

6 October 2025

Port of Tauranga Limited (POT)



The company will hold its Annual Shareholders Meeting at 1.00pm Friday 31 October 2025.

The location is **Stadium Lounge, Mercury Baypark 81 Truman Lane, Mount Maunganui.**

You can also join the meeting online [at this link](#).

Company Overview

POT is the largest port company in New Zealand. As well as its main operations at Tauranga, the company owns:

- 50% of Northport Group Ltd – a new entity created following the takeover via scheme of arrangement of Marsden Maritime Holdings.
- 100% of Quality Marshalling Ltd, a specialist cargo handling services company.
- 100% of Timaru Container Terminal (which operates Metroport Christchurch).
- a 50% stake in Northport (with Marsden Maritime Holdings holding the other 50%).
- 50% in PortConnect an online cargo management system with Ports of Auckland.
- 50% in CODA, a freight logistics joint venture with Kotahi.
- 50% of Prime Port Timaru.
- Ruakura Inland Port. A 50/50 joint venture between Port of Tauranga and Tainui Group Holdings, connecting the new Ruakura Superhub logistics precinct in Hamilton by rail to Tauranga and Auckland.

POT also utilises the Metroport inland port in Auckland, which is owned and operated by KiwiRail.

Current Strategy

The strategy is to focus on maintaining its core business at Tauranga whilst also expanding into new businesses that are reshaping the service delivery in New Zealand's port sector.

The Port is seeking to expand its container terminal capacity to cater for larger vessels and become New Zealand's hub port.

Previous Year Shareholder Meeting

NZSA recorded the following key items at last year's annual shareholder meeting:

1. Last year was a challenging year for POT, with trade down 4.5% and profit <12%.
2. POT is making slow progress on its 'Stella Passage' container wharf development.
3. The company's operations and plans for rail links to inland ports incorporating Northport look well thought out.

The meeting report is available [at this link](#).

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Key

The following sections calculate an objective rating against criteria contained within NZSA policies.

Colour	Meaning
G	Strong adherence to NZSA policies
A	Part adherence or a lack of disclosure as to adherence with NZSA policies
R	A clear gap in expectations compared with NZSA policies
n/a	Not applicable for the company

Governance

NZSA assessment against its key policy criteria are summarised below.

G Directors Fees: Excellent disclosure.

G Director Share Ownership: Directors are not required to own shares.

G CEO Remuneration: The company discloses its remuneration policy on its website, which includes an overview of the remuneration philosophy applicable to the company. The People and Remuneration Committee are responsible for implementing the policy.

Incentives: The CEO is paid a short-term incentive (STI) in cash and a long-term incentive by way of Performance Share Rights.

NZSA encourages fulsome disclosure in relation to any incentive payments made to the CEO, including disclosure of measures (or measure 'groups'), weightings, targets, and the level of achievement versus target for each component associated with any awards. This methodology is supported by the new [NZX Remuneration Reporting Template](#).

The STI is awarded at a *target* of 50% of base salary. The measures, weightings, and level of achievement against each component are well-disclosed, with the overall STI award being made at 97.8% of target.

Performance rights are awarded under the LTI at 55% of base salary. Vesting then occurs after a three-year performance assessment period. The measures include total shareholder returns which is favoured by NZSA>

The company discloses the gender pay gap but not the CEO/employee remuneration ratio.

Golden Parachutes: In the interests of transparency, NZSA believes there should be explicit disclosure around the severance terms and notice periods associated with the CEO, including whether specific termination payments are offered. No disclosure is made.

G Director Independence: A majority of Directors are independent.

G Board Composition: The Annual Report includes a collective skills matrix however NZSA prefers a skills matrix that attributes skill sets to individual Directors to demonstrate how they contribute to the governance of the company.

We note the Annual Report *“The company’s objective is to target a minimum of 40% females and 40% males holding Director, senior management, and manager level positions. In 2025, the company had 24% females and 76% males holding these positions. The Board and management are actively working towards closing any gaps in skills and diversity objectives.”*

The company is one of few that participates in the IoD’s Future Director programme designed to develop and mentor the next generation of Directors. NZSA expect NZX50 companies to participate as part of a responsibility to develop and mentor the next generation of Directors.

G Director Tenure: NZSA looks for evidence of ongoing succession or ‘staggered’ appointment dates that reduce the risks associated with effective knowledge transfer in the event of succession. We also prefer a term maximum of 9-12 years, unless there are exceptional circumstances that may apply.

The Chair, Julia Hoare, and Doug Leeder were both appointed in 2015. NZSA has confirmed with the company that the Board is currently working with key stakeholders in considering transition options.

G ASM Format: Port of Tauranga Limited is running a ‘hybrid’ meeting, (i.e., physical, and virtual), a format preferred by NZSA as a way of promoting shareholder engagement while maximising participation. We note there is no disclosure as to the Auditor attending the ASM to answer shareholders questions.

