



Port of Milford Haven

Business Review 2014





The Port of Milford Haven performed well in 2014, handling over 34m tonnes of cargo, representing an average of 10 shipping movements every day. By any measure the Port of Milford Haven continues to be the UK's top energy port - it is one of the busiest waterways in the country, serving the energy needs of the British economy, as well as hosting an active boating and yachting community and retaining a significant role as Wales' largest fishing port.





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2014 Highlights



Up to 60 traditional vessels visited the Milford Haven Waterway for Seafair Haven





Murco ceased refining in April 2014. The site is due to be sold to Puma Energy as a storage and importation terminal

A 5MW 20,000 panel solar array at Liddeston Ridge was switched on in Spring 2014. The array, along with the power generated by roof mounted solar panels, resulted in the Port becoming carbon neutral



The Port sponsored Milford Haven School's new Sixth Form Study Centre



PATCH was the Port's 2014 Charitable Cause of the Year

The redevelopment of Wales' largest fishing port began in 2014. New fish processing units, offices and facilities are being created to boost the industry



The Port was granted outline planning permission by Pembrokeshire County Council for its Milford Dock Master Plan. The development is set to attract 1 million visitors a year and create 600 new jobs



A £6m set of new lock gates were installed at Milford Marina, making it one of the most accessible locked tidal marinas anywhere in Britain



2014 was Pembroke Dock's bicentenary year. HMS Pembroke visited Pembroke Port

Tidal Energy Ltd's Deltrastream device was completed on Quay 1 at Pembroke Port.

Pembroke Port became a partner with MEP and Wavehub in developing the South Pembrokeshire Wave Demonstration Zone



Chairman's Statement

The Port of Milford Haven performed well in 2014, handling over 34m tonnes of cargo, representing an average of 10 shipping movements every day. By any measure the Port of Milford Haven continues to be the UK's top energy port – it is one of the busiest waterways in the country, serving the energy needs of the British economy, as well as hosting an active boating and yachting community and retaining a significant role as Wales' largest fishing port.

The diverse community using the Waterway have differing interests and priorities. In interacting with its many diverse stakeholders, the Port sets out to engage with all members of the community and, through dialogue, take a practical approach towards enabling activities to thrive and develop. This role has been at the heart of the Port's mission since it was founded in 1958 with the express purpose of facilitating the development and operation of new facilities in a location able to handle the new breed of super tankers being built to serve the industry.

In the 57 years since the Port was established, the energy industry has been through multiple economic cycles. The Port is keen to collaborate with other organisations to ensure the economy remains strong not only in Pembrokeshire, but across the country, and work is ongoing to achieve this through discussions with the Haven Waterway Enterprise Zone and Pembrokeshire County Council.



The Port is setting out to ensure that it collectively accommodates and encourages more diverse uses of the Waterway, to build the Haven's future by stimulating new activities in the economic areas located around the Haven such as Pembroke Port, Milford Marina and Milford Fish Docks. This strategy is starting to bear fruit with the completion of new lock gates at Milford Marina, the investments made to provide new and better facilities for the fishing industry, which received substantial grant funding through the Welsh Government's European Fisheries Fund, and the support given to businesses located at Pembroke Port to create new demand for marine engineering services, whether in boat building and repair, or in the wave and tidal energy sector. It is expected that the result of this activity will create a stronger Pembrokeshire economy, with greater employment opportunities for everyone who lives and works here.

With a strategy of encouraging greater economic diversification around Pembroke Dock and Milford Haven comes the need to improve

communications amongst a broader group of important stakeholders. As well as local communities, with their dependence on the Port for sustaining and promoting employment opportunities, there are a wide range of businesses whose prosperity can be affected by the Port's strategy and performance.

The Port will be giving a particular focus in 2015 to strengthening its accountability to customers, local communities and other stakeholders. The Port, as a business itself, is part of the local community. Its staff are committed to engagement with the community and to the success of the Port as an employer and facilitator of nationally significant economic activity. As an employer, the Port is also committed to providing its staff with good employment packages that support training and career progression.

On behalf of the Board I would like to thank staff for their commitment and enthusiasm. The Port has made a good start to 2015. We look to the future with confidence and enthusiasm.

Peter Jones

The Port of Milford Haven performed well in 2014, handling over 34m tonnes of cargo, representing an average of 10 shipping movements every day.

Chief Executive's Report



In 2014 the Port of Milford Haven successfully began to realise the benefit of having invested to diversify its business.

The organisation produced a turnover for the year of £23.1m and an operating profit of £3.4m, broadly in line with the preceding year. The Port ended 2014 with a strong balance sheet and, having made adjustments within the organisation, continues to retain the ability to fund its ongoing investment programme from profit retained within the business.

Marine

Volumes for the year were 7m tonnes lower than in 2013, reflecting the cessation of refining at Murco in April 2014. It was a significant blow to the local economy that not one, but two deals, to sell the refinery collapsed during the course of the year. The proposed sale of the site to Puma Energy for operation as a storage and importation terminal, together with the retention of over 50 jobs, is therefore very much welcomed. We look forward to the deal completing and working with Puma over the months and years to come.

The reduction in volumes at Murco were partially offset by better volumes of LNG in the year. In total there were 72 LNG calls in 2014 compared to 54 in 2013 and many of these (the Q-Max vessels to South Hook LNG) are the

biggest ships using the Port. The UK and European market remains much the same as recognised in the 2013 report and other, more lucrative destinations, attract much of this cargo. That said, Milford Haven is still the leading LNG shipping import facility in north-west Europe.

The Port's largest terminal, Valero, was down some 1.6m tons on 2013 due to a planned maintenance and upgrade programme carried out in 2014.

One of the biggest sectors affected by the collapse of the two successive Murco deals in 2014 was the otherwise strong engineering sector based in Pembrokeshire. It is a concern that this sector now has only one refining customer in the area. This makes it all the more important that the economic activity around the Haven is not undermined or diluted any further and, instead, that new engineering and shipping activity is attracted into the Haven Waterway Enterprise Zone.

The Port is used to operating on a continuous basis through periods of stormy weather. However the storms experienced in the winter of 2014 were particularly severe, with winds of up to 100mph measured. Unprecedented damage was wrought on the Port's floating navigation buoys, however traffic movement on the river was maintained whenever possible through risk assessment and the professional engagement of marine staff. Once normal weather resumed, repairs and maintenance of damaged buoys and other navigation aids were carried out. New navigation aids were also fitted in the approaches to Pembroke Port and a long-standing aid has been removed from the historic Martello Tower as part of this project.

In 2014 the Port completed a modernisation of its pollution response vessel 'Sea Sweep'. With improved capabilities on 'Sea Sweep', the Port disposed of its older pollution response vessel, 'Sea Mop'. The modern design of tankers and the Port community's high levels of vigilance and planning have led, to a lower incidence of oil pollution.

Over many years the Port has seen a steady shift towards fewer, larger ships. Work continued during 2014 to develop a specification and contract for a new fleet of three pilot boats due to come into service in early 2016. These will replace the current fleet of four. Alongside that, a new operating structure was negotiated with boat crews. This resulted in one boat being permanently manned and one on standby at all times; the new fleet will dovetail with this, allowing scope for one boat to be under maintenance whilst maintaining the high service level required by customers.

The new Safepilot portable navigation system is now in full operational use within the Port's pilotage service. Safepilot provides super-accurate positioning independent of ships systems, and powerful data management and communications functionality including on-screen passage planning, master pilot exchange and knowledge sharing.

Leisure continues to develop on the river and the biennial Seafair Haven regatta successfully took place with up to 60 traditional craft visiting to tour the river and the various villages and stops along its route. The Port works hard to ensure that all users of the Waterway do so safely without endangering themselves or others. This includes enforcing bye-laws and, in thankfully rare cases, prosecuting those who fail to abide by them. There were two such prosecutions in 2014.



Pembroke Port

Within 2014 there were clear signs that the Irish economy had stabilised and begun to recover; reflected in a marginal rise in throughput for Irish Ferries at Pembroke Dock Ferry Terminal.

