

Statement of Corporate Intent

Report to the shareholders of
CentrePort Limited for the Financial
Years Ended 30 June 2024 to 2026

Contents

1	Introduction.....	3
2	Purpose	4
3	Nature & Scope of Activities	4
4	Accountability	4
5	Strategic Objectives.....	5
6	Strategic Relationships.....	5
7	CentrePort's Capitals.....	6
	Our Community	7
	Our People	8
	Our Customers	9
	Our Environment	10
	Our Infrastructure	11
	Our Finances.....	12
8	Performance Targets Objectives	13
9	Ratio of Shareholders Funds to Total Assets	18
10	Accounting Policies.....	18
11	Distribution of Profits to Shareholders	19
12	Information to be Reported.....	20
13	Procedures for Acquisition of Shares.....	21
14	Compensatory Activities	22
15	Value of Shareholder Investment	22
	Appendix 1: Financial Target Key Terms	24
	Appendix 2: Governance and Leadership	25
	Appendix 3: Gender Balance by Function.....	26

1 Introduction

This Statement of Corporate Intent (SCI) sets out the Board’s objectives for CentrePort and its subsidiaries (the CentrePort Group) for the year commencing 1 July 2023 and the following two financial years.

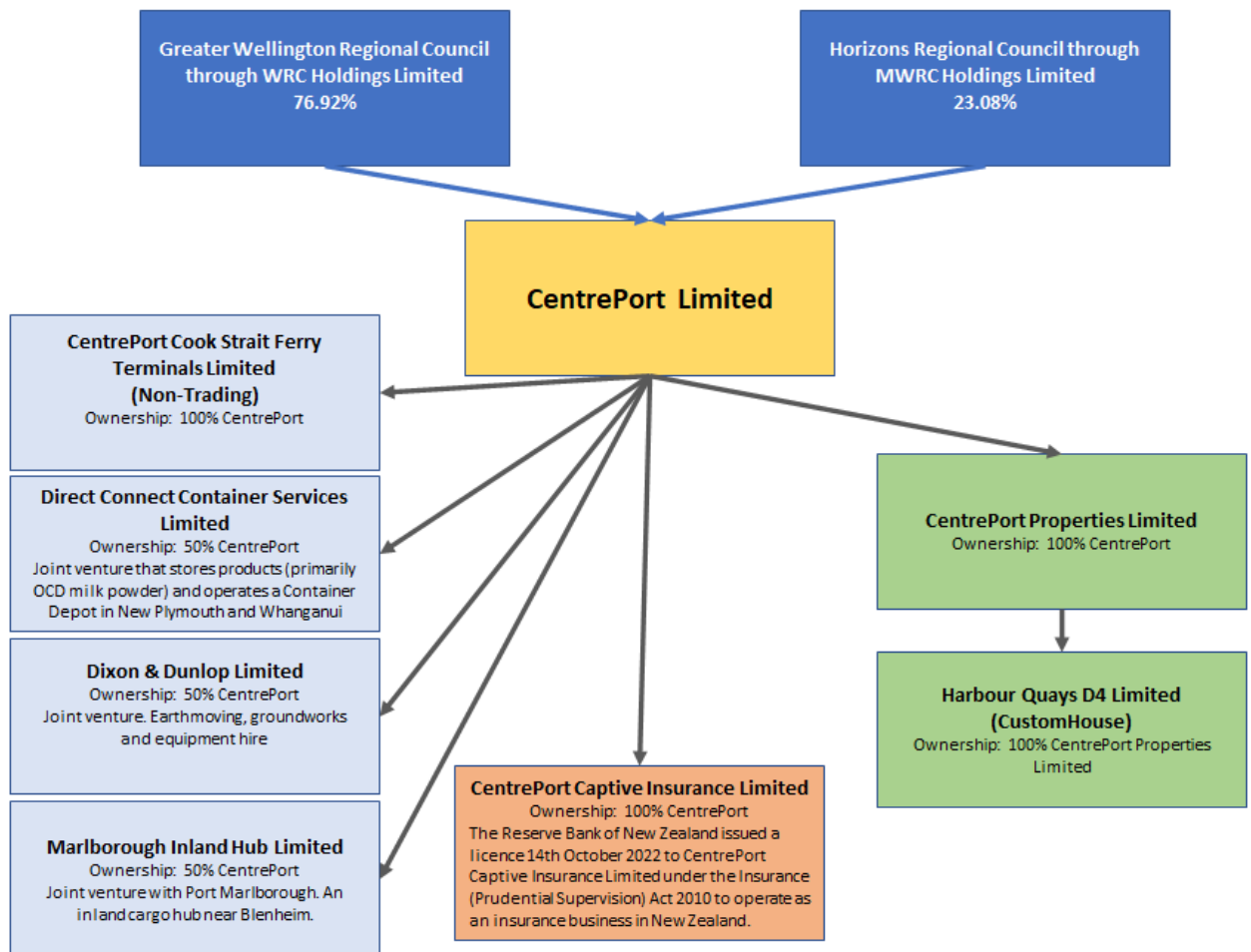
The SCI reflects the expectations set out by WRC Holdings, notably our accountability to shareholders and associated KPIs and the progress on our regeneration.

