Statement of Corporate Intent

For FY2027, FY2028 and FY2029



Approved by the Port Otago Board

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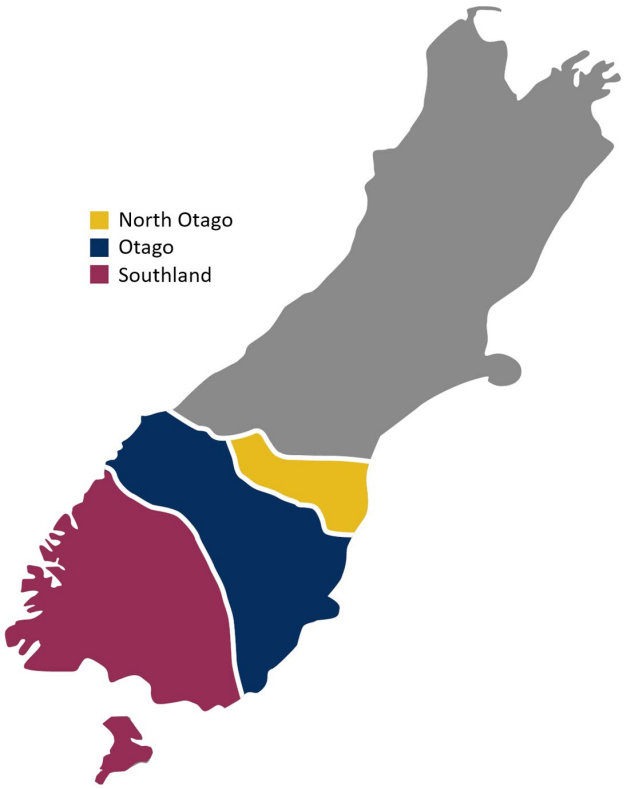
Kevin Winders

Introduction

This Statement of Corporate Intent (SCI) outlines our plans for the next three years, FY2027, FY2028 and FY2029. We encourage you to read this SCI in conjunction with our 2026 Integrated Report.

About Port Otago

It was from Port Chalmers that New Zealand's first cargo of frozen meat left for London aboard the refrigerated ship *Dunedin* in February 1882, signalling the start of our country's modern export trade. The Otago Harbour Board managed the port and harbour from 1874 until 1988, when the Port Companies Act 1988 saw the registration of Port Otago Limited and the company's shares vested in the Otago Regional Council (ORC).



Port Otago remains 100% owned by the ORC and its stated principal objective is to operate as a successful and sustainable business that delivers value to shareholders in the form of both financial and non-financial returns on investment.

Port Otago is located on the Otago Harbour of the South Island of New Zealand. Port Otago benefits from a deep natural harbour taoka, its strategic location for vessel rotation to and from deep-sea destinations and a large primary export cargo region.

Port Otago is a Lifeline Utility under the Civil Defence Emergency Management (Act) 2002, defined as entities that provide essential infrastructure services to the community. The company has a responsibility to ensure its ability to function at the fullest possible extent during and after a civil defence emergency.

Our region

Port Otago's role facilitating trade for the region's exporters and importers has a significant impact on the economic, as well as the social and environmental, well-being of the Otago-Southland region.

Our region has the infrastructure required for a successful port, including a fit-for-purpose road and rail network and a well-developed warehouse and cool storage sector.

Port Otago operates two wharf systems – Port Chalmers and Dunedin Bulk Port – within Otago Harbour. The lower harbour channel depth is 14.0m, while the upper harbour channel is 8.5m.

Port Chalmers is one of New Zealand's two deepest container ports and can service the largest container ships in New Zealand. It can store more than 7000 containers and has one of the highest number of reefer points of any New Zealand port, with 1650.

The company has more than 38,000m^2 of covered warehousing at Port Chalmers, built to the high standards required by the dairy industry. It also has two wharf-side cold storage facilities in Dunedin,

able to hold up to 10,500 tonnes of chilled product. This is used primarily to service fishing customers.

Port Otago provides 7.6 hectares of log storage area at Port Chalmers and Dunedin Bulk Port.

Port Chalmers is the primary South Island port for cruise ships and generally the port of call immediately before or after visiting Fiordland.

Economic contribution

Port Otago operates across four sites: Port Chalmers, Dunedin Bulk Port, Dunedin Depot and Fiordland. It employs about 330 people and paid $43.7 million in wages and salaries during 2025/26.

