



HUTCHISON PORTS (UK) SUSTAINABILITY REPORT 2023

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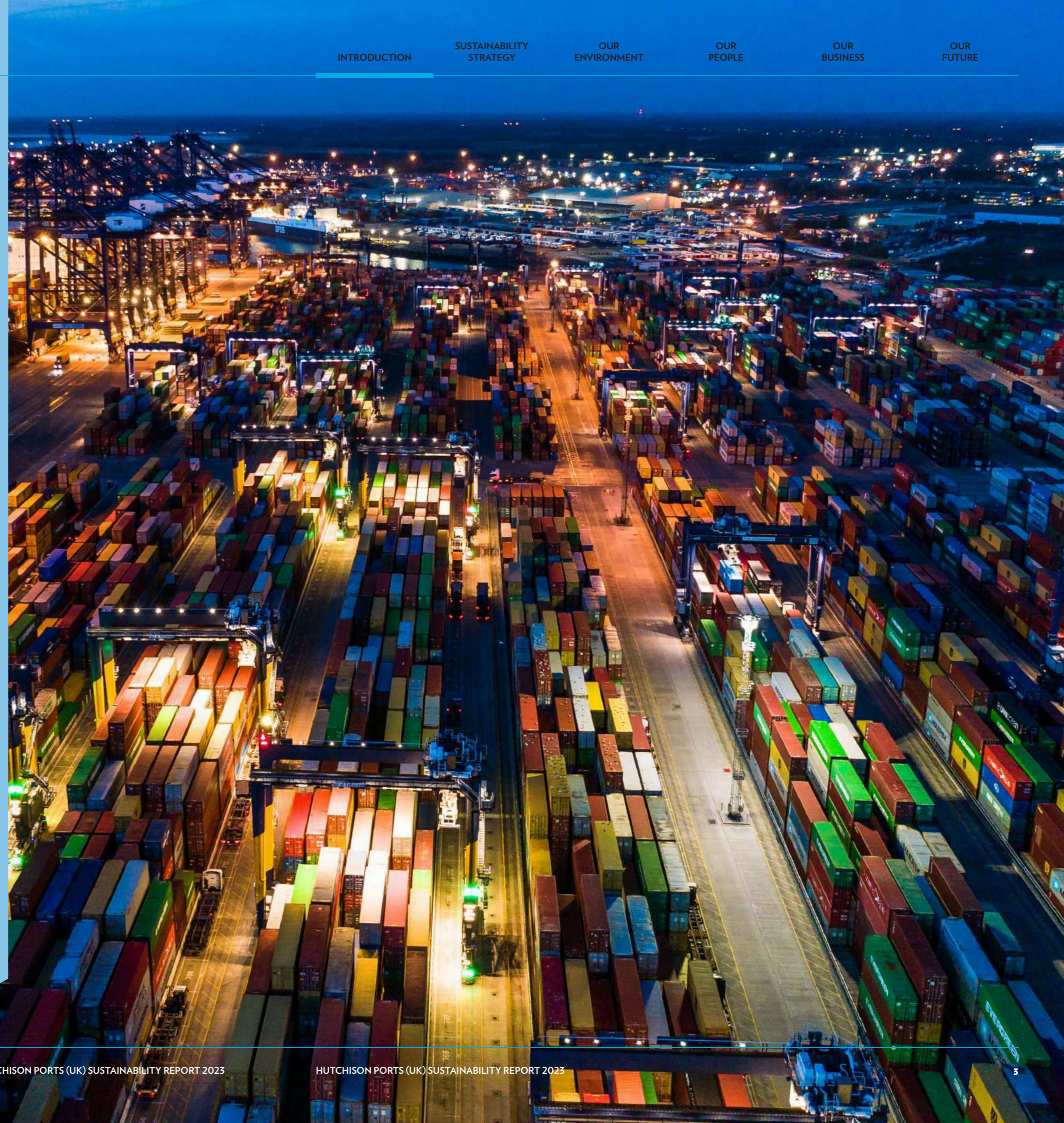
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INTRODUCTION

OUR SUSTAINABILITY JOURNEY

Our Goal is to be the preferred partner for a sustainable supply chain

OUR BUSINESS

Operate responsibly and with integrity
Embed rigorous and effective governance



AIMS
Grow responsibly
Adopt ethical and sustainable business practices
Sustainable procurement

NET ZERO 2035



AIMS
Enhance safety and wellbeing
Diverse and inclusive culture
Sustainable career opportunities
Community engagement



OUR PEOPLE
Creating great places to work
Investing in local communities



OUR ENVIRONMENT

Delivering net-zero
Creating sustainable ports

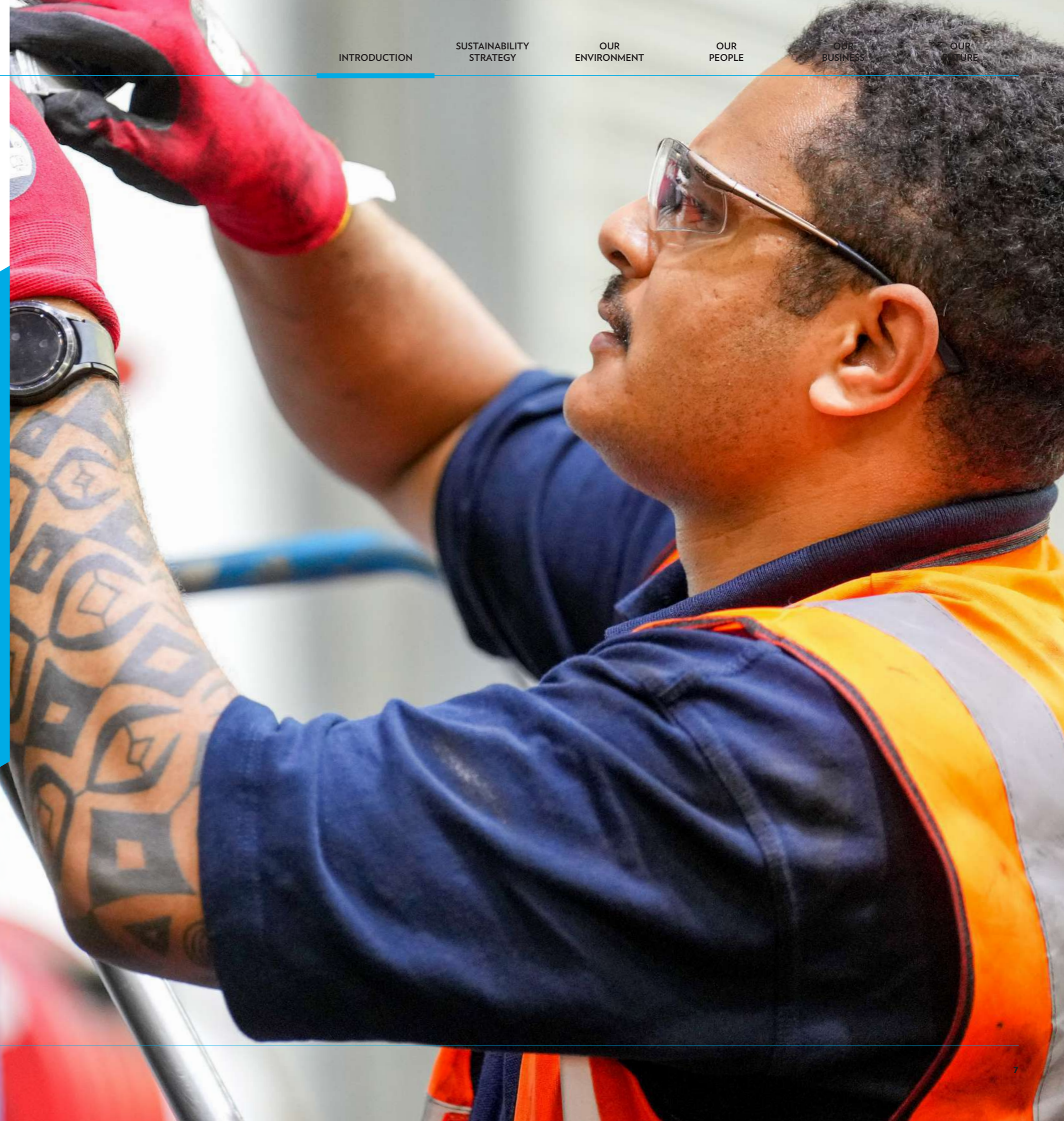


AIMS
Net-zero by 2035
Remove diesel from operation
Invest in renewable energy
Protect our planet



1

INTRODUCTION



FOREWORD

INTRODUCTION FROM CLEMENCE CHENG

CHIEF EXECUTIVE OFFICER



“WE STRIVE TO CREATE A THRIVING WORKPLACE, PROMOTE SAFETY, DIVERSITY, AND INCLUSIVITY, ADOPT BEST ENVIRONMENTAL PRACTICES AND BE A RESPONSIBLE MEMBER OF OUR COMMUNITIES”

The ports industry plays a vital role facilitating the trade upon which the global economy relies and as the global economy responds to the challenge of climate change so must we. As part of Hutchison Ports, the ports and related services division of CK Hutchison Holdings Limited (CKHH), we share the same commitment to minimise the adverse impact of our operations on our people, environment, and business. We strive to create a thriving workplace, promote safety, diversity, and inclusivity, adopt best environmental practices and be a responsible member of our communities. By doing this we will help create a sustainable future.

There is pressure from across society for higher standards of sustainability. We very much support this and welcome the focus it brings on corporate performance. But we are not just the recipients of pressure, we also apply it; most importantly to ourselves but also to our customers, our suppliers and our stakeholders. We want to help set the standards and drive improvement, not simply to meet the standards set by others.

On 19 December 2023, Hutchison Ports was notified by Science Based Targets initiative (SBTi) that our near-term, long-term and net-zero targets have been validated and approved, making

Hutchison Ports the first global port operator to join over 5,000 companies with approved science-based targets to achieve our net-zero commitments. This is a significant achievement for Hutchison Ports.

There will be challenges reaching this target globally but we should be able to overcome those challenges more quickly in the UK than in some other parts of the world. So, whilst our global target is to achieve net-zero for scope 1 & 2 GHG emissions by 2050, in the UK we have set ourselves the target of reaching this milestone by 2035.

We are already on the road to achieving our goal. We have taken delivery of the first batch of an order for 100 battery-powered autonomous trucks as well as 48 conventionally driven electric tractor units. We are continuing to introduce semi-autonomous remote controlled electric yard cranes and have committed to purchasing only electricity certified as from renewable sources.

We cannot successfully rollout these initiatives without the support of our employees. The nature of work is changing. We are seeing greater use of remote-control technology and autonomous equipment. In future, we will see greater use of AI and will

continue to prioritise developing safe, inclusive and engaging workplaces where employees with different backgrounds feel supported, proud and recognised.

We will continue to provide high quality jobs and support our colleagues’ career journeys and development whilst ensuring that our teams are inclusive, diverse and representative of the communities in which we operate. We value the contribution of our people and continue to foster a culture of resilience, collaboration, innovation and excellence.

As we go forward, decarbonisation, energy use and efficiency, cyber security and data protection, occupational health and safety and port security will remain our priorities. With these in mind, we will continue to deliver our Sustainability Strategy through the three pillars of **Our Environment, Our People and Our Business.**



“IN THE UK WE HAVE SET OURSELVES THE TARGET OF REACHING THIS MILESTONE BY 2035.”

ABOUT US

HUTCHISON PORTS

Hutchison Ports is the ports and related services division of CK Hutchison Holdings Limited. Hutchison Ports is the world's leading port investor, developer and operator with a network of port operations in 53 ports spanning 24 countries throughout Asia, the Middle East, Africa, Europe, the Americas and Australasia.

CK Hutchison Holdings is a multinational conglomerate listed on the Hong Kong Stock Exchange. It has four core businesses – ports and related services, retail, infrastructure and telecommunications – group companies include UK Power Networks, Three, Superdrug, Northumbria Water and Northern Gas Networks.

Over the years, Hutchison Ports has expanded into other logistics and transportation-related businesses, including cruise ship terminals, distribution centres, rail services and ship repair facilities.

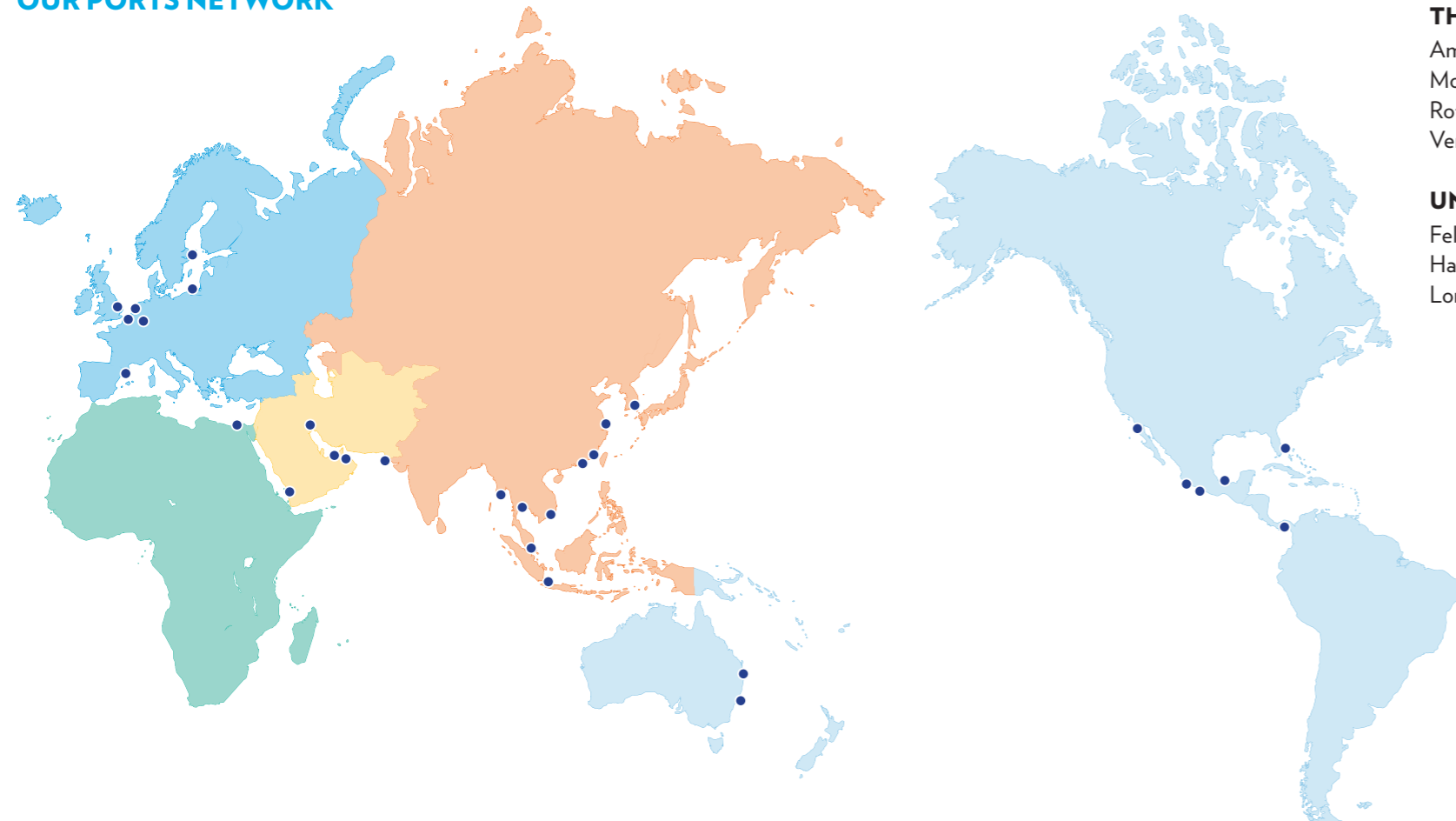
With over 19,000 employees worldwide, Hutchison Ports is committed to providing a safe and healthy work environment for its employees. The company values its employees and encourages a culture of collaboration, innovation, and excellence.

Hutchison Ports has obtained the approval from the Science Based Targets initiative (SBTi) for its groupwide greenhouse gas emissions reduction

targets and 2050 net-zero target. SBTi confirmed the conformity of its targets with their net-zero criteria. The targets are in line with the trajectory to limit global warming to 1.5°C above pre-industrial levels.

To achieve the GHG emissions reduction targets, Hutchison Ports has developed a net-zero strategic roadmap which takes into account the past emissions pattern, future plan on electrification of fleet, adoption of renewable energy and alternative fuel.

OUR PORTS NETWORK



THE WORLD OF HUTCHISON PORTS 53 PORTS IN 24 COUNTRIES

EUROPE

BELGIUM

Willebroek

GERMANY

Duisburg

POLAND

Gdynia

SPAIN

Barcelona

SWEDEN

Stockholm

THE NETHERLANDS

Amsterdam
Moerdijk
Rotterdam
Venlo

UNITED KINGDOM

Felixstowe
Harwich
London Thamesport

MIDDLE EAST

IRAQ

Basra

OMAN

Sohar

SAUDI ARABIA

Jazan

UNITED ARAB EMIRATES

Ajman
Ras Al Khaimah
Umm Al Quwain

THE AMERICAS

BAHAMAS

Freeport

PANAMA

Balboa
Cristobal

MEXICO

Ensenada
Lazaro Cardenas
Manzanillo
Veracruz
Hidalgo

ASIA

MAINLAND CHINA

Huizhou
Jiangmen
Nanhai
Ningbo
Shanghai
Shenzhen
Xiamen

HONG KONG, CHINA

Kwai Tsing
Tuen Mun

INDONESIA

Jakarta

MALAYSIA

Port Klang

AUSTRALASIA

AUSTRALIA

Brisbane
Sydney

MYANMAR

Thilawa

PAKISTAN

Karachi

SOUTH KOREA

Busan
Gwangyang

THAILAND

Laem Chabang

VIETNAM

Ba Ria Vung Tau

AFRICA

EGYPT

Alexandria
El Dekheila
Abu Qir
Ain Sokhna
B100

ABOUT US

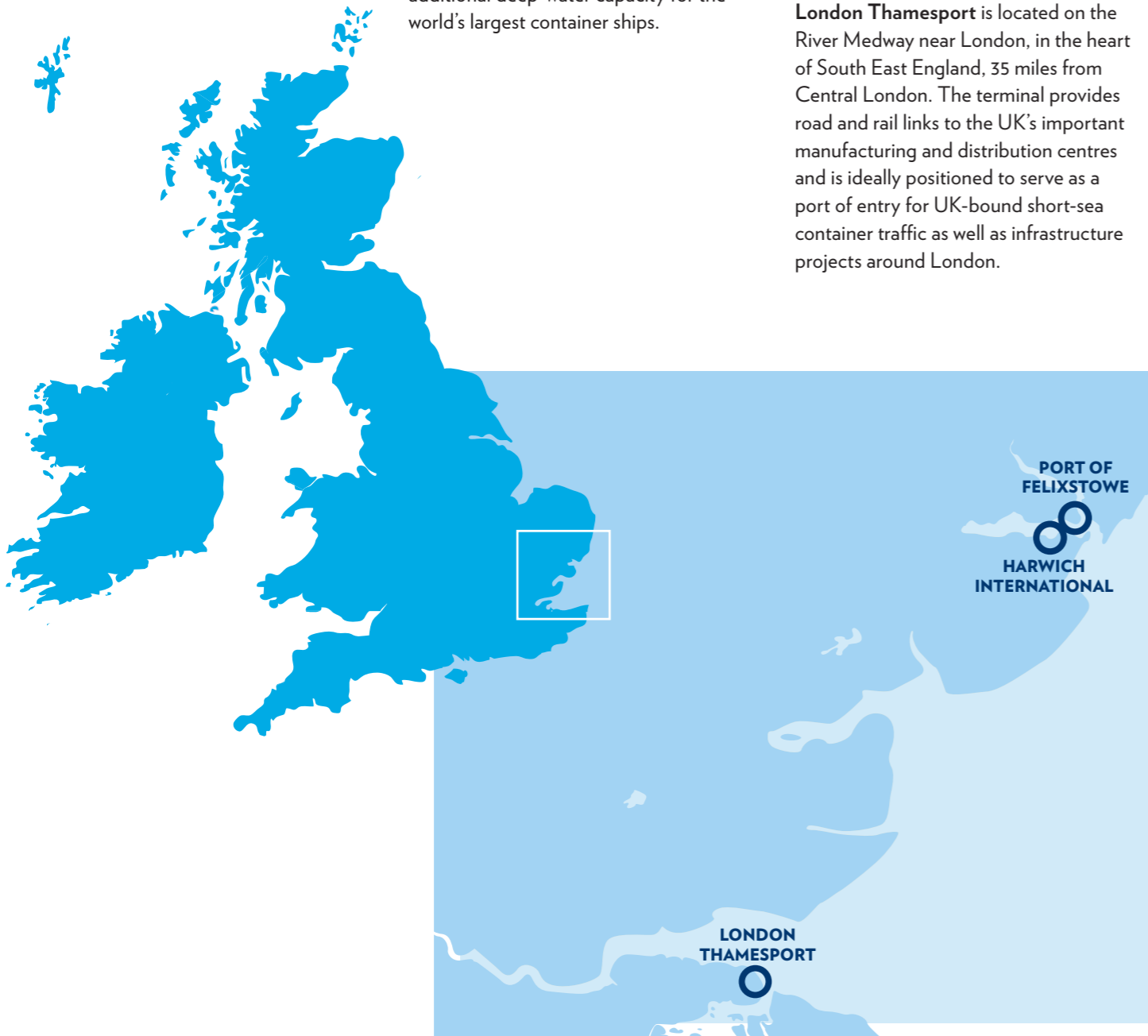
HUTCHISON PORTS (UK)

Hutchison Ports (UK) operates three of the UK's major ports; the Port of Felixstowe, Harwich International and London Thamesport. It employs 2,800 people across the three sites.

The Port of Felixstowe is strategically located on the UK's South East coast and within easy reach of major ports in North West continental Europe. As the UK's first purpose-built container-handling facility, it is also the largest and busiest container port in the country. With three rail terminals, it also has the busiest and biggest intermodal rail freight facility in the UK. The latest phase of development, Berths 8&9, provides additional deep-water capacity for the world's largest container ships.

Harwich International is one of the UK's leading multi-purpose freight and passenger ports with excellent road and rail links to the Midlands, London and the South East. It is ideally located for North Sea freight and passenger traffic to and from Scandinavia and the Benelux countries, offering first class ro-ro, ferry, container and bulk operations as well as support services for the offshore renewable energy industry.

London Thamesport is located on the River Medway near London, in the heart of South East England, 35 miles from Central London. The terminal provides road and rail links to the UK's important manufacturing and distribution centres and is ideally positioned to serve as a port of entry for UK-bound short-sea container traffic as well as infrastructure projects around London.