About CentrePort

CentrePort Limited (CentrePort or the Company) is a port company that operates under the Port Companies Act 1988 and incorporated under the Companies Act 1993. This SCI has been prepared in accordance with the requirements of section 9 of the Port Companies Act 1988.

CentrePort Limited is 76.92 percent owned by Greater Wellington Regional Council (via WRC Holdings Limited) and 23.08 percent by Horizons Regional Council (via MWRC Holdings Limited).

The structure of CentrePort Group as at 30 June 2023 is as follows:



2 Purpose

CentrePort's purpose is to be "at the heart of connecting New Zealand's supply chain and transport system". Being at the heart we:

- are New Zealand's busiest port where we provide an intergenerational and resilient supply chain connection for all of New Zealand, and from New Zealand to the world;
- identify the needs of our people, our environments, our communities, and our customers to make investments that ensure our long-term sustainability as an essential lifeline;
- enable the prosperity of our regions by facilitating economic growth and trade throughout the central region of New Zealand; and
- are focused on partnerships to enable our purpose and engage constructively with stakeholders.

We represent resilient, low emission, and efficient capacity in the New Zealand supply chain with the attitude and ability to adapt and grow to ensure we remain at the heart of connecting New Zealand's supply chain and transport system.

3 Nature & Scope of Activities

CentrePort provides the following services:

- CentreConnect multimodal services (road, rail and coastal) where we connect cargo owners to CentrePort via freight hubs in central New Zealand
- Marine services including pilotage and towage
- Container handling services, including a container repair and storage depot
- Break bulk and bulk cargo handling services
- Services and infrastructure to enable the supply of bulk fuel to the lower North Island
- Provision of infrastructure to support Cook Strait ferries
- Services to support the cruise industry
- Other port related services required to manage and operate a safe, secure and efficient port

4 Accountability

CentrePort will continue to target best practice governance standards, maintain robust processes to identify and manage risks including monitoring of legislative compliance, and operate on a "no surprises" basis by proactively reporting to shareholders.

CentrePort will continue its collaborative approach with shareholders on Board recruitment and we will engage proactively and constructively with stakeholders in relation to strategic initiatives such as the Regional Economic Development Plan, Let's Get Wellington Moving, the Multi-User Ferry Precinct, and the Inner Harbour Precinct.

5 Strategic Objectives

CentrePort's strategic objectives are designed to regenerate the port, ensure resilience is built into the business, and facilitate growth to ensure CentrePort reaches its full potential as a critical part of New Zealand supply chain and a regionally strategic asset for the communities of central New Zealand.

CentrePort's strategic objectives are to:

1. Strengthen relationships
2. Build a long term sustainable and resilient business
3. Grow freight capacity
4. Optimise land use and enable city and regional integration.

6 Strategic Relationships

The Board and Management of CentrePort will continue to develop its relationships with mana whenua iwi and hapū consistent with the principles of the shareholders' Māori Outcomes Framework, which includes partnering for prosperous Māori communities and engaging for equitable outcomes.

CentrePort will also proactively collaborate with GWRC, local authorities, WellingtonNZ, and other stakeholders on the implementation of port and harbour related aspects of the Regional Economic Development Plan and Let's Get Wellington Moving, along with seeking the continuation of the Future Ports Forum and its relationship to the Inner Harbour Precinct.

CentrePort will actively lead and seek partners to develop opportunities for green infrastructure to enable our customers to reduce their greenhouse gas emissions and manage climate risks, including mitigating air quality impacts in Wellington City.

We are also investing in our wider regional relationships to further develop our CentreConnect services, including our inland hubs through our existing joint ventures in Whanganui (Direct Connect Container Services), and in Blenheim (Marlborough Inland Hub).

7 CentrePort's Capitals

The opportunity to regenerate CentrePort following the 2016 Kaikoura earthquake with the people and port development has significantly progressed, including building additional resilience against future events. CentrePort continues to focus on continuous improvement and is transitioning to six Capitals for the purpose of moving towards Integrated Reporting, including our four original Regeneration Pillars.

CentrePort's strategic objectives which support the economic and social wellbeing is underpinned by six capitals, being:

- Our Community
- Our People
- Our Customers
- Our Environment
- Our Infrastructure
- Our Finances

Our Statement of Corporate Intent is structured around these capitals.