To better understand Port Otago's impact and role in the region and wider economy, the New Zealand Institute of Economic Research (NZIER*) was commissioned with quantifying what it would mean for the local community's economy if Port Otago could not operate for a year.

The resulting report, *Regional economic impact assessment: Assessing the contribution of Port Otago to the economy* (February 2024), shows significant negative economic impacts at a national and regional level.

With no economic contribution from Port Otago for 12 months, modelling indicates Gross Domestic Product (GDP) decreased by:

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

The report estimates that Port Otago contributed $61 million to the Otago economy through its export and import trade activities during the year to June 2023. Furthermore, between June 2012 and June 2023, Port Otago's GDP contribution grew at an average annual rate of 7%^.

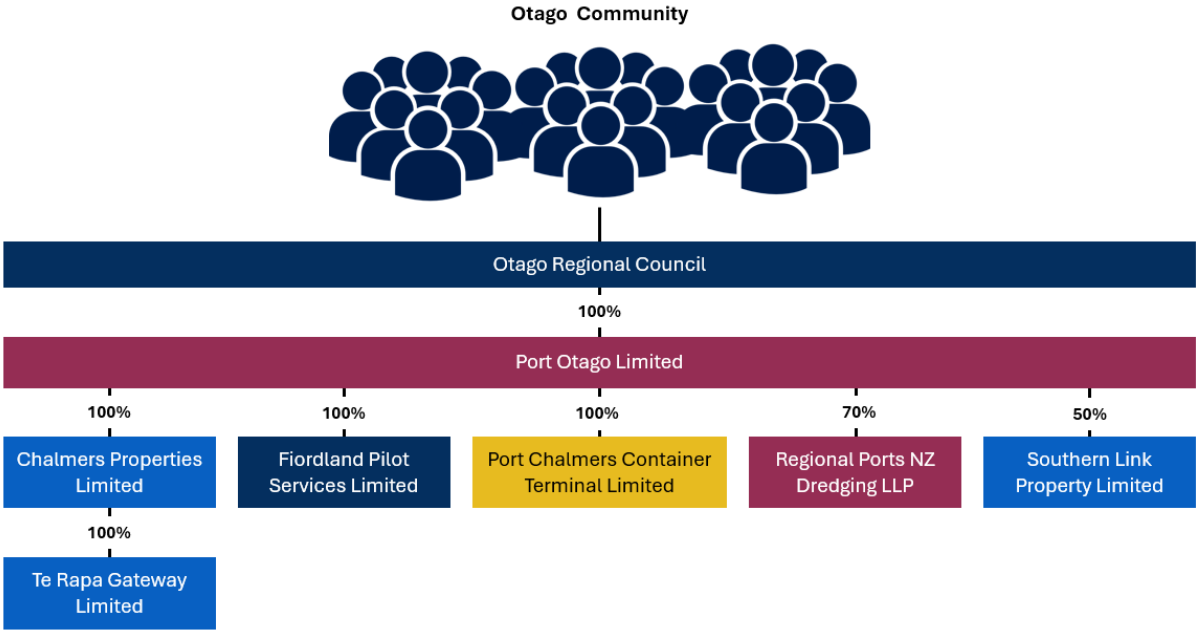
** NZIER is an independent, not-for-profit, incorporated society*
~ Otago region covers Dunedin city, Queenstown, Central Otago and Clutha
^ Disrupted by Covid 19, which led to a decline in trade activities from 2020 to 2022

Company structure

This SCI sets out Port Otago's overall intentions and objectives. It also covers our wholly owned subsidiary companies, Chalmers Properties Limited, Fiordland Pilot Services Limited, Port Chalmers Container Terminal Limited and Te Rapa Gateway Limited, and the joint arrangements Regional Ports NZ Dredging LLP a joint operation with Napier Port Limited and Southern Link Property Limited a joint venture with Dynes Transport Tapanui Limited.

Port Otago and its subsidiaries are "Port Companies", pursuant to the Port Companies (Act) 1988. This SCI has been prepared in accordance with this Act. Pursuant to section 5 of the Act, our principal objective is to operate as a successful business.

The company reviews and updates its SCI annually, in consultation with its shareholder. This SCI covers FY26, FY27 and FY28.



