



2025 Port Otago Integrated Report

Always open



Always open. Space to grow. Data led.





Introduction

When something is difficult at Port Otago, we dig in and try harder, we make solid plans. This year, we worked hard to articulate our plans:

Always open. Space to grow. Data led.

Always open: We continue to build capacity in our kaimahi to meet the needs of customers and partners. We are **always open** to doing our best. Whether it is packing enough containers, servicing ships for a fast turnaround, deepening our channel to reduce shipping delays or providing choice for our customers and partners, we listen and act.

Space to grow: Space on the wharf is tight, the port isn't getting any bigger. For our customers and partners to grow, creating more storage space is a must. Our inland port at Southern Link (Mosgiel) project is starting to take shape with widespread support. The strength of our stakeholder relationships will be our rock to get Southern Link up and running.

Data led: Over the past year, we've cleaned up more legacy issues within our systems and become a better business for it. We are improving our raw data to become properly data led. Some customers and partners share digital systems with us, some don't. Some tasks are automated, some aren't. We still have a way to go.

Welcome to our sixth Integrated Report, **Always open.**

About this report

This report is based on the results of our independent materiality process, our strategy and key messages from the Board and Leadership Team. We continue to use the <IR> Framework with reference to the new reporting standards. We thank our stakeholders for supporting our **always open** and transparent approach by agreeing to be quoted once again this year, keeping it real. Feedback on this report is welcome at info@portotago.co.nz

Contents

Report introduction	3
Using words we all understand	4
Port Otago celebrates 150 years	6
Chair and Chief Executive review	8
Our value chain	12
Our priorities	14
Strategy	16
How we engage	18
Governance and leadership	20
Strategic risks	24
Our kaimahi	26
Our wider team	30
Our harbour taoka and beyond	34
Our know-how and skills	38
Our assets	42
Our financial value	46
Performance targets	50
Five-year summary	51
Acronyms and glossary	52

Cover image: *The New Era* is our 40-year-old suction hopper dredge, which will be replaced late next year by a new \$36m dredge (owned in partnership with Napier Port). *The New Era* was designed by the Otago Harbour Board and built in Port Chalmers in 1985. While not the most glamorous asset in our marine fleet, she has been critical to keeping us **Always open**. Thank you, *New Era*. Enjoy your moment in the sun.

This report is printed on Splendorgel paper with soya-based ink. The print run is limited to 30 copies.



FSC® C015259



WOOD FROM SUSTAINABLE FOREST



CHLORINE FREE



ISO 14001 CERTIFIED

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 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

Human capital
Social and relationship capital
Natural capital
Intellectual capital
Manufactured capital
Financial capital

Port Otago terminology

Our kaimahi
Our wider team
Our harbour taoka and beyond
Our know-how and skills
Our assets
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 our 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 alongside English translations.

Te Reo

Hauora
Iwi
Kaimahi
Kōpūtai
Rakatahi
Rūnaka
Taoka
Upoko

English translation

Philosophy of health and wellbeing
A Māori community or people
Worker, employee, staff
Port Chalmers
Young people
Council, tribal council, assembly
Treasure
Leader

Please also see page 53 for a list of acronyms used within this report and a brief glossary of common port terms.



Port Otago celebrates 150 years

One hundred and fifty years is a “blink of the eye” for our Ōtākou harbour. This deep natural body of water has seen human activity since the 14th Century, with each generation appreciating her accessibility, shelter and natural food resources. It was relatively recent when the Otago Harbour Board was established in 1874. Docks, wharves and railway piers were built and progressively upgraded over the years to accommodate Otago and Southland’s valuable export trade. During 2024/25, Port Otago celebrated being part of our community for the past 150 years.

Museum breathing life into our past

What better way to mark 150 years than by supporting the preservation of Otago’s rich maritime history?

Back in 2020, Port Otago and the Port Chalmers Historical Society, which manages the museum, partnered together. Port Otago assumed responsibility and ownership of the museum building, while the museum remains the sole occupant.

The museum was shut for 18 months, while we carried out a \$3m upgrade and extension, alongside the construction of our own adjoining Port Otago Annex. In October 2024, we handed the space back to the community when the new-look museum was officially re-opened.

The 1877 Heritage Category 1 listed building is now filled with light – thanks to a new interior colour scheme, refurbished clerestory windows, the new glass extension and a wide internal laneway linking the museum to the Port Otago Annex.

Story-filled panels line the walls and countless artefacts are showcased in new displays. The show-stopper is the five-metre-high Wall of Ships in the glass extension.

The museum includes a public viewing gallery, which looks out over our port operations – a popular vantage point enjoyed by locals and visitors alike.

PORT OTAGO CELEBRATES
150
YEARS

Open Day celebrations

We opened the gates on Labour Day Monday, so the owners of the port could look inside and celebrate alongside our kaimahi.

It was an action-packed day for the 2000-plus members of our community who came along. Activities included crane tours, rides on the tugs and pilot boats, port-wide bus tours, and – thanks to Maersk – tours on board the Maersk Monte Lascar container vessel. There were displays of dredging, straddle and forklift driving, FENZ and Coastguard activity, as well as good old fishing off the wharf, face painting and bouncy castles.

The most dramatic part of the day was the arrival of the Otago Southland Rescue Helicopter to “save” two Dunedin Marine Search and Rescue Water Rescue team members.

Proceeds raised from the day were donated to seven local organisations: Port Chalmers Maritime Museum, Dunedin Marine SAR Water Rescue, Iona Church, Koputai Lodge Trust, Otago Navy Cadets, Royal Albatross Centre and Terra Nova Sea Scouts. (See story page 33.)



Formal celebration of 150 years

On 19 October, we celebrated 150 years with a formal function at the Dunedin Town Hall. About 150 people attended, including past and present directors, employees and stakeholders. It was both a celebratory and reflective evening that included panel discussions on being “always open” and “adapting for the future”.

Port Otago Chair Tim Gibson says the evening was extraordinary on many levels. “Not least of which was listening to leaders past and recognising the correlation between challenges they faced and today’s challenges. They are exactly the same. Being ready for ever-larger vessels, when they arrive. Are we equipped to handle the volumes, landside? Extreme weather events appear to be becoming even more



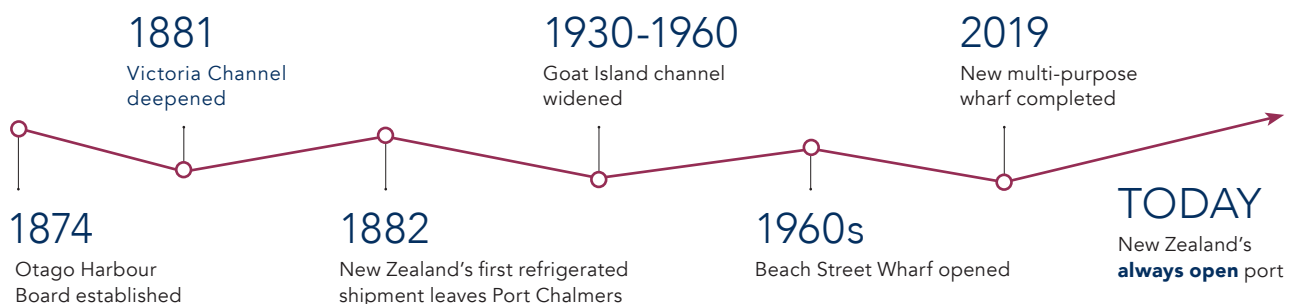
extreme – and are we ready for that? Are we ahead of the game with regard to technology and innovation?

“Speaking as Port Otago’s current Chair, be assured that we are well advanced in addressing all of these challenges – and taking advantage of the opportunities some of them present.

“It is no coincidence that our strategic plan, when distilled down to seven words, is: **Always open. Space to grow. Data led.**”

Sponsorship within our community

Within 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. There are now 52 Port Otago community containers nestled around our wider Otago community. During the past year, we supported 69 different organisations, through 125 active sponsorships. (See story page 32.)



Full year review

from the Chair and Chief Executive



Our strategy: New Zealand's always open port

Port Otago reached the extraordinary milestone of 150 years young in October 2024. During the official celebration at the Dunedin Town Hall, we reflected on achievements and challenges faced by our forebears. We recognise that, in 2025, we are navigating the same challenges - larger ships, needing more landside space, managing extreme weather and harnessing new technology. Port Otago is here for the long-term, contributing towards a healthy future for our owners - the people of our region.

Ensuring our channel is **always open** and resilient to extreme weather events is fundamental to our port's safe and efficient operation. For the past 150 years, we have benefited from in-house dredging capability, which has allowed us to respond quickly to weather events and to deepen the channel progressively, so it is **always open** to bigger ships. Port Otago has now partnered with Napier Port to acquire a new Damen trailing suction hopper dredge that will carry out capital and maintenance dredging at both ports.

Our new survey boat, *Mātai Awa*, has already improved our dredging efficiency. The Survey team works alongside our Dredge team to provide real-time readings as they dredge, removing any chance of over-dredging, lowering diesel usage and resulting in a lighter touch on nature.

Our Marine team used advanced modelling to better understand our future channel, tug and wharf infrastructure needs, so we can accommodate larger bulk, container and cruise ships. The modelling underlined that two 70-tonne bollard pull tugs were needed to safely manoeuvre larger vessels. As a result, Port Otago ordered a new Damen 2312 70-tonne tug, which will arrive in January 2026 and partner with our existing Damen 70-tonne Tug *Taiaroa*.

Space to grow

The partnership with Dynes Group to build an inland port/freight hub at Mosgiel, called Southern Link, was established in December 2024. The joint venture owns 60 hectares of land in Dukes Road, adjacent to the Fonterra distribution centre and existing rail infrastructure. We are working through the consenting process, so we can establish a new container

depot, warehousing and bulk storage. Empty container storage and repair activities will move from Port Chalmers Container Terminal to Southern Link, freeing up space for full-container imports and exports and transshipping services. Work on a new \$15m rail siding at Port Chalmers, enabling rail connection between the container terminal and Southern Link, is scheduled for September 2025 completion. With government-committed funding, we look forward to working with KiwiRail to build the replica rail siding at Southern Link, facilitating the removal of trucks from Dunedin roads.

Our data led future

Our IT team built on the previous year's IT infrastructure investment to provide real-time integrated performance metrics for our business, so we can now make better decisions on the deployment of labour and resources.

The Board and members of the Leadership Team visited ports and inland ports in Australia to observe different modes of container automation. We have engaged logistics consultant Portwise to evaluate options and update our master plan by December 2025.

Rebuilding confidence in cruise

A highlight of the year was the Tourism Minister's announcement that cruise ships are welcome in Fiordland, sending a positive signal to the world's cruise companies that New Zealand is open for business. It will take time to rebuild confidence and rebalance the commercial settings to attract more cruise ships back to New Zealand shores.

We welcomed 91 cruise ships this season, down from 118 the previous year.

Another solid year for property

Our industrial property portfolio is 100% tenanted – a good position at this stage of the property cycle. Demand for new design/build/lease projects remains slow, with corporates reluctant to invest during these uncertain economic conditions. In Hamilton, Chalmers Properties completed a new warehouse build for RML Machinery and, in Dunedin, it is on track for the Otago Regional Council to move into its new space in January 2026.

Our kaimahi

It was a settled year for our Board and Leadership Team, with no personnel changes.

We reviewed the skills and roles needed for a **data led** future and

that resulted in a restructure of our office staff. While it was a challenging time for our kaimahi, we are now in a position to leverage our investment in systems and data.

To our kaimahi, thank you for continuing to deliver for our customers, keeping each other safe and adapting to changing work processes.

Safety: Our highest priority

Managing and eliminating critical risks remains our focus.

