



INTEGRATED ANNUAL REPORT 2021



READY FOR A NEW TOMORROW





WE ARE COMMITTED TO DELIVERING OPERATIONAL EXCELLENCE AND ENSURING OUR LONG-TERM SUSTAINABILITY BASED ON THE 3PS (PEOPLE, PLANET, PROFITS):

PEOPLE

SUPPORTING OUR COMMUNITIES

We remain a source of strength for the communities of Sarawak through our Corporate Social Responsibility programme that supports society's underprivileged and vulnerable

PLANET

PROTECTING OUR ENVIRONMENT

We care deeply for our environment and we are committed to reducing our impact across all fronts as we transition towards becoming a carbon neutral port

PROFITS

FINANCIAL RESILIENCE

Continued delivering dividends to our shareholders despite the challenges of the pandemic

CONTINUED UPSKILLING
OUR EMPLOYEES WITH
RM2.45 MILLION
INVESTED IN TRAINING
AND DEVELOPMENT,
AN INCREASE OF ALMOST
50% FROM 2020

SAMALAJU INDUSTRIAL
PORT HAS PLANTED

37,000
TREES IN TOTAL
SINCE 2017

CONTINUOUS
REDUCTION
IN LTIF FOR 5
CONSECUTIVE YEARS

ACHIEVED **3%**
GROWTH IN OPERATING
REVENUE FOR YEAR
2021, DESPITE THE
CHALLENGES OF THE
PANDEMIC



CONTRIBUTED FINANCIAL
ASSISTANCE TO MORE THAN

700

FAMILIES IN BINTULU TO
MITIGATE THE IMPACT OF
THE PANDEMIC

SUSTAINED OUR
OPERATIONS WITH

ZERO

DOWNTIME THROUGH
THE DISCIPLINED
IMPLEMENTATION OF
OUR BUSINESS RESPONSE
PLAN (BRP)

ACHIEVED A

99.8%

FULL VACCINATION
RATE AMONG
OUR EMPLOYEES

ABOUT THIS REPORT



All photos are owned by Bintulu Port Group.

NAVIGATION ICONS

The following icons are used in this Report to indicate where additional information can be found.



This icon tells you where you can find related information in our Report.



Link to website at www.bintuluport.com.my

THE SIX CAPITALS

These icons represent the various Capitals we utilise in the operations of our business. For ease of reference in this Report, we will reference these navigation icons in the relevant sections that discuss the Capitals.

M	Manufactured Capital
F	Financial Capital
H	Human Capital
I	Intellectual Capital
S	Social and Relationship Capital
N	Natural Capital

Bintulu Port Holdings Berhad is pleased to continue its integrated reporting journey with the publishing of our third Integrated Annual Report, detailing our value creation journey during the financial year ended 31 December 2021.

REPORTING PRINCIPLES AND FRAMEWORK

The Group remains committed to sharing how we have progressed our strategy over time against the challenges and risks present in our business to enable stakeholders to make an informed assessment of what we do. This Report will present balanced information about our operations from both financial and non-financial perspectives.

In line with best practices, this Report adopts the International Integrated Reporting Council (IIRC) framework. The reporting is also aligned to and guided by the Malaysian Code on Corporate Governance 2021 (MCCG 2021), the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, the Companies Act 2016 and the Malaysian Financial Reporting Standards.

SCOPE AND BOUNDARIES

The Report details our financial and non-financial performance for the period 1 January 2021 to 31 December 2021. In terms of reporting boundaries, we considered all business operations of the Group and this included both fully controlled operations as well as subsidiaries. The reporting scope looked at internal and external impacts on the business, sustainability efforts and operational improvements. We also evaluated the trends, opportunities and risks that could significantly affect the Group's value creation abilities.

BINTULU PORT'S SIX CAPITALS

As required by the IIRC Framework, we have discussed our six capitals of value creation in this Report and have created navigational icons as seen here for the reader's ease, as reference will be made to the capitals throughout the Report.



For more details, see pages 42 to 43.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements with the use of words or phrases such as "might", "forecast", "anticipate", "project", "may", "believe", "predict", "expect", "continue", "will", "estimate", "target" and other similar expressions. The Report may also contain forecast information such as improvements in port traffic or mention a certain course of action with regard to our business. However, these statements do not guarantee future operating, financial or other results due to risks and uncertainties and thus, it is important to note that the statements here do not provide a guarantee that potential results mentioned in these forward-looking statements will be achieved.

INSIDE THIS REPORT

OUR THREE STRATEGIC THRUSTS

These icons represent the Group's three important strategic thrusts. For ease of reference, these navigation icons will be utilised to indicate sections of the Report that discuss the strategies.



WE VALUE FEEDBACK

Bintulu Port Holdings Berhad values feedback, comments and enquiries on this Report. Please contact our Investor Relations team at: irene@bintuluport.com.my

SEND US YOUR FEEDBACK

To ensure that we report on issues that matter to our stakeholders, please provide any feedback or enquiries by scanning the adjacent QR code.



REPORT APPROVAL

Bintulu Port Holdings Berhad's Board acknowledges its responsibility for ensuring the integrity of the Integrated Annual Report. Following collective assessment, the Due Diligence Committee responsible for oversight of the Integrated Annual Report recommended approval of the Report by the Board of Directors. In the Board's opinion, the Integrated Annual Report provides a fair and balanced representation of the overall performance of the Company within the context of its identified material aspects.

WHO WE ARE, WHAT WE DO

Understanding Bintulu Port	4
Our Businesses	6
Corporate Structure	8
Organisational Structure	9

OUR LEADERSHIP STATEMENTS

Chairman's Statement	10
Group Chief Executive Officer's Statement	14
Financial Performance Review	30

HOW WE CREATE VALUE

Market Landscape	34
The Risks We Consider	37
Mapping Our Material Issues	39
Value Creation Model	42

OUR STRATEGIC CONTEXT

Operational Review	44
<ul style="list-style-type: none"> Bintulu Port Sdn. Bhd. Biport Bulkiers Sdn. Bhd. Samalaju Industrial Port Sdn. Bhd. 	
ESG Review	50
<ul style="list-style-type: none"> Commitment To Our People Safeguarding The Environment Empowering Communities 	

COMMITMENT TO STRONG GOVERNANCE

Who Governs Us	66
Who Leads Us	77
Corporate Governance Overview Statement	84
Statement on Risk Management and Internal Control	99

OUR FINANCIAL PERFORMANCE

Directors' Report and Audited Financial Statements	110
--	-----

OTHER INFORMATION

Shareholdings Statistics	200
Summary of Equipment & Facilities	202
List of Properties	206
Corporate Information	209
Notice of Annual General Meeting	214
Glossary	215

Who We Are, What We Do

Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

UNDERSTANDING BINTULU PORT

BINTULU PORT HOLDINGS BERHAD IS AN INVESTMENT HOLDING COMPANY. ITS SUBSIDIARIES, BINTULU PORT SDN. BHD. AND SAMALAJU INDUSTRIAL PORT SDN. BHD., ARE ENGAGED IN THE PROVISION OF PORT SERVICES WHICH INCLUDES MARINE SERVICES (TOWAGE, PILOTAGE, MOORING), CARGO HANDLING AND STORAGE, STEVEDORING, SUPPLY BASE SERVICES AND BUNKERING WHILE ITS OTHER SUBSIDIARY, BIPORT BULKERS SDN. BHD., SPECIALISES IN THE PROVISION OF BULKING INSTALLATION SERVICES.

OUR VISION

A World-Class Port Operator

OUR MISSION

Delivering Operational Excellence & Ensuring Our Long-Term Sustainability Based on the 3Ps (People, Planet, Profits)

CORPORATE VALUES (TIIP)

TEAMWORK

Valuing the team effort and the importance of working together as one Group to achieve our Vision.

INTEGRITY

Living up and conducting business to the highest ethical standards and governance.

INNOVATION

Delivering effective solutions to each customer's needs and continuously adopting new technology to maintain our competitiveness.

PROFESSIONALISM

Providing quality services in a highly professional manner with sincerity, bold as in having the confidence to go beyond the conventional, taking ownership & responsibility and proactively taking the initiative to act in advance of future needs or changes.

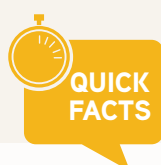
CARGO
THROUGHPUT

47.17
MILLION TONNES

OPERATING
REVENUE

RM728.39
MILLION

UNDERSTANDING BINTULU PORT



LARGEST
LNG Export Terminal
in East Asia

FIRST
Port Operator in
ASEAN Region to
export LNG in
ISO Tank

NO.1
BIMP-EAGA Port in
Cargo Throughput
since 2011

BIGGEST
Container Terminal
in East Malaysia

Ranked **THIRD**
among Malaysia Ports
in 2021 with total Cargo
Throughput of 47.17
million tonnes

MAIN EXPORT
Outlet of Palm Oil
Products in Sarawak
and Malaysia

FIRST
Malaysian Port to implement Container
Terminal Operating System (CTOS) –
NAVIS SPARCS N4

PROFIT BEFORE
TAX

RM126.32
MILLION

PROFIT AFTER
TAX*

RM363.19
MILLION

LAND
AREA

713
HECTARES

BERTHING
CAPACITY

93
MILLION TONNES

TOTAL BERTHING
LENGTH

3.8
KILOMETRES

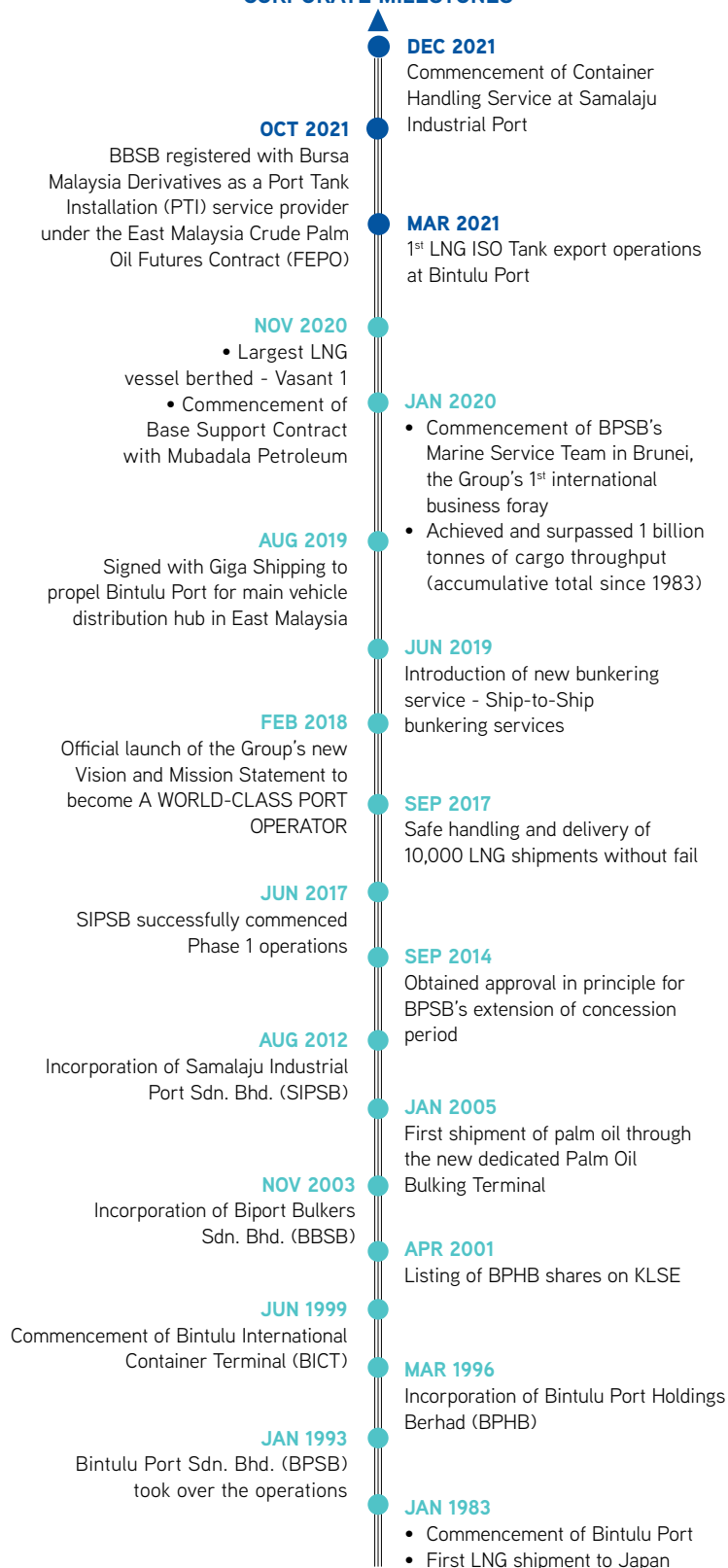
* Refer to page 30 and 31.

Who We Are, What We Do

Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

OUR BUSINESSES

CORPORATE MILESTONES



BINTULU PORT SDN. BHD. (BPSB)



The Nation's Oil & Gas Hub and the Main Port of East Malaysia

BPSB is the port operator of a modern and efficient multipurpose port in Southeast Asia serving the hinterland, and includes one of the nation's major oil & gas hub. The Port also serves as the export gateway for liquefied natural gas (LNG) in Malaysia and is recognised as the Largest LNG Export Terminal in East Asia. In addition, the Port is the main transshipment gateway for East Malaysia.

Over the years, BPSB has handled growing volumes of LNG, palm oil products, containerised cargoes, liquid, break bulk and dry bulk cargoes. We handle over 40 million tonnes of cargo annually.

Our facilities include multiple terminals, jetties and other berthing facilities as well as open yard and warehouses. Currently, BPSB reigns as East Malaysia's largest container port. Our Bintulu International Container Terminal (BICT) with a wharf length of 450 meters, has the capacity to handle up to 450,000 TEUs of container per annum. We are now connected to ports in Indonesia, Vietnam, Thailand, Philippines and China. At present, Evergreen Marine Corporation (M) Sdn. Bhd., SITC Container Lines (Sarawak) Sdn. Bhd., MTT Shipping Sdn. Bhd. and Harbour-Link Line Sdn. Bhd., offer direct shipping services to intra-Asian ports, thus boosting our connectivity offerings to customers.



For more information, please refer to pages 44 and 45.

OUR BUSINESSES

BIPORT BULKERS SDN. BHD. (BBSB)



Largest export terminal for palm oil products in Malaysia

BBSB is involved in the provision of bulking installation facilities for crude and refined palm oil and their by-products.

BBSB is the largest palm oil product exporting terminal in Malaysia, handling 24% of total Malaysian palm oil exports.

Built on a 15-acre site, our bulking terminal is equipped with modern storage facilities consisting of multi-sized storage tanks with a dedicated piping system to ensure optimum security, safety and efficiency. There is also room for expansion with ample land and facilities to accommodate current and future growth of crude palm oil (CPO) production and shipment in the State.

As the leading palm oil bulking installation terminal with the biggest capacity in Sarawak, we are the main export point for edible oil products, handling 91% of Sarawak's palm oil exports in 2021.

We are closely connected to and integrated with five refineries operating within the vicinity of the terminal, operated by Wilmar Group's Bintulu Edible Oil, Sime Darby's Austral Edible Oil, Sarawak Oil Palms' SOP Edible Oil, Kirana Edible Oil and Borneo Edible Oil. BBSB's operations are serviced by dedicated palm oil jetties adjacent to its bulking terminal and fully supported by BPSB's marine services.



For more information, please refer to pages 46 and 47.

SAMALAJU INDUSTRIAL PORT SDN. BHD. (SIPSB)



An essential Port in facilitating and supporting SCORE development in Sarawak

SIPSB is a purpose-built port to cater primarily to the energy intensive industry located at the Samalaju Industrial Park (SIP) and plays a vital role in facilitating the logistic requirements of the industries in the Sarawak Corridor of Renewable Energy (SCORE) development.

Located 60km northeast of Bintulu, the port provides dry bulk, break bulk and container services to the industries operating within the SIP and its hinterlands.

SIPSB successfully commenced Phase 1 of its operations in June 2017. It offers an automated handling operation for dry bulk cargo using a conveyor belt system that increases productivity and minimises vessel turnaround time.

SIP is adjacent to the Port, covers a 7,000-hectare area dedicated to energy intensive and heavy industries where currently, there are six investors in situ with some operating and others in various stages of construction of their manufacturing plants and other facilities. These six investors are: Sakura Ferroalloys, Malaysian Phosphate Additives, Pertamina Ferroalloys, OM Holdings, Press Metal Bintulu and OCIM. They are involved in manganese processing, aluminium smelting and silicon substrate manufacturing. Going forward, these industries will help to drive the Group's growth in Samalaju.

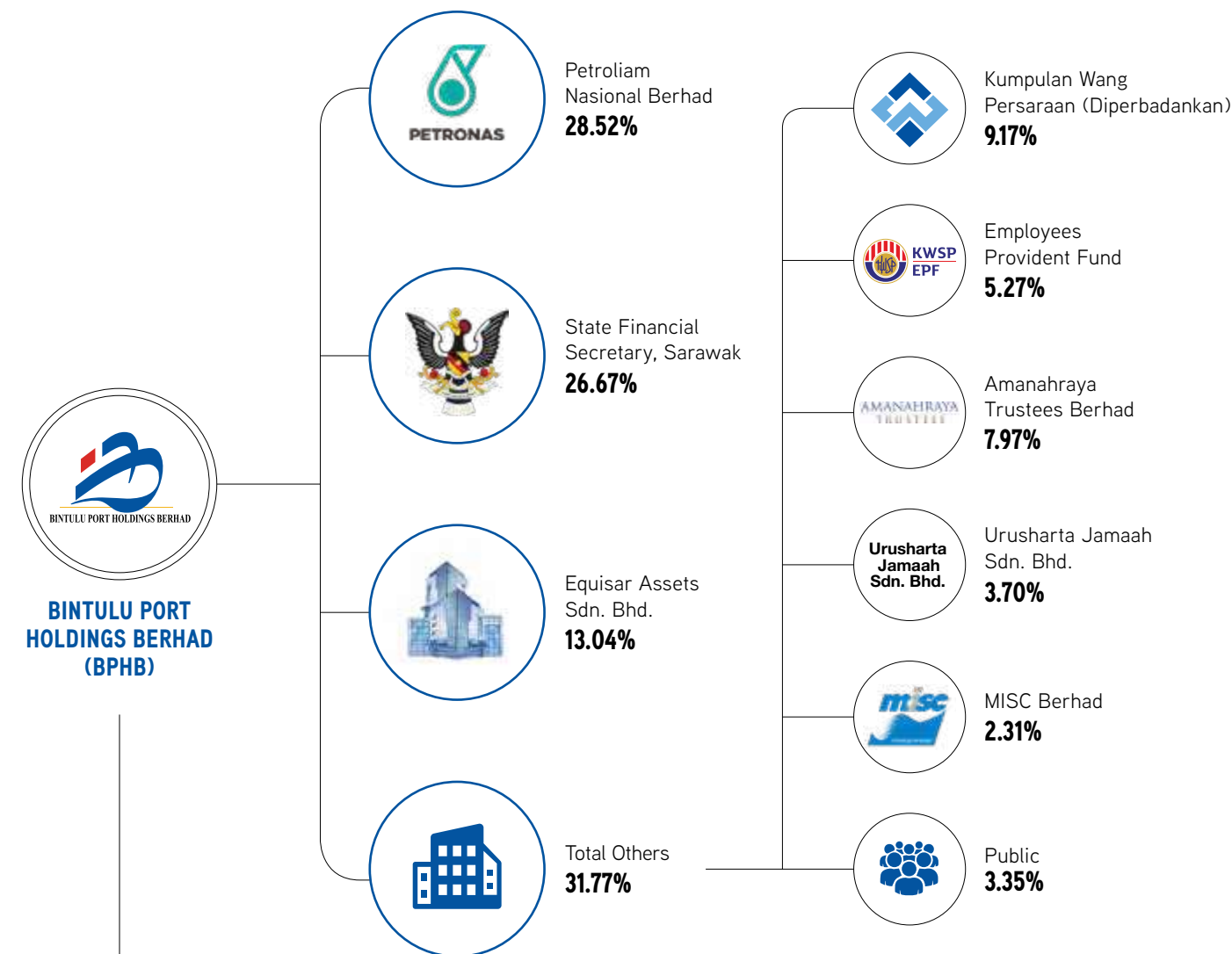
Source from RECODA and Samalaju Properties websites



For more information, please refer to pages 48 and 49.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE STRUCTURE



WHOLLY-OWNED SUBSIDIARIES OF BPHB



All information is as at **28 February 2022**.

Note:

RM1.00 Preference Shares in Bintulu Port Holdings Berhad and Bintulu Port Sdn. Bhd. are held by Minister of Finance (Incorporated).

ORGANISATIONAL STRUCTURE



Who We Are, What We Do

Our Leadership Statements

How We Create Value

Our Strategic Context

Commitment To Strong Governance

Our Financial Performance

Other Information

CHAIRMAN'S STATEMENT

DESPITE FACING ANOTHER YEAR FILLED WITH UNIQUE CHALLENGES, WE SHOWED GREAT RESILIENCE TO EFFECTIVELY IMPLEMENT STRATEGIES THAT ENSURED THE SAFETY OF OUR PEOPLE, THE CONTINUITY OF OUR OPERATIONS AND THE SUSTAINABILITY OF OUR BUSINESSES.

DEAR VALUED SHAREHOLDERS,

It is my great honour to present Bintulu Port Holdings Berhad's (the Group) Integrated Annual Report for the year 2021. On behalf of the Board of Directors, I am pleased to report that the Group responded resiliently to the various challenges we faced during the year. Through prompt and agile adjustments to our business strategies, we placed ourselves on a positive trajectory to harness greater business growth opportunities as the world and regional economies continue to rebound.



**DATO' ABDUL
MUTALIB BIN
ALIAS**
Chairman

CHAIRMAN'S STATEMENT



NAVIGATING A YEAR OF UNCERTAINTY AND UNIQUE CHALLENGES

The year 2021 offered a mixed bag of positive growth opportunities and adverse challenges. We saw a rebound in economic growth as successful vaccination programmes allowed the majority of industries to reopen and businesses and communities adapted to the new normal of the pandemic. Nevertheless, the spread of new and more dangerous mutations of the COVID-19 virus continued to greatly affect the global supply chain, as lockdowns in major powerhouses such as China generated a significant ripple effect across the globe.

The shipping industry continued to face a unique set of obstacles, such as a shortage of shipping containers due to empty containers being stuck around the world and unable to return due to COVID-19 restrictions. This led to higher container rental rates and compelled importers and exporters to use bulk cargo to minimise cost.

We also continued to see the repercussions of the pandemic on the industries our businesses rely on, with a decline in demand across most of our primary cargo categories. Palm oil was the worst-hit in 2021, with an unprecedented decline in yield and productivity due to labour shortages and COVID-19 restrictions, resulting in higher CPO prices.

A STRONG PANDEMIC RESPONSE TO ENSURE BUSINESS CONTINUITY

Given our significance as an important port of call for many key shipping lines and industries in the region, we placed great emphasis in 2021 on ensuring the continuity of our services. Guided by our Business Response Plan (BRP), one of our key initiatives was the establishment of separate working cantons across all businesses as we aimed to ensure the safety of our employees while maintaining our operations with minimal disruptions. We also accelerated the vaccination of our workforce and achieved full vaccination of all eligible staff to reduce the risk of COVID-19 spreading among our workforce.

Leveraging on our BRP framework, we were able to successfully maintain our business operations all year round while providing a high standard of service quality. In addition to our progress in finalising our next concession agreement with BPA, we have also ventured into new business sectors within the industry, such as Port Tank Installation services and the commencement of container handling services at Samalaju Industrial Port. Our successful commencement of LNG export in ISO tanks this year marked an important milestone for the Group. With an expected increase in regional demand for LNG ISO tank in 2022, coupled with the current LNG bulk operations, we anticipate a promising increase in our LNG export volume in the near future. The ramping up of business operations belonging to Samalaju Industrial Port's investors also helped to produce double-digit growth for Samalaju Industrial Port in 2021, and shall continue to propel the Group's growth in the near future.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CHAIRMAN’S STATEMENT



An employee working at one of the Quay Crane at BICT's container operation

CONTINUED VALUE CREATION

Despite the challenging operating environment, the Group continued to make significant progress across various business growth initiatives and undertook actions to protect ourselves from the impact of the pandemic. For instance, we accelerated the growth of our LNG ISO tank business and commenced container handling services at Samalaju Industrial Port, both activities which leveraged our existing facilities and long-standing expertise to generate additional revenue. In addition, we were appointed as a Port Tank Installation service provider by Bursa Malaysia Derivatives, which is also a potential source of revenue going forward.

The Group’s primary goal has been to formalise the extension of BPSB’s concession with the Bintulu Port Authority (BPA). Spearheaded by the joint steering committee we established last year, BPSB and BPA have formulated a shared vision for the next 30-year concession period that underscores our commitment to enhancing the sustainability and competitiveness of Bintulu Port. We have made headway in negotiations during the year and we expect to finalise the terms by the fourth quarter of 2022.

In reaffirming the crucial role we play in Sarawak and in Malaysia, I am pleased to note that RAM Ratings reaffirmed the AA1/Stable/P1 corporate credit ratings of Bintulu Port Holdings Berhad. The ratings were reaffirmed premised on Bintulu Port’s role as the operator of Malaysia’s only LNG export terminal and SIPSB as the facilitator of the development of the Sarawak Corridor of Renewable Energy (SCORE), as well as our strong relationship with both the Sarawak and Federal government.

The Group also made progress in our pursuit to develop and establish an innovative, sustainable and competitive industrial BioHub Port in Sarawak. The project has a timeline of 10 years and once realised, is expected to bring numerous benefits to the state of Sarawak, including generating thousands of employment opportunities and attracting greater private and foreign investment to Sarawak as its economy grows and diversifies.

We are also pleased to report that our efforts to provide clear and transparent reporting of our business and sustainability activities and aspirations once again brought acclaim to the Group. Our 2019 Integrated Annual Report with the tagline “Realisation of Greater Potential” clinched the Bronze Award in the category of Asia’s Best Integrated Report (First Time) and was a finalist in the Asia’s Best Integrated Report (Design) category at Asia’s Sustainability Reporting Awards (ASRA) 2020, while we also clinched a Gold Award in the 2021 Australasian Reporting Awards.

SUSTAINABILITY AT THE FOREFRONT

As the Group continues to find ways to create value, it is also critical to sustain this ability to create value. Given the changes in our external environment that have taken place over the past few years, especially due to the effects of the pandemic and greater calls for climate change action, the Group found it an opportune time to re-evaluate the material issues that were most important to both the business and our stakeholders.

Therefore, in the year under review, the Group undertook a new materiality assessment, its first since 2017. This assessment involved engaging with our main stakeholder groups as we sought their opinions on the issues that they felt the Group needed to prioritise and resulted in a total of 10 significant material issues, four of which were new and included climate change. This exercise gave the Group immediate insights into the current interests and concerns of our stakeholders, which will be crucial in shaping our future orientation and strategies.

CHAIRMAN'S STATEMENT



A vessel approaching the Handymax Wharf of Samalaju Industrial Port

DIVIDEND

We have continued to reward our shareholders for their support especially during these challenging times. The Board has authorised the payment of a fourth interim single-tier dividend of 3.00 sen per share. This brings the total dividend for the financial year ended 31 December 2021 to 12.00 sen per share.

ROBUST RISK AND GOVERNANCE PRACTICES

The Group continued to significantly advance the transformation of its Governance, Risk and Compliance (GRC) culture via our UTAP Transformation Programme. UTAP comprises 46 initiatives aimed at driving progress across 10 fundamental components of our business and thus transforming our working culture for the better.

The 24 initiatives that were successfully completed during 2021 served to enhance our practices in the areas of Human Resources, Procurement, Risk Management, Group Internal Audit Functions and Practices and Board-related matters. Seventeen further initiatives are slated for completion in 2022 and the remaining five in the following year.

In addition to the progress of UTAP, we have continued to strengthen our corporate governance practices throughout 2021. The Board has reviewed and approved to the Group's Board Charter and reviewed the Terms of Reference (TOR) for the Nomination and Remuneration Committee and the Finance and Investment Committee.

We have also implemented best practices as recommended by the MCCG 2021 to have a standalone Audit Committee and Risk Committee by separating the functions of the Audit and Risk Committee. This was approved on 28 September 2021 by the Board which also included the approval of their respective TORs. The Group has also adopted a Nomination & Remuneration Policy and Board Diversity Policy to comply with Main Market Listing Requirements (MMLR) and amendments to the MCCG, respectively.

In 2021, a Board Performance Evaluation was conducted by an independent external third party, in compliance with the MCCG recommendation for this exercise to be conducted externally once every three years. Looking ahead, the Group will be adopting the Fit and Proper Policy as per amendments to the MMLR in January 2022, as well as adopting an annual conflict of interest declaration by Board directors.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to convey our appreciation to all our customers, business partners, service providers, stakeholders and state and federal government agencies for their continuous support of the Group. I would also like to thank all employees and the Management team for their relentless dedication and loyalty to the Group.

In closing, I would like to acknowledge the Board's outgoing chairman, Tan Sri Dr Ismail Bin Hj. Bakar, for his efforts in guiding the Group through a particularly challenging period of its history. I would also like to thank our outgoing non-independent non-executive directors, General Dato' Seri Diraja Tan Sri (Dr.) Mohd. Zahidi bin Hj. Zainuddin (R), Encik Dzafri Sham Bin Ahmad and Puan Zakiah binti Jaafar for their time, energy and contributions to the Group. On this note, we would also like to warmly welcome Encik Mohamed Syazwan Bin Abdullah @ Laga and Puan Hasmawati binti Sapawi who have taken their place as our new non-independent non-executive directors.

DATO' ABDUL MUTALIB BIN ALIAS

Chairman

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

IN 2021, WE LEVERAGED THE BUSINESS RESPONSE PLAN WE IMPLEMENTED IN 2020 TO MAINTAIN SERVICE DELIVERY WITHOUT DISRUPTION, WHILE AT THE SAME TIME STRATEGICALLY DIVERSIFYING OUR BUSINESS OPERATIONS TO SPUR FUTURE GROWTH PROSPECTS.

DEAR VALUED SHAREHOLDERS,

I am pleased to report that despite the persistent challenges we faced due to the COVID-19 pandemic, the Group demonstrated remarkable resilience to maintain uninterrupted delivery of service for two consecutive years. At the same time, the Group's subsidiaries displayed great agility to capture strategic new business opportunities. In this statement, we present some of the key challenges we faced and the mitigating actions taken, along with important progress updates on our key achievements and undertakings during the year.

MAINTAINING UNDISRUPTED SERVICE AND EXPANDING OUR HORIZONS

While it has already been two years since the COVID-19 virus first sent the world into collective turmoil, the pandemic is far from over. Although vaccination drives proved successful to a large extent, the emergence of new virus mutations reignited uncertainty towards the tail end of 2021, slowing down the reopening of economies, prolonging travel restrictions and thwarting the recovery of global supply chains.

DATO MOHAMMAD MEDAN BIN ABDULLAH
Group Chief Executive Officer



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

As Malaysia's third-largest port in terms of cargo throughput and one of the world's top five LNG exporters, including being the only LNG export gateway for the nation, it was imperative for us to maintain uninterrupted service continuity and ensure that we did not cause disruption to the global energy supply chain. To this end, the Business Response Plan (BRP) that we put into place in 2020 proved effective in shielding the Company from the effects of the pandemic.

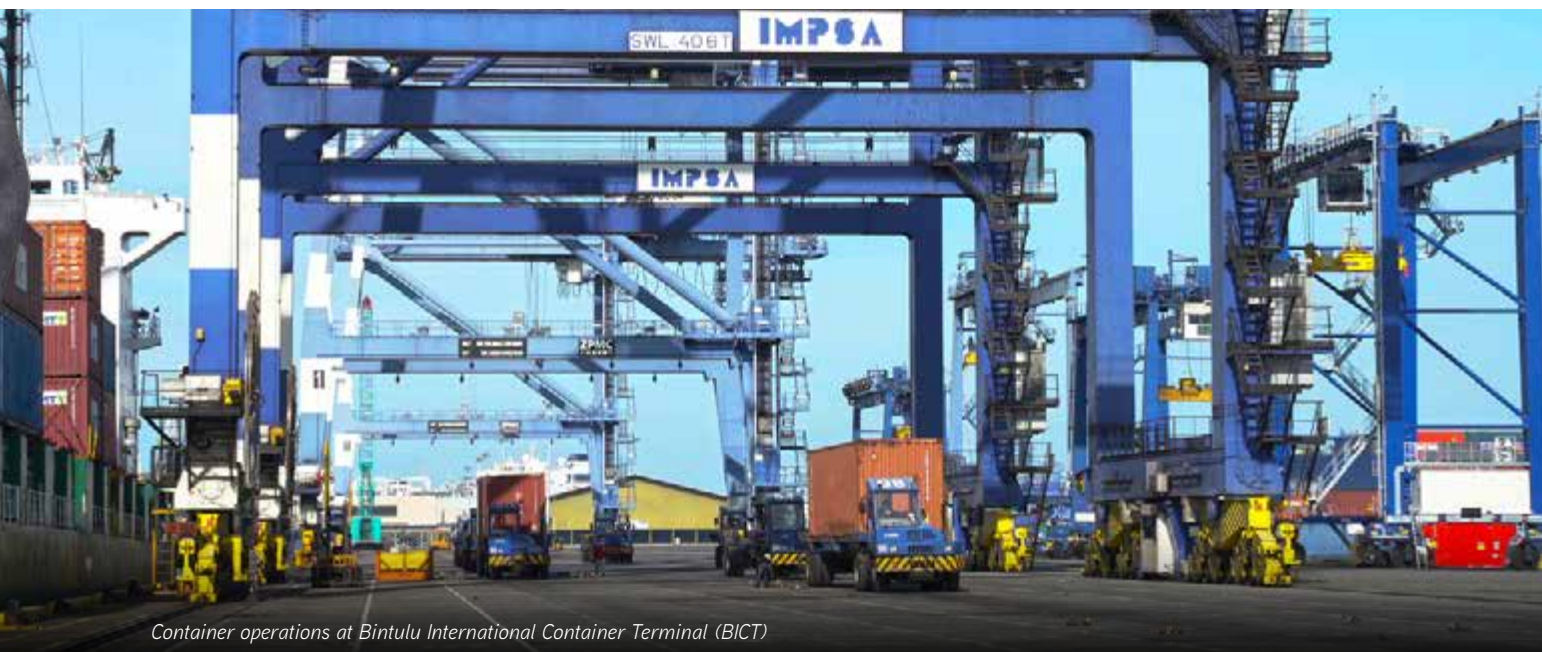
A major development during the year was the successful completion of our initiative to begin exporting LNG in ISO tanks on a large scale. BPSB became the first ASEAN port operator to do so in March and subsequently completed six such shipments during the year. The innovation of exporting LNG in ISO tanks will significantly increase the number of destinations to which LNG may be shipped directly from our ports, thus reinforcing our prime position to capitalise on the expected increase in LNG demand from China, India and ASEAN countries in 2022 and beyond.

BPSB is also pleased to report the continuation of the provision of supply base related services at Bintulu Port following the renewal of its Supply Base License with Petronas for a period of three years from 2020 to 2023, extending a position we have held since 2015. During the year, three (3) oil and gas major players also extended their contracts with BPSB, signifying our customers' satisfaction with our service and their continued support for Bintulu Port to remain as the gateway for oil and gas industry. Additionally, the port is expected to benefit from two new service routes launched in 2021 by MTT Shipping and Shin Yang Shipping that will increase

our connectivity to local and regional destinations, including Port Klang, Singapore and Laem Chabang in Thailand.

