



STATEMENT OF CORPORATE INTENT

FY 2026 - 2028



Port Marlborough





People Ngā Tāngata

Port Marlborough is a safe, supporting and rewarding place to work



Planet Te Taiao

Our future success depends on responsible, intergenerational guardianship of our port and environment



Prosperity Tōnuitanga

We deliver sustainable returns and regional prosperity built on strong commercial foundations



Performance Kounga

We deliver what we promise by focusing on customer satisfaction, well-managed infrastructure, and innovation that supports sustainable success



Partnerships Whakawhirinaki

Through strong governance, transparent communication, and respectful relationship, we uphold the trust placed in us by our communities, partners and regulators

OBJECTIVES

Port Marlborough operates under the Port Companies Act 1988 with a commercial mandate to deliver sustainable returns to its sole shareholder, MDC Holdings Limited. These returns ultimately benefit the people of Marlborough through the Marlborough District Council.

Alongside this commercial focus, Port Marlborough's strategy is guided by a commitment to sustainability and long-term regional success. The company's refreshed five-pillar framework of **People, Planet, Prosperity, Performance and Partnerships** supports this direction by providing a clear structure for decision-making, investment and delivery.

The strategy balances economic, environmental and social objectives. It places strong emphasis on the health, safety and wellbeing of workers, the protection and restoration of the natural environment, and enabling regional prosperity. The introduction of the Performance pillar brings a sharper focus to infrastructure delivery, customer service, innovation and operational resilience, while ensuring transparency and accountability in how results are achieved.

Through this approach, Port Marlborough aims to support Marlborough's key industries, deliver value to its shareholder, and ensure its operations continue to contribute to a thriving, sustainable region.



People

HEALTH, SAFETY & WELLBEING

Guided by company values of Hauora and Mahi Tahi, we continue to prioritise the health, safety, and wellbeing of everyone in our workplaces.

Ongoing investment in safety systems, fatigue risk management, and risk-based resources ensures teams are supported in an evolving regulatory environment and in the unique challenges posed by the nature of a 24/7 port environment. To further embed a strong safety culture, new reporting metrics including the Health and Safety Performance Index (HSPI) are included to provide greater visibility and accountability across the business.

We are implementing targeted strategies to strengthen wellbeing and engagement, and to ensure Port Marlborough remains a safe and rewarding place to work.

PEOPLE & CULTURE

We recognise that having the right people in the right roles is essential to safe and effective operations. We continue to develop teams in response to increased shipping activity and 24-hour operations, while maintaining capability to respond to emergencies and weather events.

We continue to plan for a future workforce by offering cadetship and apprenticeship programmes, building a pipeline of skilled talent for the region and the wider maritime sector. At the same time, we are growing leadership capability within the workforce and are taking steps to improve diversity, including regular reporting on the gender pay gap.

This people-first approach reinforces the commitment to valuing every individual and remaining a preferred employer in the region.



Planet

We recognise that the long-term success of both Port Marlborough and the wider region depends on the health of the Marlborough Sounds environment. The strategic approach under this pillar is grounded in kaitiakitanga, (environmental stewardship), and reflects the commitment to protecting and restoring the natural systems that support regional businesses and communities.

KAITIAKITANGA

The company value of Kaitiakitanga remains central to decision-making. We will continue to lead by example in environmental performance, ensuring that operations meet high standards and are managed effectively to support environmental protection. We intend to maintain leadership in ESG reporting and certification, building on achievements such as Marlborough Sounds Marinas' International Clean Marinas Accreditation and through GRI-aligned sustainability reporting. These efforts ensure a culture of accountability and action across the business.

EMISSIONS REDUCTION

Port Marlborough is committed to reducing emissions in line with science-based targets. The company's first Emissions Reduction Plan, developed with Tonkin + Taylor, and soon to be published in 2025 sets out a clear pathway aligned with a 1.5°C warming climate scenario.

