

**PORT TARANAKI LIMITED**

**DRAFT STATEMENT OF CORPORATE INTENT**

**For the period from 1 July 2026 to 30 June 2029**

**Introduction**

This statement is submitted by the Directors of Port Taranaki Limited (“**Port Taranaki**”, “**Company**” or “**Port**”) in accordance with the requirements of Section 9 of the Port Companies Act 1988. It sets out the Board’s intentions, objectives and expectations of the Company for the period 1 July 2026 to 30 June 2029.

The purpose of this Statement of Corporate Intent is to:

- State publicly the activities and intentions of Port Taranaki and the objectives to which those activities will contribute; and
- Provide a basis for the accountability of Port Taranaki’s Board of Directors to the Shareholder for the performance of the Company.

Port Taranaki’s achievements against the objectives in this SCI will be reported in the Company’s Annual Report for the year ending 30 June 2027.

**Objectives**

The Company’s principal objective is to operate as a successful business. Port Taranaki therefore seeks to create long-term value for its Shareholder and ensure that the Company is seen as a responsible corporate citizen that is successful and sustainable and one that the region and community are proud of. The Company will:

- Seek to deliver on the performance targets and measures set out in this SCI.
- Provide its Shareholder with a fair dividend<sup>1</sup>.
- Pursue business opportunities that seek to diversify revenue and are based upon our capabilities and expertise.
- Undertake activities designed to ensure the safe and effective utilisation of its assets, its people, contractors and other service providers.
- Provide customers with a safe, effective, efficient and competitive port operation.
- Focus on the health, safety, and wellbeing of its people by a culture of safety leadership that seeks to reduce risk and continuously improve safety in the work environment.
- Pursue a commitment to protecting the environment.
- Be a fair employer and provide a workplace that values people, supports the development of its people and builds teamwork, diversity and inclusion.
- Have regard to the issues that its stakeholders consider material.

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<sup>1</sup> In determining dividends, Directors will consider the Company’s capital requirements, operating performance and financial position.

- Manage its financial assets and liabilities prudently with the aim to provide an appropriate return on the Shareholder's investment, whilst ensuring the provision of long-term marine and port infrastructure assets for the region.

### **Nature and Scope of Activities**

Port Taranaki is a key economic and supply chain asset for Taranaki and New Zealand. It is the only deep-water port on the west coast of New Zealand and connects important regional and national industries with the world. Port Taranaki serves the bulk liquids (energy), dry bulk (fertiliser, stock feed, and cement), and forestry (logs) sectors, and supports the import and export of general cargo. The Company also provides marine and cargo services, logistics services (including offshore support), and property and storage services.

In achieving its strategic objectives, the nature and scope of activities undertaken by the Company will be influenced by, and be responsive to, the competitive and regulatory environment. The Shareholder will be informed and consulted on any proposal for significant diversion from existing activities or expansion into new business areas.

Our success will be achieved by adapting to the new business environment, finding new ways of working and seizing opportunities so our business and region can prosper. In working to achieve this purpose our strategy has five key focus areas:

- People.
- Customers.
- Efficiency.
- Assets.
- Community.

The enablers of our strategy are: (1) People; (2) Connectivity; and (3) a Flexible Land Footprint.

### **Mission and Vision**

Port Taranaki is an important economic and supply chain asset for Taranaki and beyond. We are in a period of transition - the energy economy is changing, presenting both opportunities and threats.

Our vision is to be a national energy and logistics hub – a facility with multiuse infrastructure to support a range of businesses and industries, including potential LNG; offshore wind production and other new energy projects; decommissioning of oil and gas assets; forestry and agriculture imports and exports; heavy lift project cargo; and possible roll-on roll-off services.

### ***The Pride of Taranaki. Enabling Trade and Fuelling Regional Growth.***

### **Performance Targets**

#### **1. Trade Volumes**

The Company will pursue strategies aimed at maximising the opportunity for trade through the Port, by expanding our service offering, positioning ourselves for the future and growing the Port's hinterland. Over the next three financial years the Company aims to achieve a trade volume of 2.3 million freight tonnes.

## 2. Financial

The Company will provide an assessment of its financial performance against several measures based on the value of its assets including:

- Profitability and growth;
- Return on assets and capital employed; and
- Gearing levels and capability to service that debt.

The key financial targets of the Company are as presented in the table below:

<i>Year Ending 30 June</i>	<b>2027 - 2029</b>
<b>EBITDA on Average Total Assets</b>	> 10.5%
<b>Return (NPAT) on Average Total Assets</b>	> 4.4%
<b>Return (NPAT) on Average Shareholder's Funds</b>	> 5.5%
<b>Shareholder Equity Ratio (Shareholder Equity / Total Assets)</b>	> 65%
<b>Interest Coverage Ratio</b>	> 5x

## 3. Our People

People are integral to us delivering on our strategy. Supporting our people, keeping them (long with port users and contractors) safe and providing a healthy workplace is a given.

