



ANNUAL 2023 REPORT 2024

Connecting the Pilbara



ACKNOWLEDGEMENT OF COUNTRY

Pilbara Ports acknowledges the Traditional Owners of the land and waters in which it operates and pays its respects to Elders past, present and emerging.

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OUR VISION

Our ports connect the possibilities of the Pilbara to the world so our customers and communities thrive.

OUR VALUES

SAFETY
ensuring everyone goes home safe and healthy everyday

EXCELLENCE
taking pride in our work and striving to improve

TEAMWORK
valuing difference and working collaboratively

INTEGRITY
delivering on commitments and acting honestly and objectively

CARE
respecting people, communities, and the environment



Port of Port Hedland operations



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STATEMENT OF COMPLIANCE

To the Hon. David Michael MLA

Minister for Ports; Local Government; Road Safety;
Minister assisting the Minister for Transport

In accordance with Section 68 and clauses 34 and 35 of Schedule 5 of the *Port Authorities Act 1999* (WA), as continued under the *Government Trading Enterprises Act 2023* (WA) effective date on 1 July 2023, I hereby submit for your information and presentation to Parliament, the Annual Report of Pilbara Ports for the financial year ended 30 June 2024.

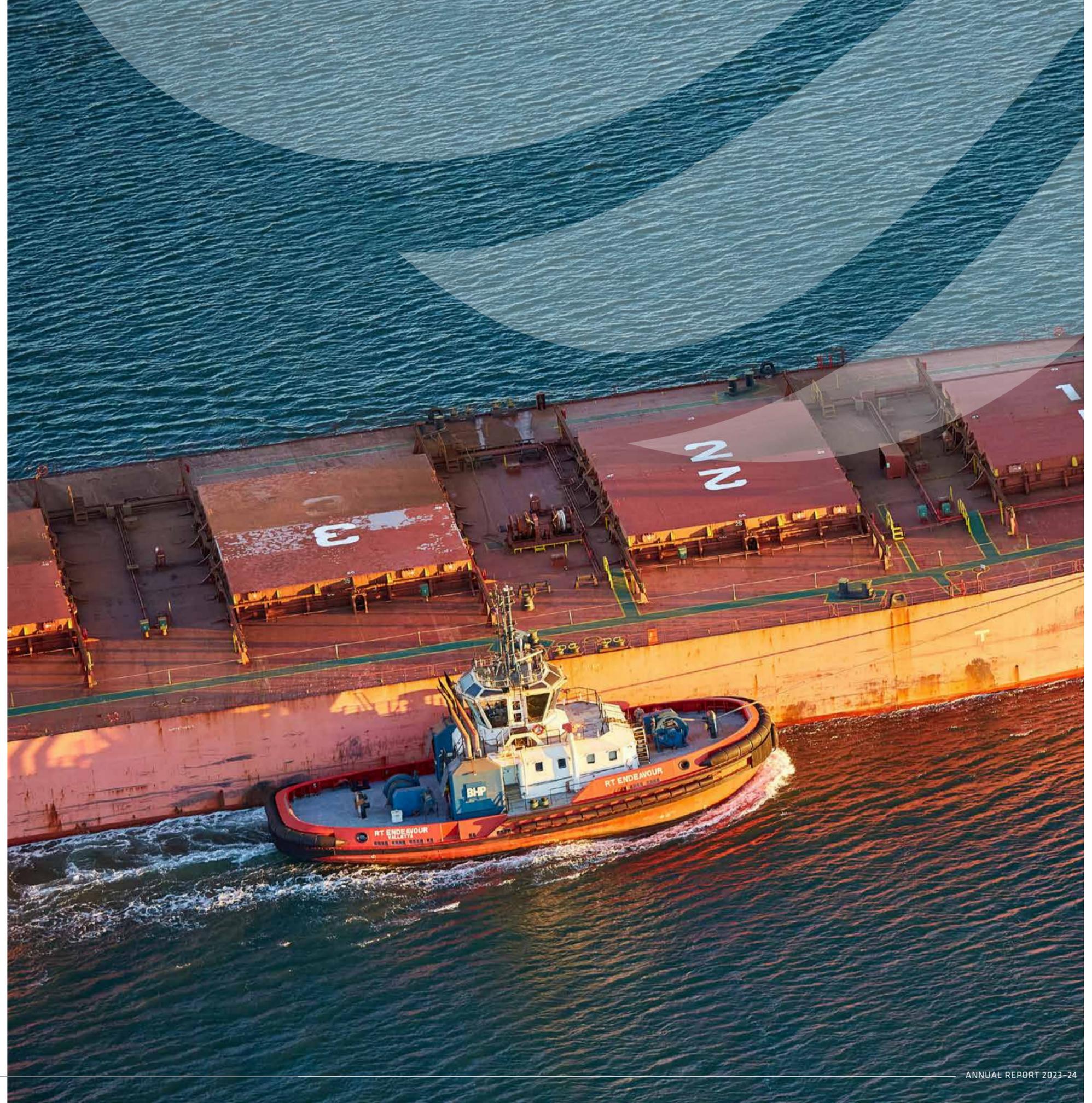
Brad Geatches
Chair - Board of Directors
Pilbara Ports

ISO certifications:



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2023-24 HIGHLIGHTS

7,700 safe vessel visits
– an average of 21 a day

Profit before income tax
\$354.2 million

Total revenue
\$751.8 million



Total annual throughput
758.3Mt
– record for the fifth consecutive year

Total annual throughput at the Port of Port Hedland
573.6Mt

Total annual throughput at the Port of Dampier
172.6Mt

Total annual throughput at the Port of Ashburton
11.9Mt



14,002 twenty-foot equivalent units achieved in direct shipping to/from the Pilbara

\$527 million in supply contracts awarded, including \$315 million to Pilbara businesses



Implemented in-house marine pilotage strategy

First construction milestone achieved on Lumsden Point project

Karratha Quarter office opens, and work starts on the new Dampier Vessel Traffic Service Centre

New Vision and Values launched

Net Zero Transition Plan adopted

Diversity and Inclusion Plan launched

\$400,000 provided to support 45 local community groups, sporting and not-for-profit organisations in the Dampier/Karratha, Onslow and Port Hedland communities

Port Hedland Voluntary Buy-back Scheme extended

Number of women in senior leadership roles increases from 18 to 31 per cent





CHAIR'S REPORT

It is my privilege to present Pilbara Ports 2023-24 Annual Report.

Working closely with customers and stakeholders we once again delivered pleasing safety, operational and financial results, continuing our central role facilitating Western Australia's growth and development of the Pilbara region.

The skill and endeavour of our people were key to these achievements and I applaud everyone at Pilbara Ports for their energy and professionalism. Our employees should feel proud of their achievements. The Board was particularly pleased to see the organisation's commitment to diversity and inclusion resulting in positive changes, including an increase in the number of female employees in leadership roles.

All people at Pilbara Ports continued to prioritise safety and good progress was made in achieving and maintaining safe operations.

The leadership of our Chief Executive Officer Samuel McSkimming and his Executive Team has contributed greatly to Pilbara Ports solid results, including our progress with safety, diversity and inclusion.

As a geographically isolated State, our economy is highly dependent on high-capacity and efficient ports. With State and Federal Government funding support, it was gratifying to see our Dampier Cargo Wharf Extension and Lumsden Point General Cargo projects progress. We expect to invest more than \$1 billion in these two major projects over the next few years and we recognise that their timely delivery is vital to regional exports and supply chains for critical industries.

It was pleasing to see the continuing success of direct shipping connecting our ports to Asia delivering efficiency and sustainability benefits and more transport services for Pilbara businesses.

This financial year we continued to support the local Pilbara communities. The \$175-million Port Hedland Spoilbank Marina construction was substantially progressed, with the marina's new boat ramps opened to the public. All marina facilities are expected to be open to the public by the end of 2024.

The success of the Port Hedland West End voluntary buy-back scheme continued and we appreciate the State Government extending the scheme for a further two years.

The West End will feature a new Seafarers' Centre to cater for the thousands of seafarers who visit Port Hedland every year. We are working closely with industry to fund, design and build this new facility.

The year was also marked by the rapid development of the Port of Ashburton, including the impressive iron ore export transshipment facilities under construction by Mineral Resources Limited.

It was great to see so many Pilbara Ports employees volunteer their own time to participate in community events and celebrations.

Sustainability is core to our operational efforts and our sights are set on the State Government's climate policy target for Government Trading Enterprises to reduce greenhouse gas emissions to net zero by 2050. We updated our Net Zero Transition Plan in the reporting period and now have a clear pathway towards operational decarbonisation.

The Board will welcome its first female Chair in 2024-25 with Karlie Mucjanko to take on the role. Karlie has been a Pilbara Ports Director since 2020, was previously a Director of Fremantle Ports and has extensive executive experience across a range of industry.

Thank you to my fellow Directors for their support and enthusiasm over the past 12 months. I look forward to working with you again in 2024-25 as I continue my involvement on the Board as Deputy Chair.

In particular, I thank former Director Walter Purio for his contribution during his term; and welcome new Director Kirsten Rose, who joined the Board in early 2024.

Contributing greatly to Pilbara Ports success during the year was the support from Ports Minister David Michael MLA and representatives of the many State Government agencies playing a vital role in our operations.

Brad Geatches
Chair
Pilbara Ports



Tugs at Port of Ashburton



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CEO'S REPORT

I am pleased to report continued strong business performance, as we close out a year of transformation, growth and customer-service delivery.

At Pilbara Ports, our role is to deliver for those who depend on us. For our customers, the ports are the gateway to one of the world's largest integrated, bulk export systems. For our communities, the ports have always been at the very heart of the Pilbara's towns, foremost in the region's economic and social identity.

Reflecting this, we launched our new strategic Vision: to 'connect the possibilities of the Pilbara to the world so our customers and communities thrive'. It is encouraging to see the organisation benefit from renewed direction and clarity of purpose, laying the foundation for continued achievement.

This year, we changed our organisational values to ensure that Safety is uncompromisingly central to every choice we make. We completed a comprehensive audit of our safety culture and restructured our operational leadership to ensure local accountability for safety outcomes. We engaged with our workforce on critical safety risks, and increased the visibility of management in the field, leading to a 70 per cent increase in hazards reported.

Our injury performance was mixed, reflecting that we still have work to do. Total Recordable Injury Frequency Rate (TRIFR) for 2023-24 was 7.43, up from 6.25 in 2022-23, while our Lost Time Injury Frequency Rate (LTIFR) fell to 1.65 from 2.08 in 2022-23.

Pilbara Ports had a throughput of 758.3 million tonnes (Mt) in 2023-24, which was our fifth record in a row. Our volume performance reflects the continued strength of the iron ore trade. Of note, Port Hedland setting four consecutive monthly throughput records in the second half, including a new record of 54.9Mt in June.

There was an improvement in earnings across the business, with operating profit increasing 3.2 per cent to \$354.2 million. We are proud to deliver this value to Western Australia.

We welcomed the first iron ore exported from the Port of Ashburton, marking the opening of the West Pilbara as a growth region for bulk exports.

We invested in the capability and effectiveness of our leadership team, to ensure we are match fit for the growth to come. I am proud to see the number of women in management increase, from 18 per cent to 31 per cent of leadership roles. We introduced the value of Teamwork, prioritising collaboration with our stakeholders.

A personal highlight for me from the year has been establishing our own marine pilotage team based in Port Hedland, which has set us on the path towards improved service reliability. The team has been busy training and getting ready to take on pilotage operations from mid-2025, along with an external provider.

The global trends that have driven growth in the Pilbara's mineral and energy exports for two decades seem set to both accelerate and diversify – underwriting our generational investment in the Dampier Cargo Wharf Projects in Dampier and Lumsden Point in Port Hedland.

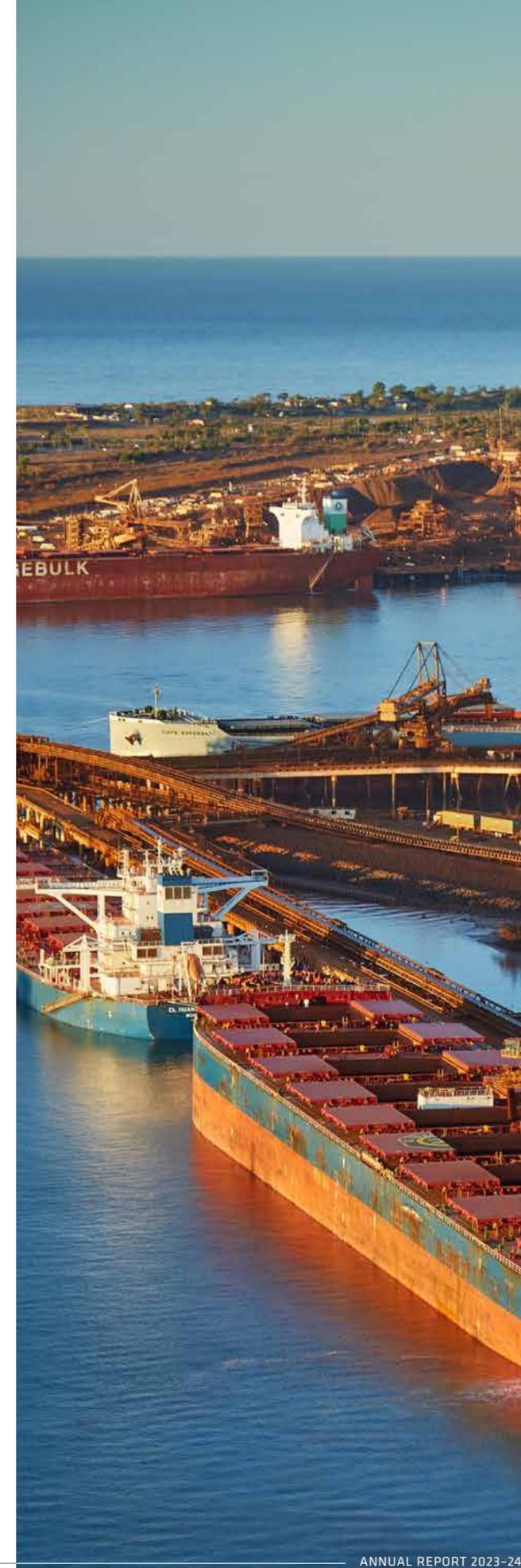
With more than \$1 billion of investment in common user, open access port infrastructure under way, our capital program is critical to the Pilbara's energy transition. Despite challenging markets, we've made encouraging progress on both projects, with construction proceeding well and further contracts signed to deliver major work packages across 2024-25.

It is impossible to be anything but optimistic about what lies ahead for the Pilbara, its remarkable people, and for Pilbara Ports. It has been a privilege to lead the organisation as we transform to meet the expectations of our customers and communities.

I thank our Board of Directors and Minister for Ports, David Michael for their ongoing support, and extend my particular thanks to our outgoing Chair, Brad Geatches, for his leadership and service to our business. I am pleased he will continue to work with us next year as Deputy Chair, and I congratulate incoming Chair Karlie Mucjanko on her appointment.

I extend my gratitude to our extraordinary team members for their dedication, commitment and efforts. It is through your hard work, that our customers and communities thrive.

Samuel McSkimming
Chief Executive Officer
Pilbara Ports



Port of Port Hedland



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ORGANISATIONAL PROFILE

In January 2024 Pilbara Ports became the registered business name of the Pilbara Ports Authority.

This name is more consistent with other ports in Western Australia, who no longer use Authority in their name. However, there will be some instances where the organisation may need to refer to itself as Pilbara Ports Authority, such as in official contract documents.

Pilbara Ports is the world's largest bulk export port authority, encompassing the operating ports of Ashburton, Dampier, Port Hedland, Varanus Island and five future port sites*.

The ports of Dampier and Port Hedland are among the world's largest bulk export ports, responsible for about 82.5 per cent of Western Australia's, and about 43 per cent of the world's iron ore exports.

Other major export commodities include liquefied natural gas (LNG) and salt. LNG throughput at the ports Dampier and Ashburton was 28.7Mt, which was about 36 per cent of Australia's exports and 7 per cent of global LNG trade.

Salt exports through the ports of Port Hedland and Dampier totalled about 7.1Mt in 2023-24, accounting for about 51 per cent of Australian salt production.

There are 19 operational berths at the Port of Port Hedland. Pilbara Ports operate berths 1, 2 and 3 in the harbour's east side operations, and the Utah Bulk Handling Facility. BHP owns and operates eight berths, Fortescue Metals Group (FMG) owns and operates five berths, and Roy Hill Infrastructure owns and operates two berths. During the reporting period, Pilbara Ports progressed development of the Lumsden Point Bulk Handling Facility, which will result in the addition of two common user berths.

At the Port of Dampier, Pilbara Ports owns and operates the Bulk Liquids Berth and the Dampier Cargo Wharf that together provide up to three berths. Rio Tinto and Woodside Energy own and operate private port terminals; Toll and Qube also operate private facilities.

The Port of Ashburton is a multi-user facility located next to a strategic industrial area accommodating LNG facilities and other hydrocarbon-based and natural gas processing facilities for Western Australia's domestic gas supply.

Overall port management, including the coordination of vessel traffic services, ship scheduling, berthing allocations for multi-user facilities and port communications, is managed by Pilbara Ports. This includes maintaining shipping channels, navigation aids and other port infrastructure. Third party contracts or licences are issued for stevedoring, towage, pilotage, pilot transfer helicopters and pilot boats, security services and waste management services.

Established in 2020 as a wholly owned subsidiary of Pilbara Ports, Hedland Maritime Initiative Pty Ltd (HMI) is progressing administration of the Port Hedland Voluntary Buyback Scheme and engaging on the future planning and development of Port Hedland's West End.

The Spoilbank Marina in Port Hedland is a major community infrastructure initiative being built by Pilbara Ports. Completion of the remaining marine and landside areas is expected in late 2024.

Pilbara Ports oversees 141,532 hectares of land and seabed across the operating ports of Ashburton, Dampier, Port Hedland and Varanus Island, and a further 76,752 hectares of tenure at the future ports of Cape Preston West, Cape Preston East and Balla Balla.

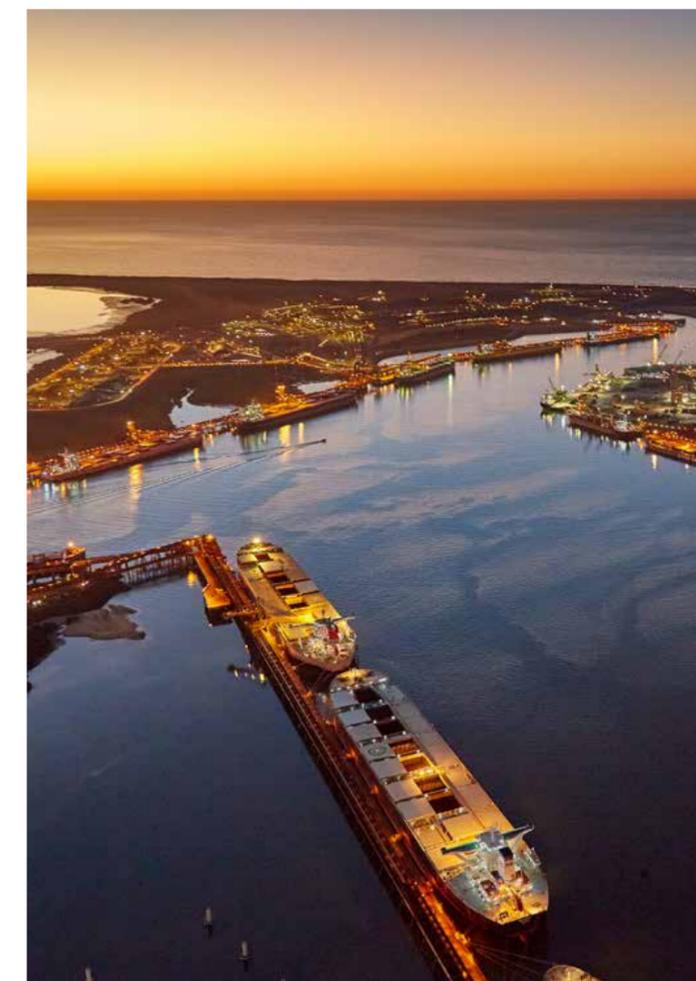
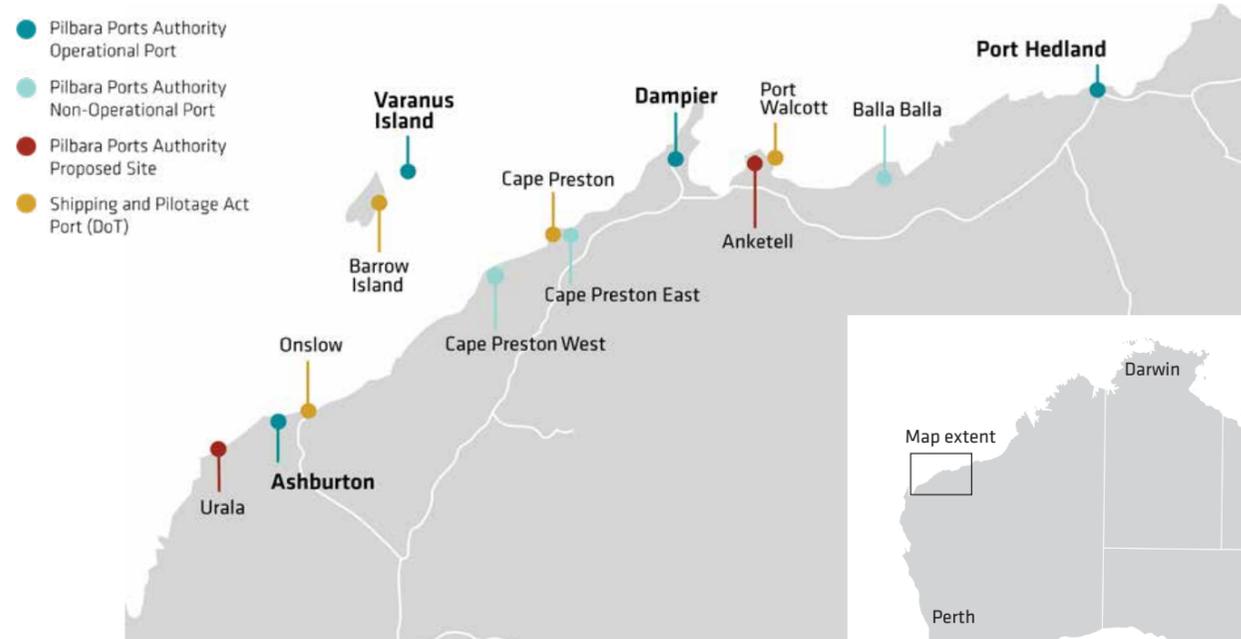
Other future ports are proposed at Ashburton West (Urala) and Anketell. In addition, Pilbara Ports is also expecting to take over responsibility for the existing ports including Port Walcott, Cape Preston, Barrow Island and Onslow. These ports are currently the Department of Transport's responsibility under the *Shipping and Pilotage Act 1967*.

In December 2022, the Port of Cape Preston West was declared a port under the Port Authorities Act 1999.

Pilbara Ports also facilitates port-related industries by leasing and licensing land to third parties. As of 30 June 2024, a total of 1,645 hectares of land were leased to more than 40 port users.

Pilbara Ports also facilitates port-related industries by leasing and licensing land to third parties. As of 30 June, a total 1,703 hectares of land was leased to more than 55 port users.

*Future port sites include non-operational ports and proposed sites as shown on the map



Port of Port Hedland at dusk



Shared responsibilities

Pilbara Ports has shared responsibilities with numerous Federal and State Government agencies in relation to certain activities at its ports.

It oversees marine safety and port security, cooperating with Commonwealth Government agencies responsible for customs, quarantine and marine safety. It also has obtained First Port of Entry status for the ports of Port Hedland and Dampier and has been approved by the Department of Agriculture, Fisheries and Forestry to undertake certain biosecurity inspections for cargo arriving at the Port of Port Hedland. This includes rural tailgate inspections on containers, and an approval to handle chilled meat products in reefer containers. Dampier and Ashburton ports sought similar approvals in 2023-24.

(L to R) Electrical Supervisor Chris O'Hara and Electrician Ian Bungay - Utah Bulk Handling Facility - Port of Port Hedland.



Role and legislative framework

Pilbara Ports operates as a Government Trading Enterprise (GTE) and is governed under the *Port Authorities Act 1999* (WA) (PA Act) and the *Government Trading Enterprises Act 2023* (WA) (GTE Act). Read together, the PA Act and the GTE Act define a clear role for all GTEs and establish lines of accountability and reporting to the State Government.

Under the GTE Act, Pilbara Ports stated purpose is to advance public benefit through the performance of its functions, which include:

- facilitating trade within and through the port and planning for future growth and development of the port;
- undertaking or arranging for activities that will encourage and facilitate the development of trade and commerce for the economic benefit of the State through the use of the port and related facilities; controlling business and other activities in the port or in connection with the operation of the port;
- being responsible for the safe and efficient operation of the port;
- being responsible to maintain port property;
- being responsible for port security; and
- protecting the environment of the port and minimising the environmental impact of port operations.

Pilbara Ports must perform these functions:

- consistently with its stated purpose;
- according to the powers afforded to it under the PA Act;
- endeavouring to achieve Government policy objectives set out in policy orders;
- according to prudent commercial principles; and
- according to its ministerially approved statement of expectations and annual performance statement.

Pilbara Ports operates as a commercial entity with an independent Board of Directors reporting to the Minister for Ports. The Board comprises up to nine directors, including a Chair. Its authority is to perform the functions of the port authority, determine its policies and control its affairs.

In exercising its authority, the Board recognises its overriding responsibility to act honestly, fairly and diligently, and according to the law in serving the interests of Western Australia, its employees, port users and the community.

Pilbara Ports is entitled under the GTE Act to establish a subsidiary to assist in the performance of any of the statutory functions. In November 2020, the State Government approved the Port Hedland Voluntary Buyback Scheme (PHVBS) - a voluntary scheme to acquire residential properties in the West End of Port Hedland. The aim of the PHVBS is to facilitate a reduction of the permanent residential population of the West End area covered by the Port Hedland West End Improvement Scheme 1 and provide for the development of a maritime precinct.

The PHVBS is administered by Hedland Maritime Initiative (HMI), which is a wholly owned subsidiary of Pilbara Ports. HMI operates as permitted under the GTE Act and as a corporatised entity under the *Corporations Act 2001*.

HMI operates with a Board of Directors reporting through the Pilbara Ports Board to the Minister for Ports. The Board oversees the activities of HMI and comprises between two and six directors, including a Chair.



ORGANISATIONAL STRUCTURE

As of 30 June 2024

MINISTER FOR PORTS
Hon. David Michael MLA

BOARD OF DIRECTORS
 Brad Geatches (Chair) | Amy Lomas (Deputy Chair) | Karlie Mucjanko | Robert Scharnell | Tom Stephens | Kirsten Rose

CHIEF EXECUTIVE OFFICER
 **Samuel McSkimming**
 BA LLB (Hons), MAICD


CHIEF FINANCIAL OFFICER
Nick Sarandopoulos
 BComm, CA, Grad Dip App Fin, MBA, GAICD

- Finance
- Procurement
- Legal
- Enterprise risk
- Finance and business partnering
- Technology
- Information services


EXECUTIVE GENERAL MANAGER MAJOR PROJECTS AND ENGINEERING
Charles Kretzmann
 BSc (Civil Engineering), BComm

- Capital project delivery
- Project management


EXECUTIVE GENERAL MANAGER SAFETY, PEOPLE AND ENVIRONMENT
Damien Miles
 MEthics&LegStud(Bus), MCnslg, BSW (Hons), Grad Cert IHS, Adv Dip Mgt

- Health and safety
- Human resources
- Environment and heritage
- First Nations engagement


EXECUTIVE GENERAL MANAGER CUSTOMER AND STRATEGY
Karlene Bylund
 BComm, Assoc Dip Accounting, Dip Project Management, GAICD

- Customer relationship management
- Enterprise strategy and market intelligence
- Sustainability
- Commercial management


EXECUTIVE GENERAL MANAGER MARINE
Philip Christy
 Master Mariner

- Marine operations
- Marine pilotage services
- Vessel traffic services


EXECUTIVE GENERAL MANAGER TERMINAL OPERATIONS
Craig Barbour
 BSc, Assoc Dip Port MGMT, TechIOSH

- Port operations
- Maintenance
- Security
- Asset maintenance
- Biosecurity


GENERAL COUNSEL
Richard Donaldson
 LLB, Grad Dip Leg Prac, Grad Dip IP Law, Wharton EDP, Wharton AMP

- Legal services
- Intellectual property
- Regulatory and compliance matters


CORPORATE SECRETARY
Anton Beets
 BProc, GDLP, FGIA, FCC, MAICD

- Corporate secretariat
- Board governance


HEAD OF CORPORATE AFFAIRS
Clare Lugar
 MCommM, GradCertBus

- Community relations
- Brand management
- Corporate and internal communications
- External affairs and stakeholder relations



BOARD OF DIRECTORS

As of 30 June 2024



CHAIR
Brad Geatches
BComm, MAICD

Mr Geatches was appointed to the Board in May 2019 and was reappointed for a term ending 30 June 2024. Mr Geatches brings more than 30 years' senior executive experience in underground mining, airports and seaports. From 2007 to 2016, he was Chief Executive Officer of Perth Airport Pty Ltd. Previous roles included CEO of Cairns Port Authority and CEO of Powercoal Pty Ltd. Mr Geatches currently sits on the boards of Brisbane and Canberra airports.



DIRECTOR
Karlie Mucjanko
BA, MBA(Exec), MAICD

Chair of the Organisational Development Committee

Ms Mucjanko was appointed to the Board in October 2020 and was reappointed for a term expiring 30 June 2025. She is an experienced company executive and non-executive director across a range of industries including infrastructure, agribusiness and regional development. Ms Mucjanko spent most of her career in agricultural export supply chains. She has held senior positions with the CBH Group and consulted to a variety of Government and private organisations on stakeholder and community engagement, value-add investments and diversity and inclusion. She is currently the Chair of Intergrain Pty Ltd and a Non-Executive Director of the Australian Export Grains Innovation Centre.