Integrated Sustainability Policy

Port Otago is committed to working with stakeholders to understand our material issues. We try to be open and honest about what we need to work on. Our commitments in this policy span the six capitals* and aim to create value, working hard to improve wherever we can.



* Integrated Reporting is based on creating value across the six capitals:

1. *Human capital:* Our kaimahi.
2. *Social and relationship capital:* Our wider team.
3. *Natural capital:* Our harbour taoka and beyond.
4. *Intellectual capital:* Our know how and skills.
5. *Manufactured capital:* Our assets.
6. *Financial capital:* Our financial value.

Our value chain

The port's business model to create value

Inputs

Our kaimahi

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

Our wider team

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

Our harbour taoka and beyond

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

Our know how and skills

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

Our assets

- Assets owned and productivity optimised
- Land owned and space utilised efficiently
- Investment in long-term infrastructure
- Climate change mitigation and resilience planning

Our financial value

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

Our business activities & outputs



Outcomes	Work ons	Progress
Our kaimahi • A safety culture where our people look out for each other so that everyone goes home safely • Employees who are proud to work for the port	– Increasing the use of engineering controls to reduce critical risk – Support emerging leaders through on-the- job learning – Lift the level of engagement with unions	✓ ✓ ✓
Our wider team • A good neighbour who respects our social licence to operate • A strong central link in the value chain, connecting our customers, partners and suppliers from the lower South Island to the world, for mutual growth	– Build our partnership with Kiwirail for an optimal solution at Southern Link – Stay close to our shareholder, as local government reform takes shape – Look for opportunities to partner with iwi for the long term	− ✓ ✓
Our harbour taoka and beyond • Understanding we need to improve by listening to our community and iwi • Reduced contribution to climate change and understanding and adapting to potential future climate change impacts	– Identify new nature- based initiatives that create long term value – Algin the various stands of our climate change strategy – Play our part with the wider community on the harbour plan	− ✓ ✓
Our know how and skills • A considered approach to the future • A talented workforce with individuals who are willing to learn and have a wealth of knowledge • Improved productivity and resilience by embracing new, agile and efficient ways • Effective processes to protect the port from cyber attacks	– Improve our planning systems to avoid waste – Improve our approach when making change – Gradual use of AI where it makes sense	− ✓ ✓
Our assets • Continued investment in infrastructure to the benefit of the local, regional and national economy • Proactive development of dynamic solutions to counter shipping volatility	- Progress Southern Link so it is operational as some as possible - Lobby and invest to attract cruise ships back to New Zealand	✓ ✓
Our financial value • Reliable sustainable dividends for our shareholders, to support regional economic development and benefit our community • A sustainable future built on solid investment in infrastructure and long-term customer, partner and supplier relationships	- Balancing short- and long-term returns for new infrastructure - Integrate financials with real-time metrics to improve decision making -	✓ −

Our material issues

Port Otago is seven years into Integrated reporting and identifying its material issues*. The first three years involved a survey and interviews with key stakeholders. The full materiality process is now undertaken every two years, with stakeholder engagement continuing in alternate years. We call this interim process, undertaken in 2025, a materiality pulse, as we effectively check the pulse of what is most important to our business and stakeholders. The material issues detailed below and integrated throughout this SCI are based on the results of our latest full materiality process in 2026.

2026 materiality process

For currency and completeness, here are the most up-to-date findings from our 2026 materiality process:

1. Safety - *same as 2025*
2. Leadership - *up from 3rd in 2025*
3. Shipping volatility - *up from 5th in 2025*
4. The best team - *up from 8th in 2025*
5. Wharf capacity and infrastructure - *down from 4th in 2025*
6. Financial performance - *same as 2025*
7. Innovation - *same as 2025*
8. Culture and wellbeing hauora - *up from 10th in 2025*
9. Growth - *same as 2025*
10. Strong relationships - *down from 8th in 2025*
11. Cyber-security - *up from joint 14th in 2025*
12. Nature - *up from joint 14th in 2025*

Key themes included:

- *Leadership:* Local government reform, progressing Southern Link inland port and supply chain disruption from global geopolitics are just some of the challenges. Leadership needs to be strong.
- *The best team:* Succession planning and capacity building in the wider leadership team are prominent. Training is one thing, but ongoing development, mentoring and collaboration is another.
- *Culture and wellbeing hauora:* Working with the unions to align and support our Always Open strategy. This is key to improving our culture.
- *Growth:* Southern Link is the port's growth story. It needs to happen as soon as possible.
- *Nature:* Our place in the harbour is precious, and a more strategic approach is warranted.

