



2024 Port Otago Integrated Report

Adapting for the future



INTRO

HIGHS +
LOWS

CHAIR / CEO

VALUE
CHAIN

OUR
PRIORITIES

STRATEGY

STAKE-
HOLDERS

GOVERNANCE
& LEADERSHIP

CAPITALS: 1 2 3 4 5 6

PERFORMANCE
TARGETS

FIVE YEAR
SUMMARY

ACRONYMS +
GLOSSARY

Using words we all understand

Presenting an Integrated Report that everyone understands can be tricky. Trying to satisfy reporting requirements can lead us down a path of unclear terminology, so we have prepared a key to Integrated Reporting terms used throughout this document.

Integrated Reporting: A relatively new type of reporting that tells our value creation story across the six capitals. It brings together financial and non-financial reporting, focusing on what's most important to our stakeholders and business.

Integrated Reporting terminology	Port Otago terminology
Human capital	Our kaimahi
Social and relationship capital	Our wider team
Natural capital	Our harbour taoka and beyond
Intellectual capital	Our know-how and skills
Manufactured capital	Our assets
Financial capital	Our financial value

Integrated thinking: A way of thinking and making decisions that takes into account the six capitals. We don't just consider the financials anymore, but also our people, stakeholders, the environment and the future.

Inputs: The resources and relationships we draw on to carry out our business activity (e.g. our workforce, energy, partnerships with customers).

Outputs: The results of our business activity – our services (e.g. shipping exports/imports between Otago and the rest of the world) and products (e.g. buildings leased out).

Our outcomes: These are the positive and negative consequences of our business activity and outputs. On the positive side of the ledger, outcomes are the value we are trying to create from our business

activity (e.g. being a good neighbour to our community and iwi). However, business activities can also result in value preservation or erosion (e.g. greenhouse gas emissions from our energy use, contributing to climate change).

Material issues: These are the most important issues, as determined by our stakeholders and our business.

Our goals: These are set in our strategy and aim to address our material issues.

Value creation: The process that results in increases, decreases or transformations of the six capitals caused by the organisation's business activities and outputs.

Work ons: We don't have everything right yet. Work ons are areas we need to improve, in order to create value.

Our harbour taoka has long been a source of shelter, kai and spiritual importance to our local Māori. It is a privilege to be part of such a culturally rich community and we particularly value the relationship we enjoy with Te Rūnaka o Ōtākou. Over the past two years, we have made a conscious effort to incorporate relevant Te Reo words into our everyday language at Port Otago. We have a long way to go, but we are steadily adding more Te Reo over time - introducing each word with care and respect. This table details Te Reo words used throughout this document, alongside English translations.

Te Reo	English translation
Hauora	Philosophy of health and wellbeing
Hui	Gathering, meeting, assembly
Kaimahi	Worker, employee, staff
Kōpūtai	Port Chalmers
Kōrero	Speech, discussion, conversation
Mauri	Life force
Mihimihi	Thank you, greeting
Nau mai	Welcome
Rakatahi	Young people
Rūnaka	Council, tribal council, assembly
Taoka	Treasure
Te ao Māori	Emphasises the importance of relationships between nature and people
Upoko	Leader
Whānau	Family
Whanaukataka	Relationship, kinship, sense of family connection
Whare Rūnaka	Meeting house

Please also see the inside back cover (page 74) for a list of acronyms used within this report and a brief glossary of common port terms.



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Adapting for the future

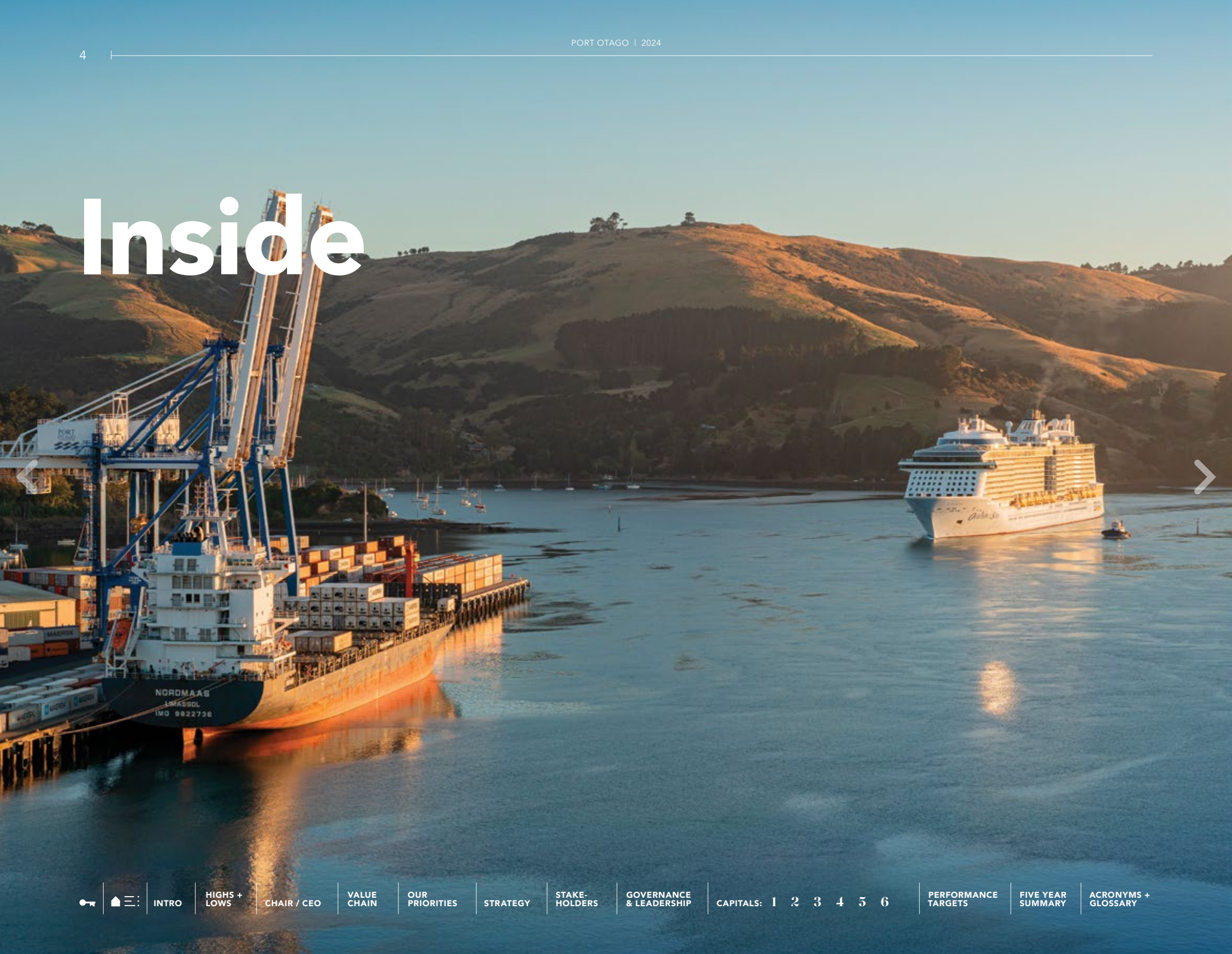
Reaching the ripe old age of 150 is a pivotal time for the port. We couldn't think of a more fitting "nod to the past" than the gift of a new museum to the community. Garry Bain, a local to Port Chalmers who has photographed every ship to visit the port since 1961, had this to say about the new museum: "People can go up to the first floor of the new office building and watch the port right in front of them. It's a wonderful amalgamation of the port's office and the museum." As we celebrate our rich history, we turn our minds to the future and how we need to adapt for the next 150 years. This year, we kicked off work in areas none of us would have imagined a couple of years ago. Scenario modelling for climate change adaptation brought people across the business into risk workshops to explore possible eventualities and how we can be fit and ready for them. We also set about quantifying our economic contribution to the region, something we've talked about often enough but can finally put some numbers on. To say all this extra work was a stretch at a time when we took on substantially more shipping with a big increase in container moves would be an understatement. Coupled with trying to bed down our biggest change to the workforce roster in years, we've been flat out. But we believe in grabbing opportunities for growth with both hands and we don't shy away from hard work. It's been a big year.

About this report

This report, driven by our Board and Leadership Team, is based on the results of our independent materiality process together with our strategy. We continue to use the International Integrated Reporting Council's (IIRC) Integrated Reporting <IR> Framework, with an eye on incoming reporting standards in New Zealand and internationally. Being open and transparent is who we are and we thank our stakeholders for agreeing to be quoted again this year, allowing us to "tell it how it is" in their words. Feedback on this report is welcome at info@portotago.co.nz

We are excited to share our fifth Integrated Report with you, *Adapting for the future*.

Inside



INTRO

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STRATEGY

STAKE-HOLDERS

GOVERNANCE & LEADERSHIP

CAPITALS: 1 2 3 4 5 6

PERFORMANCE TARGETS

FIVE YEAR SUMMARY

ACRONYMS + GLOSSARY

Report introduction	3
Our highs and lows	7
Full year review from the Chair and Chief Executive	8
Port Otago and our value chain	12
Our priorities	14
<i>Always open</i> strategy	16
How we engage our stakeholders	22
Governance and leadership	24
Capital #1 Our kaimahi	34
Capital #2 Our wider team	40
Capital #3 Our harbour taoka and beyond	46
Capital #4 Our know-how and skills	54
Capital #5 Our assets	60
Capital #6 Our financial value	66
Performance targets	72
Five year summary	73
Acronyms and glossary	74

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Our highs and lows



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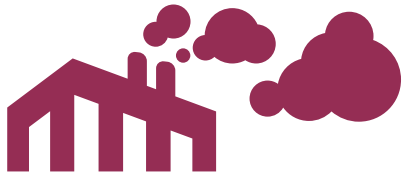
CAPITALS: 1 2 3 4 5 6

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Carbon emissions up on last year by

10.4%

\$34.4

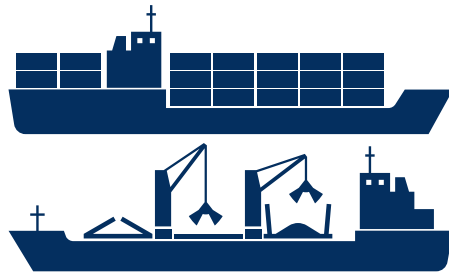
million

Underlying profit up from \$32.0m last year

\$9.2

billion

Exports/imports handled through our port



13.8

TRIFR up from 10.6 last year

268,900



TEU up from 186,400 last year

2628

Training sessions Down from 3208 last year



121

Active sponsorships up from 93 last year

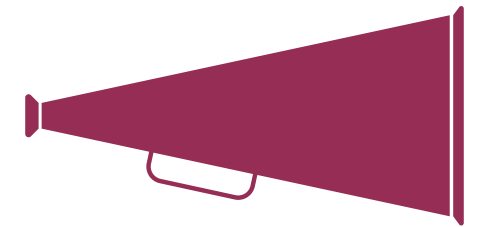
118

Cruise ships and over 193,000 passengers



33

Noise complaints up from 32 last year



Full year review

from the Chair and Chief Executive



Highlights and challenges

Record cruise season with 118 visits

Record container volumes with 269,000 TEU handled

Consistent bulk volumes

Strategic refresh

Challenging economic conditions for construction

Our strategic direction

The Board and Leadership Team reviewed our “Build a better business” strategy to consider how we need to support our customers into the future. Our material issues engagement process provided important insight from stakeholders, which directly shaped our thinking about where we need to focus. Based on that insight and the support of our shareholder, we have developed our roadmap for the future, to be New Zealand’s *always open port*.

To that end, we will leverage our existing infrastructure to be always open, underpinned by our natural harbour and our robust harbour defences and in-house dredging capabilities. We will be prepared and respond to extreme weather events, so we are first to be always open for our customers and shipping partners. At the same time, we will adapt and be always open to growth opportunities, so long as they deliver sustainable value for our customers and stakeholders. We are already investing in additional buffer capability within the supply chain, to be always open so our customers can continue operating.

We are always open to the use of new technology. We are increasingly using data to guide day-to-day decisions, as a first step towards future decision-making models. We continue to optimise our operational performance, doing so more safely, with the same resources.

Reducing our climate-related risks – both at port and across our property portfolio – is important to remove volatility and deliver reliable returns. Investment in reducing our carbon footprint needs to be balanced with the short, medium and long-term

needs of the business versus the needs of our shareholder and stakeholders. Our challenge is to balance these competing needs.

The business and our leadership are in good shape to deliver this strategy over the long term. We are aligned with our shareholder’s expectations, which it requires to support its long-term plan. Our Statement of Corporate Intent will see an increase in dividend and sponsorship levels for the next three years.

Group result

Underlying profit for the year of \$34.4 million was up 7.5% compared to \$32.0 million last year. This was due to a record container and cruise season, alongside solid contributions from Port Otago Group’s other business units.

The container throughput of 268,900 TEU included 103,800 transship TEU and was 44% higher than last year’s total container throughput of 186,400 TEU (which included 29,000 transships). There were 211 container vessel calls during the year – up from 152 last year – including the Maersk Polaris service, which delivered transship volumes from other South Island ports.

We received 118 cruise vessels this season – 17% more than last season’s 101 vessels.

Bulk cargo volumes were down marginally to 1.70 million tonnes, compared to 1.77 million tonnes last year. Log export volumes remained consistent at 1.0 million tonnes. Fertiliser volumes were down to 87,000 tonnes, compared to 138,000 tonnes last year. Overall, a solid result given global market conditions.

Headline rental income from our investment property portfolio increased

15% to \$30.3 million. The 2024 result includes an unrealised investment property revaluation of \$4.4 million and one-off gains of \$3.6 million from the sale of properties. The positive revaluation is a function of our strategy of maintaining a diversified property portfolio spread across Auckland, Hamilton and Dunedin.

The group's total revenue of \$133 million was up 20% compared to the previous year. Operating expenses were up 12%, to \$87.5 million. This included staff costs associated with the new 10-hour shift model, implemented in response to increased port activity.

The reported net profit after tax of \$30.4 million included a deferred tax expense of \$6.3 million relating to building tax depreciation. Excluding this expense, the group profit was \$36.7 million, compared to \$23.3 million last year.

It is noteworthy that the group invested \$47 million developing port and property assets, while maintaining total year-end borrowings at \$140 million. This is consistent with the previous year-end borrowings' balance.

Pleasingly, we also increased the dividend to our shareholder by \$2 million – to \$16 million – in line with our Statement of Corporate Intent.

The group maintains a healthy debt to capital ratio* of 16% and the shareholder's equity ratio remains strong at 78%.

* Debt to capital ratio (debt/debt + equity) measures a company's capital structure, financial solvency and degree of leverage at a point in time. A lower ratio indicates greater flexibility in raising additional capital from debt.

Record cruise season

Following on from last year's return of cruise post Covid, our Cruise team welcomed its first ship in early October. By season's end, we had hosted 118 cruise ships in Port Chalmers and Dunedin, as well as piloting 67 cruise vessels through Fiordland. Throughout the cruise season, 272,000 passengers and crew visited our region and we estimate the economic benefit to Dunedin City and surrounds to be in excess of \$90 million.

We were delighted to partner with our cruise lines to sponsor the Port Chalmers Volunteer Fire Brigade with \$100,000 towards a new first-response vehicle for our community. The brigade can now reach local residents experiencing medical events in a faster time, making a genuine difference.

Record container throughput

Following on from last season, Maersk continued to hub the Polaris service out of Port Chalmers. Combined with the other four shipping services calling Port Chalmers, our terminal handled a record 268,900 TEU. The Operations team was stretched at times, as shipping reliability on the New Zealand coast was hampered by disruptive weather events. This caused delays throughout the port network and congestion in the terminal, culminating in reduced productivity.

A commitment from Maersk underpinned our move to increase staff numbers to cater for the additional transship volumes and 16 new Cargo Handlers joined our kaimahi in the second half of the season. Thank you to our existing Operations team for stepping up to keep our region's cargo moving, while we built up the extra resourcing.

In November, we welcomed back ANL to Port Chalmers with the TRANZTAS service – an additional Trans-Tasman option and onwards connection for our region's exporters. After a short period calling Port Otago, we farewellled the ZIM service, as ZIM relocated New Zealand-based vessels elsewhere.

New Zealand continued to experience the impact of global disruption in supply chains, with Red Sea delays drawing on additional vessels to keep goods moving. We expect similar conditions for the season ahead, but are better prepared to provide a more reliable supply chain for our customers and shipping partners.

Keeping the focus on safety

We are unwavering on improving our controls for critical risk management. Risk is being eliminated by changing the way we work and providing more room for our kaimahi to "fail safely" – an approach that is underpinned by leadership and team engagement.

We completed our third independent SafePlus audit in November. This involved 40 interviews with a randomised selection of kaimahi and covered all aspects of our port safety culture. Pleasingly, engagement with our Health and Safety Representatives improved significantly, as did the rate of upskilling our leaders. Our learning management system is now well embedded as a critical tool in ensuring our kaimahi understand and have the skills to keep us all safe.

Our TRIFR rate was 13.8, up from 10.6 last year. We are still experiencing too many slips and trips resulting in Lost Time Injuries and, as a result, have invested in additional support for our wellness and injury prevention programmes to help staff prepare for work and reduce the number of avoidable injuries.

Our kaimahi

In January 2024, the Collective Employment Agreement (CEA) was decided upon with the two operational unions, Maritime Union of New Zealand (MUNZ) and Rail and Maritime Transport Union (RMTU). The agreement provides a change in shift patterns – from three eight-hour rolling shifts, to two 10-hour fixed shifts. The new roster improves work-life balance and reduces fatigue risk for our kaimahi, while increasing productivity for our shipping partners and supply chain efficiencies for regional exporters. This roster change is a significant step towards becoming a more agile and always open port.

Our People team rolled out the "Good Yarn" mental health initiative this year. It involves members of our kaimahi training to look out for signs that someone is struggling and having the confidence to ask if they are alright, and how they might help.

Our Leadership Team was bolstered by the appointment of Ollie Barton-Jones to Head of IT, where he is advancing our investment in systems and use of data.

Tom Campbell retired as a Director at the end of December, following six years' service. We acknowledge the governance skills, experience and wisdom that he brought to our Board. Nelson-based Rick Herd (ex Naylor Love Chief Executive) was subsequently appointed as a Director. Kate Faulks finished her 18-month term as a Board intern in June 2024.

We acknowledge the contribution of our Port Noise Liaison Committee Chair, David Richardson, who died suddenly in March. David brought a high level of professionalism to the role and was a strong advocate for our local community, setting the standard for the future. In June, Dr Mara Wolkenhauer was appointed as new Chair.

Construction inflation dampens demand

We completed two new builds – a third for Steel & Tube and a first for KOR Equipment – during the year. Challenging economic conditions and increasing costs of construction have slowed demand for new warehouses. We have two buildings under construction: a new build for RML Construction in Hamilton and the Whare Rūnaka for our shareholder in Dunedin.

While challenging economic conditions impacted demand for new builds, softer rental demand flowed through to current tenants and our team is helping where it can, to facilitate downsizing or subletting of warehouses. At balance date, our property portfolio was 99% tenanted and our Weighted Average Term Lease is a healthy 6.4 years.

We continue to diversify our risk by increasing our investment outside of Dunedin, into Hamilton and Auckland.

Adapting to our changing climate

The Board’s Sustainability subcommittee worked closely with the Leadership Team to build a sustainability framework that we are now embedding into the business.

As part of our work plan, we have engaged with global equipment providers and visited ports in New Zealand and offshore to understand options for replacing our diesel-fuelled mobile plant and marine fleets. There are very few operational electric options available in the short term, so we will continue extending the life of our existing fleets to allow time for technology solutions to mature.

We engaged environmental/engineering consultants Tonkin and Taylor to lead our team in risk workshops to better understand

climate risks to our infrastructure for both port and property assets. Output from the workshops is now informing our future investment plans, as we overlay adaptation and carbon reduction activity across our asset management plan.