DIRECTOR
Tom Stephens
BA (ANU), OAM, JP, GAICD

Mr Stephens was appointed to the Board in August 2020 and reappointed for a term expiring 30 June 2025. He served in the WA Parliament from 1982 to 2013, holding various portfolios including Housing and Works, Regional Development, Local Government and Heritage. Since retiring from Parliament, he has maintained his strong focus on regional and Indigenous communities and served on a range of boards and committees. He is Chair of the Western Australia's Geographic Names Committee, the Kimberley Development Commission, Deputy Chair of the WA Regional Development Trust, a member of the Regional Development Council, a Trustee for MercyCare, board member of Martu United Pty Ltd and Western Australia's Dyslexia SPELD Foundation.



DEPUTY CHAIR
Amy Lomas
BEcon (Hons), MAICD

Chair of the Finance and Technology Committee (to 31 March 2024)

Ms Lomas was appointed to the Board in July 2018 and was reappointed for a term ending 30 June 2024. Ms Lomas was appointed as Deputy Chair in January 2022. Ms Lomas is a resource economist who specialises in major project development, ports, infrastructure and upstream energy supply. Ms Lomas spent 10 years in the Western Australian Treasury, including as Director of Economic and Revenue Forecasting, and as Executive Director State Development Policy at the Department of State Development. Ms Lomas joined PricewaterhouseCoopers in 2018 and is a partner in Climate, Energy and Infrastructure.



DIRECTOR
Robert Scharnell
BSc Eng, MAICD

Chair of the Risk, Safety Sustainability Committee (to 31 March 2024) and Chair of the Risk, Safety and Major Projects Committee (from 1 April 2024)

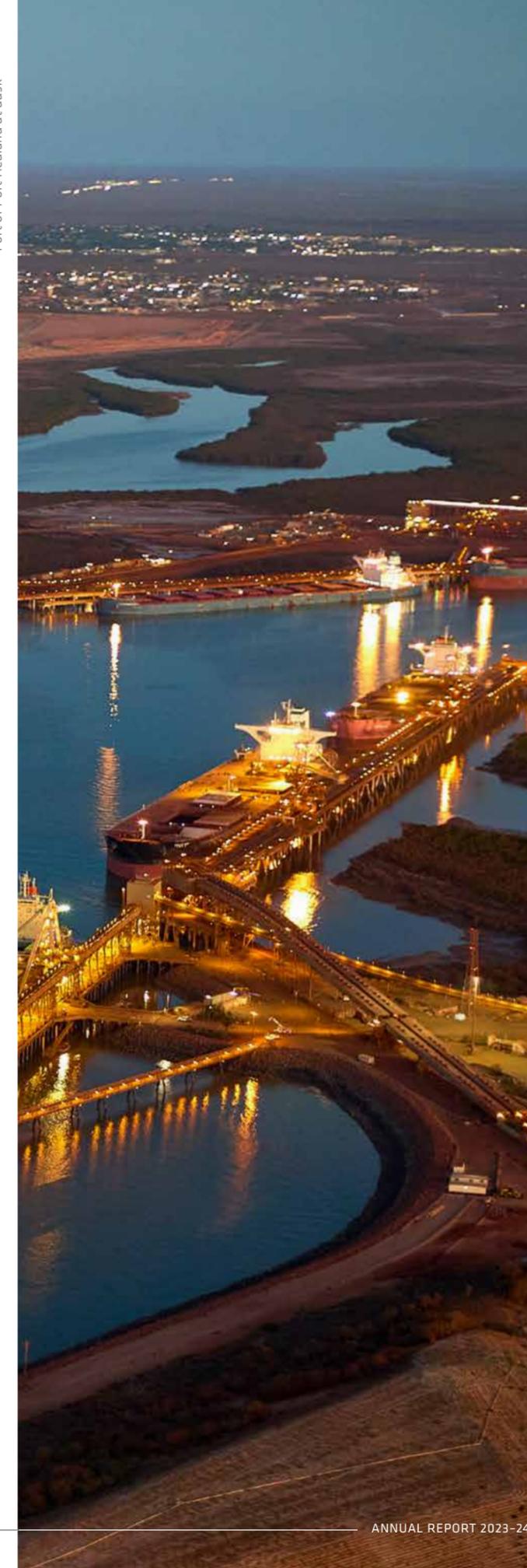
Mr Scharnell was appointed to the Board in July 2021 and was reappointed for a term ending 31 December 2024. He has more than 30 years' global experience within the resources and maritime sectors, including engineering, project management, business strategy, operations and governance. Rob is also a non-executive director of ASX-listed Kinetiko Energy Ltd, a natural gas exploration company. He was a past nominee director of the Marine Preservation Association which oversees one of the USA's largest oil spill response organisation. Rob is currently Rear Commodore of the Royal Perth Yacht Club.



DIRECTOR
Kirsten Rose
FTSE, GAICD

Ms Rose was appointed to the Board on 11 December 2023 for a term expiring 31 December 2025. She has held leadership roles in technology and innovation for more than 25 years in the US, UK and Australia, and has a deep understanding of climate change, energy and resources technologies. As CSIRO's Deputy Chief Executive, Ms Rose works closely with the Chief Executive and Board and leads a portfolio of enterprise functions including strategy, engagement and collaboration. She brings a strong governance skillset from her executive role at the Australian Institute of Company Directors and is a passionate champion of innovation and sustainability.

Port of Port Hedland at dusk



OVERVIEW

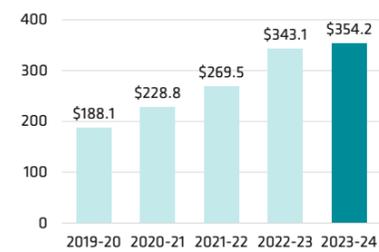
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PERFORMANCE HIGHLIGHTS

Financial performance

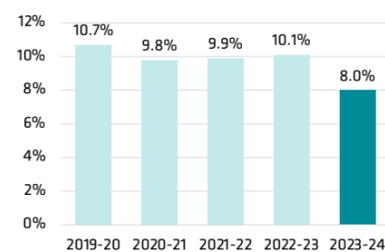
Profit before income tax (million)



Net profit after tax (million)

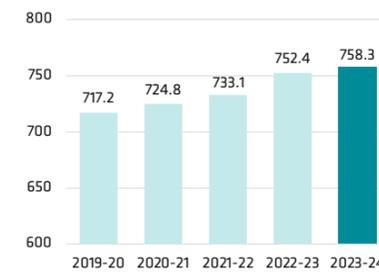


Return on assets excluding port improvement rate (PIR)

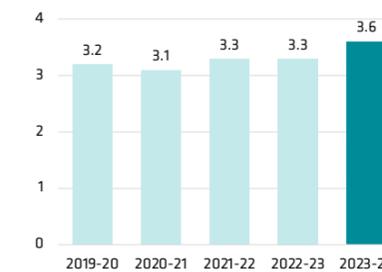


Throughput by tonnage (Mt)

Total throughput Pilbara Ports



Total imports

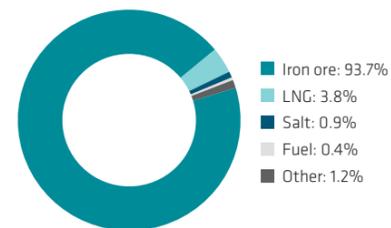


Total exports

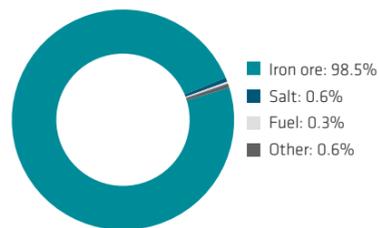


Throughput by commodity 2023-24

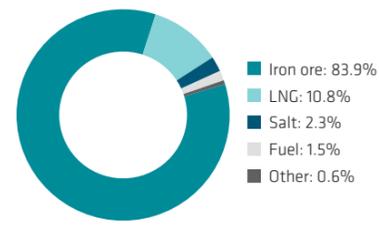
Pilbara Ports total throughput by commodity %



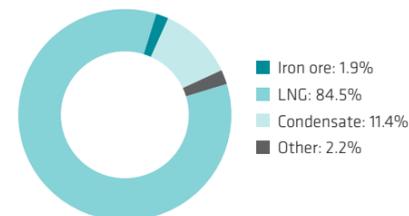
Port of Port Hedland by commodity %



Port of Dampier by commodity %



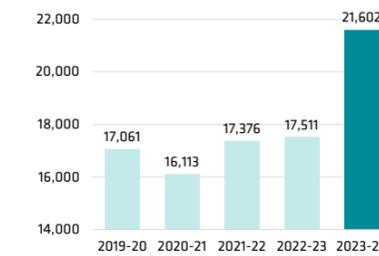
Port of Ashburton by commodity %



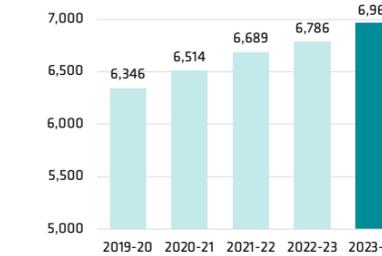
Varanus Island commodity throughput was 100% condensate

Vessel movements

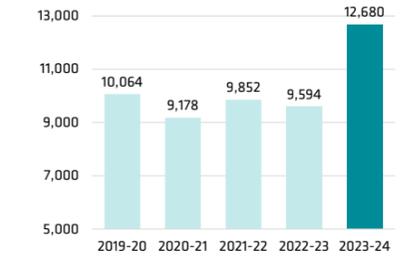
Total vessel movements



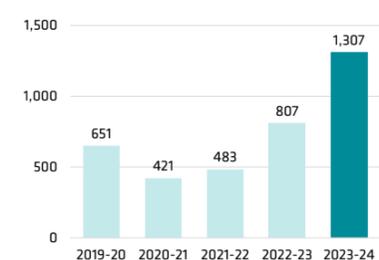
Port of Port Hedland



Port of Dampier



Port of Ashburton



The Port of **Varanus Island** transferred to Pilbara Ports on 1 July 2022.

It facilitated 654 vessel movements in 2023-24; 324 vessel movements in 2022-23 and 352 vessel movements in 2021-22.



KEY BUSINESS RESULTS

ECONOMIC RESULTS

FINANCIAL	FY TARGET	FY RESULTS
Rate of return on assets (%)	10.8	8
Economic rate of return (%)	11.3	9.4
EBITDA (\$ million)	\$475,382	\$449,170
Debt to equity ratio	0.29	0.30

TRADE RESULTS

PORT TRADE (MT)	FY TARGET	FY RESULTS
Port of Dampier	170.2	172.6
Port of Port Hedland	578.2	573.6

VESSEL VISITS	FY TARGET	FY RESULTS
Port of Ashburton	245	331
Port of Dampier	3,323	3,741
Port of Port Hedland	3,381	3,381
Port of Varanus Island	5*	270^
Total vessel visits	6,954	7,723

5* - Target based on exporting tankers
270^ - Results included three exporting tankers and other support vessels

SYSTEMS AND INDUSTRY BEST PRACTICE

	FY TARGET	FY RESULTS
Total Recordable Injury Frequency Rate	None set	7.43
Environmental Protection Notices, s 65, <i>Environmental Protection Act 1986</i> (WA)	0	0

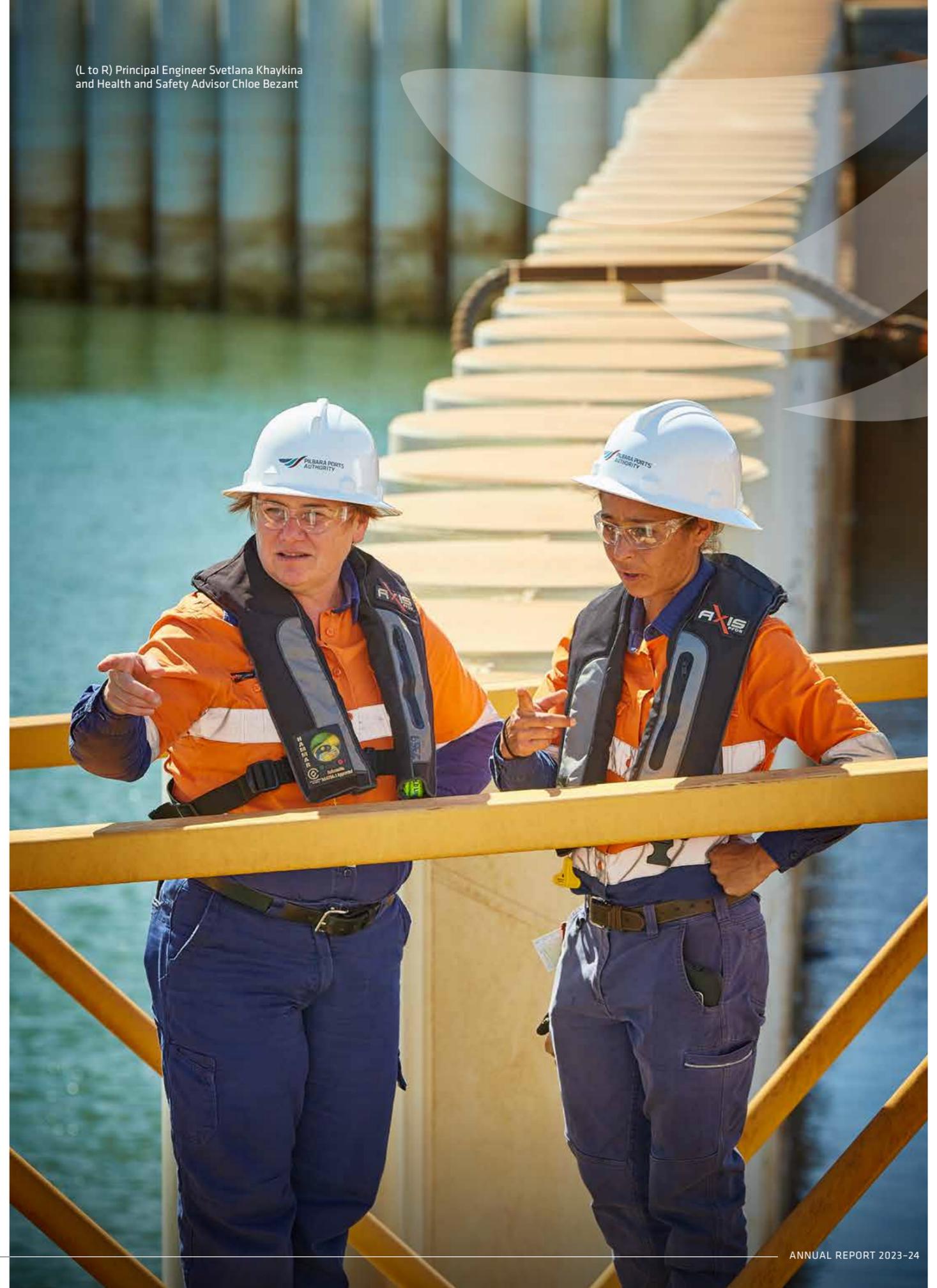
COMMUNITY ENGAGEMENT AND CUSTOMER SATISFACTION

	FY TARGET	FY RESULTS
Number of Community Consultation Committee meetings held	8	8

EMPLOYEE ENGAGEMENT

GALLUP (%)	FY FORECAST	FY ACTUAL
Participation	None set	80%
Active engagement (AU avg. 42%)	None set	43%
Active disengagement (AU avg. 13%)	None set	3%

(L to R) Principal Engineer Svetlana Khaykina
and Health and Safety Advisor Chloe Bezzant



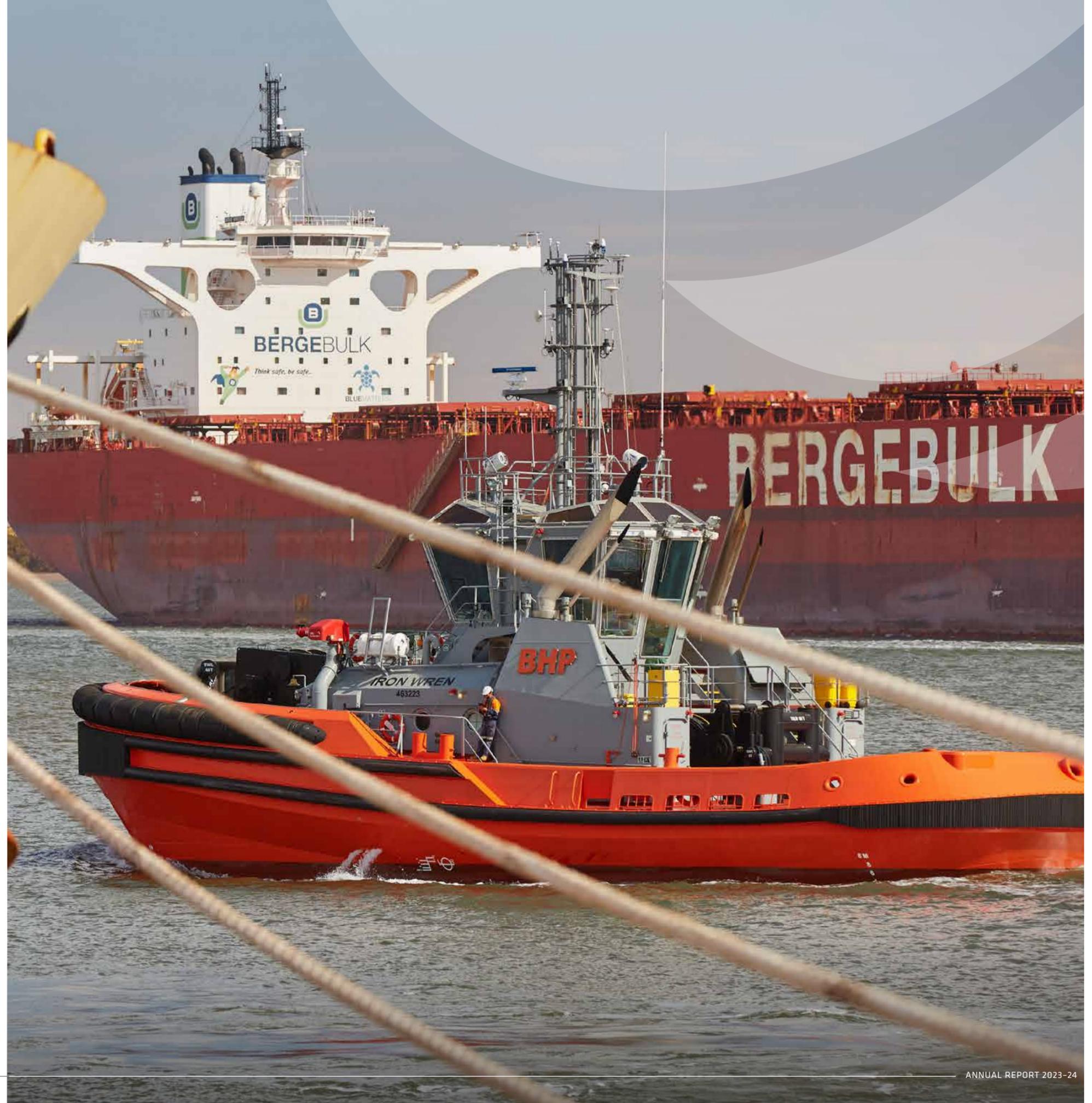
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PERFORMANCE FRAMEWORK

In early 2024, Pilbara Ports refreshed its corporate strategy, including its Vision Statement, Values, strategic pillars, success areas, and strategic deliverables and priorities.

Pilbara Ports new Vision Statement distils the organisation’s core purpose:

“Our ports connect the possibilities of the Pilbara to the world so our customers and communities thrive.”

The organisation’s ports provide vital connections between the Pilbara and the world, transforming the vast possibilities of a resource-rich region into tangible opportunities. However, Pilbara Ports success is intricately tied to the success of others – customers, stakeholders, and communities. Its purpose is to be of service to others, customers, stakeholders and communities, because when they are successful, so too will be Pilbara Ports.

Pilbara Ports performance is aligned to four strategic pillars of **People and Culture; Resilience and Prosperity; Partnerships; and Planet.** These pillars are also reflected in Pilbara Ports Sustainability Framework.



Onslow Salt jetty



PERFORMANCE AGAINST 2023-24 WA GOVERNMENT GOALS

Pilbara Ports strategic initiatives in 2022-23 supported the WA Government's goals of:

1. **Strong and sustainable finances**
Responsible, achievable, affordable budget management.
2. **WA Jobs Plan**
Diversifying the WA economy, creating local jobs for the future.
3. **Safe, strong and fair communities**
Supporting our local and regional communities to thrive.
4. **Investing in WA's future**
Tackling climate action and supporting the arts, culture and sporting sectors to promote vibrant communities.

The following tables illustrate how Pilbara Ports strategic initiatives align with the State Government's goals. Further information about these results are provided in the performance of strategic initiatives section.

ALL FOUR PILBARA PORTS THEMES	STATE GOVERNMENT GOALS			
	1	2	3	4
Sustainability Framework	•	•	•	•
PEOPLE AND CULTURE	1	2	3	4
Enhance work health and safety			•	
Fitness for work: mental health and wellbeing			•	
Diversity and inclusion		•		
Training and development: • Leadership and skills capability framework		•	•	•
Enhancing operational security			•	



(L to R) Premier Roger Cook, Project Director John Freimanis and Pilbara Ports CEO Samuel McSkimming at the Spoilbank Marina, Port Hedland.

RESILIENCE AND PROSPERITY	1	2	3	4
Developing the Lumsden Point General Cargo Facility	•	•	•	•
Developing the Port of Ashburton	•	•	•	•
Supporting Mineral Resources at the Port of Ashburton	•	•	•	•
Implementing technology road map		•		
Stabilising important marine services • Marine pilotage • Helicopter services • Marine and port vessel services • Dampier Vessel Traffic Service Centre	•	•	•	•
Progressing Dampier Cargo Wharf Projects	•	•	•	•
Growing direct shipping services to and from the Pilbara	•	•	•	•
Pilbara Ports investment framework	•	•	•	•
Accelerating <i>Shipping and Pilotage Act</i> port transfers	•	•		
Integrating <i>Shipping and Pilotage Act</i> ports	•	•		
Establishing asset lifecycle framework and strategic asset plan	•	•		
Optimising Utah Bulk Handling Facility	•	•	•	•
Port developments meet customer needs	•	•	•	•

PARTNERSHIPS	1	2	3	4
Supporting local jobs and businesses • Aboriginal Procurement Policy • WA Industry Participation Strategy (WAIPS) • Buy Local Policy and regional content	•	•	•	•
Delivering Spoilbank Marina	•	•	•	•
Revitalising Port Hedland's West End • Hedland Maritime Initiative • PHVBS: Owner participation and HMI acquisitions • HMI engagement and projects	•	•	•	•
Building strategic partnerships with ports worldwide		•	•	
Collaborating with industry		•	•	•
Engaging with the community		•	•	•
Cultural heritage and engagement • Cultural heritage management plan • Aboriginal Engagement and Reconciliation Plan			•	•
Supporting Port Hedland Seafarers' Centre			•	•

PLANET	1	2	3	4
Toward Net Zero		•	•	•
Caring for the environment		•	•	•
Cleaner fuels industry	•	•	•	•
Climate Action Plan		•	•	•



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PERFORMANCE OF STRATEGIC INITIATIVES

Sustainability framework

Pilbara Ports is committed to building a more sustainable and prosperous future for its customers and the communities in which it operates.

The organisation’s Sustainability Framework identifies issues that are important to its communities and stakeholders. These issues are outlined under the strategic themes of People, Planet, Prosperity and Partnerships.

A biannual review of the material issues was completed in 2023 to ensure Pilbara Ports strategy remains aligned with our stakeholders’ views. The review compares external stakeholders’ views against internal organisational views and identified 11 key issues to include in the Sustainability Framework for 2023 – 2025. To align these issues with the Strategic Framework, they are mapped under each strategic theme.

Internal performance indicators for each of the issues are built into business planning to ensure they are adequately resourced and funded.

Examples of the indicators for these issues are:

Workplace health and safety

- Safety interactions completed in accordance with lead performance indicator benchmark.
- Implement Health and Safety Plan.

Employee wellbeing

- Develop and document a Mental Health and Wellbeing Plan.

Climate change

- Scope 1 and 2 carbon emissions – 80 per cent reduction on 2020 levels by 2030 and net zero emissions by 2050.

Cyber security

- Effectively manage cyber security risk.

Port efficiency

Successfully facilitate customer projects and development.

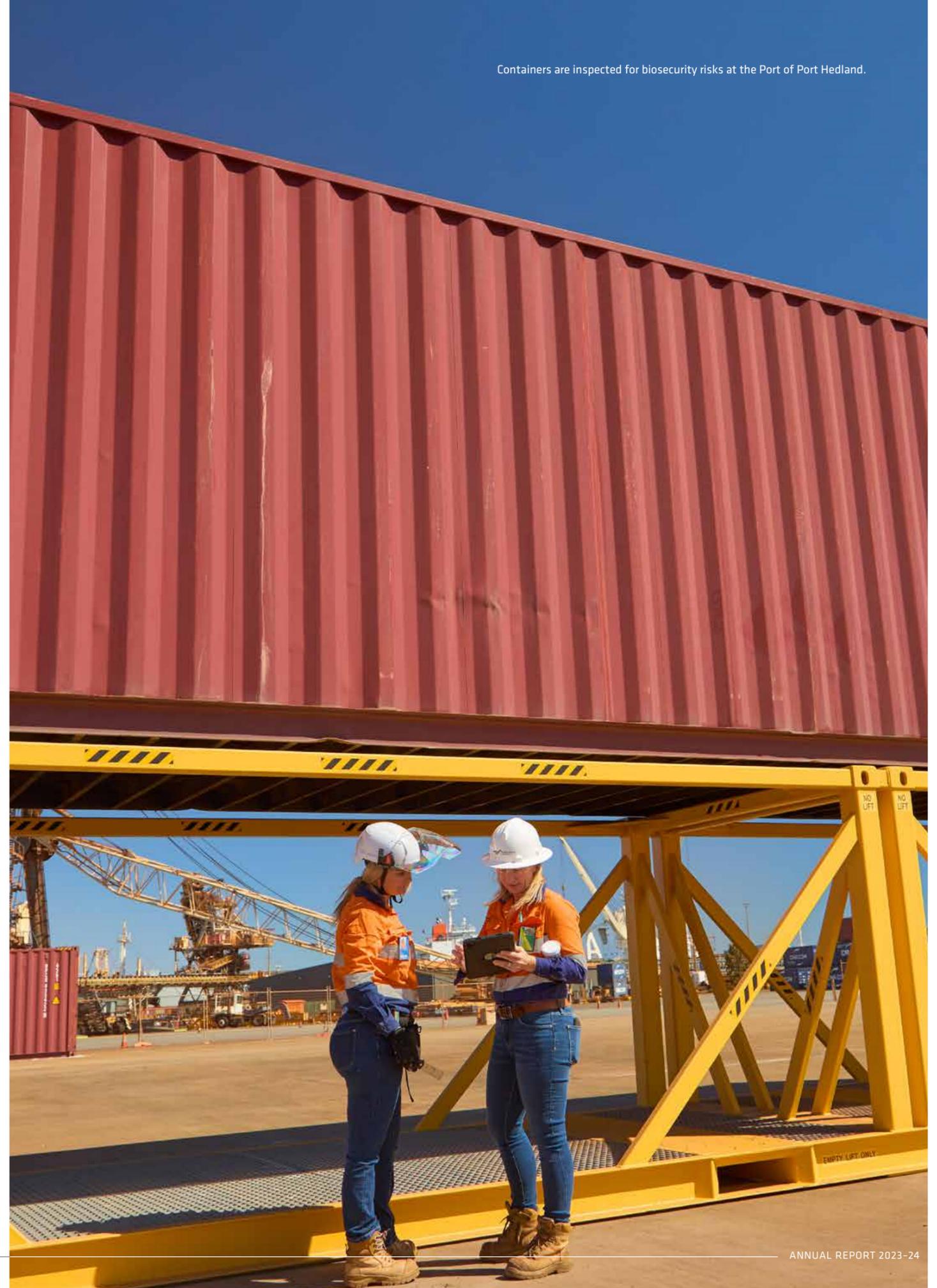
Regional prosperity

Execute the Community Investment Strategy.

Sustainability Approach 2023 to 2025

THEME	MATERIAL ISSUE
People	1. Workplace health and safety
	2. Talent attraction and retention
	3. Employee wellbeing
	4. Strategic leadership (customer focus)
Planet	5. Environmental protection (biodiversity and habitat protection)
	6. Climate change
Prosperity	7. Cyber security
	8. Port efficiency
	9. Regional prosperity
Partnerships	10. Stakeholder engagement
	11. Indigenous engagement

Containers are inspected for biosecurity risks at the Port of Port Hedland.



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PEOPLE AND CULTURE



Anchoring workplace health and safety

Pilbara Ports revised its Vision and Values' Statement during the financial year and for the first time formally recognised 'safety' as an organisational Value.

Safety has always been a top priority for Pilbara Ports but enshrining it as a Value means it now sits at the core of how the organisation operates; and sends a much clearer message to employees and external stakeholders.

Pilbara Ports moved to Total Recordable Injury Frequency Rate (TRIFR) as its main lag indicator. The TRIFR for 2023-24 was 7.43. Management placed an emphasis on leading indicators and proactive actions to improve safety culture. This resulted in an improvement of performance, such as field safety leadership, and a significant increase in the number of hazards reported – about double the number from last financial year, and incident investigation close-out rates.

Engaging with employees was fundamental to developing a new safety mission statement. More than 45 employee-generated ideas were put forward and through a vote 'Anchored in Safety' was adopted.