SIPSB also made significant strides forward in enhancing its growth prospects following the commencement of phosphate shipments by Malaysian Phosphate Additives Sarawak (MPAS) in January. SIPSB also commenced container handling services in December, allowing customers to import and export containerised cargo directly from Samalaju Industrial Port to complement the existing container handling service provided by BPSB's BICT. This move allowed us to simultaneously monetise surplus capacity and increase throughput at Samalaju Port. The potential for further throughput growth from new industrial developments at Samalaju Industrial Park is also on the horizon. Press Metal Bintulu's new Phase 3 aluminium smelting plant is expected to begin operations in first quarter of 2022, with construction activities for an additional mega steel plant also set to commence soon. Meanwhile, the new Wenan Steel plant, which started site preparation and land clearing on its 700 acres in 2021, is expected to commence operations in 2025 with a projected annual production capacity of 5.7 million tonnes for the first 10 years.

In October, BBSB was officially appointed by Bursa Malaysia Derivatives to provide Port Tank Installation (PTI) services in Sarawak to facilitate its new East Malaysia Crude Palm Oil Futures (FEPO) contract. This extension of our services is strategic as it leverages our existing facilities and capabilities. With strong potential for large cargo trading volume at a higher profit margin compared to existing operations, this move will help BBSB increase its volume and revenue, while enhancing its profitability.



Container operations at Bintulu International Container Terminal (BICT)

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

GROUP CHIEF EXECUTIVE OFFICER’S STATEMENT

OUR CHALLENGES IN 2021

The challenges brought about by the continued impact of the pandemic were wide-ranging and required us to be agile and decisive to ensure business continuity. The challenges we faced included a slowdown in cargo throughput, incurring additional costs to ensure



An employee overseeing container operations at Bintulu International Container Terminal (BICT)

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

compliance to Standard Operating Procedures (SOPs), as well as ensuring sufficient resources to keep our services going amid ongoing supply chain disruptions. We also had to keep our employees and customers safe, while striving to ensure the effectiveness of training programmes that had to be conducted online.



Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

UPDATING OUR BUSINESS RESPONSE PLAN

While we faced a wider variety of challenges during 2021, their impacts were not as severe as the year before. Not only were we more prepared, but the success of Malaysia's vaccination programme and the easing of SOPs in line with the National Recovery Plan allowed for growth in the manufacturing sector and a rebound in supply within the services sector.

Thus, we constantly updated and modified our initiatives within the BRP to cater for the evolving situation of the pandemic, taking into account the relaxation of SOPs, the potential emergence of concerning cases or supply disruptions and other pertinent matters. Here we outline the 10 strategies of the Group's BRP and the various ongoing and new initiatives undertaken during 2021 within each area of focus.

KEEP THE BUSINESS GOING

01 Ensuring Critical Operations Proceeded With Minimal Disruptions

Initiatives in 2021

- Maintained resiliency in delivering services and responded quickly to emerging issues to minimise disruptions to productivity.
- Staggered working hours were maintained to empower social distancing.
- Developed working SOPs based on relevant central and state agencies' requirements.
- Implemented stringent SOPs for vessels berthing at the Port to control the spread of the pandemic from overseas. This included categorising vessels according to their potential risk based on declarations made to the Port Health Officer.
- BPSB conducted scenario planning exercises to enable quick and effective strategies when emergency situations arose.
- SIPSB embarked on paperless transactions for its gate weighbridge operations.
- BBSB transitioned to e-invoices to maintain its practice of providing daily invoices to customers.

KEEP PEOPLE HEALTHY AND SAFE

02 Protecting the Safety and Health of Employees at All Times

Initiatives in 2021

- Distributed Personal Protective Equipment to employees and observed all SOPs.
- "Canton Concept" at workplace to minimise close contact in the workplace and created "green bubbles" to contain outbreaks and maintain operations.
- No cross-deployment across worksites. No employee should work at more than one worksite.
- Physical vessel safety inspections were replaced with virtual vessel safety inspections to avoid interaction with LNG vessel crews.
- The Crisis Management Team continues to expedite decision-making during emergencies or sudden outbreaks to ensure business continuity.
- Early anticipation of housing area lockdowns allowed us to rapidly identify affected staff members and make the required adjustments.
- Active contact tracing was conducted virtually via an online form created by our Group Health, Safety and Environment (GHSE) team.
- PCR/RTK tests were conducted for close contacts while quarantine was mandatory for those categorised as close contacts. Workplace quarantine was sometimes undertaken when the affected employee was required on-site to ensure continuous operation.
- Toolbox meeting for operation was held in open spaces to maximise social distancing and only allowed the minimum required staff to attend.
- Employees were required to stay at home should there be two vessels or less at the port to minimise unnecessary contact (SIPSB).

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

COMMUNICATE WELL

03 Open Communication With All Stakeholders

Initiatives in 2021

- Provided the Group's BRP Guidebook and subsequent updates to all management teams as a guideline to implement initiatives within the 10 identified focus areas.
- Ensured a concise, clear and correct flow of information throughout the period and monitored our communication channels to curb misinformation or distribution of fake news.
- Enhanced physical and virtual engagement with all stakeholders to keep them updated.
- Conducted Customer Insight Group Discussions with Container Liners and Palm Oil players to provide updates on The Group's situation and receive insightful feedback on their own issues.
- Conducted frequent engagement with the Ministry of Health and the Bintulu Divisional Disaster Management Committee (BDDMC) to verify the latest SOPs, update contact tracing measures and accelerate the vaccination of our workforce.

PROGRESS THE CORPORATE STRATEGIC THRUSTS

04 Progressing Key Initiatives (Business Growth and Operational Excellence) In the Best Possible Manner

Key Initiatives	Progress
Renewal of Concession (BPSB)	Facilitated by a joint steering working committee, BPSB and BPA are currently in the midst of concession renewal negotiations and have targeted to finalise terms by the fourth quarter of 2022.
Samalaju Wenan Steel Project	The latest development of Wenan Steel Project at Samalaju Industrial Park is currently carrying out site preparation works on 700 acres of land for Phase One of its project. This project is expected to be completed by April 2022 and the construction of the factory will commence thereafter. SPSB is currently evaluating the estimated cargo projections and operational requirements from the Wenan Steel team.
Project BioHub	The Group has entered into Phase Two of the feasibility study of the proposed Biohub Port development and its ecosystem in Sarawak. The collaboration between the Group, Malaysian Investment Development Authority (MIDA), Regal Lands Sdn. Bhd., the Sarawak Economic Development Corporation (SEDC) and the Port of Rotterdam will enable all parties involved to explore the possibility of developing the biomass industry in Sarawak. This can potentially generate good investment opportunities and create jobs for the country in the near future.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

PROGRESS THE CORPORATE STRATEGIC THRUSTS (CONTINUED)

04 Progressing Key Initiatives (Business Growth and Operational Excellence) In the Best Possible Manner

Key Initiatives	Progress
Commencement of LNG ISO Tanks Operation	<p>Following the maiden call of Tiger Clean Energy Limited's (TCEL) 169 m-long vessel Fan Zhou 6 at Bintulu International Container Terminal (BICT) on 20 January 2021, BPSB officially established itself as the first and only port operator in the ASEAN region to export liquefied natural gas (LNG) in ISO tanks on a large scale.</p> <p>Thus far, we have completed six shipments of LNG in ISO tanks, and with Petronas LNG Ltd having recently inked a sales and purchase agreement with TCEL for the supply of LNG to TCEL's LNG ISO tank filling facility at BICT, our prospects for continued growth in this sector are promising.</p>
Brunei Marine Services	<p>Since its commencement in 2020, the provision of marine services by BPSB in Brunei has contributed both intangible value to the Group in terms of expanding our reach into the international marine services industry as well as tangible value in terms of steady revenue streams to the Group. We are pleased to report an uptick in revenue in 2021 compared to last year.</p>
Pursuing Our Operational Excellence Initiatives	<p>We continued executing the following ongoing initiatives that involve improvements to operational effectiveness, workflow processes, audit transformation and cost management initiatives.</p> <ol style="list-style-type: none"> 1. Governance, Risk and Compliance (GRC) Transformation Journey (UTAP), which includes Culture Transformation. 2. Cost Management Initiatives (COMMIT). 3. Operational Excellence Performance Delivery (OEPD), which comprises continuous initiatives to improve the targeted overall operational excellence in container service, productivity at SIPSB and vessel turnaround and operational flow at the edible oil terminal.
Container Handling Service at Samalaju Industrial Port	<p>We are pleased to report the commencement of container handling services at Samalaju Industrial Port in December 2021. This new service enables our customers to import and export containerised cargo to and from origin and destination countries directly from SIP in addition to going through BICT.</p> <p>This move provides numerous benefits to the Group, including:</p> <ul style="list-style-type: none"> • Providing an alternative shipping option to SIP's customers for the import and export of containerised cargo. • Diversifying SIPSB's business into the container sector in order to increase overall cargo throughput volume and enhance operating revenue with limited cost investment.
Acceleration of Staff Vaccinations	<p>By working closely with the Ministry of Health, the Bintulu Divisional Disaster Management Committee (BDDMC) and the Sarawak State Disaster Management Committee (SDMC), we were able to significantly expedite the inoculation of our workforce in order to induce herd immunity in the port to reduce the risk of COVID-19 spreading among our workforce.</p>

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

GO VIRTUAL

05 Leveraging IT and Virtual Communications Technology**Initiatives in 2021**

- Continued having all meetings online where possible and enabled VPN addresses for home-based staff to bolster digital security.
- Established a Virtual Communicating Zone and developed SOPs applicable to virtual meetings.
- Modified our operations to utilise less paper to minimise physical contact by:
 - Enabling FPX & online payments to reduce physical interaction when collecting payment.
 - Unsafe Act Unsafe Condition (UAUC) reporting was made virtual to minimise interaction and enable immediate receipt of reports.
 - Discontinuing exchange of physical documentation at Container Receiving and Delivery (R&D) Office and switched to direct recording into system.

CASH PRESERVATION

06 Review and Prioritisation of CAPEX Spending Plans and Expenditure**Initiatives in 2021**

- Reviewed and prioritised CAPEX spending according to critical operational requirements, safety aspects and contractual obligations.
- Planned CAPEX procurement to take advantage of tax incentives provided by the government under the Short-Term Economic Recovery Plan (PENJANA).

COST CONTAINMENT

07 Cost Optimisation**Initiatives in 2021**

- Optimised cost according to critical operational requirements, safety aspects and contractual obligations.
- Group Business units undertook price negotiations of term contracts and exercised options on renewal of contracts.
- Utilised competitive bidding to get the best prices and contract terms for proposals.
- Extended the terms of ongoing contracts where possible, such as for our mooring gang and maintenance service contractors.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

MAINTAIN STAFF MORALE

08 Employee Motivation

Initiatives in 2021

- Provided financial security by ensuring salary and benefits were processed and paid on time.
- Enforced strict adherence to SOPs to ensure the well-being of employees working on-site.
- Continuous communication from Group CEO to all staff to assure, motivate and maintain morale throughout the pandemic.
- Accelerated the vaccination of all employees.
- Undertook various engagement initiatives throughout the year to maintain the morale of our people.
- Provided resources to employees who were undergoing quarantine.

HELP CUSTOMERS TO DELIVER

09 Targeted Incentives to Customers

Initiatives in 2021

- Encouraged customers to utilise port facilities and storage areas to facilitate their logistics planning and arrangement.
- Considered rebates upon customers' request for extended rental and storage at port during the pandemic.

KEEP THE BOARD ENGAGED

10 Looping in the Board

Initiatives in 2021

- Continuously updated the Board on the impact of COVID-19 on the Group and the mitigation strategies undertaken.
- Engaged with the Board to leverage its collective experience, expertise and guidance.

SUMMARY OF THE BRP INITIATIVES IN 2021

We are pleased to report that despite facing an uncertain economic environment throughout the year, we once again successfully leveraged our BRP framework to keep our business operating efficiently and provide high standards of service and communication to our stakeholders. We are also pleased to have achieved significant progress in many of our business objectives, which will hold us in good stead for sustained growth and success.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

ACHIEVEMENTS IN 2021

Here are some highlights of our key achievements and milestones during 2021. They are organised according to our three corporate strategic thrusts.



STRATEGIC THRUST 1

INSTITUTE OPERATIONAL EXCELLENCE

Operational Excellence in Customer Engagement and Transformation

BECAME FIRST ASEAN PORT OPERATOR TO BULK EXPORT LNG IN ISO TANKS

Bintulu Port Sdn. Bhd.

- In January, we became the first port operator in the ASEAN region to export liquefied natural gas (LNG) in ISO (International Organisation for Standardisation) tanks on a large scale.



LNG ISO Tank operations at BICT

DEVELOPED A CANTON CONCEPT TO MITIGATE THE POTENTIAL SPREAD OF COVID-19

Bintulu Port Holdings Berhad

- In February, the Group introduced a Group-wide canton concept for dividing the workplace and premises into main cantons and sub-cantons to minimise interaction between departments.
- This move helped to prevent the spread of COVID-19 among Group employees while also enhancing protection for port users, contractors, agents or other visitors.
- It also helped us to avoid closure of the entire premises if a case was detected, as only the affected canton would have to be closed for the purpose of disinfection.
- Our cantonisation activities also facilitated speedy contact tracing in collaboration with the MOH when positive cases were detected.

COLLABORATED WITH BDDMC TO ESTABLISH A NEW PKRC

Bintulu Port Holdings Berhad

- Bintulu Port is proud to have assisted the Bintulu Division Disaster Management Committee (BDDMC) in establishing a new quarantine and treatment centre for low-risk COVID-19 patients at *Taman Sri Pelabuhan*.
- The Pusat Kuarantin Dan Rawatan Berisiko Rendah (PKRC) provided additional capacity to treat and quarantine up to 350 people.

ACCLAMATION FOR OUR 2019 INTEGRATED REPORT

Bintulu Port Holdings Berhad

- The Group's 2019 Integrated Annual Report, with the tagline "Realisation of Greater Potential", clinched the Bronze Award in the category of Asia's Best Integrated Report (First Time) at Asia's Sustainability Reporting Awards (ASRA) 2020.
- The Group was also a finalist in the Asia's Best Integrated Report (Design) category, where City Development Limited from Singapore was the Gold winner.
- We also clinched a Gold Award in the 2021 Australasian Reporting Awards.

CEO CONTRACTOR AWARD FROM PTTEP

Bintulu Port Sdn. Bhd.

- BPSB is proud to have been recognised and awarded PTTEP's CEO Contractor Award for our stellar Safety, Security, Health and Environment (SSHE) performance.

RECEIVED MSOSH GOLD MERIT AND GOLD CLASS 1 AWARDS

Bintulu Port Sdn. Bhd./Samalaju Industrial Port Sdn. Bhd.

- SIPSB's exemplary commitment to safety and health was recognised with a Gold Merit Award from the Malaysian Society for Occupational Safety & Health (MSOSH) in the Logistic & Transportation Sectors category.
- At the same time, BPSB received the Gold Class 1 Award in the same category.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT



STRATEGIC THRUST 1

INSTITUTE OPERATIONAL EXCELLENCE (CONTINUED)

Operational Excellence in Customer Engagement and Transformation

ENHANCEMENT OF ALUMINA CONVEYOR LINE OPERATION

Samalaju Industrial Port Sdn. Bhd.

- SIPS together with Press Metal has successfully upgraded and commenced Conveyor Line A01 in August 2021 which has increased the productivity for Alumina discharging operation from 600 tonnes per hour to 900 tonnes per hour.

UTAP - PURSUING OUR OPERATIONAL EXCELLENCE INITIATIVES

Bintulu Port Holdings Berhad

- A total of 24 further initiatives under our Governance, Risk and Compliance (GRC) Transformation Journey (UTAP) were completed in 2021, comprising the following:
 - Board-related Matters
 - HR-related Matters
 - Procurement
 - Risk Management
 - Group Internal Audit Functions and Practices.
- UTAP comprises a total of 46 initiatives that will be implemented across 10 work streams related to various parts of our business, as well as an overarching transformation of working culture across the Group.
- Out of the remaining 22 initiatives that are to be implemented, 17 are expected to be completed in 2022 and the remaining five in 2023.



Operations at Crew Change Terminal

RECEIVED FOCUSED RECOGNITION AWARD FROM PCSB

Bintulu Port Sdn. Bhd.

- Petronas Carigali Sdn. Bhd. (PCSB) honoured BPSB's stellar performance in sustaining and maintaining the effectiveness of material delivery for PCSB's oil production activities with its esteemed Focused Recognition Award.

RENEWAL OF ISO 27001:2013 - INFORMATION SECURITY MANAGEMENT SYSTEMS CERTIFICATION

Bintulu Port Holdings Berhad

- BPHB, through the Group Information Technology department, obtained renewal of ISO 27001:2013 - Information Security Management Systems certification effective 15 November 2021 to 28 February 2025 from Cybersecurity Malaysia.

WEBINAR ON COMPLIANCE AND INTEGRITY

Bintulu Port Holdings Berhad

- Conducted a one-day Webinar on Compliance and Integrity to introduce and create awareness among all Executives within the Group on the Code of Business Ethics, Anti-Bribery and Corruption Policy, Framework and SOP, Raid Policy and Procedure and Whistleblower Policy and Procedure.

ACHIEVED ISO CERTIFICATIONS

Samalaju Industrial Port Sdn. Bhd.

- We are proud to have obtained the following international standard accreditations in 2021:
 - ISO 9001:2015 (Quality Management Systems),
 - ISO 14001:2015 (Environmental Management Systems)
 - ISO 45001:2018 (Occupational Health and Safety Management Systems).

ENHANCING PROTECTION FOR INFORMATION SECURITY

Bintulu Port Holdings Berhad

- The Group's MS ISO27001:2013 recertification in November 2021 demonstrates our commitment to having a systematic approach in place to manage our information security.
- As part of the Critical National Information Infrastructure (CNII) Agency, the National Cyber Coordination & Command Centre (NC4) provides early warnings and advisories to the Group of potential cybercrimes.
- The Group has established a dedicated department to monitor, maintain security systems, identify system vulnerabilities and create defense strategies against cybercriminals.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT



STRATEGIC THRUST 2

EXPAND PORT CAPACITIES AND CAPITALISING ON KEY GROWTH MARKET
SECTOR & PROFITABILITY

Driving Business Growth

FIRST SHIPMENT BY MALAYSIAN PHOSPHATE ADDITIVES
(SARAWAK) (MPAS) TO SAMALAJU PORT

Samalaju Industrial Port Sdn. Bhd.

- In January, SIPSB achieved an important milestone when it received the first rock phosphate import shipment by MPAS. We handled a total import of 65,292 million tonnes in 2021.
- MPAS is expected to commence operations in first quarter 2022 and will export yellow phosphorous and phosphoric acid to potential markets such as Japan, South Korea, China, Taiwan and Malaysia.

BBSB REGISTERED AS PTI UNDER FEPO CONTRACT FOR
BURSA MALAYSIA DERIVATIVES

Biport Bulkiers Sdn. Bhd.

- BBSB was officially appointed to provide Port Tank Installation (PTI) services as part of Bursa Malaysia Derivatives' new East Malaysia Crude Palm Oil Futures (FEPO) contract.
- This strategic expansion of service leveraged our existing facilities and capabilities.
- With high potential cargo to be traded via PTI at a higher tariff rate compared to current operations, this will provide a valuable alternate revenue stream and increase our profit margins.



Aerial view of palm oil vessels at Edible Oil Jetty

PRESS METAL BINTULU MOVED INTO PHASE 3 OF PLANT
CONSTRUCTION

Samalaju Industrial Port Sdn. Bhd.

- Press Metal Bintulu Sdn. Bhd. commenced its Phase 3 plant at Samalaju Industrial Park in the first quarter of 2021 increasing their plant capacity by 42% from 0.76 million tonnes to 1.08 million tonnes per annum.
- The full commencement of the Phase 3 plant is expected by early 2022 and this will further entrench Press Metal's position as the largest South East Asia aluminium producer and a key global player in the aluminium industry.



Vessel Operations at the SIPSB wharf

EXTENSION OF CONTRACT WITH OIL AND GAS MAJOR
PLAYERS

Bintulu Port Sdn. Bhd.

- Our contracts with three major oil and gas players namely Petronas Carigali Sdn. Bhd., Thailand's PTT Exploration and Production Public Company Limited and Vestigo Petroleum Sdn. Bhd. were successfully extended.



STRATEGIC THRUST 2

EXPAND PORT CAPACITIES AND CAPITALISING ON KEY GROWTH MARKET
SECTOR & PROFITABILITY (CONTINUED)

Driving Business Growth

E-COMMEMORATION OF MAIDEN LNG ISO TANK EXPORT OPERATIONS

Bintulu Port Sdn. Bhd.

- We held an e-commemoration ceremony to mark the first LNG ISO tank export operation at Bintulu Port, consisting of 215 units handled and exported from BICT.



Photo commemoration of Bintulu Port's maiden LNG ISO Tank export operations on 25 March 2021

COMMENCED CONTAINER HANDLING SERVICES AT SAMALAJU PORT

Samalaju Industrial Port Sdn. Bhd.

- Container handling services were successfully launched at Samalaju Industrial Port in December 2021, enabling our investors to import or export containerised cargo directly via Samalaju Industrial Port.



Photo commemoration on 6 December 2021 for Container Handling Services Launching Ceremony

MSD BOAT TRANSFER SERVICES

Bintulu Port Sdn. Bhd.

- Following the outbreak of COVID-19 cases related to the shipping community, Marine Services Division (MSD) promoted its Marine Services Solutions to local authorities and the local shipping community, such as Petronas LNG Sdn. Bhd., MISC Berhad and MISAR Sdn. Bhd. (an agent for MISC).
- These included the provision of Non-Prescribed Services for transferring COVID-19 affected crews, setting up temporary staging areas and ship sanitisation services.
- Our successful undertaking of these services later attracted these agents and customers to engage MSD to provide non-COVID-19-related services such as boat services for crew change, transfer of personnel and transfer of resources to and from the ship.

SHIN YANG LAUNCHED NEW SERVICE ROUTE

Bintulu Port Sdn. Bhd.

- Shin Yang Shipping, one of the main shipping lines providing feeder services to East Malaysian ports, introduced a new service route that connects Kuching, Bintulu and Singapore.
- The new route is expected to contribute to container throughput volume at BICT.

MTT LAUNCHED NEW SERVICE ROUTE FROM BINTULU

Bintulu Port Sdn. Bhd.

- MTT Shipping introduced a new service route named WBK Service, which is expected to contribute additional transshipment throughput volume at BPSB.
- The new route runs from Bintulu to Kota Kinabalu to Laem Chabang (Thailand) to Port Klang and back to Bintulu.

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT



STRATEGIC THRUST 3

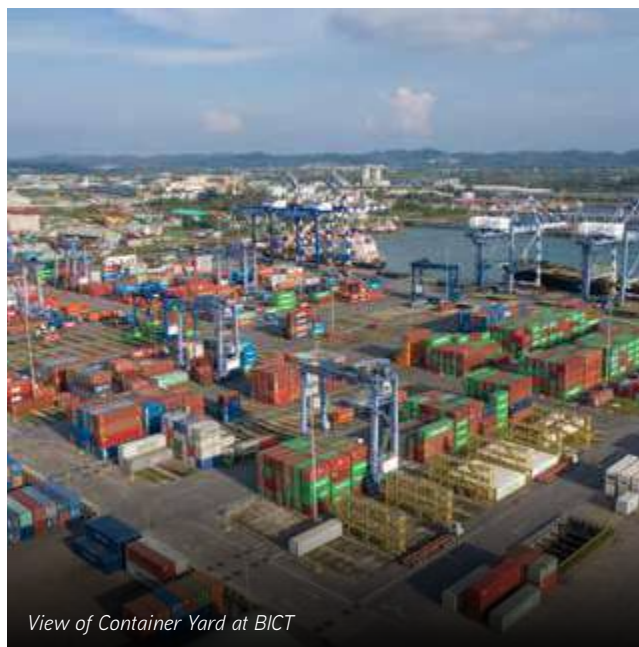
EMBARK INTO SMART AND GREEN PORT

Furthering Our Smart Digital Green Port (SDGP) Initiatives

ENHANCED WIRELESS COVERAGE FOR CONTAINER OPERATION

Bintulu Port Sdn. Bhd.

- We improved and expanded our wireless coverage to ensure both Narrowband and Wireless Data Communication Devices receive a stable communication signal when in use during the handling of container.
- The enhanced architecture allows devices such as Vehicle Mounted Terminal (VMT) and Radio Data Terminal (RDT) to receive better signal coverage and ensures operational activities are able to proceed with minimum disruption.



View of Container Yard at BICT

IMPLEMENTATION OF ELECTRONIC DELIVERY ORDER (EDO) FOR BREAK BULK CARGO OPERATION

Bintulu Port Sdn. Bhd.

- By transitioning to paperless delivery through the use of Barcode Scanners and RFID Technology, we substantially enhanced the monitoring, tracking, handling and delivery of break bulk cargoes.

ANJUNG HIJAU & BEACH CLEANING/PLOGGING PROGRAMME

Samalaju Industrial Port Sdn. Bhd.

- Project Anjung Hijau carried out by SIPSB twice yearly aimed to reduce carbon emissions and align with the Group's Green Port Initiatives.
- In 2021, achieve 37,000 numbers of planted trees accumulative since 2017. Meanwhile, we organised a Beach Cleaning/Plogging Programme which is part of SIPSB Zero Waste Campaign and is conducted quarterly.

CMEA AWARD 2020 CEREMONY

Bintulu Port Holdings Berhad

- This biennial prestigious Sarawak Chief Minister's Environmental Award (CMEA) aims to recognise the environmental effort and commitment of industries, local authorities and individuals who demonstrate exemplary stewardship towards environmental protection. Winners of the Award are widely recognised by the public as role models in business and industry's environmental performance and excellence, as well as models for environmental conservation and practices. We won the Merit Award for the third time in a row.

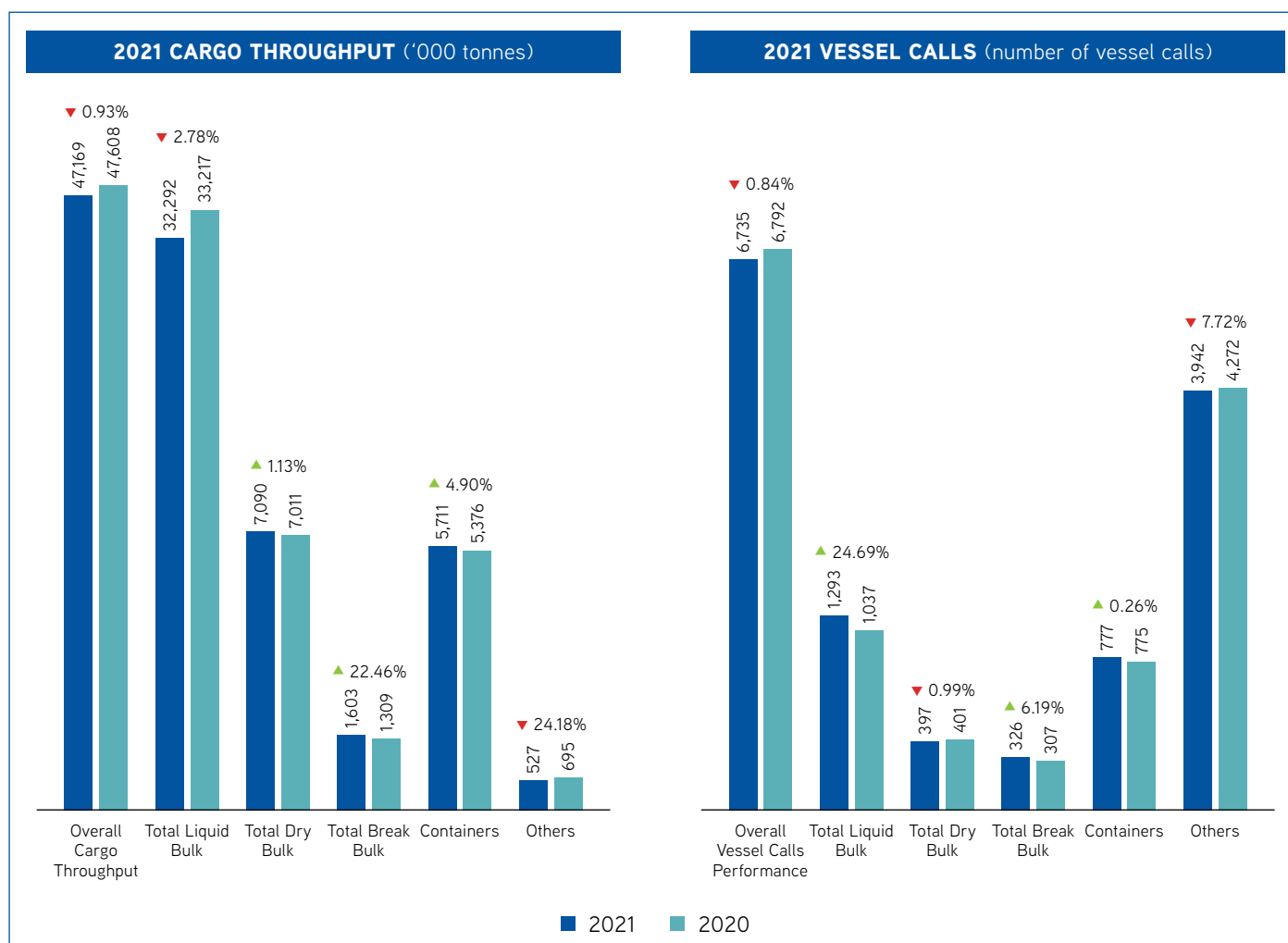
Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

GROUP OPERATIONAL AND FINANCIAL PERFORMANCE

The Group recorded an annual throughput volume of 47.17 million tonnes in 2021, representing a 0.93% decline from the year before, while our vessel calls recorded a decline of 0.84% from 6,792 vessels in 2020 to 6,735 vessels in 2021.

Thanks to the effective implementation of our BRP, the Group boosted its operating revenue, which increased 2.98% from RM707.31 million in FY2020 to RM728.39 million in 2021. Profit before tax in 2021 dipped slightly compared to last year, declining by only 0.28% to RM126.32 million from the RM126.67 million recorded in 2020. This was mainly due to increased expenditure from higher provision of replacement costs, depreciation of right-of use assets and additional amortisation on our LPG Jetty lease.



GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

STRATEGY AND OUTLOOK GOING FORWARD

While analysts are optimistic that the Malaysian economy's recovery will gain momentum in 2022, we remain aware that some downside risks persist, especially with the possibility of the outbreak of new COVID-19 variants, supply chain disruptions and geopolitical risks. To protect the sustainability of our business and ensure that we continue to achieve our objectives, we must stay vigilant and continually refine our BRP strategies so we can respond rapidly and effectively in the event of possible disruptions in the future.

Our vigilance is nevertheless accompanied by cautious optimism for a stronger performance in 2022. We expect to see increased demand for all major cargoes, with more LNG being exported to ASEAN markets and some recuperation of palm oil demand from India. At the same time, the growth of various new industries at Samalaju Industrial Park and our recent expansion into various sub-sectors within the industry, such as the export of LNG in ISO tanks, Port Tank Installation and expansion of marine services, will provide greater volume and diversity in the Group's revenue streams.

Our primary objective in the coming year will be to formalise the extension of BPSB's concession with BPA, which will mark the start of an exciting new era of growth and opportunity for the Group and its stakeholders.

ACKNOWLEDGEMENTS

In closing, I would like to extend my sincere gratitude to all our employees, who have dedicated their time and effort to ensuring that our ports remained open for business. I am also grateful for the wisdom and guidance given by the Board of Directors in assisting the Management team to navigate these challenging times. My utmost thanks also goes out to the regulatory authorities and our shareholders and customers, as well as our business partners and suppliers, for their continued support and cooperation.

DATO MOHAMMAD MEDAN BIN ABDULLAH

Group Chief Executive Officer



Aerial view of tugboats docking at marine base

FINANCIAL PERFORMANCE REVIEW

THE GROUP'S PROFIT AFTER TAX SURGED TO RM363.19 MILLION FROM RM93.30 MILLION RECORDED IN THE PREVIOUS YEAR. THIS WAS MAINLY DUE TO THE ONE-OFF TRANSACTION ON THE RECOGNITION OF DEFERRED TAX ASSETS ARISING FROM THE UNUTILISED INVESTMENT TAX ALLOWANCE AT ONE OF ITS SUBSIDIARY COMPANIES, SAMALAJU INDUSTRIAL PORT SDN. BHD..

REVENUE

	2021 RM'000	2020 RM'000
Revenue from port services rendered	671,059	645,339
Revenue from bulking services	37,813	40,615
Rental Income	19,515	21,358
Total Operating Revenue	728,387	707,312
Revenue from construction services for concession infrastructure	6,897	8,392
Total Revenue	735,254	715,704

Overall, the Group recorded operating revenue of RM728.39 million, 2.98% higher than that of Year 2020. The operating revenue comprised revenue from Malaysia operations of RM690.65 million and RM37.74 million from the marine services rendered in Brunei Darussalam. Revenue from LNG, which formed 49% of the total operating revenue, was still the main revenue contributor.

During the year under review, revenue generated from provision of port services at Bintulu Port was RM534.16 million, a slight decline of 0.02% from RM534.26 million recorded in Year 2020. Meanwhile, revenue from the provision of port services at Samalaju Industrial Port increased by 23.24% to RM136.90 million against RM111.08 million recorded the preceding year. Revenue from the provision of bulking facilities at Biport Bulkiers Sdn. Bhd. at RM37.81 million showed a decrease by 6.92% from RM40.62 million recorded in Year 2020.

Revenue from rental income is accounted for in accordance with MFRS 16: *Leases* which consists of rental of warehouse, yard, land, office space and equipment at Bintulu Port Sdn. Bhd. (RM13.95 million) and tank rental at Biport Bulkiers Sdn. Bhd. (RM5.56 million).

Revenue from construction services for concession infrastructure was recognised as required under IC Interpretation 12: *Service Concession Arrangements* and in accordance with MFRS 15: *Revenue from Contracts with Customers* in respect of the upgrading of port facilities works and procurement of handling equipment undertaken during the year. There is no mark-up recognised on these activities as the Group outsourced the construction services and procurement to third parties.

FINANCIAL PERFORMANCE REVIEW

INCOME STATEMENT

	2021 RM'000	2020 RM'000
Operating Revenue	728,387	707,312
Revenue from Construction Services	6,867	8,392
Other Income	16,362	13,288
Cost of Construction Services	(6,867)	(8,392)
Manpower Cost	(129,492)	(128,869)
Other Expenditure	(190,190)	(187,257)
EBITDA	425,067	404,474
Depreciation, Amortisation & Replacement Obligations	(239,165)	(221,831)
Operating Profit	185,902	182,643
Finance Costs	(74,282)	(75,176)
Finance Income	14,695	19,199
Profit Before Tax	126,315	126,666
Income Tax Expense	236,876	(33,365)
Profit After Tax	363,191	93,301

Operating profit increased by RM3.26 million from RM182.64 million to RM185.90 million. This was contributed by higher EBITDA of RM20.60 million year-on-year, mainly due to the higher operating revenue achieved in Year 2021 despite higher operating expenditure. The total expenditure for the year was RM633.13 million, RM20.00 million more than RM613.13 million recorded in the preceding year. The higher expenditure was due to an increase in repair and maintenance of the port and bulking infrastructure, facilities and equipment, as well as an increase in fuel expense. There were also higher provisions made on replacement cost for moveable assets at SIPSB, additional recognition of depreciation of right-of-use assets on new charter hire of vessels at BPSB and additional amortisation on the lease of LPG Jetty.

