

#KEEPINGFREIGHTMOVING



ANNUAL REPORT

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**SOUTH
CAROLINA
PORTS**

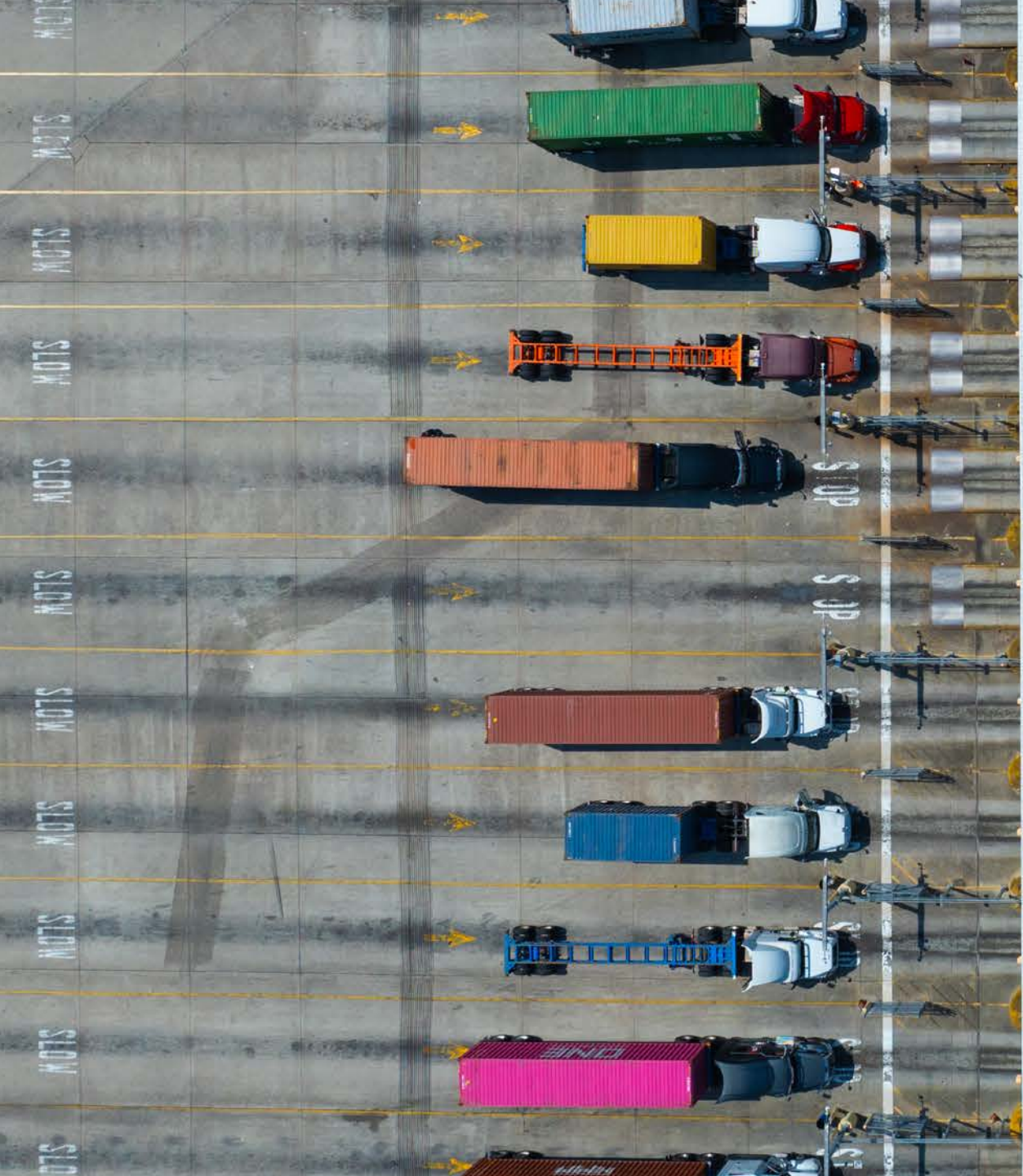
KEEPING FREIGHT MOVING

24

**BOLD INVESTMENTS.
BIG IMPACTS.**

SCSPA.COM





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Letter From The CEO

SC Ports remains focused on what we do best – efficiently moving cargo and being a superior supply chain partner.

