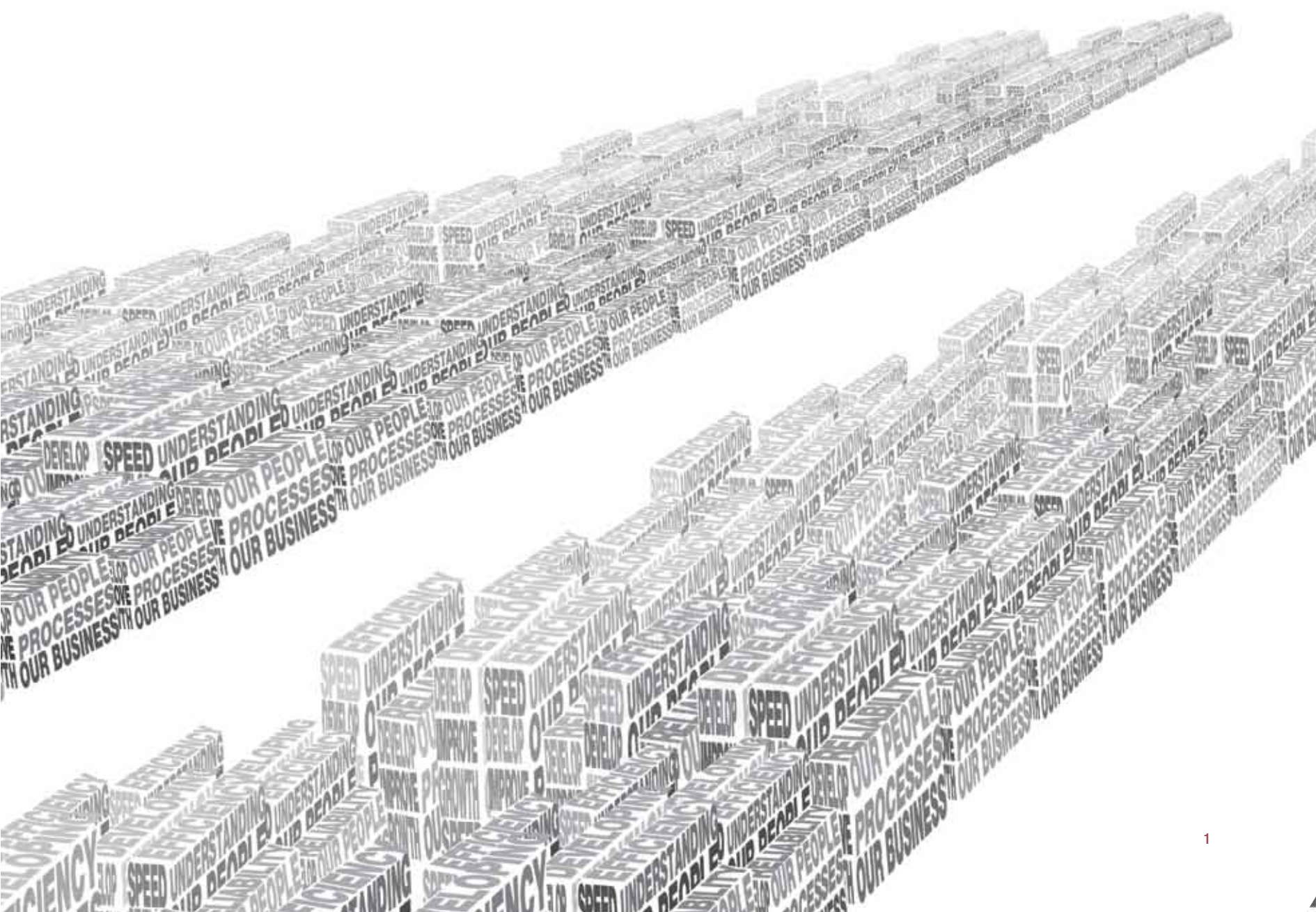


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OUR VALUES

COMMITTED TO EXCELLENCE

We set new standards by continuously improving results and innovating in every aspect of our business.

DEDICATED TO CUSTOMERS

We help our customers, external and internal, succeed by anticipating and meeting their needs.

FOCUSED ON PEOPLE

We win as a team by respecting, nurturing and supporting one another.