'Anchored in Safety' is a safety mission statement unique to Pilbara Ports and highlights that safety actions and decisions link and bind to all parts of the organisation. Also, the employee collaboration underpinning the statement's development gives a strong sense of ownership.

The importance and effectiveness of strong safety leadership was recognised and improved. Changes to organisational design brought management teams closer to operations and employees. More time in the field by managers increased safety awareness, communication, and delivered results.

A Central Safety Committee (CSC) was formed bringing the Executive, operational management, and Health and Safety Committee representatives into greater alignment. The CSC is central to improving communications, sharing safety information and ideas; and recognising employees' good safety performance. CSC's 'Spend for Safety' initiative gives safety leaders greater autonomy to implement safety initiatives if the purchases and changes involved are relatively low-cost. Flexibility in the typical procurement process allows for quicker and more effective safety improvements.

In late 2023, a comprehensive organisational safety culture review was conducted. Pilbara Ports was assessed as Level 3 – Compliant, with an upwards transition towards Level 4 – Proactive. The review paves the way for future safety improvements.

A focus for the year in review was working with the organisation's stevedoring providers to improve overall safety performance. Specific plans were introduced to drive safety performance. Pilbara Ports and the stevedoring providers are working to improve consultation, communication and collaboration.



Implementing Leadership and Skills Capability Framework

Pilbara Ports is implementing a Leadership and Skills Capability Framework that aligns with its Values, which was developed in consultation with Executive and managers.

The framework's capabilities and skills are creating an inclusive and psychologically safe work environment, while supporting employees to achieve in a positive way.

The framework sets a common standard for all leadership positions and creates accountability through alignment with Pilbara Ports new performance evaluation process, which considers equally 'what' is achieved and 'how' it is achieved. The common leadership standard builds on the diverse skills, knowledge and culture of the organisation's teams.

Pilbara Ports Leadership Intent, is for people to 'Achieve, in a positive way', so that they can contribute to strategic and/or operational outcomes; and to reach their potential career goals.

Leadership capability and potential are evaluated against the leadership standards such as empowering employees to be responsible for safety; being curious about unlocking the potential of a diverse range of people; and supporting people to deliver on customers' needs.

Health and Safety Advisor Chloe Bezant talks safety - Port of Port Hedland



Enhancing operational security

Pilbara Ports is continually improving physical security at its operating ports to protect people, plant and equipment; and prevent issues such as vandalism and theft.

At the Port of Port Hedland, an upgrade to the CCTV system for Utah Bulk Handling Facility was completed in June 2024. This resulted in 12 existing cameras being replaced and 14 new cameras being installed.

Autonomous drone technology was trialled at the Port of Dampier, but implementation was not financially viable in the short term.

Pilbara Ports engages regularly with the Department of Home Affairs on maritime security through a number of channels including:

- attending maritime industry security consultative forums – online and in-person;
- consulting on the Single Issuing Body Reform Project, which includes the Maritime Security Identification Card. Pilbara Ports is classified as 'high complexity' and will be one of the last issuing organisations to transition; and
- reviewing and updating maritime security plans and security assessments as required to protect critical systems and data.



Office meeting – Port of Port Hedland

Fitness for work: mental health and wellbeing

Pilbara Ports is implementing its Mental Health and Wellbeing Plan through a working group set up specifically for the task.

As recommended by the Committee for Economic Development of Australia (CEDA), Pilbara Ports plan is built on solid foundations including relevant research, good job design, effective leadership; early intervention support; as well as responding to employees and supporting their return to work following mental ill-health.

Like other caring organisations, Pilbara Ports boosted wellbeing efforts by providing meaningful extras at work such as fruit and coffee machines for break rooms. These gestures were tangible examples of the organisation's care for employees. However, the most important factors for mental health and wellbeing are being addressed at the foundational level by the plan and the Mental Health and Wellbeing Working Group.

Creating and sustaining a working environment that supports employees' mental health and wellbeing is everyone's responsibility. Pilbara Ports is achieving this collaboratively involving employees, managers, executives, the Human Resources Team, the Health and Safety Team, and the Mental Health and Wellbeing Working Group.

Employees need to be mindful of their own mental health and wellbeing; should support their colleagues; look for early signs of mental health concerns in themselves and colleagues; and ask for help if they or their colleagues need support.

Managers are responsible for being visible and approachable on mental health and wellbeing matters, as well as providing employees with clear direction and two-way communication to support psychological safety.

Executives are responsible for inspiring commitment to physical and psychosocial safety, embedding a culture of trust, and operating in a transparent and consistently supportive way to empower teams.





Landside Coordinator Albert Sioneloto and Senior Health and Safety Advisor Tiffany Turner – Port of Dampier

Diversity and Inclusion Plan

Pilbara Ports commitment and leadership towards positive diversity and inclusive outcomes are outlined in its Diversity and Inclusion Plan.

Released in November 2023, the operational plan is supported by research and sets clear targets and timelines for achievement, which are aligned with those of the Western Australian Public Sector Commission.

The plan identifies techniques, resources and related activities needed to deliver on workforce diversification and workforce inclusion. It has clear focus areas that include women, First Nations Australians, people living with disability, LBGTQIA+, cultural inclusion and flexibility.

FOCUS AREAS					
WOMEN	FIRST NATIONS AUSTRALIANS	DISABILITY	LBGTQIA+	CULTURAL INCLUSION	FLEXIBILITY

Workforce diversification

To increase the representation of people from different backgrounds at levels across the organisation



Getting serious

Shifting culture

Diverse & inclusive



Workforce inclusion

To ensure all employees experience a sense of belonging and inclusion at work



INSIGHTS

Our people

42%
are **women**

31%
of **management positions**
are filled by women

21%
from culturally and linguistically
diverse backgrounds

8%
are **less than 24 years of age**

3%
identify as **First Nations Australians**

2%
have some form
of **disability**

During the reporting period, Pilbara Ports was active in:

- increasing women in management from 18 per cent to 31 per cent;
- joining the 'CEOs for Gender Equity'; and participating in a range of focus groups on important topics such as flexible work, parental leave arrangements, and structural barriers and biases;
- developing an external reporting dashboard to show progress against the plan's targets, and celebrating the organisation's cultural diversity;
- incorporating a positive commitment to inclusion and improving diversity within the organisation in performance evaluation;
- strengthening partnerships with the Clontarf Foundation, including attending sponsored events, training days, and the Spinifex Shield;
- the Including You @ Pilbara Ports Working Group;
- supporting inclusion-related events, including National Aborigines and Islanders Day Observance Committee (NAIDOC) week, a panel event with Pilbara Ports Directors Amy Lomas and Karlie Mucjanko for International Women's Day, celebration and recognition of International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT) Day, International Day of Sign Languages, World Braille Day, Lunar New Year, International Women in Engineering Day, Pride Month and Reconciliation Week;
- attending webinars and events through Diversity Council Australia, including how to support women who are culturally and racially marginalised, how to support people with disability in recruitment, and intellectual property law for First Nations Australians; and
- developing an intranet site featuring information for employees on inclusion.



Office meeting - Port of Port Hedland



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INSIGHTS

CEOs working for gender equity

Tackling gender equity issues in practical ways was a key focus for senior leaders from Pilbara Ports and industry when they met for the CEOs for Gender Equity round table in Port Hedland.

Co-hosted by Pilbara Ports CEO Samuel McSkimming and CEOs for Gender Equity CEO Ashley McGrath, the round table provided a platform for collaborative brainstorming, focussing on actionable ideas to support CEOs in improving gender equity.

It also provided an opportunity to share Pilbara Ports diversity and inclusion initiatives and steps being taken to improve the number of women in leadership roles – particularly in operational teams.

Approaches to accelerate gender equity in the Pilbara region included:

- increasing engagement with primary schools;
- implementing onsite facilities for employees' children;
- revamping housing allocations;
- driving gender equity through procedural improvements; and
- promoting success stories through media outreach.



Gender Equity CEO Ashley McGrath (centre) discusses gender equity at Port Hedland

Attendees included representatives from the Town of Port Hedland, Pilbara Universities Centre, Port Hedland Chamber of Commerce and Industry, Kariyarra Aboriginal Corporation, Hedland Well Women's Centre, Odyssey Marine, and Port Hedland International Airport.



Scan the QR code to view the Diversity and Inclusion Plan

Pilbara Pride

Pilbara Ports was a proud supporter of the 2024 Pilbara Pride Festival at Port Hedland.

Chief Executive Officer Samuel McSkimming joined the party and said it was wonderful to see the Port Hedland community and the Pilbara Ports team celebrate their diversity.

"Everyone working in our ports should be able to bring their whole self to work. Fostering an inclusive work environment is how we make our ports and communities safe and sustainable."

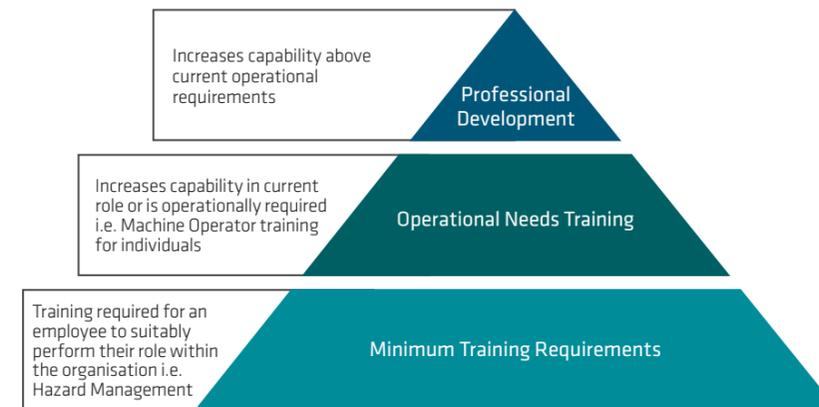
Chief Executive Officer Samuel McSkimming



Celebrating diversity at Port Hedland

Training and development

Pilbara Ports Training Framework operates on three tiers:



Minimum training incorporates the safety and operational readiness elements that each employee needs to complete.

Minimum training requirements for each position is reviewed annually to ensure employees are equipped to meet the safety and operational needs required to fulfil their roles.

The current minimum training portfolio has courses delivered internally and externally, with more than 50 different courses being coordinated.

INSIGHTS

Fostering engineering talent

Pilbara Ports graduate engineering program is helping ensure a new generation of engineering talent is rising through the ranks.

There are three graduates in the current program, and they are at different stages of their learning and development.

Over the three-year program, they will gain experience in the primary disciplines of major projects, planning, and engineering services.

Launched in 2018, the program has been instrumental in a number of graduates advancing to more senior positions within the organisation.

"The graduate program is a big part of 'growing our own' engineering and project capability. Also, we are fortunate to be able to offer interesting and rewarding careers."

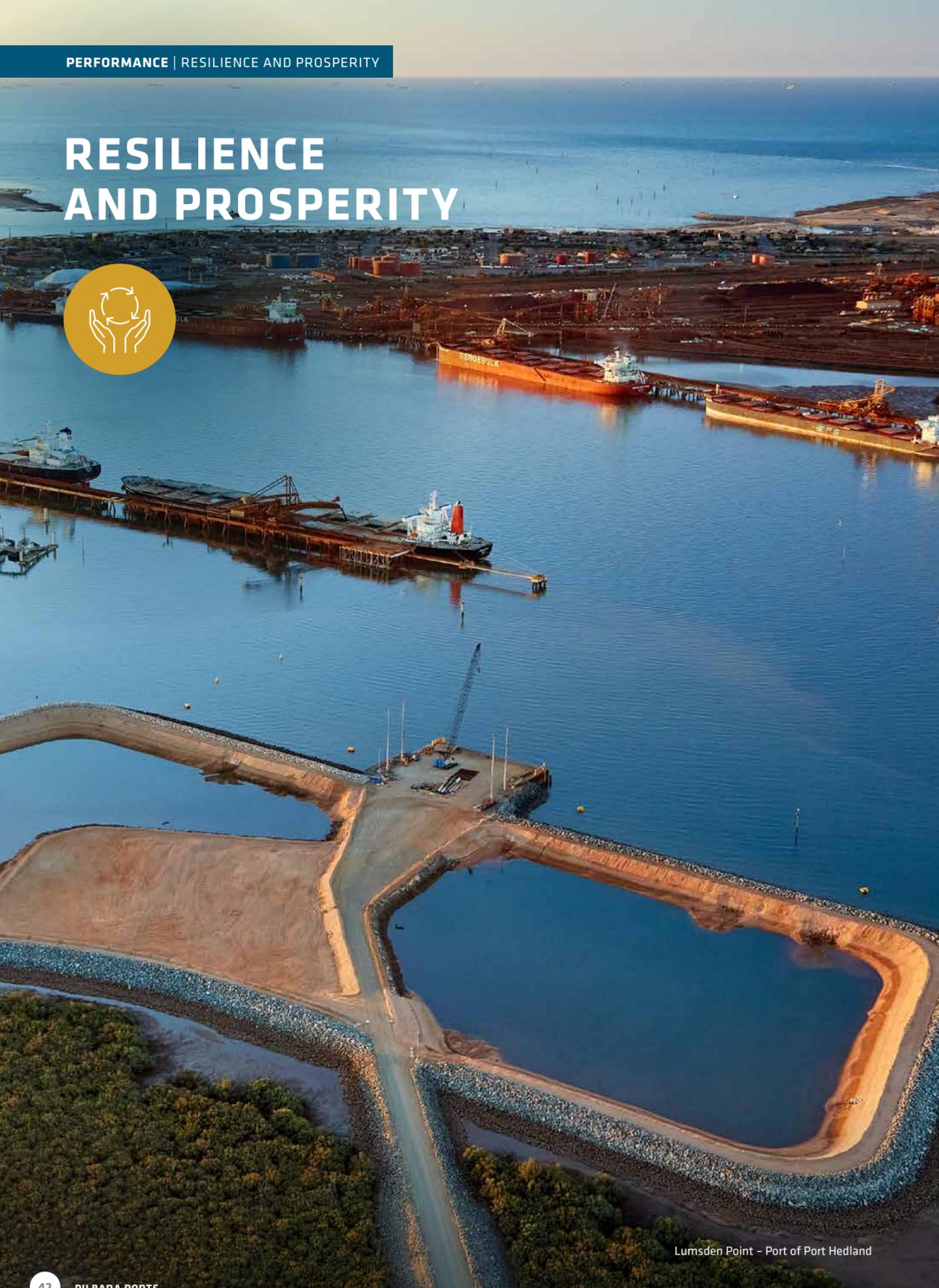
Executive General Manager Major Projects and Engineering Charles Kretzmann



(L to R) Graduates Ryan Barakin, Adnan Hassan and Ronan Bolger - Port of Port Hedland



RESILIENCE AND PROSPERITY



Lumsden Point – Port of Port Hedland

Developing the Lumsden Point General Cargo Facility

Pilbara Ports is developing a multi-user facility and logistics hub at Lumsden Point in the Port of Port Hedland to broaden trade and support the expansion of renewable industries such as solar power, wind power and green hydrogen in the Pilbara.

The Lumsden Point development will facilitate the export of critical metals such as lithium and copper concentrates; and the import of renewable energy infrastructure, including wind turbines and blades. It will support the growth of direct shipping services to the Pilbara and ease increasing congestion at the Port of Port Hedland.

The development is also part of the Pilbara Hydrogen Hub initiative, which supports the transition to renewable energy and decarbonisation of the resource sector.

The development includes dredging of an access channel and turning basin, construction of two multi-user berths (a general cargo berth and bulk handling minerals export facility), a minerals concentrate precinct, significant land development and a bulk outload facility. It also includes a central access road and services corridor, as well as a new intersection with the Great Northern Highway.

In March 2024, the project achieved a significant construction milestone when the dredge materials basins (seawalls) were completed. This is enabling dredging and further construction to progress.

In April 2024, Pilbara Ports awarded two major contracts – one for dredging and reclamation; and the other for the causeway construction. Construction of the causeway began shortly after the contract award; with dredging expected to start in September 2024.

That same month, the first customers for the facility were secured with Pilbara Minerals; and a Mineral Resources and Albemarle Joint Venture each signing up as foundation proponents.

Pilbara Ports expects to award the tender for the design and construction of the two new berths (General Cargo Berth and Minerals Export Berth) in the second half of 2024.

It is independently estimated that the development will generate billions of dollars in Gross Domestic Product and create thousands of Australian jobs.

The Commonwealth Government is investing \$565 million to support common user port upgrades in the Pilbara, \$450 million of which will enable the Lumsden Point development. This is in partnership with the Western Australian Government, which has committed \$96.6 million to the project. Industry has also contributed \$65 million towards dredging for the new facility.

“ACIL Allen estimates the Lumsden Point project is expected to boost national income by \$31.42 billion and generate an additional 6,204 full-time equivalent jobs per annum once operational.”*

* According to The Economic Significance of the Port of Port Hedland report produced by ACIL Allen for the Port Hedland Industries Council in April 2024.



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Vessel leaving the Port of Port Hedland

Stabilising important marine services

Marine pilotage

The Port of Port Hedland has a challenging, tidally constrained marine channel and the highly skilled marine pilots needed to navigate large vessels in and out of the port are in high demand.

Pilbara Ports is implementing a balanced insource/outsource delivery model for marine pilot services at the Port of Port Hedland.

Pilbara Ports has been actively recruiting to boost numbers for its new in-house service and has employed 26 trainee marine pilots. For the first time, the marine pilot group includes both females and people who are local to Port Hedland.

As part of their training, Pilbara Ports newly employed pilots have completed more than 1,000 vessel movements at the Port of Port Hedland during the reporting period.

The in-house marine pilotage service works with external contractors to ensure continuity of services. Two new pilotage services contracts were awarded to external contractors in December 2023, in readiness for when the existing provider's contract ends in June 2025.

Training is another focus area. Pilbara Ports has a competency-based marine pilotage training program, which is supported by internal and external industry

experts and incorporates use of on-water training, simulators, experience recognition and technical competency assessments.

Pilbara Ports partnered with North Regional TAFE to relocate simulator equipment from its Broome campus to the new Port Hedland facility, including a replica ship bridge.

Pilbara Ports pilotage training and management system is being accredited to International Standard for Maritime Pilot Organisations (ISPO) standards.

Helicopter services

In February 2024 Pilbara Ports renewed a long-term contact with Auriga Aviation to provide 24 hours a day, 7 days a week helicopter services to meet operational and emergency requirements at the Port of Port Hedland.

Auriga is an established and experienced company with a proven track record for the provision of helicopter services. The company was considered a safe, reliable and cost-effective deliveries partner.

Auriga has been servicing Pilbara Ports since 2017 under a previous contract and has a strong local presence. It has an office in Port Hedland and supports local jobs and businesses.

Marine and port vessel services

Pilbara Ports has extended a contract with Odyssey Marine for it to provide marine and port vessel services at the Port of Port Hedland through to at least 2029.

Odyssey's vessels assist with a range of marine movements within the port, including the transfer of marine pilots if helicopter marine pilot transfers are not available. It also provides a range of other on-water services. During Pilbara Ports dredging maintenance campaign, it provided survey boats to support operations.

Dampier Vessel Traffic Service Centre

After 10 years of operation, the Dampier Vessel Traffic Service Centre (DVTSC) will relocate to a refurbished Pilbara Ports building that will feature upgraded technology. The new centre will be operational in September 2024.

The Pilbara Ports operated DVTSC manages commercial shipping for the ports of Dampier, Ashburton and Varanus Island. The new technology also will equip the centre to cater for the region's long-term growth where a number of greenfield ports are planned.

The centre plays a critical role in emergency response and supporting emergency services in the Pilbara West Region, often well outside the designated vessel traffic service (VTS) area. It also monitors and responds to the recreational vessel fleet daily through radio test calls, calls for breakdown assistance and monitoring distress and emergency calls over a sea area from north of Exmouth to Cape Lambert. On average, the centre assists with search and rescue operations once or twice a month.

The portable building where the VTS is now located will be removed.

INSIGHTS

Women in maritime focus

Pilbara Ports is creating a more diverse pool of talent to enter the highly specialised career of marine pilotage.

Lindile Mdletshe is one of a number of new female marine pilots with Pilbara Ports and she started in early 2024.

Originally from South Africa where she worked as Marine Pilot at the Port of Cape Town, Lindile enjoys her job.

"There's opportunity for continuous improvement. No two roles are the same and each presents new learning opportunities," she says.

"Also piloting keeps you grounded. It defines you and gives a true reflection of self-identity."

"Piloting is about serving the people and the world, and that alone gives life purpose."



Lindile Mdletshe with her marine pilot team



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Implementing a technology roadmap

A range of initiatives are underway on Pilbara Ports digital journey.

Introducing innovative Long-Term Evolution network

Pilbara Ports is spearheading the establishment of a private Long-Term Evolution (LTE) network for Port Hedland. It is the first time this technology has been used at an Australian port. This specialist network is exclusively owned by Pilbara Ports, which now joins a select global group of organisations with such advanced solutions.

Pilbara Ports worked with Nokia to rigorously test this technology to ensure its reliability and maximise its potential.

The LTE network ensures heightened security, scalability, and resilience in data management. This network significantly enhances operational efficiency and reduces risk by providing reliable internet connectivity to marine operations and seafarers. Importantly, the network addresses previous connectivity challenges within the port, guaranteeing consistent and strong coverage.

Upgrading the enterprise-wide network

Pilbara Ports organisational network upgrade is enhancing communication and data transmission capabilities, which are vital for safe operations and future expansions. The upgrade boosts bandwidth to 1 gigabyte, which is a ten-fold increase that significantly improves data transmission quality between remote sites.

Additionally, installation of a 4G backup service enhances network reliability and reduces downtime risks. The upgrade will streamline operations and reduce maintenance costs.

Focusing on data analytics

Pilbara Ports is moving beyond digitisation and is focussing on harnessing the potential of data analytics for the future. Real-time data will better inform decision-making, foster operational excellence and boost strategic growth.

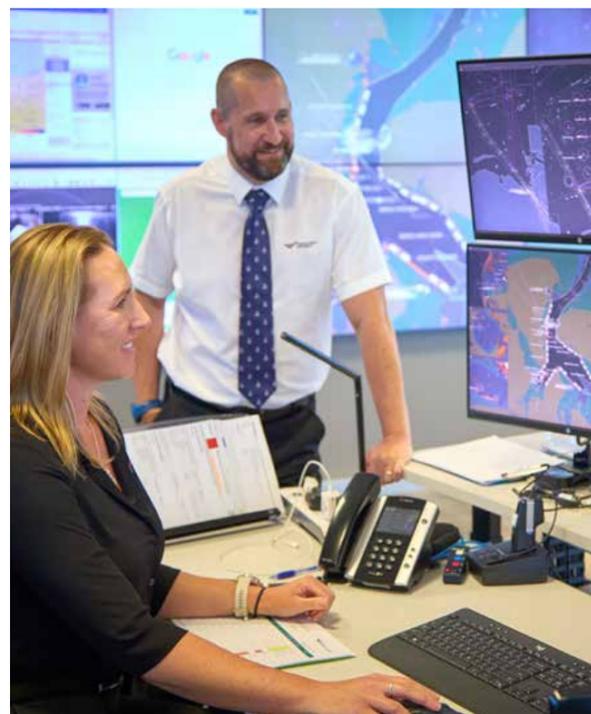
Digitising trade and finance data

A range of tactical data analytics initiatives are being introduced to deliver more timely data provision, which will better support organisational decision-making.

Initiatives include:

- continuing to develop a marine pilotage capability development prediction model;
- developing a Lumsden Discrete Event Simulation model to support business case scenario analysis;
- digitising and 3D modelling of major assets to aid safer and more cost-effective asset planning, maintenance and engineering activities; and
- establishing real-time data analytics and reporting for environment incidents and monitoring information.

Executive General Manager Marine Phillip Christy and Vessel Traffic Services Operator Kristy Adlam at the Integrated Marine Operations Centre - Port of Port Hedland



Vessel departs the Port of Dampier

Growing direct shipping services to and from the Pilbara

The Pilbara is growing rapidly and is creating some of the world's major maritime trading routes with a network of connections handling vast quantities of bulk imports and exports.

Asia is a key connection with direct and efficient logistics links to this important overseas market critical to the import and export of commodities.

Direct shipping is giving companies the option to ship general international cargo straight to the Pilbara, which reduces reliance on trucking from Perth and eastern Australian ports. Multiple major construction activities in the Pilbara are key contributors to the increase.

During the reporting period, direct shipping and rotainer imports on Direct Freight Vessels at the Port of Port Hedland averaged 359 containers a month, which was a 53 per cent increase on last financial year; while the Port of Dampier averaged 401 containers a month on Direct Freight Vessels, which was consistent with last financial year's performance.

To support demand and facilitate the supply chain for customers Pilbara Ports is enhancing its support capabilities for containerised trade. The focus is on more efficient terminal operations, as well as reporting and financial systems that align with containerised industry standards.

At the Port of Port Hedland, break bulk (general cargo) exports on Direct Freight Vessels increased by 66 per cent, due mainly to export of marble blocks; while break bulk imports decreased by 22 per cent.

At the Port of Dampier, break bulk imports on Direct Freight Vessels increased significantly by 140 per cent, with most of the cargo being trays for dump trucks and open-top containers. Both these cargo types must be stored on vessels' top deck and occupy increased space.

This does not decrease the port's total cargo throughput, but it does reduce container numbers as this cargo occupies container slots. Direct Freight Vessels are not common at the Port of Dampier.

At the Port of Port Hedland, the Pilbara Ports Landside Operations staff were busy undertaking biosecurity inspections. The team was available seven days a week and inspected 1,036 standard containers and 1,300 rotainers (containers that are rotated to empty). Numerous biosecurity hazards were detected, including a timber-boring insect and a variety of snails, including one species of significant potential risk.

Obtaining First Point of Entry approvals for the Port of Ashburton will allow direct shipping to begin.

INSIGHTS

Frozen Pilbara

Pilbara Ports facilitated the export of the first refrigerated (reefer) containers since gaining a meat export licence.

Containing frozen meat products from Kimberley Meat Company, the reefers departed the Port of Port Hedland onboard the MCP container vessel *Salzburg*.

This operation was months in the making with Pilbara Ports obtaining relevant licences, sourcing sufficient power supply and generators; and increasing compliance inspections.

Reefers depart the Port of Port Hedland on the *Salzburg*.





Marine operations at the Port of Ashburton

Pilbara Ports investment framework

Pilbara Ports new investment framework is guiding the more efficient allocation of capital and resources to improve organisational outcomes.

A specialised Capital Committee has been set up to better manage the organisation’s large and increasing capital expenditure program. The committee has a number of project-focused subcommittees reporting to it and is using a suite of standardised templates and processes to improve efficiency and consistency.

Revised reporting templates are being used to report on program and project progress to the Executive Committee and the Board.

A consultation and engagement framework is now operating with the Minister for Ports and the departments of Treasury and Transport for all significant transactions that comply with the *Government Enterprises Trading Act 2023*.

The port authority-wide exclusions framework addressing significant transactions for ‘Business As Usual’ defined activities has been extended through to 30 June 2026. This relates to requirements under the *Government Enterprises Trading Act 2023*.

An internal reporting framework for significant transactions has been implemented and is operating effectively.



Port of Dampier

Progressing Dampier Cargo Wharf Projects

The Dampier Cargo Wharf Projects are delivering a new multi-user facility to expand marine infrastructure and operational capacity at the Port of Dampier.

The projects comprise the Dampier Bulk Handling Facility (DBHF), Dampier Link Bridge and Dampier Cargo Wharf (DCW) Refurbishment.

Perdaman Industries will be the foundation user of the DBHF, which will enable the export of urea from the company’s multi-billion dollar industrial plant on the Burrup Peninsula.

Pilbara Ports awarded the contract for the design and construction of the DBHF to Clough Projects Australia in June 2024. Construction is expected to start in the second half of 2024.

The Dampier Link Bridge project will follow the DBHF construction. It will create a continuous 510-metre wharf line between the DBHF and the DCW, which will support trade growth by increasing operational capacity and efficiency.

The original cargo wharf was built in the 1980s and several components have reached end-of-life. The old wharf needs a significant upgrade to ensure it remains a viable and efficient asset for the long term. Work on the wharf upgrade will start when the Link Bridge project is complete.

The DBHF is being funded by the Federal Government through a \$160-million Northern Australia Infrastructure Facility loan and by the Western Australian Government through equity contributions of \$138.3 million.

The Link Bridge project and DCW Refurbishment are funded by the Federal Government. It has committed \$115 million from the \$565 million allocated in the 2022-23 Federal Budget for port infrastructure in the Pilbara to support emerging green industry and technology.



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Developing the Port of Ashburton

The Port of Ashburton is consolidating its position as a strategically significant multi-user port and industrial hub.

The port is in high demand and it is expected to experience strong growth due to increasing need for mineral resources, liquefied natural gas, exports, green energy transition, decommissioning and First Point of Entry status. Also, the port's capacity as a multi-user facility for general cargo; and fuel and supply base activities to service offshore operations underline its importance.

The port's current capability to meet customer requirements is restricted by limited infrastructure. Several projects have been identified to improve its operational readiness and usability.

Priority projects will address the provision of administration office space, a biosecurity facility, power, water, and firefighting water systems. Other projects include wharf lighting and additional mooring bollards to increase the functionality of the Ashburton Cargo Wharf.

The works will cost about \$14 million. Estimated completion is late 2025.

Port of Ashburton



Supporting Mineral Resources at the Port of Ashburton

Pilbara Ports is providing infrastructure and assisting with regulatory processes to support Mineral Resources Limited's (MRL) transshipment operation at the Port of Ashburton, which will play a critical role in its \$3 billion Onslow Iron project.

Five purpose-built barges with enclosed loading systems and each with a fully loaded capacity of 20,000 tonnes of iron ore comprise the first stage of the transshipment facility. The first two barges were commissioned in mid-2024.

The barges were delivered to the Port of Dampier by heavy-lift ship, offloaded and then towed by offshore tugs to the Port of Ashburton.

