Significant manual handling was both time-consuming and physically demanding for port workers.

Today, ports consist of various container, dry bulk, liquid bulk and RORO terminals, which are operated by modern equipment, a mechanised transport system and digitised control systems. Port work has changed greatly with strength being replaced by skill. Our workers are a team of highly-trained individuals who operate complex machinery. A significant portion of labour costs is spent on training employees to a high standard.





Westports' training programme focuses on enhancing life-long learning and employability, promoting career development, anticipating long-term employment needs and skills

Training was challenging in 2020 as sessions were postponed and cancelled several times due to COVID-19. Training, conferences, workshops and instructor-led classes that gathered everyone in one room were cancelled indefinitely. Virtual platforms are not always effective, particularly for technical training.

Three hundred and twenty-two technicians received training including technical, soft skills, waste management, equipment handling and safety awareness sessions. M&R's in-house training team developed a batch of competency-based modules (CBM) to tutor the technicians.

OUR PEOPLE

Internal recruitment is exhausted before external talent is sought. The HR strategy supports and enhances Westports' business objectives and profitability by improving the employee experience through HR plans and initiatives. All employees (100%) are evaluated on their performance including senior managers and line managers.

Type of Training	Purpose	Examples
 <p>Safety training</p>	Prevent work-related injuries, particularly for staff exposed to extreme heights and those using toxic chemicals or other hazardous materials	Working at height, scheduled waste management, fire drills, evacuation plans and workplace violence procedures
 <p>Technical skills or Competency Based Module (CBM) training</p>	Develop the skills that are required for employees' respective roles	Crack and wire rope inspection, gantry brake operation and control system, and maintenance and troubleshooting
 <p>Forklift handling Training</p>	Introduce the functional features and capability of a forklift truck that enables trainees to acquire all the necessary skills to safely and efficiently operate a forklift in compliance with the Occupational Safety & Health Act 1994	Forklift Handling Training and OEM Mitsubishi Forklift Training
 <p>Soft Skills Module (SSM) training</p>	Discuss the personality traits to promote better communication and work cooperation with co-workers and customers	SSM-Technical Communication and SSM – Technical Report Writing

IMPROVING FINANCIAL LITERACY

Westports introduced 'Multiply' to employees in 2020. This non-profit financial education platform simplifies personal finance so Malaysian's can plan better futures for themselves. It is the first free and fully bilingual platform available in the country.

Multiply is an online platform with easy-to-understand information on personal finance such as saving and investing, planning and budgeting, tackling debt, buying a vehicle, buying a home, insurance and retirement.

Westports encourages employees to use this platform to provide more effective financial management in the future.

HEALTHY BOTH INSIDE AND OUTSIDE

Attractive working conditions and prospects for development are extremely important. However, employees and their family members also achieve optimal work-life balance and a variety of opportunities for career development and growth.

Benefits and programmes centre around employee well-being so every Westportian can perform their best each day. Actively promoting healthy lifestyles, including physical, mental and social wellbeing, help build positive work environments and organisational resilience. Unfortunately, many leisure activities were postponed as a result of the COVID-19 pandemic. Non-operational employees are encouraged to work from home, allowing them to spend more quality time with their families.

Westports continues to monitor stress and occupational disease rates as these directly influence employee wellbeing. Employees absenteeism and rate of occupational disease is being monitored. The Human Resource Department works closely with the Safety and Health Department in assessing employees' stress level by studying internal health and safety data and conducting opinion surveys. Other measures in managing stress include offering training on stress management for employees and managers, providing support instruments such as a counselling service and employee assistance programme as well as constantly improving the ergonomic design of workplaces for employees especially terminal tractor operators.

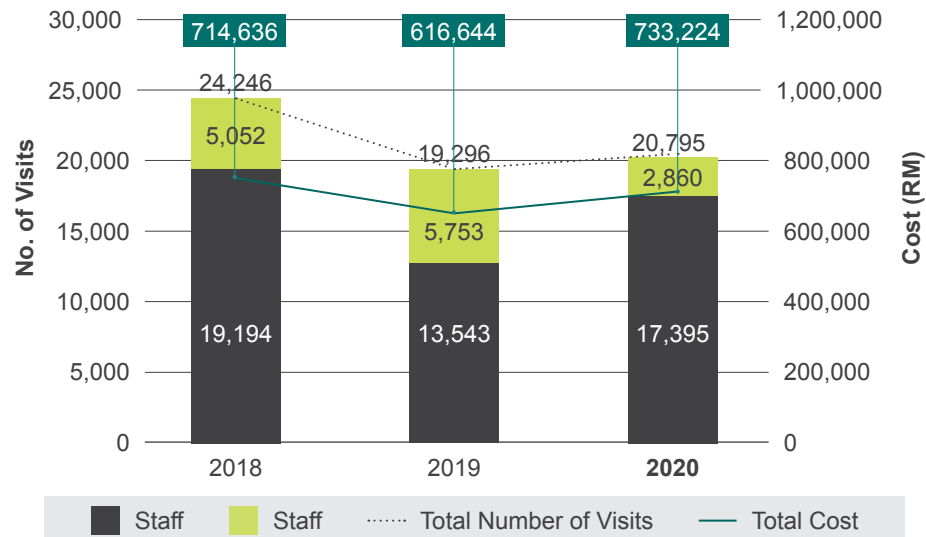
OUR PEOPLE

Westports founded a child care centre for the children of all employees. This centre has provided the best child care services and a conducive learning environment since its opening in 2019. Unfortunately, the centre was closed during the Movement Control Order (MCO) and opened for a period during the Conditional MCO.

KLINIK WESTPORTS

Established in 2009, Klinik Westports is the first in-house clinic on Pulau Indah designed for employees. Health and wellness incentives offered to employees are extended to their spouses and children. All family members are entitled to a free consultation and treatment at Klinik Westports. Westports funds the entire running and maintenance of this clinic. The resident doctor is experienced at treating all illnesses and injuries that are common to the industry.

As walk-in consultations have not been permitted since the COVID-19 outbreak, Klinik Westports introduced a hotline for appointments. The doctor's role has been strategic in introducing the best health conditions in the workplace. However, Klinik Westports remained open throughout the outbreak to ensure employees and the surrounding community get the help they need.



HEALTH PASSPORT

Introduced in 2011, Westports' Health Passport Programme monitors employees' health by measuring their Body Mass Index (BMI), cholesterol, glucose, waist-hip ratio and blood pressure.

Medical Profiles Indicate Overall Health



Good

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



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.

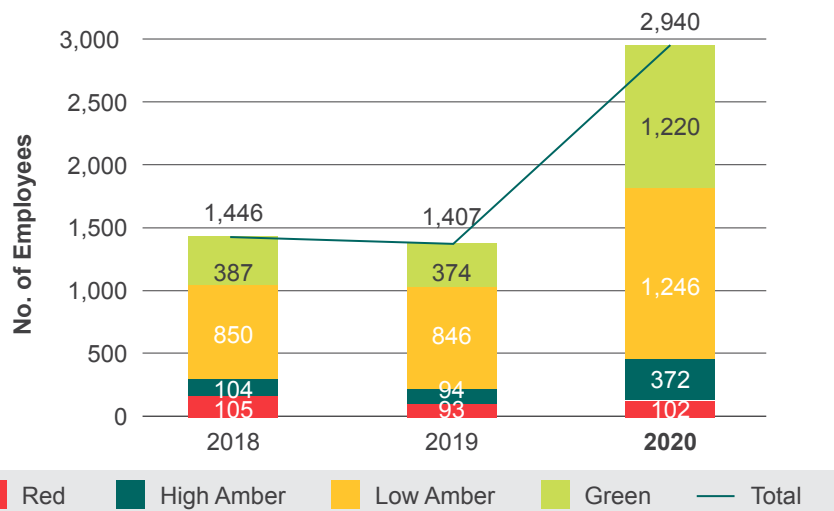


High-risk

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.

In 2020, 2,940 employees above 35 years of age were enrolled on a health passport programme. 1,220 green category employees required no action. 102 red, 372 high amber and 1,246 low amber employees were required to attend compulsory gym sessions. Each was required to attend a follow-up health examination.

OUR PEOPLE



FOSTERING AN OPEN AND ENGAGED WORKFORCE

Employees want a workplace culture with a ‘family feel’. Creating a familial atmosphere at work encourages closer collaborations by developing strong team relationships and better dynamics.

