2024

NAPIER PORT
Te Herenga Waka o Ahuriri

ANNUAL REPORT
TE PŪRONGO Ā-TAU

together we build a thriving region by connecting you to the world

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Welcome

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NAPIER PORT TAHI /// Section 1

Performance at a glance

Year on year

$12m
Final Dividend
6 cents/share

$18m
Total Dividend
9 cents/share

$141.4m
Revenue
▲ 15.9%

$24.8m
Net Profit
▲ 49.7%

$52.0m
Result from Operating Activities
▲ 39.5%

89
Cruise Vessel Calls
▲ 39.1%

236
Charter Vessel Calls
▼ 13.2%

246
Container Vessel Calls
▼ 2%

5.0m
Tonnes of Cargo Handled
▲ 8.1%

30k
TEU handled through Port Pack
▲ 0.6%

3.5m
Tonnes of Bulk Cargo Handled
▲ 9%

2.9m
Tonnes of Log Exports
▲ 13.5%

848
Places on health and safety courses
▲ from 712 PY

Chair and Chief Executive's Report

We are pleased to present our Annual Report for the 2024 financial year.

Earnings growth has been strong, up 39.5%, linked to Hawke's Bay's regional recovery and the associated rebound of cargo volumes post-Cyclone Gabrielle. Our financial result demonstrates Napier Port's capability to deliver with improved operating conditions.

Our financial position has also improved with a reduced debt profile, underpinned by solid cashflows.

Business Fundamentals are Strong

As the regional recovery continued during the year, cargo volumes rebounded, and the operating leverage we've developed over recent years produced a set of milestone financial results we're proud to have achieved this year.

As port activity grew during the year, we were able to respond dynamically by redeploying assets and resources to meet the customer demand. This was possible due to investments we have made in infrastructure, customer services and solutions, and in developing our people over several years.

As a result, we were well positioned to handle strong volumes of log exports, the bounce back in containerised exports of fresh produce, apples, meat, timber, and a record cruise season.

Linked to the strategic capability we have put in place, our focus on yield management and cost management are supporting operating leverage and earnings growth.

The announced closure of WPI was a disappointing outcome for the local Rangitīkei community, Napier Port and New Zealand manufacturing. We await the outcome of a potential WPI asset sale process and in the meantime, we are supporting WPI's parent group with additional log exports and we have taken steps to reset the cost base.

The result this year highlights Napier Port's underlying strengths. We are well positioned for further earnings growth supported by positive momentum across our diverse and resilient trade base and revenue streams. Infrastructure and capability are in place and our port team record of operational delivery and resilience is clear.

Financial Results

Revenue for the 2024 financial year increased 15.9% to $141.4 million following growth across all trade areas.

Cruise vessel visits to Napier Port increased to 89, from 64 vessel calls in the prior year, and contributed $9.1 million in revenue.

Container volumes increased by 3.4% to 230k TEU, driven by higher reefer exports as apple exports and fresh and other chilled produce rebounded following prior year weather related crop losses.

Bulk cargo volume increased 9% to 3.47 million tonnes, including log volume growth of 13.5% to 2.87 million tonnes. Log volume was supported by cyclone affected windthrown logs and redirected logs, that would have otherwise been processed into wood pulp or timber.

The result from operating activities increased 39.5% to $52 million, compared with $37.2 million in the previous year, as the revenue increase of $19.4 million exceeded operating expense growth of $4.7 million.

Reported net profit after tax was $24.8 million, a 49.7% increase on the prior year's $16.6 million, and included a further $9.25 million contribution from the Cyclone Gabrielle insurance claim.

Safety at the forefront

During the year, Maritime New Zealand (MNZ) became the primary regulator for all activities within the Napier Port boundary. An Approved Code of Practice (ACOP) came into effect and sets out the regulator's expectations. We are wholly supportive of the primary objective to reduce the number of serious injuries, illnesses and fatalities at New Zealand ports. Our team have a good working relationship with MNZ, and we look forward to this continuing.

Our focus on operating a safe port, where everyone goes home safely every day, was underpinned by continued management of critical risks across the port, improving our safety systems, processes and reporting, as well as critical risk management and assurance verifications. This included observing the effectiveness of risk control systems through engagement with our people on the frontline, with fifty-four verifications undertaken during the year.

> "We are wholly supportive of the primary objective to reduce the number of serious injuries, illnesses and fatalities at New Zealand ports."

$24.8m
Net Profit after Tax
▲ from $16.6m (2023)

89
Cruise vessel visits
▲ from 64 (2023)

3.47m
Tonnes of Bulk Cargo Handled
▲ 9%

Building a Sustainable Future

Opening the gates to the Hawke's Bay community through organised port tours and with our employee whānau day was particularly rewarding this year. Going forward, we intend to host our community, and shareholders, on port annually. Building strong connections with our community remains core to our purpose of building a thriving region.

We delivered incremental progress on our Sustainability Strategy and action plan, adopted in 2021. Of the 100 actions identified, 79% of those are now underway or embedded within the business. We have a diverse range of initiatives across our four sustainability pillars of people, planet, prosperity and partnerships and focus on 'thinking globally but acting locally' to make a meaningful difference in our local environment. This is the fourth year Napier Port has produced a climate change report and the third year emissions have been externally certified. This year we are reporting according to the newly introduced New Zealand Climate Standards (NZ CS) framework.

Our total carbon emissions increased by 0.3% this year with an 8% increase in annual tonnage, demonstrating improvement in our emission to total cargo tonnage ratio.

79%

of workstreams are consistently embedded in BAU and/or started and ongoing

▲ (2023: 61.4%)

"Building strong connections with our community remains core to our purpose of building a thriving region."

Outlook and Dividend

While inflation pressures globally are retreating, regional exporters continue to face uncertainty and subdued levels of demand in key international export markets.

The regional recovery post Cyclone Gabrielle is continuing, and Napier Port looks forward to Pan Pac building back to normal operating levels at its pulp mill during the first half of the 2025 financial year.

Log exports continue to flow steadily, and Napier Port continues to see demand from log exporters for additional storage space and shipping capacity as the supply of maturing logs remains strong.

Napier Port is a favoured cruise destination with the 2025 cruise season set to be another busy year with 85 current bookings.

Alongside our strategic initiatives to enhance service capabilities and grow earnings, the fundamentals of our cargo base of premium food and fibre remain strong. Napier Port is well positioned to continue with earnings growth momentum.

Napier Port intends to continue to maintain a strong financial position and grow dividends. This will be supported by investment in extending our cargo catchment and further developing our service capabilities.

Napier Port's Board of Directors has declared a fully imputed final dividend of 6 cents per share, bringing the total dividends for the 2024 year to 9 cents per share, up from the 5.25 cents per share equivalent of the prior year.

We are pleased to continue recognising the successful efforts of our people this year, through delivery of our employee recognition scheme award. Each eligible employee will receive $2,291(gross), consisting of a mix of cash and Napier Port shares. At Napier Port we believe it is important that our people share in the success of our business by becoming shareholders in our business.

We thank all our cargo owners, shipping lines, transport operators and community stakeholders who continue to partner with us, for their ongoing commitment and support of Napier Port.

Blair O'Keeffe
Chair

Todd Dawson
Chief Executive Officer

Investment Underpinned by 2019 NZX Listing

> “Changing the ownership structure of Napier Port was an intergenerational decision, that took fortitude and sound commercial judgement.”

August 2024 marked five years since Napier Port’s listing on the New Zealand Exchange. The float successfully brought private capital into a public asset while protecting the things that matter most to a local community.

In 2019, after extensive consultation, the Hawke’s Bay Regional Council (HBRC) voted to sell 45% of its stake in Napier Port through an Initial Public Offering (IPO) on the NZX. The IPO raised $234 million. Of this, $110 million was retained by Napier Port and used to repay debt and provide capacity to fund construction of a new multi-purpose wharf, ‘Te Whiti’.

Te Whiti Wharf was essential to secure the future of the port and region’s economy amidst strong growth, increasing cargo volumes, and larger ship sizes coming. The business case passed the scrutiny of a rigorous IPO process and Te Whiti was debt funded on commercial terms.

Hawke’s Bay locals, port employees, and Iwi took up preferential access to shares, and the listing meant Hawke’s Bay ratepayers did not have the burden of funding the new wharf. It has strengthened our direct links and alignment with our community and provided the financial capacity to invest in a way that also benefits the broader region.

The IPO enabled HBRC to invest $100 million into a long-term fund for the region and diversify its asset base, reducing the risk of being overly dependent on income from a single strategic asset. It also provided Napier Port with a strong balance sheet and access to an additional source of funding via the NZX Debt Market, which enabled us to raise a further $100 million by issuing corporate bonds in 2022.

The company’s performance at listing, and now, adheres to the high standards required of the NZX. It is subject to continuous disclosure and reporting requirements and is benchmarked by institutional investors against other ports and infrastructure investment opportunities. Napier Port has an independent chair and a majority of independent directors.

Changing the ownership structure of Napier Port was an intergenerational decision, that took fortitude and sound commercial judgement. The financial and risk-management benefits of the mixed ownership model are obvious, but the commercial focus, discipline and diversity of experience that Napier Port now benefits from through mixed ownership is equally important.

While much of Napier Port’s five years as a listed company has been in the shadow of a pandemic and Cyclone Gabrielle, we have increased our capacity to handle more cargo, increased tourism and visitor numbers, and improved the operational efficiency of both Hawke’s Bay and New Zealand’s supply chains.

As a listed company, Napier Port now has many new stakeholders, as well as many existing stakeholders who are more invested than ever in the future of Napier Port. We will continue to deliver on our purpose of creating a thriving region; and in doing so, all our customers, our shareholders, our community and our team will prosper too.

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About us

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NAPIER PORT RUA /// Section 2

We are NAPIER PORT

For over 150 years, Napier Port has been at the heart of Hawke's Bay, facilitating trade between the region and global markets.

As the gateway for exports from the central and lower North Island, we play a crucial role in supporting the regional economy, employing over 300 people and indirectly sustaining thousands of jobs.

Our operations include managing port land, shipping channels, and providing the cargo handling capacity, facilities, and infrastructure that enable efficient transport of goods across our wharves. Strategically located on the East Coast of New Zealand, Napier Port sits on the main transit route for international shipping, connecting to inland freight hubs and core national road and rail networks. We operate 24/7, 364 days a year.

While our location and infrastructure make us a critical link in New Zealand's supply chain, it's our culture of care—focused on safety and well-being—alongside strong customer relationships and environmental stewardship, that underpin our long-term success. Our team takes pride in delivering exceptional service and fostering collaborative partnerships that benefit our customers, community, and environment.

Our future is closely tied to the success of our customers and community. Together, we strive to drive sustainable growth that enhances our region's prosperity, well-being, and natural environment.

Strategic Infrastructure

- **6** Wharves
- **2,098** metres of berth spaces
- **6** mobile harbour cranes
- inland freight hub joint venture in Manawatu with a 1.9 hectare container yard and a warehousing facility with road and rail connections to Napier Port
- **88.3** Total hectares
- **50** hectares of on-site port land
- **12.3** hectares of land in Whakatu for future development
- **16** hectares of container terminal space
- **10** hectares of dedicated log storage

Assets and Operational Capacity

- **1** mobile log debarker (Debarking 10% of all log exports)
- **700** buses on port supporting 140k cruise passengers
- **750** trains/year to and from Central North Island
- **30** heavy container handling machines in the fleet
- **5M+** tonnes of cargo handled annually
- **36.6k** square metres of warehousing
- **1.2k** fixed connection points for refrigerated cargo

Supply Chain Network and Global Reach

- Trade Gateway for Central and Lower North Island
- Viewpoint Supply Chain Service
- **2** container depots offering full services to international shipping lines
- **125+** countries that product is shipped to globally
- **6** shipping line services

Supporting our People and Region

- **322** permanent employees
- **150** years working for Hawke's Bay
- **1000s** of jobs supported indirectly by the port

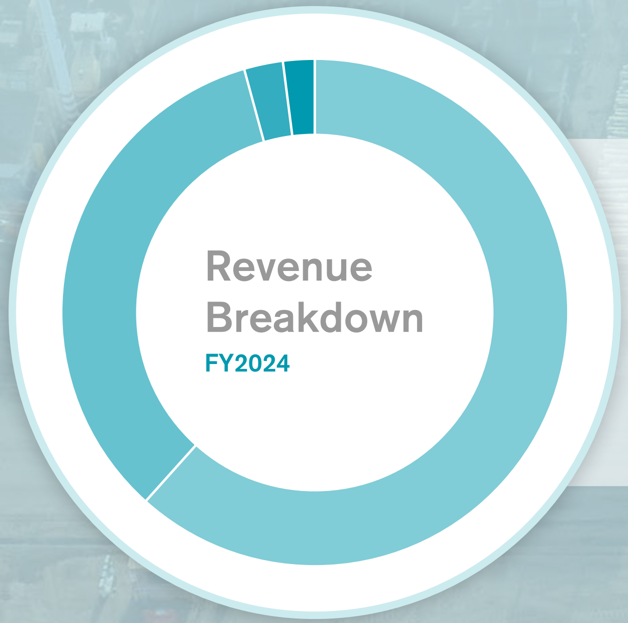
Our Trade Portfolio

The mix of products flowing in and out of Napier Port reflects our diversified regional trade base.

The Hawke's Bay region is home to many of New Zealand's major producers, processors and exporters of primary produce, and Napier Port is proud to be their gateway to global markets.

The majority of businesses exporting through Napier Port are located within 100 kilometres of the port. Exports comprise 83% (by weight) of cargo, and include logs, wood pulp, pipfruit, timber, meat and fresh produce. Napier Port receives imports for the Hawke's Bay region and the central and lower North Island, and has the capacity and landside logistics capability in place to increase import volumes, relieving pressure from other congested northern New Zealand ports. Imports represent 17% (by weight) of cargo, and include fertiliser, oil products, general cargo, foodstuffs, cement and bitumen.

Fertiliser	29%
Oil products	33%
General cargo	15%
Foodstuffs	10%
Cement	5%
Other	8%



Container Services	56%
Bulk Cargo	35%
Cruise	6%
Other	3%

Logs	69%
Wood Pulp	5%
Pipfruit	6%
Timber	4%
Meat	4%
Fresh Produce	3%
Other	9%

Export	83%
Import	17%

How we create value

Relationships
Our strong relationships with stakeholders – cargo owners, shipping lines, transport partners, local community, iwi – give us our social licence to operate and grow.

Skills and knowledge
Our deep expertise in port operations and logistics, and the creation of technology solutions for our business and our customers.

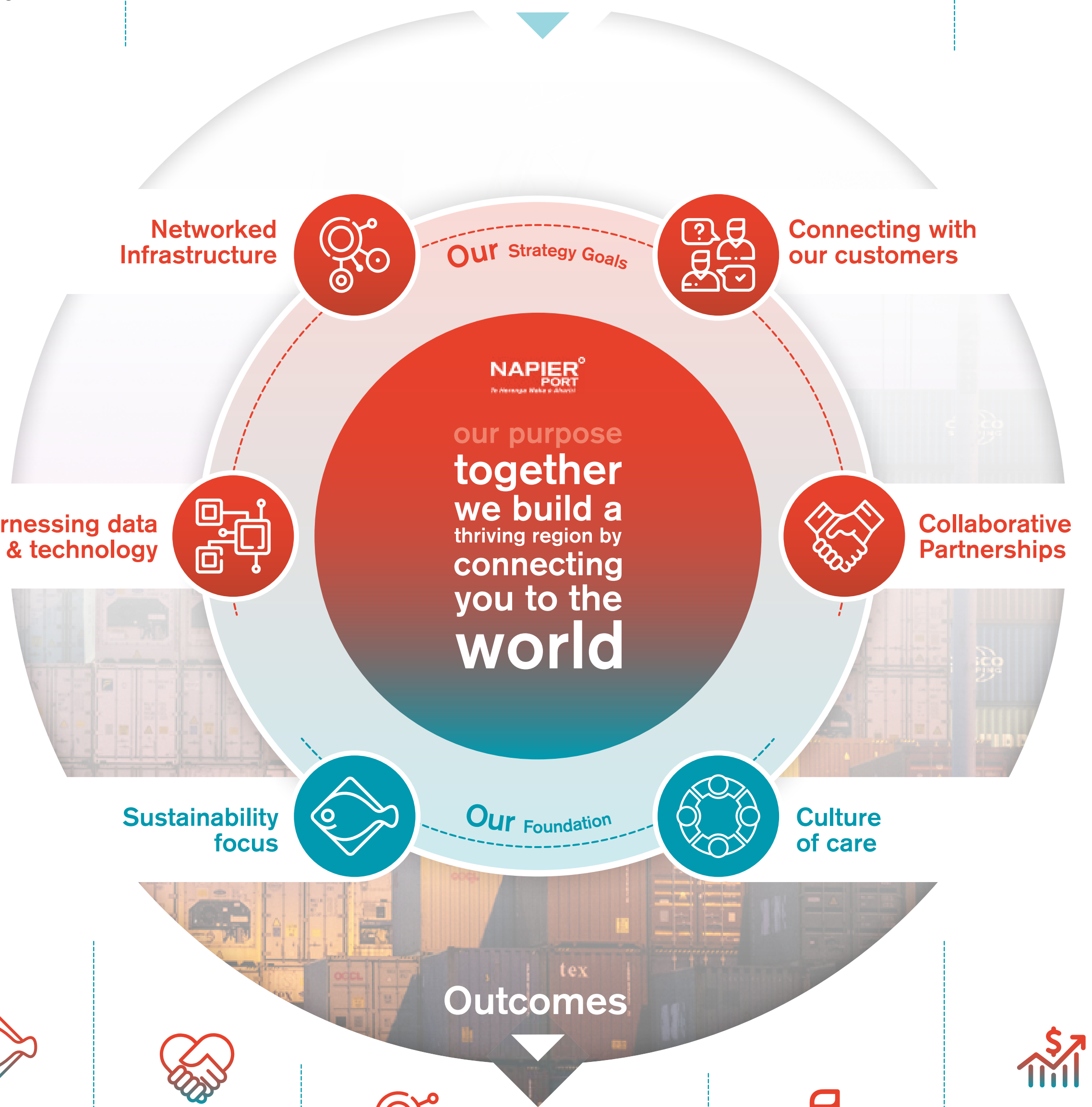
People
Our motivated and engaged workforce, who have pride in their work keeping the cargo flowing across our wharves.

Financial
Financial capital provided by our shareholders and debt funders.

Physical assets
Our assets and infrastructure, including port land, wharves, sea defences, dredged shipping areas, marine and heavy plant fleet, and inland ports.

Natural environment
The marine and natural environment and how we work within it alongside stakeholders and our community is fundamental to our business.

(Inputs)
Resources



Community
We enhance our local community by being a good corporate citizen, providing employment and supporting community and iwi initiatives.

Environment
We support the maintenance and enhancement of our marine environment and our environmental stewardship and impact.

Infrastructure
We maintain and add to our infrastructure for the benefit of current and future generations.

Financial
We provide economic returns to our financial capital providers.

People
We provide purposeful and safe employment and development opportunities for our people.

Economic
We enable and enhance our regional economy, including significant industries, businesses and individual operators.

Services Provided

- Bulk cargo services
- Container operations services
- Marine services
- Landside logistics services
- Warehousing services

Engaging with our stakeholders and issues important to them

Part of Napier Port's commitment to best practice reporting is ensuring we understand the issues most important to our vast range of stakeholders.

Each year, we use a variety of methods to ensure we hear widespread opinions, including a combination of:

- Annual customer satisfaction surveys
- Annual employee engagement surveys
- Forums with employees, unions and other port users
- Investor open days, results conference calls, roadshows and ad hoc investor surveys
- Community engagement surveys and/or deep dive interviews with a cross-section of stakeholder groups including local government, business and iwi leadership
- Liaison groups and community meetings
- Participation in central, regional and local government and industry working groups, and
- Our own long-term strategy and short-term business planning, incorporating insights from our risks and opportunities assessments

This year, in addition to the above, we undertook a refresh of our materiality assessment. Just over 400 stakeholders were engaged across customers, port employees, and the community through a mix of digital surveying and deep dive interviews.

Stakeholders were asked:

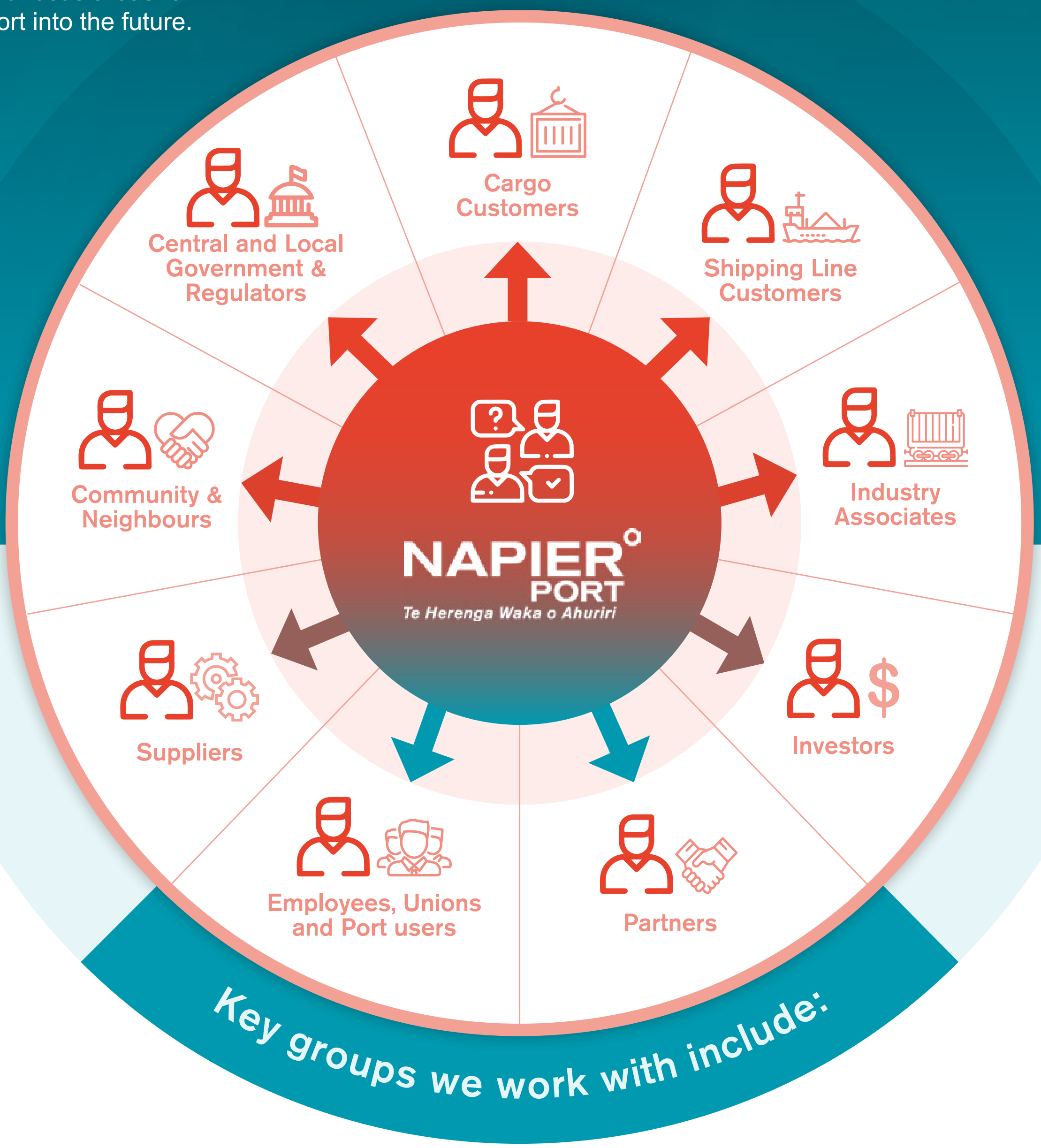
How important do you feel it is that Napier Port prioritise each of these focus areas?

Aside from those previously mentioned are there any other focus areas you think Napier Port should prioritise.

Key Focus Areas	Customer Rating	Employee Rating	Community qualitative rating
Port security and the safety of people working there	8.6	8.7	1st
Growing Hawke's Bay's economy	8.4	8.3	2nd
Delivering on Napier Port's vision for the future	7.9	7.3	8th
Protecting port access/ supply chains (sea channels)	8.8	8.4	4th equal
Protecting our environment and minimising Napier Port's impacts	7.9	8.0	7th
Growing cargo volumes	8.1	8.6	3rd
Protecting port access/ supply chains (rail corridors)	7.6	8.0	4th equal
Protecting port access/ supply chains (road corridors)	8.6	8.1	4th equal

Stakeholder feedback through this materiality assessment was very positive for Napier Port. There has been clear acknowledgement of the contribution of Napier Port and its people to Hawke's Bay, general satisfaction with improvements in operational performance and communication and engagement, both with stakeholders and local communities. Stakeholders are keen to learn more about Napier Port's longer term strategic thinking, both in relation to the growth of the Hawke's Bay region and shareholder returns.

During FY25 Napier Port is planning to undertake a refresh of its 10-year strategy. As part of this, the materiality assessment and other methods used to hear from our stakeholders will inform priority issues and focus areas for Napier Port into the future.



Some of the feedback gathered from our Stakeholder interviews and surveys

“Napier Port has a pretty good team of smart people. They have a can-do attitude, they're interested in everything, and their attitude is quite refreshing… they're inquisitive, proactive, helpful and probing.”

“We'd like to see engagement beyond the next harvest cycle to discuss how we work together to grow volumes with confidence… this would be valuable.”

“Napier Port is never complacent and its commitment to safety is baked in culturally.”

“Their social license is sound… they support things that are important to the community.”

“Could Napier Port amplify and clarify its strategy?”

“Consumers are very price sensitive post Cyclone and Napier Port needs to continue to bear that in mind.”

S3

Implementing Our Strategy

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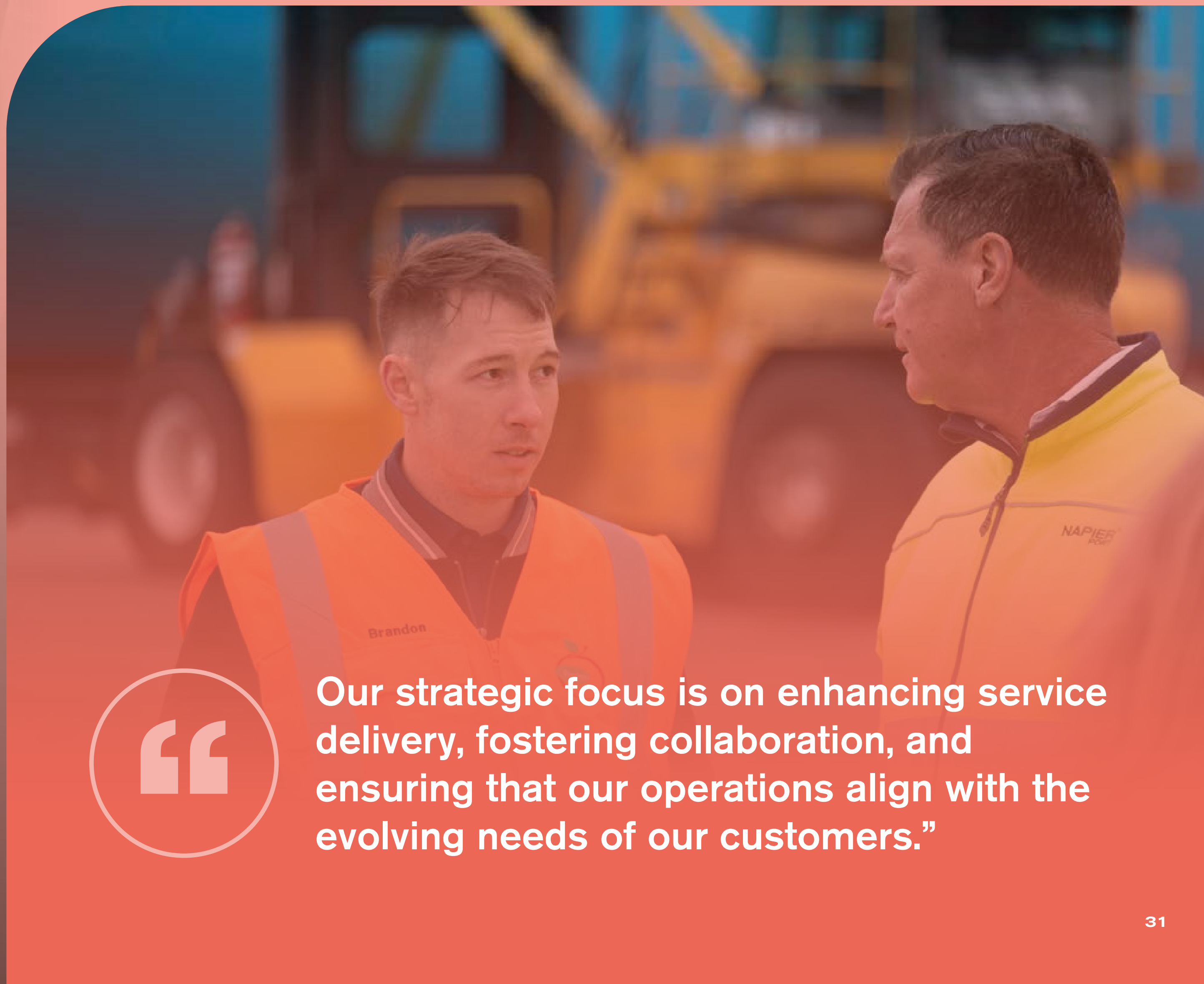
+ Collaborative Partnerships with Others. p53.

