

# NAPIER<sup>o</sup> PORT

*Te Herenga Waka o Ahuriri*



# A SUSTAINABLE FUTURE

## HE ĀPŌPŌ TOITŪ

SUSTAINABILITY STRATEGY  
Te Mahere Toitū



# ME MAHI TAHI TĀTOU MO TE ORANGA O TE KATOA

WE WORK TOGETHER FOR THE WELLBEING OF ALL



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# MESSAGE FROM THE CHAIRMAN

## HE KARERE NĀ TE HEAMANA

### POIPOIA TE KĀKANO KIA PUĀWAI

NURTURE THE SEED AND IT WILL GROW

#### Tēnā koutou,

The Board is delighted to launch Napier Port's Sustainability Strategy, which we believe is one of the most comprehensive plans of its kind by a business in our region, adopting 14 of the 17 United Nations Sustainable Development Goals (SDGs) and identifying over 100 time-framed, actionable workstreams.

Our approach is fully aligned with the New Zealand Government, who has taken a strong position on the SDGs, incorporating the principles of the 2030 Agenda into the country's legal and regulatory framework, and policy-making.

As a company that plays an important part in regional growth and prosperity, we embrace the opportunity to take a leading role in achieving a better and more sustainable future for all. Focusing on what we can achieve locally and helping others to do the same, means we can make a difference in addressing urgent global challenges like climate change, environmental degradation, ethical supply chains, prosperity, and wellbeing for people and communities.

We believe our efforts should be concentrated on those issues that we are in the best position to influence and improve; and thereby make a measurable, meaningful and enduring contribution to sustainability. This includes initiatives like 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, adopting clean energy solutions and minimising waste or duplication of resources.

Our strategy has been developed in consultation with Napier Port's many diverse stakeholders, whose feedback and advice has been welcome and has helped shape a broad and inclusive strategy. Developing it over a two-year period afforded us the time to conduct a thorough assessment of the issues and opportunities. We are confident our plan is ambitious, robust, balanced and achievable and at a local level will support what the New Zealand Government is working towards at a national and international level.

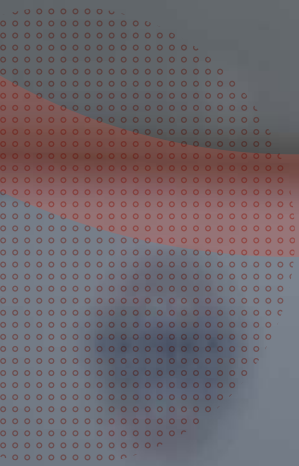
It is important to the Board that our actions as a business match the aspirations and expectations of our shareholders; as well as our port people, customers and the community. Rather than take the easy path, our strategy will challenge us and will be the blue print that will guide and influence our future decision making as we create a truly sustainable business – economically, socially and environmentally.

Ngā mihi,



**ALASDAIR MACLEOD**  
CHAIRMAN





# MESSAGE FROM THE CHIEF EXECUTIVE

## HE KARERE NĀ TE TUMU WHAKARAE

Advancing sustainability at Napier Port is a priority. It is embedded in our business strategy, reflecting the importance of leaving a positive legacy for future generations, while delivering for our customers, community and wider regional economy.

In developing our Sustainability Strategy, we tested a range of important issues with stakeholders and sought advice from industry experts involved in port sustainability strategy development and global advocacy work.

The most important issues identified form the basis of our strategy and are centred around four inter-related themes of People, Planet, Prosperity and Partnerships. Focus areas have been developed for each theme, which together with measurable goals, targets and actions to pursue and report on, will drive sustainable business at Napier Port.

By thinking globally but acting locally, we are focussing our actions on what we can achieve in our 'neighbourhood'.

We are very happy to report that we have already made meaningful progress on a number of sustainability initiatives at the Port over this development phase including: launching our Marine Cultural Health Programme, installing LED floodlight towers, reducing carbon emissions, creating artificial reefs to increase biodiversity, undertaking water quality surveys and monitoring, and the protection of at-risk bird species that make Napier Port home.

We look forward to building on these initial gains and partnering with other businesses and organisations, using our learnings to implement sustainable initiatives region-wide.

Committing to pursuing 14 of the 17 SDGs with over 100 identified workstreams is an ambitious undertaking, but one our team has full confidence in our ability to deliver. As at August 2021 there are already 48 workstreams currently underway with a further 42 being planned now. The full list of workstreams is documented on pages 18-29 of our strategy.

Through implementing initiatives that make our business economically, environmentally and socially sustainable, we will fulfil our purpose of building a thriving region connecting customers, people and the community to the world.

We welcome your involvement in our sustainability journey. To share your thoughts, email [sustainability@napierport.co.nz](mailto:sustainability@napierport.co.nz) or call our team on 06 833 4387.

Ngā mihi nui.



**TODD DAWSON**  
CHIEF EXECUTIVE



# ABOUT NAPIER PORT

## MŌ TE HERENGA WAKA O AHURIRI

TOGETHER, WE BUILD A THRIVING REGION BY CONNECTING YOU TO THE WORLD.

Napier Port has been connecting Hawke's Bay and its surrounding regions with the people and markets of the world for nearly 150 years.

We plan, operate and maintain port land and shipping channels, and we have the cargo handling capacity, facilities and infrastructure required to get our customers' cargo to market efficiently and in top condition. Napier Port is on the main transit route for international shipping services, is connected to core national road and rail networks, and operates 24 hours a day, 364 days a year.

While our strategic location and cargo handling capacity make us a key connection in central New Zealand's supply chain, it's our service that is the foundation to our success. We take pride in delivering for our customers, building collaborative relationships, supporting the local community and providing safe and secure access to our sites and services.

Our future is one forged side-by-side with our customers and our community. Collectively, we can drive growth and success that benefits our region, our people and our environment.

