

# Annual Report



# 2024



Tihei Mauri ora.

Me mihi whakawhetai ki te Rūnga Rawa nāna nei ngā mea katoa.

Ngā mate, kua wehe atu ki te pō, haere ki te Pūtahi nui o Rehua, haere ki tua o Paerau, haere ki te okiokinga, haere, haere, haere.

E ngā mana, e ngā reo, e ngā lwi, e rau rangatira mā, huri noa ngā tāngata katoa e noho ana i Te Waka O Aoraki, tēnā koutou katoa. Me mihi hoki ki te Mana Whenua o Whakaraupō me Ngai Tahu whanui.

Kā mihi nunui ki ngā kaimahi hei mahi nui i a rā, i a pō, i te Kamupene Whakaraupō. Mā te whiritahi, ka whakatutuki ai ngā pūmanawa ā tāngata!

Ka nui o ngā wero i ngā tau, ā ko te tautoko i te rangai te tino aronga mō te Kamupene Whakaraupō. Ka nui te mihi i ō mātou hoa me ngā kaipakihi mō tō ratou manawaroa, manawanui hoki i runga i ngā piki me ngā heke o te wā.

Ka mahi tahi te Poari me ngā Kaimahi o Te Kamupene Whakaraupō ki te whakatinana i ngā moemoea me ngā wawata o ngā tangata e noho ana i konei.

Ko to mātau kāinga tēnei.  
He rere ke, he tangata auaha.  
He angitu, he mea pai mo Te Waipounamu.  
Kia toitū te taiao mo ake tonu atu.  
Whakaraupo! He wāhi mo te katoa.

Give praise and thanks to that which is the source of everything.

To those passed on, departing to the constellation of the stars, travel to the place beyond, go to your resting place, farewell, farewell, farewell.

To all people, all speakers, all the chiefly speakers, all groups who live in the South Island. Greetings to you all. We acknowledge Mana Whenua and their tribal authority in Lyttelton harbour South Island.

We recognise the important work that our staff manage, day and night at Lyttelton Port Company. Collectively weaving the realisation of potential!

It has been a challenging time over the years and supporting the sector has been a major focus for LPC. We acknowledge and thank our partners and businesses for their resilience and responsiveness as we navigate through these uncertain times.

The Board and staff of Lyttelton Port Company are working together to support the visions and aspirations of all those who live here.

This is our homeland.  
We are its diverse and innovative people.  
Driving opportunity, enterprise and prosperity for the South Island.  
Building a legacy of sustainability for the environment and the future.  
Lyttelton Harbour a place for everyone.

# Annual Report 2024

## Our approach to integrated reporting

LPC chose the integrated reporting <IR> framework in 2019 as part of the development of our sustainability strategy as we felt it best focuses on and communicates the ability of an organisation to create value in the short, medium and long term and includes transparent reporting on the preservation and/or erosion of this value. Subsequently, this framework was adopted by CCHL as the standard across the Group.

We believe the framework will drive integrated thinking within our organisation, with the consideration of creation of value across all five of our capitals leading to better decision making and long-term sustainable development for both LPC and our local community and region.

While our 2019 sustainability strategy set long-term targets for the organisation in key areas, we have still taken the opportunity to review and update our approach. In FY24, we adopted new emissions targets in line with the Science Based Targets Initiative, informed by a refreshed emissions reduction plan. We also reviewed our waste targets and set new interim targets.

We continue to be guided by the material issues raised by the materiality research we carried out in 2022. Last year, we signalled we would update this work in FY24. However, constraints and prioritisation have limited our ability to do it this year, and we have delayed the update to FY25.

In addition to our initial climate risk assessment undertaken in FY23, in FY24, we completed our first climate-related disclosures report, the key points of which are contained in this report. The reporting follows Climate Standards 1, 2 and 3 issued by the New Zealand External Reporting Board (XRB).

LPC is also the only New Zealand company to so far commit to disclosing our nature-related risks and dependencies. In FY24, we are voluntarily reporting impacts and dependencies on nature over time, following guidance under the Global Biodiversity Framework Target 11. Our disclosures report follows the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations and incorporates the Science Based Targets Network science-based targets for nature approach to impacts assessment and targets setting.

Our TNFD reporting and disclosures are a good example of how we deal with emerging challenges as an organisation. As we stated last year, LPC continues to take the reporting of those challenges and our commitment to facing them very seriously.

## Our five capitals

-  **Sustainable Profitability** – Financial Capital
-  **Whanaungatanga** – Human and Intellectual Capital
-  **Infrastructure for the Future** – Manufactured Capital
-  **Manākitanga** – Social and Relationship Capital
-  **Kaitiakitanga** – Natural Capital

## UN Global Sustainable Development Goals (SDGs)

The UN's 17 SDGs provide a valuable blueprint for a better and more sustainable future for all by addressing the global challenges we face. While all 17 SDGs are important, some are more relevant than others for our business, especially when we get down to the level of setting specific targets. These are the main SDGs our work has a relationship to:



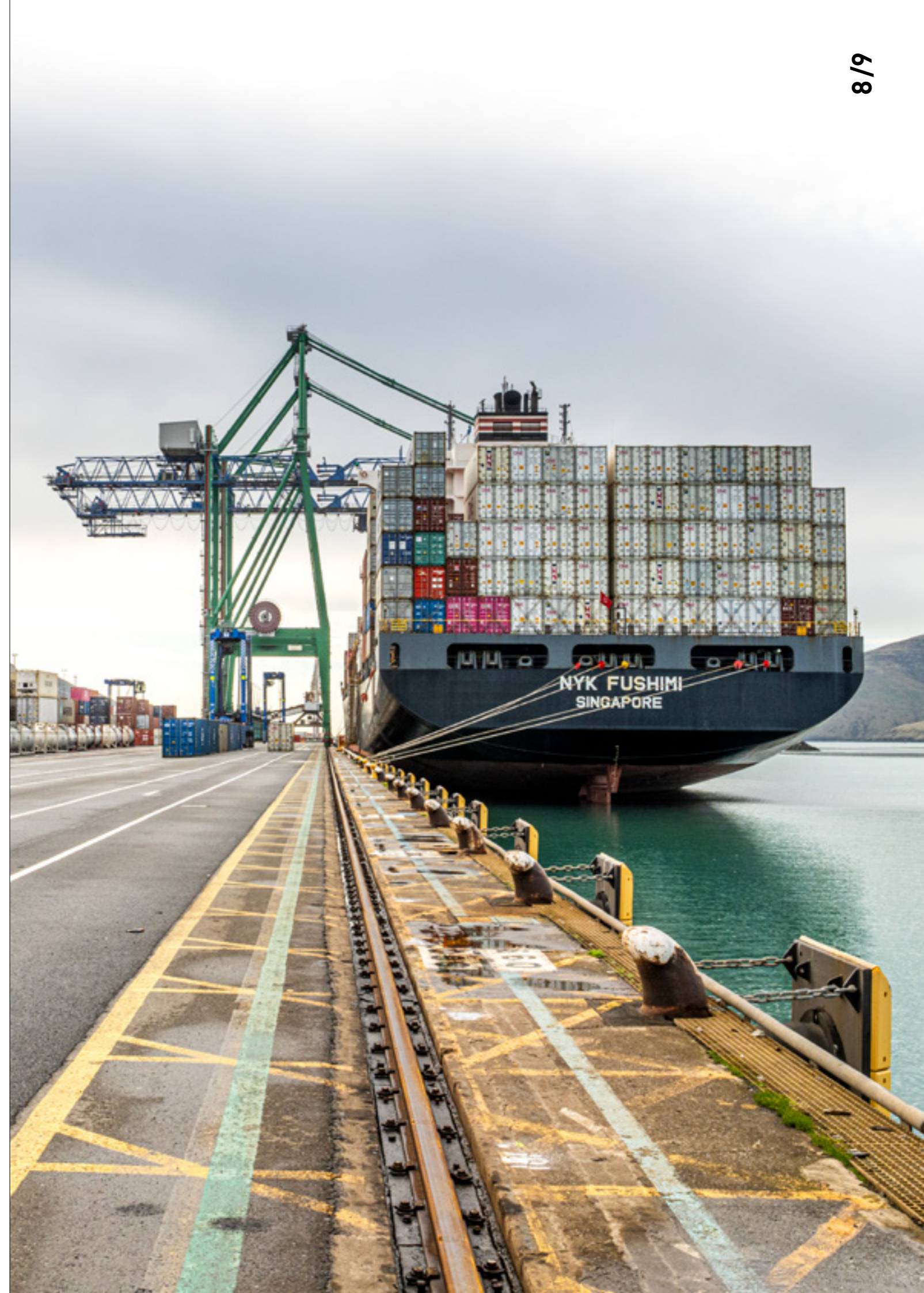
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# Introduction

**LPC is the largest port by container volume in the South Island and sits at the nexus of a key supply chain.**

**We are the heart of a growing hub-and-spoke model, with cargo arriving via coastal shipping and rail for transshipment to larger vessels for international export.**

**At the heart of our vision to be New Zealand's most sustainable and innovative maritime gateway lies the recognition that our people's commitment, dedication and expertise are essential to enabling LPC to enrich our local communities and drive economic prosperity.**



# Our purpose

Our purpose is to facilitate the sustainable growth of trade for Christchurch, Canterbury and the wider South Island. To do this, we must increase the Port's profitability, guarantee long-term trade connections for the South Island and ensure that LPC remains economically and environmentally sustainable.

**At the heart of our vision to be New Zealand's most sustainable and innovative maritime gateway** lies the recognition that our people's commitment, dedication and expertise are essential to enabling LPC to enrich our local communities and drive economic prosperity.

**LPC's infrastructure is ultimately a shared asset for the entire region.** Strategic maintenance, management and development are essential to meeting the needs of Christchurch and Canterbury today and beyond.

**Our ambition is to grow social capital by creating long-term meaningful value for our communities across a range of parameters.** We are also focused on developing a strong customer culture and ensuring we deliver great experience and value.

**LPC is committed to protecting and enhancing our natural environment.** As a Port, LPC has a responsibility for the environments in which we operate. Our biodiversity positive ambition means operating in a way in which our positive actions for nature outweigh our negative impacts. Along with our environmental management system, we work with others on the Whaka-Ora Healthy Harbour Catchment Management Plan and support restoration activities.

**LPC has a natural two-way flow of imports and exports** and is the hub for imports into the South Island, handling 80% of all imports.

LPC import / export system is built on four key components

1.

**Inland facilities MidlandPort and CityDepot,** facilitating rail and conglomeration of cargo.

2.

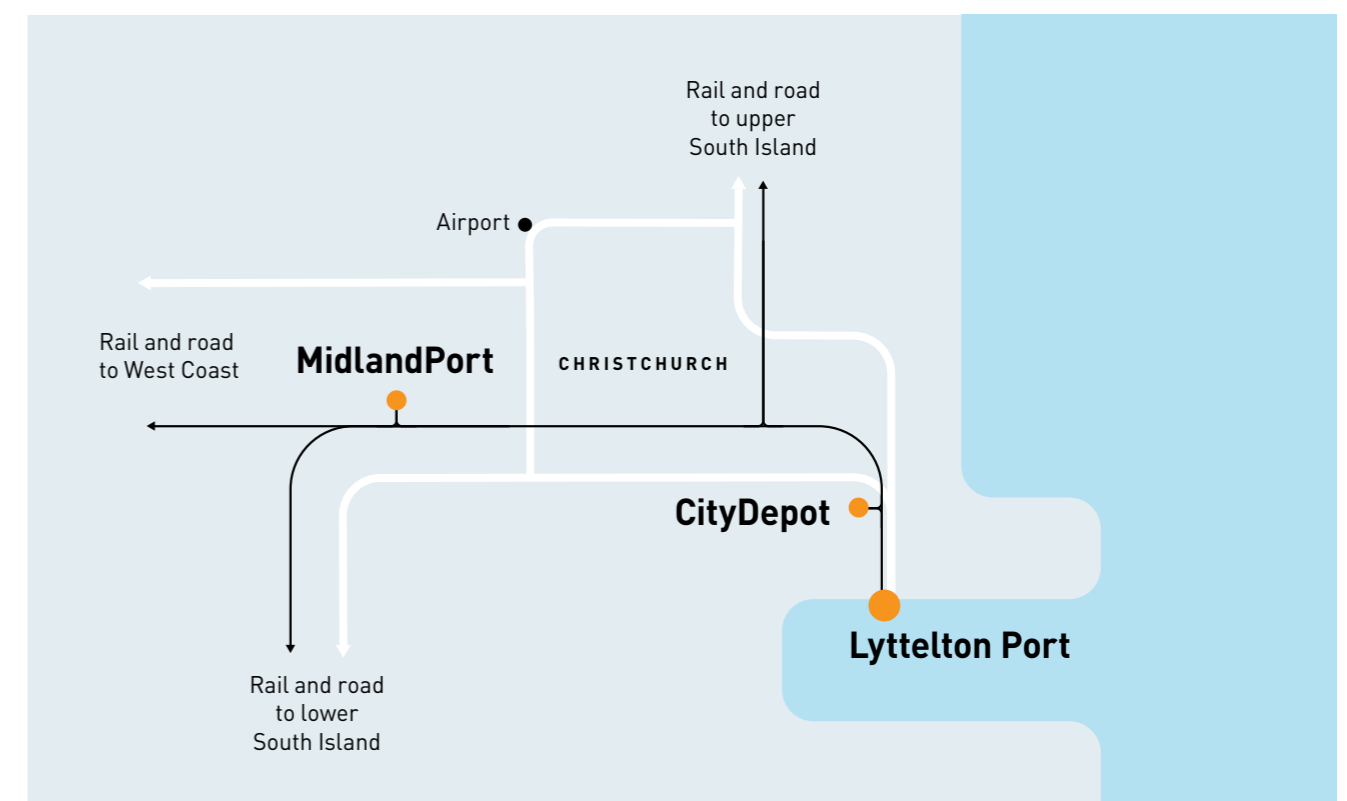
**Our Vehicle Booking System (VBS),** smoothing the flow of cargo and reducing congestion on arterial routes.

3.

**A channel, berths and terminal space** for over 520,000 TEU per year.

4.

**Consents in place for expansion of facilities** to 1.5 million TEU per year and increased vessel sizes.



# Year in review

671,449t

Bulk imports

448,364 TEU

Containers

\$6.31b

Imports

\$7.56b

Exports

\$52.4m

EBITDA

1.81

Total recordable injury frequency rate

15.7%

Gender pay gap

19%

Containers by rail

81%

Containers by road

45,258

Carbon emissions tCO<sub>2e</sub>

\$9.9m

Net profit after tax (NPAT)

\$15.5m

Underlying NPAT for FY24 compared to \$18.9m in FY23



# CEO and Chair Statement



Barry Bragg  
Chair



Graeme Sumner  
CEO

## Tēnā koutou katoa

**New leadership, a focus on the future and a softer domestic economy are the trends reflected in Lyttelton Port Company's results this year. Safety, efficiency, sustainability and profitability continue to be our focus, and we have taken major steps to deliver on these priorities. In particular, we remain committed to reaching excellence in health and safety performance and ensuring that we achieve financial performance that delivers a fair return to our shareholder and supports the investment the region has made in the Port.**

While FY24 has been a promising start on this journey, our earnings will need to continue to improve to deliver better returns on the significant post-earthquake capital investment programme and to justify further growth capital. A key piece of work that the Executive Leadership Team has been focused on in FY24 is a cost-saving programme and productivity improvement initiatives. These will continue to be implemented in 2024/25.

In addition to improving operating performance, the Board and Executive Leadership Team have been developing the staged Port development plan to support the growth of the Canterbury and wider South Island economies. Planning suggests this space will be needed from around 2030 and therefore we are committed to start stage 1, being the construction of the enabling works, in 2025 to meet this timeline.

## Health and safety: LPC's top priority

Health and safety performance continued to be the top focus for LPC in FY24.

The release in FY24 of the Transport Accident Investigation Commission report into the fatality at Ports of Auckland and the tragic loss of Don Grant at LPC, as well as LPC pleading guilty to a charge under the Health and Safety at Work Act 2015 in relation to Don's death highlight both the critical importance of health and safety in the workplace and the level of risk in the port industry.

The Board has been focused on driving a step change in health and safety. We have been implementing a comprehensive action plan to improve leadership, improve work practices, upgrade assets and ensure our workforce is healthy.

While LPC still has some way to go to meet the highest standards that the Board and management expect, all our key performance indicators show improvement year on year. In particular, we have focused on visible leadership, a healthy workforce fit to do the task required safely, fatigue management, asset management and safe work processes.

We are also now in year two of our three-year health and safety Critical Risk Assurance Programme. This important programme of work is about leading the way in operational risk reduction and evolving it into our safe production model. In FY24, we conducted 18 assurance reviews resulting in numerous improvement outcomes.

## Financial performance: earnings up but still much to improve

Lyttelton Port Company returned an underlying net profit after tax of \$15.5 million in FY24, down 18.0% on the FY23 result of \$18.9 million.

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the year were \$52.4 million, 13.7% higher than FY23 and driven by an increase in total revenue, up \$12.1 million from FY23 to \$193.8 million.

Recent tax legislation changes led to a one-off charge for building depreciation as well as some other deferred tax charges. The impact of this one-off non-cash tax charge reduced the total net profit after tax to \$9.9 million.

Cost pressures from wage and material cost increases resulted in a 4.3% increase in operating expenses from \$135.6 million in FY23 to \$141.4 million in FY24.

The team has worked hard to manage costs in FY24, and this will continue in FY25. The reality is that we have to be more efficient in order to deliver the fair returns that a reasonable shareholder would expect and be in a position to deliver the future infrastructure investments the region will need to keep the supply chain moving.

During the year, a total of \$10.6 million in dividends were paid, made up of the final dividend of \$6.5 million from FY23 and a further \$4.1 million as the interim FY24 dividend.

Net debt increased by \$7.9 million across the year from \$207.3 million to \$215.2 million. This represents a stabilisation of the debt position after a number of years of investment in Port infrastructure and is a result of a strong focus on capital expenditure discipline.

## Trade volumes mixed: containers flat, other trades down

Trades were mixed this year. Container volumes were comparatively flat year on year, with FY24's 448,364 TEU a 1.6% decrease compared to FY23's 455,457 TEU. The reduction in volume came mostly from transshipments and to a lesser extent imports.

Pleasingly, we saw a 2.6% increase between years for full export TEUs. However, bulk trades were down 9% overall from FY23, with tonnage reducing from 3.76 million tonnes to 3.43 million tonnes overall. Dry bulk fell 18% to 575,273 tonnes, while logs were down 12% to 394,376 tonnes. Coal volumes were also down to 1.27 million tonnes, a drop of 7%.

Car volumes were reduced considerably from 45,673 to 34,198 – a fall of 25% compared to FY23. This follows a fall of 23% between FY22 and FY23 and highlights the change in car volumes post-COVID.

FY24 saw an increase in cruise, with 82 visits and just two weather-related cancellations. A highlight was the successful ground transport plan delivered by cruise stakeholders, which alleviated the congestion that had been experienced in FY23.

## Capital investment reduced but still delivered key infrastructure

Over the course of FY24, capital expenditure was carefully managed, reflecting the pressures of the external economic environment. However, LPC did continue to invest in asset management and projects that enhanced health and safety performance.



Safety investments included upgraded lighting in both the Dry Dock and the Coal Yard, a new pilot ladder training facility and the removal of Jetty 5 (after the removal of Jetties 4 and 6 in FY23), which improved navigational safety.

Jetty 5's removal delivered improved environmental outcomes along with investment in the stormwater system in our Inner Harbour Log Yards and the renewal of our coal air discharge consent featuring the installation of real-time air quality monitoring systems.

We also focused on maintaining key assets. The tug *Piaka*, which entered service in 2019, received its first major five-year upgrade, which included overhauls of the main engines, tow winch, thrusters, and hydraulic units and coolers. In the marine space, we also modernised our Tug House, providing user-friendly spaces for our crews to work from and upgrading the oldest building in the Inner Harbour.

Cashin Quay, our Container Terminal wharf, had a 100-metre section resealed, ensuring its continued operation and improving driving conditions for the team working on it. Our digital systems transformation continues with a focus on cyber security, and this year saw the delivery of a new, cloud-based harbour control system. The team at MidlandPort also received a new reach stacker this year, and CityDepot received new empty container handlers.

### Focus on operational performance

We know that efficiency and productivity are very important for customers. That's why we are focused on delivering the kind of safe and efficient performance they expect. This has been a major ongoing emphasis for our team in the second half of FY24 and will continue to be in FY25.

In the second half of FY24, LPC established an internal working group focused on lifting the operational performance of the organisation. We focused on identifying the key metrics and processes that will deliver better performance for our customers and promote more efficient and cost effective operations at LPC.

Through a series of workshops over a five-week period, the project team established a series of initiatives to lift performance at LPC. These cover how we plan, how we operate and how we lead and manage operations.

At the same time, we also identified the World Bank's Global Container Port Performance Index as a useful tool for benchmarking LPC's performance on a global scale. While Australasia has traditionally been lower in these rankings,

recent performance by LPC in particular has been poor. We intend to use the metrics and measures in this report as a tool to guide our assessment of our success in improving our operational performance in the future.

### A continued refresh

Three new Directors joined the Board of LPC at the beginning of FY24. Karen Jordan was appointed Chair of the Board's Audit and Risk Committee, utilising her extensive experience as both an executive and a director of various energy and infrastructure companies.

Dr Nicki Crauford has chaired the Board's People and Performance Committee. Nicki has brought deep knowledge and experience from the infrastructure sector to the Board, including from her time as a director of CentrePort and chair of StraitNZ. Nicki has chosen to return to the UK and has resigned from the LPC Board effective from the 2024 Annual General Meeting. We wish to express our deep thanks and appreciation for the contribution she has made to LPC, including her role in leading the appointment process for the new CEO.

Julian Hughes brings over 20 years of health and safety experience from the public and private sector to LPC, having held key leadership roles including as Executive Director of the New Zealand Business Leaders' Health and Safety Forum. He is currently General Manager Supply at Z Energy.

The 2024 Annual General Meeting will also see the retirement of Bill Dwyer from the Board of LPC. Bill joined the Board in June 2016 and has been a key part of the recovery of the Port from the Canterbury earthquakes. The Board and management thank Bill for his nine years of service to LPC and wish him all the best for the future.

Three new members joined the management team at LPC in 2024. Nigel Foster joined in April 2024 as Chief People and Capability Officer, coming to LPC after six years at New Zealand Customs. He was previously with AMP NZ and prior to that worked in various roles in the UK and United Arab Emirates.

Jackie Dawson was appointed the Chief Information Officer, having previously been Head of Digital at LPC. She has worked across local government and the private sector, including with Datacom, Orion Health and the Canterbury District Health Board.

Sarah Alderson joined LPC in August 2024 as Chief Legal Risk Officer, with primary responsibility for legal risk management, commercial contracting and LPC's statutory compliance

programme. Sarah brings a wealth of experience to her role having previously worked as in-house counsel across Australia and New Zealand in organisations such as QBE Insurance, SAS Australia + New Zealand and Airways Corporation.

### Whanaungatanga

FY24 saw us continue to refine and develop our People and Capability Strategy. We have aligned the strategy with LPC's wider business goals to improve performance and deliver against global benchmarks. At the heart of this is creating a performance culture that drives the delivery of operational excellence and optimises our people and internal capabilities.

LPC also remains committed to growing and enabling an inclusive and diverse culture. We believe this will result in better decision making and ultimately help us to deliver our performance culture. Supporting the work of Te Whakaroopu, our Diversity, Equity, Inclusion and Belonging Committee, continues to be an important part of the work of the People and Capability team, and FY24 saw a particular focus on supporting Ōtautahi Pride in March.

In February 2024, LPC undertook our first full engagement survey since 2021 – 69% of our workforce participated, submitting a total of 2,226 individual comments. This provided valuable insights into our workplace culture and clearly articulated our work-ons, including our leadership. Our total engagement score was 64%. We plan to deliver these engagement surveys on an annual basis going forward in order for us to drive meaningful change in the future.

### Manākitanga and Kaitiakitanga

Sustainability and environmental performance also remain a key priority for LPC. Partnership is a fundamental principle for us in delivering our environmental programmes. From our work with the Banks Peninsula Conservation Trust at our Gollans Bay covenant and the restoration of the Port Saddle to our work alongside mana whenua, local councils and the community as part of the Whaka-Ora/Healthy Harbour Catchment Management Plan, we know that the best outcomes are delivered through working together.

LPC is also continuing to build on our commitments first elaborated in our 2019 Sustainability Strategy. In FY24, our Board approved new emissions reduction targets that are aligned with the net-zero standard defined by the Science Based Targets Initiative (SBTi).

LPC has committed to reduce absolute Scope 1 and 2 GHG emissions by 50% by 2030 from our baseline year of FY18. This target is consistent with greenhouse gas (GHG) emissions reductions required to limit warming to 1.5°C. Long term, we have committed to reduce Scope 1, 2 and 3 GHG emissions by 90% by 2050. LPC's total gross GHG emissions for FY24 were approximately 45,258 tCO<sub>2</sub>e. Our direct emissions (Scope 1) from mobile combustion were 8,631 tCO<sub>2</sub>e, a reduction of 2.4% from FY23 and 4% from FY18. For the first time, we have also reported our full value chain Scope 3 emissions, including our ships' emissions inventory.

LPC is also focused on its biodiversity positive commitment by being the first company in New Zealand to adopt the Taskforce on Nature-related Financial Disclosures (TNFD) framework. This will see the release of our first disclosures report (covering our impacts on nature) later this year, a milestone both for LPC and New Zealand industry.

### The team that works hard for the South Island

The people of LPC take our roles extremely seriously. No one is in any doubt about our purpose – to facilitate the growth of trade for Christchurch, Canterbury and the wider South Island.

We are proud of what we do every day and hope that the wider community shares this pride.

Without this dedicated team, our region would be much worse off. Rain or shine, 24 hours a day, seven days a week, the LPC team works tirelessly to keep our supply chain humming, our exports moving and the goods that support our daily lives flowing. We appreciate the LPC team's work and dedication and recognise their ongoing commitment to ensuring LPC is an efficient, safe, sustainable and profitable port.

Heoi anō tāku mō nāianeī

Nā māua noa, nā



**Barry Bragg**  
Chair



**Graeme Sumner**  
CEO

# Our governance

This year, the refreshed LPC Board has focused on the key issues facing the Port, with a particular focus on health and safety performance, financial and operational performance, leadership and the region's future infrastructure requirements. These issues, along with settling into a new cadence and refreshed working approach, have made for a busy but rewarding year.

The interviews with Board members Julian Hughes and Vanessa Doig over the following pages will give some perspective on how the Board grapples with these issues and the focus of the Board on the development of our long-term strategy. These interviews also aim to shed light on the diverse strategies the Board uses to address LPC's key issues and reveal their unique perspectives on handling these challenges.

In FY23, we revised our Code of Corporate Governance and integrated it with the LPC Board Charter to form a comprehensive Board Charter. This new document delineates the roles, responsibilities and authorities of the Directors individually and as a group as well as the management's role in guiding, managing and establishing appropriate controls for LPC. It mandates that the Board will function in an open and constructive manner in alignment with its guiding principles, acknowledging that genuine

differences of opinion can foster clearer understanding and enhance decision making.

The Board Charter defines the expectations for how the Board interacts with our shareholder, iwi partners, community and customers. It details the necessary standards for financial reporting, risk management, and health and safety.

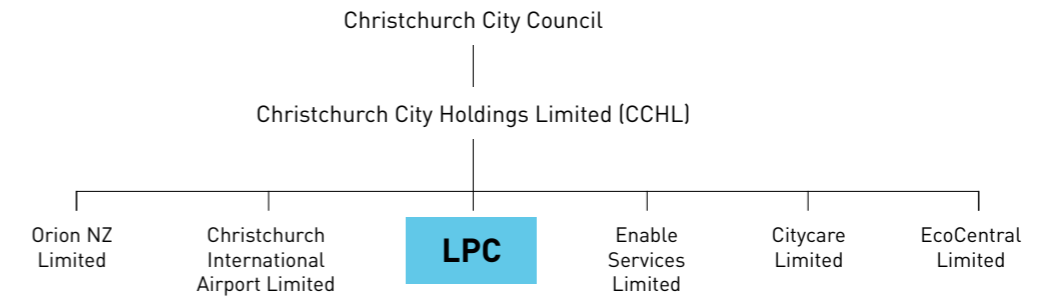
LPC has three Board committees – Audit and Risk Committee, People and Performance Committee and Health and Safety Committee. In FY24, the individual separate terms of reference for these three committees were each reviewed and updated. The reviewed terms of reference are publicly available through the LPC website.

The LPC Board holds direct responsibility and oversight for the primary strategic risks confronting LPC, including those associated with climate change. In its supervisory role, the Board also determines the

organisation's risk appetite. You can read more about how risk is managed by the LPC Board in the risk section of this report, and a detailed explanation of how we manage climate risk is part of our FY24 climate-related disclosures report, which is available on our website.

The Board continues to prioritise integrating the <IR> model into our decision-making process. We aim to ensure that new decisions, especially those concerning capital expenditure, consider value creation and address our key issues. Collaborating with the Executive Leadership Team, we will make sure that our processes account for all responsibilities towards our shareholder, iwi partners, community and customers.

## Shareholder



## Board of Directors



**Barry Bragg**  
Chair



**Nick Easy**  
Health and Safety  
Committee Chair



**Karen Jordan**  
Audit and Risk  
Committee Chair



**Dr Nicki Crauford**  
People and Performance  
Committee Chair



**Vanessa Doig**



**Bill Dwyer**



**Julian Hughes**

## Executive Leadership Team



**Graeme Sumner**  
CEO



**Sarah Alderson**  
Chief Legal Risk  
Officer



**Amrita Balaraman**  
Chief Operating  
Officer Container  
Terminal



**Steven Barclay**  
Chief Health and  
Safety Officer



**Jackie Dawson**  
Chief Information  
Officer



**Phil de Joux**  
Chief Bulk Cargo,  
Engagement and  
Sustainability  
Officer



**Nigel Foster**  
Chief People and  
Capability Officer



**Vincent Mortimer**  
Chief Financial  
Officer



**Simon Munt**  
Chief Customer  
and Supply  
Chain Officer



**Mike Simmers**  
Chief Marine and  
Infrastructure  
Officer



## Barry Bragg Chair

Barry is a Fellow of NZ Institute of Chartered Accountants. He began a governance career in 2002 involving minerals industry associations, the Canterbury West Coast Air Rescue Trust and various international commercial joint ventures. He joined Ngāi Tahu Property in 2009, became Chair in 2012 and became Chair of Ngāi Tahu Farming in 2019. He currently provides commercial advice to several Ngai Tahu Rūnanga. Since 2013, he has been involved at Director or Chair

level in a multitude of companies in the public sector, iwi sector and private sector in health, construction, property, farming, minerals/mining, construction materials, finance and advanced materials. He is currently Chair of Te Kaha Project Delivery Limited, Pegasus Health Charitable Limited and Quarry Capital Limited while also holding directorships in other organisations.



## Nick Easy

### Health and Safety Committee Chair

Nick has more than three decades of leadership experience in complex organisations across the transport, logistics and emergency services industries. Nick is the CEO of Infranexus Management, managing a number of Australian social infrastructure assets, and previously has been the CEO of Queensland Rail, Metropolitan Fire and Emergency Services Board and Port of Melbourne, Australia's largest container and general cargo port.



## Karen Jordan

### Audit and Risk Committee Chair

Karen is a Chartered Fellow of the Institute of Directors New Zealand and a Chartered Fellow of the Chartered Institute of Management Accountants. She has over 20 years' corporate executive experience in UK listed energy and infrastructure companies and over 10 years as a non-executive director. Karen is currently a non-executive director and Chair of the Audit and Risk Committee at Steel & Tube Holdings Limited and an independent member of the Risk and Assurance Committee at the New Zealand Defence Force. She was recently a Board director on Auckland's City Rail Link Limited, Waimea Water Limited and an independent member of the IRD Risk & Assurance Committee. Previously, she was a non-executive director on the Board of the UK Cabinet Office and a number of other UK Government bodies.



## Dr Nicki Crauford

### People and Performance Committee Chair

Nicki is an engineer with extensive governance and senior management experience in infrastructure, including ports, energy, water and telecommunications utilities. Nicki has previously been a director of CentrePort Limited and is chair of StraitNZ, which operates freight and passenger shipping across Cook Strait in addition to trucking and logistics services. In addition to StraitNZ, Nicki is currently a director of Watercare. She has previously served as Chair of the Electricity Authority and GNS Science and a director of Orion, the Environmental Protection Authority and Genesis Energy. Nicki is a Distinguished Fellow of Engineering New Zealand and a Fellow of the Australian Institute of Company Directors and the Institute of Directors New Zealand, where she has also served as CEO.

To find out more about our Board, read our Board Charter and the terms of reference for our Board committees or review our FY24 climate-related disclosures, please visit [www.lpc.co.nz](http://www.lpc.co.nz)



## Vanessa Doig

Vanessa has a diverse career operating in global markets across various sectors, including resources (oil, gas and coal) within large global multinationals, New Zealand government agencies and state-owned enterprises. More recently, Vanessa has held the roles of Group Chief Executive Officer and Chief Operating Officer for health and wellness companies, including direct to consumer e-commerce brands and manufacturing of New Zealand raw materials, with customer markets that operate predominantly across the North American and Asian markets. Vanessa has been involved with the LPC Board since 2020, building on her experience as Chair of Fleetpin, Director of St George's Hospital and various previous board positions, including Xtendlife Natural Products, Chamber Music New Zealand, He Waka Tapu Health Trust and Christchurch Symphony Orchestra.



## Bill Dwyer

Bill is a commercial and corporate lawyer with a career expanding over 30 years. Joining the LPC Board in June 2016, Bill is also currently Corporate Counsel at Tait Communications. Bill was Managing Partner at Lane Neave. Prior to this, he held the position of General Counsel and Company Secretary at Solid Energy New Zealand Limited. Bill has retired as a Director of CCHL, where he sat on a number of committees and established an intern programme for CCHL whereby aspirants to governance roles sit on the Board of each company in the Group. He currently is Chair of Yap Orchard Limited, Director of Quarry Capital Limited and Advisory Board member with Opes Group Limited and is a Trustee for the Emergency Care Foundation.



## Julian Hughes

Julian has over 25 years' experience in senior operational and risk management leadership roles in both the private and public sectors. He has been on the Z Energy Executive for the past 10 years and is currently the General Manager of Supply, overseeing the end-to-end supply chain for New Zealand's largest provider of liquid fuels. He is well respected in the health and safety sector, with previous experience as the inaugural Executive Director at the Business Leaders' Health and Safety Forum, where he was involved in building a national response to the Pike River Mine tragedy. Prior to this, he was the National Manager of Health and Safety with the New Zealand Fire Service.

## Julian Hughes Board Director



### What value do you bring to the LPC Board?

I believe the value I bring to the LPC Board is the ability to leverage my background and experience to support LPC in achieving our goals and aspirations for LPC, the business and the community we support.

I have 25 years of experience in strategic, operational and risk management leadership roles in industrial and public safety organisations. I am committed to working with others to overcome common challenges and deliver value for the Port whānau, our customers and partners, and the people of Christchurch.

I believe the Board is part of the wider whānau at LPC, and my role is to support LPC in achieving what matters right now and that it is well positioned to deliver in the future.

### How well is LPC positioned for the organisation's plan for future growth?

I am optimistic about the Port's growth plan. It is a massively important and strategic growth asset for Christchurch, Canterbury and the South Island. It needs not just a five, 10 or 20-year plan but a 50–100-year vision given its strategic importance as a trading hub.

Our vision needs to look into the future, ensuring we are delivering the double – operating and performing well today while preparing for and delivering growth.

As a deepwater port, we can grow through existing consents to reclaim more land and build resilience to industry changes, climate change and other natural disasters. We can look after our shipping channels and grow through innovation and improved productivity. Not many other ports in New Zealand have those sorts of advantages, so I think we're well set up for what I like to think is a 50-year vision into the future.

We need people with the energy and will to bring this vision to life.

We're looking at a significant investment in growth, and we need to make sure that we have a business that's running with the right setting to enable this.

### What are the largest risks and opportunities the company is facing?

There are two big risks for the business. First, it's a high-risk business so we have to run it safely and reliably every day, and we don't get a holiday from

that. We must maintain this steadfast commitment to running the Port safely and reliably and ensure that all our people go home safe having done a good day's work. Equally, we've got to ensure that our customers are well looked after and that we're efficient and reliable in how we provide services for them.

The other risk is where we are in the current economic cycle. We've got to make sure that we can get through the economy's challenging time post-COVID so we can build confidence in the growth story of the future.

It is our job as a Board, management team and organisation to do everything we can to enable that growth.

### What would you like LPC to do better in FY25?

In FY25, we must come together under a common strategy that our new CEO lays out. This will require all of us to step up, pay attention and be involved. The CEO is calling for a new way of looking at things and for us to be better at what we currently deliver.

I am looking for a really positive response from everyone in the organisation that says we can see the way forward, we can connect with this vision and we understand the role that we play in delivering that vision. This starts from the Board and extends to everyone in the organisation.

I believe this is crucial in terms of what we're trying to do now, which includes operating safely and reliably. Equally, it is about a growth plan over the next 5–10 years that sets us up for the future.