G Independent Advice for the Board & Risk Management: NZSA looks for evidence, through disclosures, that a Board has access to appropriate internal and external expertise to support board assurance activities. We also look for evidence that Boards are across their risk management responsibilities.

In both cases there are comprehensive disclosures in either the Annual Report or the Corporate Governance Statement. Port of Tauranga offers clear disclosure of strategic, climate-related, business, and financial risks, as well as the processes that support risk management.

The [Board Charter](#) notes that *“A Director of POTL is entitled to seek independent professional advice at POTL’s expense with prior approval of the Chair and within specified limits.”* We also note that the company secretary has unfettered access to the Board, although we are less clear as to whether this applies to other internal assurance staff. We note that the Board Audit Committee oversees the internal audit programme.

Audit

NZSA assessment against its key policy criteria are summarised below.

G **Audit Independence:** Good disclosure.

A **Audit Rotation:** The company ensures the Lead Audit Partner is rotated at 5 years as required by the NZX Listing Rules. The appointment date of the Lead Audit Partner is disclosed, but not the appointment date of the Audit Firm, nor the Auditor-General's policy on audit firm rotation in relation to Port of Tauranga.

NZSA notes that under the Public Audit Act 2001, the Auditor-General makes the decision on auditor appointments and audit rotation for Port of Tauranga. While not the accountability of the POT Board, we would encourage the company to create disclosures allowing investors to see both audit firm tenure and offer direction on how the OAG views auditor appointment and tendering processes.

Environmental Sustainability

G **Overall approach:** Port of Tauranga published its first Climate-Related Disclosure (CRD) report in October 2024 and references an update to be released later in FY2025. The company has therefore not yet completed its second standalone CRD report, but the FY2025 Integrated Annual Report summarises progress and governance developments.

The Port highlights a broader approach to environmental sustainability in its disclosures. It actively manages waste through separation and recycling initiatives, including the re-use of dredged material and recycling of plastics from port operations. Marine and coastal stewardship remains a key focus area, with ongoing collaboration with iwi and regional authorities to monitor harbour water quality and sedimentation effects. The Port also implements dust and noise control measures at the Mount Maunganui wharves and promotes a modal shift from road to rail and coastal shipping, which reduces congestion and local air pollution.

These actions reflect an integrated approach to environmental responsibility and support the Port's reputation for operational efficiency combined with ecological awareness.

G **Sustainability Governance:** Oversight of climate-related disclosure sits with the board's Audit Committee. Operational management rests with the Chief Executive and the General Manager Infrastructure and Property, reflecting a clear executive accountability structure. The board's skills matrix includes sustainability expertise, demonstrating recognition of environmental capability at the governance level.

G **Strategy and Impact:** Port of Tauranga (POT) links its climate actions directly to strategic goals to "decarbonise the supply chain." Key strategic initiatives include investment in electric and hybrid port equipment. Based on the FY2025 Integrated Annual Report, there is currently no publicly available evidence of scenario analysis or quantified decarbonisation pathways.

G **Risk and Opportunity:** Climate-related risks and opportunities are identified under the TCFD structure and embedded within the company's enterprise risk framework. Disclosures emphasise transition risks (such as regulatory and energy-cost exposure) and physical risks (sea-level rise, storm events). Opportunities include operational efficiencies and infrastructure investment supporting low-carbon logistics.

G **Metrics and Targets:** POT discloses FY2025 Scope 1 and 2 emissions and intensity metrics. The company reports a 20% rise in absolute emissions and a 13% rise in intensity, attributing this mainly to higher electricity emission factors and operational growth. A short-term management target of 5% reduction in CO₂e intensity was not met. Scope 3 emissions and quantified near-term targets are still pending, though the forthcoming transition plan is expected to address these gaps.

A **Assurance:** KPMG performed agreed-upon procedures related to climate-related disclosures as part of its FY2025 audit engagement, but the scope of that work is not specified. NZSA encourages POT to extend assurance coverage and explicitly disclose the boundaries, standards applied, and level of assurance once its separate FY2025 Climate Report is released.

Ethical and Social

NZSA assessment against its key policy criteria are summarised below.

G **Whistleblowing:** Good disclosure.

G **Political Donations:** The Annual Report includes a clear disclosure that political donations are not made.

Financial & Performance

Policy Theme	Assessment
Capital Management	G
Takeover or Scheme	n/a

Port of Tauranga's share price rose from \$5.95 to \$8.03 (as of 8th October 2025) over the last 12 months – a 35% increase. This compares favourably with the NZX 50 which rose 7% in the same period. The capitalisation of POT is \$5.5b placing it 11th out of 115 companies on the NZX by size and makes it a large company.