Our Community

CentrePort recognises it is part of the wider region and has a leadership role in working proactively with stakeholders and the community. Our priority areas will be:

Relationships and engagement

- Developing partnership-based relationships with mana whenua iwi and hapū to strengthen knowledge sharing, proactive collaboration and engagement to help achieve the best outcomes for Māori across our region
- Collaborate with GWRC, local authorities and WellingtonNZ on the implementation of port and harbour related aspects of the Regional Economic Development Plan
- Engage constructively with GWRC, Wellington City Council and Waka Kotahi on any aspects of Let's Get Wellington Moving that relate to interfaces between the programme and port related matters
- Support the initiatives of a range of community organisations and events within the region with connections to our values
- Increase community and stakeholder knowledge of port operations through upgrades and development of knowledge platforms, such as the CentrePort website and engaging directly with community stakeholders

Lifelines

- Continue on-going investment to drive resilience into infrastructure, people, and systems to support Wellington's response and recovery to natural disasters. Infrastructure investments include improving infrastructure as identified in the Lifelines Programme Business Case, including Cook Strait Ferry operations, regional fuel supply and main port resilience

Harbour

- Progress a positive relationship with GWRC, DoC, and mana whenua iwi to identify and, where possible, implement improvements to harbour biodiversity
- Support recreational use of the harbour
- Participate in and support harbour management events and activities
- Drive continuous improvement to the Port and Harbour Marine Safety Code to ensure the safe management of ships navigating in Wellington harbour, including the prevention of injury to people, loss of life and damage to the marine environment (including property)

City and Regional integration

- Planning and collaboration with Shareholders and key stakeholders to develop opportunities related to the Inner Harbour Precinct and the integration with the wider city, particularly focusing on the ability to realise any immediate opportunities
- Continue to implement city and regional integration design initiatives, where practicable, into current works



Our People

People are central to the success and future of our business. Our focus is on a diverse and inclusive workforce, the health, safety and wellbeing of our people, and developing talent and capability in order to provide staff with a rewarding career. Our priority areas will be:

Diverse and inclusive workforce

- Continue to attract and develop an inclusive workforce that is diverse in aspects such as gender and ethnicity
- Incorporating values of te ao Māori, including regular engagement with Iwi at all levels and increasing use of te reo Māori in internal and external communications

Health and Safety

- Continuous improvement on our journey towards a 'zero harm' workplace. This will be achieved through continued focus on an empowering culture, critical risks and controls, proactive lead indicators, and ensuring that safe working areas are provided for all CentrePort staff and contractors
- Sharing with Shareholders information on any external health and safety reviews, including outcomes and actions to come out of these reviews, and any additional health and safety reports or serious harm investigations
- Proactive collaboration with the Port Health & Safety Leadership Group and the integration of the Port Sector Insights Picture and Action Plan into our forward work programme

Wellbeing

- Continue to develop our Health and Wellbeing framework and specific initiatives across our five core wellbeing principles of Connect, Give, Take Notice, Keep Learning and Be Active
- Continue initiatives to support staff wellbeing such as the on-site gym, health monitoring, mental health prevention, first aid training, cultural awareness training (Wairuatanga Wananga) and nutritional advice

Talent and capability

- Proactive training, including NZQA National Qualification in Port Operations heavy machinery and stevedore training programmes linked to NZQA unit standards

Our People Performance Objectives	Our People Performance Measures
A zero-harm workplace	Lag indicators (Lost time Injury Frequency and Severity) and lead indicators (near miss reporting, incident reports and updates to standard operating procedures)
Improve health and safety, wellbeing and engagement at work	Results from health and safety and engagement culture surveys
Increase gender diversity	Gender balance across all levels



Our Customers

We value our customers and strive to always enhance existing services by finding opportunities and linkages across our capabilities, and being agile and responsive to our customers' needs by actively looking for alternative solutions to challenges. Our priority areas will be:

Trade growth and diversity

- Work with our customers to provide solutions to enable them to lower their emission profile and subsequently increase trade through CentrePort, including bulk fuel and energy
- Focus on ensuring we support our Cook Strait Ferry operators with their business plans, including enabling and/or delivering infrastructure
- Supporting regional development (e.g. Te Ara Tupua cycleway and iRex) by facilitating the transfer of bulk product through the port

Supporting regional economic development and employment

- Ensure proactive engagement and relationships with regional and local councils, including reducing national emissions by working to improve the efficiency of freight movements
- Focus on supporting the development of the Wellington Regional Growth Framework, with specific focus on opportunities to enhance supply chains and lower regional emissions

Operational efficiency and performance

- Optimise spatial model for increased capacity following the completion of resilience works
- Continue to lead in operational productivity measures, including crane rates, dwell times, and berth performance

