



# TOWARDS A SUSTAINABLE FUTURE

Committing to Sustainable Operations

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SUSTAINABILITY REPORT 2020



At Maher Terminals, we believe that sustainability, when integrated in business decisions, is a source of long-term value. In this context, we decided to not only align with the Port Authority of New York & New Jersey's goal and commit to reduce our greenhouse gas emissions by over 35% by 2025 vs the 2006 baseline, but go further and reach our goal of Net Zero by 2040. As we design our carbon reduction pathway, we will continue to emphasize safety in the workplace, use cleaner technology to continue providing best in class service, grow as a more inclusive company, and sustainably operate to benefit all our stakeholders.

This inaugural Sustainability Report is the outcome of an in-depth assessment of our activities as the largest marine container terminal operator in the Port of New York & New Jersey. Over the past decade, we focused our efforts on thinking over our approach to sustainability and clearly defining our ambitions as a leader in the port industry.





Recycling of reinforced concrete platforms into Maher Terminals Artificial Reef

Through this report, we aim to share the first step of the journey we have embarked on by providing a picture of our current sustainable business practices. Determined to emerge as one of the most sustainable container terminals in North America, we will pursue our efforts over time to continuously assess and improve our sustainable practices and performance.

Before diving into how we could alter our operations to become a more sustainable player in the industry, we identified and analyzed a list of climate-related challenges that we consider are most relevant to our industry. We then proceeded to assess how these issues could impact our activities as a marine container terminal operator, and how we could incorporate sustainability into our operations as well as design a roadmap for the future that will evolve over time.



**Gary Cross**  
President & CEO

OPERATIONS

As a vital link in the container cargo movement chain, we are responsible for helping our customers effectively compete in the global marketplace by handling their cargo as expeditiously and economically as possible. We take this responsibility very seriously and have developed North America’s largest marine container terminal located in the Port of New York & New Jersey. This highly efficient container terminal operation, strategically located in the heart of one of the world’s most affluent consumer markets provides ample container throughput capacity to efficiently meet and exceed the current and longer-term operating requirements of our ocean carrier customers. The scope and flexibility of our multiuser marine terminal operation truly make our facility a “Port within a Port.” This is best supported by the many ocean carriers that have been utilizing our facilities for decades, ranging from single trade lane operators to the world’s largest global alliances.

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# SUSTAINABILITY CHALLENGES & RESPONSES



## OUR CHALLENGES

Climate change, often referred to as the defining issue of our time, will not spare the port sector from acute and chronic stress. Vulnerable by nature because of their positions on coastlines, ports are likely to be affected by several phenomena attributed to global warming, including extreme weather events and sea level rise.

## OUR OPPORTUNITIES

Organizations, such as the Clean Shipping Coalition, are emerging to increase collaboration across players in the shipping sector and promote policies with the objective of protecting the marine environment.

Maher Terminals has been a tenant of the Port Authority of New York & New Jersey (PANYNJ) for over fifty years and plans to continue this relationship for decades to come. PANYNJ has been working on ensuring operational readiness to address extreme climate events. Maher Terminals and PANYNJ are working together to increase business through the port in a sustainable manner. Maher Terminals' sustainability objectives include a higher percentage of containers moving through the port by rail, which results in a significantly lower GHG footprint per mile traveled.





## APPROACH

Maher Terminals' Sustainability Roadmap articulates our triple bottom line commitments

**PEOPLE / ENSURE HEALTH AND SAFETY IN THE WORKPLACE AS WELL AS PROMOTE DIVERSITY AND WELL-BEING AT ALL TIMES.**

**PLANET / GROW OUR COMPANY WHILE REDUCING OUR GREENHOUSE GAS EMISSIONS.**

**PROSPERITY / DRIVE CHANGE BY TRACKING MAHER TERMINALS' SUSTAINABILITY TRANSITION CONTRIBUTIONS.**

5

GENDER  
EQUALITY

6

CLEAN WATER  
AND SANITATION

8

DECENT WORK AND  
ECONOMIC GROWTH

10

REDUCED  
INEQUALITIES

11

SUSTAINABLE CITIES  
AND COMMUNITIES

14

LIFE  
BELOW WATER

17

PARTNERSHIPS  
FOR THE GOALS

## Aligning with the UN SDGs

Aligning Maher Terminals' sustainability goals with the United Nation's Sustainable Development Goals (SDG) for 2030 was a priority for us. As described by the UN, the SDGs are a collection of 17 interlinked goals designed to be a blueprint to achieve a better and more sustainable future for all. While we seek to align with all SDGs, we have chosen to focus on a subset of topics that are most related to our activity in order to best address the related challenges.