Strategy Goal 1:

Connecting with our Customers

During the year, Napier Port reaffirmed its commitment to strengthening customer connections across the broader supply chain. Our strategic focus is on enhancing service delivery, fostering collaboration, and ensuring that our operations align with the evolving needs of our customers. By actively engaging with stakeholders, we aim to provide tailored solutions that support both our region and the wider New Zealand economy.



"Our strategic focus is on enhancing service delivery, fostering collaboration, and ensuring that our operations align with the evolving needs of our customers."

Strengthening Connections in Challenging Times

This year, amid the challenges of Cyclone Gabrielle and broader economic pressures, Napier Port has reinforced its commitment to improving customer connections. A key highlight was the introduction of the new TTZ shipping service, providing direct access to Australian markets for our importers and exporters. This service enhances our position within the broader supply chain, facilitating cargo movement through transshipment opportunities. By replacing a temporary fortnightly service with a new weekly schedule, we create more opportunities for growth and adaptability.

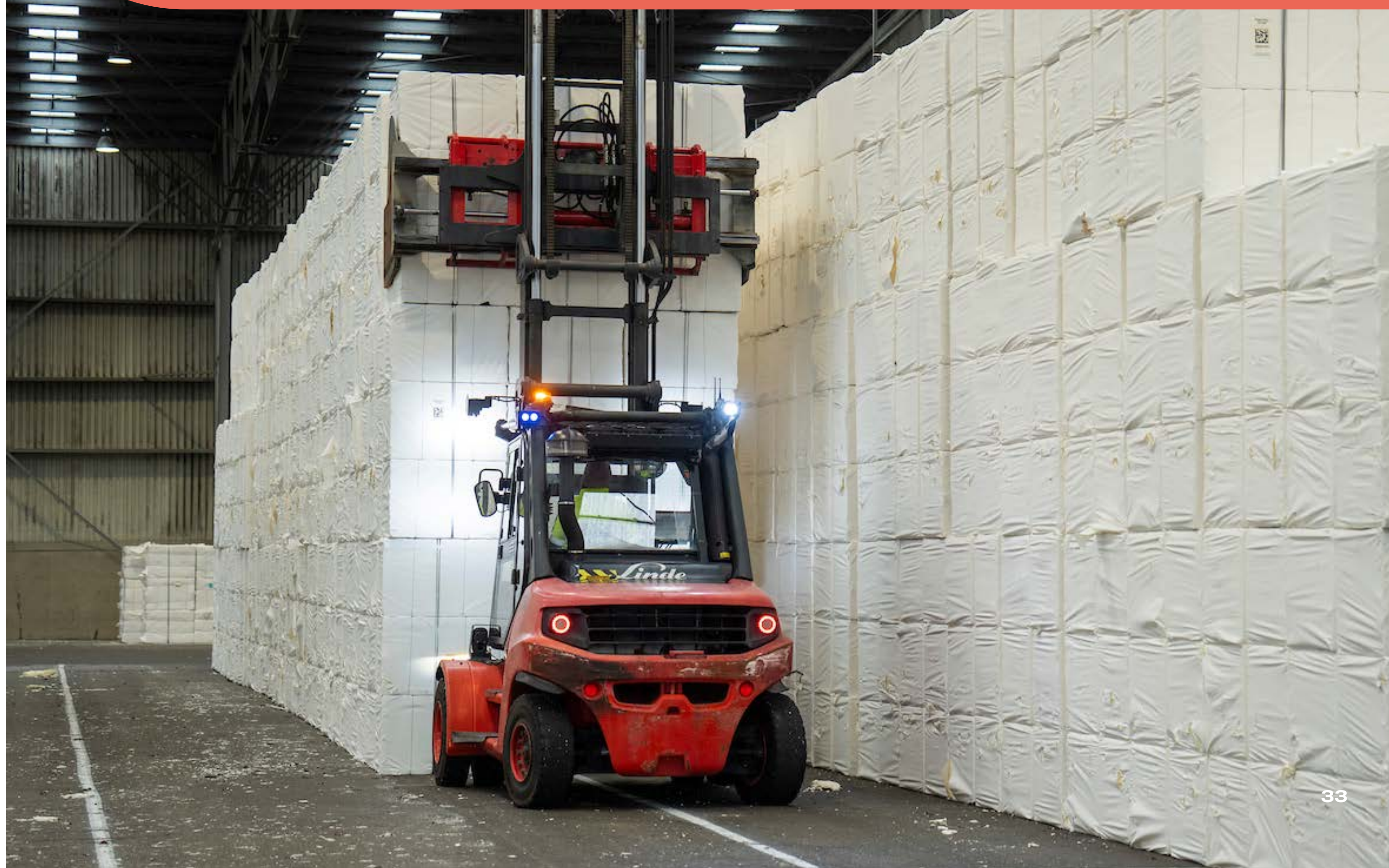
Our proactive approach to adapting cargo demands included establishing a woodchip operation to support Pan Pac's recovery efforts after Cyclone Gabrielle. Although this woodchip pile has reverted to Pan Pac for its pulp mill operations, it played a vital role in accommodating their needs during a challenging period. This initiative showcased our commitment to collaboration within the regional supply chain and our ability to respond dynamically to market changes.

Our dedication to understanding our customers' needs is exemplified by our annual survey, which provided valuable insights into service delivery and satisfaction levels. We are leveraging this feedback to refine our operations and meet the evolving needs of our customers.

Moreover, effectively managing space on the port is crucial as we navigate the complexities of varying cargo types and demands. Our commitment to a 'whole of port' approach drives efficiency and flexibility, ensuring we are equipped to deliver tailored solutions. By fostering strong partnerships and maintaining regular communication with our customers and stakeholders, we aim to enhance our service offerings and remain a trusted partner in the supply chain landscape.

> "Our proactive approach to adapting cargo demands included establishing a woodchip operation to support Pan Pac's recovery efforts after Cyclone Gabrielle."

> "Our commitment to a 'whole of port' approach drives efficiency and flexibility, ensuring we are equipped to deliver tailored solutions."



Introducing SmartFlow for Enhanced Efficiency

A significant milestone in our customer-focused strategy was the introduction of the SmartFlow system in July. This pre-advice system for bulk cargo trucks entering through the Eastern Gate is designed to streamline operations and enhance data collection. By leveraging existing truck and cargo data, SmartFlow offers valuable insights into cargo movements and traffic flows, thereby improving efficiency and optimising capacity across our bulk cargo operations – similar to the benefits we've achieved with our Propel system for container receival and delivery at the Western Gate.

The implementation of SmartFlow is crucial for enhancing safety and traffic management, particularly during peak periods. This system will be especially important during the busy summer cruise season when the Eastern Gate experiences heavy traffic, with an estimated 15,000 to 20,000 vehicle visits each month from over 300 different port users, including logging trucks and cruise passenger buses. Effective traffic management is essential, and by streamlining these processes and collaborating closely with stevedores C3 and QUBE, SmartFlow ensures a safer and more efficient port experience for everyone involved.

In addition to enhancing operational efficiency, SmartFlow supports our commitment to transparent cost-sharing among port users. By implementing pre-advice controls at the Eastern Gate, we align our practices with industry norms, ensuring that all users contribute fairly to infrastructure costs and the sustainability of our operations.

As we continue to enhance SmartFlow, we remain dedicated to ongoing improvements driven by user feedback and industry best practices. By increasing the visibility of cargo movements and facilitating real-time reporting, SmartFlow is poised to deliver crucial insights that will benefit all port users and contribute to a more efficient supply chain.

> **"The implementation of SmartFlow is crucial for enhancing safety and traffic management, particularly during peak periods."**

Celebrating a Record-Breaking Cruise Season

This year marked a record-breaking cruise season for Napier Port, successfully welcoming 89 cruise vessels to Hawke's Bay. The resurgence of the cruise industry post-pandemic, coupled with increased berth capacity at Te Whiti Wharf, allowed us to accommodate multiple vessels simultaneously, enhancing our service offerings for both cruise lines and tourists.

Our success this season is underpinned by strategic investments in both infrastructure and customer service enhancements. Cruise revenue increased by 70.4%, reaching $9.1 million, compared to $5.1 million the previous year. This growth not only highlights the recovery of cruise tourism but also underscores Napier Port's vital role in facilitating international trade and contributing to the local economy.

A notable milestone this past cruise season was the Silver Muse, which marked the 1,000th cruise vessel to visit Napier since we began welcoming them 30 years ago. This achievement underscores our ability to provide exceptional experiences for cruise lines and their passengers, further solidifying our status as a premier destination on New Zealand's cruise itinerary.

Looking ahead to the 2024/2025 cruise season, we anticipate welcoming 85 vessels and over 100,000 passengers to Napier. This influx will provide a much-welcomed boost to the local economy, benefiting retailers, hospitality, and tourism operators in particular. By enhancing the flow of visitors, Napier Port will continue to play a vital role in driving economic growth and prosperity in our region.

$9.1M
Cruise revenue
↑ 70.4% from 2023

89
cruise vessels
↑ from 2023:64

"A notable milestone this past cruise season was the Silver Muse, which marked the 1,000th cruise vessel to visit Napier since we began welcoming them 30 years ago."

VIEWPOINT SUPPLY CHAIN

Viewpoint Supply Chain: One Year On

This year, we proudly celebrate the first anniversary of Viewpoint, a supply chain service enhancing the customer experience, optimising road and rail movements, and extending our ability to service cargo owners in the central lower North Island. Launched in response to the growing demand for efficient logistics solutions, Viewpoint Supply Chain integrates landside warehousing, transport, and shipping services to create a seamless cargo movement solution. We have onboarded new clients and achieved a 25% growth in cargo volumes.

Our unique model optimises regional transport by matching customers' full and empty containers with shipping calls, warehousing, and other transport operators. This approach enables efficient, full-train load movements both ways, reducing waste in the supply chain and supporting lower emissions. With the introduction of Out-Of-Region (OOR) services, including connections to regional hubs like the Regional Freight Hub near Palmerston North and Manawatū Inland Port at Longburn, Viewpoint is creating more direct links to regional logistics hubs, expanding our service offering beyond the port.

Our customer-centric approach ensures customers and freight forwarders can reach out to our planning team anytime, confident they'll find a solution that saves time, reduces costs, or minimises waste. This high level of support fosters trust and collaboration, helping us respond dynamically to evolving customer needs. Customer feedback has underscored the positive impact of our team's role in simplifying logistics management processes, reducing response times, and enhancing overall operational efficiency.

Throughout the year, we've sought ongoing feedback from our customers, leading to meaningful improvements tailored to their specific needs. Many customers have reported increased satisfaction with our services, noting Viewpoint's transformative role in their supply chain management.

Looking ahead, we're committed to expanding our capabilities with advanced analytics and new features that will provide even greater operational insights. The success of Viewpoint Supply Chain exemplifies Napier Port's dedication to innovation and integrated logistics solutions, and as we meet the demands of the wider supply chain network, we remain focused on building lasting relationships, optimising freight movements, and positioning ourselves as a leader in end-to-end supply chain services.

“Viewpoint has transformed our logistics management. The real-time tracking feature has significantly reduced our response times and improved efficiency.”

“The support we receive from the Viewpoint team is exceptional. They are always available to help us navigate any challenges, making our partnership with Napier Port invaluable.”

Strategy Goal 2:

Harnessing data and technology

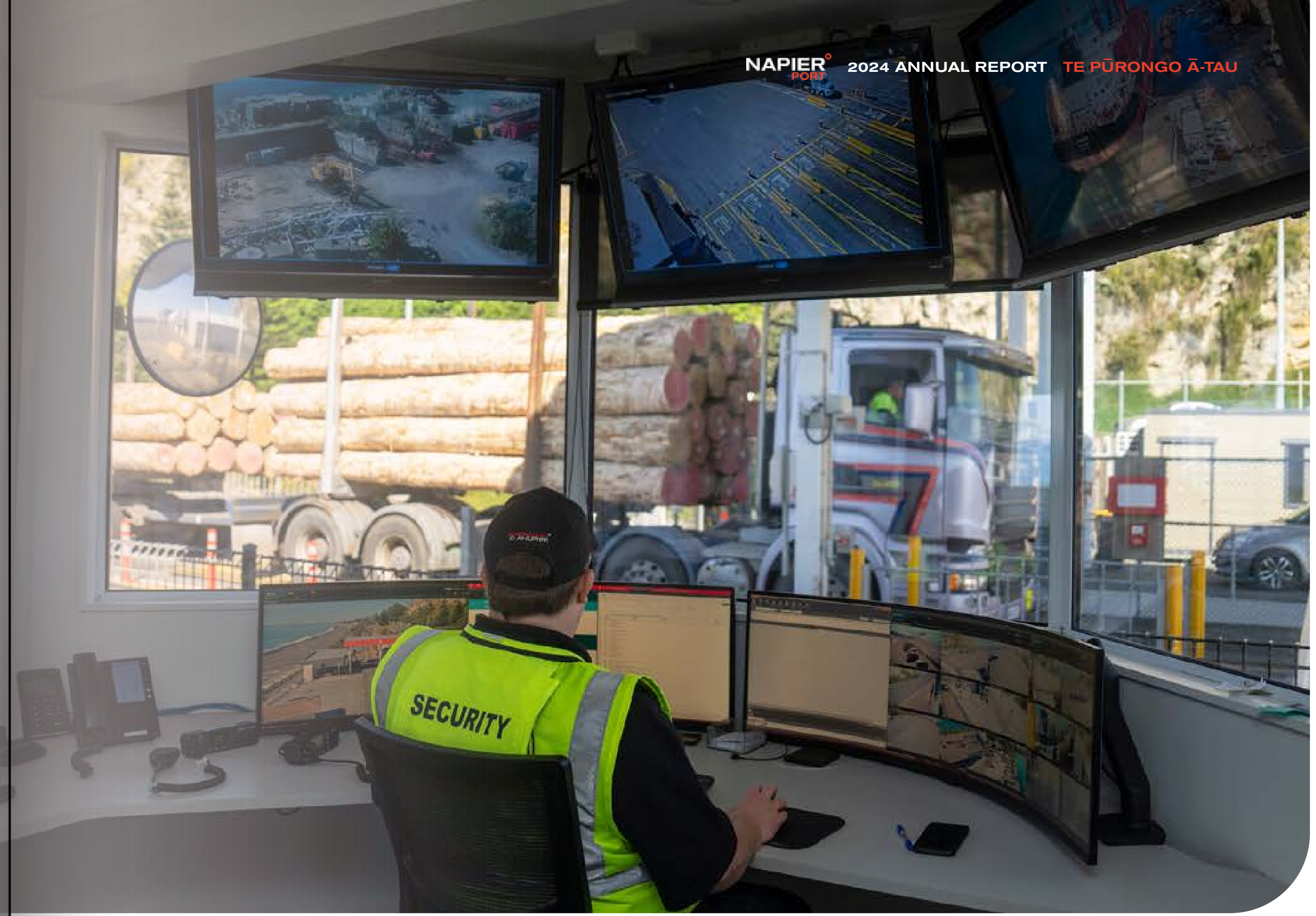
Technology plays a vital role in our operations at Napier Port, driving efficiency, enhancing safety, and increasing the value we deliver to our customers. By ensuring accurate, accessible data and adopting cutting-edge solutions, we continually streamline operations, reduce costs, and improve service quality. The advancements made in 2024, from SmartFlow and digital vessel planning to our collaboration with RightShip, have further advanced our operations and positioned the port for continued growth. As we move forward, we remain fully committed to adopting new technologies, fostering innovation, and delivering exceptional value to our customers and stakeholders.

"By ensuring accurate, accessible data and adopting cutting-edge solutions, we continually streamline operations, reduce costs, and improve service quality."

AI-Driven Innovation at the Eastern Gate

In 2024, Napier Port implemented a series of innovations at the Eastern Gate to improve both operational efficiency and security. One of the key advancements was the introduction of SmartFlow, a system designed to streamline bulk cargo truck processing. SmartFlow provides real-time truck turnaround data and historical traffic insights, enabling better traffic management. By incorporating Artificial Intelligence (AI) for license plate detection, the system automates pre-advising for visits, reducing manual interventions. This has revolutionised workflow management across departments, freeing up teams to focus on more strategic tasks.

Alongside this operational upgrade, the Eastern Gate Security Office underwent its first major enhancement in 30 years. Advanced AI-driven systems were introduced to proactively identify and mitigate potential threats before they arise. This forward-thinking security strategy ensures the safety of our personnel and assets in an increasingly complex environment. By integrating AI technologies across both operational and security functions, we have created a more efficient, safe, and future-ready Eastern Gate.



Enhancing Security and Access

Napier Port's security framework was bolstered with the introduction of Port Pass, a photo ID access card system launched in 2019, which remains integral to our operations today. Approved by Maritime New Zealand, Port Pass meets stringent security standards and is a key tool in ensuring safety for both staff and visitors on-site. This system, required under the Maritime Security Act 2004, also facilitates random vehicle searches as part of immigration and customs regulations, further enhancing port security.

Gallagher Access Management System works in tandem with Port Pass, integrating once the cards are issued. This system replaces manual forms, enabling smoother entry processes, and is used in partnership with Advanced Security to conduct tablet-based inspections via the Gallagher Mobile App. This digital transition has streamlined data storage, report sharing, and overall security management, setting a new standard for access control in the industry.

> "By incorporating Artificial Intelligence (AI) for license plate detection, the system automates pre-advising for visits, reducing manual interventions."

Expanding Communication Capabilities

In 2024, we made significant advancements in communication infrastructure by expanding the Motorola Digital Radio Network. This enhancement ensures that our teams stay connected and responsive in real-time, across all operational areas. The introduction of additional systems and channels has strengthened internal communications, vital to the efficiency and safety of port operations. Looking ahead, we are exploring opportunities to automate more aspects of this network, which promises further operational improvements and enhanced coordination among teams.

Going Digital with Paperless Ship Planning

One of the key projects undertaken this year was the implementation of the Vessel Operations Project, which marks a shift from paper-based processes to a fully digital ship planning system. By leveraging digital tools for vessel operations, we have improved data capture, reduced operational errors, and significantly cut down on our environmental impact. This initiative is part of our broader effort to advance the port's operations, ensuring our systems are well-prepared for the future.

Innovative Maintenance and Asset Monitoring Solutions

Our Infrastructure Team has embraced cutting-edge technology to enhance both operational safety and asset monitoring. Partnering with Dronzeup, a CAA-certified agricultural drone spray operator, we introduced drones to perform maintenance tasks that traditionally required working at heights. These drones are used to maintain roofs and gutters where moss and algae accumulate, reducing the need for contractors to work at dangerous heights, lowering costs, and allowing maintenance to be completed during non-operational hours, minimising disruptions to port activities.

In addition to drone maintenance, our team has also conducted precise pavement surveys using a Road Surface Profiler equipped with 17-point laser technology. This advanced tool provides a detailed assessment of surface conditions, allowing us to make informed decisions regarding future asset maintenance and renewal projects. By gathering comprehensive data, we are better positioned to proactively manage infrastructure and ensure long-term durability.

Partnering for Maritime Sustainability – RightShip Collaboration

In an industry-leading move, Napier Port became the first port in New Zealand to adopt RightShip, the world's premier digital maritime platform focused on environmental, social, and governance (ESG) goals. This partnership has introduced a new level of maritime safety and sustainability, allowing us to screen inbound vessels based on risk-based criteria tailored to our port's specific needs. By automating pre-arrival processes and connecting us to a global network of ports, RightShip has streamlined communication and reduced administrative workloads, setting a new benchmark for maritime operations while reinforcing our commitment to sustainability.

Strategy Goal 3:

Networked infrastructure

The goal of our networked infrastructure strategy pillar is: Connecting customers' cargo to market and enhancing end-to-end supply-chain solutions via an integrated network of infrastructure assets, connecting the port with road, rail, sea and warehousing across New Zealand.

Building Resilience and Strategic Capacity

During the year, Napier Port continued its strategic focus on developing a robust and efficient infrastructure network, crucial for supporting the economic growth of our region and maintaining our connection to global markets.

The foundation of this strategy lies in ensuring our infrastructure is resilient, future-proofed, and capable of meeting increasing demands. Key initiatives, such as the launch of our Asset Management programme, the investment in eight replacement container handlers, and bolstering the resilience of our breakwater are central to achieving these goals.

> "Our commitment to asset excellence reflects the broader strategic goal of maintaining a resilient and reliable infrastructure that supports not just our operations, but also the economic vitality of the Hawke's Bay region."

Strengthening Asset Management for Long-Term Success

A reliable and high-performing asset portfolio is vital to our success. That's why, during the year, we launched a multi-year Asset Management program aligned with the globally recognized ISO 55000 standard for asset management.

A significant advancement of the program this year was the implementation of Napier Port's Asset Management Framework, a comprehensive approach designed to ensure our physical assets are maintained, optimised, and aligned with our long-term strategic objectives. This framework marks the beginning of a new chapter, establishing a more proactive and structured methodology to enhance the management of our assets.

The Asset Management Framework provides detailed guidance on the entire lifecycle of our assets, including planning, performance measurement, and risk management. This initiative is integral to ensuring that Napier Port's assets continue to deliver high performance, supporting both current operations and future growth. By embedding best practices in asset management across the organisation, we are positioning Napier Port to meet future challenges while enhancing safety, operational efficiency and financial performance.

A key element of this framework is our commitment to sustainable procurement, ensuring that all future asset investments align with Napier Port's sustainability commitments, particularly our goals for emissions reduction.

Our commitment to asset management reflects the broader strategic goal of maintaining a resilient and reliable infrastructure asset that supports not just our operations, but also the economic vitality of the Hawke's Bay region.

> "The Asset Management Framework provides detailed guidance on the entire lifecycle of our infrastructure, including planning, performance measurement, and risk management."

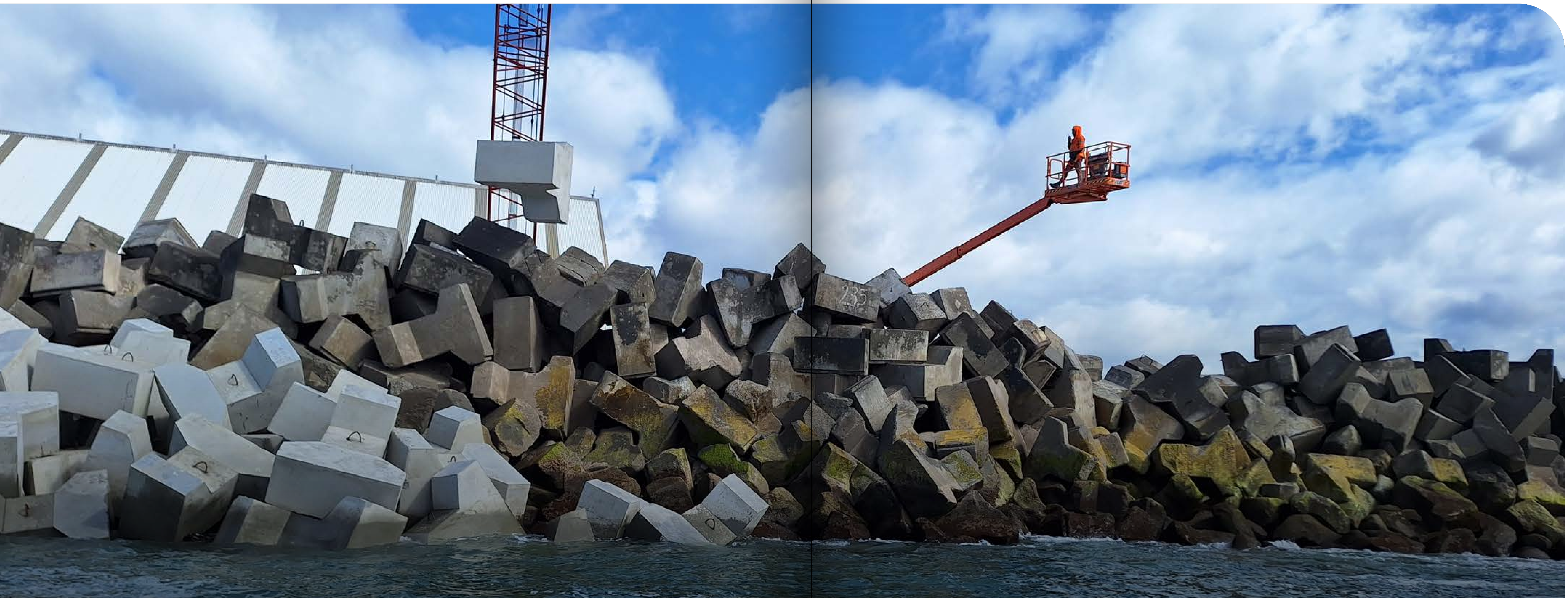
Renewal of Container Handling Equipment

Napier Port remains committed to ensuring the reliable and uninterrupted delivery of services for our customers and the wider region. During the year, we committed to significant investments in next-generation equipment, placing orders to replace eight aging container handler lift trucks with advanced machinery from our supply partner, Kalmar Global.

The acquisitions include five Kalmar Eco Reachstackers and three empty container handlers, expected to arrive early in the new year, ahead of our traditional peak volume period. These Reachstackers, substituting for traditional top-lift full container handlers, increase versatility and operational resilience while incrementally contributing to lower overall emissions, supporting our journey towards net zero by 2050.

This next-generation equipment further strengthens our commitment to managing risk within our operations. All units are equipped with fire suppression and collision detection systems, while the Reachstackers feature fully integrated camera systems to enhance operator visibility and safety.

Strategic asset investment is integral to our asset management commitment and underpins our ability to deliver on our strategic objectives. By continuously enhancing our infrastructure, we ensure Napier Port remains resilient and agile, maintaining strong connections to global markets.



Reinforcing the Breakwater: Safeguarding Operations

The breakwater at Napier Port is a critical piece of infrastructure that protects the port from the harsh impacts of the sea. First constructed in 1886, the breakwater was originally armoured with concrete blocks faced with rocks, but over the last 50 years, it has been progressively reinforced with Akmon armour units to enhance its durability. To maintain and further reinforce the structure, we undertake this work every few years, ensuring the long-term resilience of the port.

During the year, we commenced a two-stage project. The first stage, completed in September 2024, involved the installation of 330 specially designed concrete Akmon units along the Southern section. These units, placed using heavy machinery, are carefully designed to absorb wave energy and provide enhanced protection against erosion.

The second stage, scheduled for completion in December 2024, will focus on reinforcing the Northern section of the breakwater. This phase will further improve the overall durability of the structure, ensuring Napier Port remains fully functional while enhancing the long-term security of our infrastructure.

The breakwater remains a crucial line of defence, also offering protection to the Ahuriri area to the west of the port during significant weather events, subject to wind direction. By absorbing wave energy in these conditions, the breakwater helps reduce the risk of damage, underscoring its importance in safeguarding both port operations and the surrounding community.

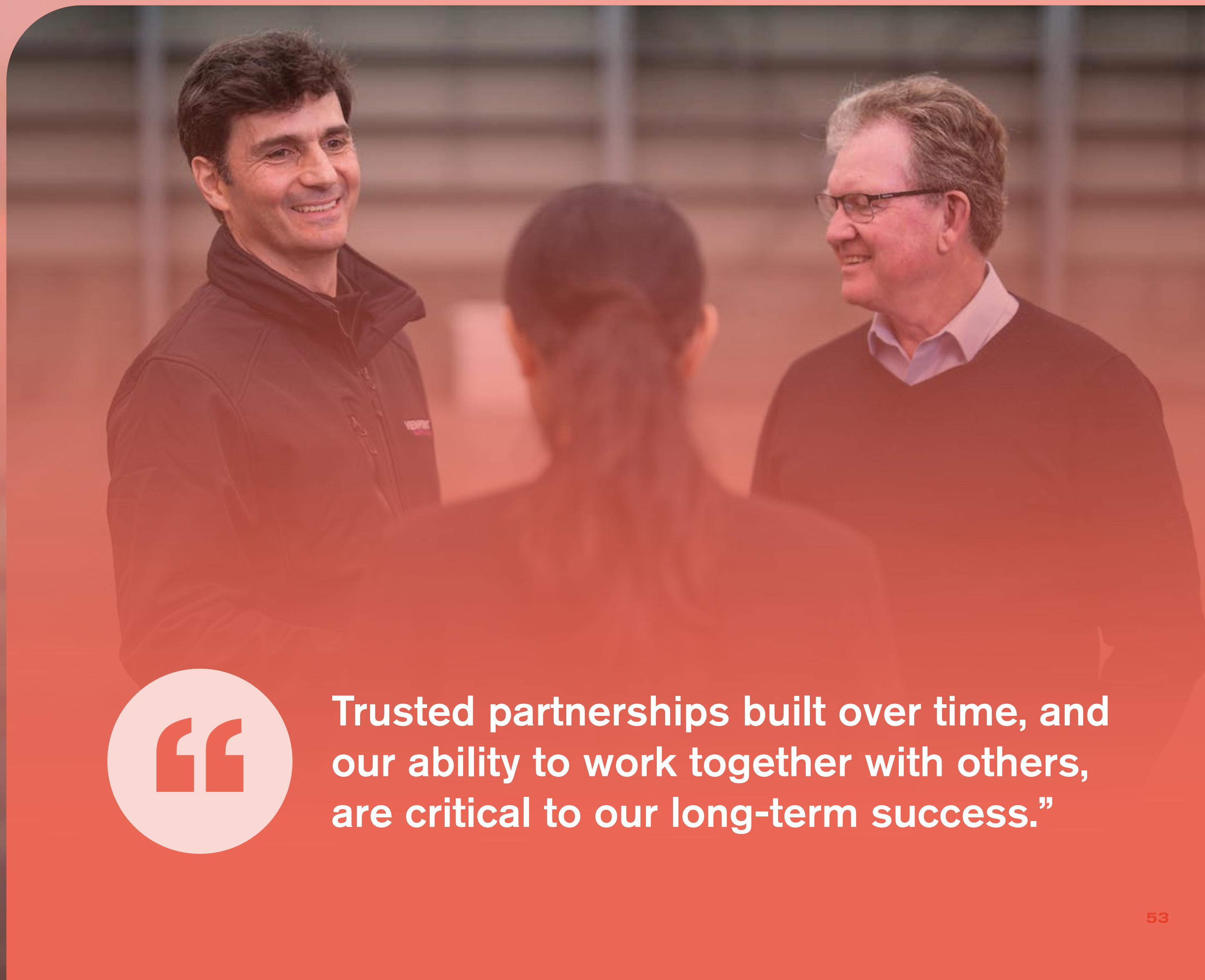
By continuing to invest in the reinforcement of the breakwater, we are safeguarding our port's operational capacity and protecting key assets from environmental risks. This project demonstrates our commitment to building resilient infrastructure that can withstand future challenges, supporting both our immediate operations and long-term growth.