BARBARA MELVIN
President & CEO



South Carolina Ports is a highly productive port in the booming Southeast market, and we see big opportunities on the horizon as we continue growing as a top 10 U.S. container port.

Our commercial team is seeing big wins in the retail, manufacturing, food and resin markets as they attract new business and support longtime customers – all of which boosts cargo volumes.

Our engineering team is building critical port infrastructure to support customer growth, and our finance team is strategically planning for our future. Our IT and Port Police teams are keeping us safe and secure.

Our operations team – which is at the core of everything we do – continues to deliver excellent port service to our customers. Alongside our maritime partners, they quickly work ships and efficiently move cargo, while our inland port teams handle record rail moves.

We have the best port team and maritime community in the country, and I am immensely proud of the work we do together on the waterfront. We are further strengthening these partnerships through a new agreement with the International Longshoreman's Association.

This agreement ensures long-term stability and competitiveness for the Port of Charleston, with a trained, experienced and blended workforce across all SC Ports' terminals.

The agreement enables us to reopen Leatherman Terminal – a paramount step to further support South Carolina's economy and the U.S. East Coast port market.

The pace of growth in the Southeast requires that we always keep an eye to the future. With the state's support, we purchased a 280-acre industrial property to expand and upgrade the adjacent North Charleston Terminal, enabling it to handle 5 million TEUs in the future.

The future expansion of North Charleston Terminal – combined with an already modernized Wando Welch Terminal and a reopened Leatherman Terminal – will bring SC Ports' overall capacity to 10 million TEUs in Charleston Harbor.

Along with a 52-foot-deep harbor, SC Ports is well-positioned to handle the significant industry and population growth occurring in the Southeast.

We are building more rail infrastructure and a stronger intermodal network to support this growth. The expansion of rail-served Inland Port Greer is nearing completion, equipping it to handle double the amount of cargo. Significant construction progress has been made on the Navy Base Intermodal Facility, which will bring near-port rail and faster logistics to the Port of Charleston.

We found a new way forward for Union Pier Terminal. We are selling the terminal to a buyer whose vision for the site aligns with the city and the community.

SC Ports remains focused on what we do best – efficiently moving cargo and being a superior supply chain partner. Companies and communities depend on us every day to get their goods. And all of this drives growth and creates jobs around our state. Port operations support more than 260,000 jobs in South Carolina.

With the support of Governor Henry McMaster, the SC Legislature and Congressional delegation, and SC Ports' Board of Directors, we have planned well for the future. Together, with our maritime partners, SC Ports will continue growing as the preferred port on the U.S. East Coast, creating generational opportunities for thousands of South Carolinians.

Letter from the Chairman

South Carolina Ports is a tremendous asset for our state that drives economic growth.

South Carolina companies have a distinct competitive advantage by having the 8th busiest U.S. container port in their backyard.

With direct connections to global markets, SC businesses can quickly receive imported goods to stock shelves or run manufacturing facilities, and seamlessly export finished products to international customers.

SC Ports efficiently moves goods for advanced manufacturers, automakers, tire producers, mega retailers, agricultural producers, and big and small businesses alike throughout our state and beyond.

By providing efficient port service, SC Ports serves as an integral supply chain partner for thousands of companies. This creates good-paying jobs for South Carolinians and attracts new investments and expansions to our state.

A great deal of South Carolina's economic success is connected to our world-class port system, and this is a direct result of the strategic investments being made into port infrastructure.

The SC Ports' leadership team and Board of Directors work in partnership with Governor McMaster, the SC Legislature and our Congressional delegation to ensure that the right capacity comes online as the market demands it. This requires strategic thinking and bold vision, and it generates generational successes.

Together, our investments have yielded highly productive port operations and the deepest harbor on the U.S. East Coast at 52 feet.