Westports breaks down traditional hierarchies and promotes an open and flexible culture where ideas can be shared at all levels. This collaborative culture empowers individual employees by granting greater control over their tasks and roles.

Westports operations is based in Malaysia where there is no restrictive legislation to being part of an employee representative body.

THE PENGHULU PROGRAMME

The Penghulu Programme is the brainchild of Westports’ Executive Chairman, Tan Sri Datuk G. Gnanalingam. This Direct Feedback mechanism has helped build relationships through dialogue and engagement 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 difficult people dynamics. 100% of employees are members of the Penghulu. Employees are welcome to raise their concerns on any areas related to work and their personal life including health and safety, CSR issues, remuneration, working hours, training, career development, work time flexibility, employability, stress and equal opportunities.

Guided by a Mentor Committee, Penghulus hold informal, monthly meetings with their charges to discuss pertinent group-level events on the ground. Direct time with Penghulus is essential as equipment operators and other wharf-side employees cannot access email and other communications channels. Penghulus collate and submit this feedback to the Chairman.

Due to the COVID-19 outbreak, all Penghulu activities were suspended in 2020.

E-LEARNING

E-learning training programmes were developed for non-executive employees using the Kahoots mobile app. Kahoots is compatible with Android and iOS. It is useful for creating e-learning, presentations and events. Self-paced challenges can be assigned to employees which is useful for e-learning. Progress and results can be assessed with reports.

COMMUNICATIONS DAY

Ports can be busy places and offer exciting opportunities in many different areas. However, the work can be physically and mentally demanding. Operational staff work in isolation in their own machinery, which can lead to loneliness.

Westports hosts a weekly Communications Day. 100% of operations staff convene in smaller groups before being briefed on Group performance, their disciplinary records, accidents and overall attendance records.

The Communications Day was suspended in March 2020 due to the COVID-19 pandemic. Training was conducted in small groups of five to 10 people to reduce isolation while adhering to COVID-19 social-distancing recommendations.

Westports fosters an open dialogue with employees to reduce (perceived) hierarchies within the Group. Employees keep abreast with key topics and ongoing interesting activities via the intranet and Communications Day. Any reorganisations and changes that need to be introduced within the organisation are managed responsibly. Employees are informed and consulted on these changes when they affect their employment. Examples may include significant financial compensation, early retirement, reduction of labour time, internal mobility programme, outplacement services or re-training.

OUR PEOPLE

HR PORTAL

Westports' HR portal is the employee interface or dashboard that allows employees and Human Resource personnel to handle HR tasks. In 2020, the portal was enhanced to include a training calendar for executive staff, a Sports Club page and a frequently asked questions section. Employees can also access a list of facilities and listen to GFM podcasts from the HR Portal.

WESTPORTS JOINT CONSULTATIVE COUNCIL (WJCC)

The Westports Joint Consultative Council (WJCC) is a platform for discussion and consultations between employees and company representatives. Other objectives of the WJCC include:

- 01 Working cooperatively towards achieving the Company's vision and mission
- 02 Resolving all issues at the earliest opportunity and as expeditiously as possible
- 03 Preventing differences from arising and resolving them as they occur
- 04 Making appropriate recommendations and decisions on relevant issues

WESTPORTS' HR CHAMPIONS

HR champions consist of executives and managers from various departments that act as mediators between the management and employees. Two-way communication between the management and employees is promoted through monthly dialogue sessions in which employees are updated on Westports' performance. Employees are invited to voice out and share their thoughts on their daily work

#WESTPORTSPRIHATIN

Empathy is a superpower in the workplace: clear-headed leadership, dedicated employees and strong company cultures. While soft skills are often considered to affect a company's success less than efficiency or professionalism, that common misconception can be detrimental to company culture. Understanding and having compassion for employees' emotions are integral to working together efficiently and boosting workplace morale.

This attribute is especially important during challenging times such as the COVID-19 crisis where people and households are challenged in unprecedented ways.

Containing the pandemic and protecting our people is the top priority. We realised that immediate employment and social-policy responses were necessary. The spread of COVID-19 interrupted international supply chains, notably with China. Such a "supply shock" is very difficult to address with standard monetary and fiscal policy tools.

Finding ourselves forced to interrupt and scale down operations, we not only continued paying our employees' wages but offered two months of 30% extra pay to offset reduced volume-linked incentives for blue-collar workers.

There were no employee retrenchment or layoffs despite lower volume due to the pandemic. Instead, the Company took an extra step to issue March salary in advance to all employees so they were able to stock up on essential items in preparation for the Movement Control Order issued by the Government.

OCCUPATIONAL SAFETY AND HEALTH

Westports is committed to ensuring that the port and its environments are safe and healthy. Port environments can be loud and busy places. Workers and all other persons in the vicinity must be aware of the health and safety risks while carrying out their work.

Westports commitment to health and safety:

- Increased awareness of health and safety among employees
- Reduced the number of work accidents and their severity
- Zero occupational disease
- Reduced stress
- Enhanced well-being

OUR PEOPLE

Maintaining an engaging and safe working environment both on land and at sea is necessary for an efficient, sustainable and profitable business. All employees work towards an overall goal of zero injuries. Stringent health and safety standards help prevent hazards and incidents for all employees and port users. All employees are responsible for reporting incidents, near-incidents, safety breaches and hazards. Westports' You See You Act (UCUX) programme allows reports to be made through a mobile phone. All employees are trained on health and safety standards being practised in the Company (100%).

Safety initiatives, internal monitoring and internal safety audit include creating a robust set of safety protocols and delivering carefully developed safety orientation and ongoing training. This training is extended to all employees, contractors and subcontractors. The health and safety of employees and tenants are protected by identifying risks, developing solutions and encouraging participation. All employees are responsible for safety with the Group Managing Director, Datuk Ruben Emir Gnanalingam Bin Abdullah, and CEO's, Eddie Lee, bonuses and remuneration now being directly linked to fatalities. This demonstrates the responsibility taken for everyone who is on the port premises. Westports' stand on health and safety also applies to contractors and other port users.

ASSESSING SAFETY RISK AND COMPLIANCE

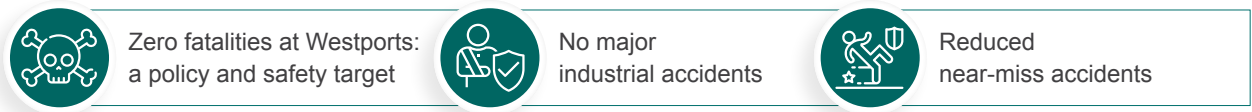
The prevention of health hazards, accidents and injuries is a key element of Westports's sustainable strategy and an integral part of business risk management processes. Central safety programmes and processes are developed as part of the internal monitoring systems and internal controls. A SHE monitoring and measurement matrix guides each function in implementing a corrective and preventative procedure to deal with actual and potential nonconformity.

A health and safety risk assessment is conducted for existing and potential new operations or projects as part of Westports' due

diligence. Performance monitoring results and trends are benchmarked against the Company's targets and industry standards.

Biannual internal and external audits check SHE Management Systems are effective and that operations continue to conform to ISO 14001 and OHSAS 18001 standards. The audit team checks practice and records, interviews relevant staff, drafts corrective action and presents their findings to the Board.

ESH Highlights

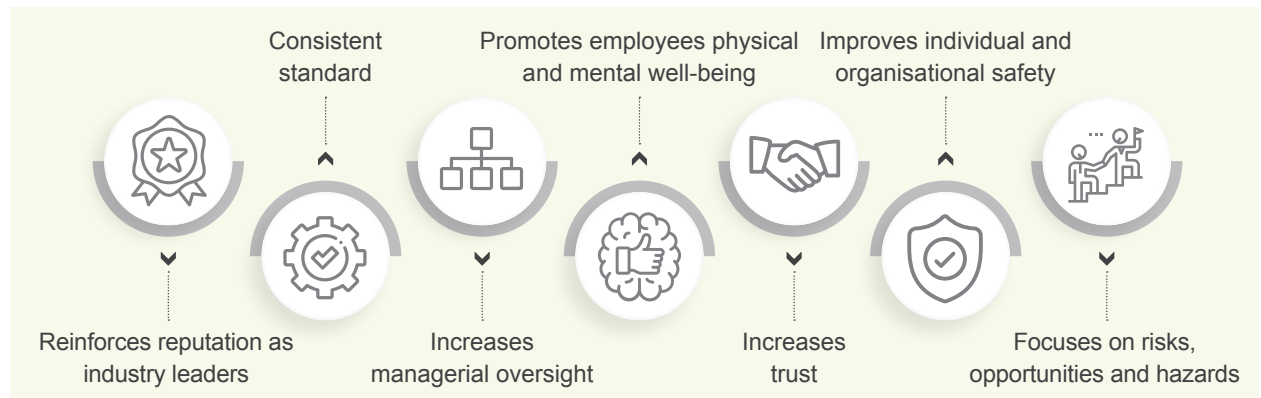


ESH CERTIFICATION

100% of Westports operations is covered by the OHSAS 18001. Westports is migrating to the new ISO 45001 standard as part of its commitment to continuous safety improvement. Certification is expected in 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.