This year, Maritime New Zealand introduced an industry-approved code of practice and our kaimahi adapted quickly to the new work methods that further mitigate suspended load risk on vessels. We invested in a formal assurance programme that audits critical risk controls and complements our visual safety leadership conversations (VSLs).

A sustainable future

During the past year, we have focused on removing waste and gaining operational efficiencies, while strengthening our infrastructure resilience to extreme weather events. Our Sustainability team completed detailed work on the plan to deliver on our emission reduction roadmap, while our Infrastructure team updated the asset management plan to capture emission reduction plans for each asset.



\$36.9m underlying profit,
up from \$34.4m last year



\$18m dividend, up from
\$16m last year



91 cruise ships, down
from 118 last season



Positive financial performance

Underlying profit for the year of \$36.9m was up 7%, compared to \$34.4m last year. A strong result from our property business was offset by higher operating costs and lower revenue in the port business.

Container throughput of 249,000 TEU was 7% lower than last year, due to the loss of the MSC Capricorn service in the first quarter of the financial year. In November, Maersk removed the Polaris service and introduced a new direct-to-China service, the Northern Star, which was warmly welcomed by our region's exporters.

Marine and cargo revenue was negatively impacted by fewer cruise vessels calling at Port Chalmers and Dunedin. Bulk cargo volumes were similar to last year, at 1.7m tonnes, reflecting the stable nature of non-containerised cargo flows in the lower South Island.

Investment property rentals increased \$2.4m, as we reviewed rents in the Auckland and Dunedin property portfolio, and invested in new warehouse developments at Te Rapa Gateway, Hamilton.

Total operating expenses increased to \$94.4m, up \$7m compared to last year. Staff costs increased \$3.8m, following the full-year impact of our main Collective Employment Agreement's change in conditions. Materials and services increased \$2.7m, due to increased maintenance

costs and higher IT costs, as we transition to a **data led** business.

The group result was boosted by \$10.7m of one-off gains from divestment of Dunedin leasehold land. Combined with the \$32.9m revaluation gain on the investment property portfolio, the group's net profit after tax was \$64.6m, compared to \$30.4m last year.

Total assets increased by more than \$70m, to \$988m. This included an unrealised \$32.9m change in the fair value of investment property, new investment property builds, and purchases of port operating assets.

Total borrowings increased \$23m, to \$163m, with the debt to capital ratio increasing to 18% from 16% last year. The shareholder's equity ratio reduced from 78% to 77%.

Dividends paid to our shareholder, the Otago Regional Council, increased \$2m to \$18m, in line with the Statement of Corporate Intent.

open channel project will focus on reinforcing our harbour defences to withstand more frequent extreme weather events. Channel design work is due to be completed mid 2026.

Disappointingly, there is a further reduction in cruise ship volumes for 2025/26, with only 80 vessels booked to visit Port Chalmers and Dunedin. However, recent government support for the cruise sector will help rebuild cruise numbers in the years ahead.

We expect economic conditions to improve post Christmas and our Property team is well positioned to respond to renewed demand for warehouse builds.

We look forward to supporting customers' growth on the back of an improved economy. We are well placed to partner and invest, as we continue creating value for our community-owned shareholder.

The year ahead

We expect shipping reliability to be volatile, due to ongoing global supply chain issues. We are **always open** to accommodating our customers' needs and continue to invest in infrastructure that will provide **space to grow**.

Consenting and construction of Stage 2 of Southern Link is a key project for the next 12 months.

We look forward to the arrival of our new Damen 2312 tug and expect to be big-ship capable by the second half of the financial year. Our **always**



Tim Gibson
Chair



Kevin Winders
Chief Executive



Property 100% tenanted



249,000 TEU, down from 268,000 last year



22.0 TRIFR, up from 13.8 last year



Our value chain

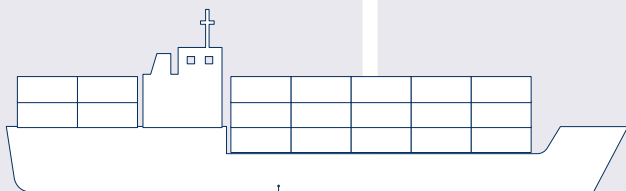
Port Otago: New Zealand's **always open** port

Our kaimahi

INPUTS

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

OPERATIONS



Container throughput - 249,000 TEU (down 7% c.f. last year)

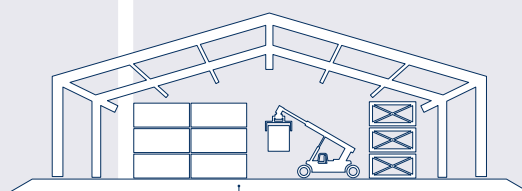


Our wider team

- 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 impacts



Investment property value - \$676m (up 6%)



OUTCOMES

- **Data led:**
 - Doing more with the same, safely
- **Always open:**
 - Consenting is smoother
- **Space to grow:**
 - Provide great service
- **Space to grow:**
 - Remove trucks from road
 - Sustainable growth
 - Lower carbon outcomes
- **Data led:**
 - Reduce property climate change risk

WORK ONS

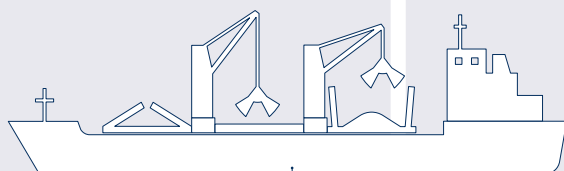
- **Failing safely** to minimise the impact of any incidents
- **Onboarding new recruits** making the most of their "fresh eyes" on the job
- **Workplace culture** focus as we adapt to change
- **Log customer relationships** as we plan for the future
- **Container customer relationships** as we collaborate on storage solutions
- **Multi-stakeholder approach** across the supply chain
- **Understanding nature's tipping points** and partnering to address them
- **Preparing for the impacts** of climate change on the port using results from our climate adaptation scenario modelling
- **Reducing our own contribution** to climate change
- **Influencing others** in the supply chain to do the same

Our know-how and skills

INPUTS

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

OPERATIONS



Bulk cargo volumes - 1.7m tonnes (no change)

OUTCOMES

- **Always open:**
 - Our in-house dredging capability
 - We adapt quickly
 - Open for growth

WORK ONS

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

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



Cruise - 91 vessels (down 23%)



- **Data led:**
 - Property enables the port
 - Create value to share
 - Less volatility
 - Reliable returns

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

Our priorities

The materiality pulse

Every two years, we undertake a comprehensive independent materiality process. Our next one will be in 2026. The results presented here are from our full materiality process in 2024. In the interim (including this year), we check in with key stakeholders via a materiality pulse on how our relationships are going, what the priorities are and any emerging issues. This year, we engaged 19 external (eight customers, six partners, two shareholder representatives, two community and iwi members and one regulator) and 11 internal stakeholders (four Board members, five Leadership Team members and two union representatives) in one-on-one interviews.

Issues becoming more material from 2024 to 2025 include strong relationships, innovation and growth, driven by these key themes:

- **Shipping volatility:** Still impacting port, customer and partner operations and driving an increased focus on innovation and growth.
- **Wharf capacity:** Customers want more storage space and less container congestion. They are effectively demanding growth.
- **The inland port at Southern Link (Mosgiel):** Widely supported as a solution for customer and partner growth.
- **Relationships:** Capacity challenges on terminal and the inland port plans on the table are requiring more regular face-to-face communication.

"When things are going well, everything happens easily. When things are tough or something needs to change, it can be a struggle unless our relationships are strong. Never take it for granted – keep working on them."

Kevin Malcolm

Chair, Port Liaison Committee
Otago Regional Council

"China has overbuilt, and the population is decreasing, resulting in a declining market for logs. But New Zealand's market share for logs has grown from one to two thirds, due to a cost-effective supply chain. The port is integral to this."

Grant Dodson

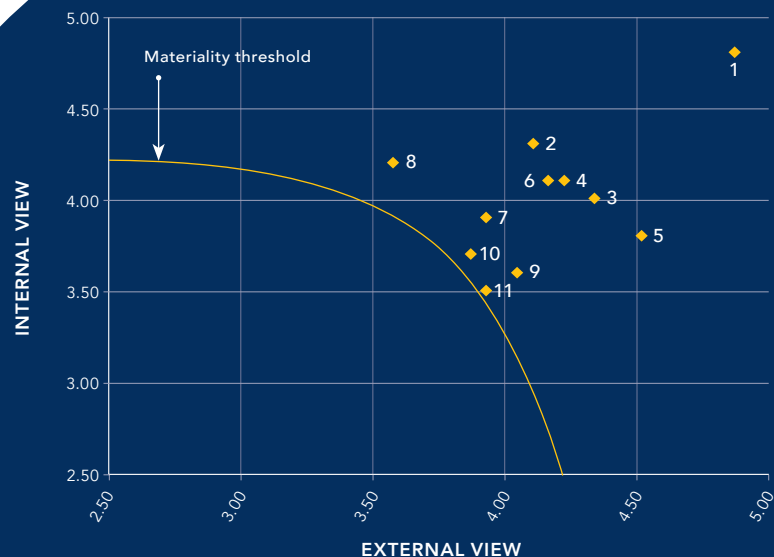
CEO
City Forests

The material issues

Our 2024 materiality matrix is presented below. It shows the following 11 issues above our materiality threshold. These 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
- #2 Leadership
- #3 Wharf capacity and infrastructure
- #4 Shipping volatility
- #5 Strong relationships
- #6 The best team
- #7 Culture and wellbeing hauora
- #8 Financial performance
- #9 Nature
- #10 Innovation
- #11 Climate change

2024 Materiality Matrix



Always open strategy

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 safely 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.

"We like what the port is doing at Mosgiel. KiwiRail is pleased that Government is enabling us to co-invest with a base volume for rail from day one. With ongoing growth in the Otago and Southland regions, it will be interesting to explore how more volume can be moved to Mosgiel then out to the port."

Alan Piper

Executive General Manager - Freight Markets
KiwiRail

Our strategy

Always open. Space to grow. Data led.

Always open: 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.

Space to grow: Provide buffer capability to be **always open**:

- Inland port at Southern Link (Mosgiel) provides space to hold and grow
- Attract imports
- Remove trucks from road
- Provide great service
- Sustainable growth
- Lower carbon outcomes.

Data led: 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.

"The shipping profile and the packing works for Fonterra at the port."

Brendan Miller









GM Supply Chain
Fonterra

"The port is always open to opportunities to improve, changing from the operations-focused port of three or four years ago, to a customer-driven port today."