INTEGRATED GLOBALLY

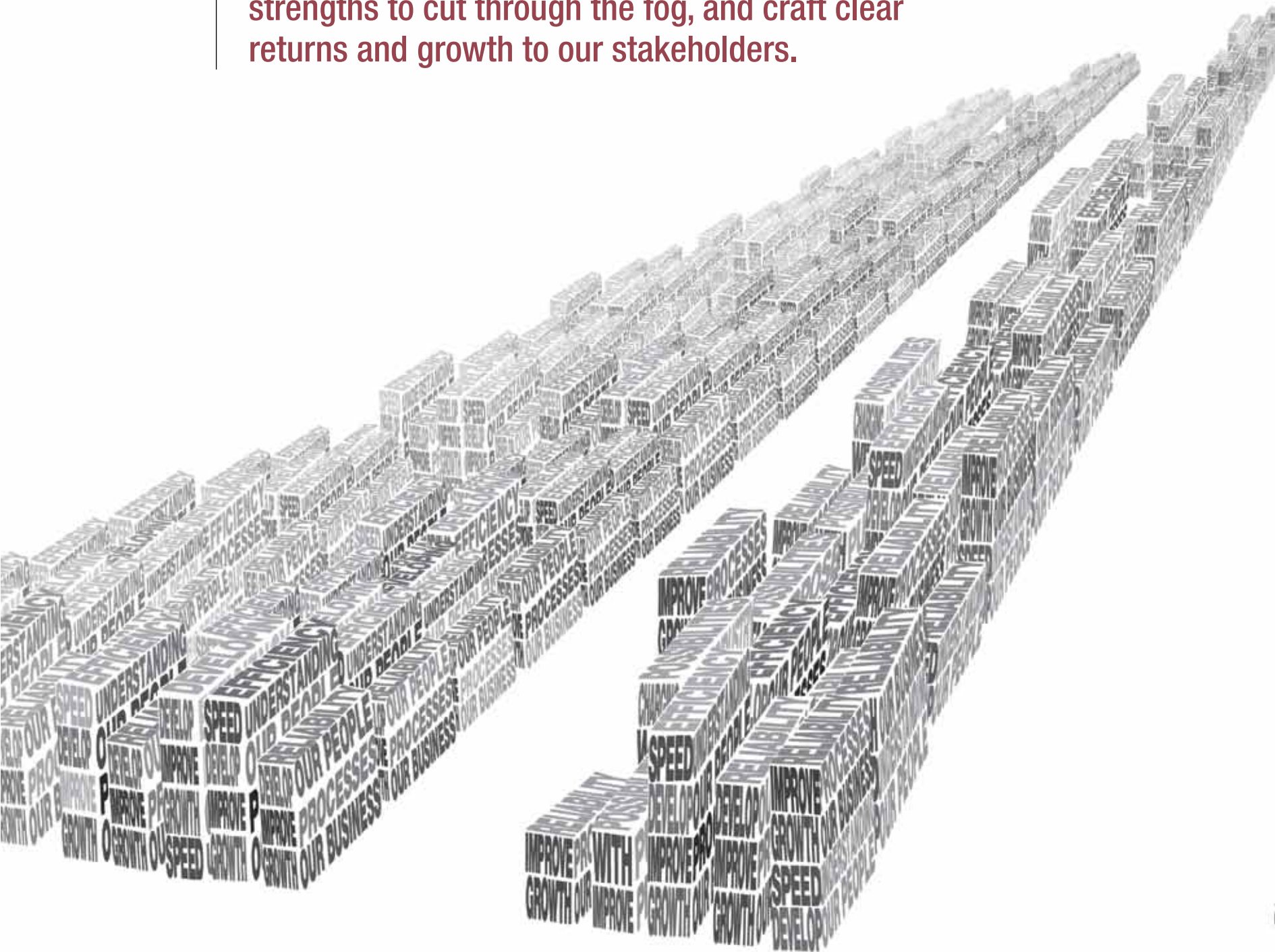
We build our strength globally by embracing diversity and optimising operations locally.

**TO BE THE PORT OPERATOR OF CHOICE IN
THE WORLD'S GATEWAY HUBS, RENOWNED FOR
BEST-IN-CLASS SERVICES AND SUCCESSFUL PARTNERSHIPS.**

OUR MISSION

CLEAR RESOLUTION

Typography is the art of clarity. Font sizes, spacing between letters and every other detail matters when delivering the desired message through the right medium. In an ever-changing world that is abundant with opportunities and challenges alike, we are resolved to leverage on our diverse strengths to cut through the fog, and craft clear returns and growth to our stakeholders.