The importation of Animal Feed Stuffs (AFS) continued to rise throughout 2014, with the newly converted second facility operating well. It is anticipated that this steady increase will continue over the next twelve months, as there are still market penetration opportunities in the local area.

The Port continued to work with Marine Energy Pembrokeshire (MEP) and the Welsh Government to promote Pembrokeshire's opportunity to be a key player in the marine renewable energy industry. With excellent natural resource for both wave and tide, grid connectivity capability and a highly skilled supply chain used to servicing the oil and gas sector, the Pembrokeshire offer has begun to achieve an increased profile within the sector. Deltastream, Tidal Energy Limited's tidal energy device, was constructed at Pembroke Port by Mustang Marine (recently rebranded as Mainstay Marine Solutions) and a quarter scale prototype device, created by Marine Power Systems, is due to be constructed by Ledwood Mechanical Engineering and tested in the Haven. Within 2014, Pembroke Port became a partner with MEP and Wavehub (currently operating a single device test site in the South West) in developing the South Pembrokeshire Wave Demonstration Zone for commercial arrays of devices.

The new large-scale high-specification fabrication hall for engineering use was completed in 2014. The building is now being occupied by Mustang Marine Ltd.

An agreement was reached for a new Waste to Energy project to be based in Pembroke Port. Working in partnership with Pembrokeshire County Council and nominated subcontractor, Potters, combustible waste will be bailed at the Port for shipment to dedicated power generators in Europe. The project will become operational in mid-2015.

2014 saw the Bi-centenary of Pembroke Dock. The Port hosted several celebrations for the 200 year anniversary of the town at Pembroke Port, Gate 1.

The Port continues to work with consultants on a Master Plan for Pembroke Port's gated locations, with a continued focus on a mixed use general cargo facility and an additional Marine Renewable Energy Park, drawing on the local engineering, boat building and marine services capabilities. The future for Pembroke Port is promising, with a number of new industries coming to fruition.







Milford Marina

2014 saw Milford Marina become an RYA Active Marina in partnership with Neyland Yacht Haven, which gave berth holders a calendar of social, cruising and training events.

A full analysis of the Milford Marina database showed that 75% of berth holders travel up to 3 hours to visit their boats, whilst the other 25% travel even further; which shows the wide appeal of West Wales' only 4 Gold Anchor accredited marina. The annual berth holder survey showed that customers received an excellent service at Milford Marina, with 92% stating that they would recommend it to a friend. Customer service and attention to detail both rated very highly in this survey.

The Port worked hard again in 2014 to attract visitors to Milford Marina by hosting a calendar of community events. The Easter Eggstravaganza, Milford Marina Safety Day and the 2014 Christmas Cracker increased footfall during event periods, with many traders reporting a rise in custom.



Pembrokeshire County Council's opening day of the annual Pembrokeshire Fish Week event at Milford Fish Docks was successful, attracting over 13,000 visitors from across the UK. At the start of 2015, Pembrokeshire County Council announced that it would not be holding Fish Week in 2015 due to a need to restructure the model, therefore it was agreed that the Port would hold a one-day event, Milford Fish Festival, on 27th June 2015 so that the vast number of local traders and visitors would continue to benefit from the high profile event.

With the 25th anniversary of Milford Marina in 2015 on the horizon, the marina continues to attract berth holders and visitors from around the world.



Milford Dock Lock Project

New lock gates were installed in December. The £6m project has cut lock times by two-thirds to under 15 minutes, greatly improving and increasing lock frequency. The project is the single largest investment ever at Milford Dock and is key to making the area a marine leisure hub for West Wales.

The project was part of Visit Wales' Coastal Tourism project, part funded by the European Regional Development Fund through the Welsh Government, to encourage tourism along the Welsh coastline.

The completion of the Dock Lock marks the end of the first phase of the Milford Dock Master Plan.

Milford Fish Docks

The tonnage landed at Milford Fish Docks was 3,223 in 2014, which is a reduction on previous years and is largely a result of adverse weather conditions for part of the year, as well as uncertainties for some fleets over quota restrictions.

The Port progressed with plans to develop the Fishing Zone at Milford Fish Docks in order to reinforce its status as the largest fishing port in Wales. The 'F Shed' was demolished in November and works commenced on a new building housing four food-grade fish processing units. These units will increase processing opportunities of Welsh landed fish and shellfish, enabling more value to be added to the product landed at Milford Fish Docks.

The 'Packaway' building was also demolished to make way for a second new building which will house a new fish box sanitising and stacking facility and include secure storage units for inshore fishermen's equipment. These high specification facilities, part-funded by the

European Fisheries Fund through the Welsh Government and matched by the Port's own funds, will support existing businesses around Milford Fish Docks, as well as creating new viable business opportunities, supporting long-term jobs.

Work started in 2015 to research and develop infrastructure facilities to create a viable aquaculture industry for the future of Milford Haven and the surrounding areas. These are the next stages in the development of a sustainable fishing community.







| 480,000 sq.ft. | 600 new jobs

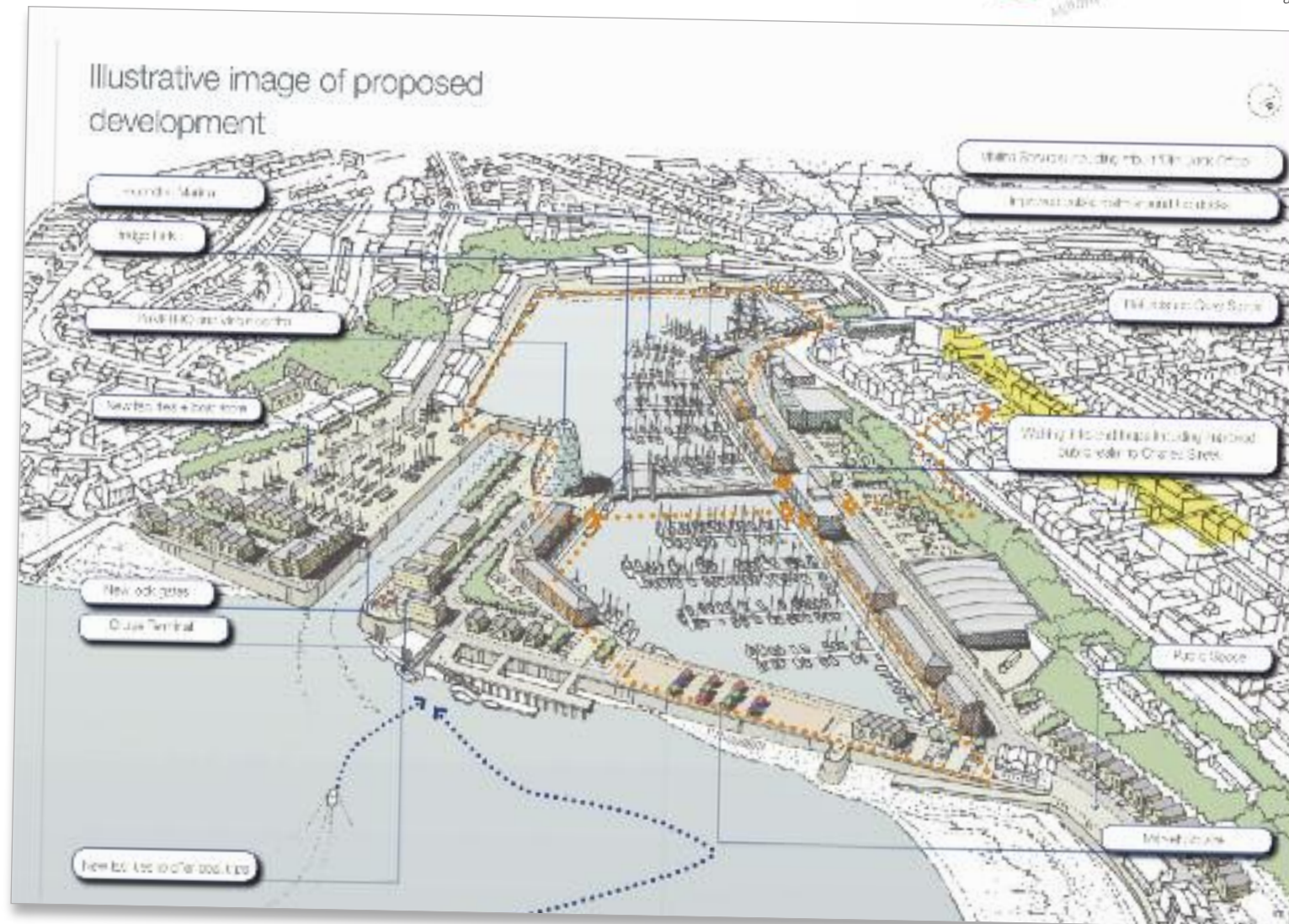
Milford Dock Master Plan

Marketing of the Milford Dock regeneration plan, a 480,000 sq.ft. mixed-use development set to regenerate the town of Milford Haven, is now taking place in earnest, following the granting of Outline Planning Permission in February 2015.