We are reopening Leatherman Terminal, planning to expand North Charleston Terminal and further modernizing Wando Welch Terminal. These combined projects will total 10 million TEUs of capacity in Charleston Harbor, which makes us extremely competitive in the Southeast port market.

We are also greatly enhancing our rail network by expanding Inland Port Greer in the Upstate and building the rail-served Navy Base Intermodal Facility near the Port of Charleston. These projects will allow us to move more cargo, more efficiently for our customers.

These successes are possible because of the support of our elected leaders and the great work done every day by the port team and our maritime community. The Southeast is booming, South Carolina is growing, and South Carolina Ports is well-positioned to support this growth for the benefit of all.

The SC Ports team and overall maritime community continue to support South Carolina's booming economy.

BILL STERN
Board Chairman



South Carolina's port system is a cornerstone for businesses across our state, generating new investment, good-paying jobs and economic prosperity in our communities. With the support of our state, South Carolina Ports proactively invests in critical infrastructure to stay ahead of demand, ensuring our economy continues to thrive.

When our port succeeds, South Carolina succeeds.

HENRY MCMASTER
South Carolina Governor

Board of Directors



BILL STERN
Chairman



DAVE POSEK
Vice Chairman



KURT GRINDSTAFF
Treasurer



WILLIE "COACH" JEFFRIES
Secretary



WHIT SMITH



PAM LACKEY



MARK BUYCK



BILL COATES



FELICIA HOWARD

OUR MISSION

SC Ports promotes, develops and facilitates waterborne commerce to meet the current and future needs of its customers, and for the economic benefit of the citizens and businesses of South Carolina.

Leadership

SC Ports has a diverse and experienced leadership team working to ensure SC Ports continues to thrive as a top 10 U.S. container port.



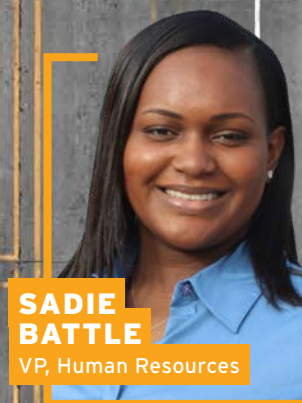
BARBARA MELVIN
President & CEO



BYRON MILLER
Chief Commercial Officer
& VP, Marketing



PHILLIP PADGETT
Chief Financial Officer
& VP, Administration



SADIE BATTLE
VP, Human Resources



JOEL BRITT
VP, Terminal Operations



STEVE KEMP
VP, Intermodal, Chassis
& Operations Project



WALTER LAGARENNE
VP, Engineering
& Facilities



SAM MOORE
VP, Equipment
Maintenance



TATE ZEIGLER
VP, Federal and State
Government Strategy



STEVE RAUCH
VP, Information
Technology



BRENT SIMON
VP, Chief of Port Police



JORDI YARBOROUGH
VP, Statewide
Stakeholders & Local
Government Engagement

The SC Ports' leadership team brings decades of knowledge and expertise to their roles. Alongside the Board of Directors, the SC Ports team works every day to fulfill the port's mission of supporting commerce and creating jobs around the state by delivering excellent port service and planning strategically for the future.

BILL STERN
Board Chairman

Financials

CONDENSED STATEMENTS

JUNE 30, 2024 & 2023 | IN THOUSANDS

	FY 2024	FY 2023
ASSETS		
Current assets	\$ 522,949	\$ 618,199
Non-current assets	2,260,465	2,045,929
Total assets	2,783,414	2,664,128
Deferred outflows of resources	85,519	100,016
Total assets and deferred outflows of resources	\$ 2,868,933	\$ 2,764,144
LIABILITIES		
Current liabilities	\$ 134,542	\$ 124,496
Non-current liabilities	1,678,635	1,709,979
Total liabilities	1,813,177	1,834,475
Deferred inflows of resources	41,306	48,855
Total liabilities and deferred inflows of resources	\$ 1,854,483	\$ 1,883,330
NET POSITION		
Invested in capital assets, net of debt	\$ 814,024	\$ 584,756
Restricted for debt service, net of debt	41,910	41,109
Restricted for capital projects	10,000	-
Unrestricted	148,516	254,949
Total net position	\$ 1,014,450	\$ 880,814
Total liabilities, deferred inflows of resources & net position	\$ 2,868,933	\$ 2,764,144