The plan sets a path to reduce emissions by 43% by 2030 and by 90% by 2050, using 2023 as base year data. Implementation of five core reduction initiatives will be prioritised across operations, with progress monitored and verified. Emissions reduction will be embedded into capital planning, procurement, and daily operations as we transition to a lower carbon future.

ENVIRONMENTAL MANAGEMENT

We will continue to take a structured, practical approach to managing environmental impacts. The Environmental Management System follows the Plan-Do-Check-Act model and is being aligned to the ISO14001 standard. This system will guide compliance and continuous improvement, enabling the proactive identification of risks, meaningful target-setting, and evidence-based decision making. Environmental management plans remain a core requirement for all construction and development projects.

RESTORATION

We are committed to supporting the long-term ecosystem health and sustainability of the unique Marlborough Sounds environment through active restoration and enhancement plans. Over the next three years, targets are set around native planting programmes across 26 hectares of land in Shakespeare Bay to support biodiversity and natural regeneration. Habitat restoration will remain a core part of environmental work, with future opportunities identified through ecological assessments and engagement with local partners. The restoration focus supports outcomes that benefit the environment and the industries and communities that depend on it.



Prosperity

The Prosperity pillar keeps a clear focus on delivering sustainable economic returns for Marlborough through our shareholder, Marlborough District Council Holdings.

As the key Te Tau Ihu gateway at the SH1 connection between the North and South Islands, Port Marlborough plays a vital role in enabling trade, tourism and freight movement across road and rail networks.

Sustainable returns to the shareholder will continue to be delivered through a dividend policy of no less than 45% of after-tax profit. The strategy introduces a commitment to establish metrics that track and report on the broader economic benefit the port delivers to the region, providing a clearer view of its contribution to Marlborough's prosperity. Operations contribute to sustainable regional success by facilitating key sectors including forestry export, aquaculture, fishing, marine services, ferry and freight logistics, and tourism. By connecting people, goods and industries, we help drive long-term prosperity and enable Marlborough's economy to thrive.

FORESTRY

Port Marlborough is continuing to evolve its forestry export services in response to changing industry needs. Waimahara Wharf at Shakespeare Bay provides deep-water access and dedicated log handling infrastructure, supporting regional forestry trade through efficient and reliable export operations.

Recent upgrades have expanded paved surfaces across the port yard, improving stormwater management and reducing sediment runoff while enabling increased storage density. The port is committed to maximising the use of this investment by improving operational efficiencies, supporting vessel turnaround, and enhancing environmental performance.

The addition of the debarking facility, developed in partnership with C3/Pedersen Group, enables Picton to operate as a finishing port, aligning with international biosecurity expectations. Port Marlborough continues to work with industry partners to respond to sector demand, build operational resilience, and support the long-term viability of forestry trade and export through the region.

FISHING AND AQUACULTURE

Port Marlborough remains committed to supporting the fishing and aquaculture sectors through continued investment in fit-for-purpose infrastructure and services. Industry-specific facilities are maintained at key remote locations, including Elaine Bay and Oyster Bay along with wharves and marine infrastructure in Havelock and Picton. These sites include landing areas, cranes and berths designed for fishing vessels, supply barges and marine farming operations. The port's infrastructure and commercial property portfolio supports the full value chain from on-water operations to processing and distribution.

Over the coming period, Port Marlborough will complete a bespoke warehousing and storage facility for New Zealand King Salmon (NZKS) and Waikawa Fishing Company in the port's Westshore zone. This facility will enable direct sea delivery of fish feed, reducing transshipments and lowering road freight emissions. Continued collaborative partnerships with industry and infrastructure enhancements will ensure the port remains aligned with sector needs.