The development will create a vibrant new waterfront destination centred on retail, leisure and fishing, attracting around 1 million visitors and creating up to 600 new jobs.

A great deal of market research has been undertaken revealing that there is a large leakage in spend out of the town, estimated at £50 million per annum. One of the main reasons for this is the lack of retail offering; therefore a significant proportion of the development will be focused on shopping, food and beverage, and leisure attractions.

Milford Haven is, of course, renowned for its rich fishing heritage. Another important element for the scheme is the modernisation of Milford Haven's fishing industry, which includes investment in revamping existing buildings as well as purpose built facilities that will allow the local inshore fishing fleet to expand and diversify, adding value to the catch landed in Milford Haven.



Cruise

A total of eight cruise vessels visited the Milford Haven Waterway in 2013, bringing with them almost 5,000 passengers and crew.

At the height of the cruising season the Port welcomed three calls in less than a week.

Destinations such as Pembroke and Carew Castles, St Davids and Tenby continue to be popular excursions that passengers choose to book onto, however many also opt to enjoy their leisure time at Milford Marina, sampling the local retail and food outlets.

Attracting cruise vessels remains a continuing ambition for the Port. There are seven cruise calls booked for 2015 and we will continue to work in close collaboration with Cruise Wales, which is leading on the promotion of cruise visits.





Reorganisation

The Port was faced with a considerable challenge during the year, with the need to adjust due to changing patterns in international energy markets leading to cargoes being shipped to and from the Port in larger, fewer vessels. This led to a decision to restructure parts of the organisation, particularly in the marine side of the business, in order to achieve a better match of resources to the pattern of activity. The Port also reduced management overheads. The Deep Sea Director Dick Moore retired in August and has not been replaced, and one of the executive Board Members, Mark Andrews, also retired at the end of the year after 20 years of service, initially as Harbourmaster and latterly as Corporate Affairs Director. Other long serving colleagues who left the organisation in connection with the reorganisation after more than 20 years service included Barrie Gale, Brian Johnson, Jeff Sinnett, Mike Burgoyne, Robert Smith, Roger Leay, Robert Simpson and Steve Doughty. The hard work and contribution that these individuals made over the years is very much appreciated.

A final and important part of the reorganisation will be completed in 2015 in relation to conversations being undertaken in partnership with pilotage staff.



With these adjustments completed, the Port will have ensured that it remains a strong cash generative organisation with an excellent ability to sustain high and continuous levels of investment in new activities unconnected to refining.

Devolution

Control of legislation and regulation in relation to ports will, at some point, pass from London to Cardiff. One of the potential benefits of the devolution of greater power to the Welsh Government, and indeed to local City Regions, is that Government within Wales will be able to work more closely with businesses in Wales to achieve a faster and more productive rate of growth, with higher levels of sustainable employment and investment. It is vital that policies are developed which help improve the international competitiveness and longevity of the energy sector based around the Haven.

Future Prospects

The Port remains overly dependent on energy fuel trades which can be subject to substantial

swings in volume in either direction. LNG and oil markets will likely remain unpredictable in the short term, but the Port continues to anticipate strong longer term demand for LNG in the UK.

Besides the nationally important oil and gas industry, the economy of Pembrokeshire is primarily focused on agriculture and tourism. It is remote from major population centres and achieving significant levels of diversification and sustainability in Port revenue streams will require consistent investment in new and less familiar sectors. The delivery of new investment plans is entirely due to the fantastic contribution being made by our talented staff. I would like to thank them for their contribution and look forward with confidence to good progress being made in these increasingly exciting sectors.

A handwritten signature in black ink that reads "Alec Don".

Alec Don

Objectives & Strategy

The Port of Milford Haven's primary objective is to remain an efficient and competitive gateway within the UK's national transport network, facilitating easy access for its customers to their markets in the UK and overseas.

Objectives

- Ensuring the Port continues to operate to the highest standards of safety. A number of initiatives were implemented throughout the year to encourage the reporting of incidents which have been well received
- Consistently delivering environmental gains. Achieving carbon neutral status was an achievement for the Port and is something it will strive to maintain
- Delivering public benefit by being a successful, independent, commercial entity with a strong ability to finance investment. The biggest benefit the Port can provide for its stakeholders is to be a successful business, providing employment and prospects for the local and national economy
- Focusing investment on the provision of port-related infrastructure and services, particularly where this also stimulates inward investment by other commercial organisations. As a Trust Port, it can invest in port infrastructure with a longer term view than would normally be commercially acceptable
- Promoting the development of additional linkages to the Port, including electricity cables and interconnectors, pipelines, and road and rail infrastructure
- Expanding the range of commodities handled through the Port and reducing the Port's and region's dependence on petroleum products. Investment is being made at Pembroke Port, Milford Marina and Milford Fish Docks to ensure there are alternative streams of income to offset fluctuations in the oil and gas markets

Strategy

The overarching vision for the business is:

"To deliver port infrastructure with energy and excellence"

In order to achieve this, the Port's strategy is as follows:

- To continue to provide high quality responsive services to customers, including the major energy terminals
- To facilitate the development of Milford Marina and Fish Docks focused on marine leisure, retail and fishing. The area is set to be revitalised following the approval of outline planning consent of the Milford Dock Master Plan. This will create around 600 new jobs for Pembrokeshire
- To facilitate the development of Pembroke Port into a centre of excellence for marine-renewables, engineering and stevedoring services including ferry operations
- To facilitate the effective and appropriate development of non port-related landholding. The solar array at Liddeston Ridge is a prime example of the Port utilising its land to diversify into new industries
- To work with existing infrastructure owners/operators to help achieve increased asset utilisation, commercial growth and inward investment
- To introduce new deep water trades based on the development of new general purpose deep water berths. This can only be achieved through collaboration with other partners and the Port is keen to engage in discussions with any interested parties
- To support the creation of additional linkages to the port

The timing and delivery of these will depend on market conditions and the strength of the economy as a whole.



The Port of Milford Haven has a clear mission to 'deliver port infrastructure and services with energy and excellence'. Underpinning that we have identified a set of core values that we use to guide us in our decision making and ultimately provide a framework for the behaviours that we, as an organisation and as individuals, strive to deliver:



Health, Safety and Security



Safety remains the number one core value of the Port. As reported in 2013, this has been tested and reinforced in a variety of ways over the years. 2014 brought many new challenges for the organisation with various demolition and construction projects carried out in Milford Haven and at Pembroke Port. These projects were overseen by specialised personnel within the Port which added to a truly safe operation.

During 2014, as the Ebola outbreak escalated in West Africa, it became evident that the Port could ultimately be exposed to the disease, albeit on a small scale. To ensure that the Port was prepared, it hosted and partook in an exercise with Port Health Wales, the Port Health team (Pembrokeshire County Council), the emergency services and the Maritime & Coastguard Agency to ensure that all of the relevant protocols were established and in place. These still stand today.