## Vanessa Doig Board Director



### What value do you bring to the LPC Board?

I have been involved with the LPC Board for four years and have seen the Board successfully transition during this time, including the appointment of a new Chief Executive Officer and Chair. My core experience has been developed in the resources sector (oil, gas and coal) working across global multinationals, government and state-owned enterprises. These roles provided world-class experience in key areas such as strategic planning, operational excellence, and health and safety. More recently, I have been in an executive role as a Group Chief Executive Officer, operating across e-commerce in the health and wellness industry. Together with governance roles at St George's Hospital and as Chair of Fleetpin Technology, this provides a wide range of business challenges that enhance my ability to challenge, seek opportunities and mitigate the risks when governing at the LPC Board.

### How well is LPC positioned for the organisation's plan for future growth?

Lyttelton Port is well positioned for future growth. With the transition of the Board and a new Chair and Chief Executive Officer now in place for 12 months, we have clear leadership combined with an ongoing investment in our people, systems and processes. The opportunities for further expansion to support the South Island economy are well positioned for both import and export cargo from Lyttelton. Our investment project in the east and other infrastructure updates all support increased volumes and a positive future for the company.

### What are the largest risks and opportunities the company is facing?

In the short term, the largest risk is that we focus solely on the current economic uncertainty plaguing business and do not look to the future and build the pillars for growth and further development of the Port. It is important that we build a resilient Port and continue to look to the future operating environment. Opportunities also exist to further strengthen our relationships with our key stakeholders, including our shareholder, our staff, our customers, service providers and the community of Lyttelton.

### What would you like LPC to do better in FY25?

I would like to see continuous improvement at LPC across all functions of our business to keep raising our standards to the highest percentile within the port sector across New Zealand and Australia. Our current Board and Executive Leadership Team bring new capability and new standards, and I would like to see our people grow and be challenged to embrace the new world with respect for each other, to look after our environment, to stop and ask if it feels unsafe and to offer exceptional service to all stakeholders. LPC is a wonderful company. I would like to see us leverage our strong foundations and make it a greater company.

**“Our vision needs to look into the future, ensuring we are delivering the double – operating and performing well today while preparing for and delivering growth.”**

**Julian Hughes**  
Board Director



# Materiality assessment

In 2022, we engaged thinkstep-anz to work with us to confirm and prioritise the topics that matter most to our stakeholders and our business. To do this, thinkstep-anz carried out a materiality assessment. The assessment involved interviewing 19 of our stakeholders including Christchurch City Holdings Limited, community representatives, residents, unions, customers and business partners.

An internal review of this work in FY23 validated it as remaining relevant. We have scheduled a repeat of the full process for FY25 as resourcing has constrained us from undertaking it in FY24.

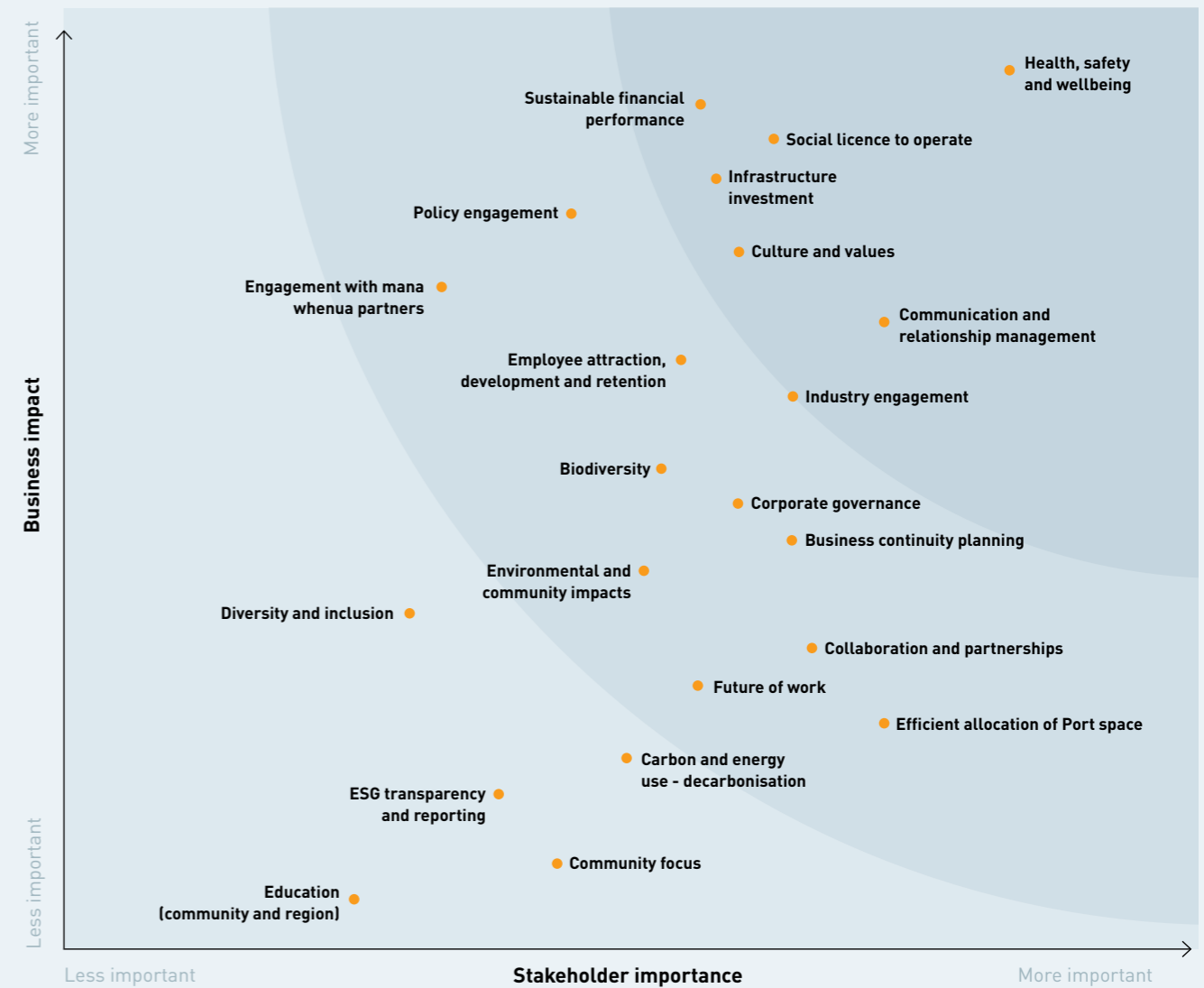
Below are our material topics along with a materiality matrix that demonstrates the business impact and stakeholder importance. We continue to be guided by the material issues raised by the materiality research we carried out in 2022.

Materiality assessment is widely used in business to identify and prioritise the sustainability topics (environmental, social and governance) that matter most to an organisation and its stakeholders. The tool helps organisations confirm, review and future-proof their business strategy. By strengthening relationships with stakeholders, identifying material risks and opportunities and providing a framework to assess future decisions against, it helps deliver that strategy too. Both major frameworks for sustainability reporting – <IR> and the Global Reporting Initiative (GRI) – require a materiality assessment.

## The material topics

- |  |   |  |  |
|--|---|--|--|
| <p><b>1</b><br/><b>Health, safety and wellbeing</b><br/>Ensuring the health, safety and wellbeing of our people.</p>   | <p><b>2</b><br/><b>Sustainable financial performance</b><br/>Ensuring sustainable financial growth and performance and a return for our shareholder.</p>                          | <p><b>3</b><br/><b>Social licence to operate</b><br/>Recognising and responding to the need for continued community support for the Port's operations into the future.</p> | <p><b>4</b><br/><b>Infrastructure investment</b><br/>Investing to expand Port facilities to create long-term value.</p>  |
| <p><b>5</b><br/><b>Policy engagement</b><br/>Being involved in developing policies, initiatives and programmes that tangibly increase understanding of our industry's risks and opportunities.</p>                 | <p><b>6</b><br/><b>Culture and values</b><br/>Fostering a long-term sustainability mindset in our culture and values across the entire company so it becomes part of our DNA.</p> | <p><b>7</b><br/><b>Engagement with mana whenua partners</b><br/>Being culturally aware and partnering with mana whenua in an authentic manner.</p>                         | <p><b>8</b><br/><b>Communication and relationship management</b><br/>Ensuring genuine, transparent, timely communication and maintaining positive, enduring relationships with stakeholders.</p> |
| <p><b>9</b><br/><b>Employee attraction, development and retention</b><br/>Empowering our people through professional development, providing career pathways and creating an environment where they can thrive.</p> | <p><b>10</b><br/><b>Industry engagement</b><br/>Fostering engagement and forging partnerships across the industry to progress joint objectives for sustainable growth.</p>        | <p><b>11</b><br/><b>Biodiversity</b><br/>Identifying and managing the company's impact on biodiversity due to the Port and its operations.</p>                             | <p><b>12</b><br/><b>Corporate governance</b><br/>Having systems in place to advance sustainability-related activities in an accountable, transparent and credible way.</p>                       |
| <p><b>13</b><br/><b>Business continuity planning (global supply chain risks)</b><br/>Being aware of global supply chain risks and building resilience into the supply chains we serve.</p>                         | <p><b>14</b><br/><b>Environmental and community impacts</b><br/>Managing environmental impacts, particularly the reverse sensitivities associated with Port operations.</p>       | <p><b>15</b><br/><b>Diversity and inclusion</b><br/>Actively building a workplace that mirrors the diverse communities we work in and for.</p>                             |  |

## Materiality matrix



# Our strategy

This year, our Executive Leadership Team developed new strategy, vision and purpose statements, which were subsequently endorsed by our Board of Directors. These statements reflect our strengths as a Port, with an unrivalled ability to increase our infrastructure and capacity, our commitment to sustainable operations and supporting and enriching our community and the key role that we play as the South Island's trade gateway.

## Vision

To be New Zealand's most sustainable and innovative maritime gateway, enriching our communities and driving economic prosperity.

## Purpose

To facilitate the growth of trade for Christchurch, Canterbury and the wider South Island.

The statements sit alongside the four pillars we have identified as the key themes for us to deliver and measure our performance under integrated reporting. We have also developed a comprehensive set of organisational KPIs that measure our performance against financial, operational, health and safety, environmental, people and asset management targets. These targets are tracked and reported on monthly and are a key part of developing a performance culture at LPC.

## Strategy

Profitably, safely and collaboratively deliver an efficient import and export maritime gateway using the ability to expand our already unique infrastructure capacity, connected landside supply chains, improved systems and technology. This will be driven by a performance culture.

### KEY THEMES



#### Sustainable Profitability Financial Capital

We will deliver sustainable profitability that enables LPC to deliver customer, cultural and commercial excellence while providing a fair return to our shareholder.

##### Material issues

- Sustainable financial performance
- Business continuity planning
- Sustainable funding for growth

##### SDGs



#### Whanaungatanga Human and Intellectual Capital

We will build relationships at LPC through shared experiences, working as one LPC team where everyone feels they belong and can contribute to building a stronger LPC whānau together. We will achieve this through improved safety, a cooperative approach to High Performance High Engagement (HPHE), staff development and the management of talent.

##### Material issues

- Health, safety and wellbeing
- Culture and values
- Future of work
- Employee attraction, development and retention

##### SDGs



#### Infrastructure for the Future Manufactured Capital

We will ensure LPC has the right infrastructure it needs, at the right time and at the right cost to deliver sustained profitability and growth.

##### Material issues

- Infrastructure investment
- Efficient allocation of Port space
- Asset management

##### SDGs



#### Manākitanga and Kaitiakitanga Social and Relationship Capital Natural Capital

We are committed to contributing positively to our communities and working in partnerships to value and protect the natural environment. We are focused on addressing climate change, delivering a positive effect on biodiversity, and waste minimisation and avoidance.

##### Material issues

- Communication and relationship management
- Collaboration and partnerships
- Industry engagement
- Social licence to operate
- Biodiversity
- Environmental and community impacts

##### SDGs













# Top strategic risks

	01 Health and safety (H&S)	02 Financial and infrastructure
<b>Risks</b>	The risk that our employees, contractors or work associates are seriously harmed or receive fatal injuries or exposures resulting from an unsafe workplace.	The risk that a major event (natural disaster, earthquake, tsunami, terrorism, maritime accident, other) impacts our financial viability through reduced operations (including Port access or damaged Port assets) and/or prohibitive costs to restore uninsurable assets and/or other adverse contractual exposures arising from an event.
<b>Mitigations</b>	<p>Execute H&amp;S Strategy with focus on critical risks as follows:</p> <p><b>People</b></p> <ul style="list-style-type: none"> <li>• Capability (training, onboarding).</li> <li>• Leadership (visible safety leadership, safety interactions, infield critical control checks).</li> <li>• Fit for work (health monitoring, fatigue management, wellbeing support).</li> <li>• Engaged safety culture (committees, learning, toolbox meetings).</li> </ul> <p><b>Processes and systems</b></p> <ul style="list-style-type: none"> <li>• Incident management (investigations, documentation, communications, readiness assessments, permits to work).</li> <li>• Safety management systems (fit for purpose).</li> <li>• Safety risk management (critical risk focus, safe work method statements).</li> </ul> <p><b>Workplace (plant, equipment and infrastructure)</b></p> <ul style="list-style-type: none"> <li>• Asset management (preventive maintenance, safe workplaces).</li> <li>• Safe equipment (safety in design, fit for purpose, condition assessments, certifications).</li> <li>• Safe workplace (inspections, traffic management, hazardous substances management, exposure monitoring, electrical and workspace lockdowns).</li> </ul> <p><b>Assurance and improvement</b></p> <ul style="list-style-type: none"> <li>• Critical control checks and verification.</li> <li>• Internal and external safety assurance checks and audits.</li> </ul>	<p><b>Financial and insurance mitigations</b></p> <ul style="list-style-type: none"> <li>• Insurance programme, probable maximum loss modelling and business interruption covers.</li> <li>• 'Go forward approach' – future projects consider potential natural disasters and threats as part of planning (such as Te Awaparahi Bay design).</li> <li>• Earthquake and tsunami modelling and playbook reviews and updates.</li> <li>• Transparency with stakeholders regarding insurance cover, uninsurable assets and potential financial impacts.</li> <li>• Financial resilience – funding facilities and treasury policy headroom with ongoing monitoring and reporting.</li> </ul> <p><b>Asset management and infrastructure resilience</b></p> <ul style="list-style-type: none"> <li>• Asset Management Strategy and resourcing review and uplift – focus on condition monitoring and critical infrastructure resilience.</li> <li>• Essential services resilience reviews.</li> <li>• Emergency readiness, compliance assessments and Coordinated Incident Management System (CIMS) training.</li> <li>• Site security assessments.</li> <li>• Business continuity planning.</li> <li>• Regional logistics coordination</li> <li>• Regional logistics coordination and disaster recovery arrangements.</li> </ul>
<b>Primary related capital</b>	🔗 Whanaungatanga	+ Sustainable Profitability
<b>Priorities and issues</b>	<ul style="list-style-type: none"> <li>• Employees, contractors and work associates go home safe each day.</li> <li>• Supportive health and safety culture.</li> <li>• Simplified and aligned H&amp;S systems and processes.</li> <li>• Visible safety leadership.</li> <li>• Prioritising safety in the workplace.</li> <li>• H&amp;S training and development.</li> <li>• Leveraging advances in technology.</li> <li>• Promoting efficiency and performance improvements with H&amp;S priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Emergency readiness and response.</li> <li>• CIMS documentation and standards.</li> <li>• Financial sustainability – insurance and funding.</li> <li>• Planning and monitoring for extreme events.</li> <li>• Critical infrastructure resilience approach.</li> <li>• Culture of care and resilience.</li> </ul>

	03 People and capability	04 Asset management	06 Environment and community
<b>Risks</b>	The risk that LPC does not have the operational leadership capability and/or capacity to drive and lead the change required for LPC to achieve its strategic objectives and our employees and/or contractors are unwilling or unable to adapt to the change required, resulting in adverse outcomes for LPC, including declining organisational performance, industrial action, loss of talent, high staff turnover, declining staff engagement, worsening individual wellbeing, low levels of trust and damage to stakeholder relationships and support.	The risk that our Asset Management (AM) Strategy is not effectively executed, where the asset care, ownership and maintenance do not optimise the whole-of-life asset values and AM plans and expectations are not met, resulting in lower available operating capacities, increased asset risks, asset write-offs and required reinvestments ahead of plan.	<p>Risks:</p> <ul style="list-style-type: none"> <li>• We are issued an abatement notice, infringement notice or lose our resource consents from Environment Canterbury and others, impeding our ability to operate.</li> <li>• Consent renewals are not effectively managed, resulting in failure to renew.</li> <li>• We do not uphold our commitment to being a good neighbour and lose our social licence to operate from iwi and/or the wider harbour communities.</li> </ul>
<b>Mitigations</b>	<ul style="list-style-type: none"> <li>• Recruit the Chief Operating Officer for the Container Terminal.</li> <li>• Build organisational change leadership competence.</li> <li>• Leadership to provide clarity of vision and strategy to inform required change.</li> <li>• Change management programme, including training, consultation and collaboration with key stakeholders, identification of areas of resistance and barriers with a mitigation plan, and programme governance monitoring and reporting.</li> <li>• Work with leadership to ensure optimum organisational structure, capability and capacity to achieve strategic objectives.</li> <li>• Employee engagement monitored and improved.</li> <li>• Union engagement to build understanding and opportunities for joint benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• AM Strategy is widely communicated and regularly reviewed, with a whole-of-asset lifecycle focus.</li> <li>• AM structures, functions, roles and responsibilities reviewed and clarified focusing on ownership and maintenance responsibilities.</li> <li>• Actively progress implementation roadmap and business-as-usual lifecycle activities with execution, monitoring and reporting against targets and benchmarks, including the key focus areas of: <ul style="list-style-type: none"> <li>– AM plans</li> <li>– asset risk profiling and condition assessments</li> <li>– agreed performance expectations</li> <li>– preventive maintenance plans</li> <li>– lifecycle investment plans</li> <li>– delivery and execution of maintenance and improvement plans.</li> </ul> </li> </ul>	<p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>• Certified environmental management system.</li> <li>• Environmental monitoring and controls.</li> <li>• Risks appropriately identified and continually monitored.</li> <li>• Invest in appropriate plant and equipment to manage high-risk activities.</li> </ul> <p><b>Community</b></p> <ul style="list-style-type: none"> <li>• Regular engagement with communities and stakeholders.</li> <li>• Mana Whenua Advisory Group in operation with Te Hapū o Ngāti Wheke.</li> <li>• Port Liaison Committee part of noise management plan.</li> <li>• Sponsorships for harbour communities.</li> <li>• Port developments and access to facilities to include community considerations.</li> </ul> <p><b>Shareholder</b></p> <ul style="list-style-type: none"> <li>• Shareholder engagements and communication in development of Statement of Intent, Environmental Strategy, Sustainability Strategy and Port developments.</li> </ul>
<b>Primary related capital</b>	🔗 Whanaungatanga	🔗 Infrastructure for the Future	🔗 Manākitanga    🌊 Kaitiakitanga
<b>Priorities and issues</b>	<ul style="list-style-type: none"> <li>• Leadership training and development.</li> <li>• Refocusing organisation around a renewed vision, purpose and strategy.</li> <li>• Building a performance culture.</li> <li>• Establishing and maintaining visible relevant performance measures.</li> <li>• Embracing and leveraging new systems and technologies.</li> <li>• Aligning with key global benchmarks.</li> </ul>	<ul style="list-style-type: none"> <li>• Complexity of asset portfolio and ownership responsibility.</li> <li>• Asset condition and health.</li> <li>• Ageing critical infrastructure.</li> <li>• Transition to a low-carbon economy.</li> <li>• Asset utilisation and availability.</li> <li>• Optimising asset operating cost and ownership.</li> <li>• Constrained funding for infrastructure resilience and renewal.</li> </ul>	<ul style="list-style-type: none"> <li>• Close, caring community relationships.</li> <li>• Community concerns heard and effectively addressed.</li> <li>• Active support for initiatives that are important to the community.</li> <li>• Effective relationships with and support for all our key stakeholders.</li> </ul>

<b>06</b> <b>Operating efficiency and capacity</b>	<b>07</b> <b>Infrastructure investment</b>	<b>08</b> <b>Cyber security and digital continuity</b>
<p>The risk that LPC’s operating efficiency, productivity, flexibility and staffing constraints prevent LPC from meeting evolving customer performance and delivery requirements, resulting in adverse customer satisfaction, loss of business to competitors, reduced influence and relevance, poor industry reputation and lower profitability and cash flows to fund growth.</p>	<p>The risk that our infrastructure investments programme is not adequately and appropriately prioritised or funded to meet trade volume growth projections, local and regional priorities and science-based decarbonisation timelines, resulting in Port capacity constraints and failure to meet decarbonisation targets.</p>	<p>The risk that LPC digital systems vulnerabilities are exploited, impacting data, systems and/or physical assets and adversely impacting LPC’s ability to operate and function.</p>
<ul style="list-style-type: none"> <li>Establish the optimum productivity and performance KPIs – sets out ‘what good looks like’.</li> <li>Monitor and report performance against agreed KPIs and goals.</li> <li>Roll out programme of work to drive operational performance improvement initiatives. Programme structure includes groups for sponsorship, programme governance and focus working groups.</li> <li>Capacity modelling and workforce forecasting, focusing on short-term and medium-term requirements.</li> <li>Analyse and resolve workforce challenges, including hiring, retention, downtime and workforce availability.</li> <li>Optimise integrated business planning and reporting across the business – key focus areas include operations, digital and maintenance.</li> </ul>	<ul style="list-style-type: none"> <li>Update, agree and communicate long-term infrastructure capital plan.</li> <li>Align operating plans, operating models, capital plans and long-term financial plans.</li> <li>Implement fit-for-purpose long-term financial modelling tools.</li> <li>Establish long-term funding priorities and options.</li> <li>Align capital investment plans with LPC long-term resilience and science-based decarbonisation plans.</li> <li>Peer review long-term plans and demand profiling to ensure assumptions are well grounded and appropriate.</li> <li>Communicate long-term funding plans and constraints with key stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Cyber Risk Management Plan and Programme documented and communicated.</li> <li>Cyber emergency management planned and practised.</li> <li>Leading cyber protections and tools implemented and operating.</li> <li>Cyber risk-related activity monitored, including emails, transactions and data traffic volumes.</li> <li>Regular review of system security and cyber readiness, including independent cyber readiness and maturity assessment.</li> <li>Regular monthly Digital Risk Register reviews and updates.</li> <li>Key systems upgrades to facilitate effective cyber safety measures.</li> <li>Procurement processes delivering improved privacy and security outcomes.</li> <li>Digital policies and controls reviews and updates ongoing.</li> <li>Monitoring emerging legislation impacting organisations with critical infrastructure for compliance obligations applicable to LPC.</li> </ul>
<p> <b>Whanaungatanga</b>   <b>Sustainable Profitability</b></p>	<p> <b>Sustainable Profitability</b>   <b>Infrastructure for the Future</b></p>	<p> <b>Infrastructure for the Future</b></p>
<ul style="list-style-type: none"> <li>Effective stakeholder engagement.</li> <li>New ways of working.</li> <li>Leveraging advances in technology.</li> <li>Adapting to evolving industry practices and demands.</li> <li>Embrace and align with global benchmarking.</li> <li>Moving to low-carbon emissions solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Prioritising, motivating, and securing funding and support required for large-scale infrastructure projects.</li> <li>Clarifying and agreeing returns required for capital projects.</li> <li>Building capability to manage and deliver large-scale infrastructure projects.</li> </ul>	<ul style="list-style-type: none"> <li>Preventing unauthorised access to systems and data.</li> <li>Maintaining systems functionality, data security and appropriate access.</li> <li>Implement best-in-class systems, processes and protections.</li> <li>Ongoing vigilance, monitoring and cyber risk awareness.</li> </ul>

<b>09</b> <b>Stakeholder management</b>	<b>10</b> <b>Climate change</b>	<b>11</b> <b>Infrastructure resilience</b>
<p>The risk that LPC does not proactively navigate local, regional, national and international political change and engage in regional and national port strategy and policy setting, leading to a loss in revenue, commercial opportunity or autonomy and uncertain long-term support for major initiatives and infrastructure projects.</p>	<p>The risk that LPC does not proactively manage the risks associated with climate change, leading to adverse asset exposures to sea-level rise, more frequent and worsening impacts of extreme weather events and adverse transition risk exposures due to increasing cost of compliance, changes to trading volumes and the industry and the investments and asset sales required for LPC to meet the science-based emissions reduction targets.</p>	<p>The risk that critical infrastructure at LPC fails or is unavailable, resulting in Port operations ceasing or being substantially curtailed for an extended period, and LPC fails to meet its mandated legislative requirements.</p>
<p><b>Local and regional</b></p> <ul style="list-style-type: none"> <li>Strong personal relationships with local community leaders.</li> <li>Regular meetings with Council and shareholder. ‘No surprises’ approach.</li> <li>Continuous engagement with Lyttelton communities.</li> </ul> <p><b>National</b></p> <ul style="list-style-type: none"> <li>Active participation in New Zealand Port Company CEO Group meetings.</li> <li>Participation in advocacy groups to promote key LPC initiatives and strategies.</li> <li>Active membership of and meetings with the Ministry of Transport, Port Industry Association and Maritime New Zealand.</li> </ul> <p><b>International</b></p> <ul style="list-style-type: none"> <li>Keep a watching brief on world events and risk trends.</li> </ul>	<p>Climate risk assessments, adaptations and mitigations, including the following:</p> <ul style="list-style-type: none"> <li>Establishing LPC’s governance and leadership structures for managing climate change risk responses and priorities.</li> <li>Identifying and managing infrastructure assets at risk.</li> <li>Assessing risk severity and adaptation plans and actions.</li> <li>Assessing risks associated with the transition to a low-carbon economy.</li> <li>Setting the adaptation plan and approach for mitigating climate risk.</li> <li>Aligning reporting disclosures with New Zealand External Reporting Board climate standards and meeting CCHL climate-related disclosures reporting requirements and timelines.</li> <li>Assessing and aligning LPC’s transition plans, decarbonisation commitments and required low-carbon investments.</li> <li>Reporting to and transparency with CCHL regarding climate adaptation and transition risks and the investment and challenges associated with decarbonising LPC operations.</li> <li>Investigating alternative funding avenues and mechanisms for decarbonisation.</li> </ul>	<ul style="list-style-type: none"> <li>Clearly identify all items of critical infrastructure.</li> <li>Ensure maintenance plans are in place and documented for all items of critical infrastructure.</li> <li>Conduct asset condition assessments.</li> <li>Carry out critical maintenance.</li> <li>Assess each item of critical infrastructure for risk of failure or unavailability.</li> <li>Establish critical infrastructure monitoring and reporting.</li> </ul>
<p> <b>Manakitanga</b></p>	<p> <b>Sustainable Profitability</b>   <b>Manakitanga</b>   <b>Kaitiakitanga</b></p>	<p> <b>Whanaungatanga</b>   <b>Sustainable Profitability</b></p>
<ul style="list-style-type: none"> <li>Build strong regional and national political support for major Port initiatives and infrastructure projects.</li> <li>Monitor changes in policy settings that impact trade volumes, operations and opportunities.</li> <li>Build industry alliances that help promote and achieve key strategic objectives.</li> </ul>	<ul style="list-style-type: none"> <li>Greenhouse gas emissions reduction to meet science-based targets.</li> <li>Equipment replacement and conversion to low-carbon operations.</li> <li>Cost of carbon emissions reduction compliance.</li> <li>Impact on trade volumes and revenues resulting from climate change measures and developments.</li> <li>Cost of mitigating infrastructure impacts resulting from climate change.</li> </ul>	<ul style="list-style-type: none"> <li>Preparing for and mitigating risks associated with New Zealand legislative requirements impacting owners of critical infrastructure.</li> <li>Developing robust preventive maintenance plans.</li> <li>Building redundancy into supply chains.</li> <li>Evaluating technological options and advancing decisions well ahead of key procurement and sourcing deadlines.</li> </ul>



**LPC is committed to its vision, customers, employees, shareholders and communities and recognises that the nature of its activities and operating environments exposes it to risk.**

TEU handled  
2023-2024

47,836,4

# Climate-related disclosures

Set out on the following pages are key points from LPC's climate-related disclosures (CRD) report for the year ended 30 June 2024, which will be published on our website.

The Government introduced legislation that makes CRD mandatory for some organisations for reporting periods beginning on or after 1 January 2023. LPC's reporting obligation this year arises through its shareholding by Christchurch City Holdings Limited.

The reporting follows Climate Standards 1, 2 and 3 issued in December 2022 by the New Zealand External Reporting Board (XRB), which were developed in line with recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The XRB has mandated disclosures across four main categories: governance, strategy, risk management, and metrics and targets. While assurance of greenhouse gas emissions is mandated for accounting periods ending on or after 27 October 2024, LPC has satisfied the necessary assurance requirements in this year's CRD reporting.

LPC has completed an initial climate-change risk assessment focused on identifying its core assets most at risk due to climate change and identifying and prioritising transition risks and opportunities associated with LPC's transition to low-carbon operations. The initial climate change scenarios used in the assessment incorporated World Bank modelling and National Institute of Water and Atmospheric Research (NIWA) projections for Canterbury for the selected timeframes 2040, 2050 and 2090. Adaptation and transition plans are still being developed and refined, and they are expected to prepare LPC for climate change risks and opportunities.

Disclosure category	Objective
<b>Governance</b>	To enable the understanding of the roles of the governance body in overseeing and management in assessing and managing climate-related risks and opportunities.
Required disclosures	Progress
Identify the governance body responsible for oversight of climate-related risks and opportunities.	The LPC Board is ultimately responsible for the company's response to risks and opportunities presented by climate change. The Board provides governance oversight of the company's policy and strategy regarding emissions reduction and climate-related risks and disclosures. The Audit and Risk Committee oversees and prioritises the governance of climate-related risk management activities, targets and processes and monitors and reviews CRD reporting prior to Board approval and publication.
Describe the governance body's oversight of climate-related risks and opportunities.	
Describe management's role in assessing and managing climate-related risks and opportunities.	LPC's Chief Executive Officer and Executive Leadership Team have the management responsibility for assessment and management of climate-related risks and opportunities and performance against approved policies, metrics and targets. The Chief Bulk Cargo, Engagement and Sustainability Officer has executive responsibility for leading the Environment and Sustainability team and the CRD working group responsible for day-to-day management of climate-related risks and opportunities at LPC. The CRD working group includes members from the Risk and Assurance, Finance, Asset Management, and Engineering and Projects teams who have the necessary skills and responsibility required for the assessment and management of climate-related risks and opportunities.  In addition, management engages the resources and capabilities of external experts as required to ensure effective assessment and management of climate-related risks and opportunities.

Disclosure category	Objective
<b>Strategy</b>	To enable the understanding of how climate change is currently impacting an entity and how it may do so in the future.
Required disclosures	Progress
Describe the current physical and transition impacts and the related current financial impacts of the climate-related risks and opportunities.	LPC operations at the coast and at sea level naturally increase LPC's susceptibility to climate-related risk events such as storms and sea-surge flooding and damage, which are anticipated to get worse over time.  In recent years, LPC's operations and assets have shown susceptibility to high mean winds and storm surge, leading to coastal erosion and wave overtopping at Port facilities. This has also caused the navigation channel to fill in, requiring extra dredging. Coastal flooding and landslips have also been factors, and sustained high winds have halted Port operations.  LPC's current highest climate-related risk relates to LPC's transition to a low-emissions future. The transition presents both a technological change and a capital expenditure challenge required for the shift away from fuel-intensive straddles and marine fleet to low/zero-emissions alternatives.
Describe the scenario analysis undertaken to help identify climate-related risks and opportunities and understand the organisation's resilience.	LPC's scenario analysis was developed in line with the TCFD recommendations prior to the XRB-issued climate analysis guidelines. However, the scenario analysis continues to be relevant. Three climate-related scenarios were evaluated:  4°C+ Taking the Highway – the most severe climate events, challenges and impacts. 3°C+ Middle of the Road – some collaboration with slow progress. 2°C+ The Green Road – most optimistic outcome with strong mitigation efforts.  The physical risk scenarios considered three time horizons: 2040, 2050 and 2090.  LPC has adopted the worst-case scenarios for its initial climate risk assessments and mitigation responses.
Describe the climate-related risks and opportunities over the short, medium and long term.	The five categories of assets identified with the highest climate-related physical risks include three-waters assets, transport assets, Dry Dock precinct, wharves and jetties, and high voltage electrical assets. Climate-related risk scenarios primarily include storms, high winds and floods,  all impacted by climate change and rising sea levels. Anticipated impacts to physical assets over the short, medium and long terms have been assessed with both increasing frequency and increasing severity of adverse weather events as the impacts of climate change get worse over time.
Describe the organisation's positioning as the global and domestic economy transitions to a low-emissions, climate-resilient future.	LPC is committed to achieving net-zero carbon emissions by 2050 in line with the COP21 Paris Agreement, with measurements aligned with science-based targets. LPC's transition plans and strategies to transition to low-carbon emissions are currently being refined. Current estimates of future incremental capital expenditures to transition to low/zero-emissions alternatives are in the order of \$70 million. In addition, the capacity and resilience of the electricity network will need to be addressed,  and the outcome of LPC's growth plans via the strategic move eastwards and the Te Awaparahi Bay reclamation will also impact the long-term climate resilience of the Port.  Procurement, asset replacement, infrastructure investment, Port operating models and financing options and strategies are currently being progressed, with external expert advice and resourcing, to enable LPC's transition to a low-emissions, climate-resilient future.

# Nature-related financial disclosures

Disclosure category	Objective	
<b>Risk management</b>	To enable the understanding of how the climate-related risks and opportunities are identified, assessed and managed and how those processes are integrated with the existing risk management processes.	
Required disclosures	Progress	
Describe the organisation's processes, tools and methods and the time horizons considered for identifying and assessing climate-related physical and transition risks and the frequency of assessment.	<p>Risk management at LPC is undertaken in line with the LPC Risk Management Policy, Framework and Risk Appetite Statement. LPC's climate-related physical risk assessment aligns with AS 5334-2013 <i>Climate change adaptation for settlements and infrastructure – A risk based approach</i> and ISO 31000:2018 <i>Risk management – Guidelines</i>.</p> <p>LPC climate-related risks and opportunities are derived from climate scenarios and analysis, review of market and technological sector trends and current policy regarding the transition to a low-carbon economy.</p> <p>LPC engaged external expert support for the initial climate change risk assessment. A scan of LPC's portfolio of assets and operations was carried out to determine assets and operations most at risk due to climate change based on the criteria of criticality, condition, performance,</p>	<p>existing controls or mitigations, and exposure. This assessment included likelihood, where the probability of climate hazards occurring was considered, and consequence dimensions applied to the anticipated adverse impacts resulting from climate change and considered the time horizons to 2040, 2050 and 2090.</p> <p>Physical risks mostly consider acute events in the short to medium term such as extreme weather events and storms, with climate change and sea-level rise impacts more likely impacting the longer term. The detailed physical risk assessments and mitigations have to date focused on the top five categories of assets most at risk due to climate change (see <i>Strategy</i> section above).</p> <p>Transition risks and opportunities considered include policy and regulatory, technological, market, reputational and legal areas.</p>
Describe the organisation's processes for managing climate-related risks.	LPC reviews and updates the identified climate-related risks and mitigations at least annually, with oversight and support from the Risk and Assurance, Infrastructure, and Environment and Sustainability teams. Climate adaptation and mitigation plans and actions to address identified priority climate-related risks are under development and refinement.	<p>The coordinated response to climate-related planning, risk management and financial forecasting across the five selected higher-risk asset types is focused on:</p> <ul style="list-style-type: none"> <li>• future proofing Port facilities to physical climate-related risks</li> <li>• coupling electrification with onsite generation and storage</li> <li>• collaboration with industry and communities to achieve decarbonisation targets</li> <li>• developing capacity and support for offshore wind power projects.</li> </ul>
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Climate-related risks are assessed and managed in accordance with LPC's overall risk management policy, framework and processes. Identified risks are assessed in accordance with the risk matrix, which considers both the likelihood and severity of the risks in prioritising and resourcing adaptation and mitigation plans.	

**Building on the TCFD recommendations, companies are encouraged to understand and report their financial, social and environmental risks, exposures and dependencies impacted by nature loss and how they plan to respond.**

All businesses rely on nature to provide services and functions that allow us to operate and generate revenues.