There were no additional borrowings in Year 2021 and the finance cost comprised profit expenses on Sukuk Murabahah and unwinding of discount on lease obligations, replacement obligations, lease liabilities on right-of-use assets and provision for dredging. Finance Income includes interest income from short term deposits and sub lease.

With the above, the pre-tax profit dropped slightly to RM126.32 million from RM126.67 million recorded previously in Year 2020.

RAM Rating Services Berhad (RAM Ratings) completed their sixth annual rating review of Bintulu Port Holdings Berhad (BPHB) as the Corporate Guarantor and SIPSB as the Issuer. RAM Ratings reaffirmed the respective long-term and short-term corporate ratings of AA₁ and P1 for BPHB – the long-term rating has a stable outlook. RAM Ratings also reaffirmed the long-term rating of AA₁(s) for SIPSB's Sukuk Murabahah Programme of up to RM950 million in nominal value (2015/2036) – the long-term rating has a stable outlook.

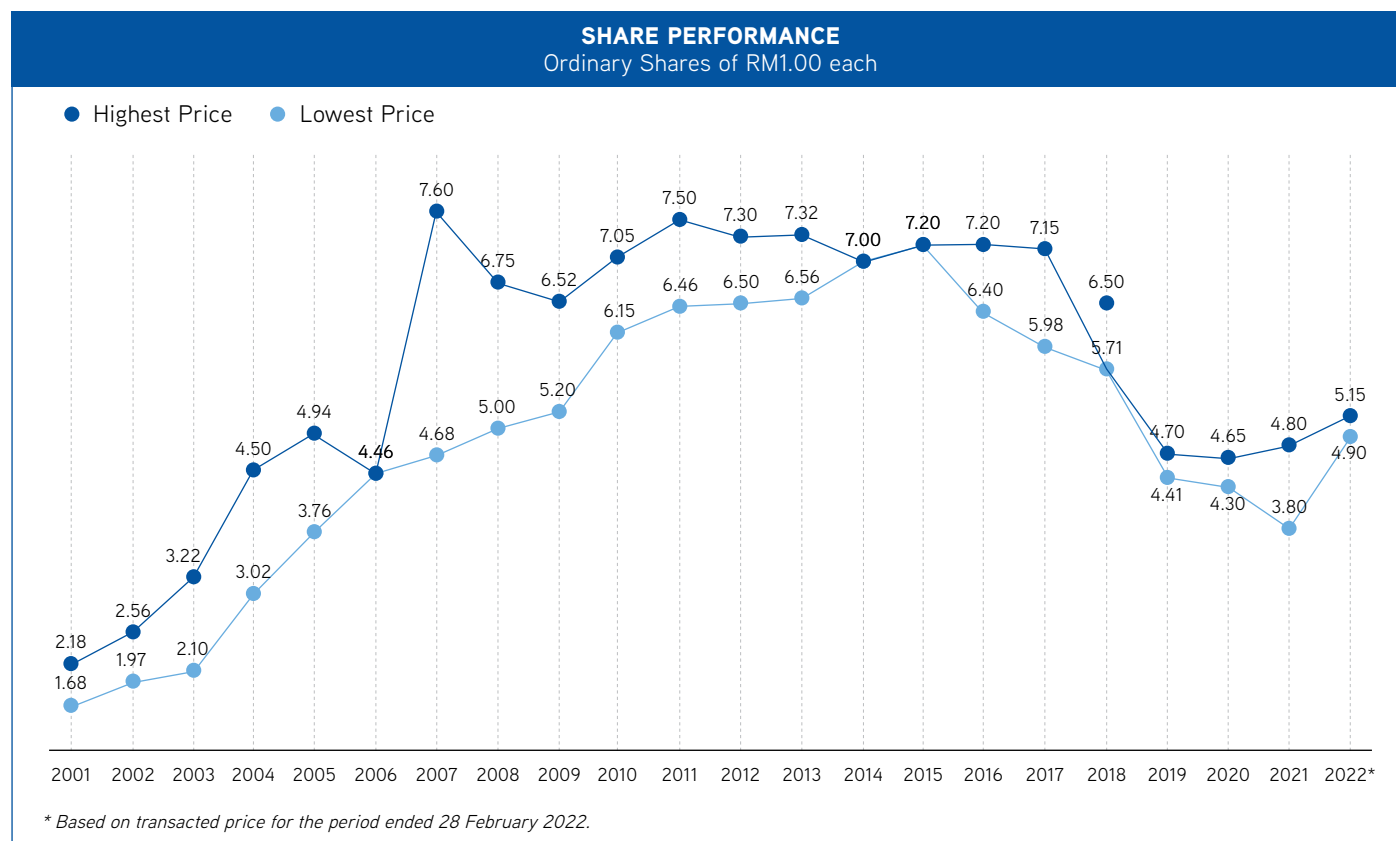
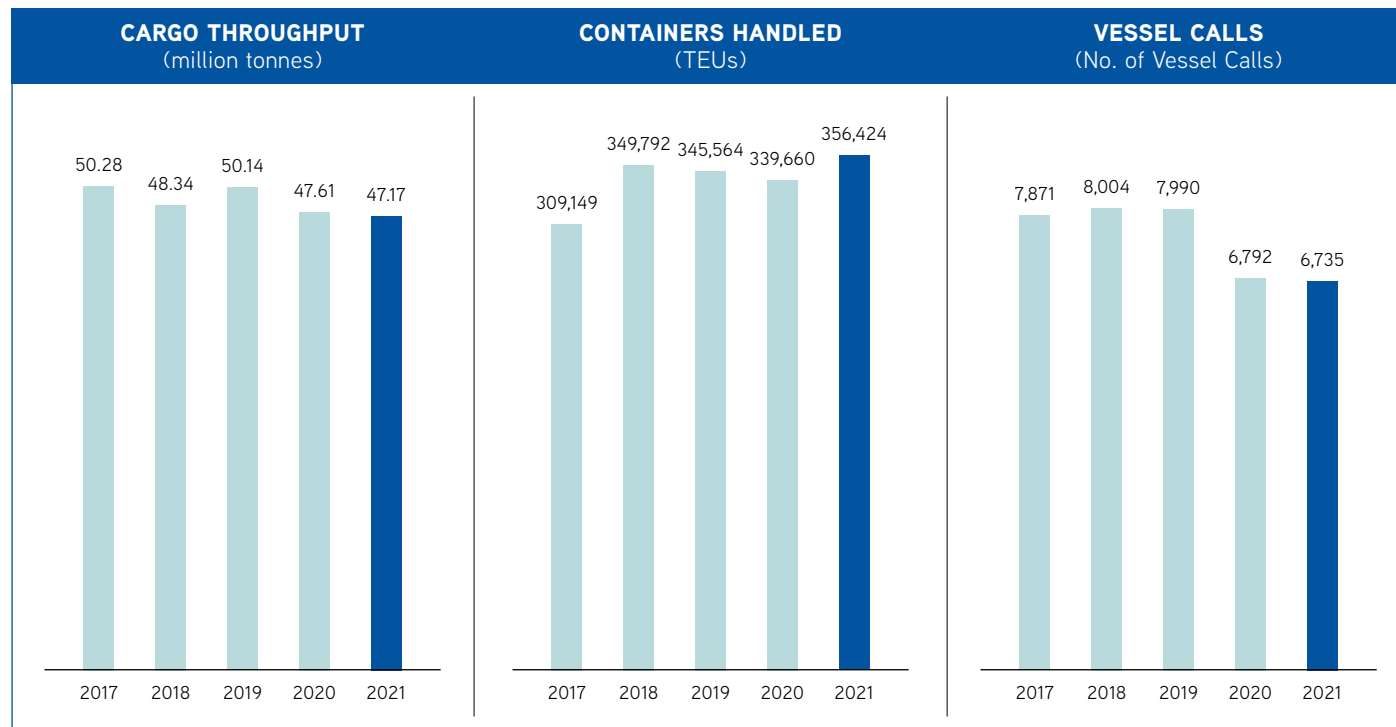
The cash and cash equivalents as at end-2021 were RM671.64 million. The net cash generated from operating activities increased to RM374.07 million in 2021 from RM326.49 million in 2020 mainly due to the payment of maintenance dredging in Year 2020. The net cash used in investing activities was RM77.70 million and financing activities were RM273.38 million; therefore, the net increase in cash and cash equivalents was RM22.99 million.

The shareholders' fund as at 31 December 2021 stood at RM1,690.10 million from RM1,377.46 million in Year 2020. The net asset per share was RM3.67.

For Year 2022, the Group expects to have positive momentum in cargo throughput from the LNG, Palm Oil, Dry Bulk and Container sectors on the assumption the global economy continues to gradually recover from the effects of the unprecedented COVID-19 pandemic.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

FINANCIAL PERFORMANCE REVIEW



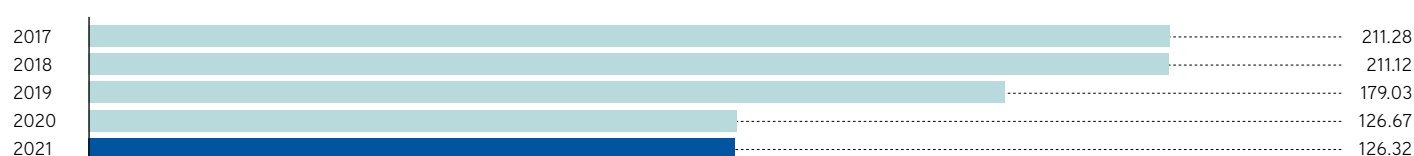
FINANCIAL PERFORMANCE REVIEW

TURNOVER

(RM Million)

**PROFIT BEFORE TAX**

(RM Million)

**EARNINGS PER SHARE**

(Sen)

**TOTAL SHAREHOLDERS' FUND**

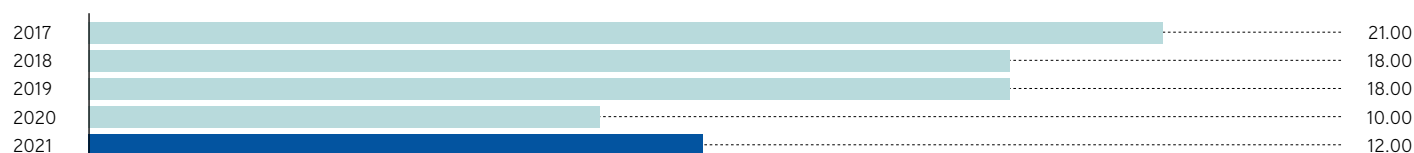
(RM Million)

**NET ASSET PER SHARE**

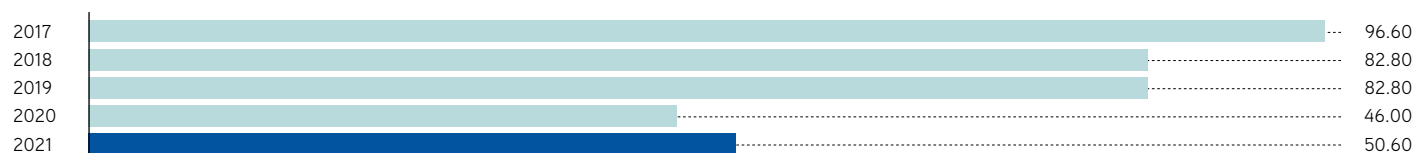
(RM)

**SINGLE-TIER DIVIDEND PAID**

(Sen)

**DIVIDEND PAID DURING THE YEAR**

(RM Million)



MARKET LANDSCAPE



Sunset aerial view of Bintulu Port

In the year under review, the global economy rebounded with growth of 5.9% following a contraction of 3.2% in 2020 as industries reopened and businesses adapted to an endemic approach to COVID-19. Domestically, Malaysia's economy grew by 3.1% compared to the contraction of 5.6% in 2020, according to Bank Negara Malaysia.

For the second consecutive year, most countries once again invested significant resources on managing the subsequent waves of the COVID-19 pandemic, which comprised new and more transmissible variants, in order to prevent the derailment of their respective economic recoveries. This was done via massive economic stimulus packages and the aggressive roll-out of vaccination programmes to reduce the severity of infections and to relieve fatigued healthcare systems.

The emergence of variants such as Delta and Omicron certainly cast some doubt about the sustainability of economic recoveries, especially with some countries responding by implementing lockdowns and tight containment measures. This continued to impact supply chains around the world, thus creating a domino effect that snowballed into disruptions all over the world. The challenge of vaccine inequality also slowed vaccination rates in less developed nations, which impeded recovery in some regions across the globe.

As a port operator, our business is closely linked with the health of the global economy as we support trade and the transport of goods and commodities all over the world. Being in this position also gives us a unique perspective as we understand the interlinkages that enable the proper functioning of the economy. We discuss some of the main issues that shaped this year's narrative below:

MARKET LANDSCAPE

MALAYSIA'S
ECONOMY GREW BY

3.1%

GLOBAL ECONOMY
GREW BY

5.9%

INCREASE/DECREASE
IN OVERALL CARGO
THROUGHOUT AT
MALAYSIA PORTS

4-5%

- China's recent commitment to drastically reducing its carbon emissions and energy consumption poses a difficult challenge to its energy-intensive industries such as steel, aluminium and cement, which are important export goods. This will open up opportunities for greater LNG exports given that it is a cleaner fossil fuel, and especially for the Sarawak Corridor of Renewal Energy (SCORE), which leverages clean, renewable energy to attract main players to build their facilities and commit to further investments within the Corridor.
- Throughout 2021, the shortage of shipping containers continued to delay delivery times and increased container rental prices, resulting in disrupted supply chains. The shortage was attributed to the pandemic, which had reduced the number of trips and consequently led to empty containers not being picked up. The situation was exacerbated by the uneven reopening of economies throughout the world leading to a shortage of empty containers. In response, importers and exporters resorted to transporting their goods via bulk cargo to minimise their costs.
- Labour shortages in the palm oil industry, which is heavily reliant on foreign workers, occurred due to border restrictions preventing the normal flow of workers from source countries. As a result, there was an unprecedented decline in productivity and yields that resulted in higher prices as stockpiles were depleted. The reduction in palm oil exports, especially to China was also due to competition from other fats such as soybean oils and the Chinese government promoting their soybean plantations and refineries.

OUTLOOK

Global economic growth is expected to moderate to 4.4% in 2022 compared to the 5.9% in 2021 according to the International Monetary Fund. This will be partly due to the dissipation of low base effects, although such a performance will indicate that a recovery in growth has taken hold after the prolonged slowdown due to COVID-19 containment measures. According to the 12th Malaysia Plan, GDP growth for Malaysia will range from 4.5-5.5% in 2022.

Looking ahead, we expect demand for all major cargoes to be positive, with high demand forecast for LNG, especially from China, India and the ASEAN markets. Palm oil is also expected to see a recovery in demand, especially from India with the imposition of higher export duties in Indonesia. However, some risks will continue to exist, especially with labour issues continuing in the palm oil industry and the potential of new COVID-19 variants leading to a repeat of strict lockdowns, which will certainly impact global trade. The persistent shortage of containers, as well as congestion at major ports around the globe, will most likely have a knock-on effect on cargo volumes and vessel calls.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

MARKET LANDSCAPE

TRENDS MOVING FORWARD

RECOVERY IN CONSUMER DEMAND

With the economy and trade volume steadily recovering in 2021, we expect to see consumer demand rising as containerised cargo movements grow worldwide. Major ports in the Asian region, including in Malaysia, will also benefit from the relocation of manufacturing bases owned by multi-national companies out of China to other locations within the region.^[1]

However, the issue of the port congestion will remain as it is triggered by the apparent imbalance in East-West seaborne trade. This situation is expected to improve as recoveries synchronise over time.

ENERGY TRANSITION & RISE OF RENEWABLES

The Group is optimistic that we will be able to tap into opportunities present in the transition away from fossil fuels to cleaner sources of energy. Over the longer-term, renewables are expected to take over the role of baseload power generation from nuclear, combined-cycle power and coal power plants. However, they will still require other forms of generation to serve as a backup until power storage technology catches up, given the intermittent nature of solar and wind power generation.²

In this context, LNG will continue to serve as the transition fuel towards realising a net zero-carbon emissions future, whereby the International Energy Association sees gas approaching 20% to 25% of the energy mix by 2040.

To this end, we remain committed to the Smart Digital Green Port Blueprint which will help us begin our journey towards becoming a carbon neutral port. Alongside this long-term goal, the initiatives and projects identified in the blueprint will also benefit the Group in terms of cost and operational efficiencies.

GEOPOLITICAL TENSIONS AND RISE IN COMMODITY PRICES – A THREAT TO GLOBAL ECONOMIC RECOVERY

Geopolitical tensions have increased amid the conflict between Russia and Ukraine, creating turmoil in global commodity markets. The conflict has increased the risk of serious consequences for the global economy and inflation, which is expected to rise as a result of global supply chain disruptions.

Russia is one of the largest exporters of raw materials in the world, especially metals such as nickel, palladium and aluminium, while Ukraine produces 65% of the neon gas used in the manufacturing of semiconductors and electric vehicles. Russia is also responsible for 7% of the world's oil and gas supply. Thus, the conflict could impact the supply of these commodities, which will have wide-ranging effects on the world and global supply chains. In Asia, economies reliant on energy imports, like Hong Kong, South Korea and India, will be affected and if the increase in inflation affects global demand, exporters in Asia, including China, Vietnam, Taiwan and Malaysia, will also be impacted in the near future.

SPREAD OF NEW VARIANTS OF COVID-19

The newest strain of the COVID-19 virus, Omicron, is a 'variant of concern' according to the World Health Organisation and could potentially become a 'very high' global risk. China, being cautious of the emergence, has implemented more stringent measures, including mass lockdowns of entire cities, strict checking at ports and the enforcement of quarantines. This will constrain shipping further as well as result in shortages of key manufacturing components. With seven of the 10 busiest ports in the world located in China, the global supply chain will definitely be affected by any drastic move that China makes in regard to its COVID-19 response.

CLIMATE CHANGE AND SUSTAINABILITY AT THE FOREFRONT

Over the past few years, regulatory bodies in Malaysia have increased their focus on climate change management and sustainability, compelling companies to make more meaningful disclosures and improve their transparency with regards to their Environmental, Social and Governance performance. For instance, Bank Negara Malaysia (BNM) has recently announced that it will be finalising plans to make it mandatory for financial institutions to disclose climate-related financial risk disclosures from 2024.

Such a move will encourage financial institutions to be more deliberate when providing funding to businesses as they would need to consider if the funding would indeed be positively contributing to the transition to a low-carbon economy as well as the overall sustainability agenda.

SMART PORT DEVELOPMENT FOR EFFICIENCY AND ENVIRONMENTAL SUSTAINABILITY

The ongoing concern about environmental sustainability and the rising need for real-time information drives the demand for the development of smart ports globally. With increasing shipping volume, ports face the challenge of managing daily operations and inventory with greater efficiency. The overall performance of the port can be improved by applying technologies like blockchain, Internet of Things (IoT) and big data to increase economic competitiveness as well as to make improvements to stock management and warehouse logistics. A smart port would also automate the loading and transportation of goods, saving time and cost, thus enhancing the efficiency of the port.

1 AmInvestment Bank - <https://maritimefairtrade.org/malaysia-port-industry-favorable-outlook/>
2 International Renewable Energy Agency (IRENA)

THE RISKS WE CONSIDER

DECREASE IN REVENUE

This describes the risk of the Group's reliance on the LNG and non-LNG sectors as key revenue contributors, both of which can be influenced by a variety of factors that may affect the targeted revenue.

Causes and Consequences of the Risk

This risk can occur due to:

- Inability of the Group to achieve its targeted revenue as it is closely linked to tariffs
- Drop in cargo throughput or loss of market share due to competition from other ports as well as the impact of macroeconomic developments
- Heavy reliance on key customers
- Scaling down of plants and manufacturers, and delay in completion of prospective customers' projects
- The recent COVID-19 pandemic that has impacted the global supply chain, which has adversely affected the Group's throughput performance and project implementation

The consequences are:

- Reduced revenue for the Group
- Failure to meet financial objectives/obligations
- Unable to sustain financial stability of the Group
- Underutilisation of facilities

Mitigation and Opportunities

- Diversification of the Group's revenue stream and growth plans in the non-LNG sector
- Regular engagement with central agencies to ensure the port tariff is competitive so that the operating cost of service lines and cargo types remains manageable
- Achieving higher efficiency and customer satisfaction
- Regular engagement with customers to facilitate proactive solutions to ensure sustained customer satisfaction levels
- Being responsive, adaptive and resilient in fighting the COVID-19 pandemic
- Formulation of Terminal Service Agreements (TSAs) to protect the interests of the Group

Link to Material Matters:

- 01 Economic Performance
- 02 Operational Efficiency
- 03 Customer Satisfaction

DELAY IN EXTENDING CONCESSION PERIOD

While the Group has received the approval in principle for the extension of its BPSB's concession since 2014, the risk described here is associated with the delay in finalising the details of the terms and the contract for the extension of the concession.

Causes and Consequences of the Risk

This risk can occur due to:

- Lengthy negotiation and extension process to finalise the terms

The consequences are:

- Delay in developing future potential projects or expansion
- Loss of potential business opportunities
- Downgrading of Sukuk rating

Mitigation and Opportunities

- Establishing a high-level Board committee to oversee the progress of the expected result
- Escalating the request for renewal to major shareholders for their assistance
- Intensive collaboration with the newly appointed consultant by the Port Authority to expedite the expected result
- Establishing 14 Guiding Principles of the terms that have been mutually agreed with the Port Authority
- Establishing a Steering and Working Level Committee together with the Port Authority to oversee the process and negotiations for the extension
- Development of Port Development Plan (PDP) for the next 30 years with the Port Authority
- Appointment of a consultant to assist in the negotiation process
- Regular engagement with Port Authority to negotiate the terms for the extension of the concession

Link to Material Matters:

- 01 Economic Performance

Who We Are, What We Do	THE RISKS WE CONSIDER
Our Leadership Statements	
How We Create Value	
Our Strategic Context	
Commitment To Strong Governance	
Our Financial Performance	
Other Information	

OUTBREAK OF COVID-19 PANDEMIC

Causes and Consequences of the Risk

This risk can occur due to:

- Affected personnel entering Port area
- Lack of awareness on mitigating spread of COVID-19
- Negligence in declaring health status

Mitigation and Opportunities

The Group's mitigation strategies for this risk basically involved two main objectives: (1) to minimise the disruption to the Port's operations and (2) to prevent the spread of COVID-19 infection in the Port area.

In 2021, the following initiatives were undertaken to mitigate the risk of the pandemic:

- 1) Activating the Crisis Management Team
- 2) Continuity of Business Response Plan
- 3) Regular updates and dissemination of Close Contact Management Plan
- 4) Distribution of face masks and sanitisers to all port staff
- 5) Limitation of visitors and port users at high-risk areas
- 6) Regular sanitisation programme at workplace
- 7) Work-From-Home (WFH) flexibility for office staff
- 8) Keep Your Distance: 2M Campaign
- 9) Compulsory usage of MySejahtera contact tracing app
- 10) Frequent engagement with Ministry of Health (MOH), State Disaster Management Committee (SDMC), Department of Occupational Safety and Health (DOSH) and other relevant authorities to keep abreast of the latest SOPs
- 11) Vaccination roll-out to port staff with the assistance of local authorities
- 12) Mass COVID-19 screening for port staff
- 13) "Canton Concept" at workplace
- 14) Quantum Fusion Resonance Disinfectant Coating Technology

The consequences are:

- Business disruptions due to manpower shortage
- Lower customer satisfaction level caused by downtime in operations
- Reputational impact

Link to Material Matters:

- | | |
|-----------------------------------|--------------------------|
| 01 Port Security | 03 Customer Satisfaction |
| 02 Occupational Health and Safety | 04 Economic Performance |

CYBERSECURITY RISK

This refers to the risk of cyber threats including but not limited to virus attacks, hacking, sabotage, malware and phishing.

Causes and Consequences of the Risk

This risk can occur due to:

- Lack of user awareness of cybersecurity
- Antivirus programmes not being updated
- Unauthorised installation of software by users
- Possible attacks by hackers

Mitigation and Opportunities

- Implementation of Information Security Management System ISO 27001:2013 recertified on 15 November 2021
- Formulating IT Security Policies and Procedures for the Group
- Ensuring firewall firmware is updated
- Ensuring antivirus is updated
- Continuous cybersecurity awareness programme for users
- Annual review of user access
- Implementation of Cybersecurity Maturity Assessment
- Establishing disaster recovery centre
- Replacement of obsolete IT equipment in Bintulu Port

The consequences are:

- Loss of data
- Corruption of system applications, which can result in major downtimes
- Operational disruptions
- High maintenance and support costs
- Reputational impact
- Potential lawsuit due to data leakages

Link to Material Matters:

- | | |
|-----------------------------------|---------------------------|
| 01 Port Security | 04 Economic Performance |
| 02 Occupational Health and Safety | 05 Operational Efficiency |
| 03 Customer Satisfaction | |

MAPPING OUR MATERIAL ISSUES

MATERIALITY ASSESSMENT

Issues that are material or important to Bintulu Port are defined as issues which have a direct or indirect impact on our ability to create value in financial and non-financial contexts. Understanding what is important to us will not only help ensure business growth but will also help us meet the needs of our stakeholders and to discover new concerns they may have. It naturally allows us to identify the opportunities and mitigate the risks of each material matter. In 2021, we underwent a comprehensive assessment to identify our material issues and conducted a formal process of engagement with our stakeholders to obtain their insights.

METHODOLOGY AND RESULTS

In 2021, we conducted an in-depth materiality assessment through an online survey to produce an updated materiality matrix. The last time an assessment was conducted was in 2017, thus, there was a need to update our material issues to ensure our strategies and initiatives were relevant to the requirements of the business and our stakeholders within our current operating environment.

The first step was to identify a set of material issues relevant to us. This was conducted through desktop research involving peer-to-peer comparisons with local and global peers, and with reference to leading sustainability frameworks such as the Sustainability Accounts Standards Boards (Marine Transportation category). We also took mega trends and our short, medium and long-term risks into consideration.

As a result, we obtained 20 material issues that were relevant to us and took these to our nine stakeholder groups for their opinions. We sent an online survey to a total of 1,843 stakeholders and received a response from 18.6% or 343 respondents across all stakeholder groups. A focus group discussion was then conducted among the C-Suites to finalise and prioritise the material issues. Finally, a materiality matrix based on the focus group discussion and rankings given by our stakeholders was produced. Out of the 20 issues, 10 emerged as being highly significant to both the business and our stakeholders, of which six were the same as the material issues we had prioritised prior to this new exercise.

Our Materiality Matrix



- 1 Economic Performance
- 2 Corporate Governance and Transparency
- 3 Ethics & Integrity
- 4 Occupational Health and Safety
- 5 Operational Efficiency
- 6 Cyber Security

- 7 Employee Engagement
- 8 Port Security
- 9 Community Engagement
- 10 Climate Change
- 11 Customer Satisfaction
- 12 Supply Chain Management
- 13 Human Resources Development

- 14 Technology and Digitisation
- 15 Environmental Monitoring
- 16 Nation Building
- 17 Workplace Diversity & Inclusion
- 18 Marine Ecological Protection
- 19 Energy Efficiency
- 20 Port Safety

Governance
Economic
Environmental
Social

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

MAPPING OUR MATERIAL ISSUES

Mapping our Material Issues

Material Issue	Bintulu Port's Response to the Issue	Stakeholder Groups affected
Economic Performance	<p>Strive to Improve revenue, practice cost management and optimisation and efficient project management by:</p> <ul style="list-style-type: none"> Improving operating margin by managing expenses Effective contract and tender administration to monitor cost budgeting. Inculcate practical and prudent spending. Continue working with the Authority for the implementation of new tariff. Target RM1 bill operating revenue in line with our Strategic Blueprint. Delivery in full and on time (DIFOT). 	Vendors & suppliers Employees, Shareholders, Customers
Corporate Governance and Transparency	<ul style="list-style-type: none"> Embedding a strong governance, risk and compliance (GRC) culture across functions and processes; integrated assurance function; strong three lines of defence through the UTAP Transformation Programme, where we have now reached the halfway point with 23 out of 46 initiatives completed. Adhering to best practices as recommended by the Malaysian Code on Corporate Governance. Improving and enhancing how enterprise risk is viewed and understood by divisions, departments and employees. 	Employees, Shareholders
Ethics and Integrity	<ul style="list-style-type: none"> Ensuring the various integrity policies that we have developed such as our Code of Business Ethics, Anti-Bribery and Corruption Policy and Procedure and Whistleblowing Policy are up to date at all times. Consistently conducting initiatives that raise awareness about our risk and integrity policies. 	Employees, Customers, Regulatory Authorities, Vendors and Suppliers
Occupational Health and Safety	<ul style="list-style-type: none"> Underlining our strong commitment to health and safety through: <ul style="list-style-type: none"> COVID-19 awareness, management plan, SOPs, and guidelines. Targeting Zero Fatality & Accidents and Zero Loss Time Incident Frequency (LTIF). Effective enforcement of safety requirements, standards & procedures. Enhancing emergency preparedness through multi-agency training & exercises. 	Employees & Customers
Operational Efficiency	<ul style="list-style-type: none"> Improving operational performance of cargo/container handling and the reliability and readiness of our marine/port equipment & facilities by endeavouring to improve on the targets set out in our Customer Charter. Continuous improvements to our operational processes and standard operating procedures where we are also responsive to and guided by customer feedback. 	Employees & Customers

MAPPING OUR MATERIAL ISSUES

Material Issue	Bintulu Port's Response to the Issue	Stakeholder Groups affected
Cyber Security	<p>Ensuring strong cyber security and cyber resilience through:</p> <ul style="list-style-type: none"> • Implementation of Information Security Management System ISO27001:2013. • Establishing IT Security Policies and Procedures and ensuring the availability of a Disaster Recovery Site • Ensuring that firewalls and antivirus solutions are current and up to date. • Conducting Cybersecurity Awareness Programme for employees. 	Regulatory Authorities, Financial Institutions
Employee Engagement	<p>Continue to enhance human capital capabilities despite the pandemic through:</p> <ul style="list-style-type: none"> • Developing and enhancing employee capabilities in the areas of leadership, knowledge, skills, behaviour and values. • Enhancing talent management & developing effective succession planning. • Employee engagement and providing a conducive working environment in the new norm. 	Employees
Port Security	<p>Maintaining and enhancing the security within the port area by:</p> <ul style="list-style-type: none"> • Restricting access to port area and implementing security threat assessments and programmes and subsequent enforcement of security plans, standards and procedures. • Ensure compliance with ISPS Code/Merchant Shipping Act A1316. • To ensure our supply chain complies with ISO 28000:2007 Security Management System (SMS). • To ensure all port users have undergone electronic vetting to detect past criminal history. 	Customers, Regulatory Authorities, Maritime Community
Community Engagement	<p>We give back to the community via the four pillars of our Corporate Social Responsibility programme:</p> <ul style="list-style-type: none"> - Serving the Community - Education - Community Health - Environment <p>• In 2021, we established a Low-Risk COVID-19 Quarantine and Treatment Centre that could accommodate up to 350 patients to support the Ministry of Health's efforts in combating the pandemic.</p>	Local Communities
Climate Change	<p>We are committed to climate change action through the:</p> <ul style="list-style-type: none"> • Monitoring of our carbon emissions and initiatives to mitigate our emissions. • Continuous improvements to energy efficiency as well as leveraging on renewable energy opportunities. • Inculcating energy saving awareness. 	Regulatory Authorities, Local Community, Maritime Community, Customers

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

VALUE CREATION MODEL

OUR THREE (3) STRATEGIC THRUSTS

Institute Operational Excellence

Expand Port Capacities and Capitalising on Key Growth Market Sector and Profitability

Embark into Smart and Green Port

Our Vision
A World-Class Port Operator

Our Mission
Delivering Operational Excellence & Ensuring Our Long-Term Sustainability Based on the 3Ps:

• People

• Planet

• Profits

- Our Core Values
- Teamwork
 - Integrity
 - Innovation
 - Professionalism



KEY INPUTS

KEY

F

- Operating revenue of **RM728.39 million**
- Market capitalisation of RM2,254.00 million
- Total shareholders' fund of RM1,690.10 million
- Retained earnings of RM799.17 million
- Gearing ratio of 29.25%

FINANCIAL CAPITAL

- We continued to maintain a strong capital base to ensure investor, creditor and market confidence remained positive to enable future growth of the business.
- Constantly strived to keep working capital at an optimal level.
- Ensured adequate reinvestment into the business via good

M

- **3** General Cargo Wharfs
- **3** LNG Jetties
- **2** Container Terminals
- **2** Edible Oil Terminals
- **5** Multipurpose Terminals
- **More than 135,000 sq m** of storage space
- **25 vessels** for ship handling and patrolling
- **18 cranes** to handle containers with combined Safe Working Load of **more than 120 tonnes**
- **85 storage tanks** with a capacity of 154,600 metric tonnes
- **17** units of export pipelines

MANUFACTURED CAPITAL

- Continued to scale up our ISO tank operations, having completed six shipments of LNG in ISO tanks in 2021.
- Reviewed and prioritised CAPEX spending according to critical operational requirements, safety aspects and contractual obligations.

H

- **Total employees: 1,551**
- **RM167,273** spent on HSE training
- Total of **RM2.45 million** invested in human resource training

HUMAN CAPITAL

- Promoted 1.8% of our total workforce internally, which includes top management, executive and non-executive positions in 2021.
- Robust occupational health, safety and environment systems in place to protect the health and safety of our employees.

I

- **Concession agreement to operate Bintulu Port**
- **Sole Port Operator to hold PETRONAS Supply Base license** which enables the Port to attract PETRONAS Production Arrangement Contractors
- **Holds bunkering licences** that enable the Port to provide bunkering services

INTELLECTUAL CAPITAL

- Engagement with the State and Central Agencies to ensure the continuation of our licences and to demonstrate our value and contribution to the state.
- Maintained our international standard accreditations in ISO9001:2015 (Quality Management Systems), ISO14001:2015 (Environmental Management Systems) and ISO45001:2018 (Occupational Health and Safety Management Systems).

S

- Being a **good corporate citizen**
- **Employment opportunities**
- **Business opportunities**
- **Customer-centric initiatives**
- **Engaging with the community**

SOCIAL AND RELATIONSHIP CAPITAL

- As a good corporate citizen, we contributed to support our frontliners and the communities impacted by the pandemic. The Group also primarily hires Sarawakians, providing a boost to the local economy and its communities.
- Robust procurement practices that are aimed at securing the best value for money. Our procurement practices are also geared towards supporting Sarawak-based companies, especially those in Bintulu.

N

- **Water Quality**
- **Air Quality**
- **Energy Management**
- **Waste Management**

NATURAL CAPITAL

- Continued to monitor our carbon emissions.
- Environmental Management Plan for ISO Tank operation at BICT.