Metric	2021	2022	2023	2024	2025	Change
Revenue	\$338.3m	\$375.2m	\$420.9m	\$417m	\$465m	11%
Operating Profit	\$177.1m	\$193m	\$210m	\$199m	\$228m	15%
NPAT	\$102.4m	\$111.3m	\$117.1m	\$90.8m	\$173.4m	91%

EPS ¹	\$0.15	\$0.164	\$0.172	\$0.133	\$0.255	91%
PE Ratio	46	40	33	42	32	
Capitalisation	\$4.8b	\$4.5b	\$3.9b	\$3.9b	\$5.0b	40%
Current Ratio	0.23	0.39	0.36	0.27	0.25	-10%
Debt Equity	0.49	0.32	0.32	0.33	0.32	-3%
Operating CF	\$99.7m	\$145.2m	\$144.6m	\$135.8m	\$172.0m	27%
NTA Per Share ¹	\$2.02	\$3.01	\$3.10	\$3.18	\$3.31	4%
Dividend ¹	\$0.135	\$0.147	\$0.156	\$0.147	\$0.167	14%

¹ per share figures based off actual shares at balance date (not weighted average)

The concerning trajectory we commented on last year has reversed, and the company's capitalisation stands at a 5 year high at \$5.0b. NTA per share continues its upward trajectory and the P/E has stabilised.

FY25 was a great year for POT. Revenues rose 11% to \$465m and is the highest level of revenues seen in the last 5 years. Operating profit also hit 5-year highs, rising 15% to \$228m. Subsequently, NPAT rose 91% to \$173.4m. This provided EPS of \$0.255, and the company increased its fully imputed dividends to \$0.167.

Note that NPAT included a gain on sale from its investment in Northport Limited. Underlying profit was lower at \$126,0m – still a 23.2% increase on the prior year.

The company trades on a high PE of 32 - but this is notably lower than the past 5-year average

POT continues to have very low levels of debt, with the debt-equity ratio at 0.32. POT also has a very low current ratio of 0.25 but this is a function of short-term borrowings of \$275m which will be rolled over when they fall due. The low level of overall debt will serve them well should they require capital investment.

Operating Cashflows are robust at \$172.0m.

The company provided an [analysts presentation](#) and this was released in conjunction with their annual results. This presentation provides some forward-looking statements not limited to:

- Solid export demand expected to continue for much of FY26.
- Modest domestic growth (imports) anticipated second half of year.
- Productivity, cost control and yield improvement initiatives remain a priority.
- Port of Tauranga remains well placed in a challenging operating environment.
- FY26 earnings guidance will be provided at the ASM in October.

Quayside Securities Limited, owned by Bay of Plenty Regional Council, is the largest shareholder with a 54.14% controlling stake. Shares are reasonably tightly held with the top 20 shareholders holding more than 80% of shares on issue.

Resolutions

1. To re-elect Dean Bracewell as an Independent Director.

Dean Bracewell was appointed to the Board in December 2021. He has deep transport and logistics industry experience. He was a former Managing Director for Freightways, one of New Zealand's largest transport and logistics companies for more than 18 years before embarking on a governance career in 2018. He has previously served on the Boards of Tainui Group Holdings and the NZ Initiative and its predecessor, the New Zealand Business Roundtable. Currently Dean is Chair of Property for Industry, and a Director of Air New Zealand, the Halberg Trust, and Northport Group.

We will vote undirected proxies **IN FAVOUR** of this resolution.

2. To re-elect Brodie Stevens as an Independent Director.

Brodie Stevens was appointed to the Board in August 2022. Brodie is an experienced executive and company director with a background in New Zealand's transport and logistics sectors. A trained lawyer and Fellow of the Chartered Institute of Logistics and Transport, Brodie has held senior leadership roles, including Country Manager for Swire Shipping NZ (retiring in 2022) and divisional leadership positions at Freightways and Owens Group. Currently, Brodie serves as an independent director of PrimePort Timaru, New Zealand Post, Eastland Port, and Chair of the Maritime Superannuation Scheme. He is also actively involved in governance roles for the Whanganui Collegiate School and the NZ Maritime Museum Foundation.

We will vote undirected proxies **IN FAVOUR** of this resolution.

3. To increase the Directors Fee Pool by \$106,500 (9.5%) to \$1,231.500.

The current Fee Pool was agreed by shareholders at the 2023 ASM. The Board has engaged PwC to prepare an independent Report and a link to this is included in the Notice of Meeting. The Report includes comparator company data.

The Director Fee Policy target market positioning for its total fee pool is the median of a peer group determined by the People and Remuneration Committee of the Board. The Board proposes applying the increases over two years 2026 and 2027.

We hold some concern around the limited headroom available (<10%). We also note that from NZSA's perspective, the proposed fee pool is slightly above the top end of our calculated range for the market as a whole, but falls within our calculated range when considering industry sector.

On balance, we will vote undirected proxies **IN FAVOUR** of this resolution.

4. That the Board is authorised to fix the auditor's remuneration for the coming year.

This is an administrative resolution.

We will vote undirected proxies **IN FAVOUR** of this resolution.

Proxies

You can vote online or appoint a proxy [at this link](#).

Instructions are on the Proxy/voting paper sent to you.

Voting and proxy appointments close **1.00pm Wednesday 29 October 2025**.

Please note you can appoint the Association as your proxy. We will have a representative attending the meeting.

The Team at NZSA