KEY STATISTICS



3 PORTS



2,800 EMPLOYEES



5 RAIL TERMINALS



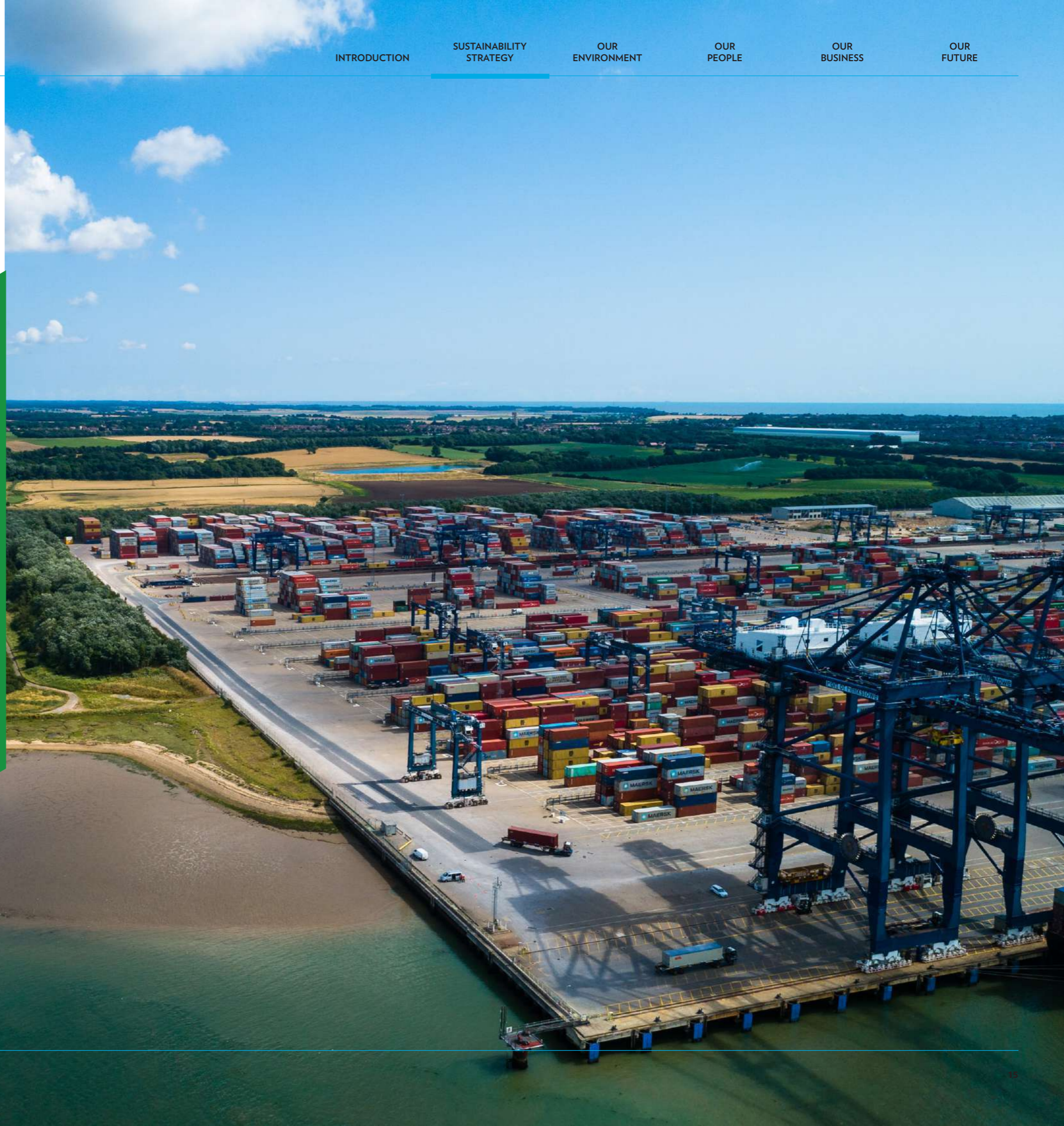
3.4M TEU



590,000 RO/RO TRAILERS

2

SUSTAINABILITY STRATEGY



BUILDING A SUSTAINABLE FUTURE

OUR APPROACH

Our strategy has been developed in line with the United Nations Sustainable Development Goals (UNSDGs). Ten of the UNSDGs are material to our operations and form core elements of our strategy, reflecting our commitment to addressing global challenges and contributing to a sustainable future.

OUR VALUES AND BELIEFS

As a member of Hutchison Ports, UNITY reflects a commitment to excellence, integrity and working together. These values underpin our approach to sustainable development.

At Hutchison Ports UK (HPUK) we act as ONE TEAM, building our future together.

We Trust one another, deliver an Efficient service, are Ahead in our thinking and are committed to Making an impact.

CREATING A SUSTAINABLE CULTURE

We are working to embed sustainability fully into our culture, through our three pillars of Our Business, Our Environment and Our People.

MEETING OUR CUSTOMERS' NEEDS

At HPUK, meeting our customers' needs is a priority. Our sustainability approach is not only the right thing for our planet and future generations, but also supports our customers in achieving their own sustainability goals.



BUILDING A SUSTAINABLE FUTURE

THREE PILLARS

As members of Hutchison Ports we subscribe to the objective to be “The preferred partner for a sustainable supply chain”. We recognise that this will be an ongoing process and not a discrete event. It involves working in collaboration with our colleagues, customers, suppliers, and contractors, to engage with our supply chain. We will achieve and sustain this objective through a medium to long-term journey of commitment, leadership, and a determination to go beyond mere compliance.

Minimising the impacts of our operations is a key strategic focus of the business. Our sustainability strategy focuses on 10 of the 17 UNSDGs. Delivering the strategy requires a focussed approach. To do this we have grouped the key material concerns of our organisation under three pillars; Our People, Our Environment and Our Business.

By adopting the word “our” in front of each pillar, we want to secure wider buy-in and reinforce the message that sustainability is every employee’s responsibility.

OUR PEOPLE

Our people are our strength. We are fully supportive of our colleagues’ career journey and development, whilst ensuring that our teams are inclusive, diverse and representative. We also engage in activities supporting our communities.

OUR ENVIRONMENT

Hutchison Ports (UK) is committed to protecting the environment. We are working to mitigate any adverse impacts caused by our operations, by adopting a strategy of reducing operational emissions and deploying the latest emissions reduction technology.

OUR BUSINESS

Our vision is to become the preferred partner for a sustainable supply chain. Through innovation and collaborative partnership, we are building smarter, more resilient and highly-efficient ports and workplaces.



BUILDING A SUSTAINABLE FUTURE

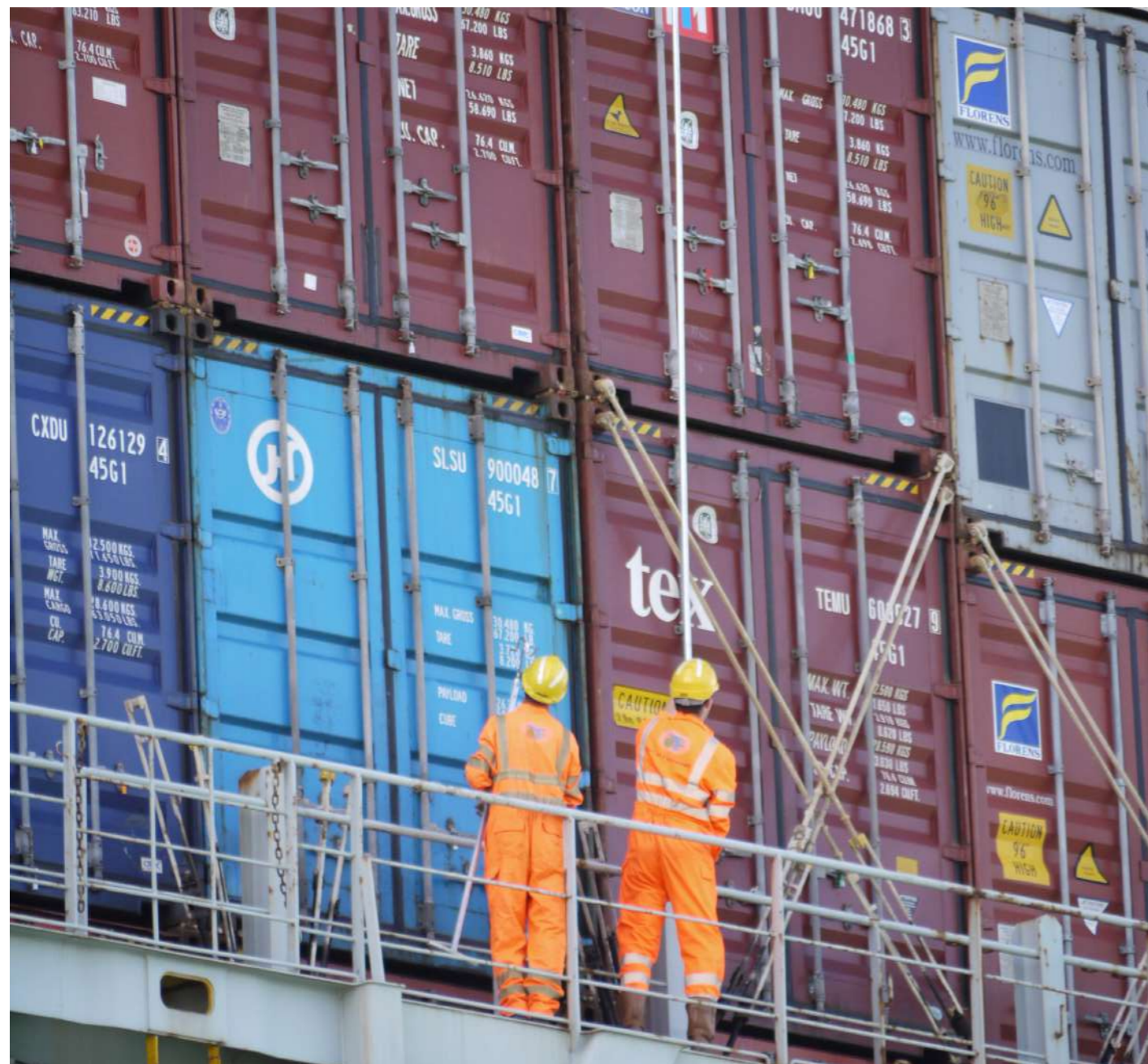
OUR AIMS AND OBJECTIVES

At Hutchison Ports (UK), our aim is to be the first choice for a sustainable supply chain partner, providing exceptional services to customers while upholding our commitment to minimal adverse impact on our people, environment, and business. We strive to create a thriving workplace, promote safety, happiness,

and inclusivity, adopt best environmental practices and be a responsible member of our communities. By doing this we will help create a sustainable future.

Sustainability at Hutchison Ports (UK) (HPUK) is about the constant challenge to explore new ways of delivering our

service, to fulfil the needs of society with the minimum adverse impact on our environment, whilst supporting our people and growing our business.



OUR ENVIRONMENT

- Net-zero by 2035
- Remove diesel from operations
- Invest in renewable energy
- Protect our planet



OUR PEOPLE

- Enhance safety and wellbeing
- Diverse and inclusive culture
- Sustainable career opportunities
- Community engagement



OUR BUSINESS

- Grow responsibly
- Adopt ethical and sustainable business practices
- Sustainable procurement

“THE FIRST CHOICE FOR A SUSTAINABLE SUPPLY CHAIN PARTNER, PROVIDING EXCEPTIONAL SERVICES TO CUSTOMERS WHILE UPHOLDING OUR COMMITMENT TO MINIMAL ADVERSE IMPACT ON OUR PEOPLE, ENVIRONMENT, AND BUSINESS”

BUILDING A SUSTAINABLE FUTURE

APPLICATION OF THE UN SUSTAINABILITY DEVELOPMENT GOALS

The objective of the United Nations Sustainability Development Goals (UNSDGs) is to create a sustainable future for everyone, by addressing some of the world's most pressing challenges.

By adopting and addressing each of the goals relevant to their operations, organisations can better align themselves with a global strategy. In the adopted 2015 framework there are 17 UNSDGs. Not each and every UNSDG is applicable to each organisation but as companies progress further along their sustainability journey it is expected that more of the goals will be incorporated into that company's overall framework.

Hutchison Ports (UK) has shaped our sustainability strategy in line with the UNSDGs to focus on 10 of the UNSDGs, implementing them through our three core sustainability pillars: Our People, Our Environment and Our Business to become Our Future. Thanks to the concerted efforts within our business, we continued to achieve significant progress against various UNSDGs in 2023.



GOAL 3
ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

- ISO 45001 (Occupational Health and Safety) certified.
- Strict application of the HPUK Health & Safety Policy.
- Promoted physical, mental, and emotional well-being through BEWELL initiatives in the workplace and the Occupational Health Centre.
- Trained Mental Health First Aiders (MHFA's)



GOAL 4
ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL

- Provide support to schools via the Dock School programme and learning opportunities for children in local communities.
- Continue to enhance SkillGate an online learning platform for use by employees
- Set up an engineering apprenticeship partnership with Colchester Institute to further career and learning opportunities.



GOAL 5
ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

- Implemented gender-neutral hiring, training, and promotion practices.
- Boosted group-wide employee career growth through professional training and personal development.
- Provided training for female workers to take up various roles in the port's operations – specifically around automation.



GOAL 7
ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE, AND MODERN ENERGY FOR ALL

- Contracted to purchase only electricity certified as being generated by solar, offshore wind or other renewable sources.
- Maintained EV charging points for use by visitors and staff
- Explored the viability of new alternative energy sources, such as green hydrogen.
- Participated in a feasibility study for a 100MW electrolyser to produce Hydrogen at Felixstowe
- Worked with Freeport East to produce a Green Transport Hub study



GOAL 8
PROMOTE SUSTAINED, INCLUSIVE, AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT, AND DECENT WORK FOR ALL

- Attained economic growth through ethical and sustainable business practices and governance while continuing to ensure comprehensive employee benefits.
- Made responsible actions to ensure adherence to ethical standards in our supply chain, particularly in working conditions and human rights through our supply chain engagement programmes.
- The company has implemented measures to promote employee development and empowerment, such as offering training and education opportunities and fostering a culture of innovation and entrepreneurship.



GOAL 9

BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

- Incorporated sustainable innovation and autonomous technologies into terminal operation.
- Invested to enhance efficiencies and reduce environmental impact such as securing renewable electricity and employing a circular economy.
- Continually developing world class digitisation systems that control the interface between the customer and the final supply of product through our ports.



GOAL 10

REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

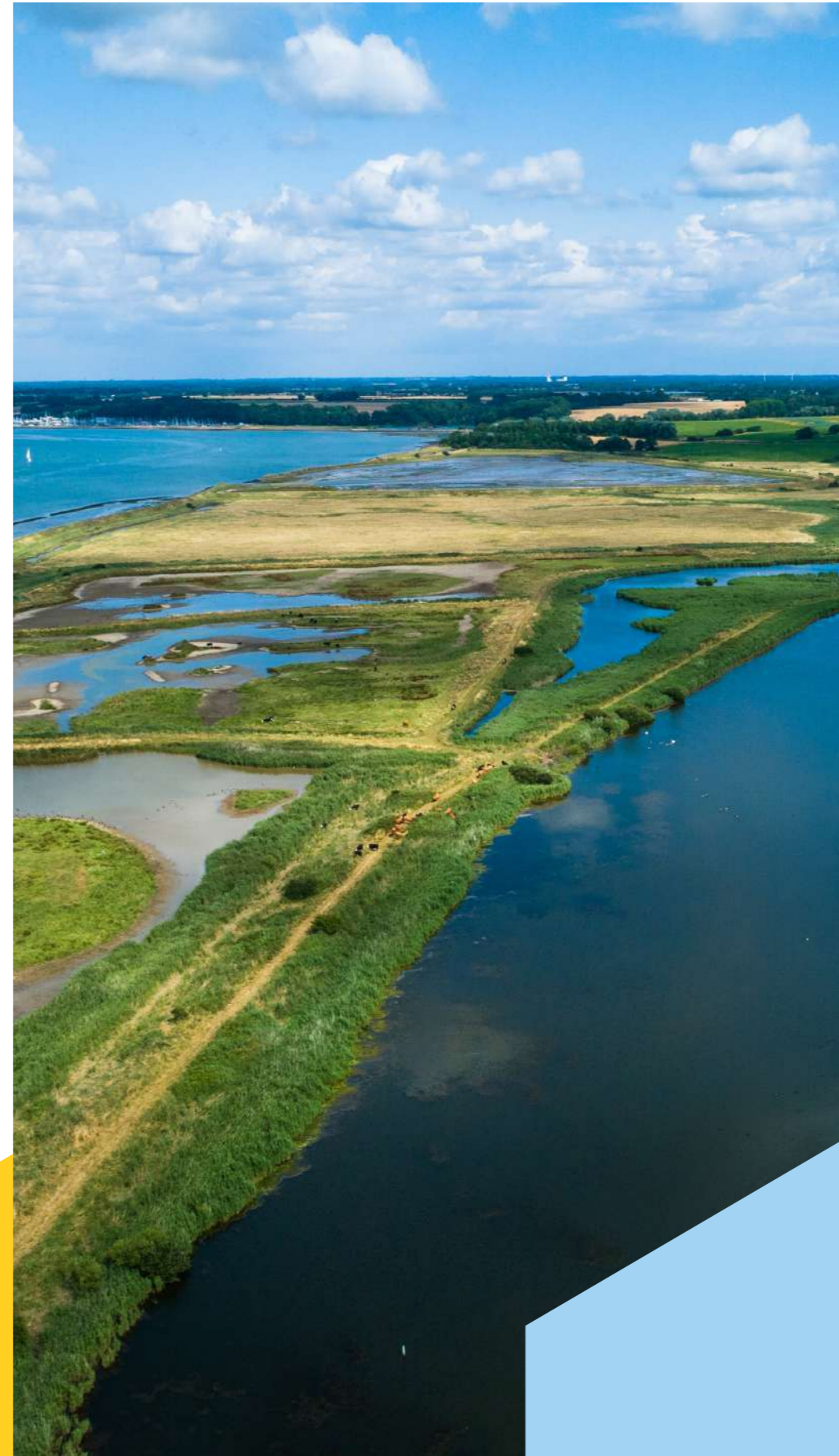
- Working proactively to ensure that our workforce reflects the make-up of the communities from which they are drawn.
- Continued to work with the Port Community Fund which provides support for a range of community groups many of which work with those suffering the effects of inequality in society.
- Working with Hutchison Ports' global talent identification and regional development programme to recognise talented people within our businesses ready for leadership.



GOAL 11

MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT, AND SUSTAINABLE

- Adoption of more sustainable transportation systems such as electric vehicles in terminals to minimise harmful air emissions.
- Work with partners to explore renewable energy and decarbonisation solutions.
- Began a resilience project to identify our terminal capacity to deal with climate change and the associated risks.



GOAL 13

TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

- Developed a net-zero strategic roadmap and set a target for net-zero for our UK port scope 1&2 emissions by 2035 supported by Hutchison Ports targets developed in line with the Science Based Target Initiative (SBTi) for carbon reduction targets.
- Ordered 148 battery-powered internal tractor units to accelerate converting diesel-powered equipment to electric.
- Carried out a preliminary phase climate change baseline exercise and explored relevant mitigation measures.



GOAL 16

PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS

- Regular refresher training on anti-bribery and anti-corruption, and competition law
- Published Modern Slavery Statement
- Completed Gender pay gap reporting
- Introduced Supplier Code of Conduct
- Enforced Employee Code of Conduct
- Regularly review and update policies and procedures to support good governance
- Established Diversity & Inclusion Committee and 4 x employee-led networks supporting an inclusive culture

EMBEDDING SUSTAINABILITY

GROUP SUSTAINABILITY COMMITTEE

The Hutchison Ports Group Sustainability Committee (GSC) was established in 2020 as an evolution to the previous Group Environmental Committee. It was mandated to redefine the Group's environmental goals to incorporate key sustainability metrics and thus improve its worldwide environmental performance.

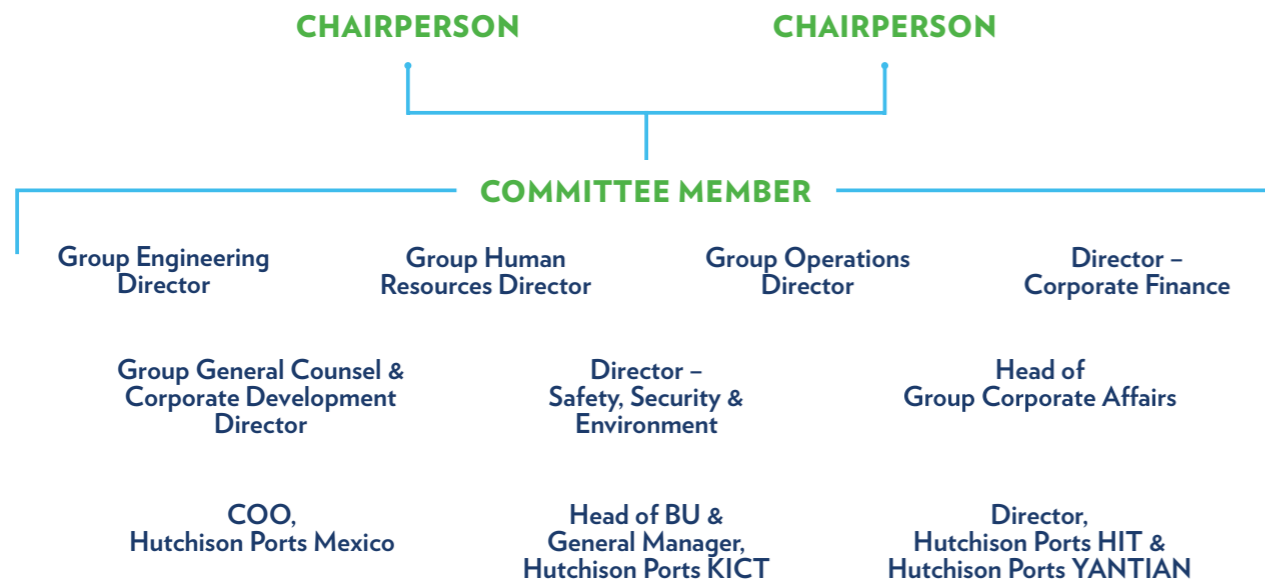
To maintain a long-term sustainable business under our three key sustainability pillars - Our People, Our Environment and Our Business - the GSC establishes and implements appropriate policies and strategies across the group as well as agreed key performance metrics.

The primary objective of the GSC is to ensure that Hutchison Ports' sustainability programme is in line with the sustainability development strategy and is implemented and adopted across the business. The GSC reports back to Hutchison Ports' EXCO with updates against agreed objectives ensuring there is a direct line from Hutchison Ports (UK) Sustainability Committee through to the very highest level of the group.

Annually, the GSC will determine which initiatives will be followed and what key performance metrics will be applied as defined in the GSC Business Plan for that year. The GSC is co-chaired by two EXCO members who actively manage

different global regions. The role of the Chairperson is key in this context as the role overlaps, and is not in isolation, from key business making strategies and decisions which are occurring concurrently. This has the benefit of harmonising Hutchison Ports' overall business strategies in terms of their financial and sustainable components.

SUSTAINABILITY COMMITTEE ORGANISATION CHART



EMBEDDING SUSTAINABILITY

HPUK SUSTAINABILITY COMMITTEE

A strong committed team supports the HPUK Sustainability Strategy. Sustainability at HPUK is about the constant challenge to explore new ways of delivering our service to fulfil the needs of society with the minimum adverse impact on our environment, whilst supporting our people and growing our business. The port's Sustainability Committee meets quarterly to review and determine policy and strategy.

The Committee interacts with Hutchison Ports' Group Sustainability Committee and CKHH Sustainability Committee, which set sustainability objectives, strategies, priorities, initiatives and goals and oversees the group's corporate social responsibility and sustainability policies, practices, frameworks and management approach.

Day-to-day responsibility for sustainability matters rests with the Human Resources Director.