Investing in infrastructure

The 1890s-built Port Chalmers Cross Wharf was finally replaced, completing our modern fit-for-purpose wharf infrastructure. At a cost of \$8.3m, the new wharf provides a dedicated pedestrian walkway for our double-day cruise passengers and increased yard space for our straddle fleet.

We welcomed the \$3.4m Te Rauone pilot boat to our marine fleet. She is already delivering both safer and lower carbon outcomes for the port.

The increased activity in our container business required additional depot space and we recently opened a new depot at Ravensbourne. The additional capacity will improve service levels for our customers and shipping partners in the years ahead.

Looking forward

Tougher economic conditions will continue to challenge our regional economy through increased input prices. We expect export volumes to reduce as some sectors continue to struggle with passing on increased costs; imports are likely to stay at low levels.

We will see a 20% reduction in the number of cruise ships calling Port Chalmers and Dunedin this season. Cruise lines are repositioning vessels to higher-yielding markets offshore, as New Zealand becomes a high-cost destination. This is disappointing for our local and regional tourism providers who

have had a tough few years battling through Covid. We are engaged with cruise lines to promote the value of visiting Fiordland and Otago, with the goal of winning back business in the medium term.

The 2024/25 asset management plan will see significant levels of activity at Port Chalmers, with the replacement of our 1970s’ rail pad and a cruise terminal upgrade. We are also investing in pilot accommodation in Milford and strengthening the Aramoana mole. All these activities are critical to remaining always open for business. We look forward to completing our two property developments in the year ahead and engaging with prospective tenants for new builds, when economic conditions improve.

Port Otago Group remains in a strong financial position to take advantage of the right opportunities as they arise – opportunities that will create long-term value for our shareholder.



Tim Gibson
Chair



Kevin Winders
Chief Executive

Port Otago and our value chain

Port Otago is located on the Otago Harbour in the South Island of New Zealand and is the primary export port for the lower South Island. It is 100% owned by the Otago Regional Council (ORC) and its stated principal objective is to operate as a successful and sustainable business that delivers value to the shareholder in the form of both financial and non-financial returns on investment.



Inputs

Our kaimahi

- Our team of 330 people
- Trained in safety and relevant skills
- In-depth safety risk assessments and inspections

Our wider team

- Customer relationships
- Partnerships with shipping lines, landside operators and suppliers
- Community and iwi engagement

Our harbour taoka and beyond

- Use of air, land and water
- Consumption of energy and other resources
- Listening to community and iwi about any changes to our harbour taoka
- Climate change adaptation scenario modelling

Our know-how and skills

- Experienced people
- Quality new recruits
- Investment in upskilling
- Investment in secure technology

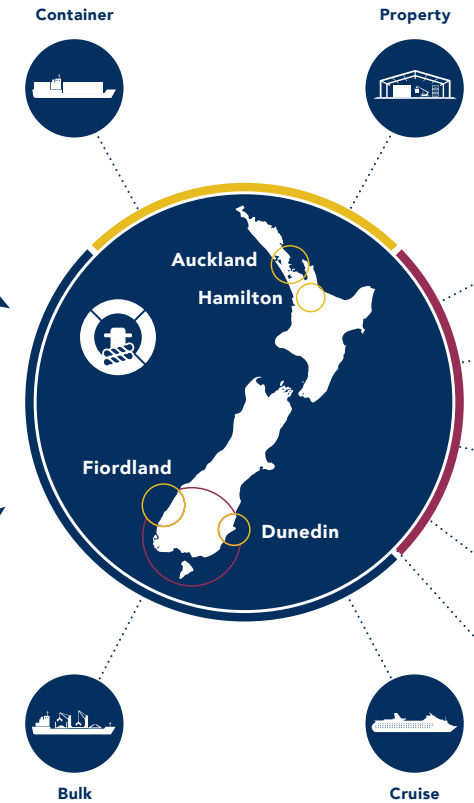
Our assets

- Assets owned and productivity optimised
- Land owned and space utilised efficiently
- Investment in long-term infrastructure
- Climate change adaptation scenario modelling

Our financial value

- Diverse and balanced portfolio
- Long-term agreements with customers, partners and suppliers

Our business activities & outputs



Outcomes

Our kaimahi

- A safety culture where our people look out for each other so that everyone goes home safely
- Employees who are proud to work for the port

Our wider team

- A good neighbour who respects our social licence to operate
- A strong central link in the value chain, connecting our customers, partners and suppliers from the lower South Island to the world, for mutual growth

Our harbour taoka and beyond

- Respect for our beautiful harbour
- Understanding we need to improve by listening to our community and iwi
- Reduced contribution to climate change and understanding and adapting to potential future climate change impacts

Our know-how and skills

- A considered approach to the future
- A talented workforce with individuals who are willing to learn and have a wealth of knowledge
- Improved productivity and resilience by embracing new, agile and efficient ways
- Effective processes to protect the port from cyber attacks

Our assets

- Continued investment in infrastructure to the benefit of the local, regional and national economy
- Proactive development of dynamic solutions to counter shipping volatility

Our financial value

- Reliable sustainable dividends for our shareholder, to support regional economic development and benefit our community
- A sustainable future built on solid investment in infrastructure and long-term customer, partner and supplier relationships

Work ons

- **Fatigue management** as we roll out our new roster
- **Failing safely** to minimise the impact of any incidents
- **Onboarding new recruits** making the most of their "fresh eyes" on the job
- **Workplace culture** focus as we adapt to change

- **Log customer relationships** as we plan for the future
- **Container customer relationships** as we collaborate on storage solutions
- **Multi-stakeholder approach** across the supply chain

- **Understanding nature's tipping points** and partnering to address them
- **Understanding the impacts** of climate change on the port and preparing for them
- **Reducing our own contribution** to climate change
- **Influencing others** in the supply chain to do the same

- **Process innovation** for efficiency gains
- **Equipment innovation** on port for the future
- **Channel innovation** for shipping and load flexibility

- **Collaborating on an inland hub** and making progress
- **Responding quickly** to operational disruption in our port network
- **Being flexible to attract more services** to Port Otago and the South Island

- **Building operational returns** year-on-year
- **Maintaining returns** in a tight property market
- **Communicating our contribution** to the people of Otago

Progress



Port Otago's economic contribution

What would it mean for our local community's economy if Port Otago could not operate for a year? That was the question we tasked the New Zealand Institute of Economic Research (NZIER*) to answer, to better understand our impact and role in the region and wider economy.

The result is the report, *Regional economic impact assessment: Assessing the contribution of Port Otago to the economy* (February 2024).

Annual contribution to economy

The institute's findings show significant negative economic impacts at a national and regional level. With no economic contribution from Port Otago for 12 months, the modelling indicated Gross Domestic Product (GDP) decreased by:

	GDP
Otago region~	-\$154 million
New Zealand-wide	-\$118 million
Southland region	-\$38 million

Export/import trade contribution

The report estimates that Port Otago contributed \$61 million to the Otago economy through its export and import trade activities during the year to June 2023. "Over the past decade, between June 2012 and June 2023, Port Otago's GDP contribution has been growing at an average annual rate of 7%^, the report says.



* NZIER is an independent, not-for-profit, incorporated society

~ Otago region covers Dunedin city, Queenstown, Central Otago and Clutha

^ Disrupted by Covid 19, which led to a decline in trade activities from 2020 to 2022

Our priorities

The materiality process

We undertook a comprehensive independent materiality process this year using a tried-and-tested best practice approach. Encompassing materiality across the six capitals, financial materiality is integral to the process, thus satisfying incoming international reporting requirements on “double materiality”. This year, we surveyed and interviewed 17 external and 10 internal stakeholders, alongside four additional interviews with valued community members to mark the port’s 150th year. External stakeholders consisted of bulk customers (City Forests, Wenita, Ravensdown), container customers (Fonterra, Alliance, Sealord), partners (Maersk, Kotahi, Carnival Australia, IDNZ, Calder Stewart, Fulton Hogan), community (local community member), iwi (Upoko, Te Rūnaka o Ōtākou), our shareholder (Otago Regional Council – Chair and CEO) and a regulator (Customs). Internally, three members of the Board and seven members of the Leadership Team were engaged. All stakeholders interviewed gave their approval to be quoted in this report, allowing us once again to “tell it how it is” in their words. Of our material issues, growth and cyber security dropped out of our top 11 and nature came in. On growth, stakeholders told us to get our current capacity right before looking to grow further, but this remains a focus for the port as we seize opportunities and plan for future growth. Progress was made on cyber security during the year, with new leadership internally and enhanced processes, both of which influenced its reduced materiality. Nature has increased in priority as the focus on this rightly gains momentum in broader society, not least with its connection to climate change.

“Feedback provided through the materiality process is obviously working because our relationship with the port is getting better and better.”

Mike Bennet
Lower South Island Port Manager
Customs

The material issues

The following 11 material issues are the basis for this report, our *always open* strategy and Board and Leadership Team meeting agendas. The definition for each issue can be found in the relevant capital chapters throughout this report.

- 1 **Safety** (same as 2023)

- 2 **Leadership** (up 2)

- 3 **Wharf capacity & infrastructure** (up 9)

- 4 **Shipping volatility** (up 2)

- 5 **Strong relationships** (down 3)

- 6 **The best team** (down 1)

- 7 **Culture and wellbeing hauora** (up 1)

- 8 **Financial performance** (down 1)

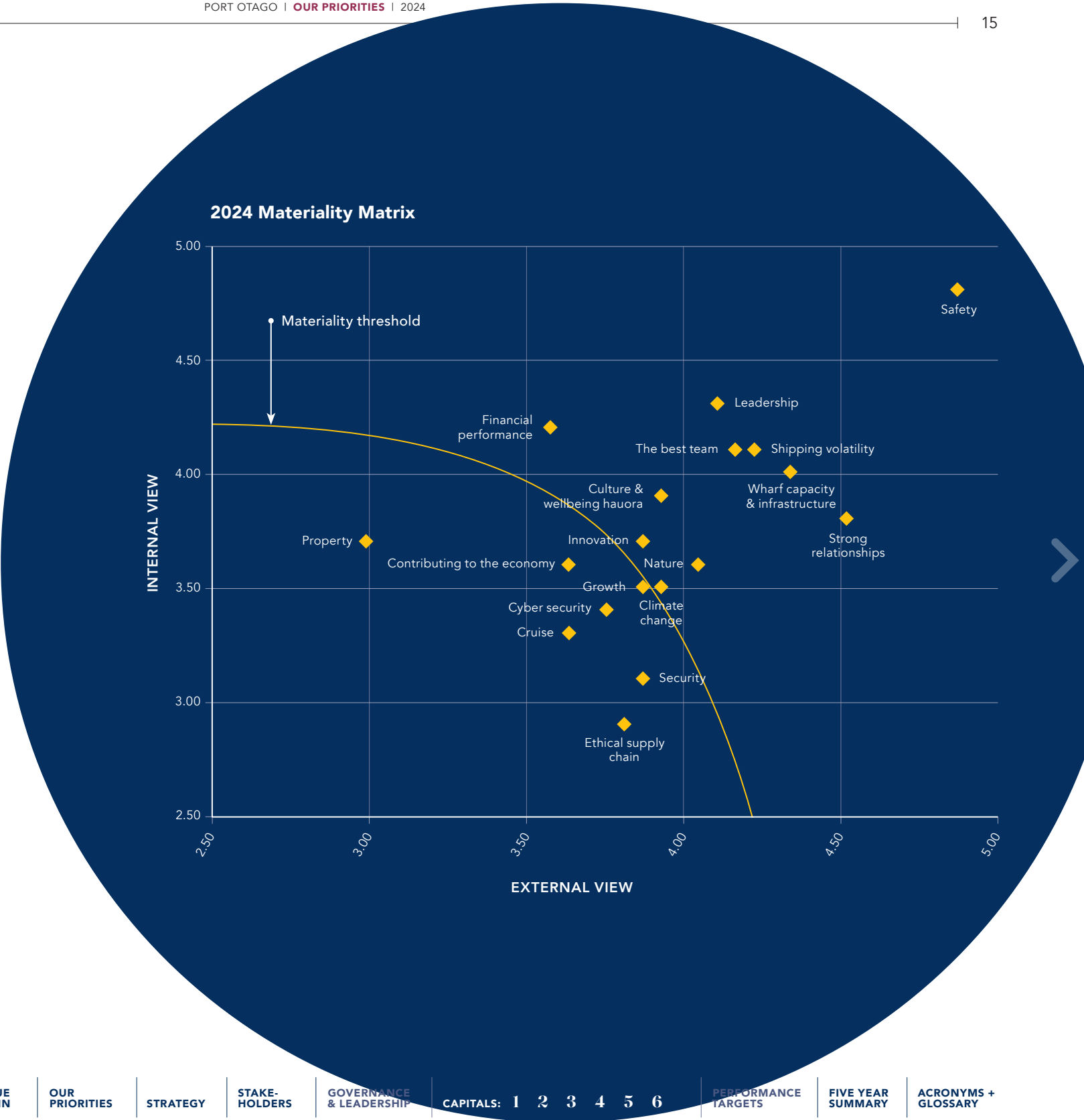
- 9 **Nature** (up 5)

- 10 **Innovation** (down 1)

- 11 **Climate change** (up 5)

“Stakeholder engagement, including materiality, helps the port understand why things are important, allowing things to be communicated differently, where needed.”

Grant Bicknell
GM Marine & Infrastructure
Port Otago



Always open strategy



We are a regional economic enabler with enduring relevance. More than that, the port has a bold strategy to be an *always open* port for our stakeholders, supply chain and fellow ports. We want to be the “go-to” port for supply chain solutions, to keep Otago and, more broadly, New Zealand produce reaching the rest of the world. This requires a clever strategy and investment in our people, our infrastructure, our storage solutions and our logistics, in collaboration with our customers and partners. With this in mind, the Board and Leadership Team have reviewed and enhanced our goals and the steps towards them, presented here in our *always open* strategy.

“The port is Otago’s gateway to the world and often the world’s first look at the region. This is still not being promoted enough.”

Kevin Malcolm
Chair, Port Liaison Committee
Otago Regional Council

“The community doesn’t always understand the criticality of the port to the productivity of the South Island. The port could better explain how important a freight or a log truck is to local jobs and the economy.”

Stephen Woodhead
Ex-Chair Otago Regional Council
2010-2019

Our vision

New Zealand's *always open* port.

We exist to provide a safe, efficient and *always open* gateway to and from the world for our customers. We provide such excellent service that no customer wants to leave, while at the same time providing a secure return to our owners and being a respected neighbour in our community.

We balance the short-, medium-, and long-term needs of the business with those of our shareholder and stakeholders

SAFE

Our people go home safe every day

EXCELLENT SERVICE

Customers collaborate with us on their future plans

RESPECTED NEIGHBOUR

We do the right thing. We respond

ALWAYS OPEN

We are always open to shipping, ideas, change, feedback

EFFICIENT

Clever use of data delivers benefits to be shared

SECURE RETURN

Reliable dividends are paid to our owners

New Zealand's *always open* port

Leverage existing infrastructure to be *always open*

- Our in-house dredging capability
- Renewable harbour defences
- We adapt quickly
- Open for growth
- First port open post an extreme event
- Consenting is smoother

Provide space to customers adapted to their needs

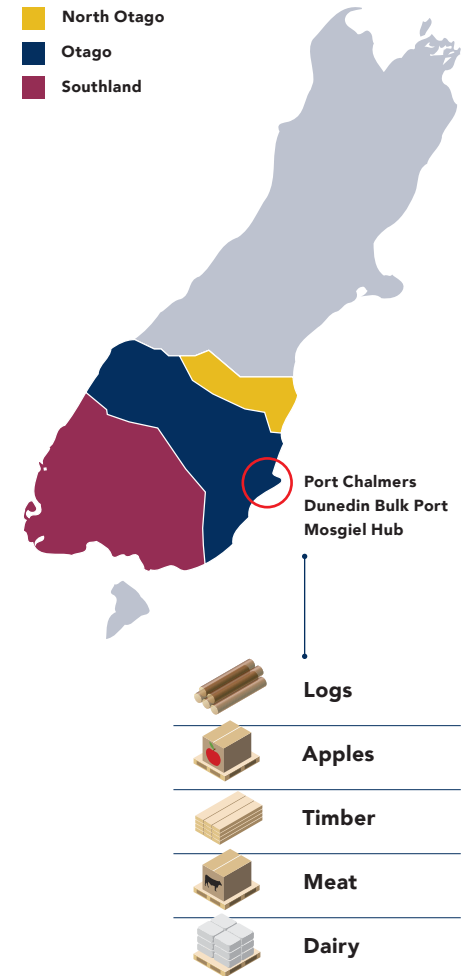
Provide buffer capability to be *always open*

- Mosgiel Hub provides space to hold and grow
- Attract imports
- Remove trucks from road
- Provide great service
- Sustainable growth
- Lower carbon outcomes

Build a better business

Decisions are based on accurate real-time data

- Doing more with the same, safely
- Reduce property climate change risk
- Property enables the port
- Create value to share
- Less volatility
- Reliable returns



Volumes of imports/exports by business activity and category >>

How we will deliver our strategy

Our kaimahi

Our wider team

Our harbour taoka and beyond

Goals:

- **(New) Build a better business: Decisions based on accurate and complete data.**
- Doing more with the same, safely.
- Develop a culture where workforce safety is the number one priority and our team looks out for each other so that everyone goes home safely.
- Build a workplace where the wellness of our team is supported through teamwork, accessible leadership, and open and honest communication.

- **(New) New Zealand's always open port: Leverage existing infrastructure to be always open.**
- Adapting, building on our social licence, making our consenting smoother.
- **(New) Space for customers adapted to their needs: Provide buffer capability to be always open.**
- Increased storage at Mosgiel Hub for better delivery windows, making us the preferred option for our customers.
- Be a great neighbour by respecting what is important to our community and iwi and enhancing our social licence to operate.
- Build stronger relationships with our customers, partners and suppliers to better understand them, measure progress and plan for the future.

- **(New) Reduce property climate change risk resulting in less volatility.**
- Agree our climate change aspirations and targets.
- Execute our climate change plan covering climate change risk assessment, adaptation/mitigation strategies, reporting framework and current baseline.
- Understand and adapt to potential future climate change impacts on our assets.
- Preserve our beautiful harbour and its biodiversity by listening to our community and iwi, taking care and monitoring these precious taoka closely.
- Reduce our noise.

Short-term steps:
Next 12 months

- Improve work-life balance for our kaimahi.

- Increase customer engagement.
- Complete Te Rauone Beach.
- Harbour plan engagement.

- Set science-based climate change target/s.
- Embed our adaptation plan into the asset management plan.

Medium-term steps:
3-7 years

- Improve our diversity.

- Develop Mosgiel Hub.
- Continue to develop Dunedin Bulk Port to provide space for our bulk customers.

- Replace forklift fleet with electric.
- Replace our diesel mobile plant when technology allows.

Completed steps:

- Deliver wellbeing initiatives.
- Our new office/museum.

- Ravensbourne Depot.

- Start a climate change adaptation plan.
- Complete climate change risk assessment.

Material issues:

1. Safety
2. Leadership
6. The best team
7. Culture and wellbeing hauora

5. Strong relationships

9. Nature
11. Climate change

SDGs:



Our know-how and skills

- **(New) Build a better business: Decisions are based on accurate real-time data.**
 - **Doing more with the same, safely.**
- Investigate the value in future resilient supply chain services, e.g. green corridors, cold ironing and alternative fuels, including the costs, benefits and local demand.
- Improve our efficiency through automation and digitisation, such as systems for berth management, property management and supply chain connectivity.
- Work with our supply chain partners to embrace new and agile ways of working landside.
- Develop a strong platform to train and develop our team.
- Establish effective processes to protect the port from cyber attacks and respond rapidly.