Supply chain resilience and efficiency

- Implementation of multi-modal CentreConnect, including expansion of inland hubs to support trade growth, to ensure resilience and efficiency of our supply chains
- Increase productivity and reduce waste as resilience works are completed
- Continued focus and development of our regional partnerships
- Investment into ongoing digital and operational improvements

Our Customers Performance Objectives	Our Customers Performance Measures
Improved productivity across port	Gross crane rate
Manage the safety of marine activities	Compliance with the Harbour Marine Safety Code and collaboration with the Wellington Harbourmaster on risk assessments



Our Environment

We are committed to being a leader regionally and within the New Zealand port sector in environmental sustainability, with all investment decisions considering environmental impacts. We are willing to partner and share our technical knowledge gained from implementing our initiatives.

We will improve the management and reporting of greenhouse gas emissions by providing annual verified greenhouse gas information to shareholders within three months of balance date. Our focus areas will be:

Emission Reduction

- Exceed our original target of reducing emissions 30% by 2030 and net zero emissions by 2040 and investigate additional measures to align with the Intergovernmental Panel on Climate Change targets. Our Emission Reduction Plan includes:
 - Replacing end of life assets with the best available low emission technology
 - Investigating off-setting opportunities to complement our 100% certified electricity
- Explore opportunities to reduce scope 3 emissions by investing in green infrastructure and energy that will enable customers and stakeholders to reduce their greenhouse gas emissions whilst in port and beyond, including:
 - Committing to alternative sources and/or enablers for the provision of low emission energy, including embedded energy for resilience
 - Investigate the implementation of ship-to-shore power capability to enable lower emissions and improved air quality in the Inner Harbour
 - Lead the development of supply chain solutions that reduce unnecessary movement of freight, reduce waste, and ultimately enable a reduction in national emissions through efficient use of existing supply chains
- Implement partnerships to support wider objectives including continuing our relationship with New Zealand Green Investment Finance to support carbon-reduction initiatives

Climate Risks

- Undertake an updated assessment of climate related risks and investigate adaptive measures

Biodiversity

- Reducing contaminants in stormwater and air discharges
- Promoting opportunities to protect and enhance habitat for marine species and coastal avifauna (e.g. penguin)
- Enhance current partnership with Zealandia to protect and restore the Kaiwharawhara Stream and Estuary as part of the Sanctuary to Sea project

Our Environment Performance Objectives	Our Environment Performance Measures
Operate in a sustainable manner	Complete an update to CPL's Emission Reduction Plan

OUR INFRASTRUCTURE



Our Infrastructure

Our infrastructure, services and connectivity will enable CentrePort to continue meeting growing demands and enhance our port operations. The Port will prioritise projects that enhance resilience, enable cargo growth, improve operating efficiency and productivity, reduce emissions, and extend the life expectancy of critical operational assets. This includes the following areas:

Plan for growth to maximise capacity and efficiency

- Continuing Inland Strategy with hub developments to support central New Zealand businesses and provide resilience within the New Zealand supply chain, including integration with CentreConnect service
- Continue development of port stormwater, yard regeneration, and berthing capacity to improve operational efficiencies and reduce environmental impacts
- Continued investment in ICT and development of digital tools that improve staff efficiencies and assist in management of CentrePort infrastructure

Lifeline Resilience

- Completion of Haukaha te Whenua ground resilience programme to provide enhanced resilience of the main port reclamation
- Progress the Seaview Wharf Renewal to increase the resilience for current and future energy supplies for the lower North Island
- Investigate opportunities for energy resilience of the broader Wellington city energy network to compliment CentrePort energy requirements

Urban and City Integration

- Continue to support KiwiRail in its development of the Single User Ferry Terminal at Kaiwharawhara, including CentrePort's associated contribution
- Drive immediate opportunities for the Inner Harbour Precinct and integration with existing urban development projects
- Proactive engagement with local council, iwi, and community for the Seaview development including the potential for retainment of the temporary wharf structure

Low Emission Infrastructure

- Develop infrastructure to support long-term emission reduction initiatives and renewable forms of embedded energy driven by our customers' requirements



Our Finances

Our principal objective is to operate as a long-term sustainable and resilient business, and in doing so we aim to provide sustainable financial returns to our Shareholders. Our focus areas in achieving this are:

Increasing Revenues

- Working to increase our revenues through trade growth, and ensuring a sustainable return through the diversity of our trades
- Developing alternative revenue streams that complement our low emission energy investments
- Drive value through greater asset utilisation, including leasing of port land and investment property to businesses that support port related activity
- Developing our partnerships to develop returns from our joint ventures

Managing Capital and Costs

- Continued management of earthquake insurance proceeds and focusing on cost efficiency and cost management opportunities
- Investing in infrastructure that reduces ongoing repairs and maintenance costs
- Investing in our people to reduce our reliance on third party labour and contractors
- Management of insurance costs through the introduction of CentrePort Captive Insurance

