

stakeholder engagement
innovation
local communities
local supply chain
partnership
job creation
regeneration



responsible
sustainable
successful



responsibility
wealth creation
sustainable development
low carbon growth

collaboration

delivering our vision | **living our values** | **2012**

contents

Introduction from the CEO	3
Creating wealth and prosperity	4
Job Creation and regeneration	6
Supporting the skills agenda	8
Sustainable Growth	10

our vision

Long term sustainable growth, bringing prosperity and opportunity to the communities we serve

our values

- Investment for the long term
- Sustainable growth
- Job creation and skills development
- Excellence through partnership
- Creating opportunity for our communities



introduction

Peel Ports is committed to the long term, sustainable growth of the Ports we operate and the communities they support.

Mersey Ports, Clydeport and Medway Ports have long histories at the centre of their local economies, supporting local employment, local supply chains and providing essential commercial hubs for the import and export of trade for our island economy.

Peel Ports prides itself on the service we give our customers, the career paths we provide for our people and the role we play in our local economies. This is a foundation we are committed to building upon – our focus is on making everything we do better.

Maintaining a flourishing commercial operation is dependent on moving with the times, maximizing the opportunities we have and adding value for all our stakeholders. Examples of this abound within Peel Ports. The Liverpool 2 Deep Sea Container Terminal will transform the local economy and reduce the carbon footprint of UK logistics.

Our plans for off shore wind turbine manufacturing in Sheerness will provide jobs and training for local people as well as supporting the renewable energy agenda crucial to the UK's long term energy strategy. Scotland's cruise traffic

continues to grow with a record 58,165 passengers enjoying an award winning welcome during 2011, numbers which have trebled over the last decade. However, none of this would have been achieved without the support of our stakeholders and outlined in this document is some of the added value Peel Ports is committed to bringing through our growth strategy to our partners, our people and our communities.

Mark Whitworth
CEO



creating wealth and prosperity

Investing for the long term

Significant investment for the long term is a characteristic of the Peel Group and at Peel Ports we live that value. With over £1 billion of investment projected over the next 10 years we are prepared to play our part in seeing our vision realised.

This investment in the development, growth and infrastructure of our Ports will provide state of the art facilities increasing trade, maximizing transport links and providing a foundation for economic growth.

Future proofing local and regional economies

The only growth we are interested in is sustainable growth. Growth that engages with industries for the future, growth that reflects the cost and carbon requirements of our customers and the UK economy, and growth that provides the jobs and training for local people that will enhance communities for not just the immediate future, but for a generation to come.

Working with our stakeholders

At Peel Ports we realise that our aspirations cannot, and should not, be achieved on our own.

We recognise the need for an inclusive approach, harnessing the strengths of our customers, our people, local authorities, public sector partners, educational establishments and our communities. Port Master Planning processes and a proactive approach towards community consultation ensure a transparent and inclusive approach to developing our Port operations, an approach which we will continue to use on an ongoing basis. In the last 12 months alone, over 1,000 people have attended consultation events regarding our plans for Mersey Ports and the Port of Sheerness. Review documents addressing key issues raised have already been produced and the views of our stakeholders are central to our future planning.



Our plans include

- Liverpool 2 a new deep water container terminal at Port of Liverpool
- Supporting the renewable energy industry through a number of routes including a manufacturing hub of national significance for off shore wind turbines at Sheerness, a wind turbine testing facility at Hunterston and wind turbine installation port facilities at our joint venture partner Cammell Laird
- Significant Investment in the skills and development of people within our industry and the provision of careers not jobs
- Provision of a transport infrastructure that can maximize the low carbon benefits of water borne transport reducing road volumes, congestion and CO₂ emissions



“Ports and shipping play an important role within the activities taking place in the marine environment. They are an essential part of the UK economy, providing the major conduit for the country’s imports and exports. Ports also provide key transport infrastructure between land and sea. Ports and shipping are critical to the effective movement of cargo and people, both within the UK and in the context of the global economy”.