FREIGHT AND PASSENGER TRANSPORTATION

Port Marlborough plays a critical role in New Zealand's national transport network, supporting Cook Strait freight and passenger ferry services from Waitohi Picton. As part of State Highway 1, the port's roll-on/roll-off berths, marshalling yards and passenger terminal infrastructure will continue to ensure seamless inter-island connectivity for major commercial partners StraitNZ Bluebridge and KiwiRail Interislander and other export industries.

WAITOHI FERRY PRECINCT REDEVELOPMENT PROJECT

With the scope for new ferry infrastructure recently confirmed by the government, Port Marlborough is committed to advancing delivery of this project in close partnership with KiwiRail, Ferry Holdings Limited, CentrePort, Marlborough District Council and iwi partners. Work will proceed with a focus on safety, efficiency and collaboration, while carefully navigating the operational constraints of a live port environment. These upgrades will enable connection for rail-enabled ferries and support long-term capacity, resilience and connectivity across the Cook Strait in this vital SH1 connection.

MARINE SERVICES

Berths in Waitohi Picton and Shakespeare Bay accommodate a wide range of vessels, including fishing and aquaculture vessels, bulk cargo carriers, and cruise ships. The port's marine services division ensures maritime safety in the Marlborough Sounds and the safe berthing and unberthing of vessels in Waitohi Picton harbour. The marine fleet comprises the Pilot boat "Endeavour" and three harbour tugs. The recently added tug "Kaiana," has a bollard pull of 50T and is Marpol Tier

III compliant. She will be joined by a larger 70T bollard pull tug Kaiaua, also Marpol Tier III compliant set to arrive in the 2026 calendar year. This brings further resilience to operations and emergency response.

MARLBOROUGH INLAND HUB LTD

Marlborough Inland Hub Ltd (MIHL) is a 50:50 joint venture between Port Marlborough and CentrePort Wellington, established to support regional industry and create lower carbon, more resilient freight pathways to market.

Located on a 32-hectare Industrial 2 zoned site at Riverlands, adjacent to State Highway 1 and the main rail line, MIHL will offer industries an alternative route to international markets via Wellington, through Picton. The MIHL Board has completed master planning and secured resource consents for direct road connections to SH1 and Cloudy Bay Drive. Development of the site will continue over the next three years in line with market demand.

MARINA OPERATIONS

Port Marlborough, through its subsidiary Marlborough Sounds Marinas, will continue to maintain a high standard of service across its marina network, which includes more than 2,000 wet and dry berth facilities. Located in Picton, Waikawa and Havelock, the network provides critical infrastructure that supports recreational boating, aquaculture, marine services and tourism.

MARINE ENGINEERING AND MAINTENANCE SERVICES

Future priorities include the review of haul-out and servicing capacity, improving marina amenities, and working alongside the marine industry to meet evolving

user needs. The Waikawa Marine Centre will remain a central servicing hub, with its 35-tonne Marine Travelift, hardstand capacity for up to 45 vessels, and strong network of marina trades. Additional marina servicing facilities in Picton and Havelock continue to support a wide range of commercial and private recreational vessels.

Port Marlborough works proactively in partnership with Marlborough District Council's biosecurity team to manage marine biosecurity risk and uphold environmental standards. Waikawa and Havelock marinas will continue to operate as certified Ports of First Arrival for international vessels with the Waikawa hardstand functioning as a certified decontamination facility.

HAVELOCK CHANNEL ACCESS AND MARINA REDEVELOPMENT

The announcement of the \$9.9 million loan from the Regional Infrastructure Fund to support the Havelock Redevelopment Project contributes to a \$19.8 million project that will enable safe marine access through the Havelock Channel and includes the renewal of key marina infrastructure.

This staged redevelopment will ensure Havelock remains a fit-for-purpose marine transport hub for Sounds Residents, the aquaculture industry, commercial partners and the wider boating community. The project includes the redevelopment of three jetties to increase berthage capacity and provide for future industry growth. With funding confirmed, project teams are progressing planning and approvals, working closely with Marlborough District Council, the Marine Farming Association, the local community and Havelock's tangata whenua iwi to support effective and timely delivery.