Discover details about each of these goals on the UN Sustainable Development Goals website [sdgs.un.org/goals](https://sdgs.un.org/goals)



# OUR SUSTAINABLE PERFORMANCE FOR A SUSTAINABLE SOCIETY

## Safety

Safety is Maher Terminals' top priority. By ensuring a safe working environment for all, we make sure everyone is able to return home safely at the end of the day. Beyond safety, we believe in creating and fostering an environment that is characterized by trust, collaboration, communication, and peer support. At Maher Terminals, our robust safety culture allows for everyone to feel safe and comfortable.



### WORLD CLASS SAFETY

Full employee awareness & engagement

Integrated and exemplary world-class safety culture

Continuous and disciplined improvement

Safety leadership present at all levels of the organization.

GOAL  
Record zero employee incidents year-on-year. **0**



# 4 DRIVERS TO OUR SAFETY POLICY



Fostering a culture that is built around safety is critical to our success as a marine container terminal operator. By doing so, we satisfy essential conditions that allow our employees to focus on performing at their best and delivering results.



With an objective of zero employee incidents, it is essential for all Maher Terminals workers to be alert to their surroundings and the way they carry out their duties.



At Maher Terminals, we recognize the value of positive feedback. Making our employees aware of what they do right encourages an environment in which people learn from each other and lead by example.



Our culture is built on trust and collaboration. As a result, all members of our team know they are accountable for their decisions and actions as they often impact the organization as a whole.

## SAFETY PERFORMANCE

Although the number of incidents follow a downward trend at Maher Terminals, any accidents is an issue of concern for the workforce. To guarantee a safe and healthy environment for everyone at the terminal we make sure to closely monitor and assess our safety performance through various pre-determined indicators, including:

- Accident Frequency Rates for direct employees and vendors
- Lost Time Injury Frequency Rates for direct employees and vendors

### Evolution of Accident and Lost Time Injury Frequency Rates





# Operations

## OPERATIONS EFFICIENCY

### Straddle carrier and ship-to-shore crane improvement

**Fuel efficiency program for straddles:**

With freight movement at the core of our business, one of the best ways for us to reduce our carbon impact is to improve the fuel efficiency of our straddle carriers. We have replaced dozens of straddle carriers with new, more efficient machines that feature engines that comply with the most restrictive federal emission standards.

**Ship-to-shore crane raising:**

Cautious to use the most suitable equipment for our operations, we have also invested in energy-efficient cranes that have allowed us to considerably reduce our electricity consumption. Our best-in-class ship-to-shore gantry cranes allow us to efficiently enhance the cargo flow and therefore better secure our customers’ business needs.

### Straddle Carrier Radiation Portal Monitor

Consistent with our purpose of maximizing efficiency, we have installed stand-alone radiation portal monitors for containers that need to be transported from the container yard to the rail facility. These portals allow for radiation scanning while the container is being moved by the straddle carrier. As a result, combining radiation scanning with transportation allows for a less energy-intensive process, as it eliminates the steps of placing the containers for radiation scanning and re-handling at a later time. By reducing operating hours, the portal allows for a more fluid process and additional capacity in both the container yard and the rail facility.

### Equipment fleet improvement

Although our activities are heavily dependent on machinery and equipment, there are times of day during which our fleet need not be running. By activating the idle shutdown timers on all of our service vehicles and equipping all vehicles with Engine Control Modules when needed, we optimize the fuel conservation in our machines and ensure that no resources are wasted.

## ENERGY EFFICIENCY

### Utility Energy Savings for Equipment

Improved energy efficiency can significantly reduce emissions. As a responsible entity, we must seize each opportunity we have by reducing the consumption of all forms of energy on the terminal premises. One of the initiatives we have undertaken is to improve our lighting system by installing eco-friendly LED on our masts, cranes, and building facades. We initiated this project in 2015, when Maher Terminals introduced a pilot LED outdoor lighting project that aimed to save 1 MW power per year. Having achieved our objective, the goal is to now convert the entire mast lighting system.

Our pilot LED outdoor lighting project will result in 1MW of power saved per year