Maico Lenhard

Logistics Manager
Alliance

Strategy

Strategy	Our kaimahi	Our wider team	Our harbour taoka and beyond
Always open	We adapt quickly Open for growth 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.	Consenting is smoother Build on our social licence to make consenting smoother. Be a great neighbour by respecting what is important to our community and iwi and enhancing our social licence to operate.	Renewable harbour defences First port open post an extreme event Reinforce the Aramoana mole to defend our harbour. Maintain dredging and surveying capability to keep our channel open, with a light touch.
Space to grow	Provide great service Build our planning capability to improve our service offering to our customers.	Provide great service Provide space for customers adapted to their needs with increased storage at Southern Link for better delivery windows, making us the preferred option for our customers. Build stronger relationships with our customers, partners and suppliers to better understand them, measure progress and plan for the future.	Remove trucks from the road Sustainable growth Lower carbon emissions Execute our climate change plan covering climate change risk assessment, adaptation/mitigation strategies, reporting framework and current baseline. 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.
Data led	Doing more with the same, safely Make decisions based on accurate and complete data. Use of LiDAR devices to keep our people safe.	Create value to share Make decisions based on accurate and complete data.	Reduce property climate change risk Reduce property climate change risk, resulting in less volatility. Understand and adapt to potential future climate change impacts on our assets.
Short-term steps Next 12 months	Lift our productivity.	Continue regular customer engagement. Consent Southern Link.	Set decarbonisation targets, driven by asset replacement.
Medium-term steps 1 to 7 years	Improve our diversity.	Develop Southern Link. Continue to develop Dunedin Bulk Port, providing space for our bulk customers.	Replace our diesel mobile plant with electric when technology allows. Seek opportunities to protect, enhance and/or restore flora and fauna habitats.
Steps completed in FY25	Improved work-life balance for our kaimahi by embedding the new operations roster.	Completed the Port Chalmers Maritime Museum refurbishment. Celebrated Port Otago's 150th year. Supported our customers through the rail pad upgrade.	Embedded our adaptation plan into the asset management plan. Ordered a replacement dredge. Brought hydrographical surveying in-house.
Material issues	1. Safety 2. Leadership 6. The best team 7. Culture and wellbeing hauora	5. Strong relationships	9. Nature 11. Climate change
SDGs	   		  

SDG Key



SDG3 Good health & wellbeing



SDG5 Gender equality



SDG8 Decent work & economic growth



SDG9 Industry, innovation & infrastructure



SDG10 Reduced inequalities



SDG13 Climate action



SDG14 Life below water






SDG15 Life on land



SDG17 Partnerships for the goals

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

Strategy	Our know-how and skills	Our assets	Our financial value
Always open	Our in-house dredging capability Utilise hydrographic surveying to improve our dredging accuracy.	Renewable harbour defences First port open post an extreme event Leverage existing infrastructure to be always open . Establish in-house dredging capability and renewable harbour defences.	Open for growth Leverage our assets to enable growth and development.
Space to grow	Attract imports 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.	Southern Link provides space to hold and grow Attract imports Space for customers adapted to their needs: Provide buffer capability to be always open . Increase storage using Southern Link for increased acceptance windows, making us the preferred option for our customers. Grow the container and bulk business by investing in additional storage, depot capability, 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.	Sustainable growth Space for customers adapted to their needs: Provide buffer capability to be always open . Attract exports/imports for sustainable growth.
Data led	Doing more with the same, safely Use LiDAR devices across our business. Base decisions on accurate real-time data.	Property enables the port Continue to build a sustainable property portfolio as a fundamental part of the port's financial sustainability.	Property enables the port Create value to share Less volatility Reliable returns Base decisions on accurate real-time data. Continue reliable returns from our property business which enables the port. Provide consistent shareholder dividends with a portfolio that optimises returns, builds resilience and facilitates investment in the future.
Short-term steps Next 12 months	Enhance our Business Intelligence (BI) systems to improve our planning decisions. Use simulation technology to better understand our shipping channel.	Create space at Dunedin Bulk Port for our bulk customers. Consent Southern Link.	Meet the dividend expectations of our owner.
Medium-term steps 1 to 7 years	Implement fully operational BI systems for real-time decision making.	Develop the Southern Link.	Build out the Te Rapa Gateway Industrial Park. Lobby cruise lines and government to lift cruise vessel numbers to previous levels.
Steps completed in FY25	Established live container terminal metrics. Transitioned to digital radios. Established coastal erosion monitoring systems.	Ordered a replacement dredge. Brought hydrographical surveying in-house. Upgraded our rail infrastructure. Submitted a fast-track application for Southern Link. Built Milford pilot accommodation.	Established a JV with Napier Port for new dredge. Established a JV with Dynes Transport for Southern Link.
Material issues	10. Innovation	3. Wharf capacity and infrastructure 4. Shipping volatility	8. Financial performance
SDGs			

How we engage

"Fonterra has a positive relationship with Port Otago, it's been a great year, the port's performance has been strong."

Brendan Miller
GM Supply Chain
Fonterra



Material issues by stakeholder group

From our 2025 materiality pulse:

Our kaimahi	→	Safety, culture and wellbeing hauora, strong relationships, financial performance, leadership, innovation.
Shareholder	→	Contributing to the economy, financial performance, leadership, culture and wellbeing hauora, strong relationships, safety.
Bulk customers	→	Wharf capacity and infrastructure, shipping volatility, contributing to the economy.
Container customers	→	Wharf capacity and infrastructure, shipping volatility, growth, innovation, strong relationships.
Partners	→	Wharf capacity and infrastructure, shipping volatility, strong relationships, safety.
Community	→	Strong relationships, leadership, the best team.
Iwi	→	Nature, wharf capacity and infrastructure, financial performance.
Regulators	→	Nature, climate change, growth.

"We have a good relationship with the management at Port Otago, but it could be enhanced by more regular face-to-face meetings either in Auckland or Dunedin. These meetings can be supplemented with a regular monthly Teams meeting."

Graeme Brown
Operations & Business Development Manager
CMA-CGM/ANL

How we engage on these issues

Stakeholder materiality interviews
PortO quarterly newsletter
Port Otago Facebook page
Port Otago LinkedIn page
Rothesay News
Annual/Interim/Integrated Reports
Statement of Corporate Intent
West Harbour Community Board
Port Noise Liaison Committee
Mana Whenua Group
Te Rūnaka o Ōtākou
Site/in-market customer and partner visits
In-person/online customer and partner meetings
Real-time trucking information
Shareholder liaison meetings
Policy input meetings with regulators
Inspections and audits with regulators
Port Chief Executive Forum with peers
Peer-to-peer working groups across New Zealand ports
The Bridge weekly e-newsletter (internal)
The Lighthouse suggestions scheme (internal)
Team and training interactions (internal)

Governance and leadership

Who comes next

There's nothing like challenging times to bring the Leadership Team together. The huge ongoing effort to expand our kaimahi of cargo handlers to meet increased demand for container moves stretched our leaders to make everything work. Our new kaimahi required substantial training which took valuable time, just when we needed more people out there on the job. Contrasting this, the need to match our capability with the port's **always open** strategy led to a restructure of some office-based roles, which made for a difficult year for us all. As Head of People Leigh Carter points out, it's when times get tough that our leaders need to pull together. "There is a high level of trust on the Leadership Team, we rely on each other with a genuine interest in each other's ideas."

While it's great to have a strong Leadership Team, that means nothing if we are not developing who comes next. The next layer of leadership is where the big opportunity lies. Encouraging these leaders to make decisions involves providing clarity on their accountabilities and equipping them with the right tools. That has been the focus of leadership training rolled out over the past year.

As Otago Regional Councillor and Port Liaison Committee Chair Kevin Malcolm says: "Port Otago's Board and Leadership Team shouldn't underestimate themselves, because they are achieving plenty. Port Otago is going well in a tough environment, still churning out a profit, so they must be doing something right."

Visit portotago.co.nz/About/IR for:

- [Director and Leadership Team profiles](#)
- [Board member skills matrix](#)
- [Board meeting attendance](#)
- [Subcommittees](#)

Material issue

Leadership

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

"The port's leaders need to be passionate about Otago, the place they're serving, to really go that extra mile and make it work. And they need the right skill set to ensure a successful business. Always with eyes wide open to risks and opportunities. If they have these things, everything else will fall into place."

Councillor Kevin Malcolm

Chair, Port Liaison Committee
Otago Regional Council

"The next layer of leadership is where the big opportunity lies at the port, encouraging decision-making at the next level by providing clarity on accountabilities and giving our leaders the right tools to succeed."

Leigh Carter

Head of People
Port Otago

How our leaders create value for the port

Our leaders, in their own words: The Board

Tim Gibson
Chair

"Originally from Dunedin, I bring strong international and agricultural export experience to the Board."



Becky Lloyd
Director

"I balance experience in infrastructure with expertise in climate change and sustainability to bring pragmatic progress to our business."



Rick Herd
Director

"Fifty years in engineering, construction, contracting and risk management, with proven leadership in organisational growth, change and cultural development."



Pat Heslin
Deputy Chair

"As a senior partner at Deloitte for many years, I also bring expertise in financial advisory, audit, and risk management to the Board."



Chris Hopkins
Director

"After 25 years at Scott Technology and founding several technology start-ups, I bring technology expertise, along with governance experience on other boards."



Bob Fulton
Director

"As a civil engineer, I bring an infrastructure skill set to the Board, along with health and safety governance and land development expertise."



Anne McLeod
Director

"An experienced Dunedin lawyer specialising in corporate commercial law, I bring an in-depth understanding of governance and risk and enjoy being a part of the port's growth and innovation into the future."



Our leaders, in their own words: The Leadership Team

Kevin Winders
Chief Executive



"Chief executive for eight years now and **always open** to learning about the challenges and opportunities facing our customers and how we provide them **space to grow**."

Grant Bicknell
GM Marine & Infrastructure



"Using my leadership experience from the Royal New Zealand Navy, my job is to ensure we are **always open** for business with safe navigation of ships in and out."

Stephen Connolly
Chief Financial Officer



"With 15 years' experience as CFO, I use my institutional knowledge to lead a team responsible for accounting, financing, treasury and company secretarial services."

Craig Usher
GM Customer



"With seven years at the port, my role is to understand our customers' and partners' needs and improve their supply chains."

Ross Buchan
Head of Safety



"Having led health and safety at OceanaGold and Silver Fern Farms, my focus is to champion 'failing safely' and worker engagement at the port."

Kevin Kearney
Strategic Projects Manager



"Lower carbon assets and operational efficiency goals draw on my analytical approach to problem-solving and engineering and leadership experience."

David Chafer
GM Property



"I bring a disciplined approach to our property business, drawing on my 20-year background in asset management and development, building relationships with tenants."

Leigh Carter
Head of People



"Working with our leaders to bring out the best in our people to align with our strategy, I bring a background in consulting and operational people roles."

Jodi Taylor
Executive Assistant



"I provide day-to-day support for our leaders and deliver key projects."

Deanna Matsopoulos
Operations Manager



"After 25 years with the port, I know the place well! Leading a 150-strong team of kaimahi, I deliver container and warehousing services for our customers."

Ollie Barton-Jones
Head of IT



"Building on my IT consulting background in the UK and New Zealand, I lead the small IT team at Port Otago to securely provide data for decision-making."



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 to review existing risks. Here are 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

"Enhance and uphold the harbour's ecosystems, consider nature in every decision and project, make it integral to the port's vision, it is intergenerationally important."

Edward Ellison

Upoko, Te Rūnaka o Ōtākou

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	

STRATEGIC RISKS:	MATERIAL ISSUES:	RISK STATUS:
Cyber security Cyber attack disabling servers, workstations or plant and control systems	(Cyber security) Innovation Culture	
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 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

Change can be hard

It's been a year of change at the port. New roster, new cargo handlers, new office. Change can be a good thing, but no one said it was easy. It has challenged our relationships with the unions, which we continue to work hard at. There's no denying our culture has taken a knock along the way. Taking people off the job to do necessary training continues to cause resourcing challenges. Working through a restructure process to get our skill sets right for our **always open** strategy has also been unsettling for our kaimahi. Getting used to the new office and moving desks around has caused disruption. It's at times like these we need to celebrate the hard work of our kaimahi, as Port Otago Vessel Planner (RMTU) Ruth Blakeley suggests: "The benefits and pay and the new office building are all great things about the port, but everyone needs staff social events and there is a new BBQ area that should be used more regularly!"

Underneath all this, our solid foundation continues to be our approach to safety, "failing safely". GM Marine & Infrastructure Grant Bicknell shares his thoughts on our progress on safety. "We have come a long way culturally on safety, but we can't take our eye off the ball because we are still far from perfect. Recent close calls with tugs failing safely serve as a reminder of the work that remains to be done."

We have some great stories to share this year, including hearing from our recently recruited cargo handlers, welcoming trade apprenticeships back after a 10-year hiatus and the successful roll-out of a new leadership course. See pages 28-29.

"We have been putting a lot of investment into training and development for our team and improving how we communicate and listen across the business and all our stakeholders."