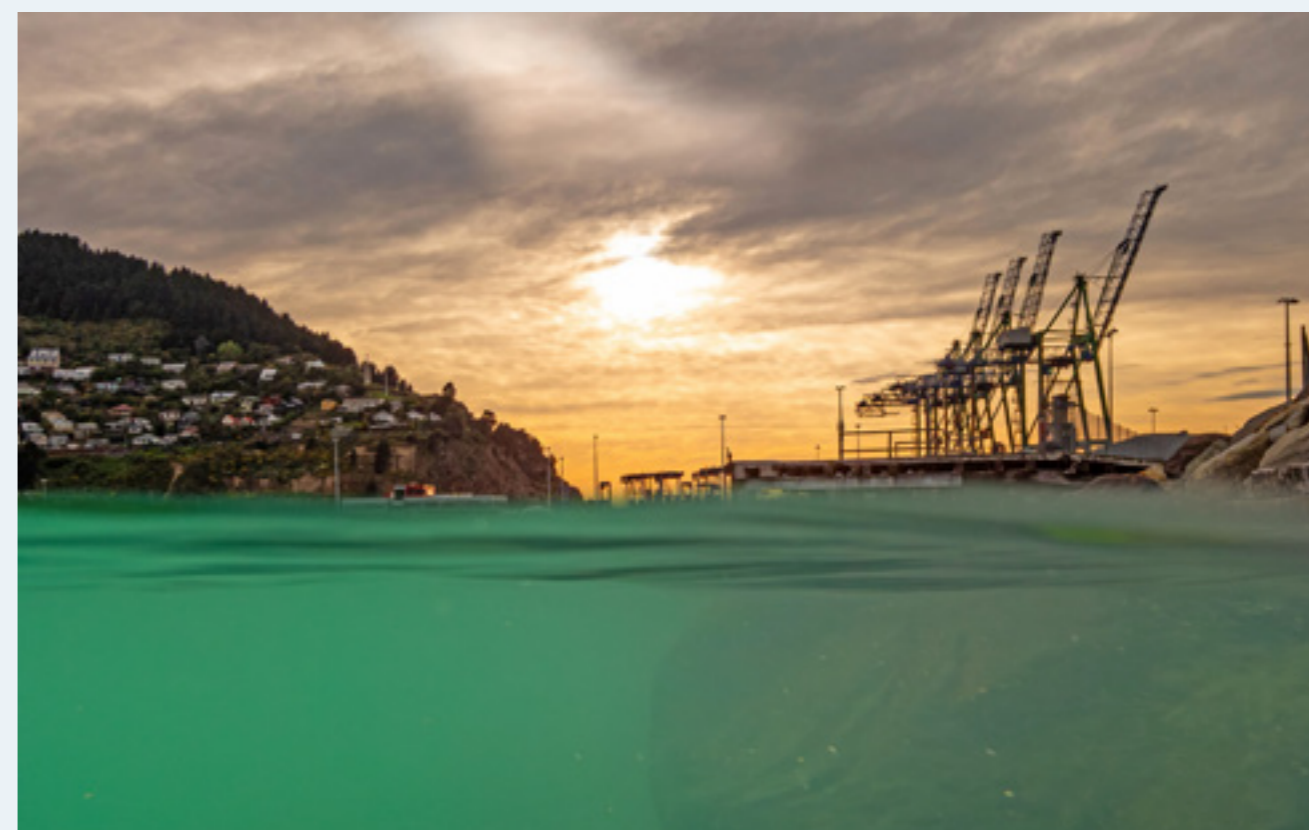
Some examples of nature-related dependencies for LPC include:

- the reliance on the availability of materials such as rubber, cement and timber
- the ability of the harbour to effectively dilute stormwater pollution and flush out contaminants
- having vegetation on the land to stabilise soil and prevent sedimentation and erosion in the harbour
- maintaining access to the harbour for recreation so we continue to have good community relationships and are able to maintain consents to operate.

LPC is the only New Zealand company to commit to disclosing our nature-related risks and dependencies this financial year (<https://tnfd.global/engage/tnfd-adopters-list/>).








Following guidance under the Global Biodiversity Framework Target 15, LPC is voluntarily reporting impacts and dependencies on nature over time. Our disclosures report follows the Taskforce on Nature-related Financial Disclosures recommendations and incorporates the Science Based Targets Network science-based targets for nature approach to impact assessment and target setting.






A copy of LPC's nature-related disclosures report will be found on our website, with further information provided in the *Kaitiakitanga* section of this annual report.



# Value creation and value chain

## Outputs

<b>Underlying NPAT</b> <b>\$15.5m</b> -18.0%	<b>Total NPAT</b> <b>\$9.9m</b>
<b>Exports</b> <b>\$7.56b</b> -15.4%	<b>Imports</b> <b>\$6.31b</b> -4.7%
<b>EBITDA</b> <b>\$52.4m</b> +13.8%	<b>Containers</b> <b>448,364 TEU</b> -1.6%
<b>Imports</b>	<b>Exports</b>
 <b>Fuel</b> <b>1,034,235t</b> -2.1%	 <b>Logs</b> <b>394,376<sup>Jas</sup></b> -12.2%
 <b>Cars</b> <b>34,198</b> -25.1%	 <b>Coal</b> <b>1,270,172t</b> -6.6%
 <b>Bulk</b> <b>671,449t</b> -17.9%	 <b>Refrigerated containers</b> <b>33,765<sup>TEU</sup></b> -4.1%
<b>Other services</b>	
 <b>Cruise</b> <b>82 vessels</b>	<b>Other vessels</b> • Antarctic research vessels • Military vessels
	<b>Dry Dock</b> Only civilian dry dock in New Zealand
	<b>Recreational vessels</b> 189 berths at Te Ana Marina

Capitals	Inputs
<b>Sustainable Profitability</b> 	<ul style="list-style-type: none"> <li>• Banks</li> <li>• CCHL</li> <li>• Retained earnings</li> <li>• History of investment</li> </ul>
<b>Whanaungatanga</b> 	<ul style="list-style-type: none"> <li>• Our team</li> <li>• Unions</li> <li>• Expertise</li> <li>• Skills</li> <li>• Development</li> </ul>
<b>Infrastructure for the Future</b> 	<ul style="list-style-type: none"> <li>• Assets</li> <li>• Infrastructure</li> </ul>
<b>Manākitanga</b> 	<ul style="list-style-type: none"> <li>• Partnership with mana whenua</li> <li>• Community</li> <li>• Whakawhanaungatanga</li> </ul>
<b>Kaitiakitanga</b> 	<ul style="list-style-type: none"> <li>• Whakaraupō / Lyttelton Harbour</li> <li>• Areas set aside for restoration including Port Saddle and Gollans Bay</li> <li>• All renewable and non-renewable environmental resources</li> </ul>

Material issues	Outcomes	Work ons
<ul style="list-style-type: none"> <li>• Sustainable financial performance</li> <li>• Business continuity planning</li> <li>• Sustainable funding for growth</li> </ul>	<p><b>Profit and loss</b> <i>Sustainable profitability:</i> Return dividend for our shareholder and the people of Canterbury. Facilitated over \$10 billion of two-way trade and the creation of employment in our region.</p>	<ul style="list-style-type: none"> <li>• Return on equity</li> <li>• Profitability</li> <li>• Efficiency</li> </ul>
<ul style="list-style-type: none"> <li>• Health, safety and wellbeing</li> <li>• Culture and values</li> <li>• Future of work</li> <li>• Employee attraction, development and retention</li> </ul>	<p><b>Jobs and employment</b> <i>Whanaungatanga:</i> Create a safe and inclusive workplace where everyone feels they belong and can contribute to building a stronger LPC whānau together.</p>	<ul style="list-style-type: none"> <li>• Health and safety culture</li> <li>• Workplace culture</li> <li>• Diversity</li> <li>• Onboarding</li> </ul>
<ul style="list-style-type: none"> <li>• Infrastructure investment</li> <li>• Efficient allocation of Port space</li> <li>• Asset management</li> </ul>	<p><b>New infrastructure</b> <i>Resilient infrastructure:</i> Create and maintain long-term assets to support the region's economy and future demand.</p>	<ul style="list-style-type: none"> <li>• Digital systems</li> <li>• Asset management</li> <li>• Future planning</li> </ul>
<ul style="list-style-type: none"> <li>• Communication and relationship management</li> <li>• Collaboration and partnerships</li> <li>• Industry engagement</li> <li>• Social licence to operate</li> </ul>	<p><b>Community initiatives</b> <i>Business for good:</i> Being a good neighbour that is responsive to our community's needs. Support and grow community initiatives and continue our commitment to partner with mana whenua to achieve our shared objectives.</p>	<ul style="list-style-type: none"> <li>• Noise mitigation</li> </ul>
<ul style="list-style-type: none"> <li>• Biodiversity</li> <li>• Environmental and community impacts</li> </ul>	<p><b>Biodiversity improvements</b> <i>Biodiversity and climate action:</i> Achieve a net positive effect on biodiversity. That means we're working to actively improve biodiversity, rather than maintaining the status quo as well as biodiversity protection and regeneration and climate change action.</p>	<ul style="list-style-type: none"> <li>• Bulk loading processes</li> <li>• Carbon reduction</li> <li>• Biodiversity positive</li> </ul>



### Material issues

Sustainable financial performance

Business continuity planning

Sustainable funding for growth

### Key metrics

NPAT

**\$15.5m**

FY23: \$18.9m, 18% down

EBITDA

**\$52.4m**

FY23: \$46.1m, 13.8% up

TEU

**448,364**

FY23: 455,457, 1.6% down

### Work-ons

Return on equity

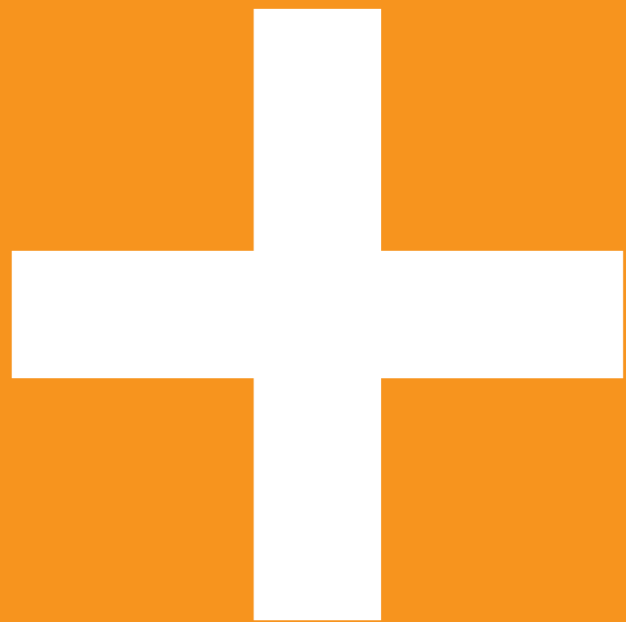
Profitability

Efficiency

# Sustainable Profitability

**Achieving sustainable profitability is essential for LPC to provide economic, social and environmental value to our region. Our focus is to generate earnings and ultimately returns that reflect the considerable investment made in our infrastructure post the 2010/11 Canterbury earthquake sequence while also underpinning and validating future capital expenditure for growth.**

**This approach ensures fair returns to our shareholders and equips us with the resources to invest in the necessary infrastructure and assets, thereby supporting regional growth and enhancing the sustainability of our operations.**



### **Earnings**

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the year were \$52.4m, 13.7% higher than FY23 and driven by an increase in total revenue, up \$12.1m from FY23 to \$193.8m. This is the highest EBITDA ever achieved by LPC, and this earnings performance will continue to be a key ongoing focus.

### **Net profit**

LPC returned an underlying net profit after tax (NPAT) of \$15.5m in FY24, down 18.0% on the FY23 result of \$18.9m. Recent tax legislation changes led to a one-off non-cash charge for building depreciation. The impact of this reduced the total NPAT to \$9.9m.

### **Containers**

Total container volumes were flat at 448,364 TEU, a 1.6% decrease compared to FY23's 455,457 TEU. The reduction in volume came mostly from transshipments and to a lesser extent imports. In full export TEU, we saw a year-on-year growth in volume of 2.6%.

### **Bulk trades**

Bulk trades were down 9% overall from FY23, with tonnage reducing from 3.76m tonnes to 3.43m tonnes. Dry bulk fell 14%, logs were down 12% and cars reduced from 45,673 to 34,198 – a fall of 25% compared to FY23. Bulk fuel remained flat with a slight 2% reduction, Coal was down 7% to 1.27m tonnes, and cruise visits rose to 82 visits, up from 74 the previous year.

### **Cost and debt**

Cost pressures from wage and material cost increases resulted in a 4.3% increase in operating expenses from \$135.6m in FY23 to \$141.4m in FY24. There was a strong emphasis on cost control over the period, with costs coming in well under original budgets and some restructuring in corporate roles.

Net debt increased by \$7.9m across the year from \$207.3m to \$215.3m. This represents a stabilisation of the debt position after a number of years of investment in Port infrastructure and is a result of a strong focus on capital expenditure discipline. A relatively modest capital programme for FY25 sees this debt position remain flat.

### **Focus on the future**

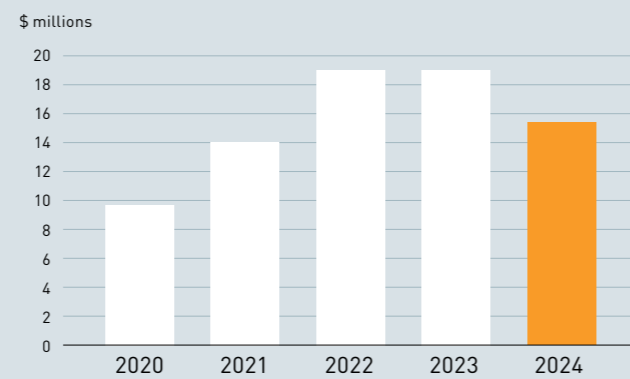
While we will continue to focus on cost, productivity and efficiency over the coming year, it is clear economic conditions will remain soft domestically in the short term. Our priority will be ensuring a fair return for our shareholders, delivering performance that supports future capital investment for growth and ensuring that we can continue to successfully support the region's supply chain needs.



# Financial summary

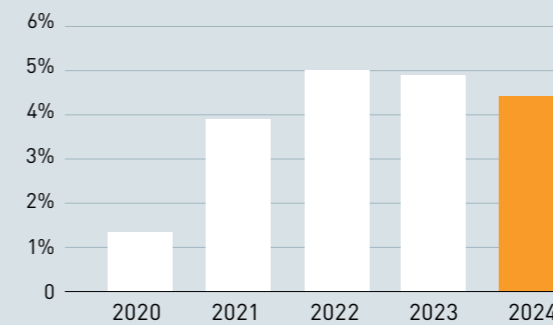
## Net operating profit

LPC's underlying net operating profit at \$15.5 million in FY24 was \$3.4 million lower than FY23 of \$18.9m. While EBITDA improved by \$6.3 million (13.7%), the impact of an additional \$5.2 million depreciation and \$4.5 million in interest over FY23 offset the improvements. This arose primarily due to the completion of large long-term capital investment over the last five years, higher interest costs resulting from the debt funded investment, a rise in interest rates and a reduced opportunity to capitalise interest to active projects. LPC maintains an active interest hedging programme which has helped reduce the interest impact. A one-off tax impact of \$5.6 million arising from changes in tax deductibility on building depreciation has also contributed to the lower reported net profit after tax.



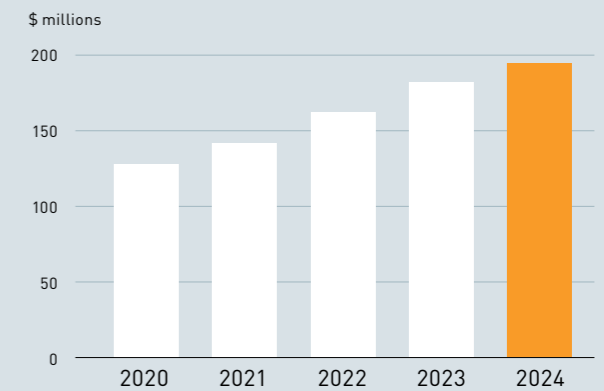
## Return on equity

Difficult trading conditions in the first quarter of the financial year contributed to a reduction in the return on equity in FY24. Other contributing factors include higher interest and depreciation costs reflecting the renewal of Port assets undertaken over the last five years in particular, which were funded predominantly by debt. A Port Transformation project focusing on key efficiency drivers and a continuance of the pricing strategy will improve performance over coming years. Equity decreased to \$383.3 million – \$3.2 million (0.8%) down from \$386.5 million in FY23.



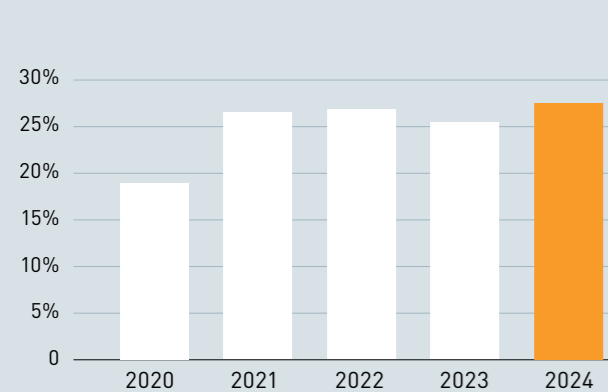
## Operating revenue

Operating revenue continued to benefit from pricing strategy execution. Volumes across bulk wharves and coal fell in FY24. Container volumes fell 1.6% from 455,457 TEU in FY23 to 448,364 TEU in FY24. Volume reductions were mainly in the transshipment area. Export and import volumes were largely flat. The reduction in transshipments contributed to an improvement in margin mix. FY24 revenue was \$193.8 million, up \$12.3 million (6.8%) from FY23.



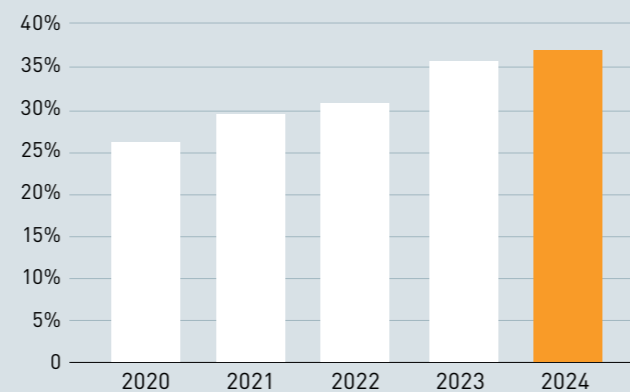
## EBITDA margin

LPC's earnings before interest, tax, depreciation and amortisation (EBITDA) margin increased in FY24, reflecting pricing initiatives coupled with strong cost controls. At \$52.4 million, the return is the largest in LPC's history and the first time EBITDA has exceeded \$50 million. We view this as an excellent result given the trading conditions experienced during the year. We expect to see continued improvement to EBITDA in FY25 with continuation of pricing strategies and cost controls.



## Debt to equity

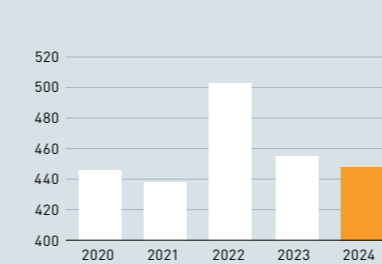
Net borrowings increased by \$8.0 million from \$207.3 million to \$215.3 million. This increase is slower than prior years and reflects the completion of the final large projects in the construction pipeline with the last being the new Workshop. Alongside the completion of this project, the business has been reprioritising capital investment across the Port to focus on smaller asset renewal and health and safety projects. This will assist in aligning future capital investment and operating cash rather than debt. LPC remains well within banking covenants with ample headroom in both the leverage and interest cover ratios.



## Key trades

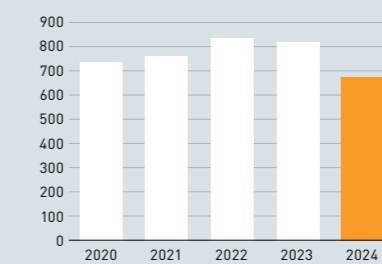
### Containers

TEU 000s



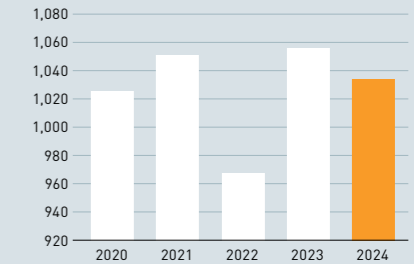
### Dry bulk

Tonnes 000s



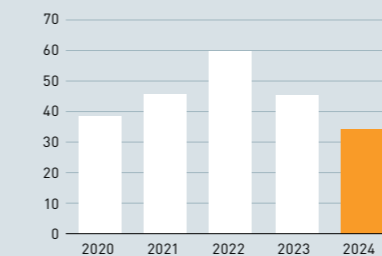
### Fuel

Tonnes 000s



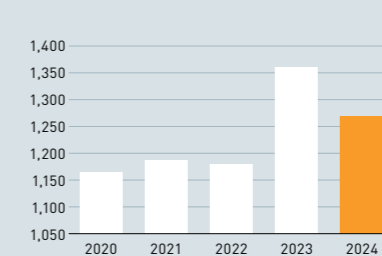
### Cars

Vehicles 000s



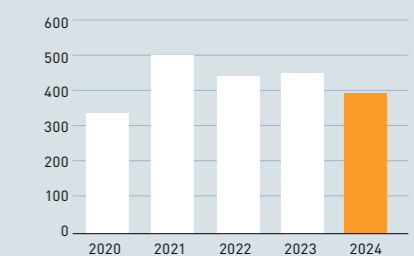
### Coal

Tonnes 000s



### Logs

JAS



## Material issues

Health, safety and wellbeing

Culture and values

Future of work

Employee attraction, development and retention

## Key metrics

TRIFR

**1.81**

FY23-24: 3.24

LTIFR

**1.00**

FY23-24: 2.27

Gender split

**87** % Male **13** % Female

FY23-24: 87% 13%

## Work ons

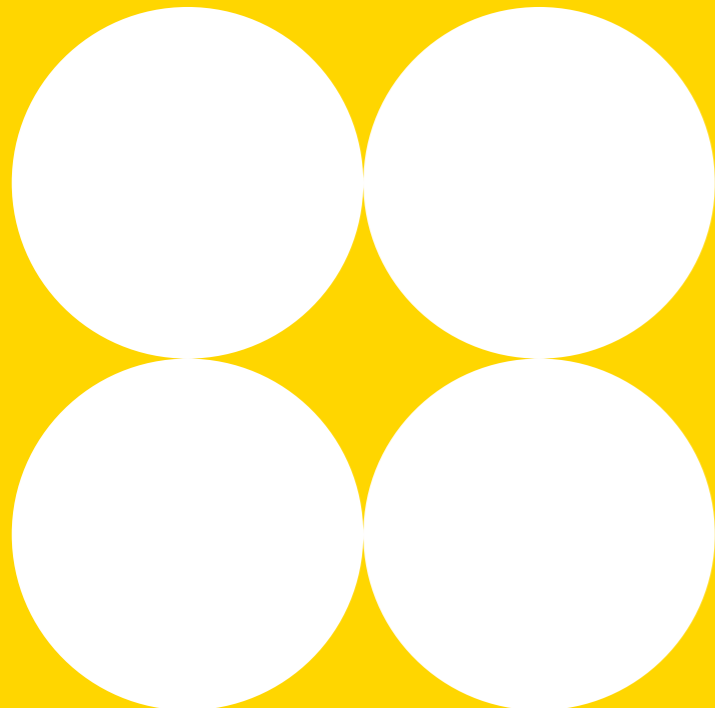
Health and safety culture

Workplace culture

Diversity

Onboarding

**This year, we have revitalised our focus on people. Our aim is to drive delivery of our strategy through a high-performance culture. We continue to invest significant effort into the health, safety and wellbeing of our people with an emphasis on collaborative relationships and good-faith consultation. We want to be known as an amazing place to work and recognise that our people are the engine that ultimately drives our overall success.**



### **People and Capability Strategy**

We continue to refine and develop LPC's People and Capability Strategy. This is directly aligned with the organisation's overarching business strategy to improve performance, achieve strategic goals and deliver against global benchmarks. Our strategic priorities include performance culture; collaborative relationships; operational initiatives; internal capability; engagement; diversity, equity, inclusion and belonging (DEIB); and optimising people and capability. Each element is designed to achieve specific outcomes as part of a holistic approach to development, engagement and partnership with our workforce.

### **Immigration accreditation**

Last year, we became accredited to hire overseas workers for specialist roles. This is vital for helping us overcome the skills and labour shortage in New Zealand. Following our accreditation, we ran a recruitment campaign in the Philippines, attracting six forkhoist drivers to CityDepot. We also onboarded a heavy diesel mechanic from South Africa. With new immigration rules allowing visas of 3–5 years, it's a win for both sides. LPC can offer attractive employment packages, and our new workers have added invaluable skills and diverse perspectives to our team.

### **Improved onboarding**

An important administrative step for LPC has been the introduction of Docusign for onboarding and internal documentation. Instead of candidates receiving multiple documents, each needing to be printed, signed, scanned and returned, our HR team can send one document that can be signed electronically. Docusign is a system-wide improvement that simplifies processes, saves time, reduces errors and keeps documents securely stored.

### **Holidays Act remediation**

As part of our commitment to compliance and employee relations, we undertook appropriate remediation following updates to the Holidays Act. We have reimbursed all outstanding payments dating back six years and amended our payroll interpretation going forward.

### **2024 engagement survey**

In February 2024, we ran an employee engagement survey that provided valuable insight into how our workforce feels about working at LPC, what we are doing well and where we can improve. We received 2,226 comments from 481 people and a reasonably good initial engagement index score of 64. This survey will be rolled out annually to track progress and drive meaningful change.

### **High-performance coaching**

LPC has partnered with an external organisation to develop our leaders so they can coach their teams towards high performance. We are developing our leaders' skills in providing real-time positive and supportive feedback and equipping them with the tools to develop their teams. The majority of our leaders have undertaken the coaching programme. The next steps are to embed these skills to grow individual and organisational performance.

### **Diversity and inclusion**

We believe that growing and enabling an inclusive and diverse culture will enhance decision making and improve performance. Initiatives in FY24 included having three of our kaimahi wahine complete the CCHL women's leadership programme, flying the rainbow flag from our tug and launch boats in support of Ōtautahi Pride, taking part in Pink Shirt Day and participating in the national Sweat with Pride initiative, raising \$1,275 for support services for rainbow communities. Te Whakaroopu, our Diversity, Equity, Inclusion and Belonging Committee, will continue to build on these initiatives and more in FY25.

# Transport Accident Investigation Commission report into the death of Don Grant

## Safety issues identified

The Transport Accident Investigation Commission (TAIC) released its report on 20 October 2023 into two fatal stevedoring accidents in April 2022 – one in Auckland and one in Lyttelton.

The accidents at Lyttelton Port and Port of Auckland involved different types of cargo loading.

The Minister of Transport directed TAIC to investigate the circumstances and causes of the two accidents and conduct an independent safety-focused investigation to determine whether there are potential industry-wide lessons from these tragedies.

TAIC found common safety issues in both organisations and the wider stevedoring industry. It identified deficiencies in risk identification and management, communication and supervision, safety assurance and culture, and industry collaboration and benchmarking. TAIC also found that the regulatory framework and oversight were insufficient to ensure stevedoring activity safety.

## Key lessons

TAIC highlighted key lessons for the stevedoring industry and other high-risk sectors, including the importance of understanding and mitigating risks, following procedures and rules, designing and reviewing tasks and processes, providing effective supervision and leadership, collaborating and benchmarking with industry peers, and receiving proactive regulatory support and guidance.

## Report recommendations

TAIC made five safety recommendations to address the safety issues directed to the Ministry of Business, Innovation and Employment, Wallace Investments Limited (an independent stevedoring company operating at the Port of Auckland) and LPC. These covered:

- developing an approved code of practice
- establishing minimum training standards
- reviewing medical screening
- reviewing safety management systems
- ensuring proactive regulatory oversight.

LPC committed to adopting these five recommendations along with individual recommendations specific to LPC.

## TAIC recommendations and LPC actions

**Review the medical screening of stevedores to ensure it provides adequate assurance of medical fitness for their duties and responsibilities**

### Actions taken:

- Design of LPC Fitness for Work programme.
- Introduction in February 2023 of mandatory medical fitness assessments for new employees and mandated for all employees by the end of July 2024.
- Employment of a dedicated occupational nurse to lead the LPC Fitness for Work programme.
- Awareness campaign for LPC Fitness for Work programme.
- Consultation with workforce for LPC Fitness for Work programme.
- Consultation with union for LPC Fitness for Work programme.
- Deployment of LPC Fitness for Work programme to all operational staff.

## Prioritise a review of LPC safety management system

### Actions taken:

- Appointment of a training manager for Lyttelton container operations.
- Review of training material, safe work method statements and operational procedures to reflect all critical aspects of work.
- Introduction of improved document control processes.

## Prioritise a review of LPC safety management system to ensure adherence to administrative risk controls is effectively managed

### Actions taken:

- Appointment of a training manager for Lyttelton container operations.
- Commencement of verification of competency programme in August 2023.
- Increased in-field operational oversight for high-risk activities.
- Creation of verification of competency framework.
- Indication of actions intending to take.
- Embedding ongoing review process.

## Prioritise a review of LPC safety management system to ensure supervisory oversight is effective and not compromised by competing operational demands

### Actions intending to take:

- A review to be taken to understand competing demands in operational areas that may impact the level of supervisory oversight.

# Maritime New Zealand Survey and outcomes

## Employee survey repeated

During the last part of 2023, LPC participated once again in the Worker Voice Survey. The survey is sponsored by Maritime New Zealand in conjunction with the Port Health and Safety Leadership Group and AskYourTeam.

The survey provides national insights and specific insights for the individual ports participating on where progress is being made and where we might need to do something different and identify any new emerging trends or risks.

## Continued progress

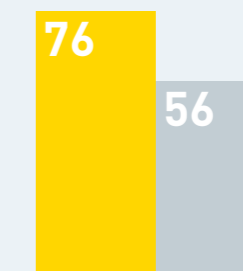
The survey results were measured against LPC's results from the previous year and captured across the categories of health and safety, communication, culture, leadership, policies and procedures, risk management and training. The LPC results demonstrate continued progress in each of the categories as well as enhanced communications and worker participation.



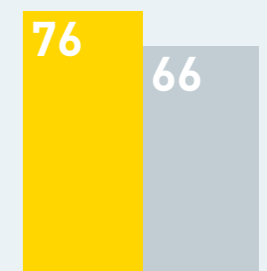
## Lyttelton Port Health and Safety Leadership Survey 2023 results by category %

■ 2023 results  
■ 2022 results

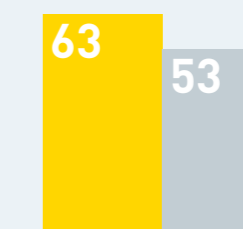
### Leadership



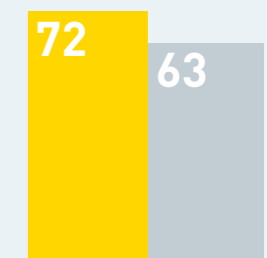
### Communication



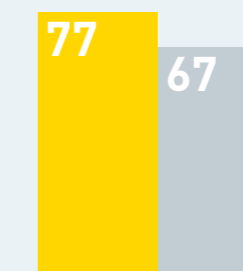
### Policies and procedures



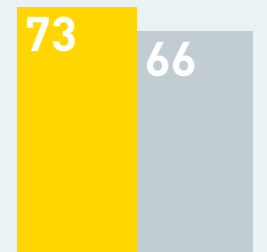
### Risk management



### Culture



### Training



## With hundreds of people performing a variety of tasks in multiple high-risk environments, managing safety in a port environment is complex and critical.

This year, we furthered our understanding of critical risk management and are now moving into a safe production model. In this model, safety of our people is the priority with the recognition that, by improving safety, minimising damage and downtime, reducing the number and severity of injuries and incidents and improving job satisfaction, we can enable safer production.

Our safe production model focuses on competent people, safe work practices and fit-for-purpose equipment, all within a controlled work environment.

## Surveys and audits

In FY24, LPC met or exceeded all KPIs around safety. Independent audits and surveys confirmed that, while we are not there yet, we are heading in the right direction on our health and safety journey.

### Health and safety leadership survey

The results from this year's independent, national safety survey showed improvement across every category, including leadership, communication, culture, policies and procedures, risk management and training. Uptake of the survey was strong, with 212 people participating.

### AEP annual audit

We received the highest tertiary level pass on the independently completed Accredited Employers Programme (AEP) annual audit, which is focused on safety management systems and injury management.

## Visible leadership

We continue to make safety a priority at LPC, demonstrating visible leadership and promoting workforce participation at every level of the business.

### Town hall sessions

We have added monthly town hall sessions to complement our toolbox talks. In town hall sessions, LPC's CEO, executives and senior leaders address the workforce to discuss safety, operational improvement and business performance in a face-to-face setting.

### Interested parties

We continue to collaborate, cooperate, and communicate with our PCBUs and interested parties, including visitors, agencies, industry bodies and our four union partners. This year, Maritime New Zealand replaced WorkSafe to become our sole regulator. The Port Health and Safety Leadership Group has also become an emerging force as we continue to demonstrate safety leadership and grow our reputation and influence.

## Competent people

### HSR forum

This year, we had our first health and safety representative (HSR) forum, which brought together our approximately 58 HSRs, supporting them to develop their capability and capacity to move the mindset of the workforce closer to a safe production model.

### Mandatory health monitoring

We continue to develop our mandatory health monitoring programme, which assesses physical fitness, medical fitness and cognitive function, and we have made progress towards fully operationalising the programme.

### Safe Mate

Our Safe Mate monthly safety award continues to recognise, reward and encourage good safety performance.

### Life Saving Commitments

We continue to stand by and promote our eight Life Saving Commitments as part of our Home Safe safety programme.

## Safe work practices

### S.T.E.P.S. personal risk assessment tool

We have relaunched our personal risk assessment tool, bringing it up to a modern standard and implementing it on a one-to-one basis, explaining when, how and why to use it. By following the S.T.E.P.S. checklist, staff are empowered to exercise personal risk accountability and any issues or concerns are flagged for managers.

### Permit to work

Permits are part of fundamental risk management, enabling us to interact with, manage and monitor people who are entering the Port to complete high-risk tasks. This year saw a step change to our permit to work system as it was brought into our digital geographic information system ArcGIS program. Instead of using physical maps, personnel can now interact electronically with a web-based overlay of the Port, and information can be shared in real time across multiple users.

## Fatigue management

FY24 saw the completion of the fatigue work area work groups. This has resulted in establishment of fatigue rules for each operational area as part of the broader LPC fatigue management system. FY25 will see the deployment of additional integrated fatigue management tools to support the operational leaders to manage the risk of fatigue.

## Fit-for-purpose equipment

### Asset management

There's been a real drive to improve asset management and equipment condition in order to ensure our equipment is safe, fit for purpose and well maintained. Systems include comprehensive documentation as well as in-field verification.

### Safety upgrades

**Inner Harbour:** We have provided efficient, sustainable infrastructure suitable for logging companies and our Port services and infrastructure teams and fit-for-purpose infrastructure related to the management of bulk cargo.

**Dry Dock:** We have designed a fit-for-purpose anchor system that will improve ways dock users can manage fall from height risk.

**Wind alarm system:** We continue to make digital enhancements to the monitoring and management of wind, providing improved forecasting for all LPC sites.

“Ultimately, we would like to have the safest port in New Zealand. That's the aspiration we are moving towards.”

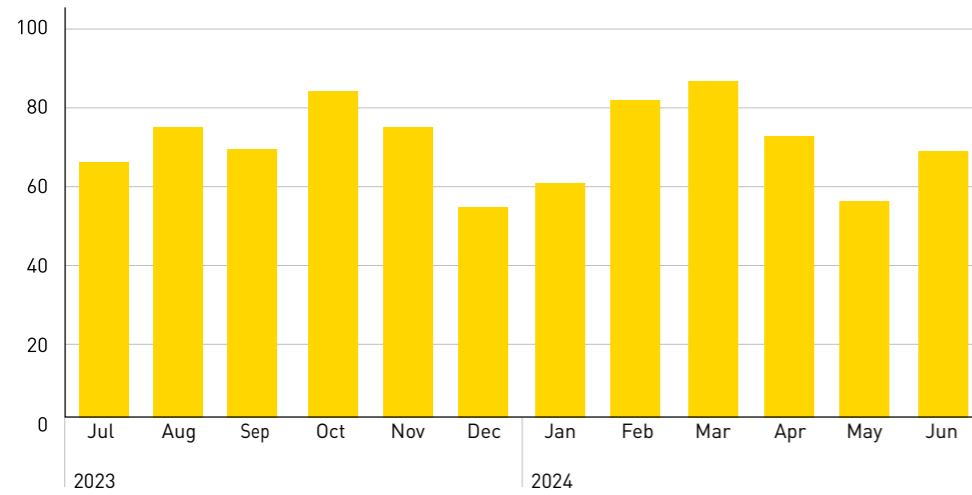
We continue to make safety a priority at LPC, demonstrating visible leadership and promoting workforce participation at every level of the business.