** Our materiality-related work is undertaken independently by Materiality Counts.*

Top 12 material issues in order of priority

#1 Safety (same priority as 2025)

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

#2 Leadership (up 1)
Leadership across the business and the wider community that is transparent and accountable, with strong governance. Aiming for diversity and the right mix of skills within our leadership to be agile and to adapt into the future.

#3 Shipping volatility (up 2)
Working closely with shipping lines to build their confidence in visiting the port, achieving as many services with as far a reach, and as much certainty, as possible for all stakeholders. Demonstrating agility to come up with solutions to shipping challenges across New Zealand as a dynamic port where the team pulls together to get the job done, with efficient container turnaround times and optimum moves per week.

#4 The best team (up 4)
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.

#5 Wharf capacity & infrastructure (down 1)
Balancing wharf capacity between bulk, container and cruise ships. Using a simulator to explore what's possible in the channel, allowing increased volumes of logs to be loaded at Dunedin Bulk Port. Efficient container throughput to optimise space on a resilient wharf, alongside an inland storage depot for expansion.

#6 Financial performance (same as 2025)
Generating healthy financial returns for our shareholder from a strong capital base via increased revenue and EBITDA. Contributing to the people of Otago via shareholder dividends facilitating reduced regional council rates.

#7 Innovation (same as 2025)
Improving resilience and efficiency in our supply chain with automatisation and digitisation. Working with our customers, shipping lines, infrastructure and logistics partners and peers to innovate and become more agile, using container packing optimisation for example, and supply chain services such as green corridors.

#8 Culture and wellbeing hauora (up 2)
A positive workplace culture prioritising wellbeing (including the Good Yarn programme), where everyone feels they belong and their diversity is valued. Open, honest and consistent communication and leadership across our whole team and the unions on topics such as rosters for better work-life balance.

#9 Growth (same as 2025)
Investing in the growth of our diversified business model across bulk, containers, cruise and property.

#10 Strong relationships (down 2)
Building strong relationships and true partnerships with our stakeholders (community, iwi, customers, partners, suppliers, shareholder, peers, government, regulators, interest groups, industry bodies) by taking the time to listen to what matters to them, and sharing the port's plans. Being a great neighbour by doing what we say we will do for the community and iwi, such as keeping noise levels down, supporting their needs and human rights. Communicating effectively on the day-to-day, such as progress towards performance commitments on container moves and storage space.

#11 Cyber security (up 3)
Refreshing our IT system to protect cyber security and data privacy. Making cyber-security part of every decision, like safety, and implementing well-rehearsed processes to respond to attacks.

#12 Nature (up 2)
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.

Our vision: New Zealand's *always open* port

We exist to provide a **safe**, **efficient** and ***always open*** gateway to and from the world for our customers. We provide such **excellent service** that no customer wants to leave, while at the same time providing a **secure return** to our owners and being a **respected neighbour** in our community. We balance the short, medium and long term needs of the business with those of our shareholder and stakeholders.

SAFE Our people go home safe everyday	EFFICIENT Clever use of data delivers benefits to be shared
"ALWAYS OPEN" We are always open to shipping, ideas, change, feedback	EXCELLENT SERVICE Customers collaborate with us on their future plans
SECURE RETURN Reliable dividends are paid to our owners	RESPECTED NEIGHBOUR We do the right thing. We respond.



Our strategy

Always Open Leverage existing infrastructure to be always open	
• Our in-house dredging • 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"	
• Mosgiel Hub increases windows/storage • Attract imports • Remove trucks from road	• Provide great service • Sustainable growth • Lower carbon outcomes
Data Led Decisions based on accurate and real-time data	
• Doing more with the same, safely • Reduce property climate change risk • Property enables the Port	• Higher margins • Less volatility • Reliable returns

Our strategy consists of the above *always open* goals developed in 2025 and our ongoing goals developed in 2026 to tackle our material issues and create value for stakeholders and the port.

** Goals presented below are directly related to our* always open *strategy.*

Our kaimahi

Material issues

- Safety
- Leadership
- The best team
- Culture and wellbeing hauora

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 real-time data.