### Energy Efficiencies for Buildings

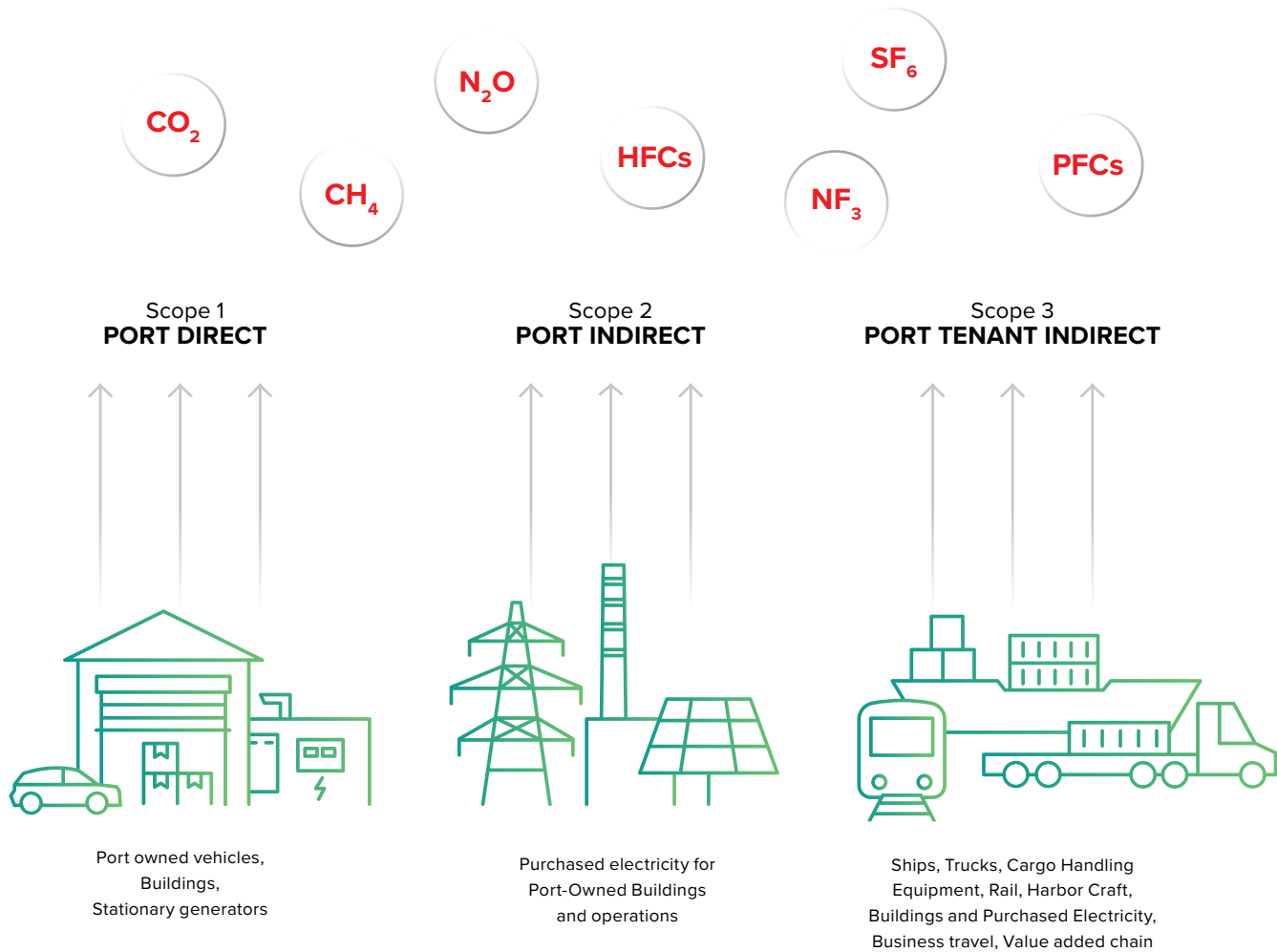
Constantly looking to make our operations and facilities more energy efficient, we are actively reviewing ways in which our buildings could save more energy. In fact, by upgrading our building windows and HVAC controls, we have the potential to reduce our purchased energy and therefore grow to be less carbon intensive.