Offshore tugs are integrated with the barges at the rear to provide propulsion. The barges are also fitted with water-jet thrusters at the front of the vessel to assist with manoeuvring. The composite unit operates as one vessel and is called an Articulated Tug and Barge (ATB). ATBs transport iron ore from MRL's load-out facility, next to the Ashburton Cargo Wharf, to capesize bulk carriers anchored 40 kilometres offshore.

Capesize vessels are typically used to ship iron ore from the port, but they are too large to enter the Port of Ashburton. Transshipping is a form of connecting transport to support these large vessels, which means a new port facility does not need to be built for them.

Pilbara Ports is working with MRL to issue marine pilotage exemptions to its 26 ATB masters as part of the vessels' marine commissioning. The pilotage exemption plan is tailored to MRL's port operations but is rigorous enough to meet statutory obligations in accordance with the *Port Authorities Act 1999 (WA)*.

Pilbara Ports also assisted MRL to secure relevant Commonwealth Government approvals to allow the import of cargo through the Port of Ashburton to assist with mine construction works.



Port of Ashburton



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Accelerating Shipping and Pilotage Act port transfers

Over the next few years, the ports of Barrow Island, Onslow, Cape Preston and Port Walcott are being transferred to Pilbara Ports from the Department of Transport (DoT). The ports to be transferred are declared under the *Shipping and Pilotage Act 1967 (WA) (SPA)*.

The transfers will occur in three stages.

1. Securing all necessary tenure, agency approvals, and regulatory instruments

Planning for the Port of Barrow Island transfer is well advanced and is focusing on gaining agency approvals.

Planning for the Port of Onslow transfer is underway, including the transfer of the Beadon Creek Boat Harbour and associated assets.

2. Developing plans and procedures; scoping and finalising vessel traffic services (VTS); and installing metocean (meteorology and oceanography) equipment

Documentation is being developed to support the port transfers.

Options are being reviewed to provide VTS and metocean equipment for the Port of Barrow Island transfer.

VTS is in place for the Port of Onslow port transfer. The port's existing metocean equipment is being assessed and the need for extra requirements is being reviewed.

3. Maintaining stakeholder support

Pilbara Ports is working with DoT, the Department of Jobs, Tourism, Science and Innovation, port facility operators and other entities to progress the port transfers.

An interagency Port Transfers Implementation Group (chaired by DoT) provides cross-agency advice and support.

Integrating Shipping and Pilotage Act ports

The transfer of a number of Pilbara ports from Department of Transport to Pilbara Ports is delivering a better overall management structure for oversight and governance.

The reform under the *Ports Legislation Amendment Bill 2017* brings a regional focus to port planning and takes advantage of local port management experience to deal with operational matters and strategic planning issues. Also, Pilbara Ports can use its strong connections with customers and industry to deliver better commercial outcomes.

The Port of Onslow is one of four Pilbara region ports to be transferred.

During the past 12 months, the common port boundary between the Port of Ashburton and the Port of Onslow was reviewed and realigned. This will support development at the Port of Ashburton and prepare for the Onslow port transfer.

Pilbara Ports works closely with DoT and other stakeholders to promote the benefits of the port transfers. This includes uniform maritime regulation in the West Pilbara, economic development, decommissioning activities and maritime safety. Also, it continues to support the proposed Ashburton-Onslow decommissioning hub and the promotion of related trade.

Establishing asset lifecycle framework and strategic asset plan

Pilbara Ports fresh approach to asset management aims to ensure that the organisation is better placed to achieve its strategic objectives.

Terminal Operations' new Asset Planning Team took over responsibility for delivering Pilbara Ports strategic asset management priorities in August 2023 and is focussing on improvements to the Strategic Asset Management Plan (SAMP) and Asset Management Framework (AMF).

The team initially conducted an asset management maturity assessment considering ISO55001:2014 Asset Management – Management Systems – Requirements (ISO5501) and the Global Forum on Maintenance and Asset Management (GFMAM). The resulting 64 recommendations gave direction to improve Pilbara Ports asset management maturity.

A key assessment observation was the need to update Pilbara Ports SAMP to reduce the risk of uncoordinated asset investment activities and better align asset management with corporate objectives. As a result, the SAMP is being reviewed to focus on long-term strategies that are aligned with the organisations goals, while considering the asset lifecycle from acquisition to disposal.

Pilbara Ports currently develops an annual Strategic Asset Plan (SAP), which aligns with the State Government's Strategic Asset Management Framework. The SAP details operational and capital expenditure requirements, which provides relevant information to State Government. The updated SAMP will seek to build on this basic information and provide strategic direction and better alignment with corporate objectives.

An important step in updating the SAMP and developing the AMF, is defining asset management objectives and making sure they are aligned with corporate objectives.

Implementing Pilbara Ports asset management initiatives will be implemented over five years in a staged approach, which will be sequential and concurrent depending on the maturity of each initiative.



Optimising Utah Bulk Handling Facility

Operational improvements at the Utah Bulk Handling Facility (UBHF) at the Port of Port Hedland made an encouraging boost to productivity, but there are bigger plans for the future as the facility strives to meet expected demand.

Under the Utah Optimisation Plan that began in early-2023, the facility aims to meet the maximum export volume of 28 million tonnes (Mt) a year allowed under its environmental operating licence. The UBHF is currently averaging 20.35Mt a year.

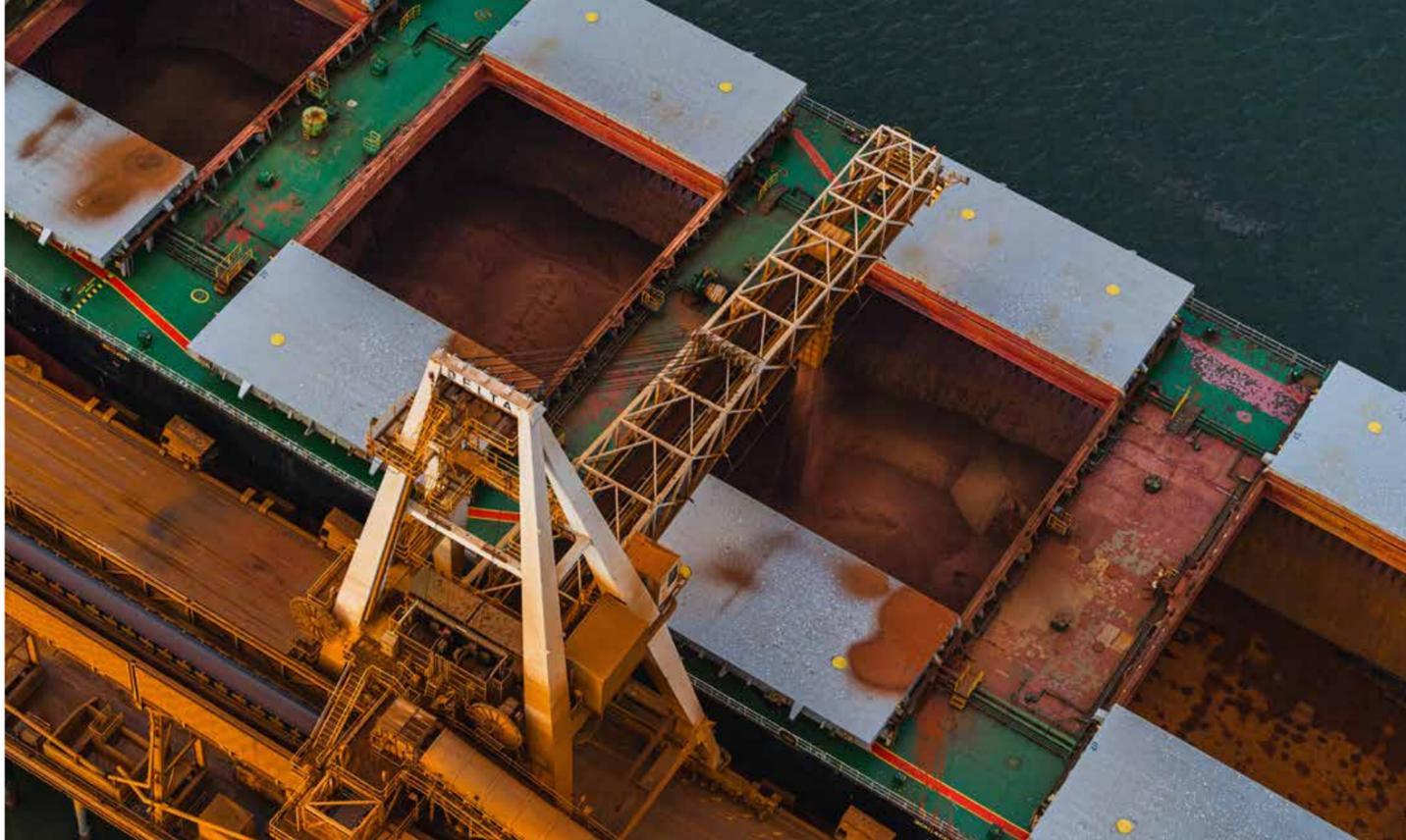
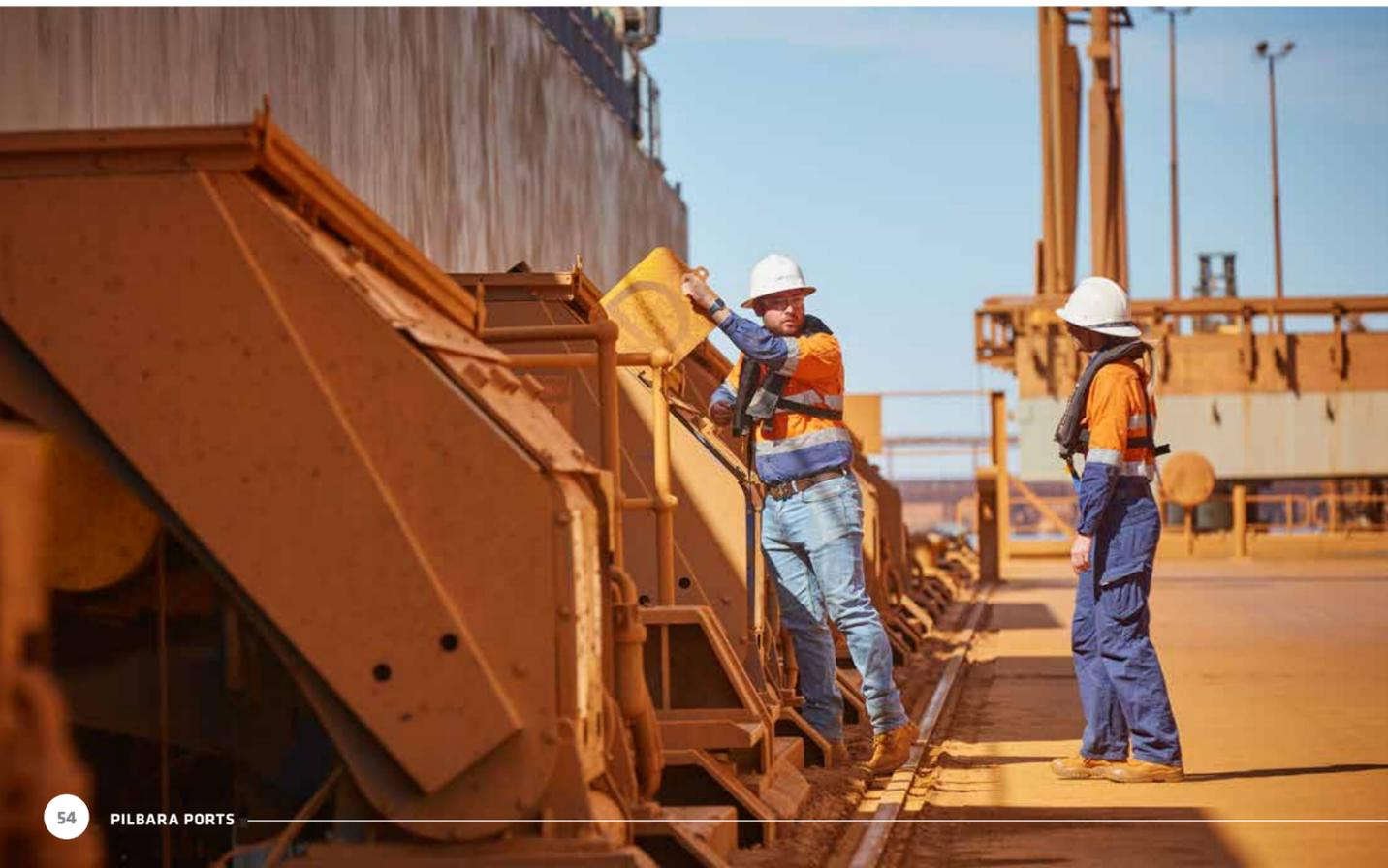
The plan focuses on three key areas. 'Capacity' will review current capacity and determine maximum overall capacity.

'Demand' will evaluate the short, medium and long-term demand outlook. While 'Expansion Pathways' will look at capital investment, optional parameters and equipment.

A number of possible phases are being considered for the plan - near term (0-5 years), medium term (5-15 years), and long term and beyond (15 plus years).

The facility's export volumes this financial year were 21.91Mt - a 9.5 per cent improvement on last financial year. Internal operational improvements resulted in vessel loading times reducing and plant reliability increasing. There was also an increase in vessel visits.

(L to R) Landside Operations Coordinators (Utah) Eamon Flynn and Helen Hoopert



Loading iron ore - Port of Port Hedland

Port developments meeting customer needs

Port development plays a crucial role in meeting the evolving needs of customers in the shipping and logistics industry. Pilbara Ports is facilitating a number of proponent developments with the major developments.

Mineral Resources Limited - Onslow Iron project

The opening of the Port of Ashburton in 2019 opened a number of export opportunities in the Pilbara. Pilbara Ports is working closely with Mineral Resources Limited (MRL) to support the development of the Onslow Iron project, which is forecast to ship around 35Mt of iron ore per year, with an expected mine life of 30 plus years.

The transshipment operation has the shortest 'pit to port' distance in the industry, with iron ore transported 150 kilometres from the mine site to the port. In a world first, the product is to be transported by large autonomous road trains on a dedicated haulage road.

Once the product reaches the Port of Ashburton, it is shipped in fully enclosed transhippers to capesize vessels anchored 40 kilometres offshore.

BCI Minerals - Mardie salt and potash

The Pilbara region has the ideal climate to support solar evaporation operations and the Mardie Salt and Potash Project, a wholly owned subsidiary of BCI Minerals Limited (BCI), is being built at the newly formed Port of Cape Preston West.

Once complete the development will be a large-scale, multi-generational solar evaporation operation sustainably producing 5.35Mt a year of high purity sodium chloride salt and 140,000 tonnes a year of sulphate of potash fertiliser. These products will help supply the growing chemical and agricultural industries over an estimated operating life of at least 60 years.

Pilbara Ports is working closely with BCI and the State Government on the port construction details to ensure this multi-user facility supports future development in the region.



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PARTNERSHIPS



Port Hedland Spoilbank Marina's Gathering Marker - designed by Kariyarra and Yindjibarndi artist Sharon Warrie

Green light for Port Hedland Seafarers' Centre

A \$13.5-million Seafarers' Centre to be built in Port Hedland's West End will cater for the tens of thousands of seafarers who visit the port each year, while enhancing the area's community amenity.

Construction is expected to start in the first half of 2025. The new facility will include accommodation, recreational areas, dining facilities and a small chapel.

The investment builds on the State Government's contribution of more than \$2 million, which was made through Pilbara Ports to buy the land for the facility.

Pilbara Ports will oversee the facility's development and will ensure it is properly maintained.

The original Seafarers' Centre was built more than 50 years ago and is no longer suitable.

The State Government will recover the costs of the facility from industry through a shipping charge and agreed contributions from port users BHP, Fortescue, Roy Hill, Minerals Resources Limited and Atlas Iron.

Port of Port Hedland Assistant Harbour Master Sandeep Menon with visiting seafarers



Building strategic partnerships with ports worldwide

Ship owners and operators, terminal operators, port service providers and industry partners from around the world gathered at Perth in October 2023 for the eighth annual Safe Ships Safe Ports Forum hosted by Pilbara Ports.

More than 450 delegates attended the two-day event, which has gone from strength to strength over the years. Attendance has increased almost 400 per cent since the inaugural forum was held in 2016.

Pilbara Ports Chief Executive Officer Samuel McSkimming opened the event and Minister for Ports David Michael gave the keynote address.

The importance of working together to reduce risks in the maritime industry was highlighted. Injuries are often preventable with the right leadership and culture. By holding forums such as this, Pilbara Ports hopes to improve safety outcomes across the industry and reduce the risk of workplace injury.



Supporting local jobs and businesses

Pilbara Ports is supporting local workers and businesses by adopting and supporting State Government procurement and contracting initiatives.

Aboriginal Procurement Policy

Wherever possible, Pilbara Ports awarded contracts to organisations that demonstrated a commitment to Aboriginal participation, including Aboriginal employment outcomes or subcontracting opportunities to Aboriginal businesses.

Pilbara Ports amended its contract documents to incorporate minimum targets for Aboriginal participation and changed its procurement procedure to improve Aboriginal business participation.

Contracts specify that a minimum of 15 per cent of hours worked must be by an Aboriginal employee or trainee for service agreements and works contracts. It is also required that a minimum of 5 per cent of the tender value is spent on an Aboriginal-owned business, subcontractor, or supplier.

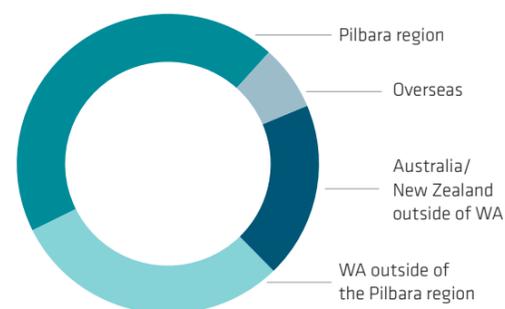
WA Industry Participation Strategy

There were 21 tenders worth \$527 million awarded by Pilbara Ports for the supply of goods and services that met Western Australian Participation Strategy requirements to increase participation by local businesses and support jobs in Western Australia. This was a 74 per cent contract spend within Western Australia.

Buy Local Policy and regional content

Pilbara Ports awarded 133 supply contracts with a total contract value of \$713 million. The labour, suppliers and materials in the contracts were:

- **44 per cent** (\$315 million) from the Pilbara region;
- **30 per cent** (\$212 million) from Western Australia outside of the Pilbara region;
- **19 per cent** (\$136 million) from Australia/ New Zealand outside of Western Australia; and
- **7 per cent** (\$50 million) from overseas.



In addition, Pilbara Ports provided input into Buy Local Policy reviews sponsored by the Department of Jobs, Tourism, Science and Innovation.



Port of Port Hedland warehouse with many materials from Western Australian suppliers.

INSIGHTS

A new chapter in the Quarter

Pilbara Ports is supporting its people and Karratha businesses by setting up a new office in the Karratha Quarter for its Dampier team members.

The new office accommodates more than 40 employees in the heart of Karratha while Pilbara Ports existing Dampier Administration building is refurbished. The new office has open-plan workstations, meeting rooms, quiet rooms and features a contemporary design.

The Dampier Administration building is being upgraded to create a new integrated, fit-for-purpose marine operations centre at the Port of Dampier, which is due for completion in mid-2024.

More than 60 guests attended the Karratha office opening including Pilbara MLA Kevin Michel, Pilbara Ports Chair Brad Geatches and representatives from the City of Karratha, Pilbara Development Commission, Department of Communities WA, Pilbara Kimberley University Centres, Woodside Energy, and Rio Tinto.

(L to R) Pilbara Ports CEO Samuel McSkimming, Pilbara MLA Kevin Michel and Pilbara Ports Chair Brad Geatches open the Karratha Quarter offices



Spoilbank Marina comes to life

The \$187-million Spoilbank Marina project at Port Hedland achieved practical completion of two major construction packages in March 2024. The final stage of the marina is expected to open in late-2024.

The completed construction packages included the marine structures' package consisting of a four-lane recreational boat ramp with a slipway for heavier vessels, recreational and commercial boat pens, public jetty and navigation aids; and bulk earthworks consisting of breakwaters and revetment walls.

The sixth and final major contract for landside civils and landscaping works began in June 2023 and is about 85 per cent complete.

This final contract includes roads, car and trailer parking, retaining walls, footpaths, landscaping, a public amenity building, shade structures, barbecue areas, as well as utilities and services.

Public artwork showcases Aboriginal cultural heritage, with local Kariyarra artists creating artwork. The art will feature marine sculptures, in-ground terrazzo motifs, shade areas with designs casting patterns on the ground; and designs showcasing local flora and fauna.

The Department of Transport is expected to take over operation of the marina when the boat pens are ready in July 2024.

The marina is being delivered by Pilbara Ports on behalf of the WA Government, in collaboration with the Department of Transport, Town of Port Hedland, Pilbara Development Commission, DevelopmentWA and BHP.

The Spoilbank Marina – Port of Port Hedland



INSIGHTS



(L to R) Port Hedland Marine Rescue Commander Zac Slaughter with Pilbara Ports CEO Samuel McSkimming

Spoilbank Marina boat ramp opens

The Spoilbank Marina vision came into sharper focus when the boat ramp, car park and main access road were opened to the community in January 2024.

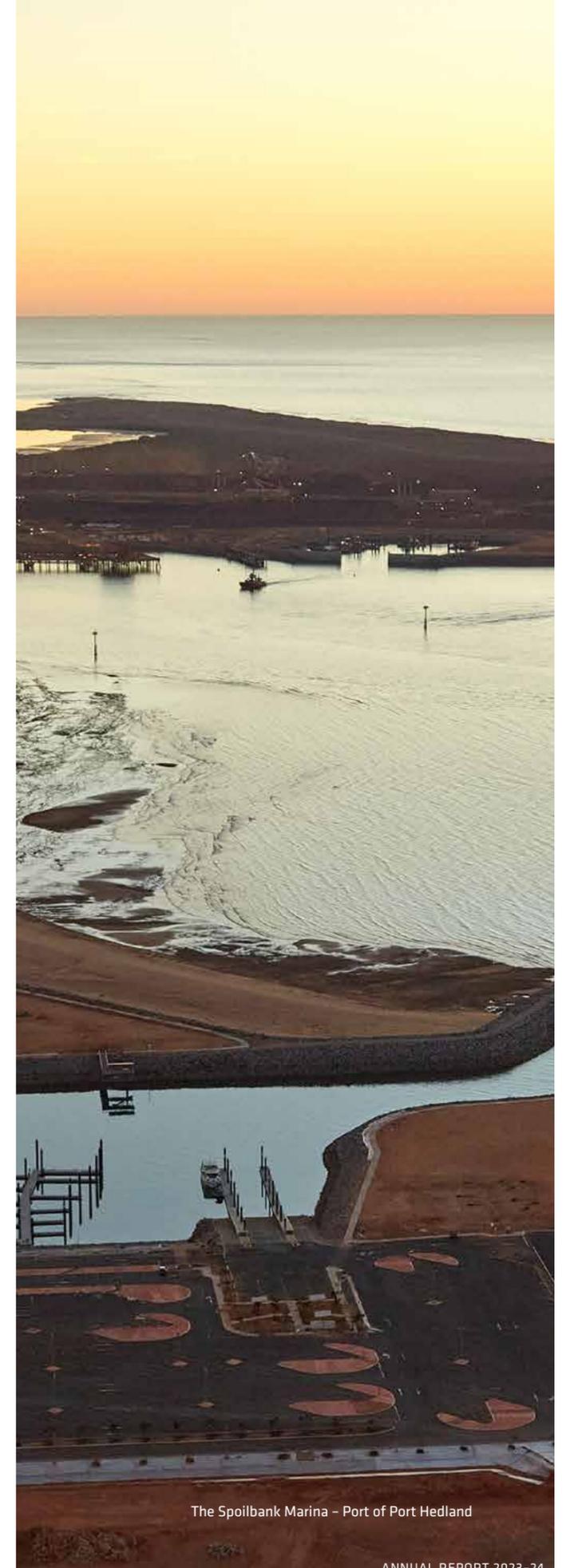
The new marina boat ramp enabled the closure of the Richardson Street boat ramp, which had deteriorated, and its location within the main shipping channels was a safety hazard to recreational boaters.

Pilbara MLA Kevin Michel opened this important project stage, watched by a large and appreciative audience. Port Hedland Marine Rescue vessel *Iron Pride* was the first boat down the ramp.

“The marina boat ramp and navigational channel will greatly improve the recreational boating experience in Port Hedland and provide a safer way for the community to enjoy being out on the water,” Mr Michel said.

“This project continues to boost the Pilbara economy, with local businesses and contractors benefiting from the Port Hedland waterfront transformation.”

- Minister for Ports David Michael



The Spoilbank Marina – Port of Port Hedland



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Revitalising Port Hedland's West End

Hedland Maritime Initiative

Headway is being made with Hedland Maritime Initiative's (HMI) Port Hedland Voluntary Buy-back Scheme (PHVBS) extended a further two years. Extending the PHVBS through to December 2025, with some changes to operational terms, aims to stimulate increased take-up by property owners.

The PHVBS is being implemented by HMI, which is a wholly owned subsidiary of Pilbara Ports. The PHVBS was established to assist in implementing the Western Australian Government's response to the 2018 Port Hedland Dust Management Taskforce report where zoning changes make existing permanent residential uses non-conforming under Port Hedland West End Improvement Scheme 1. HMI is able to purchase residential properties where owners of those properties are concerned with potential impacts to property values as a result of the Port Hedland West End Improvement Scheme 1 (IS1).

In addition to the PHVBS extension, there are other new plans for the West End.

- Planning for the redevelopment of the West End precinct is set to begin. The WA Planning Commission, supported by the Department of Planning, Lands and Heritage, will progress structure planning in line with the IS1.
- Expanding property eligibility to include commercial or short-stay strata properties within mixed-use developments where HMI has already acquired residential properties. This is likely to increase the number of eligible properties by 30 to a total of 434.
- Setting up a steering group to oversee PHVBS activities. The steering group will endorse the allocation of PHVBS funds for minor works at HMI-acquired properties, where those works would allow for a change of use. It also will provide recommendations to State Government on the allocation of \$22 million of PHVBS funds to agencies nominated by the Minister for Planning to support residential development in the Town of Port Hedland outside of the West End.

Port Hedland's West End



Scan the QR code to find out more about the Hedland Maritime Initiative

PHVBS: Owner participation and HMI acquisitions

Following the extension of the PHVBS, its offer terms were modified from 1 January 2024. Under the revised arrangement, the prior PHVBS terms have been maintained for the two-year extension, except that the base limit for the annual indexation has been removed. This will provide eligible property owners who choose to participate in the scheme with an opportunity to secure a guaranteed settlement price for their property, calculated as:

- the agreed market value of the property as of 6 August 2019;
- a premium of 35 per cent of the agreed market value;
- indexation capped at +4 per cent per annum (noting that indexation can reflect a negative movement); and
- up to \$20,000 for verifiable transaction costs.

About 64 per cent of the eligible properties have been purchased, or are in the process of being purchased, by the HMI.

INSIGHTS

AS OF 30 JUNE 2024:

Of the estimated **404** eligible properties **249** properties have been acquired

87% Have been or are being valued

64% Have been sold or are selling to HMI

3 Properties are progressing to settlement

10 Properties are at contract stage

348 Offer letters have been issued

HMI engagement and projects

Engagement with Kariyarra Aboriginal Corporation

HMI continues to engage with Kariyarra Aboriginal Corporation (KAC) on development concepts for the West End. A working group with representatives from HMI, KAC, BHP and Pilbara Ports meet quarterly to discuss opportunities.

HMI is working with KAC to investigate the establishment of a land and sea management hub and office in the West End.

Short-stay accommodation

HMI partnered with BHP to bring 12 additional short-stay properties to the West End. The extra properties comprise 25 bedrooms, which will help to alleviate the shortage of short-stay properties in the area.

Individual tenants can stay at any of the properties for a minimum of five days and up to a maximum of three months in any 12-month period, which comply with IS1 conditions.

In addition, HMI has engaged a local real estate agent to provide short-stay accommodation management services.

Direct leasing for short-stay accommodation

HMI is direct leasing short-stay properties to companies/businesses for use primarily as transit accommodation. These leases have special conditions that specify that no individual can stay in the West End area for more than three months in any 12-month period. As part of the application process, the companies/businesses must show how their proposed accommodation schedule will meet the requirements.

Demolition of unsafe properties

HMI engaged a qualified contractor to demolish a number of West End properties with significant safety and structural defects.

HMI worked closely with the contractor and the Town of Port Hedland to demolish four residential properties and ancillary structures at two additional properties. Also, hazardous materials were removed. The work was completed in May 2024.



Engaging with the community

Pilbara Ports is an active member of the Pilbara community and is building sustainable communities through targeted community investment and engagement activities.

Pilbara Ports committed \$400,000 in financial support to 45 community initiatives and events, local government groups, sporting groups, and not-for-profit organisations through its Community Support Initiative (CSI).

The CSI provides opportunities to engage with local communities. All investments and activities are regulated by a governance framework, which ensures the application and decision-making process is fair, consistent and transparent.

In 2023-24, Pilbara Ports supported a range of community organisations including sporting groups, parents and citizens associations, charitable institutions, volunteers' groups, chambers of commerce and industry, schools and Aboriginal foundations/corporations.

Port Hedland BMX Club members enjoy their new marquee



Highlights included:

- supporting the Shire of Ashburton's bi-annual Passion of the Pilbara community fair in Onslow;
- donating a large marquee to the Hedland BMX Club to provide shelter for events and official visits. With more than 100 riders, the sporting club is one of the most popular in Port Hedland;
- supporting Pilbara schools by facilitating visits to various ports. Hedland Senior High School, Port Hedland Primary School, St Cecilia's Primary School, Baler Primary School and the Clontarf Academy participated. During the visits students toured the Vessel Traffic Services and took part in various presentations by Pilbara Ports staff;
- donating \$200,000 to Port Hedland Marine Rescue to support a new training centre and operational base. Many Pilbara Ports employees are members of this group, which assists recreational boat users who experience marine breakdowns or emergencies; and
- donating to West Pilbara Port Welfare Association's Christmas hampers.