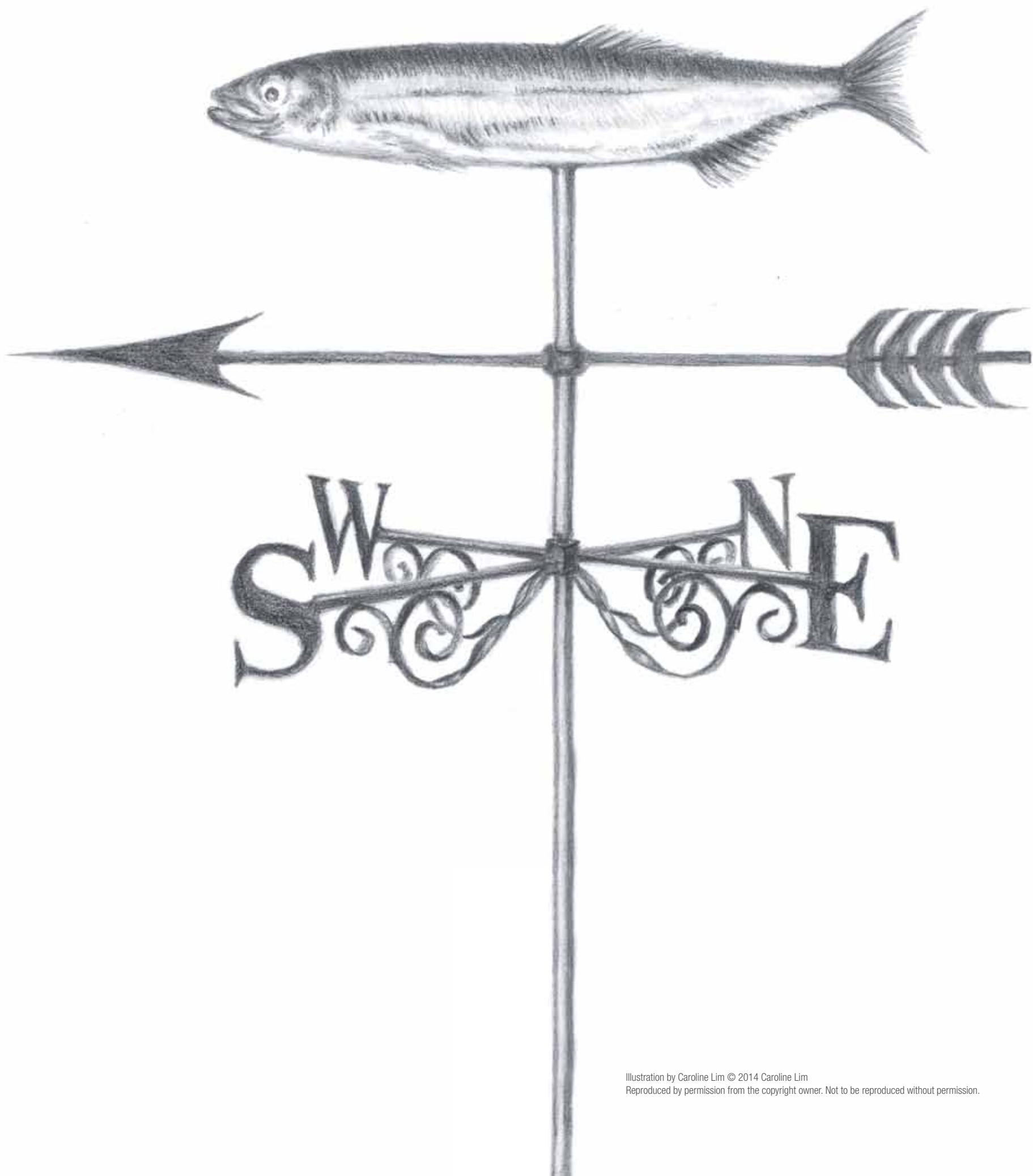


SETTING THE TONE

An excellent typographer understands not only the meaning behind a message, but also how to elevate and combine the best elements to make a message more memorable and meaningful. Our understanding comes from leaders and talents who meld their experience, foresight, passion and dedication setting the tone to deliver a premier standard of port management.

BEYOND BORDERS

The multitude of cultures and languages worldwide translates into a dizzying array of unique and wonderful approaches as to how a message can be delivered. With port projects and terminals around the globe, we embrace diversity and harness it to enhance our delivery. Though language and culture may differ in the various ports we manage around the world, one thing unites us – our commitment to being alongside for our customers, creating connections of value for our industry.