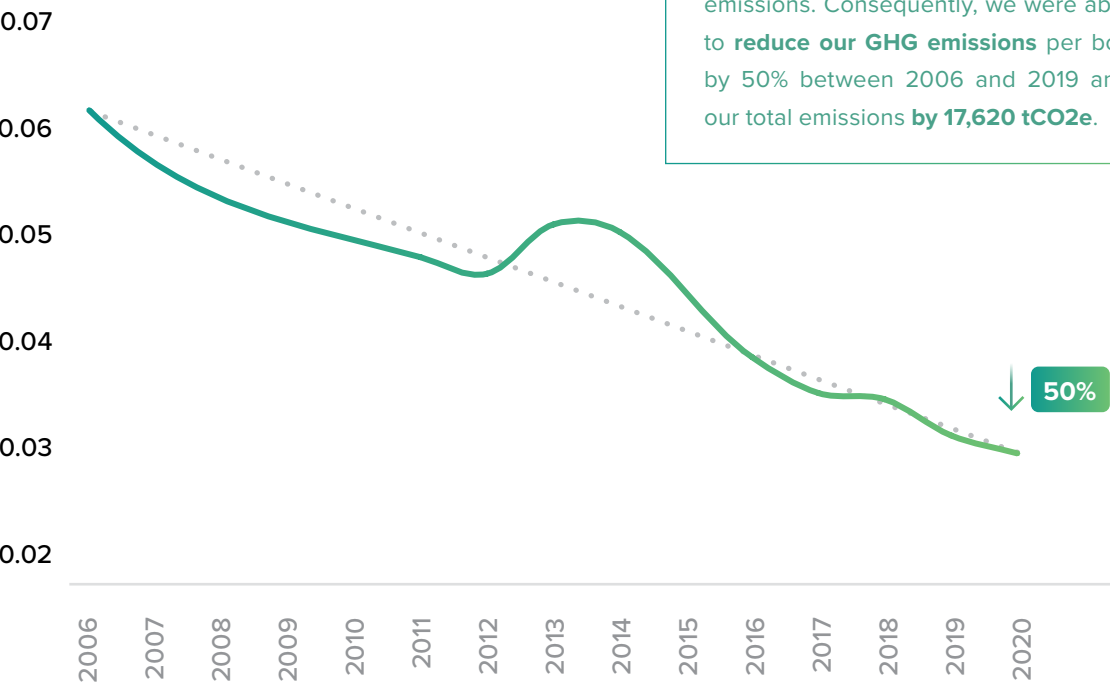
CARBON EFFICIENCY

As a marine container terminal operator, we provide a vital link in the supply chain. We gladly accept the responsibility to help our customers effectively compete in the global marketplace by handling their cargo as expeditiously and economically as possible. While we take pride in our highly efficient operations, we recognize that our activities also generate a carbon footprint. Striving for continuous improvement, we started quantifying our greenhouse gas (GHG) emissions in 2019, and have now implemented concrete actions that allow us to reduce our Scope 1 and 2 emissions every year.



Significant carbon emissions reduction per container

Carbon emissions per box (tCO<sub>2</sub>e per box, 2006-2020)



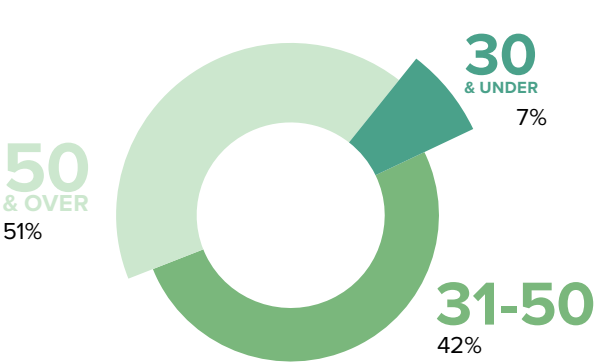
# People

## NURTURING OUR MOST VALUED RESOURCE

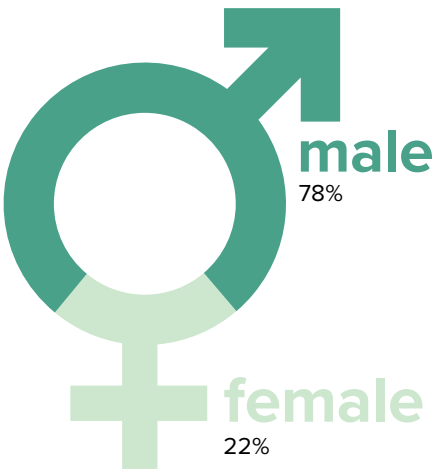
For the last 74 years, we have always made sure to nurture and value the development and growth of our people. With a culture embedded in safety and strong values of collaboration and support, our number one ambition is to foster an environment that will not only attract the best talent, but also inspire all members of our team to engage with us and strive for the success of our company. We aim at having a diverse workforce not only in terms of gender, but also age and ethnicity.

