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PORT OF BLYTH

ANNUAL REVIEW 2021



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CHAIR'S STATEMENT

Geoff Hodgson DL

Chair

Despite another challenging year, affected by the pandemic, the implementation of Brexit regulations and issues with key customers, I am delighted to report record Group financial performance for 2021, with turnover increasing to £25.5 million. This translated into record profitability, with adjusted operating profit and profit before tax, increasing significantly to £2.1 million and £1.8 million respectively.

Despite Group performance continuing to be dominated by the core port operating business, our logistics subsidiary, Transped, also delivered record financial performance with turnover of £11.6 million and pre-tax profit over £0.5 million. They continue to provide an important element of group trade and help to generate cargo throughput for Port of Blyth as well as through other UK ports.

Capex increased in 2021 to £4.8 million, supporting ongoing developments and growth. This included the ongoing redevelopment of our Bates terminal and further investment at Battleship Wharf to support the rapid expansion of offshore energy related trade. Other capex included commitment to a first electric heavy lift crane, a significant upgrade to security infrastructure and the purchase of other plant and equipment.

Looking forwards, this investment is set to grow significantly in 2022 with £11.4m committed to capital expenditure throughout the year. It is gratifying to note that the Port has invested just shy of £50m for the benefit of all stakeholders between 2012 to 2022.

A successful, busy port also provided wider economic benefit to the region, and we understand our important role as a major catalyst for commerce. Working with our Energy Central partners in South East Northumberland, we have ambitious plans to further expand the major cluster of energy focused organisations around the river and we are delighted to have played our part in attracting the large-scale inward investment adjacent to the Blyth Estuary announced during the year. It is also interesting to reflect, that it is 21 years since the Port first entered the offshore renewable energy market as an early pioneer.

Of course, as one of the UK's largest Trust Ports, we deliver more than just economic benefits to a diverse range of stakeholders from the local community to wider regional and national organisations and interest groups. In 2021, we therefore supported a number of charities, local schools, groups, initiatives and events, including a particular focus on skills and education. As part of this commitment, we helped progress the regionally significant Energy Central Learning Hub initiative which will help retrain and upskill the future workforce needed for a low carbon economy.

This also very much aligns with our commitment to the Government's Maritime 2050 initiative which includes ambitious plans for the maritime sector to help achieve wider net zero aspirations across the economy. We therefore continue to focus on our core renewable energy sector, Bates Clean Energy Terminal project and the wider decarbonisation of port operations.

As ever, none of this would have been possible without the full support of our customers, suppliers, partners, staff and fellow Commissioners to whom I am forever grateful. It is their commitment in particular, that gives me every confidence that our current successes can be maintained well into the future.

Finally, I would like to thank Deputy Chair, Steve Mills, and Commissioner, Andrew Cunningham, for their valued contribution following completion of their terms of office at the end of 2021.

Geoff Hodgson DL

Chair



I AM DELIGHTED TO REPORT RECORD GROUP FINANCIAL PERFORMANCE FOR 2021 IN TERMS OF BOTH TURNOVER AND OPERATING PROFIT.



CHIEF EXECUTIVE'S REVIEW

Martin Lawlor

Chief Executive

It is extremely pleasing that our main port operating business delivered a record year in 2021 given the ongoing challenges affecting the global economy. Turnover grew significantly to approaching £15 million and with an adjusted operating profit of £2.34 million, allowing ongoing investment to fuel anticipated future growth.

Cargo volume handled through the Port did also increase to 0.7 million tonnes, but given the specialist, high value nature of the services provided, tonnage is no longer the most appropriate measure of port activity. The number of commercial vessel movements and the number of days of berth utilisation are perhaps of more relevance and both grew significantly compared to the previous year.

The core offshore energy sector business remained strong, with a particular focus on supporting the mobilisation of offshore wind farms. Other activities ranged from the mobilisation/demobilisation of vessel equipment, heavy lifting, wind turbine component handling, cable handling/storage and support for the offshore decommissioning sector. Blyth is acknowledged as one of the leading offshore energy hubs in the UK, handling nationally and internationally significant projects.

Containerised traffic grew for the fifth year in a row, maintaining the twice weekly service from Holland and bringing in a variety of products including essential supermarket goods. Port logistics subsidiary Transped continue to provide the majority of cargo on this service and coped well with covid and Brexit related issues across the year.

Dry bulk handling grew significantly (over 60%), with alumina, cement, aggregates and rock salt comparable to expected levels but boosted by strong volumes of sand and unexpected exports of coal. The non-seaborne movement of coal from road to rail was down to very low levels as this trade continued to be phased

out as part of the national energy transition strategy towards 'net zero'.

Liquid bulks through the marine fuel terminal were down on 2020, although the facility continues to offer an important service to Port users, particularly in the offshore energy sector.

Other breakbulk cargoes handled during the year consisted largely of RDF (refuse derived fuel) being exported to Scandinavia.

Other revenue streams continued to make an important contribution to overall performance, particularly property income generated from a number of largely offshore energy sector related tenancies. Together with third party terminal operation, general conservancy, warehousing storage and training income, this provided reliable and complementary revenue to the significant but fluctuating income generated from cargo related activities.

Of course, this could not have been achieved without the full support of our dedicated workforce, whose expertise and flexibility has helped us maintain our reputation for providing exceptional levels of customer service. I therefore cannot thank them enough for their efforts across another challenging but highly successful year.

Martin Lawlor

Chief Executive

IT IS EXTREMELY SATISFYING THAT OUR MAIN PORT OPERATING BUSINESS DELIVERED A RECORD YEAR, BOTH FINANCIALLY AND IN TERMS OF VESSEL ACTIVITY.





PORT OVERVIEW & STATUTE

As a statutory trust, Blyth Harbour Commission is responsible for conservancy and safe navigation on the River Blyth and operates for the benefit of all stakeholders who include our employees, commercial and leisure port users, the local community and the regional and national economy.

A diverse board of six Commissioners, including the Chief Executive, oversees the strategic development of the Port and its subsidiaries through bi-monthly meetings with the executive management. A number of committees such as those convened for audit and pension scheme purposes also operate and, together with an Annual Public Meeting, ensure on-going good governance.

Board members are selected for terms of three years with the Chair and Deputy Chair appointed by the Board.