VALUE CREATION MODEL

INITIATIVES

- maintenance practices.
- Optimised cost according to critical operational requirements, safety aspects and contractual obligations.
- BBSB was officially appointed to provide Port Tank Installation (PTI) services as part of Bursa Malaysia Derivatives' new East Malaysia Crude Palm Oil Futures (FEPO) contract.
- Safeguarded the health and safety of our employees during the pandemic through a comprehensive crisis management plan.
- Stepped up efforts by implementing a cordon system to minimise close contact at the workplace while also expediting vaccination efforts.
- Implementation of Electronic Delivery Order (EDO) for Break Bulk Cargo Operation.
- Obtained the renewal of the Supply Base License from Petronas for another three years to 2023.
- Engagement with other relevant central agencies.
- Held discussions with container shipping lines and palm oil refineries to better understand their concerns and to receive their suggestions.
- Converted our facilities at *Taman Sri Pelabuhan* into quarantine and treatment centre for low-risk COVID-19 patients to serve the needs of the community during the pandemic.
- Constantly carried out environmental conservation initiatives.

BALANCING OUR CAPITAL TRADE-OFFS

Port operations help businesses, societies and, ultimately, our nation, to flourish. While we contribute to that growth, we are aware that there will be choices and balances to be made. To that extent, we are mindful in choosing and allocating our resources to ensure that we optimise their use and create value along the way. This requires being cautious of trade-offs, making tough decisions and balancing short-term issues against long-term value creation and adherence to our corporate vision and long-term gains.

CUSTOMER-CENTRICITY

We place our clients at the centre of everything we do, aiming to provide relevant services effortlessly through the channels they choose. Development and investment of robust customer relationship management structures can be very costly. The Group has, therefore, taken great care in recognising the processes and frameworks that require attention to meet the targets of greater efficiency. This requires us to spend significant management time, but at the same time, leads to better business and a better brand.

BRAND DEVELOPMENT

Enhancing brand and product awareness with existing and potential customers is an essential contributor to sustainability and growth. We have been careful in our socio-economic development initiatives and marketing efforts to attain optimal benefits. This requires us to devote bandwidth and resources, along with bringing our understanding and insights to the table.

FINANCIAL MANAGEMENT

Delivering sustainable returns to our shareholders depends on how well we optimise our investments in ensuring client satisfaction, engaged employees and the effective management of risk. This requires that we strengthen our ability to generate revenue by continuously and sustainably meeting our clients' needs and strengthening our competitive position with the costs incurred in doing so. This means investing in building intellectual property and proprietary information and allocating capital to infrastructure and people.

PEOPLE, CAPACITY AND CAPABILITY

The Group relies on its people for its success. The Group invests in the development of its employees to meet the future needs of the organisation. This significantly enhances our human capital through investments made in information technology, which increases productivity and effectiveness. The learning experience in developing these new products and services enhances the organisation's Intellectual Capital. The innovation in our processes and operations leads to optimal utilisation of resources, which helps in sustaining our market leadership. While in the short term it may require us to spend more financial resources, and thereby create a negative impact, it ultimately leads to higher margins and profitability in the long run.

REGULATORY ENVIRONMENT

Compliance with diverse regulations and laws are an absolute imperative for running any business. As governance standards come under greater scrutiny, only those businesses that take compliance seriously are considered successful. At the Group, we are making all efforts to be totally compliant with regulations, wherever we operate. Naturally, this enhances our social and relationship capital by ensuring business continuity. It also enhances intellectual capital and human capital, but once again, we need to expend more financial resources and allocate infrastructure. To that extent, our financial capital and manufacturing capital are impacted in the short run.

NATURAL CAPITAL

By remaining largely reliant on non-renewable resources, we negatively impact Natural Capital. However, through our commitment to prioritising energy efficiency, along with our efforts and investments in managing our impact on the environment, we are working to mitigate the overall impact on this stock of capital. Through our energy-saving initiatives, our infrastructure becomes stronger for the long run and saves operating costs. This also enhances our status as a responsible organisation, enhancing our social and relationship capital.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

VALUE CREATION MODEL



Our Vision
A World-Class Port Operator

Our Mission
Delivering Operational Excellence & Ensuring Our Long-Term Sustainability Based on the 3Ps:

- People
- Planet
- Profits

Our Core Values

- Teamwork
- Integrity
- Innovation
- Professionalism



VALUE CREATION MODEL

OUTCOMES

F

- Profit in 2021 (profit after tax): **RM363.19 million**
- % growth in operating revenue: **3%**
- Dividend payout ratio: **15.20%**
- Net Asset Per Share: **RM3.67**



M

- We are now **the first and only port operator in the ASEAN region to export LNG in ISO tanks** on a large scale.
- Container Handling Operations, was successfully launched at Samalaju Port, enabling our investors to import or export containerised cargo directly via SIP.
- BBSB is **the first PTI operator in Sarawak**.



H

- Kept our attrition rate low at **0.58%** in 2021.
- Lowered our **Lost Time Injury Frequency Rate** in 2021 to **0.124** from 0.144 in 2020.
- Maintained **second consecutive year of zero fatalities** in 2021.
- Conducted **38,931 training hours** in 2021 for our employees.
- Employee Satisfaction Survey: **58.44%** in 2021 (2020: 58.13%).
- We achieved a full **99.8%** vaccination rate among our staff.



I

- Discussions are ongoing to finalise the terms of the new concession agreement between BPSB and BPA and is expected to be completed in the fourth quarter of 2022.
- By transitioning to paperless delivery through the use of Barcode Scanners and RFID Technology, we have **substantially enhanced the monitoring, tracking, handling and delivery of break bulk cargoes**.
- The renewal of the Supply Base License with Petronas extends our position as the sole supply base operator in Sarawak.



S

- Almost **99% of our 1,551 employees are Sarawakians**.
- **Contributed financial aid, medical equipment and personal protective equipment** to frontliners and communities.
- The **quarantine centre served more than 5,000 patients** over a period of six months.



N

- Reduced overall carbon emissions by **1.56%** in 2021 from the year before
- Reduction in our carbon emissions intensity with a **5.5%** reduction recorded in 2021 from the year before
- Planted a total of **37,000 trees** in areas surrounding Samalaju Industrial Port.
- Implemented initiatives to use less paper as a means of reducing physical interaction during the pandemic, such as:
 - Enabled FPX & online payments to collect payments
 - Unsafe Act Unsafe Condition (UAUC) reporting was made virtual
 - Discontinued exchange of physical documentation at the Container Receiving and Delivery Office



OPERATIONAL REVIEW



BINTULU PORT SDN. BHD.

OUTLOOK & PROSPECTS

Short-Term

- Enhance operational excellence by improving current processes and productivity
- Drive greater growth within container sector and other dynamic cargoes
- Continuously review and improve current work processes to prevent any revenue leakages and achieve stringent control over capital and operational spending to maximise profit margin

Mid-Term

- Expand in accordance with Strategic Thrust 2: Expand Port Capacities and Capitalising on Key Growth Market Sector and Profitability

Long-Term

- Enhance BPSB's long-term sustainability and competitiveness via strategic evolution into a leading global Smart, Digital and Green Port



Container operations at BICT

OUR COMPETITIVE ADVANTAGES

- We are the first ASEAN Port operator to export liquefied natural gas (LNG) in ISO (International Organisation for Standardisation) tanks on a large scale.
- We possess one of the deepest drafts compared to other deep-sea ports in Borneo and can cater for extra-large vessels of more than 80,000 deadweight tonnage (DWT).
- Our all-weather multipurpose port is modern, well-equipped, strategically located and is the first to implement the NAVIS N4 Terminal Operating System to enhance efficiency.
- Our internationally accredited and recognised expertise in port operations and liquid cargo handling and marine services empowers us to continually diversify our cargo base and expand our services within the industry.
- We possess and retain the right talent and mindset towards achieving world-class operational excellence and customer service.

OPERATIONAL REVIEW

KEY INITIATIVES IN 2021

In 2021, BPSB handled 41.84 million tonnes, about 2.47% lower than the 42.90 million tonnes in 2020, mainly due to fewer LNG vessel calls in the second half of 2021. Volume contraction notwithstanding, we continued to remain focused on attaining our strategic objectives through enhancing our operations and capturing new business opportunities.

In the realm of operations, we leveraged our use of modern technology infrastructure to optimise efficiency and recorded significantly higher-than-expected productivity in numerous cargo categories. Productivity for Bulk Fertiliser, Palm Kernel Products and Break Bulk cargo exceeded productivity targets by at least 22% and up to 83% during the year.

Meanwhile, the recent pioneering use of ISO Tanks for LNG shipments, in which we are the first in ASEAN to do so on a large scale, continued to gather momentum in 2021. Following the first shipment of LNG ISO Tanks comprising just 215 units in January 2021, we have so far completed six shipments comprising a total of 3,006 units as at 31 December 2021. With Petronas LNG Ltd having recently inked a sales and purchase agreement with Tiger Clean Energy Limited (TCEL) for the supply of LNG to TCEL's LNG ISO tank filling facility at BICT, our prospects for continued growth in this sector are promising.

At the same time, our first internationally based operations in Brunei continues to expand the Group's reach into the global marine services industry. The most notable achievements in 2021 included the submersion of a Heavy Lift Vessel to 21 metres below sea level in order to discharge five dredgers and two work boats for Heng Yi Industries and successfully remote piloting Indian Navy Ship, INS Jalashwa, away from high-risk territory.

We continued to establish our superiority in handling the world's largest LNG tankers. In 2021, we handled 47 massive tankers of more than 80,000 DWT, up from 25 in 2020, in addition to 13 vessels from the Seri C series of LNG tankers. We also handled the gassing up and cooling down of two LNG ships during the year.

KEY CHALLENGES IN 2021

BPSB faced numerous challenges during the year under review, with issues ranging from those precipitated by the pandemic to matters pertaining to equipment malfunction and unfavorable weather and the handling of vessels with crane structures.

Our strict adherence to maintaining social distancing and regular sanitising of work equipment impacted our efficiency as more time was required during each shift change. Quarantine requirements and the stranding of staff in lockdown areas also impacted our available manpower resources, but was necessary in order to maintain operations at the port amidst the pandemic.

We will, however, continue to maintain our strict compliance with COVID-19 Standard Operating Procedures (SOPs) while seeking to overcome obstacles through enhanced vessel operation and productivity, improved berth window management, increased yard efficiency and optimised facility and equipment availability.

The port also experienced intermittent operational stoppages during the year due to the breakdown of equipment, system malfunctions and inclement weather. To overcome this, we enhanced our backup systems and maintenance protocols to reduce our downtime, while improving our capabilities in handling vessels with crane structures.

OPERATIONAL & FINANCIAL PERFORMANCE

	2017	2018	2019	2020	2021
Cargo Throughput (million tonnes)	47.64	44.12	45.20	42.90	41.84
Container Throughput (TEUs)	309,149	349,792	345,564	339,621	355,700
Vessel Calls (number of calls)	7,717	7,775	7,740	6,562	6,473
Turnover (RM million)	582.06	538.81	561.32	559.45	558.50
Profit Before Tax (RM million)	235.13	197.33	213.70	179.66	154.59
Net Asset per Share (RM)	7.70	7.89	8.65	9.08	9.26
Total Shareholders' Fund (RM million)	500.21	512.94	562.53	590.18	601.68



**BIPORT BULKERS
SDN. BHD. (BBSB)**

OUTLOOK & PROSPECTS

Short-Term

- Ensure the stringent observation of health and safety standard operating procedures and that the Port's operations are not disrupted by the pandemic
- Launched Port Tank Installation services to create a new revenue stream and to increase throughput
- Enable pipeline bypass services for high-tonnage refineries, which entail the transferring of products from refineries directly onto the vessel without passing through the storage tanks
- Emphasise operational and cost optimisation across all our operations

Mid-Term

- Cater for an increase in palm oil growth through the development of new infrastructure such as new jetties and bulking facilities, subject to a feasibility study
- Attract palm oil players from outside Sarawak

Long-Term

- Explore the possibility of diversifying into other businesses related to palm oil



Vessel in operation at BBSB's Edible Oil Jetty

OUR COMPETITIVE ADVANTAGES

- We are strategically located within one of the region's largest Palm Oil Industrial Clusters (POIC) and surrounded by five major refineries in Sarawak.
- We are centrally located in Sarawak with the added advantage of possessing a deeper draft compared to other nearby competitor ports.
- Our prime location enables us to serve the main intra-Asian maritime traffic route.
- Our prospects for growth are empowered by a large storage capacity and advanced supporting infrastructure, including:
 - 85 storage tanks with a total capacity of 154,600 metric tonnes.
 - 17 units of export pipeline at Edible Oil Jetty
 - The ability to handle large vessels of up to 50,000 deadweight tonnage (DWT)
 - Efficient pumping rate of an average of 350 metric tonnes per hour, and an exceptional maximum rate of 1,000 metric tonnes per hour.

OPERATIONAL REVIEW

KEY INITIATIVES IN 2021

BBSB handled 3.76 million MT of palm oil in 2021, a decline of 9.4% from the 4.15 million MT handled in 2020, mainly due to lower harvesting of Fresh Fruit Bunches (FFB) due to labour shortages caused by the pandemic.

Nevertheless, we focused our efforts on significantly upgrading our pipeline infrastructure to enhance our competitiveness and to future-proof our operations, while at the same securing exciting new business prospects as a Port Tank Installation (PTI) service provider.

We undertook two major renovations on our pipeline infrastructure during the year under review. Firstly, we redesigned and upgraded the pipeline matrix connection to export pumps at our Pump House A and B. In addition to achieving an estimated cost savings of RM5.8 million over the next five years through this upgrade, we managed to maximise export pump and pipelines utilisation, improve our operational readiness, maximise productivity, enhance service availability (both inwards and outwards) and reduce congestion at our Pump House A & B facilities.

The second enhancement saw us augment our jetty export pipeline from our previous 3" concept to a new and larger 8" design. The benefits of this innovation include costs saved from having fewer valves and piping, reduction in overcrowding at the jetty end-point, minimisation of oil spillages, improvement in loading and pigging time and lowered risks of cargo cross-contamination.

One of our most exciting developments during the year was our registration as a Port Tank Installation (PTI) service provider under Bursa Malaysia Derivatives Berhad's new East Malaysia Crude Palm Oil Futures (FEPO) Contract. As PTI operations are similar to the

current storage operations managed by BBSB, we will not require any additional CAPEX to fulfil the requirements of the PTI FEPO contract. We will instead be able to leverage our years of experience handling bulk liquid cargo in addition to monetising any excess tank capacity that we already possess.

The new contract was launched on 4 October 2021 and subsequently on 18 October 2021, BBSB was registered as a PTI under BMD. This new business venture will be able to create additional throughput volume and increase BBSB's revenue at a low operating cost, thus enhancing the overall profitability of BBSB.

KEY CHALLENGES IN 2021

The effects of the pandemic continued to impact BBSB's operations during FY2021. New COVID-19 variants led to a surge in cases across the nation and the lockdowns and regulations that were subsequently imposed presented a variety of challenges. We had to stay compliant with all restrictions and SOPs while at the same time maintaining our service efficiency and ensuring minimal disruptions to operations.

Meanwhile, the pandemic also caused a shortage of labour in the agriculture industry, which resulted in lower yields and subsequently, lower cargo requirements from our customers. While this development was beyond our control, it nevertheless had a significant impact on our throughput volume for the year.

OPERATIONAL & FINANCIAL PERFORMANCE

	2017	2018	2019	2020	2021
Cargo Throughput (million tonnes)	4.09	4.26	4.51	4.15	3.76
Turnover (RM million)	45.89	52.17	56.58	52.75	49.05
Profit Before Tax (RM million)	19.73	24.48	26.59	22.32	17.90
Net Asset per Share (RM)	3.33	3.53	3.64	3.66	3.68
Total Shareholders' Fund (RM million)	133.14	141.36	145.45	146.39	147.12

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

OPERATIONAL REVIEW



SAMALAJU INDUSTRIAL
PORT SDN. BHD.
(SIPSB)

OUTLOOK & PROSPECTS

Short-Term

- Emphasise operational excellence across all port operations
- Begin handling direct shipment of containers from Samalaju Port

Mid-Term

- Cater for new customers through the development of new infrastructure such as new wharves, storage facilities and handling equipment, subject to feasibility study

Long-Term

- Diversify our port business
- Collaborate with relevant agencies to attract more players to invest in Samalaju Industrial Park



Vessel in operation at the Handymax Wharf at SIPSB

OUR COMPETITIVE ADVANTAGES

- We are a major sea port owned by the Sarawak State and possess a vast landbank of 393 hectares.
- We are strategically located along the major intra-Asian shipping route and have been positioned as one of the key drivers for the development of the Sarawak Corridor of Renewable Energy (SCORE).
- Our facilities are able to handle a designed-capacity of 18 million tonnes per annum and vessels of up to 50,000 DWT.
- We are specialists in dry bulk operation and have implemented a conveyor belt system to automate dry bulk handling.

OPERATIONAL REVIEW

KEY INITIATIVES IN 2021

In 2021, SIPSB handled a total cargo throughput of 5.32 million tonnes, representing a 13% increase from the 4.71 million tonnes handled in 2020. The additional throughput was achieved via contributions that came from the partial commencement of Press Metal Bintulu's Phase 3 plant in the first quarter of 2021, as well as the conversion from container to break bulk shipment for the export of break bulk cargoes.

Despite the pandemic, SIPSB is pleased to have successfully operated the port without any disruptions throughout 2021. At the same time, we were able to provide valuable assistance to BPSB when it was affected by COVID-19 cases, including providing support services to the Mike Kilo Control Tower and to its Port Operational Equipment Division.

We placed great emphasis on improving our operational efficiencies during the year under review. Key undertakings included the installation of two new weighbridges that improved turnaround times at checkpoints and added to our storage weighting capabilities. To obtain higher productivity, we took the initiative to upgrade our management facilities through the development of workshops and a maintenance complex, in addition to the successful upgrading of our conveyor line. We also increased the range of port services to our customers by commencing container handling services in December 2021. This new service will enable customers to export their products via container directly from Samalaju Industrial Port.

Our efforts to implement world-class health, safety, environment and quality management practices qualified us to successfully achieve various globally recognised accreditations during FY2021, including ISO9001:2015 (Quality Management Systems), ISO14001:2015 (Environmental Management Systems) and ISO45001:2018 (Occupational Health and Safety Management Systems).

We are also pleased to see our commitment to occupational safety and health be once again recognised by the Malaysian Society for Occupational Safety & Health (MSOSH), who named us as a Gold Merit Award Winner (Logistic & Transportation Sector) in 2021.

KEY CHALLENGES IN 2021

During the year under review, SIPSB faced various persistent operational challenges amid the COVID-19 pandemic. In our aim to achieve zero stoppages in port operations, we needed to adhere to various SOPs required by the Ministry of Health, such as maintaining social distancing and implementing an effective work-from-home policy. Our compliance with these mandates posed significant challenges as they involved our manpower. With a limited workforce on-site, we had to double our efforts to ensure smooth round-the-clock operations while concurrently finding solutions to enhance our operational productivity and vessel management.

At the same time, the port had to contend with adverse weather events, such as torrential rain, especially towards the end of the year. This impacted our operational continuity as stoppages had to be made to protect sensitive cargo, which contributed to longer vessel turnaround times at the port.

The other key challenge we faced was the global shortage of containers that occurred at the onset of the global economic recovery, which led to a massive increase in container freight rates. The resultant increase in demand for break bulk vessels as customers converted their container exports into bulk shipment exports caused a long queue of vessels at anchorage. We were also affected by the incident at the Suez Canal that disrupted the global logistics chain and caused longer turnaround times due to the congestion of vessels at the port.

Cognisant of these and other challenges that may arise in the future, we aim to continue operating and utilising the port at its optimum capacity, while at the same time enhancing our operational capabilities and efficiencies to meet our customers' expectations.

OPERATIONAL & FINANCIAL PERFORMANCE

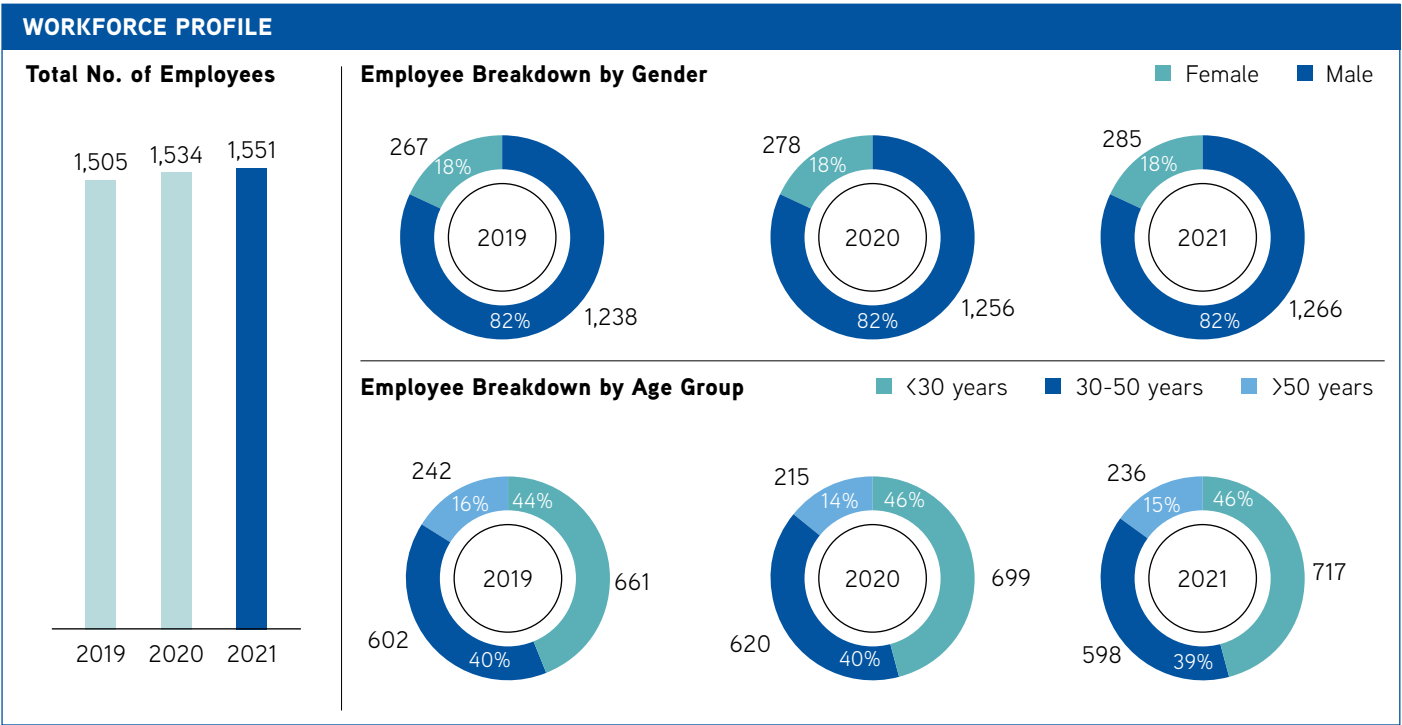
	2017	2018	2019	2020	2021
Cargo Throughput (million tonnes)	2.64	4.22	4.94	4.71	5.33
Container Throughput (TEUs)	-	-	-	39	724
Vessel Calls (number of calls)	154	229	250	230	262
Turnover (RM million)	58.16	101.61	114.72	111.71	137.32
Loss Before Tax (RM million)	(38.05)	(6.51)	(56.21)	(66.96)	(38.12)
Net Asset per Share (RM)	0.90	0.91	0.85	0.77	1.11
Total Shareholders' Fund (RM million)	539.65	543.34	583.51	531.43	768.29

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

COMMITMENT TO OUR PEOPLE



We acknowledge the critical importance of our employees in assisting the Group to achieve its strategic goals and aspirations. Thus, we are committed to prioritising the welfare, safety and health of our employees while providing a conducive and supportive working environment. We also believe that our employees need to be nurtured and their career needs supported to unlock their potential, which will also enable us to identify strong talent for our own succession pipeline.

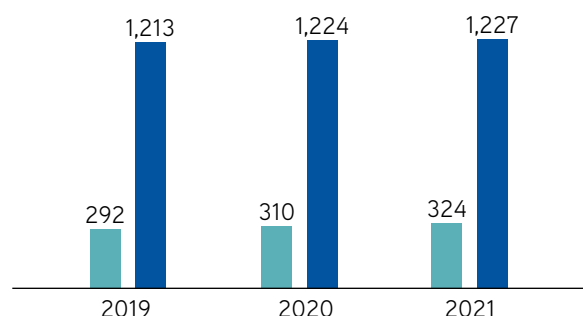


COMMITMENT TO OUR PEOPLE

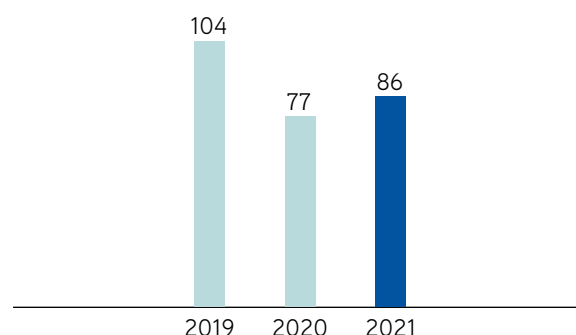
WORKFORCE PROFILE

Employee Breakdown by Employee Category

■ Executive ■ Non-executive

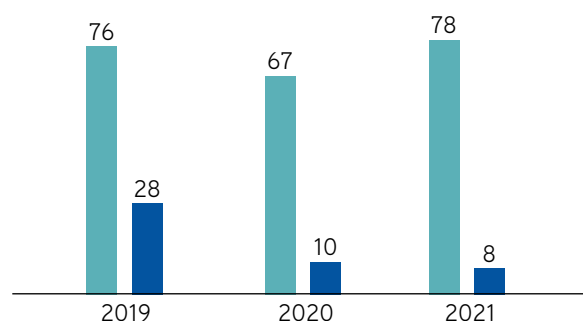


Total No. of Employee Hires



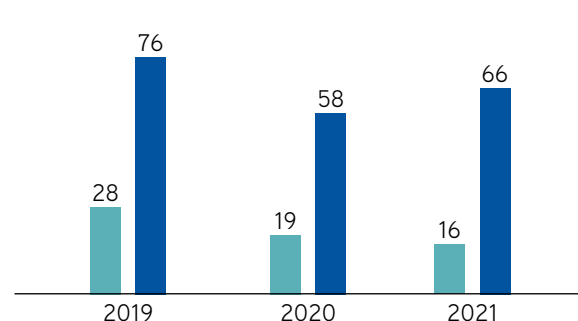
Total No. of Employee Hires by Age Group

■ <30 ■ 30-50 ■ >50



Total No. of Employee Hires by Age Group

■ Female ■ Male



SHORT-TERM EMPLOYMENT PROGRAMME (MYSTEP) IN BINTULU PORT HOLDINGS BERHAD 2021/2022

Introduction

- The Ministry of Finance (MOF) introduced a Short-Term Employment Programme called MYSTEP that commenced in 2021 to provide short-term employment opportunities and working experience, thus enhancing employability for school leavers and unemployed graduates who meet the eligibility criteria.
- It aims to support the Malaysian government's efforts to enhance the employability of young Malaysian graduates and fast-forward the nation's human capital development.
- Under this initiative, MYSTEP Personnel can be appointed to perform any scope of work stipulated according to the needs of GLCs such as technical and non-technical fields.

Recruitment of MySTEP Personnel in the Group

- Bintulu Port Holdings Berhad (BPHB) is committed to supporting the government's aspirations by recruiting MYSTEP Personnel to reduce unemployment and support the nation's economic recovery.
- In 2021, a total of 19 graduates were accepted to undergo a one-year programme at BPHB with added exposure to the areas of entrepreneurship, environment sustainability and social impact.
- This programme is to ensure the MySTEP Personnel gain diverse industry – relevant skills and work experience during their placement at Bintulu Port Group of Companies.
- This includes the opportunity to learn by carrying out actual tasks in a corporate environment which will help to enhance their employability.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

COMMITMENT TO OUR PEOPLE

DEVELOPING OUR PEOPLE

The Group actively engages its employees through various platforms to identify talents that are suitable for leadership positions to help us build up our succession pipeline. In the year under review, we identified six employees for top management and management positions. These talents will be further supported and nurtured through a series of leadership and management training programmes to ensure a smooth transition when the time to assume their new positions arrives. In total, we have promoted 1.8% of our workforce internally, which include the top management, executives and non executives positions in the year under review.

With the pandemic slowing our training efforts in 2020, we stepped up the pace in 2021, organising a total of 231 training programmes compared to 135 in 2020.

**INVESTED RM2.45 MILLION
IN TRAINING PROGRAMMES**

About one-third of the programmes were conducted physically as they involved a subject matter that required physical interaction while the balance was conducted virtually. The restrictions on physical or face-to-face meetings continued in 2021, and was also a factor that contributed to a higher proportion of training being conducted virtually.

In total, we invested RM2.45 million in 2021 compared to RM1.66 million in 2020. The increase in spending and the number of training programmes were also due to employees being more adept at using the technology and thus opting to attend virtual training more often.

As of the end – of 2021, we conducted 155 online training sessions, spending RM1.07 million. A total of 76 training sessions were mandatory courses that required face-to-face training and assessment.

As part of our human capital development to ensure our talent are highly skilled and equipped with their relevant competencies and professional certifications the following Certified Competent and Professional training sessions were undertaken in 2021:

NO. TRAINING

1	BUSINESS CONTINUITY LEADER (PROFESSIONAL CERTIFICATION PROGRAM)
2	BUSINESS CONTINUITY MANAGER (BCM) PROFESSIONAL CERTIFICATION PROGRAM
3	CERTIFICATE IN CORPORATE SECURITY MANAGEMENT STUDIES
4	CERTIFIED ENVIRONMENT PROFESSIONALS IN SEWAGE TREATMENT PLANT OPERATION
5	HACCP AND GMP+B3 TRAINING
6	HAZARD IDENTIFICATION,RISK ASSESSMENT & DETERMINING CONTROL (HIRADC) TRAINING
7	HIGH IMPACT CHEMICAL SAFETY MANAGEMENT TRAINING
8	INFORMATION SECURITY & ADVANCED ETHICAL HACKING
9	ISCC EU AND PLUS BASIC TRAINING
10	ISO 37001:2016 ANTI BRIBERY MANAGEMENT SYSTEMS - UNDERSTANDING & IMPLEMENTING
11	ISO 37301:2021 COMPLIANCE MANAGEMENT SYSTEM (CMS)

COMMITMENT TO OUR PEOPLE

EMPLOYEE WELFARE

The welfare of our employees is a top priority and we are constantly looking to improve the value proposition we can offer our employees to retain and maintain a loyal and satisfied workforce. By doing so, we are also improving our employee branding, which is important in attracting new talent to the Group.

In the year under review, and given the fact that protecting our employees from the pandemic was still an important concern, we implemented a number of measures to safeguard our employees. This included financial assistance, free counselling sessions and the introduction of a Group-wide canton concept to divide the workplace and premises into main cantons and sub-cantons to minimise interaction between departments. We also provided free meals to our employees during lockdown periods, free face masks and hand sanitisers and funded the cost of swab tests. The Group also introduced a special contactless Time Attendance and Medical System (TIMEDS) system to facilitate the clock-in and clock-out process. This was introduced to avoid transmission of the virus where the clock-in/clock-out process was previously conducted through a biometric device, as well as to ensure staff working from home were able to clock in.

The annual Employee Engagement Survey recorded a slightly better result in 2021 with the engagement index rising to 58.44% compared to 58.13% in 2020. The survey is used to gauge the overall level of engagement, commitment, satisfaction and sense of belonging of staff towards the Group.

Employee Benefits

Employees with the Group can expect to receive a range of benefits such as insurance coverage, medical, optic and access to loans home ownership scheme, car loan, computer loan and study loan. In addition, we provide retirement benefits such as retirement grants, removal expenses and transportation expenses and for those that do not live near our Samalaju operations, we also provide free daily transport.

The Group is also aware that the cost of treating certain critical illnesses will exceed an employee's financial capabilities and in such instances, the Group will fully cover these expenses on a case-by-case basis. Beyond this, and in line with our belief in the benefits of education, we provide financial aid to the children of our employees. We have two programmes, namely the Academic Excellence Award programme and the Schoolchildren Financial Aid scheme.

Under the first programme, students who receive excellent academic results or who have gained acceptance into university are given financial incentives by the Group. This has benefited about 60 students on average annually since the programme commenced in 1993. Meanwhile, the financial aid scheme, which started in 2010, benefits children of employees with a base salary of RM3,500 and below who attend kindergarten up to Primary 6. The base amount allocated for each child is RM350 and differs according to a scale that is set against the employee's salary, with an average of about 600 students benefiting annually.

GRIEVANCE PROCEDURE

BPHB is committed to providing a transparent and fair process for employees to bring workplace concerns to upper levels of Management. BPHB ensures that all grievances are dealt with fairly and in a timely manner. The complaint must be submitted within the time specified by the complainant's immediate superior. If there is no consensus following discussions with the Management, complaints can be escalated to the Industrial Relations Department, Ministry of Human Resource as a dispute and action will be taken based on Section 26, Industrial Relations Act 1967.

Kesatuan Sekerja Kakitangan Bintulu Port Sdn. Bhd. (the workers' union) uses the same grievance channel, except it raises its complaints directly to the Management. Currently, 61% of the

Port's 724 workers are unionised. Employees can also express their dissatisfaction through another channel, the Crew Articleship Agreement between Management and crew representatives. The agreement covers areas such as grade and salary structure, allowances, on-board complaint procedures, leave and other benefits agreed by both parties. BPSB also conducts daily berthing meetings as part of our efforts in resolving any concerns or issues regarding safe berthing and cargo operations of ships at the port with the shipping agent. These meetings are chaired by the Manager of the Logistics Department, Cargo Handling Services Division.

In the year under review, there were no complaints received.

Who We Are, What We Do	COMMITMENT TO OUR PEOPLE
Our Leadership Statements	
How We Create Value	
Our Strategic Context	
Commitment To Strong Governance	
Our Financial Performance	
Other Information	

HEALTH AND SAFETY

The health and safety of our employees is our priority at BPHB as we seek to provide a safe, healthy and conducive workplace. We are focused on minimising workplace hazards, preventing injuries and educating employees on their health and wellness, their rights and their responsibilities. We acknowledge that the health and safety of our employees is vital for the smooth daily operations of our business while safeguarding the well-being of our people is integral to the sustainability of our business growth.

Apart from our people, we are committed to the health and safety of the local communities in which we operate, port users and service providers. Our approach to health and safety is guided by the following policies, standards and Acts:

Policies	Standards	Acts
IMS Policy	ISO45001:2018	OSHA 1994
Stop Work Policy	ISO9001:2015	FMA 1967
Environment Policy	ISO14001:2015	EQA 1974
Drug & Alcohol Policy		

Due to the nature of our business operations, our employees, contractors and service providers have a higher exposure to work injuries and hazards. As such, we strive to embed safety practices for BPHB employees and contractors in the day-to-day operations of our business units and ensure that health and safety management is implemented across all levels of our organisation.

To uphold high standards of health and safety, we have attained the ISO 45001:2018 certification, through a surveillance audit conducted in April 2021.

Health and Safety Governance

The health and safety of our employees is governed by a Health and Safety Committee of each business unit. Each committee consists of 50% employer representatives and 50% employee representatives from each division and is chaired by the Chief Operating Officer of the business unit, in accordance with the OSHA 1994 requirements. The committee meets every quarter to provide a consistent and constructive forum for communicating health and safety issues and programmes to employees across the Group. It is also responsible for policy development, monthly HSE reports, the implementation of health and safety programmes, emergency procedures, HSE training and supervision, OHSE index, lessons learned, illness reports and the resolution of safety and health issues.