REVENUES / EXPENSES / CHANGES IN NET POSITION

JUNE 30, 2024 & 2023 | IN THOUSAND

	FY 2024	FY 2023
Operating revenues	\$ 404,003	\$ 448,508
Operating expenses	406,285	397,975
Operating (loss) income	(2,282)	50,533
Non-operating revenues, net	124,485	12,956
Excess revenues over expenses before capital contributions	122,203	63,489
Capital contributions and special items	11,433	3,754
Contribution of property from the State of SC for NBIF	-	41,103
Contribution from SC Department of Commerce for BMW expansion	-	17,379
Change in net position	\$ 133,636	\$ 125,725
Beginning of year	880,814	755,089
End of year	\$ 1,014,450	\$ 880,814

CASH FLOWS

JUNE 30, 2024 & 2023 | IN THOUSANDS

	FY 2024	FY 2023
Cash flows from operating activities	\$ 104,120	\$ 167,124
Cash flows from investing activities	33,573	11,261
Cash flows from non-capital financing activities	152,293	45,262
Cash flows from capital and related financing activities	(388,298)	(202,760)
Change in net position	\$ (98,312)	\$ 20,887
Beginning of year	540,296	519,409
End of year	\$ 441,984	\$ 540,296

Economic Impact

Having a top 10 U.S. container port in South Carolina attracts companies to invest in our state and create jobs in our communities. SC Ports is proud to propel our state's economy.

\$87B ↗ 37%
ECONOMIC IMPACT

Upstate	\$44.0B
Midlands	\$22.3B
Lowcountry	\$10.7B
Pee Dee	\$9.7B

1 in 9 ↗ 23%
JOBS SUPPORTED

Upstate	132,082
Midlands	66,785
Lowcountry	32,214
Pee Dee	28,939

\$1.5B ↗ 36%
SC TAX REVENUE

\$17.6B ↗ 38%
LABOR INCOME



SC Ports serves as a critical supply chain partner to port-dependent businesses, helping to create opportunities for thousands of South Carolinians. We are a port for the entire state, and you can see that impact in every region with new investment and high-paying jobs.

BARBARA MELVIN
President & CEO

Study conducted by Joseph C. Von Nessen, Ph.D.

Annual Volumes

SC Ports saw steady container volumes in fiscal year 2024 amid softened consumer spending. Intermodal cargo grew substantially, with both rail-served inland ports posting impressive, record-breaking volumes. Future cargo demand projections remain strong as the Southeast market is expected to grow nearly two times above the national average over the next 20 years.

Container volumes were steady at the Port of Charleston in fiscal year 2024.