Pilbara Ports employees pictured with the interactive port display at 2024 Welcome to Hedland

Local government sponsorships

Pilbara Ports sponsored many major community events in Port Hedland and Karratha.

Port Hedland

- Citizen of the Year awards
- Community sports awards
- Sunset food markets
- Ship to Shore Run
- Matt Dann Theatre and Cinema live show season
- Welcome to Hedland Community Expo'
- SLAM Basketball youth program
- Reconciliation Week
- Festive Lights Competition
- Spinifex Spree Carnival

Karratha

- Australia Day community celebration
- Australia Day Community Citizen of the Year Awards
- NAIDOC Week
- Community sports awards
- Cossack Art awards
- Youth Week
- Red Earth Arts Festival

Community Consultation Committees

Pilbara Ports draws on local knowledge to enhance the community's voice in decision-making and outcomes through Community Consultation Committees (CCC), which meet regularly at the ports of Port Hedland, Dampier and Ashburton.

CCCs are discussion forums that provide for a two-way flow of information between Pilbara Ports and the community. The committees help Pilbara Ports make better, more informed decisions and the outcomes are mutually beneficial. Community participation in committees helps their members build understanding of Pilbara Ports business and its specific projects and activities.

CCC members comprise local people from a range of backgrounds, who have different skills and perspectives. Meetings are held two to three times a year and the minutes are published on the Pilbara Ports website.



Collaborating with industry

Pilbara Ports collaborates with port authorities and industry groups and is a member of:

- Australian Cruise Association
- Chamber of Commerce and Industry WA
- Chamber of Minerals and Energy
- Clean Marine Fuels Institute
- Committee for Economic Development Australia
- Karratha & Districts Chamber of Commerce & Industry
- Maritime Industry Australia Limited
- Onslow Chamber of Commerce & Industry
- Port Hedland Chamber of Commerce & Industry
- Port Hedland Industries Council
- Ports Australia
- Ports WA

Managing external complaints

Pilbara Ports encourages feedback from its external stakeholders and has a transparent process to ensure feedback is recorded and responded to in a timely manner.

For stakeholders who wish to make a formal complaint, there is an external complaints procedure. The procedure is supported by a system that provides stakeholders with several options to progress a complaint, and enables complaints to be submitted in confidence and anonymously if requested. The system ensures complaints are investigated thoroughly, on a timely basis, confidentially and with the complainant receiving regular updates.

During the reporting period, Pilbara Ports received nine external complaints. All complaints were managed in accordance with the external complaints procedure.

The following is a summary of the complaints.

- **In July 2023**, a complaint was received from a resident regarding Sunday morning works at the Spoilbank Marina. The complaint was investigated and additional limits on working hours and the use of roller and other compaction equipment within 100 metres of houses were put in place to reduce disturbance on Sundays. The complainant was satisfied with the outcome.

- **In August 2023**, a complaint was received from a resident who was concerned about the condition of foot/cycling path at the entrance of the Spoilbank Marina construction site and safety of those using it. The complaint was investigated and the foot/cycling path was fixed. The complainant was advised of the resolution.
- **In November 2023**, two complaints were received about the Spoilbank Marina construction site. One related to the increased dust levels and the other concerned early Sunday morning works. Actions were taken to prevent re-occurrence and the complainants were advised.
- **In January 2024**, two complaints were received.
 - The first was a claim that a rock came from a Spoilbank Marina truck and damaged the complainant’s car. The complaint was found to be unsubstantiated and the complainant was advised.
 - The second complaint related to punji traps (booby trapped sharp stakes) set up illegally on Pilbara Ports land. The traps were located and the matter referred to the police. As a precautionary measure, media articles were released on Pilbara Ports social media and in the local newspaper to alert the public of the danger. The complainant was satisfied with the steps taken.
- **In February 2024**, there was a complaint regarding lack of dust suppression at the Spoilbank Marina construction site. The complaint was found to be unsubstantiated.
- **In March 2024**, two complaints were received.
 - One complaint related to customer service at the Maritime Security Identification Card office at Port Hedland. The matter was resolved to the complainant’s satisfaction.
 - The second complaint related to works at the Spoilbank Marina construction site causing vibrations at the complainant’s house. The complainant was offered a post-work dilapidation survey as a basis to assess any damage claims, but the complainant did not take up the offer. The complaint was closed.

Cultural heritage and engagement

The Pilbara is rich with Aboriginal heritage and to ensure areas of cultural significance are protected and managed sensitively Pilbara Ports operates within the framework of a Cultural Heritage Management Plan (CHMP).

The CHMP identifies systems and processes to protect, promote and manage the cultural heritage values of the Traditional Owners’ lands and waters. It was developed by Pilbara Ports in 2015 with input from cultural heritage stakeholders including Traditional Owners, port users, regulatory authorities, local government, and local history groups.

The plan is a ‘living document’ that gets regularly reviewed by cultural heritage stakeholders.



Scan the QR code to access the Cultural Heritage Management Plan

Aboriginal Engagement and Reconciliation Plan

Pilbara Ports has an Aboriginal Engagement and Reconciliation Plan (AERP) that outlines a range of actions, initiatives, and opportunities to advance engagement and reconciliation with Aboriginal and Torres Strait Islander people. The AERP is reviewed annually and checks progress against targets.

AERP has four key outcome areas: governance, engagement, acknowledgment and respect; and employment and commercial opportunities. Some AERP highlights are detailed in the table below.

Since 2021, Pilbara Ports has engaged with the Murujuga Aboriginal Corporation and the Department of Biodiversity, Conservation and Attractions on the proposed Murujuga Cultural Landscape World Heritage Nomination.

The area covered includes land and waters relating to the Port of Dampier. Pilbara Ports acknowledges the significant cultural value of the Murujuga Cultural Landscape and supports the nomination.



Scan the QR code to access the Aboriginal Engagement and Reconciliation Plan

ACTION	2023-24 OUTCOMES
Expand partnerships that support employment opportunities	Partnerships with local Aboriginal and government organisations such as Bloodwood Tree and Department of Training and Workforce Development to develop traineeships. Also, a partnership with Clontarf Foundation that includes participation in employment forums, end of year awards and sport carnivals.
Support and collaborate with local Aboriginal ranger groups	About 2,000 mangrove seedlings were donated from Pilbara Ports mangrove nursery to support rehabilitation of coastal areas of Murujuga National Park. This was completed in collaboration the Department of Biodiversity, Conservation and Attractions; rangers from Murujuga Aboriginal Corporation, local school children and Yara Pilbara.
Promote Pilbara Ports small grants program to support Aboriginal community projects, events and other initiatives	Funding was provided to organisations and groups that support and celebrate Aboriginal culture or provide a benefit to the Aboriginal community. This included Karratha’s NAIDOC Week, the Cossack Art Awards and Reconciliation Week at Port Hedland.
Use of appropriate Aboriginal language names and art works within Pilbara Ports workplaces	The Spoilbank Marina project team worked with Kariyarra artists to develop cultural heritage artwork for display at the marina. They also engaged Kariyarra Elders to record Kariyarra stories, which will be showcased throughout the marina.



PLANET



Port Hedland flora

Toward Net Zero

Pilbara Ports is working towards achieving the Western Australian Government’s climate policy target for Government Trading Enterprises to reduce greenhouse gas emissions from 2020 levels by 80 per cent by 2030 and to net zero by 2050.

Pilbara Ports developed a Net Zero Transition Plan in 2023 and updated it in 2024 to map out a pathway towards operational decarbonisation. The plan will be finalised by 2025.

Pilbara Ports is calculating and forecasting its scope for further emission reductions. Also, it will work with stakeholders to address emissions from shipping, leaseholders’ operations and development projects.

Most of Pilbara Ports emissions come from the use of electricity to power operations and facilities. Electricity eventually will come from renewable sources, through a combination of Renewable Power Purchase Agreements and on-site renewable energy initiatives.

Pilbara Ports is working with Horizon Power to create a Strategic Customer Decarbonisation Plan (SCDP) to facilitate behind-the-meter solar, battery storage and electrification opportunities for vehicles and plant. The SCDP will guide the implementation of renewable energy at the ports of East Side, Utah and Dampier.

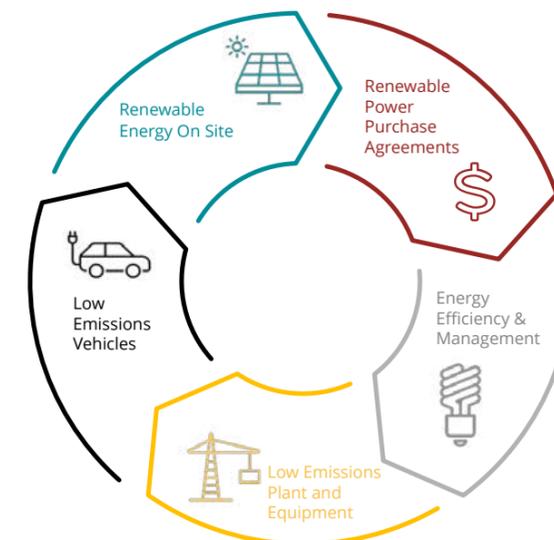
Additional work is underway to increase the amount of power renewably generated at the Port of Ashburton.

New buildings are being designed for maximum energy efficiency and renewable energy generation to avoid increasing emissions as operations at all ports expand.

A review is underway to identify all plant and equipment that can be electrified or transitioned to green fuels and associated charging infrastructure requirements. An electric forklift already operates at the Port of Port Hedland.

Pilbara Ports is calculating and forecasting its scope for further emission reductions. Also, it will work with stakeholders to address emissions from shipping, leaseholders’ operations and development projects.

Net Zero Transition Plan



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Heritage Advisor Emma Hazelton with representatives of the Kariyarra Aboriginal Corporation

Caring for the environment

Pilbara Ports operates in marine and land environments with significant conservation and cultural heritage values.

Environmental and cultural heritage sensitivities are front of mind as it strives to deliver services and activities in a sustainable and responsible manner. It is committed to the highest level of environmental and cultural heritage performance and aims to continually improve.

There were a number of significant achievements.

- Continuing the Mangrove Mates Program, which is Pilbara Ports longest standing environmental education initiative. Through the program students from towns in which Pilbara Ports operate are given the opportunity to learn about the environmental importance of mangroves. Also, potential career paths in science are explored. In the past 12 months about 350 children from eight schools participated.
- Implementing the Coastal Processes Monitoring and Management Plan's ongoing sand bypassing project at the Port of Ashburton. The project helps maintain the flow of sand along the Ashburton coast and protects environmental and social values. The sand was moved using earthmoving equipment, sand pumps and pipelines. Also, permanent slurry pipes were installed in the wharf services area. This enables Pilbara Ports to undertake future sand bypassing activities with less mobilisation required.

- Expanding the Marine Environmental Quality Management Program to measure monitor and protect the environment at the ports of Dampier, Port Hedland and Ashburton. Program implementation will continue collaboratively with industry at the Port of Dampier. However, it is the sole responsibility of Pilbara Ports at the ports of Port Hedland and Ashburton.
- Implementing a range of environmental monitoring programs to support the Lumsden Point Bulk Handling Facility project. This included a mangrove monitoring and management program conducted during the construction of the sea walls. Construction was completed with no observed impacts to mangrove communities.
- Monitoring and managing introduced marine pests at the ports of Ashburton, Dampier, and Port Hedland through the State-Wide Array Surveillance Program (SWASP). No new marine pest species were detected. SWASP was developed in collaboration with the Department of Primary Industries and Regional Development and other Western Australian port authorities and industry.



INSIGHTS

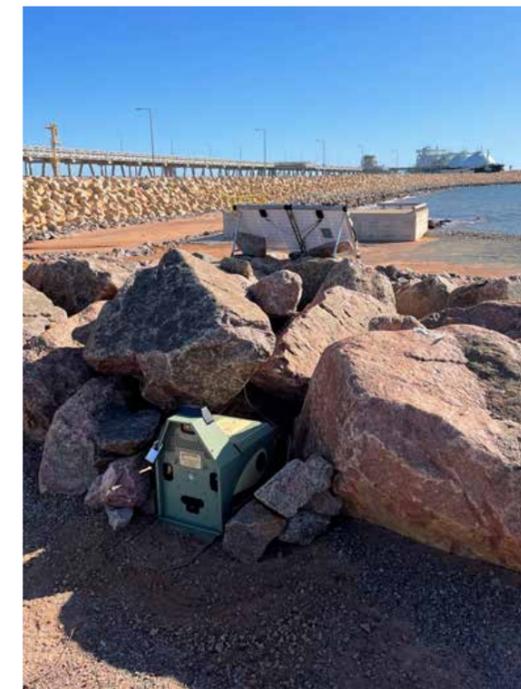
Targeting vertebrate pests

An innovative pest management device is helping to control vertebrate pests, such as cats and foxes, at the Port of Ashburton.

Felixer devices use rangefinder sensors to identify non-native pests and spray these targets with a measured dose of toxic gel containing the pesticide 1080. Cats and foxes ingest the poison as they groom themselves.

As a result of a successful trial, Pilbara Ports has collaborated with Chevron and MinRes to permanently install four Felixer units at the Port of Ashburton. Trial results are being shared with Department of Biosecurity, Conservation and Attractions.

Pilbara Ports is investigating further application of the Felixer devices as part of its Vertebrate Pest Management Program.



A Felixer at the Port of Ashburton



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Tugs at Port of Port Hedland

Cleaner fuels industry

A feasibility study has highlighted the potential for using clean ammonia to refuel ships visiting the Pilbara, particularly iron ore carriers.

Commissioned by Pilbara Ports and Yara Clean Ammonia (Yara), the study was undertaken by Lloyds Register and looked at key areas including the estimated demand and likely availability of ammonia as a replacement shipping fuel. The potential risks and regulatory requirements for ammonia bunkering (refuelling) at the ports were also considered.

The study indicated safe ammonia bunkering was economically and operationally viable in the Pilbara; and that ship-to-ship bunkering operations could be performed safely at the ports of Dampier and Port Hedland.

The study also confirmed that existing ammonia production and export infrastructure in the Pilbara, such as Pilbara Ports Bulk Liquids Berth at the Port of Dampier and Yara's Karratha plant, could be used for bunkering in the near-term.

The demand for ammonia as a fuel to decarbonise the international iron ore trade has the potential to reach volumes of 1 million to 1.5 million tonnes in 2035.

With carbon reduction efforts in the steel industry supply chain, bulk carriers are a natural starting point for the early adoption of alternative marine fuels.

A domestic bunkering industry in the Pilbara would also create new industry and job opportunities for Western Australia and the Pilbara.

Additionally, Pilbara Ports work with the Global Maritime Forum is advancing the Australia-East Asia Iron Ore Green Corridor.

A task force has outlined three viable implementation scenarios focused on various fuel production and bunkering options.

One promising approach involves using domestically produced zero or near-zero carbon ammonia, with refuelling stations strategically located in the Pilbara.

Pilbara Ports is engaging with proponents to discuss the development of green corridors, clean fuel bunkering opportunities, and broader emission reduction initiatives, fostering a collaborative effort towards a zero carbon maritime industry.

Pilbara Ports, Yara Clean Ammonia, and the Global Centre for Maritime Decarbonisation have signed a Collaboration Agreement to investigate opportunities to conduct pioneering ship-to-ship (STS) bunkering of ammonia. STS transfer of ammonia in an operational environment would be one of the first real-world tests of handling this sort of material within a port environment addressing safety, operational protocols, and regulatory considerations.

Climate Action Plan

Pilbara Ports draft Climate Action Plan outlines the organisation's commitment to sustainability and proactive measures to mitigate climate change impacts, ensuring resilient and environmentally responsible port operations.

The draft plan focusses on three key themes: Change Opportunity; Climate Change Resilience; and Emissions Reduction.

As global efforts to reduce greenhouse gas emissions intensify, there is a growing demand for cleaner and more sustainable fuels in maritime transportation. Looking at Climate Change Opportunity, Pilbara Ports is developing a strategy for bunkering clean fuels in the Pilbara, which will be crucial to meet this demand, enhance environmental sustainability, and maintain the region's maritime competitiveness.

Pilbara Ports is working with stakeholders to investigate the potential to use clean ammonia to refuel ships visiting the Pilbara, particularly iron ore carriers.

As part of its focus on Climate Change Resilience, Pilbara Ports is working to identify climate-related risks and opportunities. It is aligning its efforts in the climate change domain with Australian reporting requirements and has developed an internal reporting tool to assess and measure progress against changing requirements. The reporting tool helps to evaluate the organisation's resilience to climate risks, enabling informed decision-making and more strategic planning.

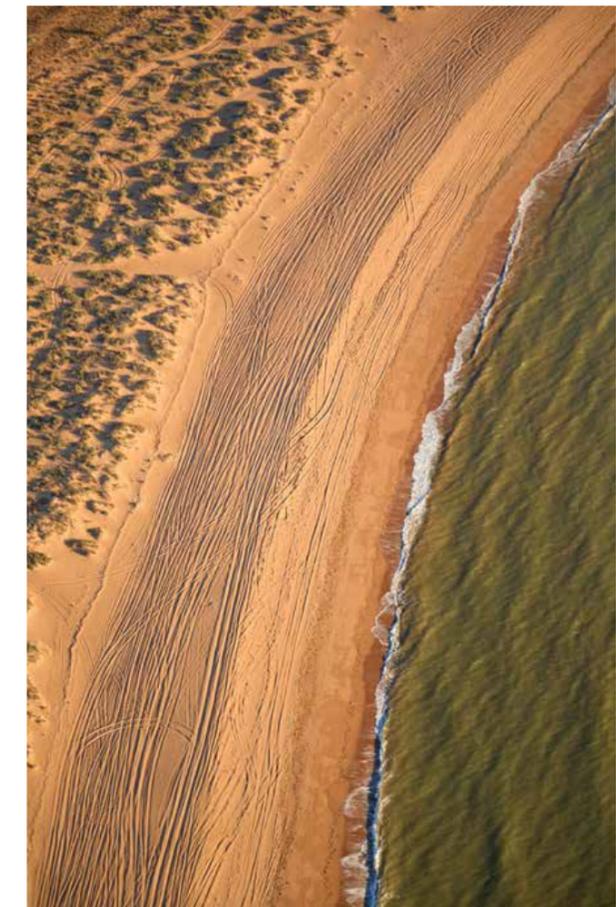
Emissions Reduction is addressed by Pilbara Ports Net Zero Transition Plan. It aims to reduce greenhouse gas emissions from 2020 levels by 80 per cent by 2030 and to net zero by 2050, which is in line with Western Australia Government targets.

The Port of Port Hedland is the main target area with electricity accounting for more than 90 per cent of its scope 2 (direct) emissions.

Emission reductions are being achieved by boosting renewable energy at sites, energy efficiency and management, lowering emissions from vehicles, energy efficiency and management initiatives and lowering emissions from plant and equipment.

Scope 3, or indirect emissions that occur as a consequence of Pilbara Ports activities but are not owned or controlled by it, are also a focus area. Pilbara Ports is undertaking analysis to further understand these emissions so it can work with our stakeholders to reduce emissions reductions in the Pilbara. Activities that are related to Pilbara Ports scope 3 emissions are:

- cargo ships, bulk carriers and LNG tankers berthing, anchoring and transiting;
- road transport of cargo and bulk material into ports;
- lease/licences to port tenants for stevedoring services and export commodities; and
- infrastructure projects undertaken by contractors.



Beach scene - Port Hedland



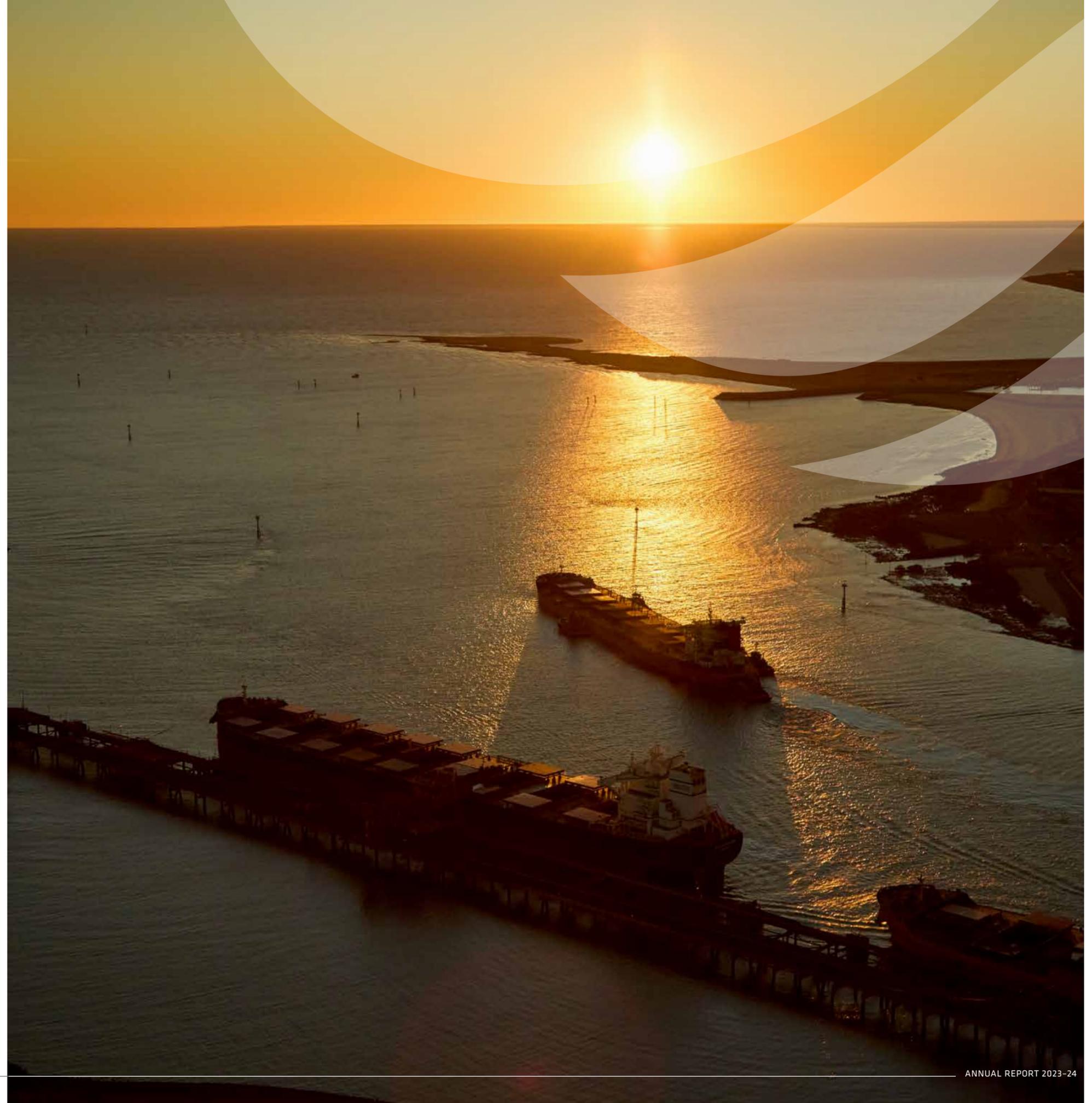
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DIRECTORS' REPORT

In accordance with Section 144(1) of the *Government Trading Enterprises Act 2023 (WA)* the Directors of Pilbara Ports present their report for the 12 months ended 30 June 2024.

Appointment, retirement and continuation of directors

A Director is appointed by the Minister for Ports in accordance with Section 13 of *Government Trading Enterprises Act 2023 (WA)* on terms and conditions of appointment determined by the Minister.

Directors are appointed for a period of up to three years at a time and are eligible for reappointment for up to nine consecutive years. Ms Amy Lomas is the longest serving Director on the Pilbara Ports Board having served for six years on 30 June 2024.

Prescribed details of appointed Directors are available publicly on the Pilbara Ports website, as required under Section 12(3) of the *Government Trading Enterprises Act 2023 (WA)*. The following persons were Directors of Pilbara Ports during the reporting period.

Directors at the end of the period

CHAIR

Brad Geatches - BComm, MAICD

Mr Geatches was appointed to the Board in May 2019 and was reappointed for a term ending 30 June 2024. Mr Geatches brings more than 30 years' senior executive experience in underground mining, airports and seaports. From 2007 to 2016, he was Chief Executive Officer of Perth Airport Pty Ltd. Previous roles included CEO of Cairns Port Authority and CEO of Powercoal Pty Ltd. Mr Geatches currently sits on the boards of Brisbane and Canberra airports.

DEPUTY CHAIR

Amy Lomas - BEcon (Hons), MAICD

Chair of the Finance and Technology Committee (to 31 March 2024)

Ms Lomas was appointed to the Board in July 2018 and was reappointed for a term ending 30 June 2024. Ms Lomas was appointed as Deputy Chair in January 2022. Ms Lomas is a resource economist who specialises in major project development, ports, infrastructure and upstream energy supply. Ms Lomas spent 10 years in the Western Australian Treasury, including as Director of Economic and Revenue Forecasting, and as Executive Director State Development Policy at the Department of State Development. Ms Lomas joined PricewaterhouseCoopers in 2018 and is a partner in Climate, Energy and Infrastructure.

DIRECTOR

Karlie Mucjanko - BA, MBA(Exec), MAICD

Chair of the Organisational Development Committee

Ms Mucjanko was appointed to the Board in October 2020 and was reappointed for a term expiring 30 June 2025. She is an experienced company executive and non-executive director across a range of industries including infrastructure, agribusiness and regional development. Ms Mucjanko spent most of her career in agricultural export supply chains. She has held senior positions with the CBH Group and consulted to a variety of Government and private organisations on stakeholder and community engagement, value-add investments and diversity and inclusion. She is currently the Chair of Intergrain Pty Ltd and a Non-Executive Director of the Australian Export Grains Innovation Centre.

DIRECTOR

Robert Scharnell - BSc Eng, MAICD

Chair of the Risk, Safety Sustainability Committee (to 31 March 2024) and Chair of the Risk, Safety and Major Projects Committee (from 1 April 2024)

Mr Scharnell was appointed to the Board in July 2021 and was reappointed for a term ending 31 December 2024. He has more than 30 years' global experience within the resources and maritime sectors, including engineering, project management, business strategy, operations and governance. Rob is also a non-executive director of ASX-listed Kinetiko Energy Ltd, a natural gas exploration company. He was a past nominee director of the Marine Preservation Association which oversees one of the USA's largest oil spill response organisations. Rob is currently Rear Commodore of the Royal Perth Yacht Club.

DIRECTOR

Tom Stephens - BA (ANU), OAM, JP, GAICD

Mr Stephens was appointed to the Board in August 2020 and reappointed for a term expiring 30 June 2025. He served in the WA Parliament from 1982 to 2013, holding various portfolios including Housing and Works, Regional Development, Local Government and Heritage. Since retiring from Parliament, he has maintained his strong focus on regional and Indigenous communities and served on a range of boards and committees. He is Chair of the Western Australia's Geographic Names Committee, the Kimberley Development Commission, Deputy Chair of the WA Regional Development Trust, a member of the Regional Development Council, a Trustee for MercyCare, board member of Martu United Pty Ltd and Western Australia's Dyslexia SPELD Foundation.

DIRECTOR

Kirsten Rose - FTSE, GAICD

Ms Rose was appointed to the Board on 11 December 2023 for a term expiring 31 December 2025. She has held leadership roles in technology and innovation for more than 25 years in the US, UK and Australia, and has a deep understanding of climate change, energy and resources technologies. As CSIRO's Deputy Chief Executive, Ms Rose works closely with the Chief Executive and Board and leads a portfolio of enterprise functions including strategy, engagement and collaboration. She brings a strong governance skillset from her executive role at the Australian Institute of Company Directors and is a passionate champion of innovation and sustainability.

Former Directors

Walter Purio - Master Mariner, BSc, MBA, GAICD

- Director and Member of the Risk, Safety and Sustainability Committee to 31 December 2023.
- Appointed as Director from 1 January 2022 to 31 December 2023.
- Captain Purio served on the Board to the end of his term on 31 December 2023.

Captain Purio spent 35 years at sea, including time with the US Navy, and holds various executive and non-executive roles including the Chair of Governors for Leeuwin Ocean Adventures Foundation, and the Chair of the Asia Pacific committee for the Society for Gas as a Marine Fuel since 2021.

Directors' disclosures

Directors' disclosures of interest and benefits

During the financial year, a Director received the benefits disclosed in the remuneration report below.

Pilbara Ports is a party to an agreement with a Director for the lease of a residential property in Port Hedland. The lease was entered into prior to the Director being appointed to the Pilbara Ports Board and has since been managed by an intermediary at arm's length on behalf of the Director. Pilbara Ports has put control measures in place to manage the Director's interest and access to related Pilbara Ports information. The agreement came to an end in December 2023 when the Director sold the residential property.

Pilbara Ports did not enter into any other contracts with an entity in which a Director or their immediate family, have a controlling interest.

Indemnification of directors and officers

To the extent permissible under the law, each Director and Officer is granted a Deed Relating to Indemnity, Insurance, Settlement of Liabilities and Access to Documents in their favour.

Directors and Officers Liability Insurance Policy was held during the financial year to ensure that the Directors and Officers had adequate insurance cover against liabilities and expenses arising from work performed in their capacities, to the extent permissible under the law. At the date of this report, no claims have been made against the policy in respect to Directors' and Officers' liabilities.



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Board Committee structure during the period

In April 2024, the Pilbara Ports Board restructured the Board Committees to more efficiently assist the Board with key areas of oversight.

Prior to 1 April 2024, the Pilbara Ports Board had the following three committees:

- Risk, Safety and Sustainability Committee;
- Finance and Technology Committee; and
- Organisational Development Committee.

The Pilbara Ports Board consolidated the committees into:

- Risk, Safety and Major Projects Committee; and
- Organisational Development Committee.