BPHB's Health and Safety Committee Structure for Each Business Unit:

```
graph TD; Chairman[Committee Chairman] --- Secretary[Secretary (HSE)]; Secretary --- Employer[Employer Representatives]; Secretary --- Employee[Employee Representatives];
```

Inculcating a Culture of Health and Safety

We actively promote a culture of health and safety among our people by implementing various initiatives and organising training programmes on HSE. We continued to conduct the Unsafe Act and Unsafe Conditions (UAUC) Inspections on a daily basis in the year under review and received 41 UAUC reports and nine Safe Act/Safe Conditions reports made online. The UAUC online reporting form was created to notify non-compliance to the respective job/area owner and report immediate corrective action made by the person who submitted the report.

We also organised a series of health and safety training programmes throughout the year:

- Competency Identification Training (CIT) for Forklift and Terminal Trailer
- Chemical Awareness
- Small Scale LNG & Bunkering
- LNG ISO Tank Training
- High Impact Chemical Safety Management Training

COMMITMENT TO OUR PEOPLE

Navigating Challenges from the COVID-19 Pandemic

In 2021, the BPHB COVID-19 Emergency Control Centre (ECC) and the Crisis Management Team continued to manage challenges from the prolonged COVID-19 pandemic. We remained vigilant and continued to keep our employees safe, supported and informed to ensure smooth operations at the port amid the pandemic. Employees were constantly sent communications regarding the latest information on the COVID-19 pandemic via email to increase their awareness. We also communicated our SOPs to port users, contractors and customers through Port Notices.



Aerial View of Dewan Taman Sri Pelabuhan

We also continued to provide mental health support for our staff who had to work from home and encouraged work-life balance.

The Crisis Management Team also collaborated with the Ministry of Health (MOH) and the Bintulu Division Disaster Management Committee (BDDMC) to ensure the COVID-19 situation at BPHB was under control. Among the collaborations were:

- Active first and second contact tracing, swab tests and quarantine orders for BPHB employees. As a result, we managed to avoid total closure of our operations.
- A collaboration with MOH and BDDMC to establish a quarantine centre at *Dewan Taman Sri Pelabuhan* to cater for the local community in Bintulu Division in April 2021 due to the increasing number of COVID-19 cases in Bintulu at that time. The total number of patients handled by the centre was almost 5,000 between 3 April and 15 November 2021. The *Dewan Taman Sri Pelabuhan* quarantine centre was able to accommodate 350 beds at any one time.
- BPHB Group was among the first companies in Malaysia to receive access to vaccination and booster dose programmes as we are classified as an essential service. By December 2021, 99.8% of our employees were fully vaccinated, with the remaining employees unable to be vaccinated due to medical conditions. Booster doses commenced in November 2021 and as at January 2022, 66.6% of BPHB Group employees have received their booster dose. The booster dose programme is currently ongoing.



PKRC Dewan Taman Sri Pelabuhan ready to accept COVID-19 patients

Who We Are, What We Do

Our Leadership Statements

How We Create Value

Our Strategic Context

Commitment To Strong Governance

Our Financial Performance

Other Information

COMMITMENT TO OUR PEOPLE

An example of the Life Oxygen Pack placed in a designated area

We have also re-established and supplied Life Oxygen Packs (LOP) at designated areas within BPHB premises as a mitigation and precautionary measure should any staff experience difficulties in breathing at workplace.

We continue to supply face masks and hand sanitisers to all staff to curb and prevent transmission of COVID-19 at workplace.

Other COVID-19 Measures That Were in Effect

- 1 COVID-19 Management Plan
- 2 COVID-19: Close Contact Management Plan (CCMP)
- 3 BPHB Preventive and Action Plan
- 4 BPHB Supporting the People to Support the Business
 - Measures to ensure the employees/port users were protected from COVID-19 exposure
- 5 Restrictions on entering BPHB
 - Requirements for entering BPHB Group premises included temperature scan, MySejahtera log in, face mask and physical distancing
- 6 "Canton Concept" (Green Bubble)
 - This concept helped to prevent or contain the spread of COVID-19 whereby only affected cantons would be temporarily closed
- 7 Home Safety Bubble
 - Guidelines for staff to reduce risk of COVID-19 exposure at home
- 8 Return to Work
 - Guidelines for staff on how to safely return to work after recovering from COVID-19
- 9 Online Booking and Virtual Safety Induction Briefing
 - To minimise exposure of HSE personnel to contractors and port users
- 10 Enforcement of Digital Vaccination Certificate Upon Entering BPHB Group Premises
 - All visitors to BPHB Group had to be fully vaccinated with proof to be shown via their digital certificates
- 11 Counselling Services for Bintulu Port Holdings Berhad Group
 - Intervention sessions for affected staff on mental health during the pandemic. The counselling service was conducted by our Group Human Resources Management.
- 12 Psychosocial Helpline by MOH
 - The Secretariat of the Group Crisis Management Team provided the Ministry of Health's psychosocial helpline to Group staff if they required assistance with mental health issues.

COMMITMENT TO OUR PEOPLE

Health and Safety Performance

In the year under review, we recorded a lower number of incidents, especially relating to property damage, while the Lost Time Incident Frequency (LTIF) rate decreased from 0.144 in 2020 to 0.124 until 31 December 2021. The lower number of incidents and LTIF was primarily due to the effectiveness of our safety programme, which involved management walkabouts, daily safety inspections and stop work enforcement.

We recorded lower work-related injuries among employees and non-employees in 2021 due to the government's COVID-19 SOP to reduce manpower at the workplace. Our main type of work-related injury is soft-tissue injuries such as sprains or minor cuts due to maintenance work and manual jobs.

We are pleased to report that we have had zero fatalities since 2020 and zero high-consequence work-related injuries. Going forward, we will maintain our good HSE performance with the establishment of our Safety Core Value in 2022.

BPHB Health and Safety Performance

Employees						
Year	2019		2020		2021	
	Number	Rate	Number	Rate	Number	Rate
Fatalities	1	0.28	0	0.00	0	0.00
Work-related injuries	10	2.82	6	1.71	3	0.64
High-consequence work-related injuries (excluding fatalities)	0	0.00	0	0.00	0	0
Recordable work-related injuries (including fatalities)	11	3.10	6	1.71	3	0.64
Number of hours worked	3,547,304.60		3,511,109.05		4,654,816.69	

Note: The rates were calculated based on 1,000,000 hours worked.

Non-employees						
Year	2019		2020		2021	
	Number	Rate	Number	Rate	Number	Rate
Fatalities	0	0.00	0	0.00	0	0.00
Work-related injuries	2	0.69	5	1.47	2	0.55
High-consequence work-related injuries (excluding fatalities)	0	0.00	0	0.00	0	0.00
Recordable work-related injuries (including fatalities)	2	0.69	5	1.47	2	0.55
Number of hours worked	2,882,066.00		3,410,176.20		3,646,858.74	

Note: The rates were calculated based on 1,000,000 hours worked.

Who We Are, What We Do

Our Leadership Statements

How We Create Value

Our Strategic Context

Commitment To Strong Governance

Our Financial Performance

Other Information

SAFEGUARDING THE ENVIRONMENT

At Bintulu Port, we operate within an Environmental Management System (EMS) based on the principles of ISO 14001:2015. Our EMS ensures commitment to a high level of environmental standards. In assessing environmental risk, Bintulu Port applies the preventive approach, as per our Environmental Quality Act 1974 and BPHB Group Environmental Policy.

We recognise that our services, and supply-chain solutions offered to our clients have both direct and indirect environmental impacts. We seek to identify effective ways of reducing or eliminating the adverse environmental impacts where possible.

JOURNEY TO BECOME A GREEN PORT

In 2019, Bintulu Port has established Smart Digital Green Port (SDGP) strategy which covers all aspects of port operations including energy management, waste management and reduction best practices, Scheduled Waste, water consumption, noise pollution and climate change.

The goal is to promote sustainability and environmental awareness at all levels of the Groups by:

- 1) Complying with all applicable environmental legislation and sustainability commitments.
- 2) Measuring and analysing the carbon footprint of all business activities in conjunction with other climate change mitigation and adaption efforts.
- 3) Preventing pollution and reducing the consumption of resources through waste management strategies that promote waste minimisation, re-use, recovery and recycling, as appropriate.
- 4) Incorporating energy efficiency measures into the Group's facilities and promoting efficient energy use in all relevant areas of business activity to minimise its usage.

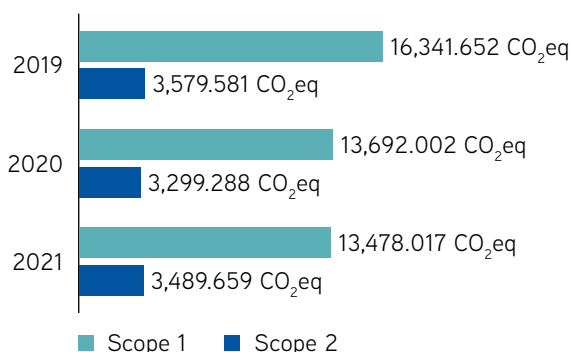
CARBON EMISSIONS

Managing our carbon emissions is important to the Group as it will bring us closer to our aspiration of becoming a carbon neutral port, while also helping to reduce the cost of operations through more efficient use of resources. Since establishing our carbon baseline in 2010, and re-establishing it in 2020, the Group has continued to track and monitor its contributions to carbon emissions.

Some of our mitigation initiatives following the re-establishment of our carbon baseline in 2020 included:

- Collaboration with Petronas on Solar Panel project which is on-going;
- Conducting a feasibility study to evaluate the potential of Onshore Power Supply for container vessels at Bintulu International Container Terminal (BICT) with the intention to reduce Scope 3 emissions. The study is expected to be completed by the third quarter of 2022; and
- Continuously installing LED-type lighting with lower energy consumption with the same intensity.

Carbon Emissions Data 2021 (BPSB only)



SCOPE 1 (PORT DIRECT EMISSIONS)

These sources are directly under the control and operation of the port administration entity and include port-owned fleet vehicles, port administration-owned or leased vehicles, buildings (e.g. boilers, furnaces, etc.), port-owned and operated cargo handling equipment (to the extent the port is an operating port as described above) and any other emissions sources that are owned and operated by the port.

SCOPE 2 (PORT INDIRECT SOURCES)

These sources include port-purchased electricity for port administration-owned buildings and operations.

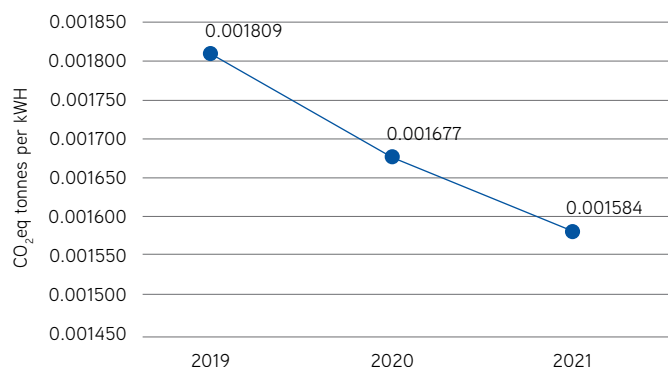
The graph illustrates that our carbon emission for Scope 1 slightly decreased by 1.56% compared to 2020 due to lower number of vessels call. This reduction was also contributed by lower movements of our tugboats and port operation equipment.

There was also an increment of Scope 2 by 6% due to higher volume of containers handled in 2021 (355,700 TEUs) compared to 2020 (339,621 TEUs). Another factor that contributed to the increase was employees returning to work compared to 2020 when most workers were instructed to work from home (WFH).

SAFEGUARDING THE ENVIRONMENT

CARBON EMISSIONS

Carbon Emissions Intensity Data for Fuel & Electricity (BPSB only)



The graph concludes that our carbon emission intensity has reduced over the last three years. Lower carbon emissions intensity indicates lower concentrations of emitted carbon concentration as a result of cleaner energy consumption, such as the use electricity compared to diesel. The reduction in 2021 was also due to lower diesel consumption by our operations equipment and vessels. Further reductions in carbon intensity can be achieved with the greater use of cleaner energy.

WASTE MANAGEMENT

Landfills are running out fast as more general waste is generated every day. Hence, waste management is an integral part of environmental management in the journey towards a sustainable future. We view efficient waste management as a vital process to ensure smooth daily operations in our port. Improper waste management will expose the Group to various risks such as financial, legal and reputational risk, and worse, it may even lead to the suspension of our operating licence. As such, it is crucial for us to implement a proper waste management system that will help to improve our environmental footprint. We strive to comply with all the necessary legal requirements and improve our environmental impacts as we acknowledge that efficient waste management will also save operational cost and boost the Group's reputation.

We categorise waste into Domestic Waste and Scheduled Waste. Our Domestic Waste is collected and disposed of by an appointed contractor while the collection and disposal of Scheduled Waste is by a Department of Environment (DOE)-licensed appointed contractor.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

SAFEGUARDING THE ENVIRONMENT

WASTE MANAGEMENT

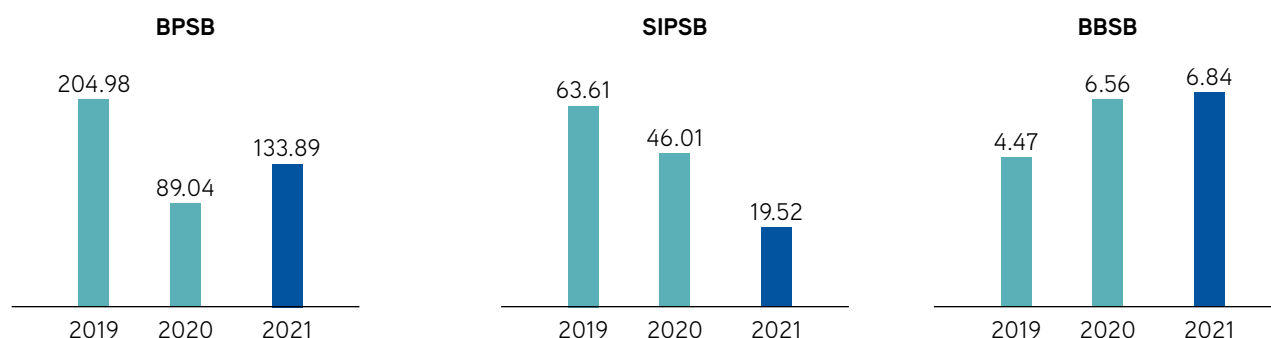
MANAGING HAZARDOUS WASTE

The Group currently still has approval from the DOE to store a higher amount of scheduled waste than currently permitted. This is due to the large amount of scheduled waste generated from boat maintenance in BPSB, which exceeded the limit of 20 metric tonnes permitted by the DOE. The excessive scheduled waste were Spent Lube Oil and Spent Oil-Water Mineral (Bilges), which amounted to 15-20 metric tonnes almost every month. Our application to the DOE for storing a maximum inventory of 30-40 metric tonnes was approved in 2021, and we were required to dispose of the waste within 180 days of it being generated. To ensure all safety requirements are met, we conduct a scheduled waste storage inspection at the end of each month that includes the monitoring of the quantity which enables us to implement effective disposal planning.

In 2021, we disposed of a total of 558.20 MT of scheduled (hazardous) and domestic (non-hazardous) waste. The breakdown by entity is detailed below:

DISPOSAL METHOD	SCHEDULED WASTE (MT)		DOMESTIC WASTE (MT)		TOTAL
	Onsite	Offsite	Onsite	Offsite	
Incineration (without energy recovery)	N/A	160.25	N/A	N/A	160.25
Landfill	N/A	N/A	N/A	397.95	397.95
Total	N/A	160.25	N/A	397.95	558.20

- Total Scheduled Waste generated and disposed of by BPSB + BBSB + SIPSB = **160.25 MT**
- Domestic Waste generated and disposed of = **397.95 MT (2021) vs 398.17 MT (2020)**



In 2021, there was a 16.76% increase in tyre disposals, amounting to 641 tyres compared to 549 tyres disposed of in 2020.

LNG & PALM OIL VESSEL INSPECTION

LNG & Palm Oil Vessel Inspections are conducted by GHSE every day to ensure that vessels berthing at Bintulu Port jetty have complied with the Shipboard Oil Pollution Emergency Plan (SOPEP). One of the main requirements in this plan states that there shall be no oil spills or discharge during a vessel berthing.

OIL SPILLS

Oil spill drills continued to be conducted to ensure preparedness in the event of a spill. The drills take place according to a schedule throughout the year and are also carried out to check that all spill emergency equipment remains in good condition. On 15 August 2021, a spillage of 3 MT of palm olein occurred at the Edible Oil Terminal. The spillage occurred during loading and a recovery operation was immediately carried out to prevent the spill from spreading into other areas within the port's limits. The cause of the spillage was identified by an investigation panel appointed by GHSE, and actions for improvement were implemented. There were no fines imposed for the spillage.

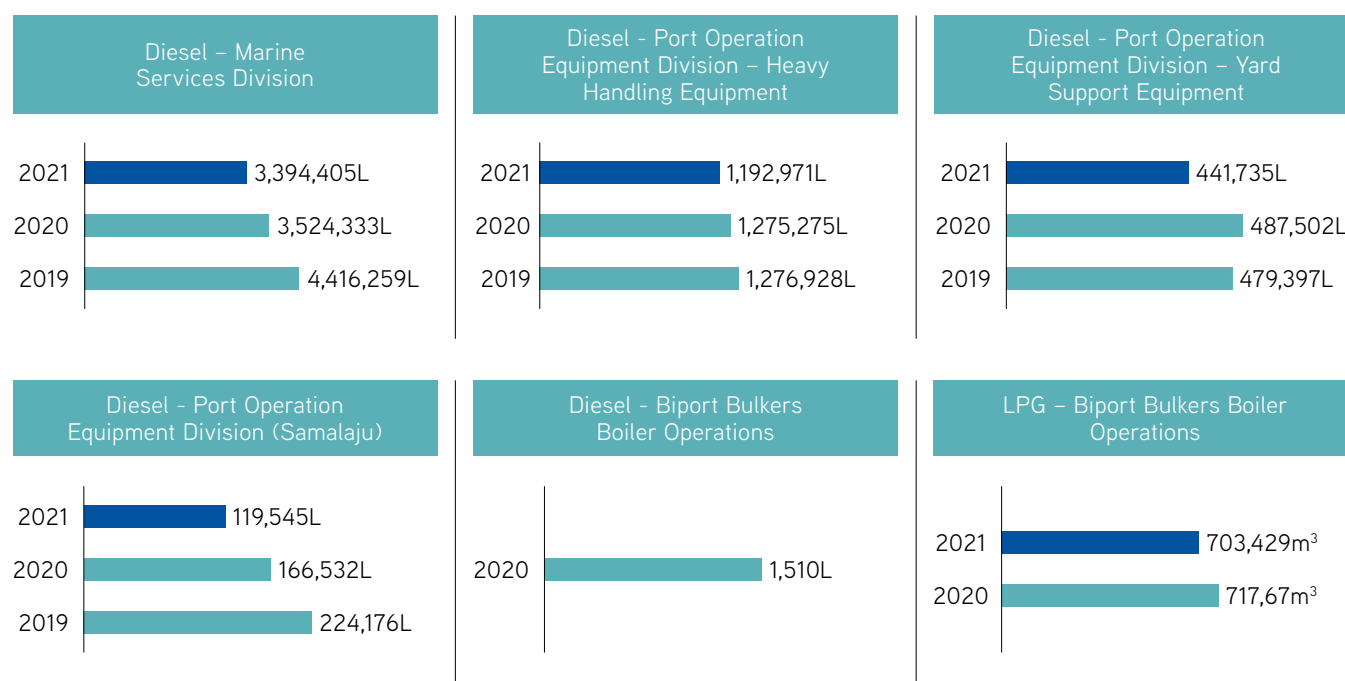
SAFEGUARDING THE ENVIRONMENT

ELECTRICITY, FUEL AND WATER CONSUMPTION

Energy consumption is one of the main factors of our environmental footprint due to the nature of our business operations. The source of our energy consumption mostly comes from diesel, which powers our vessels, plants and equipment. We acknowledge the impact of fossil fuels on the environment and we aspire to reduce fossil fuel usage wherever possible to mitigate the effects. Other sources of our energy are liquefied petroleum gas (LPG) and purchased electricity from the grid.

FUEL CONSUMPTION

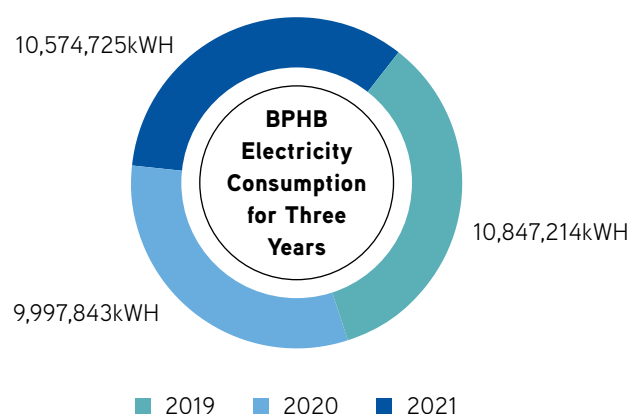
In 2021, our fuel consumption for the Port Operation Equipment Division (POED) decreased due to a lower amount of yard equipment being deployed for operation while the fuel consumption for the Marine Services Division decreased by 4% due to a lower number of vessel calls.



ELECTRICITY AND WATER CONSUMPTION

We continued to monitor and manage our electricity and water consumption by implementing initiatives such as awareness campaigns to reduce electricity and water usage.

BPHB uses purchased electricity and does not generate its own energy. In 2021, our electricity consumption increased by 6% as a result of higher operational activity, such as the higher number of containers handled in 2021 compared to 2020. In addition, employees returning to our premises to work also contributed slightly to the increase.

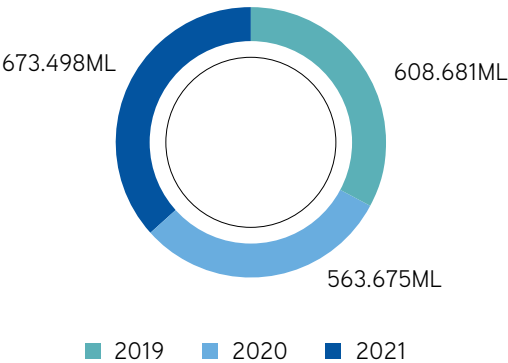


Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

SAFEGUARDING THE ENVIRONMENT

ELECTRICITY, FUEL AND WATER CONSUMPTION

In terms of water consumption and management, we encourage port contractors to reduce their water consumption where possible. We withdraw water from the municipal supply, and we do not use shared water resources or operate in water stress areas that can impact the local communities surrounding us. Our water usage is mostly to supply fresh water to vessels and for cleaning purposes. To ensure the water is clean and safe for usage, we appointed a qualified contractor to conduct freshwater sampling for both Bintulu Port and Samalaju Industrial Port, which was usually carried out by a government agency in the pre-pandemic days. In 2021, our water bought by vessels consumption increased by about 19% due to higher freshwater supply demand from vessels, as well as the return of employees to the office, compared to 2020 when WFH was in effect.



REDUCING OUR IMPACT ON BIODIVERSITY

Protecting and reducing our impact on biodiversity is important for ensuring that the ecosystems around us retain their vitality, which is crucial to the overall stability of an environment. Biodiversity is essential to human life, affording us numerous resources that sustain businesses, societies and economies. As a major port services provider, we take great care to reduce the impact we have on biodiversity.

Broad Environmental Management Initiatives

- We strictly monitor scheduled waste handling and transportation, especially within the Port’s areas, to avoid any damage to the ecosystem.
- Ballast water of every incoming vessel is analysed to ensure the natural ecosystem will not be damaged.
- Environmental Monitoring is conducted to monitor the balance of marine ecosystems before, during and after maintenance dredging works. It is also to identify substances that can adversely impact marine water quality within the Port’s areas.
- We are constantly improving cargo handling to reduce the impact on the environment in the context of spillage, as well as dust pollution from dry bulk cargo.

Environmental Monitoring Programme

The Environmental Monitoring Programme is conducted quarterly to monitor and evaluate environmental conditions at the Proposed Second Inner Harbour Development Project. The programme monitors six parameters:

- 1 Marine Water Quality
- 2 River Water Quality

- 3 Marine Sediment Quality
- 4 Aquatic Microbiological Status
- 5 Ambient Air Quality
- 6 Noise Levels

The most recent monitoring was conducted in the fourth quarter of 2021. Based on the report that was received, all parameters were within acceptable limits and complied with related statutory requirements. In the year under review, there was no maintenance dredging work conducted. Maintenance dredging is an activity that can be harmful to the environment and requires additional monitoring at the site where the dredged-up sand is placed.

In the year under review, the Port also established a new Environmental Impact Assessment (EIA) project to assess the operations of our container terminal and its LNG ISO Tank operations. The EIA was given conditional approval in August 2021 and enabled us to move forward in creating an Environmental Management Plan for the LNG ISO Tank operations.

EMPOWERING COMMUNITIES

With the continued impact of COVID-19, many communities and individuals were physically and mentally affected by the restrictions imposed by the lockdowns, which in turn resulted in the loss of livelihoods and unemployment, as well as disruption to education. As such, BPHB responded by lending a hand by providing funds and basic necessities and contributing to the health and medical needs of communities where we operate. We also remain committed to conserving our environment and conducting activities that protect our environment.

Inspired by the four pillars of our corporate social responsibility (CSR) programme, BPHB seeks to always uphold the 3Ps – People, Planet & Profits – in its annual initiatives.



PILLAR 1 | SERVING THE COMMUNITY

As a responsible port operator, BPHB is committed to helping those in need. Not only will our community initiatives impact society positively, but they will also strengthen employee morale and boost our reputation. Most of our initiatives this year consisted of efforts to support the Ministry of Health (MOH) in the fight against COVID-19.

BINTULU PORT PRIHATIN

Bintulu Port Prihatin is the Group's flagship CSR initiative. In the year under review, we supported numerous communities with contributions totalling over RM165,000. Our activities included:

- Helping communities affected by fire disasters
 - Provided food supplies to the communities at Uma Lesong, Sungai Keling Belaga.
 - Provided kitchen utensils to the Kelabit community.
 - Provided necessities such as cooking utensils, food and bedding to the communities at Uma Seping, Long Koyan, Sungai Belaga.
- Supporting the Muslim community
 - Donated one Geolift Single Mast Aerial Work Platform to the Assyakirin Mosque in Bintulu to facilitate maintenance work at the mosque.
 - Donated prayer items, religious books and other items that will help new converts in rural areas to better understand Islam.

In addition, we contributed canopies in support of the hawkers and small merchants at the weekly Treng Matu Market and two laptops to the community at Kampung Bued Main Baruh in Bario, as well as chairs to the Bintulu Health Clinics at Sebauh and Tatau to ensure the comfort of patients.



BINTULU PORT PRIHATIN COVID-19 INITIATIVES

All our COVID-19-related initiatives were carried out under the banner of the Bintulu Port Prihatin programme, as we tried our best to assist the most vulnerable as well as our dedicated frontliners.

Contributions to frontliners

In 2021, we contributed to a wide range of frontliners from the Ministry of Health, the Malaysia Civil Defence Force, the Fire & Rescue Department, RELA, the Royal Malaysian Police, the Armed Forces and local authorities. The assistance we contributed consists of food, drinks and personal protective equipment (PPE) to keep their spirits up and to ensure they remained safe. We also contributed IT and telecommunication equipment to facilitate contact tracing and the implementation of the National COVID-19 Immunisation Programme.

Our most significant contribution was the conversion of our *Taman Sri Pelabuhan* Multipurpose Hall into a low-risk COVID-19 Quarantine & Treatment Centre in April, following a request from the Ministry of Health and the Bintulu Division Disaster Management Committee (BDDMC). The multipurpose hall was a suitable venue as it could cater to up to 350 patients.

Contributions to the underprivileged and Universiti Putra Malaysia (UPM), Bintulu Campus students

With the lockdowns disrupting day-to-day life for everyone, especially the needy and the homeless, we stepped up to donate food in February and August 2021 to more than 250 families. In July, we also contributed food to 311 UPM students from the Bintulu Campus who were stranded and unable to return to their homes due to the lockdown.



Who We Are, What We Do

Our Leadership Statements

How We Create Value

Our Strategic Context

Commitment To Strong Governance

Our Financial Performance

Other Information

EMPOWERING COMMUNITIES**PILLAR 2****EDUCATION**

We believe that education is vital for every child in securing a better future. As such, we do all we can through our initiatives to broaden the horizons of children who have limited access to education. We have also funded the facilities and needs of local schools to enable them to have a conducive teaching environment.

BACK TO SCHOOL PROGRAMME 2022

The Back to School programme is one of the Group's major CSR initiatives. In the year under review, we donated RM50,000 worth of school supplies, such as uniforms, school bags, shoes and socks, to 310 students from six primary schools. The schools were SK Nanga Penyarai, SK Rumah Tayai, SK Kuala Muput, SK Kuala Binyo, SK Labang and SK RH Barrau.

**CONTRIBUTION OF FACILITIES & EQUIPMENT**

To support rural schools that have insufficient facilities, we donated items such as plastic chairs and bookshelves, as well as rubber mats and PA systems. In 2021, we assisted SK Kg. Tekajong, SK Penibong and SK Penipah in Daro. We also donated 16 units of solar-powered lights each to SK Saint Kevin and SK Saint Jude in Dalat.

**JALINAN KASIH RAYA GAWAI PROGRAMME**

In conjunction with the Hari Raya and Gawai Dayak celebrations, our Jalanan Kasih Raya Gawai programme was organised to contribute food and beverage hampers to 150 students from five primary schools in Bintulu. The schools were SK (A) Majlis Islam Bintulu, SK St. Anthony, SK Kidurong 1, SK Kpg. Baru and SK Tg. Batu.

**RELIEF FOR FIRE VICTIMS AT SK CAMPORAN DARO**

Subsequent to the fire that destroyed three blocks of SK Camporan Daro, the Group provided support by contributing 100 units of plastic chairs, five units of foldable tables and five units of bookshelves.



EMPOWERING COMMUNITIES



PILLAR 3 | COMMUNITY HEALTH

The Group is committed to supporting the provision of quality health services to ensure that our communities remain healthy and productive.

DONATION OF MEDICAL EQUIPMENT TO BINTULU HOSPITAL

To support the needs of Bintulu Hospital, we donated two LED Phototherapy machines to the Paediatric Unit, one electrocardiograph machine and two pulse oximeters for infants. The contributions, worth over RM30,000, will ensure that the hospital continues to provide top-quality healthcare services.



BLOOD DONATION CAMPAIGN 2021

An annual initiative, the Blood Donation Campaign ran for the fourth consecutive year in support of Bintulu Hospital's blood drive. Held at Boulevard Shopping Mall in Bintulu, the theme for this year was "Give Blood & Keep the World Beating" and was aimed at creating public awareness on the current needs of Bintulu Hospital's blood bank.



PILLAR 4 | ENVIRONMENT

To reduce the impact of our business operations on the environment, the Group organises initiatives to conserve the environment. We will continue to be committed to sustainability, whether through initiatives to raise awareness or cultivate behavioural change in our employees towards eco-friendly practices or efforts to reduce our carbon footprint.

BEACH CLEANING/PLOGGING WITH SIPSB STAKEHOLDERS (EMPLOYEES/SERVICE CONTRACTORS)

Samalaju Industrial Port Sdn. Bhd.

- The Plogging/Beach Cleaning Programme, which is held on a quarterly basis, is part of the SIPSB Zero Waste Campaign to promote a healthy lifestyle and to create awareness by encouraging stakeholders (staff and service contractors) to participate actively in HSE SIPSB's outdoor activity green initiatives.



ANJUNG HIJAU – TREE PLANTING WITH SIPSB STAKEHOLDERS (EMPLOYEES/SERVICE CONTRACTORS)

Samalaju Industrial Port Sdn. Bhd.

- Project Anjung Hijau, which is held twice a year, is one of the initiatives to reduce carbon emissions and align with the Group's Green Port Initiatives.



Who We Are, What We Do
 Our Leadership Statements
 How We Create Value
 Our Strategic Context
Commitment To Strong Governance
 Our Financial Performance
 Other Information

WHO GOVERNS US

DATO' ABDUL MUTALIB BIN ALIAS

Non-Independent Non-Executive Chairman
 - Chairman, Bintulu Port Holdings Berhad

Nationality Malaysian	Gender Male	Age 61	Date of Appointment 1 May 2021	Meetings attended 7/7	Committee Membership None
---------------------------------	-----------------------	------------------	--	---------------------------------	-------------------------------------



Dato' Abdul Mualib Bin Alias was appointed as Non-Independent Non-Executive Chairman on 1 May 2021.

QUALIFICATIONS

- Bachelor of Science (Hons) in Accounting, Northern Illinois University, DeKalb, Illinois, USA (1983)
- Master in Business Administration (MBA), Governors State University, University Park, Illinois, USA (1985)

CAREER EXPERIENCE

- 2013-2019: Chief Executive Officer, PR1MA Corporation Malaysia
- 2012-2013: Chief Executive Officer, PR1MA Berhad
- 2009-2011: Special Officer to the Minister of Works, Ministry of Works Malaysia
- 2004-2008: Political Secretary to the Minister of Science, Technology & Innovation, Ministry of Science, Technology & Innovation Malaysia
- 2000-2004: Political Secretary to the Minister of Finance, Ministry of Finance Malaysia
- 1994-2000: Vice President, Investment Banking, Chase Manhattan Bank (M) Sdn. Bhd.
- 1985-1994, Various positions, Chase Manhattan Bank (M) Sdn. Bhd.

OTHER DIRECTORSHIPS

Public companies:

- Nil

COMMITTEE MEMBERSHIP KEY:

Chairman	AC	Audit Committee
Member	RC	Risk Committee
	NRC	Nomination and Remuneration Committee
	FIC	Finance and Investment Committee

WHO GOVERNS US

TAN SRI DATUK AMAR MOHAMAD MORSHIDI BIN ABDUL GHANI

Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Bintulu Port Sdn. Bhd.

Nationality Malaysian	Gender Male	Age 65	Date of Appointment 22 December 2014	Meetings attended 10/11	Committee Membership None
---------------------------------	-----------------------	------------------	--	-----------------------------------	-------------------------------------



Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghani was appointed as a Non-Independent Non-Executive Director on 22 December 2014.

QUALIFICATIONS

- Bachelor in Economics (Statistics), Universiti Kebangsaan Malaysia, Malaysia, 1979
- Master of Science in Human Resource Administration, University of Scranton, Pennsylvania, USA, 1998
- Senior Executive Fellows Programme, Harvard University, USA, 2006

CAREER EXPERIENCE

- 2009-2019: State Secretary, Sarawak
- 2001-2009: Permanent Secretary, Ministry of Social Development and Urbanisation and Director, State Planning Unit in the Chief Minister's Department; then Deputy State Secretary, Sarawak
- 1998-2001: Senior positions in the Chief Minister's Department
- 1988-1998: Director, Kuching North City Hall
- 1980-1988: Management Executive, PETRONAS

OTHER DIRECTORSHIPS

Public companies:

- Sarawak Energy Berhad

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

WHO GOVERNS US

DATO SRI FONG JOO CHUNG

Non-Independent Non-Executive Director
- Board Member, Bintulu Port Holdings Berhad
- Chairman, Bintulu Port Sdn. Bhd.