> **"By continuing to invest in the reinforcement of the breakwater, we are safeguarding our port's operational capacity and protecting key assets from environmental risks."**

Strategy Goal 4:

Collaborative partnerships with others

Napier Port continued its strategic focus on building meaningful and impactful partnerships that strengthen our role within the Hawke's Bay region and beyond.



"Trusted partnerships built over time, and our ability to work together with others, are critical to our long-term success."

Thriving Together through Meaningful Partnerships

Our approach to this strategic goal is designed to align our operations with the needs of our community, customers, cultural partners, and industry stakeholders. By fostering these relationships, we aim to drive mutual benefits, enhance regional development, and contribute to the social and economic prosperity of the region.

Through these collaborations, Napier Port integrates community engagement, cultural heritage, environmental stewardship, and safety into our long-term goals. These partnerships are key to advancing our sustainability objectives, enhancing resilience, and ensuring we remain a trusted and valuable partner to our stakeholders.

TOITŪ TE REO

Enhancing Community Engagement and Cultural Connections

Napier Port continues its long-term partnership with the Ātea a Rangi Educational Trust, with a primary focus on promoting water safety and traditional sailing techniques for local schools through the “Learn to Sail – Waka” program. This partnership also supports Matariki celebrations and the ongoing maintenance of Te Matau a Māui, a double-hulled voyaging waka. During the year, Napier Port worked alongside Booths Transport and CMA to assist with the dry docking and maintenance of the waka, providing transportation and equipment to facilitate these important cultural heritage activities. This collaboration reflects Napier Port’s commitment to preserving and promoting cultural education and maritime heritage.

Additionally, Napier Port is proud to sponsor the Toitū Te Reo Festival, a major event celebrating Māori language and culture in Heretaunga. The inaugural festival brought together thousands of participants to showcase the richness of Māori traditions, contributing to the promotion of Te Reo Māori within the community. This sponsorship is part of Napier Port’s broader dedication to fostering cultural diversity and strengthening connections with the region’s Māori heritage and identity.

“Our approach to this strategic goal is designed to align our operations with the needs of our community, customers, cultural partners, and industry stakeholders.”

Ātea a Rangi Educational Trust

> “Due to the resounding success of the tours, they will now become an annual event, further strengthening ties with the local community and fostering a greater understanding of the port’s operations.”

NAPIER PORT

Behind the Gates BUS TOURS

Opening Our Gates to the Community

This year, Napier Port prioritised community engagement through the ‘Behind the Gates’ bus tours. These tours allowed around 500 community members the rare opportunity to go behind the actual gates of the port, gaining firsthand insight into port operations and the crucial role Napier Port plays in supporting the local economy and facilitating international trade. Due to the resounding success of the tours, they will now become an annual event, further strengthening ties with the local community and fostering a greater understanding of the port’s operations.

Collaborating on Rescue and Recovery Operations

Napier Port plays a critical role in ensuring maritime safety and regional emergency preparedness. During the year, we worked closely with the New Zealand Navy, Coastguard, and other emergency services to prepare for and respond to maritime incidents. Our tugs were involved in several emergency sea rescue operations, assisting both commercial and recreational vessels in distress off the coast of Hawke's Bay. These efforts highlight Napier Port's role in contributing to regional safety and operational support during emergencies.

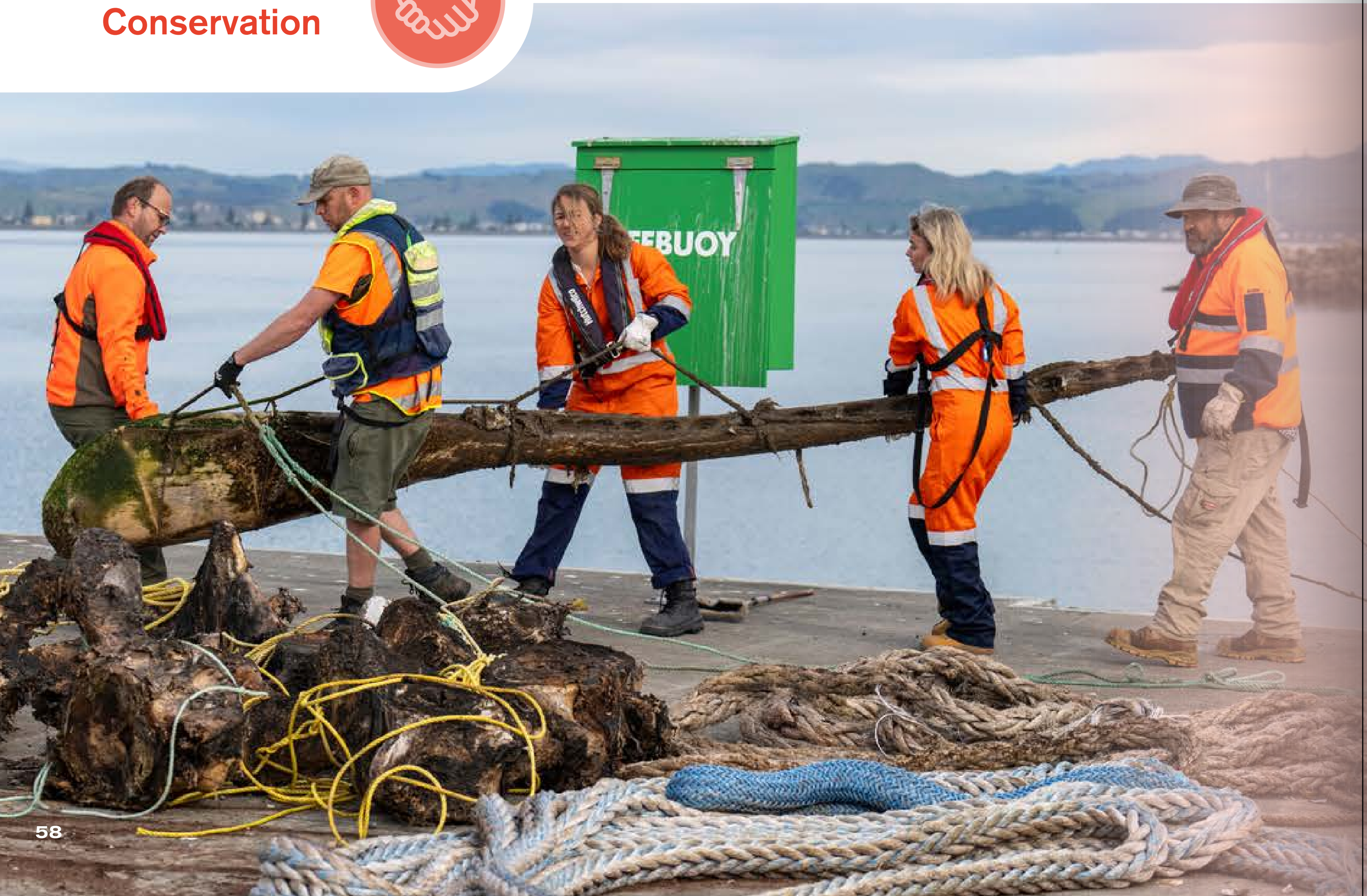
Our new partnership with the Hawke's Bay Rescue Helicopter Trust focuses on joint training exercises that ensure preparedness for maritime rescue operations. The port's tugs provide a platform for helicopter winch training, strengthening both teams' capabilities in maritime emergencies. This collaboration enhances the region's emergency response systems, ensuring that Napier Port remains ready to respond to any situation.

In addition to rescue operations, Napier Port hosted two joint exercises during the year. The first was an oil spill response training at Te Whiti Wharf, in collaboration with the Hawke's Bay Regional Council, Maritime New Zealand, and Coastguard. This exercise ensured responders maintained their qualifications and demonstrated the region's readiness to handle environmental incidents. The second exercise focused on port security, simulating an attempted intrusion from both land and sea, which activated heightened security measures and showcased Napier Port's ability to maintain a safe environment for vessels and cargo.

In June, Napier Port also hosted a specialist dive team from the New Zealand Navy for a series of exercises, including dive operations, drone monitoring, and the use of underwater equipment. These sessions prepared the Navy for maritime emergencies, with Napier Port providing essential support.

Napier Port plays an important role in the maritime environment, working with partners to prepare for and respond to emergencies. These collaborations reinforce the port's commitment to safety and readiness, ensuring it remains prepared for a range of maritime challenges.

Department of Conservation



Hawke's Bay Rescue Helicopter Trust

Cultural Partnerships in Environmental Stewardship

Napier Port continues to prioritise environmental responsibility through its long-standing partnership with the Department of Conservation (DOC) and local mana whenua. For over 20 years, the whale jawbone initiative has been a key part of this collaboration. This practice involves submerging whale bones in seawater to allow marine life to naturally cleanse them. Afterward, the bones are water-blasted and bleached in the sun before being returned to iwi, who prize them as taonga and often use them in traditional carving. This year, Napier Port supported the cleansing of the lower jawbone of a bull sperm whale, marking approximately 40 occasions for this unique ritual. This process reinforces Napier Port's ongoing commitment to te ao Māori and environmental stewardship.

> "This year, Napier Port supported the cleansing of the lower jawbone of a bull sperm whale, marking approximately 40 occasions for this unique ritual."

Our Sponsorship Partners

Supporting organisations that are driving sustainable initiatives and progress across our communities and region.

2024 AWARDS SPONSOR

2024 AWARDS SPONSOR

2024 CONFERENCE SPONSOR

2024 AWARDS SPONSOR

2024 CONFERENCE SPONSOR

2024 CONFERENCE SPONSOR

2024 CONFERENCE SPONSOR

Foundations

S4

+ Our Culture of Care. p65.

+ Sustainability & Emissions Reduction in Action. p75.

NAPIER PORT WHĀ /// Section 4

Foundation 1:

Our Culture of Care

Napier Port's people are its greatest strength, which is why our Culture of Care is the foundation of our business.

Actively building a strong, resilient and agile culture at Napier Port, with a focus on health, safety and care for our people, attracts and retains a high-performing workforce. This, in turn, enables us to achieve our goals and fulfil our commitment to our customers and community.

During the year, several change programmes across the port were implemented, which can be unsettling for people. Being open with changes and seeking peoples' input through consultation and involvement in future design has been paramount.

"Actively building a strong, resilient and agile workplace culture with a focus on health and safety attracts and retains our high-performing workforce."

Health and Safety at a Glance

54
Critical risk verifications completed

2.07
lost time injury frequency rate per 200,000 hours worked
↓ (2023: 4.93)

848
places on health and safety courses
↑ (2023: 712)

2,450
health and safety inductions complete
↓ (2023: 3,833)

Our Workforce as at September 2024

322
permanent employees
↑ (2023: 321)

30%
Leadership roles are female
↑ (2023: 23%)

9%
Employee turnover
↓ (2023: 10.3%)

36
people have worked at Napier Port for more than 20 years
↓ (2023: 38)

66%
Employee Engagement in Kōrero Mai engagement survey
↓ (2023: 71%)

63%
Employee Participation in Kōrero Mai engagement survey
↓ (2023: 75%)

82%
of all employees are male
↓ (2023: 83%)

33%
of employees are aged under 40 years
↓ (2023: 35%)

18%
of all employees are female
↑ (2023: 17%)

Maritime New Zealand

From 1 July 2024, Maritime New Zealand (MNZ) became the primary regulator for all activities within the Napier Port boundary. Prior to this, MNZ had jurisdiction on vessels and WorkSafe had responsibility over landside operations.

Related to this change, MNZ's responsibility was extended to include designation of the Health and Safety at Work Act (HSWA), replacing Work Safe in this respect.

A dedicated MNZ Health and Safety at Work Act (HSWA) team have a specialist based at Napier Port (one of five ports including Auckland, Tauranga, Nelson and Lyttelton) and an "Approved Code of Practice for the loading and unloading of cargo on ports" (ACOP) sets out the regulators' expectations, with the objective to reduce the number of serious injuries, illnesses and fatalities at New Zealand ports.

ACOP and Licence to Operate contract

During the year, Napier Port began a review of the Licence to Operate contract. The licence is a health and safety agreement with companies working on port, in common user areas.

It sets out core safety standards covering risk, hazardous substances and emergency response plans. The licence is Health and Safety at Work Act (HSWA) centric and references both HSWA legislation and the Approved Code of Practice (ACOP), with the objective of managing overlapping duties of PCBUs (person conducting a business or undertaking) carrying out work at Napier Port.

Socialisation with all key stakeholders has been completed, and the finalised contract will be submitted to the participating PCBUs early in the new financial year.

We remain committed to building a more diverse workforce. At the start of the 2023 financial year, we ran a recruitment campaign directly focused on bringing diversity into our operational teams. Two of our current three female heavy plant operators began their careers at Napier Port through that campaign, which reassures us we are making incremental improvements.

Critical Risk Assurance Program

Critical risks are those that have the potential to cause significant injury, illness or fatality at work. While they occur less frequently than others, they have the potential to cause the greatest harm to people.

A review of Napier Port's critical risks this year resulted in consolidation of twenty-four risks to ten critical risks that meet the criteria of a risk that has potentially catastrophic consequences. Critical risk verifications commenced and a total of fifty-four activities were observed to confirm the effectiveness of risk control systems through objective checks and reviews.

'Whole of Port' Thinking and Future Workforce Planning

Napier Port's People Plan, maintained over several years, has been successful in developing leadership and talent across the port. This has been particularly beneficial in fostering a 'whole of port' approach, working as a single dynamic integrated operation.

During the busy summer export season, this enabled teams to deploy assets and resource to where it was required and configure space to meet customer demand coming through the gates. The result was our teams driving greater efficiency and flexibility in port operations.

A new priority this year has been engaging teams with future workforce planning and design. Having built capability into our workforce, equipment, and infrastructure, the focus turns towards utilising this capability to further transform the business.

A key future workforce change has been reshaping landside operations. Co-designed with our operational teams, the structural change of creating a Planning function and an Execution function is expected to improve operational and business alignment, increase focus on improving customer outcomes, and expand the knowledge base across the whole of operations. At year end, the final stages in implementation were being worked through.

> "Our People Plan, maintained over several years, has been successful in developing leadership and talent across the port."

Employee Recognition Scheme

Napier Port's employee recognition scheme (ERS) directly links employee contribution to a stake in our business outcomes. This year the measures included financial targets, health and safety assurance activities, customer survey results, and sustainability actions focused on our partnerships pillar.

Eligible employees (excluding the senior management team) will receive a payment of $2,291 (gross), consisting of cash and Napier Port shares. This is an important part of our culture; providing shares as part of our ERS provides us with the opportunity to maintain a high level of employee ownership over time, encouraging our team to be invested in the business and benefit from its success.

> "More than 600 people made the most of the opportunity to see our operational area up close, which is normally off limits to the public."

Whanau Day on port

Every two years we hold a Whānau Day on port, as a way of saying thank you to all our families for everything they do to support Napier Port. You can watch the video here ***https://youtu.be/Re7fYXQrHXg***. More than 600 people made the most of the opportunity to see our operational area up close, which is normally off limits to the public. There was lots to see and do, from climbing the crane and heavy equipment, getting on board our tugs or watching their ballet, joining a bus tour of the port including riding along Te Whiti Wharf, jumping on bouncy castles and refuelling with sausages, ice cream and coffee. Whānau Day 2024 was another relaxed, welcoming, and memorable event for our families.

Congratulations to all our Excellence Award Winners – as voted by our whole Napier Port team:

Rising Star
Clinton, Container Terminal

Inspirational Colleague
Alan, Customer Service and Access

Team of the Year
Infrastructure Electrical Services and Infrastructure Maintenance Services

Excellence In Customer Service
Alice, Warehousing Operations

CEO Supreme Winner
Clinton, Container Terminal

Leader of the Year
Glenn, Mooring

Unsung Hero
Paul, Quarantine

People's Choice
Harry, Infrastructure Electrical Services

Heath, Safety & Wellbeing
Fletcher, Mooring

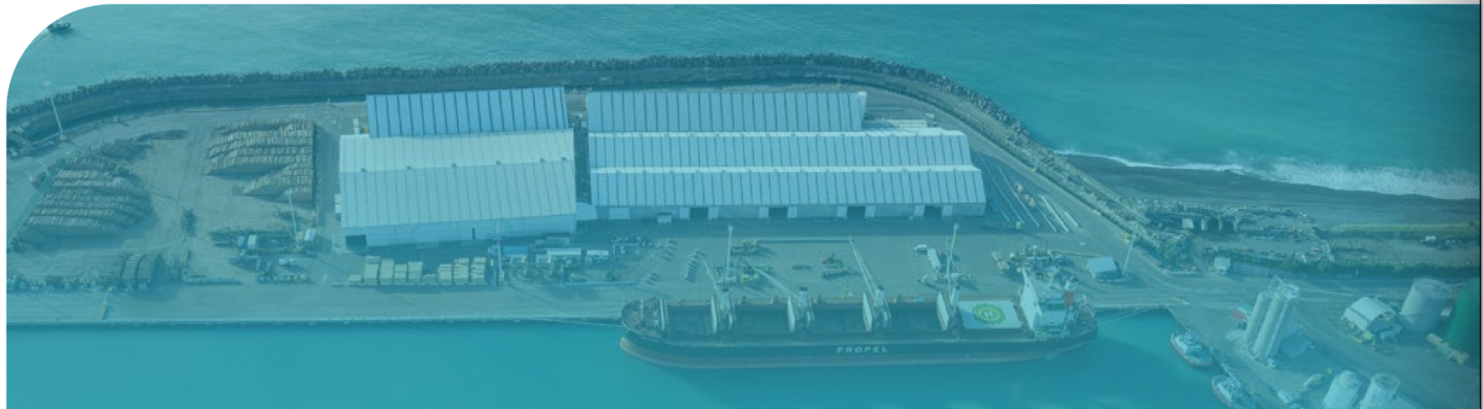
Foundation 2:

Sustainability in Action

We continue to advance our commitment to sustainability, embedding sustainable practices throughout our operations.

Napier Port's Sustainability Strategy and Action Plan 2021 ***www.napierport.co.nz/wp-content/uploads/2021/08/Napier-Port-Sustainability-Strategy-and-Action-Plan.pdf*** aligns with 14 of the 17 United Nations Sustainable Development Goals (SDGs), addressing pressing social, environmental, and economic challenges on a global scale.

"Collaborating with others to leave a positive legacy for future generations."



The strategy outlines over 100 measurable workstreams across our four foundational pillars of People, Planet, Prosperity and Partnerships. By thinking globally and acting locally, we concentrate our efforts on issues where we can make the most impact, enabling us to make a meaningful contribution to sustainability through initiatives such as:

- Promoting healthy reefs and clean oceans locally
- Aiming for zero net emissions by 2050
- Running community projects and 'good neighbour' programmes
- Protecting marine and bird life
- Continuing to build a workplace that embraces diversity and cultural values
- Adopting clean energy solutions, and
- Minimising waste and duplication of resources

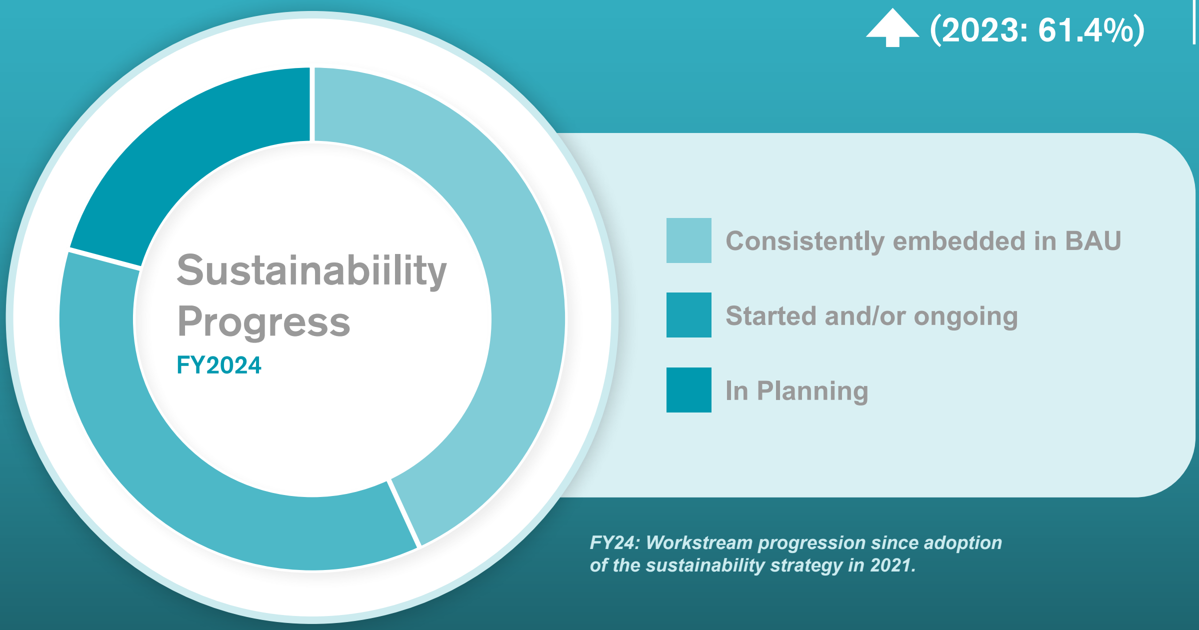
As of 30 September 2024, 79% of all workstreams are consistently embedded in business-as-usual practices (BAU) and/or started and ongoing, up from last year's 61.4%. This progress demonstrates our commitment to advancing sustainable practices. Highlights from this year's activity, and profiled in this report, include:

- Tracking kororā (blue penguins) pairs
- Embedding sustainability into procurement decisions
- Cape Sanctuary partnership enhancing our culture of sustainability
- Certification of Environmental Management System, and
- Issuing our 4th Climate Change Related Disclosure Report

79%

of workstreams are consistently embedded in BAU and/or started and ongoing

(2023: 61.4%)



FY24: Workstream progression since adoption of the sustainability strategy in 2021.

Environmental Management System (EMS) Certification at Napier Port

At Napier Port, our commitment to environmental stewardship is embedded within our Environmental Management System (EMS), a structured framework that underpins our sustainability efforts and compliance across port operations. The EMS process included a comprehensive assessment of all operational activities, detailing our approach to managing the environmental impacts generated from each activity. Designed to meet Toitū Enviromark standards, the EMS ensures we not only meet regulatory requirements but also uphold best environmental practices. Our recent Toitū Enviromark bronze certification validates this commitment, reflecting our proactive stance in identifying and addressing environmental risks through rigorous annual audits and continual improvement.

The EMS covers all environmental impacts generated from all operational activities—from waste management and emission control to minimising noise impacts on the surrounding community—and integrates specific management plans for areas such as water quality, biosecurity, and noise management. This comprehensive system helps us balance operational efficiency with our commitment to mitigate adverse environmental effects. Regular reviews and updates keep the EMS responsive to evolving regulatory landscapes and stakeholder expectations, positioning Napier Port as a responsible and proactive organisation.

Certification of our EMS underscores Napier Port's alignment with environmental best practices, reinforcing our role as kaitiaki (guardians) of the local environment. Our efforts not only safeguard biodiversity and community well-being but also contribute to sustainable economic growth in the Hawke's Bay region and beyond.

Penguin Tracking Initiative: Advancing Korora Conservation

At Napier Port, our role as kaitiaki (guardians) of the environment is integral to our operations. Building on our collaborative partnership with penguin specialist Professor John Cockrem, we launched an innovative project to track the movement of kororā (little blue penguins) using GPS satellite technology.

This project marks the first time, to our knowledge, that kororā have been tracked as pairs. By fitting two pairs of penguins with satellite tracking devices, we gathered real-time data on their movements after leaving the nest. This provided us with valuable insights into their behaviour and travel patterns, deepening our understanding of how these native birds navigate their environment.

The tracking initiative not only enhances our knowledge of kororā but also contributes to wider conservation efforts, providing valuable data that can inform future strategies aimed at protecting biodiversity. This project reflects our ongoing commitment to balancing operational needs with our role in caring for the natural environment.

Procurement for sustainable outcomes

Napier Port has made progress in embedding sustainability across its operations, with a focus on sustainable procurement practices. A highlight of this effort was the acquisition of a new sweeper truck, part of a broader initiative to improve dust suppression and reduce environmental impacts. This equipment, procured following a thorough sustainability assessment, is designed to manage on-port particulate emissions effectively, ensuring compliance with environmental regulations while contributing to cleaner, safer operations at the port.

This investment aligns with Napier Port's broader sustainable procurement strategy, which emphasises that all future asset investments support Napier Port's long-term environmental objectives. By incorporating sustainability criteria into procurement decisions, Napier Port ensures that the materials, equipment, and technologies it invests in contribute to a reduced carbon footprint while also enhancing operational resilience and efficiency.

Sustainability was also an integral factor when procuring new Container Handling Equipment, see p.49

> **"Napier Port has made progress in embedding sustainability across its operations."**

Cape Sanctuary

Building a Culture of Sustainability:
Cape Sanctuary Partnership

At Napier Port, sustainability is not just a goal but a core value embedded within our team culture. This year, our partnership with Cape Sanctuary provided a unique opportunity for our team to engage directly with conservation efforts, further embedding sustainability into the heart of our operations.

As a proud sponsor of the seabird sanctuary at Cape Sanctuary, we have supported vital restoration work, including the construction of the enclosure fence that now protects the area's precious wildlife. This commitment was further reinforced by our two successful volunteer days in 2024. Team members participated in a variety of activities, including cleaning the kākā aviary, building a new tuatara enclosure, and assisting with the seabird sanctuary's ongoing maintenance efforts.

By sponsoring and actively engaging in volunteer days, we have created a space where employees can connect with nature, give back to the environment, and strengthen bonds across our teams, fostering a shared sense of purpose and teamwork. These experiences have become a valued part of our sustainability journey, providing a place we can all go-whether to lend a hand or simply reflect on the importance of conservation.

Our commitment to Cape Sanctuary aligns with our wider sustainability goals, as seen in our Employee Recognition Scheme's focus on partnerships and environmental stewardship. We are proud to contribute to the sanctuary's efforts and look forward to expanding our involvement in future projects, reinforcing our shared dedication to creating a sustainable future for both our business and our region.

> Our commitment to Cape Sanctuary aligns with our wider sustainability goals, as seen in our Employee Recognition Scheme's focus on partnerships and environmental stewardship."

Emissions and Climate Change Reporting

Napier Port has been measuring Scope 1, 2 and limited Scope 3 emissions for several years which have been reported in the Annual Report and on the Napier Port website. Since 2022 reported emissions have been externally certified by Toitū Envirocare.

This is the fourth year Napier Port has produced a climate change related disclosure report seeking to provide stakeholders an understanding of the potential financial implications of climate change on the business. You can read the full report here *www.napierport.co.nz/investor-centre/*. The previous three years' reports were primarily based on the recommendations of the TCFD framework. The focus of this fourth report is to adhere to the new New Zealand Climate Standards (NZ CS) framework.

Napier Port also reviews annually a Climate Change Risk Assessment (CCRA) inclusive of a climate-related risk register specifically for the management of climate-related risks and opportunities, which informs our knowledge on the potential impacts of climate change.

GHG emissions reporting

Napier Port measures emissions using the GHG Protocol, which uses three classifications for emissions:

Scope 1 – Direct GHG emissions occurring from sources that are owned or controlled by the company.

Scope 2 – Indirect GHG emissions occurring from the generation of purchased electricity, heat and steam consumed by the company.

Scope 3 – Emissions that occur because of the company's activities, but from sources not owned or controlled by the company.

In 2024, our total carbon emissions were 8,740 tCO2e which was an increase of 0.3% from 8,712 tCO2e tonnes in 2023. A five-year summary is shown in figure 1.