Tim Gibson
Chair
Port Otago Board

Material issues

Safety

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

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, where everyone feels they belong, and their diversity is valued. Open, honest and consistent communication and leadership across our whole team and the unions, aiming for better work-life balance for everyone.

"As a leader, you can sit up there with all the ideas, but it's your front liners who implement them. Thoughts from good leadership need to filter down to ensure the right culture at all levels, which is happening!"

Councillor Kevin Malcolm
Chair, Port Liaison Committee
Otago Regional Council

Goals

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.

Build our planning capability to improve our service offering to our customers.

Make decisions based on accurate and complete data.

Use of LiDAR devices to keep our people safe.

"The common café area in the new head office is helping to create a culture of 'everyone on the one team, all in it together', which was the idea of that space."

Donald Stewart
Director
Calder Stewart

Work ons

- 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	2024/25	2023/24	2022/23	2021/22	2020/21	Performance (c.f. 2023/24)
TRIFR: Rolling 12 month average	22.0	13.8	10.6	5.1	10.5	✗
Injury ¹ Severity Rate	13.0	45.0	10.0	13.3	4.7	✓
LTIs	10	4	4	3	3	✗
Recordable injuries	13	4	4	3	7	✗
Permits to work issued	556	481	348 ²	377	435	✓
Observations ³	953	792	987	667	965	✓

Gender diversity (% women)

Total kaimahi ⁴	17	16	15	13	12	✓
Recruitment	41	31	40	27	10 ⁵	✓
Board	29	38	29	17	29	✗
Leadership Team	27	27	36	36	36	—
Kaimahi ave. age (men/women)	48/46	48/45	48/46	49/46	49/48	
Kaimahi ave. years' service (men/women)	9/7	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 2024/25 season, 48% of the 38-person Cruise Assistants team were women.

5. Overall recruitment was significantly impacted by Covid-19

"We can create an inherently safer working environment by strategically evolving the way we work, building on the work already done on standardisation and our future plans for automation."

Becky Lloyd
Director
Port Otago Board

Our kaimahi – highlights

Visit portotago.co.nz/About/IR to read these stories in full

Onboarding new recruits

One of last year’s Integrated Reporting “works ons” for Our kaimahi was “Onboarding new recruits, making the most of their ‘fresh eyes’ on the job”. We asked two of our recently recruited cargo handlers if we had walked the talk.

Jean-Pierre Burger has 14 years’ experience in South African and New Zealand ports:

“It’s a smaller port and the way Port Otago does things is a lot more efficient. Having worked at other ports, I have had a couple of insights – and people have listened and taken it on board. If it’s sensible and feasible to work here, they’ve considered it. My insights have been well received and no one here has ever dismissed me. Management, senior levels and my peers in operations are all really respectful of what anyone has to say and that’s a refreshing environment to work in.”

Tailasi Kilisome has 25 years’ experience in the port sector (Tuvalu and New Zealand):
“I lost two of my workmates on the job where I used to work, so – if I see something that’s unsafe or puts people at risk – I’ll say something. I tell the person ‘Take your time and be safe’. It’s a thing we do if we love someone. And I’ll tell the manager if I need to. Rules are there to keep us safe. I want everyone to go home to their families at the end of the day.”



Key injury statistics

During the past year, we achieved a Total Recordable Injury Frequency Rate of 22, 60% up on the previous year.

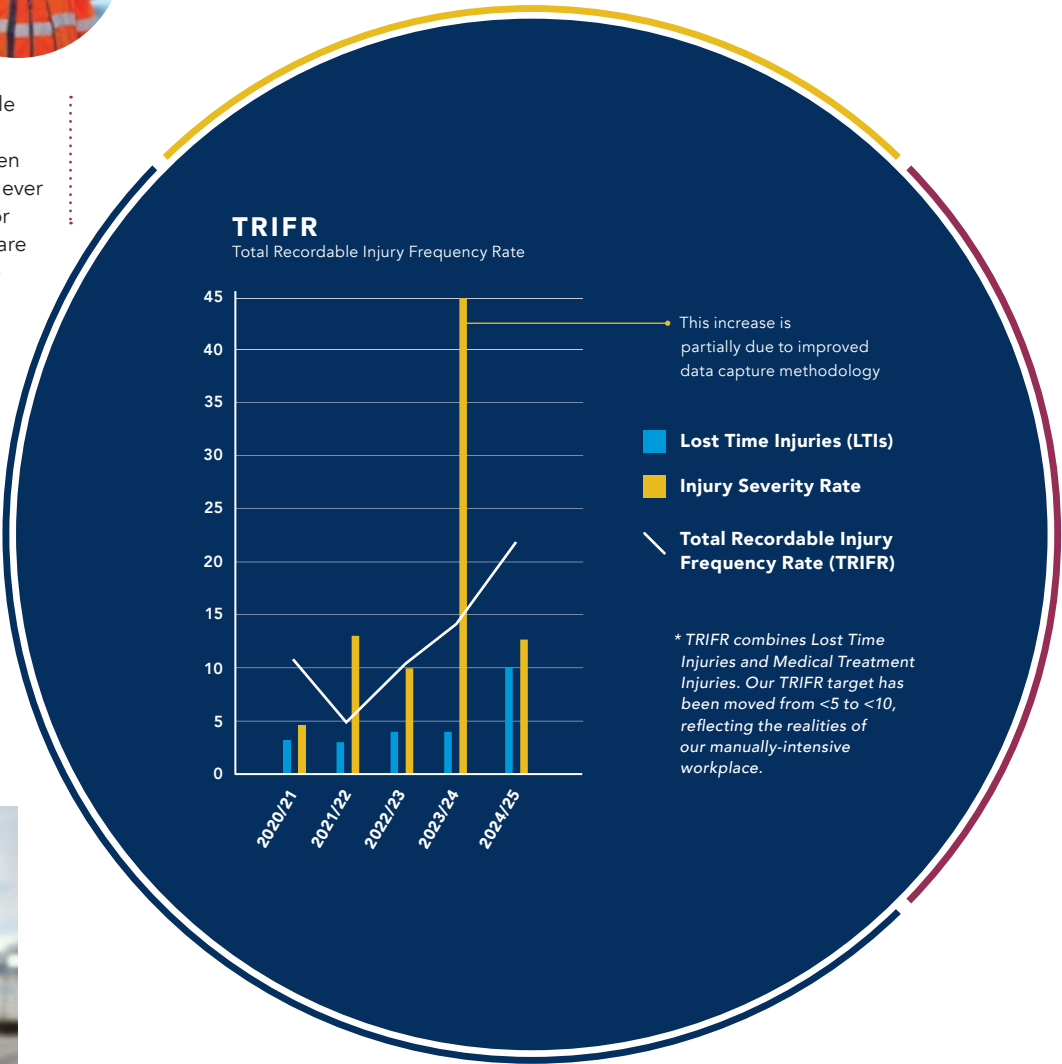
Head of Safety Ross Buchan says the increase is not attributable to one common factor. “Lost Time Injuries (LTIs) doubled compared to last year, because we’ve had a strong focus on reporting injuries and actioning appropriate treatment.

“Positively, the Injury Severity Rate was 72% less than last year. This was due to two reasons. Some of our LTI injuries were very minor

in nature and only required a day or two off work. Our improved injury management practices over 2024/25 also had a positive impact.”

Average days taken to return our kaimahi to work after a work-related injury dropped from 22.5 days in July 2024, to 12.9 days by June 2025.

In the past year, we focused on conducting more Visual Safety Leadership conversations. We achieved 953 observations of potential risks – a 20% increase on last year.



Implementing Failing Safely

During the past two years, Port Otago has moved to the Failing Safely model, which focuses on workplace engagement and the reality that mistakes do happen. Over 2024/25, two important improvements were made.

Safe standing zones

Risk identified

One of our Cargo Handler team would carry out the Road Pointer task. This involved standing unprotected beside a container truck, while straddle carriers drove over the truck to load and unload containers – essentially acting as eyes on the ground for the straddle operator.

Changes made

- Painted walkways and barriers now guide pedestrian movements
- Safe standing zones for truck drivers, connected to pressure pads that activate a green/red light, signalling that the straddle can enter the loading/unloading lane



- Straddle operators now stop before entering the lane and undertake set checks
- Improved assessment of competency for straddle operators.

Outcome

The Road Pointer task is no longer required. The controls have been replicated across all Port Otago sites' truck loading/unloading zones.

Introduction of packing pod areas

Risk identified

Our timber and dairy warehouses' containers are delivered and collected by straddle carrier for packing. Supply teams were at risk of a straddle moving a container when they were near or in the container.

Changes made

- Concrete barriers and hazard tape to close off pedestrian access
- Containers for packing are now placed in a marked-out "packing pod" area
- Digital blocks within our terminal operating system, alongside the use of an orange flag on containers being loaded.

Outcome

Packing teams have more confidence when packing containers. Straddle operators have better information and layers of controls.



Apprenticeships are back

It's been about 10 years since Port Otago trained apprentices, but a couple of stand-out candidates prompted that to change last year.

Rawiri (Ra) Wikaira (pictured above right) has worked at Port for 11 years, while Robbie Sneddon was last year's onsite work experience student through Otago Polytechnic.

GM Marine & Infrastructure Grant Bicknell says reintroducing apprenticeships aligns with the company's approach of identifying talent and steering the right people into the right job. "A lot of our best employees have started as apprentices; they have organisational citizenship.

"For years, we've had a low turnover of staff in our trades, so we haven't had the ability to offer apprentices a job at the end of their time. But we have an ageing workforce and now is the time to start pulling people through."

Leadership course hits the mark

Participants in a new leadership development programme are valuing the new tools they have acquired and the insights into their own way of working.

Port Otago partnered with Kākāpō Consulting late last year, after considering several potential

providers. Twelve of our key people leaders formed the pilot group and met over six half-days at fortnightly intervals. The pilot was a success and the programme has since been delivered to another three groups of leaders.

STEPS TOWARDS OUR GOALS IN 2025/26:

- Lift our productivity.

CAPITAL #2:

Our wider team

There's always more to learn

No matter how well we think we know our customers, partners and community, there is always more to learn. Just when we think we've nailed a customer's requirements, they up their number of containers and we need to find more kaimahi to pack them and more space to store them in areas where space is already tight. And just when we think we have a plan with our shipping lines, the weather throws a curve ball, and delays knock on all the way down from the North Island. But we've committed to being an **always open** port and these challenges are just part and parcel of that. The need for regular and open communication with all our stakeholders, built on strong relationships, has been even more apparent this year. Not just for the day-to-day, but for the long haul, understanding our customers' and partners' plans and working together to create **space to grow**. Open Country Dairy Group Logistics Manager Hira Singh reminds us: "If the port wants to grow, no matter the size of the customer, the team needs the right mindset and the right solutions, asking the customer what they need and tailoring what the port can offer."

We are lucky to have a hands-on Board at the port. But recently, our Board acknowledged the need to build its understanding of iwi and become more actively involved in our work together. This will be a focus in the year ahead.

This year marked our 150th anniversary – a great opportunity to celebrate with our stakeholders. See pages 6-7. It was also another busy year, being an active contributor to our wider Otago community. On page 32, read about our latest sponsorships, including our ongoing favourite – funding swimming lessons for 200-300 West Harbour primary school children annually.

"We have continued to face challenges this season relating to container congestion on terminal which has impacted both laden and empty container flows. However, the overall impact of this was limited and Port Otago managed the disruptions well."

Hamza Hioul
Head of Oceania Market
Maersk Oceania

Material issue

Strong relationships

Building strong relationships with our stakeholders by listening to what matters to them, communicating effectively on the day-to-day and sharing our 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 protecting human rights.

"Port Otago is a great partner, Carnival's top port authority in New Zealand. They keep us up-to-date on the issues, and work behind the scenes with us to influence things in a positive way."