In 2014 the Port recorded 10 accidents; 3 'Lost Time' and 5 'Non Lost Time' to members of staff and 2 to members of the public. This is a decrease of 2 from the previous year but an increase in 'Lost Time' of 2.

The Port has embarked on a 'Zero Harm' initiative to promote an incident free environment. This campaign is not only aimed at staff and colleagues, but also to the vast array of contractors that carry out services and works on the Port's behalf on a daily basis.

Port Marine Safety Code

The Port Marine Safety Code was originally launched in 2001 by the Department for Transport. The latest version of the Code was introduced in 2012. It applies to all Statutory Harbour Authorities in the UK, to the extent that they have duties and powers for marine safety, and sets out a national standard aimed at



improving safety for those that use or work in ports, their ships, passengers, cargoes and the environment. The fundamental requirements of the Code are Formal Safety Assessment and the provision of a Safety Management System for marine operations.

The Code is primarily aimed at the 'duty holder'. At Milford Haven the Board Members are the duty holders and are individually, collectively and directly accountable for marine safety in harbour waters.

Whilst the Code in itself does not pose any new legal duties on Harbour Authorities, there are a number of key obligations. In order to comply with the Code, Harbour Authorities must:

- Be aware of their existing powers and duties
- Appoint someone as an independent 'designated person' with direct access to the Board
- Develop an effective marine safety management system, which employs formal risk assessment techniques



- Employ people who are competent and qualified for the positions they hold
- Publish a comprehensive safety plan, along with a regular assessment showing the authority's performance against the plan

Every three years each Harbour Authority is required to confirm to the Secretary of State that they are in full compliance with the Code. Milford Haven duly made this declaration on 31 March 2015.

Milford Haven Port Security Authority

The Port remains committed to the Port Security Authority (PSA) in that the post of Chairman and overarching Port Security Officer sit firmly within the organisation. Since its implementation in May 2013, four board meetings have been held with a healthy attendance from representative agencies which were identified at the early stages of conception. With the growing level of international terrorism at the forefront of everybody's mind, the role of the PSA is a critical element in ensuring that national security is maintained.

Risk Management

Risk may be defined in a number of ways. The Port has expressed it as:

“An exposure to the chance of loss, danger, damage, liability or uncertainty to the Port’s business activities, be it internal or external”.

Risks can be as diverse as the loss of a major customer (strategic risk) or the failure to lock a computer screen when away from the desk (operational risk). It is important to understand that the risks faced by the Port are not just health and safety related.

The Port operates a structure to cover the comprehensive identification and management of risk across all aspects of the business. The key features of this structure being that it applies to everyone, is a live process and covers all risks. The structure consists of two interconnected elements:

1. Assurance Framework

This is the overarching framework that sets out the Port’s approach to risk. It maps out how risks are identified, reported, measured and managed, and provides assurance as to the effectiveness of these controls. The framework is designed to establish a single, clear process to be followed in order to ensure that the Port is alerted to and addresses any changes, concerns or shortfalls that are identified within the undertaking, management and control of all business activities.

2. Risk Registers

Utilising an industry standard specific hazard management system, Hazman II, the Port maintains corporate and operational risk registers to summarise and rank all identified hazards to which the business is exposed.

For the Port’s risk management structure to be successful it is essential that it becomes an integral part of all business activities and decisions and that all employees engage with the system in pursuance of the Port’s strategy and business objectives.



Environment

2014 was the year that the Port became carbon neutral

The following environmental information presents a summary of the headline achievements in improving the Port's environmental performance in 2014. Further detail is presented in the stand-alone 2014 Environmental Performance Report, available at www.mhpa.co.uk/environmental

Accreditation of the Port EMS

The accreditation of the Port's Environmental Management System was maintained by achieving the recertification of Ecoports Port Environmental Review System (PERS version 4) by the external auditor Lloyds Register in April 2014.



Carbon Footprint Estimates

2014 was the year that the Port became carbon neutral.

The year-end review shows that the power generated by roof-mounted solar panels and the Port's solar array at Liddeston Ridge, if offset against greenhouse gas equivalents, exceeded the equivalent emissions generated by all of the Port's own business activities by 2.27%. The Port produced almost three and a half times as much electrical power than it consumed (342.52%). The Port is committed to finding innovative ways to reduce its carbon footprint and continues to invest in renewables for a stronger, more sustainable organisation.

The solar array located at Liddeston Ridge was officially switched on in Spring 2014. A total of 20,000 panels can generate up to 5mwh of electricity, which is enough to power 1,000 homes. The team that manages the site regularly welcomes visits from a range of groups including

schools and colleges who are interested in learning more about different forms of renewable energy. In September 2014, students from Pembrokeshire College's Countryside and Environment course planted thousands of locally sourced seeds at the solar array which, in time, will create a wildflower meadow and add to the biodiversity of the site.

Waste

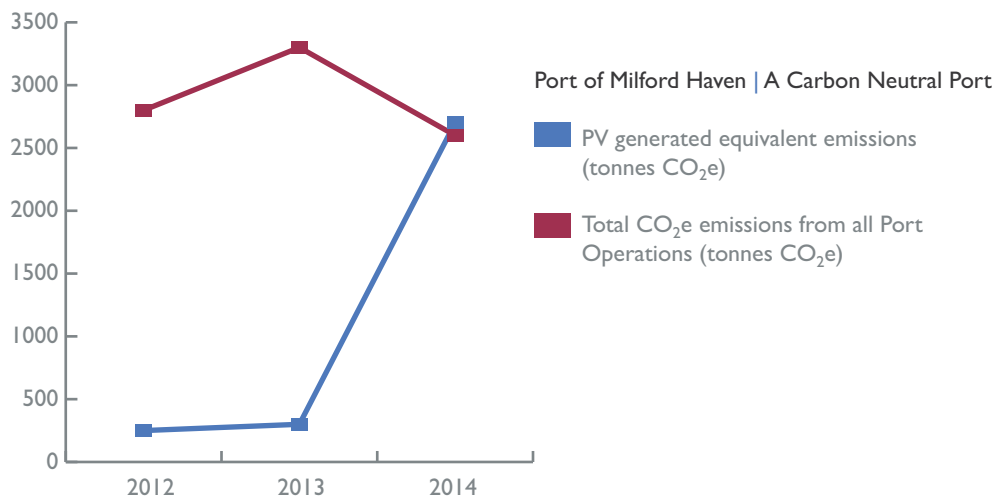
The EU Waste Framework Directive requires all Member States to implement measures to ensure that from 1 January 2015 four key waste materials - paper/card, metals, glass and plastic - are collected separately from other waste for recycling. All of the waste generated by the Port adheres to the Waste Hierarchy, and as a matter of default is now segregated into separate streams at source where Technically, Economically and Environmentally Practicable (TEEP). Any co-mingled recyclables and all mixed waste is also processed via the Port's waste carrier contractor's Materials Recovery Facility (MRF).

Invasive Non Native Species

Several years ago the Port conducted an extensive herbicide spraying programme for the eradication of Japanese knotweed, *Fallopia Japonica*. It was carried out on the terrestrial estate and the Port continues to monitor its appearance and sporadic treatment.

In the marine habitats of the Waterway, at least 35 species of non-native marine algae and animal species have been recorded to date.

A public awareness campaign and best practice project are underway amongst leisure users, the fishing industry and other marine industrial sectors to reduce the risk of the introduction and spread of invasive non-native species.



Environmental Policy Statement

It is the policy of the Port of Milford Haven to ensure that our business practices protect the welfare of our employees and the communities in which we operate. This Environmental Policy is applicable to all Port employees and is also encouraged within our tenants, contractors and operations within the Port. It is based upon the principle of 'Best Available Technology Not Entailing Excessive Costs'.

We will seek to attract and develop sustainable port operations and to minimise impacts on the environment. We will promote shipping as the mode of transport offering the least overall environmental impact and will operate the Port in accordance with procedures designed to prevent incidents that may cause environmental damage.