## OUR PORT, HUBS AND INFRASTRUCTURE



**FIVE EXISTING WHARVES**  
PROVIDING SIX COMMERCIAL  
BERTHS AND A **NEW 350M**  
**WHARF OPENING IN 2022**



**50 HECTARES**  
OF ON-SITE  
PORT LAND



**SIX MOBILE**  
HARBOUR  
CRANES







**THREE TUGS**



**RECEIVING AND DELIVERY  
6 DAYS A WEEK**



**OVER  
320 EMPLOYEES**



**36,607 SQUARE METRES  
OF WAREHOUSING**



**1000+ CONNECTION POINTS  
FOR REFRIGERATED CARGO**



**TWO CONTAINER DEPOTS  
AT THAMES STREET WITH  
11.6 HECTARES OF EMPTY  
CONTAINER STORAGE**



**INLAND FREIGHT HUB IN  
MANAWATŪ** WITH A 1.9 HECTARE  
CONTAINER YARD AND A  
WAREHOUSING FACILITY WITH  
ROAD AND RAIL CONNECTIONS  
TO NAPIER PORT



**AROUND 5 MILLION  
TONNES OF CARGO  
HANDLED ANNUALLY**



**10 HECTARES  
OF DEDICATED  
LOG STORAGE,  
WORKING 24/7**



**12.3 HECTARES OF  
LAND IN WHAKATŪ  
FOR FUTURE  
DEVELOPMENT**



**16 HECTARES  
OF CONTAINER  
TERMINAL SPACE**



**FLEET OF 35  
HEAVY CONTAINER  
HANDLING  
MACHINES**





# SUSTAINABILITY EMBEDDED WITHIN BUSINESS STRATEGY

At Napier Port our purpose is very clear: together we build a thriving region by connecting our customers, people and community to the world. This drives everything we do and sets the scene for our business strategy, which provides a robust and comprehensive direction for the future. Year on year we are making significant progress in each of our strategic areas: Customer Connection, Harnessing Data & Technology, Networked Infrastructure and Collaborative Partnerships.

Our Sustainability Strategy is embedded in our strategy and aligned with our goals to ensure sustainable progress occurs throughout our whole business, operations and supply chain.





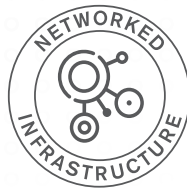
# TO GROW SUSTAINABLY AND IN LINE WITH:

## OUR PURPOSE

Together, we build a thriving region by connecting our customers, people and community to the world.

## OUR GOALS

At the heart of Napier Port's strategy are four key goals that guide our business.



Each of these are supported by objectives and team plans that guide strategic decisions and investment.

## OUR FOUNDATION

### SUSTAINABILITY

Sustainability is part of our foundation, building on our culture. Our strategy provides a framework to drive continual progress across people, planet, prosperity and partnerships throughout our business, operations and supply chain.



#### PEOPLE – MANAAKITANGA

Safety, well-being/hauora and development of our people and our community.



#### PLANET – KAITIAKITANGA

Protecting/tiaki and enhancing the environment/taiao in which we operate.



#### PROSPERITY – ŌHANGA ORA

Sustainable business growth and supporting the prosperity of our region.



#### PARTNERSHIPS – RANGAPŪ

Authentic partnerships with our community, stakeholders and mana whenua hapū.

## OUR CULTURE



Our success is founded on a culture of care for our customers, our community and each other.

# SUSTAINABILITY AT NAPIER PORT

## TE TOITŪ KI TE HERENGA WAKA O AHURIRI

In 2018 Napier Port began working towards a 30-year Master Plan. We consulted with customers, the community and other stakeholders about what they need from us and what the future looks like for them.

This work validated a number of projects already underway: building 6 Wharf by the end of 2022, developing our inland freight hubs, and investing in the equipment we need to make it all work. Beyond this decade, there are options we can explore to seize future opportunities and keep pace with growth.

Our future planning also reinforced how critical it is for us to grow and work sustainably. To achieve our purpose of a thriving region connected to global markets, we need to deliver for our customers and the economy while protecting the environment, contributing to our community and caring for our people.

Our sustainability journey is one of continuous improvement and we work hard to improve our environmental, social and economic performance by identifying and managing risks and finding opportunities to use our resources more efficiently.

We will use our position to have a positive impact, thinking globally but acting locally. We are focused on what we can achieve to respond to challenges like equality, climate change, biodiversity, biosecurity, water management and prosperity to achieve a better and more sustainable future for all.