Paul Mifsud
Senior Director
Port Operations - AP
Carnival Australia

Goals

Build on our social licence to make consenting smoother.

Be a great neighbour by respecting what is important to our community and iwi and enhancing our social licence to operate.

Provide space for customers adapted to their needs with increased storage at Southern Link for better delivery windows, making us the preferred option for our customers.

Build stronger relationships with our customers, partners and suppliers to better understand them, measure progress and plan for the future.

Make decisions based on accurate and complete data.

"We can always understand our customers and their business better, most importantly to be sure that overall supply chain efficiency is achieved without too much cost to an individual customer."

Kevin Kearney
Strategic Projects Manager
Port Otago

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

Key metrics

Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Performance (c.f. 2023/24)
Active sponsorships	125	121	93	52	46	✓
Community containers*	12	7	13	7	3	✓
Stakeholders engaged	31	32	26	41	42	—
Port Noise Liaison Committee meetings**	4	4	4	4	4	✓

* New containers out in our community (total = 52)

** 3 committee meetings and 1 public meeting per year

"There have been tough times with shipping, but the port's communication on any delays has been outstanding with no drop in service level at all. We all understand these shipping issues are inevitable, but we acknowledge the problems and move on to the solutions, seeing them as opportunities to improve."

Maico Lenhard
Logistics Manager
Alliance

Our wider team – highlights

Visit portotago.co.nz/About/IR to read these stories in full

Exporters embrace Northern Star service

In November 2024, Port Otago welcomed the Maersk *Innoshima* – the first vessel to berth in Port Chalmers as part of the new Northern Star service.

The weekly service operates a rotation of: Shanghai – Hong Kong – Brisbane – Auckland – Nelson – Timaru – Port Chalmers – Napier – Tauranga.

GM Customer Craig Usher says export customers value the direct service into China and are supporting the route well. “It’s appealing to our frozen and chilled food product customers, who have perishable, high-value products. That product is reaching the market quickly and in good condition.”

Supporting our community

During 2024/25, Port Otago supported 69 organisations, through 125 active sponsorships. Our sponsorships target our harbour community, water-based sports, water safety and our kaimahi.

Significant financial contributions were made to the Port Chalmers Maritime Museum, Orokonui Ecosanctuary, Dunedin Marine

Search and Rescue, Iona Church and the Wild Dunedin Festival of Nature.

Funding swimming lessons for local primary schools each year is one of our larger sponsorships. Up to 300 rakatahi receive about 20 group lessons across the year.

Meanwhile, there are now 52 Port Otago community containers out in our wider Otago community.



First-response vehicle indispensable

The Port Chalmers Volunteer Fire Brigade’s new first-response vehicle became operational in April 2024. In the 15 months up until 30 June 2025, it attended 99 jobs. These included five flood/weather related call-outs, four motor vehicle collisions and 82 medical events.

Supported by our cruise partners, Port Otago contributed \$100,000 towards the \$250,000 project, which included a garage for the vehicle.





Engaging with cruise sector

The 2024/25 year was an especially challenging one for the New Zealand cruise sector, with three key issues continually raising their heads:

- The cost of cruising in New Zealand
- Lack of biofouling/cleaning options, and
- The threat of a Milford ban, which was addressed in May 2025. (See story page 44.)

Port Otago took a three-prong approach to engaging with cruise customers and partners during the year, attending Seatrade Cruise Global in Miami, meeting face-to-face with cruise lines in Sydney, and coordinating lobbying activity across the sector via the New Zealand Cruise Association (NZCA).

More than 2000 locals attend Open Day

On Labour Day Monday 2024, we opened the gates to the owners of our port – the people of Otago – to celebrate 150 years in our community.

About 130 of our kaimahi helped during the day, including Marine Pilot Captain Sumanth Surendran, who cheerfully ferried life jackets between the tug rides and check-in desk.

More than 2000 people attended and \$15,000 was raised. In the spirit of the Open Day, Port Otago boosted the amount, so a rounded-off \$2500 donation was made to each of seven local organisations. We also donated an additional \$10,000 to Dunedin



Maritime SAR Water Rescue, Royal Albatross Centre and Port Chalmers Maritime Museum. (See Open Day Celebrations on page 7).

Partnering for a solution

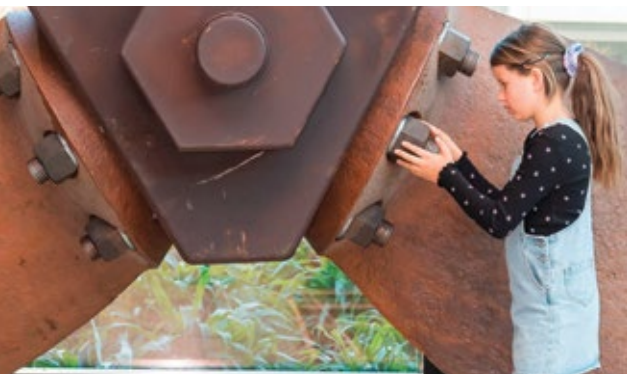
While the seven-month Port Chalmers Container Terminal rail pad replacement was a well-executed project, it did require operational work-arounds to keep product moving across the wharf.

The project was initially scheduled to take 12 months, but some clever engineering solutions shaved months off the project. And, while a temporary rail pad arrangement was set up on the Container Terminal Wharf, this was not suitable for all export products.

GM Customer Craig Usher says that, when the project was announced, Port Otago and long-time customer MDF

exporters Daiken New Zealand sat down together, to determine options for reducing the impact on their supply chain. "The solution came in the form of several actions. The customer changed the mode of transport from the plant to the terminal, and the port started accepting road instead of rail. And we opened up a portion of the rail pad early."

The early opening was an impressive feat, brought about by collaboration between KiwiRail, our Operations and Infrastructure team and rail pad construction contractor Martinus.



Museum visitor numbers up by 70%

Since re-opening in October 2024, the Port Chalmers Maritime Museum has welcomed more than 14,800 people through its doors in the eight months to 30 June 2025.

The Wall of Ships is a favourite and the public viewing gallery on the first floor of the Port Otago Annex is also a popular distraction for visitors on their way in or out of the museum.

STEPS TOWARDS OUR GOALS IN 2025/26:

- Continue regular customer engagement.
- Consent Southern Link.

CAPITAL #3:

Our harbour taoka and beyond

Ever-present risk

We impact the climate, and the climate impacts us, of that there is no doubt. We have leveraged data to assess and reduce property climate change risk. Lower carbon outcomes are central to creating **space to grow**. Port Otago Director Becky Lloyd sums up the hard work done on climate change but how the risk remains inevitable.

"The port has done a fantastic job on its climate risk assessment and long-term emissions reduction plan, with the asset management plan now embedded in the 10-year financial model. It's great that the groundwork has been done, but the risk is still real, and we need to be ready for the impacts that are coming." The cruise industry is working hard to mitigate its environmental impacts and to better communicate its real impacts, particularly as cruise ships' carbon footprints reduce. While container vessels are moving towards using new fuels, such as liquefied natural gas and methanol, these fuels are not available in New Zealand.

Upoko, Te Rūnaka o Ōtākou, Edward Ellison, representing iwi, reminds us that, as the biggest operation in the harbour, we have the most clout to do good for nature. Edward also suggests we could build a better understanding of how nature supports the business, allowing ships to arrive through the harbour and leave again. Becky comments: "We need to be more strategic with nature-based resilience solutions. They are an opportunity to show the port's respect for nature."

Chief Executive Kevin Winders sums up the challenge of balancing climate risk with business needs. "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."

Learn more about our progress in the climate change space, including the integration of climate adaptation actions into our asset management plan and the use of BraveGen for greenhouse gas (GHG) emissions data collection and reporting on pages 36-37.

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 own carbon emissions and influencing others to do the same. Being prepared for increasing extreme weather events and related impacts on supply chain logistics and customer operations. Understanding the likely impacts of climate change on our assets and operations and developing adaptation plans to address them.

"I used to sleep outside on a veranda all year round. I would hear the birds on the hill at night and the seabirds over the harbour in the morning. Nature is a part of us, it holds our history. From an iwi perspective, it's about not reaching a tipping point. The harbour is a finely balanced ecosystem, and we shouldn't be choosing to dredge deeper or reclaim more land."

Edward Ellison

Upoko, Te Rūnaka o Ōtākou

Goals

Reinforce the Aramoana mole to defend our harbour.

Maintain dredging and surveying capability to keep our channel open, with a light touch.

Execute our climate change plan covering climate change risk assessment, adaptation/mitigation strategies, reporting framework and current baseline.

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.

Reduce property climate change risk, resulting in less volatility.

Understand and adapt to potential future climate change impacts on our assets.

Work ons

- Understanding nature's tipping points and partnering to address them
- Preparing for the impacts of climate change on the port using results from our climate adaptation scenario modelling
- Reducing our own contribution to climate change
- Influencing others in the supply chain to do the same

Key metrics

Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Performance (c.f. 2023/24)
Scope 1&2 GHG emissions tCO ₂ e	5513	6101	4881	5437	5606	✓
Fuel as % of total GHG emissions tCO ₂ e	68%	78%	66%	71%	70%	✓
Electricity as % of total GHG emissions tCO ₂ e	13%	15%	23%	25%	22%	✗
LED lights % of total lighting	93%	93%	92%	91%	87%	—
Noise complaints						
Total	47	33	32	18	45	✗
Noise complaints: Vessel	32	22	23	12	32	✗
Noise complaints: Non-vessel	15	11	9	6	13	✗

"We have seen anti-tourism protests, but there is an opportunity to educate local stakeholders on the progress the cruise industry has made around sustainability."

Lotfi Trabelsi

Director, Port Services EMEA & Oceania
Royal Caribbean Group

"Pests and diseases, such as fruit fly, BMSB [brown marmorated stink bugs] and Foot and Mouth, can have a significant effect on our primary producers and environment in New Zealand. Market access would potentially close with exports being impacted and economic growth halted. There are staff at Port Otago that hold biosecurity in high regard, and sound procedures in place to mitigate potential biosecurity risk from the chain of cargo coming across the border."

Nick Hale

Chief Quarantine Officer, Border Clearance Services
Biosecurity New Zealand, MPI

Our harbour taoka and beyond – highlights

Visit portotago.co.nz/About/IR to read these stories in full

Reducing carbon emissions

One of last year's two steps towards our climate change related goals was to "Set science-based climate change targets".

Strategic Projects Manager Kevin Kearney says thinking in the climate change space progressed significantly in the past year. "The sector now better understands the uncertainty around technology transition and the developing low carbon solutions. It appears that technology solutions are not advanced nor extensive enough to support either a science-aligned or science-based emission reduction pathway. In reality, our emission reduction trajectory will be non-linear, as low carbon alternatives become available. We therefore consider it more useful to set emission reduction – that is, decarbonisation – targets that are driven by our asset replacement schedule. This aligns with many other large infrastructure businesses."

Sixty-eight per cent of Port Otago's emissions relate to fuel and electricity. (See doughnut graph below/right – blue section.)

Kevin says that, given the limited fuel alternatives available for marine plant in particular, setting ambitious near-term targets is not realistic.

"In the interim, we are reducing marine carbon emissions by using fuel and activity data insights to drive process improvement in maintenance and operational activity."

Within our decarbonisation roadmap, we are targeting net zero emissions by 2050.

We are using the next five to 10 year period to address key actions on our carbon emissions reduction pathway. The priority is investigating options to run current machinery more fuel efficiently, while we await technology advancements and proven electrical equipment to be commercially viable.