The Port of Milford Haven has adopted the following principles to implement its Environmental Policy for all marine and commercial operations.

To Endorse the principles contained within the European Sea Ports Organisation's Environmental Code of Practice.

To Conserve the natural environment of the Haven, continue to promote its sustainable use, and to protect it, particularly in respect of oil pollution.

To Respond immediately to any environmental incident or threat within the Port by utilising appropriate personnel and equipment.

To Design our management systems or equipment to minimise our environmental impact, especially the consumption of non-renewable resources, waste generation, pollution control and energy use.

To Monitor and report on our environmental performance with the aim of achieving continuous improvement.

To Communicate this policy to, and foster environmental responsibility amongst our staff; provide appropriate training and encourage initiatives to enhance and improve our environmental performance.

Stakeholder Engagement



As a Trust Port, the Port of Milford Haven has a wide range of stakeholders. Stakeholders are classed as anyone who uses or is connected to the Port, or whose livelihood and welfare may be dependent on or affected by the Port and all bodies or individuals who may represent others in this context. This includes local communities, individuals and representative bodies throughout the country. Some stakeholders are, however, more intimately connected to and dependent on the Port than others and will naturally have the means to have a greater degree of influence, perhaps because they are a major customer, or because they have statutory responsibilities of their own.

The main benefit the Port can deliver to its stakeholders is to operate as a successful, commercial business in order to be able to re-invest in port infrastructure and services for the future.

The Port encourages two-way engagement with its stakeholders wherever possible and has a range of platforms in which to do this, including:

- Annual Consultative Meeting- Attended by the Port's senior management team and board. This is an opportunity for members of the public to receive an update from the Port and pose questions to the team
- Publications such as the Annual Accounts, Business Review and Stakeholder Newsletter 'OnBoard'
- Online - websites, surveys, social media
- One-to-one discussions or group visits to the Port
- Where issues arise which clearly affect particular stakeholders, the Port may form



focus groups and maintain such groups on a standing basis if necessary

- Advisory Committee

Advisory Committee

In accordance with its Act of Parliament 1983, the Port of Milford Haven meets twice a year with representatives from groups of major stakeholders. These representatives form the Advisory Committee and the meetings provide a forum for confidential discussion and interaction between the Port and these stakeholders.

The objectives of the committee are to enable relevant statutory authorities and users of the Port and the Waterway to meet and interact with each other and the Port, with the particular objective of focusing on the work of the Port and the operation of the Waterway. To promote further engagement, the committee is supported by a secure, interactive website that facilitates the exchange of views between committee members and the Port, and allows those views to be fed into the Port's decision making.

Haven Energy Forum

The Port of Milford Haven is a member of the Haven Energy Forum which is a group comprising the senior executives from each of the energy facilities around the Waterway. Formed in 2011, the group meets regularly and aims to raise the profile of the Haven's energy sector and communicate to its mutual stakeholders the importance and potential of the Haven as an economic hub. The forum also shares best practice in order to enhance safety and reduce environmental impact in Pembrokeshire.

Members of the Forum are:

- Port of Milford Haven
- Dragon LNG
- RWE Pembroke Power Station
- SemLogistics
- South Hook LNG
- Valero Pembroke Refinery

Community Engagement

Everything the Port is doing in every part of the organisation depends to a greater or lesser extent on engagement with the community. 'Collaboration' and 'excellence' are core values for the organisation. This is very much about saying what we are going to do and doing what we say.

Everyone in the Port recognises that the Port is a business, paying taxes and funding itself from cash flows generated from its operations. But everyone also lives and breathes the ethos of the organisation as a Trust Port, integrally connected to the local community and setting out to be a good neighbour as well as a sound business.

We have identified our main stakeholders as follows:

Cadw

Customers

Department for Transport

Dyfed Powys Police

Employees

Fishing industry

Leisure users of the Waterway

Local associations

Local MPs and AMs

Local traders

Maritime and Coastguard Agency

Milford Harbour Users Association

Milford Haven Town Council

National Trust

Natural Resources Wales

Network Rail

Other professional users of the Waterway

Pembroke Dock Town Council

Pembrokeshire Coast National Park Authority

Pembrokeshire County Council

Pembrokeshire Tourism

Mid & West Wales Fire & Rescue Service

Pembrokeshire residents

Ships agents

Suppliers

The Crown Estate

Tourists and visitors to Pembrokeshire

Towage companies

Voluntary control bodies

Welsh Government



Education

The Port regularly hosts visits from groups of school pupils and university students who are keen to learn more about the varied careers and activities associated with the business.

In 2014, the Port teamed up with the Dragon LNG Darwin Centre

Experience in order to reach every Year 6 pupil in Milford Haven. The project covered the geological, cultural and industrial importance of the Waterway and highlighted how the Port can have an impact on their everyday lives.

A highlight during 2014 was the official opening of Milford Haven School's Sixth Form Study Centre which was sponsored by the Port. The school's previous sixth form common room was in need of modernisation and the Port was delighted to provide the financial assistance required to upgrade not only the building, but also the technology within it.

Later in the year, the Port worked with Year 7 pupils from Milford Haven School on a time capsule project which was buried at the new solar park at Liddeston Ridge. The pupils included a range of artefacts in the capsule including posters, school uniform and press cuttings from 2014, which will be dug up again in 25 years time.



A pilot event took place during the summer to raise awareness of the dangers of tombstoning, which can be potentially life threatening. Although this activity is prohibited at Milford Marina and Fish Docks, many young people put themselves at risk and can often be seen jumping off the dock walls in the warm weather. The Port joined forces with Milford Youth Matters and the emergency services to hold an educational event at Milford Marina which included a simulated rescue in the water. The event was such a success that it will be repeated again in future years.

Community Fund

The Port's Community Fund continues to attract many applications on a monthly basis. A committee of staff members from across the business assesses each application based on a set criteria. During 2014, almost 100 community groups received sponsorship through this fund. To apply to the Community Fund, visit www.mhpa.co.uk/financial-support

Scholarship Scheme

Four Pembrokeshire students received bursaries through the Port's annual Scholarship Scheme

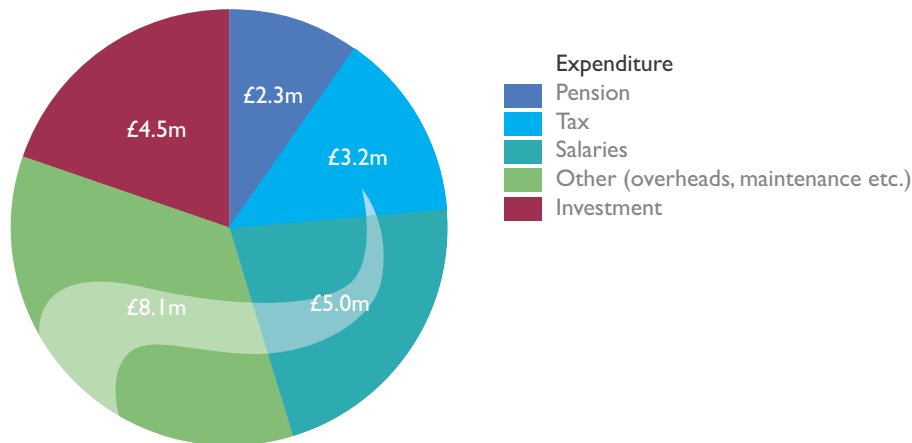
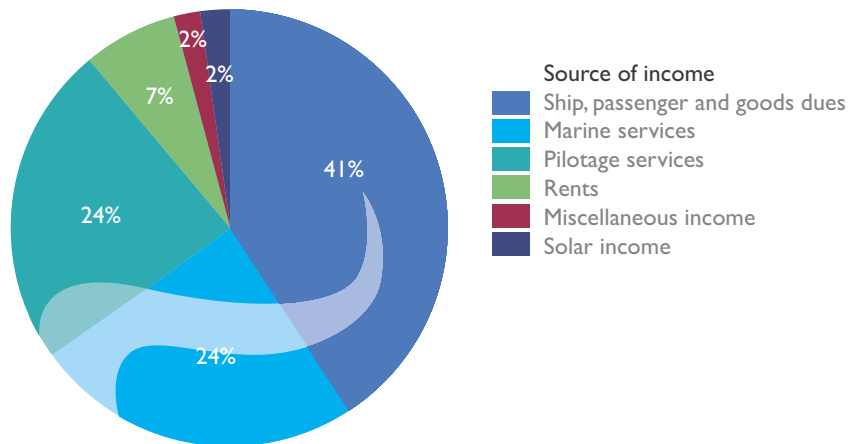
following its launch in the autumn. The successful applicants, who received £1,500 towards their studies, were Alice Simon, Danielle Rowe, Lara Sarrionandia-Thomas and Kyle Griffiths. They will join the Port for a four week work placement in the summer of 2015.