## DEVELOPING OUR SUSTAINABILITY FRAMEWORK AND STRATEGY

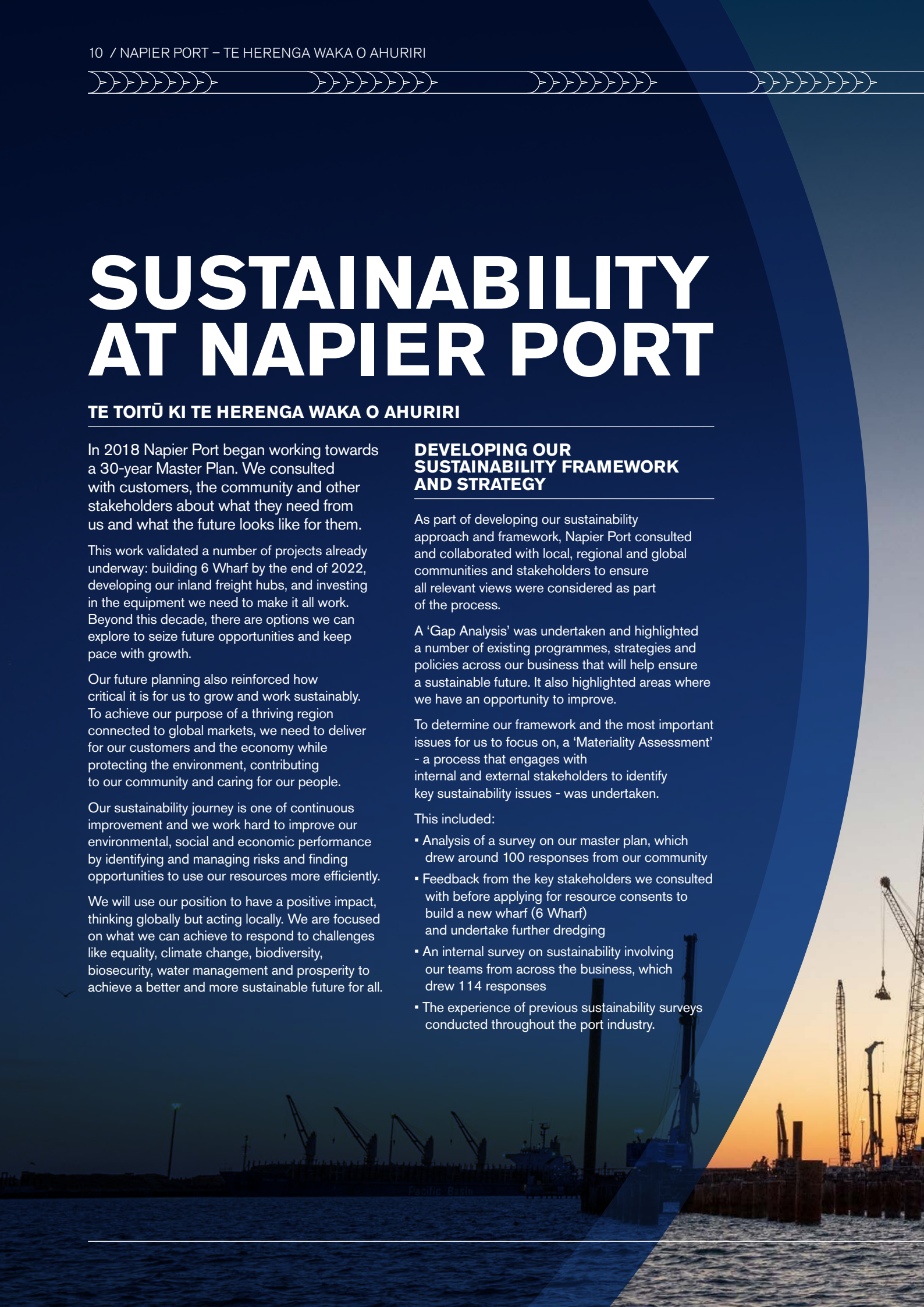
As part of developing our sustainability approach and framework, Napier Port consulted and collaborated with local, regional and global communities and stakeholders to ensure all relevant views were considered as part of the process.

A 'Gap Analysis' was undertaken and highlighted a number of existing programmes, strategies and policies across our business that will help ensure a sustainable future. It also highlighted areas where we have an opportunity to improve.

To determine our framework and the most important issues for us to focus on, a 'Materiality Assessment' - a process that engages with internal and external stakeholders to identify key sustainability issues - was undertaken.

This included:

- Analysis of a survey on our master plan, which drew around 100 responses from our community
- Feedback from the key stakeholders we consulted with before applying for resource consents to build a new wharf (6 Wharf) and undertake further dredging
- An internal survey on sustainability involving our teams from across the business, which drew 114 responses
- The experience of previous sustainability surveys conducted throughout the port industry.





# A FRAMEWORK WITH FOUR PILLARS

The key issues identified through our gap analysis and materiality assessment helped to shape a framework that we are using to build our sustainability strategy. Our framework focuses on four interconnected themes:

**We are focused on the safety, well-being/hauora and development of our people and our community.**

- Our role in facilitating trade and the regional economy is at the heart of delivering for our people and community; and doing it safely is always our priority.
- We proactively provide frameworks to promote good health and well-being amongst our people by, supporting them to access quality resources and education, and promoting gender equality and diversity across our business.
- Napier Port's 'culture of care' is our foundation; a resilient and agile culture that encourages care for our people, our community and our environment.



**We are focused on protecting/tiaki and enhancing the environment/taiao in which we operate.**

- We rely on our world's oceans so we want to protect and enhance the marine environment we operate in. We actively contribute to protecting life both above and below the water and ensure we mitigate, minimise or eliminate any impacts from our operations.
- With a large infrastructure network that operates 24/7, we also have a role to play in conserving energy, prioritising clean energy and minimising waste.



**We are focused on sustainable business growth and supporting the prosperity of our region.**

- We must continue to invest in infrastructure and technology that supports economic growth, while recognising the need to make the most of the assets we already have.
- We play an active role in supporting our community and facilitating wider - industry participation through partnerships, grants and sponsorships.
- Through robust and transparent governance we will continue to build an effective, accountable and sustainable port operation.



**We are focused on authentic partnerships with our community, stakeholders and mana whenua hapū.**

- We recognise collaborating with our customers, community, stakeholders, port users, government, investors and mana whenua are central to our success.

## FROM FRAMEWORK TO STRATEGY

Having established a Framework, we turned our focus to developing our sustainability strategy, including time-framed, measurable targets and actions.

We chose to align our sustainability strategy to the United Nations Sustainable Development Goals (SDG). Launched in late 2015, the SDG platform is now recognised as an ideal basis upon which to build a robust and balanced Sustainability Strategy.

The World Port Sustainability Program (WPSP) encourages industry-wide action in pursuit of the SDGs. Whilst it is recognised that not every port can do everything across every SDG, we support this industry direction and have ensured our sustainability strategy addresses relevant SDGs for the regional and New Zealand context.

We are focused on what we can achieve locally to respond to global challenges like climate change, environmental issues and prosperity to achieve a better and more sustainable future for all.

### About The United Nations Sustainable Development Goals

At the United Nations summit meeting in September 2015, world leaders adopted 17 global goals (and 169 targets) as a set of universal goals that aim to address the urgent environmental, political and economic challenges facing our world. These are known as the United Nations Sustainable Development Goals (SDGs). More information on the SDGs can be found here: [www.globalgoals.org](http://www.globalgoals.org)



## SUSTAINABILITY STRATEGY DEVELOPMENT PROCESS





# SUSTAINABILITY PERFORMANCE

## NGĀ HAUMĀUIUI TOITŪ

Our gap analysis and materiality assessment highlighted a number of existing programmes, strategies and policies across our business that are already helping to ensure a more sustainable future. While we've been making incremental improvements in the sustainability of our business, we always want to do better.



electric vehicles



LED floodlight towers installed



thousand tonnes total carbon emissions or 0.03109 tonnes/CO2e per TEU\* container FY20



water quality buoys at Pania Reef



thousand cubic meters dredged material without any water quality exceedance at Pania Reef FY20



fishing trawls to monitor commercial fish stocks



Artificial reefs to increase biodiversity habitats in Hawke Bay



qualitative surveys to monitor Pania/town reef health



nesting boxes installed in the penguin sanctuary



Noise Liaison Committee community meetings per year





151

kororā/little blue penguins relocated to specially built sanctuary and microchipped to monitor population health and movement



6

endangered or at-risk declining bird species that make Napier Port home



2

kororā/little blue penguin chicks safely hatched in the new sanctuary



6

Fisheries Liaison Committee community meetings conducted FY20



120

thousand dollars in community sponsorships per year



1

research partnership with Massey University



280+

jobs directly provided and supporting 27,000 jobs in our region



30

year Napier Port Master Plan adopted. The plan articulates our priorities and actions for building a sustainable business.