• Business Intelligence (BI) systems support our planning decisions.

• BI systems are business critical.

- Learning management system platform up and running. **Now BAU.**
- Achieve full cyber security protection and Defend SOC/SIEM. **Now BAU.**
- Shift to the cloud. **Now BAU.**

10. Innovation



Our assets

- **(New) New Zealand's always open port: Leverage existing infrastructure to be always open.**
 - **In-house dredging capability making us open for growth.**
 - **Renewable harbour defences making us the first port open post extreme weather, ready to support others.**
- **(New) Space for customers adapted to their needs: Provide buffer capability to be always open.**
 - **Increased storage at Mosgiel Hub for increased acceptance windows, making us the preferred option for our customers.**
- Grow the container business by investing in additional storage and depot capability.
- Grow the bulk business by increasing storage capacity and enhancing shipping flexibility with Victoria Channel improvements. Relocate storage (where it makes sense), develop wharf replacement options and work with customers on fit-for-purpose infrastructure to meet future needs.
- Improve the quality of cruise business by engaging with the cruise industry, investing in Pilot accommodation, maintaining capability and a new pilot boat.
- Continue to build a sustainable property portfolio as a fundamental part of the port's financial sustainability.

- Upgrade our rail infrastructure.
- Purchase a replacement dredge.

• Develop Mosgiel Hub.

- Develop a capital asset plan with a 30-year view. **Asset management plan (10-30-year view) completed.**
- Respond dynamically to shipping volatility with storage and digital solutions.
- Ravensdown Depot and Cross Wharf upgrades.
- Deliver a great cruise experience for our region. **Ongoing.**
- Three new warehouses on time and on budget.
- New pilot boat.

- 3. Wharf capacity and infrastructure
- 4. Shipping volatility



Our financial value

- **(New) Space for customers adapted to their needs: Provide buffer capability to be always open.**
 - **Attract exports/imports for sustainable growth.**
- **(New) Build a better business: Decisions based on accurate and complete data.**
 - **Property enables the port, a successful business in its own right, resulting in reliable returns.**
- Provide consistent shareholder dividends with a portfolio that optimises returns, builds resilience and facilitates investment in the future.

• Meet the dividend expectations of our owner. **Ongoing.**

• Complete Te Rapa Gateway Industrial Park.

- Bring back cruise revenue as one of the four pillars of our business.
- Develop a high-level scope to identify the economic impact of Port Otago on the wider region. **NZIER report delivered.**

8. Financial returns



SDG KEY

- SDG1 **No poverty**
- SDG2 **Zero hunger**
- SDG3 **Good health & wellbeing**
- SDG4 **Quality education**
- SDG5 **Gender equality**
- SDG6 **Clean water & sanitation**
- SDG7 **Affordable & clean energy**
- SDG8 **Decent work & economic growth**
- SDG9 **Industry, innovation & infrastructure**
- SDG10 **Reduced inequalities**
- SDG11 **Sustainable cities & communities**
- SDG12 **Responsible consumption & production**
- SDG13 **Climate action**
- SDG14 **Life below water**
- SDG15 **Life on land**
- SDG16 **Peace, justice & strong institutions**
- SDG17 **Partnerships for the goals**

For more information on the Sustainable Development Goals (SDGs), visit <https://sdgs.un.org/goals>

How we engage our stakeholders

"We have a close relationship with the port, partly down to the good engineering solution they came up with for our new wharf, but also because they have the right capabilities."

Mike Whitty
COO
Ravensdown

Stakeholder

Material issues

How we engage

A Our people	→ Safety, Culture, Best team, Innovation
B Shareholder	→ Leadership, Relationships, Culture, Financials, Nature, Economy
C Bulk customers	→ Wharf capacity, Shipping volatility, Safety, Financial, Growth
D Container customers	→ Wharf capacity, Shipping volatility, Relationships, Leadership, Innovation, Growth
E Partners	→ Wharf capacity, Leadership, Shipping volatility, Relationships, Culture, Cruise
F Community	→ Culture, Climate change, Nature
G Iwi	→ Relationships, Climate change, Nature
H Regulators	→ Safety, Relationships, Security

- Stakeholder materiality interviews (*all*)
- The Bridge weekly e-letter (*internal*)
- The Lighthouse suggestions scheme (*internal*)
- Team and training interactions (*internal*)
- PortO quarterly newsletter
- Port Otago Facebook page
- Port Otago LinkedIn page
- Rothesay News
- Interim/Annual Integrated Reports
- Statement of Corporate Intent
- West Harbour Community Board (*community*)
- Port Noise Liaison Committee (*community*)
- Mana Whenua Group (*community*)
- Te Rūnaka o Ōtākou (*iwi*)
- Site/in-market visits (*customers/partners*)
- Face-to-face/online meetings (*customers/partners*)
- Real-time trucking info (*partners*)
- Port Otago Board meetings (*shareholder*)
- Policy input meetings (*regulators*)
- Inspections and audits (*regulators*)
- Port Chief Executive Forum (*peers*)

“There is so much the team at the port does brilliantly. They are solution-focused, so when there is a problem, they work alongside Fonterra to fix it.”

Lee Thorburn
Commercial Network Manager
Global Supply Chain
Fonterra

Governance and leadership

"Leadership is the foundation of movement, if you want to move forward, you need people to get you there, and for those people to bring others on the journey, especially when all the easy things have already been done."

Ross Buchan
Head of Safety
Port Otago



We have each other's backs

It's been a big year in which the Leadership Team has really come together in the face of change and hard work. Ollie Barton-Jones joined the port as Head of IT this year and experienced the team pulling together firsthand. "The Leadership Team is the best I've seen it, we really have each other's backs, we help each other out, we all want the outcomes to be great. Investment in the next layer below will really get us firing on all cylinders." Internal stakeholder interviews undertaken as part of the materiality process highlighted just how closely Leadership Team members keep an eye on each other's workload, offering to help and taking tasks off each other for the best outcome. As Ollie Barton-Jones points out, while the Leadership Team is working well, there is a need for investment in the next level down to build leadership skills, strong communication and consistent messaging across the business. This has never been more critical, with the new Cargo Handlers coming in, people stepping away from operational duties to train up the new recruits, and increasing container move commitments looming large. Overlay this with the new 10-hour shifts as we introduce the biggest roster change for a long time (see Our kaimahi, page 34) and we are clearly asking a lot across all levels. Work has also started to integrate the UN Guiding Principles on Business and Human Rights into the way we do business, and we included human rights considerations into relevant issue descriptions in the materiality survey. At the Board level, Tom Campbell retired after six years as a strong contributor to governance and Rick Herd joined us as a new Director with valuable experience in construction and engineering.

Material issue:



LEADERSHIP

- Leadership across the business and the wider community that is transparent and accountable, with strong governance. Aiming for diversity and the right mix of skills within our leadership to be agile and to adapt into the future.

"Great people willing to give new practices a go, the port has always been receptive to new ideas and keen to try new things."

Scott Payne
Surfacing Divisional Manager
Fulton Hogan

Our Board

Tim Gibson

Chair since January 2023
Director since 2016

Tim has many years' experience in export industries and agriculture, starting in Dunedin with Donaghys Limited. Tim was Chief Executive of New Zealand Trade and Enterprise and has held managing director and senior executive positions in dairy co-operatives and public companies. He is a director of several companies, including Livestock Improvement Corporation (LIC), The Skills Organisation (Inc), Silver Fern Farms Limited and Silver Fern Farms Co-operative Limited.



Bob Fulton

Director since 2020

Bob is a civil engineer who spent the majority of his 35-year engineering career with roading and infrastructure company Fulton Hogan – in both operational and executive management roles. He has 25 years' experience in governance roles, including chairing several boards' health and safety committees. Bob was appointed a Fulton Hogan Director in 2008 and serves on the boards of its subsidiary land development companies, which develop commercial and residential property in Christchurch, Wānaka and greater Auckland. He is Chair of Horokiwi Quarries Limited in Wellington and a Director of Dunedin's Blackhead Quarries Limited.



Chris Hopkins

Director since 2022

Chris was with Dunedin engineering and manufacturing business Scott Technology for more than 25 years – initially as Chief Financial Officer and ultimately as Managing Director. Now a professional director, Chris serves on several boards, including Farra Engineering, Health Central, Dunedin International Airport, and Oakwood Group, a privately owned company with motor vehicle dealerships and property holdings. He is also a founder of several technology startups and a past Director of Dunedin City Holdings and City Forests. Chris is a Chartered Fellow of the Institute of Directors New Zealand.



Rick Herd

Director since January 2024

Rick's 50-year career has spanned diverse industries, including construction, manufacturing and engineering. His first chief executive role was in 1997 with marine engineering company N&B Group, based at Port Nelson. He then moved on to lead Nelson Pine Industries Limited, manufacturers of engineered wood products for export, industrial mechanical project engineering company Brightwater Engineers, and finally Naylor Love, where he was Chief Executive for 11 years. Rick is a Director of ENI Engineering and a founding trustee of industry-led charitable trust Construction Health and Safety New Zealand. He is a member of the Institute of Directors New Zealand.



Pat Heslin

Deputy Chair
Director since 2015

Pat was a partner of Deloitte for 30 years and is now an independent consultant and director based in Dunedin. He is Chair of Forsyth Barr Custodians Limited, Forsyth Barr Cash Management Nominees Limited and a past member of the New Zealand Auditing and Assurance Standards Board. Pat is also financial adviser to a number of private companies. He is a Chartered Fellow of the Institute of Directors New Zealand and a Fellow of Chartered Accountants Australia and New Zealand.



Becky Lloyd

Director since 2021

Becky is a professional director and advisor, specialising in climate change and sustainability, particularly in the infrastructure sector. In her executive career, Becky was most recently Chief Executive of Toitū Envirocare – a role she held for three years. She has a first class degree in Mechanical Engineering from Imperial College (London) and an MBA from Columbia Business School (New York). Becky is Chair of the Sustainability Reporting Board at the External Reporting Board (XRB) and a Director of Connexa New Zealand.



Anne McLeod

Director since 2023

Anne, a partner at the legal firm of Anderson Lloyd, is an experienced Dunedin lawyer, whose area of expertise is corporate commercial law. Anne has a double degree in Law and Commerce from the University of Otago. She is a member of the Institute of Directors New Zealand, Restructuring Insolvency and Turnaround Association New Zealand (RITANZ) and the Banking and Financial Services Law Association. Anne serves on the Board of Anderson Lloyd. She has previously been a Director of Southland Building Society (SBS Bank) and Chair of SBS Bank's subsidiary company, Southsure Assurance.



Kate Faulks

Board Intern since 2022

Kate is a Managing Shareholder in Altavady Group, her family's North Otago based agribusiness company, which comprises five farming operations. Kate graduated from the University of Canterbury in 2011 with a Bachelor of Engineering (Honours), majoring in Chemical and Process Engineering. She then worked for Exxon Mobil for six years, before taking up the opportunity to manage Altavady Farm. In 2021, Kate graduated from the University of Otago with a Master of Business Administration (MBA, first class).



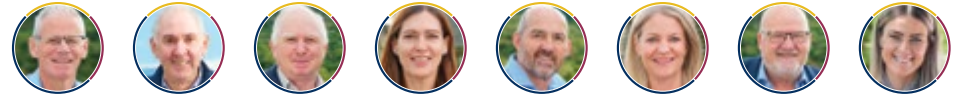
Board members' skills matrix

"The port will always have 'work ons' as it drives to be better and better, but it is in a strong position to drive through adversity and continue to deliver great things for Otago."

Kevin Malcolm
Chair, Port Liaison Committee
Otago Regional Council

"Leadership was strong at a time of great need 12 to 15 months ago when the port helped keep the New Zealand supply chain moving. Thank you!"

David Ross
CEO
Kotahi



Tim Gibson **Pat Heslin** **Bob Fulton** **Becky Lloyd** **Chris Hopkins** **Anne McLeod** **Rick Herd** **Kate Faulks**
Intern

Technical skills / experience

	Tim Gibson	Pat Heslin	Bob Fulton	Becky Lloyd	Chris Hopkins	Anne McLeod	Rick Herd	Kate Faulks
Governance	✓	✓	✓	✓	✓	✓	✓	✓
Health and safety / risk management	✓		✓	✓	✓		✓	✓
Sustainability	✓			✓		✓	✓	✓
General management	✓	✓	✓	✓	✓	✓	✓	✓
CEO / senior executive / partner	✓	✓	✓	✓	✓	✓	✓	
Strategy development and implementation	✓	✓	✓	✓	✓	✓	✓	✓
Port operations / logistics / supply chain					✓			✓
Infrastructure / construction / project management			✓	✓		✓	✓	✓
Property	✓	✓	✓	✓	✓	✓	✓	
International trade / marketing	✓		✓	✓	✓		✓	
Agriculture / forestry	✓				✓		✓	✓
Accounting / finance / treasury		✓			✓	✓	✓	
Law	✓					✓		

Creating value on the Board

Rick Herd



What attracted you to the Port Otago Board?

I am a big supporter of regional businesses in the South Island having spent most of my career in Nelson and Christchurch. But what attracted me specifically to Port Otago is just how fundamental it is to the economy in Otago and the South Island, and more broadly to New Zealand as a whole. I also felt I could add value and help make a difference, that really appealed to me.

What value do you bring?

My value as a Board member stems from decades of experience in engineering and construction, both of which are directly relevant to the business of the port. I also ran a regional business exporting around the globe, as General Manager at Nelson Pine Industries, giving me an understanding of the port's customers. This range of experience has given me a solid understanding of risks and how to manage them. This comes in handy given the diverse nature of the port's business across the four pillars of bulk, containers, cruise and property. I am also experienced in building a positive culture, something the port has clearly been working hard at for a few years now, with the usual ups and downs. In my view, a positive culture is fundamental to strong health and safety performance, leading change and growth, all core elements of Port Otago's strategy.

If you could sum up the port in one word, what would it be and why?

Vital. Port Otago is a vital source of security for its employees, and a vital provider of local jobs. The port is also a vital economic enabler for the region's export economy, and the New Zealand economy more broadly. And last, but not least, Port Otago is a vital source of revenue for the Otago Regional Council which benefits the people of Otago as ratepayers.

Has anything surprised you about the port so far?

There have been no real showstoppers so far. But I have been pleasantly surprised by the obvious progress the port has made with its culture, in particular around health, safety and wellbeing. I have observed a culture that prioritises safety and sustainability, and that can only be achieved with a good culture in the first place. The right culture creates a sense of belonging which goes hand in hand with a high-performing team.

The port turns 150 this year, what has been its biggest contribution to Otago over the years?

The port has literally been the backbone of the regional economy and vital in that sense.

What future do you see for the port over the next 150 years?

I'd like to think Port Otago will become a catalyst for change in the port sector across New Zealand, perhaps even further afield.

Creating value on the Leadership Team

David Chafer

GM Property



“The future for Chalmers Properties is all about owning and developing quality industrial real estate with wide leasing appeal and having strong relationships with our customers. Spending time to cultivate those relationships is the key to happy customers.”

What attracted you to Port Otago?

I had been working as Development Manager at AMP Capital Investors for five years and could see the potential for Chalmers Properties to step up their property development. Twelve years ago, the port’s property business was primarily a passive investor, just offering ground leases, but there was so much scope for it to become a far more active investor, working the assets.

Within a couple of years of my joining Chalmers Properties, we secured CHEP Pallets then Steel & Tube and that started the journey. The crunch came when we changed the strategy from developing industrial land and simply selling it off, to developing the sites by putting buildings on them. For a while after buying out our JV partner in Hamilton, we were doing a bit of both. We needed to take more control of the market by developing buildings on all our land, not selling off any of it. This strategy has served us extremely well and, in recent years, we have enjoyed increasing success with design/build/lease projects, where clients come to us with what they want and we make it happen. Growth in the rental market has buoyed our business and we have built substantial equity by holding onto the land and the property.

What value do you bring?

Significant experience in property development and the ability to engage with prospective tenants to deliver a solution that works for both parties. Working up a property deal involves assessing the value and risk in complex planning and construction areas and it’s challenging. That said, I like the challenge and closing out a deal with the satisfaction of handing over the keys for another quality build.

If you could sum up the port in one word, what would it be and why?

Multi-faceted. The port has a wide range of assets. Of those, property performance is consistent, but the others, bulk, containers and cruise, can go up and down.

Has anything surprised you about the port so far?

The new office is quite a game changer in terms of bringing the company into a modern environment. Before the new development, the office consisted of a bunch of small rooms and all these walls. People were on different levels in their own micro-climate silos, so it was hard to interact because you literally didn’t see each other.

The port turns 150 this year, what has been its biggest contribution to Otago over the years?

The port is such a huge infrastructure asset for the region. It brings cruise ships into Dunedin and provides a deep-water port for bulk and container cargo. Deepening the channel and investing to ensure it remains operational have been its core business, carefully placing capital where it was needed.

What future do you see for the port over the next 150 years?

Really good tenants. Some customers are now leasing multiple sites with us. Spending time to cultivate and grow the relationships we’ve got is the key to happy customers. Working with them to understand and facilitate their growth plans. Something else we try to do is buy our customers’ products where we can. What better vote of confidence is there than buying the steel and windows we need for our developments from our tenants!

Board meetings and subcommittees

The Port Otago Board meets 10 times each year and these meetings include Board meetings of the group’s subsidiary companies. There are also three subcommittees – Audit, People and Remuneration, and Sustainability – and a full governance Health and Safety committee, which all meet quarterly. Directors also regularly attend the monthly staff Health and Safety Rūnaka.

[N.B. Percentages = meeting attendance during 2023/24 financial year]

	Port Otago Board meetings	Chalmers Properties Limited Te Rapa Gateway Limited	Full governance committee: Health and Safety	Subcommittees		
				Audit	People and Remuneration	Sustainability
Chair	Tim Gibson (100%)	Tim Gibson (100%)	Bob Fulton (100%)	Pat Heslin (100%)	Chris Hopkins (100%)	Becky Lloyd (100%)
Members	Pat Heslin (100%) Tom Campbell* (83%) Bob Fulton (90%) Becky Lloyd (100%) Chris Hopkins (100%) Anne McLeod (100%) Rick Herd^ (100%) Kate Faulks (90%)	Pat Heslin (100%) Tom Campbell* (83%) Bob Fulton (90%) Becky Lloyd (100%) Chris Hopkins (100%) Anne McLeod (100%) Rick Herd^ (100%) Kate Faulks (90%)	Full Board of Directors	Tim Gibson (100%) Chris Hopkins (100%) Becky Lloyd (100%)	Pat Heslin (100%) Tim Gibson (100%)	Tim Gibson (75%) Bob Fulton (100%) Anne McLeod (100%)
Attendees	Chief Executive Kevin Winders (90%) Chief Financial Officer Stephen Connolly (100%)	Chief Executive Kevin Winders (90%) Chief Financial Officer Stephen Connolly (100%)	Chief Executive Kevin Winders (100%) Head of Safety Ross Buchan (100%)	Chief Executive Kevin Winders (50%) Chief Financial Officer Stephen Connolly (100%)	Chief Executive Kevin Winders (100%) Head of People Leigh Carter (100%)	Chief Executive Kevin Winders (100%) Strategic Projects Manager Kevin Kearney (100%) Sustainability Manager Carolyn Bennett (100%)
			TERMS OF REFERENCE - Assists the Board in building a workplace that is error tolerant (i.e. allows for human error to occur without fatal or serious consequence) - Oversees the effectiveness of programmes and initiatives that support the company’s health and safety policies	- Assists the Board to fulfil its responsibilities in relation to the quality and integrity of: <ul style="list-style-type: none"> Accounting and reporting systems The company’s system of internal control External financial reporting - Also oversees financial, cyber and compliance risk management	- Assists the Board in the establishment of people and remuneration policies and practices - Discharges the Board’s responsibilities relative to remuneration setting and review - Ensures, at a strategic level, that the company’s people-related policies attract, develop, reward, and retain the right people and drive great performance	- Provides strategic guidance to the Board and management in relation to sustainability policy, plan, targets, measures, and performance - Ensures appropriate reporting frameworks are used to measure sustainability - Considers the strategic implications of climate change and potential adaptation and decarbonisation requirements

* Retired in December 2023
 ^ Appointed to Board in January 2024

Our Leadership Team

Kevin Winders
Chief Executive



Kevin has led Port Otago as Chief Executive for the past seven years. He works with the Board to agree the company's strategic direction and with the Leadership Team to execute the plan. Kevin's role balances the day-to-day issues of delivering for stakeholders, alongside investing time positioning the business for the future. With 25 years' experience in the rural sector, he understands Port Otago customers' challenges and opportunities and their drive for low-cost supply chains.