Benefits of ISO 45001



OUR PEOPLE

SAFETY GOVERNANCE

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.

Westports' Safety and Health Committee is responsible for improving Working conditions and provides employees and management with a forum to solve health and safety problems. The SHE Committee, comprising a chairman and both management and employee representatives, is responsible for reviewing safety concerns and performance. Led by Eddie Lee Mun Tat, 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
- Chairing forums on EHS-related grievances
- Assessing health and safety risks for existing and potential projects and operations

OSH APPROACH IN 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.

Everyone has the right to go home unharmed and it is Westports' responsibility to maintain a safe premise for all port users. Vendors must abide by strict guidelines and requirements during the pre-qualification stage.

Vendors' Pre-Qualification OSH Screening



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



Can workers conduct risk assessments?



Safe operation work instruction?



Do you provide Personal Protective Equipment to the staff?



Can workers identify safety/ environmental hazards?



Does all machinery have a DOSH permit or license?

SAFETY INITIATIVES

As safety is of paramount importance, various measures and initiatives have been introduced to improve Westports' safety performance and inculcate a safety culture across operations.

PPE

Westports improved its PPE enforcement to reduce injuries sustained by staff and port users. All machinery and equipment are inspected regularly to ensure they meet the requirements set by the authorities and avoid accidents.

EHS DIGITALISATION

Previously, permits to work were printed. Contractors can now apply online and the permit is issued electronically.

DASH CAMS



In May 2020, Westports began installing dashboard cameras in each of its 526 terminal tractors. The cameras provide a front view and also capture the driver. The main objective of this initiative is to reduce the number of collisions in order to:

- Reduce operations costs as bodywork repairs are expensive;
- Improve the safety of the driver and other port users.

OUR PEOPLE

The camera footage, kept for 48 hours, is useful in identifying the root cause of accidents. This surveillance has significantly reduced the number of accidents occurring at the port with an average of 10 monthly cases reducing to almost zero.

Retrofitting the entire fleet costs approximately RM260,000. However, significant cost savings have been realised from a reduction in accidents and reduced insurance premiums.

CLEANLINESS CAMPAIGN

The National Cleanliness Policy includes a roadmap for an improved and more organised waste management system. In February 2020, Westports launched its Cleanliness Campaign to raise awareness. Although paused due to the COVID-19 pandemic, signs were displayed to keep the port clean and prevent *Aedes aegypti* mosquitoes from breeding. This type of mosquito is the main vector that transmits the viruses that cause dengue fever.

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 due to liquid and gas cargo. The ban is being enforced and operators are forbidden from smoking in the cabins of cranes and trucks.

PEDESTRIAN POLICY

Pedestrians safety remains one of the major concerns for Westports. Various key risk factors for pedestrian road traffic injuries have been examined including vehicle speed, lack of safe infrastructure and inadequate visibility. Westports has also raised awareness of the dangers to pedestrians by delivering safety tips and an educational campaign to all port users.

BOMB THREAT AND FIRE DRILL

The majority of attacks with explosive devices take place without prior warning. Employees must know how to handle it in the workplace. Westports' bomb threat and fire drill exercise demonstrates the action protocol to follow during and after a bomb warning, regardless of whether the threat is real.

No one expects to have a fire or other disaster at work, but they frequently occur in office buildings across the country. When a fire breaks out, the lives of employees and all port users can be jeopardised. Westports schedules regular fire drills to plan for potential fire and prepare everyone to exit the port safely. Fire SOPs and guidelines are delivered electronically and hard copies are displayed strategically around the port.

HAZE MONITORING

A smoky haze blankets the South East Asian region almost every year. The burning usually peaks from July to October during Indonesia's dry season as many farmers take advantage of the conditions to clear vegetation for palm oil, pulp and paper plantations using the slash-and-burn method. They often spin out of control and spread into protected forested areas.

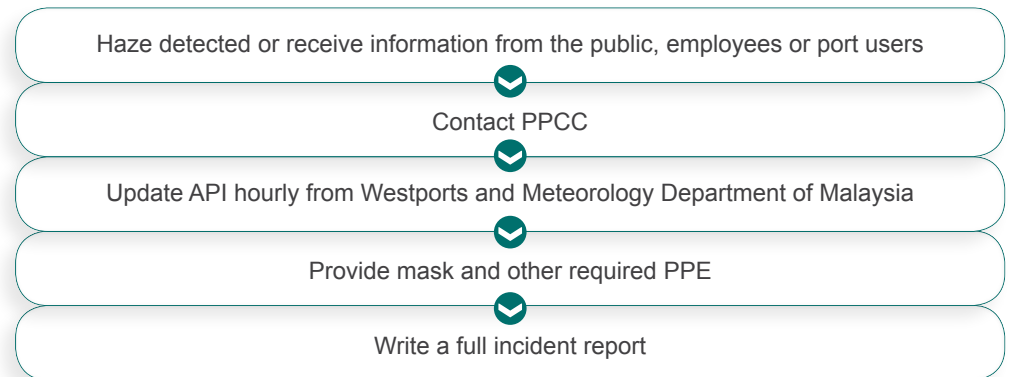
The haze usually measures hundreds of kilometres across and affects Malaysia, Singapore, the south of Thailand and the Philippines. The Department of Environment measures the ambient outdoor pollution but the monitoring station is far from Pulau Indah.

Westports installed air monitoring equipment to measure PM2.5, PM10 and carbon monoxide. The device covers a 10-km radius around the premises and Human Resource is alerted if pollution is high so that the Crisis Management Plan can be activated.

CRISIS MANAGEMENT PLAN

Westports introduced a Crisis Management Plan to combat all types of disaster and incidents such as haze and other environmental factors. Constant monitoring ensures all involved units are in place and prepared for any further circumstances.

The Crisis Management Committee (CMC), Port Police, Fire and Rescue team, Paramedics and Westports Clinic are responsible for the plan.



In 2019, Westports' health and safety monitoring was improved to include quay crane data.

OUR PEOPLE

WESTPORTS' HEALTH AND SAFETY PERFORMANCE

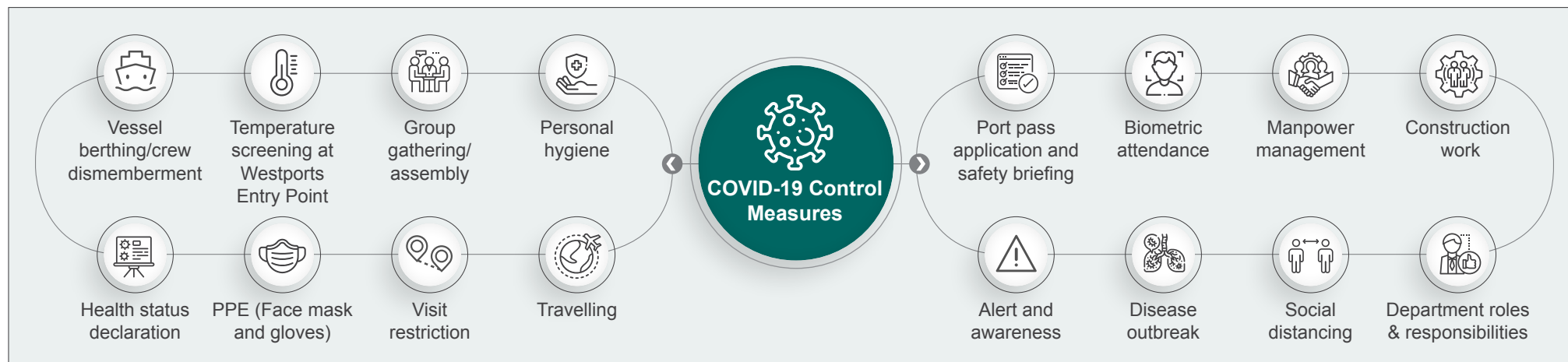
	2018	2019 *	2020
Incidents and Accidents (total)	479	626	716
Average number of cases per 100,000 TEU's (container operation)	3.40	5.74	6.78
Average number of cases per 100,000 tonnage (conventional operation)	0.09	0.03	0.00
Fatalities (employees)	0	0	0
Fatalities (third-party contractors)	1	2	1

* Restated to include quay crane health and safety performance data

COVID-19

In 2020, Westports introduced a COVID-19 Standard Operating Procedure ("SOP") that covers the Movement Control Order ("MCO"), Conditional Movement Control Order ("CMCO") and Recovery Movement Control Order (RMCO). The objectives of the control measures are to:

- Avoid any probability of COVID-19 virus from spreading within the terminal
- Control and manage COVID-19 issues
- Provide and maintain a safe and healthy work environment for all employees, port users, tenants and visitors



COVID INITIATIVES

COVID-19 TESTING

Testing plays a key role in efforts to contain and mitigate the COVID-19 pandemic by identifying infected individuals to help prevent further person-to-person transmission of COVID-19. In 2020, Westports tested every member of staff twice to ensure the entire workforce was free of the virus. Fourteen cases were detected and confirmed by the clinic in 2020.