Charitable Cause of the Year

In 2014, a new initiative was launched whereby staff nominated a Pembrokeshire community organisation to be the Port of Milford Haven's official 'Charitable Cause of the Year' for twelve months. The organisation with the most votes was PATCH (Pembrokeshire Action To Combat Hardship) and over the course of the year the Port assisted them with a range of fundraising activities, donations, volunteering, new premises and staff training. The scheme proved highly beneficial to both PATCH and the Port's employees and it was agreed to continue electing a 'Charitable Cause of the Year' in the future. Staff selected Greenacres Animal Rescue to receive support throughout 2015.



Business Model



The Port of Milford Haven is a statutory body constituted by Acts of Parliament which define what it may or may not do, and how it governs itself in terms of appointing its Board and conducting its affairs. All rights of ownership, including ownership of the Port in a general sense, are vested in the entity – the Port owns itself. It is not owned by the UK Government, the Crown or any other entity.

The Acts confer certain powers on the Port within the defined port limits, for example in relation to setting the rules for navigation, the power for directing vessels and powers of compulsory acquisition. It also confers duties such as the obligation to maintain, improve, protect and regulate navigation; and powers including the right to levy charges.

The Port's primary obligations set out in its Acts are to:

- Maintain, improve, protect and regulate the navigation and explicitly to prevent or reduce the risk of the discharge of oil
- Provide, operate and improve port and harbour services and facilities in the Haven
- Have regard to the desirability of preserving natural beauty and conserving flora and fauna when formulating or considering any proposals

In addition to the Acts, the Department for Transport has, over the years, developed a body of guidance for Trust Ports, the most recent iteration of which is entitled 'Modernising Trust Ports (Second Edition)', referred to as MTPII. This guidance sets a new benchmark for best practice to ensure an efficient, accountable and competitive trust port sector with guidance on, amongst other things, the reporting of key performance indicators and stakeholder policy. These are all public documents and may be sourced either from the Department for Transport website www.gov.uk/government/organisations/department-for-transport or from www.legislation.gov.uk

The Department for Transport has recently been undertaking a Review of Trust Ports, which may lead to the publication of new updated guidance later in 2015. The Review is expected to confirm the importance of Trust Port Boards being independent and accountable.



Governance



The Port of Milford Haven Board

The 2002 Act specifies that the Board shall comprise of the Chairman, the Chief Executive, between six to eight other non-executive members and up to two other executive members.

The Chairman is appointed by the Secretary of State for Transport after an open competitive selection process. All other non-executive Board members are appointed by the Board itself through a similarly open process. For any board position, including the Chairman, the position is advertised and an independently led appointment panel is formed to shortlist and interview candidates. In every case the appointment panel recommends its preferred candidate for appointment. Each appointment is for a three year term. This is in line with government policy - Modernising Trust Ports II (MTPII).

The means of selection of members is in accordance with guidelines laid down by the Government for all Trust Ports and follows what are commonly termed 'Nolan principles'.

All Board members must adhere to the following guiding principles of conduct:

- Independence
- Accountability
- Openness
- Selflessness
- Integrity
- Objectivity
- Honesty
- Leadership

The duties of a Board member are akin to those of a director of a company. In particular, to be accountable for the proper exercise of the organisation's statutory functions, the identification and setting of business policies, the delivery of port and harbour services, and to provide proper oversight and direction in relation to the safety of operations and the financial performance of all business activities.

Selection and appointment of non-executive members should be based on each non-executive bringing a particular skill set or specialisation to the Board to cover the following headings:

- Chairman
- Vice Chairman
- Marine
- Energy
- Finance
- HR
- Government
- Marketing

These skill sets may be amended from time to time to reflect the changing business interests of the Port.

The Board meets regularly, at least six times a year. Whilst the Board has not appointed a Senior Independent Director as recommended by the Higgs report, the Vice Chairman is appointed by the Board itself to serve a similar purpose (provide sufficient challenge to the Chairman and act as a focus for the views of non-executive members to be fully taken into account). The non-executive members meet on a regular (but not frequent) basis without the executive members and on occasion without the Chairman, to review general workings of the Board.

A register of members' interests is maintained which includes landholdings, shareholdings and

other responsibilities and appointments, together with the requirement to identify any issues that could be perceived as a conflict of interest. The Port also maintains a hospitality register for all Board members and managers.

The determination and implementation of the Group's strategy is the key remit of the Board. In addition, the Board is ultimately responsible for the operational performance, including safety performance, of the Group. It is therefore part of the Board's role to monitor the performance of the management and satisfy itself, through review of the risk register and other reporting systems and procedures, that the business operates in compliance with the law and regulation to the highest standards of safety and with appropriate financial prudence.

The Board operates a number of committees to support its functions. These are described below.

The Executive

The Chief Executive and the Senior Management Team (SMT) are accountable to the Board for the implementation of Board policy, the management of the business and affairs of the Port of Milford Haven. The SMT meet regularly as a group.

The Audit Committee

The audit committee comprises three non-executive members of the Board, the Chief Executive and Deputy Chief Executive.

Its terms of reference allow it to consider any matter relating to the financial affairs of the Port and include the monitoring of financial reporting, accounting policies, matters relating to the auditors, the adequacy of the Port's internal financial controls and at the request of the Board, to review and monitor the Port's risk management systems.



The Remuneration Committee

The remuneration committee consists of not less than three non-executive members including the Chairman and Vice Chairman, with up to two other non-executive members. The Chief Executive acts as a non-voting secretary to the committee.

The primary duties of the remuneration committee are to determine the remuneration and employment conditions of the senior managers and to make recommendations to the full Board as to the fees and emoluments of non-executive members and of non-executive directors of any subsidiary companies. No member of the committee takes part in the decision making process about his/her own remuneration or other benefits.

The committee is also charged with determining bonus structures for senior managers and staff and for reviewing employment policies for the Port. It also ensures that remuneration policies facilitate the employment and motivation of senior personnel on a best practice basis, and to ensure that levels of Board remuneration and expenses claimed are detailed in the Annual Accounts.

The committee is also able, at the request of the Board, to advise or act on its behalf in a senior management appointment and, at the request of the executive, as a wages and salaries committee, being the final referral body in pay and conditions negotiations.

Nominations Committee

The nominations committee undertakes a formal process of reviewing the balance and effectiveness of the Board, identifying the skills and job descriptions required for individual Board positions, including executive members. It is also tasked with managing the recruitment process and recommending appointments to the Board.

In particular, the committee must assess the time commitments of Board posts and ensure that the individual has sufficient available time to undertake them. It will meet as appropriate to consider whether or not non-executive members coming to the end of their term of office should be put forward for re-appointment.

Membership of the committee is determined by the Board but will be made up of at least four members including the Chairman or Vice Chairman and Chief Executive.