Craig Usher
Commercial Manager



Craig has been the company's Commercial Manager for the past six years and is responsible for building relationships with our customers and partners. Having previously worked for Maersk, Kotahi and Pacific International Lines, he appreciates the shipper's perspective when it comes to supply chain solutions. Craig is the voice of the customer in our business and challenges our operations to deliver for those customers.

David Chafer
GM Property



For the past 12 years, David has overseen the team managing the Port Otago Group's property investments. He had previously worked for NZX-listed commercial property funds, across asset management, leasing and property development. David draws on his wide network of business relationships to grow the group's portfolio value and revenue, year on year. He is actively involved in the industrial warehouse design/build/lease and spec-build developments that are a core part of Chalmers Properties' strategy.

Deanna Matsopoulos
Operations Manager



As Port Otago's Operations Manager, Deanna is responsible for service delivery to our customers and partners. She leads a team of 150 staff tasked with the daily delivery of container and warehousing services, which includes adapting to variable shipping and landside supply chain movements. Deanna has been with the company since 2000 in a variety of roles. She understands the importance of efficient supply chains that ensure our customers' and partners' products reach their markets on time.

Grant Bicknell
GM Marine & Infrastructure



Grant Bicknell leads our Marine and Infrastructure teams to ensure we are open for business and that our shipping partners have a safe transit in and out of Port Otago. Grant's role includes leading our in-house dredging services, our piloting service in Fiordland and our maintenance team responsible for floating and mobile plant. He is a qualified mariner, with 14 years in the Royal New Zealand Navy, which honed his engineering skills. His expertise spans operational delivery and long-term infrastructure decision-making. Grant is responsible for our Asset Management Plan.

Ross Buchan
Head of Safety



Ross supports our leaders as they build on our safety culture and create an environment where our people can "fail safely". He leads a small team that trains and educates our kaimahi on how to manage critical risks and move from mitigation to elimination of risk. Ross is a passionate advocate for worker engagement and leads our whole of company Rūnaka (safety council). He previously held safety leadership roles with Silver Fern Farms and OceanaGold Macraes.

Leigh Carter
Head of People



Leigh leads the development of the port's People strategy and delivers initiatives to improve efficiency and build on our culture. Together with her team, Leigh works with our leaders to encourage the best out of our people, ensuring alignment with our strategy of delivering for customers. She has a background in both consulting and operational people roles, providing an ideal skill set to engage across all parts of our business.

Ollie Barton-Jones
Head of IT



Ollie's role is to lead the small IT team at Port Otago. He is responsible for keeping our systems safe, enabling our decision-makers by providing good data, and ensuring our team and equipment can connect at all times. Ollie has been associated with the port as a key advisor for several years. This year, he stepped into the leadership role to see key projects within our systems roadmap through to completion. Ollie has a wealth of experience consulting in the United Kingdom and New Zealand and has seamlessly fitted into our Leadership Team.

Stephen Connolly
Chief Financial Officer



Stephen is responsible for the financial functions of the wider Port Otago Group. He leads a finance team responsible for accounting, financing, treasury and company secretarial services across the group. Stephen has been with Port Otago for 14 years and has an institutional knowledge of the business that is second to none.

Kevin Kearney
Strategic Projects Manager



As Strategic Projects Manager, Kevin's role is to investigate and plan our transition to a lower carbon solution for our assets, while maintaining operational efficiency. This involves looking at new technologies and fuels for the future, specifically to inform our choice of replacement assets over time. Kevin brings an analytical approach to problem solving, based on his strong engineering and leadership experience.

Jodi Taylor
Executive Assistant



Jodi is a key member of the Leadership Team and provides day-to-day support to our Board, Leadership Team and Chief Executive. Jodi delivers projects in the business that range from our new museum and office, to digital radios and community containers. She leads our wider team to deliver community engagement and sponsorship programmes.

Strategic risks

The Leadership Team and Board undertake a full review of the risk register every six months to identify any new risks emerging and review existing risks. On the next page, you will see our current strategic risks alongside an assessment of the direction of each risk, i.e. is it increasing, decreasing or remaining static. There are no new risks included this year.

Risk status:

 Decreasing risk

 Increasing risk

 No movement in risk

STRATEGIC RISKS:	MATERIAL ISSUES:	RISK STATUS:
Safety Loss of life or a serious injury, due to a workplace incident	Safety The best team Culture	⊖
Social licence Loss of social licence to operate	Relationships	⊖
Environmental incident, standards and policy From port assets (e.g. oil spill) impacting the harbour and wildlife	Nature Relationships	⊖
Increasing standards for noise, dust and ship particulates	Relationships	⊖
Increasing focus on decarbonisation	Climate change Innovation	⊖
Cruise banned from Fiordland	Nature Relationships (Cruise)	⊖
Operational failure Drugs entering the community via our border	(Security)	⬆️
Natural disaster Earthquake, tsunami or fire	Safety Climate change (Security)	⊖
Damage to main power line into Port Chalmers	Wharf capacity and infrastructure	⬇️
Cyber security Cyber attack disabling servers, workstations or plant and control systems	(Cyber security) Innovation Culture	⊖

STRATEGIC RISKS:	MATERIAL ISSUES:	RISK STATUS:
Infrastructure failure Catastrophic failure, such as wharf collapse	Safety Wharf capacity and infrastructure	⬇️
Ship blocks harbour's main channel	Shipping volatility The best team	⬇️
Commercial loss Customer business change, disruption or closure	Financial Relationships (Growth)	⬆️
Reduction in number of shipping services	Shipping volatility Relationships Financial (Growth)	⊖
Increasingly regular extreme weather events impacting our customers	Culture Relationships (Security)	⬆️
Increasing construction costs due to inflationary pressures	Relationships Financial (Growth) (Property)	⊖
Supply chain Rail or SH88 compromised by flooding or slip	Wharf capacity and infrastructure Relationships	⬆️
External events NZ-origin biosecurity breach, such as Foot and Mouth in the national herd	Nature (Security)	⬆️
International conflict and terrorism activity directly impacting operations	Safety (Security)	⬆️
Trade disruption	Financial Relationships (Growth)	⬆️

* Issues in brackets are not "material issues", but still important issues for the port to manage



CAPITAL #1:

Our kaimahi

Material issues



Safety: Ensuring safety is the number one priority for everyone using the port, including our customers, partners and suppliers. A team that is always looking for ways to improve safety and looking out for each other, so everyone goes home safely.

The best team: Attracting and retaining the best team for the job by promoting our values in the community and respecting the human rights of our people. Engaging our team by investing in training, including leadership training, providing recognition and succession planning.

Culture and wellbeing hauora: A positive workplace culture prioritising wellbeing (including the Good Yarn programme), where everyone feels they belong and their diversity is valued. Open, honest and consistent communication and leadership across our whole team and the unions on topics such as rosters for better work-life balance.

Goals



- **(New) Build a better business: Decisions based on accurate and complete data.**
 - **Doing more with the same, safely.**
- Develop a culture where workforce safety is the number one priority and our team looks out for each other so that everyone goes home safely.
- Build a workplace where the wellness of our team is supported through teamwork, accessible leadership, and open and honest communication.

Work ons

- **Fatigue management** as we roll out our new roster
- **Failing safely** to minimise the impact of any incidents
- **Onboarding new recruits** making the most of their “fresh eyes” on the job
- **Workplace culture** focus as we adapt to change

Key metrics

Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Performance compared to 2022/23
TRIFR: Rolling 12 month average	13.8	10.6	5.1	10.5	22.7	✗
Injury Severity Rate ¹	45.0	10.0	13.3	4.7	4.6	✗
LTIs	4	4	3	3	11	—
Recordable injuries	4	4	3	7	3	—
Permits to work issued	481	241	377 ²	435	-	—
Observations ³	792	987	667	965	1044	✗
Gender diversity (% women)						
Total kaimahi ⁴	16	15	13	12	-	✓
Recruitment	31	40	27	10 ⁵	35	—
Board	38	29	17	29	17	✓
Leadership Team	27	36	36	36	30	—
Kaimahi ave. age (men/women)	48/45	48/46	49/46	49/48	-	
Kaimahi ave. years' service (men/women)	9/6	9/7	10/7	9/8	-	

1. Also referred to as average days lost to an LTI

2. Correction

3. Includes VSLs, hazards and general safety Observations

4. As of June of each year. These percentages do not include seasonal cruise staff (employed October to April). In 2023/24 season, 58% of the 40-person Cruise Assistants team were women

5. Overall recruitment was significantly impacted by Covid-19

Our stakeholders told us...

“When we need to visit the port, we’re conscious of the safety risks to our people. Over the past year, the port has definitely improved how it facilitates our visits and ensures the safety of our people.”

Mike Bennet

Lower South Island Port Manager
Customs

“The team at the port is great, which is down to how they are being led, the Cruise team leaders do an awesome job. It’s all about the passenger experience from the gangway until they are off the port and they notice the team’s confident and cheerful attitude.”

Stan Westwood

Otago Destination Manager
IDNZ

“I believe that instead of ‘we’ and ‘them’, it should be ‘us’. It’s a company.”

Bruce Malcolm

Ex-President New Zealand Waterside Workers’ Union
1982-1995

Short-term pain for long-term gain

It has been a year of change for our kaimahi and change is rarely easy. With our eye on future prosperity, when the opportunity arose to take on more container moves with Maersk's Polaris ship visiting the port, our kaimahi stepped up. This meant additional hours for all our Cargo Handling team, along with taking people off the job to train the new recruits. It's been a big effort right across the business and adapting to support Maersk will pay dividends into the future. The additional container moves also meant a change to 10-hour shifts, as Leigh Carter, Head of People, explains. "We're making significant changes to the way we work for the first time in 30 years and rolling the change out in our peak time operationally. We've been on a gradual uphill climb to improve our culture in recent years, which has taken a knock over the last few months with this change." On the flip side, the new roster will bring enhanced work-life balance with greater predictability of shifts, which we hope will attract more women into the business. Safety will always be our top priority at the port. But, as Leigh explains, there are concerns about fatigue. "We've never talked so much about fatigue at the port.

It's a good thing that concerns are bubbling to the surface. We all need to manage the risks by nailing our fatigue management system, doing the right monitoring and getting our team rotations right."

"We have more new Cargo Handlers coming in than ever and, with every new recruit, we gain a new set of eyes and ears on the ground who we encourage to put their hand up when they see something we could improve on for safety or productivity."

Deanna Matsopoulos
Operations Manager
Port Otago

New way of working

In January 2024, Port Otago and its two operational unions – Maritime Union of New Zealand (MUNZ) and Rail and Maritime Transport Union (RMTU) – agreed to a new roster that improves work-life balance for our Container terminal team.

The key change was a move from three eight-hour vessel shifts, to two 10-hour shifts. The transition was also critical to meet Maersk’s requirements around weekly transship volumes and we committed to delivering 1000 container moves per day.

Head of People Leigh Carter says the company and unions knew that implementing the change quickly would be challenging. “Initially, we didn’t have the number of Cargo Handlers needed, nor the mix of skills required to smoothly operate under the new model. We talked openly about this and anticipated it would take three months to get there. It was too ambitious and took nearer six months.”

Sixteen new Cargo Handlers – including 11 experienced operators – joined the team by early June. “We quickly stood up a new training team, expanded our pool of trainers and assessors and focused on training new team members, while also upskilling existing team members.”

Leigh says the team understood the importance of the commitment to Maersk and stepped up. “Our kaimahi turned up to work 50 hours a week, in peak, to get the work done. We missed the 1000 moves often but, from early June, we started seeing regular improvements in productivity.

“We haven’t yet moved to full rotating teams – which will see all team members enjoy some weekends off – but we are close. We now have the necessary number of Cargo Handlers and just need to fill a couple of skill gaps. We’re looking forward to getting into the regular rhythm of rotating teams, so that team members can enjoy the work-life benefits that we have all been working towards.”

Working the new shifts

We asked a couple of our Cargo Handlers how they were finding the 10-hour shifts.

Ben Van de Vlied Cargo Handler for eight years

Q: How are you finding the new shift arrangement?

A: I don’t think it’s perfect, but it’s a big improvement to the rolling 8s. Now we have an indicative roster and more notice of when we’re working and when our days off are likely to be.

Q: What’s good?

A: The ability to plan. On Friday afternoon, we get our roster, so we know what we’re working Saturday, Sunday, Monday – and we have an indicative roster for the rest of the week, although it can be subject to change*. Ninety per cent of the time, it’s pretty accurate, though. The planners do a really good job, given they can’t control last-minute shipping changes.

We also have a Guaranteed Day Off every week, which cannot be changed. That’s one of the big benefits of the 10s.

Overall, I’m finding the 10s pretty good, but that’s just my view.

Q: What’s not so good?

A: When the 10s were proposed, it was meant to be two weeks of days and then two weeks of nights. That doesn’t necessarily happen, but I think that’s to do with what skills they need for each shift.

Your days off aren’t always in a row, even though the planners do their best to try and make that happen.

Night shift finishing at 2am is not ideal, if it’s before a day off, as you’re already two hours into your day off.

Q: Has it improved your home life?

A: I have a partner and a three-year-old son. My partner and I were finding it really hard on the 8s. We were at the point where we were looking at other job options. When the 10s were proposed, we realised this could work for us, as we can plan ahead a bit more.

Q: What would you say to someone new coming into the business?

A: It’s definitely better than it was. If you have young kids, it’s still pretty tough, because there’s no fixed roster. There’s potential to make good money, but you have to give up a fair bit of your social life, because you are working a lot of weekends. In the busy season, it can be difficult to book leave for when you’d like it.

* Generally related to shipping delays and weather



Tibert Nel
Cargo Handler for 12 years
(including 11 years at Port of Durban*)

Q: How are you finding the new shift arrangement?

A: I only started with Port Otago in May, so I'm not familiar with the old 8-hour shift pattern. But I did 8-hour rolling shifts in Durban – 19 days on, two off – so, compared to that, the 10-hour shifts are very manageable.

It's good not doing full night and full day shifts. Finishing at 2am in the morning is beautiful. It's the perfect time to stop. Fatigue is just setting in, then it's time to go home. Morning shifts tend to be a bit more difficult, as you wake up and take a bit of time to get going. But finishing at 4pm is good, as you can still get stuff done when you get home.

Q: What's good?

A: Shift work is never really easy or good, but I come from a lifetime of only working shifts. This shift pattern gives you flexibility and you're not stuck on one shift.

Q: What's not so good?

A: I don't see any downsides. I am very happy working these shifts. They're a pleasure.

Q: Has it improved your home life?

A: Getting two to three days off every week has helped in terms of home life and relaxation.

I have time to do things I could not do before. It's opened up opportunities for a social and family life.

Q: What would you say to someone new coming into the business?

A: I would encourage them to take it on, if you're looking for a good work-life balance. You might think you're not a shiftwork person, but once you get into it, it's easy and simple.

* Port of Durban – 4.5m TEU annually



Summary of key injury statistics

As will always be the case, safety remains our number one priority.

Over the past year, Port Otago has matured its approach to safety – from Zero Harm, to the more realistic Failing Safely model.

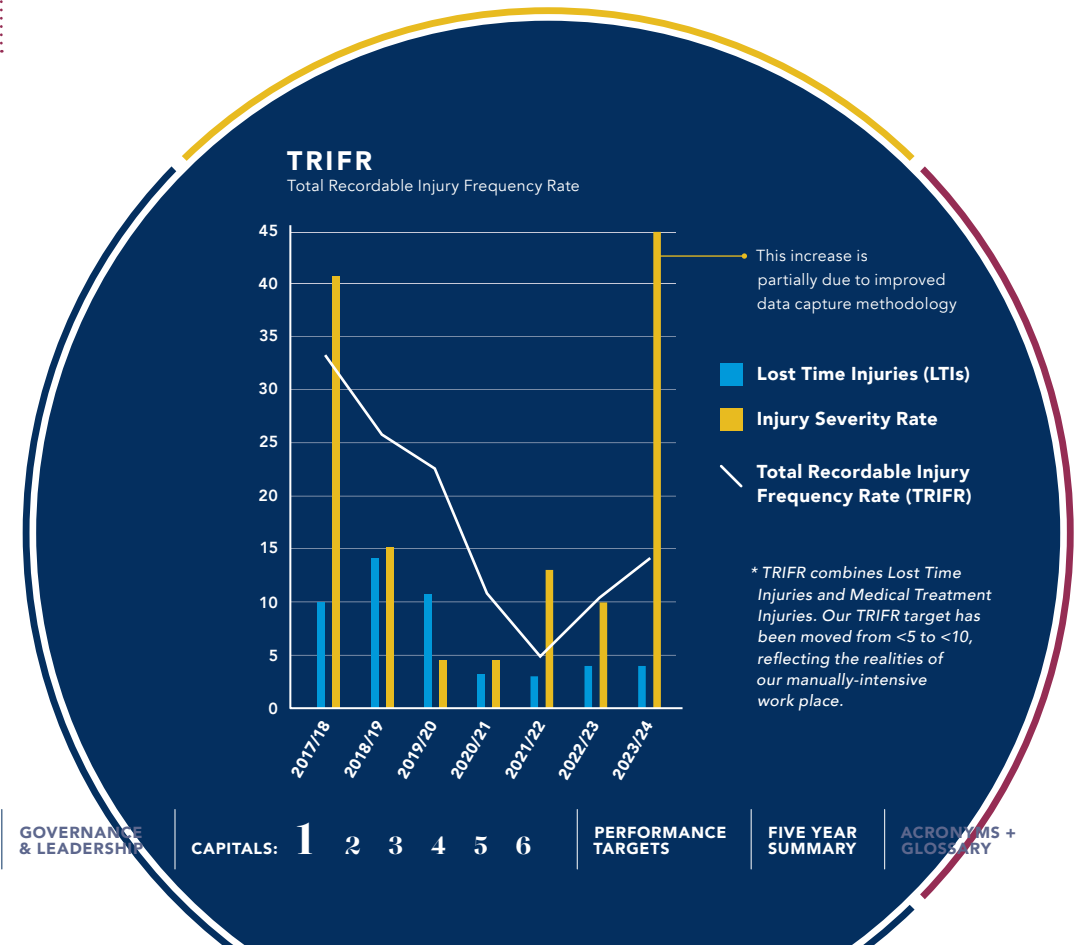
Also known as Safety II and Safety Differently, this model is less focused on systems and documentation, and more focused on workplace engagement and the reality that mistakes do happen.

Port Otago Head of Safety Ross Buchan says a key mind shift is removing blame. "We want people to speak up when they make a mistake. Instead of being concerned they'll get into trouble, we want to use the mistake as an opportunity to assess the risk and engineer it out, if possible."

Safety-related observations

There were 792 safety-related observations this year – 20% short of our SCI target of 1000. "Observations" includes Visual Safety Leadership (VSL), hazards and general safety observations.

Ross: "Our target of 1000 is a 'stretch target', to continually challenge our leaders to get out into the business and learn how work is done, versus how we imagine it is done."



Wellness programme in full swing

Over the 2023/24 year, our Wellness team actioned two significant new initiatives.