MOVEMENT CONTROL AND PHYSICAL DISTANCING

Those wishing to enter the port require a port-authorized identification card ("Port Pass"). Port Passes are only issued to those with a negative result. Physical distancing of one and two metres is mandatory in the terminal to avoid spreading the virus through physical contact.

OUR PEOPLE

SANITISING

Landed warehouses and Container Freight Stations must submit their internal controls including measures taken. Westports inspects these areas to ensure all reported SOPs are followed.

All staff are required to maintain high levels of personal hygiene by using hand sanitizer or washing their hands with soap and water. All canteens and toilets offer liquid soap and hand sanitizer is widely available at entry points and counter areas.

Westports purchased four sanitation machines which spray a mist of chemicals. Weekly sanitation has been performed throughout the port including offices and warehouses since the pandemic outbreak.

FACE MASKS

Wearing face masks is compulsory for all employees in public places and while in contact with others in the workplace. Employees must wear face masks when required and avoid the 3Cs: confined areas, crowded and close contact.

STAGGERED SHIFTS AND LUNCH BREAK

Westports staggers non-executive employees' work shifts and lunch breaks to minimise contact between employees and congestion in the workplace. Social distancing is easier to implement and

crowding is reduced, which minimises the risk of COVID-19 transmission. Executive employees are encouraged to work from home with laptops provided by the Company.

HEALTH DECLARATION

All individuals entering the port must declare their health status and 14-day travel history. This health declaration determines the likelihood of the person contracting or developing symptoms of COVID-19. Employees who experience any symptoms are required to inform their superiors immediately.

IN HOUSE MEETINGS

Departmental, sectional or ad hoc meetings are permitted, provided the number of attendees for the area and physical distancing requirements are observed. Individuals without facemasks may not attend and are encouraged to join the meeting online.

VISIT RESTRICTION

All non-essential port visits are restricted and meetings with visitors are at the sole discretion of the management. The departmental meeting organiser must escort the visitors to and from the meeting. Online and virtual meetings are highly recommended.

BODY TEMPERATURE CHECKS

All staff have their temperatures taken by a thermal imaging camera or handheld scanner upon entering the port. Those with a body temperature of 37.5 and above are advised to seek immediate medical attention.

INTERNAL PROGRAMMES, ACTIVITIES AND GATHERINGS

All internal Westports' staff programmes, activities and gatherings have been suspended and are in-line with the directives given by the Ministry of Health.

BUSINESS CONTINUITY PLAN

The Business Continuity Plan is handled by the Crisis Management Committee. Each department must submit a plan on dealing with a COVID-19 case such as having an alternative office, working from home, additional laptops, building sanitisation, building evacuation and minimising staff on the premises. Initiatives to ensure the business continues in all circumstances include:

- Replacing hand-held thermometers with thermal cameras to monitor body temperature
- Strictly monitoring building access to prevent those with an elevated body temperature from entering
- Preventing truck drivers from alighting from their vehicles and only permitting them to collect and drop containers

NOTICE PERIOD FOR OPERATIONAL CHANGE

Managing operational change effectively is extremely important, regardless of the extent. Managed correctly, change management can deliver good results every time with minimal disruption for all concerned.

Employees that may be affected by operational changes are informed through email or other communication channels at least one month before the changes take effect. This notice period may vary depending on the circumstances. An online intranet platform has been developed to communicate updates and changes within Westports. The management recognises the importance of two-way dialogue with employees.

COMPLIANCE

Westports embraces a culture of equality and recognises the power of teamwork. Well-trained, motivated and enthusiastic employees set high standards and have pride in delivering excellence.

There were no incidents of non-compliance in workplace practices or the treatment of workers during this reporting period.

RESPECTING HUMAN RIGHTS

Strict adherence to corporate rules and applicable laws and practices are fundamental to business activity. Committed to delivering engaging, valuable and sustainable output, Westports respects the human rights of all stakeholders and all employees must uphold the highest ethical standards.

Westports' respect for Human Rights is informed by the Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The Westports Human Rights approach has been formulated to actively prevent adverse human rights impacts.

DISCRIMINATION AND HARASSMENT

Westports encourages candour, courtesy, an ability to deal with change and respect to humanity, personal dignity and privacy in all employees.

Harassment is any inappropriate conduct which has the purpose or effect of:

- 01 Creating an intimidating, hostile, or offensive work environment; or
- 02 Unreasonably interfering with an individual's work performance.

Forms of harassment include behaviour towards another person based on their race, ethnicity, gender, creed, religion, age, disability or sexual preference which is unwelcome and personally offensive. Individuals who believe they have been subjected to discrimination or harassment should immediately report the incident to their supervisors and Human Resources Department.

Westports is committed to:

- Providing a work environment that is free from all forms of discrimination on the basis of race, ethnicity, gender, creed, religion, age, disability or sexual preference
- Developing a positive work environment that values the wide-ranging perspectives inherent in our diverse workforce
- Fostering individual growth and achievement of business goals

Upon receipt of any complaints or concerns on acts of harassment, the Human Resources Department should notify management so that appropriate corrective steps can be taken.

The Company respects and promotes human rights in society including the rights to personal security. Acts of discrimination or harassment when dealing with employees, customers or suppliers are not tolerated and offenders are subject to severe disciplinary

action, including the possible termination of employment. Discrimination and harassment incidents are overseen by Westports' top management.

SEXUAL HARASSMENT

Sexual harassment in all forms is forbidden in Westports. Sexual harassment is defined as any unwanted conduct of a sexual nature that takes the form of verbal, non-verbal, visual, psychological or physical harassment that might be perceived as:

- Placing a condition of a sexual nature on employment; or
- An offence or humiliation, or a threat to well-being.

Unsolicited e-mails or letters illustrating sexual content or harassment are also classed as sexual harassment. Sexual harassment constitutes a breach of the Group's policy and will incur disciplinary action including possible dismissal.

IMPLEMENTING FUNDAMENTAL HUMAN RIGHTS PRINCIPLES DURING EMPLOYMENT

Westports manages Human Resources in accordance with local labour laws and regulations in all areas of operations. These standards extend to all matters such as the payroll and employee benefits including the minimum wage, pension allowances and

on-time payments. The entire labour force is employed based on the International Labour Organisation (ILO) conventions and the Malaysia Employment Act 1955.

Westports upholds workers' rights and the human rights of both employees and all business partners including freedom of association and rights to collective bargaining. The Group refrains from contracting with suppliers and business associates who fail to comply with these high standards of ethical conduct.

Initiatives to Uphold Human Rights Principles

-  Awareness and training programmes
-  Grievance mechanisms
-  Human rights assessment and monitoring
-  Internal and external check and investigation
-  Ongoing monitoring of labour rights risks
-  Occasional risk mapping

RESPECTING HUMAN RIGHTS

A perspective of protecting fundamental human rights is adopted throughout recruitment and Westports engages in recruitment activities that comply with the laws and regulations. Westports' human rights policy is summarised in its Code of Conduct, which is available in English and Bahasa Malaysia. All associates review and receive annual awareness briefings on this Code.