18

critical risk workshops completed focusing on the management and control of critical safety risks



5,000

health & safety inductions completed



783

places on our health and safety course in 2020



1

Marine Cultural Health Programme in partnership with mana whenua

\*Twenty-foot container equivalent unit.



# SUSTAINABILITY ACTION PLAN

## TE MAHERE TOITŪ A TE HERENGA WAKA O AHURIRI

To drive progress, each of the four sustainability foundation pillars - People, Planet, Prosperity and Partnerships – has a goal and multiple pathways or actions for ensuring sustainability happens.

Each action aligns to the United Nations Sustainable Development Goals (SDGs) and has been allocated a short, medium or long-term timeframe between 0 and 10+ years.

Napier Port currently has 102 identified actions we are progressing, 18 of which have been given top priority status and are detailed in this section. While there are 18 top priorities in this first tranche, work on many of the other identified initiatives may occur in parallel given the interconnected nature of many of the actions.



Developing our Sustainability Strategy has highlighted a number of existing programmes, strategies and policies across our business that are already helping to ensure a more sustainable future.

To measure progress in each of our initiatives we have implemented a scoreboard.

✓ = started and/or ongoing    ✓ = in planning    ○ = not yet started

Progress for each initiative is influenced by a range of factors including prioritisation, scope of initiative and resource required to undertake, and time frames for implementation. For example, short-term initiatives are those we believe we can achieve in 1-2 years, medium term in 3-10 years, and long term 10+ years.





**PEOPLE**  
**PRIORITY FOCUS AREAS**

- Safe, Secure & Well
- Equality, Diversity & Inclusion



**PEOPLE: PRIORITY ACTIONS 2021-2023**



|   |   | UN SDG  |
|---|---|---|
| <p><b>SAFE, SECURE &amp; WELL</b><br/>                     Support vitality, health, safety and security of our people and our community</p>  |   |   |
| Develop a proactive Safety Culture Roadmap to facilitate continuous improvement in health and safety practices and behaviours   | ✓ |  |
| Continue to implement a safety management system framework and aspire to external certification such as ISO 45001   | ✓ |   |
| Implement an annual Safety & Wellbeing calendar to support planned, on-going and repetitive focus on safety and well-being focus areas  | ✓ |   |
| <p><b>EQUITY, DIVERSITY &amp; INCLUSION</b><br/>                     Attract and maintain a diverse workforce in an engaged &amp; inclusive working environment</p>   |   |   |
| Develop an Equality, Diversity & Inclusion (EDI) Roadmap – to continue building a workplace that embraces diversity, values empathetic leadership, employs modern work practices, and facilitates cross-divisional learning | ✓ |  |
| Foster flexible and alternative working arrangements to provide a work environment that enhances participation, performance and EDI   | ✓ |   |




**PLANET**  
**PRIORITY FOCUS AREAS**

- Healthy Reefs & Oceans
- Climate Action & Energy

**PLANET: PRIORITY ACTIONS 2021-2023**

|   |   | UN SDG  |
|---|---|---|
| <p><b>HEALTHY REEFS &amp; OCEANS</b><br/>                     Understand and promote our local reefs and clean oceans</p>   |   |  |
| <p>Establish an enduring Healthy Reefs &amp; Oceans Cultural Monitoring Programme - in partnership with research institutions and Māori to enhance and protect biodiversity, health and mauri (life force) of Pania Reef and local oceans</p> | ✓ |   |
| <p><b>CLIMATE ACTION &amp; ENERGY</b><br/>                     Take action to reduce our carbon footprint and support our national zero emission future by 2050</p>   |   |  |
| <p>Develop a 'Whole of Port' Climate Change Risk Assessment – looking at among others infrastructure resilience, trade forecasting, land levels, weather conditions, emergency preparedness and habitat modification</p>                      | ✓ |   |
| <p>Develop and adopt a Climate Change Strategy – to support Napier Port's goal of zero net emissions by 2050. Review areas such as transport, energy, land use, buildings, infrastructure and education. Devise action plans to support</p>   | ✓ |   |
| <p>Establish Emissions Inventory and Tracking – ongoing monitoring and reporting for emissions, identifying reduction targets and actions</p>   | ✓ |   |
| <p>Reporting emissions and contributing to the Climate Leaders Coalition</p>  | ✓ |   |



**PROSPERITY  
PRIORITY FOCUS AREAS**

- Ethical & Evolving Supply Chain
- Strategic Planning & Investment

**PROSPERITY: PRIORITY ACTIONS 2021-2023**





|  |   | UN SDG |
|--|---|--------|
| <p><b>ETHICAL &amp; EVOLVING SUPPLY CHAINS</b><br/>Support responsible practices in the local and global supply chains, including transport networks and corridor protection</p>         |   |        |
| <p>Articulate an Ethical Supply Chain Sustainability Vision – defining our position regarding ethical supply chain practices and developing a set of performance criteria</p>            | ✓ |        |
| <p>Undertake Sustainable and Ethical Supply Chain Assessments of our current business. Identify areas of concern and subsequent action plans</p>   | ✓ |        |
| <p><b>STRATEGIC PLANNING &amp; INVESTMENT</b><br/>Optimise use of land, terminal, footprint, infrastructure assets and support sustainability criteria-based assessment for projects</p> |   |        |
| <p>Prepare a Container Terminal Efficiency Roadmap to optimise yard storage capacity and interface with inbound and outbound cargo</p>   | ✓ |        |
| <p>Progress an Inland Freight Hub Plan – to reduce port congestion, thereby improving the customer experience</p>  | ✓ |        |