Figure 1: Total Carbon Emissions tCO2e

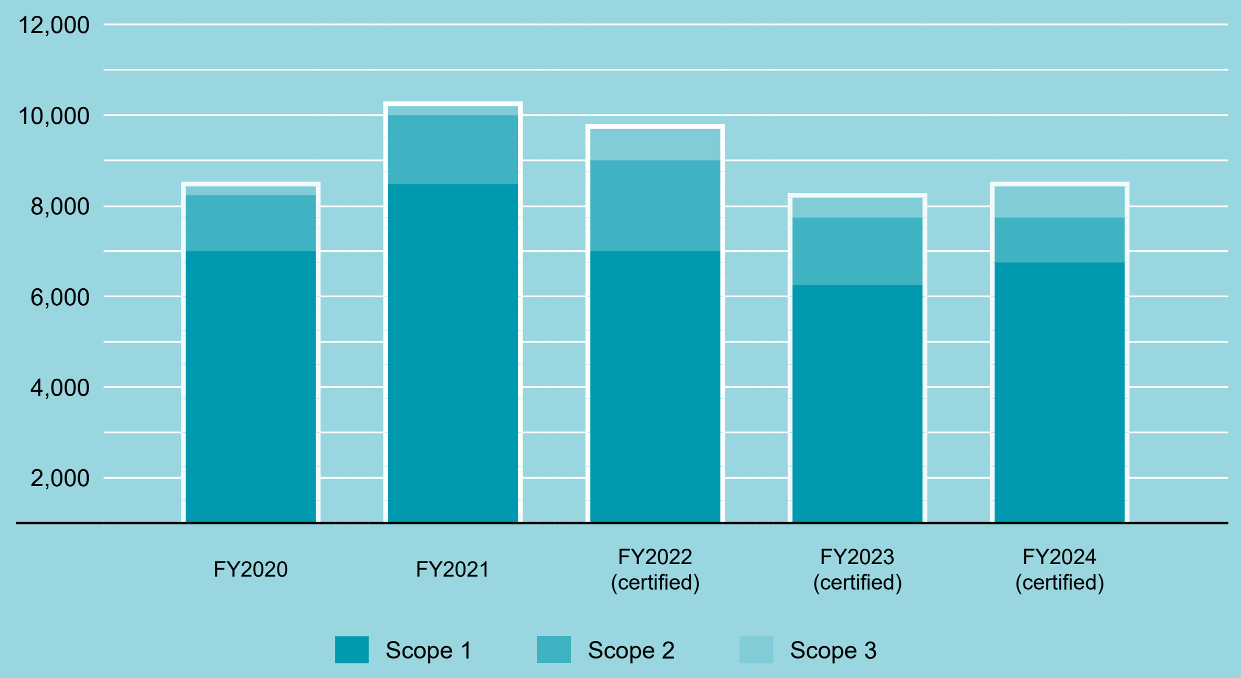
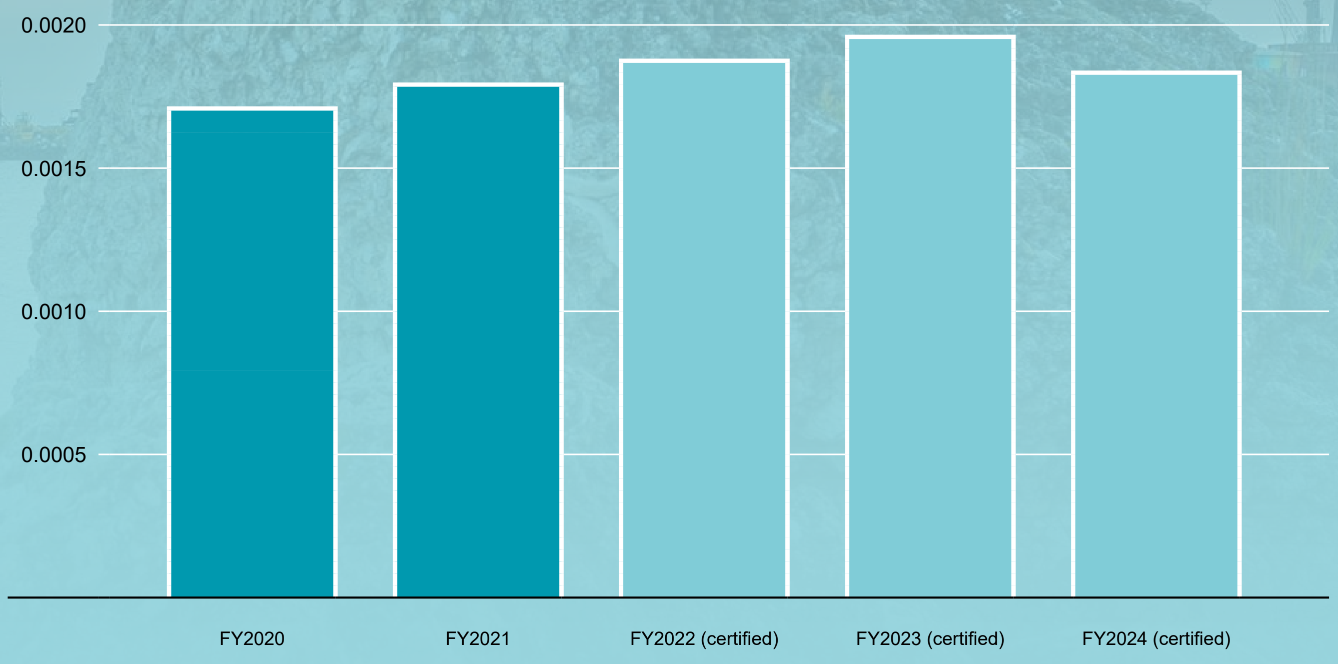
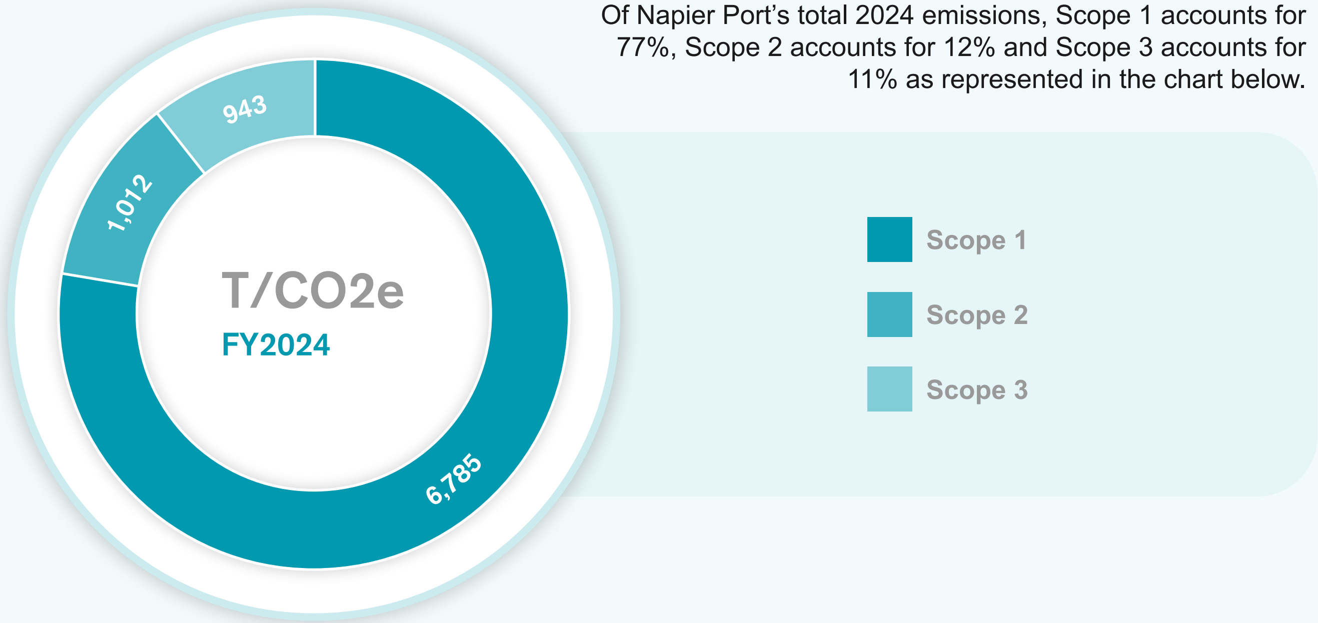


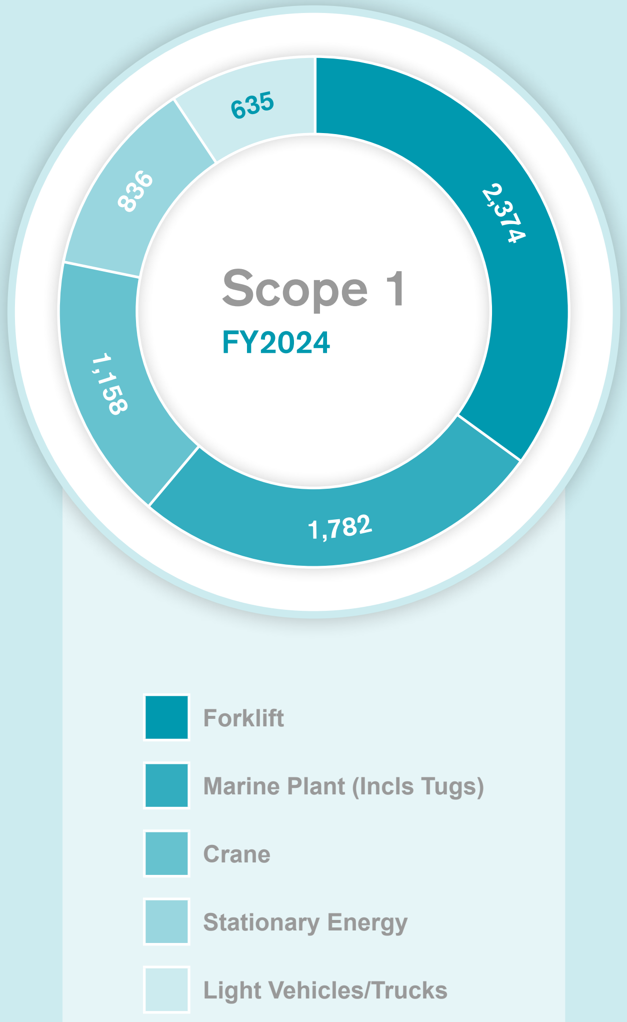
Figure 2: Carbon Emissions tCO2e Per Tonne



Napier Port also provides a 'per cargo tonne' intensity metric and this decreased 7.2% from 0.00189 t/CO2e in 2023 to 0.00175 t/CO2e in FY24 as shown in the below chart. This is primarily attributable to being able to hold overall 2024 emissions to a small increase (0.3%) despite an 8% increase in annual tonnage for the year.

Of Napier Port's total 2024 emissions, Scope 1 accounts for 77%, Scope 2 accounts for 12% and Scope 3 accounts for 11% as represented in the chart below.





Scope 1 Emissions

- 2024 Scope 1 emissions were measured at 6,785 tonnes (up 506 tonnes from 6,279 tonnes recorded in 2023)
- Scope 1 emissions, produced by mobile plant and marine assets, contribute 77% of Napier Port's total 2024 emissions (up from 72% in 2023)

The make-up of Scope 1 emissions is represented in the chart to the left:

Higher volumes following the recovery from Cyclone Gabrielle resulted in increases in crane, truck and stationary energy (diesel generators) fuel usage, while reduced marine emissions attributed to fewer vessel calls and secondary movements provided a partial offset. Prioritising the use of our more fuel-efficient tug, Kaweka, wherever possible added to the marine offset.

The reduction in forklift emissions is related to the acquisition during 2023 of two Eco Reachstackers, which are classified as forklifts in our emissions analysis, and have contributed to the decrease in fuel usage for the forklift fleet during 2024.

Fuel usage data collected so far has shown the Eco Reachstackers fuel usage averaging 17 litres of diesel fuel per hour compared with the legacy Reachstackers which average up to 25 litres per hour – representing a 32% reduction.

Scope 2 Emissions

- 2024 Scope 2 emissions were measured at 1,012 tonnes (a decrease from 1,487 tonnes in 2023)
- Scope 2 emissions, which arise from purchased electricity off the national electricity grid, contribute 12% of Napier Port's total 2024 (a decrease from 17% in 2023)

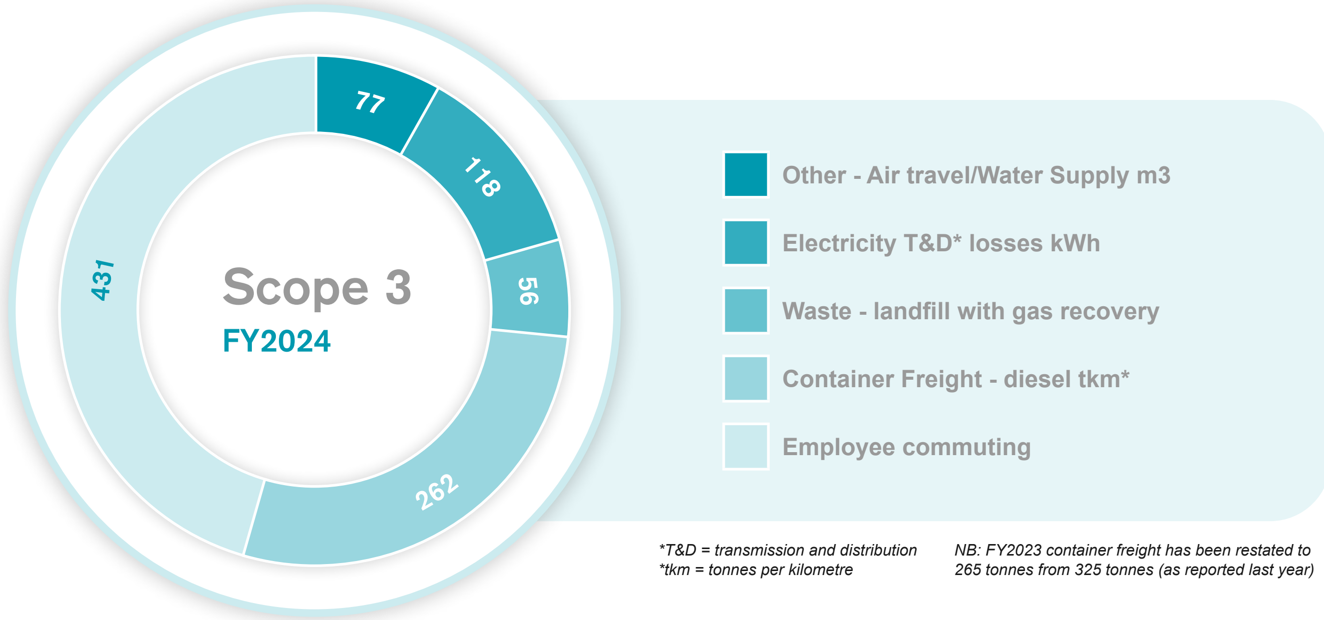
Consistent with 2023, the top emission sources within this category are powering reefer containers, operational wharf and street lighting towers, and tug shore power and related infrastructure.

This reduction has occurred despite a 10% increase in electricity consumed during the year. The main driving factor behind the decrease was the material drop in the Ministry for the Environment purchased electricity emission factor, which is used to convert electricity consumption into tCO2e.

Scope 3 Emissions

- 2024 Scope 3 emissions were measured at 943 tonnes (a decrease from 947 tonnes in 2023)
- Scope 3 emissions contribute 11% of Napier Port's total 2024 emissions (which is consistent with 11% in 2023)

Breaking down the Scope 3 emissions data further 46% of total Scope 3 emissions are attributable to employee commuting and 28% is attributable to freight (trains and trucks) operating between Napier Port and Manawatū Inland Port.



*T&D = transmission and distribution
*tkm = tonnes per kilometre

NB: FY2023 container freight has been restated to 265 tonnes from 325 tonnes (as reported last year)

The main contributors to this decrease were a reduction in waste/recycling emissions and transmission & distribution losses (T&D) emissions. The waste/recycling reduction is attributable to a reduction in container throughput through our warehousing operations and our depot container services contractors. The T&D emissions decrease is linked to the Scope 2 purchased electricity emissions reduction. Offsetting the overall decrease was an increase in employee commuting emissions.

Setting targets for de-carbonisation

Napier Port is committed to decarbonisation and reaching net zero greenhouse gas emissions by 2050. Our initial Emissions Reduction Strategy illustrates incremental progress over time aligned to the removal of technological and economic adoption barriers whilst considering the potential impacts.

Consequently, Napier Port is not able to set any realistic short or medium time-bound reduction targets at this time. Achievable reduction targets will only be set once the appropriate asset masterplans have been refreshed to incorporate the feasible emission reduction technologies required to achieve the ultimate net zero by 2050 outcome.

Our sustainability strategy includes placing a focus on climate action and energy and supporting national net zero 2050 targets. As a result, our initial Emissions Reduction Strategy was developed, providing a framework for possible adoption of low emission technology and to establish a high-level pathway for Napier Port to reach net zero by 2050.

At a high level, the strategy aims to:

- Focus on the reduction of diesel consumption given it is the primary source of our current emissions
- Align investment in low emissions technology with:
  - Our asset renewal program
  - Any future transformation of Napier Port container terminal operating modes
  - The availability of emerging technology
- Grow our electrical infrastructure through potential electrical capacity upgrades.
- Establish a decision-making framework that considers low emission technologies and incorporates emission considerations in investment or business development decisions.

This strategy framework will continue to be further developed and involves further investigations into the viability of alternative fuel sources and the array of new low emissions technology.

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Our Leaders

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RIMA /// Section 3

Blair O'Keeffe

Independent Director and Chair
BBS (Hons), MInstD

Blair was appointed as a director of Napier Port in June 2019 and in December 2022 was appointed Chair. Blair is a Hawke's Bay based company director and board advisor, with governance experience in NZX listed, central and local government, and private entities. He is a former Port Chief Executive, with 25+ years of local and international senior executive experience, including infrastructure, energy, property and transport.

He is currently Chair of the Hawke's Bay Regional Recovery Agency, Deputy Chair of Unison Networks Limited, a director of Central Air Ambulance Rescue Limited and entities of the Clarus Group, and is Chair of the Hawke's Bay Rescue Helicopter Trust. He also operates a board/commercial advisory business. He is a former director of NZX listed Z Energy, and former Chair of Crown Entity Maritime New Zealand.

Stephen Moir

Independent Director

Stephen was appointed as a director of Napier Port in December 2016 and is the Chair of the Audit and Risk Committee. Stephen brings an extensive background in institutional banking and financial markets, having held senior roles at Westpac Institutional Bank, Credit Suisse (Singapore) and Citibank (Singapore, Thailand and Australia).

Stephen is a director (and the Chair of the Audit Committee) of Chubb Life Insurance New Zealand Limited, and is the Chair of the ASB Bank Investment Committee. He was previously a director of the Todd Family Office, Guardians of New Zealand superannuation, a non-executive director on the BNZ board, and Chair of both BNZ Life Insurance and BNZ Insurance Services, as well as the advisory board to the Victoria University Chair of Business in Asia. Stephen was previously a member of the NZ Markets Disciplinary Tribunal.

Board of Directors

John Harvey

Independent Director
BCom, FCA, CFInstD

John joined the Napier Port Board in February 2019. John has a background in financial services, including NZX listings, acquisitions, mergers and financial reporting, with over 35 years' professional experience as a Chartered Accountant. He was a Partner at PricewaterhouseCoopers for 23 years, including eight years as Managing Partner at the Auckland office.

John is a Chartered Fellow of the Institute of Directors in New Zealand and is currently a director of Heartland Bank. He previously served on the board of Port Otago for nine years, and has been a director of Kathmandu Holdings, Investore Property, Stride Property Group, Ballance Agri-Nutrients and APN News and Media.

Kylie Clegg

Independent Director
LLB, BCom, MInstD

Kylie joined the Napier Port Board in August 2022 and has a corporate legal background across a range of industries. Kylie is currently Deputy Commissioner for Health New Zealand/ Te Whatu Ora.

Kylie's previous governance roles include a member of Waitematā Health New Zealand Capital Advisory Group, and a director of Auckland Transport, Waitematā District Health Board, Counties Manukau District Health Board, Sport New Zealand and High-Performance Sport New Zealand.

Board of Directors

Vincent Tremaine AM

Independent Director
BBus, FCPA, FAICD, GAIST (Adv.)

Vincent joined the Napier Port Board in February 2019. He has broad experience in the port sector, having served for 16 years as CEO of Flinders Ports Holdings, which owns seven South Australian ports, the Adelaide Container Terminal and Flinders Logistics.

Vincent is currently Chair of Riverland Water Holdings. He has served as Chair of Ports Australia and the South Australian Chamber of Commerce and Industry, and as a director of Geelong Port and Green Industries SA (South Australia Government Body Corporate) and Australia's National Heavy Vehicle Regulator. Vincent also worked for Toll Ports and Resources, managing the ports of Geelong and Hastings in Victoria. In 2020, Vincent was awarded Membership of the Order of Australia (AM) for 'significant service to shipping infrastructure and freight transport'.

Dan Druzianic

Director
BCom (Ag), PG Dip Com, FCA

Dan joined the Napier Port Board in August 2022. Dan is a chartered accountant, business advisor and professional director with broad experience across business sectors including agribusiness, health, infrastructure, property and investment. He holds a Commerce degree from Lincoln University, is a Fellow of the Institutes of Chartered Accountants of Australia and New Zealand (CAANZ), and is a member of the New Zealand Institute of Directors.

Dan was appointed to the Napier Port Holdings Limited Board in August 2022. He resides in Hawke's Bay and is also chairperson of the Hawke's Bay Regional Investment Company Limited (HBRIC). He also sits on the board of Unison Networks Limited and Bostock New Zealand Limited.

Debbie Birch

Director
CMinstD, AIF®

Debbie was appointed as a director of Napier Port in July 2024. With more than 30 years senior executive experience in the commercial, financial, and investment sectors, managing large global investment portfolios in Asia, Australia and New Zealand, along with a diverse governance career spanning across a wide range of sectors, Debbie's expertise complements the current board composition.

Debbie is currently an Independent Director on Westpac NZ, Hawke's Bay Regional Investment Company, NZX/ASX-listed Tourism Holdings, Eastland Group, Miraka and Te Puia Tapapa Fund, and is a trustee of Tuaropaki Trust. Last year Debbie was awarded the Institute of Finance Professionals New Zealand Inc's (INFINZ) Māori Leadership in Finance Award for her contribution to growing the Māori economy in her governance and advisory roles.

Senior Management Team

Todd Dawson

Chief Executive
BSC, PGDipBus, MInstD, PMP, CMILT

Todd joined Napier Port as the Chief Executive in 2018, bringing broad commercial experience from across a range of industries and deep expertise across the supply chain, transport and logistics sectors. Prior to Napier Port, Todd led strategic partnerships and new ventures at Kotahi Logistics, working on the introduction of bigger ships to New Zealand and the establishment of intermodal freight hubs.

He has over 25 years' experience and has previously held senior roles at IBM NZ, Toll New Zealand, Sainsbury's Supermarkets (UK) and Mainfreight.

Todd holds a Bachelor of Science and a Postgraduate Diploma of Business in Operations Management from the University of Auckland. He is a member of the Institute of Directors in New Zealand and is Chair of the Manawatū Inland Port, Napier Port's intermodal joint venture with Halls Transport (Talley's Group).

Kristen Lie

Chief Financial Officer
BBS, DipBusStuds (Finance), FCA, CFA, CMinstD

Kristen joined Napier Port as Chief Financial Officer in 2015. Kristen has extensive financial experience and strong commercial and strategic planning skills.

Kristen returned to Hawke's Bay after some 18 years working across London, Moscow and Oslo. His previous roles have been with the London-based office of listed shopping centre group Westfield, London-based property investment company Grosvenor, as well as Ernst & Young and PricewaterhouseCoopers.

Kristen holds a Bachelor of Business Studies and a Diploma in Business Studies from Massey University and is a Fellow Chartered Accountant, a Chartered Financial Analyst, and a Chartered Member of the Institute of Directors in New Zealand.

David Kriel

General Manager – Commercial
M.Prof.Studs. Transport Management (Dist), FCILT, MInstD

David joined Napier Port as General Manager – Commercial in 2018. David has an extensive background in transport and logistics and worked with Lodestar and Oji Fibre Solutions from 2005 to 2018.

David is a Fellow of the Chartered Institute of Logistics and Transport and a member of the Eastern Asian Society for Transport Studies and the Humanitarian Logistics Association. He sits on the board of the New Zealand Cruise Association, the advisory board of ExportNZ Hawke's Bay, and the board of the Manawatū Inland Port, Napier Port's intermodal joint venture with Halls Transport (Talley's Group). David is also a Member of the Institute of Directors in New Zealand.

Jo-Ann Young

Corporate Affairs Manager
BA (Hons), MA

Jo-Ann joined Napier Port in 2020 and leads the corporate affairs function at Napier Port covering internal and external communications, community engagement and sponsorship, stakeholder relations and investor communications. Jo-Ann brings experience in communications, marketing, media, and public affairs across infrastructure, politics, health, education and FMCG sectors, spanning New Zealand, Australia, Turkey, South Korea and the United Kingdom.

Jo-Ann holds a Master of Arts in Political Communication from Victoria University.

Senior Management Team

David Broad

General Manager Assets and Infrastructure MBA

David oversees various critical aspects of the port's operations including maintenance, planning, and construction of assets and infrastructure, as well as the environmental and sustainability programs. David leads asset and master planning, which are instrumental in charting the course for future growth and development. Comprehensive in scope, this integrates and addresses capacity requirements, while placing a strong emphasis on emissions reduction and climate change management. Prior to joining Napier Port, David held engineering leadership roles with Jetstar Airways Ltd. He holds an MBA from the University of Otago and a diploma in Aeronautical Engineering.

Chris Whylie

General Manager Port Optimisation MBA (Maritime and Logistics management)

Chris leads the Port Optimisation, Information Technology and Human Resources Teams. He has been with Napier Port since 2007 and has extensive experience in operational, system and leadership roles.

Chris has a Masters Degree in Maritime Management and Logistics from the University of Tasmania.

Adam Harvey

Chief Operating Officer BA, BCA

As Chief Operating Officer Adam has oversight across Napier Port's container terminal, marine and cargo operations. Adam joined Napier Port's human resources team in 2010 later becoming Container Terminal Manager and prior to his current position, was General Manager Marine and Cargo Operations.

Adam holds a Bachelor of Commerce in Management and Economics and a Bachelor of Arts in Geography and Psychology, both from the University of Otago. He is the immediate past Chairperson of the Port Industry Association.

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Chief Financial Officer's Management Discussion and Analysis

Overview

The 2024 financial year saw a positive trading return following the challenges of recent years. The regional recovery following Cyclone Gabrielle during February 2023 continued and, while containerised volumes in particular are not back to historic volume levels, 2024 saw total cargo volume by weight growing 8.1% compared to the prior year. Supported by a record cruise season, Napier Port revenue grew by $19.4 million, or 15.9%, to $141.4 million.

As a result of the strong revenue growth and comparatively modest expense growth, the result from operating activities increased by 39.5% to $52.0 million. Further progress on insurance claims, following Cyclone Gabrielle, resulted in additional income of $9.25m in the year.

Reported net profit after tax increased by 49.7% to $24.8 million.

Our balance sheet remains in a strong position. At the end of the financial year, Napier Port had $109.5 million in outstanding loans and borrowings, reduced from $130.0 million in the prior year, in addition to $70.5 million in undrawn credit facilities.

In conjunction with this annual report, Napier Port has released Supplemental Trade Volume Data, Supplemental Selected Financial Information and an Annual Results Investor Presentation, that together provide further trade and financial information and which form part of our 2024 reporting suite of information for investors and other stakeholders.

All documents are available in the Napier Port investor centre at ***www.napierport.co.nz/investor-centre***

Revenue

Revenue of $141.4 million increased by 15.9% from the prior year. Cruise vessel visits to Napier Port increased to 89, from 64 vessel calls in the prior year, and contributed $9.1 million in revenue. Bulk cargo volumes increased 9.0% and containerised volumes increased 3.4% compared to the prior year. Bulk cargo revenue grew by 17.7% to $49.2 million, while container services revenue of $79.5 million was 11.4% higher than the prior year.

Total annual container volumes increased by 3.4% to 230,000 TEU. Cargo laden full export and import containers increased by 3.8% to 124,000 TEU, while empty and other container movements increased 2.9% to 106,000 TEU.

Dry export cargo was down by 4.6% to 48,000 TEU principally as a result of Cyclone Gabrielle storm damage to a significant customer's timber and pulp processing facilities, which were in the process of being reinstated during the year.

Refrigerated and frozen reefer exports increased 23.0% to 48,000 TEU mainly due to a rebound in apple and pears and other chilled produce exports, following crop losses to Cyclone Gabrielle in the prior year.

Containerised imports increased by 7.4% to 108,000 TEU primarily due to the additional imported empty containers required for export cargo.

Other container movements, including Discharge, Load, Restows (DLR's) and transhipped containers, reduced 8.8% to 16,000 TEU as a result of lower levels of container repositioning by shipping lines.

Container services average revenue per TEU increased by 7.8% compared to the prior year principally as a result of container mix changes, tariff increases, and improved container depot revenues.