ANTICIPATING AND MEETING NEEDS · EMBRACING DIVERSITY · OPTIMISING OPERATIONS

UNRIVALLED CAPACITY WITH EFFICIENT AND RELIABLE INFRASTRUCTURE AND PORT SERVICES · EMBRACING DIVERSITY · OPTIMISING OPERATIONS · EMBRACING DIVERSITY · OPTIMISING OPERATIONS

RESPECT, NURTURE AND SUPPORT

LONG-TERM STRATEGIC PARTNER

EMBRACING DIVERSITY · OPTIMISING OPERATIONS · RESPECT, NURTURE AND SUPPORT

RESPECT AND MEETING NEEDS

OPTIMISING OPERATIONS

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UNRIVALLED CAPACITY WITH EFFICIENT AND RELIABLE INFRASTRUCTURE AND PORT SERVICES

ANTICIPATING AND MEETING NEEDS · EMBRACING DIVERSITY · OPTIMISING OPERATIONS · RESPECT, NURTURE AND SUPPORT

OPTIMISING OPERATIONS

ANTICIPATING AND MEETING NEEDS

OPERATIONAL EXCELLENCE

CREATING CONNECTIONS

UNRIVALLED CAPACITY WITH EFFICIENT AND RELIABLE INFRASTRUCTURE AND PORT SERVICES



PURPOSEFUL EVOLUTION

The field of typography continues to adapt and change in new ways to express ideas, even becoming a form of modern art. At PSA, we too continually strive to better ourselves. Driven by our purpose and possibilities, we seek to do what we do best better, and innovate to achieve advantages for our customers.

MUTUAL GROWTH

At the heart of typography is the ability to share ideas and information in an appealing manner. In this way, increasing receptiveness to the message in order to benefit its readers and bring them together in understanding and growth. Similarly, we are conscious that every move we make and connection we create is ultimately to fulfill the needs of someone out there, bettering lives and enhancing futures. True growth is when we uphold corporate responsibility principles that help us build a sustainable and enduring future together.



STRONG DIRECTION

More than ever before, PSA International's Board of Directors plays a vital role in overseeing the organisation's business affairs and providing guidance on strategic planning, particularly in growth and financial performance.

Meeting every quarter, the Board sets business directions, reviews investment opportunities, and approves budgets and audited accounts. Decision-making is based on a majority voting system. In the event of a tie in votes, the Chairman holds the deciding vote.

THE BOARD IS SUPPORTED BY THE FOLLOWING COMMITTEES:

- **Executive Committee (EXCO)**

The EXCO develops and reviews long-term strategies for the Group. It is responsible for the approval of major acquisitions, loans, disposal of investments, capital expenditures, provision of guarantees, investment policies, customer contracts, tenders, and purchase contracts.

- **Audit Committee (AC)**

The AC identifies significant risk areas and mitigates them through regular reviews of the effectiveness of control procedures. It assesses the reliability of management reporting and compliance with applicable laws and regulations, and reviews the statutory accounts.

- **Leadership Development & Compensation Committee (LDCC)**

The LDCC oversees leadership development, talent management, and remuneration. Its task is to ensure that the Group has in place appropriate programs and consistent policies for grooming leaders, developing global talent and preparing potential successors for key leadership positions. It also reviews the performance and approves the remuneration of PSA's senior management.

- **Supervisory Committees (SCs)**

The SCs are responsible for aligning management resources to better manage PSA's global portfolio of terminals. There are five SCs, namely: Southeast Asia SC, Northeast Asia SC, Middle East South Asia SC, Europe, Mediterranean & The Americas SC and Marine Services SC. Each SC plans and reviews growth strategies, and approves major capital expenditures, customer contracts, tenders and purchase contracts for PSA entities within its respective business purview.

As a leading port operator, the commercial practices within the PSA Group are further guided by the Code of Business Conduct to ensure utmost business integrity.



MORE THAN WORDS

PSA believes in building a positive legacy. In the many places we operate in, we reach out to the local community, endeavouring to improve lives and protect the environment.

In 2013, under the Howe Yoon Chong PSA Endowment Fund, PSA awarded the fifth batch of bond-free scholarships to students in Singapore. With contributions from PSA, Temasek Holdings and NSL, the Fund is endowed to perpetuity to provide deserving students from low-income families the opportunity to pursue formal education at institutes of higher education in Singapore. PSA also donated to the Lee Kuan Yew Fund at the Singapore University of Technology and Design (SUTD). The funds raised will go toward enhancing academic and learning excellence, as well as providing scholarships and bursaries for needy students at SUTD and the National University of Singapore. PSA also continued to support St Luke's Hospital, the Assisi Hospice, as well as the Asian Women's Welfare Association.