# Health and safety performance

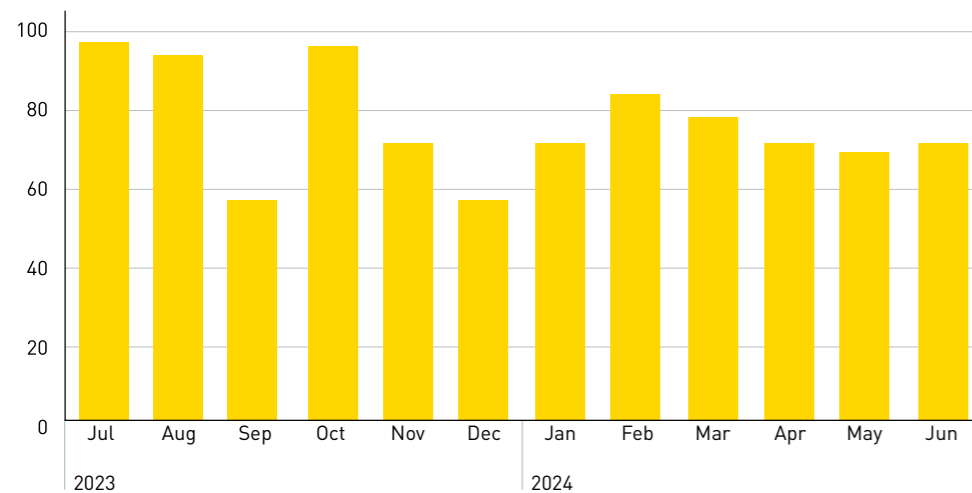
## Critical control checks

KPI's set against SLT and ELT head count per business unit: Target 42

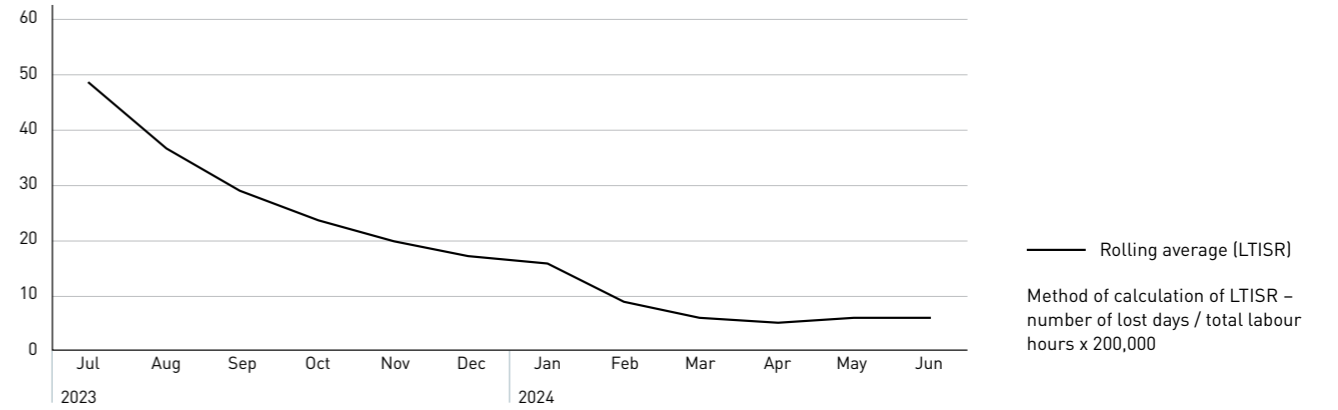


## Kōrerorero HSE interactions

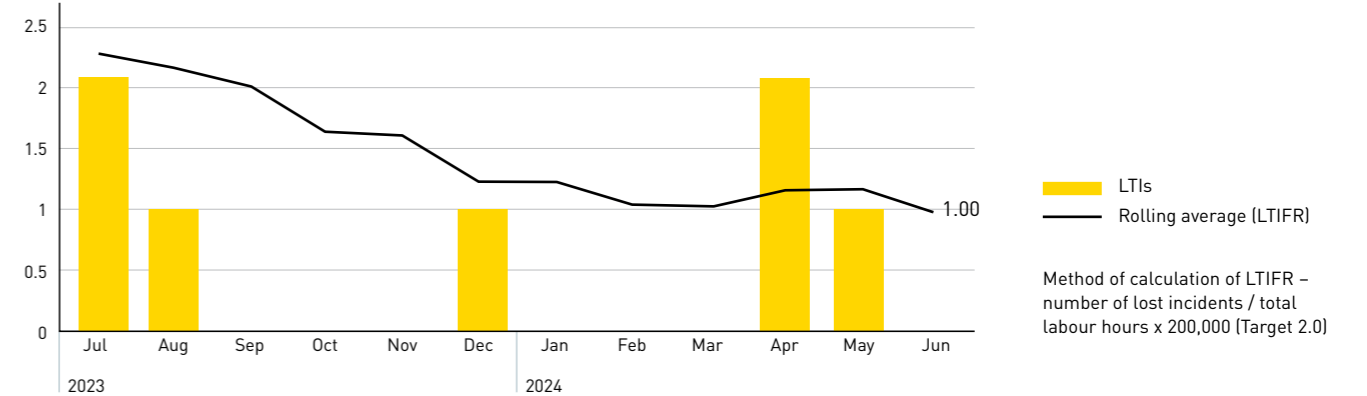
KPIs set against SLT and ELT head count per business unit: Target 67



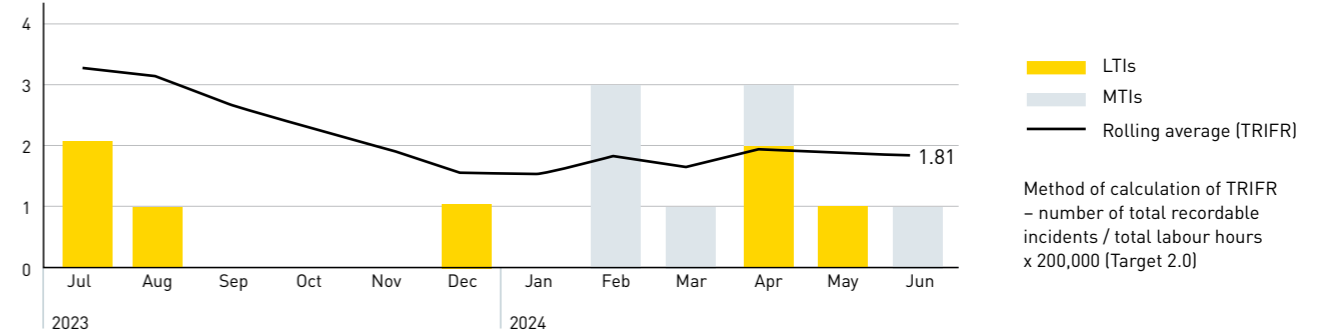
## Lost time incident severity rate



## Lost time incident frequency rate



## Total recordable incident frequency rate



# Mike Searle: Experience that counts

## Dedicated health and safety business partner

Mike Searle is a dedicated health and safety business partner at Lyttelton Port Company and is part of the team committed to safety and operational excellence at the Port.

Mike's journey at LPC began at the age of 22 in the Container Terminal. It spans over 18 years at the Port and was a formative period that laid the foundation for his current role in health and safety.

During his 16 years at the Container Terminal, Mike was hands on, working with big machinery and experiencing the dynamic environment of a bustling port.

The tragic loss of three colleagues in separate incidents has had a profound impact on Mike, changing his perspective from she'll be right to a more safety-conscious mindset.

"The three events highlighted the reality that even the most cautious individuals could be at risk, emphasising for me the need for vigilant safety practices," says Mike.

## Positive outcomes

Those personal experiences and deep-seated belief in the importance of a safe working environment spurred his transition from the Container Terminal into health and safety.

Aaron Amyes, LPC Container Terminal Operations Training Manager, says Mike's extensive experience in various roles in the Container Terminal has helped him understand the complexities and challenges of the tasks and design effective training solutions.

Mike's former union role has been a huge asset, enabling him to work with the workforce and see things from a different viewpoint.

"Mike seeks their input and feedback, which results in positive outcomes," says Aaron.

"The two main aspects of the training programmes are ensuring we have the right volume and quality of trained staff with the required skills and knowledge and improving the quality and ability of the operators," Aaron adds.

There are six full-time trainers, who are former cargo handlers, supporting and training staff in the Container Terminal.

Mike's approachable nature and ability to explain the 'why' behind safety procedures make tasks more straightforward to achieve in the safety space.

Mike has been instrumental in fostering a culture of safety and open communication. His efforts have led to significant improvements such as implementing GPS on radios for lone workers, establishing procedures for working in high temperatures and introducing lightning and extreme weather protocols.

These initiatives have enhanced the safety of LPC's operations to ensure that everyone goes home safe every day.

**The tragic loss of three colleagues in separate incidents has had a profound impact on Mike, changing his perspective from she'll be right to a more safety-conscious mindset.**





# People and capability: Update



## Mandatory health monitoring

LPC has worked through a comprehensive consultation process to introduce mandatory health monitoring for key roles across the business.

Health monitoring aims to proactively address health concerns, promote a culture of wellbeing and contribute to increased performance and employee satisfaction.

The assessments are based on each role's exposure risks and functional demands.

Health monitoring ensures workers are not harmed by their work or do not put others at risk due to health issues or physical limitations that impact their ability to undertake the tasks of their roles safely.

## Diversity, equity, inclusion and belonging (DEIB)

Growing a diverse and inclusive workplace where everyone feels proud to belong at LPC continues to be a core focus of our People and Capability Strategy.

### Gender balance

We are proud to have had three of our kaimahi wahine complete the CCHL women's leadership programme Te Puna Manawa. This programme was run by leadership development experts The Female Career for the subsidiaries of CCHL. Running a leadership development programme to empower women to achieve and thrive in leadership positions is one way we seek to improve our gender diversity in leadership.

We continue to measure and track our gender pay gap and identify positive actions to reduce and close it.

### Te Whakaroopu

Te Whakaroopu, our Diversity, Equity, Inclusion and Belonging Committee, continues to promote and celebrate activities throughout the year to drive an inclusive and diverse culture. It also continues to focus on building awareness of DEIB initiatives.

This year, Te Whakaroopu supported the LGBTQ+ or rainbow communities. Two new initiatives they supported in this area were Ōtautahi Pride (15–31 March 2024) and Sweat with Pride (June 2024).

It was fantastic to see the tug and launch boats proudly flying the rainbow flag throughout the two weeks of Ōtautahi Pride. There was also a strong effort to raise awareness of the rainbow communities and promote simple behaviours to show allyship such as using gender-inclusive language and respecting people's pronouns.

In June, our LPC team participated in the national Sweat with Pride initiative for the first time. The Lyttle Sweat team raised \$1,275 to support services for our rainbow communities, exceeding their expectations.

Te Whakaroopu looks forward to building on these initiatives and broadening its focus in 2025.

# High-performance coaching involves recognising and reinforcing positive work behaviours, focusing on crucial work behaviours and encouraging repetition.

## Developing leaders

LPC partnered with Stella High-Performance Coaching to develop our leaders to coach their teams for high performance.

Leaders are equipped with coaching techniques to unlock and maximise the potential of our teams.

High-performance coaching involves recognising and reinforcing positive work behaviours, focusing on crucial work behaviours and encouraging repetition.

It also entails developing our leaders' skills to provide real-time positive and corrective feedback and equipping them with the tools to build our teams.

The feedback to this course was overwhelmingly positive, with participants saying the training had "provided a new focus and also some useful tools to enable me to coach my people better" and that it was "really practical and relevant to leading people".

Almost all the leaders at LPC have undertaken high-performance coaching, and the next steps are to embed these skills to grow individual and organisational performance.

# Managing critical risks

We are now in year two of our three-year Critical Risk Assurance Programme. This important programme of work is about leading the way in operational risk reduction and evolving it into our safe production model.

This year, we held 18 two-hour critical control verification sessions with lead-up sessions over the three weeks prior. Each review is led by our CEO and attended by a 'broad church' of participants, including executives, operational leaders and people on the ground. LPC Board members and regulators, union partners and other relevant third parties are also invited to participate in these sessions.

Each review takes a deep dive into a specific area of operational area of risk, focusing on safe production elements:

- Plant – through effective asset and equipment management, technology and systems.
- Process and safe work practices.
- People – such as fitness for work, fatigue management and medical health relative to that risk.

The Critical Risk Assurance Programme places strong emphasis on the ownership of risk and the principles of visible leadership, which is complemented by time in the field and critical control checks.

Our CEO continues to champion the programme with monthly town hall sessions across all operational business units. Workforce participation is encouraged through positive engagement, resourcing and support to develop the capability of LPC HSRs and six-monthly HSR forums.

As it moves into its third year, the programme continues to provide sustained operational control improvement, worker and operational leader engagement and quality due diligence reporting for the LPC Executive Leadership Team, CEO and Board.

Examples of specific outcomes from the 18 sessions in FY24:

**Improvements to site access control**

**Design improvements to physical infrastructure**

**Continuation of process improvement**, including the development of operational management plans and trigger action response plans (TARPs)

**Maturity of the permit to work system** and integration with the LPC ArcGIS

**Planned improvements and reactive maintenance**

**Refreshment of personal risk assessment tools** and accountability for operational use

# A positive engagement score

In February 2024, LPC launched a workplace engagement survey using Culture Amp, a market-leading employee experience platform. The tool we adopted calculates a staff engagement index, which measures how positive and motivated our staff feel about LPC.

All staff were encouraged to complete the survey – 481 people (69% of our workforce) shared their views across a wide range of areas. They submitted a total of 2,226 comments, which have unlocked valuable insights into our workplace culture. The high level of participation also increased the survey's reliability score.

## The results

The engagement index was made up of five statements:

- I am proud to work for LPC.
- I would recommend LPC as a great place to work.
- I rarely think about looking for a job at another company.
- I see myself still working at LPC in two years.
- LPC motivates me to go beyond what I would in a similar role elsewhere.

Our engagement index score, averaged across all teams, was 64. While we are pleased with this result, it also shows that there is room for improvement.

## Insights learned

The survey revealed many additional insights. Our two highest-scoring areas were health and safety and wellbeing – both of which are top priorities at LPC. Work-ons were also revealed in this space – people told us that we need to



improve our response to people who raise central accident reports (CARs). We are committed to working on this as an outcome from this survey.

The survey also revealed other work-ons. One of our lowest-scoring areas was in leadership. Leadership questions were designed to test people's confidence that LPC leaders are inspiring, communicate well and recognise the importance of people in the journey. We recognise that we need to do more work in this area and our executives are committed to setting a vision and strategic direction for this, which will be launched next quarter.

People also told us that LPC's values don't match our organisational culture, so we have work to do to reset our values in support of our new strategy and vision.

While we have considered the collective feedback from the survey, individual teams are also undertaking discussions and deciding which areas to focus on.

Engagement surveys are a critical tool for understanding people's big-picture view of LPC as well as drilling down into the detail of what's working well and where we can improve.

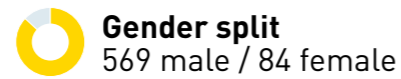
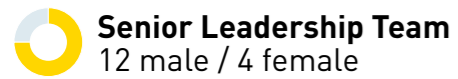
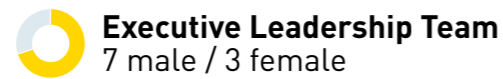
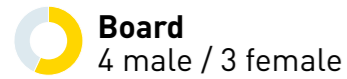
Moving forward, we plan to roll out our workplace survey on an annual basis in order to receive regular feedback and drive meaningful change.

# 2,226

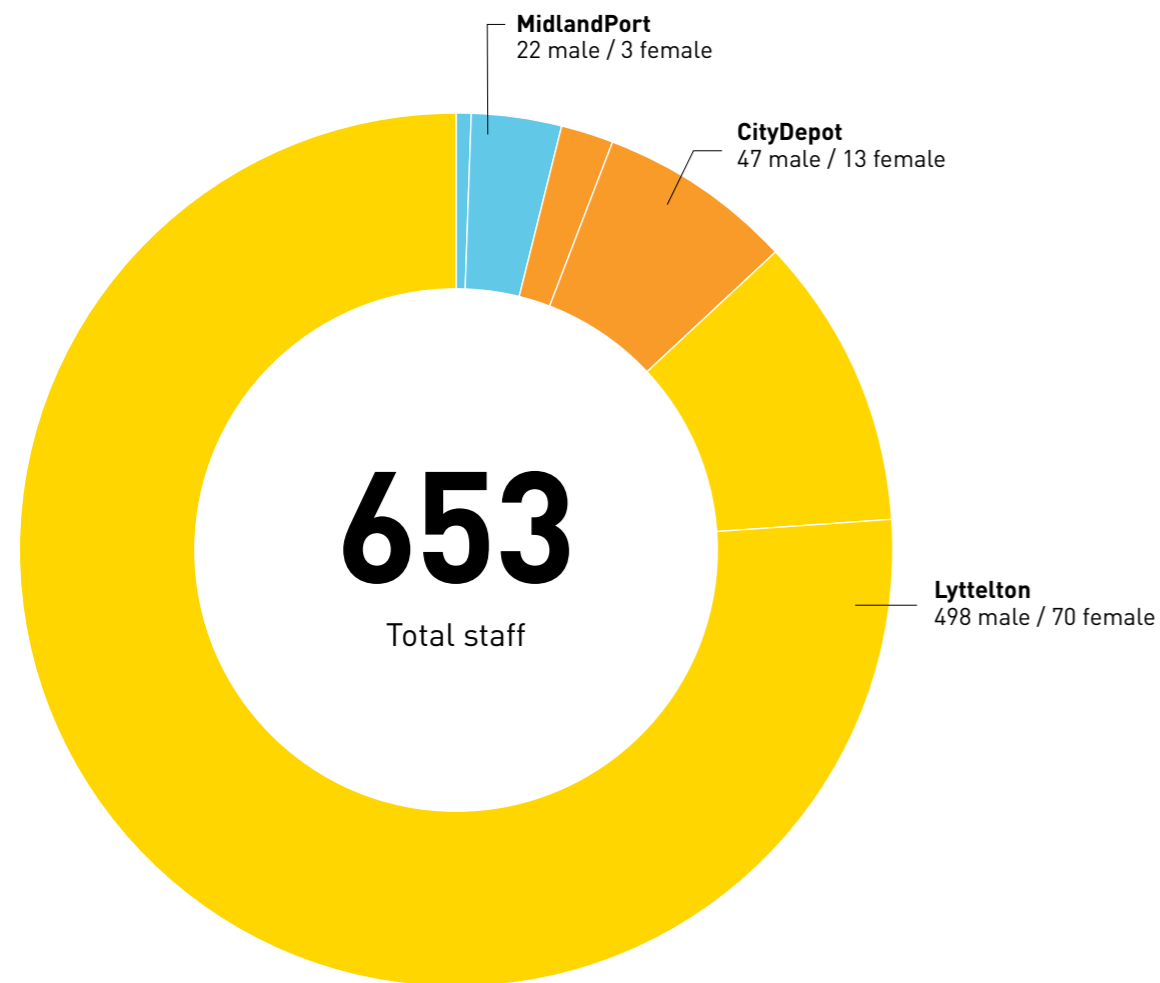
Comments and insights gathered from staff

# Our people

## Gender balance



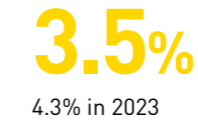
## Staff numbers across all sites



## Average age



## Staff turnover



## Average length of service



## Health and safety training

*Newly trained and graduated*

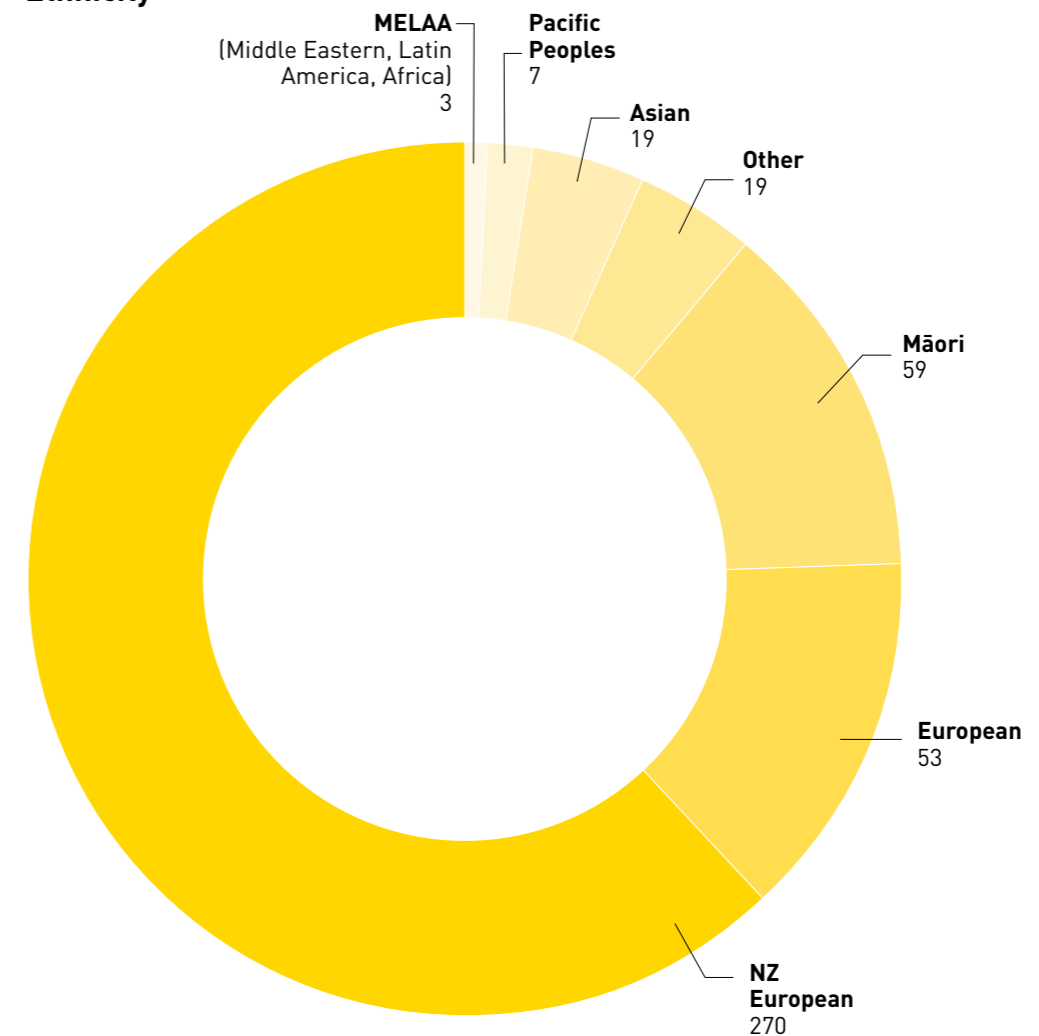
Straddle drivers	38
Crane operators	8
Signalpersons	24
Front-end loader operators	10
Reefer attendants	18
Ship loader drivers	6
Coal signalpersons	5



LCT online health and safety compliance training is seeing continued uptake with 136 online course completions.

Training structure for key skills has been reviewed with additional touch points added. Straddle driver 12-week training follow-up day, crane operator follow-up days at 8 weeks and 20 weeks. Hatch follow-up day at approximately 6 weeks.

## Ethnicity



**“It’s a great place to work and where I feel alive. I love the challenging sea conditions delivering and picking up pilots at the pilot station... overcoming the challenges of the sea.”**

## **Johno Harris:** **Steering towards marine excellence**

Johno Harris has worked at LPC for six years and loves his job working on the water out at sea. Johno’s career has been one of steady progress from lines supervisor to deckhand in the Marine team.

Formerly a registered social worker and outdoor educator, Johno started as a casual line supervisor, transitioning to a permanent role after two years. He was responsible for managing a team of linesmen tying up or letting go of a vessel on the wharf with a pilot onboard.

“I would organise where the lines would go, with two spring lines at each end and four head lines and four stern lines to keep the ship secure on the berth,” Johno says.

“I valued the teamwork aspect of the role and enjoyed the variety of tasks, including working with the pilots and ensuring the safety of the vessel.”

He then trained as a deckhand on LPC’s pilot launch *Awaroa* and LPC Rescue, assisting pilots during critical transfers

to and from vessels out at sea day and night, the arrival of car ships and high winds.

Johno also studied for his commercial skipper’s ticket, preparing for the next step in his career.

“I was in the best position I could be to successfully get a full-time role as a deckhand and relieving skipper.”

He worked on the two Lyttelton tugs *Blackadder* and *Piaka*, assisting in the arrival and departure of vessels from the jetties and wharves.

A year later, Johno was signed off as a launch master and a relief skipper on the pilot launch.

The role involves navigating the challenging sea conditions day or night and coordinating with pilots their safe transfer to and from vessels at the pilot station two nautical miles off the Lyttelton Heads.

“I love the challenging sea conditions delivering and picking up pilots at the

pilot station. We manoeuvre the launch alongside, stick hard up against the vessel, travelling together at 8 knots beneath the ship’s pilot ladder to provide the best platform for the pilot transfer.”

Johno says he is working towards becoming a full-time skipper.

“It requires patience and commitment to get the role.”

The positions are sought after, and he knows he will have to wait his turn.

“I love overcoming the challenges of the sea, be it flat and calm or large steep swells up to 6 metres at times.”

Johno says he gets the greatest satisfaction from being in the marine environment out on the sea.

“I have seen a lot of sunrises and sunsets. The sea offers an unmatched sense of freedom and adventure, and you never know what the sea will hold,” he says.





## Kirsten McHaffie: A driving ambition

**Cargo handler Kirsten McHaffie's adventure at LPC began in March 2023 and marked the start of an exciting chapter in her work career after seven years in civil construction.**

"I have always worked on machines – operating a digger, a roller, loaders and truck driving," says Kirsten.

Kirsten admits she was drawn to the large, heavy equipment at the Port and working near the harbour waters.

"I always want to drive big machinery, and the crane at Lyttelton is the biggest machine in Christchurch," she laughs.

Kirsten admits that her start at LPC as a cargo handler on the wharf was both daunting and exhilarating.

"My first day was like being in a goldfish bowl, and you just don't realise how big everything is."

She recalls being completely overwhelmed by the sheer scale of the machinery, the straddles, and the cranes. She is also one of the few women working in a male-dominated industry.

"The guys are really awesome. I don't think any woman thinking of coming over here or doing something in this industry should be scared of working with the men because they're pretty cool and very supportive," adds Kirsten.

Kirsten quickly found her place in Cargo Group C and has grown accustomed to the Port environment and shift work.

In a short period, Kirsten has taken every opportunity on offer.

"I first started lashing containers down on the ships, then I was up in a straddle after five months, and two months later was a relief timekeeper, organising the roster for cargo handler and lines gangs."

Kirsten admits that operating a straddle around the Port carrying containers, driving side-on at the height of 13 metres, can be intimidating.

"When I started driving straddles, it was quite overwhelming. You are thinking of the straddle driving all the time, at home, and to and from work, then one day it clicks into place, and you know the patch like the back of your hand," she laughs.

Kirsten says she is looking forward to any challenges and opportunities that come her way in the next 18 months.

"I would love to have the opportunity to drive the crane – that would be the coolest."

## Andrew Todd: Nurturing Port customer relations

**Andrew Todd is Head of Customer Relationships at LPC and plays a pivotal role in managing and nurturing the Port's relationships with a wide range of customers.**

"It's the people I work with day in and day out that bring me through the gates each day."

In his nine years at LPC, Andrew has been instrumental in overseeing interactions with customers ranging from container shipping lines to Inner Harbour cargo owners.

"We work with Ravensdown, shipping lines that bring in the imported cars, oil companies and fishing – any customer directly linked to the ship coming here," says Andrew.

The Container Commercial team brings significant income to Lyttelton Port Company from the marine side of operations.

"We manage \$200 million worth of revenue that the Port generates through those customers."

Andrew is also involved in contract negotiations to secure customers and ensure the smooth operation of Port services. "We give certainty to our customers calling at Lyttelton through those negotiations."

Andrew says he "fell into the shipping industry" straight out of school and admits he "hasn't fallen out of it".

"I first worked for Union Maritime Services, based in Lyttelton, and then on to various international container lines before joining LPC."

Andrew is passionate about the shipping industry and always looks for continuous improvements at LPC.

"We have a unique advantage here at Lyttelton. We are the gateway to Christchurch and a key player in the wider Canterbury economic region and the South Island."

Andrew is also responsible for cruise ship visits and has successfully navigated the initial teething issues of the last two years.





“I value the freedom to make decisions and ensure the team is ready to react.”

### **Paki Tamehana: From forkhoist driver to site foreman at CityDepot**

**Paki Tamehana has worked at CityDepot since November 2012 and started as a forklift and empty container handler driver.**

“The best thing I love here is the variety of work you do,” says Paki.

“You are picking up containers all day, every day, but not always the same one,” he laughs.

Paki is the face of CityDepot and has been a dedicated presence rising through the ranks to the role of operations foreman.

“I ensure people are in the right places and that we have enough staff. This includes managing the wash pads, workshops and survey pads and ensuring containers are stacked safely.”

CityDepot is the largest empty container depot in the South Island. Operating 24 hours a day, Monday through Friday, it plays a crucial role in supporting the wider supply chain by ensuring sufficient containers are made available for customers to pack and export through Lyttelton to the world.

It is equipped with a rail siding capable of handling up to 24 wagons at a time.

The site is an MPI-accredited facility that provides various services, including surveying, repairing, washing and storing empty containers.

“Fonterra Darfield is one of our biggest customers at the moment – we supply 48 containers a day out to Fonterra for milk powder.”

Maintaining a stable workforce has been a challenge at CityDepot.

In the past year, Paki was involved in the hiring of six Filipino employees to bolster his team and provide a stable roster of forkhoist reach stacker drivers.

“We travelled to the Philippines in August 2023 to interview six potential staff. I was involved in the selection process and ensured that, when the recruits arrived in New Zealand, they were supported with their integration into LPC, receiving comprehensive onsite training in operations and health and safety.”

Paki says he now has a team he can rely on, and it certainly helps that the team is able to carry out a variety of different tasks across our operation.

“I value the freedom to make decisions and ensure the team is ready to react to customer requirements and maintain a safe operation within CityDepot.”

Paki’s smooth operation of CityDepot has had a positive impact and rubbed off on staff who treat him like a father figure.

“I am a mother, father, to a brother, to a mate, to a doctor, which is good,” he laughs.

“I think my personality helps and takes everyone for who they are.”

Paki says CityDepot is a great place to work and is proud of his team.



# Infrastructure for the Future

## Material issues

Infrastructure investment

Efficient allocation of Port space

Asset management

## Key metrics

Berth utilisation  
**55.6%**

FY23: 58%

Containers transported by road  
**81%**

FY23: 81%

Containers transported by rail  
**19%**

FY23: 19%

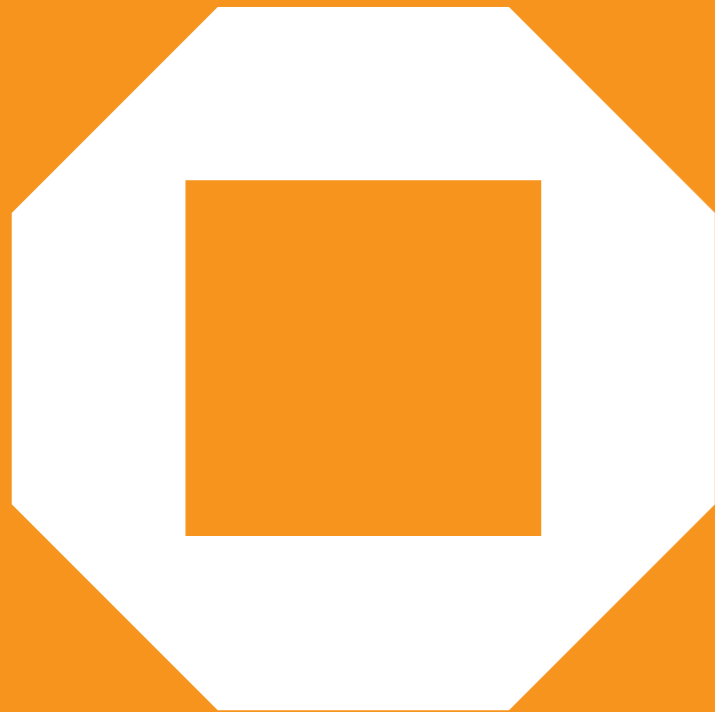
## Work-ons

Digital systems

Asset management

Future planning

**Our focus this year has been on developing robust asset management systems and fit-for-purpose infrastructure in both the physical and digital realms. In FY24, we took a controlled approach to capital expenditure, reducing our spending as we focus on delivering returns to shareholders. Looking ahead, we remain committed to transforming our business through gold-standard asset management practice and judicious investment.**



#### **Inner Harbour jetty removal**

This year, we completed removal of Jetties 4,5 and 6. This project was initiated to address the ecological risks posed by the Mediterranean fanworm and ensure the area's safety. Now completely dismantled, the risk of invasive species has been greatly reduced and navigational safety has been improved.

#### **Tug House upgrade**

The Tug House has been revitalised with a \$200,000 upgrade. Facilities have been modernised and transformed into user-friendly spaces for the Marine team, with enhancements that respect the heritage of our oldest Inner Harbour building.

#### **Pilot ladder training facility**

We have established a new pilot ladder training facility at the tug wharf. This training apparatus is designed to help team members master safe transfer techniques from the pilot launch to ships entering our harbour.

#### **Coal Yard lights**

A new LED lighting system has been installed in the Coal Yard, making for safer winter and night operations. The new lights provide operators with better depth perception in low-light conditions and come with smart features that minimise light pollution.

#### **Dry Dock lights**

The historic Lyttelton Dry Dock has received a significant lighting upgrade. The new system provides consistent, focused lighting for safer night operations. Energy efficiency and light pollution were key considerations for the project, which has been recognised with two prestigious national awards.

#### **Piaka refurbishment**

LPC's most recent tug addition *Piaka* has undergone its first five-year refurbishment. Now blue to match our existing tug colour scheme, the refurb also included overhauls of the main engines, tow winch, thrusters, hydraulic units and coolers as well as new flooring and seat upholstery.

#### **Cashin Quay resealing**

A 100 m section of Cashin Quay has been successfully resealed, vastly improving driving conditions and operational efficiency for the cargo handlers and drivers who use it.

#### **Digital systems**

Cyber security and improvements to our digital systems have remained a high priority for LPC in FY24. In the digital space, we have also implemented a new cloud-based software system called PortControl to better manage the entire vessel journey from Port entry to unloading to exit.

#### **Improving coal operations**

A number of upgrades to the Coal Yard and stormwater treatment system were implemented in FY24. A new resource consent for coal air discharge was granted with a large number of conditions for dust mitigation including real-time dust monitoring and alerts.

#### **MidlandPort modernisation**

MidlandPort has significantly enhanced its operational capabilities with the arrival of a new RS46 Hyster Reach Stacker.

#### **Log Yard improvements**

We have removed the 40m light tower from the Log Yard, which has increased the capacity of our log storage area, mitigated collision risks and streamlined loader operations.

#### **Kardex carousel**

The LPC Workshop has been outfitted with a state-of-the-art Kardex system. This giant vertical carousel has revolutionised the storage and retrieval process of LPC parts, improving efficiency and reducing the Workshop footprint.



# Inner Harbour Jetty removal

## Success at all levels

The jetty removal project in the Inner Harbour was an environmental, archaeological and health and safety success story that took a year to complete. The project was completed within budget, costing close to \$3 million.

Jetties 4, 5 and 6 were carefully deconstructed, with the piles pulled from the seabed by cranes on the surface. These jetties had deteriorated to a point where they were no longer fit for purpose and were fenced off to prevent access.

Elements of the jetties are pre-19 century, so LPC worked with Underground Overground archaeologists to document the deconstruction of the jetties for historical records.

Timber running along the lengths of the jetties was removed and salvaged for reuse. The timber from the jetties was recycled and found a second life in various community projects, including garden enhancements and local council developments.

## Safety success – zero incidents

The safety of workers was paramount in a project of this magnitude. The jetty deconstruction was conducted without a single health and safety incident, despite working with heavy machinery near water. The work was led by the LPC Civil Maintenance team.

## Removal process – lessons learned and applied

In the project's initial phase, the demolition of Jetty 5 provided valuable insight into how to safely and efficiently remove the remaining jetties. The quality of the timber, the risks involved and best practices were factors considered and improved as the project progressed.

Once the jetties were removed, new steel piles and marker buoys were installed to demarcate the area. This provided a clear physical barrier and enhanced navigational safety for the Marine team operating tugs in the Inner Harbour.

LPC installed lights on a row of steel piles and floating buoys to help Port users navigate the Port safely and efficiently. The lights indicate the shallow water zone created by removing the jetties.

## Mediterranean fanworm

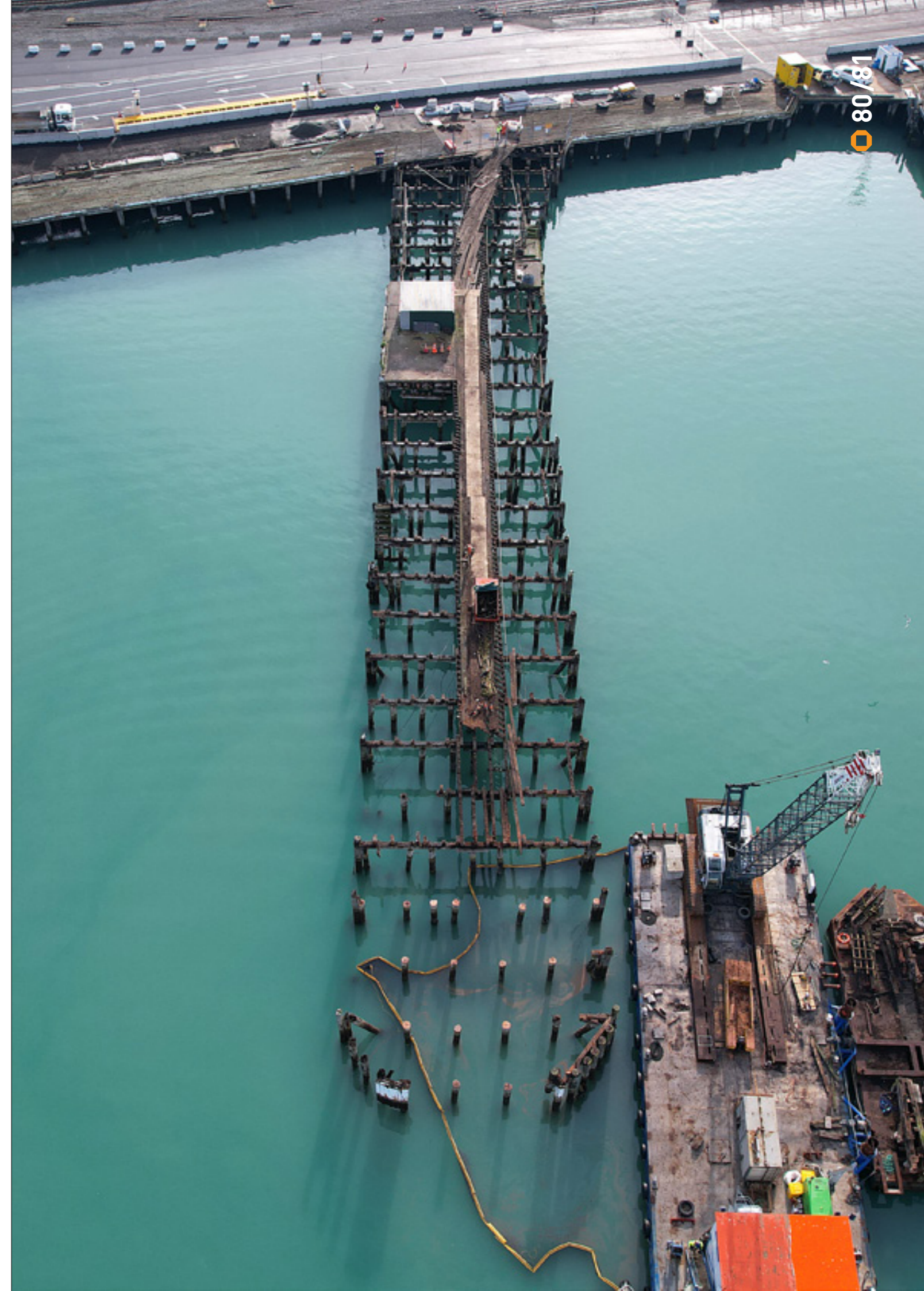
Fanworm attaches to hard structures in sheltered marine environments including pontoons, piles and vessels. They are easily spread by vessel movements and reproduce rapidly. Fanworm are a threat to native biodiversity, mahinga kai and commercial marine farming operations.