Container vessel calls decreased to 246 ships from 251 ships in the prior year as a result of shipping line schedule changes.

Bulk cargo total volume of 3.47 million tonnes was 9.0% higher than the prior year. Log export volume increased by 13.5% to 2.87 million tonnes principally due to additional cyclone affected windthrown logs and redirected logs, that would have otherwise been processed as pulp or timber, being exported.

Charter vessel calls decreased to 236 from 272 last year due to the lower bulk cargo volumes and larger average vessel load size.

Bulk cargo average revenue per tonne increased by 8.0% compared to the prior year primarily as a result of tariff increases and customer mix changes.

$141.4m

Revenue

↑ 15.9%

"Bulk cargo revenue grew by 17.7% to $49.2 million, while container services revenue of $79.5 million was 11.4% higher than the prior year."

Expenses

Total operating expenses grew by 5.5% to $89.4 million, with employee benefit expenses increasing 4.5%, property and plant expenses decreasing by 2.3%, and other operating expenses increasing 12.0%.

Employee benefit expenses increased due to general remuneration increases as inflation remained higher than historical levels during the year.

Property and plant expenses decreased as result of lower plant hire and maintenance, fuel and power spend, offset partially by increased site maintenance and environmental expenditure. The underlying fuel and power spend decrease year on year was as a result of volume increases partially offsetting reduced unit rates.

Fuel and power are key contributors to our greenhouse gas emissions profile. Total greenhouse gas emissions increased by 0.3% year on year. Emissions intensity on a per cargo tonne basis decreased 7.2%, as the overall increase occurred while overall cargo tonnage increased by 8.1%. This was primarily attributable to the reduction in official electricity conversion factors to calculate the electricity carbon measure and the modest positive effect of operational emission improvement initiatives.

Other operating expenses increased mainly due to increases in insurance and contract services expenses. The latter is activity and volume dependant and has increased 23.7% year on year on container volumes and higher Napier Port cargo logistics activity, along with higher container stevedoring rates.

The result from operating activities of $52.0 million increased by 39.5% compared to the prior year and as a percentage of revenue increased from 30.5% to 36.8%.

Depreciation, amortisation and impairment expenses increased by $0.2 million to $16.5 million.

Net other income of $8.0 million compared to $7.8 million in the prior year. Cyclone Gabrielle insurance income of $9.25 million was recognised during the period. The business interruption indemnity period is now complete however Napier Port continues to work through the insurance claims process and will continue to submit claims to its insurers as and when it determines its recoverable losses. Other expenses in the year include losses on disposals of plant and equipment and restructuring costs related to organisational changes. In addition, the unrealised investment property revaluation gain of $0.1 million compared to $1.2 million in the prior year.

Net finance costs decreased to $6.2 million compared to $6.7 million in the prior year. Gross finance costs declined as average borrowings decreased in the year.

Income tax expenses increased by $7.0 million to $12.5 million due to the higher taxable profit in the current year. The high effective tax rate of 33.5% for the year is higher than the statutory tax rate of 28% due to $2.0 million additional income tax recognised arising from the statutory removal of tax depreciation deductibility on commercial buildings during the year.

Reported net profit after tax for the period attributable to the shareholders of the Company of $24.8 million increased 49.7% from $16.6 million in the prior year.

Capital Expenditure

Capital investment spend in the year of $13.1 million included maintenance dredging, wharf fendering improvements, sea defence works, erosion protection, additional paved areas, mobile plant and IT equipment replacements.

Cashflow

Cashflow from operating activities increased significantly to $53.9 million from $37.2 million year on year, with the stronger operating result, business interruption insurance proceeds, and positive working capital movements in the current year partially offset by higher cash tax payments.

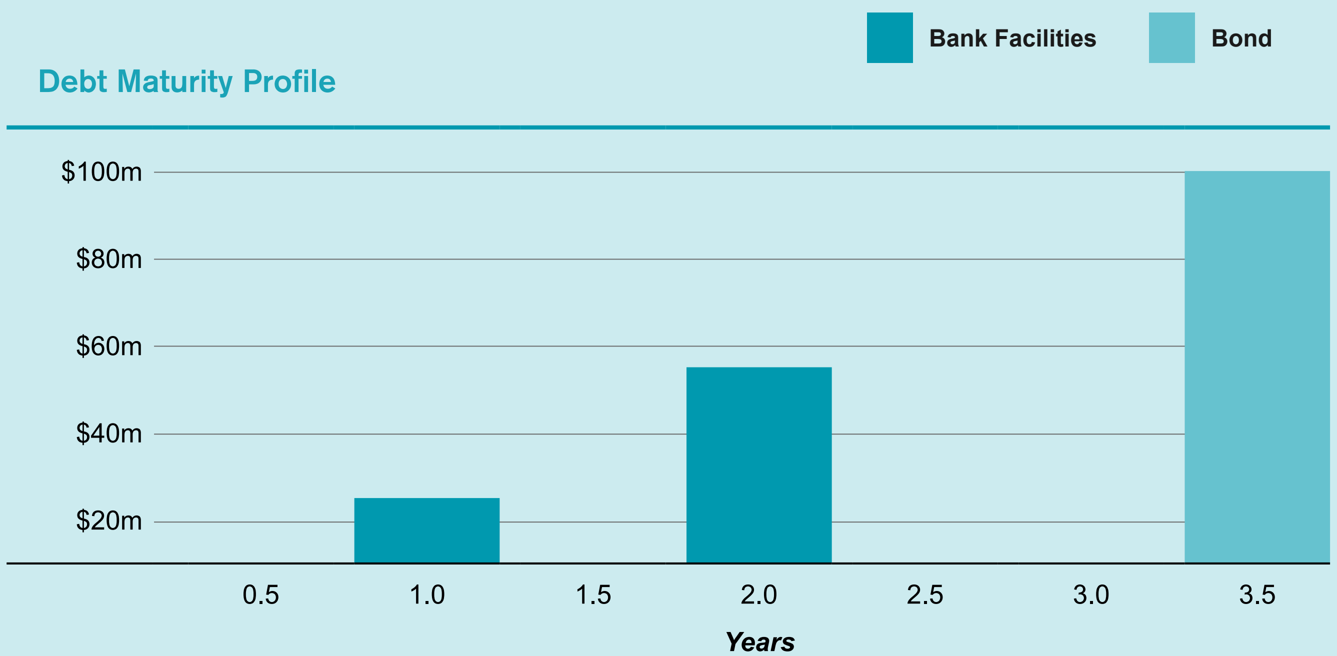
Dividend cash payments during the financial year of $13.1 million, including the final 2023 dividend paid in December 2023 and the interim 2024 dividend paid in June 2024, were $0.3 million higher than the year before.

After the net spend on investing activities of $13.0 million, finance costs of $5.9 million, and cash balances increasing by $0.8 million, we repaid $20.5 million of loans and borrowings during the year.

Balance Sheet

As a result of our conservative approach to outgoings over recent years and positive operating cashflow, our balance sheet is in a strong position. At the end of the financial year, Napier Port had drawn bank lending of $9.5 million and $100 million of bonds issued, in addition to $70.5 million in undrawn credit facilities. The total of $109.5 million in outstanding loans and borrowings is reduced from $130 million in the prior year.

At the balance date, our weighted average term to maturity was 2.69 years.



Insurance risk management

As reported previously, Napier Port has experienced significant compounding increases in insurance costs over several years. These increases have accompanied insured asset value inflation and challenges with securing sufficient insurance coverage at commercially acceptable premium rates. In addition to significant deductibles for natural catastrophe events Napier Port has maintained a total loss limit of $500 million under its material damage and interruption policy, when it targets a higher limit.

During our most recent insurance renewal we were able to eliminate our additional self-insurance participation within the total loss limit, which has reduced Napier Port's net exposure to losses in natural catastrophe events. Additionally, Napier Port has incorporated a wholly owned subsidiary registered under the Cook Islands Captive Insurance regime. This entity principally enables the Group to participate directly with global reinsurers and provides additional insurance capacity options – thereby also assisting in alleviating overall premium pressure.

Dividend

Subsequent to the balance sheet date, the Board approved a fully imputed final dividend of $12 million (6 cents per share) in respect of the 2024 financial year, payable on 18 December 2024 to those on the share register at close of business on 6 December 2024. Including the fully imputed interim dividend of $6.0 million (3.0 cents per share) paid in June 2024, dividends in respect of the 2024 financial year total 9 cents per share (2023: 5.25 cents per share). Including tax imputation, this represents a gross total dividend of 12.5 cents per share (2023: 7.3 cents per share).

Kristen Lie

Chief Financial Officer

Strategic Risk Overview

The Board of Directors of Napier Port oversees and monitors the risks to the business and operations of Napier Port and ensures appropriate risk management is applied.

The following provides a high-level summary of a number of our significant strategic risks faced by Napier Port presently and our risk management response.

Strategic Risk	Potential impact	Response
Maintaining the health and safety of our people	Ports are inherently high risk work environments with the potential to seriously harm or cause death to people.	We seek to continuously improve our health and safety culture, practices and risk controls. We dedicate time and resources to health and safety governance, management, critical risk management, developing external relationships including with others conducting business at our port sites, supporting technology and reporting, site and plant asset management plans, and assurance activities.
Significant Asset Damage and Interruption	A major natural event, such as a tsunami or a significant earthquake or weather event, could destroy or damage our assets, our customers' assets or essential infrastructure linking our customers with our port or cause significant interruption to our business.	We consider and undertake measures to improve the resilience of our assets, however, there is limited ability to design or engineer our existing assets to account for such major natural events. We currently maintain insurance for material damage and business interruption, however these policies do not provide complete protection against financial loss and may not always be sufficiently available on acceptable commercial terms. We believe the likelihood of a total loss event is low.
Cargo Owner, Export Market and Forestry Sector Concentrations	A significant proportion of our cargo exports and therefore revenue are derived from the forestry sector and/or are exported to China and other key Asian markets. Events could occur that result in the supply or demand for New Zealand or Hawke's Bay and surrounding areas' wood products reducing or that results in the potential loss of, or the reduction in demand from, key cargo owner customers, which make up a significant proportion of our revenue.	We have no ability to control reductions in supply or demand for wood products. We seek to maintain relationships with industry participants and our key customers to understand and monitor market developments and to integrate our operations with their supply chains. We expect that product owners would seek new markets if a prolonged downturn in key markets were to occur. Our close proximity to some of our key cargo owner customers' existing operations means we can continue to provide a cost effective and efficient route to market for our customers. Fluctuations in demand and supply are continuous; it is not possible to determine the likelihood of a material negative change or event.
Biosecurity	A significant biosecurity event (e.g. involving disease or pests) could negatively affect one or more primary industries in Hawke's Bay who export their produce through our port, including forestry, pipfruit or meat producers.	The New Zealand government seeks to prevent biosecurity events through strict import regulations. We work with the Ministry for Primary Industries to implement biosecurity controls and inspections related to imported containers, packaging and cargo that aim to reduce the likelihood of disease or pests entering the Hawke's Bay region via our port. However, the disease or pest many not be detected or could enter the region through other entry-points. We cannot predict the likelihood of a significant biosecurity event occurring.
China and Other Asian Markets	Access to, or demand from, China and our other key Asian markets may be materially impaired resulting in demand for cargo being shipped from our port decreasing materially. The significant majority of cargo exports from our port are to China and Asian markets.	We seek to maintain relationships with industry participants to understand and monitor market developments. We expect product owners could locate new markets over time if a prolonged adverse situation were to occur. We cannot predict the likelihood of such events taking place.
Port and Harbour Blockage or Damage	Shipping access to our port may be restricted or may cease as a result of a disabled or sunk vessel within the port marine area or within port marine access channels. A vessel may also damage port infrastructure. A third-party seizure of a vessel berthed in our port may cease activity on that berth and wharf for a prolonged period. Road and rail links may temporarily become lost.	We support safe vessel maneuvering via our pilotage and towage marine services and ongoing risk management activity including operating protocols, staff training & simulations, working with third parties including the Harbour Master and Maritime NZ, the deployment of various navigation aids and technologies, maintenance dredging programmes, amongst other mitigations. Whilst we maintain insurance for infrastructure property damage and business interruption, the insurance cover available on acceptable terms for port blockage is limited. Following Cyclone Gabrielle during 2023, we experienced the temporary disablement of road and rail links to the port which negatively affected our trading activity.
Epidemic or Pandemic Disease	A community health event may cause workforce constraints, either within our or our cargo customers' workforces, and cause disruption to cargo flows through our port.	We have no ability to control the occurrence of a community health event. We undertake crisis management preparation including having joint agency protocols and a CIM framework. We have recent experience managing COVID-19 in our workplace and community where we adapted our controls and processes to maintain the health and safety of our people and to maintain our operating capability.
Physical and Transition Risks Associated with Climate Change	Climate change increases the likelihood of extreme weather events and trade volume impacts, and will require future adaptation measures to protect assets and our operations.	Our Climate Change Related Disclosure Report (available on the Napier Port website) provides an understanding of the potential implications and management of climate change risks and opportunities on our business.

Corporate Governance Statement

The Board of Napier Port Holdings Limited (the Company) and its subsidiaries (collectively the Group) are responsible for the corporate governance of the Group. Corporate governance describes how a company looks after the interests of its shareholders and other stakeholders.

The Board is committed to maintaining best practice governance policies and behaviours. This Corporate Governance Statement sets out the corporate governance policies, practices, and processes of the Group as at 18 November 2024 and has been approved by the Board.

The Group's policies, practices and processes are reviewed against the best practice principles included in the NZX Corporate Governance Code (NZX Code). The Board's view is that the Group's corporate governance policies, practices and processes generally follow the recommendations of the NZX Code. This Corporate Governance Statement includes disclosure of the extent to which the Group has followed each of the recommendations in the NZX Code.

Further information about the Group's corporate governance framework is available on the Group's Investor Centre **(www.napierport.co.nz).**

Principle 1 – Ethical Standards

"Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation."

Code of Ethics

Recommendation 1.1: *The Board should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere (a code of ethics).*

The Board and management are committed to ensuring the Group adheres to best practice governance principles and maintains the highest ethical standards. The Group's code of ethics sets out the manner in which directors and employees should conduct themselves. The code of ethics incorporates the requirements set out in recommendation 1.1 of the Code and forms part of the induction process for all new employees.

The Board recognises good governance is not merely a matter of achieving legislative compliance but ensuring that exemplary standards and behaviour are maintained. This involves the establishment and maintenance of a culture at a Board and senior management level and throughout the Group to ensure that directors and employees deal fairly with others, with transparency, and protect the interests of shareholders and look after the rights of stakeholders.

Securities (Shares and Bonds Trading) Policy

Recommendation 1.2: *An issuer should have a financial product(s) dealing policy which applies to employees and directors.*

The Group has a Securities (Shares and Bonds Trading) Policy which sets out the responsibilities of all directors, officers, employees, personal services contractors, and secondees of Napier Port Holdings Limited and its subsidiaries for trading in the Company's securities within a listed company environment. The Securities (Shares and Bonds Trading) Policy is available on the Group's website. This policy is separate from, and in addition to, the legal prohibitions on insider trading in New Zealand, and does not replace legal obligations.

Insider trading is prohibited at all times. Directors and employees who possess material information must not trade in securities, advise or encourage another person to trade or hold the Company's securities, advise or encourage a person to advise or encourage another person to trade or hold the Company's securities, or directly or indirectly disclose or pass on the material information to anyone else, knowing that the other person will or is likely to use that information to trade in the Company's securities.

Restricted persons including the Directors, Chief Executive Officer, Senior Management Team, Trusts and Companies controlled by these persons, and anyone else notified by the Chief Financial Officer, have additional trading restrictions. Restricted persons are prohibited from trading in securities during specific "black-out" periods, from 30 days prior to the Group's interim and year-end balance dates to the first trading day after the release of the respective periods results to the NZX, 30 days prior to the release of a product disclosure statement for a general public offer, or such other period as determined by the Board.

During any other period restricted persons who do not possess material information may trade the Company's securities subject to notification and consent requirements. Restricted persons may not trade until this written consent has been received.

Principle 2 – Board Composition and Performance

"To ensure an effective Board, there should be a balance of independence, skills, knowledge, experience and perspectives."

Board Charter

Recommendation 2.1: *The Board of an issuer should operate under a written charter which sets out the roles and responsibilities of the Board. The Board charter should clearly distinguish and disclose the respective roles and responsibilities of the Board and Management.*

The Board has adopted a formal Board Charter which sets out the respective roles, responsibilities, composition and structure of the Board, and this is available on the Group's website.

The Board is ultimately responsible for setting the strategic direction of the Group, oversight of the management of the Group and direction of its business strategy, with the ultimate aim being to operate the Group as a successful business, while respecting the rights of other stakeholders. This includes establishing the strategies and financial objectives with the Senior Management Team, monitoring the performance of the Senior Management Team, monitoring compliance and risk management, and ensuring the Group has the appropriate controls and policies in place.

The Board delegates the day-to-day affairs and management responsibilities of the Group to the Chief Executive Officer and Senior Management Team to deliver the strategic direction and goals determined by the Board.

Nomination and Appointment Of Directors

Recommendation 2.2 and 2.3: *Every issuer should have a procedure for the nomination and appointment of Directors to the Board. An issuer should enter into written agreements with each newly appointed Director establishing the terms of their appointment.*

The Board have delegated to the People and Remuneration Committee the responsibility to make recommendations to the Board in respect of Board and committee composition and, when required, identify individuals believed to be qualified to become Board members. Procedures for the appointment and removal of directors are set out in the People and Remuneration Committee Charter. To be eligible for selection the candidates must demonstrate appropriate qualities and experience, and the Committee must be satisfied that a candidate will commit the time needed to be fully effective in their role. The Committee will ensure proper checks as to the proposed Director's character, experience, education, criminal record and bankruptcy history are conducted and key information about the proposed Director is provided to shareholders to assist their decision as to whether or not to elect or re-elect the Director.

The whole Board will have the opportunity to consider candidates for appointment to the Board. Directors may be appointed by the Board or director nominations may be made by shareholders for election at the Annual Meeting of Shareholders. Directors appointed by the Board must stand for re-election at the next Annual Meeting of Shareholders. The NZX Listing Rules and the Group's constitution requires that all directors stand for re-election at the Annual Meeting of Shareholders within three years of last being elected. The Group enters into a written agreement with each newly appointed director establishing the terms of their appointment.

Directors

Recommendation 2.4: *Every issuer should disclose information about each Director in its annual report or on its website, including:*

(a) a profile of experience, length of service, and ownership interests

(b) the Director's attendance at Board meetings; and

(c) the Board's assessment of the Director's independence, including a description as to why the Board has determined the Director to be independent if one of the factors listed in table 2.4 applies to the Director, along with the description of the interest, relationship or position that triggers the application of the relevant factor.

The Board currently comprises seven directors; an independent Chair, five independent non-executive directors, and two non-executive directors. A profile of experience for each director, including length of service, is available on the Group's website and included in the Annual Report. Director's ownership interests are included in the Other Disclosures section of the Annual Report.

Board Skills and Experience

Our Board is diverse and our directors bring with them a wide range of skills and experience to the benefit of the Group. The Board has determined that, to operate effectively and meet its responsibilities and considering its business and strategic focus, it requires competencies in disciplines including governance, executive leadership, listed companies, legal and regulatory compliance, safety and high-risk operations, finance and accounting, engineering and asset management, relevant sector experience, commercial expertise, collectivised employment agreement environments, and sustainability.

The Board regularly reviews its collective skills and experience, including when considering Board appointments and as the operating environment or the Group's strategies evolve. The most recent review was in September 2024. The table below shows represents the Board's most recent self-assessment of its collective board skills and experience compared to the identified required competences. Where identified gaps exist, these are considered when making appointments to the Board.

Capability	Collective Board Skills and Experience
Governance	●
Executive Leadership	●
Listed Company	●
Infrastructure/ Port/ Transport	●
Safety and High Risk Operations	●
Commercial	●

Capability	Collective Board Skills and Experience
Finance and Accounting	●
Engineering/ Asset Management	◐
Collectivised Employment Agreement Environments	●
Legal and Regulatory Compliance	●
Sustainability	●

● ***Sufficient or Strong Coverage*** ◐ ***Some Gaps***

Attendance at Board and Committee Meetings

For the year ended 30 September 2024.

	Board	Audit and Risk Management Committee	People and Remuneration Committee	Health and Safety Committee	Sustainability Committee
Number of meetings held	11[3]	10	4	3	5
Blair O'Keeffe	11	10[1]	4	3	4[1]
Diana Puketapu	3[2]	3	1	1	2
Stephen Moir	11	10	3[1]	3	5[1]
Vincent Tremaine	10	9	4[1]	3	4[1]
John Harvey	10	10	4	3	5
Debbie Birch	4[4]	2[1]	2[1]	1	1
Dan Druzianic	9	10	3[1]	3	4[1]
Kylie Clegg	10	9[1]	4[1]	3	5

1. *Non-committee members also in attendance*
2. *Diana Puketapu-Lyndon retired as a director of the Board effective December 2023*
3. *Note the number of board meetings includes scheduled and supplemental meetings*
4. *Debbie Birch appointed as a director of the Board effective July 2024*

Independence Status of Directors

The independence status of each director is included with the directors' profiles available on the Group's website and included in the Annual Report and has been determined by the Board in consideration of all relevant factors (including the director's interests, position and relationships), including those described by the factors set out in table 2.4 as applicable of the Corporate Governance Code.

Diversity and Inclusion

Recommendation 2.5: *An issuer should have a written diversity policy which includes requirements for the Board or a relevant committee of the Board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. An issuer should disclose its diversity policy or a summary of it..*

The Group has a diversity and inclusion policy which defines the approach of the Group towards diversity and inclusion. It also identifies the responsibilities of the Board, the Senior Management Team and all of the Group's employees. The diversity and inclusion policy is available on the Group's website and is reviewed biennially by the Board. The Group recognises the value of a diverse and skilled workforce and is committed to embedding diversity and inclusion into employment practices and all aspects of the Group's operations. The Group will foster a culture of inclusion – where all are welcome and can bring their whole self to work and a variety of different viewpoints and backgrounds are supported. The Board, Senior Management Team, Managers and Supervisors, and People & Culture team collectively and individually support these aspirations.

Diversity metrics encompassing the Board, Senior Management Team and the Group's employees are reviewed at a minimum annually.

The following is a breakdown of the gender composition of the Group at the balance date:

30 September 2024	Female		Male	
	No.	%	No.	%
Directors	2	29	5	71
Senior Management Team (SMT)	1	14	6	86
Permanent employees	57	17	258	82
Total	60	18	269	82
Permanent employees in leadership roles (non SMT)	9	17	44	83

30 September 2023	Female		Male	
	No.	%	No.	%
Directors	2	29	5	71
Senior Management Team (SMT)	3	37	5	63
Permanent employees	51	16	262	84
Total	**56**	**17**	**272**	**83**
Permanent employees in leadership roles (non SMT)	11	21	41	79

Director Training

Recommendation 2.6: *Directors should undertake appropriate training to remain current on how to best perform their duties as Directors of the issuer.*

The Board seeks to ensure that any new Directors are appropriately introduced to the Senior Management Team and the Group's business, that all Directors are acquainted with relevant industry knowledge, and receive appropriate company documents to enable them to perform their role as a Director.

Directors will receive induction training upon appointment, and are expected to maintain appropriate levels of financial, legal and industry understanding throughout their appointment.

Board Evaluation

Recommendation 2.7: *The Board should have a procedure to regularly assess Director, Board and Committee performance.*

The Board undertakes a biennial performance evaluation of itself that discusses and assesses the performance of each Director and the Chair, compares the performance of the Board as a whole with the requirements of the Board Charter, reviews the performance of the Board's Committees, and effects any improvements to the respective Charters deemed necessary or appropriate. The performance evaluation is conducted in the manner the Board deems appropriate. The most recent evaluation was completed in April 2023.

Recommendation 2.8 and 2.9: *A majority of the Board should be independent directors. An issuer should have an independent Chair of the Board. An issuer should have an independent chair of the board.*

The Board currently comprises seven directors, five of whom have been determined to be Independent Directors by the Board under the NZX Listing Rules. The Chair of the Board is an Independent Director and is not the Chair of the Audit and Risk Management Committee.

Principle 3 – Board Committees

"The Board should use committees where this will enhance its effectiveness in key areas, while still retaining Board responsibility"

Audit and Risk Management Committee

Recommendation 3.1: *An issuer's audit committee should operate under a written charter. Membership on the audit committee should be majority independent and comprise solely of non-executive directors of the issuer. The chair of the audit committee should be an independent director and not be the chair of the Board.*

The Audit and Risk Management Committee operates under a written charter, which is available on the Group's website. The Committee is required to have a majority of independent non-executive directors, at least two must have an accounting or financial background, and the Committee is required to meet at least two times per year. The Chair of the Committee is an Independent Director who is not the Chair of the Board. The Audit and Risk Management Committee currently comprises Stephen Moir (Chair), Dan Druzianic, Vincent Tremaine and John Harvey – see their relevant qualifications and experience set out in the directors' profiles section of this Annual Report. All directors may attend the Committee meetings at their discretion.

The Audit and Risk Management Committee's purpose is to assist the Board in fulfilling its responsibilities to discharge its financial and sustainability reporting and regulatory responsibilities, ensure the ability and independence of the external auditor to carry out its statutory audit role, ensure an effective internal audit and internal control system is maintained, and ensure an appropriate framework is maintained for the management of strategic and operational risk.

Recommendation 3.2: *Employees should only attend audit committee meetings at the invitation of the audit committee.*

The Chief Executive Officer, Chief Financial Officer and any other employees the Audit and Risk Management Committee considers necessary to provide appropriate information and explanations may attend the Committee on invitation. The Group's external auditor also attends selected meetings at the Committee's invitation.

People and Remuneration Committee

Recommendation 3.3 and 3.4: *An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole board). At least a majority of the remuneration committee should be independent directors. Management should only attend remuneration committee meetings at the invitation of the remuneration committee. An issuer should establish a nomination committee to recommend director appointments to the Board (unless this is carried out by the whole board), which should operate under a written charter. At least a majority of the nomination committee should be independent directors.*

The People and Remuneration Committee operates under a written charter, which is available on the Group's website. The Committee consists of at least three members of the Board, the majority of the committee which are required to be Independent Directors. The Committee is required to meet at least two times per year. The Chair of the Committee is an Independent Director. The People and Remuneration Committee currently comprises John Harvey (Chair), Blair O'Keeffe, and Kylie Clegg. All directors of the Board may attend the Committee meetings at their discretion. The Chief Executive will act as secretary to the Committee and other members of management may attend the Committee meetings on invitation.

The primary responsibilities of the Committee include, nominating and appointing directors to the Board, remuneration of directors, remuneration and evaluation of the Chief Executive Officer, review of the Chief Executive Officer's remuneration recommendations for the Senior Management Team, review of the overall Group's salary and incentive policies, and succession planning.

Recommendation 3.5: *An issuer should consider whether it is appropriate to have any other board committees as standing board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance.*

Health and Safety Committee

The Group's ultimate aim is to ensure that everyone working at Napier Port returns safely to their families every day. This why health and safety is the top priority of the Napier Port Board of Directors and health and safety performance is actively reviewed at every board meeting. The Group also has a Health and Safety Committee whose purpose is to assist the Board in fulfilling its responsibilities in respect of the health, safety and wellness requirements within the Health and Safety at Work Act 2015 and regulatory framework. The Health and Safety Committee operates under a written charter, which is available on the Group's website. The Health and Safety Committee operates in the context of the vision that every person goes home safely every day, a culture of care, and strategic objectives relating to people, place and planet.

The Committee consists of all members of the Board and is required to meet at least three times per year. The Chair of the Committee is Vincent Tremaine. The Committee may on invitation have in attendance members of senior management and other persons, including senior health and safety staff, that it considers necessary to provide necessary information and explanations. The Chief Executive Officer is responsible for drawing to the Committee's immediate attention any material matter that relates to notifiable events and significant near misses or incidents.

Sustainability Committee

The purpose of the Sustainability Committee is to identify and consider relevant environmental, social and governance (ESG) matters to provide strategic guidance and feedback to the Board and management on the Group's ESG related strategies, policies, frameworks, initiatives, performance and reporting. The objectives of the Committee include:

- Oversee the development of Napier Port's ESG strategy and ESG workplan and monitor progress;
- Make recommendations and report to the Board on material ESG matters requiring governance decisions;
- Act as a formal forum for free and open communication between the Board and management with respect to ESG matters;
- Facilitate a common and aligned Board understanding of what is within the scope of ESG matters;
- Ensure an appropriate framework is maintained for the management of ESG related risks; and
- Oversee and review ESG reporting processes.

The Sustainability Committee operates under a written charter, which is available on the Group's website. The Committee consists of at least three members of the Board and the Chair of the Committee is appointed by the Board. The Sustainability Committee currently comprises Kylie Clegg (Chair), John Harvey and Debbie Birch . All directors of the Board may attend the Committee meetings at their discretion. The Committee may on invitation have in attendance members of management including the Chief Executive Officer, Chief Financial Officer, General Manager Assets and Infrastructure, and any relevant external parties determined by the Committee Chair.

The Board has determined that the Health & Safety and Sustainability Committees shall be combined, and their charters consolidated from the 2025 financial year onwards.