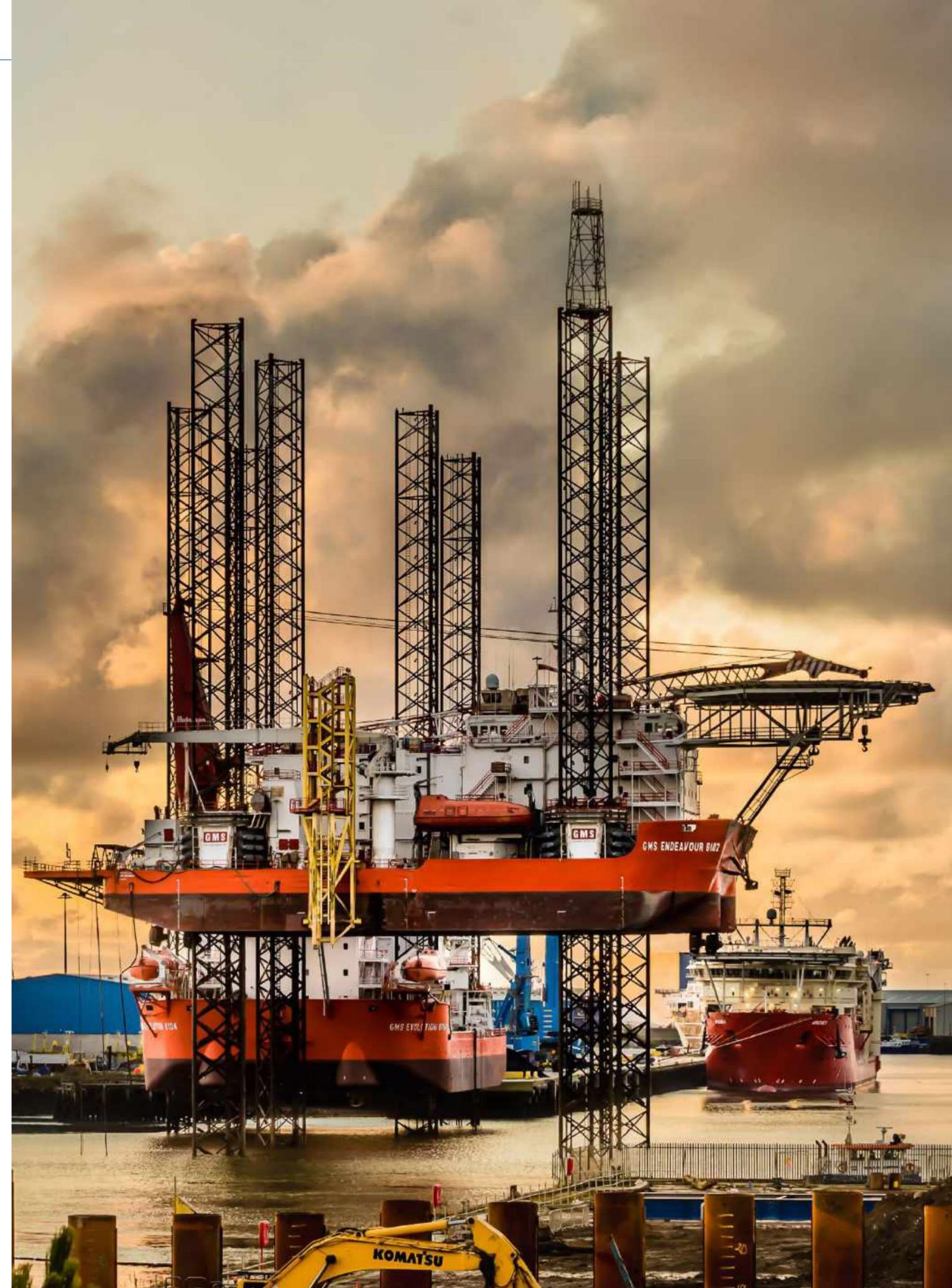
The Port routinely re-invests profits in order to improve the facilities and services offered to all Port users, generating enhanced economic activity and community benefits. As a recognised major UK Trust Port, the Port of Blyth also liaises closely with both regional and national government to ensure that benefits are maximised to stakeholders as a whole.

During 2021 Blyth Harbour Commission (BHC) continued to fulfil these important duties as well as operating a busy modern commercial port with four main terminals and associated cargo handling services.

In addition to its main port business, BHC operates a wholly owned subsidiary Transped Ltd providing complementary port related services. Transped is a well-established international logistics and forwarding company and plays an essential role in attracting trade through the Port.

Although not a separate legal entity, Blyth Harbour Commission also operates a training division, Port Training Services (PTS), offering award winning training provision on a nationwide basis. PTS also provide all in-house training ensuring a highly qualified workforce.

Appointments throughout the business are made adopting Nolan principles and best practice from Trust Port guidance, with candidates chosen for a range of skills to meet the needs of the business at any given time.



CONSTITUTION & BOARD

A board of Commissioners, including the Chief Executive, oversees the strategy of the Port and its subsidiary Transped, meeting with the executive management on at least a bi-monthly basis. Commissioners are led by a Chair and are appointed based on their significant experience and skills, each serving a three year term with an option for re-election.

BOARD MEMBERS (COMMISSIONERS)



★ **Geoff Hodgson DL**
Chair

Geoff Hodgson spent his early career in sales and marketing roles for multinational companies including Proctor and Gamble, Diageo and Coca Cola. He returned to the North East in 1994 to work for Newcastle Breweries, ultimately becoming Chief Executive of the Federation Brewery.

He is currently working as an investor, advisor and mentor with a variety of local companies and has held a number of

non-executive Board positions regionally. Geoff is currently involved with the Nigel Wright Group, Blumilk, Trustack and UMI amongst other business interests. He is also deputy chair of the Tyne & Wear Community Foundation and Durham School.

Geoff was appointed a Commissioner in 2012, became Deputy Chair in 2014 and Chair in 2016.



★ **Martin Lawlor**
Chief Executive

Martin Lawlor was appointed Chief Executive of Blyth Harbour Commission in 2006 having previously held the roles of Deputy Chief Executive and Commercial & Operations Director. In overseeing the Group, Martin also acts as Chair of BHC's subsidiary company, Transped.

A former Chair of the British Port's Association, Martin remains on the BPA Council and is also a non-executive Board Member of Port Skills and Safety. He is a director of regional skills and

education initiative, Energy Central Campus and has held positions on a number of regional economic and strategic boards.

Prior to joining the Commission, Martin held various commercial management roles at the ports of Tees & Hartlepool (now PD Ports).

Martin was appointed Chief Executive and a Commissioner in 2006.



★ **Catherine Young**
Deputy Chair

Catherine Young qualified as a chartered accountant with KPMG before going on to spend time both in practice and industry, including with PwC and Reg Vardy PLC. Catherine holds several advisory, non-executive and executive director roles. Past non-executive roles include as Senior Independent Director, Vice Chair and Chair of Audit Committee at the North East Ambulance Service, Chair of Audit Committee at a national charity and as a Governor at the University of Sunderland.

Catherine brings her experience in governance, board reporting and accountancy to her role as a Commissioner.

Catherine was appointed a Commissioner in 2015 and Deputy Chair in 2022. She is also Chair of the Audit Committee and a Trustee of the Port's Pension Scheme.



★ **Gillian Hall**
Commissioner

Gillian Hall is a highly respected contributor to private and public sector organisations in the region through various non-executive roles, her corporate finance consultancy business and mentoring for growth.