During the year, PSA Singapore Terminals (PSA ST) pressed on with activities to engage the disabled, the elderly and the young. The PSA Charity Fair fundraiser was organised for the benefit of the Muscular Dystrophy Association (Singapore) and attracted well over 500 participants.

PSA ST continued to support the elderly by sponsoring a second van with a hydraulic wheelchair lift for the St Luke's Eldercare Centre at Telok Blangah. Staff volunteers also organised festive celebrations for the elderly at the Centre. On youth development, PSA ST reached out to a new partner, The Haven, a residential home for children and youth who are unable to be cared for by their own families, with renovation and refurbishment of the Home.

PSA ST also received the Community Chest SHARE Platinum Award 2013 for its continued support of the Community Chest SHARE (Social Help and Assistance Raised by Employees) program. PSA staff in Singapore continue to contribute monthly to the Community Chest's more than 300,000 beneficiaries.

In other parts of the world, Mersin International Port (MIP), in partnership with the Human Resources Foundation of Turkey (TIKAV), financially supported the refurbishment of a building into a nursery school. MIP also continued to be a patron of the Mersin International Music Festival, an annual event organised by the Mersin Governorship and Mersin Chamber of Commerce and Industry.

PSA Panama sponsored a music camp for children and youths to develop their musical talent through educational and artistic activities. In addition to organising public education programs for children from neighbouring public primary schools, Exolgan Container Terminal in Argentina donated clothing to the needy and underprivileged. Over in Asia, our Tuticorin Container Terminal in India organised a Children's Day event; while Thailand's Eastern Sea Laem-Chabang partnered Phu Ngam Non Sa-ard School in Chachoengsao Province to develop the school's infrastructure.

Over in Europe, PSA Antwerp and PSA Zeebrugge have partnered The New Belgica vzw, a non-profit organisation which will be building a replica of the Belgica, the first ship that the Belgians sailed on their maiden South Pole expedition in 1897. The aim of this five year-project is to engage 500 job-seekers in its construction. They would be trained and mentored thereafter to find employment on the regular job market. Continuing its patronage for sports, PSA Antwerp also participated in the Antwerp Dragon Boat Race for the third consecutive year.

In Italy, Voltri Terminal Europa (VTE) organised the 2013 Port Run, which saw 1200 runners taking part in the run inside a container yard, a first in Europe. The proceeds from the Port Run went to the Giannina Gaslini Paediatric Hospital. Meanwhile, Sines Container Terminal in Portugal contributed medical equipment to the local hospital.