TOTAL FY24 TEUS

2,496,899

INLAND PORT RAIL LIFTS

230,407

BREAKBULK TONNAGE

845,147

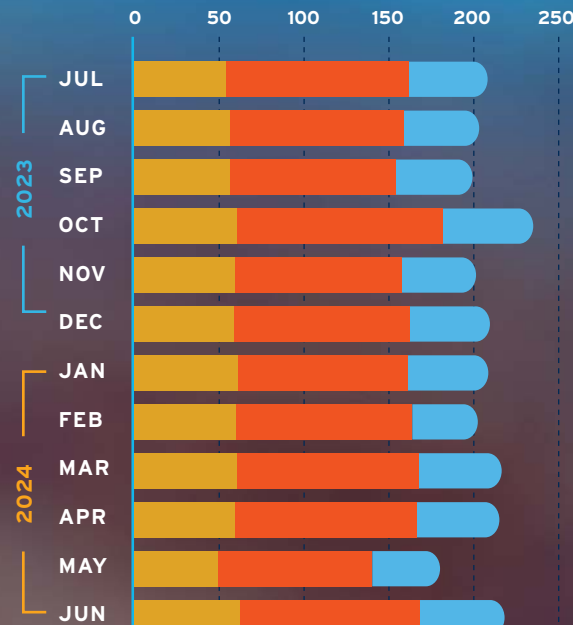
FINISHED VEHICLES

210,817

CRUISE PASSENGERS

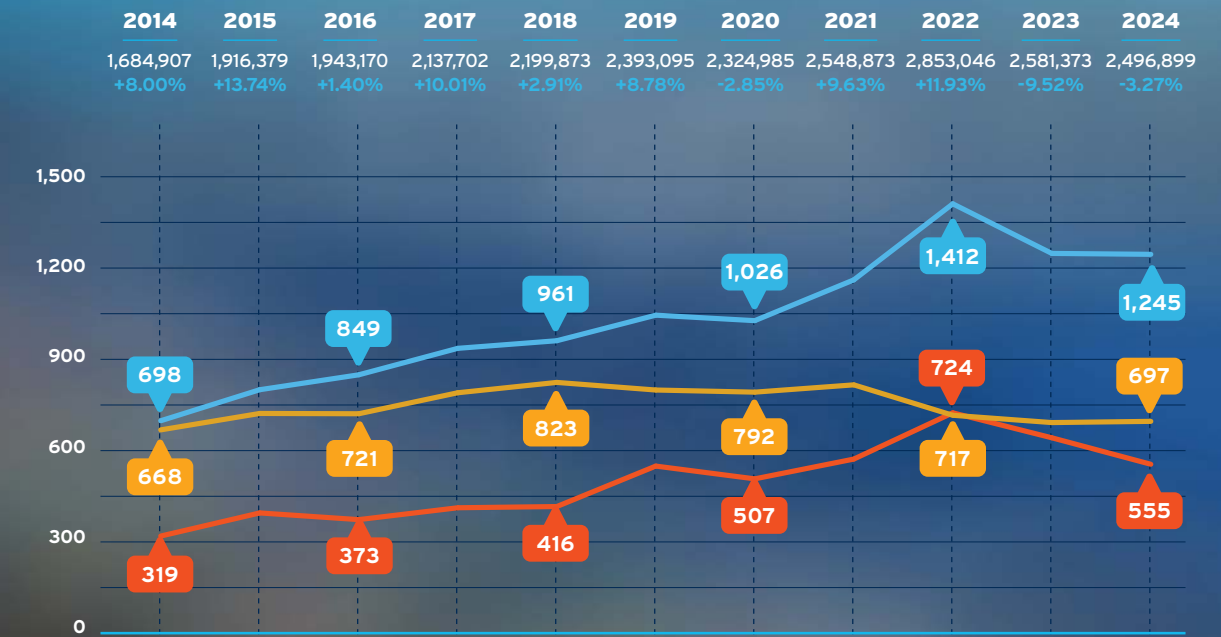
295,624

MONTHLY TEU VOLUME



ANNUAL TEU VOLUME

IMPORT EXPORT EMPTY





Capital Expenditures

SC Ports is actively building port capacity and rail capabilities to support the Southeast's economic growth. Fiscal year 2024 saw \$296 million in strategic investments that will ensure we continue providing highly productive, reliable service to port-dependent businesses.

01

NBIF
\$110 MILLION

The Navy Base Intermodal Facility will soon make SC Ports fully rail capable, enabling imports and exports to move swiftly between the Port of Charleston and inland markets. The rail-served cargo yard is taking shape. Site prep is nearly complete, and new track is being installed. Within the facility, six rail-mounted gantry cranes will move containers on and off CSX and Norfolk Southern trains, efficiently speeding goods to market.

02

**N. CHARLESTON
EXPANSION**
\$105 MILLION

With state support, SC Ports purchased the former WestRock paper mill site in North Charleston to further expand capacity at the Port of Charleston. The roughly 280-acre industrial property abuts North Charleston Terminal, serving as a catalyst for expansion and modernization of the container terminal. This additional land will expand the terminal's capacity to handle 5 million containers annually and create 5,000 linear feet of berth space to work more container ships.