Gillian was the first female Senior Partner at Watson Burton LLP, a national law firm with offices in Newcastle, Leeds and London, and before that, led the firm's corporate team for many years.

Her current roles include sitting as a board member of the North East Local Enterprise Partnership, where she is Chair of the Innovation Board and Deputy Chair of the Investment Board. She also chairs a very ambitious, growth-orientated digital marketing business with offices across the North.

Gillian was appointed a Commissioner in 2014 and is also a Trustee on the Port's Pension Scheme.



★ **Richard Turner**
Commissioner

Richard Turner is Chief Executive of Bel Valves & BEL Engineering, whilst holding a number of non-executive and advisory positions in the energy sector including the Offshore Wind Growth Partnership (OWGP).

Previously Richard was President and CEO of JDR Cables and member of the Offshore Wind Industry Council (OWIC).

Prior to JDR, Richard worked for Technip Umbilical Systems, where he was Vice

President of Global Manufacturing. Earlier in his career Richard worked in the construction equipment industry with Komatsu and Terex. He has a Mechanical Engineering degree and an MBA from Durham University.

Richard was appointed as a Commissioner in 2021.

EXECUTIVE MANAGEMENT



★ **Paul Hardisty**
Commissioner

Paul Hardisty has over 35 years' experience in the energy industry having worked for a number of global companies including GE, Halliburton, Aker Solutions and mostly recently Royal IHC. During his career he has spent a significant amount of time living and working overseas including Australia, Norway, USA, Brazil and The Netherlands.

Paul returned to the North East in 2014 as Managing Director of IHC Engineering

Business and subsequently became Executive Director in Royal IHC B.V leading the capital equipment businesses in the UK and The Netherlands prior to leaving them in 2020.

Paul was appointed as a Commissioner in 2021.



★ **Andrew Cunningham**
Commissioner

Andrew Cunningham trained as a chartered accountant in London and then worked in Nairobi and Bristol before being made a partner in the Newcastle office of a predecessor firm of PricewaterhouseCoopers. In 1996 he was made finance director of Grainger PLC which became the UK's largest listed residential investor, and then CEO in 2009 before retiring in 2015.

Andrew now acts as non-executive director or adviser to a number of North East businesses and is a Fellow of the Institute of Chartered Accountants and of the Royal Institution of Chartered Surveyors.

Andrew was appointed a Commissioner in 2016 and completed his final term on 31 December 2021.



★ **Stephen Mills**
Commissioner

Stephen Mills practised as a shipping lawyer for 39 years, and is now a full time mediator of shipping, insurance and energy disputes. Until 2013 he was also part of the senior management team of one of the world's largest marine mutual insurance companies, where he remains a consultant.

He was a founder partner of law firm Rayfield Mills, the Maritime Solicitors Mediation Service and most recently SeaMediation, his current mediation

practice. He is the author of two books; on Bills of Lading (now in its third edition) and Letters of Indemnity.

Stephen was appointed a Commissioner in 2013, Deputy Chair in 2016 and completed his final term on 31 December 2021.



★ **Martin Lawlor**
Chief Executive

Martin has been Chief Executive of the Port since 2006 and also acts as Chair of Blyth Harbour Commission's subsidiary company, Transped. A former Chair of the British Port's Association, Martin remains on the BPA Council and is a Non-Executive Board Member of Port Skills and Safety. He has also served on various regional strategic boards including a current position at the skills and education initiative, Energy Central Campus. Prior to joining the Commission, Martin held various commercial management roles at the ports of Tees & Hartlepool.



★ **Alan Todd**
Port Director

Alan joined the Port in 2004 and as Port Director is responsible for overseeing the Operations and Technical departments, as well as assisting the Commercial team on new customer opportunities. Having qualified as a Chartered Civil Engineer, Alan previously worked for Volker Stevin as a contracts manager and Corus as a specialist advisor in the construction of quay structures around the world. Alan is the Chair of the British Ports Association's Port Infrastructure Group.



★ **Edwin Dick**
Harbour Master

Edwin joined the Port's Marine Department in 2009 as a Pilot/Assistant Harbour Master. He served in the role of Deputy Harbour Master for six years before being appointed Harbour Master in 2019. Edwin is a council member of the UK Harbour Masters Association and represents the North constituency. He is also a member of the joint British Ports Association & UK Major Ports Group Marine & Pilotage Steering Committee, Environmental Committee and the Security and Resilience Group.



★ **Oran Robson**
Finance Director

Oran joined the Port in 2016 and as Commission Secretary and Finance Director is responsible for both Finance and IT operations. Oran qualified as a chartered accountant with Ernst & Young before subsequently holding management positions with a number of listed organisations, including Rolls Royce plc. Oran is a member of the British Ports Association's Finance Group and is also a Fellow of the Institute of Chartered Accountants.

FINANCE

It was a stand-out year for group financial performance for the Port in 2021 as turnover reached a record level and operating profit increased significantly with both the Port and its subsidiary Transped posting excellent results.

Financial results

GROUP PERFORMANCE INDICATORS	2021	2020	2019	2018	2017
Turnover (£'000s)	25,517	21,992	21,676	21,877	20,561
EBITDA (£'000s)	4,601	3,374	2,581	2,103	2,647
Operating profit (£'000s)	2,132	1,298	634	303	959
Adjusted operating profit (£'000s)*	2,342	1,513	846	595	1,325
Profit before taxation (£'000s)	1,807	948	227	(25)	700
Adjusted profit before taxation (£'000s)*	2,017	1,163	439	267	1,066

PORT PERFORMANCE INDICATORS	2021	2020	2019	2018	2017
Turnover (£'000s)	14,939	11,924	11,392	12,818	12,097
Operating profit (£'000s)	1,624	1,035	306	399	739
Adjusted operating profit (£'000s)*	1,834	1,250	518	691	1,105
Profit before taxation (£'000s)	1,578	841	105	72	587
Adjusted profit before taxation (£'000s)*	1,788	1,056	317	364	953
Total throughput inc road / rail (tonnes)	700,000	649,000	959,000	1,228,000	1,574,000
Total throughput seaborne only (tonnes)	652,000	502,000	617,000	572,000	677,000
Customer service feedback (scale 1 to 10)	9.10	9.30	9.10	9.10	8.90
RIDDOR accident statistics (per 100 workers)	0.0	0.88	0.90	0.80	0.00

The above data is extracted from the Annual Report and Financial Statements approved by the Commissioners and upon which the auditors have provided an unqualified audit opinion for the years shown.

* Adjusted operating profit and adjusted profit before taxation are operating profit and profit before taxation excluding the impact of current and past service pension costs. As this is a non cash impact, which can be volatile from year to year, the Commissioners believe its exclusion presents a fairer presentation of performance.