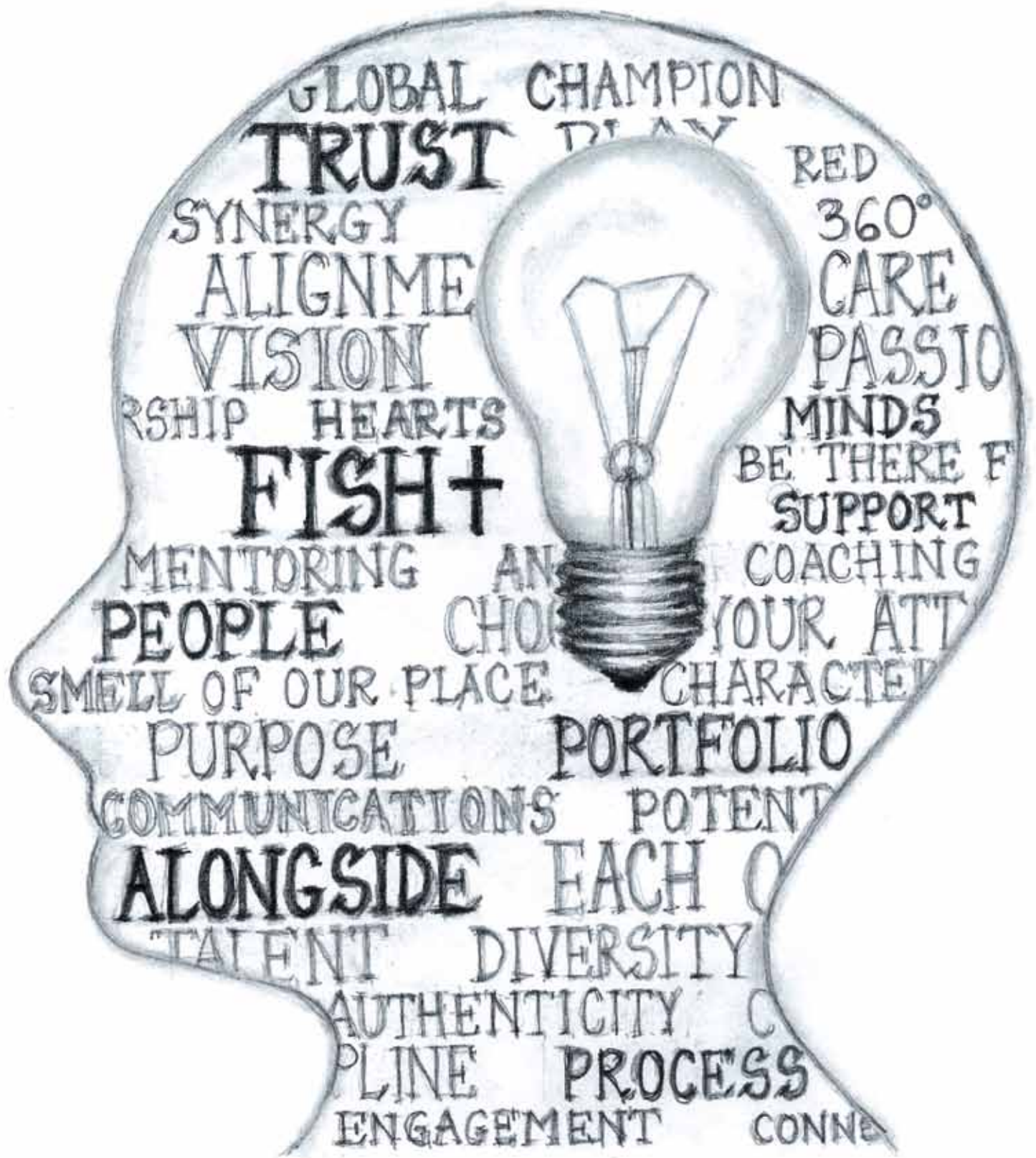
As a long-standing participant in corporate social responsibility, PSA understands the importance of multiple, flexible modes of civic engagement. During the Vietnamese Lunar New Year of Tet, SP-PSA staff volunteers visited and donated gifts to disadvantaged families at Phu My town, Tan Thanh District. Up in Dongguan, China, staff donated to the victims of the Yaan earthquake in Sichuan Province as well as to the Guangdong Province charity.

Always striving to play a positive role towards achieving greater environmental sustainability, PSA ST has been adopting green technologies by installing power converters on rubber-tired gantry cranes (RTGs) to help with engine power optimisation. It has also invested heavily in automation technologies such as automated rail-mounted gantry cranes (aRMGs) and automated guided vehicles (AGVs) which will improve productivity and be more environmentally friendly.

In 2013, PSA ST opened its first PSA Eco Garden at Keppel Terminal. The Eco Garden boasts several eco-friendly features such as solar-powered LED lights that illuminate the garden's footpath at night with solar energy collected during the day, as well as the collection of rain water that feeds into a special irrigation system around the garden. These new features help reduce energy consumption and conserve water. In recognition of its green efforts in building maintenance, PSA ST also received the Green Mark (Gold) award for Keppel Distripark from the Building and Construction Authority. It continues to work towards obtaining Green Mark accreditation for other buildings.

OUR PEOPLE, OUR CHARACTER

Man's ability to communicate with language has always been our defining feature. That we are able to share what we have learned and teach it to following generations through language means that our collective pool of knowledge is not only preserved, but grows over time. At PSA, we continually seek to develop our people through the sharing of hard-won knowledge and leading by example, to not only maximise their potential, but also strengthen the foundations for even greater things to come.



OUR HUMAN CAPITAL



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At PSA, we believe that people are our key enabler, both in growing our global Portfolio and enhancing Processes for effective delivery. To serve the evolving needs of our customers and to continually add value to our partners and stakeholders, are the imperatives for PSA's 29,000 employees around the world, in partnership with our labour unions.

To that end, 2013 was a year when PSA went full ahead on People Development and Engagement.

The eIDP, an online Individual Development Plan, was extended globally to all mid-managers and above, beginning in 2013 and phasing into 2014. The eIDP provides greater clarity, openness and ownership for supervisor-employee development conversations. By highlighting individual career aspirations and interests in job rotation and international mobility, the eIDP aids global resourcing and is a tool aligned to the organisation's business needs and succession planning - essential in tapping the integrated synergies of "One PSA".