The terms of reference covered by the Board Committees prior to 1 April 2024 remain covered by the Board after 1 April 2024. The major changes being the:

inclusion of major projects oversight by the Risk, Safety and Major Projects Committee and oversight of sustainability moved from the Committees to Board Strategic Planning.

The Risk, Safety and Major Projects Committee (from 1 April 2024)

Terms of Reference:

The Risk, Safety and Major Projects Committee is responsible for assisting and advising the Board in relation to:

- Risk and Audit Management Framework;
- Financial Reporting and Annual External Financial Audit;
- Workplace Health and Safety Management Systems and Incident Management; and
- Major Projects.

Meetings: Two meetings from 1 April 2024 to 30 June 2024

Members:

- Robert Scharnell, Chair
- Brad Geatches, Committee Member
- Amy Lomas, Committee Member

Organisational Development Committee

Terms of Reference:

The role of the Organisational Development Committee is to assist and advise the Board on:

- Board Governance;
- People, Organisational Culture and Structure;
- Performance and Remuneration Evaluation;
- Organisational Resilience Framework; and
- Technology Strategy and Cyber Security.

Meetings: Five meetings during the reporting period

Members:

- Karlie Mucjanko, Chair
- Tom Stephens, Committee Member
- Kirsten Rose, Committee Member (from 1 April 2024)

Former Risk, Safety and Sustainability Committee (to 31 March 2024)

The Risk, Safety and Sustainability Committee ceased on 31 March 2024, with the introduction of the Risk, Safety and Major Projects Committee on 1 April 2024.

Terms of Reference:

The Risk, Safety and Sustainability Committee assisted and advised the Board in relation to:

- Risk and Audit Management Framework;
- Workplace Health and Safety Management Systems and Incident Management; and
- Sustainability

Meetings:

Three meetings between 1 July 2023 to 31 March 2024

Members:

- Robert Scharnell, Chair
- Walter Purio, Committee Member to 31 December 2023
- Brad Geatches, Committee Member from 1 January 2024

Former Finance and Technology Committee (to 31 March 2024)

The Finance and Technology Committee ceased on 31 March 2024, with financial oversight transferring to the newly formed Risk, Safety and Major Projects Committee and Technology/Cybersecurity oversight transferring to the Organisational Development Committee.

Meetings:

Three meetings between 1 July 2023 to 31 March 2024

Members:

- Amy Lomas, Chair
- Brad Geatches, Committee Member

Board and Committee meeting statistics 2023-24

BOARD	2023/24	2022/23
Board meetings held during the period	11	14
Board meeting hours for the period	48 hours	52 hours
Board papers considered (substantive papers only)	199	174
Total pages of Board papers considered	3159	3613
Circular resolutions considered	5	3
Board member meeting attendance rate	92.4%	87%
COMMITTEES	2023/24	2022/23
Committee meetings held during the period	13	10
Committee meeting hours for the period	29 hours	24 hours
Committee papers considered (substantive papers only)	98	86
Total pages of committee papers	1527	1586
Committee circular resolutions considered	0	1
Committee member meeting attendance rate	97%	88%
SITE VISITS AND STRATEGY	2023/24	2022/23
Site visits	1	3
Strategy planning sessions	2	3



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Board and Committee meeting attendance

DIRECTOR	Board meetings		Risk Safety and Sustainability Committee (from 1 April 2024)		Finance and Technology Committee (to 31 March 2024)		Organisational Development Committee		Risk Safety and Major Projects Committee (to 31 March 2024)	
	Meetings held ¹	Meetings attended	Meetings held	Meetings attended	Meetings held	Meetings attended	Meetings held	Meetings attended	Meetings held	Meetings attended
Brad Geatches	11	10	Not Member	2 as Observer or Alternate	3	3	5	5	2	2
Amy Lomas	11	11	Not Member	1 as Observer	3	3	Not Member	Not Member	2	2
Tom Stephens	11	11	Not Member	Not Member	Not Member	1 as Observer	5	5	Not Member	Not Member
Karlie Mucjanko	11	10	Not Member	Not Member	Not Member	1 as Observer	5	5	Not Member	Not Member
Robert Scharnell	11	8	3	2	Not Member	Not Member	Not Member	Not Member	2	2
Walter Purio	5	5	2	2	Not Member	Not Member	Not Member	Not Member	Not Member	Not Member
Kirsten Rose	6	6	Not Member	Not Member	Not Member	Not Member	1	1	Not Member	Not Member

¹ "Meetings held" in the table are calculated as the total number of meetings in the period, during the Board Member's term.

Operations

Chief Executive Officer and Chief Financial Officer

During the Period Samuel McSkimming was the Chief Executive Officer of Pilbara Ports and Nick Sarandopoulos was the Chief Financial Officer.

Principal activities

The principal activities during the year were provision of port services and facilities at the Ports of Port Hedland, Dampier, Ashburton and Varanus Island and administration of the Port Hedland Voluntary Buy-back Scheme (PHVBS), undertaken by a subsidiary of Pilbara Ports, Hedland Maritime Initiative Pty Ltd (HMI).

There were no significant changes in the nature of the activities during the year.

Review of operations

Pilbara Ports manages the ports of Dampier, Port Hedland, Ashburton and Varanus Island pursuant to its statutory functions. Through its wholly owned subsidiary, HMI, Pilbara Ports also administers the PHVBS.

A summary of the results during the year is detailed below.

	2024 "000"	2023 "000"
Profit before income tax	354,154	343,054
Income tax expense	(107,339)	(101,628)
Profit for the year	246,815	241,426
Other income	556,346	469,778
Retained earnings at 1 July	939,154	697,741
Dividend paid in the financial year	0	0
Retained earnings at 30 June	1,185,983	939,154

State of affairs

There were no significant changes in the state of affairs of Pilbara Ports during the reporting period.

Pilbara Ports operates in WA under the provisions of the *Port Authorities Act 1999* (the Act), and the *Government Trading Enterprises Act 2023* (WA).

Results

The profit before income tax for the financial year was \$354.2 million.

The income tax expense attributable to the profit for the financial year was \$107.3 million.

Dividends

There were no dividend payments made during the financial year. The State Government approved the retention of the interim and final dividend relating to the year ended 30 June 2024. This retained dividend is to fund strategic infrastructure projects over the forward estimates.

Environmental regulation

Pilbara Ports operations are subject to regulation under both Commonwealth and State environmental legislation applicable to any Australian commercial entity. Under the Act, Pilbara Ports is also required to 'protect the environment of the port and minimise the impact of port activities on that environment'.

Events subsequent to the end of the reporting date

To facilitate the transfer of the Spoilbank Marina to the Department of Transport, the boundary of the Port of Port Hedland changed on 1 July 2024. Land previously managed as seabed where the Marina has been constructed, has been subdivided and divested from the Pilbara Ports to be managed by Department of Transport under their relevant legislation and the Town of Port Hedland.

In the opinion of the Directors no other matters have arisen since 30 June 2024 that significantly affect, or may significantly affect the Group's operations, the results of those operations, or the state of its affairs in future financial years.

Likely future developments and expected results

Pilbara Ports will continue to operate the business and work closely with its customers and other stakeholders to fulfil its trade facilitation role, including in relation to the Lumsden Point developments and the Dampier Cargo Wharf Projects.

Pilbara Ports will continue to administer the Port Hedland Voluntary Buyback Scheme.

Appointment of auditors

External Financial Audit: The Auditor General of Western Australia has been appointed as Pilbara Ports auditor in accordance with section 145 of the *Government Trading Enterprises Act 2023* (WA).

Internal Audit: Pilbara Ports Board approves an Internal Audit Charter and Internal Audit Plan. Internal audit services are sourced externally from Ernst and Young on a three-year service agreement ending in June 2025. The partners involved in the internal audits during the reporting period are listed below:

- Bradley Hooper, Partner Ernst and Young

Pilbara Ports has not entered into any indemnities or paid any insurance premiums during the period for any person who has been a partner or director of an auditor in relation to Pilbara Ports.



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Remuneration report

Board and executive remuneration

In accordance with Section 18 of the *Government Trading Enterprises Act 2023* (WA), the nature and amounts of remuneration of the Board Members are determined by the Minister for Ports within a range determined by the Salaries and Allowances Tribunal.

The Board, with the approval of the Minister and subject to the *Salaries and Allowances Act 1975*, determines the remuneration of the Chief Executive Officer. The Board and Chief Executive Officer determine the terms and conditions

of other senior executives. Pilbara Ports policy is to engage remuneration consultants to report and recommend competitive remuneration packages for senior executives, based on benchmarking with other organisations.

The performance of the Chief Executive Officer and senior executives is monitored against agreed criteria and reported regularly to the Board.

In accordance with Clause 15(c) of the *Government Trading Enterprises Regulations 2023* (WA), each element of Director's remuneration and the five Pilbara Ports executive officers receiving the highest remuneration, is as follows:

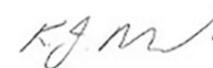
Non-Executive Directors' remuneration

Name	Position	Membership during the period	Short term benefits Board and committee fees	Post-employment benefits superannuation	Total
			\$'000	\$'000	\$'000
Brad Geatches	Non-Executive Chair	1 July 2022 – 30 June 2023	99	11	110
Amy Lomas	Non-Executive Deputy Chair	1 July 2022 – 30 June 2023	67	7	74
Tom Stephens	Non-Executive Director	1 July 2022 – 30 June 2023	52	6	58
Karlie Mucjanko	Non-Executive Director	1 July 2022 – 30 June 2023	57	6	63
Robert Scharnell	Non-Executive Director	1 July 2022 – 30 June 2023	57	6	63
Walter Purio	Non-Executive Director	1 July 2023 – 31 December 2023	27	3	30
Kirsten Rose	Non-Executive Director	11 December 2023 – 30 June 2024	0	0	0
Total			359	39	398

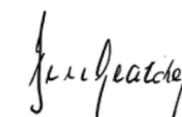
Executive remuneration

Name	Position	Short term benefits			Post-employment benefits superannuation	Total
		Salary	Other	Total		
		\$'000	\$'000	\$'000	\$'000	\$'000
Samuel McSkimming	Chief Executive Officer	624	0	624	26	650
Nick Sarandopoulos	Chief Financial Officer	384	25	409	53	462
Philip Christy	Executive General Manager Marine	352	68	420	55	475
Craig Barbour	Executive General Manager Terminal Operations	338	68	406	53	459
Damien Miles	Executive General Manager Safety, People and Environment	303	45	348	45	393
Total		2,001	206	2,207	232	2,439

This report has been approved in accordance with a resolution of the Board on 26 August 2024.



Karlie Mucjanko
Chair
26 August 2024



Brad Geatches
Deputy Chair
26 August 2024



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FINANCIAL REPORT

for the year ended 30 June 2024

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2024

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
REVENUE			
Revenue	3	678,417	610,511
Other revenue	4	73,424	54,268
Total revenue		751,841	664,779
EXPENSES			
Supplies and services	5	(113,873)	(86,175)
Employee benefits	6	(74,664)	(65,807)
Asset maintenance		(32,412)	(26,264)
Port utilities		(13,603)	(12,054)
Rates and taxes		(10,762)	(10,087)
Finance expenses	7	(6,422)	(3,844)
Depreciation and amortisation		(131,730)	(103,509)
Impairment of assets	8	(3,215)	(4,298)
Other expenses	9	(11,006)	(9,687)
Total expenses		(397,687)	(321,725)
Profit before income tax		354,154	343,054
Income tax expense	10	(107,339)	(101,628)
Net profit after tax		246,815	241,426
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability, net of tax	25	14	(13)
Changes in the asset revaluation reserve, net of tax	27	556,332	469,791
Total other comprehensive income		556,346	469,778
Total comprehensive income for the period		803,161	711,204

The Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	11	1,021,987	832,774
Assets held for distribution to government departments	12	87,695	-
Trade receivables	14	105,176	81,210
Other receivables	15	16,218	9,578
Inventories		7,680	7,038
Total current assets		1,238,757	930,600
Non-current assets			
Property, plant and equipment	16	4,467,195	3,641,761
ROU property, plant and equipment	18	84,225	36,726
Intangible assets	19	538	1,145
Investment in associates		319	269
Total non-current assets		4,552,276	3,679,901
Total assets		5,791,032	4,610,501
LIABILITIES			
Current liabilities			
Contract liabilities	20	65,000	-
Trade payables		6,692	5,849
Other payables	21	45,348	29,073
Interest bearing borrowings	22 (a)	44,085	43,848
Lease liabilities	23 (a)	22,439	18,011
Current tax liabilities	24	14,983	17,432
Provisions	25 (a)	9,092	11,839
Total current liabilities		207,639	126,052
Non-current liabilities			
Interest bearing borrowings	22 (b)	90,640	94,725
Lease liabilities	23 (b)	63,610	20,349
Provisions	25 (b)	55,236	64,530
Deferred tax liabilities	26	996,384	793,847
Total non-current liabilities		1,205,870	973,451
Total liabilities		1,413,509	1,099,503
NET ASSETS		4,377,524	3,510,998
EQUITY			
Contributed equity	27 (a)	548,892	485,527
Reserves	27 (b)	2,642,649	2,086,317
Retained earnings	27 (c)	1,185,983	939,154
Total equity		4,377,524	3,510,998

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.



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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2024

	NOTES	CONTRIBUTED EQUITY \$'000	RESERVES \$'000	RETAINED EARNINGS \$'000	TOTAL EQUITY \$'000
Balance at 1 July 2022		421,184	1,616,526	697,741	2,735,451
Total comprehensive income					
Profit for the period		-	-	241,426	241,426
Other comprehensive income		-	469,791	(13)	469,778
Total comprehensive income for the period		-	469,791	241,413	711,204
Transactions with owners in their capacity as owners	27 (a)	64,343	-	-	64,343
Balance at 30 June 2023		485,527	2,086,317	939,154	3,510,998
Balance at 1 July 2023		485,527	2,086,317	939,154	3,510,998
Total comprehensive income					
Profit for the period		-	-	246,815	246,815
Other comprehensive income		-	556,332	14	556,346
Total comprehensive income for the period		-	556,332	246,829	803,161
Transactions with owners in their capacity as owners	27 (a)	63,365	-	-	63,365
Balance at 30 June 2024		548,892	2,642,649	1,185,983	4,377,524

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2024

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Cash flows from operating activities			
Receipts from customers		814,031	675,733
Payments to suppliers and employees		(346,104)	(267,895)
Government contributions	3	6,994	8,699
Interest received		42,697	27,006
Interest paid		(7,226)	(5,331)
Lease interest		(1,872)	(1,489)
Income taxes paid		(145,678)	(119,133)
Net cash provided by operating activities	13	362,842	317,590
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles		(205,906)	(136,714)
Proceeds from sale of property, plant and equipment		94	-
Net cash (used in) investing activities		(205,812)	(136,714)
Cash flows from financing activities			
Repayment of borrowings		(4,865)	(3,626)
Repayment of lease liabilities		(21,567)	(17,782)
Equity contributions	27 (a)	58,615	64,218
Net cash provided by/(used in) financing activities		32,183	42,810
Net increase in cash and cash equivalents		189,213	223,686
Cash and cash equivalents at the beginning of the period		832,774	609,088
Cash and cash equivalents at the end of the period	11	1,021,987	832,774

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



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NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2024

1. Reporting entity

The Pilbara Ports Authority (“the Authority” or “the Parent”) is a WA Government entity, controlled by the State of Western Australia, which is the ultimate parent. The Authority is a not-for-profit entity (as profit is not its principal objective) formed under the Port Authorities Act 1999, (as continued under the Government Trading Enterprises Act 2023 effective date on 1 July 2023). The financial statements comprise the financial results of the Authority and its 100% owned subsidiary Hedland Maritime Initiative Pty Ltd (“HMI”)(collectively “the Group”), for the year ended 30 June 2024.

A description of the Group’s operations and principal activities has been included in the Directors’ Report which does not form part of these financial statements. These annual financial statements were authorised for issue by the Board of Directors on 26 August 2024.

2. Basis of preparation

These consolidated financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$’000).

Statement of Compliance

These general purpose financial statements are prepared in accordance with:

- *The Government Trading Enterprises Act 2023*
- The Government Trading Enterprises Regulations 2023
- Australian Accounting Standards (AASs) including applicable interpretations.

The financial statements are general purpose financial reports prepared in accordance with AASs (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB). The financial statements also comply with the *Government Trading Enterprises Act 2023*.

Comparative accounts

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

Changes in accounting policies, new and amended standards and interpretations

In the current year, the Group has adopted all new AASs or Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period.

Judgements and estimates

The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed, including in the following notes:

- **Note 16** Property, plant and equipment: useful life;
- **Note 17** Fair value measurements: fair value;
- **Note 23** Lease liabilities: term, control and incremental borrowing rate;
- **Note 25** Provisions: Provision for land rehabilitation: assumptions and uncertainties, including the extent of environmental damages to be rectified, methodology and timing of the rectifications; and financial rates to be used, including discount and inflation rates.

Accounting standards and interpretations issued but not yet effective

The Group did not early adopt any new or amended AAS’s and Interpretations issued but not yet effective. Refer to Note 39 Accounting standards issued but not yet effective for additional information regarding new and amended AAS and Interpretations issued but not yet effective.

Other accounting policies

Material and other accounting policies that summarise measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements; with the exception of inventory and trade payables. Their accounting policies are below:

Inventory:

Inventories are not held for resale and are measured at cost; unless they are no longer required, in which case they are measured at net realisable value.

3. Revenue

	NOTES	GROUP 2024 \$’000	GROUP 2023 \$’000
Shipping	(i)	438,962	397,725
Charges on cargo	(i)	152,917	127,072
Port Hedland voluntary buy-back scheme port charge	(i)	39,011	38,521
Rental and leases	(ii)	34,894	33,331
Licence	(iii)	5,639	5,163
Government contributions	(iv)	6,994	8,699
Total revenue		678,417	610,511

Recognition and measurement

Revenue is recognised at the transaction price when the Group transfers control of the services to customers. Revenue is recognised for the major activities as follows:

(i) Rendering of services

Revenue from services rendered is recognised in the Statement of Comprehensive Income over time for shipping and cargo related services based on the satisfaction of performance obligations.

(ii) Rental and leases

Rental and leases income is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of total rental income, over the term of the lease. The Group predominantly rents out land assets. For the Group’s policy regarding lessor risk management, please refer to Note 32 Operating lease.

Trade payables:

Trade payables are recognised at the amounts payable when the Group becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement is generally within 30 days.



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for the year ended 30 June 2024 (continued)

4. Other revenue

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Utility revenue	(i)	7,502	6,881
Interest revenue	(ii)	45,151	27,129
Maritime Security Identification Check (MSIC) revenue	(iii)	916	914
Non-Government contributions	(iv)	3,618	-
Reversal of impairment	(v)	3,594	8,259
Other revenue	(vi)	12,643	11,085
Total other revenue		73,424	54,268

Recognition and measurement

Other revenue is recognised and measured at the fair value of consideration received or receivable as follows:

(i) Utility revenue

Utility revenue is a cost recovery of utility expenditure passed onto proponents. The revenue is recognised when the utility expenditure is incurred by the Group.

(ii) Interest revenue

Interest revenue is recognised as the interest is earned.

(iii) Maritime Security Identification Check (MSIC) revenue

MSIC revenue is recognised when MSIC cards are ordered by customers.

(iv) Non-Government contributions

Non-government contributions include \$2.45 million received towards Pilbara Hydrogen Hub, \$512,855 in gifted assets received (2023: \$nil), and \$559,550 in other contributions.

(v) Reversal of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years. Refer to Note 8 Impairment of assets for additional information.

(vi) Other revenue

Other revenue consists of:

- gains which may be realised or unrealised and are recognised on a net basis.
- income from sub-leasing right-of-use (ROU) residential properties of \$478,257 (2023: \$361,200). Refer to Note 18 ROU Property, plant and equipment for the Group's lease accounting policy.
- income from renting HMI residential properties \$5.816 million (2023: \$4.379 million).

5. Supplies and services

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Contractor expenses		74,245	46,646
Consulting		11,047	14,021
Software licences		10,191	8,888
Short-term lease of plant and equipment, and commercial property		288	150
Other		18,102	16,470
Total supplies and services		113,873	86,175

Recognition and measurement

Supplies and services are recognised as expenses in the reporting period in which they are incurred. These include the day-to-day running costs incurred in the normal course of operations. Consequently, short-term leases (being

leases with a term of 12 month or less) are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. Refer to Note 18 ROU Property, plant and equipment for the Group's lease accounting policy on AASB 16 Leases.

6. Employee benefits

	GROUP 2024 \$'000	GROUP 2023 \$'000
Salaries	57,466	49,610
Superannuation	7,322	6,321
Annual leave expense	3,564	3,794
Long service leave expense	195	1,110
Board member fees	354	329
Other employee expenses	5,763	4,643
Total employee benefits	74,664	65,807
Add: AASB 16 non-monetary benefits (not included in employee benefits)	10,980	6,902
Less: employee contributions	(481)	(361)
Net employee benefits	85,163	72,348

Recognition and measurement

Employment on-costs comprising of superannuation, payroll tax and workers' compensation are recognised as liabilities and expenses when the employment to which they relate has occurred. Payroll tax and workers' compensation on-costs are included in other expenses.

AASB 16 non-monetary benefits are non-monetary employee benefits predominantly relating to the provision

of vehicle and housing benefits that are recognised under AASB 16 which are excluded from the employee benefits expense.

Employee contributions are contributions made to the Group by employees towards employee benefits that have been provided by the Group. This includes both AASB 16 and non-AASB 16 employee contributions.

7. Finance expenses

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Western Australian Treasury Corporation borrowing expenses		6,552	5,697
Interest expenses		16	15
Land rehabilitation provision net present value increase/(decrease)	25 (c)(i)	(2,034)	(3,352)
Lease finance expenses	23 (b)	1,887	1,484
Other finance expenses		1	-
Total finance expenses		6,422	3,844

Recognition and measurement

All finance expenses are recognised using the effective interest method.

Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Capitalised interest \$2.165 million

(2023: \$Nil). Other borrowing costs are expensed when incurred.

Lease finance expenses account for the interest incurred on lease liabilities. For more details, please refer to Note 23 Lease liabilities which details the policy for lease accounting where the Group is a lessee.

NOTES TO THE FINANCIAL REPORT

for the year ended 30 June 2024 (continued)

8. Impairment of assets

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Buildings and improvements		3,215	4,298
Total impairment losses		3,215	4,298

Recognition and measurement

Property, plant and equipment and intangible assets are tested for indications of impairment at each reporting period. Where there is indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised in the Statement of Comprehensive Income.

If there is an indication that the recoverable amount of an asset has increased since the last impairment loss was recognised, the impairment loss shall be reversed.

A reversal of an impairment loss for an asset will be recognised immediately as Other Revenue in profit and loss, unless the asset is carried at revalued amount. Any reversal of an impairment loss of a revalued asset will be treated as a revaluation increase to the extent that an impairment loss on the same revalued asset was previously recognized in profit or loss.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation / amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets valued at cost are tested for indications of impairment at the end of each reporting period.

9. Other expenses

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Insurance		5,522	4,378
Short-term lease residential properties	(i)	4,347	3,695
Rehabilitation change in cost assumptions	25 (c)(i)	(8,674)	(5,315)
Property management costs	(ii)	1,610	1,159
Memberships and subscriptions		1,044	1,205
Property acquisition expenses		785	700
Donations		747	529
Entertainment, recruitment, uniforms and other staff initiatives related costs		3,523	2,612
Other		2,102	724
Total other expenses		11,006	9,687

Recognition and measurement

Other expenses are recognised as expenses in the reporting period in which they are incurred. These include the day-to-day running costs incurred in the normal course of operations.

(i) **Short-term leases** (being leases with a term of 12 months or less) are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

(ii) **Property management costs** refer to expenses for management of properties acquired under PHVBS scheme. This includes strata fees and real estate agencies' management fees.



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for the year ended 30 June 2024 (continued)

10. Income tax expense

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Income tax expense			
Current tax	(i)	143,715	118,589
Adjustment for prior period	(ii)	16	(1,292)
Temporary differences		(36,392)	(15,669)
Total income tax expense		107,339	101,628
Numerical reconciliation of income tax expense to profit before income tax			
Profit before income tax		354,154	343,054
Tax at the Australian tax rate of 30%		106,246	102,916
Adjustments for prior periods		15	(6)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:			
Other		48	34
Total numerical reconciliation of income tax expense to profit before income tax		106,309	102,944
Under/(over) provision in prior years			
Deferred tax asset not recognised		1,030	(1,316)
Total income tax expense		107,339	101,628

Recognition and measurement

The Group operates within the National Tax Equivalent Regime (NTER) whereby an equivalent amount of income tax is payable to the State Government. The calculation of income tax is governed by the NTER guidelines and directions approved by Government. As a consequence of participation in the NTER, the Group is required to comply with AASB 112 *Income Taxes*.

Income tax expense includes both current and deferred taxes and is recorded in the profit or loss, except when it pertains to items directly recognised in equity or in other comprehensive income. Refer to Note 26 Deferred tax liabilities for details on Deferred Tax Liabilities.

(i) **Current tax** represents the anticipated tax liability on the taxable income for the fiscal year.

(ii) Any adjustment to tax payable in respect of previous years is separately disclosed. It is measured using tax rates enacted or substantively enacted at the reporting date.

11. Cash and cash equivalents

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Non-restricted cash and cash equivalents		215,834	304,976
Restricted	(i)	806,153	527,798
Total cash and cash equivalents		1,021,987	832,774

For the purposes of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits earn interest at fixed rates based on bank deposit rates at the inception of the term deposit.

(i) Restricted cash

Restricted cash is cash reserved for a specific purpose and therefore not available for general business use, including:

- Proponent contributions of \$59.581 million (2023: \$57.443 million) for Port of Ashburton development and Port of Port Hedland land rehabilitation
- Port improvement rate cash of \$821,747 (2023: \$796,786) for approved Port of Port Hedland improvement projects.
- Spoilbank Marina development cash of \$19.332 million (2023: \$26.053 million).
- Dampier Bulk Handling Facility construction cash of \$2.031 million (2023: \$nil).
- Lumsden Point General Cargo and Logistics Hub and Pilbara Hydrogen Hub construction cash of \$22.545 million (2023: \$nil).
- Retained dividends to fund infrastructure projects of \$635.504 million (2023: \$440.224 million).
- Cash reserved for property settlements of \$1.337 million (2023: \$3.281 million).
- Proponent contributions received towards Lumsden dredging \$65.0 million (2023: \$nil).

12. Assets held for distribution to government departments

	GROUP 2024 \$'000	GROUP 2023 \$'000
Property, plant and equipment	87,695	-
Total Assets held for distribution to government departments	87,695	-

The Spoilbank Marina will be managed by Department of Transport under their relevant legislation and the Town of Port Hedland. The asset transfer is expected to be within 1 year of classification.

The Spoilbank Marina assets that are in use are presented as assets held for distribution to government department in the Statement of Financial Position.

Assets still under construction are classified as capital work in progress. Additional financial impacts relating to the transfer of the Spoilbank Marina assets from the Authority to the Department of Transport and Town of Port Hedland will be recognised in future reporting periods.



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for the year ended 30 June 2024 (continued)

13. Notes to the statement of cash flows

	GROUP 2024 \$'000	GROUP 2023 \$'000
Reconciliation of net profit after tax to net cash inflow from operating activities:		
Net profit after tax	246,815	241,426
Non-cash items:		
Non-Government contributions gifted assets	560	-
Depreciation and amortisation expense	131,730	103,509
Impairment expense	3,215	4,298
Impairment reversal	(3,594)	(8,259)
Loss on disposal of assets	1,348	-
Loss on disposal of right-of-use assets	91	-
Doubtful debt provision	(5)	(33)
Other	(17,811)	(7,130)
Change in assets and liabilities:		
Trade receivables	(23,966)	(8,765)
Other receivables	(6,640)	7,066
Inventories	(642)	(449)
Deferred tax liabilities	(35,886)	(15,383)
Contract liabilities	65,000	-
Trade payables	843	4,000
Other payables	16,275	5,373
Current income tax	(2,449)	(696)
Provisions	(12,041)	(7,368)
Net cash inflow from operating activities	362,842	317,589

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

14. Trade receivables

	GROUP 2024 \$'000	GROUP 2023 \$'000
Trade receivables	105,214	81,243
Provision for doubtful debt	(38)	(33)
Total trade receivables	105,176	81,210

Recognition and measurement

Trade receivables are initially recognised at the transaction price less allowance for any uncollectable amounts. Receivables are generally settled within 30 days except for property rentals, which are governed by the terms of the individual lease agreements.

The credit risk of receivables is reviewed on an ongoing basis and any receivables identified as uncollectable are written-off against the allowance account. The allowance for uncollectable amounts (doubtful debts) is based on the estimated lifetime expected credit loss for trade receivables.

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment. Ageing analysis is shown in Note 29 Financial risk management.

Impairment of trade receivables was \$14,236 (2023: \$32,771 as bad debt expense) is shown in Note 36 Supplementary financial information.

15. Other receivables

	GROUP 2024 \$'000	GROUP 2023 \$'000
Accrued income	7,853	2,582
Prepayments	4,603	3,240
GST paid to suppliers	3,654	3,629
Other receivables	108	127
Total other receivables	16,218	9,578

Recognition and measurement

Accrued income is recognised when services have been rendered but invoicing has not yet occurred. Revenue is recognized when it is probable the future economic benefits will flow to the entity and these benefits can be reliably measured.

Prepayments are recognised when payments are made in advance of receiving goods or services. These payments are recorded as an asset in the financial statements at the time of payment, reflecting the right to receive future economic benefits.

Prepayment is expensed in the period in which the related goods or services are received.