Takeover Policy

Recommendation 3.6: *The Board should establish appropriate protocols that set out the procedure to be followed if there is a takeover offer for the issuer including any communication between insiders and the bidder. The Board should disclose the scope of independent advisory reports to shareholders. These protocols should include the option of establishing an independent takeover committee, and the likely composition and implementation of an independent takeover committee.*

Given the Group's shareholding structure, with the Hawke's Bay Regional Council (Council), indirectly controlling approximately 55% of the shares of the Group, the Board considers it highly unlikely that a third-party would make a takeover approach or proposal without the support of Council. Notwithstanding this, the Board consider it prudent to have protocols in place and has established formalised takeover response protocols to assist the Group to prepare for, and respond to, any unsolicited approaches or proposals it may receive in relation to a takeover. These protocols would help to inform the Board of their roles and responsibilities with respect to any approach or proposal, assist the Board and its advisers in developing and executing a response strategy, and act as a basic guide on the process for any takeover offer.

In the event of a takeover offer, a Takeover Response Committee, would be convened comprising independent directors, management and appropriate financial, legal and strategic advisers.

Principle 4 – Reporting and Disclosure

"The Board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures."

Continuous Disclosure

Recommendation 4.1: *An issuer's board should have a written continuous disclosure policy.*

As a company listed on the NZX Stock Exchange, the Company is committed to keeping the market informed of all material information relating to the Group and its shares. In doing so, the Group will comply with its obligations in relation to continuous disclosure of material information under the NZX Listing Rules. The Group has a Continuous Disclosure Policy, which is available on the Group's website.

Charters and Policies

Recommendation 4.2: *An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website.*

Information about the Group's corporate governance framework (including Code of Ethics, Board and Committee Charters, and other key governance policies) are available to view on the Group's website.

Financial and Non-Financial Reporting

Recommendation 4.3: *Financial reporting should be balanced, clear and objective.*

Financial Reporting

The Audit and Risk Management Committee oversees the quality and integrity of financial reporting ensuring the financial reporting is balanced, clear and objective. The Audit and Risk Management Committee's responsibility for the annual and interim financial statements includes, reviewing the quality and acceptability of accounting policies and practices, reporting disclosures and changes thereto, reviewing areas involving significant judgement, estimation or uncertainty, overseeing compliance with financial reporting standards, appropriate laws and regulations, assessing the overall performance of financial management, and approving all financial reporting to shareholders and other stakeholders.

The Group has adopted a Tax Governance Policy which sets out the Group's approach towards its tax strategy and the management of tax risks. The policy is available on the Group's website.

Recommendation 4.4: *An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board.*

Non-Financial Reporting

The Group is committed to collaborating with others to ensure our people, planet, and place thrive. Caring for our people, the local community and the environment is core to our Culture of Care, which is the foundation of our purpose and our business strategy.

Our Sustainability Strategy and Action Plan is aligned to the United Nations Sustainable Development Goals (SDGs), reflecting globally agreed-upon urgent environmental, political, and economic challenges. We identified 14 SDGs that we can achieve locally to respond to global challenges like climate change, gender equality and ocean conservation. The Sustainability Strategy and Action Plan identified 100 time framed actionable workstreams that guide us in our direction and decision-making as we work towards meeting our sustainability goals. The Sustainability Strategy and Action Plan is available on the Group's website.

Our Annual Report outlines progress against our Sustainability Strategy and Action Plan and various sustainability initiatives undertaken by the Group during the year. In addition, the Annual Report includes other non-financial metrics and information relating to the Group's activities and strategies.

Since 2021, the Group has published an annual Climate Change Related Disclosure Report (CCRD), prepared in accordance with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

Our Climate Change Related Disclosure Reports seek to provide stakeholders an understanding of the potential financial implications of climate change on our business. Within the report we set out our governance, strategy, risk management practices as well as our key metrics and targets, including our annual greenhouse gas (GHG) emissions, related to climate related risks and opportunities. Our GHG emissions reporting is externally certified.

Our fourth CCRD report was released in November 2024 and is available on the Group's website. This year's report has been prepared in accordance with the Aotearoa New Zealand Climate Standards (NZ CS) 1 - Climate Related Disclosures, 2 - Adoption of Aotearoa New Zealand Climate Standards, and 3 - General Requirements for Climate-related Disclosures.

When preparing the CCRD report:

- The Sustainability Committee is responsible for our ESG related aspects of climate change and the relevant qualitative and quantitative assessments required to be able to measure the potential impacts of climate change, and
- The Audit and Risk Management Committee is responsible for the assessment of financial and economic impacts within the disclosures that relate to the expected physical impact of climate change, along with overall responsibility for the relevant internal controls and the external review and audit processes that underpin the preparation of our CCRD report.

Supporting our CCRD reporting, the Group has conducted multiple iterations of climate change risk modelling with each one enhancing our overall business maturity in managing potential future scenarios. The Group continues to strive to gain a deeper understanding of available emissions reduction pathways in order to further develop effective strategies and to enable reliable interim emission reduction targets to be formulated.

Principle 5 – Remuneration

"The remuneration of directors and executives should be transparent, fair and reasonable."

Directors' Remuneration

Recommendation 5.1: *An issuer should have a remuneration policy for the remuneration of directors. An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's annual report.*

The Group has adopted a Remuneration Policy which sets out the remuneration principles that apply to Directors. The policy is available on the Group's website.

The Group's policy states that all remuneration of Directors will be paid in cash and that they will not receive any performance-based remuneration or retirement benefits. All Directors (excluding the Chair) will be paid a base fee and additional fees will be payable to the Chairs of the Committees and the Board Chair a Chairs' fee, all as recommended by the People and Remuneration Committee and subject to the aggregate director remuneration limit approved by Shareholders from time to time.

The People and Remuneration Committee is responsible for a biennial review of Director remuneration to determine whether Director remuneration is appropriate. This review is required to consider benchmarking data from similar listed companies.

In respect of both their roles as directors of Napier Port Holdings Limited and Port of Napier Limited, fees in aggregate for all Directors are currently a maximum of $655,000 per annum.

Under Listing Rule 2.11.3, if the total number of Directors subsequently increases, the Directors are permitted (without seeking shareholder approval) to increase the total remuneration by the amount necessary to enable the Group to pay the additional Director or Directors remuneration not exceeding the average amount then being paid to each of the existing Directors (other than the Chair).

Actual remuneration of Directors is included in the Other Disclosures section of the Annual Report.

Remuneration Policy

Recommendation 5.2: *An issuer should have a remuneration policy for remuneration of executives, which outlines the relative weightings of remuneration components and relevant performance criteria.*

The Group has adopted a Remuneration Policy which sets out the remuneration principles that apply to the Chief Executive Officer and Senior Management team. The policy is available on the Group's website. The policy requires that remuneration decisions are fair and reasonable and based on merit, where appropriate. The Group will not discriminate on the grounds of gender, race, religion or belief, disability, age, sexual orientation or gender identity. Remuneration will be set at levels that recognise an individual's market value (i.e. level of skills and experience, the demand for skill and performance in the role, and the commercial environment).

Chief Executive Officer (CEO) and Senior Management Team

Determination of remuneration for the CEO and Senior Management team is subject to a fair and thorough process. Remuneration will be determined by the scale and complexity of the relevant employee's role. A remuneration review is undertaken by the People and Remuneration Committee annually.

Under the Group's remuneration framework, individual performance and market relativity are key considerations, balanced by the context in which the Group operates.

Remuneration of the CEO and Senior Management team, include a mix of fixed and variable components. A summary of the current provisions is as follows:

- Fixed remuneration – this includes the relevant employee's base salary and cash allowances and any direct non-cash benefits (e.g. Kiwisaver contributions and annual leave);
- Other variable remuneration – some Senior Management team positions, including the CEO, are eligible for additional remuneration from Long-Term Incentive (LTI) and Short-Term Incentive (STI) plans. Eligibility is determined by the Board of Directors and, in the case of the Senior Management team, together with the CEO. The terms and conditions of any STI or LTI plan are identified in the individual employment agreements of the Senior Management team member to whom it applies;
- Total remuneration – this includes fixed and variable remuneration. Total target remuneration will typically be set within a range of 80% to 120% of the relevant median comparatives.
- STI remuneration assessment criteria includes the achievement of financial targets in relation to EBITDA along with non-financial objectives, and is subject to the Board's discretion. STI remuneration is conditional upon certain banking covenants being met.

The remuneration policy is reviewed by the Board annually.

Chief Executive Officer (CEO) Remuneration

Recommendation 5.3: *An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of the base salary, short-term incentives and long-term incentives and the performance criteria used to determine performance-based payments.*

The remuneration of the CEO for the year is included in the Other Disclosures section of the Annual Report.

The remuneration of the CEO includes a mix of fixed and variable components. Fixed remuneration includes a base salary and superannuation contributions. Variable components include a Short-Term Incentive (STI) linked to objectives set annually and performance assessed by the Board, and a Long-Term Incentive (LTI).

Short Term Incentives

The STI is based on the achievement of both financial and non-financial objectives with an actual opportunity in the range of 0 - 30% of the CEO's current base salary. Strategic objectives are set each year by the Remuneration Committee (and approved by the Board) and closely align to Napier Port's strategic goals. STI remuneration is assessed against set financial and non-financial objectives for the year being met or exceeded. Non-financial objectives for 2024 included objectives in relation to health and safety, revenue growth, strategic projects, sustainability strategy and people and culture development.

The Remuneration Committee assesses the CEO's performance against these objectives and recommends the STI for approval by the Board. The Board retains complete discretion over paying a STI and may determine, despite the actual performance against objectives, that a reduced STI or no STI will be paid in any given year.

Long Term Incentives

The LTI grants share rights to the CEO that will vest at the completion of a three year vesting period. The proportion of share rights that will actually vest depends on the CEO's continuous employment during the vesting period and the achievement of total shareholder return (TSR) hurdles over the vesting period.

The TSR hurdles over the vesting period are as follows:

Napier Port's TSR	Percentage of the relevant share rights that vest
Is not positive	0%
Less than or equal to the NZX 50 Peer Group median TSR	0%
Greater than the NZX 50 Peer Group median TSR	50%
Exceeds the NZX 50 Peer Group median TSR, but does not exceed the 75th percentile of the NZX 50 Peer Group	50% - 100% (pro rata)
Equal to or greater than the 75th percentile TSR of the NZX 50 Peer Group	100%

Any vesting shares under the LTI are eligible for additional dividend shares based on any cash dividends paid by the Group during the vesting period.

Principle 6 – Risk Management

"Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks."

Risk Management

Recommendation 6.1: *An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.*

The Board and Senior Management Team are committed to managing risk to protect our people, the environment, financial business risks, company assets and our reputation. The Group has a comprehensive risk management system in place which is used to identify and manage business risks. The system identifies the key risks facing the Group and the status of initiatives employed to reduce them. Management report to the Board periodically, on the effectiveness of the Group's management of these material risks.

As part of its risk management the Group has a comprehensive treasury policy that sets out procedures to minimise financial market risk. The Group maintains insurance policies to assist in mitigating its principal insurable risks.

The Audit and Risk Management Committee is responsible for ensuring that management is implementing the Group's risk management framework and policies.

The Sustainability Committee ensures an appropriate framework is maintained for the management of ESG risks, and reviews and monitors climate change related risk assessments and the effectiveness of the related risk management processes.

Health and Safety

Recommendation 6.2: *An issuer should disclose how it manages its health and safety risks and should report on its health and safety risks, performance and management.*

The Group aims to ensure that everyone working at Napier Port returns safely to their families every day. To ensure a safe and healthy work environment, the Group has developed, and seeks to continuously improve a health and safety management system that is managing safety performance and promotes a safety culture.

Managing health and safety performance is achieved by:

- Setting health and safety objectives and performance criteria for all work areas, tracking performance through lead and lag indicators, identifying trends and implementing appropriate responses;
- Ensuring the health and safety framework is reviewed at least annually;
- Actively encouraging accurate and timely reporting of all accidents, incidents, near misses and unsafe conditions;
- Ensuring all serious accidents, incidents, near misses are investigated and root cause analyses conducted;
- Ensuring risk assessments are conducted, controls are identified and implemented based on those assessments and where necessary updated where risks or controls may have changed;
- In the event of an injury ensuring the Group takes an active role in employee's safe and early return to work; and
- Ensuring the Group meets its obligations under the Health and Safety at Work Act 2015, associated regulations, codes of practice and standards and guidelines regulating worker health and safety.

Promoting a mature health and safety culture is achieved by:

- Supporting a "Just Culture" that promotes a just, fair measured and consistent approach;
- Encouraging active worker participation, ensuring adequate resources are allocated to health and safety initiatives;
- Providing training and information about specific health and safety risks; and
- Continuous improvement and best practice in health and safety.

To manage and measure health and safety risks the Group has developed a safety implementation road map consisting of three strategic projects. The road map includes:

- Aligning the Safety Management framework to the ISO 45001 standard, the best practice standard for Occupational Health and Safety practice;
- A Critical Risk Management Program focusing on the management and control of Port critical risks;
- Implementation of a renewed Licence to Operate Contract, and
- Monitoring risks associated with PCBUs operating in common work areas at Napier Port.

Every Director, Senior Manager, Middle Manager, Team Leader/Supervisor and worker is expected to share in this commitment to the Health and Safety Policy by following the duties and responsibilities specified in the Napier Port Health and Safety Duties and Responsibilities Policy.

Principle 7 – Auditors

"The Board should ensure the quality and independence of the external audit process."

External Audit

Recommendation 7.1 and 7.2: *The Board should establish a framework for the issuer's relationship with its external auditors. This should include procedures prescribed in the NZX Code. The external auditor should attend the issuer's annual meeting to answer questions from shareholders in relation to the audit.*

The Audit and Risk Management Committee is responsible for the oversight of the Group's external audit arrangements. These arrangements include procedures for the matters described in Recommendation 7.1 of the NZX Code.

Subject to any requirements of the Auditor General, the Audit and Risk Management Committee is responsible for, recommending the appointment and removal of the independent auditor. The Committee is also responsible for reviewing the independence of the external auditors and the appropriateness of any non-audit services they undertake, having direct communication with, and unrestricted access to, the independent auditor, and ensuring that the key audit partner (as defined in the NZX Listing Rules) is rotated every five years.

Napier Port has an External Auditor Relationship Framework Policy which complements the Audit and Risk Management Committee Charter by outlining requirements in relation to the provision of services to Napier Port by any external auditor on behalf of the Auditor General. The purpose of this framework is to ensure that the independence of Napier Port's external auditor is not impaired, or put in a position where it could reasonably be perceived to be impaired, such that Napier Port's external financial reporting is viewed as highly reliable and credible.

The auditor of the Group is the Auditor General. The Auditor General may approve external audit firms to undertake the external audit of the Group. The Group's external auditor is EY. The total fees paid to EY in their capacity as auditor are disclosed in the Annual Report.

The group invites EY to attend the Annual Meeting of Shareholders and the audit partner is available to answer shareholder questions about the conduct of their audit and the preparation and content of the auditor's report.

Internal Audit

Recommendation 7.3: *Internal audit functions should be disclosed.*

The Audit and Risk Management Committee is responsible for ensuring an effective internal audit programme and internal control system is maintained. These responsibilities include reviewing the objectives and scope of the internal audit programme, ensuring these are aligned with Napier Port's overall risk management framework, and reviewing significant matters reported by the internal audit programme and how management is responding to them.

The Group engages external providers to undertake internal audits.

Principle 8 – Shareholder Rights and Relations

"The Board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer."

Shareholder information

Recommendation 8.1: *An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer.*

The Group is committed to providing shareholders with all information necessary to assess the Group's direction and performance.

This is done through a range of communication methods, including continuous disclosure to NZX, interim and annual reports and the Annual Shareholders' Meeting. The Group's website provides company and financial information, information about its directors, and copies of its governance documents for shareholders and other interested stakeholders to access at any time.

Recommendation 8.2: *An issuer should allow investors the ability to easily communicate with the issuer, including by designing its shareholder meeting arrangements to encourage shareholder participation and by providing shareholders the option to receive communications from the issuer electronically.*

Shareholders have the option of receiving their communications electronically, including by email, and participating in the annual shareholders "hybrid" meeting which allows shareholders to attend either in person or participate virtually and vote online. The Group is committed to open dialogue with shareholders and welcomes investor enquiries.

Recommendation 8.3 and 8.4: *Quoted equity security holders should have the right to vote on major decisions which may change the nature of the issuer in which they are invested. If seeking additional equity capital, issuers of quoted equity securities should offer further equity securities to existing equity security holders of the same class on a pro rata basis, and on no less favourable terms, before equity securities are offered to other investors.*

In accordance with the Companies Act 1993, the Company's constitution, the NZX Listing Rules, and other applicable laws, the Group refers any significant matters to Shareholders for approval at a Shareholders' meeting.

Recommendation 8.5: *The Board should ensure that the notices of annual or special meetings of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting.*

The Group posts any Notices of Shareholder Meetings as soon as possible and seeks, where possible, to provide these at least 20 working days prior to the Shareholders' meeting.

Other Disclosures

Principal Activities

The other disclosure information below has been prepared for Napier Port Holdings Limited and its subsidiaries (the Group).

The Group's principal activities remain the commercial operation of Napier Port. There has been no significant change in the nature of the Group's business during the year.

Directors' Interests

The Company is required to maintain an Interests Register in which particulars of certain transactions and matters involving the Directors must be recorded. The matters set out below were recorded in the Interest Register of the Company during the financial year.

The Directors of the Company have declared interests in entities as at 30 September 2024 and those which ceased during the year (in italics) as shown below:

Director	Interest	Entity
Blair O'Keeffe	Chair	Hawke's Bay Regional Recovery Agency
	Chair	Hawke's Bay Rescue Helicopter Trust
	Deputy Chair	Unison Networks Limited
	Director	Central Air Ambulance Rescue Limited
	Director & Shareholder	Endzone Commercial Limited
	Director	Clarus Group of Companies
	Shareholder	Napier Port Holdings Limited
	Board Advisor	*Z Energy Limited*
	Board Advisor	*TW Group*
Stephen Moir	Chair	ASB Bank Investment Committee
	Director	IJAP Limited
	Director	Chubb Life Insurance New Zealand Limited
	Director	Napier Port IC Limited
	Director	*Todd Family Office Limited*
Vincent Tremaine	Chair	Riverland Water Holdings Pty Limited
	Chair	Riverland Water Pty Limited
	Chair	*SouthernLaunch.Space Pty Limited*
John Harvey	Director	Heartland Bank Limited

Director	Interest	Entity
Kylie Clegg	Deputy Commissioner	Health New Zealand | Te Whatu Ora
	Trustee & Beneficiary	M&K Investments Trust
	Trustee & Beneficiary	Mickyla Trust
	Director	*Auckland Transport*
Dan Druzianic	Chair	Hawke's Bay Regional Investment Company Limited
	Director	Unison Networks Limited
	Director	Unison Contracting Services Limited
	Director	Bostock New Zealand Limited
Debbie Birch	Chair	Eastland Group Limited
	Director	Westpac New Zealand Limited
	Director	Hawkes Bay Regional Investment Company Limited
	Trustee	Tūaropaki Trust
	Director	Tūaropaki Kaitiaki Limited
	Director	Miraka Limited
	Director	Miraka Brands Limited
	Director	Miraka Holdings Limited
	Director	Te Pūia Tapapa GP Limited
	Director	*Tourism Holdings Limited*

Share Dealings by Directors

During the year, no Directors, or entities related to them, disclosed in respect of section 148(2) of the Companies Act 1993 that they acquired or disposed of a relevant interest in company shares.

Directors' Shareholdings

At 30 September 2024 the following Directors, or entities related to them, had interests in company shares:

	Number of Ordinary Shares
Blair O'Keeffe	6,630

Directors' Insurance

All directors are beneficiaries of a company indemnity and directors' liability insurance provided by the company in relation to any personal laibilities and associated costs incurred while acting in their capacity as a director of the company, other than arising from criminal liability, where precluded by statute, or from a breach of a director's fiduciary duty to the company.

Remuneration

Employee Remuneration

The number of employees and former employees of the Group who, during the year, received total annual remuneration greater than $100,000 are shown in the table below.

Remuneration range	Number of employees 2024
$100,000 - $109,999	30
$110,000 - $119,999	34
$120,000 - $129,999	22
$130,000 - $139,999	33
$140,000 - $149,999	47
$150,000 - $159,999	12
$160,000 - $169,999	15
$170,000 - $179,999	5
$180,000 - $189,999	4
$190,000 - $199,999	8
$200,000 - $209,999	2
$210,000 - $219,999	1
$220,000 - $229,999	1
$230,000 - $239,999	3

Remuneration range	Number of employees 2024
$240,000 - $249,999	1
$250,000 - $259,999	1
$260,000 - $269,999	1
$280,000 - $289,999	1
$300,000 - $309,999	3
$320,000 - $329,999	2
$420,000 - $429,999	1
$440,000 - $449,999	1
$450,000 - $459,999	1
$500,000 - $509,999	1
$590,000 - $599,999	1
$960,000 - $969,999	1
	232

The annual remuneration of employees includes salary, redundancy, and short-term incentive payments on achievement of targets, and employer's contribution to superannuation when earned, the value of share-based payment awards when they vest, and any other sundry benefits received in their capacity as employees

Directors' Remuneration

The aggregate pool of fees able to be paid to Directors is subject to shareholder approval and is currently $655,000 per annum.

Directors, other than the Board Chair, receive an annual base fee of $75,600 per annum, the Board Chair receives a base fee of $145,800 per annum, and Chairs of board committees receive a fee in addition to the base fee of $10,800 per annum.

Directors received the following fees and remuneration during the year:

Director	2024 $000
Blair O'Keeffe (Chair)	146
Vincent Tremaine	86
John Harvey	86
Stephen Moir	86
Kylie Clegg	84
Dan Druzianic	76
Diana Puketapu[1]	18
Debbie Birch[2]	17
Total	599

1. *Retired from the Board on 15 December 2023*
2. *New director appointed from 9 July 2024*

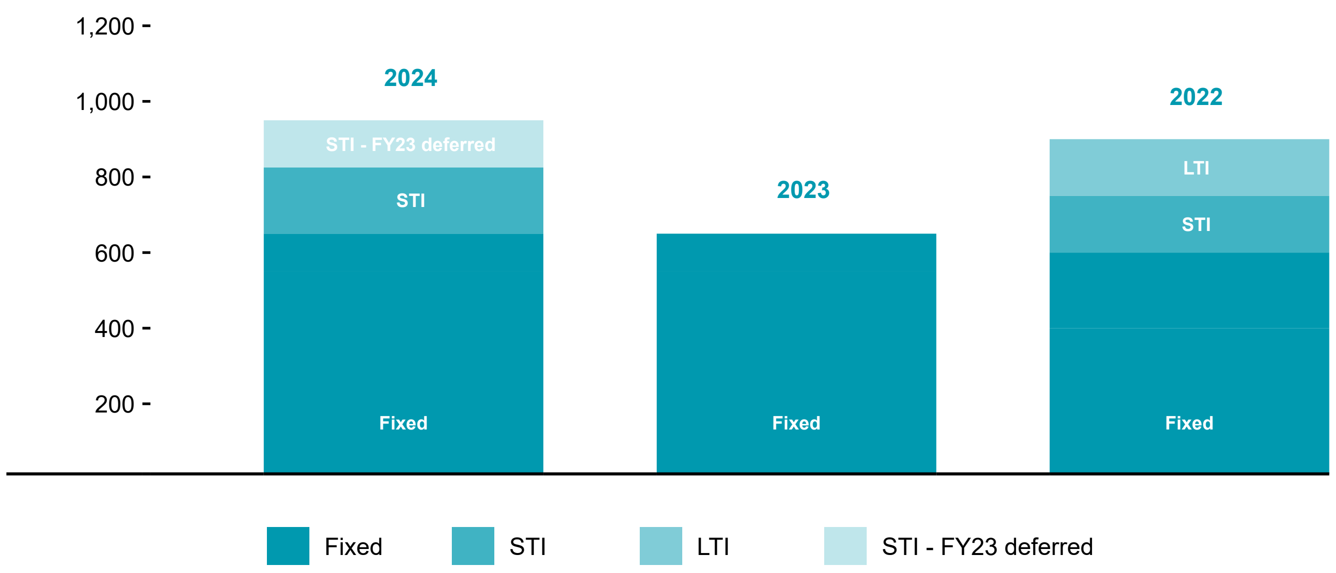
Chief Executive Officer's (CEO's) Remuneration

The CEO received the following remuneration and other benefits earned during the year[1]:

	2024 $000	2023 $000	2022 $000
Base salary	628	613	583
Other benefits	23	23	26
Short Term Incentive (STI)[2]	193	-	138
Short Term Incentive – 2023 deferred[2]	123	-	-
Long Term Incentive (LTI)[3]	-	-	160
Total	**967**	**636**	**907**

1. *The CEO's base salary and other benefits are based on the amounts earned during the year. Other benefits comprise superannuation benefits.*
2. *STI's are disclosed in the financial year they are earned. STI payments are generally paid to recipients at the beginning of the following financial year after the year in which they were earned. The STI target is based on the achievement of objectives set annually and performance assessed by the Board in respect of the financial year. For 2024 a target STI of 30% of fixed annual remuneration (FAR) was set by the Board based on the achievement of both financial and non-financial objectives. Financial objectives for 2024 were based on the achievement of a minimum EBITDA target. Non-financial objectives for 2024 were in relation to health and safety, revenue growth, strategic projects, sustainability strategy and people development. The Board has approved the STI payment for the CEO in respect of 2024. The 2024 remuneration also includes a Board approved discretionary deferred payment of $123,038 that that was in relation to the CEO's achievement of objectives during the 2023 financial year but that was not recognised within the 2023 financial year.*
3. *LTI's are disclosed in the financial year they vest. No share rights vested during 2024 and 2023. During August 2022 share rights issued in August 2019 vested and as a result 55,271 Napier Port Holdings Limited ordinary shares were transferred to the CEO during November 2022. In December 2023, the CEO was granted 80,498 share rights under the Executive LTI plan (December 2022: 67,137). The number of share rights granted to the CEO was determined based on 30% of FAR. The total fair value of LTI plan share rights granted to the CEO during 2024 was $104,647 (2023: $90,286), which is expensed to the Group's Consolidated Income Statement on a straight-line basis over the vesting period. These share rights have a three year vesting period and entitle the CEO to the receipt of one Napier Port Holdings Limited ordinary share per share right at nil cost, plus additional shares to the value of any dividends which would have been paid on the underlying shares during the vesting period. Vesting is subject to the CEO remaining employed by the Group during the vesting period and the achievement of total shareholder return (TSR) hurdles over the vesting period. The proportion of share rights that actually vest depends on the Group's TSR performance ranking relative to the NZX50 index. To the extent that performance hurdles are not met or the CEO leaves employment of the Group prior to vesting, the share rights will be forfeited. Further information on the Executive LTI plan is available in the document titled "Other Material Information" forming part of the Company's IPO documents available on the Disclose Register operated by the New Zealand Companies Office.*

Three Year Summary – CEO Remuneration



Shareholder Information

The ordinary shares of Napier Port Holdings Limited are listed on the NZX. The information in the disclosures below has been taken from the Company's registers as at 30 September 2024.

Holder	Number of shares held	% of issued equity
Hawke's Bay Regional Investment Company Limited	110,000,000	55.0
Citibank Nominees (NZ) Limited[1]	15,459,004	7.73
Accident Compensation Corporation[1]	11,163,678	5.58
Tea Custodians Limited[1]	11,068,867	5.53
Custodial Services Limited <4 A/C>	4,819,770	2.41
JP Morgan Chase Bank[1]	3,777,618	1.89
BNP Paribas Nominees NZ Limited[1]	2,117,760	1.06
New Zealand Permanent Trustees Limited[1]	1,761,000	0.88
New Zealand Depository Nominee	1,587,734	0.79
JB Were (NZ) Nominees Limited	1,509,744	0.75
Tatau Tatau Commercial Limited Partnership	1,442,307	0.72
Forsyth Barr Custodians Limited	1,347,910	0.67
FNZ Custodians Limited[2]	1,222,069	0.61
HSBC Nominees (New Zealand) Limited[1]	1,150,679	0.58
Wairahi Investments Limited	1,100,000	0.55
New Zealand Superannuation Fund Nominees Limited[1]	641,241	0.32
Premier Nominees Limited[1]	590,325	0.30
Private Nominees Limited[1]	586,810	0.29
Heretaunga Tamatea Pou Tahua Limited Partnership	576,923	0.29
Masfen Securities Limited	553,416	0.28
Total	**172,476,855**	**86.23**

1. *Shareholdings held in New Zealand Central Securities Depository Limited (NZCSD) and the total holding at 30 September 2024 in NZCSD was 48,771,531.*
2. *Legal entity that constitutes several CSN accounts*

Distribution of Ordinary Shares

Holder	Number of holders	Number of shares held	% of issued equity
1 – 5,000	7,089	12,531,547	6.27
5,001 – 10,000	483	3,577,986	1.79
10,001 – 100,000	299	7,257,645	3.62
100,001 and over	30	176,632,822	88.32
Total	**8,179**	**200,000,000**	**100.00**

Geographic Distribution

Holder	Number of holders	Number of shares held	% of issued equity
New Zealand	7,845	198,998,827	99.5
Australia	32	867,886	0.44
Other	24	133,287	0.06
Total	**7,901**	**200,000,000**	**100.00**

Substantial Security Holders

The following information is given in accordance with sub-part 5 of Part 5 of the Financial Markets Conduct Act 2013. According to notices received, the following persons were substantial product holders in the Company as at 30 September 2024.