A Marine Policy Statement 2011

Liverpool 2

Peel Ports has commenced the procurement phase of its new deep water terminal at the Port of Liverpool. Branded Liverpool 2, the landmark terminal will open in 2015 and will bring

some of the world’s largest container ships to the Mersey. Providing a significant boost to the local economy, the development will deliver over 5,000 jobs and numerous opportunities for the local business community.

Peel Ports Mersey, Managing Director Gary Hodgson says *“This facility will bring jobs and economic prosperity to Merseyside and the North West region, wherever possible we will build on our track record of sourcing goods and services locally.”*

job creation and regeneration

The current challenges of the UK and global economies make growth and prosperity difficult to achieve, but at Peel Ports we are delighted to be bucking the trend and growing despite the challenging climate we operate in.

We approach that growth proactively to meet the requirements of our customers and the communities in which we operate. Requirements for a duty of care towards the environment, for engaging local people, for training and employing local people, often not just in our own operations but by advocating local employment within the industries we serve.

Utilising local supply chains

Peel Ports is committed to using our procurement processes to support the local business community and economy wherever practical.

In total over £15 million is spent annually within 25 miles of our respective Port operations supporting local suppliers, boosting the local economy and assisting job creation within the maritime industry.

Local Employment

Peel Ports is committed to employing locally. Our apprenticeship schemes attract local people and the thriving maritime industry provides opportunity to the communities in which our Ports operate.

The adjacent table gives an indication of our commitment to local employment.

Example:
Port of Liverpool

0-5 miles	33%
5-10 miles	33%
10-20 miles	23%
20-30 miles	6%
30+ miles	5%



Over 65% of Peel Ports employees live within a 10 mile radius of their Port

creating opportunity for local communities

Wind Turbine Manufacturing Facility (WTM) – Port of Sheerness

The proposed WTM facility, when fully operational could create around 2000 new jobs in an area of the South East

suffering high unemployment rates and restricted opportunities. The manufacturing hub could create a flagship area for engineering and renewable technologies, securing economic prosperity for years to come.



Potential wind turbine manufacturing facility, Sheerness

All significant Peel Ports' projects have been through extensive public consultation and benefit from strong local support

Greenock Cruise Liner Terminal

Investment in enhanced facilities and increased capacity for welcoming

Cruise Liners to Scotland has not only won a national award but is estimated to have generated 2,000 new jobs in the local community.

Liverpool SuperPort

The contribution of Mersey Ports to the wider SuperPort initiative over the next 20 years is expected to generate over £4.9 billion of gross added value to the economy and provide over 7,500 new jobs.

supporting the skills agenda



SuperPort Skills Academy

"The SuperPort Skills Academy would provide a training and education hub to develop the talent that could underpin the success of the sector for years to come as well as providing skilled jobs and careers for local people. Peel Ports are central to the whole process."

Jim Teasdale CEO, Mersey Maritime

Training and development are central to our plans for the future, both through supporting our employees and supporting wider training initiatives linked to the industry. These include:

- Port Management Programme
- Partnering with a flagship centre for engineering and renewable technologies
- Apprenticeship programmes across our operations
- Supporting industry wide training programmes for both the Medway Superhub and the Mersey
- Superport Skills Academy

Developing our people

At the heart of our plans and aspirations are our people. Our commitment is to ensure that our people have the relevant skills and training to meet and exceed their job roles, not only to maximise job performance but also to maximise job satisfaction. This increased focus on people development will also allow the Group to achieve consistent standards across our operations, increase efficiency and provide better defined career paths for our people.

"To be the best we can be is dependent on meeting the future skills requirement of the Group, our approach to this is twofold,

train the people we have to reach their maximum potential and support our college partners in training local people to be our future workforce."

Howard Sloane

HR Director Peel Ports

Developing the local skills base

Working with local colleges and educational establishments we are endeavouring to ensure that local people are provided with the training opportunities to maximise the benefits of our growth plans and objectives. Working closely with a number of training providers including

Liverpool Community College in Merseyside, Swale Skills College in Medway and the City of Glasgow College in Scotland training is being established for both Peel Ports directly and also for the wider industry.