### Maher Terminals' Management

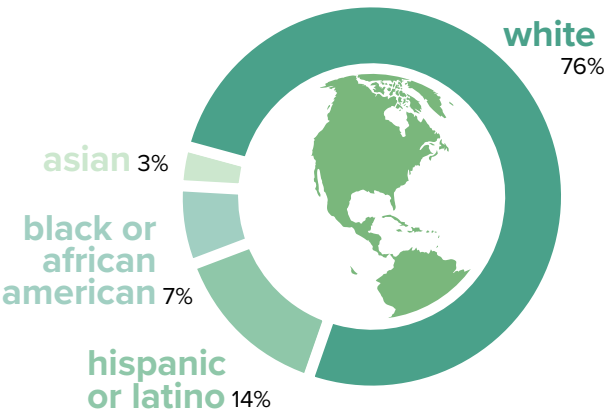
Employees by Age Group



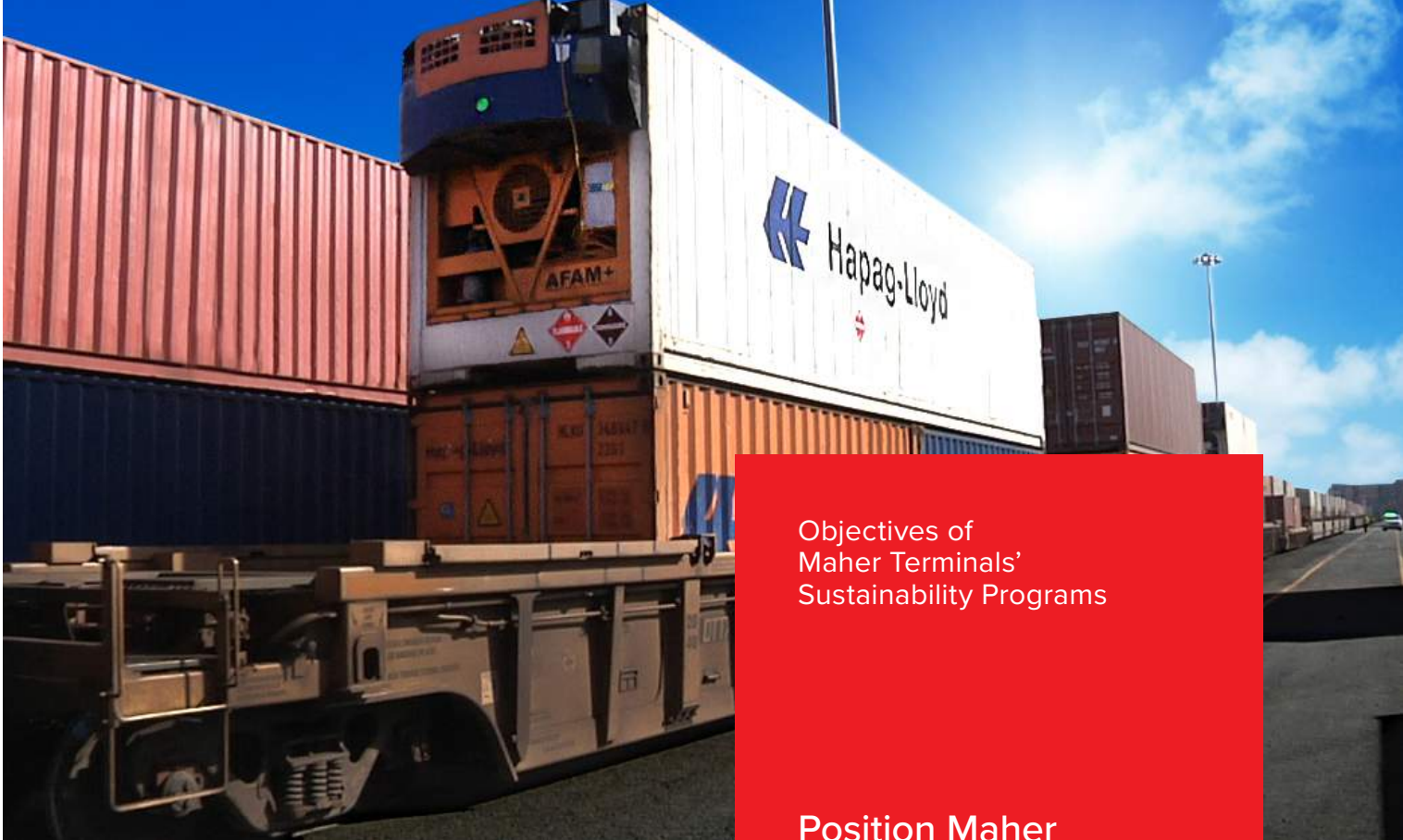
Gender Diversity



Ethnic Diversity



This led us to review all employees compensation and adjust to ensure no wage disparities exist amongst workers with same responsibilities, to support events that focus on assisting underrepresented groups (e.g. community shelters, national emergency relief efforts, social justice initiatives), and to host events celebrating employee contributions to the success of Maher Terminals.



Objectives of  
Maher Terminals’  
Sustainability Programs

Position Maher  
Terminals as a social  
and environmental  
leader in the industry.

Embrace sustainability  
more widely through  
communication and  
training of our current  
talent.

Have a diverse and  
inclusive workforce.

Retain current staff  
and attract the best  
talent of the industry.

## OUR COMMITMENT

At Maher Terminals, we foster a culture of lifelong learning and progress, all of our collaborators are able to develop their technical and leadership skills in order to grow into successful leaders within our company.

## EMPLOYEE ENGAGEMENT TOWARDS SUSTAINABILITY

Our initiative to create a Sustainability Committee at Maher Terminals was welcomed with great enthusiasm. Over half of our employees volunteered to be a part of the committee and take an active role in the development of our sustainability strategy. Since then, 7 sub-committees have been working on creating internal momentum and suggesting sustainable ideas and projects.



# Community

Maher Terminals’ sustainability strategy extends beyond emission reductions, and encompasses social and other environmental matters.

## CHARITABLE GIVING

Last year, Maher Terminals partnered with The Apostle’s House, a Newark, New Jersey-based non-profit organization devoted to providing comprehensive social services to homeless women and children. Through our Support a Charity day, we were able to provide direct support to our local community thanks to the overwhelming participation of our committed staff.