Westports commits to respecting employees' rights to enjoy a balanced work-life including respecting their rights to vacations and leisure time, providing compensation for overtime and listening to employees' needs for flexible work arrangements. Forced and

child labour are prohibited and Westports complies with the Children and Young Persons (Employment) Act 1966. The minimum age for all job types, including crane operators, is 20 years. Employees are expected to have SPM qualifications as a minimum. Candidates under 18 years of age are not recruited and all contractors working in the port are checked to ensure that they are above the legal working age.

Westports' career management systems apply throughout the Company. It promotes the hiring of locals to boost local economic development. Internal job opportunities are sourced internally first before opening them to local residents.

COMPLIANCE

Conflict, instability and discrimination – the world faces major social challenges around human development and human rights. While governments have the duty to protect individuals against human rights abuses, businesses are increasingly recognising their own moral, legal and commercial responsibility. Westports' continues to improve its human rights approach to be better prepared to confront new issues arising and manage risks more effectively. There have been no incidents of human rights violations during this reporting period.

SOCIETY

Ports support and benefit local, regional and national economies through their role in creating jobs and transporting goods. Westports also partners with communities to offer workforce development programmes, protect the environment and coordinate land use planning to incorporate community amenities.

LIFTING UP THE COMMUNITY ON PULAU INDAH

Profits, passion and compassion affect Westports' bottom line. Profit sustains the business but equal emphasis is placed on people and compassion extends to the community surrounding the port.

The adoption of Pulau Indah demonstrates the importance placed on providing for the community. Westports has declared "zero poverty" on Pulau Indah, one of the most remote fishing islands in Malaysia. In providing for the vulnerable community on the island, the management enhances income-generating opportunities for the people while complementing the Government's poverty-alleviation programmes and preserving local culture.

Today, Westports provides job opportunities for locals and monthly financial assistance to those living in poverty such as orphaned children. Approximately 37% of Westports' employees are Pulau Indah residents. Westports believes that its community investment benefits both society and residents and is linked to the business vision of becoming the leading gateway and transshipment port of call in the world while continuing to be 'pride of Malaysia on corporate citizenship'.

The Port's community projects commenced in 1995 with the building and renovation of houses, schools, sports and recreational facilities on the island. Over the past three years, Westports contributed a total of RM8.5 million in CSR investments, including to various community projects on Pulau Indah. Westports' extensive Corporate Social Responsibility initiatives focus on five main areas. All departments within Westports are involved in its CSR activities. The Company recognises employee volunteerism and appreciates their efforts in developing Pulau Indah.

The Port's commitment to promoting local social and economic development is based on:

- Optimising the impact operations have on the local community
- Promoting the employment and training of locals
- Developing logistics-based local businesses



SOCIETY

Number of Westports' Volunteers by Community Investment Area



30 Ensuring safety and security on Pulau Indah

30 Enhancing Education

121 Refurbishing community facilities

26 Environment

109 Poverty eradication

Total Number of Hours by Community Investment Area



140 Ensuring safety and security on Pulau Indah

130 Enhancing Education

489 Refurbishing community facilities

104 Environment

669.5 Poverty eradication

Breakdown of Participants Benefiting by Community Investment Area



572 Ensuring safety and security on Pulau Indah

436 Enhancing Education

4 Refurbishing community facilities

0 Environment

133 Poverty eradication

SOCIETY

POVERTY ERADICATION

Westports is committed to playing its part to end poverty in all forms everywhere. The port is situated on Pulau Indah, one of Malaysia's most remote fishing islands. The small population in Pulau Indah was once known for its agriculture and fishing activities. As the first employer on this island, it is our responsibility to develop our home.

Westports has had a target to eradicate poverty on the Pulau Indah for more than 20 years. Today, there are minimal incidences of poverty, if any. The initiatives help those less fortunate by improving income-earning opportunities, especially for Pulau Indah residents. Westports continues to contribute financial and in-kind support to various community projects.

Westports provides job opportunities for the locals and monthly financial assistance to those living in poverty, including orphaned children. Approximately 37% of Westports' employees are Pulau Indah residents and the success of Westports Poverty Eradication Programme is evident in the lower incidence of poverty on the island.

VISITING SENIOR CITIZENS

Nineteen staff from the Finance Department visited senior citizens in all four villages on Pulau Indah on 10 and 11 March 2020. The volunteers surveyed the living conditions of the selected old people so that assistance could be tailored to their individual needs.

IDENTIFYING POOR FAMILIES ON PULAU INDAH

The Finance Department helped identify poor families in all villages on Pulau Indah on 24 and 25 June 2020. The door-to-door exercise helped acquaint the team with the various family members. Understanding their backgrounds and real-life conditions was useful in uplifting the targeted families.

'BADAN SIHAT OTAK CERDAS' PROGRAMME

Six Westports volunteers delivered a Smart Brain, Healthy Body Programme to 61 members of the local community at the Asli Village on Pulau Indah. Held on 30 June 2020, the programme introduced healthy activities to keep the indigenous children occupied during the Recovery Movement Control Order ("RMCO"). Staff from the Conventional Department distributed materials and sports items to the Asli Community Representative.

DISTRIBUTION OF BUBUR LAMBUK

Six employees from the Container Department distributed *bubur lambuk* at Kg. Perigi Nenas on Pulau Indah on 17 May 2020. The *bubur lambuk* was distributed in conjunction with the month of Ramadhan.

ENTREPRENEUR PROGRAMME

Eleven members of staff from the Finance Department ran an Entrepreneur Programme at Kg. Teluk Nipah on Pulau Indah. The programme helped Pn Ramnah who operates a food stall in Kg. Teluk Nipah as the family breadwinner. The volunteers supported her business by providing furniture and electrical items so that she can operate in a more conducive environment.

ENHANCED EDUCATIONAL ACHIEVEMENTS

Education plays a key role in realising Malaysia's aspirations to be a developed nation. Westports has focused its attention on enhancing education for the community including children and developing individual skills that can go a long way to improve their livelihood. Some contributions in this area during the year are summarised below. Westports helps ensure every child has a right to education through this community investment.

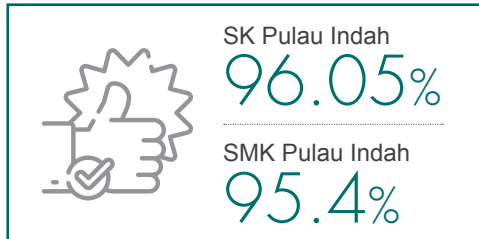
TRUST SCHOOLS PROGRAMME

Westports embarked on a Trust Schools Programme in 2014 with the sponsorship of two schools: SK Pulau Indah and SMK Pulau Indah. The Trust School Programme was organised by Yayasan Amir, a unit of Khazanah Nasional, in collaboration with the Ministry of Education.

SOCIETY

Both schools have completed the five-year programme and the final assessment was performed towards the end of December 2020 by Yayasan Amir and a taskforce from the respective state education departments.

The Maturity of Programme Intervention is an assessment process based on the Trust Schools Standards and Practices (TSSP). The TSSP sets out 20 indicators with 310 descriptors for Trust Schools to fulfil when measuring their progress. All schools must achieve a minimum of 90% for all descriptors, regardless of the school take of value at the beginning of the programme. Achieving 90% demonstrates that the Trust Schools practices have been embedded into the school culture and the programme sustained in the school.



Both schools are ready to be released from the programme and are recognised as Matured Trust Schools. This is a major milestone for the schools and they will continue their journey in becoming Model Trust Schools in the future.

SMK Pulau Indah and SK Pulau Indah were the only two schools of 11 from cohort 2014/2015 that passed this assessment; other participating schools in Subang Jaya, Sunway

and Cyberjaya did not pass. Yayasan Amir and State Education recognised Westports as contributing to this great achievement for Pulau Indah schools.

BACK TO SCHOOL PROGRAMME

The Back to School Programme aimed to ease the financial burdens of low-income and urban poor families for the upcoming school year. Westports provided new uniforms and school necessities for *Orang Asli* students at the Yong Yong New Fashion Centre in Port Klang on 18 February 2020.

On 29 December 2020, six volunteers from the Conventional Department took the initiative to reduce the burden of *Orang Asli* parents by providing a few school items for their children. This initiative also aims to improve the motivation of *Orang Asli* children to attend school.

BIRTHDAY CELEBRATION WITH ORANG ASLI STUDENTS

Three representatives from the Conventional Department held a birthday celebration with 26 students at SK Pulau Indah. Held on 25 February 2020, the programme was a fun activity for the *Orang Asli* students and encouraged them to attend school.

