

Our Port >>>



2012 Targets

- Reduce Total Injury Frequency Rate (TIFR) by 25% ✗
- Reduce Accident Severity Rate by 25% ✗
- Demonstrate a commitment to safety leadership and improvement ✓

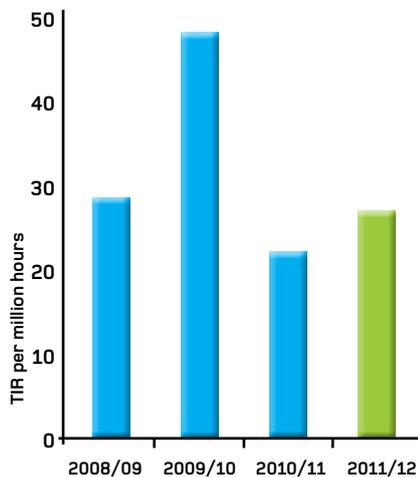
SAFETY

While we continue to give significant energy and focus to health and safety improvement, the strong downward trend in our Lost Time Injury Frequency Rate in 2011 flattened in the year ended June 2012.

During 2012, the key measure for the business changed from Lost Time Injury Frequency Rate (LTIFR) to Total Injury Frequency Rate (TIFR). We made this change due to the relatively low number of lost time injuries, the desire to broaden the focus and the need to set meaningful targets. Incident reporting improved during the year and, as a consequence, our Total Injury Frequency Rate increased over 2011. While we expected, and are satisfied with, the 2012 outcome, we

have again set ourselves aggressive improvement targets for the 2013 year as we strive to become a zero harm workplace.

Historical Total Injury Frequency Rate



Key safety initiatives over the year include:

- Complete review of health and safety policies and procedures, including contractor management
- Online Health and Safety Port Induction for all port users
- Health and Safety Newsletter to staff
- Safety Alerts and Bulletins to the wider port community
- Port Safety Day
- New high visibility clothing
- Safety competitions for staff including the best safety slogan which is on all safety communications.

Safety starts with me



2012 Targets

- No significant environmental incidents ✓
- Achieve a 10% reduction in complaints X

OUR ENVIRONMENT

Our environmental objective is to ensure the activities we undertake have a neutral impact on any environment we operate in. Two initiatives we have undertaken to ensure this year are described below.

Monitoring our sea bed

The reef communities around Motuotau Island inshore from the Port of Tauranga dredge spoil deposition grounds have been monitored 13 times since 1990, with the latest survey undertaken in February 2012. For each survey, the same three transects have been traversed with any changes to species present and surrounding sediment height reported.

In general terms, the reefs appear

to be in a healthy state, typical of reefs of similar depth, aspect and exposure found elsewhere on our neighbouring coastline. The findings of the monitoring show there have been no major changes to the sea bed community compositions that could be attributed to dredging activities.

Our February survey is the first since the MV *Rena* ran aground on the nearby Astrolabe Reef on 5 October 2011. Significantly, there is no evidence of any oil related disturbance or degradation at the monitored sites or on the sand near the reef.

Bark storage

Our longstanding partnership with Daltons for the removal of bark debris for processing into a range of garden products has taken a further step.

The first stage of an initiative to further minimise the impact of dust generated from the bark storage area within the port is under way. Bark debris is an unavoidable waste product generated through the handling of logs exported through the port. The loose bark left behind is collected and stored before being carted away for recycling, processing and sale. A new building is currently under construction to allow an existing workshop to be vacated and made available for the storage and handling of dusty bark in a contained environment.



Photo supplied by the Bay of Plenty Times

TrustPower TECT rescue helicopter pilot Liam Brett Kelly and Port of Tauranga Chief Executive Mark Cairns.

2012 Targets

- Maintain positive stakeholder relationships ✓
- Complete a customer survey ✓

STAKEHOLDERS

Building and maintaining strong mutually beneficial relationships with our stakeholders is a key component of our overall business sustainability strategy. Port of Tauranga continues to pride itself on the active roles we play in the wider community including our staff and customers.

COMMUNITY

We continue to invest in activities, events and organisations that are important to and add value to our local communities.

Community Investment

This year, Port of Tauranga entered into a four year \$250,000 partnership with the Philips Trust to install the

Port of Tauranga Rescue Winch onto the TrustPower TECT Rescue Helicopter. The winch enables rescues to be carried out in areas previously inaccessible to the rescue team. Pilot and Manager, Liam Brett Kelly, is thrilled with the performance of the winch and newly trained crew. "I am rapt with the winch. It's a brilliant piece of equipment that has greatly enhanced our ability to do our work," says Liam. To date, four rescues have been carried out utilising the winch, including that of a forestry worker who had fallen 120 metres down a steep ravine while planting pine trees.

Thanks to the generosity of our valued cruise customer, Royal Caribbean Line, we were gifted an Alaskan cruise which was raffled to

raise funds to support the annual training and operating costs of the Port of Tauranga Rescue Winch. The winner, Angela Ebel, has never been on a cruise and is very excited about this opportunity.

Again this year we celebrated the memory of Turirangi Te Kani, who was a member of the Tauranga Moana Maori Trust Board and cultural advisor to the Company, by granting four new three-year scholarships to assist young people to complete university studies. There are currently eight (in total) young people being assisted by these scholarships. The Company also supported a number of local schools and in various sporting, cultural and educational activities.



World class service levels

Flexible, can do, make it happen culture

Understands its role in serving the wide logistics ecosystem

Authentic, trusted, long-term relationships

2012 Targets

- Succession plans in place ✓
- Target training and team development plans ✗

CUSTOMERS

A survey of a cross section of our customers was undertaken earlier in the year to gain insight into how they perceive what we do and how we might improve our services to them.

The feedback is summarised above and much to our delight the overwhelming theme in the feedback was that we are seen as a customer responsive team with a “can do” attitude, and high service and performance standards.

With more than 90% of staff owning shares in the Company, there is a strong pride and commitment to customer service and productivity. Nevertheless, we continue to set ambitious service targets in order to maintain excellence.

PEOPLE

Our overall people objective remains to continually attract, retain and develop competent motivated and committed staff.

At June 2012, we employed 169 full time employees and 30 casual employees, and at any one time a significant number of contractors work directly for the Port.

This year has been a challenging one for the organisation with additional pressure on staff and contractors as a result of the significant increase in volume and shipping movements which arose as a consequence of the MV *Rena* grounding in October 2011 and the prolonged Ports of Auckland industrial action. Our employees and contractors stepped up and went

the extra mile. We are very proud of their efforts and, as a result, the performance of the business.

We are regarded as an employer of choice and, as a consequence, have very low levels of staff turnover. For the year just ended, this figure was less than 5%. Four of the employees who left were long serving employees, retiring after a combined service of 130 years.