In 2022, a remotely operated vehicle (ROV) inspected the jetties, highlighting the presence of the fanworm. Due to safety risks, divers could not access the area and remove the fanworm by hand as in other places around the Port.

Removing the piles reduced the overall population, preventing the spread of the fanworm, and will help reduce other invasive species.

## Project budget

# \$3,000,000



**The new lights are highly functional and environmentally friendly. They come with intelligent features that minimise light pollution, aligning with the company's sustainability goals.**

## New LED Coal Yard lights

The new LED lighting system in the Coal Yard is a significant upgrade from the old lights, making it safer for winter and night operations.

The new lights are highly functional and environmentally friendly. They come with intelligent features that minimise light pollution, aligning with the company's sustainability goals.

The lights provide coal loader operators with better depth perception in low-light conditions, which is crucial for safer operations and to help prevent accidents.

The upgrade cost half a million dollars and is a significant investment. The new lights have been fitted to 10 lighting poles across the 9 hectare Coal Yard site at the far east end of the Port.

The poles vary in height from 12–30m, and the number of lights on each pole depends on the lighting needs of the Coal Yard, the coal road and the weight constraints of the existing mounting frame on light poles.

The lights can be controlled from an iPad in the Coal Supervisor's office and adjusted with a tap on the screen. This new system enables presetting of several lighting configurations, which can be changed as required.

The new Coal Yard lights initiative has enhanced workers' safety and increased operational efficiency and is contributing to the Port's energy efficiency programme.

## Dry Dock lighting

The lighting project at the historic Lyttelton Dry Dock was a significant achievement for LPC, earning national recognition with two prestigious awards.

The Black Sky Highly Commended Award from the Royal Astronomical Society of New Zealand was given for protecting the night environment, and the Lighting Design Award – Highly Commended from IESANZ was awarded for outstanding lighting design.

The project has improved the working conditions for those at the Dry Dock and enhanced the experience for the local community by using sustainable and energy-efficient LED lights that provide consistent, focused illumination.

LPC Senior Project Manager Hannah Fyffe says the lighting upgrade exceeded all expectations.

"It provides uniform, consistent and focused lighting that has been well received by those working at the dock," says Hannah.

"The upgrade has made a massive difference to the community working in and around the dock."

Justin Evans, Senior Electrical Engineer at Pederson Read, says they have received positive feedback from dock workers who had noted a significant improvement in lighting conditions.

The lights are grouped and adjusted to suit various operational activities, eliminating dark spots and shadows, which are crucial during night operations.

The project also considered the needs of the local fishing vessel operators and the nearby residents. The switch from tilted lights that produced glare to sustainable and directional LED lighting has been hugely beneficial. It reduces light spills and directs light where it is needed.



### New harbour management system

FY23 saw the implementation of PortControl system – significantly enhancing efficiency, transparency and cooperation across the entire Port.

PortControl is a game changer for marine management and all involved in marine operations at LPC. The state-of-the-art system utilises leading digital technology to provide vastly improved oversight, planning and management of vessel movements in and out of the Port.

PortControl has been developed and implemented in partnership with Canadian-based supplier Tidalis following a comprehensive RFP process. In collaboration with LPC, Tidalis evolved its existing on-premises solution into a robust cloud-based application that provides greater accessibility, cyber security and fit-for-purpose capabilities.

The result is nothing short of transformational – an end-to-end management system that provides vast functionality and supports LPC’s strategic objectives.

LPC Chief Information Officer Jackie Dawson says, “PortControl is a clear demonstration of LPC’s commitment to embracing digital technology in support of our people, customers and business objectives. It’s a step change that sets a new benchmark for our business and the industry.”

Further enhancements on the horizon include a safety check workflow for ship entry/departure and integration with other Port operations such as the Container Terminal.

### Key benefits of PortControl

#### Collaborative ecosystem

Marine planning, container operations, finance, third-party vendors and shipping agents are all brought together on one platform, enabling communication, booking and data sharing.

#### Berth planning optimisation

Marine planners can see data on congestion, delays and other relevant activities to improve scheduling and berth planning.

#### Improved cyber security

PortControl is fully auditable and highly secure, enabling remote access while lifting LPC’s cyber security.

#### Customised job alerts and fatigue management

Push notifications enhance operational efficiency, and wake-up alarms for pilots prioritise fatigue management.

LPC Head of Marine Operations and project sponsor Andrew van der Bent is excited about what PortControl has already achieved at LPC as well as its ability to adapt to future needs.

“Our overall goal has been to create an effective process flow for as much

#### AIS-based job status

Job status updates based on vessel positions enhance visibility for operations.

#### Roster integration

Integration with LPC’s roster system improves data accuracy and frees up resources for higher-value tasks.

#### Streamlined eMPX integration

Automated information transfer to eMPX reduces pilot workload, minimises errors and creates a centralised data hub.

#### Gantt chart

An interactive, user-friendly Gantt chart module supports berth planning and resource allocation.

#### Public access shipping schedule

A live webpage featuring a dedicated ship itinerary provides visibility for the public and local businesses.

marine and related Port activity as we can realistically put into the system,” he says. “PortControl makes our end-to-end Port operation more efficient, reliable and accurate as well as providing a more enjoyable user experience.”

# Project highlights

### Dredge maintains Lyttelton Harbour channel

The Lyttelton Harbour channel points directly out to Pegasus Bay, which is more susceptible to infill than any other New Zealand port.

LPC needs to maintain the channel to maximise the window for container vessels with a 13 m draught or higher. This would provide accessibility on 80% of all tides to get in and out of the Port.

In FY24, Dutch Dredging’s *Albatros* hopper dredger spent 170 days in Lyttelton Harbour and removed 200,000m<sup>3</sup> more infill material than ever before.

Hydrographic surveys completed throughout 2023 recorded a significant amount of material infilling the main shipping channel. This material migrates its way into the channel from Pegasus Bay and, if not managed appropriately, can limit the draught of vessels using the channel.

The infill volume in 2023 was much higher than recently recorded, with almost half of that infill occurring as a result of Cyclone Gabrielle.

Despite the cyclone being centred many hundreds of kilometres to the north of Lyttelton, the low-pressure system off the east coast of New Zealand resulted in over 400,000 m<sup>3</sup> of material infilling the main channel over a period of less than a week.

The main channel, which was deepened and lengthened in 2018, worked as designed and concentrated the infill material within the deepest parts of the channel, greatly limiting the impact on overall channel depth.

LPC is one of five New Zealand ports in a 10-year joint venture with Dutch Dredging.

Between October 2023 and March 2024, *Albatros* carried out its biggest maintenance dredging campaign in Lyttelton to date, removing 816,000m<sup>3</sup> of infill material from the main channel and Cashin Quay berth pockets.

Over this time, the dredge completed 1,060 round trips between the dredging areas and the outer maintenance spoil ground located off Godley Head.

The dredging works were undertaken within the framework of the resource consents LPC holds for this important work.

The next maintenance dredging campaign is scheduled to commence in spring 2024.

### Pilot ladder training facility

LPC has established a new pilot ladder training facility for marine operations at the tug wharf.

This training apparatus is the first step for team members to learn the proper transfer techniques from the pilot launch *Awaroa* to ships entering and exiting the Port.

Given the high-risk nature of pilot transfers, especially under challenging sea conditions, the training facility ensures that everyone is trained and assessed for competence before attempting a live ship transfer.

The realistic training includes equipping trainees with the required personal protective equipment (PPE), including helmets, steel-cap boots, gloves and waterproof jackets.

For those who master the first step of the safe transfer techniques, a second simulated exercise includes transferring to a wharf ladder from the pilot launch.

### Tug House upgrade

The oldest building in the Inner Harbour received a makeover, ensuring the Marine team has access to state-of-the-art facilities.

The Tug House at LPC was revitalised with a \$200,000 upgrade, which enhanced the Marine team’s facilities while maintaining the building’s heritage.

The renovation included new rest areas for pilots, inclusive amenities and a new versatile office space with one of the best views of the Inner Harbour.

The upgrade included creating female facilities, removing fluids storage from over the water, creating a pilot ladder training facility and creating a storage area for parts.

Andrew Van der Bent, Head of Marine Operations, highlighted the importance of the new rest facilities for pilots, allowing them to recharge between jobs.

The southern end of the Tug House has been transformed into an office with expansive new windows. These windows offer a sunny vantage point with views out to the Inner Harbour entrance and berths.

# Looking ahead, we remain committed to transforming our business through gold-standard asset management practice and judicious investment.

## **Piaka tug refurbishment**

LPC undertook a significant upgrade of its tug fleet to ensure the longevity of our marine assets.

*Piaka* tug, a key vessel in our fleet, sports a new blue paint job aligning it with the colour scheme of *Blackadder* tug, another tug in our service.

Marine Fleet Manager Henry Bastion decided on the colour change based on feedback from the team and the goal of creating a unified modern fleet appearance.

The \$1.6 million upgrade was conducted during *Piaka*'s five-year renewal survey.

It included top-end overhauls of the main engines, tow winch, thrusters, hydraulic units and coolers.

The renewal survey also encompassed several inspections, including all onboard tanks registered as confined spaces.

*Piaka* also received new flooring and reupholstered chairs, which enhanced the vessel's functionality and crew comfort.

The two LPC tugs support approximately 1,800 ship movements a year so the reliability and performance of the tug fleet are crucial, especially since 79% of all ship movements at the Port require two tugs.

## **Cashin Quay resealing**

Resealing along Cashin Quay was a significant project that improved operational efficiency and safety at Lyttelton Container Terminal.

The Cashin Quay roadway was in poor condition and beyond repair.

The project involved removing 100m of old railway tracks where cranes and straddles operate and resurfacing the roadway.

The deteriorating condition of the asphalt had been a persistent problem, with multiple repair attempts.

Thick asphalt and additional concrete work were unexpectedly encountered, requiring more repair effort than initially planned.

The old asphalt, rails and concrete were replaced with two layers of AC20 and AC40 and a final layer of 100mm of port asphalt.

The new surface has improved driving conditions along the section, enhancing operational efficiency and safety.

The project's final cost was \$680,000, which exceeded the initial budget due to the unexpected thickness of the existing asphalt.

The resurfacing has received positive feedback from cargo handlers and drivers, who appreciate the smooth surface.

## **MidlandPort modernisation**

MidlandPort has enhanced its operational capabilities with the arrival of a new RS46 Hyster Reach Stacker.

The addition to the existing fleet has increased MidlandPort's capability and matches the size of the two stackers.

The new reach stacker can lift 31 tonnes to and from the second railway line compared to the smaller machine's 16-tonne capacity, which is limited to servicing trucks and the first rail line.

The new reach stacker ensures uninterrupted service for FCL containers, even during peak times or in the event of equipment breakdown.

## **40m Log Yard tower toppled**

LPC successfully removed a 40m light tower in the log yard near the main Port entry gate.

The tower was past its use-by date, and the old lights were no longer operational. It was also in the middle of Log Yard operations, taking up valuable space and posing a hazard.

The tall light tower was dismantled in two sections and safely taken down by a crane.

Removing the tower has optimised the log storage area, streamlined loader operations and provided room for an extra 500 JAS of timber.

## **Navigating success**

### **Abbey Clapp: Young Achiever of the Year**

Abbey Clapp, LPC's Head of Customer Delivery, received the prestigious 2023 Young Achiever of the Year Award from the Chartered Institute of Logistics and Transport (CILT).

The award celebrated Abbey's involvement in the transport and logistics sector in New Zealand, showcasing her exceptional leadership, organisational skills and successful project implementations at LPC.

Abbey credits her success to the unwavering support of her mentors, colleagues and family.

Abbey says the recognition has fuelled her determination to continue to push the boundaries of innovation and make an impact and contribution to the future of logistics and transport.

LPC's commitment to excellence extends beyond individual achievements.

### **Safety Made Simple Award**

LPC's focus on safety and innovation was also recognised with the CILT Safety Made Simple Award. This award recognised our effort to reduce the number of straddle tip alarms in the Container Terminal from thousands to single digits.

### **PortControl an award finalist**

LPC's implementation of PortControl, a state-of-the-art harbour management system, was a finalist in CILT Excellence and Innovation in the Transport and Logistics Sectors award.

## **Kardex carousel unlocks Workshop potential**

The Kardex system at Te Whare Whakatika Workshop is a giant vertical shuttle that has revolutionised the storage and retrieval parts for mechanics and electricians. It allows staff to access the right parts efficiently.

The system stocks 25,000 individual items and 2,800 line items and consists of 56 trays, each with a half-tonne capacity.

The Kardex system comes with the PPG item management system, which monitors stock levels and alerts the team when they need to refill parts.

It can also generate a daily report, which the team downloads and charges to the M3 system. This ensures that costs are allocated to the correct projects and the inventory is accurate.

The system is straightforward and user-friendly, allowing authorised staff to get the correct part they need faster and more efficiently without a Store and Logistics team member.

This technology has vastly improved the storage of parts, provided security and reduced the Workshop's footprint.

## **New era of coal operations**

LPC has secured a new 20-year resource consent for coal operations relating to air discharge. We predominantly handle coking coal, a key steel-making ingredient sourced from the West Coast and exported primarily to China, Japan, India and Australia. New Zealand's coking coal is highly valued worldwide for its rich carbon content.

### **Community engagement**

The consent application process, initiated in 2020, involved extensive community engagement, including drop-in sessions, door-to-door outreach and air quality monitoring programmes.

### **Technological advancements and dust management**

In collaboration with Tonkin + Taylor, LPC has developed a dust management plan that reflects industry best practices. The new consent incorporates technological advancements such as a live air quality monitoring system that will provide real-time alerts to prompt quicker mitigation actions. We will continue community monitoring and trial various dust mitigation techniques, including fog cannons. LPC is also installing two water tanks to ensure a continuous supply of dust suppressant in the event of a water network failure.

LPC is dedicated to reducing our environmental and community impact, and we believe the new consent will help us achieve this.



# Manākitanga

## Material issues

Communication and relationship management

Collaboration and partnerships

Industry engagement

Social licence to operate

## Key metrics

Sponsorships

37

Trucks serviced in Lyttelton in under 30 mins

65.4%

## Work-ons

Noise mitigation

**Manākitanga is all about wanting to be a valued service provider, a good neighbour and an active supporter of our community. From our focus on delivery performance, to respectful iwi and stakeholder consultations, to recognising and minimising the impact of our operations on the local township, we are committed to doing the right thing for our customers and community.**



### **Customer relationships**

In FY24, our focus has been on improving LPC customer experience through enhanced performance. We've been developing new operational metrics and undertaking an operational transformation project to improve end-to-end efficiency from vessel berthing to the departure of containers from the terminal. As always, our aim is to meet our customers' needs, forge strong relationships and deliver beyond expectation.

### **Community support**

We are proud to have once again supported a huge range of initiatives throughout the year. Our range of sponsorships spanned a variety of clubs and organisations across the region, including Christchurch, Rolleston, Lyttelton, Whakaraupō townships and the wider Banks Peninsula. We remain committed to making a positive difference for the people and communities around us.

### **Mana whenua**

Our collaboration with mana whenua remains ongoing as we work towards our common goals for Whakaraupō Lyttelton Harbour. Our relationship with Te Hapū o Ngāti Wheke is particularly significant and we continue to play an active role in and take direction from the Mana Whenua Advisory Group and the Whaka-Ora/Healthy Harbour Catchment Management Plan along with various other projects of mutual importance that we undertake together.

### **SailGP**

This year saw SailGP return to our harbour for another exciting event. Despite initial holdups, the weekend was a huge success with record crowds in the grandstand and some nail-biting match races. Once again, LPC was extensively involved in supporting the event both through supply of services and management of our operations during the racing.

### **2023/24 cruise season**

Another successful cruise season took place in FY24, with 82 cruise ship visits. This year, our operational staff worked closely with cruise lines and Christchurch stakeholders to ensure appropriate management of community facilities such as public transport. Following the season, we received positive feedback from local residents and businesses as well as cruise customers who enjoyed an enhanced visitor experience.

### **Banks Peninsula Conservation Trust (BPCT)**

We continued our principal sponsorship of BPCT, supporting its mission to restore the indigenous flora and fauna of the southern Port Hills. Alongside our financial support, we worked with BPCT to undertake wider collaboration and further LPC's restoration projects on unused Port land. Our relationship with BPCT remains an important part of our commitment to improving biodiversity outcomes and realising environmental benefits in Lyttelton Harbour.

### **Ship noise**

Noise remains a concern for our surrounding community. We put a huge amount of effort into managing this issue, collaborating with our shipping customers, other New Zealand ports and Maritime New Zealand to promote awareness. While the New Zealand ship noise specifications were withdrawn due to legal issues, we are still working hard in this area. This includes monitoring container ship noise and optimising berthing orientation in order to reduce the impact of low-frequency vessel noise on the community.

# LPC's commitment to Banks Peninsula

LPC proudly supports the Banks Peninsula Conservation Trust (BPCT) mission to see native biodiversity thrive across the region and restore the indigenous flora and fauna of Banks Peninsula.

Our collaboration with landowners, residents and various organisations under the leadership of BPCT is a testament to our shared vision of ecological resilience.

The restoration projects in partnership with BPCT at the Port Saddle and Gollans Bay and through Te Kāhahu Kahukura initiative are pivotal to achieving this vision and contributing to community participation in conservation.

As BPCT's principal sponsor, we value our partnership and the significant strides we've made towards their 2050 ecological vision.

BPCT General Manager Maree Burnett acknowledges the importance of our financial support, which provides stability and enables a wide range of conservation work.

As a signatory of Te Kāhahu Kahukura, LPC is dedicated to native forest revegetation and restoration on the Southern Port Hills.

We are confident that our collaborative focus on sustainability and biodiversity will continue to yield natural partnerships and significant environmental benefits.

# Lyttelton hosts extra SailGP event



LPC was proud of participating in the additional SailGP event in March 2024 in Whakaraupō Lyttelton Harbour.

We supported accommodating the last-minute event in the SailGP calendar after it was moved from Auckland to Christchurch while ensuring minimal disruption to Port operations.

LPC demonstrated an ability to react quickly to a last-minute event, improve operations from the previous year and effectively manage the logistical challenges presented by such a world-class event.

We hosted a special viewing event for our staff and their families at the Cruise Berth and sponsored a giant screen in the Lyttelton township for residents and visitors to watch the action on the live screen in the town square.

This boosted the connection of the Port, SailGP and businesses with the local community as everyone came together to enjoy the thrilling yacht race series.

The economic benefits of our involvement were significant. The event attracted thousands of visitors to Lyttelton and boosted local businesses.

LPC was proud to have been more than just a port operator, supporting regional economic growth and the success of the SailGP extra event.

# Smooth sailing for cruise season

The 2023/24 cruise season at Lyttelton Port was a success, with 82 cruise ship visits and two weather-related cancellations.

LPC managed the thousands of guests who disembarked at the Cruise Berth and ensured the smooth transfer of passengers into Christchurch and onto various tourist attractions across the Canterbury region.

## Transportation plan

A highlight of the cruise season was the successful implementation of the new transportation plan, which provided a convenient travel option for cruise passengers on and off the Port.

Lyttelton residents provided positive feedback, noting fewer transportation issues from the previous year and a reduction in the tourism impact on the township.

The new transportation plan streamlined the process of getting passengers off the ship and into downtown Christchurch.

The plan included three loading zones at the Cruise Berth – one for the Christchurch shuttle, one for shorex operators and a free shuttle into Lyttelton.

This approach alleviated any issues faced last season where a number of public buses were overrun with cruise passengers seeking a cheaper journey into the city. This season, guests were directly bussed into the city from the Cruise Berth.

In addition, a pricing review resulted in a more affordable return bus trip from the Cruise Berth to the city, comparable to the cost of public transport.

This initiative enhanced visitor experience and alleviated pressure on local infrastructure.

LPC Head of Customer Relationships Andrew Todd praised the operations at the berth and looks forward to providing an efficient gateway for cruise passengers to explore the Canterbury region again.

The new transportation plan streamlined the process of getting passengers off the ship and into downtown Christchurch.



# Sponsorship

## Who we helped

### Christchurch

- 5 Canterbury West Coast Air Rescue Trust
- 8 Christchurch Symphony Orchestra
- 9 ARA Apprenticeship Scholarship
- 6 South Island Wildlife Hospital
- 7 ExportNZ Business Canterbury series
- 10 Heathcote Cricket Club

### 11 Lyttelton

- Lyttelton Anzac Day commemoration event
- SailGP big screen
- Lyttelton Netball Club
- Lyttelton Rugby Club
- Lyttelton Seafarer's Centre
- Lyttelton Museum
- Project Lyttelton
- Lyttelton Club 150th celebrations
- Lyttelton Arts Festival
- Lyttelton Fire Brigade 150th celebrations
- Project Lyttelton Youth Group (Rec Centre)
- Lyttelton Information and Resource Centre Trust
- Lyttelton Community House
- Stars in their Eyes
- Port Noise Festival
- Our Stories Project Trust

### Diamond Harbour

- 15 Diamond Harbour Youth and Community Trust
- 16 Diamond Harbour School
- 17 Diamond Harbour Live at the Point
- 13 Living Springs Trust and Diamond Harbour School Enviro Camp

### Rolleston

- 2 Broadfield Touch Club
- 1 West Rolleston Primary School
- 3 Rolleston Scout Group Jamboree Troop
- 4 Weedons Golf Club Gumboot Day

### 12 Governors Bay

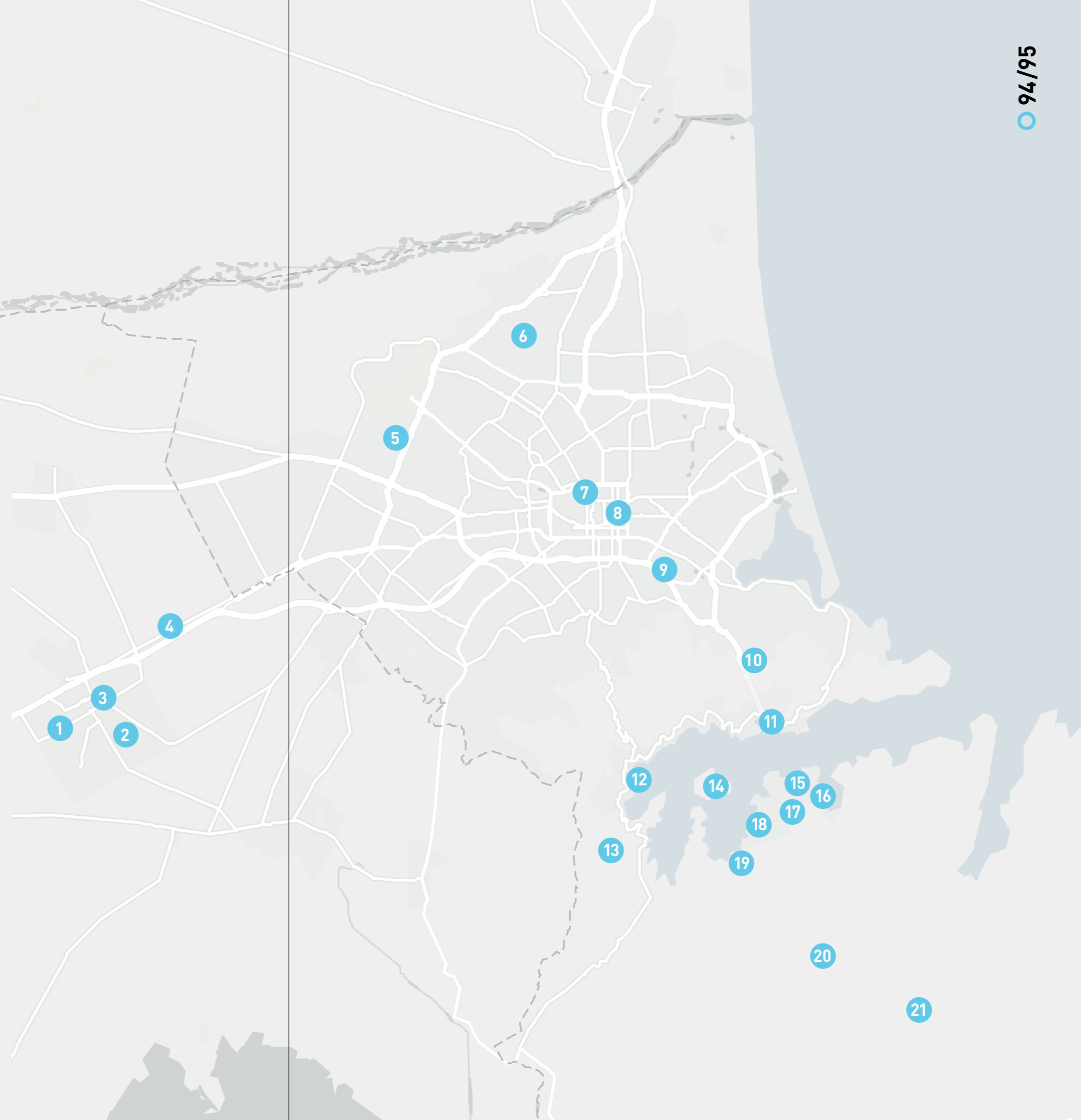
- Cholmondeley Children's Centre Giving Day
- Cholmondeley Children's Centre Rugby Jersey Fundraiser

### Charteris Bay

- 18 Charteris Bay Yacht Club
- 19 Charteris Bay Golf Club
- 14 Quail Island Ecological Restoration Trust

### Banks Peninsula

- 20 Te Ahu Pātiki Charitable Trust
- 21 Banks Peninsula Conservation Trust





# Sponsorship

## How we helped

### Christchurch

#### Canterbury West Coast Air Rescue Trust

We support the Canterbury Westpac Rescue Helicopter Service in its missions and to upgrade medical equipment, train crew and ensure the best possible service for the community.

#### Christchurch Symphony Orchestra

We sponsor community music events in the harbour basin at Cholmondeley Children's Centre, Lyttelton Primary School and Lyttelton Library.

#### ARA Apprenticeship Scholarship

We sponsored a Women in Trades Ara Apprenticeship for two learners to study a trade relevant to the port industry. This scholarship was established to address the gender gap in the trade sector and support women who face disadvantage or inequitable access to education, which would otherwise create a career in tertiary study.

#### South Island Wildlife Hospital

We support the South Island Wildlife Hospital with essential supplies for feeding and caring for animals, especially those found inside Lyttelton Port.

#### ExportNZ Business Canterbury series

LPC continues its annual partnership with Business Canterbury, funding a speaker breakfast series in the manufacturing sector.

#### Heathcote Cricket Club

We sponsor the Heathcote Cricket Club with general operating fees for junior teams.

### Lyttelton

#### Lyttelton Anzac Day commemoration event

We supported the Loons in running its annual Anzac Day event, which members of the local community attended.

#### Lyttelton Netball Club

We support the Lyttelton Netball Club with an annual sponsorship for ongoing equipment, fees and maintenance costs. We also supported the roll-out of new player uniforms.

#### Lyttelton Rugby Club

This year, we supported the club's senior team in the Premier Reserve Division, the Lyttelton Rugby Club Day and the junior Year 6 annual trip to Titahi Bay.

#### Lyttelton Seafarer's Centre

We support the Lyttelton Seafarer's Centre, which is devoted to supporting all seafarers while they are in the Port of Lyttelton, providing a safe, warm place, free wifi and pastoral care services.

#### Lyttelton Museum

We have supported the Lyttelton Museum in its search for a bold new museum to rebuild and protect its artifacts and connect the surrounding landscape features and historic sites.

#### Project Lyttelton

We support Project Lyttelton, a community development that supports sustainability and connection for all. Its projects include the Community Garden, Garage Sale, Time Bank, Farmers Market and Lyttel Sew & Sews.

#### Lyttelton Club 150th celebrations

We supported the Lyttelton Club 150th celebrations cover and advertisement in the club's 150th Jubilee book.

#### Lyttelton Arts Festival

We support LytFest, bringing together local artists and performers, ensuring the community has access to the best in arts and culture.

#### Lyttelton Fire Brigade 150th celebrations

We supported printing the 150th Anniversary book of the Lyttelton Fire Brigade, which features the colourful characters and stories behind the Volunteer Fire Brigade.

#### Project Lyttelton Youth Group (Rec Centre)

With the Friday Youth Group, we supported youth sports events and initiatives at the Lyttelton Rec Centre, including basketball, pickleball and other sports and activities.

#### Lyttelton Information and Resource Centre Trust

We support the Lyttelton Harbour Information Centre, staffed by local volunteers who assist visitor enquiries.

#### Lyttelton Community House

We support Lyttelton Community House, which provides services and support to meet the needs of the most vulnerable community members.

#### Stars in their Eyes

We sponsored the successful sellout Stars in their Eyes – a fantastic community event attracting a wide range of Lyttelton locals strutting their stuff.

#### SailGP big screen

We supported the Lyttelton Harbour Business Association giant screen at Albion Square so that residents could watch live coverage of SailGP above the racetrack over the weekend in Lyttelton.

### Lyttelton

#### Port Noise Festival

We supported the Port Noise annual music and arts festival, a one-night multi-venue event with one-of-a-kind performances featuring a roster of unannounced guests.

#### Our Stories Project Trust

We support Our Stories Project Trust, which works with Lyttelton Primary School to train students as oral historians and facilitate interviews for them. Professionally recorded edited interviews are uploaded to Story Map for users to discover for free.

### Diamond Harbour

#### Diamond Harbour Youth and Community Trust

We support the Diamond Harbour Youth and Community Trust to provide positive opportunities for children, young people and whānau in the southern bays where they can thrive, contribute and be proud of where they live.

#### Diamond Harbour School

We supported the Diamond Harbour School rock band by purchasing band equipment, including a keyboard, drum stool and ride cymbal.

#### Diamond Harbour Live at the Point

We support Diamond Harbour Live at the Point's free Sunday music sessions, hosted every Sunday in January and February during summer.

#### Living Springs Trust and Diamond Harbour School Enviro Camp

We sponsored the Enviro Camp at Living Springs for Year 4 students from Diamond Harbour School and their learning about the environment.

### Governors Bay

#### Cholmondeley Children's Centre Giving Day

We supported Cholmondeley to help provide short-term emergency or planned respite care for whānau with children aged 5–12, which can be accessed in times of whānau stress or crisis.

#### Cholmondeley Children's Centre Rugby Jersey Fundraiser

LPC staff supported a fundraiser giving away a signed Crusaders Super Rugby jersey and raising \$3,190 for Cholmondeley. The jersey was kindly gifted to Cholmondeley for further fundraising activities.

### Rolleston

#### Broadfield Touch Club

We supported Broadfield Touch Club with more touch tops, caps and club rugby balls so that children and parents could play the popular sport.

#### West Rolleston Primary School

We supported West Rolleston Primary School with additional jackets for students.

#### Rolleston Scout Group Jamboree Troop

We supported Rolleston Scout Group's decision to send its leaders to the National Scout Jamboree Camp at Mystery Creek in Hamilton.

#### Weedons Golf Club Gumboot Day

We supported the Gumboot Golf Day Ambrose Tournament, which raised over \$38,000 for the I am Hope Foundation.

### Charteris Bay

#### Charteris Bay Yacht Club

We supported the Charteris Bay Yacht Club by developing a floating dock.

#### Charteris Bay Golf Club

We assist the Charteris Bay Golf Club with youth development and maintenance costs.

#### Quail Island Ecological Restoration Trust

We sponsor the Quail Island Ecological Restoration Trust, which supports the restoration of native ecology by replanting thousands of trees, weeding and monitoring traps, and a pest eradication programme.

### Banks Peninsula

#### Te Ahu Pātiki Charitable Trust

We sponsor Te Ahu Pātiki Charitable Trust and the natural regeneration of 500 hectares of land in the newly created conservation park in the heart of Whakaraupō Lyttelton Harbour.

#### Banks Peninsula Conservation Trust

We are the principal sponsor of the Banks Peninsula Conservation Trust, which works with landowners, agencies, sponsors and the wider community to promote the conservation and enhancement of indigenous biodiversity and sustainable land management on Banks Peninsula.

# Sponsorship highlights



## Peninsula Art Auction

LPC supported the Peninsula Art Auction, which successfully raised \$65,000 for Lyttelton Primary School.

The event, organised by the Lyttelton Education Charitable Trust, was in its 20th year and showcased local Lyttelton artistic talent – 270 artworks were donated by over a hundred local artists.

The auction was a resounding success, drawing 500 visitors a day over the last weekend in October 2023.

LPC funded the art display boards and lighting.

The gala evening live auction was attended by 250 people, with 20 premium works sold, including a notable piece by late Lyttelton artist Bill Hammond.

## Diamond Harbour Youth Community Trust

LPC is proud to support the Diamond Harbour Youth and Community Trust (DHYCT), which aims to grow and develop the youth within the Lyttelton Harbour area.

Deborah Swaney from the Diamond Harbour Community Trust says the funding has had a significant and positive impact on the community.

“It has enabled us to provide consistent and meaningful support to the young people, fostering their growth and development.”

The 24/7 Youth Programme, a collaboration between the school, local agencies and churches, has provided 10 hours of youth work within the school setting and 10 hours within the community. It has created a safe and supportive environment for students, helping them build confidence and resilience.

DHYCT has run its Granny and Grandpa afternoons on a Friday at school, facilitating older volunteers to go into the junior classes at school.

The camps and holiday activities have offered unique experiences that broaden horizons and strengthen community bonds. This winter, DHYCT took a group of seven teenagers to a Snow Camp run by Scripture Union in Queenstown.

“The DHYCT leadership programme has empowered our young people to take on responsibilities and develop essential life skills,” says Deborah.

LPC is proud to support DHYCT and help make a lasting difference in the lives of the rangatahi/youth and the wider community.

## Crusaders rugby jersey fundraiser

LPC staff raised thousands of dollars for the Cholmondeley Children’s Centre by supporting a winning signed Crusaders rugby jersey raffle.

The raffle raised \$3,190, which LPC matched for a total of \$6,380 for the Governors Bay charity.

Caleb Brandt was the lucky winner of the sought-after rugby jersey, purchasing four tickets despite confessing to being a Warriors rugby league fan.

Caleb, a maintenance fitter at the Workshop, donated the jersey to Cholmondeley Children’s Centre to help raise even more money for its charity.

Cholmondeley Children’s Centre Fundraising Manager Regan Hines said he was stunned by the amount raised.

“It is incredible, so much more than we expected. I can’t believe how huge it went,” says Regan.

“It is great to see the local community come together to help us – it will help out with the kids.”

# Managing ship noise

## Low-frequency rumble from ship auxiliary engines is a major source of community noise complaints at New Zealand ports, including LPC.

In last year’s annual report, we highlighted our work with other New Zealand ports in developing ship noise specifications. The objective was to encourage shipping lines to prioritise quieter ships on national shipping routes. It used NEPTUNES (Noise Exploration Program To Understand Noise Emitted by Seagoing ships) guidance to benchmark ship noise levels.

The specifications were finalised and circulated to shipping lines on 10 May 2023 along with a letter stating that any container vessel deemed noisy by New Zealand ports and all new container vessels entering New Zealand services from June 2024 must either comply with the specifications or have reactive silencers fitted to one of the engines. If vessels cannot meet these requirements, they will be refused entry.

During this interim phase up to June 2024, 35 ships were measured, 12 of which had a negative – “noisy” – score.

Unfortunately, the specifications were withdrawn due to legal issues, and we are now in discussions with Maritime New Zealand about the next steps. Regardless, all of the major New Zealand ports (including LPC) continue to monitor noise emissions from all container ships that are new to New Zealand and will address low-frequency issues with the vessel and shipping line individually.

Out of the 12 vessels monitored with a negative NEPTUNES score, four call at LPC. To ensure we continue to manage the impacts of low-frequency vessel noise on the community, these vessels will be berthed starboard side to the berth when operationally feasible, which means the exhaust is facing out of the harbour and away from a large proportion of the community.

On certain occasions, however, vessels may be unable to berth on their starboard side due to health and safety restrictions and will be berthed on the port side, which is the primary orientation for container vessels at LPC.