Our wider team

Material issue

- Strong relationships

Goals

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

Our harbour taoka and beyond

Material issue

- Nature
- Climate change

Goals

- Execute our climate change plan covering climate change risk assessment, adaptation/mitigation strategies, reporting framework and current baseline.
- Understand and adapt to potential future climate change impacts on our assets.
- Preserve our beautiful harbour and its biodiversity by listening to our community and iwi, taking care and monitoring these precious taoka closely.
- Reduce our noise.

Our know-how and skills

Material issues

- Innovation
- Cyber-security

Goals

- Decisions based on accurate real-time data.
- Doing more with the same, safely.
- Improve our efficiency through automation and digitisation, such as systems for berth management, property management and supply chain connectivity.

Our assets

Material issues

- Wharf capacity and infrastructure
- Shipping volatility

Goals

- Leverage existing infrastructure to be Always open:
  - In-house dredging capability making us open for growth.
  - Renewable harbour defences making us the first port open post extreme weather, ready to support others.
- Space for customers adapted to their needs: Provide buffer capability to be Always open:
  - Increased storage at Mosgiel Hub for increased acceptance windows, making us the preferred option for our customers.
- Grow the bulk business by increasing storage capacity and enhancing shipping flexibility with Victoria Channel improvements. Relocate storage (where it makes sense), develop wharf replacement options and work with customers on fit-for-purpose infrastructure to meet future needs.
- Work with our government, New Zealand Cruise Association and ports to market New Zealand as a cruise friendly destination to attract cruise ships back to New Zealand
- Continue to build a sustainable property portfolio as a fundamental part of the port's financial sustainability.

Our financial value

Material issues

- Financial performance
- Growth

Goals

- Space for customers adapted to their needs: Provide buffer capability to be Always open:
  - Attract exports/imports for sustainable growth.
- Provide consistent shareholder dividends with a portfolio that optimises returns, builds resilience and facilitates investment in the future.

Performance targets

Capital reference	Objectives	Key performance measures	Targets		
			2027	2028	2029
Our kaimahi	Health, safety and well-being	Critical Risk Control assurance outcomes	>95%	>95%	>95%
Our kaimahi	Health, safety and well-being	Total recordable incident frequency rate (per 1 million hours)	<10	<10	<10
Our financial value	Financial	EBIT	$50m	$59m	$64m
Our financial value	Financial	Shareholders' funds (Equity) or Net Assets *	$809m	$836m	$868m
Our financial value	Financial	Return on equity *	4.5%	5.8%	6.2%
Our financial value	Financial	Equity Ratio*	Between 70%-85%		
Our financial value	Financial	Interest cover ratio	5.0	5.0	5.0
Our financial value	Financial	Dividend **	$20m	$20m	$20m
Our financial value	Financial	Otago Rescue Helicopter Trust	$0.35m	$0.35m	$0.35m
Capital reference	Objectives	Key performance measures	Targets		
			2027	**2028**	**2029**
Our harbour taoka and beyond	Environmental	Number of harbour spills caused by Port Otago	0	0	0
Our know-how and skills	Environmental	Percentage of resource consent compliance monitoring events achieving full compliance	100%	100%	100%
Our harbour taoka and beyond	Compliance with Port & Harbour Safety Code (PHSC)	The requirements of the PHSC continue to be met	Yes	Yes	Yes
Our know-how and skills	Compliance with Port & Harbour Safety Code (PHSC)	Risk assessments of new tasks or reviews post incident completed	Yes	Yes	Yes

*Excludes future unrealised fair value movements of investment properties and hedging interest rate swaps.

** Based on the intention to pay dividends within the range of 50-70% of the group's normalised operating surplus after tax.

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 between 70% and 85%
Interest cover ratio	The number of times interest is covered by the profit before tax, interest, unrealised fair value movements and unrealised impairment charges.

Governance and leadership

The board

Port Otago's shareholder appoints the directors to govern and direct the company's activities. The board is the overall and final body responsible for the proper direction and control of the company's activities and decision making. The board's responsibilities include the overall objectives, strategy, stewardship, performance and reporting of the company.

Statement of corporate intent (SCI)

The SCI is prepared based on the requirements within the Port Companies Act 1988. The board submits a draft SCI to the company's shareholder after due consultation with the shareholder and, after considering its comments, the board approves the final SCI and delivers it to the shareholder.