CentrePort Captive Insurance

- Following granting of a licence to operate as a captive insurance company, CentrePort intends for the first insurance contract to be written on 1 July 2023
- Objectives of CentrePort Captive Insurance are to:
 - Drive affordable insurance premium expense to sustainable levels in the long-term
 - Create a sustainable insurance programme that manages key risks and enhances flexibility
 - Provide a vehicle for insuring large capital projects with transparency on insurance costs for the purpose of recovery

Shareholder distributions

- Increase dividend stream in line with our Dividend Policy found in section 11
- Utilise the updated tax loss sharing agreement with the Greater Wellington Regional Council Group enabled by a recent change to tax legislation

Our Finance Performance Objectives	Our Finance Performance Measures
Financial Performance	Key financial measures include Group EBITDA, Underlying Net Profit After Tax, Underlying NPAT, Return on Group Equity, and Dividends

8 Performance Targets Objectives

	Objective	Performance Measure	FY22 Target	FY22 Result	FY22 Result Status	Performance Targets		
						FY24	FY25	FY26
Our People	A zero-harm workplace	Lost Time Injury Frequency (per 200,000 hours worked)	≤ 2.6	3.03	Not Achieved	≤ 2.5	≤ 2.4	≤ 2.3
		Lost Time Injury Severity (per 200,000 hours worked)	≤ 8	8.66	Not Achieved	≤ 7.95	≤ 7.90	≤ 7.85
		Near Miss Incident Frequency Rate (per 200,000 hours)	N/A	N/A	Not Applicable, new KPI	≥262.5	≥270.0	≥287.5
		bSafe injury reports (first aid, medical, notifiable) as a % of total bSafes reports	N/A	N/A	Not Applicable, new KPI	≤4.95%	≤4.90%	≤4.85%
		Planned H&S activities to activities performed. Includes SOP reviews, training, risk reviews, safety interactions, PPE observations and audits	N/A	N/A	Not Applicable, new KPI	≥92.5%	≥95.0%	≥97.5%

	Objective	Performance Measure	FY22 Target	FY22 Result	FY22 Result Status	Performance Targets		
						FY24	FY25	FY26
Our People	Improve health and safety, staff wellbeing and engagement at work	Health & Safety and employee engagement culture surveys – score improving every survey (18 months)	Improvement on FY21 result	N/A	N/A	Improvement on FY21 result	Improvement on FY24 result	No Survey
	Increase gender diversity	Overall gender balance (F/M); ELT gender balance (F/M); Board gender balance (F/M)	Improve on 2021	18%/82% All; 13%/87% ELT; 33%/67% Board.	Not Applicable, new KPI	Improve on 2023	Improve on 2024	Improve on 2025
Our Customers	Improved productivity across port	Gross crane rate (as measured by Ministry of Transport)	28.0	28.2	Achieved	30.0	31.0	32.0
	Manage the safety of marine activities	Marine activities conducted in accordance with the current Port and Harbour Marine Safety Code (PHSC)	Fully Compliant	Fully Compliant	Achieved	Fully Compliant	Fully Compliant	Fully Compliant
		100% of new tasks or newly identified hazards risk assessed in collaboration with Harbour Master	Fully Compliant	Fully Compliant	Achieved	Fully Compliant	Fully Compliant	Fully Compliant
		Undertake actions related to the recommendations from the Ports & Harbour Code SMS Review with Harbour Master	N/A	N/A	Not Applicable, new KPI	Completion of immediate priorities	Completion of all agreed recommendations	N/A

	Objective	Performance Measure	FY22 Target	FY22 Result	FY22 Result Status	Performance Targets		
						FY24	FY25	FY26
Our Environment	Operate in a sustainable manner ¹	Net zero emissions by 2040. Drive alignment with Intergovernmental Panel on Climate Change reduction target by 2030 relative to 2019 (excluding growth)	7% reduction on base year, excluding growth	32.7% reduction ²	Achieved	Complete an update to CPL's Emission Reduction Plan to drive alignment	Targets to be confirmed following update to Emission Reduction Plan	Targets to be confirmed following update to Emission Reduction Plan
		Low Emission Infrastructure and Energy to drive lower Scope 3 emissions	N/A	N/A	Not Applicable, new KPI	Procurement commenced for Stage 1 – Kings Wharf Microgrid. Commencement of Bunker Barge operation Business Planning for overall energy investment to drive low emission supply chain	Commence construction of Stage 1 – Kings Wharf Microgrid Lower emission fuel available for shipping companies	Completion of Stage 1 – Kings Wharf Microgrid
	Improve Biodiversity	Create further partnerships to drive enhanced biodiversity with key stakeholders	N/A	On-going partnership with Sanctuary to Sea	Not Applicable, new KPI	Partnership agreed to improve harbour biodiversity	Plan for improved harbour biodiversity	Implementation of initial stage(s) for improved harbour biodiversity

¹ The emission reduction target including cargo growth but excluding scope three emission activities which have shifted to scope one or two is 24% by 2030.