**PARTNERSHIP**  
**PRIORITY FOCUS AREAS**

- Good Neighbour
- Cultural Connections

**PARTNERSHIP: PRIORITY ACTIONS 2021-2023**

|   |   | UN SDG  |
|---|---|---|
| <p><b>GOOD NEIGHBOUR</b><br/>                     Improve the living environment for communities in and around the port managing nuisance, traffic and communication</p>  |   |   |
| <p>Establish a 'Good Neighbourhood Programme' - to regularly engage with local communities with a focus on improving local safety, amenities and communication (including community feedback)</p>   | ✓ |   |
| <p>Establish a rolling programme of actions to support the Good Neighbourhood Programme – based on community feedback on such matters as road and pedestrian safety, noise, light and dust.</p>   | ✓ |   |
| <p><b>CULTURAL CONNECTIONS</b><br/>                     Work collaboratively with Iwi Māori partners to engage, integrate cultural values and initiatives</p>   |   |   |
| <p>Develop a long term Cultural Strategy to strengthen our knowledge and understanding of te reo and te ao Māori, through cultural engagement initiatives, education and integration of cultural values across social, environmental and business aspects</p> | ✓ |   |
| <p>Establish a Marine Cultural Health Programme - to deliver learning to community and others businesses on cultural marine health indicators (based on mana whenua marine knowledge) to enhance monitoring in the marine environment</p>                     | ✓ |   |



## MEDIUM (3-10 YEARS) AND LONG TERM (10+ YEARS) WORK STREAMS

| WORKSTREAM ACTIONS  | UN SDG   |
|---|--|
| <b>PEOPLE - MANAAKITANGA</b>  |  |
| <b>Safe, Secure and Well – support vitality, health, safety and security of our people and our community</b>  |  |
| Safety leadership, learning and communication are consistently and deliberately integrated into all aspects of the Port                               |       |
| Use technology solutions (eg digitisation, automation) to enhance and advance safety and well-being through improved reporting and fatigue management |       |
| <b>Equity, Diversity &amp; Inclusion (EDI)</b>  |  |
| Diversity (age, gender and cultural backgrounds) are reflected in our leadership and throughout our organisation                                      |      |
| Use EDI to drive innovation by encouraging diversity of thought and a diverse mix of people in our teams  |      |
| Expand and formalised vocational training programmes to support diversity and equality within our workforce   |   |
| Track performance over time and share with other organisations to create awareness  |   |
| <b>Learning &amp; Innovative Thinking – encourage lifelong learning &amp; innovative thinking</b>   |  |
| Ensure our sustainability strategy, pillars and goals are supported by on-going training  |   |
| Development and implementation of a ‘Cultural Learning Programme’ in support of our sustainability agenda   |   |
| Creation and use of innovation principles and initiatives to foster curiosity and encourage ideas from all our people relating to our strategy        |   |
| Identify a new mix of innovative learning platforms to enhance understanding and engagement   |   |
| <b>Integrated Culture &amp; Leadership – build on a culture of care to promote sustainable value and cultural diversity</b>                           |  |
| Define a robust vision and framework to achieve sustainable value, cultural diversity and authentic leadership  |   |
| Implement initiatives to promote the desired leadership behaviours and ensure empowerment and engagement of our people                                |   |
| Ongoing employee culture surveys to encourage two-way feedback and monitor effectiveness of our culture over time                                     |   |





**Empowerment and Shaping our Future – provide pathways for our people to thrive and have rewarding careers**

|  |   |
|--|---|
| Develop a 'Future-Proof the Workforce' Framework – that maps current and future work, skills, structures and expectations  | ○ |
| Strengthen and formalise Leadership and Mentoring / Future Leaders Programmes – to engage aspiring individuals and drive a positive culture                      | ✓ |
| Implement a best practice people plan to enable all our people to thrive and define fulfilling career pathways, ensuring diversity and equality is fostered      | ✓ |
| Talent Management, Knowledge Management & Succession Planning – enhance processes to attract, retrain and capture knowledge for a transitioning workforce        | ✓ |
| Facilitating opportunities for our people to build connections outside of Napier Port and support the community through a Napier Port supported volunteering day | ○ |



**Engage and communicate – ensure our people, customers and community are well-informed and engaged**

|  |   |
|--|---|
| Internal and external communications plans delivering open, engaging, innovative, inclusive communications   | ✓ |
| Long-Term Cultural Strategy employee initiatives for te reo and te ao Māori capabilities – defining alignment to sustainability themes   | ✓ |
| Regular and comprehensive Corporate Sustainability and ESG Reporting giving consideration to reporting against SDGs, NZX requirements and any commitments or standards we sign up to | ✓ |
| Community / Customer communications to support 'good neighbour' principles – reporting progress on issues and initiatives across a balance of sustainability                         | ✓ |
| Public and Community Engagement Projects – considering collaborative public art projects, port visits, and educational resources / programme material for schools                    | ✓ |
| Track effectiveness of communication – results of employee engagement or culture surveys, stakeholder or materiality surveys   | ✓ |