Board operation

The Port Otago board's operation is subject to the company's constitution and board charter, which sets out how the board and directors shall undertake their responsibilities.

The board chair leads the board and its relationship with the shareholder and other major stakeholders. The chair maintains a close professional relationship with the company's CE and, through the CE, the leadership team (LT).

New directors undertake an induction process to familiarise them with matters related to the company.

Conflicts of interest policy

These documents require all directors and employees to:

- Act with integrity, honesty, transparency, openness and in good faith
- Comply with the law, apply good judgment and proactively identify, disclose and manage conflicts of interest
- Promptly disclose or report any significant potential or perceived conflict or wrongdoing.

The company maintains an Interests Register that is reviewed at the start of every scheduled board meeting.

Policies

The board reviews the company's key policies at regular intervals.

Board performance and review

The board regularly reviews its performance and the performance of the CE. The reviews aim to identify opportunities and set plans for performance development and improvement.

Board meetings and committees

The board meets approximately 10 times per year. Additional meetings are convened as and when required. The board's annual work programme is set by the board before the start of each financial year. The board receives formal agenda papers and regular reports, generally a week in advance of meetings. Senior managers are regularly involved in board discussions. Directors also have other opportunities to obtain information and may seek independent expert advice.

The board delegates some responsibilities and tasks to board committees, but the board retains the ultimate responsibility and accountability for any committee's actions or inactions. Subject to any conflict

issues, all directors receive agenda papers for committee meetings and all directors may attend committee meetings.

The board's four standing committees are:

- Health and Safety Committee (full governance committee) – which assists the board in discharging its responsibilities with respect to health, safety and well-being.
- Audit and Risk subcommittee – which liaises with the company's independent external auditor, and reviews the quality and reliability of internal controls and financial and regulatory information used by and issued by the board.
- People and Remuneration subcommittee – which reviews the company's remuneration policies and practices, and reviews and sets the remuneration of the company's CE and LT.
- Sustainability subcommittee – to help ensure the company is meeting its responsibilities around sustainable business practices.

Liability insurance and indemnity

Port Otago arranges comprehensive liability insurance policies for the company, directors and officers within the limits and requirements set out in the Companies Act 1993 and the company's constitution. The company also indemnifies directors and employees within the limits and requirements set out in the Act.

Legislative compliance

The board receives regular updates and representations from management on legislative compliance. Areas of relevant law include industry-specific regulation, health and safety, corporate, taxation, financial reporting, commercial, environmental, human resources and privacy.

Auditor

Ernst & Young, on behalf of the Auditor-General, is auditor of the company.

Our compliance with relevant legislation

Port Otago will continue its legislative compliance programmes and aim to ensure we meet our obligations under relevant legislation and regulations.

Reporting to our shareholders

Port Otago submits its draft SCI to its shareholder for consultation annually, as required under the Port Companies Act 1988. Where appropriate, we will submit a revised SCI to our shareholder. (See Page 14 for performance targets.)

We will submit an annual report to our shareholder. This annual report will include:

- Audited financial statements
- Performance relative to the targets set in this SCI
- Key issues and progress with sustainability
- Other information to enable an informed assessment of the group's performance and financial position.

Port Otago values shareholder communication facilitated by the Port Liaison Committee which enables periodic interchange with our shareholder

We will also submit an interim report to our shareholder. This report will contain unaudited information similar in content to our annual report and will comply with financial reporting standard NZ IAS 34 – Interim Financial Reporting.

Port Otago's accounting policies comply with applicable NZ IFRS standards and interpretations. We have applied the same accounting policies when preparing the SCI's financial forecasts, as for our audited financial statements for the year ended 30 June 2026. Our actual accounting policies during the three-year period of this SCI may change as a result of changes to NZ IFRS standards and interpretations.

No surprises policy

The company will endeavour to inform our shareholder prior to any significant decision being made public and will engage via the Port Liaison Group as required.

The commercial value of our shareholder's investment

Port Otago estimates the commercial value of its shareholder's investment in the group is at least that which is stated as shareholder's equity in our audited financial statements. This is reassessed annually, alongside our audited financial statements.

Activities subject to compensation

The company will provide the following services for the Otago Regional Council, for which Port Otago expects to be remunerated or reimbursed by the council:

- Assistance in matters of good navigation and safety on Otago Harbour.
- Provision of such services as may be requested by the Regional Council.