² The introduction of electric container transfer vehicles, eliminating generator usage, the return of rail onto Port, and replacing light vehicles with electric and hybrid models provides a 29.3% emission reduction. The remaining emission reduction of 3.4% is due to reduced container ship calls and the absence of cruise ship calls.

	Objective	Performance Measure	FY22 Target	FY22 Result	FY22 Result Status	Performance Targets		
						FY24	FY25	FY26
Our Community	Urban and City Integration	Inner Harbour Precinct	Inner Harbour Precinct commence development and stakeholder engagement.	CPL has engaged support for Inner Harbour Precinct and will proceed with development and stakeholder engagement.	Achieved	Engage with stakeholders on precinct master plan. Market engagement on interim opportunities	Develop business plan for interim opportunities	Implementation of business plan for interim opportunities
Our Finances	Financial performance ³	Group EBITDA	\$22.3	\$18.4	Not Achieved	\$26.3m	\$32.0m	\$35.8m
		Underlying Net Profit After Tax	\$9.8	\$8.0	Not Achieved	\$13.0m	\$15.1m	\$16.0m
		Underlying NPAT Return on Group Equity	2.2%	1.8%	Not Achieved	2.8%	3.2%	3.3%
		Dividend	\$6.0m	\$6.0m	Achieved	\$6.5m	\$7.0m	\$7.5m
Our Infrastructure	Infrastructure Investment	Container Berth Reinstatement	Operations commenced on Container Berth reinstatement	Focus on close out works for Container Berth following operationalisation of reinstated berth in previous quarter.	Achieved	N/A - Complete	N/A - Complete	N/A – Complete

³ A description of the key terms used in the financial performance targets is included in appendix 1.

	Objective	Performance Measure	FY22 Target	FY22 Result	FY22 Result Status	Performance Targets		
						FY24	FY25	FY26
Our Infrastructure	Infrastructure Investment	Seaview Wharf Renewal	Agreement with Fuel industry on Seaview Wharf renewal, and works commenced	Seaview Wharf seismic resilience commencing on Main Wharf head. Progress made with fuel industry on next phase but slowed by changes in the industry.	Achieved	Continuation of 1A (seismic resilience) and commencement of 1B (berthing improvements)	Completion of 1A (seismic resilience) and 1B (berthing improvements)	Undertake any further work, as agreed with fuel industry
		Ground Resilience and AQ 2/3 Seawall Resilience	Business case approved for Ground Resilience programme	Ground Resilience of Main Thorndon Reclamation progression in line with expectations. Area 5 completed and remainder progressing in line with expectations.	Achieved	Completion of Ground Resilience and completion of detailed planning of AQ 2/3 seawall repair	Commence of AQ 2/3 seawall repair	Continuation of AQ 2/3 seawall repair
		Log Yard Redevelopment	Business case approved for Log yard re-development	Full log yard re-development on hold due to economic slowdown in China impacted growth forecasts. Scope reduced to log yard stormwater to achieve 2028 resource consent requirement.	Not Achieved	Finalise detailed planning for Log yard stormwater redevelopment and debris management.	Commence log yard stormwater redevelopment and debris management.	Continuation of Log yard stormwater redevelopment and debris management.
		KiwiRail Single User Terminal	Interislander Ferry Terminal Development business case approved, and consents obtained	Finalising Key Terms with KiwiRail on Interislander SUT (iReX) progressed slower than expected. CPL continue to support KiwiRail with design development and construction procurement.	Not Achieved	Work with KiwiRail to commence development of Single User Terminal.	Continued development of Single User Terminal and planning for transition	Continued development and implemented transition to new operation

9 Ratio of Shareholders Funds to Total Assets

Shareholders' Funds (or equity) is defined as the total issued capital plus the balance of undistributed profits and all revenue and capital reserves less any minority interests of the CentrePort Group.

Total Assets comprises the carrying value of all assets recognised on the CentrePort Group balance sheet.

The table below presents the forecast ratio of shareholders' funds to total assets.

Measure		SCI Forecast		
		FY24	FY25	FY26
Shareholders' Funds	\$m	471.9	479.1	487.7
Total Assets	\$m	531.2	540.9	552.4
Shareholders' Funds / Total Assets	%	88.8%	88.6%	88.3%

10 Accounting Policies

The detailed Accounting Policies of the Group are consistent with the legal requirements of the Companies Act 1993, the Financial Reporting Act 2013 and International Financial Reporting Standards (IFRS). The Group's accounting policies are detailed in the most recent annual financial statements which are available on CentrePort's website.