Nationality Malaysian	Gender Male	Age 72	Date of Appointment 16 September 2004	Meetings attended 11/11	Committee Membership NRC
---------------------------------	-----------------------	------------------	---	-----------------------------------	------------------------------------



Dato Sri Fong Joo Chung was appointed as a Non-Independent Non-Executive Director on 16 September 2004.

QUALIFICATIONS

- Bachelor of Law (Hons), University of Bristol, United Kingdom, 1971
- Barrister-at-Law, Lincoln’s Inn, London, United Kingdom, 1981

CAREER EXPERIENCE

- 2007-2020: State Legal Counsel, Sarawak Government
- 1992-2007: State Attorney-General, Sarawak
- 1971-1992: Advocate in private legal practice

OTHER DIRECTORSHIPS

Listed entities:

- Sarawak Cable Berhad

Public companies:

- Sarawak Energy Berhad

COMMITTEE MEMBERSHIP KEY:

Chairman	AC	Audit Committee
Member	RC	Risk Committee
	NRC	Nomination and Remuneration Committee
	FIC	Finance and Investment Committee

WHO GOVERNS US

PUAN HASMAWATI BINTI SAPAWI

Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Samalaju Industrial Port Sdn. Bhd.

Nationality Malaysian	Gender Female	Age 53	Date of Appointment 1 August 2021	Meetings attended 4/4	Committee Membership FIC
---------------------------------	-------------------------	------------------	---	---------------------------------	------------------------------------



Puan Hasmawati binti Sapawi was appointed as Non-Independent Non-Executive Director on 1 August 2021.

QUALIFICATIONS

- Bachelor of Arts (Hons) Economics, Concordia University, Montreal, Canada (1992)
- Master of Business Administration, Monash University, Melbourne, Australia (1997)
- Master of Environment Management Development (Development Planning), Universiti Malaysia Sarawak (UNIMAS), Kota Samarahan, Sarawak (2000)

CAREER EXPERIENCE

- 2021-present: Deputy State Financial Secretary, State Financial Secretary's Office
- 2008-2021: Director, Corporate Services & Investment, State Financial Secretary's Office
- 2007: Acting Director, Corporate Affairs Division, State Financial Secretary's Office
- 2006: Principal Assistant Secretary, Corporate Affairs Division, State Financial Secretary's Office
- 2002-2005: Senior Manager, Corporate Planning Division, Pelita Holdings Sdn. Bhd.
- 1992-2001: Economist, Investment Division, Land Custody & Development Authority (PELITA)

OTHER DIRECTORSHIPS

Listed entities:

- Sarawak Plantation Berhad
- Sarawak Oil Palms Berhad
- Dayang Enterprise Holdings Berhad

Public companies:

- Amanah Saham Sarawak Berhad

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

WHO GOVERNS US

DATUK NASARUDIN BIN MD IDRIS

Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Chairman, Samalaju Industrial Port Sdn. Bhd.

Nationality Malaysian	Gender Male	Age 66	Date of Appointment 26 August 2010	Meetings attended 11/11	Committee Membership FIC
---------------------------------	-----------------------	------------------	--	-----------------------------------	------------------------------------



Datuk Nasarudin bin Md Idris was appointed as a Non-Independent Non-Executive Director on 26 August 2010.

QUALIFICATIONS

- Bachelor of Arts (Hons), University of Malaya, Malaysia, 1978
- Postgraduate Diploma in Petroleum Economics, College of Petroleum Studies, United Kingdom, 1987
- Master of Business Administration, Henley – The Management College (Brunel University), United Kingdom, 1991
- Stanford Executive Programme, Stanford University, USA, 2000

CAREER EXPERIENCE

- 2010-2014: President and Chief Executive Officer, MISC Berhad, a subsidiary of PETRONAS
- 2004-2010: Board Member, PETRONAS
- 1978-2010: Various senior positions, PETRONAS Group

OTHER DIRECTORSHIPS

Listed entities:

- MISC Berhad
- Malaysian Marine and Heavy Engineering Holdings Berhad

COMMITTEE MEMBERSHIP KEY:

Chairman	AC	Audit Committee
Member	RC	Risk Committee
	NRC	Nomination and Remuneration Committee
	FIC	Finance and Investment Committee

WHO GOVERNS US

ENCIK MOHAMED SYAZWAN BIN ABDULLAH @ LAGA

Non-Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Bintulu Port Sdn. Bhd.

Nationality Malaysian	Gender Male	Age 58	Date of Appointment 1 July 2021	Meetings attended 5/5	Committee Membership AC
---------------------------------	-----------------------	------------------	---	---------------------------------	-----------------------------------



Encik Mohamed Syazwan bin Abdullah @ Laga was appointed as a Non-Independent Non-Executive Director on 1 July 2021.

QUALIFICATIONS

- Bachelor of Science Chemical Engineering and Petroleum Refining, Colorado School of Mines, Golden, Colorado, USA

CAREER EXPERIENCE

- 2019 – Present: Managing Director & Chief Executive Officer, Malaysia LNG Group of Companies
- 2017 – 2019: Head (Projects) – VP LNG Asset Office
- 2016 – 2017: Start-up Manager, Petronas Floating LNG Satu
- 2013 – 2015: Start-up Manager – Gladstone LNG, Curtis Island, Queensland, Australia
- 2011 – 2012: LNG Plant Supply Chain & Commissioning Advisor – Gladstone LNG, Brisbane, Australia
- 2006 – 2010: General Manager – Operations, Malaysia LNG Sdn. Bhd.
- 2004 – 2006: Senior Manager – Operations, Petronas Fertilizer (Kedah) Sdn. Bhd.
- 2000 – 2004: Production Manager – Petronas Ammonia Sdn. Bhd.
- 1998 – 1999: Commissioning & Start-up Manager (Ammonia/Methanol/Utility), Petronas Fertilizer (Kedah)
- 1997 – 1998: Manager – Urea/Offsites, Asean Bintulu Fertiliser Sdn. Bhd.

OTHER DIRECTORSHIPS

- Nil

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

WHO GOVERNS US

DATO' SRI MOHAMED KHALID BIN YUSUF @ YUSUP

Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Chairman, Biport Bulkers Sdn. Bhd.

Nationality Malaysian	Gender Male	Age 69	Date of Appointment 1 January 2015	Meetings attended 11/11	Committee Membership NRC RC
---------------------------------	-----------------------	------------------	--	-----------------------------------	--



Dato' Sri Mohamed Khalid bin Yusuf @ Yusup was appointed as an Independent Non-Executive Director on 1 January 2015.

QUALIFICATIONS

- Bachelor of Arts (Hons), University of Malaya, Malaysia, 1977
- Master of Science (Human Resources), University of Scranton, Pennsylvania, USA, 1993

CAREER EXPERIENCE

- 2021-Present: Non-Executive Director of SEDC-Gafung Sdn. Bhd. - downstream business activities related to petroleum products and services
- 2016-Present: Non-Executive Director of TC Megah Sdn. Bhd. - logistics and forwarding services
- 2016-Present: Non-Executive Director of Gafung Petroleum Sdn. Bhd. - supply of fuel bunkering services
- 2013-Present: Non-Executive Chairman of Misar Shipping Sdn. Bhd. - ships' husbanding services
- 2013-Present: Non-Executive Director of Era Tiara Sdn. Bhd. - logistics, transportation and wholesale trading
- 2013-Present: Executive Chairman of Setara Vista Sdn. Bhd. - civil and mechanical contract works
- 2012-Present: Non-Executive Director of N.B. Heavy Industries Sdn. Bhd. - manufacturing and assembly of heavy commercial vehicles
- 2012-2016: Executive Director of Nexgem Sdn. Bhd. - indirect tax consulting services
- 2012-2016: Non-Executive Non-Independent Director (2012-2014) and Non-Executive and Non-Independent Chairman (2014-2016) of SMTrack Berhad (formerly known as Smartag Solutions Bhd) - RFID track and trace technology solutions for cargo and revenue security
- 2012-2015: Senior Advisor of International Tax and Investment Centre (ITIC), Washington D.C., USA - promotion of tax, trade and investment policy reforms
- 1977-2012: Various senior management positions at the Royal Malaysian Customs Department, and retired as the Director General of Customs

OTHER DIRECTORSHIPS

- Nil

COMMITTEE MEMBERSHIP KEY:

Chairman	AC	Audit Committee
Member	RC	Risk Committee
	NRC	Nomination and Remuneration Committee
	FIC	Finance and Investment Committee

WHO GOVERNS US

DATUK YASMIN BINTI MAHMOOD

Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Biport Bulkers Sdn. Bhd.

Nationality Malaysian	Gender Female	Age 59	Date of Appointment 1 January 2015	Meetings attended 10/11	Committee Membership AC RC
---------------------------------	-------------------------	------------------	--	-----------------------------------	---



Datuk Yasmin binti Mahmood was appointed as an Independent Non-Executive Director on 1 January 2015.

QUALIFICATIONS

- Bachelor of Science (Computer Science and Applied Mathematics), University of New South Wales, Australia, 1983

CAREER EXPERIENCE

- Present: Chair, Board of Directors, Heriot-Watt University Malaysia
- Present: Chairman, Skymind Holdings Berhad
- 2019-Present: Chief Executive Officer, FutureReady Consulting Sdn. Bhd.
- 2019-March 2021: Chairman, POS Malaysia Berhad
- 2014-2019: Chief Executive Officer, Malaysia Digital Economy Corporation (MDEC)
- 2010-2014: Executive Director, YTL Communications Sdn. Bhd.
- 2010-2014: Director, YTL e-Solutions Berhad
- 2006-2009: Managing Director, Microsoft Malaysia Sdn. Bhd.
- 2005-2006: Regional Manager, Malaysia, Thailand and Taiwan, Dell Asia Pacific
- 1999-2005: General Manager, Dell Asia-Pacific
- 1995-1999: General Manager, HP Sales Malaysia
- 1993-1995: General Manager, Dataprep Retail Sdn. Bhd.
- 1988-1993: Marketing Manager, HP Sales Malaysia

OTHER DIRECTORSHIPS

Public companies:

- MIDF Berhad

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

WHO GOVERNS US

DATUK NOZIRAH BINTI BAHARI

Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad

- Board Member, Biport Bulkiers Sdn. Bhd.

Nationality Malaysian	Gender Female	Age 66	Date of Appointment 1 February 2016	Meetings attended 10/11	Committee Membership NRC
---------------------------------	-------------------------	------------------	---	-----------------------------------	------------------------------------



Datuk Nozirah binti Bahari was appointed as an Independent Non-Executive Director on 1 February 2016.

QUALIFICATIONS

- Bachelor of Social Science (Hons) in Urban Studies, University of Science Malaysia, Malaysia, 1978
- Diploma in Public Administration, National Institute of Public Administration, Malaysia, 1981
- Global Leadership Development Programme (Fall) by International Centre for Leadership in Finance (ICLIF), 2006
- Advanced Management Programme, Harvard Business School, USA, 2007
- Financial Institutions Directors' Education Programme (FIDE), 2010

CAREER EXPERIENCE

- 2011-2015: Deputy Secretary General (Management), Ministry of Finance Malaysia
- 2011: Director of Budget Management Division, Ministry of Finance Malaysia
- 2007-2011: Undersecretary, Loan Management, Financial Market and Actuary Division, Ministry of Finance Malaysia
- 2005-2007: Deputy Undersecretary, Loan Management, Financial Market and Actuary Division, Ministry of Finance Malaysia
- 2002-2005: Deputy Undersecretary, Procurement and Supplies Division, Ministry of Finance Malaysia
- 2000-2002: Principal Assistant Secretary, Procurement and Supplies Division, Ministry of Finance Malaysia
- 1993-2000: Deputy Finance Officer (Treasury), Sabah, Ministry of Finance Malaysia
- 1991-1993: Director, Manpower Planning Unit (MAMPU), Prime Minister's Department Branch Office, Sabah
- 1988-1991: Principal Assistant Secretary, Planning and Policy Division, Ministry of Agriculture Malaysia
- 1985-1988: Assistant Secretary, Procurement and Supplies Division, Ministry of Health Malaysia
- 1981-1985: Assistant Secretary, Finance Division, Ministry of Finance Malaysia

OTHER DIRECTORSHIPS

- Nil

COMMITTEE MEMBERSHIP KEY:

Chairman	AC	Audit Committee
Member	RC	Risk Committee
	NRC	Nomination and Remuneration Committee
	FIC	Finance and Investment Committee

WHO GOVERNS US

(DR.) SALIHIN BIN ABANG

Independent Non-Executive Director

- Board Member, Bintulu Port Holdings Berhad
- Board Member, Samalaju Industrial Port Sdn. Bhd.

Nationality Malaysian	Gender Male	Age 49	Date of Appointment 1 February 2018	Meetings attended 11/11	Committee Membership AC
---------------------------------	-----------------------	------------------	---	-----------------------------------	-----------------------------------



(Dr.) Salihin bin Abang was appointed as an Independent Non-Executive Director on 1 February 2018.

QUALIFICATIONS

- Bachelor of Accounting (Hons), Universiti Islam Antarabangsa, Malaysia, 1997
- Master of Science in Accounting, Universiti Islam Antarabangsa Malaysia, 2008
- ASEAN Senior Management Development Programme (SMDP), Harvard Business School, 2011
- Honorary Doctorate Degree in Management, Universiti Malaysia Terengganu (UMT), 2018
- Chartered Accountant, C.A.(M), Malaysian Institute of Accountants (MIA)
- Certified Public Accountant, CPA (M), Malaysian Institute of Certified Public Accountants (MICPA)

CAREER EXPERIENCE

- 2019-Present: Independent Non-Executive Director, Chairman of Board Audit Committee and member of Board Risk Committee, Boustead Heavy Industries Corporation Berhad
- 2019-Present: Independent Non-Executive Director, Chairman of Board Risk Committee, member of Board Audit Committee, Remuneration Committee and Nomination Committee, G3 Global Berhad
- 2018-2019: Member of Board Audit Committee, Land Custody and Development Authority (LCDA) of Sarawak
- 2018-Present: Adjunct Professor, Tunku Puteri Intan Safinaz School of Accountancy, (UUM) and School of Maritime Business and Management (UMT) and Faculty of Business and Technology (UNITAR)
- 2017-2019: President, Malaysian Institute of Accountants (MIA)
- 2017-2019: Member of Board of Trustees, the Financial Reporting Foundation (FRF)
- 2002-Present: Founder and Group Managing Partner, SALIHIN Chartered Accountants

OTHER MEMBERSHIPS

- ASEAN Chartered Professional Accountant (ACPA)
- Fellow Member of the Association of International Accountants (FAIA, UK)
- Fellow Member of the Chartered Tax Institute of Malaysia (FCTIM)
- Certified Financial Planner (CFP), Financial Planning Association of Malaysia (FPAM)

OTHER DIRECTORSHIPS

Listed entities:

- G3 Global Berhad
- Boustead Heavy Industries Corporation Berhad
- Boustead Plantations Berhad

Who We Are, What We Do
 Our Leadership Statements
 How We Create Value
 Our Strategic Context
Commitment To Strong Governance
 Our Financial Performance
 Other Information

WHO GOVERNS US

OUR APPRECIATION TO OUTGOING DIRECTORS



TAN SRI DR. ISMAIL BIN HJ BAKAR

Non-Independent Non-Executive Chairman
 - Chairman, Bintulu Port Holdings Berhad

Nationality Malaysian	Committee Membership	None
Gender Male	Meetings attended	4/4
Age 62	Date of Appointment	1 September 2019
	Date of Resignation	1 May 2021



ENCIK DZAFRI SHAM BIN AHMAD

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Bintulu Port Sdn. Bhd.

Nationality Malaysian	Committee Membership	AC
Gender Male	Meetings attended	5/5
Age 56	Date of Appointment	1 September 2015
	Date of Resignation	1 July 2021



GENERAL DATO' SERI DIRAJA TAN SRI (DR.) MOHD ZAHIDI BIN HJ. ZAINUDDIN (R)

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Samalaju Industrial Port Sdn. Bhd.

Nationality Malaysian	Committee Membership	FIC
Gender Male	Meetings attended	6/6
Age 72	Date of Appointment	16 March 2006
	Date of Resignation	1 August 2021



PUAN ZAKIAH BINTI JAAFAR

Non-Independent Non-Executive Director
 - Board Member, Bintulu Port Holdings Berhad
 - Board Member, Samalaju Industrial Port Sdn. Bhd.

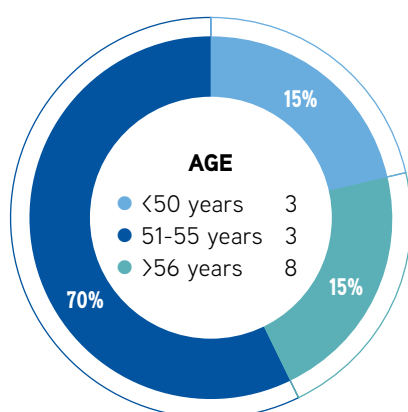
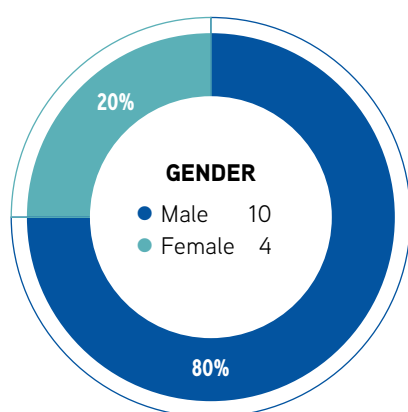
Nationality Malaysian	Committee Membership	FIC	RC
Gender Female	Meetings attended	6/11	
Age 55	Date of Appointment	1 March 2020	
	Date of Resignation	9 March 2022	

WHO LEADS US

OUR LEADERSHIP

The role, responsibilities, composition, procedures and evaluation of the Executive Committee are described in detail in the Charter.

Management Team Composition



BPHB	Bintulu Port Holdings Berhad
BPSB	Bintulu Port Sdn. Bhd.
BBSB	Biport Bulkiers Sdn. Bhd.
SIPSB	Samalaju Industrial Port Sdn. Bhd.



DATO MOHAMMAD MEDAN BIN ABDULLAH

Group Chief Executive Officer

Nationality Malaysian	Age 64	BPHB
---------------------------------	------------------	-------------

Dato Mohammad Medan Abdullah was appointed as the Group Chief Executive Officer of Bintulu Port Holdings Berhad Group (BPHB) effective 1 March 2017, bringing with him vast experience of over 35 years in the oil & gas industry.

Qualifications

- Bachelor of Law (Hons), University of Malaya, 1982
- Advanced Management Programme, Wharton Business School, University of Pennsylvania, 2007

Career Experience

- 2013-2016: Managing Director and President (Asia Pacific), Gazprom Marketing & Trading Pte Ltd
- 2010-2013: Senior General Manager, Group Corporate Affairs Division (PETRONAS Group)
- 2007-2010: Chief Executive Officer, Malaysia LNG
- 1990-2007: Various senior positions in PETRONAS and PETRONAS Carigali
- 1988-1990: Legal Adviser, Baram Delta Operations
- 1983-1988: Legal Officer, PETRONAS Carigali Sdn. Bhd.
- 1982: Trainee Legal Officer, PETRONAS

Directorships in other public-listed/public companies

- Handal Resources Berhad
- Petroleum Sarawak Berhad (PETROS)



DAIANA LUNA SUIP

Group Chief Financial Officer

Nationality Malaysian	Age 58	BPHB
---------------------------------	------------------	-------------

Daiana Luna Suip assumed the position of Group Chief Financial Officer of Bintulu Port Holdings Berhad (BPHB) on 29 November 2021. She is responsible for all financial, accounting, corporate finance, investor relations and investment issues relating to the Group and also provides strategic and operational support to Management. She is also responsible for overseeing the Group Procurement.

Qualifications

- Advanced Diploma in Accountancy, Institut Teknologi MARA, 1990
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012
- Master of Business Administration, University of Sunderland, 2018
- Chartered Accountant of the Malaysian Institute of Accountants (MIA)

Career Experience

- 2016-2021: General Manager, Group Finance, BPHB
- 2014-2016: Assistant General Manager, Group Finance, BPHB
- 2011-2013: Senior Manager, Finance Division, BPSB
- 2008-2011: Manager, Group Accounts, BPSB
- 2006-2008: Manager, Financial Accounting, BPSB
- 1994-2006: Financial Accountant and Group Accountant, BPSB
- 1993-1994: Audit Executive, BPSB
- 1991-1993: Audit Assistant, Arthur Andersen

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

WHO LEADS US

**MATSHALLEH BIN MOHAMAD ETLI**

Chief Operating Officer

Nationality	Age	
Malaysian	55	BPSB

Matshalleh bin Mohamad Etli assumed the position of Chief Operating Officer of Bintulu Port Sdn. Bhd. (BPSB) on 1 January 2022 and is responsible for the day-to-day operations of BPSB. He reports directly to the Group Chief Executive Officer.

Qualifications

- Bachelor of Science in Housing, Building and Planning, Universiti Sains Malaysia, 1990
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012

Career Experience

- 2016-2021: Chief Operating Officer, SIPSB
- 2014-2016: Acting Chief Operating Officer, SIPSB
- 2011-2014: Head, Operations and Stakeholders Relations, Samalaju Industrial Port Sdn. Bhd.
- 1993-2009: Various positions in BPSB
- 1991-1993: Fire Superintendent, BPA

**EIZAM BIN ISMAIL**

Chief Operating Officer

Nationality	Age	
Malaysian	49	SIPSB

Eizam bin Ismail assumed the position of Chief Operating Officer of Samalaju Industrial Port Sdn. Bhd. (SIPSB) on 1 January 2022. He is responsible by providing leadership and direction for the implementation and management of strategies for SIPSB's business, project planning as well as day to day operations. He reports directly to the Group Chief Executive Officer.

Qualifications

- Bachelor of Business Administration in Transport, Universiti Teknologi MARA, 1996
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2015

Career Experience

- 2018-2021: General Manager, Group Corporate Planning & Development, BPHB
- 2012-2018: Manager, Marketing & Customer Service, BPSB; then Senior Manager, Corporate Planning, BPHB
- 2002-2012: Executive, Corporate Marketing (under the Chief Executive Officer's Office), Executive, Marketing & Business Development and Executive, Marketing (Containerised) in the Corporate Development Division, BPSB
- 1999-2002: Associate Consultant on various port and shipping consultancy projects in Southeast Asia

**WAN MOHAMAD ZAIDI
BIN WAN KADIR**

Acting Chief Operating Officer

Nationality	Age	
Malaysian	47	BBSB

Wan Mohamad Zaidi bin Wan Kadir assumed the position of Acting Chief Operating Officer of Biport Bulkers Sdn. Bhd. (BBSB) on 1 January 2022. He is responsible for the implementation and management of the strategies for BBSB's business. He reports directly to the Group Chief Executive Officer.

Qualifications

- Bachelor of Science (Hons) in Industrial Chemistry, Universiti Malaysia Sabah, 1999
- Associate Member of Institut Kimia Malaysia since 2004
- Leadership Principles by Harvard Business School, 2021

Career Experience

- 2018-2021: Senior Manager, Operation Division, BBSB
- 2013-2018: Manager, Operation Division, BBSB
- 2005-2013: Chemist, Laboratories, BBSB
- 2004: Chemist, BPSB
- 2000 - 2004: Chemist Surveyor, ITS Testing Services (M) Sdn. Bhd.

WHO LEADS US

**ROSLI BIN IDRIS**

Company Secretary

Nationality
MalaysianAge
53**BPHB**

Rosli bin Idris was appointed as Company Secretary of Bintulu Port Holdings Berhad (BPHB) on 1 January 2020. He is responsible for Company Secretarial functions, to advise the directors and management pertaining to the Company Secretarial matters in order to ensure compliance and good cooperation with governance.

Qualifications

- Bachelor of Accountancy (Hons), Universiti Teknologi MARA, 1994
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2014
- Chartered Accountant of the Malaysian Institute of Accountants (MIA)

Career Experience

- 2014-2019: Senior Manager, Finance, Human Resource & Administration, SIPSB
- 2011-2013: Head of Finance Services, Samalaju Port Management Unit, BPSB
- 2011: Manager, Management Accounting, BPSB
- 2009-2010: Assistant Manager Finance & Administration, IOT Management Sdn. Bhd.
- 2005-2008: Management Accountant, BPSB
- 1996-2004: Executive Treasury, BPSB
- 1994-1996: Project Accountant, PPES Oil & Gas Sdn. Bhd.

**ESTHER LU NOI YAN**

Acting General Manager, Group Corporate Planning and Development

Nationality
MalaysianAge
43**BPHB**

Esther Lu Noi Yan assumed the position of Acting General Manager, Group Corporate Planning & Development on 1 January 2022. She is responsible for the implementation of Group-wide strategies and plans on corporate planning, business development, strategic transformation, enterprise risk management, marketing as well as branding programmes and customer service functions.

Qualifications

- Bachelor of Science (Major in Chemistry and Biology) Campbell University, Buies Creek North Carolina, U.S.A. (Tunku Abdul Rahman University College), 2002
- Leadership Principles by Harvard Business School, 2022

Career Experience

- 2019-2021: Senior Manager, Marketing & Customer Services, Group Corporate Planning & Development, BPHB
- 2015-2019: Manager, Marketing & Customer Services, Group Corporate Planning & Development, BPHB
- 2008 – 2015: Executive Customer Services, Corporate Planning & Development Division, BPSB
- 2007-2008: Shipping Executive, Destiny Shipping Agencies Sdn. Bhd.
- 2004-2007: Senior Recruitment Consultant/Branch Manager, Agensi Pekerjaan GMP (M) Sdn. Bhd. & Agensi Bright Prospect Sdn. Bhd.
- 2002-2004: Quality Assurance Analyst, Glaxo Smith Kline Consumer Healthcare Sdn. Bhd.

**AZMEL KHAN BIN ASGHAR KHAN**

General Manager, Group Human Resources Management

Nationality
MalaysianAge
60**BPHB**

Azmel Khan bin Asghar Khan assumed the position of General Manager, Group Human Resources Management on 23 August 2017. He formulates, plans, implements and manages the development and implementation of Group-wide human capital strategies and ensures the effective and efficient administration of and compliance with these strategies.

Qualifications

- Diploma in Business Studies, Institut Teknologi MARA, 1983
- Bachelor of Communications, Universiti Putra Malaysia, 2003
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2013

Career Experience

- 2015-2017: Acting General Manager, Group Human Resources Management
- 2014-2015: Senior Manager, Human Resource Planning and Organisational Development
- 2007-2014: Manager, Corporate Affairs
- 2006-2007: Manager, Warehousing; then Manager, Commercial
- 1993-2006: Executive in Commercial and Billing; then Manager, Warehousing, BPSB
- 1983-1993: Traffic Officer; Purchasing Officer; then Assistant Administrative Officer, BPA

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

WHO LEADS US


**DAYANG FAIZAH BINTI AWANG
BUJANG**

General Manager, Group Legal Counsel

Nationality
MalaysianAge
53**BPHB**

Dayang Faizah binti Awang Bujang assumed the position of General Manager, Group Legal Counsel of BPHB on 23 August 2017. She is responsible for the formulation, management and implementation of Group-wide legal strategies, advice and services. She is also responsible for overseeing the Group's contract management, integrity and Compliance matters.

Qualifications

- Bachelor of Laws (Hons), International Islamic University, Malaysia, 1992
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2012

Career Experience

- 2014-2017: Acting Assistant General Manager, Legal; then Acting General Manager, Legal before becoming General Manager, Group Legal Counsel
- 2010-2014: Manager, Legal; then Acting Senior Manager, Legal, BPSB
- 1993-2010: Legal Executive and Executive, Contract Management; then Manager, Contract Management, BPSB
- 1992-1993: Underwent pupillage with Messrs. Jaini Mardi & Associates, Bintulu, Sarawak and admitted as an Advocate & Solicitor in the High Court of Sabah and Sarawak


RAMZI BIN SHAFIEE
Acting General Manager,
Group Information TechnologyNationality
MalaysianAge
56**BPHB**

Ramzi bin Shafiee assumed the position of Acting General Manager, Group Information Technology of BPHB on 1 January 2021. He is responsible for the implementation of Group-wide IT strategies, as well as for providing advice and services relating to IT systems and support.

Qualifications

- Bachelor of Applied Science (Hons) (Mathematical Calculation & Computer Aided Geometry Design - CAGD), Universiti Sains Malaysia, 1992
- Leadership Principles by Harvard Business School, 2021

Career Experience

- 2019-2020: Senior Manager, Operation Application System
- 2019: Acting Senior Manager, Operation Application System
- 2017-2018: Acting Senior Manager, Network & Infrastructure
- 2015-2017: Manager, Network & Infrastructure
- 2013-2015: Head, Information Technology
- 2009-2013: Manager, Network & Infrastructure
- 1993-2009: System Analyst


ABDANI BIN ABDUL GAFOR
General Manager, Group Health,
Safety & EnvironmentNationality
MalaysianAge
59**BPHB**

Abdani bin Abdul Gafor assumed the position of General Manager, Group Health, Safety & Environment of BPHB on 23 August 2017. He is responsible for the effective HSE management of the Group and maintains workplace safety and health systems.

Qualifications

- Bachelor of Engineering, University of Tasmania, 1989
- Master of Business Administration, Heriot-Watt University, 1999
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2011

Career Experience

- 2008-2017: Manager, Safety & Emergency; then Senior Manager, Health, Safety & Environment, BPSB
- 1993-2008: Electrical Engineer, Technical Services Division; then Manager, Safety & Emergency and Manager, Mechanical & Electrical, Technical Services Division, BPSB
- 1991-1992: Electrical Engineer, BPA

WHO LEADS US


MOHAMAD YACOP BIN MOHAMAD JUNIT

Senior Manager, Group Internal Audit

Nationality
Malaysian

Age
57

BPHB

Mohamad Yacop bin Mohamad Junit assumed the position of Senior Manager, Group Internal Audit of BPHB on 1 March 2018. He is responsible to provide independent and objective assurance reviews to the Board of Directors, Audit Committee and Management that the company's risk management, governance and internal control are operating effectively.

Qualifications

- Diploma in Accountancy, Institut Teknologi MARA, 1987
- Bachelor of Communications, Universiti Putra Malaysia, 1999
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2015

Career Experience

- 2013-2018: Manager, Commercial, BPSB
- 1993-2013: Various positions in Human Resources, Finance, Commercial and Audit, BPSB
- 1990-1992: Assistant Port Officer and Assistant Administration Officer, BPA


MASLIHAH BINTI HJ. TIOH

Senior Manager, Group Corporate Services

Nationality
Malaysian

Age
56

BPHB

Masliha binti Hj. Tioh assumed the position of Senior Manager, Group Corporate Services of BPHB on 1 January 2015. She is responsible for the overall corporate services of the Group, including internal and external communications, especially public and government relations. In this capacity, she is responsible for creating and communicating a favourable public image of the Group through media campaigns designed to reach consumers, employees, customers, government agencies and other stakeholders. She is also responsible for overseeing office management services.

Qualifications

- Bachelor of Arts (Hons) in Mass Communication, Universiti Kebangsaan Malaysia, 1990
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2013

Career Experience

- 2007-2014: Manager, Performance and Rewards; then Senior Manager, Performance and Rewards, BPHB
- 1993-2006: Executive, Public Affairs; then Manager, Personnel and Payroll in the Human Resource Management Division, Manager, Commercial in the Finance Division and Manager, Remuneration & Benefits, BPSB
- 1991-1992: Executive, Public Relations, BPA


ELVIS TULU AYU

Senior Manager, Group Security

Nationality
Malaysian

Age
57

BPHB

Elvis Tulu Ayu assumed the position of Senior Manager, Group Security, on 1 March 2015. At the time, he was a Superintendent in the Malaysian Auxiliary Police Association. He is responsible for the control and development of Group security strategies, programmes and plans to ensure a secure working environment through proactive security measures designed to protect people, assets and operations against the threat of injury and loss or damage by criminal, hostile or malicious acts.

Qualifications

- Diploma in Accountancy, Institut Teknologi MARA, 1987
- Bachelor of Arts in Business Administration, Bolton Institute, United Kingdom, 2004
- Management Development Programme, Asian Institute of Management (AIM), Philippines, 2013

Career Experience

- 2015-Present: Senior Manager, Group Security, BPHB (covering BPSB, BBSB and SIPSB) with the rank of Superintendent, Royal Malaysian Police
- 2014-2015: Manager, Warehousing, BPSB
- 2011-2012: Acting Senior Manager, HSE, BPSB
- 2002-2013: Manager, Security, BPSB
- 2010-2012: Rank of Superintendent of Police
- 2002-2009: Rank of Deputy Superintendent of Police
- 1998-2001: Executive, Fire, Emergency Services and Security (Rank of Assistant Superintendent of Police)
- 1993-1997: Executive, Security, BPSB (Rank of Inspector)
- 1992: Regular Police Inspector Training at PULAPOL, KL (9 months)
- 1988-1991: Assistant Security Officer, BPA

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

WHO LEADS US

OUR APPRECIATION TO OUTGOING MANAGEMENT



YUSOF BIN IBRAHIM

Chief Operating Officer

Nationality
Malaysian

Age
61

BPSB

Date of Appointment: **1 January 2020**

Date of Retirement: **31 December 2021**



ABU BAKAR BIN HUSAINI

Chief Operating Officer

Nationality
Malaysian

Age
61

BBSB

Date of Appointment: **1 January 2020**

Date of Retirement: **31 December 2021**

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DEAR STAKEHOLDER,

I am pleased to present the Corporate Governance Overview Statement for the year, in which we describe our governance processes, how the Board discharged its responsibilities and provide details on the Board's operations. We are committed to fostering an effective governance framework through policies and procedures that support the Group's core values and underpin our ability to set the Group's overall strategic direction.

DATO' ABDUL MUTALIB BIN ALIAS

Chairman

During the year, we enhanced our governance processes to reflect the new MCGG 2021 guidance. This included enhancing disclosure controls and procedures and updating our terms of reference for Board Committees. Environmental, social and governance ("ESG") considerations impact everything we do and our goal is for the Group to be a socially and environmentally responsible organisation, with strong governance at the core of how we operate. This section together with the CG report 2021 and the reports from the Audit, Risk and Nomination and Remuneration Committees, provides a description of how the Group has applied the main principles of MCGG 2021 and complied with the relevant provisions.


FRAMEWORKS AND GUIDANCE APPLIED:

- Malaysian Code on Corporate Governance (MCGG 2021)
- Bursa Malaysia's Main Market Listing Requirements (MMLR)
- Securities Commission Malaysia Act 1993
- Companies Act 2016
- Bursa Malaysia's Corporate Governance Guidelines 4th Edition

The Board's primary role is to ensure the Group's long-term, sustainable success by setting the Group's strategic direction, ensuring that strategy is aligned with its purpose and culture and promoting and protecting our interests for the benefit of all our stakeholders. The Group's governance framework supports the Board in the delivery of the Group's strategy and long-term sustainable success in various ways, as detailed in the following pages. Our Non-Executive Directors play an essential role in this by holding the Management Team to account, ensuring that appropriate progress implementing strategy is being made and that their behaviours and decisions are supportive of the Group's culture and values.

This Leadership section details:


- The structure and composition of the Board and its Committees;
- How responsibilities are divided among the Board, its Committees and individual Directors;
- The main activities of the Board in FY2021; and
- The recruitment and induction process for new Directors.

 For more information please refer to pages 83 to 87.

We maintained oversight of the Group's financial reporting processes by reviewing the application of financial and accounting policies, challenging the judgements made by management and the assumptions and estimates that underpinned those judgements. The Board keeps a close eye on future developments, both externally and within the Group, that could have a significant impact on our operations. During the year under review, the Board continued to take into account how it should operate efficiently in light of the COVID-19 pandemic.

