



31 July 2001

Mr Nigel Gould
Chairman
CentrePort Ltd
PO Box 794
WELLINGTON

Dear Nigel

Draft SCI for 2001/02

The purpose of this letter is to provide you and your fellow directors with feedback on the draft SCI of CentrePort for 2001/02. The directors of Port Investments Ltd (PIL) considered the draft SCI on 26 July 2001.

Generally the move by CentrePort towards triple bottom line reporting is seen as a very positive initiative and one which sits very comfortably with both PIL and with the Council as ultimate shareholder. We see it as a journey somewhat into uncharted waters, but nevertheless a journey which needs to be undertaken. As such it will take some time to fully develop triple bottom line reporting, a fact recognised by CentrePort in Section 5.5 of the draft SCI as follows:

“The Company will, in consultation with the Shareholders, continue to develop performance targets in the environmental and social areas in order to be able to maintain triple bottom line reporting.”

While we expect further developments in future we are keen to ensure that the draft SCI for 2001/02 fully reflects the intentions of all parties. Specifically, we would prefer the tone of the draft SCI to be more proactive, particularly in the environmental area.

We suggest a new objective as follows:

1.3 (a) “to operate in an environmentally responsible manner.”

We also suggest a minor amendment to the existing 1.3(b) as follows:

“to raise awareness of environmental issues within the Company.”

We also suggest that Section 5.5 is expanded to reflect the fact that triple bottom line reporting will be maintained in accordance with best practice. This will signal CentrePort’s intention to keep up with best practice as it develops over time.

2.

Finally, we applaud the efforts of the Company in moving towards a triple bottom line philosophy and we encourage you to go further over the coming years.

Yours sincerely

A handwritten signature in black ink, appearing to read "Stuart Macaskill". The signature is written in a cursive, flowing style.

STUART MACASKILL
Chairman Port Investments Ltd