SEMINAR TAPOW A

Three employees from the Human Resource Department delivered Seminar Tapow A to 271 Form 3 and 5 students on 17 and

18 February 2020. The seminar helped to prepare and motivate these students for their upcoming examinations. The session also focused on setting a positive mindset and attitude for them to succeed.

FERTIGATION CHILI FARMING

Volunteers from the Planning Department introduced fertigation farming to residents of Kg. Sg. Kembong. The chillies were planted using the hanging method. The participants also learned the correct techniques for sowing seeds and choosing the best soil type.

Three volunteers from the Planning Department also helped to harvest the chillies according to the schedule.

MICROSOFT WORD WORKSHOP

Employees from the IT Department delivered a workshop on Microsoft Word to students from SMK Pulau Indah on 27 February 2020. The workshop familiarised these students with Microsoft Word through practical and theoretical elements..

TUITION CLASSES FOR ORANG ASLI STUDENTS

Volunteers from the Conventional Department delivered tuition classes at Balai Raya Kampung Sungai Kembong on Pulau Indah on 3 June, 20 June, 26 June and 4 July 2020. The classes helped improve the academic performance of *Orang Asli* students who were scheduled to sit major examinations.

ESSAY COMPETITION

Four employees from the Human Resource Department ran an Essay Competition for Form 5 students on 23 July 2020. The competition was held during the Movement Control Order (“MCO”) period when students were unable to attend school.

PC AND INTERNET AUDIT AND SURVEY

Six volunteers from the IT Department performed a PC and Internet Audit at SMK Pulau Indah, SK Pulau Indah & SK Pulau Indah 2 on 7 and 8 December 2020. The audit checked the status of the Pulau Indah schools’ computers and internet connection.

IMPROVED COMMUNITY FACILITIES

At Westports, community infrastructure primarily refers to basic infrastructure, technical facilities and systems built at the community level that are critical for the substance of lives and livelihoods of the population living in the community.

GOTONG-ROYONG

Thirty-two staff from Container C Group helped to clean up the area surrounding the public hall in Kg. Teluk Nipah on 27 February 2020. The volunteers helped with grass cutting, drainage clearing and cleaning the inside of the hall.

SOCIETY

HOUSE REPAIRING PROGRAMME

Ten employees from the Engineering Department helped repair a house in Kg. Teluk Nipah from 18th to 20 February 2020. This house repairing programme helped provide a conducive living environment for a single mother and her children.

Six members of staff from the Engineering Department also extended the House Repairing Programme to Kg. Teluk Nipah on Pulau Indah from 23 June to 1 July 2020. Repairing and painting helped improve the living conditions of the local community. A new floormat, fan and mattress were also given to a family.

Westports' Engineering Team improved the living conditions for one family in Kg. Sungai Kambung on Pulau Indah. The repairing work was completed over seven days and included repairing and painting work as well as placing a new floor mat, installing a fan and purchasing a new mattress for this family.

Westports' Engineering team also continued to provide conducive surroundings for the community in Pulau Indah by repairing a Kindergarten and Hall from 15 to 21 December 2020. The repairing work took five days to complete and included repairing and painting work as well replacing a roof and constructing new concrete.

AIR CONDITIONING SERVICING

Fifteen employees from the M&R Department serviced the air conditioning at Masjid Ar Rahman in Sg. Pinang on 4 and 5 March 2020. It was hoped that a cooler mosque would be a more conducive environment for worship. The volunteers also saved the mosque's management approximately RM2,000 in maintenance fees.

ELECTRICAL SERVICES AT KAMPUNG TELUK NIPAH

The M&R Department provided electrical services to a library and community hall at Kg. Teluk Nipah, Pulau Indah on 17, 18 and 21 December 2020. The employees inspected the electrical circuits and replaced a faulty ballast, bulb, starter, ceiling fan and sockets.

SAFETY AND SECURITY ON PULAU INDAH

Westports takes the initiative and proactive approach to not only care for the Port but its surrounding areas. Westports operates medical clinics and acts as first responders in emergency situations through its port police, ambulance and fire engine services.

OSH AWARENESS PROGRAMME

Sixteen staff from the Maintenance and Repair ("M&R") Department delivered an

OSH Awareness Programme to 240 students from Kolej Vokasional Klang. Held on 12 February 2020, the programme promoted OSH culture and increased the students' technical knowledge. The volunteers also demonstrated the right procedure for working at height using suitable personal protective equipment ("PPE").

PROGRAM KOMUNITI BERSAMA PDRM

Eight employees from the Port Police Department engaged with 310 local community members on 16 February 2020. PDRM offered advice on reducing crime in the local community and also shared some of Westports' crime reduction initiatives.

FIRE EXTINGUISHER AUDIT AT SMK PULAU INDAH

Four volunteers from the Port Police Department audited 57 fire extinguishers at SMK Pulau Indah on 3 November 2020. This programme checked that all fire extinguishers in SMK Pulau Indah were functioning well.

DENGUE PREVENTION PROGRAMME

ESH employees delivered the Dengue Prevention Programme to residents of Kg. Perigi Nenas on 15 December 2020. Conducting a '*gotong-royong at home*' campaign with the villagers helped raise

awareness of the dengue virus. The programme was supported by the Klang District Health Office who performed search and destroy on potential mosquito breeding grounds.

COMMUNITY CLINIC

Westports has extended medical coverage to employees' immediate family members and residents of Pulau Indah. Westports has operated the Community Clinic ("klinik masyarakat") next to its in-house clinic since 2003. A dedicated doctor, staff nurse and administrator are supported by a shared medical team and full medical facilities. Westports also has its own ambulance service, which is available 24 hours a day, to transport patients to other nearby clinics and hospitals if required.

Consultation fees are waived for Pulau Indah residents and the medicine dispensed is affordable. The clinic also serves as a panel clinic for the staff of landed clients and other Pulau Indah companies.

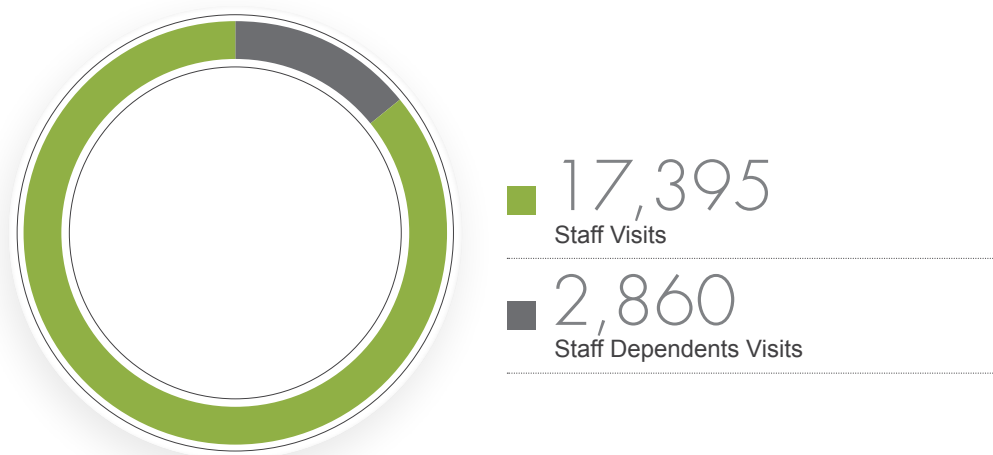
The number of community members benefiting from this facility has continued to increase over the years. RM596,984 has been spent on running and maintaining this clinic over the last three years.

SOCIETY

Number of Community Members Benefiting from Westports' Klinik Masyarakat

	2018	2019	2020
No. of Community Members	5,052	5,753	2,860
Annual Running Cost (RM)	221,216	206,846	158,286

Breakdown of Patients Treated by Westports Clinics



CLEAN ENVIRONMENT

Being an environmentally-friendly port has become a recent priority. As the world's environmental health is deteriorating, Westports promotes green behaviour and culture to address environmental degradation that may result from operations such as air quality, climate change and water quality.

SHARING EXPERTISE

In 2020, Westports and Management & Science University (MSU) signed a three-year Memorandum of Understanding (MOU) to collaborate and share expertise on environmental initiatives, including mangrove conservation, at Pulau Indah.

Working with local communities and organisations will strengthen and inspire the youth, especially those from Pulau Indah, through exposure to environmental activities and raising environmental awareness.

The collaboration comprises research, education and other environmental activities such as seminars, discussions, round table discussions and other mutually-beneficial activities.



