

Chair's Statement



Welcome to the Ports of Auckland annual report for the year to June 2021.

It has been another tough year for the business. The pandemic, lockdowns, supply chain disruption, our automation project and the tragic death of one of our colleagues, have put huge pressure on Ports of Auckland.

I want to acknowledge up front how hard this year has been for our people and commend them for the way they have pulled together to support each other.

It has been difficult for our customers too. The disruption to the global supply chain is on a scale never experienced before. It has been costly for everyone. While some parts of our business fared well, congestion at our container terminal added to the problems faced by our customers. I understand their predicament and assure them that keeping freight moving is the primary focus for the port.

Our financial result was close to expectations. A shortfall in the container-terminal revenue was offset by increased revenue from other cargo types: bulk, breakbulk (including cars) and non-terminal container volume. Statutory profit of \$45.6 million was boosted by significant revaluations of our investment properties. Underlying profit at \$20.7 million was just above budget of \$20.4 million.

Bill Osborne
Chair

We will pay our owner Auckland Council a dividend of \$3.72 million.

Looking ahead, our strategy for this year is simple. Put the interests of our people and our customers first. This means:

1. For our people we focus on safety and wellbeing. We will also focus on addressing shortcomings in company culture, which were highlighted by our first staff engagement survey in October 2020.

2. For our customers it means focusing on the core of our business: loading and unloading ships, trucks, and trains.

On top of these two primary areas of focus, we need to implement key strategies that will deliver Auckland's future. Automation will deliver the capacity and productivity needed to support Auckland's rapidly advancing growth without compromising environmental prerequisites such as reduced harbour creep and sustainability.

By getting these foundations right, we will once again be in a position to deliver high returns to our shareholder.

Finally, I would like to thank the directors and members of the senior leadership team for their hard work over a very difficult and stressful year. There have been significant changes at this level with the departure of the chair Liz Coutts; the CEO Tony Gibson; board members Rodger Fisher, Jon Mayson and Karl Smith; and executive team members Reinhold Goeschl, Lauren Salisbury and Angelene Powell. I would like to thank them all for their service and commitment to the port.

While this last year has been difficult, we have started to make progress on the issues confronting us. I am confident that the business is now focused on the things that matter most to get us back on the right track.