	Board	Audit Committee	Remuneration Committee	Nominations Committee
Total number of meetings	6	3	3	1
Mark Andrews	5	2		
Fiona Birt-Llewellyn	3		1	
Sue Davenport	6	3	2	
Alec Don	6	3	3	1
Andrew Edwards	5			1
Andy Jones	6	3	3	
Peter Jones	6		3	1
Gareth Lynn	6	3		
Chris Martin	6		3	
Steven Owen	1	1		
Kay Penney	2			
David Snelson	6			1
Rick Squires	6	2		

Board Members



Peter Jones

Chairman

Peter Jones has been a leading figure on the British Ports scene for nearly three decades of the 35 years he's worked in the industry. Most

recently he was CEO of Associated British Ports (ABP), the UK's leading ports group that runs 21 UK ports including Immingham, the UK's biggest port by tonnage and like Milford Haven a key energy Port; Cardiff and Southampton.

Prior to that, until 2006, Peter headed up the Mersey Docks and Harbour Company which, by the time he left in 2006, had over 1500 employees and a turnover of £350m.



Chris Martin

Vice Chairman

Born and bred in Pembrokeshire, Chris gained an honours degree in Pharmacy in Cardiff before starting working life with Boots the

Chemist in Cwmbran, subsequently going on to own and build two businesses in the pharmacy industry as well as a property development company. He has a portfolio of interests in private and public sector healthcare including being a non executive director of Alliance Healthcare. He is currently a member of the Bevan Commission, Chairman of the Prudent Prescribing Implementation Group and Chairman of the Community Pharmacy Remuneration Group. Chris is also a member of the Wales Advisory Board of Marie Curie Cancer Care.

Chris joined the Board as Vice Chairman in 2012 and is a member of both the Remuneration and Nominations Committees.



David Snelson

Non-Executive Director

David Snelson brings with him significant marine and port experience. Having started in the Royal Navy he rose to rank of Rear Admiral having

commanded warships including the aircraft carrier HMS Ark Royal. David came ashore in 2006 to a new career as Chief Harbourmaster for the Port of London Authority and left in 2011. During this time he was also a special adviser to the House of Commons Defence Committee. In 2012 he was appointed as a non-executive director of the Maritime and Coastguard Agency.

David is a Companion of the Order of the Bath, an elder brother of Trinity House, fellow and past council member of the Nautical Institute, trustee of the Marine Society and Sea Cadets and a member of the Royal Yachting Association.

David is a member of the Nominations Committee.



Andrew Edwards

Non-Executive Director

Following graduation from the University of Wales, Aberystwyth, Andy spent two years working on civil engineering projects in the UK and Middle East

before joining the police service in 1979. He undertook a variety of operational and administrative roles and was the Acting Chief Constable for Dyfed-Powys Police before being appointed Deputy Chief Constable for all Wales in 2009 where he had operational responsibility for serious and organised crime and counter terrorism. He chairs the Dyfed Powys Police and Crime Panel and sits on the Wales boards for the Equality and Human Rights Commission and Victim Support.

Andy is an honorary fellow and part time lecturer at the University of Wales Trinity St David, was previously a visiting lecturer at the John Jay College of Criminal Justice in New York and is a graduate of the FBI National Academy.

He is based in Carmarthenshire and is a Welsh speaker.

Andy joined the Board in 2012 and is a member of the Nominations Committee.



Gareth Lynn

Non-Executive Director

Gareth is the founder of one of Wales' leading firms of independent accountants. Living in Cardiff, he is an Executive Director at KTS Owens

Thomas Limited, a firm of chartered accountants, auditors and business advisers based in the city. Gareth also holds non-executive and independent advisory roles for private and public sector organisations.

He trained and qualified with Ernst & Young before setting up his own practice in 1990 with two colleagues. They have grown the firm over 25 years into one of Wales' leading independent professional services firms with a diverse range of clients across the UK. He provides financial and commercial advice to private sector clients and has worked closely with a number of large public bodies in the UK in respect of audit assurance and risk management.

Gareth joined the Board in July 2008 and is the Chairman of the Port's Audit Committee.



Rick Squires

Non-Executive Director

Rick has extensive experience in the energy sector as a non-executive director and Chairman of a number of renewable energy businesses, based

not only in the UK, but also North America; including wind (onshore and offshore), solar and biomass.

Rick has an honours degree in Electrical Engineering and a masters in Business Studies. He spent 28 years with the Royal Dutch Shell Group with international roles in business sectors including coal, oil trading, shipping, gas and power generation before becoming a Senior Vice President with InterGen, an international power company based in Boston USA, with assets spread across 10 countries. In 2003 he founded UK based consultancy, PiEnergy Ltd, pursuing a portfolio of roles including advising on clean technology, renewable energy, executive recruitment and providing training to the power and energy sectors.

He is currently a non-executive director of Good Energy Group Plc, a UK based 100% renewable domestic electricity generation and supply company and also of the Green Investment Bank Financial Services Limited which manages a fund targeting a raise of £1.0 billion to acquire equity stakes in operational offshore wind farms in the UK.

Rick joined the Port in 2012 and is a member of the Audit Committee.



Sue Davenport

Non-Executive Director

Sue began her career at Aramark PLC undertaking a number of operational and strategic roles in sales and marketing. She left to become Sales and

Marketing Director for Pasta King UK in 2003 leveraging a MBO and becoming CEO in 2006. The company achieved several business awards culminating in winning the Orange National SME of the Year 2008.

Sue is currently a non executive director with the Pembrokeshire Coastal Forum, Chair at Racoon International and a shareholder of the award winning Pembrokeshire Beachfood Company. Sue's business success has been recognised with a number of high profile business awards including the BVCA Women CEO of the Year 2009.

She lives in Pembrokeshire and is breathing new life into a coastal farm, diversifying into the tourism sector.

Sue is a Chartered Director, an ambassador for the Institute of Directors Chartered Director programme and is also a member of the Port's Audit and Remuneration Committees.

Sue joined the Board in 2012.



Steven Owen

Non-Executive Director

Steven is an accomplished Chartered Accountant and has had considerable experience as a Finance Director and Deputy Chief Executive within

the quoted property investment/fund management arena.

Steven embarked on his career with KPMG before moving on to spend 24 years at Brixton plc where he became Finance Director and subsequently Deputy Chief Executive of a property investment and development company that owned/managed over 18 million square feet of industrial and warehouse space in the UK. He is currently CEO and Founding Partner of Wye Valley Partners LLP, a commercial real estate asset management business.

Steven is also a Non-Executive Director; the Senior Independent Director and Chairman of the Audit Committee of Primary Health Properties PLC, a UK Real Estate Investment Trust and a leading investor in modern healthcare premises.

Welsh is his first language. He is also a Director of Wales in London, a not for profit company which aims to promote and connect Wales within Europe's business capital.

Steven joined the Board in 2014 and is Chairman (designate) of the Port's Audit Committee.



Anne Jessopp

Non Executive Director

Anne has worked in HR across a number of sectors, gaining manufacturing experience early in her career at Rolls Royce and Procter

and Gamble. She went on to gain consumer experience at Radio Rentals and RAC.

More recently, she was HR Director of an industrial services company and Remploy, before joining the Royal Mint in 2008, where she is the Business Services Director leading the functions which support the business, including Business Excellence, IT, HR and Health, Safety & Environment.

Particular areas of focus have been working with companies who are developing their culture and undergoing significant change.

Anne joined the Board in 2015.

Senior Management Team



Alec Don
Chief Executive

Alec has over 20 years of international experience leading port businesses. He was appointed Chief Executive of the Port of Milford Haven in 2010.

He began his Port career in 1994 when he joined the Mersey Docks and Harbour Company as Director of Planning. In 2002 he became Chief Executive of the Port of Maputo where he completed the first full port privatisation in Africa and then, at the same time as developing the commercial activity of the port, delivered on a \$70m re-construction programme finished on time and below budget within 18 months. He returned to Mersey Docks as Director of the Port of Liverpool in 2004.

He is currently Chairman of the Welsh Ports group and is also Chairman of the separate statutory entity The Port Security Authority.

In his early career, Alec left Oxford University with a degree in Engineering Science to join UK merchant bank Robert Fleming & Co, where he had a successful career for 7 years in corporate finance.