The LPC Pilot team assesses portside orientation as a safer manoeuvre from a navigational safety perspective. Given the typical propulsion arrangement on container ships, berthing portside is an easier and lower-risk manoeuvre for maintaining parallel orientation to berth in the final stages of arrival. This, in turn, minimises the potential for the ship to contact container cranes during berthing.

Berthing portside also allows for quick departure in the case of a Port emergency and better responds to some of the Port’s environmental conditions such as long-period waves.



# Stadium Steel

## Standing strong for Christchurch

**As the structure of Te Kaha | One New Zealand Stadium rises above the Christchurch skyline, it's exciting to know that much of the steel going into the stadium has been processed through Lyttelton Port Company.**

All stadium steel procured from China enters the Port on flat racks, which are then unloaded, discharged and trucked through to Champion Freight in Hillsborough. There, the steel waits in storage until required by the stadium construction team.

Phil de Joux, LPC Chief Bulk Cargo, Engagement and Sustainability Officer, says that being able to play a role in the creation of community infrastructure for Christchurch carries a lot of weight for LPC.

"It's incredible to think of how much of our city is connected in some way to the Port. Whether that's unloading imported building materials, facilitating exports for our local businesses, partnering with other transport and logistics companies or contributing to community and environmental organisations, we are committed to helping Christchurch grow," says Phil. "This stadium is set to have a huge impact on our city and we can't wait to see it come to life."

### Stadium steel facts

#### Tonnage

- Total steel in the roof and bowl structures – 13,700 tonnes.
- Total steel expected to be delivered through LPC for the project – 10,300 tonnes.
- Total steel delivered through LPC to end of June 2024 – 7,989 tonnes.

#### Design and fabrication

- The south, east and northwest bowl as well as the roof were fabricated in Shanghai, China.
- The west stand was fabricated in Auckland, with oversize members fabricated in Christchurch.
- Design of the steelwork was advanced early to accommodate the long lead times for shop drawing, fabrication and international shipping.
- All steelwork is supplied and fabricated to New Zealand and international standards.

#### Assembly

- One of the biggest challenges in building the structure is the analysis that needs to be undertaken for each and every stage. Every major assembly lift for the roof has a theoretical surveyed position when erected. After each lift, the actual position must be assessed and adjustments made before the next assembly can be connected.

#### Earthquake proofing

- The main roof structure is a stand-alone structure and is completely separated from the bowl structure. This allows the structure to move independently and not affect the other structures.

# 10,300

Expected tonnage of steel to be delivered through LPC



# Sealord Quite a catch

## In FY24, Sealord purchased Christchurch-based Independent Fisheries Limited (IFL), transforming Sealord into New Zealand's biggest seafood business.

The purchase included approximately 46,000 metric tonnes of quota, one chartered and two owned deepwater factory fishing vessels, 500 plus vessel crew and staff and a cold storage facility in Woolston.

IFL has been a consistent presence at Lyttelton Port for over 60 years, having grown into a significant fishing operation from its early inception as a Linwood fish and chip shop. While the acquisition represents the end of an era for the company, day-to-day operations remain business as usual. The iconic blue and teal ships will continue to operate out of Lyttelton Port and long-standing relationships between operational staff continue.

The acquisition presents an exciting opportunity for LPC to strengthen its relationship with Sealord and drive benefits for both businesses.

Until now, Sealord has operated almost exclusively out of Nelson and Dunedin ports, using LPC only for its Dry Dock facilities. Sealord's Tim Mackay, who has taken on the role of Managing Director of IFL post-acquisition, says that forging a closer connection with LPC will create multiple advantages for the Sealord business.

"Adding a third port into the mix gives us more operational flexibility," says Tim. "It also makes us a more effective exporter. Lyttelton Port, being the largest port in the South Island, has more shipping options and direct routes.

That can mean we have the potential to get our product out to the world faster and reduce our need for feeder vessels."

LPC's growth facilitates our customers' growth too. As Lyttelton Port continues to attract more carriers and larger vessels, exporters like Sealord can ship product faster while keeping costs down. Our Logistics team plays a fundamental role in realising benefits as it works to provide berth access and fast vessel turnaround, particularly in peak season.

With such a hefty acquisition under its belt, Sealord is now focused on realising operational efficiencies and integrating the IFL business as effectively as possible.

"It's all very positive," says Tim. "We're still running Independent Fisheries as a separate business under the Sealord umbrella and aiming to realise



synergies across both operations as we bring them closer together."

The acquisition represents a new milestone for LPC as we look to grow our relationship with New Zealand's biggest seafood company, offering our own strengths and resources to help Sealord achieve its vision of "doing right by our whānau and environment to bring quality seafood to the world".

LPC Chief Customer and Supply Chain Officer Simon Munt concludes, "LPC has had a long-standing relationship with IFL. Under the new ownership, we look forward to continuing this and growing our relationship with Sealord. LPC continues to invest in infrastructure to support New Zealand's key exporters like Sealord to get their products to the world."

# Golden Bay Cement A seamless solution



## Golden Bay is one of New Zealand's largest cement businesses and the only one to still produce cement in Aotearoa.

Now a subsidiary of Fletcher Building, Golden Bay has been in operation for over 100 years. By the numbers, it operates with 900 ISO tanks, 231 staff, 15 service and distribution centres, two marine vessels and one cement plant.

For the last 10 years, Golden Bay has had a close relationship with LPC as we help it get its product out to customers across the South Island.

The process follows an ISO tank model in which cement is transported via coastal shipping from the plant in Portland (near Whangārei) down to Lyttelton. The product is shipped in ISO tanks ('tanktainers'), which are offloaded and transported to LPC's landside facilities, CityDepot and MidlandPort. From there, tanks are sent

out to customers as required. Empty tanks are returned and eventually shipped back to Portland where the process begins again.

Chris Strong, Fletcher Category Manager for Road and Rail, says the ISO solution works perfectly for the business.

"It's been a fantastic operational relationship. As soon as the tanks arrive at Lyttelton, the Port takes over. It's a very efficient process and having two storage locations means we can save our customers time and money."

Coastal shipping is ideal for moving large volumes of heavy product. Not only is it more sustainable than road or rail from the North Island, it makes clear financial sense too.

"Coastal shipping is by far the most efficient way to move the volumes we deal with," says Chris. "We currently move up to 120 tanks per week to the South Island. That's just short of 3,000 tonnes. The ability to move that quantity of product on a constant, locked-in

schedule can't be underestimated. The impact is phenomenal."

LPC Chief Customer and Supply Chain Officer Simon Munt says that being able to provide an end-to-end solution for Golden Bay is testament to LPC's focus on nurturing strong relationships. "Road, rail and shipping are all involved in the solution. We must be able to facilitate the different parts of the chain to make it work seamlessly."

He also says that LPC's ability to provide landside solutions is key to adding value for our customers.

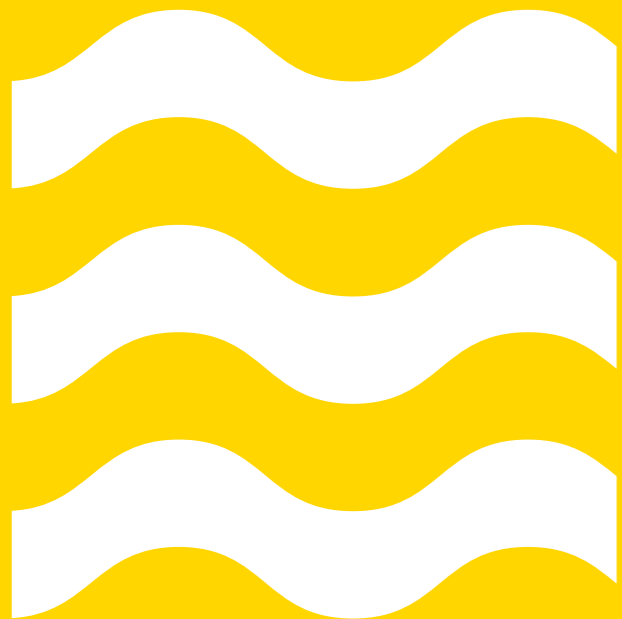
"As we continue to grow the Port, we've also got to be able to get the cargo in and out. Investing in and promoting our landside solutions, like CityDepot and MidlandPort, is key to keeping pace with increased volumes. This is definitely a focus for our long-term strategy," concludes Simon.



# Kaitiakitanga

Material issues	Key metrics	Work-ons
Biodiversity	Landfill waste 318 tonnes	Bulk loading processes
Environmental and community impacts	Recycling 188 tonnes	Carbon reduction
	Total emissions 44,266 tCO <sub>2</sub> e	Biodiversity positive

**A healthy environment is fundamental to our success as a business. Operating within the Whakaraupō Lyttelton Harbour, we are committed to protecting and enhancing this special place. We have had a Sustainability Strategy in place since 2019 that we continue to review and refine as we identify and assess our climate and nature-related risks and align with science-based targets and new reporting approaches.**



#### **Science-based targets**

This year, we adopted science-based target methodology for emissions reduction and updated our greenhouse gas (GHG) emissions reduction plan that delivers to those targets. Our science-aligned targets include both near-term (2030) and long-term (2050) goals to ensure we make sufficient progress. Over time, achieving our intended targets will be dependent on advances in technology and availability of capital funds.

#### **Air quality monitoring**

We installed three dust monitors to actively measure the impact of Inner Harbour operations on air quality. While initial results indicate that dust concentration at the Port boundary was well below guidelines, we continue to undertake and refine our mitigation measures, which include sweeping, misting systems, ceasing unloading operations during certain wind events and removing bulk products from the wharf.

#### **Taskforce on Nature-related Financial Disclosures (TNFD)**

We're proud to be the first New Zealand company to adopt the TNFD to understand and address our nature-related impacts, dependencies, risks and opportunities. This new framework enables us to quantify our actions towards becoming biodiversity positive. We are in the early days of adopting the TNFD framework but believe that its rigorous, quantifiable approach will help us drive greater change as we work towards our goal of having a positive effect on biodiversity.

#### **Restoration projects**

We continue to engage in a number of restoration projects, including weeding and predator control efforts at our Gollans Bay covenant site, further planting and maintenance at our Port Saddle restoration site and continuation of our Predator Control Programme. This year also saw us initiate eco-engineering projects including seawall tidal pools and a predator-free tern sanctuary on a disused area of the Port.

#### **Quick wins for waste**

In FY24, we carried out a comprehensive Port-wide waste audit. This hands-on review identified exactly what makes up our waste and which categories could be diverted from landfill. As a result of the audit, we have identified several quick wins that will help us on our journey to achieving an 80% reduction of solid waste to landfill by 2030. On top of these actions, we continue to work with suppliers and investigate product purchases that move us closer to our ultimate target of zero solid waste to landfill by 2040.

# GHG emissions

The Intergovernmental Panel on Climate Change (IPCC) has determined that global temperature increase must be limited to 1.5°C above pre-industrial levels to avoid the most extreme impacts of climate change.

For LPC, this means we're doing our part by taking a science-driven approach to becoming a net-zero company. In FY24, our Board approved new targets that are aligned with the net-zero standard defined by the Science Based Targets Initiative (SBTi). Our science-aligned targets have both a near-term and long-term goal to ensure we make sufficient progress.

### Near-term targets

LPC commits to reduce absolute Scope 1 and 2 GHG emissions by 50% and selected Scope 3 GHG emissions by 30% by 2030 from our baseline year of FY18. This target is consistent with GHG emissions reductions required to limit warming to 1.5°C.

### Long-term targets

LPC commits to reduce absolute Scope 1, 2, and 3 GHG emissions by 90% by 2050 from our baseline year of FY18.

By aligning with SBTi, we are fulfilling our commitments to our shareholder CCHL and the Climate Leaders Coalition.

### Our GHG footprint

LPC's total gross GHG emissions for FY24 were approximately 45,258.38 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) across Scopes 1, 2 and 3. This is an increase on our FY18 baseline year of 10,891 tCO<sub>2</sub>e and is due to the inclusion of new Scope 3 categories as part of our first full value chain reporting.

### Total emissions (location based)

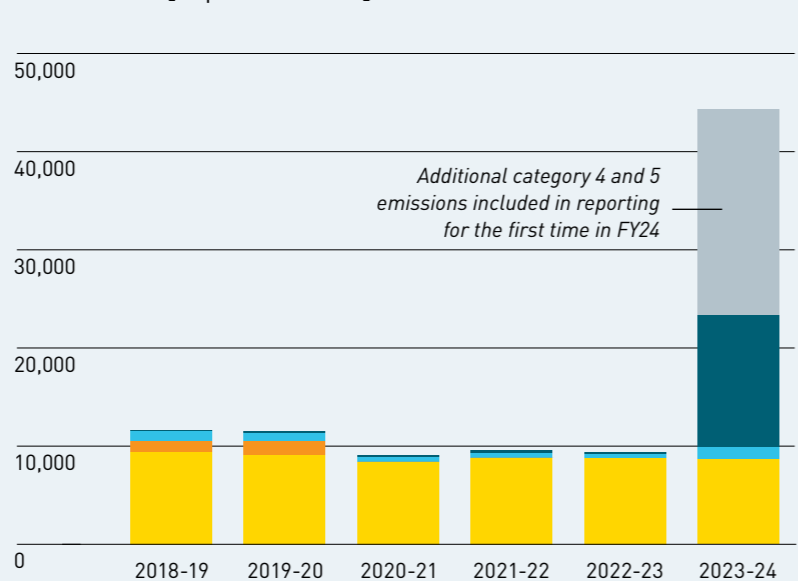
Tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)

		%	tCO <sub>2</sub> e
Scope 1	<b>Category 1</b> Direct emissions arising from LPC activities (eg, fuel usage)	19.0	8,631.2
Scope 2	<b>Category 2*</b> Indirect emissions from imported energy (eg, electricity usage)	2.2	992.6
Scope 3	<b>Category 3</b> Indirect emissions from transportation (eg, freight, travel)	2.7	1,230.7
	<b>Category 4</b> Indirect emissions from products/services (eg, purchased goods and services, waste generated by operations, electricity transmission and distribution losses)	30.0	13,489.9
	<b>Category 5</b> Indirect emissions associated with the use of products (eg, ships' emissions).	46.0	20,913.9
	<b>Category 6</b> Indirect emissions from other sources, not applicable to LPC operations	-	-

\* Category 2 emissions are not shown in the graph below. They are negated due to purchase of NZ Certified Renewable Energy Certificates (NZRECs) since FY21

### Total emissions (market based)

Tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)



## Scope 1 emissions

Our direct Scope 1 emissions are dominated by the combustion of diesel to operate large mobile plant. LPC's Container Terminal operates 24/7, 365 days a year with 25 diesel electric straddles used for moving containers. For this reason, it contributes about half of LPC's direct emissions. The marine and coal business units also rely heavily on diesel-powered fleet such as tugs, the pilot boat and front-end loaders, also contributing significantly to LPC's direct emissions.

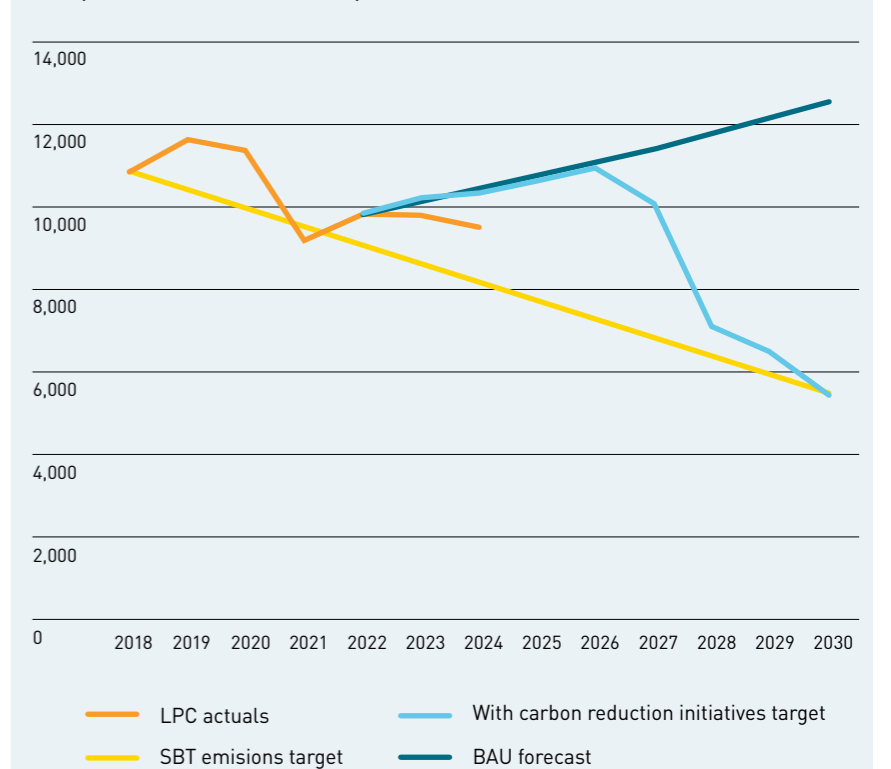
Our science-aligned goals and targets are underpinned by an emissions reduction plan that identifies reduction initiatives to be taken by 2030 and keep us on track to reach net-zero emissions by 2050. However, we know that our emissions reduction journey won't be a linear progression. Our journey requires significant capital investments to decarbonise our fleet of large mobile plant. There will be periods when progress is slow and periods when we see noticeable gains.

## Scope 2 emissions

LPC continues to adopt the market-based approach for electricity consumption and Scope 2 emissions. In FY24, we entered into a new five-year power purchase agreement with Meridian Energy.

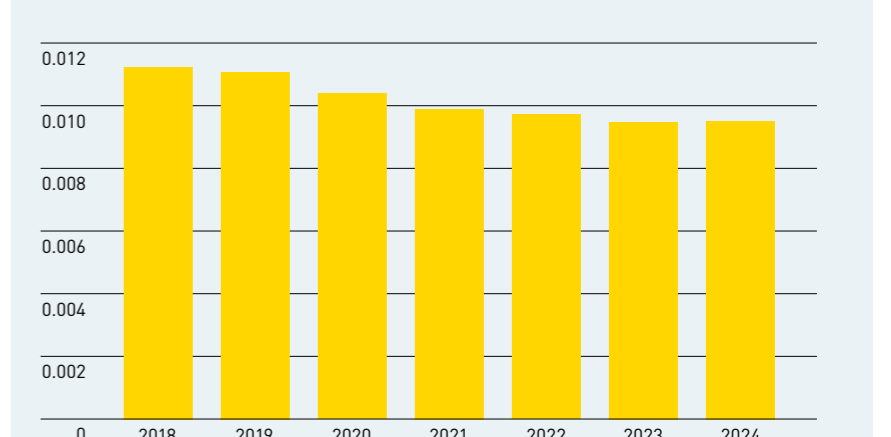
### LPC performance against SBTi target

(Scope 1, 2 and selected Scope 3)



### Carbon intensity per TEU

In FY24, there was a marginal increase in the average tCO<sub>2</sub>e per TEU moved from 0.009488 tCO<sub>2</sub>e in FY23 to 0.009524 in FY24. However, this was a decrease of around 15% from the FY18 baseline.



## Scope 3 emissions

Scope 3 emissions are all indirect emissions that occur in the upstream and downstream activities of LPC. In FY24, we included for the first time category 1 purchased goods and services, which includes category 2 capital goods, category 7 employee commuting, category 11 use of sold products and services and category 13 downstream leased assets.

Our most significant Scope 3 emissions come from purchased goods and services (category 1) that we procure and ships visiting LPC (category 11). Within Scope 3, these two categories represent 95% of our Scope 3 emissions. Not all goods and services have major climate impacts, but we're trying to get a handle on the full breadth of what these impacts are in order to better manage and reduce them.

LPC's ship emissions inventory includes the emissions generated while vessels transit Whakaraupō Lyttelton Harbour from the head of the harbour to the Port, while manoeuvring, while at anchor and while generating power at berth (hoteling).

There are many varying methodologies currently being used to calculate ship emissions, and LPC has chosen to base our methodology on the US EPA Port Emissions Inventory Guidance using data held by LPC and a marine automatic identification system (AIS).

### Scope 3 emissions

⬆️ Upstream ⬇️ Downstream

⬇️ **CATEGORY 11**  
Use of sold products and services

**59%**

⬆️ **CATEGORY 1**  
Purchased goods and services (including capital goods)

**36%**

⬆️ **CATEGORY 7**  
Employee commuting

**3.10%**

⬆️ **CATEGORY 5**  
Waste to landfill

**1.35%**

⬆️ **CATEGORY 6**  
Business travel

**0.36%**

⬆️ **CATEGORY 4**  
Upstream transport

**0.33%**

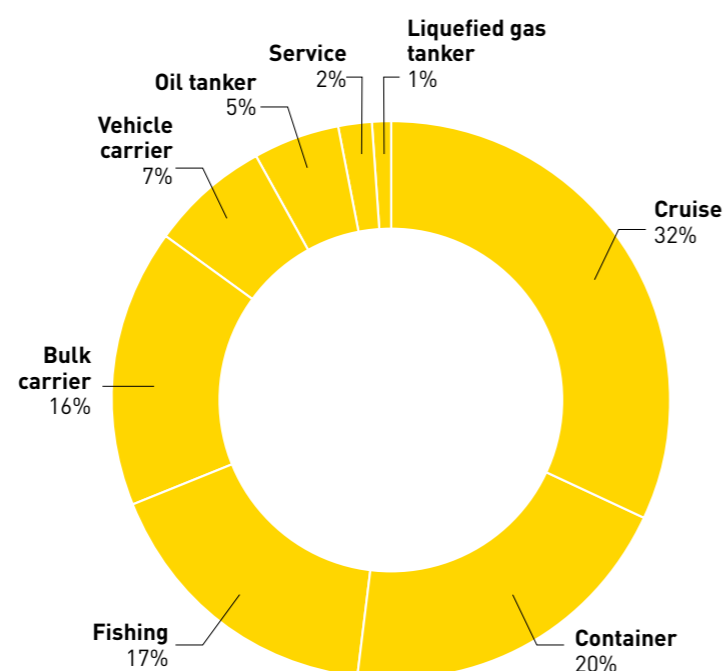
⬆️ **CATEGORY 3**  
T&D losses

**0.32%**

⬇️ **CATEGORY 13**  
Downstream leased assets

**0.14%**

### Ship emissions by vessel type



LPC's ship emissions inventory includes the emissions generated while vessels transit Whakaraupō Lyttelton Harbour from the head of the harbour to the Port, while manoeuvring, while at anchor and while generating power at berth (hoteling).





# Dust update: A data-driven approach to air quality

LPC's activities relating to dust are regulated under resource consents from Environment Canterbury. These consents allow us to discharge dust into the air, but that dust must stay within the Port boundary.

Given that Lyttelton township has its own sources of dust, including pollen, log burners and vehicles, it's important that we understand the conditions and activities that cause dust. In particular, we need to understand whether any dust from Port operations can be detected at the Port boundary and, if so, whether concentrations are of concern for human health.

### Measurement and mitigation

In FY24, LPC proactively installed three dust monitors to measure the impact of Inner Harbour operations on air quality. These monitors are helping us understand which weather conditions generate high dust readings from Port activities and the general dust environment in the Inner Harbour.

In addition to monitoring, LPC undertakes a range of measures to mitigate the effects of dust on air quality. These include sweeping, using water to dampen products, shutting down during certain wind events and removing bulk products from the wharf.

### Results from monitoring

Installed by Mote, an air monitoring specialist, the monitors use a low-powered laser to measure the amount of dust in the air once per second. The instruments are extremely sensitive and can detect any increase in dust particles whether from bulk cargo, vehicle emissions or even someone smoking.

Preliminary data has identified a few occasions between January and July 2024 when bulk cargo unloading during certain wind conditions resulted in elevated dust. While the dust concentration at the Port boundary remained well below the health guidelines on each occasion, our staff are continually evaluating and reviewing dust monitoring data in order to reduce the potential for dust generation during vessel unloading.

### Our vigilant approach continues

We are committed to complying with our resource consent requirements and meeting environmental standards.

Over the next year, we will utilise the data collected from these monitors to further enhance our mitigation strategies, ensuring that the Port's operations remain environmentally responsible and community-friendly.

# Waste

At LPC, we're working towards a circular economy. In 2019, we committed to sending zero solid waste to landfill by 2040.

Across our three sites, we produce a diverse range of waste, from the organic debris swept up from our Log Yards to the steel from repairing containers.

By weight, our largest waste stream is liquid waste, which consists of the material we capture in sumps, tanks and stormwater treatment devices, preventing it from discharging into sensitive receptors such as the harbour and waterways. While this liquid waste can be recovered, we noticed that a significant amount of general waste was being sent to landfill from the red bins and skips across the Port.

As this number grew throughout the year, we wanted to understand better what makes up this waste and if we could do more to divert it from landfill.

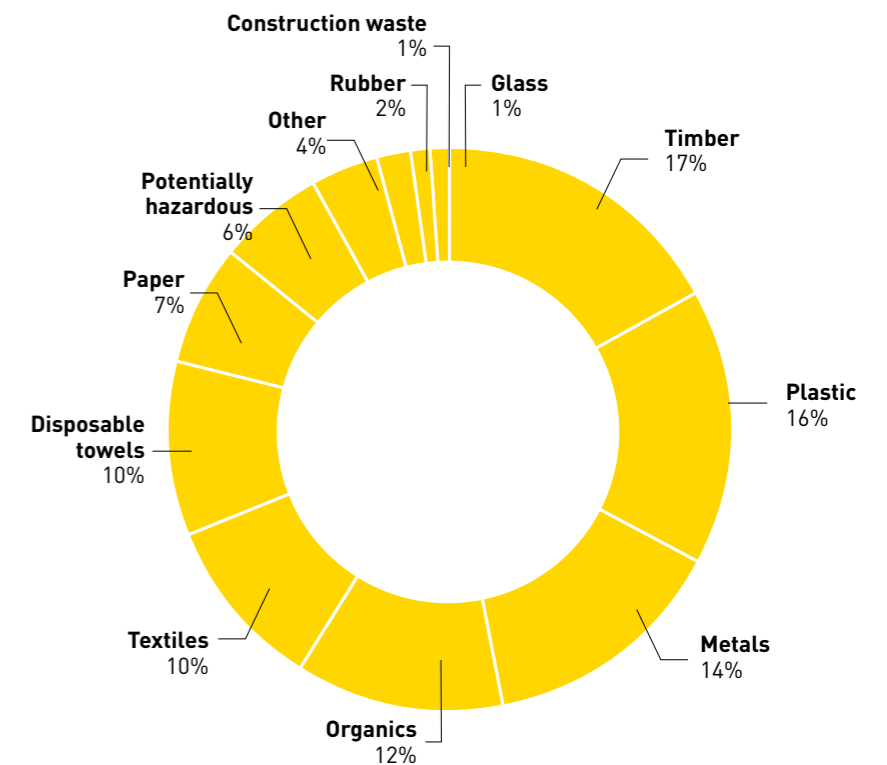
To answer these questions, in FY24, we carried out a comprehensive Port-wide waste audit. We got our hands dirty, sifting through bins and skips across the three sites, categorising and weighing the different waste types. This gave us a further appreciation of the extent and diversity of the waste we produce.

Fortunately, we found that many of these waste streams could be diverted from landfills with the right bins and education. By making these changes, we believe that around 50% more general waste could be diverted from landfills. Working with our waste contractor to reduce industrial waste streams from going to landfills is also a key focus. In FY24, we were able to start sending our clean Log Yard sweepings to be commercially composted, a circular solution for up to 6 tonnes of waste a week. Updating our bins to match the waste streams we produce and raising awareness on correct separation is a key focus for FY25.

The waste audit and review also demonstrated the need to review our waste target to ensure it is fit for purpose and promotes positive environmental outcomes. For example, disposing of liquid waste from our interceptors and road sweeping has a positive environmental outcome – reducing dust and contaminants from entering stormwater – but it increases the amount of waste being produced. For this reason, we've decided to exclude these wastes from our target.

We believe there are several quick wins where we can readily make improvements to achieve an 80% reduction of waste to landfill by 2030. To reduce waste further and meet our zero waste to landfill by 2040 target, we will work with suppliers to avoid waste coming in and purchasing products that have longer lifespans or can easily be reused or recycled.

## Composition of LPC landfill bins and skips during the audit in FY24



**318**  
tonnes  
General landfill waste

**734**  
tonnes  
Liquid waste from our stormwater treatment devices

# Biodiversity positive

## What does biodiversity positive look like?

At a time before human occupation, Whakaraupō Lyttelton Harbour had rich forests and clear mountain streams. The harbour was abundant with fish, shellfish and aquatic vegetation supporting these ecosystems such as seagrass and saltmarsh. Māori history reflects the abundance of food in the harbour and the sustenance for families throughout the years. The remnant vegetation and relics found in sediment cores coupled with the stories shared by mana whenua provide a basis for biodiversity goals.

The Whaka-Ora/Healthy Harbour Catchment Management Plan provides an aspirational vision for a future healthy state of the harbour. It will take a catchment partnership approach to realise these long-term goals. Identifying and assessing the impacts and dependencies that LPC has on the biodiversity of Whakaraupō, we can contribute our part to the work outlined in the plan, collaborating on meaningful action within the harbour and catchment.

“[We want] the catchment, ki uta ki tai, to be in a future where Whakaraupō/Lyttelton Harbour is a place that provides healthy, abundant, and interconnected mahinga kai opportunities.”

Whaka-Ora/Healthy Harbour Catchment Management Plan



# LPC's impact on nature

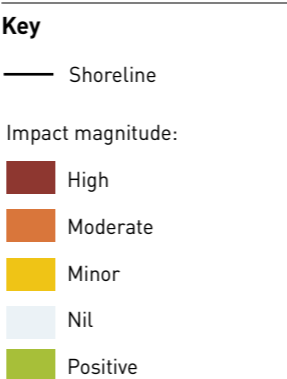
LPC is the first company in New Zealand to adopt the Taskforce on Nature-related Financial Disclosures (TNFD) framework to address nature-related risks and opportunities in our 2024 nature disclosures report.

For our first disclosures report, we are focusing on the direct operations of our Lyttelton site before looking at our inland ports and our customer and supply chain.

LPC's activities impact on the habitats and species of Whakaraupō Lyttelton Harbour. We are accounting for the impacts as a Port since 1875, the year before the Lyttelton Harbour Board was first established. Our assessment of impacts looks at the locations of our activities and the habitats and species they intersect with. Our impact assessment considers both the area

of impact and the change in condition of the underlying habitats over time. Impacts have been split into three categories based on the TNFD drivers of nature change: land/marine use change, pollution and invasive species.

The maps show locations of activities that have a net negative (high, moderate, minor), no net change (nil) or net positive (positive) impact on nature change. Reclamation of the seabed, dredging, dredge spoil disposal and Port operations have the greatest negative impacts on biodiversity. Protection and restoration of areas of Port land and habitat enhancements in the marine environment are contributing to future gains in biodiversity.



## Land/marine use change



## Pollution



## Invasive species



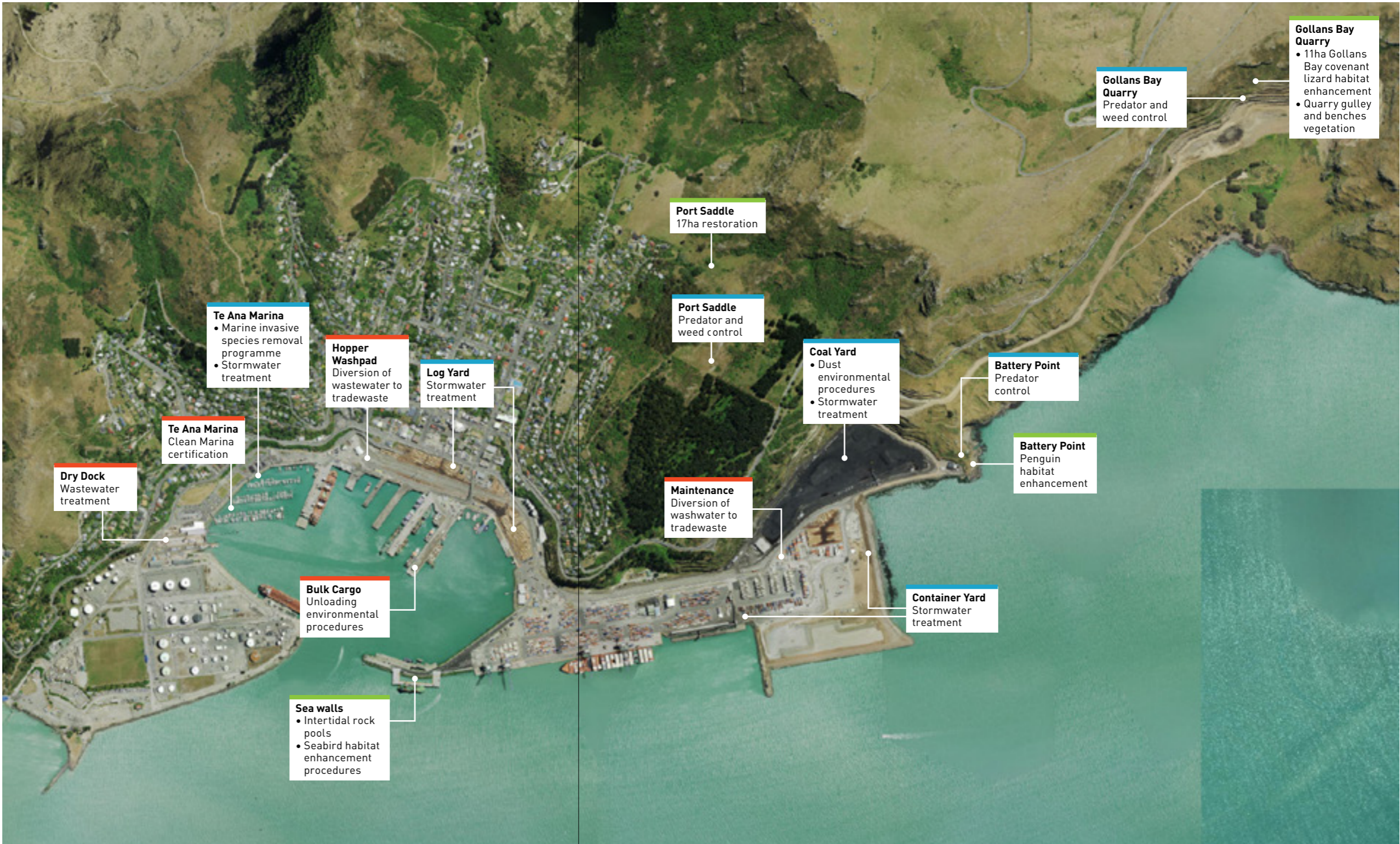
# How do we get to biodiversity positive?

## Since 2019, LPC has been committed to improving the health of the harbour.

Under the new nature frameworks, there are ways to quantify the actions towards biodiversity positive. Actions to avoid and reduce impacts on nature will contribute towards no net loss of biodiversity. In order to move the dial into the positive, LPC will need to look at where nature can be restored and systems can be transformed for greater outcomes in partnership with others.

**Nature positive actions**  
Map key

- Restore
- Reduce
- Avoid



# Partnering to enhance nature

**Lyttelton Port Company actively engages in various conservation efforts to support biodiversity and the environment.**

## Gollans Bay covenant site

The Gollans Bay covenant site, established by LPC in collaboration with the Banks Peninsula Conservation Trust (BPCT), spans 11.4 hectares above our quarry. The rocky outcrop was identified as having high ecological value for lizards among other native species. The site is home to native vegetation and species such as the Waitaha gecko and the southern grass skink.

As part of our biodiversity monitoring, LPC was assisted by Boffa Miskell to trial the use of newly developed CritterPic units (motion-activated camera units designed for real-time detection of wildlife) in the lizard enhancement area of the covenant. Three CritterPic units were deployed over three months in the summer to record interactions with lizards. Unfortunately, the CritterPic units also revealed the presence of a wide range of mammalian pests. While all were expected to be present at the site, LPC recently commenced trapping in the lizard enhancement area to reduce pest numbers.

LPC and BPCT also actively work to control invasive weeds, like pig's ear and broom, to prevent them from outcompeting native plants. Staff and volunteer events are organised to engage in conservation efforts, enhancing the site's biodiversity and ecological values.

## Port Saddle Restoration Project

LPC's Port Saddle area covers 17 hectares of land, acquired in the 1980s to prevent development and promote public recreation and restoration. The site is significant due to its proximity to residential communities and nature reserves. The restoration efforts involve planting native plants to support invertebrate, lizard and bird populations and reduce sedimentation in the harbour.

Along with BPCT, the local harbour schools and volunteers, LPC maintains the planting sites and organises annual community planting events. These initiatives foster a sense of community ownership and empowerment.

## Predator control programme

LPC has 75 traps across non-operational land, including the Port Saddle and Gollans Bay, targeting possums, mustelids and rodents, which are predators of New Zealand's native species.

Species	No. of catches
Hedgehog	12
Mouse	4
Possum	40
Rat	24
Stoat	3
Weasel	9

# Tidal pools provide seawall biodiversity boost

**Seawalls around the Port are composed of quarry rock, and some, like the Cruise Berth, also have rock bags.**

These rocks have mostly smooth surfaces that lack texture, cracks and curves, which makes them difficult for many organisms such as barnacles and mussels to attach to.

Our latest endeavour involves the creation of artificial rock pools along the Cruise Berth. The rock pools were designed to incorporate fine surface texturing, which promotes a range of microhabitats for many organisms.

The success of these pools in promoting marine diversity is being monitored over time by implementing a comprehensive post-installation programme.