The Committee consists of:

CHIEF EXECUTIVE OFFICER
CHAIR

CHIEF FINANCE OFFICER
VICE CHAIR

CHIEF OPERATIONS OFFICER
VICE CHAIR

COMMITTEE MEMBERS

Director Hutchison Logistics (UK) And London Thamesport	HR Director and Director Harwich International Port (Committee Secretary)	General Counsel
Senior Manager Environment, Health & Safety	General Manager - Harwich International Port	Port Manager - London Thamesport
Head of Procurement	Head of Engineering	Head of Corporate Affairs
Head of Health & Safety	Deputy Company Secretary (will minute meetings)	Employee Representative 1
		Employee Representative 2

EMBEDDING SUSTAINABILITY

ISO MANAGEMENT SYSTEMS

It is Hutchison Ports (UK)'s objective to prioritise safety and wellbeing to drive a zero-harm culture and to maintain continual improvement programmes to protect our local and global environments. To assure delivery of these objectives we have adopted an integrated management system certified to the globally recognised ISO 45001 and ISO 14001 standards for occupational health and safety and environmental management respectively. Our management system is subject to external audit with successful recertification obtained in 2023.

and environmental (SHE) performance, recognise the needs of the port's stakeholders and identify improvement opportunities in addition to meeting our compliance obligations.

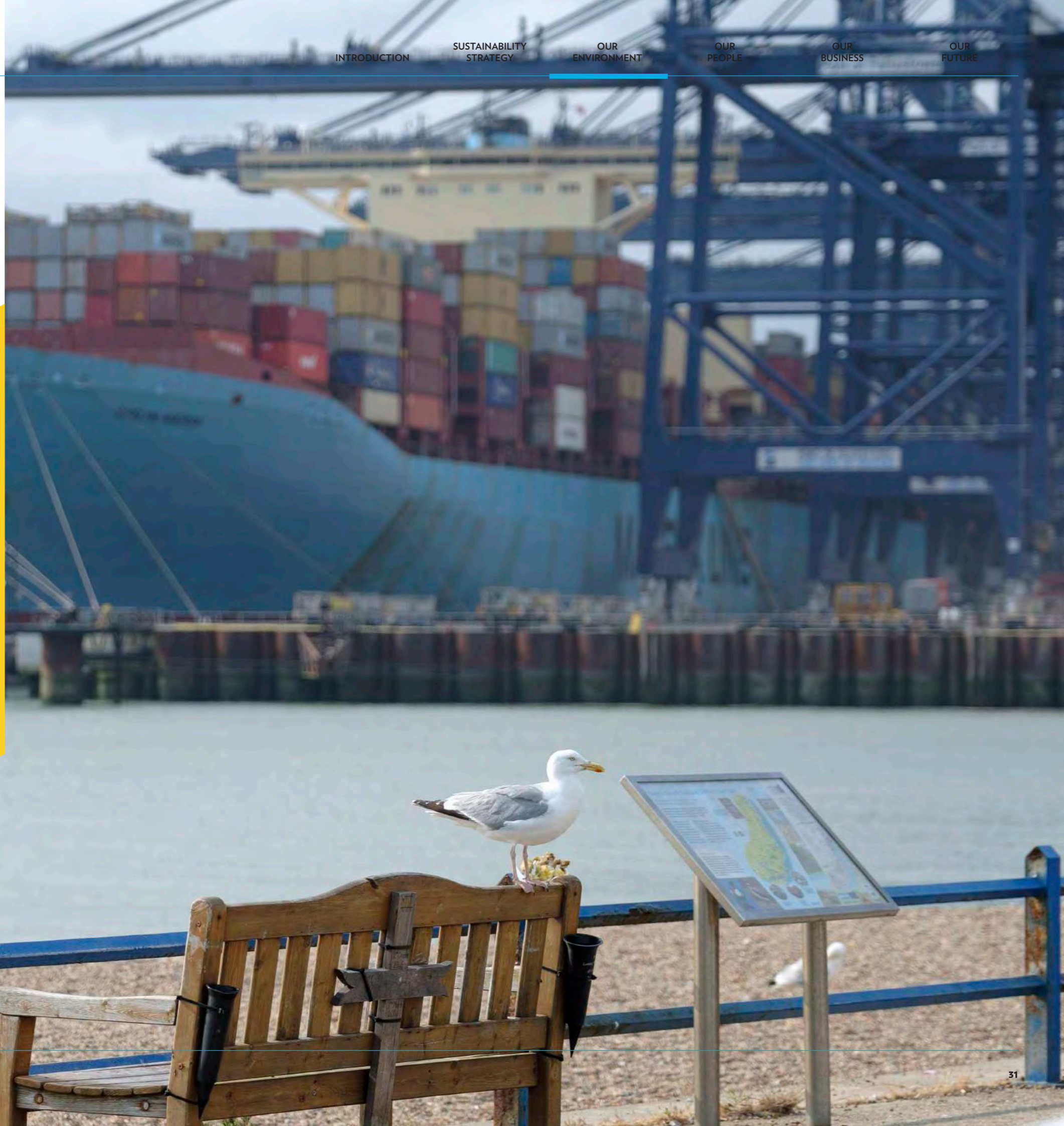
The management system used to deliver improvements and manage the SHE impacts and risks presented by our activities is integrated into our core business practices. Hutchison Ports (UK) successfully undertook a re-certification to the latest version of the International Standard Organisation's environment framework in 2023.

The system provides a framework to continually improve our safety, health



3

OUR ENVIRONMENT



CLIMATE

DECARBONISATION MANAGEMENT

Recognising the risks and opportunities presented by climate change, Hutchison Ports is dedicated to creating and implementing a decarbonisation strategy across the Group in line with our net-zero ambition. To deliver that strategy we have developed a Decarbonisation Plan to understand our energy profile, identify emission hotspots and outline emission reduction measures.

The main components of the decarbonisation plan include an assessment of current emissions, an equipment replacement plan, the use of renewable electricity, changes in operational behaviours and the implementation of efficiencies.



CLIMATE

UNDERSTANDING OUR GREENHOUSE GAS EMISSIONS (GHG)

- **Scope 1 emissions** refer to greenhouse gases emitted from sources directly owned or controlled by the company. This includes the emissions from the combustion of fossil fuels for equipment operation and power generation at our ports. Additionally, our diesel-powered port

machinery and vehicles emit gases like carbon dioxide (CO₂), which are categorised as direct emissions.

- **Scope 2 emissions** associated with the purchase of electricity leading to indirect GHG emissions.

- **Scope 3 emissions** are indirect emissions associated with the operations of Hutchison Ports (UK). These emissions are predominantly related to upstream activities. Eight of the fifteen Scope 3 categories as identified in the GHG protocol are collated and recorded for Hutchison Ports.

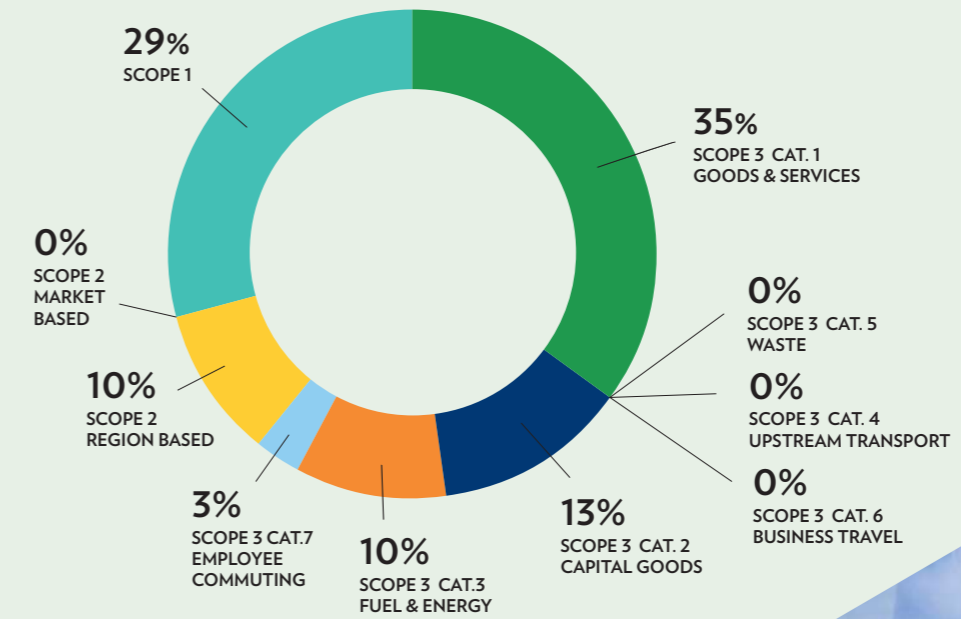
As part of the decarbonisation plan we completed an exercise in 2023 to assess our carbon footprint for the previous year. The result showed that 29% of our carbon footprint is accounted for by our Scope 1 emissions. As all our electricity is from certified renewable sources our Scope 2 emissions are zero using the market-based method of measurement.

The Green House Gas Protocol for Scope 2 emissions recommends that companies should also report Scope 2 using the location-based method which uses the average emissions intensity of the power grids on which energy consumption occurs. Under the location-based method, Scope 2 accounts for 10% of our emissions.

The remainder, and the bulk of emissions – either 61% or 71% depending on methodology – are Scope 3 emissions with the largest contributors being goods & services, capital goods and fuel & energy respectively.



HPUK 2022 CARBON FOOTPRINT PROFILE



CLIMATE

NET ZERO PATHWAY

Hutchison Ports has set a target of 2035 for its three UK ports to achieve net-zero for Scope 1 and Scope 2 greenhouse gas emissions.

The UK target is part of the Hutchison Ports group commitment to science-based targets to reach net-zero globally by 2050. These targets were validated against the internationally recognised Science Based Targets initiative standard in 2023.

The programme to deliver emissions reduction has already begun with investment in new and more sustainable equipment.

The Port of Felixstowe commissioned two new 11Kv high voltage substations to serve the charging infrastructure for its conventional electric tractor fleet in 2023. Each substation enabling 20 vehicles to be charged at any one time at the port's Trinity Terminal. 48 electric-tractors were

delivered to the Port of Felixstowe in 2023 to replace diesel units and reduce reliance on fossil fuel.

The Port of Felixstowe also evaluated and tested its first battery-powered autonomous trucks (ATs) in 2023 before signing an agreement for a total of 100 units. The ATs will be delivered in three phases through to 2025 and will use automated battery swapping facilities for maximum efficiency. Together with the conventional electric tractor fleet, the ATs will enable early and significant progress towards the port's net-zero target.

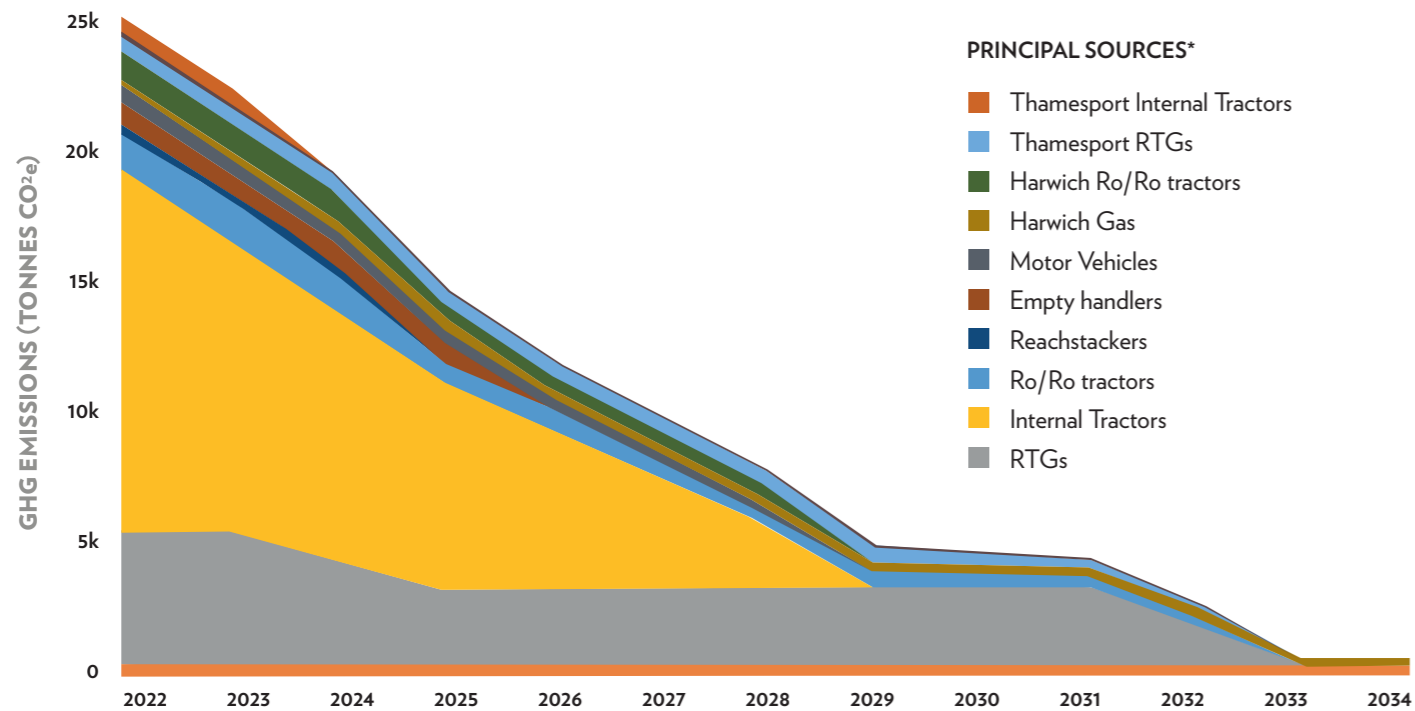
Decarbonisation progress at the Port of Felixstowe to date includes conversion of 50 yard cranes, originally powered by diesel, to electricity. In June the port took delivery of six new semi-automated remote-controlled electric rubber-tyred gantry cranes of an order for 17 new cranes. The decarbonisation plan will

continue with all new equipment across our three UK ports specified to be sustainable via a programme to replace our entire vehicle fleet with battery-powered or alternative fuel options by 2035.

Hutchison Ports has a fleet of 200 cars and vans that are used to transport people and equipment around its three UK ports. Historically the small vehicle fleet has been diesel-powered but we acquired our first electric vehicle in 2018. Since 2021 we have purchased only electric vehicles and all remaining diesel vehicles will be replaced over coming years.

To tackle Scope 2 emissions and ensure that sustainable electricity is used to power port equipment, the Port of Felixstowe signed a new deal in April which ensures that all the electricity it uses is certified as being generated by solar, offshore wind or other renewable sources.

HPUK SCOPE 1 EMISSIONS PATHWAY FROM SCHEDULED EQUIPMENT REPLACEMENT PROGRAMME



*all Felixstowe unless stated otherwise

2023 ENVIRONMENTAL KPI PERFORMANCE

Environmental KPIs	2020	2021	2022	2023
GHG EMISSIONS				
Carbon Intensity (KG CO ₂ e/TEU)	9.44	9.73	8.39	8.45
Direct Emissions (T/CO ₂ e)	34,457	37,099	29,216	28,981
Scope 1 Emissions (T/CO ₂ e)	32,609	34,210	29,216	28,981
Diesel Consumption (L/TEU)	3.32	3.08	3.11	3.05
Scope 2 Emissions (T/CO ₂ e)	1,848	2,889	-	-
Electricity Consumption (kWh/TEU)	16.09	16.26	16.16	12.41

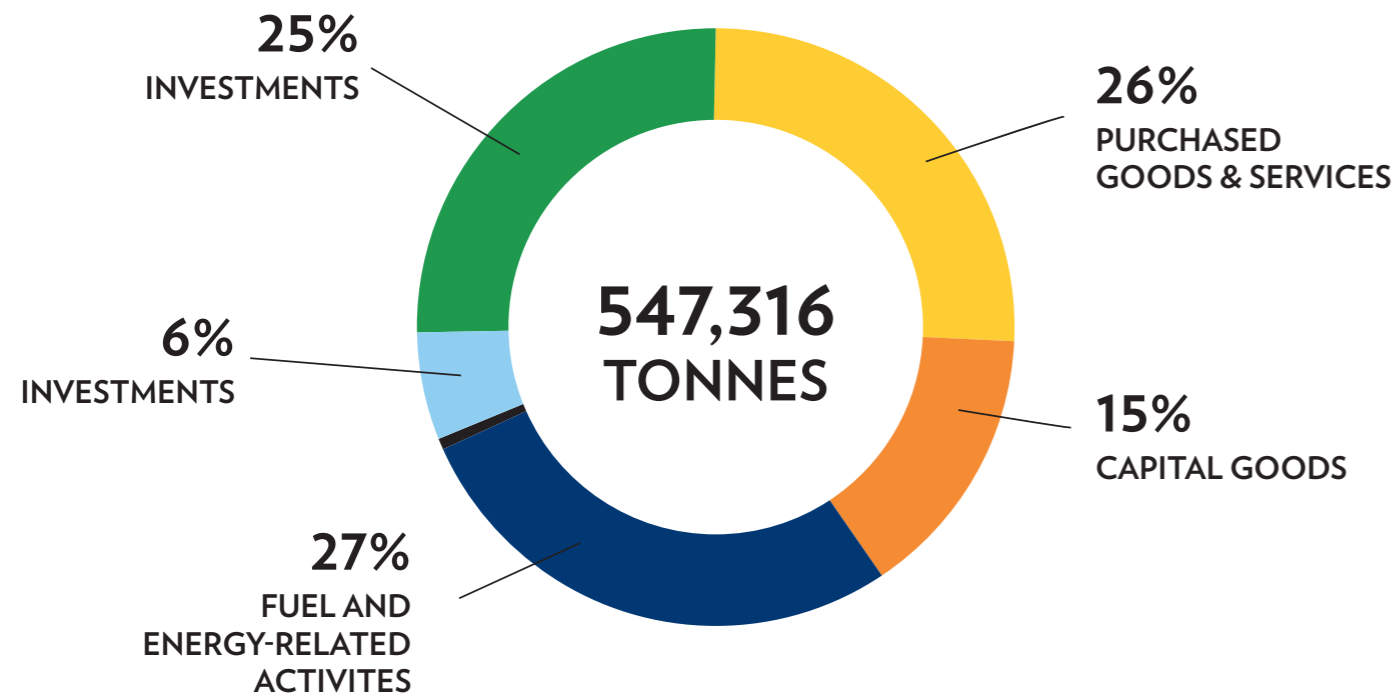


SCOPE 3 - DATA COLLECTION

To further refine and enhance the Scope 3 data collection process, Hutchison Ports held three online training sessions in September 2023 to introduce an updated Scope 3 emissions data reporting feature in the group's Environmental Information System (EIS). These sessions outlined the methodologies for calculating Scope 3 emissions and emphasised their importance in the context of the overall carbon footprint. Following the

workshops, individual group ports started to submit their Scope 3 emissions data on a monthly basis. More detailed Scope 3 emissions data for our UK ports will be available in future reports.

HUTCHISON PORTS SCOPE 3 EMISSIONS GHG EMISSIONS (TONNES CO₂e)



The scope 3 emissions have excluded the indirect energy (Scope 2) greenhouse gas emissions and greenhouse gas trading activities

The scope 3 calculation follows the guidelines outlined in The Corporate Value Chain (Scope 3) Accounting and Reporting Standard



ENVIRONMENT

AIR QUALITY

We continued throughout 2023 to deliver the Port Air Quality Strategies produced for each of our three ports in 2020. The strategies are aligned to the UK government's national Clean Air Strategy and associated Clean Maritime Plan.

The Port Air Quality Strategies identified baseline data for the sources of emissions produced at the ports and the relative contribution of each source to enable planning of emissions reduction actions.

Work to update the baseline emissions inventory was commenced in 2023 and will be completed in 2024. The original data, based on 2019 emissions, show that the majority of emissions at all three ports come from the vessels that call in the respective ports. The second largest category is Non-Road Mobile Machinery (NRMM). This category includes several types of port machinery, including Internal Tractors (ITs) and Rubber Tyre Gantry Cranes (RTGs) that do not leave the port. The remainder are accounted for

by road vehicles and rail locomotives.

Action planning includes identification of options to replace port equipment with cleaner technology, to influence third parties such as vessel and fleet operators visiting the port to take emission reduction steps, and to improve air quality monitoring to measure the impact of emissions reduction measures. Additional electrification of RTG cranes and Internal Tractors are expected to contribute further air quality improvements. The ports' replacement programme for small vehicles continues to add Electric Vehicle cars and vans in place of diesel engine vehicles.

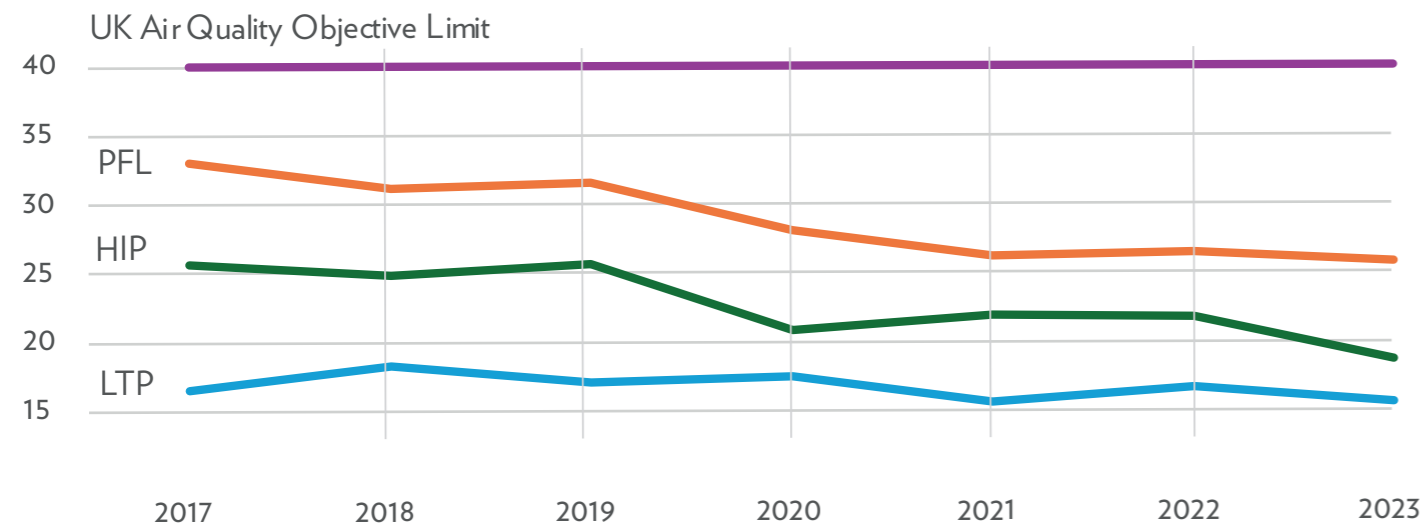
The strategies takes lessons from, and build upon, similar work undertaken in response to the designation of an Air Quality Management Area in the vicinity of the Port of Felixstowe's Dock Gate 2 in 2009. The Air Quality Management Area was revoked in 2016 on the basis of measured improvements following the port's investment in new, cleaner equipment and improved scheduling of

haulage traffic visiting the port.

We maintain air quality monitoring networks in the form of monthly averaging diffusion tubes for NO₂ and SO₂ and electronic continuous monitoring systems installed in 2022 to deliver commitments made in the Port Air Quality Strategies. Diffusion tube monitoring of NO₂ levels show a continuing long term reduction below the national Air Quality Objective level. The new equipment measures levels of NO₂, SO₂ and Particulate Matter to enhance current monitoring capabilities.