Holder	Number of shares held	Date of substantial product holder notice	% of issued equity
Hawke's Bay Regional Investment Company Limited	110,000,000	20 August 2019	55.00%
National Nominees New Zealand Limited ACF Australian Ethical Investment Limited[1]	12,879,049	17 December 2021	6.44%
Fisher Funds Management Limited	10,305,798	16 January 2024	5.15%
Accident Compensation Corporation (ACC)	10,004,535	5 June 2024	5.01%

1. *National Nominees Limited ACF Australian Ethical Investment Limited is the registered holder and beneficial owner of the products. Citibank Nominees (NZ) Limited is the custodian of registered managed investment schemes; Australian Ethical Investment Limited is the responsible entity.*

Bond Holder Information

Napier Port's $100 million corporate bonds were issued on 23 September 2022 and are listed on the NZX Debt Market.

Ten Largest Registered Bond Holders as at 30 September 2024

Holder	Number of corporate bonds	% of corporate bond issued
Custodial Services Limited	38,705,000	38.71
Forsyth Barr Custodians Limited[2]	12,922,000	12.92
FNZ Custodians Limited[2]	10,756,000	10.76
HSBC Nominees (New Zealand) Limited[1]	6,822,000	6.82
BNP Paribas Nominees NZ Limited[1]	3,100,000	3.1
Investment Custodial Services Limited	1,866,000	1.87
Westpac Banking Corporation[1]	1,673,000	1.67
Tea Custodians Limited[1]	1,500,000	1.50
Public Trust[1]	1,300,000	1.30
JB Were (NZ) Nominees Limited	810,000	0.81
Total	**79,454,000**	**79.46**

1. *Bond holdings held in New Zealand Central Securities Depository Limited (NZCSD). The total holding at 30 September 2024 in NZCSD was 16,086,000.*
2. *Legal entity that constitutes several CSN accounts.*

Distribution of bondholders and holdings as at 30 September 2024

Size of holding	Number of bondholders	Number of bonds held	Holding quantity %
1 – 5,000	123	614,000	0.61
5,001 – 10,000	180	1,723,000	1.72
10,001 – 100,000	369	11,712,000	11.72
100,001 and over	28	85,951,000	85.95
Total	**700**	**100,000,000**	**100.00**

Geographic Distribution

Holder	Number of Holders	Number of Shares Held	% of Issued Equity
New Zealand	696	99,825,000	99.83
Australia	1	25,000	0.03
Other	3	150,000	0.14
Total	**700**	**100,000,000**	**100.00**

Subsidiary Company Directors

All directors of Napier Port Holdings Limited are also directors of Port of Napier Limited (the subsidiary of the Company).

The directors of Napier Port IC Limited, a Cook Islands incorporated insurance captive company, are:

Stephen Moir

Todd Dawson

Kristen Lie

Antony Will

Donations

During the year the Company made no donations (2023: $nil) and subsidiaries made donations amounting to $9,000 (2023: $nil).

Waivers from NZX Listing Rules

Napier Port Holdings Limited has not obtained or relied on any waivers from NZX Listing Rules in the financial year ended 30 September 2024.

Audit Fees and Other Services

Under Section 19 of the Port Companies Act 1988, the Auditor-General is the auditor of the Company. The Auditor-General has appointed Ernst & Young to undertake the audit on its behalf, pursuant to Section 15 of the Public Act 2001.

Fees paid to the auditors are disclosed in the financial statements within note 5.

Credit Rating

Napier Port Holdings Limited does not have a credit rating at the date of this Annual Report.

Exercise of NZX Disciplinary Powers

NZX did not exercise any of its powers under Listing Rule 9.9.3 in relation to the Company in the financial year ended 30 September 2024.

Financial Statements

Consolidated Income Statement

For the Year Ended 30 September 2024	Note	2024 $'000	2023 $'000
Revenue	4	**141,351**	**121,951**
Employee benefit expenses		45,470	43,513
Property and plant expenses		15,198	15,554
Other operating expenses	5	28,720	25,639
Operating expenses		**89,388**	**84,706**
Result from operating activities	24	**51,963**	**37,245**
Depreciation, amortisation and impairment expenses	16,17	16,479	16,234
Other (income) and expenses	5	(8,012)	(7,784)
Profit before finance costs and tax		**43,496**	**28,795**
Net finance costs	6	6,151	6,715
Profit before income tax		**37,345**	**22,080**
Income tax expense	7	12,515	5,493
Profit for the period attributable to the shareholders of the Company		**24,830**	**16,587**
Earnings per share:			
Basic earnings per share	9	0.12	0.08
Diluted earnings per share	9	0.12	0.08

The above income statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the Year Ended 30 September 2024	Note	2024 $'000	2023 $'000
Profit for the period attributable to the shareholders of the Company		24,830	16,587
Other comprehensive income			
Items that will be reclassified to profit or loss:			
Changes in fair value of cash flow hedges	23	(3,167)	2,510
Cash flow hedges transferred to profit or loss	6	(2,514)	(1,906)
Deferred tax on changes in fair value of cash flow hedges	8	1,591	(169)
Items that will not be reclassified to profit or loss:			
Revaluation of sea defences	17	17,682	-
Deferred tax on revaluation of sea defences	8	(2,184)	-
Other comprehensive income for the period, net of tax		11,408	435
Total comprehensive income for the period attributable to the shareholders of the Company		**36,238**	**17,022**

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Year Ended 30 September 2024	Note	Share Capital $'000	Revaluation Reserve $'000	Hedging Reserve $'000	Share-based Payment Reserve $'000	Retained Earnings $'000	Total Equity $'000
Balance at 1 October 2023		**246,150**	**97,519**	**5,077**	**766**	**46,668**	**396,180**
Profit for the period		-	-	-	-	24,830	24,830
Other comprehensive income		-	15,498	(4,090)	-	-	11,408
Total comprehensive income for the period		**-**	**15,498**	**(4,090)**	**-**	**24,830**	**36,238**
Dividends	10	20	-	-	-	(13,092)	(13,072)
Acquisition of treasury shares	11	(441)	-	-	-	-	(441)
Long term incentive plan vesting	11	231	-	-	(231)	-	-
Share-based payments		-	-	-	176	-	176
Fair Share loans - employee repayments	11	45	-	-	-	-	45
Fair Share transfers	11	102	-	-	(102)	-	-
Total transactions with owners in their capacity as owners		**(43)**	**-**	**-**	**(157)**	**(13,092)**	**(13,292)**
Total movement in equity		**(43)**	**15,498**	**(4,090)**	**(157)**	**11,738**	**22,946**
Balance at 30 September 2024		**246,107**	**113,017**	**987**	**609**	**58,406**	**419,126**
Balance at 1 October 2022		**246,209**	**97,519**	**4,642**	**729**	**42,878**	**391,977**
Profit for the period		-	-	-	-	16,587	16,587
Other comprehensive income		-	-	435	-	-	435
Total comprehensive income for the period		**-**	**-**	**435**	**-**	**16,587**	**17,022**
Dividends	10	22	-	-	-	(12,797)	(12,775)
Acquisition of treasury shares	11	(352)	-	-	-	-	(352)
Long term incentive plan vesting	11	174	-	-	(174)	-	-
Share-based payments	20	-	-	-	211	-	211
Fair Share loans - employee repayments	11	97	-	-	-	-	97
Total transactions with owners in their capacity as owners		**(59)**	**-**	**-**	**37**	**(12,797)**	**(12,819)**
Total movement in equity		**(59)**	**-**	**435**	**37**	**3,790**	**4,203**
Balance at 30 September 2023		**246,150**	**97,519**	**5,077**	**766**	**46,668**	**396,180**

 The above statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 September 2024	Note	2024 $'000	2023 $'000
EQUITY			
Share capital	11	246,107	246,150
Reserves	11	114,613	103,362
Retained earnings		58,406	46,668
		419,126	**396,180**
NON-CURRENT LIABILITIES			
Loans and borrowings	14	110,690	125,027
Deferred tax liability	8	25,470	22,797
Lease liabilities		-	2
Derivative financial instruments	23	848	2,791
Provision for employee entitlements	13	617	524
		137,625	**151,141**
CURRENT LIABILITIES			
Taxation payable		6,576	1,845
Lease liabilities		2	196
Derivative financial instruments	23	80	1,260
Trade and other payables	12	15,445	14,149
		22,103	**17,450**
		578,854	**564,771**
NON-CURRENT ASSETS			
Property, plant and equipment	17	535,916	519,825
Intangible assets	16	606	700
Investment properties	18	13,630	13,501
Derivative financial instruments	23	2,901	4,505
Investment in joint venture		250	250
		553,303	**538,781**
CURRENT ASSETS			
Cash and cash equivalents		1,920	1,104
Derivative financial instruments	23	1,304	2,546
Trade and other receivables	15	18,827	18,485
Cyclone Gabrielle insurance receivable	2	3,500	3,855
		25,551	**25,990**
		578,854	**564,771**

On behalf of the Board of Directors, who authorised the issue of these financial statements on 18 November 2024.

Chairman

Director

The above statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the Year Ended 30 September 2024	Note	2024 $'000	2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from customers		140,844	117,175
Net Cyclone Gabrielle insurance proceeds		9,301	2,687
Cash was applied to:			
Payments to suppliers and employees		(90,128)	(80,342)
Income taxes paid		(5,704)	(2,833)
GST (paid)/received		(396)	554
Net cash flows generated from operating activities		**53,917**	**37,241**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Proceeds from disposal of property, plant and equipment		69	45
Cash was applied to:			
Investment in joint venture		-	(250)
Acquisition of property, plant and equipment and intangible assets		(13,109)	(13,752)
Net cash flows used in investing activities		**(13,040)**	**(13,957)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
Net proceeds from issuance of fixed rate bonds		-	(314)
Repayment of fair share loans by employees		65	119
Cash was applied to:			
Repayment of bank loans and borrowings		(20,500)	(4,000)
Acquisition of treasury shares	11	(441)	(352)
Dividends paid	10	(13,092)	(12,797)
Repayment of lease liabilities		(202)	(217)
Finance costs paid		(5,891)	(6,561)
Net cash flows used in financing activities		**(40,061)**	**(24,122)**
Net increase/(decrease) in cash and cash equivalents		**816**	**(838)**
Cash and cash equivalents at beginning of the year		1,104	1,942
Cash and cash equivalents at end of the year		**1,920**	**1,104**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Reconciliation of profit for the period to cash flows from operating activities

For the Year Ended 30 September 2024	Note	2024 $'000	2023 $'000
Profit for the period		**24,830**	**16,587**
Adjust for non-cash items:			
Fair value gains	5	(129)	(1,301)
Depreciation and amortisation	16,17	16,234	16,234
Impairment of assets	17	245	-
Net loss/(gain) on disposal of property, plant and equipment	5	446	(35)
Share-based payments	20	176	211
Other non-cash items		-	(27)
Deferred tax	8	2,080	65
		19,052	**15,147**
Other adjustments:			
Finance costs classified as financing activities		6,151	6,715
Increase in non-current provision		93	34
		6,244	**6,749**
Movements in working capital:			
Increase in trade and other receivables		(342)	(5,356)
Decrease in Cyclone Gabrielle insurance receivable	2	355	-
(Decrease)/increase in trade and other payables		(953)	1,530
Increase in current taxation payable		4,731	2,584
		3,791	**(1,242)**
Net cash flows generated from operating activities		**53,917**	**37,241**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the Year Ended 30 September 2024

1. Reporting entity

The financial statements presented are those of Napier Port Holdings Limited and its subsidiaries (together 'the Group'). The Group's subsidiaries are Port of Napier Limited, a 100% owned, NZ incorporated, port operating company, and Napier Port IC Limited, a 100% owned, Cook Islands incorporated, captive insurance company.

Napier Port Holdings Limited is incorporated under the Companies Act 1993 and domiciled in New Zealand. Napier Port Holdings Limited's shares are publicly traded on the New Zealand Stock Exchange (NZX) and has bonds quoted on the NZX Debt Market (NZDX).

2. Basis of preparation

The financial statements have been prepared in accordance with the Financial Markets Conduct Act 2013.

Statement of compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). The Group is a for-profit entity for NZ GAAP purposes. The financial statements comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), other Financial Reporting Standards as applicable to the Group as a for-profit entity, and International Financial Reporting Standards (IFRS).

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for sea defences, investment properties and derivative financial instruments, which are measured at fair value.

Reclassification of costs

Certain costs incurred by the Group have been reclassified in the prior period to provide comparable information to the current period. As a result, container services revenue has increased by $3.6 million, property and plant expenses has decreased by $0.5 million, and other operating expenses has increased by $4.1 million for the twelve months ended 30 September 2023. There is no change to the reported result from operating activities for that period.

Functional and presentation currency

The financial statements are presented in New Zealand Dollars (NZD), which is the Group's functional and presentation currency and are rounded to the nearest thousand dollars ($'000), unless otherwise stated.

Use of judgements and estimates

In applying the Group's accounting policies, management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

In particular, significant areas of estimation and critical judgements in applying accounting policies that have a significant effect on the amounts recognised in the financial statements are as follows:

- Valuation of sea defences (note 17)
- Estimation of useful lives and residual values for depreciation expense (note 17)
- Deferred taxes (note 8)
- The effects of Cyclone Gabrielle and insurance matters

Assessments of materiality require judgement and includes consideration of relevant qualitative and quantitative factors. Information that is considered material and relevant to understanding these financial statements is included within the notes accompanying the financial statements..

Cyclone Gabrielle and insurance matters

During February 2023, Cyclone Gabrielle struck New Zealand causing widespread damage and disruption to the Hawke's Bay region and its infrastructure. Whilst Napier Port did not experience significant property damage, many cargo customers of the Group have experienced damage and reduced output, which has negatively impacted the Group's trading.

The Group had an insurance policy in place at the time of the cyclone that its lead insurer has confirmed, in principle, will respond to the material damage and business interruption losses of the Group arising from Cyclone Gabrielle, subject to the terms and limitations of the insurance policy. Under the Group's policy, the relevant business interruption indemnity period is 18 months following the loss. This indemnity period has now ended. The Group submits claims to its insurers as and when it determines its recoverable losses and the process is continuing. The Group's claims are subject to review and adjustment by the Group's insurers.

The Group's policy is to recognise insurance recovery income when it is virtually certain insurance proceeds will be received and the amount receivable can be reliably estimated.

In relation to the Group's progress insurance claims for business interruption losses sustained since the cyclone event, for the twelve months ended 30 September 2024 the Group has recognised total insurance recovery income of $9,250,000 (2023: $7,250,000) within Other Income and Expenses in the Consolidated Income Statement. As at 30 September 2024, $3,500,000 (2023: $3,855,000) was receivable and recorded within the Consolidated Statement of Financial Position.

3. Summary of material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below or, where an accounting policy is directly related to an individual note, within the accompanying notes to the financial statements. These policies have been consistently applied to the years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements comprise the financial statements for the Group for the year ended 30 September 2024 with comparative information for the year ended 30 September 2023.

Subsidiaries are those entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its investment in the entity, and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are prepared for the same reporting period as the Parent, using consistent accounting policies. The effects of intercompany transactions are eliminated in preparing the consolidated financial statements.

Other taxes

Revenue, expenses, assets and liabilities are recognised net of the amount of GST, except receivables and payables, which are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a basis net of the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the IRD which is classified as part of operating cash flows.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and bank deposits and other highly liquid investments that are readily convertible to cash and have a maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Foreign currency translation

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.

Accounting standards not yet effective

NZ IFRS 18 Presentation and Disclosure in Financial Statements, issued in May 2024, is effective for annual reporting periods beginning on or after 1 January 2027. NZ IFRS 18 sets out new requirements for the presentation and disclosure of information in general purpose financial statements.The Group is yet to assess this standard's impact on its financial statements.

There are no other new accounting standards and interpretations that are issued but not yet adopted that are expected to have a material impact on the Group.

4. Revenue and segment reporting

	2024 $'000	2023 $'000
Disaggregation of revenue		
Container services	79,479	71,323
Bulk cargo	49,165	41,761
Cruise	9,065	5,321
Sundry income	565	995
Port operations	138,274	119,400
Property operations	3,077	2,551
Operating income	**141,351**	**121,951**

Rental income on investment properties within property operations was $26,850 during the year (2023: $26,850).

Accounting policies:

Port operations

Port operations represents a series of services including marine, berthage and port infrastructure services to the Group's customers which are accounted for as a single performance obligation. Revenue is recognised over-time using the percentage of completion method.

Revenue is measured based on the service price specified in the relevant tariffs or specific customer contract. The contract price for the services performed reflects the value transferred to the customer.

Property operations

Property lease income is recognised on a straight-line basis over the period of the lease term.

Operating segments

The Group determines its operating segments based on internal information that is regularly reported to the Chief Executive, who is the Group's Chief Operating Decision Maker (CODM).

The Group operates in one reportable segment being Port Services. This consists of providing and managing port services and cargo handling infrastructure through Napier Port. Within the Port Services reportable segment the following operating segments have been identified: marine services, general cargo services, container services, port pack services and depot services. These have been aggregated on the basis of similarities in economic characteristics, customers, nature of services and risks.

The Group operates in one geographic area, that being New Zealand. During the year the Group had two customers which comprised 14% and 13% of total revenue respectively (2023: two customers comprising 14% and 12% of total revenue respectively).

5. Other income and expenses

	Note	2024 $'000	2023 $'000
Included within other operating expenses are:			
Auditor remuneration - audit fees		261	262
Auditor remuneration - non audit services		29	27
Directors' fees		600	674

Auditor remuneration - non audit services comprises of fees for interim reviews and agreed upon procedures in relation to vote scrutineering.

Included within other income and expenses are:	Note	2024 $'000	2023 $'000
Asset retirement costs		5	18
Loss/(gain) on disposal of property, plant and equipment		446	(35)
Cyclone Gabrielle costs incurred	2	304	708
Cyclone Gabrielle insurance income	2	(9,250)	(7,250)
Restructuring costs		612	-
Fair value gain on investment property	18	(129)	(1,225)
Other (income) and expenses		**(8,012)**	**(7,784)**

6. Net finance costs

	Note	2024 $'000	2023 $'000
Interest income		(60)	(128)
Finance income		**(60)**	**(128)**
Interest and finance charges on borrowings		7,656	8,274
Gain realised on cashflow hedges transferred from other comprehensive income		(2,514)	(1,868)
Loss realised on fair value hedges		1,174	513
Unrealised change in fair value of fair value hedges		(5,958)	2,328
Unrealised change in fair value of loans and borrowings subject to fair value hedges		5,958	(2,328)
Lease imputed interest		6	18
Less: Interest capitalised to property, plant & equipment		(111)	(94)
Finance expenses		**6,211**	**6,843**
Net finance costs		**6,151**	**6,715**

Accounting policies:

Borrowing costs are expensed as incurred except when they are directly attributable to the acquisition of a qualifying asset. When this is the case borrowing costs are capitalised during the period of time that is required to complete the asset for its intended use.

7. Income tax expense

	Note	2024 $'000	2023 $'000
Reconciliation between income tax expense and tax expense calculated at the statutory income tax rate:			
Profit before income tax		37,345	22,080
Income tax at 28%		10,457	6,182
Adjustment to prior year tax		(28)	(394)
Tax effect of non-deductible items		93	128
Tax effect of non-assessable items		(36)	(423)
Removal of deductibility of tax depreciation on buildings		2,029	-
Income tax expense		**12,515**	**5,493**
The income tax expense is represented by:			
Current tax on profits for the year		10,492	5,445
Adjustments for current tax of prior periods		(57)	(17)
Current income tax expense		10,435	5,428
Deferred income tax expense for the period	8	2,051	441
Adjustments for deferred tax of prior periods		29	(376)
Deferred income tax expense		2,080	65
Income tax expense		**12,515**	**5,493**

Accounting policies:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted for changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

8. Deferred tax liability

	2024 $'000	2023 $'000
Balance 1 October	(22,797)	(22,552)
Adjustment to prior year provision	(29)	376
Deferred portion of current year tax expense	(2,051)	(441)
Amounts credited and charged direct to equity	(593)	(180)
Balance at 30 September	**(25,470)**	**(22,797)**
Deferred tax is represented by:		
Deferred tax asset		
Other	2,198	1,763
	2,198	**1,763**
Deferred tax liability		
Property, plant and equipment - other	(15,420)	(12,936)
Property, plant and equipment - sea defences	(11,865)	(9,658)
Other	(383)	(1,966)
	(27,668)	**(24,560)**
Net deferred tax liability	**(25,470)**	**(22,797)**
Imputation credit account		
Balance at 30 September	**16,913**	**12,617**

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 the amount of the provision for income tax;
- Imputation debits that will arise from the payment of dividends recognised as a liability at the reporting date.

Accounting policies:

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for where the initial recognition of assets or liabilities does not affect neither accounting nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and subsequently reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are measured based on the tax consequences that follow from the manner of their expected recovery or settlement, the determination of which requires the application of judgement and estimates. Deferred tax liabilities are not recognised for fair value adjustments to land, including the estimated residual portion of revalued sea defence assets and investment properties, as their value is deemed to be recoverable through eventual sale. Whether the residual portion of revalued sea defence assets are non-depreciable and recoverable through eventual sale is a significant judgment in the determination of deferred tax balances as is the estimation of this non-depreciable amount.

9. Earnings per share

	2024 Cents	2023 Cents
Basic earnings per share		
Basic earnings per share	0.12	0.08
Diluted earnings per share		
Diluted earnings per share	0.12	0.08

	2024 $'000	2023 $'000
Reconciliation of earnings used in calculating earnings per share:		
Basic and diluted earnings per share		
Net profit attributable to the ordinary shareholders of the Company	24,830	16,587

	2024 Number (000)	2023 Number (000)
Weighted average number of shares used as the denominator:		
Weighted average number of ordinary shares (excluding treasury stock) used as the denominator in calculating basic earnings per share	199,556	199,583
Adjustments for calculation of diluted earnings per share:		
Executive Long-Term Incentive plan share rights	575	487
Fair Share plan	345	370
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	200,475	200,439

Accounting policies:

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the Group by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

10. Dividends

	2024 $'000	2023 $'000
Dividends paid	13,092	12,797
	13,092	**12,797**

Accounting policies:

Provision is made for dividends when they have been approved by the Board of Directors on or before the end of the reporting period but not distributed at the end of the reporting period.

11. Capital and reserves

Share Capital	2024 Number of shares '000	2024 $'000	2023 Number of shares '000	2023 $'000
Balance at 1 October	199,605	246,150	199,568	246,209
Treasury shares acquired	(175)	(441)	(125)	(352)
Treasury shares issued to employees	-	-	124	343
Transfer from Share-based Payment Reserve on LTIP vesting	-	231	-	(169)
Fair Share plan repayments	19	65	38	119
Transfer from Share-based Payment Reserve on Fair Share plan settlements	-	102	-	-
Balance at 30 September	**199,449**	**246,107**	**199,605**	**246,150**

All ordinary shares have no par value, equal voting rights and share equally in dividends and surplus on winding up.

Treasury shares and the Fair Share Plan are accounted for within Share Capital.

Treasury shares	2024 Number of shares 000	2024 $'000	2023 Number of shares 000	2023 $'000
Balance at 1 October	46	124	41	106
Treasury shares acquired	175	441	125	352
Fair Share plan forfeitures	10	23	4	9
Issued to employees	-	-	(124)	(343)
Balance at 30 September	**230**	**588**	**46**	**124**

Fair Share plan	2024 Number of shares 000	2024 $'000	2023 Number of shares 000	2023 $'000
Balance at 1 October	349	824	391	952
Fair share loan repayments	(19)	(45)	(38)	(97)
Fair Share plan forfeitures	(10)	(23)	(4)	(9)
Dividends paid	-	(20)	-	(22)
Balance at 30 September	**321**	**736**	**349**	**824**

Accounting policies:

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in fair value of derivatives that are designated and qualify as cash flow hedge instruments, related to hedged transactions that have not yet occurred.

Revaluation reserve

The revaluation reserve relates to the revaluation of the port sea defences.

Share-Based Payment reserve

The employee equity reserve is used to record the value of share-based payments.

Treasury shares

The Group's own equity instruments, which are reacquired for later use in share-based payment arrangements, are deducted from share capital.

12. Trade and other payables

	2024 $'000	2023 $'000
Trade payables	4,141	3,565
GST payable	883	1,279
Trade accruals	3,411	3,902
Employee entitlement accruals	6,918	5,305
Amounts payable to related party	92	98
	15,445	**14,149**

Accounting policies:

Trade and other payables are initially recorded at fair value and subsequently at amortised cost using the effective interest method.

Liabilities for wages, salaries and performance payments, including annual leave, expected to be settled within 12 months of the reporting date are recognised in respect of employee services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

13. Provision for employee entitlements

	2024 $'000	2023 $'000
Balance at 1 October	524	490
Additional provision made	162	101
Amount utilised	(69)	(67)
Balance at 30 September - Non-current	**617**	**524**

Accounting policies:

The liability for long service leave is recognised and measured at the present value of the expected future entitlements to be made in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service.

14. Loans and borrowings

The note below provides information about the contractual terms of the Group's interest bearing loans and borrowings:

2024 Non-current	Coupon	Committed Facilities/Bond Face Value $'000	Undrawn Facilities $'000	Drawn Facilities/ Bonds Issued $'000	Capitalised Loan Costs $'000	Fair Value Adjustments $'000	Carrying Value $'000
Bank facilities	Floating	80,000	70,500	9,500	-	-	9,500
Fixed rate NZD Bonds	Fixed	100,000	-	100,000	(717)	1,907	101,190
Total non-current		**180,000**	**70,500**	**109,500**	**(717)**	**1,907**	**110,690**

2023 Non-current	Coupon	Committed Facilities/Bond Face Value $'000	Undrawn Facilities $'000	Drawn Facilities/ Bonds Issued $'000	Capitalised Loan Costs $'000	Fair Value Adjustments $'000	Carrying Value $'000
Bank facilities	Floating	80,000	50,000	30,000	-	-	30,000
Fixed rate NZD Bonds	Fixed	100,000	-	100,000	(922)	(4,051)	95,027
Total non-current		**180,000**	**50,000**	**130,000**	**(922)**	**(4,051)**	**125,027**

The Group has interest bearing facilities with Westpac New Zealand Limited and Industrial and Commercial Bank of China (New Zealand) Limited (ICBC New Zealand) which provide total available facilities of $80 million to fund general corporate purposes. Of the total facilities, $25 million matures September 2025 and $55 million matures September 2026.

The Group has issued $100 million of unsecured, unsubordinated, 5.52% fixed rate bonds maturing 23 March 2028.

The Group's loans and borrowings require that certain covenants are met and will require the Group to maintain or better specified Debt Coverage, Interest Coverage, Equity and Group Coverage ratios.

Security for loans and borrowings is by way of negative pledge over the assets of the Group in respect of both the sale of assets and other security interests.

Accounting policies:

On initial recognition all borrowings are recognised at the fair value of consideration received less directly attributed transaction costs. Borrowings are subsequently measured at amortised cost using the straight line method. The carrying value of borrowings that are designated as hedged items in fair value hedges are adjusted for changes in fair values attributable to the hedged risk in effective hedging relationships.

15. Trade and other receivables

	2024 $'000	2023 $'000
Trade receivables	11,611	11,443
Prepayments	7,160	7,042
Amounts receivable from related party	56	-
	18,827	**18,485**

The aging of trade receivables at the reporting date is:

	2024	2023
Not past due	11,253	10,995
Past due 0 - 30 days	483	548
Past due 30 - 60 days	41	48
Past due > 60 days	80	42
	11,857	**11,633**

The carrying value of trade and other receivables includes an expected credit loss allowance of $191,000 in respect of trade receivable balance at 30 September 2024 (2023: $191,000). To measure the expected credit loss allowance amount, historical loss rates are adjusted to reflect forward-looking information. Trade receivables are grouped in accordance with their shared credit risk characteristics and global credit rating historical industry information applied to estimate future default and loss percentage rates. There were no trade receivable balances written-off during the period (2023: $nil).

Accounting policies:

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.

16. Intangible assets

	2024 $'000	2023 $'000
Computer software		
Cost		
Opening balance at 1 October	7,147	7,652
Additions	273	85
Transfers	-	(12)
Disposals	-	(578)
Closing balance at 30 September	**7,420**	**7,147**
Accumulated amortisation		
Opening balance at 1 October	6,447	6,461
Amortisation for the period	367	577
Transfers	-	(13)
Disposals	-	(578)
Closing balance at 30 September	**6,814**	**6,447**
Closing net book value at 30 September	**606**	**700**

Accounting policies:

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over their estimated useful lives of between 3 to 10 years.