Objectives

- Promote environmental protection and raise awareness of conservation
- Share experience of protecting the Earth
- Educate and present opportunities for young people to be environmentally-responsible and take positive sustainable action
- Educate the public on the importance of the forest and green energy for the Earth



Westports' role

- Support all environmental activities planned by MSU especially on Pulau Indah
- Bring expertise in logistics and management and others in the industry panel to MSU
- Promote blended learning techniques, which support teaching and learning
- Provide MSU with an opportunity to conduct experiments together with Westports staff
- Offer to conduct certain MSU projects
- Involve MSU students in joint environmental-conservation activities with Westports
- Allow MSU students to participate in Westports' environmental programme

PLASTIC HUNT

The Marketing Department held a Plastic Hunt with residents of four Pulau Indah villages on 12 September 2020. The employees helped collect 88.5 kg of recyclable rubbish and delivered it to the recycling centre.

SUSTAINABLE OPERATIONS

Safe operations are a priority at Westports as they:



Guarantee the safety of employees, cargo and port users; and



Protect the environment from risks arising from operations.

Our business includes our approach to governance, our assets and the way we conduct our operations. How we do business is as important as what we do and we are committed to being ethical, responsible and transparent in our actions. Setting and embedding governance procedures and policies that drive a consistent, systematic approach in daily operations is central to this. This minimises the potential for business disruption and secures our reputation as a trusted partner of choice for customers and other stakeholders. We act ethically and in compliance with national and international laws.

SUSTAINABLE TRADE THROUGH THE STORM

Westports delivers, supports and actively promotes efficient operations to meet current and future demand. Collaborating with stakeholders improves the efficiency of port and supply chain operations including road transport in and around the port. Westports always seeks new ways of working that support the sustainable development and management of business services.

With many countries across the globe locked down due to the pandemic, with stay-at-home restrictions and the closure of practically all non-essential businesses, global trade collapsed as demand and consumption crash and supply chains are severed.

However, container throughput numbers were relatively flat throughout the first quarter with a negligible drop of less than 1%. When Malaysia enforced a Movement Control Order (MCO) in March, Malaysia's largest trading partner, China, had already reopened.

Westports' volume was 10.9 million TEUs and a utilisation rate of 78% last year. Yard Zone Z at Container Terminal 9 (CT9) was completed in 2020, which allows more containers to be housed in the terminal.

The Westports II expansion plan is expected to increase the port's capacity by 50% to 28 million TEUs per annum by 2040. After receiving an approval letter from the Economic Planning Unit, Westports can proceed with the proposed land acquisition of Marina Land. This development is in line with the management's strategy to undertake a periodic increase in its container throughput capacity to meet the projected increase in demand.

VESSEL PRODUCTIVITY

Westports achieved impressive vessel productivity of 294 Vessel Gross Moves Per Hour (VGMPH) over a 32-hour period with a crane ratio of 7.8 deployed to handle 9,440 moves. Impressively, this accomplishment occurred between 18 and 19 May 2020, during Ramadhan where Muslims fast each day from dawn to sunset.

The notable vessel productivity was performed on CMA CGM's vessel, CMA CGM VASCO DA GAMA which has a Length Overall (LOA) of 400 meters.

SUSTAINABLE OPERATIONS

Highlights

72%
of containers handled were 40-foot

73%
of the moves were single-lift operations

521 reefer units handled

28 Out of Gauge cargo units
(larger than standard)

1 unit Un-containerized Cargo
(UC), which required additional care

62%
of the containers handled were laden

Exceeded **400 VGMPH**
during a 7-hour period

Overall vessel productivity was
294 MPH

Average crane productivity of
37.5 MPH

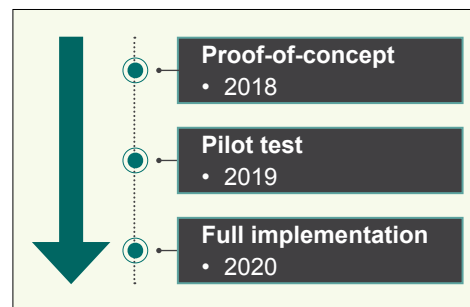
Employees' commitment and dedication in planning and performing reflect Westports' commitment to continue leading the industry in productivity, even during the month of Ramadhan and many blank sailings during a health crisis.

Westports also reduced the number of emails required for vessel planning. The ETP 3.0 platform allows all shipping lines to enter their yard and berth planning information. The data is transmitted directly to OPUS, which minimises data entry errors and results in quick and proper recording.








THE WORLD'S FIRST 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 and this is the world's first implementation on a wireless network and infrastructure.

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.



RPS Benefits

-  Improves work safety
-  Remote working from terminal
-  Turnaround time reduced by one-third to 30 seconds
-  Improves accuracy
-  Reduces waste
-  One employee can perform the work of three
-  Redeploy staff to other operations

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.

WAIVER OF STORAGE FOR NON-ESSENTIAL CARGO

Port storage charges are collected for full containers that have not been cleared for import, those awaiting shipping and empty containers stacked within the port. Normally, cargo owners are given two days to collect their containers, failing which they incur storage, demurrage and removal charges of between RM75 to RM100 per day per TEU.

The movement of non-essential goods was restricted during the Movement Control Order. Some importers and exporters applied for permits to transport containers. However, those dealing in non-essential goods for small and medium enterprises that were unable to procure such permits would have to continue to pay for these charges. Westports waived storage fees from 16 to 29 March 2020 to help minimise the economic impact of the pandemic.

SUSTAINABLE OPERATIONS

PUBLIC SAFETY

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



AMMONIUM NITRATE AND OTHER HAZARDOUS MATERIALS

A devastating explosion at the Port of Beirut killed at least 200 people and injured approximately 5,000 others. The blast destroyed the immediate dockside area, creating a crater approximately 140 m wide, which flooded with seawater.

The detonation was believed to have been caused by 2,750 tonnes of ammonium nitrate. A similar volume of this chemical had arrived on the MV Rhosus in 2013 after suffering technical problems. The Rhosus was inspected, banned from leaving and the chemical was unsafely stored at a warehouse in the port. Westports checks

warehouses to ensure ammonium nitrate and other hazardous materials are not being stored.

Crime Free Port, Protection at Every Angle

Westports Port Police was assigned policing powers in 2009 under the NKRA programme for the entire of Pulau Indah. Westports' mission is to protect the port's security and keep 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.

First Responders



Westports' Port Police act as first responders in emergencies and are the 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 controls for the online port pass application, turnstile, card reader and boom gate. There were zero thefts of containers and cargo in 2020.

SUSTAINABLE OPERATIONS

A Crime Investigation and Planning Committee was formed with systematic guidelines and standard operating procedures. Highly qualified in crime analysis and investigation, the team investigated and solved all pending cases from 2019 and is now working on recent cases. 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 cases of cargo theft and suspicious cargo.

Impact of Westports' Security Management Programme and Crime Prevention Initiatives

- Successfully concluded all previous years' cases with criminals being brought to court to be charged
- Successfully controlled illegal intrusion including trespassing, accessing the port without official documents, illegal vehicles and container theft

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

Drug-induced accidents are increasing in the port industry and 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 in 2020. The Port Police and Royal Malaysian Police took urine samples from employees in an effort 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, which monitors movement and other information.

Stricter Summons Regulations

PDRM granted Westports' Port Police the authority 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. In 2020, Malaysia lost significant revenue from unpaid duties due to smuggling activities.

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

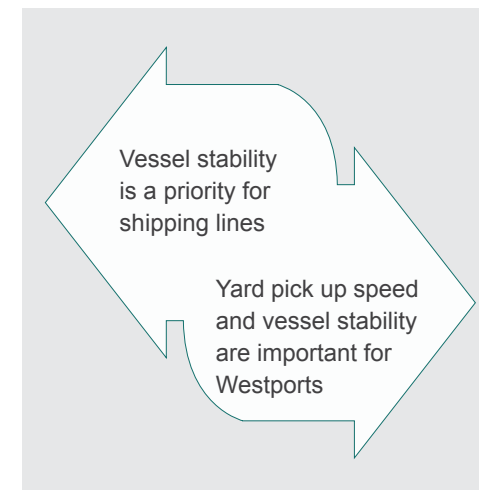
EFFICIENT YARD PLANNING

Westports' Terminal Operating System (TOS) is progressing to an Advanced Vessel Planning (AVP) system. AVP has replaced the many manual tasks that were previously performed in Cosmos.