Emissions summary

Total emissions

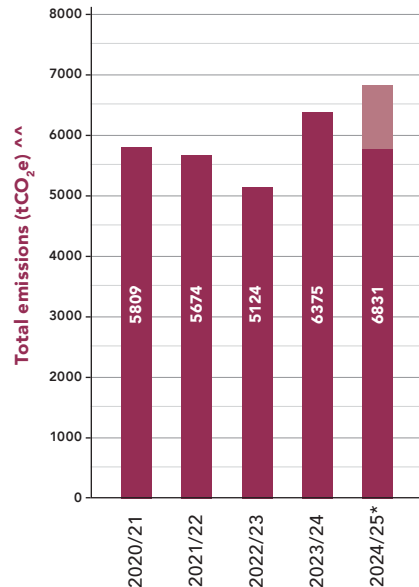
Our total emissions were up 16% due to the inclusion – for the first time – of Well-to-tank (WTT) emissions[^]. (Because we have not previously reported on WTT emissions, the figure is differentiated by the lighter shade of maroon.) Excluding WTT emissions, our total emissions would be down by 9% on last year, due to reduced dredging activity and fewer shipping movements.

[^] WTT emissions occur during fuel production, processing and transportation until fuels are ready for use. They also cover the entire upstream process.

^{^^} CO₂e stands for "carbon dioxide equivalent". It is a single unit that accounts for all greenhouse gases, including carbon dioxide, methane and nitrous oxide.

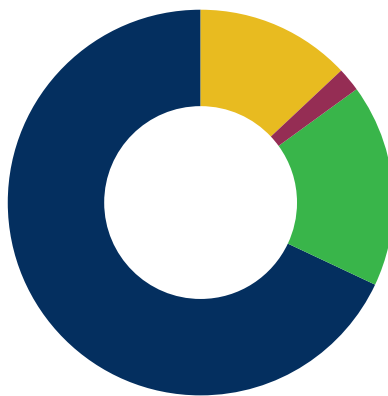


This data is based on a self-assessment using Toitū emanage. The Toitū audit and verification is scheduled for December 2025.



* Yet to be audited

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)

Chalmers Properties' climate initiatives

Chalmers Properties is incorporating climate initiatives into some of its new warehouse developments. At Hamilton's Te Rapa Gateway, the RML Machinery build is harvesting rainwater from its warehouse roof and the IAG RepairHub building has 172 solar panels installed.

Chalmers Properties has begun using BraveGen Utility – a software platform that collects and analyses electricity, water and gas data – to generate a clear view of a property portfolio's utility use and associated emissions.

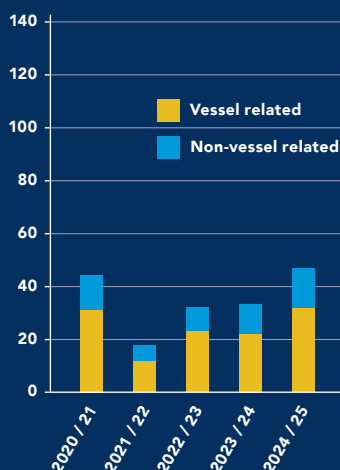
Noise complaints

There were 47 noise complaints in 2024/25 – 15 more than last year.

The increase cannot be traced back to any single reason. One possibility is a change in the personnel fielding our noise complaints, as the community appears to be more comfortable to log noise complaints.

Three vessels generated the 32 vessel noise complaints. The CMA CGM *Quelimane* was the most frequent offender. CMA has agreed to install a silencer on the vessel and planning is underway. The other two vessels were the *Ningbo* and *Maersk Monte Lascar*. A silencer has been installed on the *Monte Lascar* and discussions about silencing the *Ningbo* are underway.

Noise Complaints



Aramoana mole armouring project

In last year's report, we signalled that investigations into protecting the Aramoana mole from the unrelenting Pacific Ocean had just begun.

Our Infrastructure team has been working alongside international and New Zealand experts to establish a viable seawall infrastructure solution to protect the mole. Infrastructure consultant Beca has been engaged to design the mole armouring solution with input from coastal modelling expert Oceanum.

Concept design is well advanced and a full recommendation will be presented to the Board by June 2026.



Te Rauone Beach settles in

It's two and a half years since Te Rauone Beach's initial sand deposits were placed along the shoreline.

The \$3m Te Rauone Beach development involved construction of three 90-metre-long breakwater groynes and 28,000m³ of dredged sand being added to the beach area.

The "Year 2 Beach Monitoring Report" was delivered by infrastructure consultant Beca in July 2025 and determines sand and/or groyne maintenance requirements.

From the report: "Over the first and second year following beach nourishment, fluctuations in beach volumes appear to be reducing with time on the northern beach, and possibly also on the central beach."

Beca believes the reducing volatility indicates a trend towards dynamic stability for the northern beach.

Climate actions rolled into asset management plan

The second step towards Port Otago's climate change related goals was to "Embed our adaptation plan into the asset management plan". This step is now complete.

Also now included in the asset management plan are the asset-related aspects of our long-term decarbonisation roadmap. Milestones within the plan flag when it is timely to consider transitioning to lower-emission mobile plant.

STEPS TOWARDS OUR GOALS IN 2025/26:

- Set decarbonisation targets, driven by asset replacement.

CAPITAL #4:

Our know-how and skills

Enhancing productivity safely

We know we're not a big port and we don't expect to lead the way on everything, but we certainly see the value in being a fast follower when it comes to innovation. We keep an eye on what other ports are doing around the world and explore how we can apply new techniques here. As Chief Executive Kevin Winders says: "We are **always open** to the use of new technology. We are increasingly using data to guide day-to-day decisions and continue to optimise our operational performance."

Systems and digitisation are undoubtedly important to achieving efficiencies, as GM Customer Craig Usher points out: "Tasks at the port are still manual, performed by our people rather than automated. For example, yard planning involves moving containers around the yard and relies on us knowing where each straddle is in relation to where the next job is. The system should deliver information straight to the tablets while continually optimising the flow of work based on location and distance to travel. Systems that can continually process multiple changes in a live environment would allow efficiencies to be achieved in the way we move containers." That said, we also hear our customers loud and clear when they tell us that some things are still best done manually.

This year, we edged closer to being **data led**, but we're not there yet. Port Otago Director Anne McLeod highlights the importance of improving our data and how we use it. "We're getting better data and reporting to enable us to be more efficient and ensure that we can focus on being the **always open** port and make the right decisions for our customers." Strategic Projects

Manager Kevin Kearney, who needs reliable data to perform his role, sums this up perfectly. "There are still too many barriers to accessing the useable data we need for innovation, including access to technical and project resources, all of which get harder as we have to tighten our belts."

This year, we brought a few important services in-house, to boost our ability to innovate on productivity, including hydrographic surveying. We also attended the world's largest manufacturing and supply chain trade show, ProMat, in Chicago, and met with cruise lines in Miami, to learn about the latest developments. See pages 40-41.

Material issue

Innovation

Improving resilience and efficiency in our supply chain with automation and digitisation. Working with our customers, shipping lines, infrastructure and logistics partners and peers to innovate and become more agile.

"The integration between port and rail assets and resources needs to be collaborative, that's when our assets and resources find efficiencies."

Alan Piper

Executive General Manager - Freight Markets
KiwiRail

"Instead of focusing on container moves compared to other ports, consider if productivity improved by 1-2%, what the commercial benefit would be in terms of financial value back into the region. Work with customers and partners to go after that 1-2% productivity improvement through better digital information sharing and communication of benefits for all."

Scott Hurdley

GM Logistics
Silver Fern Farms

Goals

Utilise hydrographic surveying to improve our dredging accuracy.

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.

Use LiDAR devices across our business.

Base decisions on accurate real-time data.

Work ons

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

Key metrics

Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Performance (c.f. 2023/24)
Learning activities*	7663	-	-	-	-	
Average training hours per employee	25.8	13.3	20.0	9.5	16.3	✓
Transfers, promotions and secondments	58	63	37	21	31	✗
% of new appointments that were internal	56%	43%	26%	45%	50%	✓

* Learning activities include all methods used to deliver information to learners (i.e. procedure reviews, class sessions, external courses and online courses)

"Due to space constraints, Port Otago could look at efficiency gains. Would automatic loading beds be viable?"

Allan Bradley
Supply Chain Manager
Pan Pac Forest Products

"We look forward to Port Otago driving financial growth through innovation and operational efficiencies, while also capitalising on their wide range of business scope. In the global freight market, New Zealand is one of the more expensive countries to trade with and we need the support of our terminal partners to limit supply chain costs, to ensure New Zealand's exports remain attractive and affordable in the global market."

Hamza Hioul
Head of Oceania Market
Maersk Oceania

Our know-how and skills – highlights

Visit portotago.co.nz/About/IR to read these stories in full

In-house Survey team proving invaluable

Our Survey team has only been in action since January 2025, but is already indispensable.

For the previous 10 years, Port Otago had contracted out its hydrographic surveying. We now have experienced surveyors Peng Ong and Allan Sutherland and a Senator 650, *Mātai Awa*, out on the harbour several days of each month.

GM Marine & Infrastructure Grant Bicknell: “Our **always open** strategy depends on an **always open** channel. By having surveying capability within our business, we can react to any storm events as soon as conditions allow and clear the channel ready for business within hours, versus days.”

There is also a bigger picture aspect. “The Survey team’s first task was a full hydrographical survey of our entire harbour channel. This established our exact channel depth profile in relation to accommodating our current shipping line vessels and any potential future vessels. It also confirmed that we are very close to our desired 14m depth, which we’ve been working towards for some time.”

The Survey team works alongside the Dredging team most days, feeding them real-time measurements so they know exactly where to dredge and how deep.

Intelligence gathering in Sydney

Over the next two years, Port Otago has a once-in-a-lifetime opportunity to change its container terminal operating mode.

Investigating options for container terminal operating modes has significant interplay with the port’s decarbonisation roadmap (see page 36) and future electrification of container-handling equipment.

Chief Executive Kevin Winders: “We have near-end-of-life mobile plant and terminal infrastructure – including our two ship-to-shore cranes – so it’s timely to review our long-term container terminal planning. The big question and opportunity is ‘do we change our mode of operating?’”

There are essentially three container automation modes: Full, partial and manual. Our Port Chalmers Container Terminal operates manually.

In April 2025, the Board and some of the Leadership Team went on a fact-finding mission to Sydney. They visited four ports, each operating a different mode of container automation: QUBE Intermodal Moorebank, Patrick Terminals, Hutchison Ports and DP World.

What next? Strategic Projects Manager Kevin Kearney is working with international logistics consultant Portwise to review future container terminal operating options and a recommendation is expected by December 2025.





Using BI to support vessel planning

Last year's report included the following step towards our know-how and skills related goals: "Business Intelligence (BI) systems to support our planning decisions".

Over the past year, our IT team has been working solidly towards understanding and connecting the company's different operational data sets.

Head of IT Ollie Barton-Jones: "We now have the first deliverable from this connected data set – the Vessel Departure Estimator."

Launched in June 2025, the estimator has two main uses. "From their mobile

devices, our Marine team can instantly get an idea if a vessel is likely to meet its departure time. Missed departures are costly, with marine resources all scheduled ready to go – pilots, vessels, tugs – as well as the work landside to safely release a vessel.

"The Operations team are using the estimator as an overview during a vessel exchange. The underlying data sets help identify root causes of delays, while maintaining a safe, productive exchange."

Intel-gathering mission to US

Earlier this year, three members of our IT and Strategic Projects teams visited the US – specifically, to privately-owned container terminal operator Penn Terminals (Philadelphia) and the world's largest manufacturing and supply chain trade show, ProMat, in Chicago.

In order to optimise use of our terminal operating system, Master Terminal, we asked the software provider to introduce us to another port client of a similar size to Port Otago.

Strategic Projects Manager Kevin Kearney says Penn Terminals' team has strength-specific aspects of the system that Port Otago does not, and vice versa. "As a result of the visit, we are informally supporting each other, as each port looks to extract maximum potential out of the system.