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16. Property, plant and equipment

GROUP	NOTES	CHANNELS AND BREAKWATERS \$'000	LAND \$'000	BERTHS AND JETTIES \$'000	BUILDINGS AND IMPROVE- MENTS \$'000	PLANT AND EQUIPMENT \$'000	INFRA- STRUCTURE \$'000	WORK IN PROGRESS \$'000	TOTAL \$'000
1 July 2023									
Gross carrying amount		1,902,509	58,908	436,072	189,413	198,311	144,863	147,328	3,077,404
Add fair value increment		845,924	191,767	70,014	-	-	-	-	1,107,705
Less accumulated depreciation		(229,009)	(90)	(75,769)	(31,540)	(124,493)	(71,354)	-	(532,255)
Less accumulated impairment		-	(447)	-	(10,645)	-	-	-	(11,092)
Carrying amount at start of year		2,519,424	250,138	430,317	147,228	73,818	73,509	147,328	3,641,762
Additions		-	4,750	-	-	283	-	223,469	228,502
Transfer from work in progress		56,322	9,004	30,322	27,906	10,469	2,434	(136,457)	-
Transfer to Statement of Comprehensive Income		-	-	-	-	-	-	(1,583)	(1,583)
Transfer to assets held for distribution to government departments		-	-	-	-	-	-	(87,695)	(87,695)
Depreciation		(57,886)	-	(26,738)	(6,372)	(10,062)	(6,521)	-	(107,579)
Disposals		(8)	-	-	(593)	(558)	(189)	-	(1,348)
Revaluation increments	27 (b)	713,389	64,095	55,358	-	-	-	-	832,842
Revaluation (decrements)	27 (b)	(23,181)	(14,906)	-	-	-	-	-	(38,087)
Impairment losses		-	-	-	(3,215)	-	-	-	(3,215)
Impairment losses reversed		-	-	-	3,594	-	-	-	3,594
Carrying amount at 30 June 2024		3,208,061	313,081	489,261	168,547	73,950	69,236	145,059	4,467,195



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16. Property, plant and equipment (continued)

GROUP	NOTES	CHANNELS AND BREAKWATERS \$'000	LAND \$'000	BERTHS AND JETTIES \$'000	BUILDINGS AND IMPROVE- MENTS \$'000	PLANT AND EQUIPMENT \$'000	INFRA- STRUCTURE \$'000	WORK IN PROGRESS \$'000	TOTAL \$'000
1 July 2022									
Gross carrying amount		1,902,509	47,843	330,825	156,658	191,464	144,010	70,276	2,843,585
Add fair value increment restated*		265,048	191,530	70,014	-	-	-	-	526,592
Less accumulated depreciation previously reported restated*		(181,593)	-	(59,961)	(26,958)	(114,703)	(64,560)	-	(447,775)
Less accumulated impairment		-	(2,192)	-	(12,861)	-	-	-	(15,053)
Carrying amount at start of year restated*		1,985,964	237,181	340,878	116,839	76,761	79,450	70,276	2,907,349
Additions		-	1,410	13,940	10,764	6,427	853	111,912	145,306
Transfer from work in progress		-	9,655	1,290	21,991	420	-	(33,356)	-
Transfer to Statement of Comprehensive Income		-	-	-	-	-	-	(1,504)	(1,504)
Depreciation and amortisation		(47,416)	-	(15,808)	(4,582)	(9,790)	(6,794)	-	(84,390)
Disposals		-	(90)	-	-	-	-	-	(90)
Revaluation increments		580,876	14,271	90,017	-	-	-	-	685,164
Revaluation (decrements)		-	(14,034)	-	-	-	-	-	(14,034)
Impairment losses		-	-	-	(4,298)	-	-	-	(4,298)
Impairment losses reversed		-	1,745	-	6,514	-	-	-	8,259
Carrying amount at 30 June 2023		2,519,424	250,138	430,317	147,228	73,818	73,509	147,328	3,641,761



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16. Property, plant and equipment (continued)

Recognition and measurement

Property, plant and equipment

Property, plant and equipment costing \$5,000 or more are recognised as assets and stated at cost, net of accumulated depreciation and impairment losses. Costs include costs of purchase, delivery, installation, and borrowing costs.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition. Purchased software that is integral to the functionality of related equipment is capitalised as part of that equipment. If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Routine maintenance and repair costs are expensed as incurred. This includes repairs that relate to the restoration of an asset to its original service potential. Repairs that improve functionality or increase an asset's effective life are recognised as an item of property, plant and equipment and depreciated.

Gifted land is generally transferred at the Valuer General's fair value at the time of transfer.

Land

Land held by the Authority, whether under freehold, vested in accordance with the *Port Authorities Act 1999*, or managed under an order, is recognised as being the Authority's control. Given the nature of land as an asset, it is deemed to possess an indefinite useful life, and therefore, it is not subjected to depreciation.

Depreciation

All items of property, plant and equipment having a limited useful life are systematically depreciated using the straight-line method over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. Depreciation expense is recognised in the Statement of Comprehensive Income.

Estimated useful lives for each class of depreciable asset are:

Asset class at cost	Estimated useful lives	Asset class at fair value	Estimated useful lives
Infrastructure	5 – 50 years	Channels and breakwaters	10 – 80 years
Buildings and improvements	5 – 50 years	Berths and jetties	10 – 50 years
Plant and equipment (including office equipment, motor vehicles)	2 – 40 years		

The estimated useful life and depreciation method are reviewed and adjustments made where appropriate.

Work in progress (WIP) is not depreciated until the assets are completed and ready for use.

Subsequent measurement

The revaluation model is used for the subsequent measurement of channels and breakwaters, land and berths and jetties, and historical cost is used for all other property, plant and equipment. Channels and breakwaters, land and berths and jetties are carried at fair value less accumulated depreciation and accumulated impairment losses. All other items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

The Spoilbank Marina

The Spoilbank Marina will be managed by Department of Transport under their relevant legislation and the

Town of Port Hedland. The asset transfer is expected to be within 1 year of classification.

The Spoilbank Marina assets that are in use are presented as assets held for distribution to government department in the Statement of Financial Position.

Assets still under construction are classified as capital work in progress. That additional financial impacts related to the transfer of the Spoilbank Marina assets from the Authority to the Department of Transport and Town of Port Hedland will be recognised in future reporting periods. Refer to Note 12 Assets held for distribution to government departments.

17. Fair value measurements

	NOTES	GROUP LEVEL 2 \$000	GROUP LEVEL 3 \$000	GROUP FAIR VALUE AT THE END OF THE PERIOD \$'000
2024				
Assets measured at fair value:				
Channels and breakwaters	16	-	3,208,061	3,208,061
Land	16	313,081	-	313,081
Berths and jetties	16	-	489,261	489,261
Total assets measured at fair value		313,081	3,697,322	4,010,403
2023				
Assets measured at fair value:				
Channels and breakwaters	16	-	2,519,424	2,519,424
Land	16	250,138	-	250,138
Berths and jetties	16	-	430,317	430,317
Total assets measured at fair value at 30 June 2023		250,138	2,949,741	3,199,879

Reconciliations of the carrying amounts of the assets measured at fair value are provided in Note 16 Property, plant and equipment.

Valuation techniques

During the year, the Group became aware of changes in dredging rate and projects costs for materials and labour. Due to this, the Group engaged the services of an independent valuer to determine the fair value of channels and breakwaters, land and berths and jetties as at 30 June 2024. The Group will continue to do so as a minimum every three years. The Authority gained land from the Department of Planning, Land and Infrastructure which was fair valued on acquisition.

Valuation technique to derive level 2 and 3 fair value

The basis of the valuation assumes an asset can be exchanged after an adequate period of marketing to obtain its best price, having regard to the highest and best use of the asset for which market participants in the principal or most advantageous markets would be prepared to pay. In the absence of a market price, fair value has been estimated by reference to the best available market evidence including current market prices for recent transactions of similar assets or current market new replacement costs. These are considered to be level 2 inputs against which an allowance for depreciation is applied. Where no market price or market evidence is available, unobservable inputs are applied such as indexation, which are considered to be a level 3 input.

Where the market buying price and market selling price differ materially, often in the case of specialised assets, fair value has been estimated using the direct replacement cost of the asset, whereby replacement cost is depreciated for consumption of service potential and other obsolescence. Where inputs in this method of valuation are directly or indirectly observable they are considered level 2 inputs, for example direct replacement cost in new asset market, asset utilisation and allocation of useful life. Where inputs in this method of valuation are unobservable, they are considered level 3 inputs, for example indexation of acquisition cost, industry or consumer price indices.

Channels and breakwaters

To determine the fair value of the marine channels, the gross current replacement cost was calculated and depreciation applied based on estimated economic life. The gross current replacement cost of each channel was calculated using dredging quantities specific to each channel and recent dredging costs. An assessment of the age of each channel was made from the last date at which the channel was dredged to the current maximum vessel size being able to be operated for the current port operation. The estimated economic life of each channel was assessed using either the longest lease period of a current port lessee or the longest asset life as appropriate to each Channel, which was used to depreciate each channel to determine the current written down value.



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17. Fair value measurements (continued)

Land

Commercial land was valued using an income based approach to best reflect the highest and best use of the assets. Values were determined using current ground lease agreements and applying discount rates in line with the term of the lease and renewal options. Freehold land assets were valued using the sales comparison approach. Available market sales evidence of similar or substitute properties transacted in the market was used to establish a value estimate by processes involving comparison.

Berths and jetties

To determine the Gross Current Replacement Cost, major asset components have been considered. A quantity surveying calculation was derived from physical site inspections and physical measurement estimates, cross checking to engineering and General Arrangement drawings supplied and making enquiries with relevant stakeholders.

18. ROU property, plant and equipment

	GROUP BUILDINGS AND IMPROVEMENTS \$'000	GROUP PLANT AND EQUIPMENT \$'000	GROUP TOTAL \$'000
Year ended 30 June 2024			
At 1 July 2023			
Gross carrying amount	47,122	53,177	100,299
Accumulated depreciation	(24,361)	(39,212)	(63,573)
Carrying amount at start of period	22,761	13,965	36,726
Additions	24,510	46,690	71,200
Depreciation	(11,705)	(11,831)	(23,536)
Derecognition of right of use asset (i)	(1,110)	(2,568)	(3,678)
Accumulated depreciation on derecognition	991	2,522	3,513
Carrying amount at 30 June 2024	35,447	48,778	84,225
At 1 July 2022			
Gross carrying amount	35,834	50,645	86,479
Accumulated depreciation	(16,760)	(29,946)	(46,706)
Carrying amount at start of period	19,074	20,699	39,773
Additions	11,542	3,908	15,450
Depreciation	(7,844)	(10,630)	(18,474)
Derecognition of right of use asset	(254)	(1,376)	(1,630)
Accumulated depreciation on disposal	243	1,364	1,607
Carrying amount at 30 June 2023	22,761	13,965	36,726

18. ROU property, plant and equipment (continued)

Recognition and measurement

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets (with an underlying value of \$5,000 or less) and short-term leases (with a lease term of 12 months or less). Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

The Authority recognises right-of-use assets being residential properties for employee housing in the Pilbara region, commercial buildings and marine plant and equipment and fleet. When a contract is entered into, the Authority assess whether the contract is, or contains a lease. A lease arises when the Authority has the right to direct the use of an identified asset obtaining substantially all economic benefits from the use of the asset throughout the period of use.

The assets are initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred.

The Group leases residential properties for employee housing in the Pilbara region, commercial buildings, and marine plant and equipment and fleet. Right-of-use assets are recognised at the lease commencement date, which is when the assets are available for use. They are initially measured at cost, which comprises the amount of the initial measurement of lease liability adjusted for any lease

payments made at or before the commencement date less any lease incentives received, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

- (i) The derecognition of right-of-use assets refer to assets where the lease term has concluded within the reporting period.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liabilities.

Depreciation and impairment

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The impairment accounting policy is outlined in Note 16 Property, plant and equipment.

The following amounts relating to leases have been recognised in the Statement of Comprehensive Income:

	GROUP 2024 \$000	GROUP 2023 \$000
Depreciation expense of right-of-use	23,536	18,474
Lease interest expense	1,887	1,484
Short-term leases	4,635	3,845
Total amount recognised in the Statement of Comprehensive Income	30,058	23,803

The total cash outflow for leases in 2024 (repayment of lease liabilities and lease interest) was \$23.381 million (2023: \$19.271 million). As at 30 June 2024 there were no indications of impairment to right-of-use assets.

The Group recognises leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position. The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in Note 23 Lease liabilities.



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19. Intangible assets

	GROUP COMPUTER SOFTWARE \$'000	GROUP ENVIRONMENTAL APPROVALS \$000	GROUP TOTAL \$'000
Year ended 30 June 2024			
At 1 July 2023			
Gross carrying amount	8,052	449	8,501
Accumulated amortisation	(7,198)	(158)	(7,356)
Carrying amount at start of period	854	291	1,145
Amortisation expense	(597)	(10)	(607)
Carrying amount at 30 June 2024	257	281	538
Year ended 30 June 2023			
At 1 July 2022			
Gross carrying amount	8,052	449	8,501
Accumulated amortisation	(6,563)	(149)	(6,712)
Carrying amount at start of period	1,489	300	1,789
Amortisation expense	(635)	(9)	(644)
Carrying amount at 30 June 2023	854	291	1,145

Recognition and measurement

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- an intention to complete the intangible asset, and use or sell it.
- the ability to use or sell the intangible asset.
- the intangible asset will generate probable future economic benefit.

- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138.57 Intangible Assets, are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent expenditure

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Computer software

Software that is not an integral part of the related hardware is recognised as an intangible asset. Software that is an integral part of related hardware is treated as property, plant and equipment.

Environmental approvals

Environmental approvals are the costs of obtaining dredging approval of the Bulk Liquids Berth Channel; amortised over the life of the channel.

Amortisation

Amortisation of intangible assets with finite useful lives is calculated for the period of the expected benefit on a straight-line basis, recognised in the Statement of Comprehensive Income. All intangible assets controlled by the Group have a finite useful life and zero residual value. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

20. Contract liabilities

	GROUP 2024 \$'000	GROUP 2023 \$'000
Contract liabilities	65,000	-
Total contract liabilities	65,000	-

The contract liabilities relate to the advance consideration received from proponents for Lumsden dredging. This will be recognised as revenue upon delivery of the project.

The expected useful lives for each class of intangible asset are:

Asset class at cost	Estimated useful lives
Computer software	2 – 7 years
Environmental approvals	50 years

Impairment

Intangible assets undergo annual impairment testing or whenever an indication of impairment arises. Further details regarding the impairment testing policy are provided in Note 16 Property, plant and equipment.

Research and development

Research expenditure is recognised in the Statement of Comprehensive Income, as incurred. Development expenditure is capitalised only if the following applies:

- can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable; and
- the Group intends to and has sufficient resources to complete development and to use or sell the asset.



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21. Other payables

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Rent received in advance		9,106	5,827
GST collected from customers		6,465	5,778
Accrued expenses	(i)	29,777	17,468
Total other payables		45,348	29,073

(i) Accrued expenses are recognised at the amounts payable in the future, for goods and services received prior to the reporting date. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

22. Interest bearing borrowings

	GROUP 2024 \$'000	GROUP 2023 \$'000
(a) Current		
Western Australian Treasury Corporation	44,085	43,848
Total current interest bearing borrowings	44,085	43,848
(b) Non-current		
Western Australian Treasury Corporation	90,640	94,725
Total non-current interest bearing borrowings	90,640	94,725
Total interest bearing borrowings	134,725	138,573

Recognition and measurement

Borrowings are classified as financial instruments. All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The Group determines the classification of its interest bearing liabilities at initial recognition. Subsequent measurement depends on whether the Group has categorised its interest bearing liabilities as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest bearing liabilities.

The Authority has three loans with the Western Australian Treasury Corporation (WATC) being:

- The loan for the Utah Point Bulk Handling Facility (BHF) operates under an interest only arrangement in line with the Authority's borrowing limit approved by WATC. Quarterly interest payments are scheduled. The loan is set to mature by 15 April 2051. As of 30 June 2024, the weighted average interest rate stands at 2.86% (2023: 2.33%).

- The loan for the Port of Dampier Bulk Liquids Berth (BLB) which is repayable via quarterly instalments of principal and interest over 25 years in accordance with a fixed instalment repayment schedule, due to conclude by 1 August 2030. As of 30 June 2024, the weighted average interest rate stands at 6.15% (2023: 6.15%).
- The loan for Hedland Maritime Initiatives (HMI) aligns with the borrowing limit authorised by the Authority as per WATC's guidelines. Interest payments are made upon the maturity of the liquidity trade. The loan was initially set to mature by 23 August 2024. Subsequent to year end, the loan term was extended to 24 February 2025. As of 30 June 2024, the weighted average interest rate stands at 4.77% (2023: 4.00%).

Apart from the contractual obligation to repay the WATC under its portfolio lending arrangements, the Group has not provided any security in respect of the loans.

23. Lease liabilities

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
(a) Current			
Building and improvements		12,485	7,397
Plant and equipment		9,954	10,614
Total current lease liabilities		22,439	18,011
(b) Non-current			
Building and improvements		24,956	16,537
Plant and equipment		38,654	3,812
Total non-current lease liabilities		63,610	20,349
Total lease liabilities		86,049	38,360
Movements in lease liabilities are set out below:			
Buildings and improvements			
Carrying amount as at 1 July		23,934	19,648
Additions		23,120	11,537
Repayments		(10,937)	(8,232)
Accretion of interest	7	1,446	992
Disposals		(122)	(11)
Carrying amount as at 30 June		37,441	23,934
Plant and equipment			
Carrying amount as at 1 July		14,426	21,240
Additions		46,289	3,952
Repayments		(12,500)	(11,246)
Accretion of interest	7	441	492
Disposals		(48)	(12)
Carrying amount as at 30 June		48,608	14,426
Total lease liability carrying amount as at 30 June		86,049	38,360

Recognition and measurement

The Group initially measures lease liabilities for buildings and improvements and plant and equipment at the commencement date, at the present value of future lease payments that are not paid at that date. The lease payments are discounted using the WATC incremental borrowing rate if the rate implicit in the lease cannot be readily determined. Lease payments are fixed payments or index-based variable payments incorporating the Group's expectations of extension options and do not include the non-lease components of a contract, where the Group has elected to separate out non-lease components.

The Group includes the following lease payments as part of the present value calculation of lease liabilities:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options (where these are reasonably certain to be exercised)
- Payments for penalties for terminating a lease, where the lease term reflects the Group exercising an option to terminate the lease.

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23. Lease liabilities (continued)

The interest on the lease liability is recognised in the Statement of Comprehensive Income over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Periods covered by extension or termination options are only included in the lease term by the Group if the lease is reasonably certain to be extended (or not terminated).

Subsequent measurement

Lease liabilities are remeasured when there is a change in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. This is done by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount at amortised cost, subject to reassessment or lease modification adjustments. A corresponding adjustment is made to the carrying amount of the right-of-use assets, with any excess recognised in the Statement of Comprehensive Income.

24. Current tax liabilities

	GROUP 2024 \$'000	GROUP 2023 \$'000
Opening balance	17,432	18,128
Prior year true up	(486)	(152)
Tax instalments paid	(128,732)	(119,133)
Tax refund/(paid)	(16,946)	-
Current tax expense	143,715	118,589
Total current tax liabilities	14,983	17,432

25. Provisions

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
(a) Current			
Employee benefits			
Annual leave		5,216	5,562
Long service leave		3,245	5,701
Other employee benefits		631	576
Total current employee benefits		9,092	11,839
Total current provisions		9,092	11,839
(b) Non-current			
Employee benefits			
Long service leave		2,257	809
Other employee benefits	25 (c)(ii)	408	442
Total non-current employee benefits		2,665	1,251

25. Provisions (continued)

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
(b) Non-current (continued)			
Other provisions			
Provision for land rehabilitation	25 (c)(i)	52,570	63,279
Total other provisions		52,570	63,279
Total non-current provisions		55,236	64,530
Total provisions		64,328	76,369
(c) Movements in other non-current provisions are set out below:			
Land rehabilitation			
Carrying amount as at 1 July			
Land rehabilitation works completed during the year		63,279	71,945
Change in cost assumptions	9	(8,674)	(5,315)
Net present value increase/(decrease)	7	(2,034)	(3,352)
Carrying amount as at 30 June		52,570	63,279
Pension and Gold State Superannuation			
Carrying amount as at 1 July			
Interest cost		442	449
Actuarial losses/(gain)		15	15
Benefits paid		(14)	13
Carrying amount as at 30 June		(35)	(35)
Carrying amount as at 30 June		408	442

Recognition and measurement

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period. The unwinding of a discount is recognised as a finance cost.

Land rehabilitation

The land rehabilitation provision has been recognised using a discounted cash flow methodology. Management's estimates, derived from an internal cost model, include assumptions on legislative requirement, available technologies, input costs, inflation, and discount rates. The discount rate for 2024 is 4.43% (2023: 3.95%), based on the Australian government's 10 year bond rate.

Employee benefits

The liability for annual and long service leave relate to services provided by employees up to the reporting date. These liabilities are expected to be settled within 12 months after the reporting date and are recognised and measured at undiscounted amounts expected to be paid when the

liabilities are settled; using the remuneration rates expected to apply at the time of settlement. Long service leave not expected to be settled wholly within 12 months after the reporting date is disclosed as non-current and is discounted accordingly. Discount rate applied in 2024: 4.4% (2023: 4.1%).

When assessing expected future payments, consideration is given to estimated future wage and salary levels including non-salary components, such as employer superannuation contributions, as well as the trend of employee departures and periods of service. The expected future payments are discounted to present value using market yields at the reporting date based on Federal Government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Employment on-costs are not employee benefits and are recognised as liabilities and expenses when the employment to which they relate has occurred.

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26. Deferred tax liabilities

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
(a) Deferred tax assets			
Property, plant and equipment		95,124	73,876
Project pool and business related costs		2,026	2,603
Provisions	(i)	19,422	22,914
Lease liabilities	(ii)	20,040	11,508
Contract liabilities		19,500	-
Other		389	528
Total deferred tax assets		156,501	111,429
(b) Deferred tax liabilities			
Property, plant and equipment	(iii)	(1,132,563)	(894,136)
Right-of-use assets	(iv)	(19,493)	(11,018)
Other		(829)	(122)
Total deferred tax liabilities		(1,152,885)	(905,276)
Net deferred tax liabilities		(996,384)	(793,847)

Recognition and measurement

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit(s) will be realised.

- The provisions balance represents the deferred tax impact of the total provisions. Further information on provisions is provided in Note 25 Provisions.
- The lease liabilities balance represents the deferred tax impact as a result of lease liabilities. Further information on lease liabilities is provided in Note 23 Lease liabilities.
- The property, plant and equipment balance in deferred tax liabilities represents the deferred tax impact of increased future depreciation for accounting purposes as a result of fair value accounting. Further information on fair value measurements is provided in Note 17 Fair value measurements.
- The right-of-use asset balance represents the deferred tax impact as a result of right-of-use assets. Further information on ROU property, plant and equipment is provided in Note 18 ROU Property, plant and equipment.

27. Equity

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
(a) Contributed equity			
Carrying amount as at 1 July		485,527	421,184
Vested land	(i)	4,750	125
Other government contributions	(ii)	58,615	64,218
Equity contributions during the year		63,365	64,343
Carrying amount as at 30 June		548,892	485,527
(b) Asset revaluation reserve			
Carrying amount as at 1 July		2,086,317	1,616,526
Net revaluation increments:			
- Channels and breakwaters	16	690,208	580,876
- Land	16 & (i)	49,189	237
- Berths and jetties	16	55,358	90,017
Asset revaluations during the year		794,755	671,130
Deferred tax impact		(238,423)	(201,339)
Carrying amount as at 30 June		2,642,649	2,086,317
(c) Retained earnings			
Carrying amount as at 1 July		939,154	697,741
Total comprehensive income for the year	(iii)	246,829	241,413
Dividends paid	(iv)	-	-
Carrying amount as at 30 June		1,185,983	939,154
Total equity at end of period		4,377,524	3,510,999

Contributions received from the Government of Western Australia are recognised directly as a credit to contributed equity:

- Land received \$4.75 million (2023: \$215,000) and returned \$nil (2023: \$90,000) to the State Government of Western Australia. Returned land was fair valued on disposal, with a fair value increment recorded in the asset revaluation reserve.
- The following equity injections were received:
 - Spoilbank Marina Development did not receive funding this year from Royalties for Regions (2023: \$6.050 million) and \$27.778 million (2023: \$42.234 million) received from Department of Treasury.
 - Lumsden Point General Cargo and Logistics Hub funding of \$20 million (2023: \$nil) from Department of Treasury (Commonwealth contribution).
 - HMI's income tax instalments of \$10.837 million (2022: \$15.934 million) returned from Department of Treasury.

- Total comprehensive income for the year excludes the changes in the asset revaluation reserve, net of tax.
- Cabinet approved the retention of the FY2023/24 dividend payments to fund infrastructure projects over the forward estimates. Further information on dividends is provided in Note 28 Dividends.



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28. Dividends

	GROUP 2024 \$'000	GROUP 2023 \$'000
Final dividend prior year	-	-
Total dividends	-	-

The Authority is required to pay dividends to the State Government of Western Australia. Dividends are payable on net profit after tax at the Government approved payout rate of 85%.

The State Government of Western Australia approved the retention of the interim and final dividend relating to year ended 30 June 2024 and interim dividend relating to year ended 30 June 2023. This retained dividend is to fund infrastructure projects over the forward estimates. Refer to Note 11 Cash and Cash Equivalents.

Dividends, to the extent that they are not paid within the period, are recognised as a liability in the period in which they are declared. In accordance with Australian Accounting Standards, the final dividend relating to the financial results for the year ended 30 June 2024 has not been provided for as it is expected to be declared by the Board of Directors and approved by Government after the reporting date.

29. Financial risk management

Financial risk management objectives and policies

Financial instruments held by the Group are cash and cash equivalents, restricted cash and cash equivalents, receivables, payables and Western Australian Treasury Corporation (WATC) borrowings. The Group has limited exposure to financial risks. The Group's overall risk management program focuses on managing the risks identified below.

(a) Summary of risks and risk management

Credit risk

Credit risk arises when there is the possibility of the Group's customers defaulting on their contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table in Note 29 Financial risk management. The Group trades only with recognised, creditworthy third parties.

The Group has policies in place to ensure that the provision of services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is minimal. Debt will be written-off against the allowance account when it is improbable or uneconomical to recover the debt. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Group is unable to meet its financial obligations as they fall due. The Group is exposed to liquidity risk through its trading in the normal course of business. The Group has appropriate procedures to manage cash flows including monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The Group does not trade in foreign currency and is not materially exposed to other price risks [for example, equity securities or commodity prices changes]. The Group's exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations.

The Group's borrowings are all obtained through the WATC and at prescribed fixed and variable rates with varying maturity dates. Interest rate risk is managed by WATC through portfolio diversification and variation in maturity dates. The Group does not trade in foreign currency.

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	NOTES	GROUP 2024 \$'000	GROUP 2023 \$'000
Financial assets			
Cash and cash equivalents		1,021,987	832,774
Financial assets at amortised cost	(i)	103,573	76,533
Total financial assets		1,125,561	909,307
Financial liabilities			
Financial liabilities at amortised cost	(ii)	265,741	205,545
Total financial liabilities		265,741	205,545

- (i) The amount of financial assets amortised cost excludes GST recoverable from the ATO (statutory receivable).
(ii) The amount of financial liabilities amortised cost excludes GST payable to the ATO (statutory payable).

(c) Ageing analysis of financial assets

	NOTES	CARRYING AMOUNT \$000	NOT PAST DUE AND NOT IMPAIRED \$000	NOT PAST DUE AND NOT IMPAIRED					IMPAIRED FINANCIAL ASSETS \$000
				UP TO 1 MONTH \$000	1- 3 MONTHS \$000	3 MONTHS TO 1 YEAR \$000	1-5 YEARS \$000	MORE THAN 5 YEARS \$000	
2024									
Financial assets									
Cash and cash equivalents	11	215,834	215,834	162,348	53,486	-	-	-	-
Restricted cash and cash equivalents	11	806,153	806,153	111,116	695,037	-	-	-	-
Trade receivables		95,612	95,612	-	95,612	-	-	-	-
Other receivables (i)		7,961	7,961	7,961	-	-	-	-	-
Total financial assets		1,125,560	1,125,560	281,425	844,135	-	-	-	-
2023									
Financial assets									
Cash and cash equivalents	11	304,976	304,976	90,836	214,140	-	-	-	-
Restricted cash and cash equivalents	11	527,798	527,798	32,062	495,736	-	-	-	-
Trade receivables		73,824	73,824	73,824	-	-	-	-	-
Other receivables (i)		2,709	2,709	2,709	-	-	-	-	-
Total financial assets		909,307	909,307	199,431	709,876	-	-	-	-

- (i) The amount of financial assets amortised cost excludes GST recoverable from the ATO (statutory receivable).

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29. Financial risk management (continued)

(d) Liquidity risk and interest rate exposure

The following table details the Group's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	NOTES	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	CARRYING AMOUNT \$000	INTEREST RATE EXPOSURE			NOMINAL AMOUNT \$000	MATURITY DATES				
				FIXED INTEREST RATE \$000	VARIABLE INTEREST RATE \$000	NON- INTEREST BEARING \$000		LESS THAN 1 MONTH \$000	1 - 3 MONTHS \$000	3 MONTHS TO 1 YEAR \$000	1 - 5 YEARS \$000	MORE THAN 5 YEARS \$000
2024												
Financial assets												
Cash and cash equivalents	11	4.97	215,834	-	215,834	-	215,834	162,348	53,486	-	-	-
Restricted cash and cash equivalents	11	4.97	806,153	-	804,816	1,337	806,153	111,116	695,037	-	-	-
Trade receivables (i)			95,612	-	-	95,612	95,612	-	95,612	-	-	-
Other receivables (i)			7,961	-	-	7,961	7,961	7,961	-	-	-	-
Total financial assets			1,125,560	-	1,020,650	104,910	1,125,560	281,425	844,135	-	-	-
Financial liabilities												
Trade payables (ii)			6,084	-	-	6,084	6,084	6,084	-	-	-	-
Other payables (ii)	20		38,883	-	-	38,883	38,883	38,883	-	-	-	-
Borrowings (iii)	21	4.16	134,725	70,025	64,700	-	174,221	1,150	1,669	5,642	73,562	92,198
Lease liabilities	22	4.17	86,049	86,049	-	-	86,049	2,046	3,858	16,535	51,585	12,025
Total financial liabilities			265,741	156,074	64,700	44,967	305,237	48,163	5,527	22,177	125,147	104,223

(i) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable) and prepayments.