This initiative aligns with our broader Sustainability Strategy, which includes partnerships like Whaka-Ora/Healthy Harbour that aims to restore and protect the health of Whakaraupō Lyttelton Harbour as mahinga kai.



# Tern nesting sanctuary

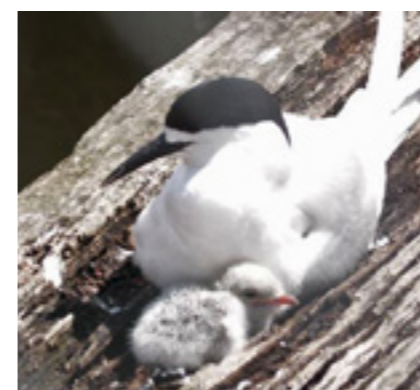
**Over the past year, LPC's incidental bird sanctuary has become a great example of how we work and support our environment.**

The sanctuary, located on an old timber wharf near the Cruise Berth, has provided a safe nesting ground for 50 white-fronted terns.

These birds, known for their coastal nesting habits, have thrived in the predator-managed zone fenced off by LPC.

The sanctuary's success is evident in the growth and development of the tern chicks, which have gone from fledglings to learning to fly.

The sanctuary symbolises LPC's dedication to protecting and nurturing wildlife in operational and non-operational areas.



# Turning Port log bark waste into compost

**Local companies have found a way to turn bark waste from sawmill residues and forest operations into potting mix, soil conditioner and garden chips.**

The bark from the Log Yards at the Port has become part of the raw material mix. The initiative was the result of collaboration between forest companies, Port operators and Intelligro, a leading manufacturer of landscaping products.

Rodney Ryder from Laurie Forestry says that Intelligro and several other companies have been using clean bark for a long time but the challenge was using less quality material.

The system has been refined into a very large operation and now gets raw material from as far away as Picton.

The bark is screened and mixed with other materials, including clean bark from the sawmills, to make highly sought-after nursery blends.

As trucks are unloaded at the Port, bark falls off and stevedores C3 sweep it into a storage area.

Intelligro collects the accumulated bark at regular intervals, which is used as a byproduct to produce compost.

Waste Management's sweeping programme comes twice a week to collect remaining dust.

After each shipment, C3 sweeps the residue bark into storage and Intelligro collects it. C3 loads out the bark during quiet periods in its operation.

"The bark has gone from being a problem residue to a sought-after commodity and helps to cover some of the cost of maintaining the yards," says Rodney.

"This is a fine example of what can happen when you get a team of people working together so that all parties benefit from the relationship."






# Financial statements

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## Key to symbols used within the financial statements

-  Significant judgement / estimate
-  Key risk
-  Accounting policy

# Directors' Declaration

for the year ended 30 June 2024

In the opinion of the Directors of Lyttelton Port Company Limited, the financial statements and notes on pages 132 to 153:

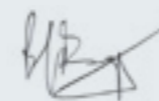
- comply with New Zealand equivalents to International Financial Reporting Standards and fairly present the financial position of the Company as at 30 June 2024, and the results of operations and cash flows for the year ended on that date; and
- have been prepared using appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company, and facilitate compliance of these financial statements with the Companies Act 1993 and Financial Reporting Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of these financial statements.

The Directors are pleased to present the financial statements of Lyttelton Port Company Limited for the year ended 30 June 2024.

For and on behalf of the Board of Directors:



**Barry Bragg**  
Director  
26 August 2024



**Karen Jordan**  
Director  
26 August 2024

## TO THE READERS OF LYTTTELTON PORT COMPANY LIMITED'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of Lyttelton Port Company Limited (the company). The Auditor-General has appointed me, Peter Taylor, using the staff and resources of KPMG, to carry out the audit of the financial statements of the company on his behalf.

### OPINION

We have audited the financial statements of the company on pages 132 to 153, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the company:

- present fairly, in all material respects:
  - its financial position as at 30 June 2024; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards.

Our audit was completed on 27 August 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements, and we explain our independence.

### BASIS FOR OUR OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board of Directors is responsible on behalf of the company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible on behalf of the company for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the company or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Port Companies Act 1988.

## RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## OTHER INFORMATION

The Board of Directors is responsible for the other information. The other information comprises the information included on page 125, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENCE

We are independent of the company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the company.



**Peter Taylor**  
KPMG

On behalf of the Auditor-General  
Christchurch, New Zealand



# Financial statements

## Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2024

These Financial Statements should be read in conjunction with the Notes to the Financial Statements

In thousands of New Zealand dollars	Notes	2024	2023
Revenue	2	193,772	181,662
Employee expenses		(86,375)	(80,011)
Materials and consumables utilised		(31,994)	(33,856)
Depreciation and amortisation	6, 7, 13	(21,729)	(16,578)
Administrative and other expenses	3	(23,002)	(21,711)
<b>RESULTS FROM OPERATING ACTIVITIES</b>		<b>30,672</b>	<b>29,506</b>
Finance income	4	1,234	1,399
Finance costs	4	(8,691)	(4,385)
<b>Profit (Loss) before tax for the year</b>		<b>23,216</b>	<b>26,520</b>
Income tax (expense)	5	(13,275)	(7,561)
<b>Profit (Loss) for the year</b>		<b>9,941</b>	<b>18,959</b>
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE)</b>			
Items that 'may be reclassified' to profit or loss:			
Effective portion of changes in fair value of cash flow hedges - gross of tax		(3,596)	(60)
Income tax on other comprehensive income		1,007	17
<b>Other comprehensive income for the year, net of tax</b>		<b>(2,589)</b>	<b>(43)</b>
<b>Total comprehensive income for the year attributable to the shareholders of the Company</b>		<b>7,352</b>	<b>18,916</b>

## Statement of Financial Position

AS AT 30 JUNE 2024

These Financial Statements should be read in conjunction with the Notes to the Financial Statements

In thousands of New Zealand dollars	Notes	2024	2023
<b>ASSETS</b>			
Property, plant and equipment	6	573,068	573,231
Intangible assets	7	5,238	3,501
Deferred tax asset	5	10,739	22,569
Right of use assets	13	658	699
Finance lease receivable	13	40,816	44,036
Derivatives	12	5,571	9,111
<b>Total non-current assets</b>		<b>636,090</b>	<b>653,147</b>
Cash and cash equivalents		11,734	5,675
Trade and other receivables	8	24,079	24,017
Prepayments		3,233	3,024
Inventories		5,328	2,291
Finance lease receivable	13	2,876	2,363
Derivatives	12	51	107
<b>Total current assets</b>		<b>47,301</b>	<b>37,477</b>
<b>Total assets</b>		<b>683,391</b>	<b>690,624</b>
<b>EQUITY</b>			
Share capital	9	21,457	21,457
Cash flow hedge reserve	9	4,048	6,637
Retained earnings		357,745	358,436
<b>Total equity</b>		<b>383,250</b>	<b>386,530</b>
<b>LIABILITIES</b>			
Other non-current liabilities		231	490
Lease liabilities	13	41,456	44,793
Employee entitlements		811	726
Loans and borrowings	11	227,000	213,000
<b>Total non-current liabilities</b>		<b>269,498</b>	<b>259,009</b>
Trade and other payables	11	13,653	21,898
Provisions	10	1,894	4,767
Interest payable		43	(157)
Employee entitlements		11,966	12,263
Lease liabilities	13	2,977	2,359
Other current liabilities		110	70
Income tax payable	5	-	3,885
<b>Total current liabilities</b>		<b>30,643</b>	<b>45,085</b>
<b>Total liabilities</b>		<b>300,141</b>	<b>304,094</b>
<b>Total equity and liabilities</b>		<b>683,391</b>	<b>690,624</b>

## Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2024

These Financial Statements should be read in conjunction with the Notes to the Financial Statements

In thousands of New Zealand dollars	Notes	Share capital	Cash flow hedge	Retained earnings	Total
<b>Balance at 1 July 2022</b>		<b>21,457</b>	<b>6,680</b>	<b>349,659</b>	<b>377,796</b>
<b>PROFIT FOR THE YEAR</b>		-	-	18,959	18,959
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE)</b>					
Effective portion of changes in fair value of cash flow hedges – net of tax		-	(43)		(43)
<b>TRANSACTIONS WITH OWNERS RECORDED DIRECTLY IN EQUITY</b>					
Dividends to equity holders	9	-	-	(10,182)	(10,182)
<b>Balance at 30 June 2023</b>		<b>21,457</b>	<b>6,637</b>	<b>358,436</b>	<b>386,530</b>
<b>PROFIT FOR THE YEAR</b>		-	-	9,941	9,941
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE)</b>					
Effective portion of changes in fair value of cash flow hedges – net of tax		-	(2,589)		(2,589)
<b>TRANSACTIONS WITH OWNERS RECORDED DIRECTLY IN EQUITY</b>					
Dividends to equity holders	9	-	-	(10,632)	(10,632)
<b>Balance at 30 June 2024</b>		<b>21,457</b>	<b>4,048</b>	<b>357,745</b>	<b>383,250</b>

## Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2024

These Financial Statements should be read in conjunction with the Notes to the Financial Statements

In thousands of New Zealand dollars	Notes	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers		193,787	177,537
Cash paid to suppliers and employees		(147,631)	(136,685)
Interest and facility fees paid		(7,325)	(3,312)
Interest received	4	93	140
Subvention payments	15	(4,324)	(4,169)
Income tax received (paid)		1	(2)
<b>Net cash from operating activities</b>		<b>34,601</b>	<b>33,509</b>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		38	176
Acquisition of property, plant and equipment		(24,703)	(68,442)
Acquisition of intangible assets		(486)	(128)
Capitalised interest	4	(3,102)	(4,055)
<b>Net cash used in investing activities</b>		<b>(28,253)</b>	<b>(72,449)</b>
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>			
Proceeds from borrowings	11	14,000	48,000
Leased Asset		(122)	(170)
Dividends paid	9	(14,167)	(6,647)
<b>Net cash from financing activities</b>		<b>(289)</b>	<b>41,183</b>
<b>Cash and cash equivalents at 1 July</b>		<b>5,675</b>	<b>3,432</b>
Net (decrease)/increase in cash and cash equivalents		6,059	2,243
<b>Cash and cash equivalents at 30 June</b>		<b>11,734</b>	<b>5,675</b>

Continued on following page

# About this report

Notes to the financial statements  
for the year ended 30 June 2024

## RECONCILIATION OF NET PROFIT FOR THE YEAR WITH NET CASH FROM OPERATING ACTIVITIES

In thousands of New Zealand dollars	2024	2023
<b>Profit for the year</b>	<b>9,941</b>	<b>18,959</b>
<b>ADJUSTMENTS FOR:</b>		
Depreciation and amortisation	21,729	16,578
Net loss on sale of property, plant and equipment	77	(1,676)
Deferred tax charge	12,837	3,258
Non-current liability	(259)	(50)
Capital creditors	5,078	(5,673)
Leased asset adjustments	(54)	-
Dividend paid	3,535	-
<b>Total adjustments</b>	<b>42,943</b>	<b>12,437</b>
<b>ADD/(LESS) MOVEMENTS IN WORKING CAPITAL ITEMS:</b>		
Change in tax payable	(3,885)	132
Change in inventories	(3,037)	940
Change in trade and other receivables	(62)	(3,283)
Change in prepayments	(209)	2,397
Change in trade and other payables (including employee entitlements and provisions)	(11,290)	2,113
Change in interest payable	200	(186)
<b>Total movements</b>	<b>(18,283)</b>	<b>2,113</b>
<b>Net cash flow from operating activities</b>	<b>34,601</b>	<b>33,509</b>

## 1. Summary of other potentially material accounting policies

This note provides a list of other potentially material accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for Lyttelton Port Company Limited.

### Reporting entity

Lyttelton Port Company Limited (the "Company") is a Company domiciled in New Zealand, is a Port Company under the Port Companies Act 1988, and is registered under the Companies Act 1993. The financial statements have been prepared in accordance with the Companies Act 1993 and the Financial Reporting Act 2013.

The Company's registered office is at Waterfront House, 37-39 Gladstone Quay, Lyttelton 8082, New Zealand. The Company is primarily involved in providing and managing port services and cargo handling facilities.

### Basis of Preparation

#### (A) STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). The Company is a for-profit entity for the purposes of GAAP. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), other Financial Reporting Standards as applicable for Tier-1 for-profit entities and International Financial Reporting Standards Accounting Standards. These financial statements were authorised for issue by the Company's Board of Directors on 26 August 2024.

#### (B) BASIS OF MEASUREMENT

The financial statements have been prepared on the historical cost basis except for property, plant and equipment and derivative financial instruments, which are measured at fair value.

#### (C) FOREIGN CURRENCY TRANSLATION

##### Functional and presentation currency

These financial statements are presented in New Zealand dollars (NZ\$), rounded to the nearest thousand (unless otherwise stated), which is the Company's functional and presentation currency.

##### Transactions and balances

Transactions in foreign currencies are translated at the New Zealand rate of exchange ruling at the date of transaction. At balance date, foreign monetary assets and liabilities are translated at the closing rate, and exchange variations arising from these are included in the Income Statement.

#### (D) USE OF ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment in the year ending 30 June 2024 are included in:

Note 6 - property, plant and equipment (valuation methodology and related key assumptions and sensitivities).

### New accounting standards

#### (A) NEW AND AMENDED STANDARDS ADOPTED

No new accounting standards were adopted during the year.

#### (B) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

NZ IFRS 18 Presentation and Disclosure in Financial Statements was issued in May 2024 by the External Reporting Board and is effective for accounting periods beginning on or after 1 January 2027. The Company has yet to assess the potential impact of this new standard. There are no other new accounting standards, amendments to accounting standards or interpretations that are published but not yet effective that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### Significant matters during the financial year

There are no events or transactions during the year which have had any significant impact on these accounts.

### Climate disclosures

Management has considered climate risk as part of its presentation of the accounts. Other than inclusion of capital amounts required to move to Science Based Targets for carbon reduction in Fair Value calculations management has determined there is no material impact on the recognition or measurement of transactions and balances reported in the financial statements. Management continues to monitor for climate related activities which require disclosure and separately releases specific Climate Related Disclosures.

### Comparatives

Some comparative balances have been reclassified and restated to conform with changes in presentation and classification adopted in the current period.

# Our performance

## 2. Revenue

In thousands of New Zealand dollars	2024	2023
Port operations income	190,025	177,551
Other income	3,747	4,111
<b>Total revenue</b>	<b>193,772</b>	<b>181,662</b>

In thousands of New Zealand dollars	2024	2023
<b>Disaggregation of revenue from contracts with customers</b>		
Container terminals	123,546	120,314
Multi-cargo	32,856	32,409
Marine services	33,623	24,828
<b>Total revenue</b>	<b>190,025</b>	<b>177,551</b>

### Recognition and measurement

#### a) Container terminal

Container revenue relates to the handling, processing and storage of containers. Each process or service is a distinct performance obligation and usually has an identifiable selling price. Revenue from providing containerised stevedoring and other containerised services is recognised at the point in time when the services are rendered to the customer. Storage revenue is recognised on a straight line basis over the period of storage.

#### b) Multi cargo

Multi-cargo revenue relates to the handling, processing and storage of bulk goods and other non-containerised product lines. Each process or service is a distinct performance obligation and usually has an identifiable selling price. Revenue from providing multi cargo services is recognised at the point in time when the services are rendered to the customer. Storage revenue is recognised on a straight line basis over the period of storage.

#### c) Marine services

Marine revenue is related directly to the visit of a vessel to the port and includes fees for pilotage, towage, dues for accessing the port and mooring fees. Each service is a performance obligation and revenue is recognised at the point in time the services are rendered to the customer.

## 3. Administrative and Other Expenses

In thousands of New Zealand dollars	2024	2023
Insurance Expense	6,434	5,666
Other Expenses	16,314	15,801
Fees for audit of annual financial statements - current year	229	244
Fees for audit of annual financial statements - prior year	25	-
<b>Administrative and other expenses</b>	<b>23,002</b>	<b>21,711</b>

## 4. Finance income and Expenses

In thousands of New Zealand dollars	2024	2023
Interest income on cash and cash equivalents	93	140
Interest income on finance leases	1,141	1,259
Interest paid on bank advances	(10,627)	(7,157)
Interest paid on leases	(1,165)	(1,283)
Less interest capitalised to property, plant & equipment	3,102	4,055
<b>Net financing income/(costs)</b>	<b>(7,456)</b>	<b>(2,986)</b>

### Recognition and measurement

Interest income and expense is recognised on an accrual basis using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is deemed as having significant expenditure and generally takes more than 1 year to bring the item to working condition for its intended use.

#### Capitalised borrowing costs

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the average effective interest rate applicable to the entity's general borrowings during the year, in this case 4.4% (2023: 3.62%).

## 5. Tax expense

In thousands of New Zealand dollars	2024	2023
<b>Current tax expense</b>		
Current period	-	3,885
Adjustment for prior periods	439	411
<b>Total current tax expense</b>	<b>439</b>	<b>4,296</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	8,105	3,815
Movement in Deferred Tax relating to removal of depreciation on Commercial Long-Life buildings	5,604	-
Adjustment for prior period	(873)	(550)
<b>Total deferred tax expense/(credit)</b>	<b>12,836</b>	<b>3,265</b>
<b>Total income tax expense</b>	<b>13,275</b>	<b>7,561</b>

### CURRENT TAX EXPENSE:

In thousands of New Zealand dollars	2024 Rate	2024 Amount	2023 Rate	2023 Amount
Profit after tax		9,941		18,959
Tax relating to removal of depreciation on Commercial Long-Life buildings		5,604		-
Total income tax expense		7,671		7,561
<b>Profit (Loss) before tax</b>		<b>23,216</b>		<b>26,520</b>
Income tax using the Company's domestic tax rate	28.0%	6,500	28.0%	7,426
Permanent differences	-0.8%	(190)	1.8%	475
Adjustments to deferred tax	31.9%	7,399	(0.8%)	(201)
(Over)/under provided in prior periods	-1.9%	(434)	(0.5%)	(139)
<b>Total income tax expense</b>	<b>57.2%</b>	<b>13,275</b>	<b>28.5%</b>	<b>7,561</b>

On 28 March 2024 the Taxation (Annual Rates for 2023-24, Multinational Tax, and Remedial Matters) Act passed into law. The Act removed depreciation deductions for tax purposes for commercial long-life buildings with an estimated useful life of 50 years or more, with effect from the 2024/25 income tax year. Application of the enacted tax law

required an immediate write down of the tax asset base in the 2023/2024 income tax year. This has resulted in a \$5.6m increase in the recognition of deferred tax in the Statement of Comprehensive Income and a corresponding increase to the deferred tax liability recognised in the Statement of Financial Position.

In thousands of New Zealand dollars	2024	2023
Income tax expense/(credit) on derivatives	1,007	17
<b>Total income tax recognised directly in equity</b>	<b>1,007</b>	<b>17</b>

In thousands of New Zealand dollars	2024	2023
Imputation credits at 1 July	957	5,726
New Zealand tax payments, net of refunds	-	(4,769)
<b>Imputation credits at 30 June</b>	<b>957</b>	<b>957</b>

The above amounts represent the balance of the imputation account as at the end of the reporting period, adjusted for:

- Imputation credits that will arise from the payment of provisional tax made subsequent to balance date which related to year end 30 June 2024,
- Imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date; and

c) Imputation credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

The consolidated amounts include imputation credits that would be available to the Company.

### DEFERRED TAX ASSETS AND LIABILITIES:

In thousands of New Zealand dollars	Assets		Liabilities		Net	
	2024	2023	2024	2023	2024	2023
Property, plant and equipment	25,435	30,890	(16,910)	(9,882)	8,525	21,008
Employee entitlements	3,041	3,185	-	-	3,041	3,185
Derivatives	-	-	(1,574)	(2,581)	(1,574)	(2,581)
Finance lease receivable	-	-	(12,418)	(13,187)	(12,418)	(13,187)
Lease liabilities*	12,441	13,203	-	-	12,441	13,203
Losses	745	-	-	-	745	-
Other items	640	1,361	(661)	(420)	(21)	941
<b>Tax assets/(liabilities)</b>	<b>42,302</b>	<b>48,639</b>	<b>(31,563)</b>	<b>(26,070)</b>	<b>10,739</b>	<b>22,569</b>

There are no unrecognised deferred tax assets or liabilities for the Company.

### MOVEMENT IN TEMPORARY DIFFERENCES DURING THE YEAR

In thousands of New Zealand dollars	Balance 1 July 2022	Profit or loss	Equity	Balance 30 June 2023	Profit or loss	Equity	Balance 30 June 2024
Property, plant and equipment	24,856	(3,848)	-	21,008	(12,483)	-	8,525
Right-of-use asset*	-	-	-	-	-	-	-
Employee entitlements	3,195	(9)	-	3,186	(144)	-	3,042
Derivatives	(2,598)	-	17	(2,581)	-	1,007	(1,574)
Finance lease receivable	(11,586)	(1,601)	-	(13,187)	769	-	(12,418)
Lease liabilities*	11,600	1,603	-	13,203	(762)	-	12,441
Losses	-	-	-	-	745	-	745
Other items	344	596	-	940	(962)	-	(22)
<b>Tax assets/(liabilities)</b>	<b>25,811</b>	<b>(3,259)</b>	<b>17</b>	<b>22,569</b>	<b>(12,837)</b>	<b>1,007</b>	<b>10,739</b>

\*Due to the adoption of the amendments to NZ IAS 12, deferred tax related to assets and liabilities arising from the recognition of leases is now presented separately.

### Recognition and measurement

#### Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Income tax has been calculated based on the tax rates and tax laws enacted or substantively enacted at balance date.

#### Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 6. Property, Plant and Equipment

In thousands of New Zealand dollars

	Land	Buildings	Land improvements & harbour structures	Plant, equipment & vehicles	Work in Progress	Total
<b>GROSS CARRYING AMOUNT</b>						
<b>Balance at 1 July 2022</b>	<b>189,002</b>	<b>45,991</b>	<b>371,488</b>	<b>257,419</b>	<b>91,153</b>	<b>955,053</b>
Reclassification of Asset Classes	(507)	(6,999)	(3,538)	(624)	1,826	(9,842)
Additions	-	134	820	19,395	63,454	83,803
Disposals	(2)	(126)	(544)	(28,701)	(1,108)	(30,481)
Transfer	-	3,712	3,221	11,521	(18,583)	(129)
<b>Balance at 30 June 2023</b>	<b>188,493</b>	<b>42,712</b>	<b>371,447</b>	<b>259,010</b>	<b>136,742</b>	<b>998,404</b>
Additions	-	4,719	7,780	5,812	7,051	25,362
Disposals	-	(2,067)	(30)	(8,086)	(968)	(11,151)
Transfer	374	18,216	28,803	37,053	(86,440)	(1,994)
<b>Balance at 30 June 2024</b>	<b>188,867</b>	<b>63,580</b>	<b>408,000</b>	<b>293,789</b>	<b>56,385</b>	<b>1,010,621</b>

### ACCUMULATED DEPRECIATION AND FAIR VALUE WRITE-DOWNS

<b>Balance at 1 July 2022</b>	<b>(64,006)</b>	<b>(19,713)</b>	<b>(194,741)</b>	<b>(168,977)</b>	-	<b>(447,437)</b>
Reclassification of Asset Classes	465	1,859	5,728	1,790	-	9,842
Depreciation expense	-	(1,016)	(6,670)	(8,306)	-	(15,992)
Disposals	2	119	544	27,749	-	28,414
<b>Balance at 30 June 2023</b>	<b>(63,539)</b>	<b>(18,751)</b>	<b>(195,139)</b>	<b>(147,744)</b>	-	<b>(425,173)</b>
Depreciation expense	-	(1,493)	(7,412)	(11,877)	-	(20,782)
Disposals	-	2,059	24	6,319	-	8,402
Transfer	-	-	-	-	-	-
<b>Balance at 30 June 2024</b>	<b>(63,539)</b>	<b>(18,185)</b>	<b>(202,527)</b>	<b>(153,302)</b>	-	<b>(437,553)</b>

### CARRYING AMOUNTS

<b>Balance at 30 June 2023</b>	<b>124,954</b>	<b>23,961</b>	<b>176,308</b>	<b>111,266</b>	<b>136,742</b>	<b>573,231</b>
<b>Balance at 30 June 2024</b>	<b>125,328</b>	<b>45,395</b>	<b>205,473</b>	<b>140,487</b>	<b>56,385</b>	<b>573,068</b>

Capital work in progress is recorded as a separate asset classification for improved clarity. The 2024 balance includes Land Reclamation \$46m as well as a number of smaller projects. Projects that create intangible assets when completed and capitalised are included in the \$56m at balance date.

### CAPITAL COMMITMENTS

In thousands of New Zealand dollars

	2024	2023
Commitments for the purchase of property, plant & equipment	Nil	20,597

LPC capital commitments are those approved and contracted with suppliers as at balance date. At 30 June LPC was negotiating a lease facility with Orix NZ for the supply of 5 container handlers at a cost of \$3.7m. 4 of these machines are already in use at LPC facilities with a 5th machine arriving in July of 2024.

### FAIR VALUE AND REVALUATION

Property, plant and equipment are revalued every year as part of the Fair Value review by the Directors using an income approach. The last assessment date was 30 June 2024. As a result of this assessment no change was made to the carrying value of property, plant, or equipment. A previous write down amounting to \$190.5m was recognised in 2020.

### Key estimates and judgements: valuation and fair value measurement of property, plant and equipment

The valuation of property, plant and equipment is subject to assumptions and judgements which materially affect the resulting valuation. Such factors include:

#### (i) Choice of Valuation Methodology

LPC values its assets using the income approach, based on future cash flows. This method is best because the assets are interdependent and can't be valued separately, so a single enterprise valuation is used.

LPC does not fully recover its Enterprise Value (EV) under the cost methodology in NZ IFRS 13 Fair Value Measurement. The future cash flows, including expected profits and capital expenses, do not support valuing the assets using the Optimized Depreciated Replacement Cost (ODRC) method. Therefore, LPC uses the income approach as the best estimate of fair value for its fixed assets.

#### (ii) Key Valuation Assumptions

The Directors have made certain assumptions for the EV model based on management's best estimates. Actual results and cash flow impacts could differ significantly.

LPC has determined that all assets under the revaluation model belong to one Cash Generating Unit (CGU). This means they work together to generate cash flows. The port relies on the shipping channel, the inland ports are necessary for efficient operation, the marina, dry dock, and other inner harbour facilities are part of the CGU because they depend on the port's seawalls, breakwaters, and the support of other aspects of the port operations.

The valuation does not include any major port expansions in the next 15 years. TEU volumes are capped at 560,000TEU. Cruise volumes are not expected to grow significantly.

We use a 15-year forecast period for cash flows, followed by a terminal value, due to the long-term nature of LPC's infrastructure. The expected net cash flows are discounted using a risk adjusted discount rate.

The valuation is mainly driven by growth in container volume, margin improvement, capital expenditure, and the Weighted Average Cost of Capital (WACC) rate. The key assumptions are shown in the table below.

#### (iii) Valuation Process

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team made up of engineers, finance and operational professionals for overseeing all significant inputs into the underlying EV model. When measuring the fair value of plant, property and equipment held by the Company, the Company uses observable reference market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All property, plant, and equipment are categorised as Level 3 in the fair value hierarchy.

### VALUATION INPUTS

Class of property, plant and equipment	Inputs used to measured fair value	Range of significant unobservable inputs		Sensitivity
		2024	2023	
All assets as part of one CGU	EBITDA margin	28% - 36%	30% - 43%	The higher the EBITDA margin, Container TEU Growth rate and the Terminal Growth rate, the higher the fair value.
	- Revenue/Expense Inflation	2% - 4.5%	2% - 8%	
	Container TEU growth rate	2.7% - 3.2%	2.0%	
	- Container Pricing Increases*	3% - 4.5%	3% - 24.4%	
	Terminal growth rate	2%	2%	
	Risk adjusted discount rate	7.60%	7.17%	The higher the WACC rate and Capital Cost rate, the lower the fair value.
	Estimated capital expenditure (\$m)	\$493,593	\$701,000	

\* Key judgment: Over 15 years the average container volume growth is 2.5% and the average container price growth is 3.0% per year.

In thousands of New Zealand dollars

	Fair Value Impact (\$000s)	Impact on Equity Value
<b>KEY SENSITIVITIES - IMPACT OF EV</b>		
Container pricing +1.0%	283,000	Increase
Container pricing -1.0%	(252,000)	Decrease
WACC +1.0%	(90,000)	Decrease
WACC -1.0%	129,000	Increase
Capital Expenditure +10.0%	(70,000)	Decrease
Capital Expenditure -10.0%	65,000	Increase
Container Volumes +1%	30,000	Increase
Container Volumes -1%	(44,000)	Decrease
Inflation +0.5%	(21,000)	Decrease
Inflation -0.5%	20,000	Increase

The results of this revaluation exercise indicate the carrying value approximates fair value and as a result no fair value adjustments have been made.

#### Recognition and measurement

Property, plant and equipment is initially recognised at cost. This is the value of the consideration given to acquire the assets and the value of other directly attributable costs that have been incurred in bringing the assets to the location and condition necessary for their intended service.

The cost of assets constructed by the Company includes the cost of all materials used in construction, associated borrowing costs, direct labour on the project and an appropriate amount of directly attributable costs. Costs cease to be capitalised as soon as the asset is ready for productive use.

##### Subsequent costs

Property, plant and equipment is subsequently measured at fair value, based on periodic valuations by suitably qualified and experienced professionals, less accumulated depreciation and impairment. Revaluations are performed with sufficient regularity to ensure that the carrying value does not differ materially from its fair value. Differences between the valuations and the preceding carrying values are taken to the revaluation reserve. If the net balance of a revaluation reserve was to become a debit this would be charged to the income statement.

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Company. All other costs are recognised in profit or loss as an expense as incurred.

Work in progress are costs incurred in the course of bringing assets to the location and condition necessary for their intended service.

##### Depreciation and useful lives

Depreciation is provided on all tangible property, plant and equipment other than freehold land and capital dredging, at rates calculated to allocate the assets' cost less estimated residual value, over their estimated useful lives.

The following main classes of property, plant and equipment are depreciated on a straight-line basis and their estimated useful lives are:

Buildings	5-50 years
Harbour structures and land improvements	3-100 years
Container cranes (included in plant and equipment)	30 years
Plant equipment and vehicles	3-30 years
Vessels (included in plant and equipment)	5-25 years

Land, capital dredging and various seawalls are not depreciated as they are considered to have indefinite useful lives.

##### Derecognition

In the event that an asset or part of an asset is damaged and not expected to be able to be used to generate future economic benefits, then it is derecognised as an asset and the carrying value, or part thereof, is charged to profit or loss as 'assets written off'.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

##### Impairment

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

## 7. Intangible Assets

In thousands of New Zealand dollars

	Software	Easements & resource consents	Total
<b>COST</b>			
<b>Balance at 30 June 2022</b>	<b>6,987</b>	<b>9,296</b>	<b>16,283</b>
Reclassification of Asset Classes	(6)	(5,075)	(5,081)
	<b>6,981</b>	<b>4,221</b>	<b>11,202</b>
Additions	-	-	-
Disposals	(403)	-	(403)
Transfers	112	16	128
<b>Balance at 30 June 2023</b>	<b>6,690</b>	<b>4,237</b>	<b>10,927</b>
Additions	486	-	486
Disposals	(104)	-	(104)
Transfers	1,920	74	1,994
<b>Balance at 30 June 2024</b>	<b>8,992</b>	<b>4,311</b>	<b>13,303</b>

#### ACCUMULATED AMORTISATION AND IMPAIRMENT

<b>Balance at 1 July 2022</b>	<b>(6,080)</b>	<b>(6,336)</b>	<b>(12,416)</b>
Reclassification of Asset Classes	(114)	5,195	5,081
	<b>(6,194)</b>	<b>(1,141)</b>	<b>(7,335)</b>
Amortisation expense	(376)	(118)	(494)
Disposals	403	-	403
Transfers	-	-	-
<b>Balance at 30 June 2023</b>	<b>(6,167)</b>	<b>(1,259)</b>	<b>(7,426)</b>
Amortisation expense	(621)	(122)	(743)
Disposals	104	-	104
Transfers	-	-	-
<b>Balance at 30 June 2024</b>	<b>(6,684)</b>	<b>(1,381)</b>	<b>(8,065)</b>

#### CARRYING AMOUNTS

<b>Balance as at 30 June 2023</b>	<b>523</b>	<b>2,978</b>	<b>3,501</b>
<b>Balance as at 30 June 2024</b>	<b>2,308</b>	<b>2,930</b>	<b>5,238</b>

#### Recognition and measurement

##### Software

These assets have a finite life and are amortised on a straight line basis over their estimated useful lives of three to ten years. Where estimated useful lives have diminished due to technology change, amortisation is accelerated.

##### Easements and resource consents

Resource consents have been recognised as intangible assets in relation to capital dredging, coal operations, and port expansion consents. The costs of maintaining consents on an annual basis are expensed. Extensions to existing consents are treated as additions to the existing consent.

These assets have a finite life and are amortised on a straight line basis over their estimated useful lives of five to thirty-five years. Where a reduction in useful life can be reliably estimated the amortisation is accelerated to reflect the remaining life

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

## 8. Trade and Other Receivables

In thousands of New Zealand dollars	2024	2023
Trade receivables (before impairment)	24,293	24,480
Provision for impairment (note 11)	(214)	(463)
<b>Trade and other receivables</b>	<b>24,079</b>	<b>24,017</b>

### Recognition and measurement

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any lifetime expected credit losses.



## Our funding

## 9. Capital and Reserves

In thousands of New Zealand dollars	2024	2023
Share capital	21,457	21,457
Cash flow hedge reserve	4,048	6,637

At 30 June 2024 there were 102,261,279 shares on issue (2023: 102,261,279). All issued shares are fully paid and have no par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time by the Directors and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

### Dividends

Dividends of \$10.632m were paid by the Company during the year ended 30 June 2024 (2023: \$10.182m) comprising the final ordinary dividend for the 30 June 2023 year of \$6.465m (6.322 cents per share) and the interim Dividend for the 30 June 2024 year of \$4.167m (4.075 cents per share). No final dividend for the 30 June 2024 has been declared at the date of signing these accounts.



## 10. Provisions

In thousands of New Zealand dollars	2024	2023
<b>PROVISIONS</b>		
Noise mitigation provision	773	880
Jetty demolition provision	168	3,000
Employee related provisions	853	887
Transformation provision	100	-
<b>Total</b>	<b>1,894</b>	<b>4,767</b>

### MOVEMENTS IN EACH CLASS OF PROVISION DURING THE FINANCIAL YEAR ARE SET OUT BELOW:

In thousands of New Zealand dollars	Transformation provision	Noise mitigation provision	Jetty demolition provision	Employee related provisions	Total
<b>Balance at 30 June 2023</b>	-	880	3,000	887	4,767
Additions	1,081	-	-	-	1,081
Charged/(credited) to profit or loss	-	-	-	-	-
- additional provisions recognised	-	48	-	51	99
- unused amounts reversed	-	-	-	(85)	(85)
- unwinding of discount	-	-	-	-	-
Amounts used during the year	(981)	(155)	(2,832)	-	(3,968)
<b>Balance at 30 June 2024</b>	<b>100</b>	<b>773</b>	<b>168</b>	<b>853</b>	<b>1,894</b>

#### Noise mitigation

The estimated costs to satisfy our obligation to mitigate noise for nearby residents has been recognised as a provision. This is an ongoing project and the resulting provision is assessed regularly to ensure the remaining balance meets known exposures.

#### Transformation Provision

A provision was raised in January 2024 for costs required to reorganise certain business activities. With the exception of costs related to minor activities this provision has been realised through the Income Statement for the year.

#### Recognition and measurement

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events. It is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

#### Employee entitlements

##### Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

##### Other long-term employee benefit obligations

The Company also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

## Our financial risk

### 11. Financial Risk Management

In the normal course of business, the Company is exposed to a variety of financial risks. This section explains the Company's exposure to financial risks, how these risks could affect the Company's financial performance and how they are managed.

#### Capital management

The Company's capital includes share capital, reserves and retained earnings.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company maintains a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Company's policies in respect of capital management and allocation are reviewed, as required, by the Board of Directors.

There have been no material changes in the Company's management of capital during the period.

#### Risk management

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk, and market risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

#### (i) Credit risk

##### Nature of the risk

Credit risk is the risk that the counterparty to an arrangement does not meet its obligations under the arrangement.

##### Risk management

Management has a credit policy in place under which each new customer is individually analysed for credit worthiness and assigned a purchase limit before the standard payment and trading terms and conditions are offered. Purchase limits are reviewed on a regular basis.

In order to determine which customers are classified as having payment difficulties the Company considers duration and frequency of default and makes provision for specific balances considered to be impaired. The Company does not require collateral in respect of trade and other receivables.

The Company's exposure to credit risk is reflective of its customer base. The nature of the Company's business means that the top ten customers account for 65% of total Company revenue (2023: 61%). The Company is satisfied with the credit quality of these debtors and any expected credit loss has been disclosed.

Cash handling and derivative transactions are only carried out with counterparties that have an investment grade credit rating.

#### Impairment of financial assets

The Company has two types of financial assets that are subject to the expected credit loss model:

- trade receivables (note 8); and
- finance lease receivables (note 13).

While cash and cash equivalents are also subject to the impairment requirements of NZ IFRS 9, no impairment loss was identified.

The carrying amount of financial assets represents the Company's maximum credit exposure. The Company has not renegotiated the terms of any financial assets which would result in the carrying amount no longer being past due, or to avoid a possible past due status.