"Penn Terminals' current project to increase the density of reefer container storage is the type of solution that could be adopted at Port Otago."

The US trip was timed to coincide with the annual ProMat trade show, with the goal of assessing new innovations applicable to the Southern Link inland port infrastructure.



Inter-port cooperation

During the past 12 months, Port Otago interacted with other New Zealand ports on a range of safety, climate adaptation, sustainability, security and engineering solutions. These included:

- Partnering with Napier Port to purchase a new \$36m dredge. (See story page 44.)
- Leasing our pilot vessel, the *Potiki*, to SouthPort.
- Liaising with Port of Auckland regarding our ship-to-shore ZPMC cranes.
- Inter-port conference/forum attendance by various teams.

STEPS TOWARDS OUR GOALS IN 2025/26:

- Enhance our Business Intelligence (BI) systems to improve our planning decisions.
- Use simulation technology to better understand our shipping channel.

CAPITAL #5:

Our assets

A tipping point for growth

We are the first to admit that space is tight on the wharf. We do our best to balance container flows, bulk cargo and the safe passage of cruise passengers, but shipping delays and container congestion remain ongoing challenges. CMA-CGM/ANL Operations & Business Development Manager Graeme Brown takes us through the challenges faced by a shipping line. "We are in a very challenging environment and a key focus is to keep our services on schedule, so we maintain a weekly service for our customers. Our services are under a lot of pressure with weather/swell events in NZ and overseas playing havoc with our schedules. We are also having challenges at the NZ ports with low productivity, crane breakdowns, labour issues and congestion."

Space to grow is easier said than done. More space, more containers, more shipping lines, more customers, we don't ask for much, right! A solution is now in sight with the inland port at Southern Link (Mosgiel) gaining momentum. Danone Head of Logistics ANZ Toby Gundesen, one of our key customers, shares his sentiment on this important growth project. "Mosgiel is a tipping point for Port Otago and customers need clarity and timelines to lock in plans. There is good synergy for Danone as we are keen to consolidate our storage footprint and reduce CO2 emissions by moving freight from road to rail."

Cruise visits are down on previous years, explained here by Port Otago GM Customer Craig Usher. "Cruise lines increasingly see New Zealand as too hard to visit, with biofouling the number one risk and increasing costs and – until very recently – the potential Milford Sound ban all

causing concern. When a vessel turns up and can't come into port because of biofouling concerns, it can sit outside New Zealand waters for up to five days waiting for suitable conditions to have the hull cleaned." Being **always open** to cruise relies on the ships being able to visit and that, as Senior Director Port Operations – AP, Carnival Australia Paul Mifsud explains, is not possible if they are relocated. "Cruise overseas is going great guns but locally in Australia and New Zealand, it is a real struggle with a number of brands pulling assets from the region. Once assets are relocated, it can be difficult to get them back."

There is a lot to share on assets this year. On pages 44-46, read about our investment in a new 70-tonne Damen ASD 2312 tug, the joint venture with Napier Port to build a \$36m dredge, our rail pad replacement project at Port Chalmers and the Southern Link inland port.

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 loading of increased log volumes at Dunedin Bulk Port. Efficient container throughput to optimise space on a resilient wharf, while progressing an inland storage depot.

Shipping volatility

Working closely with shipping lines to build their confidence in visiting us to achieve as many services, with as far a reach, and as much certainty, as possible. Demonstrating agility by coming up with solutions to shipping challenges across New Zealand as an **always open** port, where the kaimahi pull together to get the job done, with efficient container turnaround times and optimum moves.

"Secure supply is critical given we produce infant milk formula for such a vulnerable part of the population. Danone relies on our close working relationship with Port Otago and our shared systems and SOPs for what we refer to as food defence. In fact, a recent external security audit identified the port as 'best in class' in New Zealand with strong compliance."

Toby Gundesen
Head of Logistics ANZ
Danone

Goals

Leverage existing infrastructure to be **always open**. Establish in-house dredging capability and renewable harbour defences.

Space for customers adapted to their needs: Provide buffer capability to be **always open**. Increase storage using Southern Link for increased acceptance windows, making us the preferred option for our customers.

Grow the container and bulk business by investing in additional storage, depot capability, 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.

Continue to build a sustainable property portfolio as a fundamental part of the port's financial sustainability.

Work ons

- Collaborating on an inland port at Southern Link 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	2024/25	2023/24	2022/23	2021/22	2020/21	Performance (c.f. 2023/24)
Gross crane rate	24.9/hr	24.5/hr	26.2/hr	26.0/hr	26.2/hr	✓
Container ships berth utilisation	28%	34%	25%	19%	24%	✗
Cruise and log ships berth utilisation	33%	31%	33%	26%	30%	✓
Full yard TEU daily average	1794	1919*	1869*	1823	1905	✗
% days >90% full	3.8%	17.2%*	8.2%*	20.0%	29.0%	✗
Vessel movements	639	747 [#]	653	405	430	✗
Export volume t	2.28m	2.47m	2.15m	1.89m	2.17m	✗
Export value	\$8.0b	\$8.1b	\$6.6b	\$5.3b	\$4.4b	—
Import volume t	708k	738k	774k	772k	703k	✗
Import value ^	\$1.5b	\$1.4b	\$1.4b	\$1.3b	\$947m	✓
TEU volume	249,015	268,868	186,427	166,153	174,779	✗

* More accurate daily full TEU data available (includes weekends)

[#] Correction

[^] Total oil/LPG \$ value has been recalculated on market rates per litre, which has changed total import values

"When City Forests started analysing the cost of moving our logs to Dunedin Bulk Port, there was a much longer list of reasons not to than there is now. We couldn't see a path forward as recently as last year. Ship congestion in the harbour channel, storage space to service our key markets, managing noise issues and most importantly, the ability to load deck cargoes, were all causing us concern. But we can see progress in these areas and, if all these things are properly done, we can finally see a path forward to operate out of both Dunedin Bulk Port and Port Chalmers."

Grant Dodson
CEO
City Forests

Our assets – highlights

Visit portotago.co.nz/About/IR to read these stories in full

Partnering to build \$36m dredge

The 26-month build of Port Otago and Napier Port's new \$36m dredge is on schedule for a late 2026 delivery to New Zealand.

In December, Port Otago and Napier Port announced a joint venture to invest in a state-of-the-art trailing suction hopper dredge from Dutch shipbuilder

Damen Shipyards.



New \$15m tug to ensure always open port

As part of Port Otago's strategy to be New Zealand's **always open** port, a new 70-tonne Damen ASD 2312 tug has been ordered for a January 2026 delivery.

The \$15m tug is a key piece of infrastructure that will allow the port to be big-ship capable. The three other essential components are already in place: the Multipurpose Wharf; consent to deepen the Lower Harbour channel to 15 metres; and the new state-of-the-art dredge.

Milford: Open for business

The New Zealand Government's June 2025 announcement that cruise ships will continue to be allowed into Milford Sound addresses one of three major challenges facing the country's cruise sector.

The other two challenges are the cost of cruising in New Zealand, and the lack of local facilities for vessel hull cleaning to address biofouling concerns.

Chief Executive Kevin Winders: "The recent announcement is a good start in rebuilding New Zealand's brand from 'closed to cruise', to **'always open** for business'."

Smooth cruise season

It was a smooth cruise season for the Port Otago Cruise team, with terminal improvements, a high percentage of returning cruise assistants and only four of 95 vessels omitting (mostly due to weather elsewhere in the South Island).

Significantly, our Dunedin town wharves now have a cruise terminal, which has transformed the experience for passengers, who previously had no shelter while waiting for taxis or tours.

In April, GM Customer Craig Usher and Cruise Manager Carolyn Bennett were part of the New Zealand team to attend the Seatrade Cruise Global expo in Miami, showcasing New Zealand as a cruise destination.



Five awards within the year

Chalmers Properties and its developments attracted five industry awards during the 2024/25 year.

The RML Machinery build (pictured below) at Hamilton's Te Rapa Gateway won silver at the New Zealand Commercial Projects Awards in May, and an Excellence award at the New Zealand Property Industry Awards in June. The Port Otago Annex and Port Chalmers Maritime Museum development also picked up two awards at the Property Industry Awards.



Metrics per business activity

Metric / Category	2024/25	2023/24	Performance
Container business			
TEU volume	249,015	268,868	✗
Dairy export/import (tonnes)	587,433	701,386	✗
Meat export/import (tonnes)	265,689	312,660	✗
Seafood export/import (tonnes)	78,716	78,517	—
Fruit export/import (tonnes)	46,141	44,312	✓
Wood export/import (tonnes)	185,467	197,947	✗
Other export/import (tonnes)	154,334	197,134	✗
Bulk business			
Oil/LPG import (tonnes)	492,516	483,727	✓
Fish import (tonnes)	24,138	21,775	✓
Log export (tonnes)	1,034,221	1,021,106	✓
Cement import (tonnes)	30,815	52,420	✗
Fertiliser import (tonnes)	74,939	96,095*	✗
Other bulk export (tonnes)	8,520	12,775	✗
Cruise business			
Cruise visits	91	118	✗
Cruise passengers	148,531	193,674	✗
Property business			
Total investment value	\$676m	\$637m	✓
Occupancy rates	100%	99%	✓
Weighted average term lease (years)	5.74	6.4	✗

* Changes to fertiliser tonnage - used PwC figures, not POL wharfage (as some of POL tonnage is coastal/domestic)

Southern Link Stage 1 on track for October opening

Stage 1 of inland port Southern Link (Mosgiel) is well underway and on track for containers to begin working through the site in November this year.

Southern Link – situated on 50 hectares on the corner of Dukes and Stedman Roads – is a joint venture between Port Otago and Dynes Group.

Development of the full Southern Link site received a weighty

endorsement in May, when the Government announced an \$8.2m loan to KiwiRail towards establishing railway infrastructure at the Mosgiel site.

In September 2025, Port Otago completed construction of a \$13.5m rail pad on the Port Chalmers Container Terminal, enabling seamless connection of containers to and from Southern Link.

STEPS TOWARDS OUR GOALS IN 2025/26:

- Create space at Dunedin Bulk Port for our bulk customers.
- Consent Southern Link.

CAPITAL #6:

Our financial value

An eye on growth

Our financial performance impacts many of our stakeholders. The community of Otago benefits from reduced rates through our substantial dividends to Port Otago shareholder, the Otago Regional Council. Customers and partners rely on our efficiency to get products to international markets smoothly and cost effectively. Income from our cruise business has taken a knock in recent years, as highlighted by Port Otago Director Pat Heslin. "Getting cruise back to where it was last season – even better, back to pre-Covid growth levels – will boost revenue and have the most significant effect on the port's bottom line."

The inland port at Southern Link may be our solution for **space to grow**, but as Maersk Head of Oceania Market Hamza Hioul reminds us, it will only work if it remains a cost-effective solution. "The Mosgiel inland port has strong potential, as long as the solution is cost efficient. We look forward to seeing the expected benefits on terminal materialise."

For some customers, the inland port at Southern Link will offer a reduction in trucking distance and the potential to send exports to the port by rail, reducing cost and carbon emissions. Supply Chain Manager Allan Bradley explains that Pan Pac Forest Products is one such customer. "An inland port at Mosgiel is an attractive project due to the shorter trucking distance. We hope there will be the capacity to pack containers. Pan Pac would definitely look at this option."

Chalmers Properties continues to provide solid financial results. GM Property David Chafer attributes this to taking a long-term view on property decisions. "Design-build industrial warehouse and office projects are not just about the initial

tenant, they are about designing a generic industrial property capable of generating continued revenue for a 50-year building life."

More on our financial performance can be found on pages 48-49, as well as a story on our new Senior Commercial Manager Anne Marek.