"The training required by Clydeport is of the highest standard with apprentices achieving a HND qualification as part of their four year course. Clydeport's commitment to training is outstanding."

John Sweeney

Head of Engineering,
City of Glasgow College

A commitment to the skills agenda underpins all Peel Ports' proposals for the growth of our industry and the partnerships we are looking to establish or enhance

developing world class skills for a world class industry

Apprenticeships

Peel Ports has a history of taking on apprentices. 30 apprentices were recruited last year in a range of occupations and training is of the highest quality. We were delighted that from a total of 60,000 entrants a Port of Heysham apprentice was recently presented with the Young Learner of the Year award by Prince Michael of Kent at the prestigious national IMI Awards.



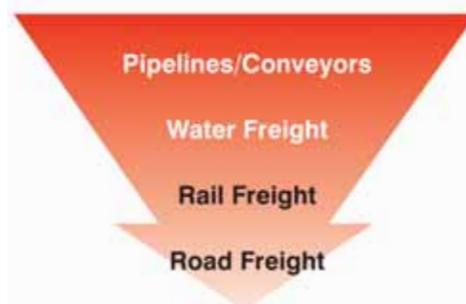
sustainable growth



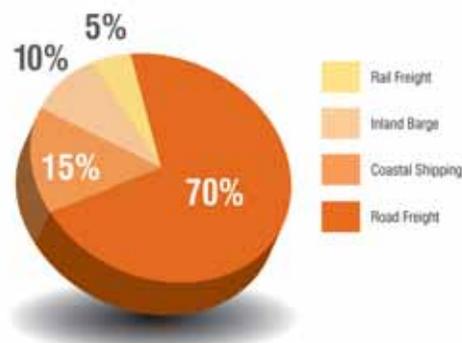
A more sustainable mode of transport

The Ports industry has a unique role to play in the future of a low carbon UK economy and few companies are as well placed to support these aspirations as Peel Ports. The choice of transport mode is principally driven by commercial factors, however other determinants are reliability, speed and increasingly carbon emissions. Some modes of transport are significantly more sustainable than others (see right).

Peel Ports estimates show that by 2030 container traffic through the Port of Liverpool could experience a modal shift away from road haulage with 5% of freight being taken by rail, 10% by the Manchester Ship Canal and 15% by coastal shipping – significantly reducing CO₂ emissions and road congestion.



*The Hierarchy of Sustainable Transport
(linked to carbon emissions/km)*



Modal Shift for Containers 2020 & 2030

Manchester Ship Canal

The 44 miles of the combined Port of Liverpool and Manchester Ship Canal provides an unique corridor of opportunity for the transportation of global freight to inland logistic hubs between the cities of Liverpool and Manchester.

"We are working closely with Peel Ports regarding the opportunities for water borne transport, the potential for reducing transport carbon emissions are significant, helping to support our sustainability goals."

Paul Blears

Senior Freight Controller, Kellogg's

Positive Social Impact

Sustainability stretches beyond the environmental impacts of our operations and Peel Ports are proud of the contributions we make to the communities in which we operate. In addition to the jobs we create, the proactive approach we take to local suppliers and the partnerships we have to enhance local skills and training, Peel Ports Group also makes substantial charitable donations each year. In excess of £70,000 has been given in the last 12 months alone with a broad range of local organisations benefitting.

Organisations benefitting from charitable giving include;

- Merseyside and Lancashire Community Fund
- Plaza Community Cinema
- Ardgowan Hospice
- Friends of Morecambe Bay
- The Seafarers Mission

adding value

Working with local schools

Primary school children visiting Greenock Ocean Terminal as part of a project on transport. The children, from St. Ninians Primary, Gourrock, are pictured with General Manager Andrew Hemphill.



Plaza Community Cinema, Crosby

On the doorstep of the Port of Liverpool the Plaza Community Cinema is an outstanding example of a community working together to save a

valued resource and placing it at the centre of community activity. Peel Ports are proud of our role in contributing to saving this excellent facility, and of the important role it plays for the Crosby community and surrounding areas.



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