11 Distribution of Profits to Shareholders

CentrePort's dividend policy provides for dividends to be between 40 percent and 80 percent of Underlying Net Profit After Tax (defined in Appendix 1), while also taking into account:

- free cash flow available for distribution;
- retaining insurance related revenue to build capital in the captive insurance company;
- funds required for capital investment; and
- ensuring long-term gearing targets are met.

The dividend paid will be the maximum practicable amount payable consistent with the above criteria and ensuring that the solvency requirements of the Companies Act 1993 continue to be met.

CentrePort intends to pay unimputed dividends going forwards, on the basis that the dividends are treated as exempt income to its recipients under section CW 10B of the Income Tax Act 2007 by virtue of 100% of CentrePort's voting interests being held by local authorities.

Dividends are normally paid to shareholders on or prior to:

- 28 February – 1st interim dividend following consideration of the half-year interim results
- 30 June – 2nd interim dividend after considering the financial year outlook
- 30 September – final dividend following consideration of the final annual results

The Company's dividend policy is reviewed annually by the Directors after considering the capital needs and commercial performance of the Company.

Tax Loss Sharing

CentrePort and its majority shareholder (WRC Holdings Limited) can enter a tax loss sharing agreement due to a greater than 66% commonality of ownership. Under a tax loss sharing agreement, CentrePort can effectively purchase tax losses from WRC Holdings Limited to utilise against CentrePort's taxable income.

Unlike making income tax payments to Inland Revenue, CentrePort would not earn any imputation credits from payments as consideration for tax losses. On the understanding that CentrePort's minority shareholder would not be disadvantaged due to the insertion of CW 10B to the Income Tax Act 2007, CentrePort intends on utilising a tax loss sharing agreement with WRC Holdings Limited to the extent that losses are available.

12 Information to be Reported

The Company will report to the shareholders in accordance with statutory requirements and will also provide shareholders with health and safety reporting comparing CentrePort with available benchmarking data from the Business Leaders' Health & Safety Forum (<https://www.zeroharm.org.nz/resources/benchmarking/>).

The Company will also provide shareholders with any external health and safety reviews, including marine related matters, and provide outcomes and actions that continuously improve health and safety. This will include any port wide review and/or information from the Port Health & Safety Leadership Group. The Company will also proactively notify the shareholders of any serious harm incidents and investigations related to the Company.

The following two lag measures will be reported:

- Lost time injury frequency rate per 200,000 hours worked
- Lost time injury severity rate per 200,000 hours worked

The Board will also provide to the shareholders:

- An audited set of annual financial statements applying accounting policies consistent with IFRS within two months of balance date. The Directors will also report on:
 - i. A review of operations,
 - ii. A summary of achievements measured against key SCI performance targets, and
 - iii. The maximum dividend (if any) recommended
- A half yearly report within two months of the half year balance date comprising:
 - iv. An un-audited condensed set of financial statements applying accounting policies consistent with IFRS
 - v. A brief report from the Directors on the Company's operations for the half year and the outlook for the second half year, which includes the below quarterly report information
- A quarterly report, which will be presented in quarterly meetings, and comprising a summary of financial performance for the quarter and progress against key SCI performance targets and the following specific information:
 - The overall performance of the Company, including progress measured against the then current Budget and the outlook for the current year,
 - The progress of the Company in meeting its financial, environmental, and social performance targets,
 - The performance of the Company in optimising the operational effectiveness,
 - Update on strategic direction, capital expenditure plans, debt position and dividend expectations,
 - Updates on progress of the Regeneration program and overall investment strategy, including major projects and transactions over \$30 million, per the Company's constitution, and
 - Progress on the Company's collaborative approach with key stakeholders

- A high-level operational and financial overview of CentrePort compared to other Ports. The comparison will be completed biannually for listed Port companies, otherwise annually for non-listed Ports
- A draft Statement of Corporate Intent by February each year for the consideration of shareholders to be finalised by 31 May each year
- An annual risk report including an overview of CentrePort's risk management framework and identification of critical risks along with current risk treatments. A summarised risk report will also be provided on a quarterly basis
- CentrePort's carbon reduction commitment will be supported by a verified annual measurement and reporting of Scope 1 and 2 emissions, provided by early September for the year ending June. Annual carbon reporting will be based on international reporting standards (ISO 14064-1 or similar) and will be independently verified. Scope 3 emissions will be integrated into annual measurement and reporting as we continue to identify these emission sources and obtain accurate information
- Information on any external health and safety reviews, including outcomes and actions to come out of these reviews, and any additional health and safety reports or serious harm investigations
- Quarterly reporting on the financial position of the Captive Insurance Company from the point that it holds insurance contracts
- Further financial information that meets shareholder expectations

Board Performance Reporting

- The People, Culture and Remuneration Committee is responsible for ensuring there is a formal process for annually assessing and reporting on the performance of the Board, the Board Chair and the Board Committees
- The objective of this review is to contribute to a process of continuous improvement in the Board's execution of its responsibilities
- The Board evaluation process may change from year to year on the recommendation of the Remuneration Committee. It may not be appropriate to do a full independent Board evaluation every year, however a full independent evaluation will be completed, as a minimum, every second year

The Company will consult with the shareholders when developing strategy and will provide the shareholders with strategic updates. The Company will meet shareholders at least once a year for a strategic overview.