In addition to last year’s ongoing free health checks, weekly fruit boxes and financial wellness workshops, the team introduced:

- 1) Mental health literacy programme Good Yarn, which aims to increase knowledge of mental health. It provides kaimahi with the confidence to start a conversation with someone they are concerned about and guide them on where and how to get help. In-house work peers are trained to facilitate three-hour workshops of 15 to 20 people. Ten workshops have been held since the programme’s launch in November 2023, with 85 participants to date.
- 2) Following a successful three-month trial, free period products were permanently rolled out across our sites. This initiative is a partnership with Dignity NZ, which works on a “buy-one, give-one model”. Port Otago has consequently supported the distribution of 252 boxes of period products to in-need community groups around New Zealand.

Other events and activities organised by the Wellness team included:

- The ever-popular September, Money Month, Movember and Pink Shirt Day.
- Supporting community events: gifting Christmas presents to local schools, donating food items towards Presbyterian Support’s Foodbank Kai for Octacan (an amazing 167 items, doubled to 374 by the company), and donating 200 items for Kōpūtai Foodshare at Christmas.

- Winter Wellness Seminar Series, aimed at improving kaimahi health habits and overall wellbeing.
- Supporting four Port Otago social sports teams – dodgeball, netball, touch rugby and football – to connect outside of work, encourage physical movement and have fun.

Next year’s priority is to develop a long-term Wellness Strategy, so future initiatives are aligned to the strategy and the identified needs of our kaimahi.



One of our most popular wellness initiatives is the weekly fruit box. Nineteen boxes are delivered across our six sites each Monday and enjoyed by all, including Cargo Handler Stella Te Maiharoa.

Ongoing improvement in SafePlus assessment

In November 2023, we completed our third SafePlus assessment.

SafePlus is a voluntary health and safety performance improvement evaluation for businesses, that assesses core elements of the legislation Port Otago operates under.

We undertook our first assessment in 2018 and the second in 2020. The assessments are designed to (a) validate that recommendations from previous assessments have been actioned and (b) focus on safety culture and application of health and safety systems to constantly improve workplace safety, overall.

Port Otago Head of Safety Ross Buchan says the company’s focus over the past two years has been on improving leadership in health and safety and worker engagement.

The most recent assessment involved 40 interviews with a randomised selection of kaimahi, including operational staff, front line leaders, Leadership Team members and Directors. The company was assessed as “developing”, with five of the key metrics deemed “leading”, three “performing and three “developing”.

“It’s really pleasing to see improvement in the areas we have been focusing on. This tells us our approach is right and our teams are adopting and supporting the direction we are going.”

Ross says the focus for the next 12 months is to improve risk management processes and culture, and close out the assessment’s recommendations.

STEPS TOWARDS OUR GOALS IN 2024/25:

- Improve work-life balance for our kaimahi



CAPITAL #2:

Our wider team

Material issues

Strong relationships: Building strong relationships and true partnerships with our stakeholders (community, iwi, customers, partners, suppliers, shareholder, peers, government, regulators, interest groups, industry bodies) by taking the time to listen to what matters to them, such as farmers doing it tough, and sharing the port's plans. Being a great neighbour by doing what we say we will do for the community and iwi, such as keeping noise levels down, supporting their needs and human rights. Communicating effectively on the day-to-day, such as progress towards performance commitments on container moves and storage space.

Goals

- **(New) New Zealand's always open port: Leverage existing infrastructure to be always open.**
 - Adapting, building on our social licence, making our consenting smoother.
- **(New) Space for customers adapted to their needs: Provide buffer capability to be always open.**
 - Increased storage at Mosgiel Hub for better delivery windows, making us the preferred option for our customers.
- Be a great neighbour by respecting what is important to our community and iwi and enhancing our social licence to operate.
- Build stronger relationships with our customers, partners and suppliers to better understand them, measure progress and plan for the future.

Work ons

- **Log customer relationships** as we plan for the future
- **Container customer relationships** as we collaborate on storage solutions
- **Multi-stakeholder approach** across the supply chain

Our stakeholders told us...

"We know the port is listening to us, which is important because they are closest to the harbour, working on and around it every day. Because of the port's location, it can't function without affecting local communities, and it is the local issues that can inflame feelings."

Edward Ellison
Upoko, Te Rūnaka o Ōtākou

Key metrics

Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Performance compared to 2022/23
Active sponsorships	121	93	52	46	37	✓
Community containers*	7	13	7	3	7	✗
Stakeholders engaged in materiality process	32	26	41	42	33	✓
Port Noise Liaison Meetings**	4	4	4	4	4	✓

"Port Otago is an important partner to Fonterra. Their care of customer and product is exceptional and it feels like they are as invested in Fonterra and our farmer shareholders as we are. There is a great relationship between Fonterra's supply chain team and the port's leadership team, but across the wider co-op, there are pockets where the relationship isn't so good."

Lee Thorburn
Commercial Network Manager
Global Supply Chain
Fonterra

* New containers out in our community (total 40)

** 3 committee meetings and 1 public meeting per year

Relationships take work

Relationships are complex and building them takes years, with many ups and downs. Our relationships with different stakeholders each focus on different things, recognising that *relationships take work*. Here we share some of the things we are working through in collaboration with our stakeholders. The port's relationship with our log customers has been a rocky one, but as we engage more, we understand each other better. Dave Cormack, CEO, Wenita, shares his ongoing concerns: "The port has been looking at what can be done in the channel to mitigate the concerns of the log companies. But even if all the mitigations are done, it is still a more costly and risky option for us to ship out of Dunedin, and we are anxious about the prospect of being moved down there." Transparency is important for all relationships, and Lee Thorburn, Commercial Network Manager, Global Supply Chain, Fonterra, provides a timely example: "When ships get delayed and port capacity is affected, it is difficult to remember the good stuff. The port needs to be more transparent on potential risks upfront and communicate any issues as quickly as possible." But with the challenges come the positives and My Blank, Regional Head of Market with Maersk Oceania, highlights some of the good things about Maersk's relationship with the port: "Maersk have a strong and collaborative relationship with Port Otago, supported by efforts at all levels within the organisations. We highly appreciate the customer-focused mentality and willingness to support our operations."

"When the port is dealing with the community, it is critical to 'up' transparency and ensure that people understand what is being done, why it is being done, the timeframe involved and the outcome that is to be delivered."

Kevin Malcolm
Chair, Port Liaison Committee
Otago Regional Council

New first-response vehicle

Our West Harbour community now has a first-response vehicle to support the Port Chalmers Volunteer Fire Brigade's sole fire appliance.

Supported by our cruise partners, Port Otago contributed \$100,000 towards the \$250,000 project, which included a garage for the vehicle. The Lion Foundation, Otago Community Trust and New Zealand Lottery Grant Board contributed \$70,000, \$25,000, and \$10,000, respectively, with more than \$50,000 raised from our community and businesses.

Why the need for a first-response vehicle? When there are two events at once, there is now a second vehicle on hand for brigade use. And more remotely located community members experiencing medical events will be reached minutes faster – partly because a ute is more manoeuvrable than a fire appliance, but also because fewer crew are needed for the vehicle.

Brigade Chief Fire Officer Stephen Hill says the station has been evolving since around 2004. "Becoming a Medical First Response Unit meant the crew and sole fire appliance have become increasingly busy. We have gone from about 80 calls a year, to around 240 calls. Over the past three years, we have become very stretched at times. This vehicle makes a big difference for our community."

Port Otago Chief Executive Kevin Winders says the vehicle was a great project to get in behind, especially with the support of cruise partners. "Not only does our workplace rely on the brigade's resources and crew being there when we need them, sometimes our cruise passengers also need them. And we have volunteer crew within our kaimahi – Port Chalmers and other brigades – so this support also acknowledges that we value what they do for our communities."

Local children enjoying the Port Chalmers Volunteer Fire Brigade's open afternoon to welcome and bless the brigade's new first-response vehicle.



Supporting our community

With a 150-year history in our community, we are mindful of our place alongside our neighbours and environs. We have the means to support organisations and causes within our community and we do – through financial contributions, in-kind support and our community containers.

During the 2023/24 year, we supported 60 organisations, through 121 active sponsorships. Our sponsorships target:

- Our harbour community
- Water-based sports
- Water safety
- Our kaimahi.

Financial contributions

Our four most significant financial contributions during the year were:

- Port Chalmers Maritime Museum refurbishment
- Port Chalmers Volunteer Fire Brigade first-response vehicle and garage
- Orokonui Ecosanctuary education programme
- Iona Church balustrade upgrade.

In-kind support

Swimming lessons for six local primary schools continued for a fifth year. We also helped our Otago Navy

Cadets by sourcing new marine radios and providing training on their use. About 40 young football players from the Harbourside Junior Football Club received warm hoodies for training and pre-game warm-ups. We supplied Dunedin Maritime SAR Water Rescue with new marine radios and jackets.

Community containers

Forty Port Otago community containers are now nestled in around our wider Otago community. During the past year, eight containers were distributed. The recipients were: Southern Football, Mountain Bike Otago, West Harbour Pony Club, Harbour Rugby Club, Port Chalmers Golf Club, Waikouaiti Coast Heritage Centre and Food Equity and Education Dunedin.



During winter 2024, the Harbourside Junior Football Club's young players each received hoodies for training and pre-game warm-ups.

Te Rauone boat name acknowledges special community

In December, a hardy group of guests met at Wellers Rock, at the southern end of Te Rauone Beach to welcome and bless our new pilot boat. Attendees represented iwi, Te Rauone Beach Coast Care Committee, Otago Regional Council and Port Otago.

The boat – also named Te Rauone – pays respect to the Coast Care Committee, whose members worked tirelessly for 10 years to deliver the renourished beach and reserve for their community.

Port Otago Chief Executive Kevin Winders: “We’re delighted that the local Rūnaka, who played an integral part in the beach project, agreed to gift us the name.”

Upoko Te Rūnaka o Ōtākou Edward Ellison blessed the new vessel and iwi gifted a whale bone carving – signifying taoka (treasure) and mauri (life force) – giving those onboard the Te Rauone a symbol of luck dating back to the first canoes that travelled the great distance to reach Aotearoa.



Above: As part of the Te Rauone pilot boat's welcome ceremony, iwi presented a whale bone carving, which was blessed by Ōtākou Rūnaka representatives Rachel Martin and Edward Ellison (second and third from left). Also pictured are Port Otago GM Marine and Infrastructure Grant Bicknell (left), carver Lester Kelly (second from right) and Relief Launch Master Frank O’Neill. [Photo: Clinton D’Souza]

Welcome back CMA

In December 2023, we welcomed back the world’s third-largest shipping line, CMA CGM, after a four-year hiatus triggered by Covid interruptions and the resulting supply chain disruptions.

In Australasia, the CMA CGM Group operates the regional carrier ANL. The group has been partnered with Port Otago for more than a decade and its ANL TRANZTAS weekly service has operated in New Zealand for several years.

General Manager CMA CGM Agencies in New Zealand Gary Carter says that, when it comes to port services, the company is looking for cost-effective operations, high productivity and committed ship-side labour.

“Our experience of Port Otago has been characterised by the port’s resilience and commitment to service, exemplified in its ship operations.

“It is crucial to underscore the importance of the quality and speed of shore-based operations. Given the high dependency on food grade equipment, including reefers, with more complex container preparation required from the region, efficient turnaround of equipment for export is a critical aspect of service delivery.

“Port Otago’s focus on efficiency aligns with our international carrier perspective on cost-effective and streamlined services.”

STEPS TOWARDS OUR GOALS IN 2024/25:

- Increase customer engagement
- Complete Te Rauone Beach
- Harbour plan engagement



CAPITAL #3:

Our harbour taoka and beyond

Material issues

Nature: Protecting nature in our harbour by listening to the community and iwi, monitoring things closely and taking action well ahead of any tipping points in harbour health. Protecting the wider environment by developing an overall Harbour Management Plan with our partners. Implementing biosecurity measures specifically to protect our native flora and fauna from these hazards.

Climate change: Measuring, reporting and reducing our carbon emissions with science-based targets to protect our harbour taoka and beyond. Influencing others to do the same, including shipping lines, road and rail transport, customers, partners, suppliers and peers. Being prepared for increasing extreme weather events and related impacts on supply chain logistics and our customers' operations. Understanding the likely impacts of climate change on our assets and operations and developing an adaptation plan to address them.

Goals

- **(New) Reduce property climate change risk resulting in less volatility.**
- Agree our climate change aspirations and targets.
- Execute our climate change plan covering climate change risk assessment, adaptation/mitigation strategies, reporting framework and current baseline.
- Understand and adapt to potential future climate change impacts on our assets.
- Preserve our beautiful harbour and its biodiversity by listening to our community and iwi, taking care and monitoring these precious taoka closely.
- Reduce our noise.

Work ons

- **Understanding nature’s tipping points** and partnering to address them
- **Understanding the impacts** of climate change on the port and preparing for them
- **Reducing our own contribution** to climate change
- **Influencing others** in the supply chain to do the same

Key metrics

Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Performance compared to 2022/23
Greenhouse gas (GHG) emissions tCO ₂ e	6375*	5124*	5674	5809	6487	✗
Scope 1&2 GHG emissions tCO ₂ e	6101	4881	5437	5606	6226	✗
Category 1: Fuel as % of total GHG emissions tCO₂e						
(Previously reported as Scope 1)	78%	66% [^]	71%	70%	77%	✗
Category 2: Electricity as % of total GHG emissions tCO₂e						
(Previously reported as Scope 2)	15%	23%	25%	22%	16%	✗
LED lights % of total lighting	93%	92%	91%	87%		✓
Noise complaints total	33	32	18	45	88	✗
Noise complaints: Vessel	22	23	12	32	77	✓
Noise complaints: Non-vessel	11	9	6	13	11	✗

* 2023/24 data will be audited by Toitū in December 2024

[^] Figures slightly adjusted, as result of December 2023 Toitū audit

Our stakeholders told us...

“If you notice climate change in your lifetime, there’s a major problem, and I have seen big changes since my grandfather’s time. There’s erosion around the foreshore and changes to the fishery in the harbour. We always used to see tilly lamps on the water at night when locals went looking for flatfish, but you don’t see a single torch these days, although I think the flatfish are restoring slowly.”

Edward Ellison
Upoko, Te Rūnaka o Ōtākou

“Understand the carbon emissions of all port users, bulk, container and cruise ships, identify best practice in their sector, find out what they are doing, and require them to reach a certain standard.”

Grant Dodson
CEO
City Forests

The time to adapt is now

You would be forgiven for thinking, “when did climate change start moving so fast?”

Just a year ago, the port’s climate change conversation was all about how to reduce our carbon emissions using electric vehicles and equipment. Pivot to 2024 and it feels like the conversation has changed to adaptation overnight. Extreme weather events, such as Cyclone Gabrielle and the flooding in Auckland, brought home the reality that climate change isn’t way off into the future, *the time to adapt is now*. We felt compelled to get started on scenario modelling to understand how climate change could impact our operations, assets and supply chain. Kevin Kearney, Strategic Projects Manager, is driving our work on this. “Early adaptation is the realisation that impacts will happen and we’d better do something soon. Our immersion workshops on climate change risk are going well, they are getting people thinking about risk and possible technology responses.” Some of our team have described these workshops as “mildly terrifying”. Our connection to the environment is not just about climate change, but also nature. Of all our stakeholders, iwi have the closest connection to nature and Edward Ellison, Upoko, Te Rūnaka o Ōtākou, reminds us to respect its limits. “From a tangata whenua perspective, the health and wellbeing of the harbour and its environs is crucial because the harbour is a finite resource and there are tipping points.”

“As an environmental agency, the regional council encourages the port to place the highest possible priority on the health of the environment. Reliance on the harbour for business affords the port the opportunity to make a difference by supporting and partnering on projects to protect and regenerate the environment in and around the harbour.”

Richard Saunders
CEO
Otago Regional Council

Meet the survey team

Port Otago is bringing hydrographic surveying in-house and has employed experienced surveyor Peng Ong to lead the work.

Peng had worked with our Marine and Infrastructure team in 2017 as the contracted Site Engineer for the Multipurpose Wharf extension and, more recently, on the Cross Wharf rebuild.

Peng originally trained as a land surveyor and became involved in hydrographic surveying for oil and gas, 17 years ago. He spent many years at sea, working off the coasts of West Africa and

Australia, and in the South China and North Seas. Peng had wanted to live in New Zealand since he was a small child and, in 2012, he fulfilled his dream.

A brand new survey boat – Mātai Awa – is currently being fitted out with the latest in surveying equipment. For the first six months, Peng’s time will be split 70/30 on the water and in the office.

“The channel is the lifeline for our port operations. So we need to continually monitor the ever-changing seabed of the channel, basins and berths. We’ll be working closely with dredging crew –

our job is to make their job easier. It’s about providing them with up-to-date information, so they can work more effectively.”

Peng is joined in the survey boat by skipper Allan Sutherland, who was hydrographic surveyor for Port Otago from 1986 to 2014. He moved up the road to PrimePort in 2014 and recently retired – albeit for only four months – before being persuaded back south to skipper the Mātai Awa.

Nau mai Mātai Awa

Mihimihi to Te Rūnaka o Ōtākou for gifting the perfect name for our new survey boat: Mātai Awa. Mātai means to survey, study, observe. Awa is a river, stream, creek and references the Ōtākou Harbour. Te Rūnaka Māori language expert Tumai Cassidy proposed the name and Upoko Edward Ellison was delighted when he heard it. “There was a vessel that supplied lighthouses up and down the New Zealand coast and islands in the ‘20s and ‘30s. It was named the Mātai and my father worked on it. It was one of his favourite vessels.”

Our new hydrographical survey team of Surveyor Peng Ong (right) and survey boat skipper Allan Sutherland.



Surveying moves in-house

With the company strategically positioning itself to be an *always open* port, it is critical the harbour channel is safe to navigate and home to a healthy marine environ.

It was therefore a straightforward decision to bring hydrographic surveying in-house, after a decade of contracting the work out. Over that period, the harbour seabed surveys were carried out quarterly and generally with older single-beam technology. The retirement of the contracted surveyor prompted our team to consider its options.

GM Marine and Infrastructure Grant Bicknell: "By moving surveying in-house, we can better understand our channel, be more efficient in our dredging operations and provide better navigation depth assurance to our stakeholders."

A Senator RH650 aluminium pleasure craft has been custom-built to accommodate the latest multi-beam surveying equipment and a work platform, at a total cost of \$640,000. As its name suggests, multi-beam – as opposed to single-beam – generates more data points and, therefore, more accurate and reliable data. "Used alongside satellite positioning systems, motion sensors and echo sounders, we can generate full seabed maps that are high resolution and keep abreast of the dynamic nature of our harbour channel.

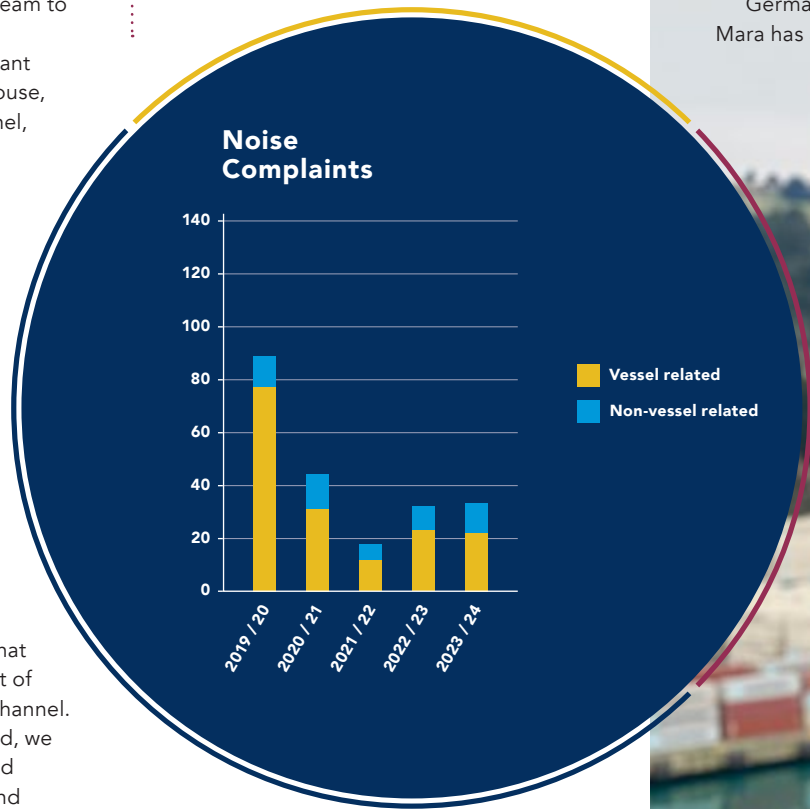
"With climate change front of mind, we will be carrying out surveys more and sharing our data with the regional and district councils, to feed into their climate action plans."