Members of the comitteee delivering needed items to the community



## Bridges to Prosperity

Maher Terminals has partnered with the NGO Bridges to Prosperity to donate used crane cables to construct walking bridges in developing countries. This initiative will help local communities move around and better satisfy their basic needs. In fact, transport is a crucial driver of development, bringing socio-economic opportunities within the reach of the poor and enabling economies to be more competitive. Transport infrastructure connects people to jobs, education, and health services, enables the supply of goods and services around the world, and allows people to interact and generate the necessary knowledge to create long-term growth.

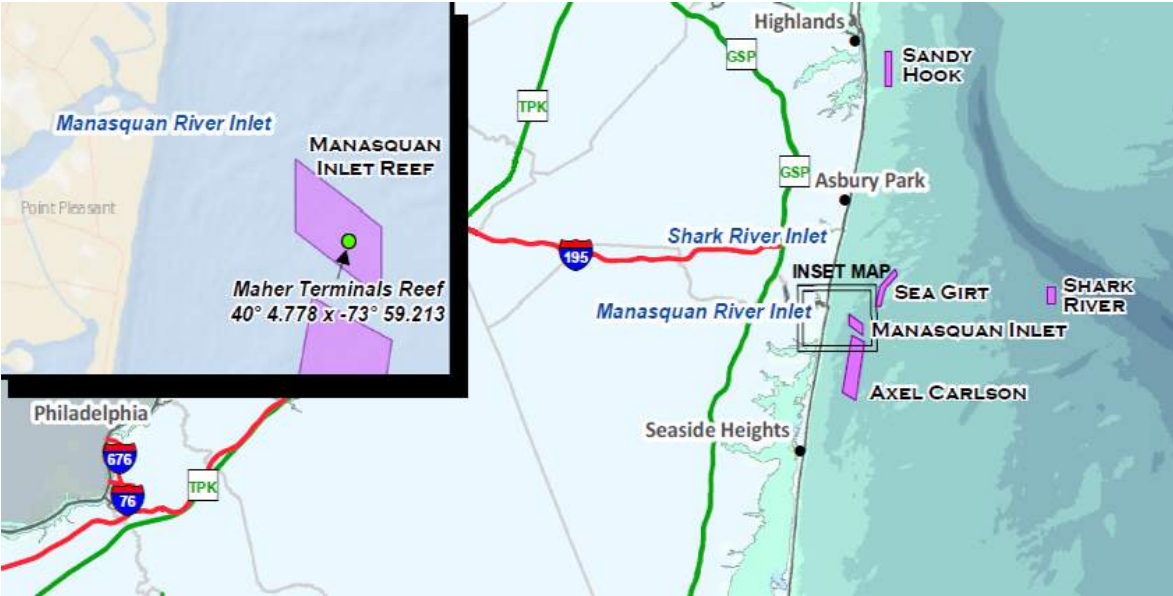
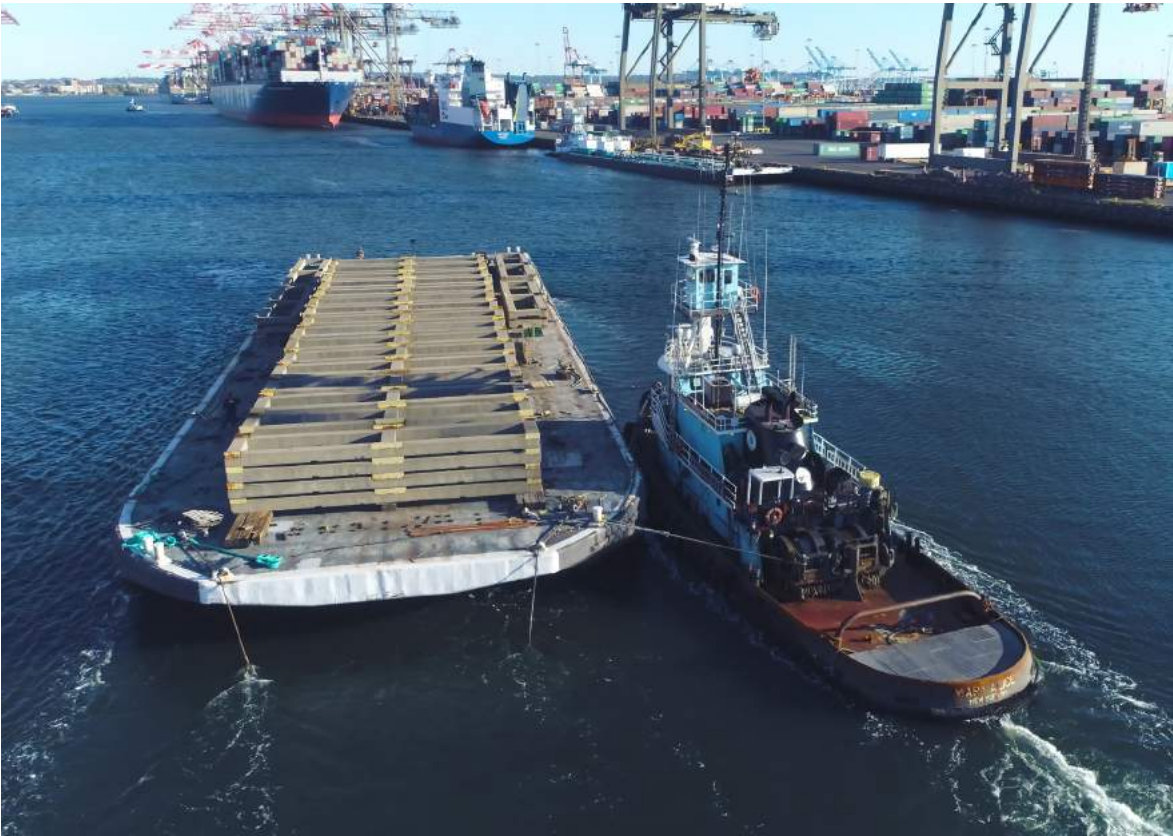