This Accountability section details:


- The work undertaken by the Audit Committee and Risk Committee;
- The Board's approach to risk management, its internal control and risk management systems; and
- Its processes for evaluating whether the Integrated Annual Report and Accounts of the Company are fair, balanced and understandable.

 For more information please refer to pages 90 to 93.

The effective working of the Board is crucial to the long-term prospects and strategic aims of the Group. This is achieved through strong and open working relationships between the Directors and, in particular, the Chairman and Group Chief Executive Officer, whose roles are agreed and set out in writing.

This Effectiveness section details:

- The process to conduct the Board & Directors Effectiveness Evaluation (BDEE) and Individual Directors Evaluation (IDE) for FY2021.


 For more information please refer to pages 88 to 89.

ENSURING EFFECTIVE ENGAGEMENT WITH OUR STAKEHOLDERS

The Board appreciates that effective stakeholder engagement is essential for the long-term success of the Group. Maintaining good relationships with all of our stakeholders is important to the Board. Engagement has therefore continued as a key theme during the year.

This Ensuring Effective Engagement with our Stakeholders section details:

- How the Board and individual Directors engaged with stakeholders throughout FY2021; and
- How stakeholders can communicate with the Company.

 For more information please refer to pages 94 to 98.

CORPORATE GOVERNANCE OVERVIEW STATEMENT - A SOUND GOVERNANCE STRUCTURE

OUR GOVERNANCE PRACTICES

OUR BOARD

For the year under review, details of the Board's attendance at Board and Board Committee meetings are as follows:

Non-Independent Non-Executive Directors



**Tan Sri
Dr. Ismail bin
Hj. Bakar**
*Resigned on
1 May 2021*



**Dato' Abdul
Mutalib bin Alias**
*Appointed on
1 May 2021*



**Tan Sri Datuk
Amar Hj.
Mohamad
Morshidi bin
Abdul Ghani**



**Gen Dato' Seri
DiRaja Tan Sri
(Dr.) Mohd. Zahidi
bin Hj. Zainuddin**
*Resigned on
1 August 2021*



**Dato Sri Fong
Joo Chung**



**Datuk Nasarudin
bin Md Idris**



**Encik Dzafri
Sham bin
Ahmad**
*Resigned on
1 July 2021*



**Puan Zakiah
binti Jaafar**
*Resigned on
9 March 2022*

COMMITTEES

AUDIT COMMITTEE (AC)

CHAIRMAN

(Dr.) Salihin bin Abang

8/8

MEMBERS

Datuk Yasmin binti Mahmood

8/8

Encik Mohamed Syazwan bin Abdullah @ Laga

Appointed on 1 July 2021

4/4

Encik Dzafri Sham bin Ahmad

Resigned on 1 July 2021

4/4

RISK COMMITTEE (RC)*

CHAIRMAN

Datuk Yasmin binti Mahmood

Appointed on 28 September 2021

1/1

MEMBERS

Dato' Sri Mohamed Khalid bin Yusuf @ Yusup

Appointed on 28 September 2021

1/1

Puan Zakiah binti Jaafar

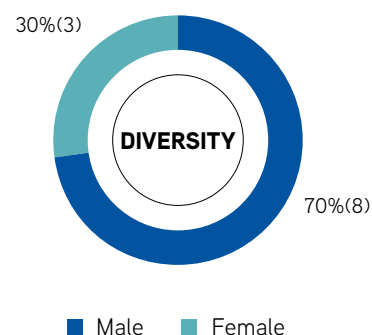
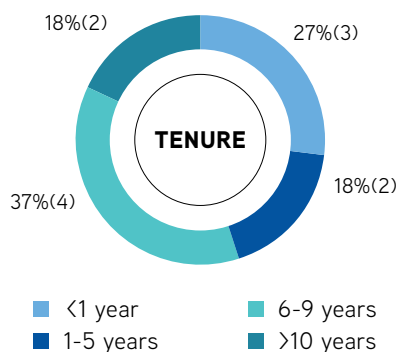
Appointed on 28 September 2021

Resigned on 9 March 2022

1/1

* Note: The separation of the Audit and Risk Committee (ARC) of Bintulu Port Holdings Berhad into the Audit Committee (AC) and Risk Committee (RC) was approved in Special BPHB Board of Directors' Meeting No. 9/2021 held on 28 September 2021.

115
Board
Hours



CORPORATE GOVERNANCE OVERVIEW STATEMENT - SUBSCRIBING TO TRANSPARENCY AND ACCOUNTABILITY

AT A GLANCE

Independent Non-Executive Directors



Encik Mohamed Syazwan bin Abdullah @ Laga
Appointed on 1 July 2021



Puan Hasmawati binti Sapawi
Appointed on 1 August 2021



Dato' Sri Mohamed Khalid bin Yusuf @ Yusup



Datuk Yasmin binti Mahmood



Datuk Nozirah binti Bahari



(Dr.) Salihin bin Abang

NOMINATION AND REMUNERATION COMMITTEE (NRC)

CHAIRMAN

Dato' Sri Mohamed Khalid bin Yusuf @ Yusup
9/9

MEMBERS

Datuk Nozirah binti Bahari
9/9

Dato Sri Fong Joo Chung
9/9

FINANCE AND INVESTMENT COMMITTEE (FIC)

CHAIRMAN

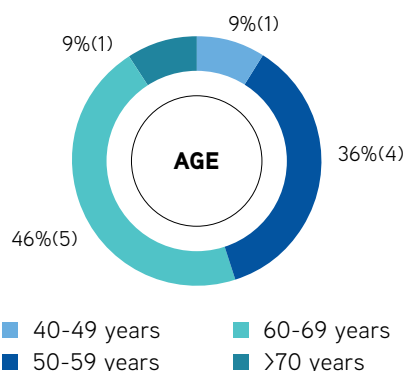
Datuk Nasarudin bin Md Idris
3/3

MEMBERS

Gen Dato' Seri DiRaja Tan Sri (Dr.) Mohd. Zahidi bin Hj. Zainuddin
Resigned on 1 August 2021
2/2

Puan Hasmawati binti Sapawi
Appointed on 1 August 2021
1/1

Puan Zakiah binti Jaafar
Resigned on 9 March 2022
3/3



BINTULU PORT SDN. BHD.

Non-Independent Non-Executive Directors

Dato Sri Fong Joo Chung (8/8)
Chairman of BPSB 100%

Tan Sri Datuk Amar Hj. Mohamad Morshidi bin Abdul Ghani (8/8)
100%

Encik Dzafri Sham bin Ahmad (3/3)
Resigned on 1 July 2021 100%

Encik Mohamed Syazwan bin Abdullah @ Laga (4/4)
Appointed on 1 July 2021 100%

BIPORT BULKERS SDN. BHD.

Independent Non-Executive Directors

Dato' Sri Mohamed Khalid bin Yusuf @ Yusup (4/4)
Chairman of BBSB 100%

Datuk Yasmin binti Mahmood (4/4)
100%

Datuk Nozirah binti Bahari (4/4)
100%

SAMALAJU INDUSTRIAL PORT SDN. BHD.

Non-Independent Non-Executive Directors

Datuk Nasarudin bin Md Idris (5/5)
Chairman of SIPSB 100%

Gen Dato' Seri DiRaja Tan Sri (Dr.) Mohd. Zahidi bin Hj. Zainuddin (2/2)
Resigned on 1 August 2021 100%

Puan Hasmawati binti Sapawi (2/2)
Appointed on 1 August 2021 100%

Puan Zakiah binti Jaafar (3/5)
Resigned on 9 March 2022 60%

Independent Non-Executive Director

(Dr.) Salihin bin Abang (5/5)
100%

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A SOUND CORPORATE GOVERNANCE STRUCTURE COMMITS THE COMPANY TO HIGH STANDARDS OF BUSINESS ETHICS

The Board is ultimately accountable to our shareholders, and the Directors are responsible for ensuring that management actions are aligned with the Group's and other stakeholder's interests. The Board has approved a governance framework of systems and controls in order to effectively discharge its collective responsibility. This framework supports our Directors' compliance with their duty to promote the success of the Group. The framework which includes the delegation of specific authorities to the Board's four Committees – the Nomination & Remuneration, Audit, Risk and Finance & Investment Committees is subject to ongoing review to ensure that it remains fit for purpose. The Terms of Reference of the four Board Committees, which were reviewed during the year, can be found on our website.

Board Composition

Our Board believes the composition of Non-Independent Non- Executive and Independent Non-Executive Directors remains appropriate, having considered the size and nature of the business. In addition, the combination of experience, diverse backgrounds, length of service and calibre of the Non-Executive Directors further enhances this composition and the ability to deliver the Group's strategy while mitigating the risk of "group think".

DECISIONS, MATTERS RESERVED FOR THE BOARD AND DELEGATED AUTHORITIES

Our Board makes decisions on strategy and in relation to items set out in the matters reserved for the Board. It also delegates various operational decisions to several Board and Management Committees.

The Board

The Chairman

- To manage and provide leadership to the Board.
- To act as a liaison between the Board and the Management through the GCEO and as the communicator for Board decisions where appropriate.
- To act as a facilitator during Board meetings.
- To ensure that the Directors participate in deliberation.
- To ensure that Board members are given ample opportunity to contribute to the outcomes of the meetings.
- To provide guidance to the Group and the Board in setting the values, standards and policies of the Group, especially in the development of the Group's strategic directions and safeguarding the interest of its stakeholders.

Non-Executive Directors

- Support and constructively challenge the GCEO using their broad range of experience and external perspective, ensuring the needs of stakeholders are appropriately considered.
- Evaluate proposals on strategy.
- Monitor the implementation of the Group's strategy within its risk and control framework.

The Company Secretary

- Ensures that due and proper notice for all Board and Committee meetings is duly given.
- Prepares meeting agendas and coordinates the preparation of Board papers.
- Assists the communication between the Board and Management.
- Ensures that papers or documents submitted for scheduled meetings contain all relevant and material information to enable members of the Board and the Committees to make well-informed and correct decisions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Board Independence

Our Board recognises the importance of its Non-Executive Directors remaining independent throughout their appointment, as it enables them to provide objective advice and guidance to the Group Chief Executive Officer (GCEO) and Senior Management. This independence allows the Non-Executive Directors to constructively challenge and scrutinise the performance of the GCEO and provide an independent perspective on business strategy, performance and the integrity of the financial information considered by the Board and disclosed to the Company's shareholders and other stakeholders. The independence also helps ensure that there will be no conflict of interest in actions taken and that decisions that are made are in the best interests of the Company. The independence of the Non-Executive Directors is also important when considering the appointment or removal of the GCEO and in the determination of succession planning for Board positions and other Senior Management roles within the Group.

Audit Committee (AC)

- To oversee accounting policies, financial reporting practices, business ethics policies and financial position and performance of the Group and the adequacy of related disclosures and financial reporting;
- To evaluate the internal and external audit process and outcomes;
- To review conflict of interest situations and related party transactions; and
- To undertake such other functions as may be determined by the Board from time to time.

Risk Committee (RC)

- To provide guidance in relation to the management of the Group's business risks;
- To provide oversight on the establishment and implementation of the risk management framework, policies, and practices;
- To advise the Board on Risk-related issues or aspects as requested by the Board or, in the opinion of the Risk Committee, require the Board's attention;
- To review the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but are not limited to ensuring the adequacy of the risk management policy to facilitate the implementation of action plans for risk management; and
- To provide oversight on the implementation of compliance and corruption risk framework and policies.

Nomination and Remuneration Committee (NRC)


- To assess and enhance the effectiveness of the management and organisational structures, frameworks, and policies by ensuring that they meet the requirements, purpose, and values of the Company and its subsidiary companies (the Group);
- To ensure that the Board comprises individuals with the necessary skills, knowledge and experience for the effective discharge of its responsibilities and to have oversight of all matters relating to corporate governance;
- To assess and enhance the effectiveness of the Board and Board Committees through the Board Effectiveness Evaluation (the BEE);
- To establish formal, transparent policies or frameworks for the appointment of the Directors, Group Chief Executive Officer (the GCEO), and key Senior Management of the Company;
- To establish formal remuneration policies for the Directors, GCEO and Senior Management of the Company;
- To ensure that the remuneration packages are competitive within comparable industry or market standards to support the Group's Mission, Vision, and Corporate Values (the GVMCV) as well as to attract, retain, and motivate talents; and
- To set the policy framework and make recommendations to the Board on all elements of the remuneration package and performance arrangements for the GCEO, Non-Executive Directors and Senior Management of the Group.

Finance and Investment Committee (FIC)

- To assist the Board of Directors in fulfilling its oversight responsibilities for the financial affairs of the Company and its subsidiaries (collectively referred to as "the Group");
- To facilitate the establishment of sound financial policies and practices by the Board which will lead to the long-term financial sustainability of the Group; and
- To assist the Board in reviewing investment objectives, strategies, policies and guidelines and to recommend strategic directions in governing the investment activities of the Group to the Board.

Group Chief Executive Officer

- To implement the policies, strategies and decisions of the Board in addition to his responsibilities for the day-to-day operation of the Group's business.
- To enforce compliance with the MCCG, motivating the Group's workforce towards greater productivity and high performance.
- To recognise the importance of human resources.
- To improve employee welfare, health and safety at the workplace.
- To maintain awareness of the competitive market landscape.
- To ensure that the Group maintains high social responsibility and good work culture in the discharge of everyday duties.

 For further details on Director's profiles, please refer to pages 66 to 76 of this report.

- Facilitates due compliance by the Group with all regulations, directions and notices issued from time to time by all relevant regulatory authorities.

- Maintains accurate records of all the proceedings and resolutions passed including preparing comprehensive minutes of meetings.

- Provides full access and services to the Board and carries out any other duties deemed appropriate by the Board from time to time.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE GOVERNANCE OVERVIEW STATEMENT

MAIN ACTIVITIES UNDERTAKEN BY THE BOARD DURING THE YEAR UNDER REVIEW

Our Board provides clear, entrepreneurial and responsible leadership to the Group in order to promote the long-term success of the Group, while ensuring the Group has an appropriate risk and control framework, adequate resources and appropriate values and standards to deliver its strategy.

- | | |
|--|---|
| <p>01 Governance, Risk, and Compliance, in particular, the Group's transformation programme named the UTAP Transformation Journey (UTAP). The Group Internal Audit (GIA) is responsible for helping the implementation of UTAP throughout the Company with assistance from our External Consultancy.</p> <p>UTAP is a Group-wide project to ensure that the Company achieves its potential sustainably by implementing a holistic transformative approach towards the Company's processes.</p> <p>02 Deliberating on and approving of the Group's Annual Budget.</p> <p>03 Deliberating on and approving the Quarterly and Annual Financial Performance of the Group, including deliberation and approval of dividend proposal.</p> <p>04 Deliberating and approving the revision of the Group's Financial Policy.</p> <p>05 Deliberating and approving the following Corporate Governance matters:</p> <ul style="list-style-type: none"> a) Revised Board Charter of Bintulu Port Holdings Berhad; b) Revised TOR of the NRC; c) Proposed TOR of the AC; d) Revised TOR of the FIC; e) Proposed TOR of the RC; f) Board Nomination and Remuneration Policy; and g) Board Diversity Policy. | <p>06 Deliberation and approval of the set-up of the Audit Committee (AC) and Risk Committee (RC) from the Audit & Risk Committee (ARC).</p> <p>07 Strategic thinking in navigating the dynamic strategic risk landscape of the business of the Group based on the approved business plan.</p> <p>08 This included the Board's deliberation, guidance and endorsement on the Group's Business Plan, Business Response Plan and risk mitigation strategies.</p> <p>09 Establishing policies, values and integrity for the Group as a whole, in particular, the proposal for the implementation of ISO 37001 throughout the Group.</p> <p>10 Managing the Group's talent and manpower in relation to the appointment of senior management posts, key performance indicators and deliverables of the office.</p> <p>11 Deliberating on the performance assessment of the Board of Directors as an effort and avenue to improve the efficiency of the Board of Directors as a whole.</p> <p>12 Acknowledging the appointment and resignation of members of the Board of Directors.</p> |
|--|---|

BOARD MEETINGS AND SUPPORT

The Board met sufficiently and regularly to discharge its duties effectively and held additional conference calls between the scheduled meetings as and when circumstances required. When a director was unable to attend a meeting, they were provided with the meeting papers to review so they could provide any comments to the Chairman, Committee Chair or Company Secretary prior to the meeting. Directors are provided with meeting papers approximately one week in advance of each Board or Committee meeting. Members of the Management Committee and other senior management are regularly invited to attend Board meetings to present on their specific area of responsibility. Meetings between the Non-Executive Directors, in the absence of the GCEO, are held on an ad hoc basis to provide the Non-Executive Directors with an opportunity to continually assess the performance of management.

The Board is supported by the Company Secretary and has the necessary policies, processes, information and resources in place to ensure that the Board can function effectively and efficiently. All Directors have access to the advice of the Company Secretary and may seek external professional advice at the expense of the Company in regard to their role with the Group. In order to operate effectively, our Directors must receive accurate, timely and high-quality information. This supports their ability to make sound decisions and provide appropriate advice and constructive criticism. The Company Secretary and his team assist the Chairman and GCEO in ensuring effective information flows and that the Board is provided with all relevant information.

There are procedures in place to ensure that the information the Board receives is presented in an appropriate format and contains the level of detail required for the Directors to fulfil their responsibilities effectively.

SUSTAINABILITY AT OUR CORE

We believe that well-governed businesses, run in a sustainable way, will deliver better overall outcomes for customers and clients, stronger and more resilient returns for shareholders, and long-term benefits for society. That's why we think carefully about the environmental, social and governance (ESG) risks and opportunities associated with the businesses, buildings and infrastructure which we invest in and manage.

However, we consider the key to our long-term sustainability is not just about making a difference with what we do – it's also how we do it. This means being mindful of the way we run our own business, the impact we have on the planet and our communities, and the opportunity we have to influence others through leading by example. Our Sustainability practices are governed ultimately by our Board. They provide oversight and support which drives the Group's sustainability agenda. Implementation of our sustainability initiatives, monitoring, reviewing and assessing progress resides with the Corporate Sustainability Committee (CSC). Chaired by the Group Chief Executive Officer, the CSC is a management level Committee whose membership includes key management personnel. The Committee is supported by the Corporate Sustainability Department who has an on ground executional role to implement sustainability initiatives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INDUCTION

To ensure that they are able to effectively contribute to discussions and decision-making, all of our Directors participate in an induction programme on joining the Board. Each induction programme is tailored to provide the individual Director with the necessary knowledge and understanding of the Group, based on their personal experience and background. Where possible, meetings with our key stakeholders will be built into Director induction schedules. In addition, new Board members are required to complete the Mandatory Accreditation Programmes.

DIRECTORS' TRAININGS

The Board recognises the importance of ongoing training and our Directors are given the opportunity to update their skills and experience on a regular basis. Any individual development needs are discussed with the Directors at the annual performance evaluation. In order for the Directors to remain aware of business priorities and external developments, the Board is provided with formal reports and updates from the divisions and external advisers on a regular basis. During the year the Board received various externally facilitated briefing sessions.

The Directors' Trainings covered the following areas:

Digital <ul style="list-style-type: none"> Market Manipulation and Securities Fraud 	Sustainability <ul style="list-style-type: none"> "ESG in the new normal: A corporation's lens" IVAS-IVSC Business Valuation Virtual Conference 2021- Reframing Valuations: Intangibles, ESG and Long-Term Value 	Finance <ul style="list-style-type: none"> Capital Market Conference 2021: Evolution of Capital Market Tax Budget 2021 Seminar Percukaian Kebangsaan 2021 Islamic Finance for Board of Directors
Strategy <ul style="list-style-type: none"> Risk Management Conference 2021 	Governance <ul style="list-style-type: none"> Confirmation Fraud Case Studies: Leveraging on Technology to Reduce Risk of Fraud Qualified Risk Director (QRD) : Risk Oversight Practices & Corporate Culture and ERM Qualified Risk Director (QRD): Risk Appetite, Tolerance & Board Oversight and Strategic ERM: A Primer for Directors Pre & Post IPO Rules and Key Updates to Listing Requirements Qualified Risk Director (QRD): Evolving Expectations for Boards in ERM & The Role of Boards in Fraud Risk Management Section 17A of the MACC ACT 2009 - The Introduction of Corporate Liability Global Summit of Integrated Reporting Communities Talk on a Corporate Liability under Section 17A of the MACC Act Mandatory Accreditation Programme 	

BOARD AND COMMITTEE EVALUATIONS

In January 2022, Bintulu Port Holdings Berhad (BPHB) engaged the Institute of Corporate Directors Malaysia (ICDM) to conduct the Board & Directors Effectiveness Evaluation (BDEE) and Individual Directors Evaluation (IDE). The scope covers the ten key parameters or core drivers (domains), based on the Malaysian Code of on Corporate Governance (MCCG) 2021 which looks at the effectiveness of the board, the board committees, and the performance of the individual directors. The key parameters are:

- Board Leadership
- Board Composition, Skills and Development
- Board Committees
- Board Governance Oversight & Processes
- Board Agenda, Meetings and Information
- Board Dynamics & Culture
- Board & Management Relationship
- Board & Stakeholder Engagement
- Board & Sustainability Matters
- Board Crisis Management Responses

This first time engagement of an externally facilitated BDEE conducted by subject matter experts is in line with MCCG Practice 6.1 for Large Cap Companies and is intended to lend more credibility, depth and objectivity to help shape consensus toward further board and governance improvements.

This comprehensive BDEE assessment comprised of one-on-one dialogues with all the Directors and selected members of Senior Leadership Team (SLT), who regularly interact with the Board, as well as an online survey and review of selected governance documents including Board Charter, board committees TORs and minutes of meetings.

Due to the pandemic situation, interviews were conducted online and not on a physical 'face to face' (F2F) basis.

The BDEE also assessed the capabilities, contribution and performance of each director and an Individual Directors Evaluation (IDE) report will be sent to board members covering self vs peer board competency comparisons, technical knowledge, areas for reflection, development and recommendations for greater effectiveness in their role.

The detailed observations and improvements categorised under the ten parameters in the full BDEE report would be presented to the Board for deliberations by end April 2022. The board would then prioritise the recommended improvements to be adopted and agree on the way forward to further enhance board performance. The results of BDEE FY 2021 and the recommendations will be designated as the subject of the Board's focus during FY 2022.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR APPROACH TO REMUNERATION

The responsibility for setting appropriate levels of remuneration for the Directors, the GCEO and Top Management resides within the purview of the NRC. The NRC believes that our most important asset is our people. The remuneration strategy therefore seeks to ensure that we appropriately reward our Directors and employees for performance against the Group's key objectives and goals while delivering sustainable value creation.

BOARD NOMINATION AND REMUNERATION POLICY	BOARD DIVERSITY POLICY
<ul style="list-style-type: none"> The Board of Directors and the Group are mindful that a balanced and effective Board will influence the ability of the Board to fulfil its duties and responsibilities. The Board is also cognisant of the fact that fair remuneration is critical to attract, retain and motivate the Directors of the Group. To set an appropriate level of remuneration that allows the Group to attract and retain the services of a suitable number of talented and well-qualified Directors in line with the long-term business strategies of the Group. To establish the process to be undertaken by the Company's Nomination and Remuneration Committee (the NRC) and the Board in discharging their responsibilities in terms of the nomination, appointment, assessment and re-election of Board members in compliance with Bursa Malaysia Securities Berhad's Main Market Listing Requirements (MMLR) and the Malaysian Code on Corporate Governance 2021 (MCCG 2021). 	<ul style="list-style-type: none"> The Board of Directors and the Group recognise Board diversity as one of the elements contributing to the sustainable development of the Group. In heeding the recommendations made by the Malaysian Code on Corporate Governance 2021 (MCCG 2021), the Board is pleased to introduce the Board Diversity Policy as an effort to formalise its approach to gender diversity.

The details of the remuneration breakdown of individual directors (including fees, salary, bonus, benefits-in-kind and other emoluments) during the financial year 2021 are as follows:

NAME OF DIRECTOR	FEES (RM'000)		ALLOWANCES (RM'000)			BENEFITS-IN-KIND (RM'000)
	BPHB	SUBSIDIARY	BPHB	COMMITTEES	SUBSIDIARY	
Non-Independent Non-Executive Directors						
Tan Sri Dr. Ismail bin Hj. Bakar Resigned on 1 May 2021	48.0	Not Applicable	24.0	Not Applicable		18.0
Dato' Abdul Mutalib bin Alias Appointed on 1 May 2021	96.0	Not Applicable	30.0	Not Applicable		36.0
Puan Zakiah binti Jaafar Resigned on 9 March 2022	102.0	50.4	12.5	6.0	4.5	-
Tan Sri Datuk Amar Mohamad Morshidi bin Abdul Ghani	102.0	50.4	20.5	Not Applicable	10.5	-
Gen Dato' Seri DiRaja Tan Sri (Dr.) Mohd. Zahidi bin Hj. Zainuddin Resigned on 1 August 2021	59.5	29.4	14.5	3.0	4.5	-
Dato Sri Fong Joo Chung	102.0	72.0	30.0	9.0	14.0	-
Datuk Nasarudin bin Md Idris	102.0	72.0	25.5	6.0	10.0	-
Encik Dzafri Sham bin Ahmad Resigned on 1 July 2021	51.0	25.2	16.0	4.5	6.0	-
Encik Mohamed Syazwan bin Abdullah @ Laga Appointed on 1 July 2021	51.0	25.2	9.5	4.5	4.5	-
Puan Hasmawati binti Sapawi Appointed on 1 August 2021	42.5	21.0	11.0	1.5	3.0	-
Independent Non-Executive Directors						
Dato' Sri Mohamed Khalid bin Yusuf @ Yusup	102.0	72.0	30.5	13.5	10.0	-
Datuk Yasmin binti Mahmood	102.0	50.4	29.5	14.0	7.5	-
Datuk Nozirah binti Bahari	102.0	50.4	28.0	9.0	7.5	-
(Dr.) Salihin bin Abang	102.0	50.4	41.0	17.5	7.5	-
Totals (RM'000)	1,164.0	568.8	322.5	88.5	89.5	54.0
	1,732.8		500.5			54.0

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The details of the remuneration of the top five senior management (including salary, allowances and bonus), in each successive band of RM50,000 during the financial year 2021, are as follows:

Remuneration Band (RM)				
350,001 - 400,000	400,001 - 450,000	450,001 - 500,000	550,001 - 600,000	800,001 & above
Eizam bin Ismail COO, Samalaju Industrial Port Sdn. Bhd.	Matshalleh bin Mohamad Etli COO, Bintulu Port Sdn. Bhd.	Daiana Luna Suip CFO, Bintulu Port Holdings Berhad	Yusof bin Ibrahim COO, Bintulu Port Sdn. Bhd. (Retired on 31 December 2021)	Dato Mohammad Medan bin Abdullah GCEO, Bintulu Port Holdings Berhad

THE WORK OF OUR BOARD COMMITTEES

There are four main Board Committees – Audit, Risk, Nomination and Remuneration, and Finance and Investment. Each Committee reviews its own terms of reference and these are then reviewed by the full Board together with the matters reserved to the Board. Additional attendees are invited to attend Board Committee meetings at the discretion of the relevant chair.

A forward-looking agenda is established for the Board and each of the main Board Committees to ensure that items are scheduled at the appropriate time during the year. Sufficient time is given for the

consideration of the agenda during the meetings. Regular deep-dive presentations form part of the annual meeting cycle, focusing on particular business areas or major projects of strategic importance to the Group. The full terms of reference for all Board Committees and their roles and responsibilities are available on our website at www.bintuluport.com.my. Committee membership and attendance can be found on pages 84 and 85 of this Report. During the year under review, the Audit and Risk Committee separated into two committees; Audit Committee (AC) and Risk Committee (RC). This change ensured appropriate and significant time will be spent on both audit and risk issues. The focus areas of each Committee during the year under review are listed below.

AUDIT COMMITTEE (AC)

Committee Activities During The Year

- Deliberated on the Group's quarterly financial performance for Quarter 4 2020 and Quarter 1 to Quarter 3 2021;
- Deliberated on the Group's proposal for dividend;
- Deliberated on the Group's Annual Financial Performance and Audited Financial Statements for the year ended 31 December 2020;
- Reviewed the 2020 Audit Progress Report and Audit Results for the year ended 31 December 2020 by External Auditor;
- Reviewed the 2021 Audit Planning Memorandum by the External Auditor;
- Had two (2) audit special sessions with the External Auditor;
- Deliberated on the proposed Key Performance Indicators for the Head of Group Internal Audit (GIA) for Year 2021.

RISK COMMITTEE (RC)

Committee Activities During The Year

- Deliberated on the proposed TOR for the RC;
- Reviewed the current status of Bintulu Port Holdings Berhad's Enterprise Risk Management (ERM) Framework;
- Reviewed on the Group's current risk profiles and its mitigations; and
- Reviewed the Corruption Risk Management.

INTERNAL AUDIT

- Reviewed and approved the Annual Audit Plan to ensure adequate scope and comprehensive coverage of the Group's activities;
- Ensured adequacy of resources and competencies of staff in executing the Audit Plan to produce a quality and reliable audit report;
- Reviewed the contents of internal audit reports issued by Internal Audit on the effectiveness and adequacy of governance, risk management, operational and compliance processes;
- Reviewed the proposed corrective actions to be implemented by the process owners; and
- Met with the Internal Auditors without the presence of Management to obtain feedback from them and to discuss measures that may enhance the Internal Audit function of the Group.

EXTERNAL AUDIT

- Reviewed the External Auditors' terms of engagement, nature and scope of work for financial year 2021 and made recommendations for the Board's approval;
- Reviewed the findings of the External Auditor Report, especially the audited financial statements, and ensured appropriate action was taken by the management on issues raised by the External Auditor;
- Reviewed and made recommendations to the Board for approval of the audit fees for the External Auditor; and
- Met with the External Auditor twice without the presence of Management to obtain feedback from them and to discuss measures that may enhance the audit function of the Group.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE GOVERNANCE OVERVIEW STATEMENT

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Committee Activities During The Year

- | | |
|--|--|
| <ul style="list-style-type: none"> i. Made proposals on the appointment, resignation and re-election of Directors/the Chairman pursuant to the 25th Annual General Meeting of Bintulu Port Holdings Berhad; ii. Carried out the Annual Board Effectiveness Assessment for the Board of Directors of Bintulu Port Holdings Berhad; iii. Made proposals for promotion, confirmation and renewal of contracts for Senior Management positions in the Company; iv. Made proposals for payment of performance bonuses and annual salary increments for Management and staff; v. Made proposals on the key performance indicators of the Group Chief Executive Officer; vi. Developed criteria for the talent pool and human resource development programme in relation to the Group's succession planning; | <ul style="list-style-type: none"> vii. Deliberated on Human Resources' policies review; viii. Deliberated and made recommendations on the following Corporate Governance matters: <ul style="list-style-type: none"> a) Revised TOR of the NRC; b) Board Nomination and Remuneration Policy; and c) Board Diversity Policy. ix. Monitored the progress of the policies' review; x. Deliberated on the Management Succession Plan for the position of Group CEO; xi. Deliberated on the Management Succession Plan for the Senior Management positions; and xii. Deliberated and approval on the Separation of Audit and Risk Committee and Establishment of Audit Committee and Risk Committee of Bintulu Port Holdings Berhad. |
|--|--|

FINANCE AND INVESTMENT COMMITTEE (FIC)

Committee Activities During The Year

- | | |
|--|---|
| <ul style="list-style-type: none"> i. Deliberated and made recommendation on the revision of BPHB Group's Financial Policies and Procedures; ii. Deliberated on the revision of Asset Capitalisation and Depreciation Policy and its impact to the Group's financial result; | <ul style="list-style-type: none"> iii. Deliberated on the Proposed Sukuk Restructuring Programme; and iv. Deliberated and made recommendation on the 2022 Group's Budget and Business Plan 2022. |
|--|---|

DIRECTORS WHO ARE STANDING FOR RE-ELECTION AT THE TWENTY-SIXTH (26TH) ANNUAL GENERAL MEETING OF THE COMPANY

Directors Re-Elected Pursuant to Clause 24.5 of the Constitution of Bintulu Port Holdings Berhad:

YBhg. Dato Sri Fong Joo Chung

Non-Independent Non-Executive Director

YBhg. Datuk Nozirah binti Bahari

Independent Non-Executive Director

(Dr.) Salihin bin Abang

Independent Non-Executive Director

Directors Re-Elected Pursuant to Clause 24.12 of the Constitution of Bintulu Port Holdings Berhad:

YBhg. Dato' Abdul Mutalib bin Alias

Non-Independent Non-Executive Chairman

Encik Mohamed Syazwan bin Abdullah @ Laga

Non-Independent Non-Executive Director

Puan Hasmawati binti Sapawi

Non-Independent Non-Executive Director

The profiles of the above-named Directors who are standing for re-election as stated in the Notice of the 26th AGM are set out in the Who Governs us on pages 66, 68, 69, 71, 74 and 75.

AUDIT, RISK AND INTERNAL CONTROLS

Our Board recognises that successful delivery of the Group's strategic and day-to-day objectives is underpinned by a comprehensive and consistent assessment of relevant risks. Effective, agile and universally applied risk management principles enable the Group to accurately examine its risk profile against its accepted attitude and appetite, limit its exposure to unacceptable risks and ensure long-term viability. Once key risks to delivering value to the Group and its stakeholders are identified, a decision is made to treat, tolerate, terminate or transfer potential exposure. For more information, refer to pages 99 to 108 for the Statement on Risk Management and Internal Control. The Board is committed to meeting the relevant requirements of the MCCG 2021 and has applied the principles of the Code in establishing procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Group is willing to take in order to achieve its long-term strategic objectives.

Roles and responsibilities

Our Board is responsible for the implementation and oversight of the Group's risk management framework and for examining and verifying the internal control environment. It sets the Group's appetite for and attitude towards risk in pursuit of its agreed strategic objectives and drives an effective risk management culture. Our Board directs the level of risk that can be taken by the Group, subsidiaries and respective divisions. Group policies, procedures and delegated authority levels set by the Board provide the structure in which risks are reviewed and escalated to the appropriate level within the Group, up to and including the Board, for consideration and approval.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The roles and responsibilities of the Board, the AC, RC and Top Management in respect to Audit, Risk and Internal Controls are set out below:

RESPONSIBILITIES			
Board <ul style="list-style-type: none"> Responsible for the Group's systems of risk management and internal control. Determines Group appetite for and attitude to risk in pursuit of its strategic objectives. 	Audit Committee <ul style="list-style-type: none"> Confirms the Group Internal Audit Plan. Reviews significant accounting policies and judgements. Evaluates the effectiveness of the Group's internal control. Oversees the adequacy and effectiveness of the Group's Whistleblowing Policy and procedures implemented to address allegations made by whistleblowers. 	Risk Committee <ul style="list-style-type: none"> Oversees and recommends the risk management policies and procedures of the Group. Reviews and recommends changes as needed to ensure that the Group has in place at all times a Risk Management policy which addresses the strategic, operational, financial and compliance risks. Oversees the execution of the aforementioned process and ensures it is continuously improved as the business environment changes. Oversees the management of certain risks, with regard to the complexity and significance of these risk exposures. Oversees the implementation of compliance and corruption risk framework and policies. 	Top Management <ul style="list-style-type: none"> Demonstrates strategic leadership. Responsible for reviewing and implementing the Group's risk management policy. Ensures appropriate actions are taken to manage strategic risks and other key risks.
ACTIONS UNDERTAKEN			
<ul style="list-style-type: none"> Issues and reviews the Group's risk management policy. Performs quarterly reviews of the effectiveness of the Group's risk management and internal control systems. Reviews the Group's risk landscape, principal risks and risk responses. 	<ul style="list-style-type: none"> Receives regular reports on internal and external audit and other assurance activities. 	<ul style="list-style-type: none"> Annually assesses the Group's risk management and internal control systems. Performs quarterly assessment on the effectiveness of the principal risks including corruption risk and their mitigation strategies. 	<ul style="list-style-type: none"> Reviews the strategic plan and annual budget process. Produces and tracks the Group Risk Register. Reviews risk management and assurance activities and processes. Carries out monthly/quarterly finance and performance reviews.