Noise complaints

There were 33 noise complaints in 2023/24 – one more than last year.

The 22 vessel noise complaints were across a range of vessels, but the MSC Lidia accounted for seven of the complaints. Cruise ship horns also featured in this category.

The 11 non-vessel noise complaints were predominantly bangs and crashes from operational activity.



New Chair for noise committee

Dr Mara Wolkenhauer was recently appointed as the Port Noise Liaison Committee's Independent Chair.

Mara is an experienced director and chair of not-for-profit boards and committees. She has worked as a Business Development Manager at the University of Otago and as Principal Advisor Science Investment for the Department of Conservation. Mara was involved in two of New Zealand's National Science Challenges – Land and Water, and Resilience.

German born and Australian educated, Mara has a PhD in Marine Sciences jointly

from the University of Rostock and University of Queensland. She also has an MBA from the University of Otago and has developed her knowledge of Te Ao Māori values and an understanding of Te Tiriti o Waitangi – particularly in relation to governance and decision making.

"In my governance roles, I'm looking for innovative organisations that have a genuine commitment to the environment and the communities they impact, beyond just a social licence to operate."

Mara replaces the late David Richardson, who died suddenly in March this year.



Environmental planner joins team

Joanne Dowd joined Port Otago as Senior Environmental and RMA* Planner in March this year.

She has a Bachelor of Social Sciences (Hons) and Masters in Town and Country Planning from Queen’s University Belfast.

Joanne’s career spans both the private and public sectors. She most recently worked as a Principal Policy Advisor for the Ministry of Business, Innovation and Employment’s Energy and Markets Policy team. She was previously Aurora Energy’s Planning, Property and Environmental Sustainability Manager for eight years.

Joanne: “I was working on national planning guidance for infrastructure in my previous role, when the Port Otago Supreme Court decision was released last year. I was impressed with the tenacity of Port Otago to challenge the status quo and, when I saw the environmental planning role advertised, I thought ‘that’s a company I would like to work for.’”

Joanne is responsible for monitoring environment-related legislative change to ensure the company’s ongoing regulatory compliance. She is also part of the sustainability team working on decarbonisation.

* Resource Management Act

Port Otago’s new Senior Environmental and RMA Planner Joanne Dowd.

Attention turns to climate change risks

It is four years since Port Otago undertook its first carbon footprint audit. As our knowledge of sustainability has matured and data has highlighted where meaningful difference can – and cannot – be made, our attention has turned to the broader issue of climate change risk.

Strategic Projects Manager Kevin Kearney is leading the climate change strategy, working alongside the port’s Sustainability team and subcommittee. The first step was creating the *Port Otago Climate Change Risk Assessment Report*, which defines the company’s sustainability framework and is the reference document for future work.

Because Port Otago Group includes the property arm, Chalmers Properties, the report includes climate change risks to commercial properties in Auckland, Dunedin and Hamilton.

Environmental/engineering consultants Tonkin and Taylor reviewed the document and its experts facilitated a series of risk identification and rating workshops for the Board, Leadership Team and senior technical leaders.

Risk assessment overviews

Post workshops, two detailed risk assessment overviews were developed. The property arm of the business faces only moderate and minor climate change risks. Kevin: “However, the port business is more vulnerable due to the range of assets and nature of exposure environments. The most critical physical risk for the port is coastal erosion caused by extreme weather, followed by extreme wind and sea level rise.”

A separate category of climate change risk is transition risk. This relates to the pace and extent that an organisation’s environment moves to reduce greenhouse gas emissions and transitions to a low carbon economy using renewable energy. The

category includes driving factors such as policy, economic, technology, societal, legal, and market-related risks. For example, if New Zealand policy is more stringent than global policies and shipping lines are unable to meet these, they could potentially cease operations to New Zealand. A technological risk is that, as a port, we are unable to supply shorepower to ships due to lack of infrastructure (internal and/or external). A market-related example is the risk of conflicting economic pressures, if – for instance – shareholders request investment into decarbonisation technology, alongside increasing dividends.

Asset management plan

As part of building climate change adaptation into our day-to-day business, our asset management plan has been centralised to provide a company-wide overview of asset risk points and timeframes for the replacement of high-cost capital assets. All physical risks identified in the risk assessment overview are being incorporated into the asset management plan – and include monitoring methods and triggers for action – as well as the strategic plan and risk register.

Emissions reporting

New Zealand’s port sector has gravitated towards software company BraveGen for emissions data collection and reporting, and Port Otago has also begun making the transition.

Sustainability Manager Carolyn Bennett says the ability to generate reports that can scrutinise all aspects of the business was a key factor. “The software allows us to track our carbon reduction efforts by measuring and reporting on emissions intensity data.”

BraveGen and the asset management plan will be linked by December 2024.

Low-carbon mobile plant

The future of mobile plant remains on a watching brief, as technology development progresses at slower-than-forecast rates.

Port Otago’s fleet of 14 diesel-fuelled straddle carriers has an average age of 15 years and, with proactive maintenance, the start of asset replacement can be pushed out for another two years.

The future options are hybrid or electric with hydrogen (under prototype development). Kevin says hybrid diesel-electric offers a 40% carbon reduction benefit over 100% diesel technology and is likely to be an interim solution. “While the current focus for straddle carrier manufacturers is full electric, the uptake

globally is very slow. Uptake is hampered by industry concerns over higher-than-expected charge duration cycles and consequently increased fleet size requirements, as well as the substantial cost premium, which includes the charging infrastructure.”

Early indications are that hydrogen – combustion or fuel cell – will be the long-term solution. However, this will be at least 10 years away.

Kevin: “For Port Otago this means that, while we are monitoring technology development, we will move to focus on carbon intensity. Specifically, developing activity and efficiency measurements and identifying opportunities to reduce carbon emissions.”

Emissions summary

The following graph shows an important metric: **Total emissions (maroon bars) = tonnes of CO₂e.**

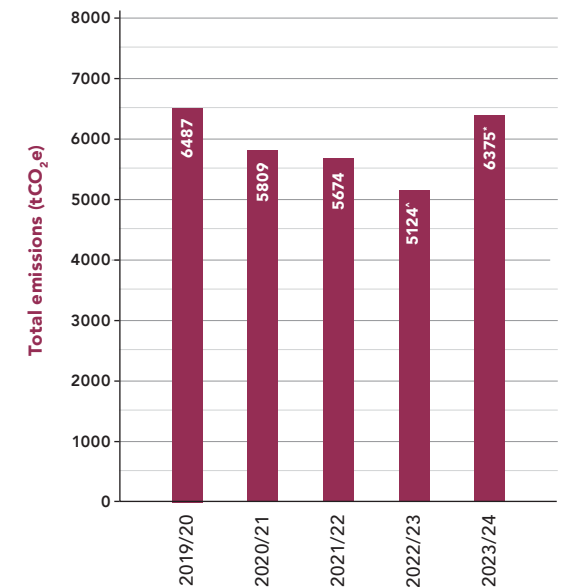
CO₂e stands for “carbon dioxide equivalent”. It is a single unit that accounts for all greenhouse gases, including carbon dioxide, methane and nitrous oxide. Total emissions were up because there was more business throughput.

^ Figure adjusted, as result of Ministry for the Environment introducing updates to emission factors in July 2023. This impacted electricity emissions significantly (1306tCO₂e c.f. 842tCO₂e).

* Yet to be audited



This data is based on a self-assessment using Toitū emanage. The Toitū audit and verification is scheduled for December 2024.



Emissions by category



KEY

- **Category 1**
Direct emissions arising from Port Otago business (i.e. fuels)
- **Category 2**
Indirect emissions arising from energy (i.e. electricity)
- **Category 3**
Transport emissions (i.e. travel, freight)
- **Category 4**
Emissions from products/services used by Port Otago (i.e. waste, electricity distribution losses)

Port Otago - Emissions by Trade – Scope 1 and 2

TRADE	FY20	FY21	FY22	FY23	FY24
Container	3.05	3.53	3.53	2.79	2.70
Forestry	0.30	0.29	0.31	0.20	0.27
Oil	0.40	0.39	0.35	0.27	0.37
LPG	4.40	3.13	3.36	2.04	3.14
Fertiliser	0.97	0.67	0.67	0.52	0.95
Cement	0.97	0.80	0.93	0.41	0.81
Fishing	13.07	7.63	7.60	5.85	10.64
Other	13.61	3.78	5.64	2.50	1.65
Supply Chain	1.06	1.21	1.27	1.08	1.05
Cruise - per gross tonnage	0.034	0.000	0.000	0.023	0.029

Measure as kg CO₂ per tonne of cargo.

Tonnage is a combination of Stats NZ and Port Otago data. The fishing and other trades reflect higher weightings due to the low volume of tonnage carried over the wharf. Cruise is measured at a gross tonnage rate and includes all vessels where Port Otago marine assets have been used.

Strengthening the Aramoana mole

Investigations are underway to improve the resilience of the Aramoana mole.

In February 2023 Cyclone Gabrielle took out the navigation beacon and tip of the mole. While the beacon (which signals the northern point of the Otago Harbour channel entrance) has been replaced, the bigger issue of the mole’s long-term resilience is not a simple fix.

The 1.2km mole was built up over many years to today’s height of 4m above sea level. From a coastal ecological perspective, it guides water flow into and out of the harbour, keeping the channel clean and clear and improving tidal flows.

GM Marine and Infrastructure Grant Bicknell says protecting the mole from the unrelenting impact of the Pacific Ocean is a never-ending maintenance task. “We can’t keep doing what we’re doing. So, to improve its resilience, we are working alongside international and New Zealand experts on sea wall infrastructure solutions.

“With the frequency of extreme weather events increasing and the mole’s remote location, it’s going to take a smart engineering solution.”

STEPS TOWARDS OUR GOALS IN 2024/25:

- **Set science-based climate change target/s**
- **Embed our adaptation plan into the asset management plan**

During the late 1950s, 5-tonne concrete tetrapods were placed on the end of the mole. They were no match for the ocean and tides and are long gone. [Photos: Port Chalmers Maritime Museum]





CAPITAL #4:

Our know-how and skills

Material issue



Innovation: Improving resilience and efficiency in our supply chain with automatisisation and digitisation. Working with our customers, shipping lines, infrastructure and logistics partners and peers to innovate and become more agile, using container packing optimisation for example, and supply chain services such as green corridors.

Goals



- **(New) Build a better business: Decisions based on accurate real-time data.**
- Doing more with the same, safely.
- Investigate the value in future resilient supply chain services, e.g. green corridors, cold ironing and alternative fuels, including the costs, benefits and local demand.
- Improve our efficiency through automation and digitisation, such as systems for berth management, property management and supply chain connectivity.
- Work with our supply chain partners to embrace new and agile ways of working landside.
- Develop a strong platform to train and develop our team.
- Establish effective processes to protect the port from cyber attacks and respond rapidly.

Work ons

- **Process innovation** for efficiency gains
- **Equipment innovation** on port for the future
- **Channel innovation** for shipping and load flexibility

Key metrics

Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Performance compared to 2022/23
Training sessions	3740	3208	1099	1831	1316	✓
Average training hours per employee	13.3	20.0	9.5	16.3	30	✗
Transfers, promotions and secondments	63	37	21	31	16	✓
% of new appointments that were internal	43%	26%	45%	50%*	42%	✓

* Correction to 2020/21 figure, as result of refining our calculations

Our stakeholders told us...

"Machinery innovation is an area for improvement, such as driverless straddles, which some ports are already doing."

Scott Payne
 Surfacing Divisional Manager
 Fulton Hogan

"We need to understand the port's digitisation journey and how we can become more digital together."

Maico Lenhard
 Logistics Manager
 Alliance

From little things...

At the port, we appreciate that innovation doesn't have to be something big and completely new and that, *from little things, big things grow*. Jodi Taylor, Executive Assistant, Port Otago, sums up our sentiment perfectly. "As a smaller port with a limited footprint, we need to be more creative, making innovation part of every decision. Changes don't need to be big, small things can lead to significant changes." Jodi's view is shared by Kevin Kearney, Strategic Projects Manager: "I think the word 'innovation' is overused. Most of what we do isn't ground-breaking, it is just continuous improvement." As we try to integrate innovation into everything we do, we remember to explore small changes to processes that can improve efficiency with the longer term in mind. We continue our vigilance on cyber security, seeing its materiality drop a little as solid progress was made throughout the year. Ollie Barton-Jones, who joined the port as Head of IT during the year, is best placed to sum up the port's approach. "We need a cyber response plan that is so well rehearsed we react calmly to whatever happens, we follow the script and restore our systems in short order. DEFEND provides our SOC & SIEM service at the port and are so engaged, we are proud to partner with them. They're constantly looking out for us and enable us to stay calm in the day-to-day."

"Innovation can be about something big and completely new like AI, but more often it is a lot of small improvements that added together make a big difference."

Bob Fulton
Director
Port Otago Board

Ensuring an *always open* channel

With ship sizes increasing across various trades – container, bulk and passenger ships – Port Otago has been investigating which vessels the Otago Harbour channel can accommodate into the future.

Strategically, the company has identified that an *always open* channel future proofs the port for the region and its people.

Last year, international channel infrastructure experts Seaport OPX were commissioned to build an advanced digital model of the harbour channel. The model has been used extensively within the high-tech FORCE Simulator in Singapore and answered many questions.

GM Marine and Infrastructure Grant Bicknell says the company now has a much greater understanding of the current channel’s capabilities and options for the future. “The modelling demonstrated that the channel is capable of handling a 184m vessel all the way up to Dunedin Bulk Port without any changes. This specific length represents the vessels that our customer, Ravensdown, would like to bring into its wharf at Ravensbourne. Notably, the length is greater than most log ships that visit Port Chalmers.

“This means Ravensdown could bring in its preferred efficient 184m vessels to

discharge at the Ravensbourne plant. The same vessels – once empty – could then move two kilometres further up the harbour to Dunedin Bulk Port and be hired by the log customers to load 18,000-20,000 tonnes below deck. Back loading is efficient and lowers the cost of shipping to both parties, removes empty vessel repositioning costs and generates a lower carbon footprint.”

Cyber security vigilance

Port Otago has partnered with a third party to manage its cyber security response.

Head of IT Ollie Barton-Jones says New Zealand cyber security specialist DEFEND is doing an exceptional job monitoring the port’s internal and incoming threats, which include emails and clicked links.

“For example, our IT Team received an alert that there had been unusual activity from a team member’s log-in. We acted immediately to check with the team member and confirmed she wasn’t responsible for the activity. By the time we were in touch with DEFEND, they had already reset the team member’s credentials and logged her out of everything. The speed at which they acted could not have been faster.”

Another example involved a team member browsing an online shopping site. He clicked on a link, which triggered log-in attempts across the world. Again, DEFEND’s response was incredibly fast and thorough.

Ollie: “It’s like having our own virtual fire brigade to put out any cyber security fires.”

The Otago Channel

	Lower Harbour: Taiaroa Head – Port Chalmers	Upper Harbour: Port Chalmers – Dunedin
Length	5 nautical miles (9 km)	7 nautical miles (13 km)
Consented depth	15m	8.5m
Actual depth	13.5m	8.5m
Navigational beacons	46	98

Wearable safety technology being trialled

During the year, our Safety team trialled wearable technology that “tells” the wearer when they are performing potentially harmful movements.

The eight-week Manual Handling Injury Awareness and Prevention Trial assessed if the Soter Analytics technology was suitable for identifying and reducing manual handling risks in a port workplace. We have several roles that can only be completed by manual handling. For instance, Cargo Handlers carrying out lashing use six-metre bars to secure containers on vessels.

The technology can focus on either

spinal or shoulder movements. For spinal movements, the wearer clips the tic-tac box sized device to their collar; for shoulder movements, the device is attached to an armband on the wearer’s arm. In both cases, if the wearer makes a movement that is potentially harmful, the device beeps and vibrates. This instant feedback gives the wearer an opportunity to identify and correct their movement immediately.

Safety and Training Advisor Chris Hawke led the trial. “We determined that the technology is suitable for identifying risk. It provided objective information into tasks

that we currently accept as ‘just how the job is done’. We need to rethink how we can engineer out some of these risks.”

The plan is to use the technology in a targeted fashion. “Starting with known activities that contribute to muscular harm, we’ll map the current risk profile then focus on improvements through engineering solutions. Where that’s not possible, team member physical conditioning, task rotation and improved task technique will be used to mitigate the risk to a reasonably practicable level.”

Buoys informing our community

Since May, three wave buoys have been bobbing around in Otago’s coastal waters.

The 400mm-diameter Spotter Buoys are powered by solar rechargeable batteries and transfer data in real time, via satellite. They collect information on wind, sea surface temperature and atmospheric pressure, as well as the wave and swell metrics.

GM Marine and Infrastructure Grant Bicknell says the company’s buoy is near Taiaaroa Head, where our Marine Pilots board incoming vessels. “This technology gives us valuable information on swell conditions, which we use for pilot boarding decisions.”

Grant says that it made sense to link in with the Dunedin City Council and Otago Regional Council. “The two councils opted to join us, with a buoy each – at Taieri Mouth and St Clair, respectively. With three buoys, we can all better understand Otago’s coastal marine environment.”

Information from the buoys is available to the public via our website.



Safety and Training Advisor Chris Hawke (left) fits a Soter Analytics device onto Marine Engineer Nathan Murdoch.

Navigational beacons upgraded

The Otago Upper Harbour channel navigational beacons were replaced earlier this year and the lower channel beacons are currently being upgraded.

The upgrade improves nighttime navigational safety in the channel and is part of the company’s strategy to be *always open*.

