# PORT OF TAURANGA ANNUAL MEETING 2025

**1pm, Friday 31 October 2025**

## Chief Executive – Leonard Sampson

Thank you, Julia, and kia ora koutou.

As outlined, the 2025 financial year was a successful one for the Port, although not without its frustrations and challenges.

Port productivity continues to be a nationwide concern. It was mentioned in several submissions made to the recent Parliamentary Select Committee Inquiry, into the Port sector.

However, there is no easy fix.

One of most significant impacts to Port productivity is the on-time arrival of vessels. In the 2025 financial year, only 55% of container vessels arrived at Port of Tauranga on their agreed schedule, challenging our ability to manage container yard congestion and impacting crane operations.

As the country's main export gateway, Tauranga is typically the last port of call for international shipping services, as such, any delays incurred at previous New Zealand Ports are carried through to Tauranga, further exacerbating on-time performance.

We have assembled a multi-disciplinary project team to progress efficiency initiatives across the business and welcome the select committee inquiry.

Pleasingly we have recently been ranked by the world bank as the most productive port in Australasia with the Global Container Port Performance Index.

It is also important to note, due to the ongoing resource consent delays - our current lack of berth capacity further constrains our ability to provide the resilient infrastructure needed to handle vessel delays.

As we often repeat, it is crucial that Government and industry address the regulatory bottlenecks for nationally important infrastructure, as a productive and resilient New Zealand supply chain – including seaports, inland ports, road and rail networks, as well as coastal shipping – are essential to a thriving New Zealand economy.

Improved productivity, however, can never compromise safety, and I'm pleased that our "safety always" mindset and proactive reporting culture continues to grow at Port of Tauranga.

We encourage the reporting of all incidents, no matter how minor.  In the 2025 financial year our Total Recordable Injury Frequency Rate, increased from 13.2 to 16. Per million hours worked. 91% of these recordable incidents were low in severity involving minor soft tissue sprains and strains.

As New Zealand's largest port, we take a leadership role in health and safety across the port industry. Our General Manager of Health and Safety, Pat Kirk, is on the Port Industry Health and Safety Leadership Group and a senior member of the Port Industry Fatigue Working Group. In recent years there has been significant cross-sector collaboration on the safety front, and we support the continuous improvement approach from all parties involved.

Now looking at the detailed cargo trends over the past year:

Log exports were the only significant commodity group to experience a drop in volume following a reduction in wind throw logs, post-Cyclone Gabrielle.

As a result, Export Log volumes for the year decreased 5.9% to 6.3 million tonnes.

Total dairy volumes increased 2.1% to 2.1 million tonnes, supported by a 50% increase in export transhipment.

An increase in the proportion of refrigerated meat and dairy as well as growing kiwifruit volumes, contributed to a record year for refrigerated containers or Reefers as we call them.

These increased 19.8% to 245,000 TEUs, which also put pressure on our terminal electrical plug-in capacity - resulting in increased use of diesel generators.

This increase is reflected in our carbon emissions inventory for the year, and we will be installing additional fixed plugs for the coming reefer season to reduce generator usage.

The kiwifruit season runs from March to October, spanning two financial years. On an annualised basis, the 2025 financial year saw a 30.9% increase in kiwifruit volumes.

Bulk cargoes saw significant increases in volume, including stock feed up 46.5%, and fertiliser up 18.1%, reflecting the buoyant dairy sector.

We hosted visits from 94 cruise ships over the past year, with the first cruise vessel of this Cruise season arriving on 16th October. As part of a nationwide trend, we are expecting cruise numbers to reduce to around 85 visits this summer, however with a tendency to larger ships we expect a similar number of passengers to last season.

In response to New Zealand's urgent energy needs, coal imports resumed at Tauranga after two years' hiatus. Coal is handled through a specialist enclosed conveyor and hopper system and then railed directly to Huntly Power Station. This ensures it is a dust free operation with no additional road traffic.

Air quality continues to be a focus for us, and we have seen continuous improvement in air quality metrics throughout the year, in conjunction with increased monitoring both, inside and outside of the port gates.

As Julia mentioned, we are pursuing other decarbonisation opportunities while we wait for the go-ahead on the resource consent and deployment of electric automated stacking cranes.

With the support of EECA funding we will trial New Zealand's first fully electric straddle carrier. We already have several hybrid straddles in our fleet, with another six on order. The new electric straddle trial gives us the opportunity to test performance and charging infrastructure within our unique operating environment.

In February this year, we commissioned a new container crane, after dismantling our two oldest cranes, and we will order additional cranes to serve the new container berth once the Stella Passage resource consent is granted.

We have also ordered our first hybrid tug to replace the *Sir Robert*. The new tug, expected to be delivered in 2027, will be larger at 32 metres in length and will provide greater towage capacity for larger vessels.

Later this year, we will also commence the second stage of our already consented capital dredging project. This will deepen the main channel to 16 metres below chart datum.

This will allow the larger container vessels already calling to transit at both low and high tide, as well as provide the ability to cater for the next generation of container vessels expected in the future.

I'll now give a quick update on our first quarter's activity.

Total trade volumes for the quarter were 6.6 million tonnes, up 5.9% on the same quarter last year. Total container volumes were 319 000 TEU, up 9% on the same quarter last year.

Based on the first quarter's results, and notwithstanding any significant changes to trading conditions, we expect full-year underlying earnings to be in the range of $137 to 147 million.

Underpinned by our people, operational resilience, and diversity of cargos and income, we remain confident in our ability to deliver sustainable financial returns over the long-term.

I would now like to thank our team, our customers, business partners and service providers for the vital roles you all play in our success.

We sincerely appreciate our customers' support and understanding as we push for the much-needed Stella Passage resource consent and acknowledge the costs and frustration incurred as a result of ongoing delays.

I'd also like to show appreciation for the ongoing support from our communities both in the Bay of Plenty and further afield. We take pride in being part of the progress that drives prosperity and wellbeing for New Zealand.

Finally, I would like to acknowledge the continued trust and support in Port of Tauranga by you; our **shareholders,** thank you.

Together, we are connecting New Zealand and the World.

Ngā mihi nui, kia koutou katoa.

Thank you.