REEF DEPLOYMENT PROJECT

In November 2020, the New Jersey Department of Environmental Protection announced the expansion of New Jersey’s Artificial Reef System to provide habitat for a wide array of marine life. Following 9/11, U.S. Customs & Border Protection selected random import containers to ensure no dangerous cargo was inside. To fully scan those containers, Maher Terminals designed and built 151 reinforced concrete platforms that elevated the containers off of the pavement. After a few years, Customs & Border Protection decided to relocate its scanning operations to an off-site facility. As Maher Terminals was exploring options to have the platforms carted to a crushing facility to be destroyed, a Maher Terminals employee suggested that the platforms could be repurposed as an artificial reef.

Recycling these platforms into artificial reefs falls within our broader commitment to strengthening the local marine ecosystem and investing in a more sustainable future. This new feature inside the Manasquan Inlet reef site is now called the Maher Terminals Artificial Reef, and we have committed to visit the site annually in order to document the progression of our material into an ecosystem colonized by algae, barnacles, sea stars, and other marine life.



Maher Terminals Reef



# MAHER TERMINALS' ROADMAP FOR THE FUTURE

## Maher Terminals Sustainability Ambitions:

# Continuous Improvement

At Maher Terminals, we are aware of the environmental and social challenges that are present in today’s world. In our effort of continuous improvement, we plan on defining and announcing specific sustainability goals for our terminal over the next year. We believe that our strong sustainability stance will enable us, our clients, and our landlord to tackle the challenges our industry and the world as a whole are currently facing. As a result, we have set the following objectives for our company:

- Understanding the three main pillars of sustainability: Planet, People and Prosperity
- Developing a corporate program that addresses the growing interests of stakeholders – including investors – in sustainability
- Enabling our team to drive change

People	Acting to ensure health and safety in the workplace	Promoting diversity and well being in the workplace	Contributing to local development and the community
Planet	Promoting energy efficient processes	Reducing GHG emissions and improving air quality	Acting for the health of the environment
Prosperity	Reporting on financial performance	Tracking Maher Terminals' transition to the Circular Economy	Outlining innovative business transformations

2020-2025 sustainability initiatives

Further to what has already been implemented, Maher Terminals has identified 15 forward-looking initiatives to implement by 2025 in order to further reduce our GHG emissions. As shown on the table below, these sustainability actions will each have positive environmental impact on our activity.

CURRENT  
SUCCESSIONS

Initiative	Savings	Environmental Impact
Straddle carrier radiation portal for rail containers	61,470 Diesel Gallons	Reduced emissions via productivity
Reef deployment project		Natural fish habitat
Straddle improvements	100,800 Diesel Gallons	Reduced emissions via productivity
Crane improvements	70,655 Electric kWhr	Reduced emissions via productivity
High mast and crane lighting upgrades	3,766,783 Electric kWhr	Energy efficiencies / worker safety
General building lighting / window film	357,367 Electric kWhr	Energy efficiencies
Service vehicle idle shutdown	25,946 Gasoline Gallons	Reduced emissions
Water management - domestic / oily	1,094,750 Water Gallons	Reduced water consumption
Bridges to Prosperity		Societal benefit
Production of solar powered energy	173,858 Electric kWhr	Production of renewable energy
Infrastructure upgrades	446,421 Electric kWhr 282,137 Diesel Gallons	Reduced emissions via productivity
Tire recycling - recap program		Reduced purchases / waste disposal
Digital process improvements	312,338 Electric kWhr 77,042 Diesel Gallons	Reduced emissions via productivity
Asphalt recycling		Reduced consumption of raw materials
Socializing sustainability		Informed Maher Terminals employees