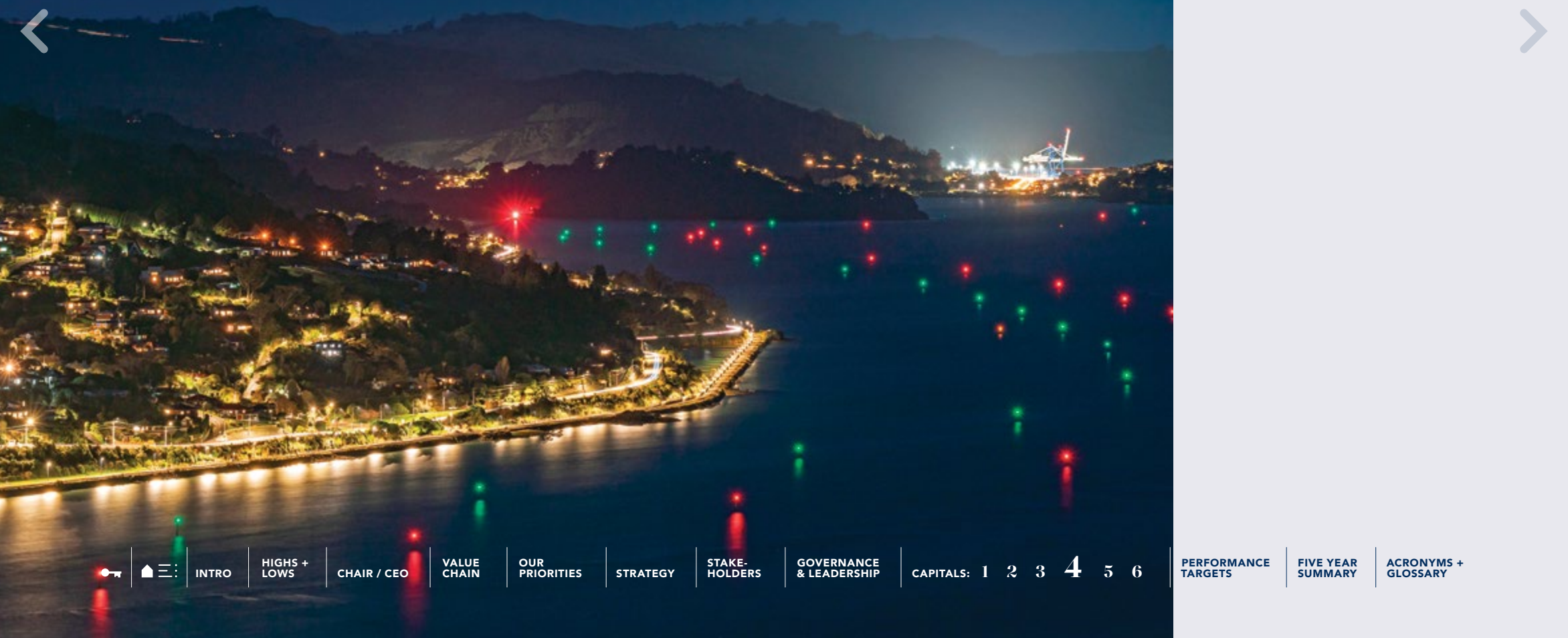
GM Marine and Infrastructure Grant Bicknell: “Previously, the lighting configuration varied along our channel. Now, it’s GPS-synchronised, with lights flashing on for one second and off for two seconds.”

There are different lighting sequence options and the solar-powered nature of the lighting played a significant role in decision making.

“While our Marine Pilots were in Singapore last year training on a state-of-the-art simulator, they tested different sequences. The sequence chosen was optimal for improving navigational situational awareness, while ensuring the lighting could sustain overnight activity during winter, when there are limited sunlight hours to recharge the solar power.”

STEPS TOWARDS OUR GOALS IN 2024/25:

- **Business Intelligence (BI) systems support our planning decisions**



5

CAPITAL #5:

Our assets

Material issues

Wharf capacity and infrastructure: Balancing wharf capacity between bulk, container and cruise ships. Using a simulator to explore what's possible in the channel, allowing increased volumes of logs to be loaded at Dunedin Bulk Port. Efficient container throughput to optimise space on a resilient wharf, alongside an inland storage depot for expansion.

Shipping volatility: Working closely with shipping lines to build their confidence in visiting the port, achieving as many services with as far a reach, and as much certainty, as possible for all stakeholders. New services include Maersk Polaris transships and ANL, boosting our container business. Demonstrating agility to come up with solutions to shipping challenges across New Zealand as a dynamic port where the team pulls together to get the job done, with efficient container turnaround times and optimum moves per week.

Goals

- **(New) New Zealand's always open port: Leverage existing infrastructure to be always open.**
 - In-house dredging capability making us open for growth.
 - Renewable harbour defences making us the first port open post extreme weather, ready to support others.
- **(New) Space for customers adapted to their needs: Provide buffer capability to be always open.**
 - Increased storage at Mosgiel Hub for increased acceptance windows, making us the preferred option for our customers.
- Grow the container business by investing in additional storage and depot capability.
- Grow the bulk business by increasing storage capacity and enhancing shipping flexibility with Victoria Channel improvements. Relocate storage (where it makes sense), develop wharf replacement options and work with customers on fit-for-purpose infrastructure to meet future needs.
- Improve the quality of cruise business by engaging with the cruise industry, investing in Pilot accommodation, maintaining capability and a new pilot boat.
- Continue to build a sustainable property portfolio as a fundamental part of the port's financial sustainability.

Work ons

- Collaborating on an inland hub and making progress
- Responding quickly to operational disruption in our port network
- Being flexible to attract more services to Port Otago and the South Island

Key metrics

Metric	Category	2023/24	2022/23	2021/22	2020/21	2019/20	Performance compared to 2022/23
Infrastructure	Gross crane rate	24.5/hr [^]	26.2/hr	26.0/hr	26.2/hr	25.5/hr	✗
Wharf utilisation	Berth utilisation Container ships	34%	25%	19%	24%	26%	✓
	Berth utilisation Cruise and log ships	31%	33%	26%	30%	36%	✗
	Full yard daily averages in TEU & % days >90% full	1872 11%	1813 6%	1823 20%	1905 29%	1512 15%	✓
Vessel movements	Total movements across all sites	737	653	405	430	476	✓
Exports	Total volume (tonnes)	2.47m	2.15m	1.89m	2.17m		✓
	Total value	\$8.1b	\$6.6b	\$5.3b	\$4.4b		✓
Imports	Total volume (tonnes)	738k	774k*	772k	703k		✗
	Total value	\$1.1b	\$1.2b	\$1.1b	\$735m		✗
Container business	TEU volume	268,868	186,427	166,153	174,779		✓

[^] Recent decrease in productivity due to increase in staff recruitment and training to support increased volumes

* Minor correction to 2022/23 figures, as result of a calculation error

Our stakeholders told us...

"The port worked extremely hard to balance wharf capacity between cruise, containers and bulk this year, working with us to mitigate most of the conflicts that arose. We can't complain."

Dave Cormack
CEO
Wenita

"Inability to manage the volume on the port creates problems for Fonterra, to the point where it can't get containers on and off port. This shortens packing times and adds cost and complexity to the supply chain, putting Fonterra's customers at risk of not receiving their goods on time."

Lee Thorburn
Commercial Network Manager
Global Supply Chain
Fonterra

Best laid plans

If only we could wave a magic wand and create more space at the port. Balancing the needs of our container, bulk and cruise customers will always be a challenge when shipping schedules change with little notice. *Best laid plans...* We have been collaborating with our partners and customers for a while now to create an inland hub in Mosgiel, where containers can be stored, repaired and packed ready to go, and the time is ripe for progress on this. My Blank, Regional Head of Market, Maersk Oceania, outlines some key considerations. "Capacity constraints on terminal are a challenge, in particular reduced space on port to store, repair and upgrade empty containers for customers to export. A large number of customers pack on port, so it doesn't make sense to take empty containers off port for repair/upgrade. It affects us by increasing costs, exacerbating the existing constraint on container upgrade/repair services and delaying equipment supply to exporters. It also increases carbon emissions from additional transport." This year has also been one of progress in the harbour, using a simulator with our pilots to allow bigger ships and larger loads in the channel. Mike Whitty, COO, Ravensdown: "Developing the inner harbour is critical for growth to improve the depth of the channel and allow increased size vessels to come in. The port's work with the Pilots to manage vessels coming in and the dredging programme to allow larger vessels and greater loads is much appreciated."

"Mosgiel is an important foundation for the longevity of the port. It will provide efficiency in the face of limited land availability in Dunedin, more options to decarbonise with freight on rail, and enhanced resilience."

Tim Gibson
Chair
Port Otago Board

New jet-powered pilot boat: Te Rauone

Port Otago took delivery of the \$3.2 million Te Rauone pilot boat in August 2023.

The 17.5-metre vessel is the company's first ever jet-powered pilot boat and was built by Hart Marine in Melbourne and arrived in August 2023.

Port Otago has three pilot boats, which transport our Marine Pilots between Port Chalmers and the Southern Ocean. These boats can find themselves seven kilometres off our coastline, in swells of up to six metres.

Jet propulsion has several advantages over propellers, including being safer, more manoeuvrable and smoother, with lower ongoing maintenance costs.

Port Otago GM Marine and Infrastructure Grant Bicknell: "As ships get faster and shipping lanes busier, ports around the world need a new type of pilot boat to keep up. Today's hard-working pilot boats must be fast, highly manoeuvrable, efficient and reliable, and safe in all situations."

Operational footprint optimised

Port Otago has completed three major projects at the Port Chalmers Container Terminal that optimise the site's operational footprint for the future.

In November 2023, the Cross Wharf upgrade was completed. This wharf was the oldest timber-piled structure remaining at the terminal, spanning between the Container Terminal Wharf and Beach Street Wharf.

Late last year, the old "Glasshouse" administration building was removed, enabling the container repair yard to be expanded by 1500 square metres. This, in turn, freed up more space for empty containers to be on hand, ready for local exporters.

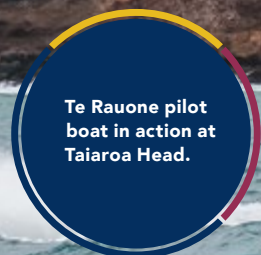
The final piece of the puzzle was the build of the new Port Otago administration building. It sits on an awkward triangular piece of land adjoining the Port Chalmers Maritime Museum and on the town side of the railway line, meaning it was of minimal operational value to the port but ideally situated for admin.

Collectively, these three projects have optimised the central core of the Port Chalmers site.

Off-site container storage

To further optimise our Port Chalmers container terminal by freeing up space, we are supporting development of an inland freight hub at Mosgiel. The hub would be rail-accessible, thus 3500 fewer trucks, annually, would make the return journey along State Highway 88, between Dunedin and Port Chalmers.

Alongside the proposed hub is the long-standing issue of Mosgiel requiring a heavy-traffic bypass to divert traffic from the township's main street. Any solution is likely to be at least several years away. As a medium-term strategy, a 1000-container capacity depot has been established at Ravensbourne, which is already reducing container congestion on the working terminal.



Global shipping reliability falls

Global shipping reliability fell significantly during the 12 months to 30 June 2024 – from 64% in July 2023 to 54% by June 2024. The situation was due to several well-known issues, including the Red Sea access, Panama Canal water shortages and congestion at numerous large ports around the globe.

Port Otago Commercial Manager Craig Usher says that, while there were patches earlier in the season where vessels either missed their berthing window or became bunched up prior to reaching Port Chalmers, it was overall a very good year for Port Otago’s container business.

“We are more dynamic in how we manage our operation, especially with the 10-hour labour model. The 10s took some time to bed in, as we built up our pool of experienced Cargo Handlers, but we improved as the season went on and expect to continue improving in the year ahead.”

Impact of weather

Craig says bad weather made for a “lumpy” season, at times. “Napier experienced swell events during the year, forcing operations to cease and affecting the Southern Star service on to us. And, here in Port Chalmers, we had 40-plus knot wind events on several occasions and could not safely operate.”

Transshipping

With import and export volumes relatively flat over the season, transshipping proved a useful supplement to the container arm of the business. “For the past 12 months, we have processed significant transship volumes for Maersk and that has been fantastic for us. We saw an opportunity and put ourselves out there to say ‘we can do it’ and we got a crack.

“The nature of transshipping is that it can come and go, as networks are continually reviewed. It’s therefore great to show our capabilities.”

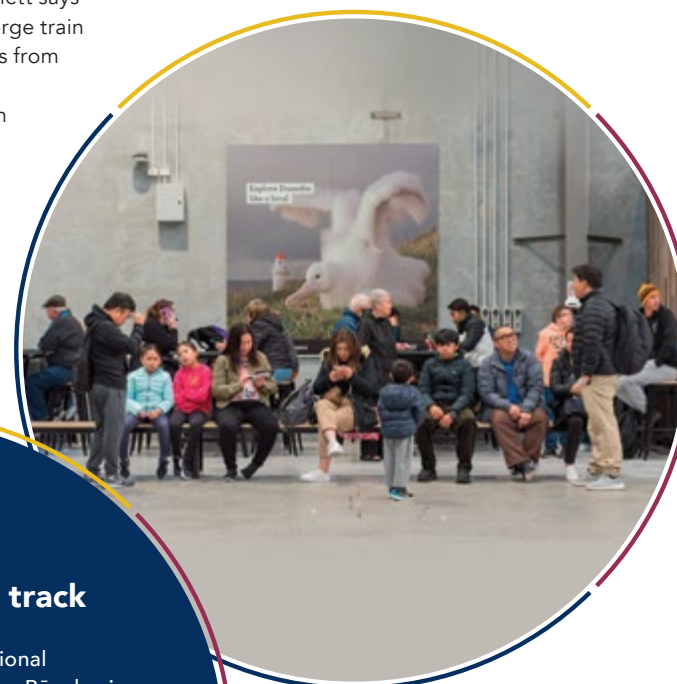
Successful cruise season

The 2023/24 season saw a record number of cruise ships call into Port Chalmers and Dunedin – 118 vessels in total, 97 in Port Chalmers and 21 at our Dunedin Wharves. Previously, the busiest season had been in 2018/19, when we welcomed 115 ships.

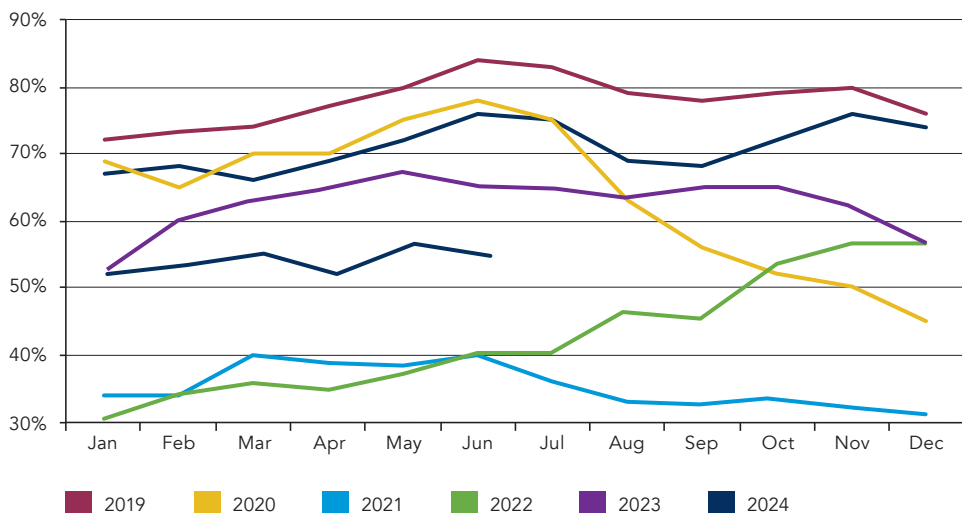
Cruise Manager Carolyn Bennett says highlights included the Taieri Gorge train once again collecting passengers from Port Chalmers and the first-ever double cruise day at the Dunedin town wharves.

There were also logistical wins, says Carolyn. “Our Cruise team worked alongside the Otago Regional Council to manage the peaks created when cruise passengers caught the local bus.

“The other win was the calibre of our Seasonal Cruise Assistants. Of the 38 assistants, 24 were returns. That nearly two-thirds of the team came back this season was a huge compliment to the company.”



Global Schedule Reliability



Te Whare Rūnaka on track

Construction of the Otago Regional Council’s new building, Te Whare Rūnaka, is progressing to schedule. The 2800 square metres of roofing was installed over June to August 2024. The next significant stage – glazing and cladding – was underway as this report went to print. The building, situated on Maclaggan Street, remains on track for an August 2025 possession date.

Chalmers Properties performing

Port Otago’s property business, Chalmers Properties, continues to attract and retain high-calibre tenants for its high-spec warehouses. At 30 June 2024, its property occupancy sat at 99%.

GM Property David Chafer: “Our industrial properties have strong tenant appeal. Their quality and location are underpinning rental growth and demand.”

Chalmers Properties’ rental income for the 2023/24 year was up by \$3.6 million. David says the lift was due to two factors. “Over the 12 months, there were rental increases across Auckland properties, generally. While in Hamilton we completed five developments at Te Rapa Gateway so those properties began generating rental income.”

Tenant activity

In December, a new spec-built property was leased before February completion to Te Rapa Gateway tenant KOR Equipment, which had outgrown its unit. March 2024 saw Steel & Tube’s Hamilton roofing division move into its custom-built premises, while Venita moved into NZWindows’ vacated Te Rapa Gateway property in October 2023 after NZWindows moved to a new Te Rapa Gateway development. Altus moved into their new premises in August 2023 and Spectrum, October 2023.

A large new office/warehouse development for RML Engineering is due for completion in October 2024.

Merit award

Chalmers Properties’ Altus development at Te Rapa Gateway took home a Merit award at this year’s Property Council New Zealand Awards in the CBRE Industrial Property category. It is Chalmers Properties’ fifth Property Council Award in six years.

Metrics per business activity

Metric / Category	2023/24	2022/23	2021/22	2020/21	Performance
Container business					
TEU volume	268,868	186,427	166,153	174,779	✓
Dairy export/import (tonnes)	701,386	484,125	430,380	479,078	✓
Meat export/import (tonnes)	312,660	290,527	253,287	226,659	✓
Seafood export/import (tonnes)	78,517	30,739	29,648	28,688	✓
Fruit export/import (tonnes)	44,312	42,720	21,293	13,999	✓
Wood export/import (tonnes)	197,947	204,441	145,594	228,997	✗
Other export/import (tonnes)	197,134	141,242	164,361	120,758	✓
Bulk business					
Oil/LPG import (tonnes)	483,727	462,126	401,596	392,791	✓
Fish import (tonnes)	21,775	24,783	31,648	24,388	✗
Log export (tonnes)	1,021,106	1,046,246	1,002,742	1,181,054	✗
Cement import (tonnes)	52,420	58,734	52,989	45,177	✗
Fertiliser import (tonnes)	86,855	138,317	114,757	126,297	✗
Other bulk export (tonnes)	12,775	4,534	8,944	8,645	✓
Cruise business					
Cruise visits	118	101	0	0	✓
Cruise passengers	193,674	149,497	0	0	✓
Property business					
Total investment value	\$637m	\$620m	\$589m	\$500m	✓
Occupancy rates	99%	97%	100%	93%*	✓
Weighted average term lease (years)	6.4	6.9	6.3	7.1	✗

* 100% at 31 August 2021

STEPS TOWARDS OUR GOALS IN 2024/25:

- Upgrade our rail infrastructure
- Purchase a replacement dredge



CAPITAL #6:

Our financial value

Material issue



Financial performance: Generating healthy financial returns for our shareholder from a strong capital base via increased revenue and EBITDA. Contributing to the people of Otago via shareholder dividends facilitating reduced regional council rates.

Goals



- **(New) Space for customers adapted to their needs: Provide buffer capability to be always open.**
 - Attract exports/imports for sustainable growth.
- **(New) Build a better business: Decisions based on accurate and complete data.**
 - Property enables the port, a successful business in its own right, resulting in reliable returns.
- Provide consistent shareholder dividends with a portfolio that optimises returns, builds resilience and facilitates investment in the future.

Work ons

- **Building operational returns** year-on-year
- **Maintaining returns** in a tight property market
- **Communicating our contribution** to the people of Otago

Our stakeholders told us...

“Otago Regional Council is seeking more from the port in the coming years, so being able to pay out forecast dividends whilst still maintaining a healthy business is a top priority.”

Richard Saunders
CEO
Otago Regional Council

Key metrics

Metric	2023/24	2022/23	2021/22	2020/21	2019/20	Performance compared to 2022/23
Underlying profit	\$34.4m	\$32.0m	\$17.6m	\$21.4m	\$24.7m	✓
Profit	\$30.4m	\$23.3m	\$70.5m	\$94.5m	\$50.5m	✓
Dividend to ORC	\$16.0m	\$14.0m	\$13.0m	\$10.1m	\$10.0m	✓
Shareholder equity	\$717m	\$704m	\$694m	\$635m	\$549m	✓
Equity ratio	78%	79%	82%	85%	84%	✓

“Our network review is part of our 15- to 20-year strategic plan, setting plans to hit the right size, access and models, identifying where to invest and which ports will perform on volume.”