03

**INLAND PORT
GREER EXPANSION**
\$31 MILLION

The ongoing expansion of Inland Port Greer will yield doubled cargo capacity and enhanced rail capabilities, allowing more goods to efficiently move on trains to and from the Port of Charleston and onto inland markets. More than 9,000 feet of new processing and storage tracks have already been installed. In fiscal year 2024, work included expanding the container yard, doubling existing chassis yard capacity and building new facilities for the operations and maintenance teams. When the project wraps in June 2025, shippers will benefit from increased reliability and fluidity in their supply chains.

04

**ADDITIONAL
INVESTMENTS**
\$50 MILLION

SC Ports continues to modernize its terminals and facilities. Highlights include a submerged steel sheet pile toe wall at Wando Welch Terminal that will preserve a 54-foot depth for vessels, continued expansion of Leatherman Terminal and resiliency measures to enhance operations at Columbus Street Terminal.

Delivering For The Future

SC Ports is on the cusp of having 10 million TEUs of capacity in Charleston Harbor and an enhanced intermodal network throughout the state to provide superior port service.

SC Ports is adding capacity and efficiency at all three container terminals. With great support from our state, SC Ports purchased a 280-acre industrial site that abuts North Charleston Terminal. We plan to modernize and expand the existing terminal, enabling it to handle 5 million TEUs annually. The terminal will have 5,000 feet of linear berth space – capable of working three large container ships at once.

The expansion and modernization effort will be strengthened by two complementary infrastructure projects. The U.S. Army Corps, Charleston District plans to deepen this stretch of the Cooper River to 52

feet to match the rest of the harbor. The SC Department of Transportation is working to replace the Don Holt Bridge with a taller bridge that will allow the biggest ships to sail underneath it.

These efforts will yield a state-of-the-art terminal on par with Leatherman Terminal and Wando Welch Terminal, which have big-ship capabilities and a combined future capacity of 5 million TEUs.

These projects, when combined with existing facilities, will total 10 million TEUs of capacity in Charleston Harbor, strengthening SC Ports' competitiveness in the Southeast port market.

Alongside terminal infrastructure, we are extending our intermodal networks with our rail partners to deliver more efficient, reliable service to our customers.

We are expanding rail-served Inland Port Greer to handle double the cargo and more trains. This inland port is strategically located in the Upstate along Interstate 85 between the Charlotte and Atlanta markets.

On the heels of this expansion, we will open the Navy Base Intermodal Facility in North Charleston, thanks to the support of our state leaders. This rail-served cargo yard will create a critical connection between the Port of Charleston and our inland port network.

A one-mile dedicated drayage road will be used to truck cargo to and from Leatherman Terminal, and a future barge will transport containers between Leatherman and Wando Welch terminals. CSX and Norfolk Southern will move containers between the near-port rail facility and inland destinations.

These rail-served facilities will provide more rail capacity for the Southeast port market and further support our customers' supply chains.

We have seen the growth happening in the Southeast, and we are actively investing in port infrastructure and rail connections to support it. Together, these investments lay the groundwork for future economic growth in South Carolina as we continue growing as a top 10 U.S. container port.


BARBARA MELVIN
President & CEO








Environmental Initiatives


RECENT AND ONGOING EFFORTS:

 In fiscal year 2024, SC Ports finalized a 100-acre land sale to Berkeley County, a final step towards protecting 2.5 miles of shoreline on Daniel Island, along the Cooper River. Since 2016, SC Ports has helped preserve more than 3,000 acres of land.

 SC Ports continuously monitors air quality on and around terminals to reduce emissions for our communities.

 SC Ports has deployed 40 hybrid rubber-tired gantry cranes (RTGs) and 25 electric ship-to-shore cranes, with two additional hybrid RTGs at Inland Port Greer scheduled to be in service fall 2024.

 Customers utilizing rail and our inland ports see up to 90% reduction in emissions.