2021 AT A GLANCE

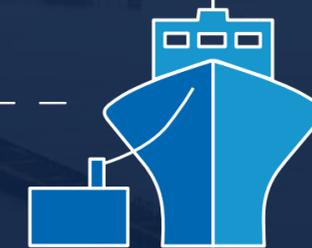


RECORD TURNOVER OF
£25.5M
15% INCREASE ON 2020

GROUP OPERATING
PROFIT
GREW BY
64%



DEADWEIGHT TONNAGE
GREW BY A
QUARTER
INCREASING FROM
1.79M TO 2.29M



BERTH UTILISATION
INCREASED BY
32%
HIGHLIGHTING A VERY
BUSY YEAR ON THE RIVER

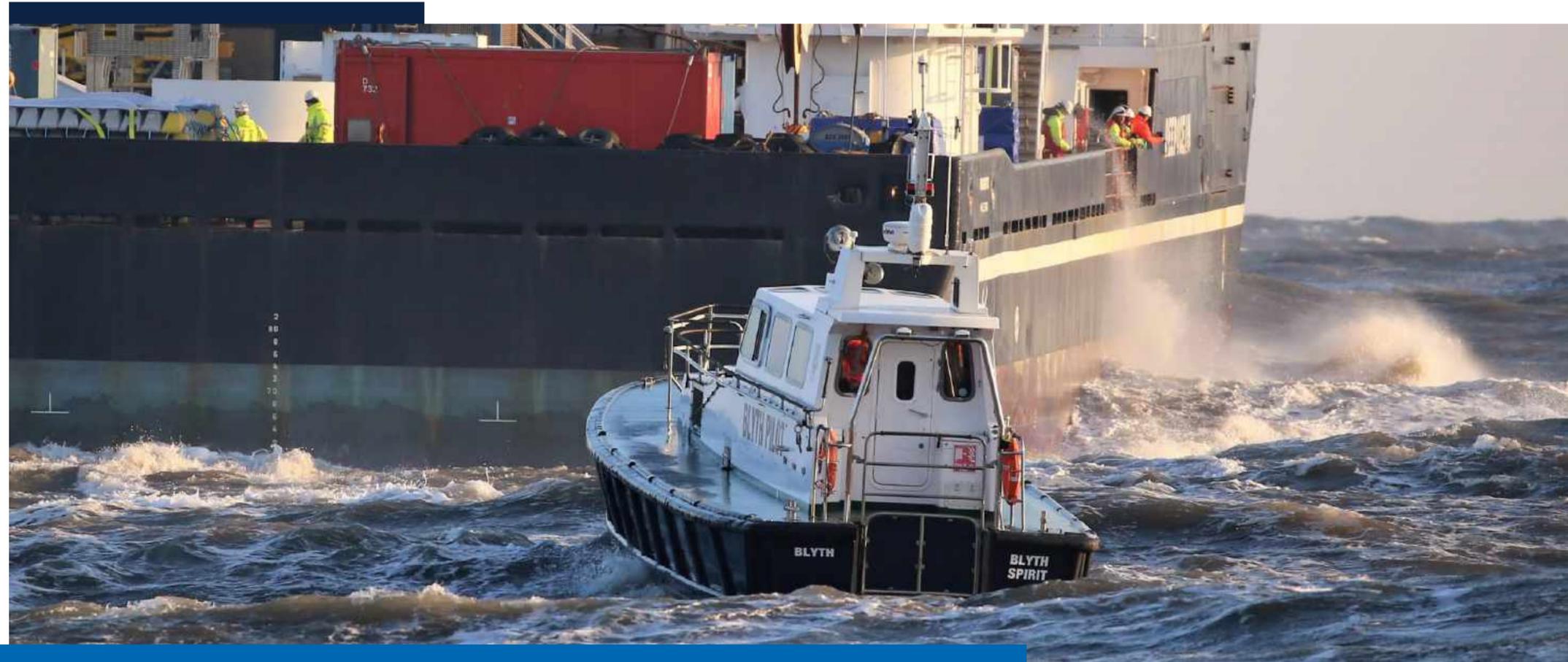
ZERO ACCIDENTS
NO REPORTABLE OR
LOST TIME ACCIDENTS
LEADING THE WAY IN
UK PORT SAFETY



**108%
GROWTH**
IN OFFSHORE ENERGY RELATED CARGO
MORE THAN 60,000 TONNES IN/OUT DURING 2021

MARINE

Another exceptionally busy year for the Port was reflected in the Marine Department who achieved several milestones in 2021.



MOVEMENTS & PILOTAGE

The Harbour Master and his team oversaw in excess of 10,000 vessel movements in 2021, as pilotage acts reached a record level of 877, beating the previous record set in 2016.

The largest vessel handled in 2021 was the bulk carrier PAX at 175m LOA and 32,000DWT which delivered the largest shipment in the Port's history, 27,869 tonnes of rock salt destined for the region's roads over winter.

Deadweight tonnage for the year was again up as, for the second time, the Port exceeded two million deadweight tonnes at 2.29m DWT. This continues to highlight the increase in the average vessel size being handled by the Port, with this year's total being 200,000 DWT more than that of 2016 across a very similar number of vessel calls.

Berth utilisation was again significantly higher than previous years, demonstrating the more significant scope of vessel mobilisation/demobilisations being carried out.

PORT MARINE SAFETY CODE

The Port remained compliant with the port marine safety code and an internal audit of the 'Marine Safety Management System' was undertaken by the 'Designated Person', the Port's HR & Health and Safety Manager. The findings were presented to the Board of Commissioners who serve as the 'Duty Holder' for the Port under the PMSC. The report detailed that the Port of Blyth continue to demonstrate best practice and maintain an excellent safety culture.

SECURITY

Port security and control remained a key priority in 2021 with the Port continuing to improve and enhance the security infrastructure across the estate, as it worked closely with security contractor Triton Group. As the Port's terminals continue to develop and evolve, particularly at Bates Terminal where redevelopment works are to bring a large area of land back into use, this approach will ensure that future security needs are met.

The DfT Maritime Security Division conducted a port security inspection which highlighted a good level of performance with two port security committee meetings held during 2021 as required. As a result, the Port remained compliant with the International Ship and Port Facility Security Code.

LEGISLATION & PLANNING

All marine plans (Oil Spill Response Plan, Port Emergency Plan and Port Waste Management Plan) were effectively managed during the year to ensure ongoing compliance with relevant codes and legislation.

No marine pollution incidents were recorded during 2021.

Both pilot vessels and the Port's tug/workboat remain fully compliant with the MCA small commercial vessel code following annual surveys and out of water inspections.

DREDGING & CONSERVANCY

Dredged material removed during 2021 totalled 260,500 tonnes, a 9% increase on the 238,800 tonnes removed the previous year. This spoil was deposited in the strictly controlled disposal ground off the Port which remains licensed by the MMO until May 2025.