Diffusion tube monitoring for SO₂ shows the impact of global marine regulations restriction on use of higher sulphur containing fuels in the North Sea, as monthly average concentrations are now routinely below the limit of detection of the monitoring technique.

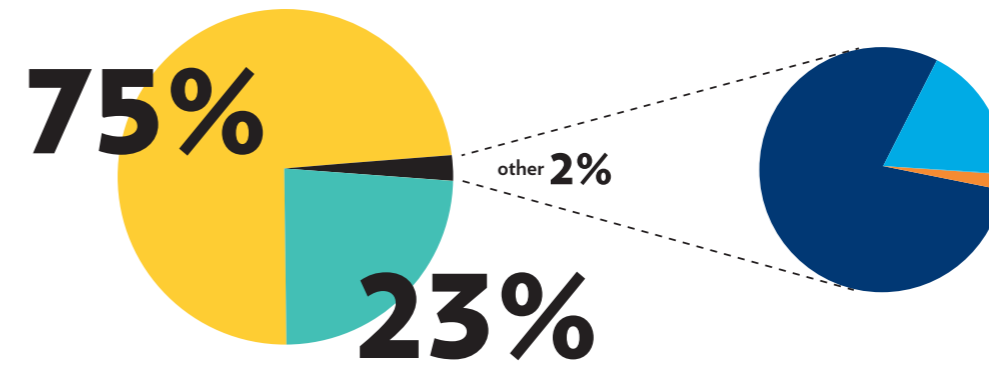
AVERAGE NO₂ LEVEL BY SITE (DIFFUSION TUBE MONITORING)



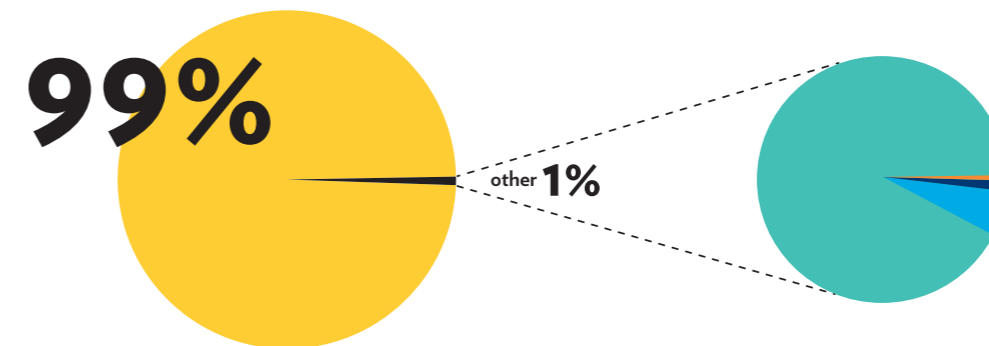
EMISSIONS BASELINE DATA



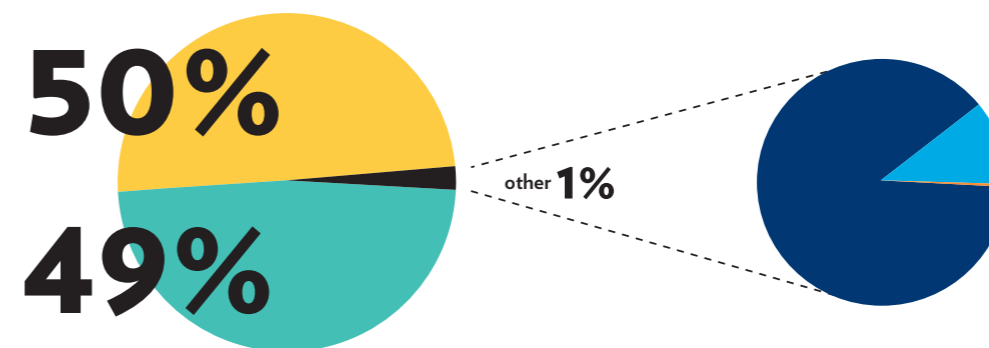
Port of Felixstowe 2019 NO_x Emissions Distribution



Port of Felixstowe 2019 SO₂ Emissions Distribution



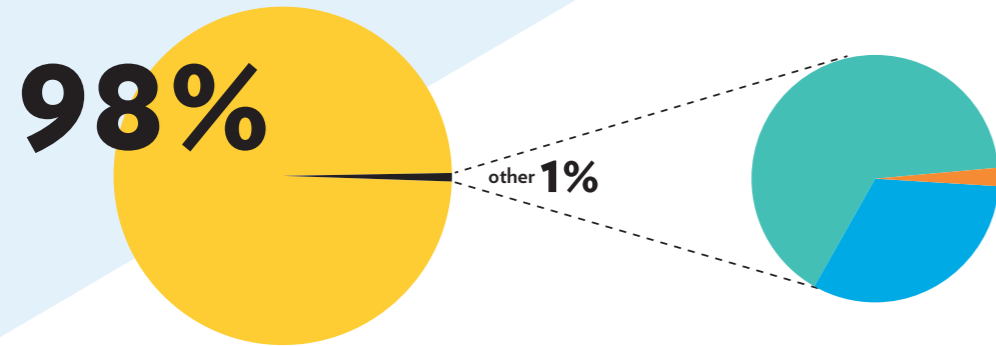
Port of Felixstowe 2019 PM₁₀ Emissions Distribution



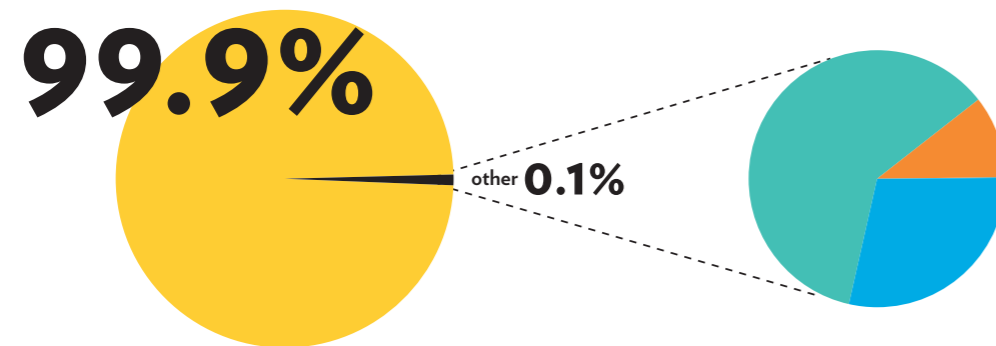
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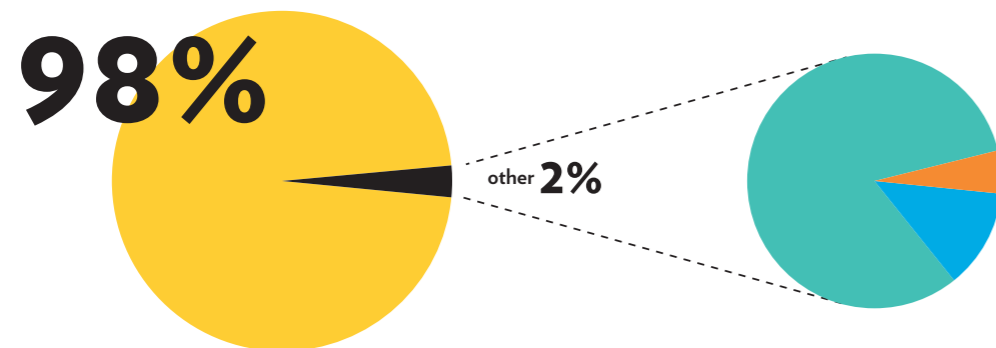
Harwich International Port 2019 NO_x Emissions Distribution



Harwich International Port 2019 SO₂ Emissions Distribution



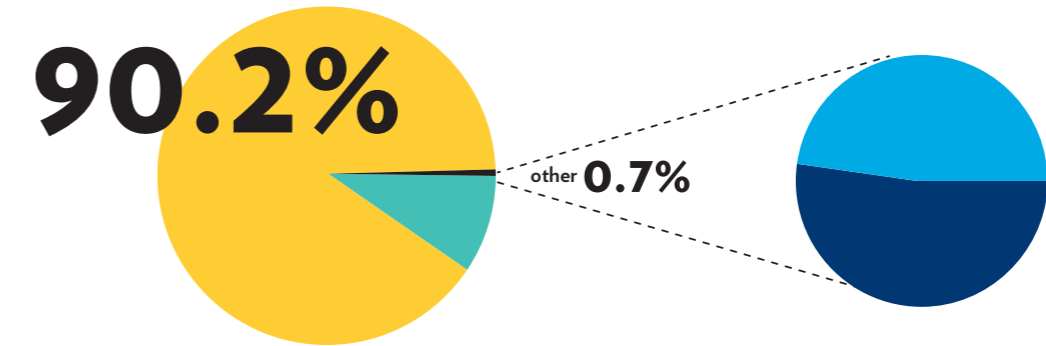
Harwich International Port 2019 PM₁₀ Emissions Distribution



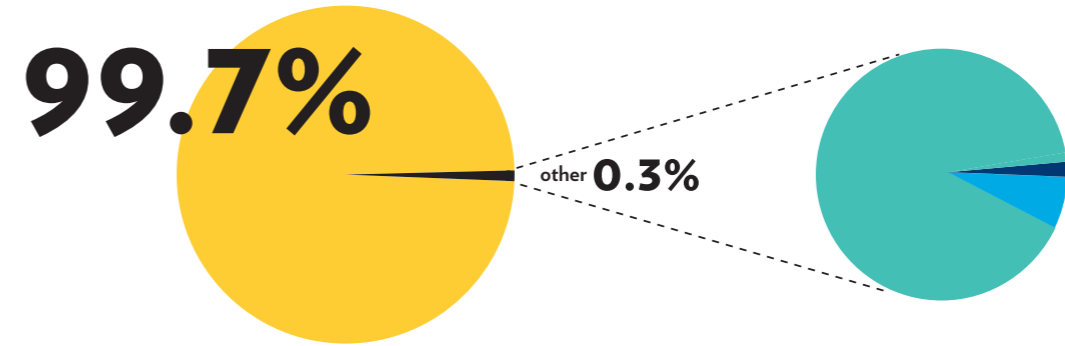
EMISSIONS BASELINE DATA



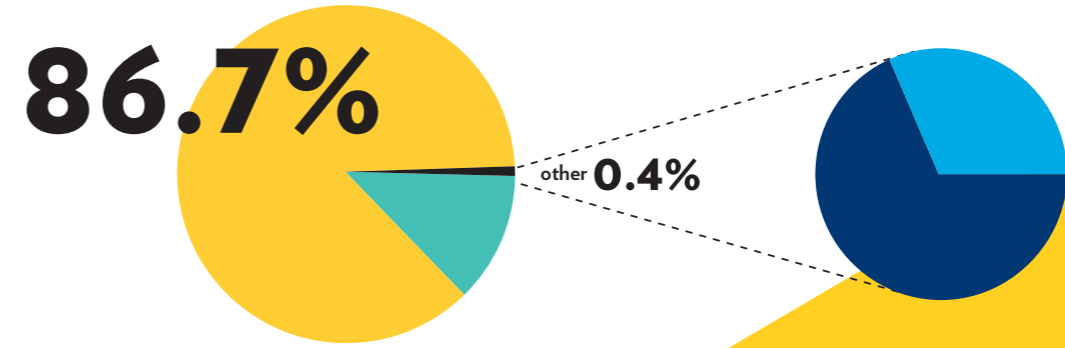
London Thamesport Port 2019 NO_x Emissions Distribution



London Thamesport Port 2019 SO₂ Emissions Distribution



London Thamesport Port 2019 PM₁₀ Emissions Distribution



ENVIRONMENT

WASTE

In 2023 Hutchison Ports (UK) (HPUK) recycled 77% of waste handled.

To consistently minimise waste production, we maintain sustainable procurement practices and maximise opportunities to recycle waste materials by segregation at the point of disposal.

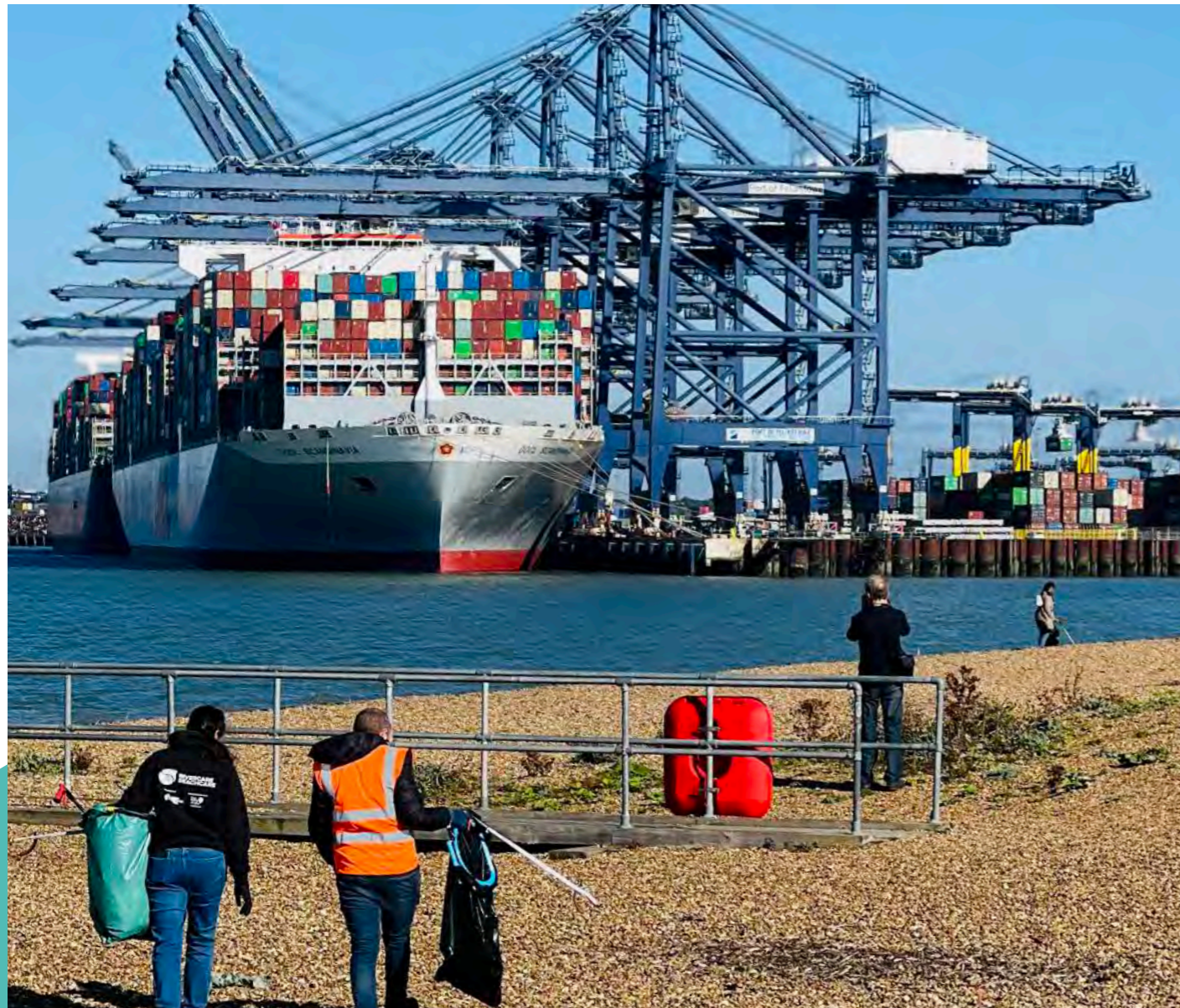
Our ports have a legal obligation to accept ships' waste which presents unique challenges and opportunities for maximising recovery and recycling.

Working with local waste contractors, we have developed a robust waste management system based on a waste management plan that complies with UK legislation, whilst providing a quality service for port customers.

In 2023, the ports achieved a recycling rate of 77%, compared to 73% in 2022 for all waste produced on site and from international shipping. HPUK operates a zero waste to landfill policy whereby all non-recyclable waste is sent for

energy recovery. Only international catering waste from vessels, for national biosecurity purposes, and asbestos to comply with safety requirements, is landfilled.

The port works closely with the appointed site waste management contractors to identify opportunities to improve waste management practices and deliver the requirements of the Hutchison Ports Waste Management Standard.



ENVIRONMENT

BIODIVERSITY



One of the objectives of our Sustainability Strategy is to protect biodiversity when operating our ports, planning port development and evaluating nature based climate solutions. Our UK ports are located close to natural habitats that are recognised for their importance as a range of marine and terrestrial ecosystems with a range of environmental designations.

Our Environmental Management System identifies the aspects of our operations that could have an impact on the environment and identifies the control measures that we have implemented to minimise these impacts. This includes maintenance of our drainage systems to prevent pollution of the marine environment and strict adherence to our waste duty of care to protect the nature reserves around our ports.

Our ports are home to some protected species such as Peregrine Falcons at the Port of Felixstowe and we take advice from expert ecologists to ensure that port operations do not cause harm or disturbance to these birds, especially during the most sensitive nesting period.

Biodiversity is a major consideration in HPUK's approach to infrastructure projects at its ports with possible environmental impacts assessed in detail in accordance with regulations and in consultation with the environmental regulators.

We work closely with nature bodies and local authorities to monitor the habitats around our ports and in 2023 supported monitoring work to survey for the potential presence of invasive non-native species of mosquito. Fortunately no presence was detected by the surveys.



ENVIRONMENT ENGAGEMENT

The location of HPUK's ports near to protected nature reserves is clearly recognised in the ports' environmental management plans. As well as being central to the specification and maintenance of pollution control

measures, being close to protected habitats helps our employees to consider the difference they can make to these areas at work and in their own time. This is demonstrated through our employees environmental engagement activities.



HPUK ENVIRONMENT AWARD

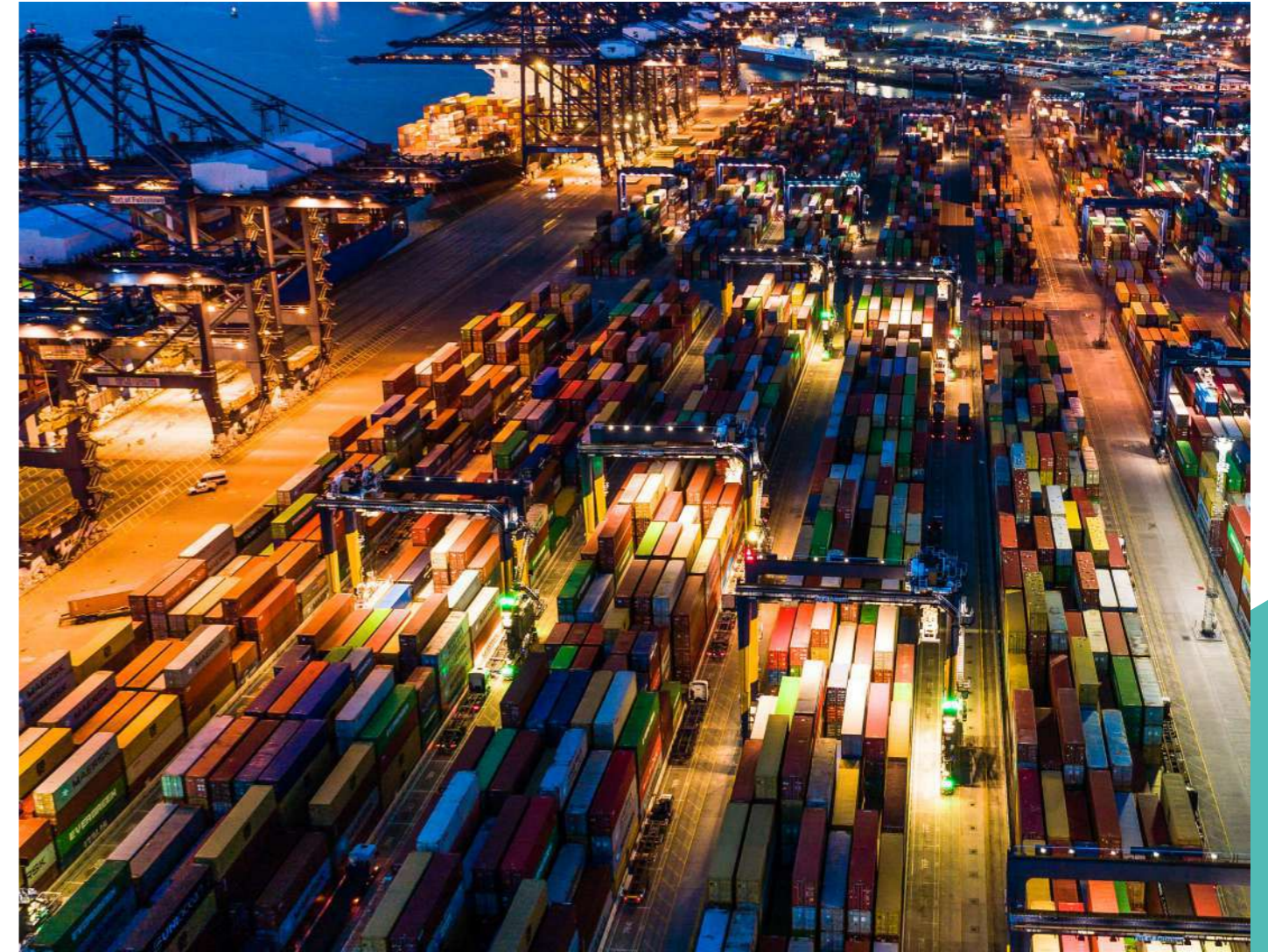
The Environment Award was originally introduced at the Port of Felixstowe before being extended to include all three of our UK ports. It was created to recognise both the large and small scale projects that demonstrate a commitment to reducing the environmental impact of our operations.

The award itself was commissioned by the port from Ecotrophies of Cornwall, one of the only companies in the UK to make awards using 100% reclaimed materials. It is manufactured from materials found at the port including a length of scrap timber salvaged from a building demolition site, 5 recycled glass coffee jars from ships' waste and a redundant container pin through the top of the award which holds everything together. These materials were chosen to represent the diverse range of operations and on-going redevelopments at the port.

The 2023 Award was won by the Harwich International Port Fuel Efficiency Project. The project utilised trailer and vehicle movement data from the terminal operating system alongside internal briefings involving operational staff to generate ideas to save fuel. Feedback from this work was used to produce a plan with the objective of reducing the number of internal tractor movements and the distance covered by the internal tractors.

EMPLOYEE ENVIRONMENT GROUP

Port employees interested in environmental issues have formed an Employee Environment Group. They receive information on environmental topics that affect the port and share volunteering opportunities organised by local environmental groups. Group members have worked on habitat restoration work on local nature reserves and took part in the Great British Beach Clean event in September, clearing litter from the beach at Landguard Point in Felixstowe.



OUR SUSTAINABLE PORT

In September 2023 HPUK's combined sustainability activities were showcased at the Our Sustainable Port event at Port of Felixstowe. Employees involved in HPUK's Our Environment, Our People and Our Business programmes combined with external stakeholders to present information and success stories from these work streams. Exhibits included opportunities for employees to see the latest decarbonisation technology up close, try out electric bikes to promote active travel options and meet representatives from the port's Diversity and Inclusion groups.

MARINE

MARINE ACTIVITIES

Hutchison Ports subsidiary companies act as Statutory Harbour Authorities at Felixstowe and Harwich International. Both ports are situated in Harwich Haven where Harwich Haven Authority (HHA) has statutory responsibility for the harbour which includes the approach channels to both Felixstowe and Harwich International. Hutchison Ports and HHA work closely together on all marine matters.