"Setting the dividend provides certainty for the port's own planning and a consistent return to the ratepayers of Otago. Otago Regional Council is aware of the port's large capital commitments, but we are confident in the assurances they have provided around financial management and their ability to meet dividend expectations."

Richard Saunders
CEO
Otago Regional Council

Material issue

Financial performance

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

"Focus on planning and forecasting because the more the gap between what is planned and what happens can be closed, the better it is for everyone in the supply chain."

Scott Hurdley
GM Logistics
Silver Fern Farms

Goals

Leverage our assets to enable growth and development.

Space for customers adapted to their needs: Provide buffer capability to be **always open**. Attract exports/imports for sustainable growth.

Base decisions on accurate real-time data.

Continue reliable returns from our property business which enables the port.

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

"We are generating returns to meet our dividend expectations and funding some important investments, including buying a new tug and building a new dredge. But there is still work to be done on lifting our return on assets."

Tim Gibson
Chair
Port Otago

Key metrics

Metric	2024/25	2023/24	2022/23	2021/22	2020/21	Performance (c.f. 2023/24)
Underlying profit	\$36.9m	\$34.4m	\$32.0m	\$17.6m	\$24.7m	✓
Profit	\$64.6m	\$30.4m	\$23.3m	\$70.5m	\$50.5m	✓
Dividend to ORC	\$18.0m	\$16.0m	\$14.0m	\$13.0m	\$10.1m	✓
Shareholder equity	\$762m	\$717m	\$704m	\$694m	\$549m	✓
Equity ratio	77%	78%	79%	82%	85%	—

"Port Otago plays a critical role in enabling and supporting a strong economy in Otago. Ensuring good connections to domestic and international markets for exporters and unlocking Otago's growth potential in agriculture, horticulture and forestry should remain a focus for the port."

Richard Saunders
CEO
Otago Regional Council

Our financial value – highlights

Visit portotago.co.nz/About/IR to read these stories in full

Making data insights more accessible

Anne Marek joined the Port Otago kaimahi in February in the newly created position of Senior Commercial Manager. She has worked in analyst roles within three of New Zealand's largest primary industry companies – Fonterra, Sealord and Silver Fern Farms – all Port Otago customers.

Anne says the position was created to strengthen commercial acumen across the business. "As part of the **data led** strategy, I'm improving the visibility and understanding of our costs and the drivers of those costs, along with providing robust financial modelling to enable more fact-based decision making."

While Anne sits within the Finance team, she also works alongside the Commercial team, providing support through data analysis and insights to help identify opportunities.



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 2025 and 2024.

	2025 \$000	2024 \$000
Profit for the year	\$64,604	\$30,423
<i>Less</i>		
Unrealised change in the fair value of investment property	(\$32,974)	(\$4,391)
Income tax on revaluations	\$1,820	\$151
Profit for the year before revaluations	\$33,450	\$26,183
<i>Plus</i>		
Development margin on completed property projects	\$4,304	\$2,321
Income tax on development margin	(\$807)	(\$409)
Development margin net of tax	\$3,497	\$1,912
Deferred tax liability on buildings arising from legislative change	-	\$6,339
Underlying profit	\$36,947	\$34,434

Notes to table

We have made the following adjustments to show underlying profit for the years ended 30 June 2025 and 2024:

1. Reversed out the impact of revaluations of investment property in 2025 and 2024. 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.

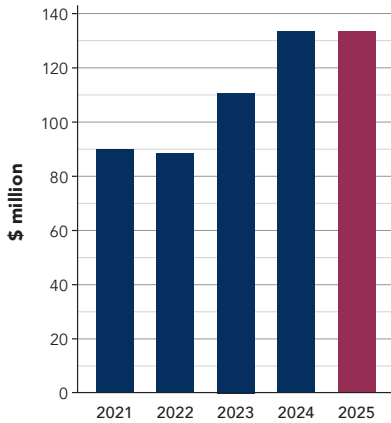
2. Added back the unrealised change in the fair value of investment property that relates to investment property development projects completed during the year. This margin is the result of commercial arrangements entered into and is largely within our control, year by year.

3. Reversed out the taxation impacts of the above movements in both the 2025 and 2024 financial years.

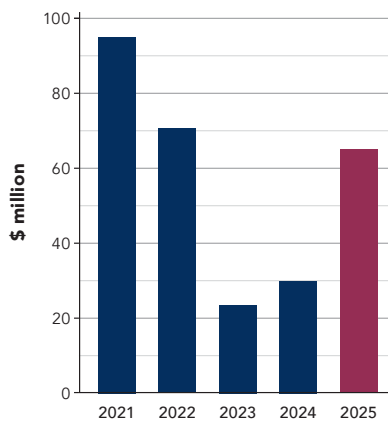
4. Reversed out the deferred tax liability on buildings arising from legislative change in 2024.

Our 2025 results

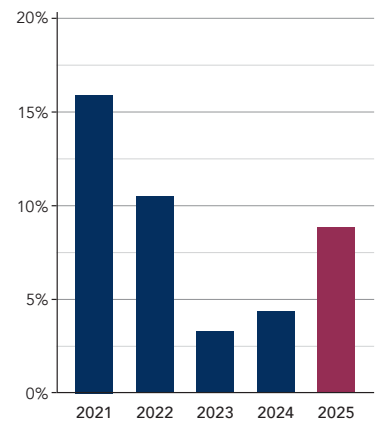
Revenue



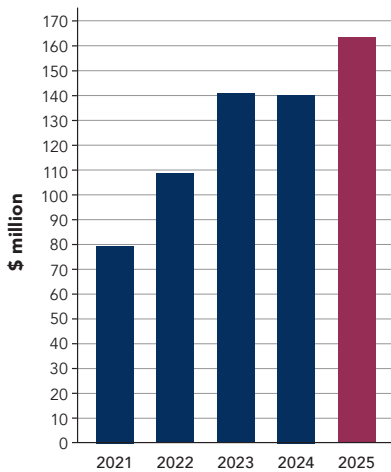
Net profit after tax



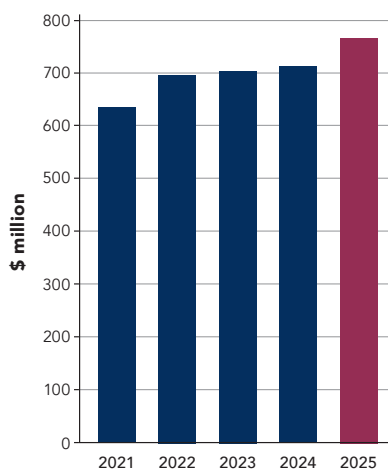
Return on equity



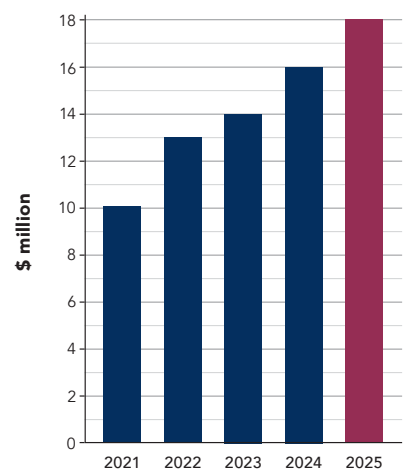
Bank debt



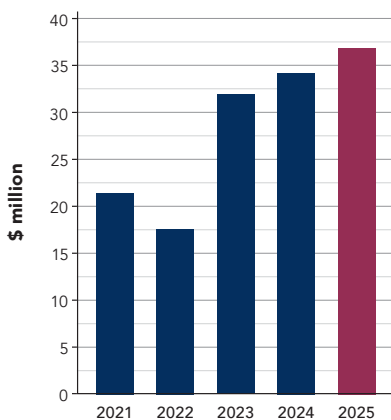
Shareholder equity



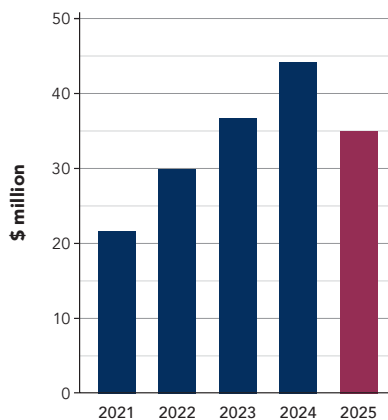
Dividends



Underlying profit



Operating cash flow



STEPS TOWARDS OUR GOALS IN 2025/26:

- Meet the dividend expectations of our owner.

Performance targets

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

	Actual	Target	Outcome/comment	
Financial				
EBIT	\$38m	\$39m	Target not achieved	✗
Shareholder's funds (equity) or net assets	\$762m	\$728m	Target achieved	✓
Return on equity	8.7%	4.5%	Target achieved	✓
Equity ratio	77%	Between 70% - 85%	Within SCl target range of 70% to 85%	✓
Interest cover ratio	5.4	5.0	Target achieved	✓
Dividend	\$18m	\$18m	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	✓
Health, safety and well-being				
Critical risk: Visible Leadership Conversations	953	1,000	Target not achieved	✗
Total Recordable Injury Frequency Rate (TRIFR) - per 1 million hours	22	<10	A significant portion of the increase in TRIFR is due to ergonomic factors causing muscular skeletal strains and sprains	✗

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	2025	2024	2023	2022	2021
Container and bulk cargo vessel arrivals	488	551	485	383	403
Otago cruise vessel arrivals	91	118	101	-	-
Total ship calls	579	669	586	383	403
Container throughput (TEU)	249,000	268,900	186,400	166,200	174,800
Bulk cargo tonnes (000's)	1,701	1,701	1,765	1,667	1,853
Employees	320	330	314	290	296
Financial comparisons	2025	2024	2023	2022	2021
	\$000	\$000	\$000	\$000	\$000
Revenue #	132,328	133,171	111,272	88,061	89,998
EBITDA #	51,758	59,170	45,460	34,475	34,671
Profit for the year	64,604	30,423	23,277	70,476	94,507
Underlying profit	36,947	34,434	32,045	17,584	21,412
Dividends for financial year	18,000	16,000	14,000	13,000	10,100
Shareholder's equity	762,120	717,271	703,920	694,478	634,617
Total assets					
Port operations	301,525	290,687	284,740	260,250	243,344
Investment property	686,838	624,965	608,587	581,850	503,225
Total group	988,363	915,652	893,327	842,100	746,569
Cash flows					
Cash flows from operating activities	35,014	44,425	37,125	29,770	21,709
Port operations capital expenditure	(48,765)	(21,338)	(30,718)	(15,480)	(7,592)
Investment property purchases and improvements	(30,436)	(24,956)	(30,981)	(29,447)	(10,515)
Shareholder's equity ratio	77%	78%	79%	82%	85%
Debt/(Debt+Equity) ratio	18%	16%	17%	14%	11%
Return on shareholder's funds *	8.7%	4.3%	3.3%	10.6%	16.0%

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

* Profit, divided by average shareholder's equity

Acronyms & glossary



Acronyms

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

BI	Business Intelligence
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
FENZ	Fire and Emergency New Zealand
GHG	Greenhouse Gases
IR	Integrated Reporting
JV	Joint venture
LiDAR	Light Detection and Ranging
LTI	Lost Time Injuries
MSC	Mediterranean Shipping Company
ORC	Otago Regional Council
POL	Port Otago Limited
PwC	Pricewaterhouse Coopers (consultancy firm)
RMTU	Rail and Maritime Transport Union
SCI	Statement of Corporate Intent
SOP	Safe Operating Procedure
TEU	20-foot Equivalent Unit (international standard measurement for shipping containers)
TRIFR	Total Recordable Injury Frequency Rate
VSL	Visual Safety Leadership
WTT	Well-To-Tank (emissions)
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.
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.
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.