Trinity House conducted an audit of the Port in June as well as their annual inspection of Aids to Navigation in November with no defects recorded and therefore the Port remains compliant as a local lighthouse authority.

2021 SAW THE ARRIVAL OF
THE PORT'S LARGEST EVER
CARGO AND THE MARINE
DEPARTMENT ACHIEVE THE
HIGHEST EVER NUMBER OF
PILOTAGE ACTS

ENVIRONMENT

Highly committed to playing a full part in the UK's low carbon future, the Port recognises the important role it has in protecting the marine environment.



THE PORT SUPPORTED THE
INSTALLATION OF A NUMBER OF
VERTIPOOLS ON ITS EAST PIER
AIMED AT INCREASING INTER TIDAL
BIODIVERSITY AND ENHANCING
THE LOCAL HABITAT

DEVELOPING GREEN TRADE

As one of the UK's leading offshore energy bases, the Port of Blyth is at the forefront of the nation's drive for 'net zero' having established a key role in both onshore and offshore wind. Throughout an incredible 21 years in the renewables sector, the Port has handled literally thousands of wind turbine components and continues to support major cable laying operations for both wind farms and international electricity interconnector projects.

The Port continued to make huge strides with its commitment to support Government net zero targets in 2021 through the multi-million pound investment programme in the Bates Clean Energy Terminal, which will soon offer greatly enhanced facilities and the opportunity for low carbon focused investment and innovation to the renewables sector.

Partnerships with Offshore Renewable Energy Catapult (OREC), Northumberland County Council and marine fuels specialist, Geos Group, ensured that opportunities on the site for low carbon energy focused research and innovation continued to be explored. The site will also be the location for the Port's first fully electric, heavy lift crane which was ordered in 2021 and signals the beginning of an ambitious decarbonisation strategy. The £3m investment will see the crane in use at the Bates Clean Energy Terminal from early summer 2022.

Meanwhile, the Port of Blyth's burgeoning offshore decommissioning partnership with leading North East disposal specialists Thompsons of Prudhoe, continued to recycle oil and gas structures from the North Sea. During 2021, the fully licenced decommissioning facility based at the Port's Battleship Wharf terminal was in constant use as the partnership offered assistance to the oil and gas industry with the safe environmental disposal of recovered offshore equipment and the treatment of associated hazardous materials.

The Port is also proud to continue to support Oil Spill Response Ltd, the world's largest international and industry funded cooperative which exists to respond to oil spills across the globe, providing their northern hemisphere base at the Port of Blyth alongside other strategic sites in Rio de Janeiro and Singapore.

MARINE CONSERVATION

In 2021, the Blyth Estuary continued to be home to several important habitat designations including a Marine Conservation Zone, Site of Special Scientific Interest and both a marine and coastal Special Protection Area. The Port of Blyth takes its environmental responsibilities seriously, playing an important role in helping to manage and maintain these designations and continued to work closely with conservation

bodies including the Marine Management Organisation, Environment Agency and Natural England throughout the year.

Meanwhile, the Port's support for the London Zoological Society and the Blue Marine Foundation's ambitious project to reintroduce native oysters back into UK waters continued in 2021. Seventeen nurseries were established on the Blyth Estuary in the previous year and it is hoped that in excess of 3 billion oyster larvae will be released and taken out to sea by the tide, where they should settle on rocks and other hard structures, helping to create cleaner water and increase marine biodiversity within the UK. Elsewhere on the river, the Port worked with Groundworks in 2021 to install a number of vertipools on its East Pier aimed at increasing inter tidal biodiversity and enhancing the local habitat.

The Port of Blyth also remains an active member of the Berwick and Northumberland Marine Nature Partnership, the Northumberland Rivers Catchment Partnership and the NE Coastal Group Forum.

ENVIRONMENTAL PRIORITIES

In 2021, the Port commenced an application to achieve the ISO 14001 Environmental Management standards to formalise recognition of the environmental work and protection which

continues to be undertaken. This will also give comfort to all of the Port's stakeholders that its environmental impact is being measured and actively improved.

The Port continues to fully support the UK Government's Maritime 2050 programme, including the goal of net zero carbon emissions from shipping and port related activities. Aligned with this, our Environmental Policy will focus on air quality, emissions in port, energy efficiency and renewable energy initiatives. Such schemes include the potential for mine water sourced heating, latest technology solar power and a range of energy efficiency measures.

PORT OPERATIONS

The Port's Operations Department worked diligently throughout another hugely successful year of project support and cargo handling, with minimal disruption experienced by our customers despite a challenging working environment due to covid.



AT 2,500 TONNES, THE RO-RO TO BARGE OPERATION CARRIED OUT ON ROYAL IHC'S LATEST J LAY TOWER SYSTEM WAS THE LARGEST IN THE PORT'S HISTORY

OFFSHORE ENERGY

The Port's Operations Department had an extremely busy year supporting a huge range of major offshore energy related projects and mobilisations. In 2021 the Port supported the load out of tenant Royal IHC's latest J Lay tower system. At approximately 2,500 tonnes this was the largest Ro-Ro operation to barge that has ever been undertaken within the Port. The operation was completed over two days with significant collaboration between the Port, the client and a heavy lift supplier.

Two other large-scale projects undertaken throughout the year concerned support for offshore wind farm projects in the North Sea. During the second half of 2021 over one hundred foundation piles weighing up to 300 tonne each have been handled at the Port's Battleship Wharf terminal. The work has been undertaken with the support of heavy crane and SPMT support, with the piles stored on compacted subbase using innovative 'lego blocks' as easy to build stools for safe handling within the storage yard.

On the second project, to date 6,000 tonnes of inter array cable has been successfully spooled from supply vessels and placed into Port designed and constructed quayside storage tanks. Purpose built for the client and capable of holding in excess of 400km of

cable, the tanks will be used throughout 2022 to support the cable installation programme for the client's offshore windfarm and have already generated a large amount of interest from the sector.

The Port also continued to provide ongoing project support for vessel operations for a host of other Port tenants and customers, which made for a very busy year for offshore energy focused project cargo handling.

CONTAINER SERVICE

Container operations remained busy throughout the year despite significant logistical challenges being encountered due to lack of UK haulage and continued disruption from both covid and Brexit. As a result, warehousing was heavily utilised to support the service as cargo storage peaked at over 20,000m² during the year.

BULK HANDLING

Bulk handling movements continued throughout 2021 at the Port's Battleship Wharf terminal with core sand, cement, aggregate, grain, salt and refuse derived fuel cargoes the main products handled.

The continued slowdown in coal trade resulted in 2 hectares of Battleship Wharf being cleared and prepared for supporting offshore wind projects after decades of coal storage on site. The 28,000 tonne shipment of salt was the largest bulk discharge ever to have been undertaken at the Port, while increased cement shipments for client Breedon ensured bulk handling tonnage was higher than expected for the year.