London Thamesport is not a Statutory Harbour Authority and sits within the jurisdictional area of Port of Sheerness and the Mersey Docks and Harbour Company Limited, which is part of the Peel Ports Group.



CASE STUDY

SUSTAINABLE DREDGING

The marine approaches to the Port of Felixstowe and Harwich International are managed by Harwich Haven Authority (HHA), an independent trust port. Part of its role involves balancing the needs of commercial shipping and environmental preservation.

Dredging is an essential requirement at all major ports but traditional dredging methods can pose a threat to marine ecosystems. To address this HHA developed Tiamat, a hydrodynamic dredging solution that provides a cleaner, greener, cheaper and more efficient method of dredging.

The sustainable concept of "Dredging with Nature" – a more holistic approach that works with natural processes rather than against them - lies at its heart. A key element is using dredged material for beneficial purposes such as coastal nourishment and habitat creation. By significantly reducing material dumped at sea, Tiamat can reduce associated emissions by up to 90%. This approach not only reduces the environmental footprint of dredging activities, but also contributes to the enhancement of coastal resilience and biodiversity.

By integrating ecological principles into dredging operations, such as maintaining sediment balance and preserving critical habitats, HHA has demonstrated how a healthy coexistence can be created between human infrastructure and natural ecosystems.



CASE STUDY

METHANOL-POWERED SHIPPING

In September 2023 the Port of Felixstowe celebrated the maiden call of the Laura Maersk, the first container ship in the world to complete a voyage powered by Green Methanol.

The voyage represented a truly historic event on the shipping industry's decarbonisation journey. It was the first call anywhere in the UK by an alternatively fuelled container vessel and complemented our commitment to achieve net-zero for our UK operations by 2035.

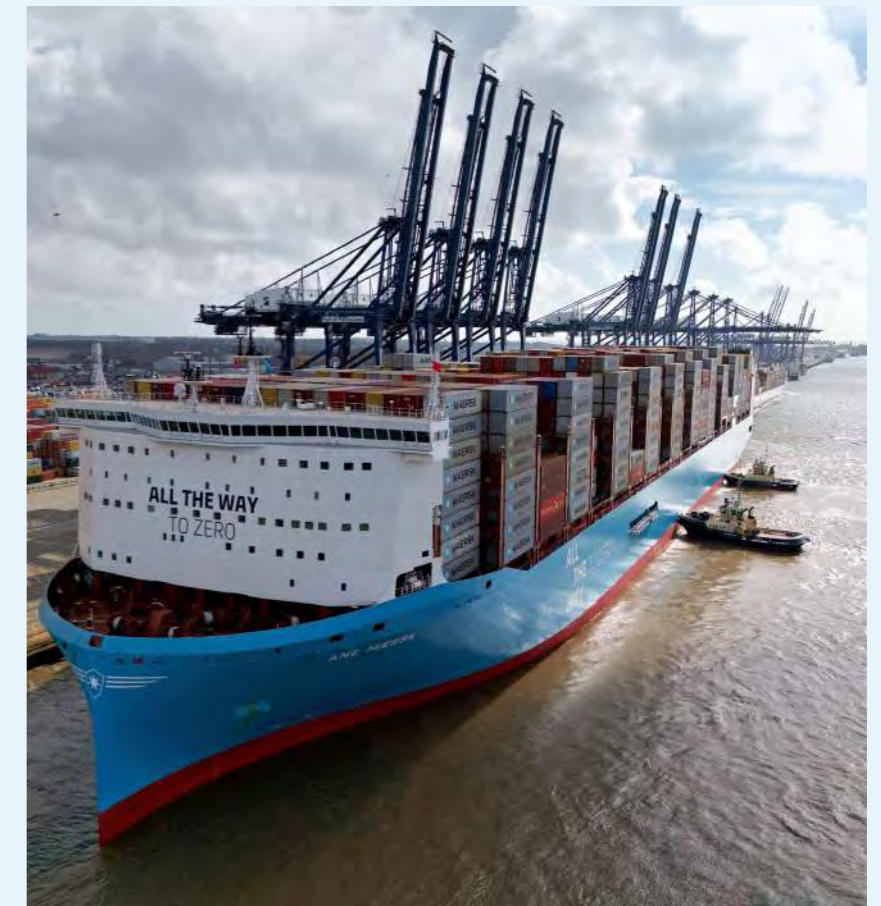
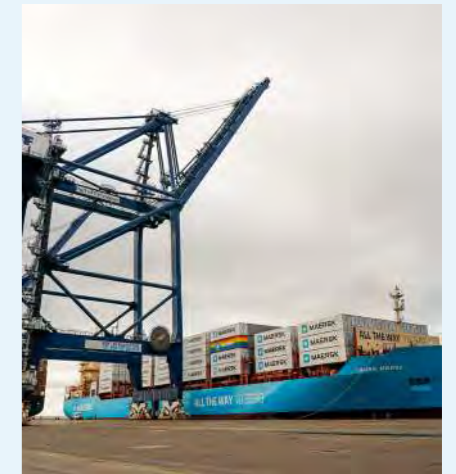
The ship was worked by the port's electric-powered ship-to-shore cranes supported by electric yard cranes and the first of our battery-powered tractor fleet. All the electricity used at the port comes from certified renewable sources giving a glimpse how zero-emission journeys through the port are possible.

The first call was witnessed by the Rt Hon Dr Therese Coffey MP, Secretary of State for the Environment, and Kitack Lim, Secretary-General of the International Maritime Organisation.

Dr Coffey said: "The UK Government has been a leader in introducing mandatory targets to achieve net-zero by 2050. Shipping is one of the more challenging sectors to decarbonise and I am pleased to see Maersk Line taking a lead in the adoption of green fuels."

Kitack Lim said: "I'm delighted to witness this initiative which demonstrates shipping's ability to power a vessel entirely by green methanol. These visionary endeavours provide an invaluable insight and pave the way for future initiatives in pursuit of a green and sustainable shipping sector."

The 2,100 TEU vessel operates on Maersk Line's Baltic shipping route between Northern Europe and the Bay of Bothnia.



MARINE

MARINE SAFETY

As port operators we comply with the Ports & Marine Facilities Safety Code which sets out a national standard for every aspect of port and marine facility safety. Its aim is to enhance safety for everyone who works, or uses, ports, harbours, marinas and other marine facilities.

The Code helps improve the safety of ports and marine facilities by:

- establishing nationally agreed standards;
- defining the role of duty holders, designated persons and other key personnel;
- clarifying responsibilities within, and between, different organisations; and
- holding organisations to account for safe and effective management.

The Port of Felixstowe and Harwich International each have in place a Marine Safety Management Plan. The Plans and associated documents help ensure there is proper control of vessel movements by regulating the safe arrival, departure and movement within the harbour of

all vessels. It helps protect the general public from dangers arising from marine activities within the harbour, ensures operations are carried out with special regard to the possible environmental impact and helps ensure the safety of employees and other harbour users.

Both ports have a strong safety culture, maintained and reinforced by regular safety inspections, risk assessment reviews (internal and external) and regular training and exercises. The ports comply with the Maritime and Coastguard Agency (MCA) requirement for an annual report on exercise, incidents and training.



Key personnel are trained to MCA-approved 5P Oil Spill Response level and competencies are maintained through regular exercises and refresher courses.

MARINE

POLLUTION RESPONSE

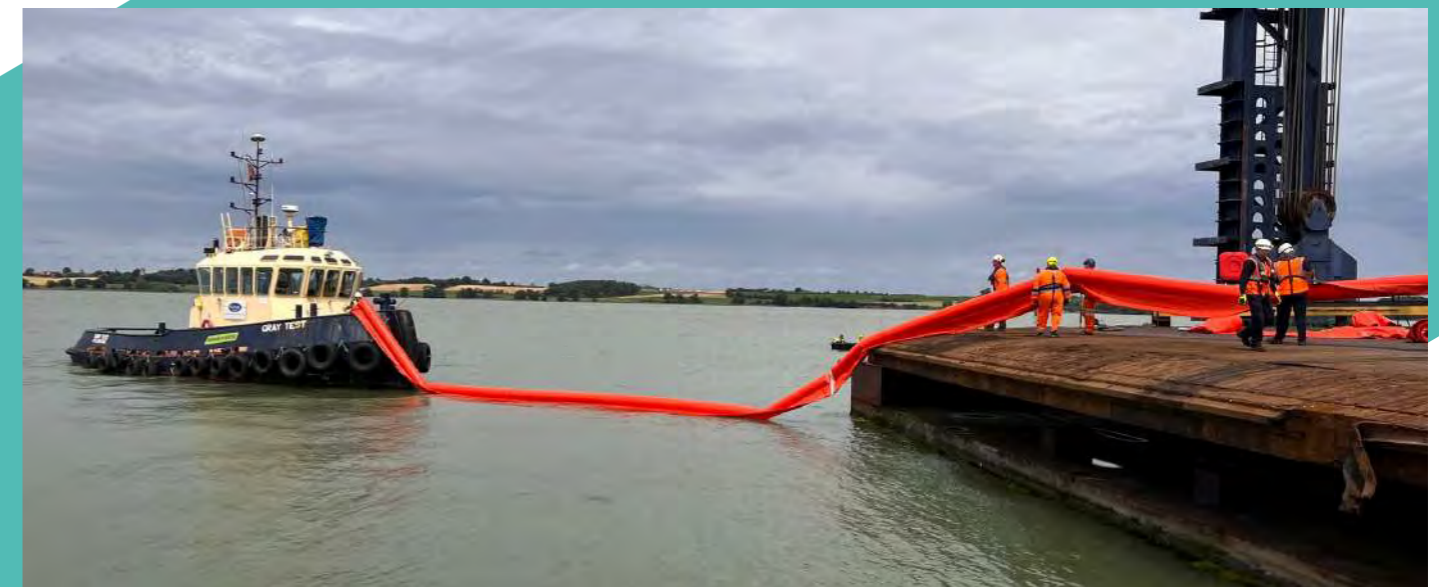
We take seriously our responsibility for the safety of marine operations on waters within our jurisdiction. We work closely with HHA to ensure both our waters and the wider harbour are managed in a safe and efficient manner and that the environment is safeguarded.

As Statutory Harbour Authorities we have a duty under the Merchant Shipping (Oil Pollution Preparedness Response and Co-operation Convention) Regulations 1998, to prepare a plan to

respond to oil spills in our waters. The purpose of the plan, which is approved by the Maritime and Coastguard Agency (MCA), is to ensure that there is a timely, measured and effective response to incidents.

The Port of Felixstowe and Harwich International are both active members of the Haven Oil Working Group (HOWG). The HOWG, which includes other ports, local authorities, environmental groups and government

agencies, provides a mechanism to promote and manage cooperation between relevant organisations. The members are able to respond quickly and efficiently by deploying their combined resources to any oil spill in the Haven. Both ports are equipped with booms, skimmers, absorbents and Fastanks for storage of recovered oil and contaminated equipment. Arrangements are maintained with specialist organisations to respond to more serious Tier Two incidents.

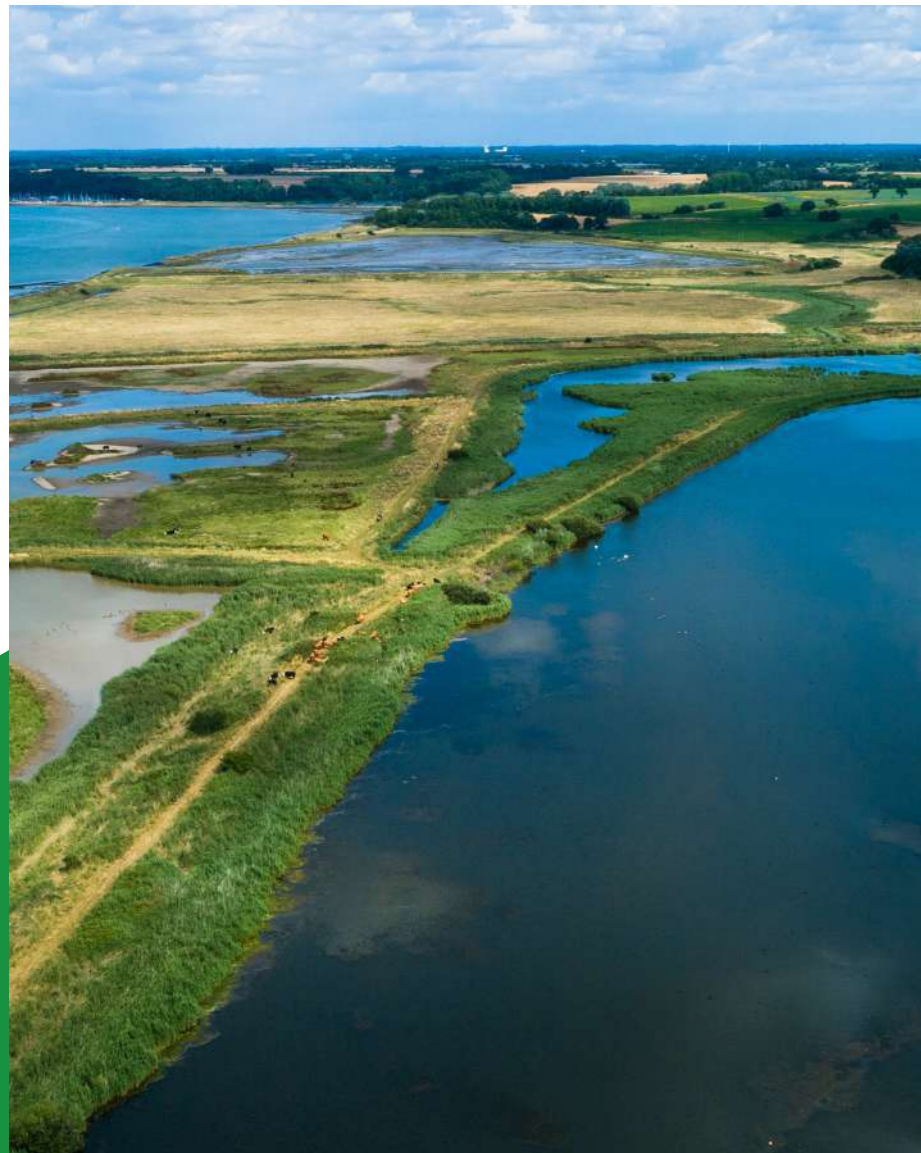


RESILIENCE

CLIMATE CHANGE RISK ASSESSMENT

HPUK recognises the risks associated with the current and projected changes to global climate arising from greenhouse gas emissions. Work has been done at Hutchison Ports Group level to analyse the predicted impacts of a range of greenhouse gas concentration scenarios that may arise as the world transitions away from fossil fuels in the coming decades.

Further work is planned at Hutchison Ports (UK) Limited (HPUK) to update our assessment of climate change risks based on the UK Met Office's latest climate projection data. The outputs from this work will be used to ensure that our ports remain resilient to the impacts of climate change by targeting investment in our workforce, infrastructure and technology.



4

OUR PEOPLE



SAFETY

Providing a safe working environment for employees and external users of our ports is at the centre of everything we do. Our commitment is built upon a safety management system that recognises the criticality of having the right leadership, policies, systems, risk control measures and training in place. We apply our standards rigorously and proactively seek opportunities to review them in a continuous cycle of improvement.

We are committed to building a safe and sustainable future for our people and will harness opportunities to improve health and safety standards, through

our ability to develop relationships, use our influence and provide informative educational and behavioural tools designed to improve our safety culture and standards of safety leadership.

Our people need the skills and capabilities to effectively drive a zero accidents culture and we will undertake training initiatives designed to enhance our understanding of how individuals can contribute to this. We will also embed initiatives that continue to clarify expectations, roles, and responsibilities in relation to safety standards.



SAFETY MANAGEMENT SYSTEM (SMS)

We have an integrated Safety, Health and Environmental (SHE) management system certified to both ISO45001 and ISO 14001 standards. We are externally audited against these standards annually.

HEALTH AND SAFETY STRATEGY

GROUP SAFETY POLICY

HPUK HEALTH AND SAFETY POLICY

HPUK SAFETY PLANS

LEADERSHIP

POLICIES

PPE POLICY

OCCUPATIONAL HEALTH POLICY

WIND ARRANGEMENTS

CONTROLLED DOCUMENTS

SAFETY GOVERNANCE FRAMEWORK

The Group Safety Committee (SAFCOM) has overall responsibility for the promotion of safety in the workplace and implementation of the Group SMS which is based on the principles of ISO45001. It completes this role by investigating incidents, sharing best practice and identifying and monitoring the risks our colleagues face and the measures such as policy and standards to be implemented over time to mitigate those risks. SAFCOM is chaired by Group Operations Directors with members from key functions together with 5 Regional Coordinators.

GROUP SAFETY POLICY

The Group SMS is underpinned by the Group Safety Policy, which commits to providing a safe working environment. The Policy outlines the key concepts of the SMS including conducting regular assessments of the terminals while adopting preventative measures to reduce safety risks. The Policy is the direct link between the overarching SAFCOM strategies at Group level and the day-to-day workings at the terminal level.

SIX STEPS OF SAFETY



SAFETY GOVERNANCE FRAMEWORK
(E.G. POLICY, COMMITTEE ETC.)



INCIDENT INVESTIGATION & FOLLOW UP



STANDARD OPERATING PROCEDURE (SOP) DEVELOPMENT & ENFORCEMENT



SAFETY RISK ASSESSMENT



SAFETY EDUCATION & TRAINING



SAFETY AUDIT & FOLLOW UP

GLOBAL MINIMUM SAFETY STANDARDS (GMSS)

One of the key strategies adopted by SAFCOM was the development and implementation of the GMSS. First developed in 2014, and now in revision 6, these standards outline the minimum safety requirements at a terminal level. This provides a foundation for the development of more robust procedures and policies at a local business level.

Key components of the standards include but are not limited to:

- The development and implementation of a Business Unit (BU) level Safety Policy,
- The integration of a Safety Committee at each BU,
- The presence at each BU of a dedicated trained and experienced person responsible for health and safety,
- The development and provision of health and safety induction for all colleagues arriving on the terminal,
- The recording of all incidents through standard procedure which are then reported to SAFCOM monthly,
- Equipment maintenance, inspection, and testing procedures,
- Procedures around dangerous goods and lifting operations,
- Safe workplace conditions.

HEALTH & SAFETY MANAGEMENT

The Hutchison Ports (UK) Executive Health and Safety Committee, chaired by the Chief Executive Officer and advised by the Head of Safety, has overall responsibility for safety policy.

At a local level, each of our three UK ports has its own Port Safety Committee which provides a forum for engagement and cooperation between management and the workforce. The committees help promote high standards of health and safety across each site and ensure compliance with the Safety Representatives and Safety Committees Regulations 1977 (as amended), and the Health and Safety (Consultation with Employees) Regulations 1996 (as amended).

In addition, and due to its size, there are a number of regular divisional and departmental safety meetings at the Port of Felixstowe. Each of the committees provides a forum to raise, review and discuss safety, health and environmental issues.

The Safety, Health and Environment (SHE) Department is the custodian of the Safety Management System (SMS) and works closely with all areas of the business to help them deliver good standards of health and safety in their areas and to mitigate the risks related to port operations. It provides advice to customers, employees and port management on all aspects of safety, health and environmental legislation and SHE practice. It also carries out regular safety inspections and environmental monitoring of cargo. Health and safety is a shared responsibility involving all employees and specific areas of responsibility are set out in the HPUK Safety Policy.

Routine safety inspections, safety tours, audits, risk assessments and accident investigations are all undertaken by the SHE department, together with

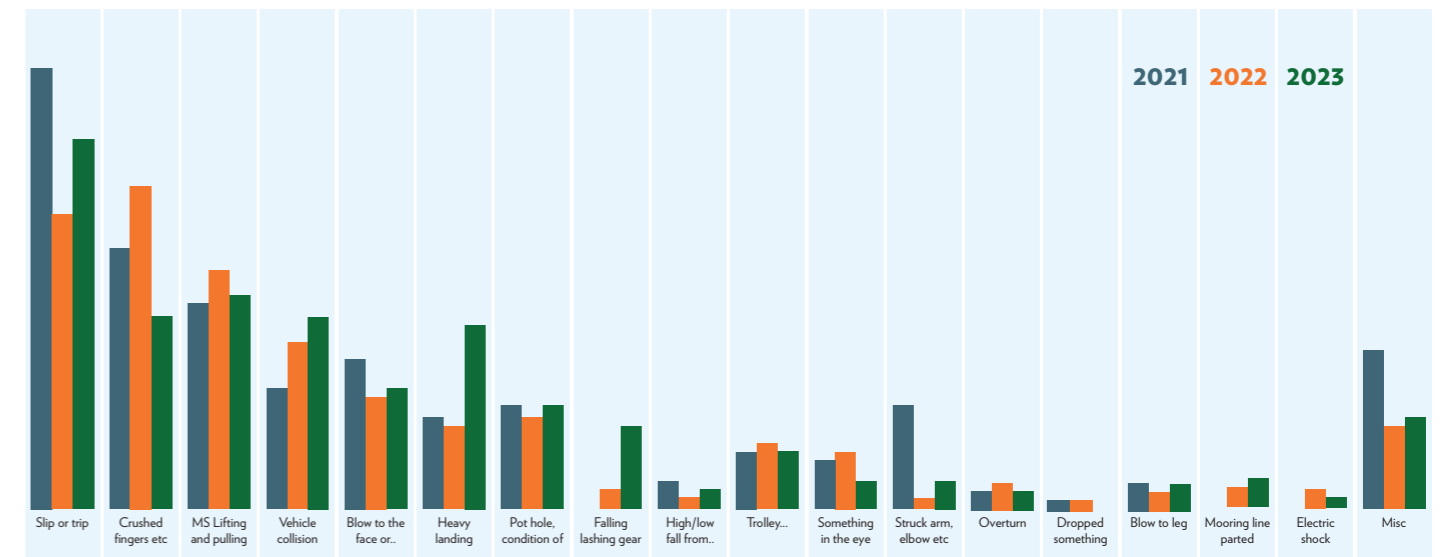
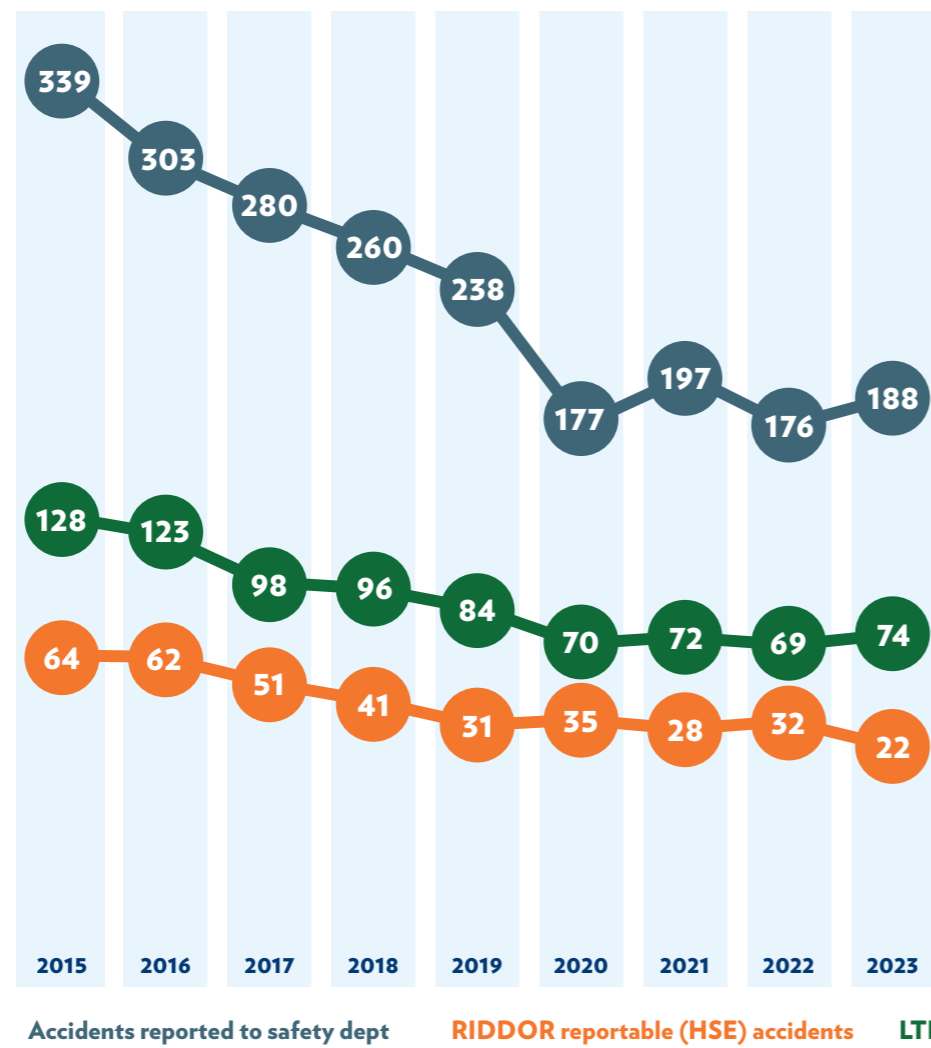
Operational managers and Supervisors, in addition to safety training for port personnel and contractors to increase safety awareness and to help reduce accidents and loss.