Prior to AVP, all containers were unloaded before load boxes were placed on the vessel. Futile trips resulted as terminal tractors returned without a load. AVP evaluates the cost and loading speed, which improved the percentage of laden trips from zero to 30%.

Westports targets increasing laden trips to between 40% and 50%. However, simultaneously discharging and loading must be balanced as there is a space constraint in the yard. According to this new

efficient yard planning, one quay crane is employed to discharge and another to load on the same vessel.



This initiative has reduced manpower as one planner can handle five vessels as opposed to three previously. The time has also reduced from three to one hour with planner groups downsizing from 18 to four per group.

EFFICIENT TRANSHIPMENT 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.

SUSTAINABLE OPERATIONS

The bulk of containers are transhipment 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.




IMPROVING THE RELIABILITY OF OUR REEFER SERVICES

Reefer containers are large fridges that are used to transport temperature-controlled cargoes such as fruit, meat, fish, seafood, vegetables and dairy. Non-food products such as flowers, pharmaceuticals and film also use reefer containers.

External contractors are employed to check the temperature of reefer containers stored in the container yard every four hours. The findings are sent to the liners online as reefers store high-value cargo.

In 2020, Westports introduced a Reefer Monitoring System. Once reefer containers enter the yard, electricity is connected. The

Reefer Monitoring System logs the difference between the actual and optimal temperature.

-  Manual labour reduced
-  Spoilage minimised
-  Safety increased as less people are in the container yard

Westports has no control over when the ship's crew unplugs the container. However, reefer containers must be connected to mains power during the P-check at the wharf. Westports' data logger shows the exact time that the container was without power.

Each of the nine reefer blocks has its own electricity supply. In the event of a power disruption, the affected block can switch to another substation. In the unlikely event that power to the entire yard is affected, generators are used.

NEW WESTPORTS LOGISTICS CENTRE

On 12th March 2020, the Chief Minister of Selangor, YAB Dato' Seri Amirudin Bin Shari officially opened Westports Logistics Centre. This centre will accommodate local

and international warehouse and logistics companies including Infinity Logistics & Transport Sdn Bhd, Syarikat Logistik Petikemas Sdn Bhd, Alfred Talke Logistic Services, Sea Hawk Global Lines Sdn Bhd and SH Cogent Logistics Sdn Bhd.

All-purpose general warehouses are being built to facilitate and accommodate cargoes for regional distribution centres and bagging-packaging facilities. Two state-of-the-art facilities will house special purpose-built temperature-controlled chambers that can store hazardous and non-hazardous goods. These special warehouses will be the only facilities of their kind located inside a port within this region. The first warehouse is scheduled to be fully operational by the end of 2020.

As Westports Logistics Centre is strategically located within the container terminal operations area to help the logistics and warehouse operators handle their cargo imports, exports and redistribution requirements efficiently and expediently, especially to and from regional markets within Asia.

LIQUID BULK TERMINAL

Shell Malaysia Trading Sdn Bhd signed a 14-year sub-lease agreement with Westports for storing, supplying and distributing petroleum products. The refurbishment work began in December 2019 and was

completed in May 2020. Following the launch, Shell Malaysia has a total of 16 liquid bulk terminals nationwide.

Shell Malaysia is planning to expand with three additional storage tanks and cargo pipelines to cater to growing fuel demand in the Klang Valley. Six storage tanks currently occupy 10.1 hectares (25 acres). The expansion commenced in November and is scheduled for completion by the fourth quarter of next year.

Three storage tanks will each have a capacity of 15 million litres. The liquid bulk terminal currently delivers 1.67 million litres of petroleum products per day.

PRIVACY

Westports treats all personal data as private and confidential and handles it in a fair, accurate and secure manner. All employees who possess, have control over or authorise the processing of personal data must ensure it is protected to safeguard the interests of all individuals involved. The Group and employees involved in processing personal data must:

- Comply with any relevant rules, regulations, legislations and controls that have been introduced to protect privacy and personal information; and
- Adhere to the seven enforceable data protection principles of good practice.



INDEPENDENT VERIFICATION STATEMENT

To: The Stakeholders of Westports Holdings Berhad

Introduction and objectives of work

Bureau Veritas has been engaged by Westports Holdings Berhad ("Westports") to conduct an independent verification of its Sustainability Report 2020. This Verification Statement applies to the information included within the scope of work described below. This information and its presentation in the Sustainability Report 2020 are the sole responsibility of the management of Westports. Bureau Veritas was not involved in the drafting of the report. Our sole responsibility was to independently verify the accuracy and assure the information contained in the report. This is the first year that we have been engaged to verify Westports Sustainability Report.

Scope of work

Westports requested Bureau Veritas to verify the accuracy of the data and information included in its Sustainability Report 2020.

Methodology

As part of its independent verification, Bureau Veritas undertook the following activities:

1. Interviews with relevant personnel including Heads of Department.
2. Review of documented evidence produced by Westports including but not limited to operational environmental data and environmental performance including energy, water, waste, pollution and GHG emissions.
3. Audit of performance data.
4. Review of Westports' systems including but not limited to the Environmental Management System for qualitative and quantitative data aggregation and analysis.
5. Site verification and review at Westports' office in Pulau Indah, Port Klang.
6. Our work follows Bureau Veritas' standard procedures and the Global Reporting Initiative (GRI) Sustainability Reporting Standards. It is based on current best practice in independent assurance.
7. The work was planned and carried out to provide limited, rather than absolute assurance. We believe it provides an appropriate basis for our conclusions.



Our findings

Based on our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated.
- It is our opinion that Westports has established appropriate systems for the collection, aggregation and analysis of qualitative and quantitative data such as key performance.
- Westports has been certified with the ISO 14001 Environmental Management System since 2009, effectively implemented the certification according to the international standard and established the environmental policy to achieve its goals and objectives.
- Westports contributes significantly to Port Klang's concerted efforts to transform the port industry by adapting new environmentally-sustainable practices which led to Port Klang achieving the APEC Port Services Network (APSN) Green Port 2020 for the second time since 2017.
- Westports produced clinical waste such as disposable masks and gloves used during the Covid-19 pandemic. This contributes to the increase in the total clinical waste disposed of in 2020 compared with the previous year. There was evidence that instructions for the safe disposal of this type of waste were given to all members of staff.
- Westports recorded strong growth in its Hydraulic Oil Recycling. Hydraulic Oil Recycling recorded an increase from 7.6 tonnes in 2019 to 13.4 tonnes in 2020, which resulted in a 76.3% increase.
- Westports places a strong emphasis on mitigating the impact of climate change, emissions and pollution. The Group's commitment to reducing greenhouse gas emissions is delivered through innovation, adaptation, risk assessment and operational efficiency. In monitoring and reporting its carbon emissions, the internationally-recognised Greenhouse Gas Protocol established by the World Business Council for Sustainable Development (WBCSD) and World Research Institute (WRI) has been adopted.

Scope 1: Direct GHG Emissions (produced by company-owned vehicles and machinery such as TTs, RTGs, tugboats, pilot boats and buses)

Scope 2: Indirect GHG Emissions (purchased electricity used to power quay cranes, reefer containers and the port operational facilities at the company's headquarters)

Scope 3: Other Indirect GHG Emissions (air travel and employees travelling to and from work)
The verification is based on the requirements of ISO 14064-3:2019 and the following information was verified (tCO2e: C02-e Emissions (tonnes))

Scope 1: 132,400

Scope 2: 70,109

Scope 3: 8,939



- Westports continued to strengthen its engagement with key external stakeholders. By engaging with national and state-level government, Westports continues its commitment to local regulators throughout its journey of sustainable transformation.

Limitations and exclusions

Any verification of the following information is excluded from our scope of work:

- Activities outside the defined verification period
- Positional statements (expressions of opinion, belief, aim or future intention by Westports Holdings Berhad and statements of future commitment);
- Data identified by the client for non-inclusion, geographical operations/activities excluded, subsidiaries/Joint Ventures, etc.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services, and an annual turnover in 2020 of EUR 4,600 million.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with Westports Holdings Berhad, its directors or managers beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

The assurance team has extensive experience in conducting verification and assurance of environmental, social, ethical and health and safety information, systems and processes. The team has over 7 years of combined experience in this field and an excellent understanding of the Bureau Veritas standard methodology for the assurance of sustainability reports.

Bureau Veritas

Kuala Lumpur, MALAYSIA

18th March 2021

Kamaruzaman Bin Mohamed

LEAD VERIFIER



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