The unloading of alumina at the SUJ bulk terminal continued on a monthly basis, with the Port providing a comprehensive maintenance and management service for the terminal on behalf of the Liberty Group.

DECOMMISSIONING

The Port's decommissioning partnership with Thompsons of Prudhoe continued to gain traction in 2021 with the completion of a number of subsea clearance projects during the year and a growing reputation for excellence, safety and competitive pricing. The recently established facility at Battleship Wharf was busier than ever before, including the successful completion of a drilling project.

LABOUR & EQUIPMENT

Port operating labour performed admirably and as 'key workers', helped to ensure essential consumer goods made their way quickly from the container service to the supermarket shelf during another busy year impacted by covid.

The Port's in house Maintenance Department again provided a comprehensive maintenance programme to ensure all plant and machinery remained in service throughout the year.

New plant and machinery was invested in across several areas of the business in 2021 but the most substantial investment made was for the first fully electric, heavy lift crane in the Port's fleet.

The eco-efficient Konecranes Gottwald ESP.6 Mobile Harbour Crane will be the first of the model to be deployed in the UK when it is delivered in May 2022. Thanks to its electrical design concept, the 125-tonne lift capacity crane completely eliminates local carbon emissions and reduces noise to an absolute minimum.

FORWARDING & LOGISTICS

With a reputation for excellence, Transped continued to offer a full logistics, storage and forwarding service to clients across the world throughout 2021.



EXCELLENT PERFORMANCE

In 2021, Port of Blyth's wholly owned subsidiary Transped experienced a hugely positive year despite the unique challenge faced by the logistics sector due to covid and Brexit. Containerised traffic in and out of Blyth grew again for the fifth year in a row, achieving the highest volume of containers shipped to Blyth since Transped was established in 1997.

The twice weekly service from Holland was maintained, bringing a wide range of consumer products into the UK including essential supermarket goods. The service was heavily supported by Transped who generated over 80% of the trade, whilst also acting as UK agents for the line.

WAREHOUSING

As a result of an exceptionally busy period and careful and continuous monitoring of its customers' needs, Transped was able to utilise additional warehousing within the Port of Blyth's estate to ensure a smooth and profitable provision of services.

Transped was pleased to generate additional transport work by offering storage facilities to its clients, along with both repalletisation and pick & pack options.

HAULAGE AND SHIPPING

As a forwarder with a particular focus on paper and board products, the company's priority during the pandemic was on consumer items including vast quantities of items such as toilet rolls, kitchen towel and sanitary products. Other sectors covered included everything from soft drinks to cosmetics and shampoos.

Working closely with haulage partners both on the continent and in the UK, Transped ensured that the impact of the pandemic and Brexit were minimised as much as possible and successful deliveries were carried out on time.

PROJECT FORWARDING

In 2021 Transped continued to strengthen its offer for out of gauge and specialised cargo transport on a global basis. In addition, the well-established export packing service supported Port tenants and businesses across the region.



HAVING ACHIEVED THE HIGHEST VOLUME OF CONTAINERS EVER SHIPPED INTO BLYTH, DESPITE ALL THE CHALLENGES 2021 WAS A HUGE POSITIVE YEAR

SAFETY & TRAINING

With the safety of all personnel working on site the Port's number one priority and an award-winning inhouse training company on site, the Port of Blyth remains a champion for port and marine safety and skills in the UK.



DESPITE BEING BUSIER THAN EVER IN 2021, THE PORT DIDN'T SUFFER A SINGLE LOST TIME ACCIDENT, WHICH IS TESTAMENT TO THE DILIGENCE OF ITS WORKFORCE

HEALTH & SAFETY

In 2021 the Port delivered an exceptional safety record as a result of the safety-first approach of all employees and the contribution of visitors and contractors. The whole calendar year was completed without a single lost time accident despite port activity being at an all-time high.

The Port's Health & Safety Department continued to review risk assessments and safe methods of working specific to covid across 2021 and helped to steer all staff and visitors safely through the pandemic in accordance with Government legislation.

The team issued over 195 permits to work during 2021 which reflects how busy the Port has been in terms of contractors working on site. It also renewed all risk assessments and safe methods of working booklets during the year, totalling 160 documents.

In terms of quality assurance, the Port successfully passed an ISO4 5001 Health & Safety surveillance audit without any issues and is ready for full recertification. It also achieved the ISO 14001 Environmental stage 1 audit and is now ready for final accreditation.

INTERNAL & COMMERCIAL TRAINING

As the training arm of the Port of Blyth, Port Training Services (PTS) continued to ensure that the training of Port staff is of the highest standard, with a particular focus on safety critical operations.

PTS successfully launched its Wind Turbine Training Facility in September and is already attracting significant use, largely to help develop the next generation of technology and workers in the offshore energy sector.

In 2021 PTS launched the Plant Operations Programme, which is being delivered in partnership with Northumberland Skills, Department of Work & Pensions and TEXO Recruitment. This programme is helping unemployed people get back into work, combatting the effects of the pandemic.

In addition, PTS and the Port of Blyth supported the Government's Kickstart scheme by taking on a number of individuals who benefited from on-the-job training, with 100% of attendees now in full time employment including two individuals who joined the Port's Operations Department. The Port and PTS are working to offer this opportunity to another group of individuals in 2022.

During the year, PTS added two full time instructors to the team to meet the growing demand for its service, as well as continuing to build a pool of talented freelance instructors. Meanwhile, PTS is currently working with a number of partners to develop new qualifications to be launched in 2022 that will help to increase the skilled workforce locally.

EDUCATION & STEM

Newcastle College continued to successfully deliver the highly regarded Level 3 in Offshore Renewables & Subsea Engineering qualification from the Port Training Centre. Students from the first cohort in 2019 successfully progressed into further education and apprenticeships across the UK in 2021.

The Blyth STEM Hub continued to engage schools from across the North of Tyne Combined Authority throughout covid, promoting industry to students and highlighting the pathways students can take to enter industry. All partners in the STEM Hub worked incredibly hard to keep the service running despite covid restrictions, with school visits wherever possible and numerous online events allowing the organisation to continue with its good work.

APPRENTICESHIP PROGRAMME

PTS' apprenticeship programme continued to provide significant opportunities for trainees in the port and marine sector throughout 2021. It supported more than 70 apprentices across the UK at locations as diverse as the Solent to Bristol and South Wales to Sheerness.

Happily, PTS' very own apprentice, Rebecca Howard, successfully completed her Business Administration apprenticeship in 2021 and was rewarded with a permanent full-time role as a Commercial Coordinator.

Port Training Services has also been heavily involved with the review of the main vocational qualifications and the National occupational standards by assisting national sector organisation, Port Skills and Safety, to ensure all qualifications are kept up to date.

PORT DEVELOPMENTS

The Technical Department experienced another busy year as the redevelopment of the Bates Clean Energy Terminal continued and an important link project between Battleship Wharf and Northumberland Energy Park commenced.