DANGEROUS GOODS

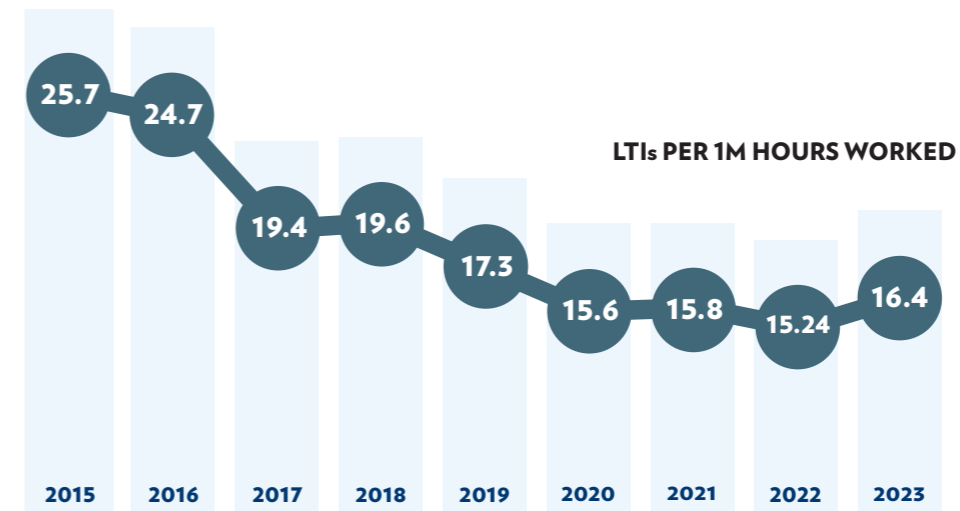
Our qualified Dangerous Goods Safety Advisors oversee the movement of hazardous cargo through the port. This ensures that cargo is safe and handled without risks to health, and that the requirements of both The Dangerous Goods in Harbour Areas Regulations 2016 and the International Maritime Dangerous Goods (IMDG) Code are met.

INCIDENT REPORTING

PORT OF FELIXSTOWE



ALL ACCIDENTS BY CAUSE 2021/22/23



HARWICH INTERNATIONAL & LONDON THAMESPORT

HEADLINE SAFETY KPIS	HARWICH 2023 (2022)	THAMESPORT 2023 (2022)
Total injury accidents reported to Safety Department	20 (29)	12 (9)
Total RIDDOR reportable accidents	3 (1)	1 (0)
Total Lost Time Incidents	6 (7)	1 (1)
Average Employees	190	67
Lost Time accident Incidence Rate: LTIs/100 employees Rolling Year	3.15	1.49

RISK ASSURANCE

Risk Assurance is a process by which the Executive and Senior Port Managers are assured that foreseeable risks throughout the business are controlled to the greatest extent that is reasonably practicable and all staff are following the correct procedures at all times.

We have adopted and continue to consolidate the risk assurance model (shown below) which sets out the key activities that contribute to assurance that risk is being managed properly. Items in the darker shade indicate priority areas for improvement.



SAFETY 2023 HIGHLIGHTS:

- Further reduction in RIDDOR reportable accidents at Port of Felixstowe
- Reduction in overall incidents at Harwich International
- Another good year for London Thamesport with just one lost time injury (1 day lost)
- Introduction of measures to improve pedestrian safety
- Advanced Safety Leadership coaching programme started
- Port of Felixstowe Port Safety Committee started
- Essential Safety Rules relaunched and training delivered
- Major exercise – power outage completed
- Roll out of Evotix investigation module and action tracking
- Autonomous Truck review of risk assessment commenced
- Civil Engineering procedure for Exec and Safety oversight introduced.
- Safety Improvement Group at Harwich International continues to deliver changes.



TEAMWORK

Our sustainability goals are increasingly influencing the decisions we are making to reduce carbon emissions, improve the engagement & health of the workforce and driving a strong culture of ethical trading principles founded upon fairness and equity.

None of these can be achieved without the support and involvement of our employees. Effective engagement requires a two-way conversation. We have a vast range of knowledge and experience amongst our employees. Harnessing that is vital to the success of the company.

We seek employee feedback and take this into account in developing our plans, whilst ensuring all employees remain fully briefed on developments that affect them directly or indirectly through changes to the environment in which we operate.

We employ a range of strategies to engage, motivate and reward our employees and a range of forums and platforms through which to engage them.



TEAMWORK 2023 HIGHLIGHTS:

- **COO FORUMS:** 5 x employee forums held (c.225 attendees) and 8 x Operations supervisor/manager forums hosted in Felixstowe.
- **ASK THE EXEC:** 86 questions submitted and responded to via an online Q&A.
- **PERKBOX:** We launched a new benefits and reward platform, Perkbox, available to all employees across Hutchison Ports (UK) Ltd. Employee uptake for the discounts and savings platform reached 70% in 2023.
- **INDIVIDUAL REWARD & RECOGNITION:** launched in November 2023 enabling managers to recommend individuals for gold, silver or bronze awards to recognise outstanding contribution in line with UNITY values and local One Team celebrations.
- **VOLUNTEERING:** A new policy was introduced to allow employees 12 paid hours of volunteering per year. 50 hours of volunteering approved in 2023 for 7 people.
- **LONG SERVICE AWARDS:** In 2023, 140 people reached their 25 year anniversary at the Port of Felixstowe. A celebratory event and dinner was held in April 2024 to mark their achievement.
- **SOCIAL COMMITTEE:** A new committee was formed in January made up of volunteers to encourage engagement and social interaction between colleagues across departments. The committee ran several Quizzes in Trimley and Ipswich.
- **FACILITIES:** One employee rest area and two canteens at Felixstowe were refurbished to improve social interaction and provide a modern and comfortable dining area for employees to use on their rest breaks.
- **CYCLE TO WORK SCHEME:** 120 individuals took up the scheme which was in its third window at Port of Felixstowe and first at Harwich International.

DIVERSITY & INCLUSION (D&I)

Building a diverse and inclusive culture is one of our top priorities as an organisation. Our ambition is to build a workforce that is representative of the local communities that we serve. Since our programme launch in 2019, we have seen incremental improvement in our initial area of focus of gender balance and have continued to actively target and drive initiatives to attract, retain, and develop a diverse workforce.

We are committed to introducing policies that support a diverse workforce, encourage employee networks, committees, development opportunities and education events that in turn form

communities and a sense of belonging for our employees.

We have started to see the positive results of our diversity and inclusion strategy, including, a significant increase in the percentage of job applications from women and growth in our internal employee networks.

At the start of 2022, we broadened our diversity and inclusion programme to include ethnicity, sexuality, age, religion, and disability. The expansion of our D&I programme mirrors wider developments in our sector and across the industry more broadly. After the Port of Felixstowe

gained the Women in Maritime Charter status in 2020, Maritime UK expanded the programme to incorporate gender, mental health, pride and ethnicity under the new umbrella of the Diversity in Maritime programme.

Part of our programme expansion involved the formation of a Diversity and Inclusion Committee, supported by four working groups and two employee networks. The D&I Committee and working groups issued a range of educational materials throughout the year to raise awareness of, and celebrate, individual and cultural differences and the value they bring to the workforce.

CULTURAL DIVERSITY WORKING GROUP

The objective of the Cultural Diversity Working Group is to create awareness of, and to celebrate, the diverse cultures & faiths that exist within our business. It works closely with the workforce to highlight the relevant issues arising due to cultural differences, thus making our port a more tolerant, supportive and inclusive environment for all who work here.

WOMEN'S NETWORK & GENDER WORKING GROUP

The objectives of the Women's Network and the Gender Working Group are to create a more inclusive workplace for women and gender non-conforming people working across our business. It achieves this by focussing on initiatives that will benefit and enhance the working environment, and collaborating with the workforce to find out what issues are relevant to them.

LGBTQIA+ WORKING GROUP & PRIDE NETWORK

The objective of these groups is to create a safe, welcoming, and informed environment for all employees, regardless of their sexual orientation, gender identity, or expression. They strive to cultivate a workplace that ensures that every individual can bring their authentic selves to work

WELLBEING WORKING GROUP

The objective of the Wellbeing Working Group is to promote employee wellbeing and to enhance the equality, inclusivity and support avenues for all kinds of physical and mental health conditions, all ages, disabilities, and neurodiversity acceptance.

The D&I Committee and working groups issued a range of educational materials throughout the year to raise awareness of, and celebrate, individual and cultural differences and the value they bring to the workforce.

D&I COMMITTEE

The HPUK Diversity and Inclusion Committee was formed in February 2022 and continued to drive the D&I agenda throughout 2023. The committee was established to represent the views of under-represented employees and to create actions that drive forward a culture of inclusivity across HPUK. It is built upon our four main pillars, each of which has its own Working Group.

The purpose of the D&I Committee and Working Groups is to:

- Improve the culture in respect of equality, diversity and inclusion across HPUK.
- Recognise and celebrate all differing identities, experiences, and abilities in our workforce.
- Represent the views and needs of under-represented groups across HPUK.
- Incorporate equality, diversity and inclusion into our policies and working practices.



CULTURE



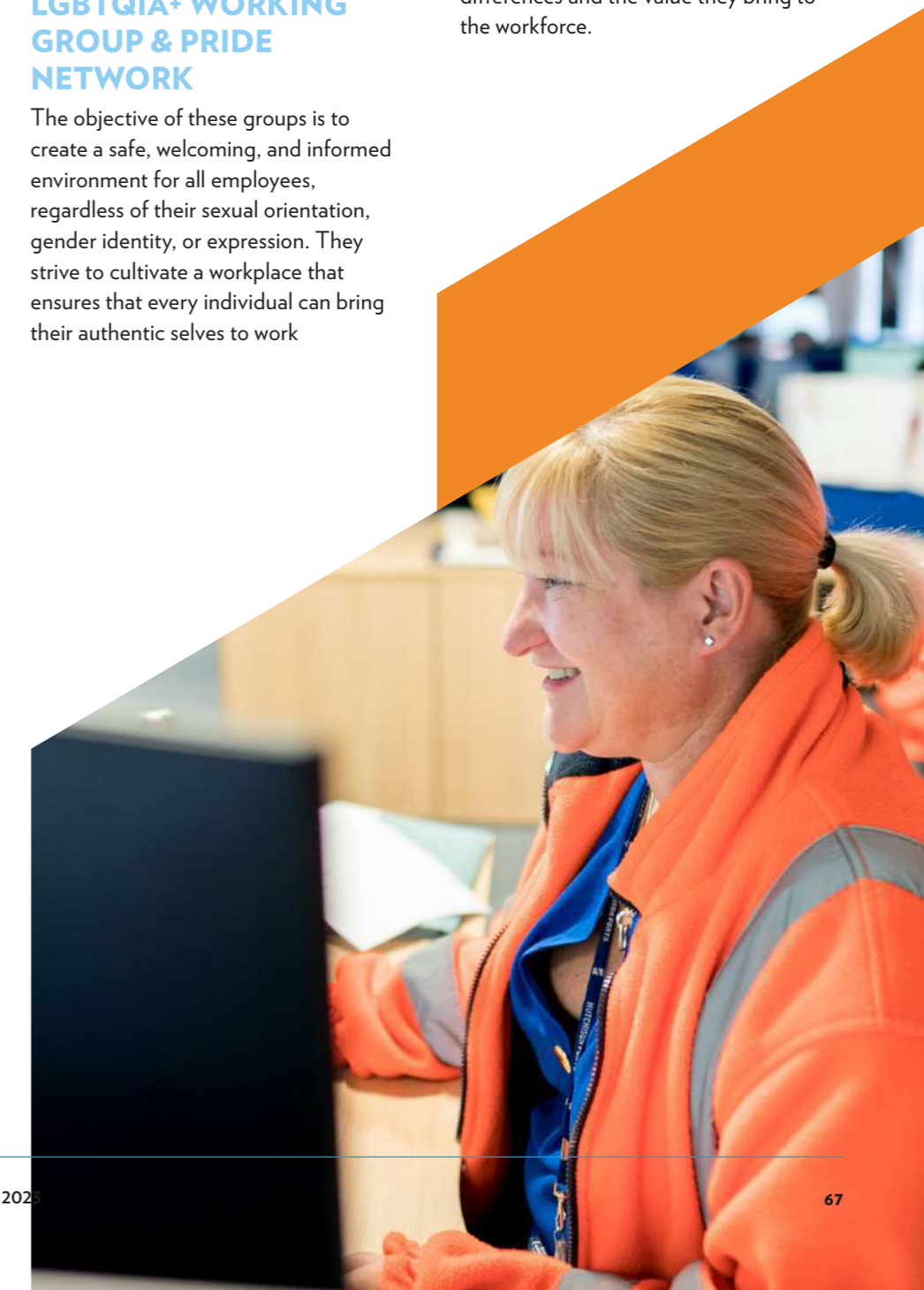
GENDER



PRIDE



WELLBEING



CASE STUDY

MENOPAUSE CAFÉ

The Menopause Café – Port of Felixstowe continued to open for business throughout 2023. First launched on World Menopause Day 2022, the café provides a safe and confidential place open to all employees to have an informal chat, share their experiences and to support each other through their journey.

As a business we know that over 50% of the population will experience the effects of menopause at some stage in their adult lives. The café was one of the first initiatives we adopted to break down the stigma around menopause and provide those impacted with the support they need. We recognise how important it is to understand how the menopause can affect us all and to learn from those experiencing symptoms. The more we understand the better we can be at offering the right support at work.

www.menopausecafe.net



D&I 2023 HIGHLIGHTS:

- 2023 saw a 7% increase in the proportion of applications from women compared to 2022, this resulted in a 1% increase in the proportion of women joining the business in 2023 despite a reduction in advertised roles. Female talent has been secured in a wider variety of operational roles.
- Continued investment in the delivery of diversity and inclusion and health & wellbeing programmes throughout 2023, including online workshops and promotion of the Employee Assistance Programme resulting in 150% increase in utilisation.
- Commitment to women’s careers continues with new roles launched and recruited in 2023, including alternative working patterns operating remote yard cranes. The proportion of women being internally promoted remained high with over 14% in 2023 compared to 8.7% in 2022.
- Mandatory Professional Boundaries training was delivered to all managers, inclusive of the Executive Team. Training focused on understanding their role in ensuring a safe and respectful working environment and maintaining professional boundaries. It also built awareness of discrimination and harassment, and understanding how to recognise and address unacceptable behaviours.
- Celebrated the 1 year anniversary of our Pride Network on 14 July 2023 with a networking event.
- Delivery of five Mental Health First Aider training courses..
- Cultural Diversity Working Group delivered an event to celebrate the festive period, in particular Hannukah, Diwali, Thanksgiving and Christmas.
- Cultural Champions – ran a pilot for over the radio system via a dedicated radio channel to provide support to individuals who were experiencing cultural differences e.g. language barriers and needed any further support.

DIVERSITY & INCLUSION 2023

A YEAR IN REVIEW

DRY JANUARY ▼

In January & February the Wellbeing Working Group hosted drop-in sessions to promote alcohol awareness and physical health.



CULTURAL DIVERSITY FOR DIALOGUE & DEVELOPMENT ▼

In May the Cultural Diversity Working Group hosted a world foods event to celebrate 'World day for Cultural Diversity for Dialogue & Development'. This sparked lots of discussion about different cultures and raised awareness about unconscious bias.



LONELINESS AWARENESS WEEK ▲

In June, the Wellbeing Working Group released a series of articles for Loneliness Awareness. This year's theme was 'Connection Matters'. We raised the importance of making simple, everyday connections – no matter how small.

INTERNATIONAL WOMEN'S DAY ▼

We observed 'International Women's Day' in March. This year's theme was '#EmbraceEquity'. Highlighting the need to tailor resources and opportunities to individuals. We ran a Q&A with women covering many roles in our ports, and we played D&I Bingo!



WOMEN IN MARITIME ▲

We recognised 'IMO International Day for Women in Maritime' in May. This was an opportunity to network with colleagues across the business and highlight new initiatives for women such as female PPE.



PRIDE NETWORK ANNIVERSARY ▲

In August we celebrated one year since the launch of the Pride Network. This group has made great strides in providing safe spaces for LGBTQIA+ members and allies to network and raise issues concerning them.

BLACK HISTORY MONTH ▼

Throughout October the Cultural Diversity Working Group released a series of newsletters for Black History Month, including articles on what we can do to support racial diversity into the future. We celebrated historical figures & events and promoted books, podcasts, charities, and black-owned businesses.

WOMEN'S NETWORK BUPA SESSION ▼

On 4 December, the Women's Network hosted a virtual and in-person event with guest speakers from Bupa. They presented their Women's Health module, educating us on key female health issues and how they can be addressed in our business.



BUPA ACADEMY

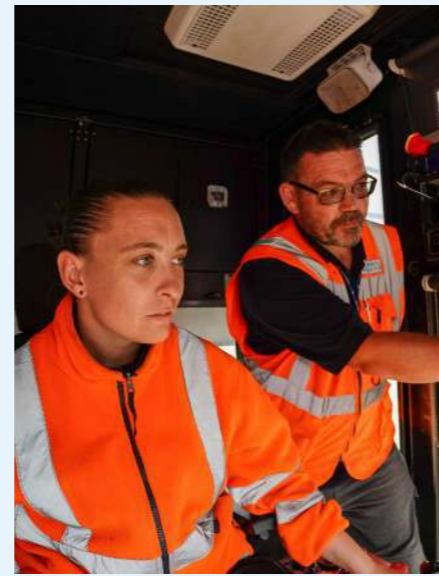
The Wellbeing Working Group trialled a set of free wellbeing modules from Bupa, promoting mental and physical health awareness. These were attended by members of the HR team and managers across the business. The modules, are primarily targeted at managers to advise them on how to improve these issues within the business.

CASE STUDY

FEMALE FIRST

In May 2023 Natasha Stokes became the first female crane driver at the Port of Felixstowe. Ports have traditionally been, and by many people are still perceived to be, very male environments. That is something we are determined to change. There are no roles in our ports that are off-limits to anyone with the right attitude, skill and aptitude and we will continue to support all our colleagues and to encourage more applications from women for jobs at the port.

Natasha was born and raised in Harwich and joined the port as a Port Operative in 2019. Since then, she has driven the lorries that transport containers around the port and the cranes that stack the containers in the storage yard and now the giant cranes that load and unload ships calling at the port.



Commenting on her achievement Natasha said:

“It is fantastic to be the first ever female quay crane driver at the port. At my first 12-week review, when asked by my Manager where I saw myself in the future at the port, I said I wanted to be the first female crane driver. I’m proud that I’ve achieved that in just four years.”



In 2023 Surane Nagla became the first woman to hold a full Ro-Ro licence at the Port of Felixstowe.

Prior to working at the port Surane worked for a baby foods manufacturing company as the only woman in the printing department. Her employment at the Port of Felixstowe began in

December 2020 as a Port Operative in the Container Division driving internal tractor units.

Surane commented:

“I had always been interested in the Ro-Ro duties when passing through Dooley Terminal when working and

I had a friend of mine who worked on Dooley. It looked interesting yet difficult, however I have never been one to shy away from a challenge so pushed myself, breaking boundaries until I succeeded in becoming the first woman with a full Ro-Ro licence and a permanent position.”



CREATING A GREAT PLACE TO WORK



In creating a great place to work we want to be an employer of choice that attracts, develops and retains a diverse workforce. We will build a safe and sustainable future for our people, developing an inclusive working environment that fosters a culture of belonging, where everyone feels valued and respected throughout their career.

In doing this our main objectives are:

- Prioritise safety and wellbeing to drive a zero-harm culture.
- Develop a high performing, diverse workforce to support the delivery of future technologies.
- Enhance employer brand to attract and retain a diverse workforce.
- Create an inclusive working environment and culture that enables open feedback.

OUR RESPECT WORK CHARTER

We are One Team who all contribute to everyone is valued, heard and treated with respect. This Charter outlines how all employees work together. We will:

- Act and behave in a way that promotes a safe and friendly work environment.
- Treat others with courtesy, kindness and respect, and act with integrity.
- Take accountability for our actions and grow from our mistakes by working and learning together.
- Challenge inappropriate behaviour, escalating where necessary. We will not ignore or walk away.
- Listen to each other and raise issues or views in a constructive, positive manner, respecting differences of opinion.
- Apply this charter in all aspects of our work and interactions with colleagues, whether this is verbal, written or in any other form.

OUR RESPECT AT WORK CHARTER

We are One Team who all contribute to creating a working environment where everyone is valued, heard and treated with respect. This Charter outlines how all employees, regardless of role, are expected to work together. We will:

- Act and behave in a way that promotes a safe and friendly work environment.
- Treat others with courtesy, kindness and respect, and act with integrity.
- Take accountability for our actions and grow from our mistakes by working and learning together.
- Challenge inappropriate behaviour, escalating where necessary. We will not ignore or walk away.
- Listen to each other and raise issues or views in a constructive, positive manner, respecting differences of opinion.
- Apply this charter in all aspects of our work and interactions with colleagues, whether this is verbal, written or in any other form.

RESPECT AT WORK

Work started in 2023 on our Respect at Work Charter, which officially launched in January 2024. The Respect at Work Charter is a visible statement that reinforces the standards of behaviour expected from all employees, across all levels and roles, within Hutchison Ports (UK) Limited (HPUK).

In creating the charter, we considered employee feedback on what respect means to our colleagues as well as conducting a review of similar charters that other organisations have in place. Having a charter in place helps provide clarity and certainty on the behaviours expected from each of us in the workplace.



VOLUNTEERING

On 1 August 2023 we launched a new Volunteering Scheme for employees. The scheme, which is open to all permanent employees from the first day of employment, allows employees to participate in volunteering activities either as an individual or as part of a team. Each employee is entitled to an additional 12 hours of volunteer leave per calendar year in which to give something back to the community. The scheme helps us play our part in supporting positive and lasting improvements across our local communities.