The RED and TEAM RED 360° were also launched in 2013 for senior leaders. Designed in-house, these unique and innovative 360° online feedback systems are for leaders and teams to receive feedback from all quarters. Completely confidential and fit-for-purpose, the systems allow individuals and teams to be rated according to the PSA framework of Global Leadership Competencies. In complement to the feedback, a GAPS Grid is later applied to clearly identify strengths and areas for improvement.

From coaching the leader, to the leader as coach, an in-house signature program, the Tao of Coaching, was conducted in 2013. Initial batches of senior leaders were equipped with techniques to expand their coaching repertoire for greater effectiveness. Coaching is dovetailed with the roll-out of our mentoring program where senior leaders come alongside younger leaders and high-potentials to help them grow. Over time, we aspire to create a coaching and mentoring culture that will take root organisation-wide to benefit all levels.

In addition to enhancements in the areas of Develop and Engage, active steps have been taken to benchmark and fine-tune in the area of Acquire, with the pilot run of our Global Recruitment Best Practices Workshop in 2013. Well-received by participants, the in-house workshop will be cascaded to recruiters across the organisation from 2014 to enhance organisational capabilities in hiring the right people and retaining staff.

In the areas of Talent Diversity and Deployment, the Senior Management Council continued its prime focus on People with monthly discussions in 2013, steering People strategy and building consensus and coordination on leadership bench strength and talent development.

Managed Open Resourcing was initiated in 2013. Five-year business projections are matched with talent availability to better facilitate international deployment. Global assignments are determined with a view to groom talent, develop leaders and bench-strength, as well as fulfil business requirements by having the right people with requisite skills and experience at the right places. Extending the talent pipeline, the Short-Term Overseas Assignments program was also communicated in 2013 and would take effect in 2014, with hand-picked high potentials taking on value-adding business projects during short-term international attachments.

Providing a career planning and skills development compass organisation-wide, the Experience Navigators were launched in 2013. Aspiring employees can refer to the checklist of “critical work experiences” to chart their mid- to long-term development. Supervisors and business unit leaders can likewise use the guide to plan team and organisational requirements.

Of equal importance to People Development and Engagement is our work environment and culture, termed “the Smell of the Place”. Indicative of the quality of the “Smell”, are the results of our Employee Opinion Poll (EOP). Conducted every two years, the most recent EOP was held at the end of 2013. The recently-released results show the Corporate Centre and flagship PSA Singapore Terminals performing strongly across the whole range of engagement factors. The percentage of the employee participation in the EOP, their sense of satisfaction with PSA as a place of work, and their sense of being well-led, all scored in the 80 percent range. This was also the first time the EOP was carried out across the other PSA business units in various regions around the world, the results of which will offer us a better measure of engagement, once this “Smell” scorecard has a basis of comparison come the next global EOP.