Performance

The introduction of the Performance pillar brings greater focus to delivery, aligning Port Marlborough's strategy with shareholder and Board expectations for improved transparency, accountability and measurable impact. It reinforces the company's long-term commitment to infrastructure resilience, customer value and operational excellence. To ensure progress is measurable, a new set of performance indicators have been introduced in the SCI under this pillar. These include metrics such as Net Promoter Scores (NPS) for both port and marina customers, marina occupancy rates, and wharf utilisation. Together, they provide a clearer view of customer satisfaction, operational effectiveness, and the alignment of infrastructure with regional demand.

CUSTOMERS

A customer-first approach is being further embedded across the organisation. With thousands of internal and external customers, the focus is on developing a deeper understanding of customer needs, expectations and service delivery levels. Customer Relationship Management (CRM) tools and customer insights are being used to enhance engagement, improve service delivery and support commercial performance. Baseline NPS scores will be further established across business areas and tracked to measure customer satisfaction and drive targeted improvements.

INFRASTRUCTURE DEVELOPMENT

Infrastructure development remains a key priority, guided by long-term planning and a focus on value for customers, the region and the shareholder. Port Marlborough is refreshing its 50-year port infrastructure plan in collaboration with stakeholders to ensure it remains aligned with future demand and investment feasibility. Metrics around berth occupancy and commercial wharf utilisation have been introduced to improve operational optimisation. With significant capital programmes underway, including the Havelock Marina Redevelopment and the Cook Strait ferry infrastructure project in Waitohi Picton, Port Marlborough is working closely with central and local government, iwi and the community to ensure infrastructure development meets future needs. Ongoing investment in infrastructure, systems and capability will also support the region's disaster response and recovery planning.

TECHNOLOGY AND INNOVATION

Port Marlborough is advancing its digital strategy to improve operational efficiency, strengthen cyber security and enhance the customer experience. Key areas of focus include CRM implementation, digital contract systems, workflow automation and the deployment of AI-enabled asset management tools. These improvements will support data-driven decision-making and help support future resilience.



Partnerships



Port Marlborough is committed to being a trusted and proactive community partner. Our sustainability efforts are shaped by a clear understanding of stakeholder priorities, environmental responsibilities, and long-term business success.

SPONSORSHIP

Port Marlborough has committed to delivering the equivalent of at least 1% of EBITDA annually to support community partnerships, sponsorships and programmes aligned with its strategic objectives. Key partnerships will continue across a range of initiatives such as the Marlborough Environment Awards, Marina2Marina, and the Port Marlborough Sounds Discovery Fund. In-kind sponsorships provide facilities for lifeline and community services such as Marlborough Nelson Marine Radio, Coastguard Marlborough, Envirohub, and Picton Foodbank.

Continuing the company's focus on transparency and accountability, the first Community Impact Report will be aligned with the Business for Societal Impact (B4Si) framework and provide a structured overview of community investment, including financial and in-kind contributions, staff volunteering, social procurement and the outcomes achieved. This work is designed to demonstrate the value created by Port Marlborough through these partnerships and support long-term, informed engagement with stakeholder communities.

ENGAGEMENT

Engagement with iwi, customers, employees, communities and regulators continues to inform strategic priorities. Regular stakeholder engagement identifies topics most critical to both stakeholders and the business providing insights to guide decision-making. These are reported through the Annual Report in accordance with Global Reporting Initiative standards.

The company plays an active role in regional planning, working alongside stakeholders to ensure port operations are aligned with broader community outcomes. This includes future/master planning for operational areas, as well as participating in wider strategic initiatives such as emergency preparedness and lifeline infrastructure planning. A “no surprises” approach continues to guide engagement with the shareholder and key stakeholders, supporting consistent communication, transparency and alignment on shared priorities.