CYCLE TO WORK SCHEME

As part of our commitment to protecting the environment, reducing our carbon footprint and promoting health and wellbeing, we expanded our Felixstowe and Harwich Cycle to Work scheme in 2023. The scheme enables employees to hire a bicycle and safety accessories via salary sacrifice. The scheme encourages a more healthy and sustainable alternative to driving to work.



CREATING A GREAT PLACE TO WORK

GENDER PAY GAP



We recognise the value of having a diverse workforce that reflects the community in which we are based. We have a rich history in our local community, providing jobs and opportunities, often to multiple generations of the same family.

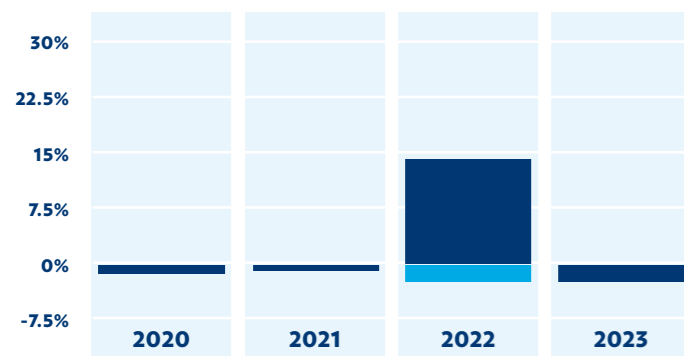
We have much to be proud of but our industry has traditionally been male-dominated and that is something we are committed to change. Our gender pay

report helps us to identify areas where we need to improve, recognise how we have progressed, and what we are doing right.

The gender pay gap is the difference in the average hourly earnings of our male and female employees. The closer our figures are to 0%, the smaller our Gender Pay Gap. A negative result means women have earned more than men per hour.

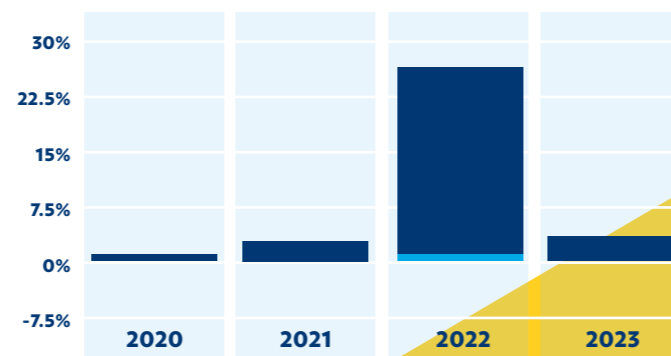
The mean gender pay gap in 2023 was -2.37% and the median gender pay gap was 3.54%. This means that women's average pay was higher than male employees, with women across the business earning on average £0.46p more per hour.

MEAN GENDER PAY GAP



% without £500 one-off payment in 2022

MEDIAN GENDER PAY GAP



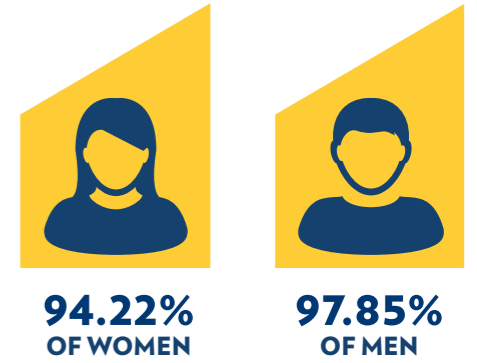
% without £500 one-off payment in 2022

THE GENDER BONUS GAP

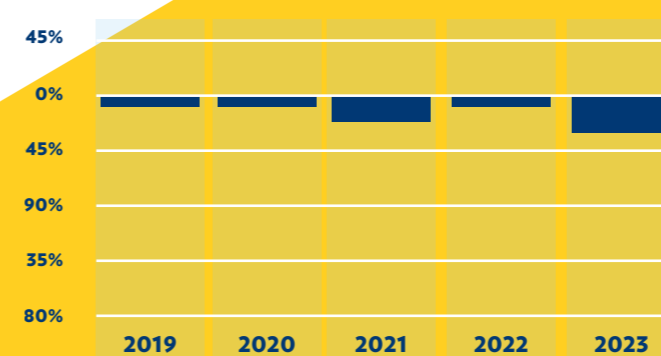
The Gender Bonus Gap measures the difference in bonus payments made to men and women. The mean bonus pay gap for 2023 was -30.17% and the median bonus pay gap was -165.34%. In both cases the gap is explained by the structural imbalances in the workforce.

Whilst the makeup of our workforce is 93% male, the remaining 7% that makes up our female workforce are predominantly in monthly paid roles which are eligible for an annual discretionary performance bonus.

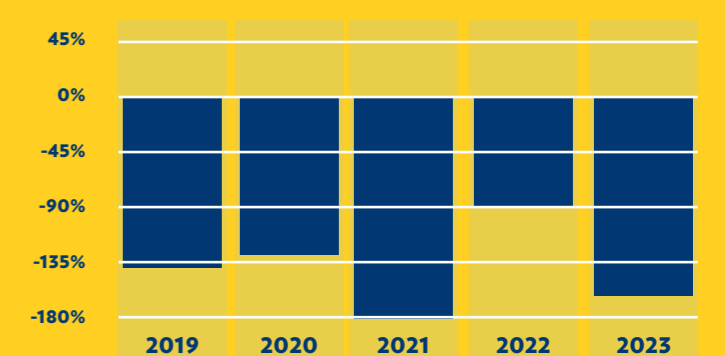
BONUS ELIGIBILITY



MEAN BONUS PAY GAP



MEDIAN BONUS PAY GAP



More details can be found in the separate Gender Pay Gap Report

CREATING A GREAT PLACE TO WORK

LEARNING & DEVELOPMENT

At Hutchison Ports we enable our people to “be their best selves and do their best work”. Along with the safety of our colleagues one of the core values maintained by Hutchison Ports is that of being a preferred employer. To establish ourselves as an employer of choice we focus on retaining the skills and talent we have through committing to fair working practices, providing competitive remuneration and employee benefits, offering opportunities in learning, development and progression while

evolving our strategies around employee well-being.

As part of our drive to establish a diverse and sustainable workforce, we are committed to developing our people across a range of disciplines including leadership skills, professional qualifications, and technical training.

We have a renewed focus on growing our own talent to ensure the ongoing sustainability of our workforce. In 2023,

we began establishing early career programmes to increase our opportunity to grow our own talent, working closely with key education providers to introduce career and development pathways for critical functions.



LEARNING & DEVELOPMENT 2023 HIGHLIGHTS:

- Three employees from Engineering and Commercial graduated from the global MYPORT programme in December 2023 having completed the 15 month programme over three modules including coaching sessions, collaborative group projects and creating a personalised development plan to support the next steps in their careers.
- Our partnership with Colchester Institute, launched in late-2022, continued to develop and pay dividends. The partnership involves Engineering apprentices training on a specially-tailored three-year advanced manufacturing programme at the College. Fourteen new apprentices began their training in September including:
 - 10 new Engineering Apprentices at Felixstowe and Harwich.
 - Two Engineering Manufacture Technician apprenticeships for existing employees at Felixstowe and London Thamesport.
 - Two Chartered Manager Degree apprenticeships for employees at Felixstowe.
- In addition, we supported two employees onto new apprenticeship programmes with other local providers:
 - One employee on an AI and Data Science apprenticeship
 - One Engineering Manufacture Technician apprenticeship at London Thamesport
- Work began in 2023 to further utilise apprenticeships for leadership development. Employees begin enrolment onto programmes in 2024.
- Recruited two Operations Graduates in September 2023.
- Delivered six Safety Matters IOSH training courses for safety leaders across HPUK, equipping them with the required skills to safely manage and lead teams.
- Completed five in-house leadership training programmes to upskill our current and future leaders from Team Leader roles through to Management.



CREATING A GREAT PLACE TO WORK
WELLBEING

Supporting the health and wellbeing of our employees is an integral part of the way we operate. Our aim is to develop and maintain a safe and engaging workplace in which the contribution of each employee is recognised and valued.

The Hutchison Ports Wellbeing Framework is centred around its own three core facets which are contribute, care, and collaborate.



These core facets guide the decision-making process around Group initiatives and strategies.

THE THREE CORE FACETS



CONTRIBUTE

We recognise capabilities and contributions of different members. We also give back and contribute to a sustainable community.



CARE

We take care of the well-being of ourselves and others. We tackle challenges with resilience. We respect diverse thoughts and feelings.



COLLABORATE

We are a Global Port network and we value collaborations. Together we co-create a positive and healthy work environment.

OCCUPATIONAL HEALTH

Care for the physical and mental wellbeing of employees in the workplace is led by our professional Occupational Health team. Based at the Port of Felixstowe the team also has overall responsibility for occupational health at Harwich International and London Thamesport.

It is well-known that being in work is better for health and wellbeing overall than being out of work. People employed in a healthy and safe working environment also tend to live longer. However, work can affect your health and your health can affect your work. The primary goal of the Occupational Health team is to ensure our employees are not adversely impacted by their work and are medically fit to carry it out safely.

The Occupational Health team provides support to employees on a wide range of physical and mental health issues. Prevention is always better than cure and the team help prevent work-related illness and injury by:

- Encouraging safe working practices to avoid work-related health problems
- Monitoring the health of the workforce
- Supporting the management of sickness absence, including managing difficulties in coping on return after being absent
- Supporting health promotion and education programmes
- Providing advice and counselling to employees around health-related problems; and
- Advising on reasonable adjustments to working conditions

WELLBEING 2023 HIGHLIGHTS:

- Delivered 5 courses of Mental Health First Aider training to establish a network of 70 MHFAiders in varying roles and shifts across the business to provide on-hand mental health support and sign posting.
- Bupa Academy – Individuals across HR and supervisory/management roles attended virtual workshops on mental health, women and men’s health and Musculoskeletal health. These were delivered as part of a pilot with Bupa Health Academy. The pilot was arranged to review the value of rolling-out sessions across the business to increase education on key health topics including mental health, women and men’s health and Musculoskeletal health.
- BEWELL Award – HPUK won three BEWELL awards which recognised the variety and value of the wellbeing initiatives delivered during the third element of the campaign
- London Thamesport received a Gold Award from Medway Council for efforts towards enhancing employee wellbeing.
- Occupational Health delivered 350 flu jabs to employees free of charge.
- The introduction of a new rewards platform in 2023 includes a Wellbeing Hub with free wellbeing resources including on-demand exercise and meditation videos.
- Health promotion and wellbeing survey issued to employees in December with 326 responses.

EMPLOYEE ASSISTANCE PROGRAMME

The support provided by the Occupational Health team is supplemented by our Employee Assistance Programme (EAP), contracted by the company but delivered through a third-party supplier, which gives 24 hr/7 day access to counsellors, nurses, pharmacists, midwives and life management advisors who are trained to provide help, support and guidance in a number of areas.

The EAP service is available to all Hutchison Ports’ UK employees and all their direct household members.

The Employee Assistance Programme provides help and support with a range of issues that can affect employees:

Family issues	Financial information	Legal information
Medical information	Relationship advice	Housing concerns
Alcohol or drug issues	Childcare support	Stress & anxiety
Low mood	Domestic abuse	Retirement
Consumer issues	Tax information	Bereavement

BEWELL CAMPAIGN

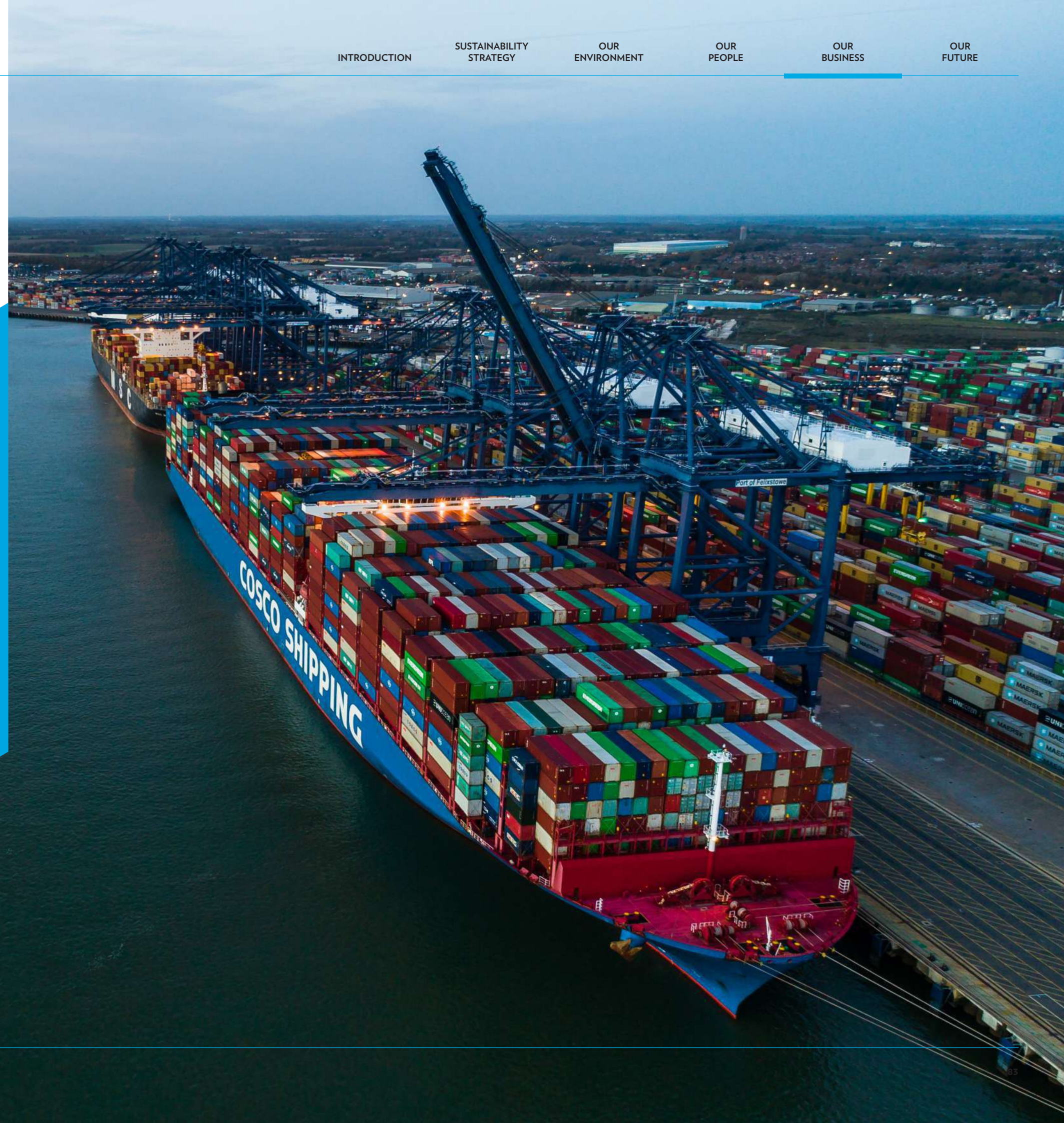
The Hutchison Ports global BEWELL campaign was launched in October 2021 and continued through 2022 and 2023. The campaign is an example of our organisational commitment to prioritise the well-being of our people. We embrace a comprehensive well-being framework that emphasises the whole-self perspective of our employees, including physical, emotional, spiritual, social, intellectual, and financial well-being.

The Campaign has been delivered through a combination of in-person and hybrid events including free on-site health checks, establishing a Menopause Café, Wellbeing drop-in sessions and men’s health initiatives.



5

OUR BUSINESS



OUR BUSINESS

INTRODUCTION

We are committed to driving sustainable practices across all aspects of our business and our group goals are to embed rigorous and effective governance and operate responsibly and with integrity. We understand that as a port operator, our operations have a significant impact on the environment, society, and economy, and we take our responsibility to mitigate these impacts seriously.



RESPONSIBILITY
POLICIES

We recognise our duty to ensure that our business is conducted responsibly. Good governance underpins this, providing the overall direction, effectiveness, and supervision of the group. It guides us to act with integrity and in the best interests

of stakeholders through informed, open and ethical decision-making.

We have developed a range of policies, procedures and guidelines to govern our operations, including environmental

management, health and safety, and corporate governance. Many of these align directly to group policies at Hutchison Ports and CK Hutchison Holdings Ltd (CKHH).

GOVERNANCE DOCUMENTS

- Code of Conduct
- Anti-Bribery and Anti-Corruption
- Personal Data Governance
- Business Continuity Management
- IT Security
- Cyber Security
- Whistleblowing

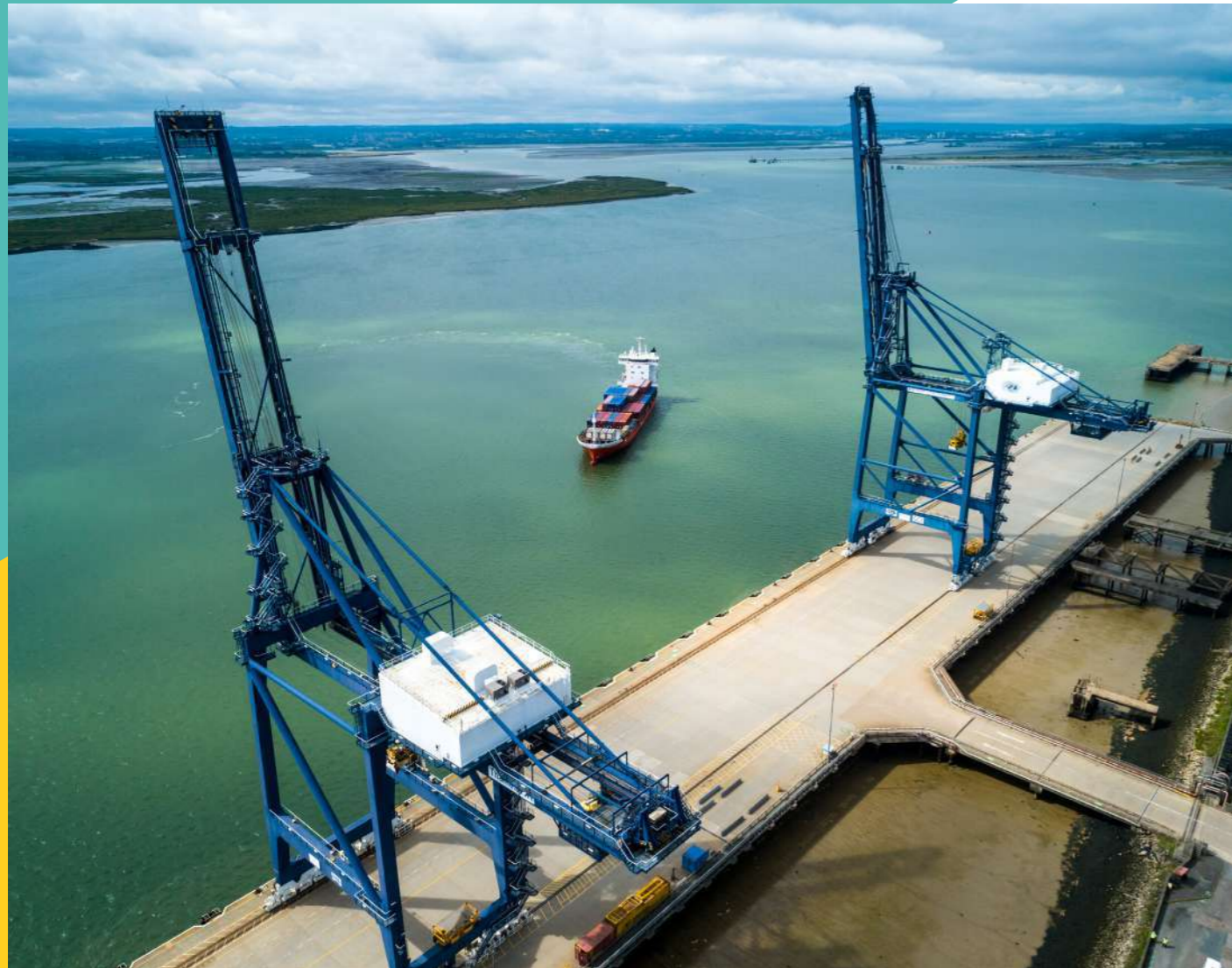
SUSTAINABILITY DOCUMENTS

- Environment Policy
- Sustainability Statement
- Energy Policy
- Health and Safety
- Modern Slavery
- Supplier Code of Conduct



Employees receive training on relevant policies and procedures on joining the business and follow-up training every two years. Additional specialised training sessions are also held for members of relevant departments as and when necessary. A wide selection of training modules are available on our e-learning site that are available to all employees.

RESPONSIBILITY
ETHICS



We have a zero-tolerance approach to fraud and corruption. Our Code of Conduct sets out professional standards for how employees should behave providing guidelines on business conduct. Topics covered include conflict of interest, fair dealing and integrity, no bribery, personal data protection and privacy, safe and healthy workplace, protection of the environment, and the reporting of illegal or unethical behaviour.

ENSURING COMPLIANCE

Non-compliance with the Code of Conduct will result in disciplinary action, up to and including termination of employment. We regularly monitor applicable laws and regulations that have material impact on the group and various measures are in place to ensure full compliance. For instance, regular and refresher training for Competition Law is arranged to raise awareness for relevant employees.

GOVERNANCE

We recognise our responsibility to keep personal data and sensitive information safe by implementing technical and organisational measures that demonstrate our compliance legislation. Our policy on Personal Data Governance protects relevant individuals by setting principles of respect of individual rights, procedural transparency, lawful processing, use and retention, and information security.



WHISTLEBLOWING POLICY

Our Whistleblowing Policy expects and encourages all internal stakeholders to report in confidence, any suspected impropriety, misconduct, or malpractice within the group. Provision is also made for third parties to raise concerns via the group internal audit function.

OTHER POLICIES

We publish a Modern Slavery Statement annually reviewing the content and underlying practices each year. We are pleased to have launched a new format Gender Pay Gap Report covering the 12 months to April 2023. In addition to covering the core mandatory reporting our new format report looks to explain the underlying numbers. Whilst the business has traditionally been male dominated, something we are committed to changing, the gender pay gap report helps us to identify areas where we need to improve, recognise how we have progressed and what we are doing right.

We have begun the process of addressing a sustainable procurement practice by applying a prequalifying questionnaire to our prospective suppliers. This questionnaire evaluates contractor management of labour practices, and environmental practices such as the applicability of standards, legal compliance, and safety. The intention of this evaluation is to improve our supply chain over the long-term and identify where we think engagement as well as support may be required to maintain a relationship.



SUPPLY CHAIN

SUPPLY CHAIN MANAGEMENT

We recognise that our business has an impact that extends beyond the communities in which we operate. To help address this, we seek to actively identify and address emissions along our value chain from sources including procurement of equipment and transportation. We believe that by setting high standards for ourselves and our suppliers, we can create a more sustainable future for all.

Through collaborative partnerships, education and knowledge can be shared with the supply chain. This is the best way for us to realise our decarbonisation roadmap and achieve our sustainable vision.

We follow a rigorous selection and approval process for suppliers. We capture elements of their behaviours, practices and processes covering

topics such as modern slavery, human trafficking, anti-bribery, anti-corruption, IR35 employment law clarifications and more. We are committed to working closely with supply chain partners to identify areas where sustainability can be improved, such as, reducing GHG emissions and promoting responsible resource use.