INTERNAL CONTROL

Our Board has ultimate responsibility for the Group's risk management and internal control systems and regularly reviews their effectiveness. The Group's systems and controls are designed to ensure exposure to significant risk is both understood and appropriately managed. The Board recognises that any system of internal control is designed to identify and control rather than eliminate risk and can only provide reasonable and not absolute assurance against material misstatement or loss. Central to the Group's systems of internal control are its processes and framework for risk management. The Group has a thorough understanding of its risk exposures and has mapped out its assurance network accordingly.

There is also an independent internal audit function that executes a risk-based programme of audit throughout the entire Group. All audit reports are shared with relevant Heads of Divisions in addition to being reviewed by the Audit and Risk Committees. It is the expectation and requirement of the Board that Heads of Divisions ensure this comprehensive internal control environment (including internal audit) is embedded within their business units.

Principal risks

The principal risks that could adversely impact the Group's profitability and ability to achieve its strategic objectives are set out on pages 37 to 38, The Risks We Consider.

ANTI-BRIBERY AND CORRUPTION POLICY

The Anti-Bribery and Corruption Policy (ABC) ensures honest, ethical, transparent and accountable conduct in all of our businesses, adopts a zero tolerance approach to all forms of corruption, objects to all forms of money laundering practices, is applicable to all persons within the BPHB Group, provides employees with information and guidance on how to recognise, deal with and combat corruption and ultimately, protects the Group against repercussions should acts of corruption occur. The ABC Policy of BPHB was approved unanimously on 28 November 2019.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE GOVERNANCE OVERVIEW STATEMENT

EFFECTIVE STAKEHOLDER COMMUNICATION

Discussion and decision-making by the Board take the views of key stakeholders into account while continuing to promote the Group's long-term sustainable success. Stakeholder engagement takes place across the Group, both operationally by management and by the Board. The outcomes of stakeholder discussions, including any concerns raised by them, are reported to the Board and Board Committees on a regular basis. This enables the Directors to better understand how the Group's culture and values are embedded across all aspects of the Group's

activities and supports informed decision-making, but it is important that the Board allows management to manage and only engages directly with stakeholders when this is appropriate. In our business, engagement with most stakeholder groups is best handled by the management with the Board maintaining oversight and only engaging directly if there are issues which truly warrant its involvement and where this will add value to the process. This is particularly true of engagement with customers and suppliers but also true of government, regulators and communities. The table below details the way the Group engages with stakeholders, their concerns and our responses:

EMPLOYEES

Expectations/Concerns:

Our employees expect to have a safe and secure working environment and also be given opportunities for career development

Our Response:

- Undertook comprehensive steps to ensure employees remained safe during the pandemic
- Conducted surveys in 2021 to better understand our employees
- Promoted work-life balance with regular health check-ups & mental health awareness talks

Method and Frequency of Engagement:

- Satisfaction survey – Annually
- BPHB Group COVID-19 Response Survey (e-survey) to better understand the challenges faced by employees during the pandemic
- UTAP Transformation Journey – GRC Culture Survey to assess employees' understanding of governance, risk and compliance culture

Impact on the Group:

Creating competent and efficient employees to add value to the Group.

The Group is seeking to understand the impact of the pandemic on our employees to ensure that sustainable working arrangements can be established.

CUSTOMERS

Expectations/Concerns:

Customers expect the Group to be efficient and secure in assisting them in moving their cargoes quickly

Our Response:

- During the pandemic, the Group facilitated new initiatives and incentives to attract and retain customers while reducing their burdens
- The Group is constantly improving operational efficiency and has a robust maintenance programme to ensure reliability and availability of our equipment and facilities

Method and Frequency of Engagement:

- Customer Satisfaction Index (CSI) – Annually
- Customer Insight Group – Annually
- Customer Attraction Programme – Periodically
- Customer Loyalty and Retention Programme – Periodically

Impact on the Group:

Our quick, efficient and safe turnaround of their goods will help our customers in their business while also raising our status as their preferred port.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

REGULATORY AUTHORITIES AND CERTIFICATION BODIES

Expectations/Concerns:

Regulatory authorities expect the Group to comply with the relevant laws, standards, certifications and contracts

Our Response:

- Continued to practise the highest standards of governance, ethics and compliance
- Compliance in establishing COVID-19 SOPs and strict adherence by staff and port users

Method and Frequency of Engagement:

- Environmental Monitoring – Quarterly
- Site inspection and audits – Periodically
- Continuous development of the Board of Directors through a variety of seminars and training and certification programmes
- Seminars, briefings and training for all employees – Online

Impact on the Group:

Overall business continuity.

SHAREHOLDERS AND THE INVESTING PUBLIC

Expectations/Concerns:

Shareholders expect the Company to enhance sustainable value creation and return on investment and to provide transparent information about our performance

Our Response:

- Improved our productivity by implementing operational efficiencies while executing growth strategies to increase revenue
- Progressed our strategies and contained our costs during the pandemic
- An investor relations programme that shares transparent and material information about our performance was introduced

Method and Frequency of Engagement:

- Annual General Meeting – Annually
- Shareholdings Analysis – Monthly
- Investor and Analysts' Briefing – Quarterly
- Group Financial Results announcements – Quarterly
- Corporate website
- Annual Report

Impact on the Group:

Growing revenue while prudently managing cost leads to sustainable returns and dividends.

Maintaining good financial health and good reporting practices will allow us to be trusted and preferred by investors.

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE GOVERNANCE OVERVIEW STATEMENT

LOCAL COMMUNITY

Expectations/Concerns:

The local community expects employment and business opportunities and the Group's positive contribution as a responsible corporate citizen

Our Response:

- Employed locals and ensured safe operations with regular environmental monitoring and effective waste management
- Regularly engaged with the community at large through CSR efforts
- During the pandemic, we contributed to communities to ease their burdens and donated critical medical equipment to frontliners throughout Sarawak

Method and Frequency of Engagement:

- Sponsorships and support for charitable and welfare programmes – Periodically
- Industrial training – Periodically
- CSR programmes – Regularly

Impact on the Group:

Being recognised as a caring, friendly, responsible and proactive organisation will raise our standing with the community while also ensuring the sustainability of the overall business.

MEDIA

Expectations/Concerns:

The media expects timely, reliable and transparent information about the Group's operations and initiatives

Our Response:

- Provided regular press releases to be transparent about our operations and maintained good rapport with our media partners

Method and Frequency of Engagement:

- Press releases – As and when a newsworthy event is conducted
- Media coverage – As and when a newsworthy event is conducted
- Media get-together – Annually

Impact on the Group:

A long-term partnership with the media is important in order to improve visibility, build on our reputation and broadcast our efforts to our stakeholders.

VENDORS & SUPPLIERS

Expectations/Concerns:

Vendors and suppliers expect the Group to be a professional business entity in the context of timely payments, safe operations and an ethical business environment

Our Response:

- Ensured timely payments, equal business opportunities and an ethical business environment
- During the pandemic, we continued to allow suppliers to conduct their business, albeit with SOPs in place, and communicated transparently with them on how business would be conducted under the new normal

Method and Frequency of Engagement:

- Vendor registration – Periodically
- Contract negotiations – Periodically
- Safety induction briefings – Virtually
- Site visits – Periodically

Impact on the Group:

The continued trust and rapport we build with our vendors and suppliers lead to better value creation outcomes.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

FINANCIAL INSTITUTIONS AND SUKUK MURABAHAH SUBSCRIBERS/HOLDERS

Expectations/Concerns:

Financial institutions and Sukukholders expect strong operational and financial performance to support the repayment of loans

Our Response:

- Timely and consistent sharing of relevant information and financial results
- Timely repayments on our borrowings
- Engaged rating agency for Corporate Credit annual rating review

Method and Frequency of Engagement:

- Periodic Distribution Payment – Semi-Annually
- Annual Rating Review – Annually
- Interface session with bankers and Sukukholders – Periodically
- Sukukholders' Extraordinary General Meeting – Periodically

Impact on the Group:

Maintaining good ratings will confirm our financial strength and ability to meet financial obligations.

MARITIME COMMUNITY

Expectations/Concerns:

The maritime community expects the Group to conduct its operations in an environmentally friendly manner for the mutual benefit of the Port and the community

Our Response:

- The Group complied with good environmental practices & standards and the concepts of a green port
- Promoted port services to the shipping community and port users through regular and effective communication

Method and Frequency of Engagement:

- Briefing and communication – Periodically
- Networking events – Periodically

Impact on the Group:

Complying with rules and regulations is important for business continuity, while exploring new business opportunities improves revenue prospects for the Group.

Up-to-date information on the Group is accessible via the Group's website at



www.bintuluport.com.my

The primary contacts of the Group are as follows:

GROUP CHIEF EXECUTIVE OFFICER**Bintulu Port Holdings Berhad**

Tel : +60 86 291001 (ext. 300)

Fax: +60 86 253597

COMPANY SECRETARY**Bintulu Port Holdings Berhad**

Tel : +60 86 291001 (ext. 257)

+60 86 251090 (Direct Line)

Fax: +60 86 254062

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

CORPORATE GOVERNANCE OVERVIEW STATEMENT**LIST OF INTERFACE AND ENGAGEMENT SESSIONS**

No.	Date	Summary of Interface/Engagement Sessions	Venue
1.	12 March 2021	RAM Rating Services Berhad	Online
2.	17 March 2021	Kumpulan Wang Simpanan Pekerja (KWSP)	Virtual
3.	6 April 2021	RAM Rating Services Berhad	Online
4.	3 June 2021	Malaysian Trustees Berhad	Online
5.	22 June 2021	Capital Dynamic Asset Management	Virtual
6.	29 July 2021	Malaysian Trustees Berhad	Online
7.	22 October 2021	Public Mutual Berhad	Online

* Online: via conference call & email

ADDITIONAL COMPLIANCE INFORMATION**i. Recurrent Related Party Transactions (RRPT) of a Revenue Nature**

As required by the MMLR, RRPT of a revenue nature must be disclosed in the Annual Report. For the year 2021, there were no new related parties involved with the Group other than the existing ones, which comprised the Sarawak State Financial Secretary (SFS) and Petroliaam Nasional Berhad (PETRONAS). The transactions involved were in the ordinary course of business and were in terms not more favourable to the related party than those generally available to the public. The services rendered or goods purchased were based on a non-negotiable fixed price which was published or publicly quoted and all material terms including the prices or charges were applied consistently to all customers or classes of customers.

ii. Non-Audit Fees

The requirement to disclose the Non-Audit Fees is provided for under Chapter 9, Item (18) of Appendix 9C of the MMLR. Hence, the Non-Audit Fees paid to the External Auditors by the Group for reviewing the Directors' Statement on Risk Management and Internal Control for the year ended 31 December 2021 amounted to the sum of RM10,000.00 only.

iii. Material Contract

The Board confirms that there was no material contract entered into by the Group involving the Directors' and major shareholders' subsisting interest at the end of 2021.

iv. Imposition of Sanctions/Penalties

There were no sanctions/penalties on the Group, Board of Directors and Management for the financial year ended 31 December 2021.

v. Details of Attendance at Meetings Held in the Financial Year Ended 31 December 2021

For attendance, please refer to pages 84 and 85 of this Statement.

vi. Statement by the Board on Compliance

The Board continues to strive for high standards of Corporate Governance throughout the Group. The Board is of the view that the Company has, in all material aspects, satisfactorily complied with and observed the relevant chapters of the Main Market Listing Requirements and the Companies Commission of Malaysia's requirements as well as the principles and practices set out in the MCCG, except the departures as set out in the Corporate Governance Report.

Statement made in accordance with the Board's Resolution dated 17 March 2022.

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

THE GROUP IS PLEASED TO PRESENT THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021.

This statement is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirement (MMLR) of Bursa Malaysia Securities Berhad which outlines the nature and scope of the risk management and internal control systems within the Group during the year under review.

BOARD'S RESPONSIBILITY

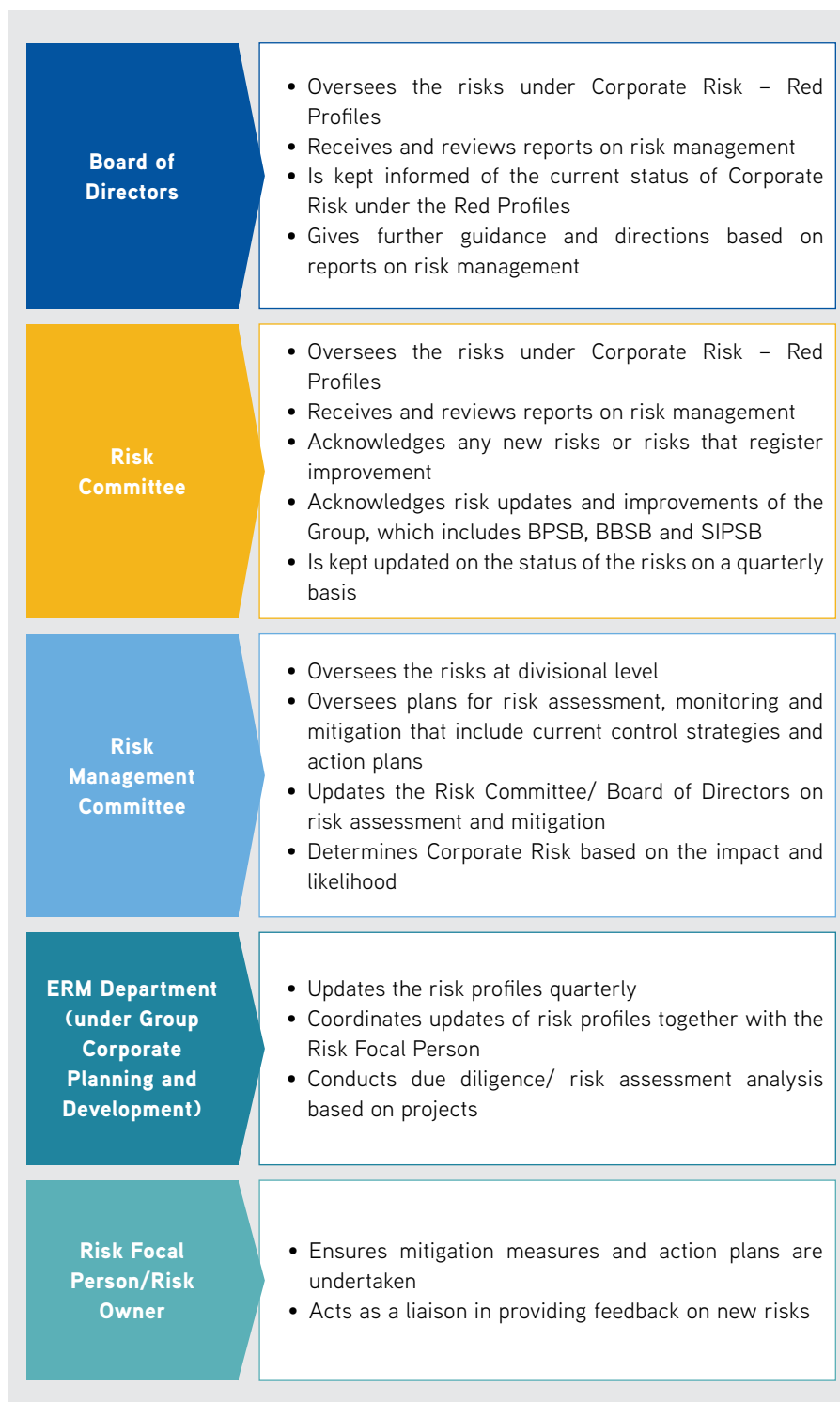
The Board, while acknowledging its responsibility, recognises that the risk management and internal control system is designed to manage, rather than eliminate, risks that may impede the achievement of the Group's business goals and objectives.

Therefore, the system can only provide reasonable, but not absolute, assurance against the occurrence of any material misstatement, fraud or loss.

To ensure the adequacy, effectiveness and integrity of the Group's risk management and internal control, the Board maintains full control over governance, strategic, financial, organisational, operational, regulatory and compliance risks and has put in place formal lines of responsibility and delegation of authority.

The review of the risk management and internal control environment and processes is delegated by the Board to the Risk Committee (RC) and Audit Committee (AC).

RISK MONITORING AND REPORTING STRUCTURE



Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

EFFECTIVE RISK MANAGEMENT
STATEMENT ON RISK MANAGEMENT
AND INTERNAL CONTROL

ERM FRAMEWORK

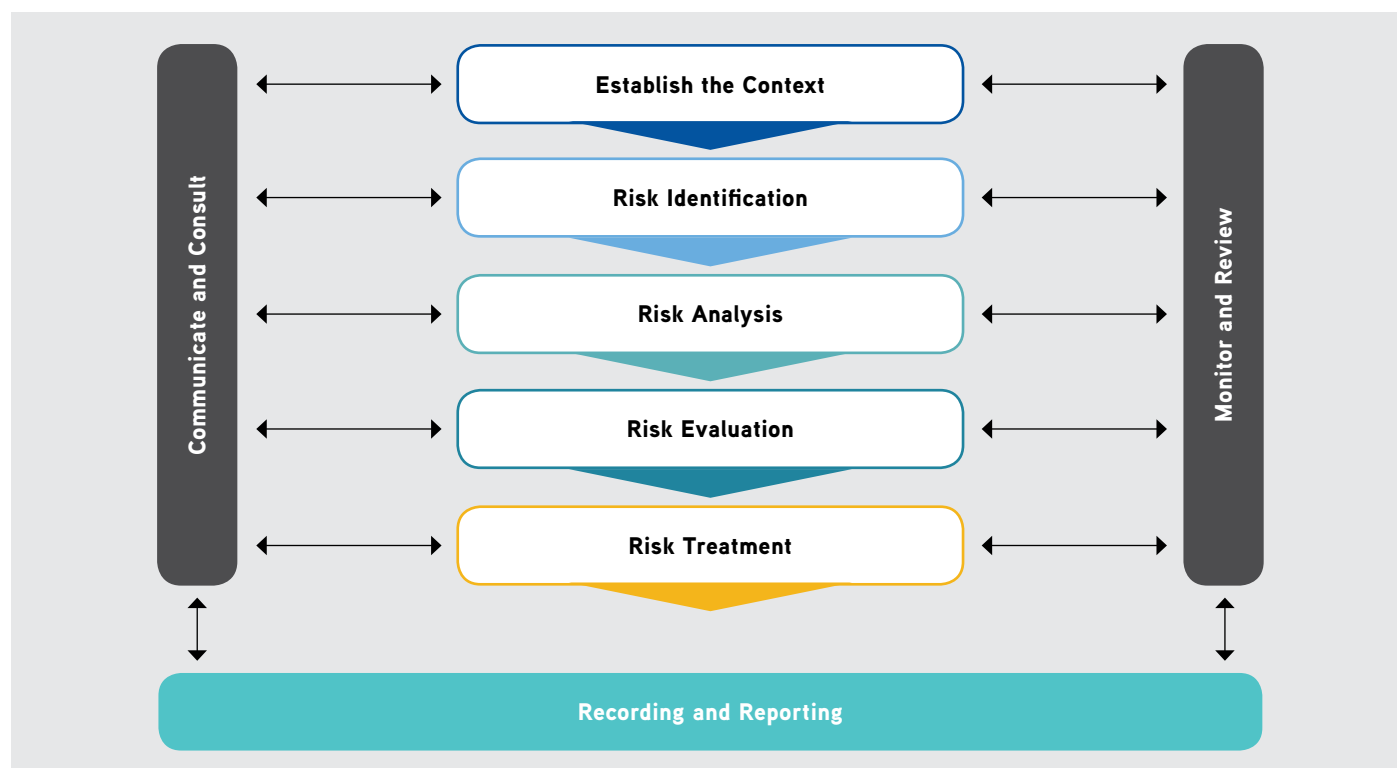


The ERM Manual has been established and has incorporated eight guiding principles under ISO 31000:2018 Risk Management:

1. **Structured and comprehensive:** A structured and comprehensive approach to risk management shall be utilised.
2. **Customised:** All risk management activities shall be tailored to fit the organisational context and aligned to the corporate objectives and organisational priorities of the Group.
3. **Human and cultural factors:** Risk management strategies and practices shall be developed, communicated to, practised by all employees and led by a strong tone from the top.
4. **Integrated:** Risk management activities shall be embedded in the daily operations, from strategy formulation through to business planning and processes, including organisational strategic planning, business planning and investment/project appraisal procedures.
5. **Inclusive:** Risk management shall include the necessary stakeholders and take into account their knowledge, views and perceptions to ensure risks are managed to fulfil the expectations of the stakeholders and the organisation.
6. **Dynamic:** Risk management shall be able to detect and respond to both internal and external changes appropriately when they occur.
7. **Best available information:** Risk management shall account for any limitations and uncertainties regarding the provided historical and current information and future expectations and manage risks based on accepted standards and good practices.
8. **Continuous improvement:** Risk management practices shall be continually improved.

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ERM PROCESS



THE ENTERPRISE RISK MANAGEMENT AND INTERNAL CONTROL STRUCTURE

ENTERPRISE RISK MANAGEMENT (ERM)	INTERNAL CONTROL
<p>ERM Environment Creates and establishes clear functional responsibilities and accountabilities that cover Governance, Framework and Process</p>	<p>Authority & Responsibility Encompasses Board Terms of Reference, all structures of the organisation and the internal control and compliance environment, as well as responsibility levels</p>
<p>Materiality Assessment Assessment made according to the recommendations of Bursa Malaysia's Sustainability Reporting Guide</p>	<p>Planning, Monitoring & Reporting Covers budgeting and forecasting exercises, continuous performance review and appropriate application of finance functions</p>
<p>Risk Management Committee Internal Risk Management Committee established to monitor Principal Risks of the Group as a whole</p>	<p>Policies & Procedures Contains information on how the Group operates through SOPs, Code of Conduct and its Customer Charter</p>
<p>Risk Management Function The establishment of an ERM Department for the coordination of risk management within the Group</p>	<p>Audit Covers internal and external audit functions of the Group as well as audit by certification bodies</p>

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

THE ENTERPRISE RISK MANAGEMENT AND INTERNAL CONTROL STRUCTURE (CONTINUED)

ENTERPRISE RISK MANAGEMENT (ERM)	INTERNAL CONTROL
<p>Risk Management Awareness Programme Group-wide inculcation of a robust risk governance and compliance culture, supported by training programmes</p> <hr/> <p>Group Principal Risk Profile Provides oversight for the Audit and Risk Committees during meetings</p> <hr/> <p>ERM Manual sets out the policies for identifying, assessing, monitoring, managing and reporting risk for BPHB Group, aligned with the guidelines of ISO 31000:2018 Risk Management</p> <hr/> <p>Insurance Involves information relating to the protection of the Group's assets</p>	<p>Compliance Contains information on the role played by Group Legal Counsel</p> <hr/> <p>Performance Measurement Contains information on how the performance of employees is measured</p> <hr/> <p>Employees' Competencies Contains information on how employees' competencies are continuously enhanced</p>

ENTERPRISE RISK MANAGEMENT (ERM)

The Group's Enterprise Risk Management (ERM) segment comprises the following key elements:

Segment	Key Element
ERM Environment	<p>One of the key features of the risk management environment is the implementation of established and clear functional responsibilities and accountabilities for the management of risk.</p> <p>The ERM Environment consists of a framework, process and governance and is illustrated on pages 99 to 101 of this Statement.</p>
Materiality Assessment	<p>Pursuant to the recommendations of Bursa Malaysia's Sustainability Reporting Guide, an organisation should reconsider its material sustainability risks and opportunities (i.e. sustainability matters) at least once a year. This is to ensure that the sustainability matters being managed and reported remain significantly important to its business and are aligned to stakeholders' needs.</p> <p>The Group undertook a materiality assessment in 2021, comprising a series of focus group sessions and interviews with various key internal stakeholders.</p>

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

ENTERPRISE RISK MANAGEMENT (ERM) (CONTINUED)

The Group's Enterprise Risk Management (ERM) segment comprises the following key elements:

Segment	Key Element
Risk Management Committee	<p>A Risk Management Committee has been established, comprising the following members:</p> <ul style="list-style-type: none"> • Group Chief Executive Officer (GCEO) • Group Chief Financial Officer • Chief Operation Officers (COOs) • Company Secretary • General Manager, Group Human Resources Management • General Manager, Group Legal Counsel • General Manager, Group Health & Safety Environment • General Manager, Group Corporate Planning & Development • General Manager, Group Information Technology • Senior Manager, Group Internal Audit • Senior Manager, Group Corporate Services • Senior Manager, Group Security <p>In Year 2021, the Management updated the Board on a quarterly basis (February, May, August & November).</p>
Risk Management Function	<p>The risks are viewed and managed from a Group-wide perspective and are driven by a designated ERM Department under Group Corporate Planning & Development (GCPD).</p> <p>The ERM Department is responsible for the overall coordination of risk management within the Group and works closely with Risk Focal Persons who undertake the monitoring and assessment of risk controls in their respective divisions and departments.</p>
Risk Management Awareness Programme	<p>The main objective of the programme is to inculcate a robust risk governance and compliance culture among all staff, ranging from operational to Senior Management.</p> <p>In Year 2021, the ERM Department was involved in five series of induction programmes to educate and brief new staff on Enterprise Risk Management.</p>
Group Principal Risk Profile	<p>The Group Principal Risk Register & Profile is a permanent agenda item of the RC meetings, which deliberate on the following principal risks:</p> <ul style="list-style-type: none"> • Strategic Risk • Financial Risk • Compliance Risk • Operational Risk
Insurance	<p>Sufficient insurance coverage and physical safeguards on major assets are in place to ensure the Group's assets are adequately covered against any mishap that could result in material loss.</p>

Who We Are, What We Do	EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
Our Leadership Statements	
How We Create Value	
Our Strategic Context	
Commitment To Strong Governance	
Our Financial Performance	
Other Information	

INTERNAL CONTROL

The Group's internal control segment comprises the following key elements:

Segment	Key Element
Authority & Responsibility	<p>TERMS OF REFERENCE</p> <p>The Board has delegated certain responsibilities to Board Committees, as follows, through clearly defined and approved Terms of Reference (TOR) which shall be reviewed as and when necessary:</p> <ul style="list-style-type: none"> • Audit Committee • Risk Committee • Nomination and Remuneration Committee • Finance and Investment Committee <p>The above TOR are accessible on the Group's website.</p> <p>In addition, there are a number of committees established by the Management with specific TOR, such as the Major Tender Committee, Minor Tender Committee and Quotation Committee.</p> <p>ORGANISATIONAL STRUCTURE</p> <p>The Group has an organisational structure with formal lines of authority and accountability that set out clear segregation of powers to guarantee effective control at various levels of the Group.</p> <p>The Management is responsible for the implementation of the Group's strategies and day-to-day business based on the established structure and limits of authority.</p> <p>The organisational structure is reviewed from time to time to address changes in the business environment, as well as to keep abreast of current and future trends in new technologies, products and services.</p> <p>RESPONSIBILITY LEVELS</p> <p>The Group has established levels of authority, which have been approved by the Board and which are subject to review from time to time to reflect the limits of authority of the Management in all aspects of the Group's major businesses, operations and functions.</p> <p>COMPLIANCE ENVIRONMENT</p> <p>Each division and business unit within the Group has established an adequate compliance environment by instituting specific and dedicated functions to oversee compliance matters with respect to business and operations.</p> <p>INTERNAL CONTROL POLICY</p> <p>The policy was established and was approved by the Board of Directors and it is subject to review from time to time, in order to reflect changes in the internal control environment that may affect the Group's business and operations.</p>

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL (CONTINUED)

The Group's internal control segment comprises the following key elements:

Segment	Key Element
Planning, Monitoring & Reporting	BUDGET <p>The Group performs comprehensive budgeting and forecasting exercises including preparation of business plans.</p> <p>An annual planning and budgetary exercise is undertaken requiring all divisions to prepare budgets for the forthcoming year.</p> <p>These are deliberated on and approved by the Board prior to implementation by the Management.</p>
	PERFORMANCE REVIEW <p>The Group's business plans for the year are reviewed and deliberated on by the Board on an annual basis.</p> <p>The actual performance against budget and financial performance variances are analysed and reported on a quarterly basis to the Board and timely corrective actions are then taken.</p>
	FINANCE FUNCTION <p>The Group Finance Division is required to provide assurance that appropriate accounting policies have been adopted and applied consistently, that the going concern basis as applied in the Annual Financial Statements and Condensed Consolidated Financial Statements of the Group is appropriate and that prudent judgements and reasonable estimates have been made in accordance with the requirements set out in established and applicable Financial Reporting Standards.</p>

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL (CONTINUED)

The Group's internal control segment comprises the following key elements:

Segment	Key Element
Policies & Procedures	<p>STANDARD OPERATING PROCEDURES</p> <p>Clear, formalised and documented internal policies, standards and procedures are in place to ensure compliance with internal controls and relevant laws and regulations.</p> <p>Information relating to Financial, Procurement & Contract Management, Human Resources and Information Technology are documented and accessible through the Group's intranet and manuals.</p> <p>In addition, the Group has obtained accreditation from local and international bodies to standardise relevant processes, such as ISO9001 and ISO14000.</p> <p>ANTI-BRIBERY AND CORRUPTION (ABC)</p> <p>It is also important for the Group to comply with, uphold and conduct its business in accordance with applicable laws in relation to anti-bribery and corruption. The details of the ABC Policy are set out on page 93.</p> <p>CODE OF CONDUCT</p> <p>The Code of Conduct is given to all newly recruited staff upon joining the Group.</p> <p>They are required to strictly adhere to the Code of Conduct in order to ensure a high level of discipline and integrity while carrying out their duties.</p> <p>It is the responsibility of all staff to maintain and practise the Code of Conduct as part of their accountability towards achieving the Group's overall objectives.</p> <p>CUSTOMER CHARTER</p> <p>The Customer Charter is a benchmark set by the Group for evaluating operational efficiency and performance in meeting service delivery standards and customer satisfaction.</p> <p>The Management is committed to ensuring strict adherence to the Customer Charter at all levels of operation.</p> <p>For any failure to meet the Customer Charter, the Management carries out service recovery initiatives.</p> <p>WHISTLEBLOWER POLICY</p> <p>The policy was approved by the Board to provide an avenue for employees or any external party to report any breach or suspected breach of any law or regulation, including breaches of the Code of Conduct and of the Group's policies, in a secure and confidential manner.</p>

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL (CONTINUED)

The Group's internal control segment comprises the following key elements:

Segment	Key Element
Audit	<p>INTERNAL AUDIT</p> <p>The internal control practices are audited in-house by GIA to assess the adequacy and effectiveness aspects of governance, risk and controls.</p> <p>Any irregularity or significant finding by GIA is reported to the ARC together with recommendations for corrective measures on a timely basis.</p> <p>The Management is responsible for ensuring that corrective actions are carried out within a determined timeframe.</p> <p>EXTERNAL AUDIT</p> <p>The External Auditors' Annual Plan, which comprises planned audit services (inclusive of other assurance-related services), recurring non-audit services and non-recurring non-audit services, is tabled to the ARC for deliberation and approval.</p> <p>Other than the financial statutory audit, there are audits on operational statutory compliance conducted by the relevant authorities, such as the DOE Compliance Audit and BOMBA (Malaysia) Fire Certificate Inspection Audit, to ensure fulfilment of licence conditions.</p> <p>CERTIFICATION AUDIT</p> <p>The audit is conducted by certification bodies on a scheduled basis, such as ISO 9001: 2015 and ISO 14001: 2015, to ensure continuous certification is obtained from local and international bodies, including renewals of certification.</p>
Compliance	<p>The role of Group Legal Counsel is to advise the Board and Management on all legal matters and manage any litigation.</p> <p>It also plays a pivotal role in ensuring that the interests of the Group are legally preserved and safeguarded.</p> <p>The Board is updated through reports as and when there is an introduction of new legislation, new terms of business or changes in existing laws relevant to the Group.</p>
Performance Measurement	<p>Key performance indicators (KPIs), which are based on the Corporate and Divisional Balanced Scorecards, are used to track and measure employees' performance.</p> <p>In addition, annual employee engagements and customer satisfaction surveys are conducted to gain feedback on the effectiveness and efficiency of stakeholder engagements for continuous improvement.</p>
Employees' Competencies	<p>Training and development programmes are identified and scheduled for the staff to acquire the necessary knowledge, skills and core competencies to enhance their professionalism. This is to ensure that the Group can assign staff with specific and specialised training, thereby minimising unnecessary errors or non-compliance with the established policies.</p>

Who We Are, What We Do
Our Leadership Statements
How We Create Value
Our Strategic Context
Commitment To Strong Governance
Our Financial Performance
Other Information

EFFECTIVE RISK MANAGEMENT STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM EFFECTIVENESS

The Board reviews the effectiveness of the risk management and internal control system through the following monitoring mechanisms:

- Quarterly reviews of the Group's actual financial and operational performance and other key financial and operational indicators.
- Specific projects or business opportunities are reviewed by the Management and the Board as and when required. This allows the Board and the Management to oversee and monitor the potential and emerging risks that can hinder the achievement of the Group's objectives.
- The Group's Risk Profile is presented quarterly to the Risk Committee to provide an overview of the Group's key risks and their current mitigation status.
- The Audit Committee deliberates on and discusses reports issued by Group Internal Audit and the external auditors with regards to financial, operational, governance, risk management and internal control matters.

REVIEW OF THIS STATEMENT

As required by Para 15.23 of the MMLR, the external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report (AAPG 3) issued by the Malaysian Institute of Accountants (MIA) for inclusion in the annual report of the Group for the year ended 31 December 2021, and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the external auditors was made solely for, and directed solely to, the Board in connection with its compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.

Group Internal Audit has also reviewed this Statement and reported to the AC that, while it has addressed certain individual lapses in internal control during the course of its internal audit assignments for the year, it has not identified any circumstances which suggest any fundamental deficiencies in the Group's risk management and internal control system.

CONCLUSION

The GCEO and Group Chief Financial Officer (GCFO) have provided their reasonable assurance to the Board that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the framework adopted by the Group.

For the year under review, the Board is of the view that the risk management and internal control system is in place, and up to the date of approval of this Statement, is sound and sufficient to safeguard the Group's assets, as well as the shareholders' investments and the interests of customers, regulators, employees and other stakeholders.

Statement made in accordance with the Board's Resolution dated 17 March 2022.

**EFFECTIVE RISK MANAGEMENT
STATEMENT ON RISK MANAGEMENT
AND INTERNAL CONTROL**



BINTULU PORT HOLDINGS BERHAD

Registration No. 199601008454 (380802-T)

Lot 15, Block 20, Kemena Land District,

12th Mile Tanjung Kidurong Road,

P.O Box 996, 97008 Bintulu,

Sarawak, Malaysia

Tel : +6086 291001

Fax : +6086 253597

Email : customerservice@bintuluport.com.my

Web : www.bintuluport.com.my