

1 June 2023

## Customer Update

### Road R&D Charges update 1 September 2023

Over the past two years, LPC has continued to invest in infrastructure and assets at the Port, lifting capacity while contributing to the region's growing economy.

LPC has delivered nearly \$900 million of infrastructure investment. A significant proportion of this is within the container business, with \$85 million further invested in Eastern Development over the last two years; this includes:

- Over five hectares of new pavement were added to the 20-hectare container facility.
- Four new 'reefer' refrigerated container towers, complete with air conditioning, communication, and security systems, plus two new substations, doubling reefer capacity.
- Four new straddle carriers to stake containers one-over-three, taking the fleet to 20 straddles.
- \$20m state-of-the-art Mechanical Maintenance Workshop, purpose-built, 23 metres high, can accommodate four high straddles.
- Three new R & D truck lanes enhance driver safety and provide separation from straddles.
- Continued investment in internal roading infrastructure to support the growing footprint of Lyttelton Container Terminal (LCT)

In addition, we have invested \$20 million in a fourth ship-to-shore crane replacement with new innovative features and extra safety functions, increasing our capacity along the container wharves.

Furthermore, at CityDepot, a \$4 million upgrade is underway, including one-way truck flow, a container survey area, three new concrete pads, a dedicated service area, and an electrical power upgrade.

LPC is focused on receiving a fair return for the services and infrastructure in our operations. As well as investing in infrastructure to service Road transport, LPC faces increasing operational costs in providing this service. As a result, we will be increasing the R&D Charges (or VBS booking charge as often referred to) as well as our business rules for VBS timeslots from 1 September 2023.

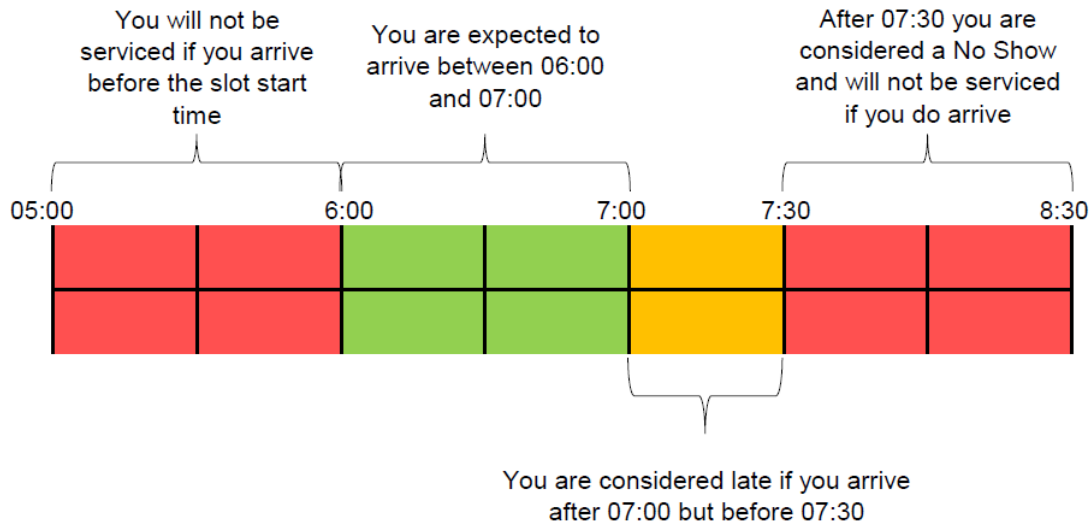
The increase has been deferred from the preferred date of 1 July 2023 as we aligned our operations and complete the Eastern Development.

The new charging structure is as follows:

<b>Ancillary Charge</b>	<b>Charge</b>	<b>Description</b>
Road R&D Charge	\$40.00 per container	Charged per container to Trucking Companies for all Road R&D movements via VBS. Applies to Lyttelton Container Terminal, CityDepot, and MidlandPort (empties)
Late Arrival Charge	\$30.00	Charged per container when the truck arrives within half an hour after the booked time zone
Listing Charge	\$20.00	Charged for any booking that is listed
No Show Charge	N/A	No longer applicable

The new timeslot rules are as follows:

- Timeslot windows will open on the hour and run for 90 minutes; this includes a 30-minute late arrival period. For example, a zone 6 timeslot will open at 0600 and close at 0730. Trucks arriving from 0700 – 0730 will attract a Late Arrival charge. Trucks arriving after 0730 will not be serviced.



- LPC is removing the No Show charge from the VBS pricing structure.
- The timeslot charge for a slot listed within 12 hours of the booking time that is not used will continue to attract the timeslot charge and a listing charge.

LPC is committed to ensuring we have a thriving, sustainable port capable of handling projected volume growth and, importantly, meeting your future capacity demands.

If you have any questions regarding the timeslot rule changes, please contact Abbey Clapp, R&D Manager – [abbey.clapp@lpc.co.nz](mailto:abbey.clapp@lpc.co.nz) for all other queries, please reach out to your normal LPC contact.

Kind regards

Simon Munt  
**Chief Customer and Supply Chain Officer**