BATES CLEAN ENERGY TERMINAL

The redevelopment of the Bates Terminal remained the main area of focus for investment within the Port in 2021 as the first phase works to strengthen Bates Quay was successfully completed at the beginning of the year. A second phase commenced in September 2021 and once completed, will allow the Port to lift project pieces up to 600 tonnes in weight across the full 90m length of the quay.

Remediation works on land at the terminal has also now brought approximately 7 hectares of prime quayside development land back into use after many years being underutilised.

In 2021, the Port officially launched its £1m Wind Turbine Training Facility complete with a full sized, specially modified wind turbine aimed at providing unique, high quality training opportunities to the renewables industry.

In a first for the UK wind industry, the bespoke facility is part of the Port's significant investment in training aimed at the offshore energy sector and is located on the Bates Clean Energy Terminal. It is now available for hire through the Port's award-winning training division Port Training Services.

Once complete, the Port's multi-million pound regeneration of the Bates Clean Energy Terminal, will provide a state of the art facility to support heavy lift operations and with a wide range of low carbon initiatives aimed at the renewables sector.

BATTLESHIP WHARF-NEPI LINK

The project to link the Port's Battleship Wharf Terminal to the former Blyth Power Station site, now known as the Northumberland Energy Park Phase 1 (NEP1), commenced during October 2021.

This important project will provide a direct route between the new quay on NEP1 and the four berths at Battleship Wharf for the easy movement of plant, machinery and cargo. The initial phase of the works involved the placement of approximately 1 hectare of new hard standing and roadway for the link between the two sites using fibre reinforced concrete to help meet the strict timescales for the project.

ADDITIONAL UPGRADES AND SITE WORKS

Significant works were undertaken at Battleship Wharf in 2021 to support new offshore wind mobilisation projects. This predominately involved the removal of 2 hectares of coal carpet, site levelling and installing new land drains and hardstanding to support the handling of project equipment. This included the development of new footpaths and car parks for safe management of these new projects. The Technical Department worked closely with the Port's Health & Safety leads to ensure the works prioritised and maximised the safety of all Port staff and contractors.

All of the above works were completed within the required time frames and on budget whilst working under various lockdown conditions due to the continued presence of covid within the UK.

THE BATES CLEAN ENERGY TERMINAL AIMS TO OFFER A NUMBER OF EXITING LOW CARBON INITIATIVES AIMED AT THE RENEWABLES SECTOR, INCLUDING WIND, SOLAR AND MINE WATER HEATING SOLUTIONS

ENERGY CENTRAL

It was a landmark year for the Energy Central partnership as the following large-scale development projects all made significant progress in 2021 with key contributions from all partners; Port of Blyth, Advance Northumberland, Northumberland County Council and ORE Catapult.



BRITISHVOLT

Britishvolt is on track to deliver a 30GWh battery gigaplant on the Blyth Estuary with production expected by 2023.

Having first announced its plan to locate the facility on the estuary just before Christmas 2020, the company made good progress with these plans throughout 2021 with the support of all Energy Central partners. As Advance Northumberland and Northumberland County Council supported the company to achieve planning permission for what will be Europe's fourth largest building, the Port of Blyth began working with Britishvolt to explore shipping solutions to aid the construction and operation of the factory.

Port Training Services also engaged with the company to support plans for both significant STEM engagement locally and the development of the workforce required by such a sizeable facility.

Total investment for Britishvolt's plant is expected to reach £2.6bn making it the largest industrial investment in the North East since Nissan's arrival in 1984 and one of the largest-ever industrial investments in the UK. This will support over 3000 highly skilled people employed on site by 2027 and up to 5000 jobs in the wider supply chain.



JDR CABLE SYSTEMS

In September 2021 JDR Cable Systems announced plans for a £130m manufacturing facility making cables for offshore wind farms on the Blyth Estuary that will create an initial 170 new jobs.

The firm, which already has sites at Newcastle and Hartlepool, is to build the plant on quayside located land at the Northumberland Energy Park Phase 1.

Partly funded with a grant from the Government's Offshore Wind Manufacturing Investment Support scheme, the development will be linked to the Port's Battleship Wharf terminal by road and will be adjacent to the planned Britishvolt battery gigafactory.

When complete, it will be the only facility in the UK capable of producing high voltage subsea cables for offshore wind farms from start to finish, supporting the growing (and increasingly lucrative) renewable energy market.

The 69,000 sqm facility will occupy the site of the former coal-fired Blyth Power Station, which has been earmarked for green energy jobs following a £36m programme of works to widen and strengthen the quay and remediate land on the site.



BATES CLEAN ENERGY TERMINAL

The Port of Blyth continues to enhance its reputation as one of the UK's leading offshore energy support bases with the redevelopment of Bates Clean Energy Terminal, a major low carbon redevelopment scheme which made large strides towards completion in 2021.

Infrastructure works including the construction of a substantially upgraded heavy lift quay (Phase 1) and the remediation of 7 hectares of prime quayside development land were completed during the year. Progress was also made with plans to roll out a range of low carbon initiatives and innovation, to meet the needs of the offshore and renewables sector at the modern 17 hectare terminal.

These upgrades will support Government ambitions set out in the Clean Maritime Plan and 2050 net zero targets whilst also serving the operational needs of the offshore wind industry as it moves to adopt clean maritime technologies and dramatically reduce emissions associated with operation and maintenance.

Specific objectives include zero carbon mine water heating to buildings, solar and other renewable power generation, shore-to-ship power, robotics, automation, alternative fuel innovations to support next generation vessels and much more. Port electrification at the terminal also took a huge leap forward in 2021 as the Port ordered the first fully electric, heavy lift crane in its fleet, which is due for delivery in Q2 2022. These exciting initiatives are to be delivered with support from a growing number of regional and national partners.



ENERGY CENTRAL LEARNING HUB

As a strategic partnership Energy Central exists to support opportunities for growth for the offshore energy sector in Blyth.

With all four partner organisations highly invested in supporting skills development in the region, the Energy Central Learning Hub development is a landmark £10m+ development that will transform career opportunities and the aspirations of young people in the region.

The new learning hub is the first phase of the new Energy Central Campus and will be located on the river close to the Port's South Harbour terminal. A landmark modern development, the building will offer high quality training rooms and workshops, STEM teaching areas, a conference space and an offshore wind visitors centre featuring exhibition space and a viewing terrace of the Blyth Offshore Demonstrator Wind Farm.

The Energy Central Learning Hub will expand and complement the Port's current training facilities in the existing, adjacent building. This means the Port can provide training for more people as well as covering a wider variety of activities and teaching methods.



STAKEHOLDERS

As one of the UK's largest Trust Port's, Port of Blyth is responsible to a huge range of stakeholders including the local community, staff, commercial and leisure port users and the wider region.