SHORT &  
MIDTERM ACTIONS

FIXED  
GOALS

Total energy savings per annum

5,127,422  
Electric kWhr

521,449  
Diesel Gallons

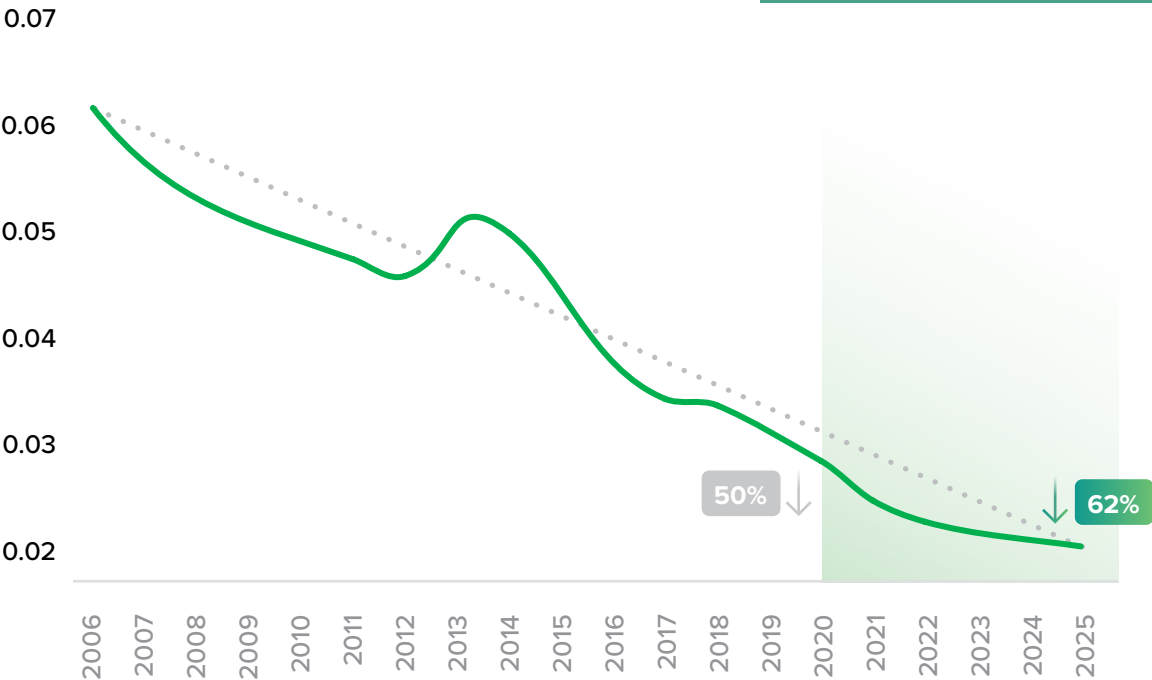
25,946  
Gasoline Gallons

1,094,750  
Water Gallons

Projected GHG Emissions

As a result of these sustainability initiatives, our GHG emissions per box will **continue to decline** to reach a reduction of 60% by 2025 compared with 2006, which will allow our total emissions to be reduced by **25,128 tCO2e**.

Carbon emissions per box (tCO2e per box, 2006-2025)



25,128 tCO2e  
is equal to

62.6m  
MILES DRIVEN BY  
AN AVERAGE VEHICLE

3k  
HOMES' ANNUAL  
ENERGY USE

2.5m  
GALLONS OF OIL  
CONSUMED





## Governance underpinning the sustainability strategy

As a sustainable organization, we have formalized a sustainability management system that allows us to continuously improve our sustainability practices. The management system includes a Sustainability Committee dedicated to review the progress of Maher Terminals' sustainability vision and goals through:

- The definition and review of Maher Terminals' sustainability commitments, goals, and environmental management policies;
- Monthly update calls between the sustainability team and sustainability initiative owners to make sure the projects are on the right track;
- Quarterly meetings gathering all members of the Sustainability Committee;
- Regular Sustainability Committee update to the board of directors: one comprehensive update every 12 months, and partial updates throughout the year;
- An annual update dedicated to informing all stakeholders of Maher Terminals' progress in terms of sustainability;

## GRESB

Maher Terminals participates in the GRESB. The GRESB assessment aims at assessing and benchmarking the ESG and other related performance of real assets. It is structured into:

**Management Component** measuring the entity's strategy and leadership management, policies and processes, risk management and stakeholder engagement approach, comprising of information collected at the organizational level.

**Performance Component** measuring the entity's performance, comprising of information collected at the asset level.



This Sustainability Report was produced following a Sustainability Value Initiative with the support of Ansa Services, a strategy consulting firm that focuses on delivering sustainability-driven value to its clients.

A sustainability verification project was conducted by Apex, which audited and approved Maher Terminals' measurements and GHG savings for 2018, 2019 and 2020.

This document was conceived and produced by Ansa Services. The report was designed by Mihika Shilpi.







[www.maherterminals.com](http://www.maherterminals.com)