 SC Ports helped to successfully restore two important ecosystems within Charleston Harbor by renourishing Crab Bank to recreate a seabird sanctuary, and reverting 22 acres of Drum Island back into salt marsh for birds, fish and marine life species to thrive.

Reducing emissions, preserving shoreline, and investing in greener technology are all part of SC Ports' efforts to mitigate our environmental impact.

As we grow, so will our efforts to create lasting environmental success for our present and future generations.

Community Giving

SC Ports commits to being a strong community partner and neighbor.

SC Ports awarded a record amount of funding to a record number of nonprofits around the state in fiscal year 2024.

The Community Giving Program helps fulfill SC Ports' mission of positively impacting communities across the state. The funding supports initiatives related to maritime commerce, economic development, environmental awareness, community outreach, educational initiatives and workforce development efforts.

AWARDED IN FY24

\$253,000

NONPROFITS SUPPORTED IN FY24

116

AWARDS SINCE THE PROGRAM'S INCEPTION

\$1.2M

SC Ports' Port Ambassador Program gives a behind-the-scenes look into how the port works and the significant impact it makes on South Carolina's economy.

Port Ambassadors spend the year touring port operations and hearing from elected leaders, port customers and port teammates. The program is designed to increase public awareness and educate community leaders about the port.

Since 2016, more than 190 ambassadors have graduated, with 31 ambassadors graduating in last year's class.

2023-2024

Port Ambassadors

TRENT ACKER

Duke Energy Carolinas

TONY ALLEN

SC Department of Commerce

QUINN BALDERSON

Choate Construction Company

JESSICA BRIGHT

Emerge South Carolina

GEORGE DRUYOS

Berkeley Habitat for Humanity

BARNWELL FISHBURNE

Fishburne & Company Development Corporation, SC Department of Transportation

EDWARD FRAZIER

SC Treasurer's Office

ANTHONY GIBSON

Sumter City Council, Grace Cathedral Ministries

HAMILTON GRANT

Grant Business Advisors

THERESE GRIFFIN

Dominion Energy South Carolina

LIZ GRIFFITH

International Transportation Innovation Center

TAYLOR GROOMS

Grooms Law Firm

NATALIE HAM

Charleston County

MARK HARMON

Harmon Consulting

TIM HARPER

Dillon County

RICK HAVEKOST

RDBP, Inc., Mickey Finn's

BILL HEARN

Dorchester County, William Hearn Law Firm



NIKKI HUBER

Bridge Public Strategy Group

KRISTEN LANIER

Terracon Consultants, Inc.

ROB LAPIN

Trinity Partners

AMANDA LOVEDAY

NP Strategy

KELLY MOORE

SC Department of Transportation

KEN NAGEL

Thomas & Hutton

MIKE NICKEL

Choate Construction Company

SERGEY PONOMAROV

The Citadel

ALISON RAFFETY

Mercedes-Benz Vans

DAWN ROBINSON

Pinnacle Financial Partners

AMY SARTAIN

SC Council for Competitiveness

JESSICA TAKACH

United Community Bank

DILLON SWAYNGIM

Colliers International

ERIC WOODS

Palmetto Grain Brokerage

SC Ports plays a pivotal role, well beyond the Port of Charleston, in supporting South Carolina's growing economy.

SEN. LARRY GROOMS

Chairman of the SC Senate Transportation Committee and the Review and Oversight Commission on the SCSPA



Strategic Priorities

Our strategic priorities and port values drive the work we do every day. In partnership with the broader maritime community, SC Ports delivers highly productive, reliable port service to our customers.

01

Advance operational excellence

02

Grow and anchor our cargo base

03

Deliver critical infrastructure

04

Care for our port team members and maritime community teammates

Port Values

SAFE & SECURE

- Adaptability
- Business Minded
- Customer Focus
- Decisiveness
- Enthusiasm
- Faith in Each Other

We consistently invest in our infrastructure, operations and people to remain competitive as a top 10 U.S. container port. We always strive to provide an enhanced product to our customers, serving as the preferred port on the U.S. East Coast.

BARBARA MELVIN
President & CEO