17. Property, plant and equipment

$'000	Port Land	Sea Defences	Site Improvements	Wharves and Jetties	Buildings	Plant and Equipment	Dredging	Work in Progress	Total
Cost or fair value									
At 1 October 2023	38,655	140,663	96,162	137,193	32,180	141,949	62,071	7,051	655,924
Additions	-	-	4,982	2,848	541	5,469	50	1,145	15,035
Revaluations	-	16,752	-	-	-	-	-	-	16,752
Disposals	-	-	-	-	-	(2,671)	-	-	(2,671)
At 30 September 2024	**38,655**	**157,415**	**101,144**	**140,041**	**32,721**	**144,747**	**62,121**	**8,196**	**685,040**
Accumulated depreciation and impairment									
At 1 October 2023	-	688	32,906	14,367	13,011	70,197	4,930	-	136,099
Depreciation	-	505	3,072	2,391	1,000	8,216	683	-	15,867
Impairment	-	-	-	-	-	245	-	-	245
Revaluations	-	(931)	-	-	-	-	-	-	(931)
Disposals	-	-	-	-	-	(2,156)	-	-	(2,156)
At 30 September 2024	**-**	**262**	**35,978**	**16,758**	**14,011**	**76,502**	**5,613**	**-**	**149,124**
Closing net book value 2024	**38,655**	**157,153**	**65,166**	**123,283**	**18,710**	**68,245**	**56,508**	**8,196**	**535,916**
Cost or fair value									
At 1 October 2022	38,655	140,658	91,619	137,332	31,720	138,920	60,644	8,004	647,552
Additions	-	-	774	90	585	10,330	1,425	(953)	12,251
Transfers	-	5	4,920	(40)	694	(5,810)	2	-	(229)
Revaluations	-	-	-	-	-	-	-	-	-
Disposals	-	-	(1,151)	(189)	(819)	(1,491)	-	-	(3,650)
At 30 September 2023	**38,655**	**140,663**	**96,162**	**137,193**	**32,180**	**141,949**	**62,071**	**7,051**	**655,924**
Accumulated depreciation and impairment									
At 1 October 2022	-	197	29,846	12,225	12,722	65,220	4,094	-	124,304
Depreciation	-	486	2,992	2,332	997	8,015	834	-	15,656
Transfers	-	5	1,219	(1)	111	(1,575)	2	-	(239)
Disposals	-	-	(1,151)	(189)	(819)	(1,463)	-	-	(3,622)
At 30 September 2023	**-**	**688**	**32,906**	**14,367**	**13,011**	**70,197**	**4,930**	**-**	**136,099**
Closing net book value 2023	**38,655**	**139,975**	**63,256**	**122,826**	**19,169**	**71,752**	**57,141**	**7,051**	**519,825**

Plant and Equipment includes right-of-use assets relating to leased plant and equipment.

Sea defences were revalued to fair value as at 31 March 2024 by AECOM New Zealand Ltd. The valuation was prepared on an optimised depreciated replacement cost basis and in accordance with the NZ Infrastructure Asset Valuation and Depreciation Guidelines published by the NAMS group of IPWEA.

Significant Estimates – Valuation of Sea Defences

The valuation of sea defences is subject to assumptions and judgements which materially affect the resulting valuation. Such factors include replacement quantities and unit values (including breakwater replacement costs of $104,000 to $166,000 per square metre and seawall replacement costs per square metre of $18,000 for demolition, $30,000 for rock, and $81,000 for rock revetment). Other factors include the condition and performance of assets, estimated total and remaining effective lives of 70 to 131 years and 70 to 93 years, respectively, and estimated residual values of 20% of replacement cost. Other inputs incorporated into the valuation process include an allowance for project on-costs of 5-6%. An increase in the remaining useful life, the residual value assumption, or in replacement quantities and unit values for sea defence assets will result in an increase in the valuation and vice versa.

The carrying value that would have been recognised, had the sea defence assets been carried under the cost model, is $35,558,000 (2023: $35,661,000).

The fair value measurement has been categorised as a Level 3 fair value based on inputs which are not based on observable market data.

Accounting policies:

Recognition and measurement of assets

Sea defences are 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.

All other property, plant and equipment assets are accounted for at historical cost less accumulated depreciation and impairment. 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 Group 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 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 Group. All other costs are recognised in the income statement 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 and includes costs of obtaining resource consents where required to proceed with capital projects.

Depreciation

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:

	Years
Site Improvements	10-80
Vehicles, Plant and Equipment	3-25
Floating Plant	30
Maintenance Dredging	8
Wharves and Jetties	10-80
Buildings	10-60
Sea Defences	100-200

Depreciation on crane assets is calculated on a unit-of-production basis with estimated useful lives of 33,000-36,000 operating hours.

Land and capital dredging are not depreciated as they are considered to have indefinite useful lives.

The residual values and useful economic lives adopted for depreciation purposes are key assumptions in determining depreciation of sea defences.

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.

Impairment losses directly reduce the carrying amount of assets and are recognised in the income statement.

18. Investment properties

	2024 $'000	2023 $'000
Balance at 1 October	13,501	12,200
Additions	-	76
Gain from fair value adjustments	129	1,225
Balance at 30 September	**13,630**	**13,501**

Investment properties were externally valued at 31 March 2024 by a registered valuer with relevant experience of the property type and location.

The fair value has been determined by the valuer using a market approach based on comparable property sales within the area. The fair value measurement has been categorised as a Level 2 fair value based on inputs which are observable but not quoted prices.

19. Leases

As Lessor

The Group leases land and buildings to port users for terms of 1-30 years. The Group manages the risk associated with leased land and buildings by having formal contracts which include obligations on tenants to observe relevant laws, regulations, port operating requirements, and the right to conduct contaminant testing and require reinstatement to agreed standards.

Future minimum lease payments receivable under non-cancellable operating leases as at 30 September 2024 are as follows:

	2024 $'000	2023 $'000
Receivable within one year	2,186	2,128
Between one and two years	1,617	1,806
Between two and five years	4,208	3,537
Over five years	7,604	6,929
	15,615	**14,400**

Accounting policies:

Lease income from operating leases is recognised as income on a straight-line basis over the term of the lease.

20. Share-based payments

Fair Share plan

At the time of the initial public offering employees of the Group were offered an interest-free limited recourse loan to purchase up to $5,000 worth of ordinary shares at the price that the shares initially listed on the NZX. The shares are held in Trust on behalf of the employees until the employee's loans are settled in full. The employee loans are repayable on the earlier of the 10th anniversary of Napier Port Holdings Limited listing on the NZX, the date an employee ceases employment with the Group, or when an employee voluntarily repays their loan balance. Any dividends paid by the Group while the employee loans are outstanding are credited against the employees' loan balance. If at the time employees are required to repay their loans the shares are worth less than the loan, the employees are not required to repay the loan balance but they will forfeit their shares.

As the conditions of the Fair Share plan give the employee the right, but not necessarily the obligation, to subscribe to shares the arrangement is considered for accounting purposes, an in-substance share option plan, and is accounted for under NZ IFRS 2 Share-Based Payments. Because the employees can leave at any time and repay their loans, or early repay their loans at any time, and take legal ownership of their shares, there is no vesting period and the full amount of the fair value of the award has been recognised in the consolidated income statement at the grant date (2019) and there will be no further adjustment.

Executive Long-Term Incentive (LTI) plan

The Group maintains an equity-settled Executive Long-Term Incentive (LTI) plan. Under this LTI plan, share rights are issued to participating executives with a three year vesting period. The vesting of share rights entitle the executive to the receipt of one Napier Port Holdings Limited ordinary share per share right at nil cost, plus additional shares to the value of any dividends which would have been paid on the underlying shares during the vesting period. Vesting is subject to the executive remaining employed by the Group during the vesting period and the achievement of total shareholder return (TSR) hurdles over the vesting period.

The proportion of share rights that vests depends on the Group's TSR performance ranking relative to the NZX50 index during the vesting period.

To the extent that performance hurdles are not met or executives leave employment of the Group prior to vesting, the share rights are forfeited.

Number of LTI plan share rights issued: 2024

Grant Date	Vesting Date	Balance at 30 September 2023	Granted during the year	Lapsed during the year	Vested during the year	Balance at 30 September 2024
2-Dec-2020	2-Dec-2023	132,056	-	(132,056)	-	-
30-Nov-2021	30-Nov-2024	167,976	-	(36,806)	-	131,170
30-Nov-2022	30-Nov-2025	196,756	-	(43,112)	-	153,644
28-Nov-2023	28-Nov-2026	-	269,355	(50,697)	-	218,658
Total LTI Plan		**496,788**	**269,355**	**(262,671)**	**-**	**503,472**

Number of LTI plan share rights issued: 2023

Grant Date	Vesting Date	Balance at 30 September 2022	Granted during the year	Lapsed during the year	Vested during the year	Balance at 30 September 2023
2-Dec-2020	2-Dec-2023	146,309	-	(14,253)	-	132,056
30-Nov-2021	30-Nov-2024	185,791	-	(17,815)	-	167,976
30-Nov-2022	30-Nov-2025	-	196,756	-	-	196,756
Total LTI Plan		**332,100**	**196,756**	**(32,068)**	**-**	**496,788**

Share rights are valued as zero cost in-substance options at the date at which they are granted, using a Monte Carlo Option Pricing model to establish fair values. The valuation model and its key inputs are reviewed periodically. The following table lists the key inputs into the valuation, the relevant grant details, and the resulting valuation per share right issued:

	2024	2023
Grant Date	28-Nov-23	30-Nov-22
Vesting Date	28-Nov-26	30-Nov-25
Risk Free Interest Rate	4.92%	0.94%
Expected Dividends	$0.26	$0.26
Grant Date Share Price	$2.41	$2.78
Valuation per Share Right	$1.30	$1.34

The weighted average remaining contractual life of the share rights at 30 September 2024 is 1.34 years (2023: 1.30 years).

During the year ended 30 September 2024, an expense of $176,000 (2023: $211,000) has been recognised in respect of the LTI plan in the Consolidated Income Statement.

Accounting policies:

The cost of share-based payment transactions are spread over the period in which the employees provide services and become entitled to the awards.

The cost of the equity-settled share-based transactions are measured by reference to the fair value of the equity instruments at the date at which they are granted. The cost of equity settled transactions is recognised in the income statement, together with a corresponding increase in the share-based payment reserve in equity.

21. Related party transactions

Transactions with owners		2024 $'000	2023 $'000
RELATED PARTY	**NATURE OF TRANSACTIONS**	**VALUE OF TRANSACTIONS**	
Hawke's Bay Regional Council	Rates, levies, consents and services	495	361
	Cost recoveries	(83)	(13)
	Lease income	(43)	(34)
	Accounts payable by the Group	(92)	(494)
Hawke's Bay Regional Investment Company Limited	Dividends	7,205	7,040
	Cost recoveries	(49)	(361)
	Accounts receivable by the Group	56	-

Hawke's Bay Regional Investment Company Limited owns 55% of the ordinary shares of Napier Port Holdings Limited. Hawke's Bay Regional Investment Company Limited is wholly owned by Hawke's Bay Regional Council, which is the ultimate controlling party of the Group.

The amounts owing to related parties are paid in accordance with the Group's normal commercial terms of trade.

Certain directors of the Group are also directors of other companies with whom the Group transacts. All such transactions are on normal commercial terms.

Key management compensation

Compensation of directors and executives, being the key management personnel is as follows:

	2024 $'000	2023 $'000
Short-term employee benefits	4,482	3,650
Termination benefits	157	-
Share-based payments	176	211
	4,815	**3,861**

22. Commitments and contingencies

Capital expenditure commitments

At balance date there were commitments in respect of contracts for capital expenditure totalling $6,775,000 (2023: $2,456,000).

Contingent liabilities

There were no material contingent liabilities at balance date (2023: $nil).

Financial guarantees

The Group has financial performance guarantees in place. The maximum callable under the guarantees at 30 September 2024 is $116,000 (2023: $112,000).

23. Financial risk management and financial instruments

Capital management

The Board's policy is to maintain a strong capital base, which the Group defines as total shareholder's equity, so as to maintain shareholder and banker confidence and to sustain the future development of the Group. The Group has established policies in capital management, including specific requirements relating to minimum interest cover, minimum debt to debt plus equity, and minimum total committed funding to maximum debt over the next 12 months.

Financial risk management

The Group's activities expose it to a variety of financial risks, including credit risk, liquidity risk, and market risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

23.1 Credit risk

In the normal course of its business the Group incurs credit risk from accounts receivable, bank balances and derivative financial assets. The Group has a policy of assessing the credit risk of significant new customers and monitors the credit quality of existing customers. Counterparties to cash and derivative financial assets are major banks, approved by the Directors. The Group's maximum credit risk exposure at the end of the reporting period are the carrying values recorded in the statement of financial position for these items. The Group's maximum daily credit risk to a single trade debtor during the reporting period was $4.1 million (2023: $3.4 million). Collateral or other security is not held.

23.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash and borrowing facilities available to meet its liabilities when due, under both normal and adverse conditions. The Group's cash flow requirements and the utilisation of borrowing facilities are continuously monitored.

The following table sets out the contractual cash flows for all financial liabilities/(financial assets):

Contractual maturity analysis	Carrying amount $000	Cash flows to maturity $000	Less than 1 year $000	1-2 Years $000	2-5 Years $000	Greater than 5 years $000
2024						
Trade payables	5,025	5,025	5,025	-	-	-
Lease liabilities	2	2	2	-	-	-
Loans and borrowings	110,690	130,870	6,545	16,045	108,280	-
Interest rate swaps - fair value hedges	(1,907)	(2,072)	58	(1,043)	(1,087)	-
Interest rate swaps - cash flow hedges	(1,370)	(3,110)	(1,943)	(1,016)	(123)	(28)
	112,440	**130,715**	**9,687**	**13,986**	**107,070**	**(28)**
2023						
Trade payables	4,843	4,843	4,843	-	-	-
Lease liabilities	198	203	201	2	-	-
Loans and borrowings	125,027	163,818	7,846	7,846	148,126	-
Interest rate swaps - fair value hedges	4,051	4,507	1,309	1,395	1,803	-
Interest rate swaps - cash flow hedges	(7,051)	(7,745)	(2,641)	(2,427)	(2,677)	-
	127,068	**165,626**	**11,558**	**6,816**	**147,252**	**-**

	2024 $'000	2023 $'000
At balance date the Group had bank facilities of:		
Overdraft	1,000	1,000
Credit facilities	80,000	80,000
Total	**81,000**	**81,000**
At balance date the utilisation of bank facilities was:		
Overdraft	-	-
Credit facilities	9,500	30,000
Total	**9,500**	**30,000**

23. Financial risk management and financial instruments (continued)

23.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and fuel prices, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

The Group's main interest rate risk arises from loans and borrowings with variable interest rates. The Group utilises interest rate caps and swaps to manage variable interest rate exposures for future periods. Generally, the Group enters into long-term borrowings at floating rates and swaps a portion of them into fixed rates. The Group's treasury policy defines the use of approved hedging instruments to manage interest rate exposures within minimum and maximum bands of fixed interest rate cover.

The notional principal amounts (including forward starting swaps) and the expiry period of interest rate swaps at the end of the reporting period were:

Interest rate swaps - cash flow hedges (pay fixed)	**2024 $'000**	**2023 $'000**
1 - 2 years	30,000	-
2 - 5 years	65,000	80,000
Greater than 5 years	35,000	-
	130,000	**80,000**
The effects of the interest rate swaps on the Group's financial position and performance are as follows:		
Carrying amount (asset)	(1,370)	(7,051)
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments	(1,370)	(7,051)
Change in value of hedged item used to determine hedge effectiveness	1,370	7,051
Weighted average hedged (index) rate	2.98%	2.50%

Interest rate swaps - fair value hedges (receive fixed)	**2024 $'000**	**2023 $'000**
2 - 5 years	95,000	95,000
	95,000	**95,000**
The effects of the interest rate swaps on the Group's financial position and performance are as follows:		
Carrying amount (asset)/liability	(1,907)	4,051
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedging instruments	(1,907)	4,051
Change in value of hedged item used to determine hedge effectiveness	1,907	(4,051)
Weighted average hedged (index) rate	4.07%	4.07%

Sensitivity:

At the reporting date, if interest rates had been 100 basis points higher/lower with all other variables held constant, it would increase/(decrease) profit or loss and other comprehensive income by the amounts shown below.

	Profit or Loss		Other Comprehensive Income	
	100bp Increase $'000	**100bp Decrease $'000**	**100bp Increase $'000**	**100bp Decrease $'000**
Variable rate loans	(95)	95	-	-
Interest rate swaps - fair value hedges	(2,799)	2,901	-	-
Interest rate swaps - cash flow hedges	-	-	2,748	(2,863)
30 September 2024	**(2,894)**	**2,996**	**2,748**	**(2,863)**
Variable rate loans	(300)	300	-	-
Interest rate swaps - fair value hedges	(3,139)	3,279	-	-
Interest rate swaps - cash flow hedges	-	-	2,240	(2,321)
30 September 2023	**(3,439)**	**3,579**	**2,240**	**(2,321)**

(ii) Foreign exchange rate risk

The Group undertakes transactions denominated in foreign currencies from time to time which exposes the Group to changes in foreign exchange rates until such transactions are settled. It is the Group's policy to hedge highly probable foreign currency risks above a certain value threshold as they arise and use forward foreign exchange contracts or foreign currency cash purchases to manage these exposures.

There were no forward foreign exchange contracts in place at 30 September 2024 (2023: nil).

(iii) Commodity price risk

The Group utilises commodity swap contracts to reduce the impact of market price changes on fuel costs used in operations.

There are no commodity swap contracts in place at 30 September 2024 (2023: nil).

23. Financial risk management and financial instruments (continued)

23.4 Fair values

Financial assets and liabilities	2024 $'000	2023 $'000
Financial assets at amortised cost		
Cash and cash equivalents	1,920	1,104
Trade and other receivables	15,167	15,298
	17,087	**16,402**
Financial assets at fair value		
Interest rate swaps - cash flow hedges	2,236	7,051
Interest rate swaps - fair value hedges	1,969	-
	4,205	**7,051**
Total financial assets	**21,292**	**23,453**
Financial liabilities at amortised cost		
Trade payables	5,025	4,843
Fixed rate bond	101,907	95,949
Bank borrowings	9,500	30,000
Lease liabilities	2	198
	116,434	**130,990**
Financial liabilities at fair value		
Interest rate swaps - cash flow hedges	866	-
Interest rate swaps - fair value hedges	62	4,051
	928	**4,051**
Total financial liabilities	**117,362**	**135,041**

The carrying value of all financial assets and liabilities approximates their fair value except for fixed rate bonds.

Fair value hierarchy - Estimation of the fair value of financial instruments

The fair value of financial instruments is determined on a hierarchical basis that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within 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 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments recognised on the Group's statement of financial position at fair value sit within Level 2.

Accounting policies: *Derivative financial instruments*

(i) Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments.

(ii) Measurement of derivatives

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value at each balance date. The fair value of derivative financial instruments are determined by reference to market values for similar instruments. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement.

For derivative financial instruments that are designated and qualify as cashflow hedges, the effective hedge portion of changes in fair value are recognised in other comprehensive income in the hedging reserve within equity. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecasted transaction occurs. The gain or loss relating to any ineffective portion of the hedge is recognised in the income statement.

For derivative financial instruments that are designated and qualify as fair value hedges, changes in fair value are recognised in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised within finance costs, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to any ineffective portion is recognised in the income statement.

(iii) Hedging and hedge ineffectiveness

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

Forward contracts/foreign currency cash balances

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the Group or the derivative counterparty.

Interest rate swaps

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge all of its borrowings, therefore the hedged item is identified as a proportion of the outstanding loans and borrowings up to the notional amount of the swaps. When all critical terms are matched, the economic relationship are considered to be 100% effective.

Hedge ineffectiveness for interest rate swaps may arise if there is a difference in the critical terms between the swaps and the hedged borrowings or as a result of fluctuations in interest rate swap Credit/Debit or funding valuation adjustments.

Commodity swaps

For hedges of diesel fuel commodity purchases, the Group enters into derivative hedge relationships where the critical terms of the hedging instrument match the terms of the hedged item. The price of diesel fuel purchases includes a variable SingGasOil component, despite SingGasOil not being specified in any contractual agreement. Based on the evaluation of the market structure and refining process, this market price risk component is separately identifiable and reliably measurable. Fuel commodity hedging instruments are designated as a hedge of the market price risk in the SingGasOil component of highly probable diesel purchases. There is 1:1 hedging rate of the hedging instrument to the SingGas Oil. component identified as the hedged item. The Group does not hedge 100% of its diesel fuel commodity purchases, therefore the hedged item is identified as a proportion of diesel fuel commodity purchases up to the notional amount of the swaps. In addition, the diesel fuel commodity hedging instrument is in NZD and therefore also hedges foreign exchange rate risk in relation to these purchases.

In hedges of commodity purchases, ineffectiveness may arise if the timing of the commodity purchases differs from the derivative settlement date or if there are changes in the credit risk of the Group or the derivative counterparty.

24. Alternative non-NZ GAAP performance measure

The result from operating activities reported on the face of the consolidated income statement is a non-NZ GAAP measure that is not required by nor defined by relevant reporting standards. The Group considers this metric useful as it provides the result from core operating activities for comparison from period to period.

The result from operating activities is intended to be calculated as operating income less operating expenses. The measure excludes income and expenses related to finance costs, taxes, the depreciation, amortisation, impairment and retirement of operating and other assets, and the income and expenses arising from fair value changes, non-recurring and abnormal, and joint-venture and other investment activity.

The result from operating activities measure includes certain non-cash income and expenses related to core operating activities such as accrued income and expenses and share-based payments.

25. Events subsequent to balance date

Subsequent to the balance sheet date, a fully imputed dividend of $12 million (6 cents per share) was approved by the Board of Directors.

EY
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Independent auditor's report to the Shareholders of Napier Port Holdings Limited

The Auditor-General is the auditor of Napier Port Holdings Limited and its subsidiaries (the Group). The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, to carry out the audit of the consolidated financial statements of the Group on his behalf.

Opinion

We have audited the consolidated financial statements of the Group on pages 130 to 160, that comprise the consolidated statement of financial position as at 30 September 2024, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 September 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and New Zealand Equivalents to International Financial Reporting Standards.

Basis for opinion

We conducted 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 Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Auditor-General's Auditing Standards, which incorporate Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

In addition to the audit, we have carried out engagements to provide an interim review and agreed upon procedures to the Group which are compatible with those independence requirements. Other than the audit and these engagements we have no other relationship with, or interest in, Napier Port Holdings Limited or any of its subsidiaries.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Port Operations Revenue Recognition

Why significant	How our audit addressed the key audit matter
The Group generates 98% of its revenue from port operations. Revenue is a key determinant of the Group's operating result. Disclosures regarding revenue are included in Note 4 of the Group financial statements.	Our audit procedures included: ► assessing the Group's revenue recognition accounting policies and procedures against the requirements of NZ IFRS 15 Revenue from Contracts with Customers; ► analysing the correlation between the Group's recorded revenue and movements in accounts receivable and cash using data analysis techniques; ► selecting a sample of revenue transactions recorded around period end and assessing whether the revenue had been recorded in the correct period; and ► assessing the adequacy of the Group's disclosures in relation to revenue. We considered the results of the procedures above satisfactory in forming our opinion on the financial statements as a whole.

Sea Defence Assets' Valuation

Why significant	How our audit addressed the key audit matter
Sea defence assets of $157m represent 27% of total assets. All of the Group's infrastructure assets are measured at historical cost (less accumulated depreciation) with the exception of sea defence assets which are measured at fair value. The revaluation of sea defence assets is considered a key audit matter due to the judgement involved in assessing the fair value. Given the unique characteristics and lack of market comparatives for such assets, the valuation is determined with reference to the optimised depreciated replacement cost. The Group engaged an independent specialist to complete a valuation of the sea defence assets in March 2024 with this valuation being considered appropriate to determine the 30 September 2024 sea defence asset value. Disclosures regarding the valuation of sea defence assets are included within note 17 to the financial statements	Our audit procedures included: ► assessing the Group's accounting policies, methodology and procedures against the requirements of NZ IFRS 13 Fair value measurement and NZ IAS 16 Property, Plant and Equipment; ► assessing the competence, capability and objectivity of the Group's independent valuation specialist; ► assessing whether the information provided to the independent valuer was consistent with the information held in the Group's accounting records; ► involving our valuation specialists to consider • the appropriateness of the basis of valuation adopted; • key valuation inputs and judgements associated with the valuation; and ► assessing the adequacy of the Group's disclosures in relation to the sea defence asset valuation. As a result of the above procedures, we considered the valuation techniques and key assumptions reasonable in forming our opinion on the financial statements as a whole.

Cyclone Gabrielle Insurance Income

Why significant	How our audit addressed the key audit matter
Cyclone Gabrielle impacted a broad area of the North Island between 12 and 16 February 2023. The impact of the cyclone on the Group resulted in a material damage and business interruption claim being filed with their insurers. Judgement was exercised by management in determining the amount of revenue to recognise as at 30 September 2024 based on claims made to date and communication on these matters with the insurers. Disclosures regarding the cyclone and management's judgements and estimates in relation to insurance revenue is included in Note 2 of the Group financial statements	Our audit procedures included: ► assessing the Group's recognition of insurance proceeds in accordance with NZ IAS 37 *Provisions, Contingent Liabilities and Contingent Assets;* ► holding discussions with management to understand the progress of claims made to date; ► verifying management's understanding to supporting correspondence between the Group, the loss adjuster and the insurers. ► assessing the adequacy of the Group's disclosures in relation to recognition of insurance proceed We considered the results of the procedures above satisfactory in forming our opinion on the financial statements as a whole.

Other information

The Directors are responsible on behalf of the Group for the other information. The other information comprises the information included in the Annual Report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Directors' responsibilities for the consolidated financial statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with New Zealand equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

The Directors' responsibilities arise from the Financial Markets Conduct Act 2013.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 is not a guarantee that an audit conducted in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements

Building a better working world

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. We also:

- identify and assess the risks of material misstatement of the consolidated 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of the use of the going concern basis of accounting by the 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Our responsibilities arise from the Public Audit Act 2001.

Stuart Mutch
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand
18 November 2024

Trade and Financial Five Year Summary

	2024	2023	2022	2021	2020
Total Cargo (million tonnes)	**4.99**	4.61	5.39	5.87	5.05
Container Volumes (TEU)	**229,515**	222,027	254,438	276,129	268,266
Bulk Cargo (million tonnes)	**3.47**	3.18	3.65	3.95	3.12
Cruise vessel calls	**89**	64	1	-	76
Revenue ($m)	**141.4**	122.0	114.5	109.5	100.4
Result from Operating Activities* ($m)	**52.0**	37.2	40.1	43.8	41.2
Net Operating Profit (after tax)	**29.2**	21.4	19.5	22.8	21.9
Net Profit After Tax ($m)	**24.8**	16.6	20.4	23.2	22.0
Dividends paid ($m)	**13.1**	12.8	15.0	15.6	5.0
Capital Investment ($m)	**13.1**	13.8	72.1	103.7	46.1
Net Debt ($m)	**108.8**	123.9	129.2	75.7	-
Equity Ratio	**72%**	70%	70%	74%	90%
Debt Coverage Ratio	**1.80**	2.98	3.36	1.79	n/a
Interest Coverage Ratio	**6.8**	4.5	6.2	31.7	n/a
Gross return on Operating Assets %**	**10.0%**	7.2%	9.8%	14.4%	13.6%
Return on Shareholders' Funds %***	**6.1%**	4.2%	5.5%	6.6%	6.5%
Return on Invested Capital (after tax) %****	**5.3%**	3.9%	3.9%	5.7%	6.4%

* Profit from operating activities before finance costs, tax, depreciation, amortisation and impairments, other income & expenses, joint venture results

** Result from operating activities divided by average non-current assets used in operations (excluding work in progress)

*** Net profit after tax divided by average shareholders' funds

**** Net operating profit (after tax) divided by average non-current assets and net working capital less lease liabilities and cash and cash equivalents

Directory

Directors

Blair O'Keeffe (Chair)
Stephen Moir
John Harvey
Kylie Clegg
Vincent Tremaine
Debbie Birch
Dan Druzianic

Senior Management Team

Todd Dawson – **Chief Executive**
Kristen Lie – **Chief Financial Officer**
David Kriel – **General Manager Commercial**
Jo-Ann Young – **Corporate Affairs Manager**
Adam Harvey – **Chief Operating Officer**
David Broad – **General Manager Assets and Infrastructure**
Chris Wylie – **General Manager Port Optimisation**

Bankers

Westpac New Zealand Limited
16 Takutai Square
Auckland 1010
New Zealand

Industrial and Commercial Bank of China (New Zealand) Limited
Level 11
188 Quay Street
Auckland Central 1010
New Zealand

Solicitors

Bell Gully
171 Featherston Street
Wellington
New Zealand

Auditors

Ernst & Young
PO Box 490
Wellington 6140
On behalf of the Auditor-General

Registered Office

Breakwater Road
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Bond Supervisor

Public Trust
Level 16, SAP Tower
151 Queen Street
Auckland 1010

Share Registry

For enquiries about share transactions, dividend payments, or to change your address, please get in touch with:

Link Market Services Limited
PO Box 91976
Victoria Street West
Auckland 1142

Phone: **+64 9 375 5998**
Fax: **+64 9 375 5990**
Email: **napierport@linkmarketservices.co.nz**

Copies of the annual report are available at ***napierport.co.nz***

Financial Calendar

18 December 2024 - **Final dividend payment**
19 December 2024 - **Annual meeting**
31 March 2025 - **Half-year balance date**
May 2025 - **Interim results announced**
June 2025* - **Interim dividend payment**
30 September 2025 - **Financial year end**
November 2025 - **Annual results announcement**

* *Subject to board approval*


NAPIER PORT
Te Herenga Waka o Ahuriri