Safely home every day is a key goal. Facilitating safe, efficient, and profitable port operations is fundamental and we take the safety and wellbeing of our people seriously and we actively support our people in this space.

Managing critical risks and ensuring we have effective controls is a key focus area as this provides confidence that controls protecting against catastrophic events are effective and reliable. Over the next year we will focus on:

- Reviewing the overall effectiveness of our critical risk / critical control programme.
- Assessing audit coverage, as well as control verification reviews, and action closure rates.
- Recommending and prioritising programme improvements.

Another key focus area over the next 12 months will be psychosocial risk management. We aim to: (1) deliver team-based workshops to identify psychosocial risks and supportive factors; (2) provide team-specific and organisation-wide feedback to leaders; and (3) develop and embed an ongoing psychosocial risk management approach.

The Company seeks to be a fair employer and provide a workplace that values people, supports the development of its people and builds teamwork, diversity and inclusion.

## 4. Community and Customers

Our activities impact many stakeholders – our employees, the community, Iwi, hapū, our customers, our shareholder and others key stakeholders. We aim to be the Pride of Taranaki, enable trade and fuel regional growth. In striving to achieve our vision and deliver on our mission we will work collaboratively with Iwi and hapū and engage with the local community.

Port Taranaki will continue to provide sponsorship and support to the community through activities such as sponsoring the Health and Safety Excellence Award at the Taranaki Chamber of Commerce

Business Excellence Awards, partnering with Taranaki Youth Boost; and supporting the Science and Technology Fair.

## **5. The Environment**

Over the course of the next three financial years, PTL will focus its environmental management attention on the following environmental topics:

- Define and rank significant environmental threats using ESG materiality insights.
- Frame significant environmental threats as threats to both the physical environment and the business.
- Model significant environmental threats management and assurance using a Critical Risk / Critical Control approach.

## **6. Multi-purpose Hub**

We seek to create value over the long term and in this regard we have continued to develop our vision to be a national energy and logistics hub – a facility with multiuse infrastructure to support a range of businesses and industries, including potential LNG; offshore wind production and other new energy projects; decommissioning of oil and gas assets; forestry and agriculture imports and exports; heavy lift project cargo; and possible roll-on roll-off services. This work helps ensure long-term business resilience and positions us to play an important role in the future.

We welcomed the Government's launch of a formal procurement process for an LNG import facility in New Zealand, and engaged with Government, potential developers and the energy industry regarding our port's ability to support a range of feasible LNG solutions – utilising our existing infrastructure, including wharves, pipelines, storage areas, and connectivity to national transmission pipelines and storage facilities.

Port Taranaki was also encouraged by the Government's announcement of support for the acceleration of the delivery of renewable energy, speeding up consenting and enabling offshore renewable energy production.

Work to implement the LNG import project, while maintaining options for offshore wind, renewables, decommissioning, aquaculture will be a key focus during the next 12 months.

We continue to be focused on diversification, enhancing our infrastructure, and community relations – all crucial elements for sustaining growth and supporting the broader Taranaki region's economic health.

## **Governance**

PTL's Board of Directors is accountable to its Shareholder on how it runs the business, manages risks, reviews and improves performance and delivers on its promise as set out in this SCI.

In discharging its duties, Port Taranaki's Directors are committed to high standards of corporate governance and have adopted the following governance objectives:

1. To lay solid foundations for management and oversight.
2. To structure itself to add value through its composition, size and commitment.
3. To promote ethical and responsible decision-making and act ethically and responsibly.
4. To safeguard the integrity of its corporate reporting.
5. To respect the rights of its Shareholder.
6. To recognise and manage risk.

7. To remunerate fairly and responsibly.
8. To ensure that PTL acts as a good corporate citizen.
9. To promote a Company culture that embraces diversity and inclusion.

The Board conduct, responsibilities and commitments are guided by its Board Charter and key Company Policies.

PTL's Directors are appointed by the Shareholder, and the role of the Board is to effectively represent and promote the interests of the Shareholder with a view to adding long-term value to the Company. Having regard to its role the Board directs and supervises the management of the business and affairs of the Company.