Measuring Success

People

KEY PERFORMANCE INDICATOR	ACTUAL	TARGET		
	24/25	25/26	26/27	27/28
HEALTH & SAFETY				
Active Monitoring (work as done vs imagined)				
Critical Control Verification (CCV) Average Score	TBA ⁴	80%	90%	100%
Workplace Verification (WPV) Average Score	TBA ⁴	70%	80%	90%
Re-Active Performance Monitoring				
High Consequence Injury Frequency Rate (HCIFR -200,000)	TBA ⁴	0	0	0
Total Recordable Injury Frequency Rate (TRIFR – 200,000)	TBA ⁴	<4	<4	<4
System Performance Monitoring				
Lead to Lag Event Ratio	TBA ⁴	15:1	20:1	25:1
PEOPLE AND CULTURE				
Living Wage Accreditation	✓	✓	✓	✓
Gender Pay Gap	TBA	TBA	TBA	TBA
Create opportunities for students including Internships, Apprenticeships & Cadetships	4	≥4	≥5	≥6
Employee engagement score	78%	+2%	+2%	+2%

Planet

KEY PERFORMANCE INDICATOR	ACTUAL	TARGET		
	24/25	25/26	26/27	27/28
PMNZ Freshwater Withdrawal	TBA ⁴	≤ 0% +	≤ 0% +	≤ 0% +
Waste to Landfill Diverted	TBA ⁴	70%	75%	80%
GHG ¹ Scope 1 & 2 (Carbon Reduction)	TBA ⁴	10%	25%	30%
GHG ¹ Storage	TBA ⁴	10% +	10% +	10% +
Biodiversity – area of habitat restored	Unmeasured	5ha	10ha	10ha
Consent Compliance Incidents	Unmeasured	0% non-compliance	0%	0%
International Clean Marinas Accreditation	-	✓	✓	✓

Prosperity

KEY PERFORMANCE INDICATOR	ACTUAL	TARGET		
	24/25	25/26	26/27	27/28
EBITDA ³	TBA ⁴	\$21.31m	\$25.17m	\$31.87m
NOPAT ²	TBA ⁴	\$8.27m	\$8.88m	\$11.51m
Return on Shareholder's Funds = NOPAT / Avg Shareholder Funds	TBA ⁴	4.46%	4.69%	5.91%
Shareholder's Funds to Total Assets	TBA ⁴	58.38%	50.85%	46.80%

Performance

KEY PERFORMANCE INDICATOR	TARGET		
	25/26	26/27	27/28
Marina Customer NPS score	Establish Metric	TBA	TBA
Port Commercial NPS score	Establish Metric	TBA	TBA
Marina Occupancy	98%	+2%	+2%
Waimahara Wharf Utilisation	Establish Metric	TBA	TBA

Partnerships

KEY PERFORMANCE INDICATOR	ACTUAL	TARGET		
	24/25	25/26	26/27	27/28
Invest 1% of EBIT ³ (three year rolling average) in community sponsorships and programmes	TBA ⁴	\$191k	\$153k	\$190k

¹ GHG Net Emissions = Scopes 1 + 2 emissions

² NOPAT = Net Operating Profit after Tax

³ EBITDA – Earnings before Interest, Tax, Depreciation and Amortisation

⁴ TBA = To Be Advised (pending completion of Annual Accounts)

PERFORMANCE RISK

Port Marlborough regularly reviews and reports on its Enterprise Risk Framework. This framework is informed by regular assessments, regular reporting, and continuous stakeholder engagement feedback. This approach ensures that risk ownership is clearly defined, mitigation strategies are aligned with our organisational objectives and material topic management, and that the effectiveness of these strategies are regularly reviewed and improved.

Risks to achievement of our objectives are:

- Forestry export market and cruise tourism fluctuations
- A major external event (natural disaster, alpine fault, tsunami, act of terrorism, pandemic or war) impacting Port Marlborough operations or supply chains
- Timing and quantum of funding requirements for the redevelopment of the inter-island ferry facilities.