The majority of the Company's customers are New Zealand based agents or branches of international shipping lines servicing New Zealand importers and exporters. As such there are no concentrations of geographical risk outside of New Zealand.

*Trade receivables and finance lease receivables*

The Company applies the simplified approach in providing for expected credit losses prescribed by NZ IFRS 9, which permits the use of lifetime expected credit loss provision for all trade receivables and finance lease receivables.

To measure the expected credit loss allowance amount, trade receivables are reviewed on an individual balance basis and assessed against trading history and known commercial risks to allow an assessment of future losses to be made. On that basis, the loss allowance was determined as follows for trade receivables:

**PROVISION MATRIX FOR TRADE RECEIVABLES AND FINANCE LEASE RECEIVABLES**

2024				
In thousands of New Zealand dollars				
	Not past due	Past due 0-30 days	Past due 31-60 days	Past due more than 60 days
Expected credit loss rate	0.02%	0.40%	15.72%	100.00%
Estimated total gross carrying amount at default	4	11	36	163
<b>Trade receivables</b>	<b>21,184</b>	<b>2,717</b>	<b>229</b>	<b>163</b>

2023				
In thousands of New Zealand dollars				
	Not past due	Past due 0-30 days	Past due 31-60 days	Past due more than 60 days
Expected credit loss rate	1.08%	2.00%	4.28%	9.50%
Estimated total gross carrying amount at default	198	60	73	132
<b>Trade receivables</b>	<b>18,380</b>	<b>3,004</b>	<b>1,707</b>	<b>1,389</b>

**(ii) Liquidity risk***Nature of the risk*

Liquidity risk represents the Company's ability to meet its contractual obligations.

*Risk management*

The Company evaluates its liquidity requirements on an ongoing basis. In general, the Company generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls and meet capital expenditure requirements.

To manage liquidity risk, the Company's treasury policy requires liquid assets and/or committed bank facilities to be in place to give headroom of at least \$25 million over and above the maximum debt requirement as estimated for the next 6 months.

*Interest bearing borrowings*

The current and non-current borrowings are unsecured. The Company borrows under a negative pledge arrangement which requires certain certificates and covenants. The negative pledge deed sets out a minimum interest cover requirement (2.25 times EBITDA), and a maximum gearing ratio percentage requirement (45%). There have been no breaches of this negative pledge during the financial year.

The Company has an unsecured bank overdraft facility of \$1 million.

The following table sets out the available unsecured bank and related party loan facilities:

In thousands of New Zealand dollars		
	2024	2023
Westpac New Zealand Limited	55,000	55,000
China Construction Bank	70,000	70,000
Christchurch City Holdings Limited	150,000	150,000
<b>Total unsecured facilities</b>	<b>275,000</b>	<b>275,000</b>
Bank borrowings - non current	227,000	213,000
<b>Total unsecured facilities drawn down</b>	<b>227,000</b>	<b>213,000</b>
<b>Total unused bank loan facilities</b>	<b>48,000</b>	<b>62,000</b>

Interest rates on the Company's loans are based on BKBM (bank bill bid settlement) rate plus a margin range of 0.20% to 0.96% per annum (2023: 0.20% to 0.96% per annum).

The Company generally borrows funds on a 90 day term under the non current facility agreements.

*Contractual maturity analysis*

The following table sets out the undiscounted contractual cash flows for all financial liabilities:

In thousands of New Zealand dollars						
	Carrying value	Contractual cash flows	1 year or less	1-2 years	2-5 years	More than 5 years
<b>2024</b>						
Trade and other payables	13,653	13,653	13,653	-	-	-
Bank loans	77,000	78,288	78,288	-	-	-
Related party loans	150,000	189,848	8,888	6,585	18,330	156,045
Lease liabilities	44,433	52,115	4,067	4,067	12,202	31,779
<b>Non-derivative liabilities total</b>	<b>285,086</b>	<b>333,904</b>	<b>104,896</b>	<b>10,652</b>	<b>30,532</b>	<b>187,824</b>
Forward exchange contracts (asset)	-	-	-	-	-	-
Interest rate swaps (asset)	(5,622)	(5,622)	(51)	(1,276)	(4,026)	(269)
<b>Total</b>	<b>279,464</b>	<b>328,282</b>	<b>104,845</b>	<b>9,376</b>	<b>26,506</b>	<b>187,555</b>
<b>2023</b>						
Trade and other payables	21,898	21,898	21,898	-	-	-
Bank loans	63,000	64,050	64,050	-	-	-
Related party loans	150,000	194,359	6,337	6,337	19,011	162,674
Lease liabilities	47,152	56,099	4,057	4,057	12,142	35,844
<b>Non-derivative liabilities total</b>	<b>282,050</b>	<b>336,406</b>	<b>96,342</b>	<b>10,394</b>	<b>31,153</b>	<b>198,518</b>
Forward exchange contracts (asset)	(85)	1,873	1,873	-	-	-
Interest rate swaps (asset)	(9,133)	(9,133)	(22)	(949)	(8,162)	-
<b>Total</b>	<b>272,832</b>	<b>329,146</b>	<b>98,193</b>	<b>9,445</b>	<b>22,991</b>	<b>198,518</b>

# Financial instruments

## (iii) Market risk

### Nature of the risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and fuel prices, will affect the Company's income or the value of its holdings of financial instruments.

### Risk management

In accordance with its treasury policy the Company may enter into derivative arrangements in the ordinary course of business to manage foreign currency, interest rate and fuel price risks.

## Interest rate risk

### Nature of the risk

The Company has exposure to interest rate risk as it borrows funds at both fixed and floating interest rates.

### Risk management

The risk is managed by maintaining an appropriate mix between fixed and floating rates by use of interest rate swaps. The Company's treasury policy requires that term borrowings are hedged within pre-approved thresholds by fixing the rates of interest in order to provide greater certainty.

## Foreign currency risk

### Nature of the risk

The Company is exposed to foreign currency risk on purchases of capital equipment, operational supplies and cash held that are denominated in a currency other than the Company's functional currency, New Zealand dollars (\$), which is the presentation currency of the Company. The foreign currencies in which transactions are primarily denominated are Australian dollars (AUD), U.S. dollars (USD), Euro (EUR) and Singapore dollars (SGD).

### Risk management

The Company uses forward exchange contracts to hedge major foreign currency risk arising from payables or commitments in accordance with its policies. These contracts are treated as cash flow hedges. The Company's revenues are billed in NZD.

The following table sets out the net fair value of forward exchange contracts used as hedges of forecast transactions:

In thousands of New Zealand dollars	2024	2023
Assets	-	85
Liabilities	-	-
<b>Net asset</b>	<b>-</b>	<b>85</b>

## Fuel price risk

### Nature of the risk

The Company is exposed to fuel price risk on purchases of fuel.

### Risk management

The Company's treasury policy requires that fuel price exposures are assessed on a quarterly basis and may be hedged within pre-approved thresholds by fixing prices in order to provide greater certainty. The Company may also charge a fuel adjustment factor from time to time, in order to manage its exposure to fuel price risk.

## Sensitivity analysis

In managing interest rate and currency risks the Company aims to reduce the impact of short-term fluctuations on the Company's earnings. Over the longer-term, however, permanent changes in foreign exchange, fuel prices and interest rates will have an impact on profit.

At 30 June 2024 it is estimated that an increase of 1.0% in interest rates would decrease the Company's profit before income tax by approximately \$1.56m (2023: decrease of \$1.97m). Equity would decrease by approximately \$1.12m (2023 decrease of \$1.42m)

The Company is not exposed to any material profit variation from changes in exchange rates due to the nature of its operations and underlying forward exchange contracts.

## 12. Financial Instruments

### (i) Derivative financial instruments

The following table contains information regarding the effectiveness of the hedging relationships designated by the Company, as well as the impacts on profit or loss and other comprehensive income:

In thousands of New Zealand dollars	Carrying Value in Balance Sheet	Gains/(loss) recognised in OCI	Hedge ineffectiveness recognised in P&L	P&L line item that includes hedge ineffectiveness	Amounts reclassified from reserves to P&L as:		
					Hedged cash flows will no longer occur	Hedged item affected P&L	P&L line item that includes reclassified amount
<b>2024</b>							
<b>Cash flow hedges</b>							
Interest rate swaps	5,622	(3,596)	-	-	-	-	-
<b>2023</b>							
<b>Cash flow hedges</b>							
Interest rate swaps	9,218	(60)	-	-	-	-	-

The Company uses derivative financial instruments to hedge exposure to foreign exchange, commodity price and interest rate risks arising from operational, financing and investment activities. In accordance with treasury policy, the Company does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivatives are at Level 2 in the fair value hierarchy, and are valued using indirect market data based on observable inputs. The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk for the Company and of its counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.

At 30 June 2024 LPC held \$165.0m of Interest Rate Swaps which expire over a variety of durations between July 2024 and March 2030.

Exposure to credit, liquidity, and market risks arise in the normal course of the Company's business.

The Company establishes the hedging ratio with reference to Board approved Treasury limits. These reflect a matching of hedging instruments to expected exposure. Possible sources of ineffectiveness are as follows:

- differences between the expected and actual volume of exposure, as the Company hedges to the expected repayment date taking into account expected exposure based on experience and estimates;

### ii) Fair Values

#### Summary of measurement categories

The Company classifies its financial assets and liabilities into the following categories:

Type of financial instruments	Classification	Reason
Cash and cash equivalents	Amortised cost	SPPI, hold to collect business model
Trade and other receivables	Amortised cost	SPPI, hold to collect business model
Derivatives	Fair value through profit or loss	Mandatory
Trade and other payables	Amortised cost	SPPI, hold to collect business model
Bank borrowings - non current	Amortised cost	SPPI, hold to collect business model

*Fair value of financial instruments not measured at fair value*  
There is no significant difference between carrying value and fair value.

### Recognition and measurement

Derivative financial instruments are recognised initially at fair value and transaction costs are expensed immediately. Subsequent to initial recognition, derivative financial instruments are stated at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss is recognised within equity as a cashflow hedge reserve within other comprehensive income.

## 13. Leases

### COMPANY AS A LESSEE

The Company leases some assets, including:

1. Leases of land and buildings, LPC has entered into a corresponding sublease on both of these leases.
2. Leases of mobile plant - these are typically for less than one year. LPC usually replace these short-term leases with purchases of its own equipment.
3. Leases of office and IT equipment. These leases are up to several years.

The Company elects not to recognise right of use assets and lease liabilities for short-term or low value leases for office and IT equipment and short-term mobile plant.

The Company has assessed one of its leases that it subleases as a finance lease. This is no longer treated as a right of use asset, as all risks and rewards of ownership have been transferred to the lessee therefore the lease has been determined as a finance lease.

### AMOUNTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION:

In thousands of New Zealand dollars

Right of Use assets	2024	2023
Buildings	658	699
<b>Balance 30 June</b>	<b>658</b>	<b>699</b>

Lease Liabilities	2024	2023
Balance at 1 July	47,152	42,579
Rent Increase adjustment	-	6,875
Lease Payments on operating lease liabilities	(2,719)	(2,302)
<b>Balance 30 June</b>	<b>44,433</b>	<b>47,152</b>

### AMOUNTS RECOGNISED IN PROFIT OR LOSS:

In thousands of New Zealand dollars

Depreciation charge of right-of-use assets	2024	2023
Buildings	(205)	(92)
<b>Total</b>	<b>(205)</b>	<b>(92)</b>

Other charges	2024	2023
Interest on operating lease liabilities	(1,165)	(1,283)
<b>Total</b>	<b>(1,165)</b>	<b>(1,283)</b>

### LEASES AS LESSOR

#### Significant judgement

The Company sub-leases one of its leases for land and buildings. This sub-lease is classified as a finance sub-lease as all of the risks and rewards of ownership have been transferred to the sub lease. The maturity and value of the lease payments are aligned between the head lease and the sub-lease. The payment of both interest and principal is settled between the head lessor and the sub-lessee, and accordingly LPC does not recognise these payments in the statement of cash flows.



LPC has entered into commercial property leases including perpetual ground leases. These leases have remaining non-cancellable lease terms of varying durations. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. LPC has determined that it retains all significant risks and rewards of ownership of the commercial property leases including control over the land and has therefore classified the leases as operating leases. Property leased out under operating leases is included in investment property, and in property, plant and equipment in the Statement of Financial Position.

### RENTS RECEIVABLE

In thousands of New Zealand dollars

	2024	2023
Less than one year	2,434	2,889
1-2 years	2,037	2,339
2-3 years	1,813	2,037
3-4 years	1,635	1,813
4-5 years	1,261	1,635
Greater than 5 years	9,498	10,685
Minimum future lease receivable	<b>18,678</b>	<b>21,398</b>

### FINANCE LEASE

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be settled between the head lessor and the sub-lessee after the reporting date:

In thousands of New Zealand dollars

	2024	2023
Less than one year	3,946	3,946
1-2 years	3,946	3,946
2- 5 years	11,837	11,837
More than five years	31,566	35,511
Total undiscounted lease receivable	<b>51,295</b>	<b>55,240</b>
Unearned finance income	7,603	8,841
Net investment in the lease	<b>43,692</b>	<b>46,399</b>

## 14. Contingent Liabilities

LPC is aware of historic contamination of certain sites on port land. We work with users to remediate identified contamination when required. There is a possibility that LPC will incur costs or have a liability to remediate in the future. The total amount of contamination is uncertain, the cost to remediate is difficult to identify, and there is no certainty as to when the requirement to remediate may arise.

## 15. Related parties

### PARENT AND ULTIMATE CONTROLLING ENTITY

Christchurch City Holdings Limited (CCHL) is the controlling shareholder of Lyttelton Port Company Limited. The ultimate controlling shareholder is Christchurch City Council (CCC).

### TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel compensation comprised:

In thousands of New Zealand dollars

	2024	2023
Short-term employee benefits	3,813	2,667
Termination Benefits	407	785
Directors Fees	419	358
	<b>4,639</b>	<b>3,810</b>

# Corporate governance

## TRANSACTIONS WITH CONTROLLING SHAREHOLDER AND OTHER COMPANIES IN THE GROUP

	Transactions		Year-end	
	2024	2023	2024	2023
In thousands of New Zealand dollars				
<b>Transactions with CCC</b>				
Sales	7	17	-	-
Purchases	(49)	(46)	-	-
Rates	(1,110)	(1,057)	-	-
Subvention payment	(4,324)	(4,169)	-	-
Accounts payable	-	-	(3)	(1)
Accounts receivable	-	-	1	-
<b>Transactions with CCHL</b>				
Sales	1	-	-	-
Purchases	(4)	(14)	-	-
Dividend	(10,632)	(6,647)	-	-
Interest paid	(9,310)	(6,818)	-	-
Interest payable	-	-	(282)	(274)
Dividend Payable	-	-	-	(3,535)
Loan balance outstanding	-	-	(150,000)	(150,000)
<b>Transactions with other Group entities</b>				
Sales	-	-	-	-
Purchases	(1,659)	(3,967)	-	-
Subvention payments	-	-	-	-
Accounts payable	-	-	(63)	(90)
Accounts receivable	-	-	-	-

### Terms and conditions

The loan facility with CCHL expires in June 2030. LPC has provided a negative pledge to CCHL consistent with LPC other lenders.

During the year, subvention payments were made to Christchurch City Council. LPC is a member of the CCC Tax Group and pays subvention

payments to other members of the CCC Group. It is LPC's policy, as a subsidiary of the CCC tax group, to treat the subvention payments as though they were payments of income tax with a corresponding reduction to taxation receivable/(payable)

Outstanding balances are unsecured and are repayable in cash.

## 16. Subsequent Events

There are no subsequent events which affect the substance or presentation of these financial statements.

LPC aligns its Corporate Governance practices with the principles in the NZX Corporate Governance Code.

### PRINCIPLE 1 – ETHICAL STANDARDS

LPC has adopted a written Code of Corporate Governance and Code of Conduct for Employees, which include statements on Ethical Standards and guidelines for conduct. The guidelines set out explicit expectations for ethical decision-making and personal behaviour for Directors and employees. Key areas it covers include:

- Acting honestly and with high standards of personal and professional integrity
- Dealing with conflicts of interest, including any circumstances where a Director may/may not participate in a Board discussion, and voting on matters in which a Director has a personal interest
- Proper use of the Company's property and/or information, including not taking advantage of the Company's property or information for personal gain, except as permitted by law
- Not participating in illegal or unethical activity
- Fair dealing with customers, shareholders, clients, employees, suppliers, competitors and other stakeholders
- Guidelines on giving and receiving gifts and koha
- Guidelines to prevent and address improper payments (e.g. facilitation payments and bribes)
- Complying with applicable laws and regulations
- Reporting unethical decision-making and/or behaviour
- Conduct expected of Management and the Board for responding to and supporting whistleblowing.

The Guidelines include a statement about how breaches will be dealt with.

LPC communicates the Code of Conduct to our employees at the time of their initial employment, and supports their compliance with training and clear procedures.

LPC publishes the Code of Conduct and serious breaches are reported to the Board.

The LPC Board reviews the Code of Corporate Governance and Code of Conduct every two years. The Board ensures Directors, Executives and other personnel are held accountable for ethical behaviour.

### PRINCIPLE 2 – BOARD COMPOSITION AND PERFORMANCE

LPC Directors are selected and appointed by our sole Shareholder, Christchurch City Holdings Limited.

All LPC Directors are expected to, except as permitted by law and disclosed to shareholders or by the Company's constitution, act in the Company's best interests.

The Chair of the LPC Board is responsible for fostering a constructive governance culture and ensuring Directors and Management apply appropriate governance principles.

The LPC Board expects Directors to make the necessary time commitment to be effective in their role.

The LPC Board allocates time and resources for Directors to gain and retain a sound understanding of their responsibilities.

New appointees have a comprehensive induction, and all Directors have ongoing training as required.

The LPC Board has rigorous formal processes for evaluating their performance, and that of Board Committees, individual Directors and the Chair. This includes a formal, regular review of the Chair.

Reporting includes information about each Director. This includes a profile of their experience, length of service, independence and ownership interests in the entity. It also includes information on the Board's appointment, training and evaluation processes.

### PRINCIPLE 3 – BOARD COMMITTEES

The LPC Board Committees have a clear, formal terms of reference setting out their role and delegated responsibilities. Those terms of reference make clear the function of the Committee is not to replace the ultimate decision-making authority of the full Board.

The terms of reference and membership of each Board Committee are available on LPC's website.

Committee proceedings are reported back to the Board to allow other Directors to question Committee members, and any Board members are allowed to attend Committee meetings.

LPC currently has three Committees, Audit and Risk, People and Performance and Health and Safety.

#### The Audit and Risk Committee has the following responsibilities:

- Recommending the appointment of external auditors (in line with Office of the Auditor General requirements)
- Overseeing all aspects of the LPC and audit firm relationship
- Promoting integrity and transparency in financial reporting
- Ensuring that processes are in place and monitoring those processes so that the Board is properly and regularly informed and updated on corporate financial matters
- Reviewing the Company's financial reports
- Liaising with the external auditors on behalf of the Board and ensuring the independence of the auditors is not impaired, or could reasonably be perceived to be impaired
- Monitoring and reviewing the Company's accounting policies, internal controls and related matters
- Overseeing the internal audit and assurance programme
- Verifying that the Company has appropriate processes and resources to identify and manage potential and relevant risks.

#### The Audit and Risk committee comprises:

- At least one Director who is a qualified accountant or has another recognised form of financial expertise
- A chair who is independent and who is not also the Board Chair. The Chair of the Audit and Risk Committee should not have a longstanding association with the external audit firm, either as a current or retired audit partner or senior manager at the firm.

#### The People and Performance Committee has the following responsibilities:

- Set and review key Human Resources policies and procedures to ensure they are prudent and will allow the company to achieve its strategic objectives
- Review and monitor the performance of the agreed Strategic People and Performance Initiatives
- Annually review and recommend all components of the Remuneration of the Chief Executive Officer
- Annually review succession planning and development of the Chief Executive Officer, other Senior Executives and any other critical roles
- Set and Review the terms of the Company's performance reward plans and review any proposed payments for the Chief Executive Officer and other Senior Executives
- Set and review, as appropriate the terms of any employment agreements which are either delegated to the Committee by the Board or referred to it by the Chief Executive Officer
- Review any termination payments of the Chief Executive Officer and Senior Executives.

#### The People and Performance Committee comprises:

- Three Directors
- A chair who is not the Board Chair

**The Health and Safety Committee has the following responsibilities:**

- Monitor and review the effectiveness of the LPC Health and Safety systems, framework and policies
- Monitor and review Health and Safety statutory and regulatory compliance
- Review outcomes of significant incidents and investigations
- Monitor and review Health and Safety issues with strategic, business or reputational implications for the company
- Review emerging national and international Health and Safety trends and issues relevant to LPC
- Seek assurance that the organisation is effectively structured to manage Health and Safety risks
- Monitor and review overall LPC Health and Safety performance and recommend improvements where appropriate
- Other duties and responsibilities which have been assigned to it from the Board

**The Health and Safety Committee comprises:**

- Three Directors
- A chair who is not the Board Chair

**PRINCIPLE 4 – REPORTING AND DISCLOSURE**

The LPC Board has a rigorous process to ensure the quality and integrity of financial statements and non- financial reporting.

LPC's financial reporting and annual report (in addition to all information required by law) includes sufficient meaningful information to enable CCHL and stakeholders to be well informed. We strive to make our financial reports clear, concise and effective, while meeting the requirements of financial reporting standards.

The LPC Board determines the appropriate level of non-financial reporting, considering the interests of their stakeholders and material exposure to environmental, social and governance (ESG) factors. The Company maintains an effective system of internal control for reliable financial and non-financial reporting and accounting records.

The Board requires Management to provide it with information of sufficient content, quality and timeliness, as the Board considers necessary, to allow the Board to effectively discharge its duties. Management provides formal Board papers one week in advance of Board meetings. In addition, the Board policy is to make regular site visits to view Company operations and to ensure Directors remain familiar with issues associated with the Company's business.

Site visits usually involve interaction between Directors and Management, and direct access to employees when their particular area of expertise is required. A formal process is followed, including representations and certifications from Senior Management, to ensure that the Company's financial statements comply with international financial reporting standards as applied in New Zealand and fairly represent the financial affairs of the Company.

The Company provides timely and adequate disclosure of information on matters of material impact to the Shareholder through its quarterly and annual reporting, as well as through its Statement of Corporate Intent (SOI). The Board consults with the Shareholder at all reasonable times on any particular material matter relating to the affairs of the Company when asked to do so by the Shareholder (when notified in writing to the Board by the shareholder from time to time).

The Company has adopted the integrated reporting framework with a clear focus on our sustainability strategy as well as meeting the XRB Climate-related disclosures compliance requirements.

Directors explain their role in preparing the annual report, and in preparing financial statements that comply with relevant laws and accounting standards.

LPC makes its Code for Conduct, Board Committee Terms of Reference, ESG reporting and other governance documents readily available to stakeholders on the LPC website.

**PRINCIPLE 5 – REMUNERATION**

The LPC Board has a clear policy for setting Executive remuneration. Remuneration is fair and reasonable, and competitive in the market for the skills, knowledge and experience required. The Company believes all employees should have the opportunity to reach their potential and thrive in an inclusive and diverse workplace. The Board monitors established reporting and trend analysis on age profile, gender profile and employment tenure.

The Board is committed to a policy that the remuneration of Directors and Management be transparent, fair and reasonable. The Company is conscious of its public responsibilities in the setting of remuneration for Senior Executives, which is closely managed by the Board and made publicly available via the annual report. No Executives decide their own remuneration.

The Board recognises the importance of full, fair and transparent disclosure of the Chief Executive Officer's (CEO) salary. The CEO receives a total remuneration which reflects their skills, experience and contribution to the Company and is referenced to the market. As of FY21, it does not include any incentive related payments. A full disclosure of the CEO's remuneration is disclosed in the annual financial statements.

The Executive Leadership team receive total remuneration which reflects their skills, experience and contribution to the Company and is referenced to the market. Their remuneration does not include any incentive related payments.

The Shareholder approves from time to time a total maximum aggregate annual amount payable to the Directors in their capacity as Directors. That aggregate sum is divided among the Directors as they consider appropriate. The fees paid to each of the Directors in the previous financial year are detailed in the Directors' interests section of the Company's Annual Report.

LPC discloses its remuneration policy to its shareholder via the annual SOI.

**CHIEF EXECUTIVE REMUNERATION**

The Board, through the People and Performance Committee, sets the remuneration structure for the Chief Executive Officer (CEO). Their total remuneration was made up in the year ended June 2023 by Fixed Remuneration.

*There were no Short Term Incentive (STI) or Long Term Incentive (LTI) payments.*

**Fixed Remuneration**

Fixed Remuneration is assessed by independent advisors and is comparable for similar companies in terms of size, industry sector and performance. It includes all benefits, allowances and deductions, as set out in the Individual Employment Agreement. Annual adjustments are not automatic but determined by performance.

**CEO's Remuneration**

The table below summarises the CEO's remuneration earned over the accounting period to 30 June for the year. The remuneration includes salary, leave entitlements, and all other employment compensation amounts.

	<b>Actual</b>
CEO Remuneration	644,135
Acting CEO Remuneration	124,300
<b>Total</b>	<b>768,435</b>

CEO Graeme Sumner started at LPC on 20/9/23.

Acting CEO Jim Quinn departed LPC on 3/10/23.

**DIRECTORS' REMUNERATION**

<b>Director's Fees</b>	<b>2024</b>	<b>2023</b>
B Dwyer	40,329	53,326
D Elder	-	52,313
M Devlin	-	77,500
M Johns	-	31,107
N Easy	60,078	55,076
F Mules	-	49,939
V Doig	54,693	26,663
B Bragg	102,418	12,092
K Jordan	50,135	-
N Crauford	55,072	-
J Hughes	56,471	-
<b>Total</b>	<b>419,195</b>	<b>358,016</b>

No Director had transactions or share dealing with the Company throughout the year.

**EMPLOYEE REMUNERATION**

<b>Salary Banding</b>	<b>2024</b>	<b>2023</b>
<i>In thousands of New Zealand Dollars</i>		
100-110	62	67
110-120	59	68
120-130	57	61
130-140	56	54
140-150	55	17
150-160	38	12
160-170	32	10
170-180	12	6
180-190	4	2
190-200	6	3
200-210	2	3
210-220	1	4
220-230	3	0
230-240	4	1
240-250	1	5
250-260	2	1
260-270	3	1
270-280	1	0
290-300	1	1
300-310	0	1
310-320	1	0
320-330	3	1
330-340	1	2
340-350	0	1
360-370	0	1
380-390	1	1
390-400	1	0
400-410	0	0
410-420	1	0
570-580	1	0
640-650	1	0
1460-1470	0	1
<b>Total</b>	<b>409</b>	<b>324</b>

As stated in our Statement of Intent, LPC will report to CCHL on wage relativities for employees annually. The table below outlines the average remuneration for the highest paid 10% of employees compared to the average remuneration for the lowest paid 10% of employees, along with total median and average remuneration.

<b>Remuneration Summary</b>	<b>2024</b>	<b>2023</b>
Bottom 10% Average	62,785	61,554
Top 10% Average	259,143	213,576
Median Earnings	115,599	102,563
<b>Total Average</b>	<b>118,343</b>	<b>110,722</b>

# Statement of Corporate Intent Performance Reporting

● On track ● Uncertain ● Will not be achieved

## PRINCIPLE 6 – RISK MANAGEMENT

The LPC Board actively contributes to the formulation of the business strategy and tracks progress against it.

The LPC Board ensures there are rigorous risk management processes and internal controls in place.

The Board receives and reviews reports about the risk management and internal control processes throughout the year via the Audit and Risk Committee. Material risks are formally communicated to the Board every six months or more regularly if required.

Board reports include a copy of LPC's risk register and highlight the main risks to LPC's performance and the steps being taken to manage them. We include a copy of the risk register in the monthly Board pack. It is updated every six months or as required.

The Board reports on risk identification, risk management and relevant internal controls to stakeholders, at least once a year via the SOI and annual financial statements.

## PRINCIPLE 7 – AUDITORS

The LPC Board has a good working knowledge of the responsibilities of the external auditors. By law, the auditors of LPC are the Office of the Auditor General (OAG). The OAG then has the ability to contract that work out to an appropriately qualified and experienced audit firm. Where this happens, the Chair of the Audit and Risk Committee works with the OAG in the selection and appointment process, following the relevant guidelines. This process is rigorous and based on professional merit.

The Board ensures that there is no relationship between the auditor and LPC (or any related person) that could compromise the auditor's independence.

The Board facilitates regular and full dialogue between its Audit and Risk Committee, external auditors and Management. The Audit and Risk Committee has time set aside each year with the external auditors to discuss the performance of Management.

The Board ensures that the annual external audit is not led by the same audit partner for more than seven consecutive years.

Negotiations for the annual audit fee are managed by the Chair of the Audit and Risk Committee and the OAG. There is input from LPC's Management but the final decision is made by the Board and the OAG.

The Board prepares and files financial reports as required under relevant legislation. The Board reports in its annual report, the fees paid to their audit firm. This report differentiates between audit fees and fees for individually identified non-audit work.

Where applicable, the LPC Board explains in the annual report the non-audit work their audit firm carried out, and why the work did not compromise auditor objectivity and independence. They also explain:

- How they satisfied themselves about auditor quality and effectiveness of the audit
- Their approach to tenure and reappointment of auditors
- Any threats to auditor independence and how those threats were mitigated.

## PRINCIPLE 8 – SHAREHOLDER RELATIONS AND STAKEHOLDER INTEREST

LPC maintains a positive and proactive relationship with CCHL. As part of our annual SOI, the Board includes clear policies for our communications and interactions with CCHL. The Board endeavours to ensure CCHL is informed of all major developments affecting the Company's state of affairs, while at the same time recognising commercial sensitivity may preclude certain information from being made public. Information is communicated to CCHL through a "no surprises" policy on issues of importance as they may arise, as well as through formal communications discussed further below.

Formal communication with CCHL includes:

### Annual Report

The Annual Report is provided directly to Shareholders and it includes audited financial statements and other details which are required to permit an informed assessment of LPC's performance and financial position during the reporting period.

### Half Year and Quarterly Reporting

The half year and quarterly reporting contains unaudited information.

### Statement of Intent

The SOI is prepared based on the requirements within the Port Companies Act 1988 and the Company's Constitution. The Directors include any other information they consider appropriate.

### Briefings

The Company provides briefings to CCHL and its Board, and others as required.

### CCHL Bonds

LPC acknowledges its responsibilities under the continuous disclosure regime in relation to CCHL's bonds (listed on the NZDX debt exchange) and has implemented a policy to manage those disclosure requirements.

LPC publishes up-to-date information, on the LPC website providing:

- A comprehensive description of its business and structure
- Commentary on its goals, strategies and performance
- Key corporate governance documents
- Separate information that shows how it has followed the principles in this handbook (if not in the annual report).

LPC has a clear focus on the needs of our key stakeholders (including customers, employees, the public, the Christchurch City Council and Government) and recognises it is critical to meet their needs to ensure we have a successful business.

LPC takes account of stakeholder interests by:

- Having clear policies for LPC's relationships with significant stakeholders
- Regularly assesses compliance with these policies to ensure conduct towards stakeholders complies with its code of ethics and the law
- Checking conduct towards stakeholders aligns with current accepted social, environmental, and ethical norms.

Key Performance Measures	Target 2024	Tracking
<b>Sustainable</b>		
Revenue (\$m)	205,992	193,940 ●
EBIT (\$m)	45,946	30,555 ●
EBITDA (\$m)	66,946	53,059 ●
Net Profit after Tax (\$m)	23,994	17,308 ●
Shareholder funds to total assets	58.7%	56.0% ●
Interest Cover Ratio	3.6	7.0 ●
Debt (\$m)	230,588	215,266 ●
Equity (\$m)	400,711	390,651 ●
Debt/Debt + Equity	36.5%	38.0% ●
Return on Average Equity	6.1%	4.5% ●
Return on Average Total Assets	3.5%	2.5% ●
Dividend Proposed ('000s)	12,500	12,500 ●
<b>People</b>		
Leadership and development	Develop and deliver a leadership and talent frame work	●
Gender balance male/female	85/15	87/13 ●
Engagement Pulse Survey conducted per financial year	>3	●
Gender pay gap	19.20%	●
<b>Health and Safety</b>		
Reportable injuries/incidents	0	4 ●
Total Recordable Injury Frequency Rate	<2.0	1.81 ●
Lost-time injury frequency rate	<2.0	1 ●
Health and safety interaction per year	800	905 ●
Senior Leaders Critical Control Checks	500	842 ●
<b>Infrastructure for the Future</b>		
Programme delivery - percentage of programme delivered more than one week over operational requirement	<15%	●
Asset Management Plans development and implementation	All critical assets under asset management plans with actions. 50% of all assets under asset management plans.	●
Programmes with full Sustainability Analysis and Plans	100%	●
<b>Manākitanga</b>		
Port Liaison Committee Meetings per year	>3	●
MAG Meetings per year	>6	●
Vessel Rate	45	44.9 ●
% of vessels served within scheduled window	75%	63.6 ●
<b>Kaitiakitanga</b>		
Carbon Reduction	15% reduction in scope 1 and 2 operational emissions from baseline year 2018. Develop Scope 3 strategy to identify upstream and downstream value chain emissions.	●
Waste	Develop operational area specific waste targets to support increasing diversion from landfill	●
Biodiversity Positive	Publish our biodiversity impacts and dependencies analysis. Continue ecological enhancement work of 17ha Port Saddle site	●
Responsible Sourcing	100% of operational product suppliers evaluated against the ethical procurement declaration.	●
Reporting	Integrated reporting ongoing	●

# Register of Directors' interests

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## BARRY BRAGG

*Chair From 8 June 2023*

**Ngāi Tahu Farming Limited**  
Adviser

**Paenga Kupenga Limited**  
(commercial arm of Ngāi Tūāhuriri Rūnanga)  
Chairman

**Stevenson Group Limited**  
Deputy Chairman

**Farrell Construction Limited**  
Shareholder & Consultant

**Canterbury West Coast Air Rescue Trust**  
Deputy Chairman

**NZ Flying Doctor Service Trust**  
Trustee

**Quarry Capital Limited**  
Chairman

**Pegasus Health**  
Chairman

**Nuenz Limited**  
Managing Director

**BC Limited**  
Executive Director and Shareholder

**Straterra**  
Director

**Te Kaha Project Delivery Limited**  
Chairman

**Whitiora**  
Participant

**Venues Ōtautahi Limited**  
Adviser

**Te Manawataki o Te Papa Limited**  
Director

**Te Rūnaka o Awarua**  
Interim Chair

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## DR NICKI CRAUFORD

**Watercare Services Limited**  
Director

**Burgundy Holdco Limited (StraitNZ)**  
Chair

**Riposte Consulting Limited**  
Shareholder and Owner

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## VANESSA DOIG

**FleetPin**  
Chair

**University of Canterbury Business School**  
Advisory Board Member

**Miami Developments**  
Shareholder

**Boston Trading**  
Shareholder

**St George's Hospital**  
Director

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## BILL DWYER

**Ohinetahi Charitable Trust**  
Trustee

**Premium Foods Export Ltd**  
Director and Shareholder

**Quarry Capital Limited**  
Director

**Opes Partners Limited**  
Advisory Board Member

**Yap Orchards Limited**  
Chair

**Tait Communications**  
Corporate Counsel

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## NICK EASY

**Infranexus Management Pty Ltd**  
CEO (100% shareholder IFM Investors)

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## JULIAN HUGHES

**Z Energy**  
GM Supply

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## KAREN JORDAN

**Steel and Tube Holdings Ltd**  
Non-Executive Director of Board and  
Chair of Audit Committee

**New Zealand Defence Force**  
Independent Member of Risk and  
Assurance Committee

**Mission to Seafarers, Nelson**  
Husband is Chair

# Directory

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## BOARD OF DIRECTORS

**Barry Bragg**  
Chair

**Dr Nicki Crauford**  
People and Performance  
Committee Chair

**Vanessa Doig**

**Bill Dwyer**

**Nick Easy**  
Health and Safety  
Committee Chair

**Julian Hughes**

**Karen Jordan**  
Audit and Risk Committee Chair

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## EXECUTIVE LEADERSHIP TEAM

**Graeme Sumner**  
CEO

**Sarah Alderson**  
Chief Legal Risk Officer

**Amrita Balaraman**  
Chief Operating Officer Container  
Terminal

**Steven Barclay**  
Chief Health and Safety Officer

**Jackie Dawson**  
Chief Information Officer

**Phil de Joux**  
Chief Bulk Cargo, Engagement  
and Sustainability Officer

**Nigel Foster**  
Chief People and Capability Officer

**Vincent Mortimer**  
Chief Financial Officer

**Simon Munt**  
Chief Customer and Supply  
Chain Officer

**Mike Simmers**  
Chief Marine and Infrastructure Officer

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## REGISTERED OFFICE

**Lyttelton Port Company Limited**  
Waterfront House  
37-39 Gladstone Quay, Lyttelton  
Christchurch, New Zealand 8082  
Private Bag 501, Lyttelton 8841

Telephone: (03) 328 8198

Email: office@lpc.co.nz

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## WEBSITE

www.lpc.co.nz

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## BANKERS

Westpac Banking Corporation China  
Construction Bank Limited

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## AUDITORS

Peter Taylor  
KPMG Christchurch

On behalf of the Auditor-General  
New Zealand



Registered Office

**Lyttelton Port Company Limited**

Waterfront House  
37-39 Gladstone Quay, Lyttelton  
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