Annual Community Photography Competition entry

A PORT FOR THE COMMUNITY

The Port of Blyth continued to host consultations wherever possible in 2021 with a variety of bodies and organisations. For the second year in a row the Port's Annual Public Meeting was held online and was extremely well attended by a range of stakeholders. The meeting enables the Port to transparently present its performance from the previous year including financial results, whilst also providing stakeholders with an open channel to our board and management.

The Port User Liaison Group also met online, allowing for the sharing of information and consultation on a range of issues. The Port also continued to work closely with a wide range of public and private sectors organisations both locally and nationally in an effort to promote the Port and common interests.

The Port's popular Annual Community Photography Competition attracted hundreds of high-quality entries and was won by Ron Dobson's evocative image 'Working Boats'.

REGIONAL HOME FOR STEM

In 2021, the Energy Central partnership successfully attracted the majority of funding required for the brand-new Energy Central Learning Hub building, with investment secured from the North of Tyne Combined Authority, Northumberland County Council and Blyth's Town Deal submission to central Government. The building will serve as a training and visitor centre for the UK offshore wind

sector, featuring high spec conferencing facilities and extended provision for region-wide STEM activity. Construction of the £10m+ development is expected to commence in the summer of 2022.

Despite the pandemic, the Port-supported Blyth STEM Hub continued to develop and inspire the engineers of the future via a large quantity of interactive online sessions whilst also growing relationships with local education providers and commercial bodies. Plans were put in place for the STEM Hub to be brought into the Energy Central partnership to enable it to become a true regional resource for offshore energy related STEM activity.

SPONSORSHIP & COMMUNITY SUPPORT

The Port continued its support for charities and initiatives in 2021, with a particular focus on those who promote health and welfare, community cohesion, maritime heritage and the advancement of marine engineering related learning.

Support for the Blyth Tall Ship Project was maintained during the year, as it continued to provide opportunities for local young people not in employment, education or training despite the pandemic. The refurbishment of its very own tall ship, the Williams II, continued while numerous other projects and partnerships created meaningful outcomes.

The Port continued as a leading sponsor of the town's National League North football club Blyth Spartans AFC, but despite the best efforts of all partners, both Blyth Running Club's popular

Port of Blyth 10k and Blyth Town Council's free Northumberland Live music festival were cancelled in 2021 due to the pandemic. As the title sponsor for both events, Port of Blyth looks forward to seeing both take pride of place in South East Northumberland's event calendar in 2022.

For its Christmas appeal in 2021, the Port again partnered with Blyth Town Council and other local organisations to deliver 'Operation Elf', a wide-reaching programme to support families in Blyth living in extremely challenging circumstances over Christmas. Community based groups based near to the Port's four terminals continued to receive financial and in-kind support from the Port.

NON COMMERCIAL PORT ACTIVITY

Blyth Harbour Commission continued to provide safe navigation on the river as a statutory trust. It provided support for a sizeable fishing fleet as well as the RNLI, the Royal Northumberland Yacht Club, a university research vessel and many other leisure craft.

In addition to the many seaborne visitors to the Port, the estuary also attracts many anglers, water sports enthusiasts, walkers and other visitors who enjoy access to the river.

**SUPPORTING INITIATIVES
THAT PROMOTE HEALTH
AND WELFARE, COMMUNITY
COHESION, MARITIME HERITAGE
AND THE ADVANCEMENT OF
MARINE ENGINEERING RELATED
LEARNING, REMAINED A KEY
PRIORITY FOR THE PORT IN 2021**



THE FUTURE

Following record financial performance in 2021 despite ongoing challenges around covid and Brexit, the Port continues to look forward with a great degree of optimism.

With the Government committed to significant investment in renewables energy up to 2030 and beyond, the Port expects this to remain the core trade sector for the foreseeable future. Blyth is already established as one of the major offshore renewable energy bases for the UK and has significant short-term prospects as well as into the longer term.

Such prospects have been strengthened through our Energy Central partnership with Northumberland County Council, ORE Catapult and Advance Northumberland, with high profile announcements related to the development of factories for Britishvolt (car battery manufacture) and JDR Cable Systems (offshore wind cable manufacture). These nationally significant strategic investments are expected to prove a major boost to the Port and wider region for decades to come, creating trade and welcome new jobs. These developments and others on the north side of the Blyth Estuary will also be served by a new deep-water quay, which is close to completion on Advance Northumberland's Northumberland Energy Park site.

Our main port terminals will continue to serve expanding trade from existing customers in the offshore energy sector, including Battleship Wharf which will be directly linked to the Northumberland Energy Park facilities to provide additional flexibility. The busy South Harbour terminal is also focused on offshore renewables and includes

the operations and maintenance base for the EDF Renewables Blyth Offshore Demonstrator Wind Farm. EDF are planning a second phase of development of this wind farm to include demonstration innovative floating offshore wind technology. As a result, it is hoped that the existing operations and maintenance base will be expanded to support this development.

Despite a rapid expansion of the Port's customer base and vessel activity, there remains opportunity for further growth, particularly at the relaunched Bates Clean Energy Terminal which will complete a major regeneration programme in late 2022. This includes a new heavy lift quay, together with our first electric heavy lift crane and 7 hectares of adjacent land primed for development. The site is now also linked through to the Offshore Renewable Energy Catapult, offering opportunities for collaboration and innovation within the low carbon sector.

Although the Port is recognised for its links to renewable energy, future growth in other sectors is also anticipated with opportunities identified for an expansion in dry and liquid bulks, together with container handling. Our subsidiary activities, Transped and PTS, also have ambitious growth plans, not just around the Blyth Estuary, but also on a national and international basis. This will ultimately help to provide long term sustainable growth through an expanding, varied and robust trade base. Alongside an expansion of trade and activity, the Port has a firm

AS A SUCCESSFUL TRUST PORT,
WE ARE FOCUSED ON DELIVERING
FUTURE ECONOMIC GROWTH AND
JOBS AROUND THE BLYTH ESTUARY

commitment towards decarbonisation including support the Government's Maritime 2050 strategy, focused on developing a carbon neutral maritime sector.

Significant opportunities exist on Bates Clean Energy Terminal to achieve low carbon operations with building heating from renewable sources being investigated together with solar and other renewable energy opportunities. This will be widened out across the rest of the Port alongside a drive towards electrification of plant from heavy lift cranes to forklifts and other vehicles.

As a Trust Port, we are of course also committed to continue providing benefits to our wider stakeholders including community focused initiatives. These include further support for training and STEM education including the development of the Energy Central Learning Hub building for the benefit for all across the region. We will also continue to ensure our other public access facilities remain open for the enjoyment of local communities.

In summary, as a successful Trust Port, we are focused on delivering long term future economic growth and jobs around the Blyth Estuary whilst maximising benefits overall to our wide range of stakeholders on a national, regional and local basis.



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