SUSTAINABLE PROCUREMENT

The measures we are taking to transition our diesel equipment to electricity and source sustainable electricity will address our Scope 1 and Scope 2 emissions. Adopting sustainable procurement practices will help tackle the Scope 3 emissions from our supply chain. The process of applying sustainable procurement practices begins with a prequalifying questionnaire for prospective suppliers. The questionnaire evaluates contractor management of labour practices, modern slavery and environmental practices such as, the applicability of standards, legal compliance, and safety.



SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct is key to establishing sustainable partnerships with suppliers in our value chain. It serves as a guide to the supply chain and clarifies that business partners and our suppliers are expected to abide by local laws and regulations, promote ethical standards, protect the rights of employees, and operate responsibly. It works in tandem with our Human Rights Policy and the Modern Slavery and Human Trafficking

Statement. These policies move to ensure that all business transactions are conducted in a fair, unbiased, and transparent manner.

LOCAL SOURCING

Where possible goods and services are sourced locally to benefit local suppliers and vendors in the community. Opportunities to tender for goods and services are advertised via a portal on the Port of Felixstowe website. General purchasing terms and conditions, the

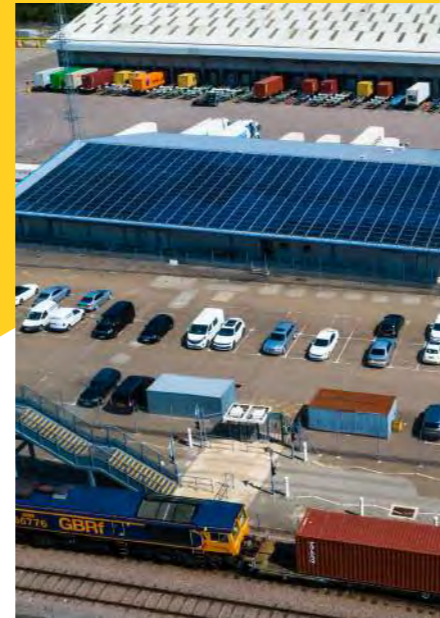
scope of work, registration process and vendor registration flow can be downloaded via the website. By sourcing goods and services locally, emissions from transport is reduced, the local communities in which we are based benefit and resilience is built into our supply chains.



SUSTAINABLE SOLUTIONS

The future of our operations will be about utilising and manipulating data to drive improvement and sustainability. The key is how to capture, extract, analyse and translate data to formulate strategies and tactics in operations. This will need to occur in real time and involve the processing of large amounts of information. We endeavour to continue our standardisation of systems

through our terminal operating system modernisation. This includes introducing key automated processes to facilitate operational efficiencies and digitising business to speed up workflows while identifying sustainable opportunities such as green corridors and incentive opportunities for customers and our value chain.



MODAL CHOICE

Distribution of goods by rail can reduce CO2 emissions by up to 76% compared to road. Rail also produces up to 10 times less small particulate matter than road haulage and as much as 15 times less nitrogen oxide for the equivalent mass hauled. Rail freight also helps reduce road congestion which otherwise exacerbates pollution. Each freight train removes up to 76 lorries from the roads, resulting in 1.6 billion fewer HGV kilometres every year.

Our three UK ports are all rail-connected. The decision about what mode to use lies with the company controlling the movement of the goods but we will continue to invest in our rail facilities and we will continue to encourage the use of sustainable distribution options by shippers. We work closely with the Freight Operating Companies (FOCs) and in 2023 the number of containers moved through the Port of Felixstowe's three rail terminals increased by 8% to 900,000 TEU. The use of rail at Felixstowe saved approximately 130 million HGV miles and 150,000 tonnes of CO2.

OCEAN

ONLINE CONTAINER ENQUIRY ANALYTICS NOTIFICATIONS

OCEAN/UBI MOBILE APP

Economically efficient supply chains are usually also environmentally efficient and OCEAN is an online platform that provides customers with fast, accurate and effective tracking of their containers from ship to shore. OCEAN stands for Online Container Enquiry Analytics & Notifications. It provides full transparency and real-time information as well as optional notifications allowing customers to follow containers on their journey through the port.

Hutchison Ports global strategy to enhance the inland connection for our ports includes the ubi Mobile App, which enables customers to gain better visibility and faster access to landside terminal processes. Through the ubi, customers can track and receive real-time updates of their cargoes from waterside, yard, and landside operations.

PARIS OPTIMAL TRANSPORT PLANNING

The PARIS optimal transport planning system helps companies plan the best transport mode for deliveries and collections by scheduling transport bookings on available space of rail, barge and coastal feeder services combined with truck transport planning. It helps its customers to minimise transportation costs, reduce transit times, and improve the overall efficiency of their operations. Reduced empty mileage results in a significant carbon footprint reduction, contributing to the constantly increasing focus on sustainability.

AUTONOMOUS TRUCKS

Autonomous trucks (ATs), also known as self-driving trucks, are electric vehicles that can operate without a human driver. Hutchison Ports has been developing and implementing the use of ATs for freight handling in its terminals. Having first been introduced in Hutchison Ports Thailand ATs are now being introduced at the Port of Felixstowe. The ATs can operate round the clock with no human intervention and integrate smoothly with the remote-controlled quay cranes and rubber-tired gantry cranes in the terminal.

The control of ATs involves the use of advanced technology such as sensors, cameras, and artificial intelligence algorithms to navigate and operate the vehicle. These trucks are capable of loading and unloading containers without the need for human intervention.

After completing mapping and analysis of the terminal configuration the right of way will be marked out for the introduction of the autonomous vehicles. This is necessary due to driving modifications required in a mixed terminal. There are guide paths for the ATs and they are programmed to work within certain parameters meaning safety considerations must be applied such as: no overtaking of an AT or always giving way to an AT. Extensive driver education programmes are rolled out to ensure all staff are aware of the capabilities of the ATs and how they should behave in proximity to the vehicle.

One of our key considerations is how drivers coming onto our terminal interact with an unfamiliar vehicle. To mitigate any risks, we run an education programme for all drivers entering our port. This ensures that they are aware of the configuration change and the rules around interaction with ATs.



INVESTMENT PLANNING

Sustainability considerations play an integral role in determining our approach to new investments, particularly with regard to advancing our low-carbon transition plans. Having committed to becoming a net-zero port operator by 2035, HPUK will opt for electric models for equipment and/or truck replacement and for any approved new purchase, which will be supplemented with other forms of clean energy such as green hydrogen.

Capital allocation is crucial to effective sustainability governance. Sustainable investing can deliver strategic benefits such as enhanced financial returns while providing a tangible positive impact for society and the environment. The CKHH Group identified "Focusing on Sustainability" as one of its key corporate strategic pillars and considered the elements of sustainability during investment decision-making, capital and operating expenditure and debt financing.



CYBER SECURITY

OVERVIEW

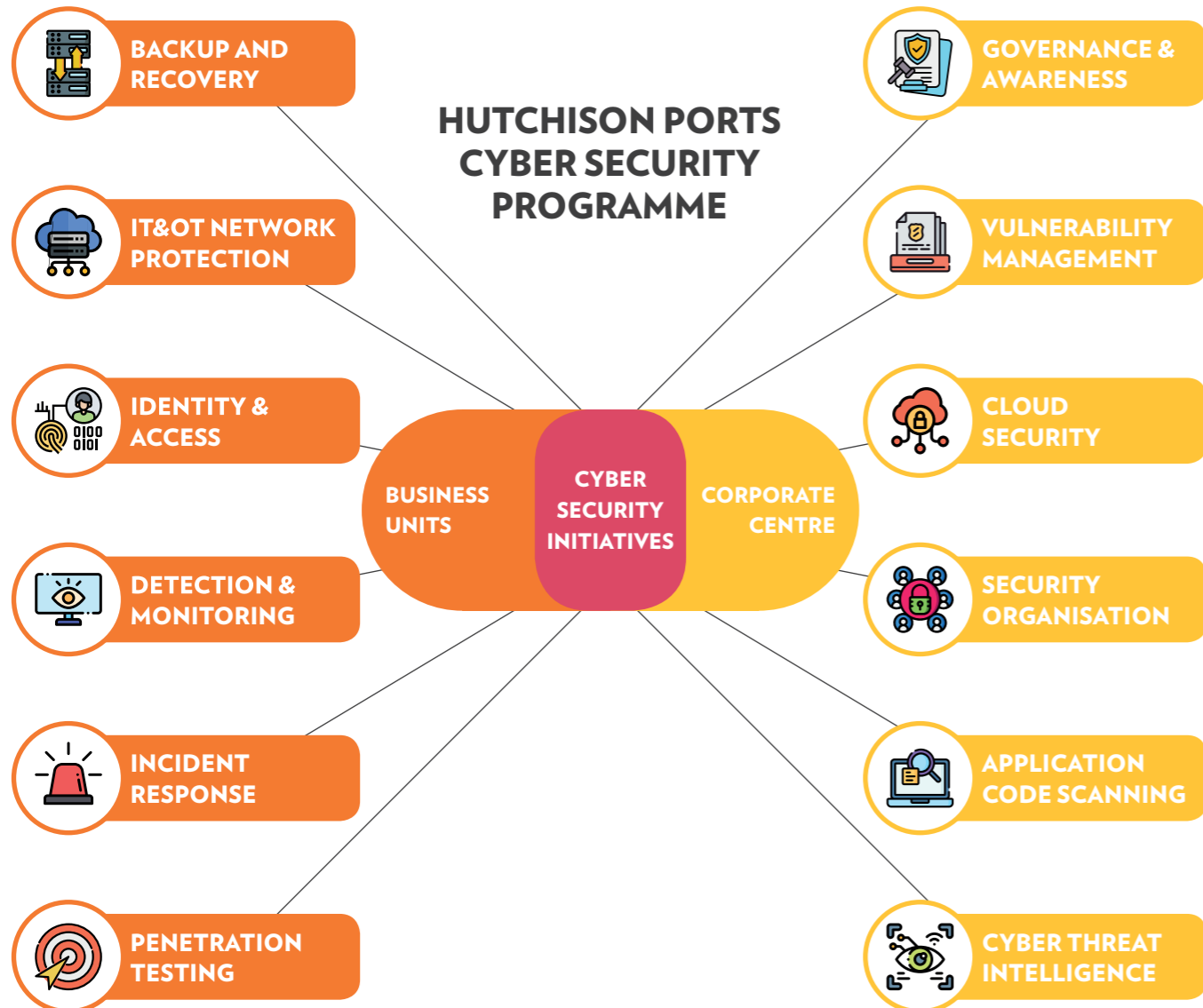
Being an innovative and future thinking organisation, we continually advance the use of integrated technologies in our operations. This evolution continually calls for digitisation and automation of processes. With this digital transformation is embedded risk in terms of data protection and potential information security concerns with respect the operations of our technology. As a major port operator, it is imperative to grow the security measures in our

cyber systems at an even faster rate than the digital and operational processes they protect. To help do this, and in addition to close liaison with Hutchison Ports at a group-level, we engage with UK authorities, including the National Cyber Security Centre, to be aware of and better able to respond to the threats.

defences to ensure that all implemented schemes and policies are effective, coherent, and well-coordinated. The IT Security Committee works closely with the group Cyber Security Committee which is supported by a steering committee that develops IT policies, standards and procedures at a business-unit (BU) level which supplement the governance of the Cyber Security Working Group.

GOVERNANCE

Chaired by the CEO, the HPUK IT Security Committee oversees the management of cyber security risks and



CYBER SECURITY WORKING GROUP

The Working Group works on standardising security strategies at the group level, monitoring cyber resilience across BUs. The Working Group is responsible for enforcing various regulatory and compliance requirements to ensure the security and integrity of the organisation's operations. Cyber security performance metrics include various dimensions to assure the business security posture and performance.

PERFORMANCE METRICS

Cyber Threat Intelligence (CTI) Service

- Deep and dark web monitoring
- Brand abuse services for phishing domains & fake news
- Targeted threats with relevant news and threats

Incident Response Retainer (IRR) Service

- 24/7 hotline to receive request for potential incidents from ALL BUs
- Initial remote support and onsite support

Vulnerability Management

- Missing patches monitoring
- Vulnerability aging remediation
- Mis-configuration remediation

Cyber Incident Recovery (CIR)

- Preparedness and Response Playbook
- Recovery Time and Point Objectives
- Cloud-Based Disaster Recovery (CBDR)

Asset Management

- Maintain approved standard software list
- End-of-life device monitoring



Cryptography Monitoring

- Cryptography in cloud computing and on-premise

Security Test

- Penetration test
- Source code scanning
- Host base scanning
- Application testing

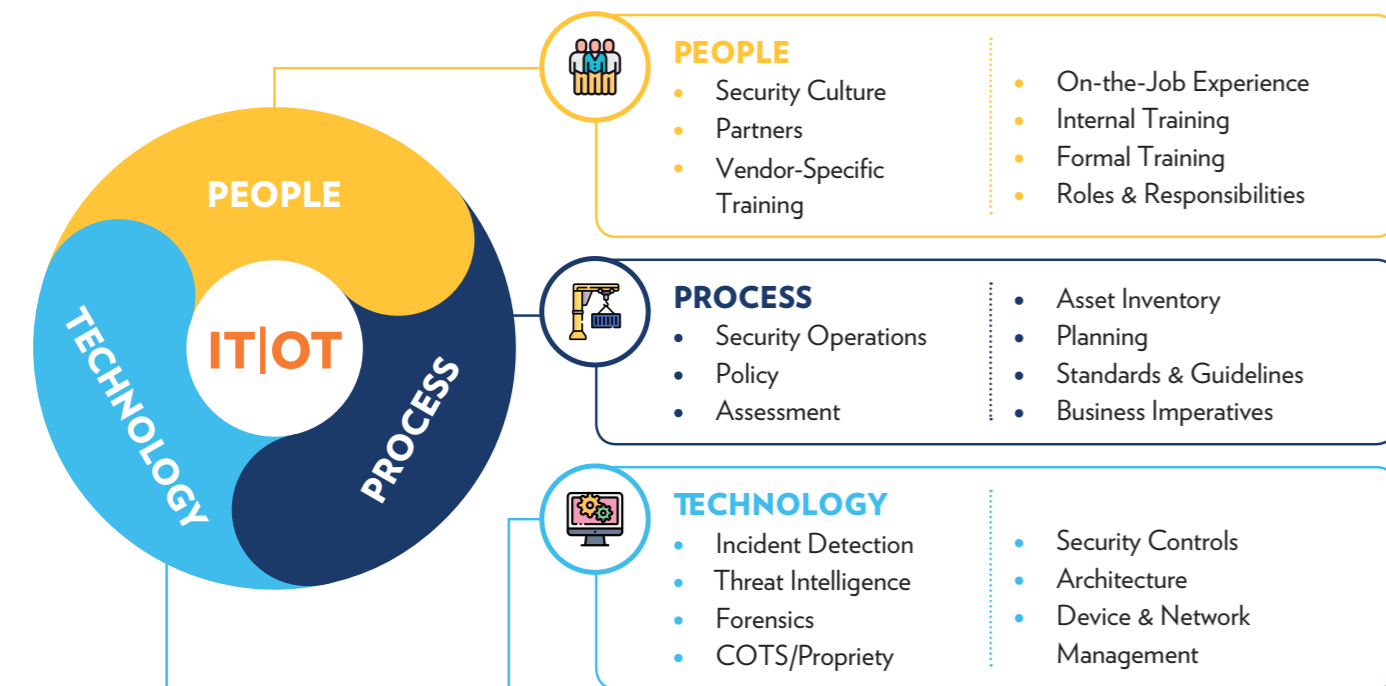
SECURITY CONTROLS

Operational Technology (OT) and Information Technology (IT) have traditionally been separate domains, each with its own set of security requirements. However, with the rise of digital transformation and the Internet of Things (IoT), the line between OT and IT security is increasingly blurred.

The overlap between OT and IT protection arises from the need to secure interconnected systems as both domains become increasingly integrated. This convergence brings about several shared security concerns, including:

<p>VISIBILITY AND CONTROL</p> <p>Both IT and OT need to gain full visibility across digital assets and networks, monitor and control access to these assets, and implement proactive measures for threat detection and prevention.</p>	<p>NETWORK SEGMENTATION</p> <p>Dividing the network into zones and implementing security boundaries is crucial in both IT and OT environments to limit the potential impact of a security breach.</p>	<p>CYBER SECURITY BEST PRACTICES</p> <p>Both IT and OT can benefit from applying cyber security best practices, such as regular patching, use of firewalls, intrusion detection systems, and strong authentication mechanisms.</p>
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It is important to note that while there is significant overlap, there are also key differences due to the distinct environments and challenges each domain faces. For instance, OT systems often prioritise system availability and safety over confidentiality, unlike IT systems. Therefore, a nuanced approach is required when applying IT security practices to OT environments. This is reflected by an overarching holistic approach combining the aspects of both domains under people, process and technology functions.



STRATEGY AND ROADMAP

Continually evolving of the way we work alters the risk profiles and the threats experienced by the organisation and dictates a dynamic and flexible approach to their management. The need to stay ahead of developments has led to an increase in training and awareness for the staff. Methods employed to enhance our cyber security posture includes but is not limited to:

<p>1 MULTI-FACTOR AUTHENTICATION (MFA)</p> <p>Implemented MFA to strengthen its authentication processes and reduce the risk of unauthorised access.</p>	<p>2 VIRTUAL PRIVATE NETWORK (VPN)</p> <p>Extended its VPN capabilities to enable secure remote access to its systems.</p>	<p>3 CLOUD SECURITY</p> <p>Implemented additional cloud security measures to ensure the security of its cloud-based systems and data.</p>
<p>4 ADVANCED TECHNOLOGY</p> <p>Investment in advanced cyber security technologies, expertise, and tools to stay ahead of cyber threats, with a proper Security Response Plan to detect and respond to threats immediately.</p>	<p>5 EMERGING CAPABILITY</p> <p>Adopting emerging technologies and practices to enhance cyber security efforts, such as Artificial Intelligence and Machine Learning for real-time threat detection, Cyber Threat Intelligence, and a Zero Trust Architecture.</p>	<p>6 FUTURE PROOFING</p> <p>Integration of OT systems and processes to ensure full oversight.</p>

IMPLEMENTATION

We have adopted international IT security standard ISO27001 and international OT security standard IEC/ISA 62443 as reference security standards. We regularly scan for vulnerabilities across all our IT systems to mitigate the risks and the vulnerabilities being exploited by threat actors. We also conduct annual cyber incident recovery drills to ensure we can recover from cyber incidents such as ransomware attacks.

To supplement simulation exercises we complete biannual self-assessments to determine our state of readiness and ability to recover. This assessment outlines our maturity and this information feeds into the wider ICRM process which governs business risks and opportunities at group level.

AWARENESS AND RECOVERY PLANS

With ever-increasing cyber security challenges, such as phishing emails, text messages, malware and denial of service attacks, we will continue to provide training to our employees. Our cyber security awareness training focuses on phishing, password security and social engineering and includes simulations to train employees to be cautious in clicking links in emails. By educating employees about the threats we face, we increase our cyber security resilience and reduce the risk and impact of any cyber-attacks.



6

OUR FUTURE



OUR FUTURE

We recognise that in an ever-evolving world where the challenges of climate change, resource depletion, and social inequality loom large, it is imperative that we embrace sustainability as a guiding principle for a resilient and thriving future. We will continue to focus on sustainability in all aspects of our operations and are committed to driving positive change through our actions.

We understand that the journey towards sustainability is ongoing and requires continuous innovation, collaboration, and adaptation. Using the three pillars that underpin our strategy we will continue to work to embed sustainable practices as part of business-as-usual. We will remain agile and proactive in addressing emerging sustainability challenges and opportunities.

AUTOMATION AND MODERNISATION

Looking ahead, our operations will focus on embracing innovative technologies including AI and Big Data. By doing so we will enhance efficiency and sustainability and create the Smart Ports of the future. This will encompass not only the expansion of our autonomous truck fleet and the roll-out of more remote-controlled equipment, but also the refinement of our operational processes and systems.

To align with our 2035 net-zero target for Scopes 1&2, we anticipate an increase in electrified trucks and equipment, requiring more charging facilities and an enhanced power supply. We will continue to work with stakeholders and partners to:

- secure the power supply we need
- explore the potential for alternative energy, including hydrogen production and use
- help steer national policy as the country moves towards a decarbonised future.

We will also continue to refine and develop plans for a Green Energy Hub at Bathside Bay in Harwich. The site's combination of land area, deep-water, proximity to the North Sea and, crucially, its planning status put it in a unique position to contribute to the delivery of the UK Government's targets for offshore wind development.



TAKING ACTION ON CLIMATE CHANGE

Develop the HPUK decarbonisation plan to deliver net-zero Scopes 1 & 2 Greenhouse Gas emissions by 2035 and Scope 3 before 2050.

We will work pro-actively to deliver our near term and long-term net-zero targets, following the best available scientific methods.

OBJECTIVES

- Collect and analyse verifiable emissions data to monitor performance along our net-zero pathway.
- Work with partners to incorporate renewable energy and decarbonisation solutions into planned port development.
- Collaborate with Hutchison Ports' ports globally to share best practices in implementation of emission free technologies and supply chain decarbonisation.



CREATING FUTURE-FIT PORTS

Invest in workforce, infrastructure and technology to prepare our ports for a changing climate.

We will ensure that our ports are resilient to climate change threats by assessing our climate change risks and preparing for the future.

OBJECTIVES

- Maintain up to date understanding of projected climate change impacts on our business activities so that we are prepared for impacts such as rising sea levels and extreme weather conditions.
- Recognise our interaction with natural habitats to protect biodiversity when operating our ports, planning development and evaluating nature based climate solutions.
- Maintain continual improvement programmes to protect our local and global environments.



CREATING GREAT PLACES TO WORK



Be an employer of choice that attracts, develops and retains a diverse workforce.

We will build a safe and sustainable future for our people, developing an inclusive working environment that fosters a culture of belonging, where everyone feels valued and respected throughout their career.

OBJECTIVES

- Prioritise safety and wellbeing to drive a zero-harm culture.
- Develop a high performing, diverse workforce to support the delivery of future technologies.
- Enhance employer brand to attract and retain a diverse workforce.
- Create an inclusive working environment and culture that enables open feedback.



INVESTING IN OUR LOCAL COMMUNITIES

Work with external partners to develop and maintain thriving and resilient local communities.

By providing jobs, education, training and community support, we will contribute to and drive, economic growth and sustainable employment in our local communities.

OBJECTIVES

- Create sustainable career opportunities.
- Partner with local education providers to support increased access to employment.
- Reflect the diversity of our local communities.
- Participate in and encourage, active engagement in our local communities.



OPERATE RESPONSIBLY AND WITH INTEGRITY



We take pride in adhering to the highest moral, ethical and safety standards every day, and demonstrate our integrity by the respect we show each other and our ability to work well together.

We will grow responsibly through ethical and sustainable business practices.

We will implement sustainable procurement standards by promoting the Supplier Code of Conduct.

OBJECTIVES

- Encourage and support all employees to challenge any behaviour contrary to the Employee Code of Conduct.
- Support employees to have the confidence to ask questions and seek guidance to bolster good practice.
- Ensure all governance reporting is both in-line with group practice and reflects leading practice.
- Communicate governance expectations both within the business and to relevant third parties.



OUR ENVIRONMENT

DELIVERING NET-ZERO

CREATING SUSTAINABLE PORTS



OUR PEOPLE

CREATING GREAT PLACES TO WORK

INVESTING IN LOCAL COMMUNITIES



OUR BUSINESS

OPERATE RESPONSIBLY AND WITH INTEGRITY

EMBED RIGOROUS AND EFFECTIVE GOVERNANCE