He is married with 3 children and has lived in Wales for 20 years.



Andy Jones
Deputy Chief Executive

Andy joined the Port as Finance Director in 2011 bringing with him extensive working knowledge in senior financial, commercial and

operational roles across a broad range of industries. In 2014, Andy accepted the role of Deputy Chief Executive adding responsibility for the Deep Sea operations and risk management aspects of the Port.

He qualified as a Chartered Accountant with PricewaterhouseCoopers in Cardiff before continuing with the firm in Toronto, Canada. In 2000, he was appointed as Finance Director for a division of S&P500-listed machinery and equipment manufacturing giant Manitowoc. He subsequently moved into an Operations Director role within their commercial cooking equipment business and worked closely with chefs, restaurant owners and food chains such as McDonalds. In 2007, Andy took over as Commercial Director for the Canadian distribution business of Manitowoc, growing the business by double digits each year. In 2009, he started his own successful company focused on providing trusted advisory services to SME business owners, before returning to the UK.

Andy is a member of the CBI Council in Wales and a Trustee Director of the Pilots National Pension Fund.



Bill Hirst
Harbourmaster

Bill's career began as a Group Cadet for P&O in 1975 where he served on a variety of vessels including general cargo, reefer, tanker and

passenger. Progressing through the ranks, he gained his second mates certificate and went on to work for Safmarine where he gained experience on bulk and container ships and completed his Masters (Class 1) certificate.

In 1995 Bill came ashore to work as Port Control Officer at Orkney Department of Harbours Office in Scapa Flow. In 1999, having worked there for number of years, he was promoted to Assistant Harbourmaster.

Bill relocated to Pembrokeshire in 2000 and joined the Port of Milford Haven as Assistant Harbourmaster. In 2001 he was promoted to Deputy Harbourmaster where he provided continuity through the two risk assessments carried out in preparation for the arrival of Liquefied Natural Gas (LNG) and also led on the implementation of procedures for the handling of LNG at the Port.

In 2012 Bill was promoted to Harbourmaster.

**Jeff Teague**

Estates Director

Jeff joined the Port of Milford Haven as Development & Property Manager in 2002 and has headed up the Estates department ever since.

He was initially recruited to set up a dedicated estates function, Quayside Estates, and manage an expanding development programme. Since then he has progressively improved the Port's property portfolio and achieved consistent growth in property letting.

He has over 40 years' experience in the construction industry in both private and public sectors, and holds a Master's Degree in Transportation, Planning and Engineering. He is also a member of the British Institute of Facilities Management.

Jeff joined the Senior Management Team in January 2012 when he was appointed Estates Director. The position reflects the importance of Jeff's role in strategic planning for all land and property needs and driving new development opportunities for the Port of Milford Haven. Jeff led the project team in developing the Milford Dock Master Plan for a comprehensive redevelopment of the historic docks in Milford Haven which was granted Outline Planning Permission in 2015.

**Tim Bownes**

Engineering Director

Tim is a Chartered Civil Engineer and joined the Port as Engineering Director in May 2014. He has a wide range of experience covering

engineering and commercial aspects of ports and the construction industry both in the UK and overseas, including work in environmentally sensitive areas.

After 15 years in construction contracting, in 1997 Tim was appointed Chief Engineer of Mersey Docks and Harbour Company, taking responsibility for a wide range of projects and maintenance activities for the group's ports at Liverpool, Birkenhead, Heysham, Sheerness and Chatham. This role expanded into taking responsibility for the statutory approval of a number of major schemes and for developing mutually productive relationships with local authorities and development agencies.

Tim moved into consultancy in 2008 and worked for Royal Haskoning, based initially in Liverpool and then Dubai. Projects ranged from construction assistance in India to port master planning in Djibouti. Major projects included the Doha New Port in Qatar; a new coastguard harbour near Muscat in Oman and a new port on Boubyan Island in Kuwait. All invariably involved interesting technical challenges.

The experience gained as contractor, client and consultant puts Tim in a good position to provide innovative and practical solutions which also recognise the special nature of the Haven's environment.

**Vidette Swales**

HR Director

Vidette was appointed as Human Resources Director in January 2011. She joined the Port in 2001 to provide a generalist HR service.

During her time in this role, Vidette was instrumental in helping the Port achieve recognition as an Investors in People organisation and continues to ensure this standard is retained.

Vidette is a Chartered Fellow of the Chartered Institute of Personnel and Development. Her career started in the private sector in HR/recruitment roles before moving to work as personnel officer for Pembrokeshire County Council.

As HR Director, Vidette is responsible for developing and implementing an annual agenda for HR which supports the overall business strategy. She is also a trustee of three of the Port's pension schemes and an executive committee member of the Association of Participating Bodies of the PNPF (Pilots National Pension Fund).

Financial Performance

Consolidated Profit & Loss Account For The Year Ended 31 December 2014

	2014 £m	2013 £m
Turnover	23.1	22.5
Operating Costs	(13.6)	(12.4)
Gross Profit	9.5	10.1
Administrative Expenses	(6.1)	(6.6)
Operating profit	3.4	3.5
Share of operating (loss) / profit in associate & joint ventures	(0.2)	(2.2)
Profit on disposal of assets	0.0	0.0
Interest receivable and other income	0.0	0.1
Interest & other expenses	0.0	0.0
Profit before taxation	3.2	1.4
Taxation charge	(0.9)	(1.0)
Profit for the financial year	2.3	0.4

Key Financial Ratios

	2014 £m	2013 £m
EBITDA	6.3	3.8
EBITDA / Turnover %	28%	17%
Profit before tax / Turnover %	14%	6%

Consolidated Balance Sheet
 As At 31 December 2014

	2014 £m	2013 £m
Fixed Assets	70.2	68.4
Current Assets	17.1	13.3
Total Assets	87.3	81.7
Current Liabilities	(3.9)	(3.9)
Total assets less current liabilities	83.4	77.8
Long term creditors & liabilities	(4.4)	(1.0)
Deferred income	(5.1)	(4.6)
Pension (Liability) / Asset	(13.0)	(13.6)
Net assets	60.9	58.6
Reserves		
Revaluation reserve	25.9	25.9
Profit & loss account	35.0	32.7
Minority interest	0.0	0.0
Total reserves	60.9	58.6
Return on capital employed (based on EBIT)	3.9%	1.7%

Consolidated Cash Flow
 For The Year Ended 31 December 2014

	2014 £m	2013 £m
Net cash flow from operating activities	4.7	5.9
Returns on investments and servicing of finance	(0.1)	(0.1)
Taxation	(0.2)	(0.9)
Capital payments	(4.2)	(10.3)
Acquisitions and disposals	(0.3)	-
Operating cash (outflow) / inflow	(0.1)	(5.4)
Liquid Resources inflow	4.0	5.9
Financing	(0.5)	(0.2)
Increase / (decrease) in cash in year	3.4	0.3



Chairman

1958 The Lord Dynevor, CBE MC

1963 The Hon R Hanning Philipps, MBE

1976 T S Roberts

1982 Raymond Cory, CBE

1994 R C Hastie, CBE

2000 D R S Clarke

2007 D G Benson

2013 Peter Jones

General Manager

1959 J A Sullivan, OBE

1983 R C Livesey, CBE

1987 M J Hyslop MBE

Chief Executive

2003 A E Sangster

2010 A J W D Don

Harbourmaster

1959 Capt G Dudley, OBE

1986 Capt J E Frost, MBE

1995 Capt M C Andrews

2012 Capt W C Hirst



Croeso Cymru
Visit Wales



Y Gronfa Pysgodfeydd Ewropeaidd:
Buddsoddi mewn Pysgodfeydd Cynaliadwy
European Fisheries Fund:
Investing in Sustainable Fisheries



Llywodraeth Cymru
Welsh Government



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Milford
Marina

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Milford
fishDOCKS

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Estates

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Pembroke
Port

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LYWODRAETH CYMRU