DIVIDEND POLICY

A recommendation on the level of any dividend to be paid will be made by Directors each year. Dividends to shareholders will be maximised consistent with consideration of the current and future capital requirements of the company and its equity ratio. It is intended that distributions will not be less than 45% of after-tax profit as returned to Inland Revenue and will be maintained in years when net profit is affected by extraordinary or one-off items, such as costs associated with the iReX wind-up agreement and the impact of elements related to the forecast expenditure for the Havelock Redevelopment Project.

Year	Projected Dividend Distribution
2026	\$4.31m
2027	\$4.64m
2028	\$4.82m

PROJECTED BORROWINGS

Projected borrowing is set to increase over the reporting period as Port Marlborough undertakes an intensive period of investment on core infrastructure replacement projects.

Year	Projected Gearing Ratio (Debt/Total Assets)	Level of Debt (Current/Projected)
2025	TBA	\$70m
2026	35%	\$112m
2027	43%	\$163m
2028	48%	\$203m

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)
- Other applicable regulatory and statutory requirements.

The latest published Annual Report including the Statement of Accounting Policies is at www.portmarlborough.co.nz.

PROCEDURES FOR SHARE SUBSCRIPTIONS OR PURCHASES

The company will only invest in another business when it is consistent with the nature and scope of activities and objectives contained in this SCI.

In cases where the company intends to acquire an interest in another business as listed below, either by single transaction or any series of transactions, through the purchase of shares or by other means, it will give the shareholders prior written notice of its intention.

- A business outside the company's current nature, scope and objectives; and/or
- 20% or more of a business; and/or
- An activity where the cost is more than 10% of the company's shareholder funds; and/or
- A business or activity outside the Marlborough District;

DIRECTORS' ESTIMATE OF COMPANY VALUE

The Directors estimate that the opening balance of Shareholder's Funds in the annual accounts will represent the value of the company. The Directors will advise the Shareholders on an annual basis if they believe the value to differ materially from this state.

As part of adoption of IFRS, land, buildings and port infrastructure are valued on a regular basis by independent valuation.

The opening balance of Shareholder Funds at 1 July 2025 is \$TBA (2024: \$183.39m).

APPENDIX 1

SUBSIDIARIES AND ASSOCIATED COMPANIES

The Group consists of

- Waikawa Marina Trustee Limited
- PMNZ Marina Holdings Limited
- Marlborough Inland Hub Limited (Associate)

Waikawa Marina Trustee Limited and PMNZ Marina Holdings Limited were incorporated in September 1997 to facilitate the sale of long-term berth entitlements in the Waikawa Marina extension.

Marlborough Inland Hub Limited was incorporated in June 2022 and is a 50:50 joint venture with CentrePort Limited to facilitate the movement of container Exports and Imports for the Marlborough Region.

The company shall ensure at all times that in the case of new subsidiaries:

1. Control of the affairs of every subsidiary of the company is exercised by a majority of the Directors of that subsidiary.
2. A majority of the Directors of every subsidiary of the company are persons who are also Directors or Employees of the company or who have been approved by the shareholders for appointment as Directors of the subsidiary.
3. Without the prior consent of the Shareholders, neither the Company nor any subsidiary of the Company shall sell or otherwise dispose of, whether by a single transaction or any series of transactions and whether by sale of assets or shares, the whole or any substantial part of the business or undertaking of the Company and its subsidiaries (taken as a whole).
4. Where the Company or its subsidiaries hold 20% or more of the shares in any company or other body corporate (not being a subsidiary of the company) it will not sell or otherwise dispose of any shares in that company without first giving written notice to the Shareholders of the disposition.

The term "share" has the same meaning as in Section 2 of the State-owned Enterprises Act 1986 and the term "subsidiary" has the same meaning as in Section 155 of the Companies Act 1993.



Port Marlborough