Maico Lenhard
Logistics Manager
Alliance

Solid performance for investment



We are never in any doubt from our shareholder, Otago Regional Council (ORC), of the criticality of our dividends to support the people of Otago with reduced rates. Richard Saunders, CEO of the ORC: “As a 100% shareholder, the port maintaining strong financial performance is of critical importance.” But it’s not just about dividends. We also rely on solid financial performance to allow investment in the future of the port, in areas such as infrastructure and adaptation for climate change. This was echoed by Mike Whitty, COO, Ravensdown: “As a customer, it’s a double-edged sword, we always want things as cheap as possible, but we also want the port to be successful enough to invest in critical areas.” Wise words were also provided by René Bakx, Ex-CEO of the port from 1997-2004: “When times are tight it is more difficult to support things not seen as contributing directly to financial returns.”

“We know we must provide good, predictable returns to our shareholder, Otago Regional Council, so they can continue their work in the region, including around climate resilience. We must continue to strike the right balance between the port’s ongoing investment needs, which will also encompass reducing carbon emissions, increasing climate resilience, and our shareholder’s expectations.”

Tim Gibson
Chair
Port Otago Board

Underlying profit as financial performance measure

Port Otago understands the importance of reported profits meeting accounting standards. Because we comply with accounting standards, users of the financial statements know that comparisons between different companies can be made with confidence and that there is integrity in our reporting approach.

However, we believe an underlying profit measurement can also assist understanding business performance – particularly for an organisation such as Port Otago, where revaluation changes can distort financial results and make it difficult to compare profits between years.

For this reason, Port Otago refers to underlying profits, alongside reported results. That is, when we report the results, we exclude fair value changes of investment property adjusted for changes that relate to development projects completed during the year and one-off items such as the deferred tax impact of the legislative change to remove building tax depreciation deductions.

The table shows the reconciliation between reported profit and underlying profit for the years ended 30 June 2024 and 2023.

	2024 \$000	2023 \$000
Profit for the year	\$30,423	\$23,277
<i>Less</i>		
Unrealised change in the fair value of investment property	(\$4,391)	\$458
Income tax on revaluations	\$151	(\$2,229)
Profit for the year before revaluations	\$26,183	\$21,506
<i>Plus</i>		
Development margin on completed property projects	\$2,321	\$12,595
Income tax on development margin	(\$409)	(\$2,056)
Development margin net of tax	\$1,912	\$10,539
Deferred tax liability on buildings arising from legislative change	\$6,339	-
Underlying profit	\$34,434	\$32,045

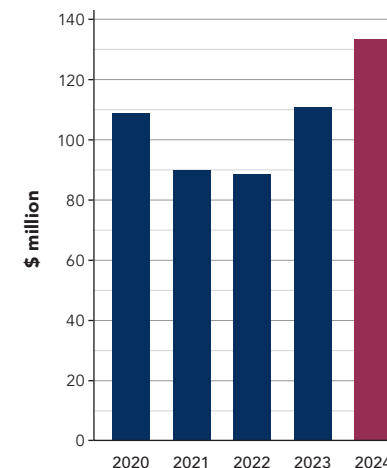
Notes to table

We have made the following adjustments to show underlying profit for the years ended 30 June 2024 and 2023:

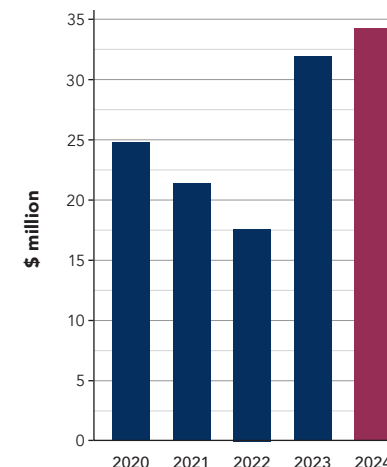
1. Reversed out the impact of revaluations of investment property in 2024 and 2023. A user of the financial statements should monitor changes in investment property over time as a measure of growing value. However, a change in one particular year is too short to measure long-term performance. Changes between years can be volatile and, consequently, will impact comparisons. The revaluation is unrealised and therefore is not considered when determining dividends in accordance with the dividend policy.
2. Added back the unrealised change in the fair value of investment property that relates to investment property development projects completed during the year. This margin is the result of commercial arrangements entered into and is largely within our control, year by year.
3. Reversed out the taxation impacts of the above movements in both the 2024 and 2023 financial years.
4. Reversed out the deferred tax liability on buildings arising from legislative change.

Our 2024 results

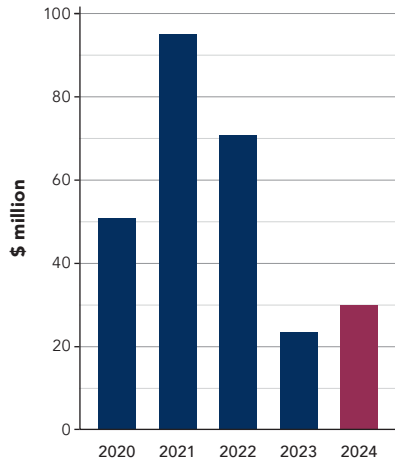
Revenue



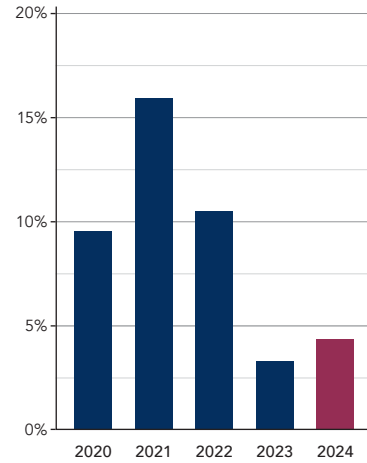
Underlying profit



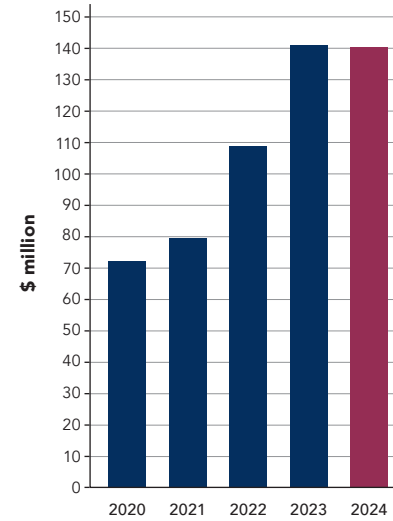
Net profit after tax



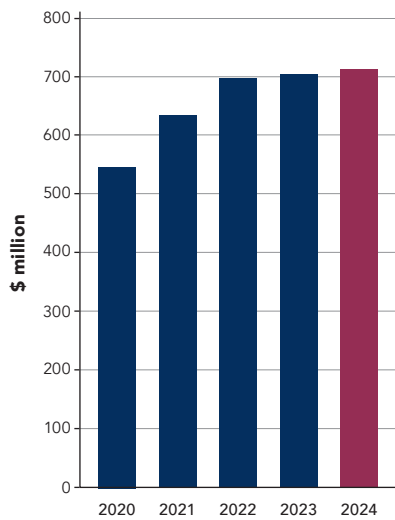
Return on equity



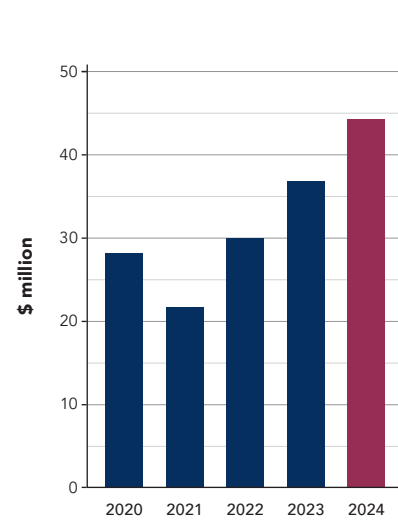
Bank debt



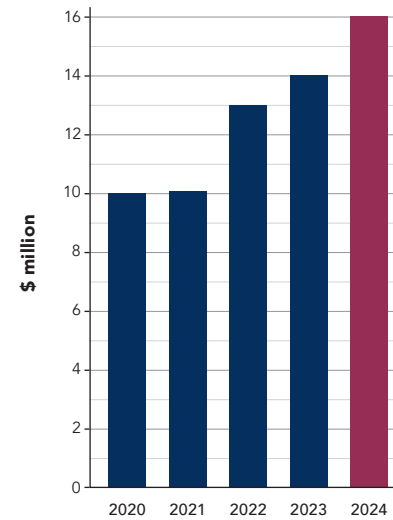
Shareholder equity



Operating cash flow



Dividends



STEPS TOWARDS OUR GOALS IN 2024/25:

- Meet the dividend expectations of our owner. Ongoing

To view the Port Otago Limited 2024 Annual Report [click here >](#)

Performance targets

A comparison of actual performance with the targets in the Statement of Corporate Intent is as follows:

	Actual	Target	Outcome/comment
Health, safety and well-being			
Critical risk: Visible Leadership Conversations	792	1,000	Target not achieved ❌
Total Recordable Injury Frequency Rate (TRIFR) - per 1 million hours	13.8	<10	Target not achieved ❌
Financial			
EBIT	\$46m	\$42m	Target achieved ✅
Shareholder's funds (equity) or net assets	\$724m*	\$720m	Target achieved ✅
Return on equity	5.2%*	4.5%	Target achieved ✅
Equity ratio	78%	Between 70% - 85%	Within SCI target range of 70% to 85% ✅
Interest cover ratio	7	7	Target achieved ✅
Dividend	\$16m	\$16m	Target achieved ✅
Environmental			
Number of harbour spills caused by Port Otago	0	0	Target achieved ✅
Percentage of resource consent compliance monitoring events achieving full compliance	100%	100%	Target achieved ✅
Compliance with Port and Harbour Safety Code (PHSC)			
The requirements of the PHSC continue to be met	Yes	Yes	Target achieved ✅
Risk assessments of new tasks or reviews post incident completed	Yes	Yes	Target achieved ✅

* excludes one-off deferred tax liability on buildings arising from legislative change

Financial performance measure

Definition

EBIT	Earnings before interest, taxation, realised and unrealised investment property gains
Return on equity	Profit divided by average shareholder's equity
Equity ratio	The percentage that equity represents of total assets within the target range of between 70% and 85%
Interest cover ratio	The number of times interest is covered by the profit before tax, interest and unrealised fair value movements and unrealised impairment charges.

Five year summary

Trade and operational analysis	2024	2023	2022	2021	2020
Container and bulk cargo vessel arrivals	551	485	383	403	476
Otago cruise vessel arrivals	118	101	-	-	112
Total ship calls	669	586	383	403	588
Container throughput (TEU)	268,900	186,400	166,200	174,800	191,900
Bulk cargo tonnes (000's)	1,701	1,765	1,667	1,853	1,467
Employees	330	314	290	296	319
Financial comparisons	2024	2023	2022	2021	2020
	\$000	\$000	\$000	\$000	\$000
Revenue #	133,171	111,272	88,061	89,998	108,297
EBITDA #	59,170	45,460	34,475	34,671	42,466
Profit for the year	30,423	23,277	70,476	94,507	50,493
Underlying profit	34,434	32,045	17,584	21,412	24,727
Dividends for financial year *	16,000	14,000	13,000	10,100	10,000
Shareholder's equity	717,271	703,920	694,478	634,617	548,612
Total assets					
Port operations	290,687	284,740	260,250	243,344	248,137
Investment property	624,965	608,587	581,850	503,225	407,641
Total group	915,652	893,327	842,100	746,569	655,778
Cash flows					
Cash flows from operating activities	44,425	37,125	29,770	21,709	28,167
Port operations capital expenditure	(21,338)	(30,718)	(15,480)	(7,592)	(23,118)
Investment property purchases and improvements	(24,956)	(30,981)	(29,447)	(10,515)	(16,645)
Shareholder's equity ratio	78%	79%	82%	85%	84%
Debt/(Debt+Equity) ratio	16%	17%	14%	11%	12%
Return on average shareholder's funds **					
before unrealised revaluations	3.8%	3.4%	1.6%	2.1%	4.3%
after unrealised revaluations	4.3%	3.3%	10.6%	16.0%	9.6%
EBIT return on average assets #					
Port operations	8.1%	5.4%	2.1%	2.0%	4.3%
Property portfolio	3.6%	3.1%	3.1%	3.6%	5.2%
Total group	5.0%	3.8%	2.8%	3.0%	4.9%

* Includes the final dividend for the 2023 financial year declared after balance date, as disclosed in Note D2

** Profit, divided by average shareholder's equity

Excludes gain on sale of investment property and property, plant and equipment and unrealised change in fair value of investment property

Acronyms

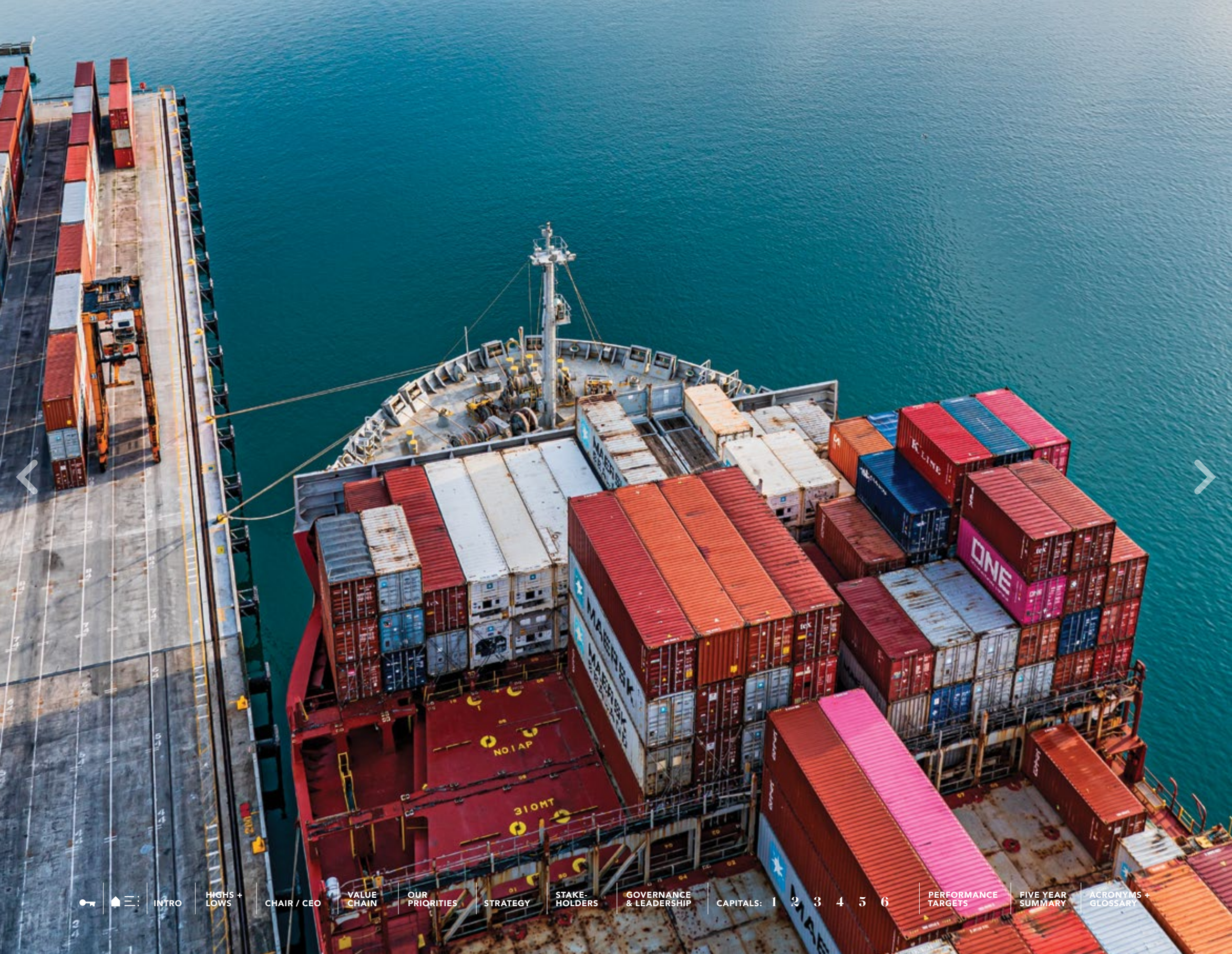
A port business has many acronyms and abbreviations. This list may be helpful to readers.

AED	Automated External Defibrillator
DMR	Digital Mobile Radio
EBIT	Earnings Before Interest and Taxes
eMPX	Electronic Master Pilot Exchange
ERP	Enterprise Resource Planning
GDP	Gross Domestic Product
GHG	Greenhouse Gases
ICAM	Incident Causation Analysis Method
IR	Integrated Reporting
LTI	Lost Time Injuries
MSC	Mediterranean Shipping Company
NEPTUNES	Noise Exploration Program To Understand Noise Emitted by Seagoing ships
NIWA	National Institute of Water and Atmospheric Research
NPAT	Net Profit After Tax
NZIER	New Zealand Institute of Economic Research
OCR	Optical Character Recognition technology
ORC	Otago Regional Council
PCBU	Person Conducting a Business or Undertaking
PFD	Personal Floatation Device
PIANC	World Association for Waterborne Transport Infrastructure
PLC	Programmable Logic Controllers - industrial computers
PLWG	Port Liaison Working Group
PPE	Personal Protective Equipment
SCI	Statement of Corporate Intent
SDG	Sustainable Development Goals
SIEM	Security Information and Event Management
SOC	Security Operations Centre
SOP	Safe Operating Procedure
TARP	Trigger-action Response Plan
TEU	20-foot Equivalent Unit (international standard measurement for shipping containers)
TRIFR	Total Recordable Injury Frequency Rate
VSL	Visual Safety Leadership
XRB	External Reporting Board (New Zealand Government)
ZIM	Name of a shipping line
ZPMC	Brand name of our ship-to-shore cranes

Glossary

Here are some common port terms used in this report.

Berth	Ship's allotted place at a wharf.
Bulk	Describes cargo that is transported in bulk form, such as fertiliser, fuel and logs.
Container	20- and 40-foot-long standardised metal boxes that carry cargo.
Critical risk	Hazard that has the potential for a catastrophic/fatal result.
Dredging	Removal of sediment from our harbour channel to keep it at an adequate depth for ships to transit safely.
Gross crane rate	Containers moved per hour, as an indicator of productivity.
Labour on the block	Describes when an area of the port is blocked out via lights and systems, so people can enter safely without machinery cross-over.
Near miss	An event that does not result in harm, but has the potential to do so.
Pilotage	The act of piloting a vessel.
Reefer	Refrigerated shipping container.
Ship-to-shore crane	Gantry-style cranes that load containers on and off vessels.
Side loader	Mobile machinery that transports and stacks empty containers in block stacks (up to 26 metres high).
Shorepower	Provision of shore-side electrical power to a ship at berth.
Stevedoring	Describes the process of loading vessels and storing cargo.
Straddle carrier	Mobile machinery that lifts, transports and stacks fully-laden containers into rows (up to 12 metres high).
Transship	Describes when containers land at a port and are shipped out again via another vessel, without leaving the designated port area.
Wharfage	Fee charged by a port for using its wharf and facilities to load and unload cargo from a vessel.



INTRO

HIGHS +
LOWS

CHAIR / CEO

VALUE
CHAIN

OUR
PRIORITIES

STRATEGY

STAKE-
HOLDERS

GOVERNANCE
& LEADERSHIP

CAPITALS: 1 2 3 4 5 6

PERFORMANCE
TARGETS

FIVE YEAR
SUMMARY

ACRONYMS +
GLOSSARY



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