13 Procedures for Acquisition of Shares

The Company will only invest in the shares of another business when the shares acquired are considered by the Directors to bring added value to the business of the Company providing an

acceptable return on the cost of capital employed or will further the objectives set out herein of the business of the Company.

The Company will consult with shareholders prior to any material departure from the objectives outlined in the SCI.

14 Compensatory Activities

CentrePort will seek compensation by agreement from Greater Wellington Regional Council and/or Horizons Regional Council or the appropriate local authority for:

- Marine pollution control services, and
- Any other statutory function, duty, or power which they may wish the Company to carry out on their behalf and which involves the supply of goods or services.

15 Value of Shareholder Investment

The Board's assessment of the commercial value of shareholders' equity in the Company as at 31 December 2022 is \$466 million. The Board's assessment is based on the value of the Company's net assets recognised in the financial statements at that time. The net asset value includes an assessment of the fair value of operational port land, investment property interests, and the historic cost less depreciation and adjusted for any impairment of the Company's other assets.

Appendices



Appendix 1: Financial Target Key Terms

A description of the key terms used in the financial performance targets is set out below:

EBITDA

Earnings before interest, tax, depreciation and amortization

Underlying Net Profit After Tax ('Underlying NPAT')

Underlying net profit after tax excludes (i) fair value movements, and (ii) abnormal items.

Return on Equity

Underlying net profit after tax divided by average equity.

Throughout this document references to FY are to Financial Years ended 30 June. For example, FY24 means financial year ended 30 June 2024.

Appendix 2: Governance and Leadership

Governance

The Board generally meets monthly and at other times as required.

It currently comprises six Directors appointed by the Shareholders. No more than two directors can be members or employees of the Shareholding Local Authorities. Two Directors retire at each annual general meeting by rotation.

Director	Appointed
Lachie Johnstone (Chair)	1 February 2016
Sophie Haslem (Deputy Chair)	1 February 2016
Martin Lewington	8 December 2019
Warwick Tauwhare-George	26 November 2021
Jackie Lloyd	14 November 2022
Anthony Delaney (Interim)	23 May 2023

The Board undertakes regular assessments of its performance including the effectiveness of the board, assessment of the necessary skills and experience, and succession planning.

Shareholders will be represented on or engaged by the selection committee responsible for recommendations for Director roles.

There are four formally constituted committees: the Health, Safety, Security and Environment Committee; Audit and Risk Committee; People, Culture and Remuneration Committee; and the Captive Insurance Committee. These formally constituted committees can only make recommendations to the Board for the Board to confirm.

Leadership

The Executive Leadership Team of CentrePort Wellington is made up of a team responsible for day-to-day operations and future planning at the port.

- Anthony Delaney, Chief Executive (BEng (Civil), BCom (Mgmt))
- Jason Sadler, Chief Financial Officer (CA, BCA)
- Megan Elmiger, General Manager People, Safety and Culture (MIntl. Security)
- Andrew Locke, General Manager Commercial, General Manager Break Bulk Services, (BBS)
- Andrew Steele, General Manager Ferries and Bulk (MMS, CA)
- Stefan Reynolds, General Manager Container Services (Ag. Business Dip, Finance Ag. Production Dip)
- Paul Terry, General Manager Infrastructure (MBA)

Appendix 3: Gender Balance by Function

	Gender Balance (number of females : males)	Gender Balance (female % of total)
Container Services	8 : 106	7%
Break Bulk Services & Commercial	6 : 11	35%
Ferries and Bulk	1 : 2	33%
Marine	3 : 33	8%
Security	1 : 13	8%
CEO Office	1 : 1	50%
People Safety and Culture	10 : 4	71%
Digital / ICT	1 : 6	14%
Infrastructure	2 : 9	18%
Environment	0 : 2	0%
Finance	7 : 2	78%
Board	2 : 4	33%
Executive Leadership Team ⁴	1 : 6	14%
Overall	42 : 192	18%

Above Gender Balance is as at 31 May 2023.

⁴ ELT members are included twice in the table, as part of their respective team, and as a combined ELT group