| WORKSTREAM ACTIONS  | UN SDG   |
|---|--|
| <b>PLANET - KAITIAKITANGA</b>   |  |
| <b>Healthy Reefs &amp; Oceans – understand and promote our local reefs and clean oceans</b>   |  |
| An education and communication framework promoting Healthy Reefs and Oceans will be developed.  |       |
| Ocean Plastics (Awareness and Clean Up) programme – seek initiatives in partnerships with port users, schools, the community and local organisations. Ideas for initiatives: and initiatives on reducing litter, plastics through sustainable procurement policies and ocean clean-up devices |       |
| <b>Climate Action &amp; Energy – take action to reduce our carbon footprint and support our national zero emission future by 2050</b>   |  |
| Energy Consumption and Efficiency Plan – determine the data capture/ breakdown, energy usage, efficiency, reduction targets and actions   |    |
| Renewable Energy Transition Plan - investigate transition to renewable energy options (eg. wind, solar, tidal, hydrogen, geothermal etc) and collaborative opportunities to develop trials  |   |
| Once developed, roll out the Renewable Energy Transition Plan   |    |
| Additional innovative solutions to mitigate Climate Change – consider partnership opportunities, decarbonising supply chains, decarbonising the port footprint  |    |
| <b>Water Management – manage and improve stormwater, wastewater and groundwater</b>   |  |
| Identify and map current water resources, stormwater collection points and treatment systems, infrastructure, discharges points, monitoring locations and results. Strengthen understanding and management of stormwater  |    |
| Water Quality Improvement Programme – to improve water quality monitoring (i.e. expanded monitoring points and parameters), stormwater treatment options (WSUD) and shut off valves. Program to align with Healthy Reefs and Oceans   |   |
| Water Consumption and Efficiency Plan – understanding water usage, defining reduction targets and a roadmap of efficiency measures and actions e.g. dust suppression  |    |
| Ongoing groundwater monitoring to establish defined groundwater sampling locations and a regular ongoing monitoring programs  |    |



**Waste & circular economy – reduce waste and collaborate to seek circular economy solutions**

|  |   |
|--|---|
| Comprehensive analysis of current waste types and management of them to ensure best practice is being achieved   | ✓ |
| Waste reduction targets identified and supported by action plans and reporting   | ✓ |
| Introduce and implement 'Circular Economy' initiatives to target no residual waste and define opportunities to collaborate and maintain resources in circulation       | ✓ |
| Napier Port facilitated community 'clean up' events  | ✓ |
| Monitor and Reporting Waste – define waste objectives and metrics to track progress and reporting. Careful consideration of metrics to align with future GRI reporting | ✓ |



**Clean & Safe Shipping – promote cleaner vessels and maintain navigational channels**

|  |   |
|--|---|
| Investigate options for a clean shipping programme to advance vessel safety and environmental performance. Investigate schemes that reduce emissions, underwater noise, encourage slow steaming and environmental initiatives. | ✓ |
| Under keel clearance technologies – investigate safe shipping navigation, enhance vessel scheduling and reduce needs for maintenance and/or capital dredging   | ✓ |
| Sustainable sediment management options – reuse of dredge material e.g. beach restoration, beneficial reuse for bricks, mass stabilisation for construction projects   | ✓ |
| Expand real-time water and weather monitoring with potential collaboration with others   | ✓ |





| WORKSTREAM ACTIONS   | UN SDG  |
|--|---|
| <b>PROSPERITY - ŌHANGA ORA</b>   |   |
| <b>Business Resilience – build viability, adaptability and regional prosperity, including risk management, emergency preparedness and biosecurity</b>  |   |
| A Sustainability Strategy Implementation Plan that considers future reporting (ESG, SDG and GRI), establishment of a Sustainability Working Group and champions to action the strategy   |    |
| Develop a framework for new and changing projects/processes which are evaluated against (a) sustainability criteria and b) consulted with a 'whole of business' approach seeking cross-divisional engagement   |    |
| <b>Better customer outcomes – provide excellent customer service and improve efficiency and reliability</b>  |   |
| Customer Insight & Collaborative Programme – maintain ongoing communication and track progress on current customer satisfaction on a pre-determined basis  |   |
| Customer Improvement Programme – determine future vision and objectives for customer service and translate customer needs and insights to implement improvements/actions on communication and supply chain efficiency  |   |
| Technology-driven Customer Solutions – use digitised / technology solutions to integrate needs of customers with the port operational interface, to end-user customers   |   |
| <b>Ethical &amp; Evolving supply chains – support responsible practices in the local and global supply chains, including transport networks and corridor protection</b>  |   |
| Integrated Supply Chain Roadmap - focus on optimising data to respond to customer needs, ethical and sustainability criteria; optimise integrated planning, information and technologies; and ongoing learning for staff to optimise supply chain efficiency |  |
| Rail Network Efficiency Initiatives – drive actions based on users, sustainability criteria, customer & community needs, infrastructure, technology, corridor protection, collaborative and integrated planning  |  |
| Road Network Efficiency Initiatives – drive actions based on users, sustainability criteria, customer & community needs, infrastructure, technology, corridor protection, collaborative and integrated planning  |  |
| Vessel Planning Efficiency Initiatives – drive actions based on coordinate scheduling, sustainability criteria, cargo planning   |  |



**Technology and a Digital Future – drive operational efficiency through supporting technology and digitisation**

|  |          |  |
|--|----------|--|
| <p>Develop a Terminal Technology Roadmap to optimise operational efficiencies i.e. digital data management, blockchain, information sharing platforms, AI technology, vessel navigational tracking systems, under keel clearance systems, yard/vessel/rail/road planning software systems and interfaces, security systems, renewable energy opportunities</p> | <p>✓</p> |  |
| <p>Develop an Equipment Efficiency Technology Roadmap to identify upgrades, automate terminal equipment, reduce manual administration and improve safety features</p>  | <p>✓</p> |  |
| <p>Develop a Business Efficiency Technology Roadmap to identify areas for improvement i.e. risk management systems, safety reporting, toolbox talks, real-time environmental monitoring, staff and customer feedback systems, learning platforms, metrics tracking software</p>  | <p>✓</p> |  |

**Strategic Planning & Investment – optimise use of land, terminal, footprint, infrastructure assets and support sustainability criteria-based assessment for projects**

|   |          |  |
|---|----------|--|
| <p>Develop sustainable criteria for consistent and sustainable development of port buildings, operations and projects</p>   | <p>✓</p> |  |
| <p>Asset Maintenance system and planning to consider optimising maintenance system with technology, communication and forecasting, sustainable procurement guidelines, and consider climate risk impacts and alternative maintenance methods</p>  | <p>✓</p> |  |
| <p>Implement the Master Plan and continue to review / evaluate outcomes and options in consideration of new and emerging risks and development</p>  | <p>✓</p> |  |
| <p>Ongoing long-term trade forecasting - aligned with the Master Plan, stakeholder feedback and corporate risks identified i.e. future infrastructure, technology, pandemics, regulatory changes, hinterland cargo availability, geopolitical, social and climate change considerations</p> | <p>✓</p> |  |