(ii) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

(iii) With reference to the nominal amount, the maturity date analysis of borrowings is inclusive of principal and interest cash flows.



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29. Financial risk management (continued)

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	NOTES	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	CARRYING AMOUNT \$000	INTEREST RATE EXPOSURE			NOMINAL AMOUNT \$000	MATURITY DATES				
				FIXED INTEREST RATE \$000	VARIABLE INTEREST RATE \$000	NON- INTEREST BEARING \$000		LESS THAN 1 MONTH \$000	1 - 3 MONTHS \$000	3 MONTHS TO 1 YEAR \$000	1 - 5 YEARS \$000	MORE THAN 5 YEARS \$000
2023												
Financial assets												
Cash and cash equivalents	11	3.98	304,976	-	304,976	-	304,976	90,836	214,140	-	-	-
Restricted cash and cash equivalents	11	3.98	527,798	-	524,517	3,281	527,798	32,062	495,736	-	-	-
Trade receivables (i)			73,824	-	-	73,824	73,824	73,824	-	-	-	-
Other receivables (i)			2,709	-	-	2,709	2,709	2,709	-	-	-	-
Total financial assets			909,307	-	829,493	79,814	909,307	199,431	709,876	-	-	-
Financial liabilities												
Trade payables (ii)			5,317	-	-	5,317	5,317	5,317	-	-	-	-
Other payables (ii)	19		23,295	-	-	23,295	23,295	23,295	-	-	-	-
Borrowings (iii)	20	3.75	138,573	79,163	59,410	-	198,818	577	1,635	45,981	30,594	120,031
Lease liabilities	21	2.73	38,360	38,360	-	-	38,360	1,636	3,200	13,175	14,271	6,078
Total financial liabilities			205,545	117,523	59,410	28,612	265,790	30,825	4,835	59,156	44,865	126,109

(i) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable) and prepayments.

(ii) The amount of financial liabilities at amortised cost excludes GST payable to the ATO (statutory payable).

(iii) With reference to the nominal amount, the maturity date analysis of borrowings is inclusive of principal and interest cash flows.

(e) Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Group's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	NOTES	2024 \$'000	2023 \$'000
Financial assets			
Cash and cash equivalents	29 (d)	1,020,650	829,493
Change in carrying amount (1%)		10,207	8,295
Change in carrying amount (-1%)		(10,207)	(8,295)
Financial liabilities			
Borrowings	29 (d)	64,700	59,410
Change in carrying amount (1%)		(647)	(594)
Change in carrying amount (-1%)		647	594

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for the year ended 30 June 2024 (continued)

30. Contingencies

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes and, if quantifiable, are measured at the best estimate. The Group has no contingent assets for the year ended 30 June 2024.

Contingent liabilities

The following contingent liabilities are excluded from the liabilities included in the financial statements:

Contaminated sites

Under the *Contaminated Sites Act 2003* (WA), the Authority must report known and/or suspected contamination to the Department of Water and Environmental Regulation (DWER). After receiving such a report, DWER must classify the site on the basis of risk to human health, the environment and/or environmental values. Where sites are classified as “contamination – remediation required” or “possibly contaminated – investigation required”, the Authority is likely to be responsible for investigation and/or remediation (and associated expenses). The Authority will only incur liability if a lessee fails to comply with its obligations under its lease.

The Authority’s lease agreements require lessees to comply with all environmental laws, to prepare and submit an Operational Environmental Management Plan to the Authority and to address all forms of environmental damage to the occupied leased land, including contamination. Where specific contamination events have resulted from the direct actions of the lessee, the lessee has, at its cost, the obligation to investigate and remediate any affected site.

Port of Dampier

In October 2006, the Authority reported suspected contamination at three isolated sites within the De Witt Location 471. As the Contaminated Sites Management System is linked to the State cadastral system, DWER can only list whole land parcels (and not portions of a lot). Accordingly, on 1 March 2007, after investigations identified concentrations of contaminants exceeding adopted assessment levels, DWER classified all of De Witt Location 471 as “Possibly contaminated – investigation required under the *Contaminated Sites Act 2003*”. In 2009, Rio Tinto undertook the required remediation works to have one of the three areas de-listed from the Memorial.

In 2010, Mermaid Marine Australia (lease now assigned to Toll Transport Pty Ltd) had another area added to the same Memorial and in 2014, a small diesel spill occurred within the Woodside leased area. While investigations and remedial works were undertaken, some residual impact remains beneath a concrete slab and as a result, this contamination was added to the Memorial.

Lot 471 was most recently classified by DWER as *possibly contaminated – investigation required* on 2 July 2014. Since then, Pilbara Ports has progressed significant work in conjunction with its leaseholders to further investigate and (where required) remediate historical contamination within Lot 471. This has included a Preliminary Site Investigation, hydrogeological assessment, groundwater monitoring program, end of lease contamination assessments, as well as Detailed Site Investigations and associated remediation works. On 9 July 2024, Pilbara Ports was notified that DWER intends to update the classification of Lot 471 under the Contaminated Sites Act 2003 and requested any additional information or reports should be considered as part of this process. This information has been provided to DWER and the Authority is yet to be advised of the outcome.

Port of Port Hedland

On 1 July 2010, an area of land (Lot 6098, now referred to as Lot 400) vested in the Authority was listed under the *Contaminated Sites Act 2003* (WA) as “Contaminated - remediation required”. The Authority has made submissions and is working with the lessees and specialist consultants to investigate and manage remediation and monitoring requirements.

In February 2016, an area of land located within the Wedgefield Estate (part of Lot 370, now referred to as Lot 603) was classified by DWER as “Possibly contaminated – investigation required” under the *Contaminated Sites Act 2003* (WA). This listing resulted from a hydrocarbon (diesel) spill which occurred on land parcel W002. The spill site was subsequently investigated by specialist consultants and remediated. However, the ongoing use of the site (and surrounding areas) by lessees for commercial and light industrial use warrants the current classification. The Authority is working with lessees in this area and continues to undertake environmental monitoring in order to manage contamination.

Port of Ashburton

On 9 August 2023, the lands vested to the Authority at the Port of Ashburton (i.e. Lot 569, Lot 238 and Lot 570) was reported by Chevron as a known or suspected contaminated site under the *Contaminated Sites Act 2003* (WA). The report was made due to the use of the lands (in part) as a LNG Processing Plant and the suspected contamination of PFAS from commissioning and testing to the drainage systems and potential groundwater. On 11 September 2023, Pilbara Ports was notified that DWER has taken a decision to extend the time required to classify the site, while they are awaiting submission of further information. The Authority is yet to be advised of the outcome.

31. Capital commitments

	GROUP 2024 \$'000	GROUP 2023 \$'000
Within one year	147,505	112,077
Total capital commitments	147,505	112,077



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32. Operating lease

The Group engages in leasing properties to lessees under operating lease arrangements, wherein lease payments are made in adherence to the terms outlined in the respective lease agreements. These leases are classified as operating leases due to the absence of substantial transfer of risks and rewards inherent to asset ownership. Lease payments received are recognized as income evenly over the lease duration.

For the fiscal year 2024, the Group reported rental and lease income totalling \$34.894 million (2023: \$33.331 million). Additionally, the Group generated income from renting HMI residential properties amounting to \$5.853 million for the fiscal year ended 30 June 2024 (2023: \$4.379 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payment to be received after the reporting date.

	GROUP 2024 \$'000	GROUP 2023 \$'000
Less than one year	42,928	38,415
One to two years	37,163	34,094
Two to three years	34,630	31,685
Three to four years	32,011	29,702
Four to five years	31,885	28,707
Later than five years (up to 50 years)	503,745	485,467
Total	682,362	648,072

Lessor risk management

The Authority conducts inspections to verify that leased assets are being used per their permitted use, maintained to the Authority's standard and lessees are meeting their covenants and environment obligations. Lessees must obtain the Authority's approval under a development approval process prior to any modifications to leased assets. Lease agreements include end of term yield up clauses which determines how the leased assets will be handed back to the Authority. If the lessee does not return the leased assets in the state required by the lease agreement, yield up works can be charged or any bonds deducted.

33. Parent entity disclosure

Consolidated Statement of Comprehensive Income for the year ended 30 June 2024

	PARENT 2024 \$'000	PARENT 2023 \$'000
Net profit for the period	223,021	213,545
Other comprehensive income	554,325	468,029
Total comprehensive income	777,346	681,574

Consolidated Statement of Financial Position as at 30 June 2024

	PARENT 2024 \$'000	PARENT 2023 \$'000
Current assets	1,248,500	947,273
Non-current assets	4,463,968	3,609,611
Total assets	5,712,468	4,556,884
Current liabilities	210,097	129,060
Non-current liabilities	1,205,485	973,447
Total liabilities	1,415,582	1,102,507
Net assets	4,296,886	3,454,377
EQUITY		
Contributed equity	548,892	485,527
Reserves	2,640,555	2,084,447
Retained earnings	1,107,438	884,403
Total equity	4,296,886	3,454,377

Parent entity contingent liabilities

The parent entity contingent liabilities are as disclosed in Note 30 Contingencies.

Parent entity capital commitment

Total capital expenditure contracted for at reporting date was \$146.227 million (2023: \$110.503 million).



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34. Related parties

The Group is a wholly owned government trading entity.

Related parties of the Group include:

- the wholly owned subsidiary Hedland Maritime Initiative Pty Ltd
- all cabinet ministers and their close family members, and their controlled or jointly controlled entities
- all senior officers and their close family members, and their controlled or jointly controlled entities
- other departments and statutory authorities, including related bodies, that are included in the whole of government consolidated statements
- associates and joint ventures of a wholly-owned public sector entity
- the Government Employees Superannuation Board (GESB).

Related parties of the Authority include all key management personnel, being Directors and Executive Committee Members, their close family members, and their controlled or jointly controlled entities as follows:

Significant transactions with Government-related entities

In conducting its activities, the Group is required to transact with the State and entities related to the State. These transactions are generally based on the standard terms and conditions that apply to all Government Agencies and Authorities.

Such transactions include:

- Income from the State Government of Western Australia of \$6.994 million in 2024 (2023: \$8.699 million)
- Defined contribution superannuation payments made to GESB of \$2.625 million in 2024 (2023: \$2.321 million)
- Defined benefit superannuation payments made to Department of Treasury.
- Interest bearing borrowings from WATC: \$134.725 million in 2024 (2023: \$138.573 million). Refer to Note 22 Interest bearing borrowings
- No dividends paid to the State Government of Western Australia in 2024 (2023: nil). Refer to Note 28 Dividends.

- Equity contributions (on net basis) received from the State Government of Western Australia: \$63.365 million in 2024 (2023: \$64.373 million). Refer to Note 27 Equity.
- Insurance payments to the Insurance Commission and RiskCover Fund of \$5.5 million (2023: \$4.393 million).
- Remuneration for services provided by the Auditor General for Western Australia. Refer to Note 36 Remuneration of auditors.

Material transactions with related parties are shown in the below table:

	GROUP 2024 \$'000	GROUP 2023 \$'000
Legal services	-	978
Professional services	120	171
Total related parties transactions	120	1,149

Legal services

The Group has been notified that a current WA State Government Minister has declared that a non-dependent close family member is a partner of a law firm that provided services to the Group. The Group has used the firm in previous years. The unbilled WIP of the law firm as at 30 June 2024 was \$Nil (2023: \$46,633) not included in the financial statements.

Professional services

A Director of the Authority is a partner of a professional services firm that provides services to the Group. The Group has used the firm in previous years.

The Group had no other material related party transactions with key management personnel or their close family members or their controlled (or jointly controlled) entities for disclosure.

Related and affiliated bodies

The Group had no related bodies or affiliated bodies during the financial year.

35. Key management personnel

The Group has determined that key management personnel include the Board of Directors and senior management of the Group.

The total fees, salaries, superannuation, non-monetary benefits and other benefits provided to key management personnel of the Group for the reporting period are presented within the following bands:

	GROUP 2024	GROUP 2023
Compensation bands (\$)		
Above 500,000	1	1
400,000 - 500,000	4	2
300,000 - 400,000	4	6
100,000 - 200,000	1	1
50,001 - 100,000	4	6
Up to 50,000	1	-
Total number of key management personnel	15	16

	GROUP 2024 \$'000	GROUP 2023 \$'000
Transactions of key management personnel		
Short-term employee benefits	3,747	3,812
Post-employment benefits	418	481
Other-long term employment benefits	122	(69)
Termination benefits	107	244
Total compensation of key management personnel	4,394	4,468
Other transactions	81	76
Total transactions with key management personnel	4,475	4,544

36. Supplementary financial information

During the financial year \$14,236 (2023: \$32,771) was written off from the Group's accounts receivable balance:

	GROUP 2024 \$'000	GROUP 2023 \$'000
Write-offs		
Bad debts	14	33
Total write-offs	14	33

37. Remuneration of Auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	GROUP 2024 \$'000	GROUP 2023 \$'000
Office of Auditor General - external audit fee	270	199
Total remuneration or Auditors	270	199

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for the year ended 30 June 2024 (continued)

38. Events occurring after the end of the reporting period

To facilitate the transfer of the Spoilbank Marina to the Department of Transport, the boundary of the Port of Port Hedland changed on 1 July 2024. Land previously managed as seabed where the Marina has been constructed, has been subdivided and divested from the Authority to be managed by Department of Transport under their relevant legislation and the Town of Port Hedland.

The Authority extended its loan facility for Hedland Maritime Initiative (HMI) with the WATC by 6 months, with a new maturity date of 24 February 2025.

No other matters have arisen since 30 June 2024 that significantly affect, or may significantly affect the Group's operations, the results of those operations, or the state of its affairs in future financial years.

39. Accounting standards issued but not yet effective

The Group cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 Application of Australian Accounting Standards and Other Pronouncements or by an exemption from TI 1101. The below outlines recently issued or amended Australian accounting Standards and Interpretations that are not yet effective. Pilbara Ports Authority intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback

This Standard amends AASB 16 to add measurement requirements for sale and leaseback transactions that satisfy the requirements in AASB 15 to be accounted for as a sale.

AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants

This Standard amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The Standard also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.

AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

This Standard amends AASB 13 for fair value measurements of non financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. Specifically, it provides guidance on how the cost approach is to be applied to measure the asset's fair value, including guidance on the nature of costs to include in the replacement cost of a reference asset.

As such, for non-financial assets measured by the cost approach, professional and management fees are to be included in the replacement cost of a reference asset (that are currently excluded by the valuer). This is likely to increase the fair value of those assets (and a corresponding increase in other comprehensive income accumulated in revaluation surplus).

AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements

This Standards amends: (a) AASB 107; and (b) AASB 7 as a consequence of the issuance of International Financial Reporting Standard Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) by the International Accounting Standards Board in May 2023.

AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Standard clarifies the accounting for sales or contributions of assets between an investor and its associate or joint venture. The mandatory effective date of this Standard is 1 January 2025.

AASB 2021 - 7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

This Standard further defers (to 1 January 2025) the amendments to AASB 10 and AASB 128 relating to the sale or contribution of assets between an investor and its associate or joint venture. The standard also includes editorial corrections. The mandatory effective date of this Standard is 1 January 2025.

AASB 2022-9 Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector

This Standard amends AASB 17 and AASB 1050 to include modifications with respect to the application of AASB 17 by public sector entities.

AASB 2023 - 5 Amendments to Australian Accounting Standards - Lack of Exchangeability

This Standard ensures a consistent approach in determining whether a currency is exchangeable into another currency and provides guidance on determining the spot exchange rate to use when a currency is not exchangeable. The mandatory effective date of this Standard is 1 January 2025.

DIRECTORS' DECLARATION

In the opinion of the Directors of the Group:

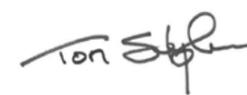
- (a) The financial statements and notes are prepared in accordance with *Government Trading Enterprises Act 2023* and the *Government Trading Enterprises Regulations 2023*, and:
 - (i) gives a true and fair view of the financial position at 30 June 2024 and of its performance for the financial year ended on that date; and its operations and its cash flows, for the year ended on that date; and
 - (ii) in accordance with Australian Accounting Standards;
- (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The Directors have been given the declaration by the Chief Executive Officer and Chief Financial Officer for the reporting year ended 30 June 2024.

This declaration is signed in accordance with a resolution of the Directors.



Brad Geatches
Deputy Chair & Chair for the Period
26 August 2024



Tom Stephens
Director
26 August 2024



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Auditor General

INDEPENDENT AUDITOR'S REPORT

2024

Pilbara Ports Authority

To the Parliament of Western Australia

Opinion

I have audited the financial report of Pilbara Ports Authority (the Authority) which comprises:

- the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended
- notes comprising a summary of material accounting policies
- the directors' declaration.

In my opinion, the financial report of the Authority is prepared in accordance with the *Government Trading Enterprises Act 2023* and the *Government Trading Enterprises Regulations 2023*, and:

- gives a true and fair view of the financial position as at 30 June 2024 and of its performance for the year then ended
- in accordance with Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial report section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

The directors are responsible for the other information. The other information is the information in the Authority's annual report for the year ended 30 June 2024, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the directors for the financial report

The directors of the Authority are responsible for:

- keeping proper records
- preparation of the financial report in accordance with the *Government Trading Enterprises Act 2023* and the *Government Trading Enterprises Regulations 2023* that gives a true and fair view in accordance with Australian Accounting Standards
- such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for:

- assessing the Authority's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Matters relating to the electronic publication of the audited financial report

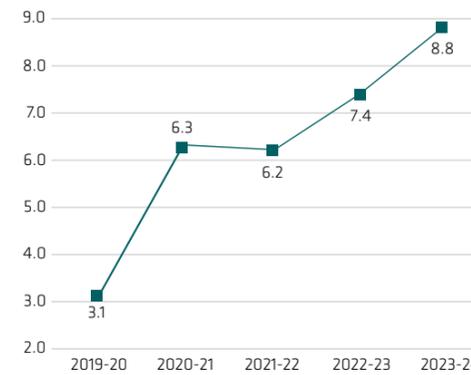
This auditor's report relates to the financial report of the Authority for the year ended 30 June 2024 included in the annual report on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on the website, they are advised to contact the Authority to confirm the information contained in the website version.



Grant Robinson
 Assistant Auditor General Financial Audit
 Delegate of the Auditor General for Western Australia
 Perth, Western Australia
 27 August 2024

FINANCIAL PERFORMANCE INDICATORS

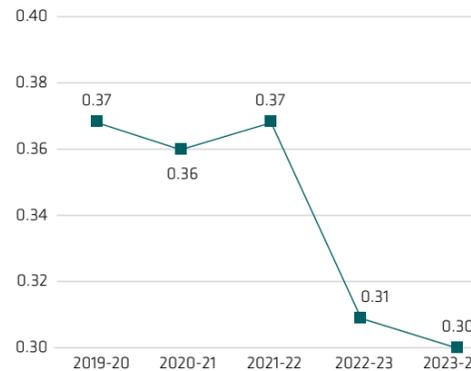
Current ratio comparison 2019/20 to 2023/24



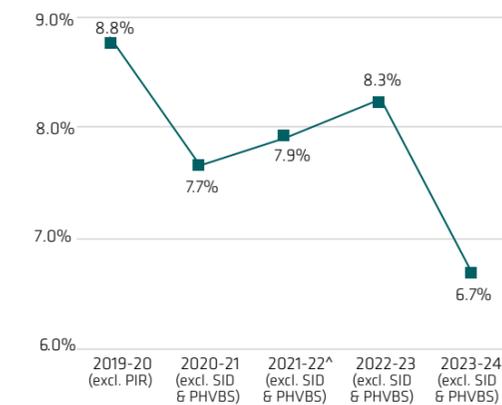
Interest cover comparison 2019/20 to 2023/24



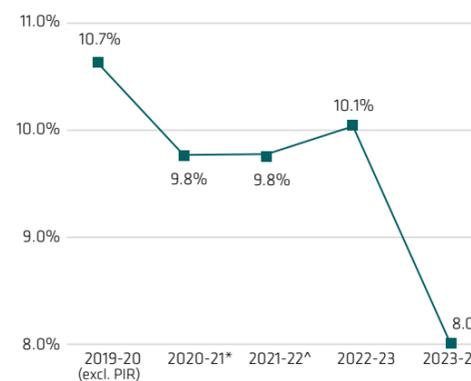
Debt to equity comparison 2019/20 to 2023/24



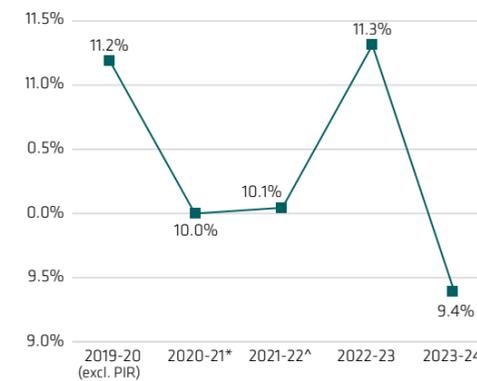
Return on equity comparison 2019/20 to 2023/24



Return on assets comparison 2019/20 to 2023/24



Economic rate of return comparison 2019/20 to 2023/24



^Ratio restated. Refer to Note 37 in the Financial Statements
 * PIR ceased in 2019/20



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GOVERNANCE DISCLOSURES

Ministerial directives

The Minister for Ports may give directions in writing to the Board of Directors with respect to the performance of functions prescribed by the Act. There were no ministerial directives during the reporting period.

Other financial disclosures

Pricing policies of services provided

Pilbara Ports financial objectives include, as a minimum, recovering costs and achieving the State Government’s required Rate of Return on Assets.

Pilbara Ports adopted user-pays principles to recover costs and avoid unintended cross-subsidisation of fees and charges amongst users, both across ports and within ports.

Lease revenue enables the organisation to fund land development opportunities without impacting upon charges for existing port users.

Pilbara Ports will continue to seek commercial rents for all its properties and to develop port-vested land to support industry. The organisations’ prices are reviewed annually and adjustments made to recover costs and achieve both strategic and operational objectives.

Capital works

Pilbara Ports has multiple capital funding sources including:

- internal funds and balances (Minor Works);
- major projects (Major Capital Works)
- COVID-19 Recovery Plan projects
- funding from the Commonwealth for key major projects; and
- proponent contributions (the ports of Ashburton and Port Hedland).

Pilbara Ports Minor Works program facilitates:

- upgrades to building, civil, mechanical, and electrical infrastructure;
- safety upgrades; and
- upgrading information and communications technology.

This also includes acquisition and replacement of:

- infrastructure;
- mobile plant;
- housing; and
- office equipment.

Pilbara Ports encourages private sector investment that is aligned to long-term port planning objectives. The organisation will also consider and facilitate private investment in port facilities and infrastructure where proponents provide multi-party or common user access.

Pilbara Ports may invest in port infrastructure and facilities that cannot be funded by the private sector and which promote trade and provide net economic benefits to the State, regional and local communities. The organisation actively seeks opportunities to invest in new and upgraded facilities.

All investments by the Pilbara Ports are justified in terms of technical, financial, economic, social, safety and environmental benefits. Where appropriate, the Pilbara Ports operates on commercial principles, with rates of return on investment agreed with the State Government.

Minor capital projects

There were 62 active projects in the reporting period. These had a total value of \$25.3 million versus a total budget of \$25.5 million. The spend on completed projects in the current reporting period was \$10.9 million. Actual costs of the 62 projects were incurred in previous year and the current reporting period. The spend on completed projects in the current reporting period was \$11 million.

Major capital projects

Spoilbank Marina

The final stage of the Spoilbank Marina is under way. Pilbara Ports spend during the reporting period was \$65.3 million, with the sixth and final major contract well progressed. The project will be completed in 2024.

Employee numbers

TEAM	EMPLOYEE NUMBERS 30 JUNE 2023	TEAM	EMPLOYEE NUMBERS 1 JULY 2024
Executive	4	CEO Office	14
Corporate Affairs and Governance	45	Customer and Strategy	34
Development and Trade	38	Lumsden Project	4
Engineering and Infrastructure	25	Major Projects and Engineering	24
Finance; and Information, Communication and Technology	44	Finance and Governance	58
Physical and Human Resources	24	Safety, People and Environment	47
Marine	56	Marine	71
Terminal Operations	112	Terminal Operations	117
Hedland Maritime Initiative	5	Hedland Maritime Initiative	5
TOTAL	353		374

Other legal requirements

Unauthorised use of credit cards

Pilbara Ports has provided details below of instances where a State Government purchasing card (credit card) is used for personal use, as per TI 321 Credit Card – Authorised Use and TI 903 Agency Annual Reports.

There were 29 instances of unauthorised use of a credit card during the reporting period, with a total value of \$1,710.26. These occurred due to emergency situations or minor private expenses coinciding with business travel. All instances were declared. The amount of personal use credit card expenditure outstanding at the end of the reporting period was \$0.

Advertising and market research expenditure

Total expenditure for the reporting period was \$93,419. Expenditure was incurred in the following areas:

ADVERTISING AGENCIES AND MEDIA ADVERTISING	
Initiative Media	71,593.42
West Australian Newspapers Limited	9,156.26
News Pty Ltd	5,176.71
News Corp Australia	3,038.36
Daily Cargo News	2,500.00
Social Media Advertising	1,953.92
TOTAL	\$93,419

Compliance with public sector standards and ethical codes

The Code of Ethics and Conduct (Code) communicates Pilbara Ports standards of conduct and integrity and promotes professionalism in the provision of services to customers, port users and the community. The Code is available on Pilbara Ports website and intranet.

Where breaches of the Code occur, there are procedures to support workplace resolution and/or disciplinary investigation when required. Disciplinary matters involving alleged breaches require involvement of the relevant Executive General Manager and are reported to the Chief Executive Officer, as well as the Risk, Safety and Sustainability Committee.

During the reporting period, there were five breaches of the Code leading to termination. Also, there was one further breach of Pilbara Ports Fitness for Work: Drug and Alcohol Procedure.

Recordkeeping

Pilbara Ports Recordkeeping Plan was updated in December 2019. However, it remains current, which meets the mandated five-year review cycle. Pilbara Ports plans to submit an updated recordkeeping plan to the State Records Office next financial year.



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Internal audit

Pilbara Ports internal audit plan focuses on reviewing the adequacy of risk management applications and the effectiveness of controls for high-risk functions of the business.

Eight audits were completed during the reporting period. Recommendations and actions are being tracked and closed out.

Information Security Management System certification

In February 2024, Pilbara Ports underwent an audit to recertify its Information Security Management System (ISO 27001 standard). There were no nonconformities, reflecting the Pilbara Ports strong information security controls.

Privacy and Responsible Information Sharing (PRIS)

Pilbara Ports is implementing a readiness plan, developed by DGov, in anticipation of the PRIS legislation. The legislation is currently being drafted by WA Government, expected to come into effect July 2025.

Freedom of Information

As required under Part 5 of the *Freedom of Information Act 1992 WA* (FOI Act), Pilbara Ports publishes an information statement on its website that provides information about its operations, the kinds of documents it holds and the procedures for accessing them. In accordance with the FOI Act, this statement is updated annually, and the Information Commissioner is notified of any major changes made.

During the reporting period, Pilbara Ports received and responded to two FOI applications. It also attended to three third party consultation requests from other agencies.

Maritime Security Identification Card

Pilbara Ports achieved the level 3 highest maturity rating across all Essential Eight audit areas for its Maritime Security Identification Card environment, exceeding the legislative requirement.

Government policy requirements

Pilbara Ports is committed to a safe and healthy work environment for all workers and other persons. Pilbara Ports provides a physically and psychologically safe workplace and promotes physical and psychosocial wellbeing when delivering its services and activities. Safety is a core value and is driven by the Executive.

Pilbara Ports consults with employees and other persons on work health and safety matters on an ongoing basis. Consultation processes are integrated into the way the organisation works, for example, through our vendor management procedures, Central Safety Committee, work health and safety committees, surveys, and electronic reporting tools.

Pilbara Ports complied with the *Workers' Compensation and Injury Management Act 1981* through the reporting period and has now transitioned to the *Workers Compensation and Injury Management Act 2023*.

Pilbara Ports work health and safety management system was audited in October 2023 to assess compliance and effectiveness to the requirements of ISO45001:2018. The audit found no minor or major non-conformities.

Pilbara Ports Authority employees only

Measures	Results 2021-22 ⁽¹⁾ base year	Results 2022-23 prior year	Results 2023-24 ⁽¹⁾ Current reporting year	Targets	Comments about targets
Number of fatalities	0	0	0	0	Target met
Lost time injury and disease incidence rate	0 ⁽³⁾	0.67 ⁽³⁾	0.55 ⁽³⁾	0 or 10% reduction in incidence rate	Target not met ⁽²⁾
Lost time injury and severity rate	0	0	0	0 or 10% reduction in severity rate	Target not met. Two LTIs recorded, with both employees returning to work very soon after injury ⁽²⁾
Percentage of injured workers returned to work (i) within 13 weeks	100%	100%	100%	Greater than or equal to 80%	Target met
Percentage of injured workers returned to work (ii) within 26 weeks	100%	100%	100%	Greater than or equal to 80%	Target met
Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training within 3 years	100%	100%	100%	Greater than or equal to 80%	Target met

Note (1) This is a three-year comparison trend (i.e. current reporting year is 2023/24 and comparison year is 2021/22).

Note (2) Comment on performance over the three-year period.

Note (3) Reporting guidelines only allow reporting on FTE, and not million hours worked.



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