In accordance with its Board Charter, Board committees are formed when it is efficient or necessary to facilitate efficient decision-making. Each Board Committee has a written charter approved by the Board. The members of each Board Committee are appointed by the Board based upon the needs of the Company, relevant legislative and other requirements and the skills and experience of the individual Directors. The role, function, charter, performance, and membership of each Committee are reviewed by the Board on an annual basis. During FY25 the Board determined that all Directors would sit on the Health, Safety Environment and Governance Committee.

### **Distribution of Profits to Shareholder**

The Company's Capital Management Policy is to maintain a stable and strong capital base, defined as targeting a long-term Standard and Poor's shadow credit rating of BBB, to maintain investor and creditor confidence and to sustain the future business development of the Company. In accordance with its Capital Management Policy, the Company's annual dividend pay-out takes into consideration:

- Earnings, cashflow and performance in any given period;
- Working capital requirements;
- Capital expenditure requirements;
- Risks from predicted short and medium-term economic and market conditions;
- The Company's trade and financial outlook;
- The free cash flow available for distribution;
- The tax efficiency of distributions; and
- The interests of the Shareholder.

The Company forecasts, subject to the Directors' consideration of the above factors, that it will pay an annual dividend greater than or equal to \$8.00 million for each of the next three financial years.

The current operating environment is uncertain and developing forecasts is challenging. Dividend payments will reflect the circumstances at the time.

Year Ending 30 June	2027 - 2029
Expected minimum dividend per annum (\$m)	\$8.00

### **Accounting Policies**

Policy application will be made consistent with and conform to:

- The legal requirements of the Companies Act 1993;
- Generally accepted accounting principles (NZ GAAP);

- Financial Reporting Act 2013;
- New Zealand equivalents to the International Financial Reporting Standards (NZIFRS); and
- Other applicable regulatory and statutory requirements.

### **Shareholder Information**

The Company will provide the Shareholder with information (within two months of the relevant reporting period) that is normally provided to a controlling private Shareholder, and as required under the Port Companies Act 1988 as set out below.

- Quarterly reports on activities and results including health, safety and environmental performance.
- Half-yearly report including such information as the Directors consider necessary to enable an informed assessment to be made of the Company's performance in the reporting period.
- Annual Report containing audited financial statements for the year.
- Budget and Business Plan financial information for the first of the three-year period covered under the Statement of Corporate Intent.
- Details of any significant new developments which have not been covered in the Budget or Statement of Corporate Intent for the year.
- Any information which would normally be available to a Shareholder, thereby enabling the Shareholder to assess the value of its investment in the Company.
- Significant departure from the anticipated performance of the Company including industrial or other activities that may affect the operations or reputation of the Company.
- Details of any new developments which would involve a significant move away from the current activities of the business.

In addition, the Company will provide to the Shareholder, within one month of commencement of each financial year, its draft Statement of Corporate Intent for that year with the expectation that it will be completed before the end of the first quarter of the financial year.

### **Procedures for Major Transactions and Other Acquisitions and Disposals**

The Company will only invest in the shares of another business when the shares acquired are considered likely to bring added value or will further enhance the objectives of the Company.

The Company will not enter into major transactions as defined in Section 129(2) of the Companies Act 1993 without the consent of the Shareholder.

The Company will not enter into any transaction of the nature of a major transaction where: (a) the acquisition is of assets equivalent in value to 20% or more of the assets of the Company before the acquisition; or (b) the disposition of assets equivalent in value to 20% or more of the assets of the Company, without giving written notice to the Shareholder of its intention and consulting with it.

The Company will always ensure that:

- Control of the affairs of every subsidiary of the Company is exercised by a majority of the Directors of that subsidiary; and
- A majority of the Directors of every subsidiary of the Company are persons who are also Directors or Executives of the Company, or who have been approved by the Shareholder for appointment as Directors of the subsidiary.

### **Procedures for Issues of Shares**

In accordance with paragraph eight of the Company's constitution, the Company will not issue any shares unless the Shareholder has resolved by ordinary resolution to approve the issue.

Consent of the Shareholder must be granted prior to the Company entering into any transaction(s) that may have immediate or future potential to alter the current ownership structure of the Company.

### **Activities for Which Compensation is Sought**

The Company, if requested by the Shareholder, will construct and maintain recreational facilities, for which the Company expects to be remunerated.

### **Estimate of Commercial Value of the Shareholder's Investment**

The Directors' assessment of the value of the Shareholder's investment in the Company is the valuation of the worth of the net tangible assets at 30 June 2026 as shown in the audited financial statements as at that date. The market value of the Company may differ to that value.

A reassessment of the value of the Shareholder's investment in the Company will be undertaken as may be required from time to time by the Shareholder or Directors. In reassessing the value of the Company, following a specific request to do so, the Company is likely to determine the commercial value of the Company through a discounted cash flow approach.