**Sustainable Sourcing - responsible sourcing and sustainability criteria for procurement of materials, assets and supply services**

|   |          |  |
|---|----------|--|
| <p>Review and refine current processes, practices, effectiveness and set future sustainability vision, objectives and targets</p>   | <p>✓</p> |  |
| <p>Define a sustainability procurement criteria (including life cycle analysis) to assets, products and services, how the criteria will be assessed, and how it aligns with procurement processes</p> | <p>✓</p> |  |
| <p>Enhance Contractor Management Performance with consideration to sustainability criteria for procuring and managing contractors</p>   | <p>✓</p> |  |



| WORKSTREAM ACTIONS   | UN SDG   |
|--|--|
| <b>PARTNERSHIPS - RANGAPŪ</b>  |  |
| <b>Good Neighbour – improve the living environment for communities in and around the port managing nuisance, traffic and communication</b>   |  |
| Through communication create an 'open door relationship' and a transparent and informative platform to consider the port narrative and sustainability performance  |       |
| Interactive and public artwork displays on sustainability values – collaborate with Māori communities to develop educational materials, places of knowledge and/or public artwork and storytelling along Breakwater Road |    |
| <b>Thriving Communities – work collaboratively with community partners to provide pathways for engagement, education, volunteering support, grants and initiatives</b>   |  |
| A long-term community sponsorship and investment strategy to define supporting community initiatives/charities and staff volunteering opportunities with a strategic approach across the range of sustainability themes  |    |
| Host Port Engagement Days – identify opportunities to encourage face-to-face communication with the community  |      |
| Port Education with community, schools and universities - develop a range of programmes (to align with curriculum)   |    |
| Social and Environmental Partnership Projects - collaboration with community, cultural and NGO groups to enhance and protect social, environmental and reef values   |   |
| Ongoing Community Engagement Group/s - to discuss ongoing operation of Napier Port beyond 6 Wharf  |    |
| <b>Cultural Connections – work collaboratively with Iwi Māori partners to engage, integrate cultural values and initiatives</b>  |  |
| Cultural Consultation Working Groups regular meetings for information sharing and brainstorming ideas on initiatives and input into conversation, sustainable tourism, societal wellbeing, etc                           |    |
| Cultural Partnership Projects/Initiatives – collaboration with Māori on cultural initiatives   |   |
| Scholarships or vocational work to value cultural diversity  |    |



| <b>Customer &amp; Stakeholder Connections – work with customers and stakeholders to collaboratively engage and work towards creating sustainable value</b>  |   |
|---|---|
| Ongoing stakeholder feedback – seek stakeholder feedback through a mix of innovative high feedback platforms  | ✓ |
| Ongoing Collaboration/Partnerships – map out opportunities for information sharing forums, joint projects with customers, local industries, government, other ports   | ✓ |
| Global Sustainability and Port Industry Learning – encourage learning including at seminars, lectures, conferences, port and terminal site visits, to seek out leading sustainability practices   | ✓ |
| Collaboration with Global Industry Partners through platforms such as Ports Australia and the World Port Sustainability Program (WPSP)  | ✓ |
| <b>Research &amp; Advocacy – promote and advance sustainable value improving, people, plant, prosperity with research partners</b>  |   |
| Participate and enable research partnerships across social, environmental and business focus areas in support of our sustainability goals   | ✓ |
| Sustainability advocacy and sharing our learnings for the betterment of all   | ✓ |
| Join associations with a sustainability focus   | ✓ |
| Partner with universities or other local institutions in joint education programmes   | ✓ |
| <b>Sustainable Tourism – work together with regional business and communities to promote and advance sustainable cruise tourism</b>   |   |
| Working in partnership with cruise operators, develop a Sustainable Cruise Tourism Roadmap  | ○ |
| Ongoing collaboration to encourage cultural aspects in sustainable cruise tourism – to incorporate cultural aspects and learning to reflect and showcase the value of cultural diversity in Napier and enhance a positive visitor experience  | ○ |
| Develop and provide educational experiences for cruise passengers   | ○ |
| Sustainable Cruise Tourism Footprint & Initiatives – measure resource management (waste, water, energy), emissions from tourism activities on port land. As an indicator of improved performance, implement initiatives to reduce environmental impact of tourism and increase awareness of Napier and Napier Port. | ○ |





# REPORTING

## TE TUKU PŪRONGO

Creating a sustainable business at Napier Port is the right thing to do for our people, our stakeholders and our community.

Our Sustainability Strategy and Action Plan give us a blueprint that will guide us in our direction and decision making as we work to implement the actions contained within them to meet our goals. We commit ourselves to transparently reporting on our successes and areas for improvement.