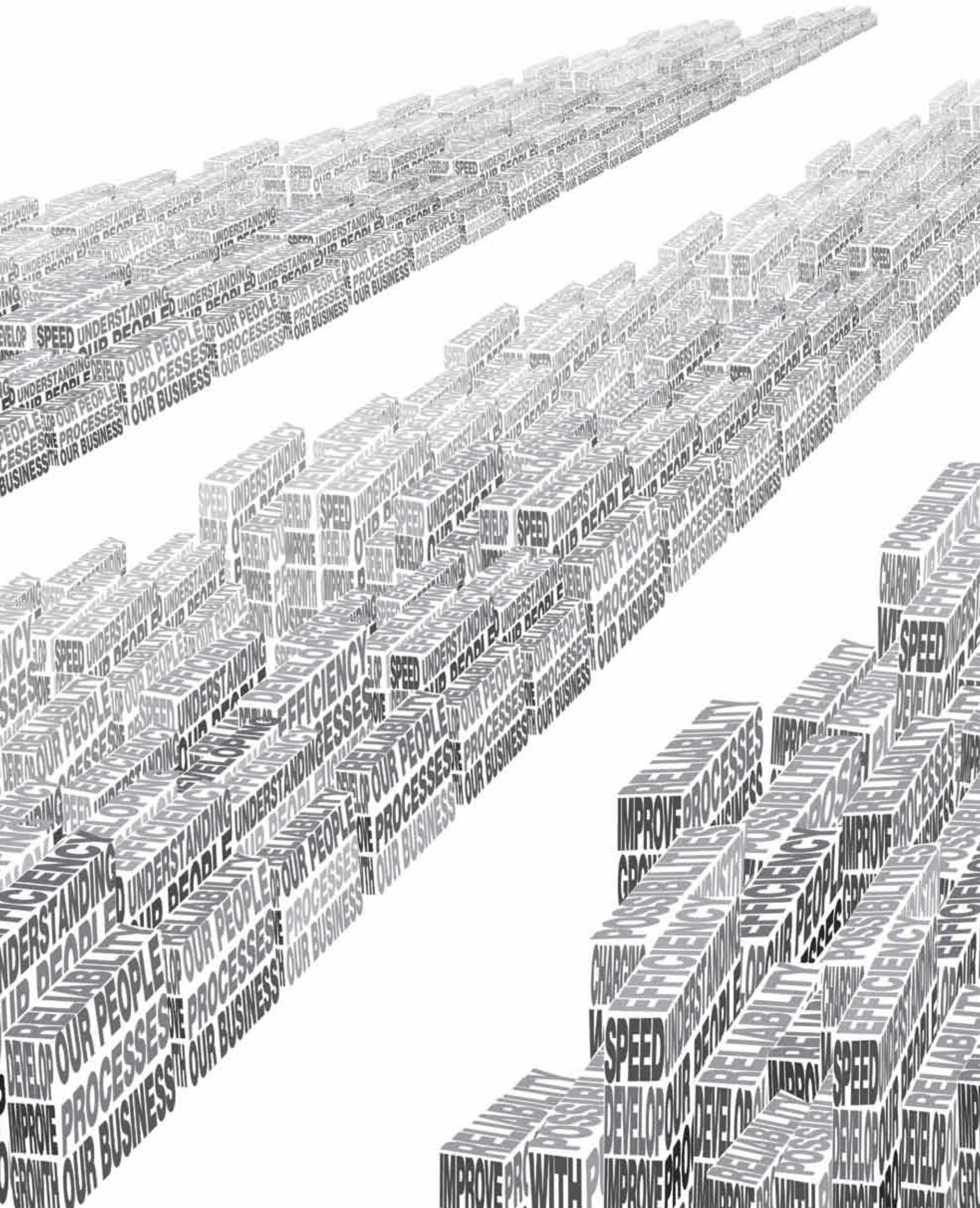
This high employee engagement would not have been possible without the strong partnership between unions and the management, to garner the commitment of the workforce. In testament to this, PSA Singapore Terminals was awarded the highest accolade from Singapore’s National Trades Union Congress – the May Day Plaque of Commendation (Star) – for its excellent union-management relations and contributions to the union movement.

In EOP 2013, Fish! was voted one of the best PSA initiatives for the third year running. It was a clear endorsement of the Organisational Development initiative that had formed the foundational corporate language for all PSA since 2005. Beyond 18,000 staff and still increasing, the recipients of PSA’s Fish! cascade embrace values of teamwork, excellent customer service, positivity and camaraderie. 400,000 Fish! App fishes and appreciative messages have been sent over 2012-2013. Since 2009, 520 leaders and mid-managers have attended the LeaderFish! program and been enrolled in walking the talk as role models. The high energy and engagement garnered by Fish! forms the basis on which a new and enhanced initiative called Fish+ is being rolled out. Fish! emphasises “everyone for each other” and Fish+ “everyone for the business”. Together, both initiatives are complementary for the business and the bottomline. A greater drive on cascading Fish+ will commence in 2014 in parallel with the expanding immersion of the workforce in Fish!.

A comprehensive and integrated employee communications infrastructure is necessary for sustaining engagement and development. Launched in 2013, GlobalConnect is a global web-based collaboration platform that meshes the various PSA entities and countries of operation together. It supplements the email communiqués (Global Clips and Global Edge) and half-yearly Webcasts hosted by the Senior Management Council, in disseminating information for corporate alignment. It is also interactive and enables active content sharing and co-creation across geographical boundaries, in a virtual and secure environment.

In its second year, the PSA Global Champions Awards 2013 saw four more employees being conferred the title PSA Global Champion. This Award is to honour our champions – visionaries and role models who have gone above and beyond the call of duty through their outstanding contributions, embodying an exceptional spirit of courage and commitment which will help to direct our course for the future. Prior to 2013, the inaugural annual PSA Global Champions Awards selected three recipients for this award while the PSA Global Associates Award went to our JV Partner in China.

2013 has indeed been a rewarding journey for our People and we are deeply appreciative of the collaboration across all levels as we forge towards our vision of being a Global Champion. To all who have endorsed and supported our People strategy alongside us - a most heartfelt thank-you.





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