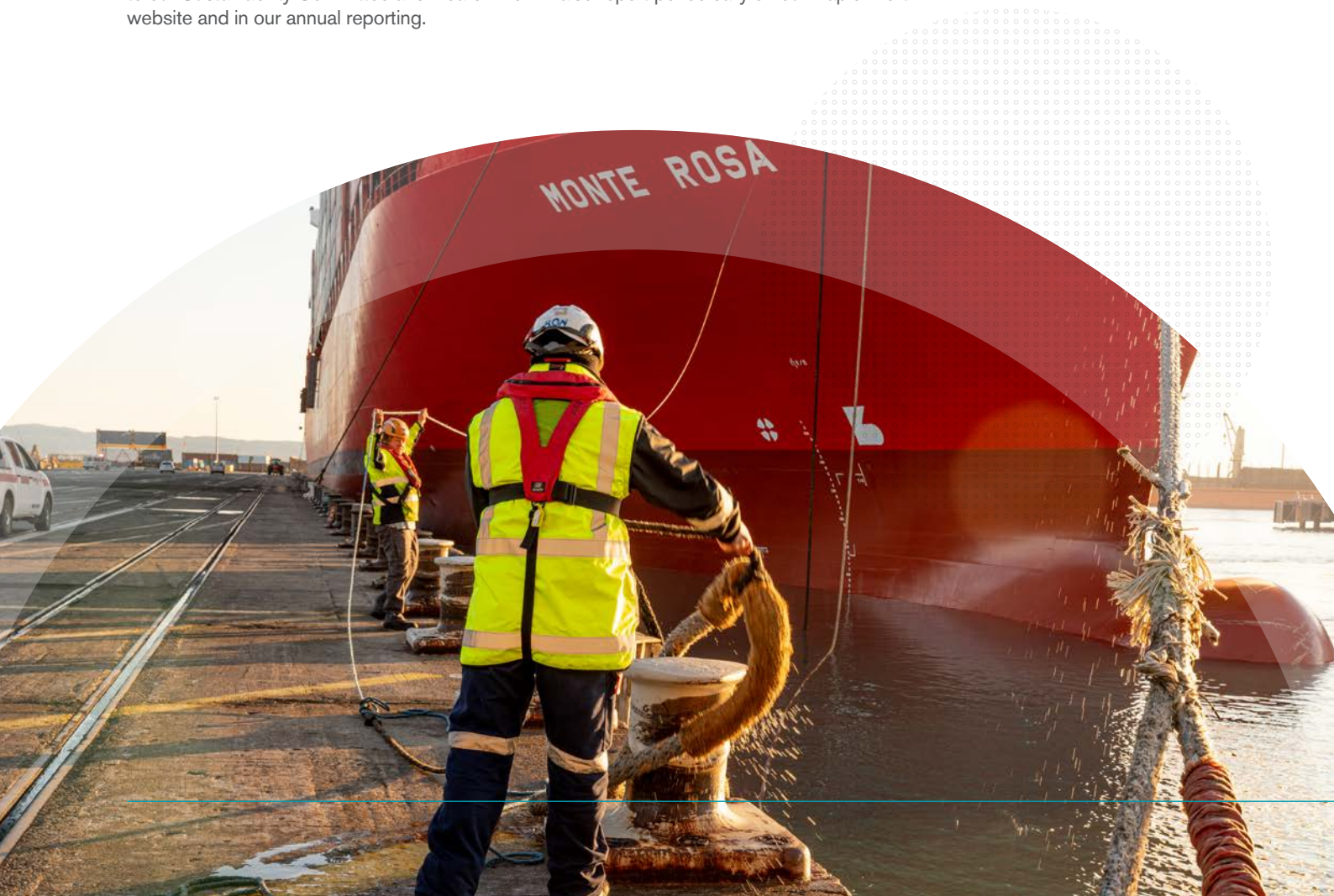
It is our long-term goal to work towards Global Reporting Initiative (GRI) reporting. GRI promotes credible non-financial reporting by companies and is globally recognised as a best practice example of sustainability reporting.

In the interim, we will use the GRI framework as a guide – demonstrating our commitment to full transparency.

We are confident that this approach is consistent with that outlined in the NZX Environmental, Social & Governance Guidance Note.

For more information on GRI go to: [www.globalreporting.org](http://www.globalreporting.org)

As we develop our measures and benchmark our progress, we will implement regular reporting to our Sustainability Committee and Board. We will also report periodically on our Napier Port website and in our annual reporting.





# GOVERNANCE AND MANAGEMENT

## NGĀ WHAKAHAERE

Strong governance by the Napier Port Board and the Senior Management Team is in place.

### Napier Port Board

The Board of Napier Port is responsible for the corporate governance of the Company and is committed to maintaining best practice governance policies and behaviours. The Board reviews current operations and future developments, oversight of Executive performance, and assists with strategic direction, including sustainability initiatives.

The Board is supported by the following Committees:

#### Audit and Risk Management Committee

- Assists the Board in fulfilling its responsibilities to discharge its financial reporting and regulatory responsibilities, ensures the ability and independence of the external auditor, ensures an effective internal audit and control system is maintained, and ensures an appropriate framework is maintained for the management of strategic and operational risk.

#### Health and Safety Committee

- Assists 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 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.

#### Remuneration and Nomination Committee

- Nominating and appointing directors to the Board, remuneration of directors, remuneration and evaluation of the CEO, review of the CEO's remuneration recommendation for the SMT and review of the salary and incentive policies and succession planning.

#### Sustainability Committee

- Identifies and considers relevant environmental, social and governance (ESG) matters to provide strategic guidance and feedback to the board and management on ESG-related strategies, policies, frameworks, initiatives, performance and reporting.

### Napier Port Senior Management Team

Led by the Chief Executive, the Senior Management Team (SMT) sets and embeds Napier Port's purpose and strategic vision. The team develops and implements management, planning and operational implementation of key business objectives, including Napier Port's Sustainability Strategy.

### Partnerships with local Mana Whenua

Strong, meaningful relationships with iwi and hapū are integral to a successful sustainable future at Napier Port. Napier Port-initiated collaboration, the Mana Whenua Steering Komiti, together with the appointment of a Pou Tikanga – Infrastructure, Environmental and Cultural Advisor, formalises our desire to strengthen our cultural capacity and have it threaded through our practices, processes and policies.



## POIPOIA TE KĀKANO KIA PUĀWAI NURTURE THE SEED AND IT WILL GROW

Napier Port is committed to becoming a more sustainable business. Our Sustainability Strategy is the blueprint or map that will help guide us on that journey. We recognise that this is a journey and not a destination. We have a solid foundation from which to begin but quick fixes are few, and it is a sustained long-termed effort that is required – as they say, it's a marathon not a sprint.

Our focus is on People, Planet, Prosperity and Partnerships and the actions we take in support of these four pillars will evolve, mature and flex as we respond to the changing world around us, new technologies and the future expectations of our people, communities, and stakeholders.

We are guided by the United Nation's Sustainable Development Goals and our approach is to 'think globally and act locally', focusing our attentions on what we can influence and achieve in our 'neighbourhood'.

Successes and achievements are likely to be achieved over years not weeks, but we will regularly measure and report on our progress.

Napier Port would like to take this opportunity to thank all those who have contributed to shaping our Sustainability Strategy and those who will contribute in the future to bringing it to life.





