

WELLINGTON
AIRPORT



WELLINGTON AIRPORT
KAITIAKITANGA REPORT 2023

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At Wellington Airport we are deeply conscious of our responsibilities to our people, community, and wider environment. Our Kaitiakitanga work programme embeds this into everything we do.

For us, it is more than just talk. We have a range of specific targets for reducing our environmental footprint, and we measure and report our performance annually.

Reducing our footprint is an essential challenge of our business given how vital aviation is to Wellington and New Zealand.

As the international gateway for central New Zealand, we connect people with loved ones and support thousands of businesses across our region. In a typical year Wellington depends on its airport for 11,000 jobs, \$2.2 billion in economic output, and six million passenger journeys.¹

Each of those numbers has a personal story behind it, whether it be grandparents seeing their grandchildren for the first time, or people attending weddings, funerals, or job interviews.

That's why we are determined to support these connections and meet growing demand while reducing our footprint at the same time.

At the heart of this plan is a target of net zero emissions for our own operations by 2030 and supporting airlines to reach their own ambitious net zero goals.

We are also aiming to reduce our operational waste to landfill and potable water use by 30% by 2030.

Expanding the airport over time as passenger demand increases is vital to much of this work. Extra operating space will allow us to replace our gas boilers and cater for new and sustainable forms of aviation.


There is still much more work to be done, but this report outlines how we are tracking so far.

1. Prior to Covid-19. This includes operating and capital expenditure, spending of international visitors and students, and the operation of businesses associated with the airport. Source: BERL.

OUR TARGETS



**NET ZERO
BY 2030**



**30%
WASTE AND WATER
REDUCTION BY 2030**



Wellington Airport rated third best in world for airport sustainability

Wellington Airport scored highly for sustainability in an independent global assessment last year, rated third in the world for participating airports in 2022.

The assessment was carried out by GRESB who rate the performance and management of environmental, social and governance (ESG) efforts of companies worldwide.

Wellington Airport scored 98 out of 100, ranking 23rd in total out of 649 entities across a range of industries.

We were proud to be rated first in the world amongst airports for ESG performance and first equal amongst all industries. The airport has also achieved a 5-Star GRESB rating for the first time, recognising entities in the top 20% of the benchmark.



Wellington Airport has a goal of net zero emissions from our operations by 2030 and absolute zero (no carbon output at all) by 2050. While ambitious, these align with many airports and airlines around the world and reflect the likely timeframes for changes in aviation technology.

In 2018 we set a goal of reducing our direct emissions 30% in absolute terms by 2030.² We have achieved that already (down 39% since 2017) and while this is largely due to Covid-19, it is also due to significant permanent changes outlined in more detail in this report.

Our plan now is to decouple emissions from the expected strong growth in travel so that we continue this downward trend and reach net zero emissions by 2030.

We'll achieve this by:

- Tracking against transparent, science-based targets.
- Reducing overall energy use.
- Replacing our gas boilers and moving to 100% renewable energy sources.
- Electrifying our vehicles.
- Offsetting any residual emissions.

2. From a 2017 baseline



Photo by Mark Tantrum

OUR PATHWAY TO NET ZERO³



3. FY19 staff travel emissions have been assumed for FY23 going forward. This is due to the unpredictable levels of staff travel bookings and anticipated absence of covid restrictions from FY23 forward. The 2022 electricity emissions factor of 0.107kg/ kWh has been applied to offset electricity from FY23 onwards, to demonstrate the levels of emissions that will be mitigated through WIAL's participation in the NZECS scheme. This emissions factor is likely to decrease over time due to improvements in renewable energy generation in the NZ grid. Future electricity use is calculated through adding variable fluctuations based on forecast passenger numbers to baseline consumption assumptions. Future natural gas use has a predicted largely fixed consumption, which has been projected to be 2,250,000kWh through until FY29 (expected boiler replacement).

Tracking against transparent, science-based targets

Wellington Airport continuously monitors the emissions generated from our airport precinct, including the operation of our own infrastructure, electricity use and processes.

These emissions fall under three categories: Scope 1, Scope 2 and the Scope 3 emissions we have immediate control over.

Our emissions baseline was identified and set by Beca and published in the *Wellington International Airport Limited FY17 Organisational Carbon Report*, published in April 2017. Since then we have published and tracked these targets in our annual Kaitiakitanga report.

In December 2022 we achieved Airport Carbon Accreditation (ACA) Level 2 certification which requires reporting of verified Scope 1 and Scope 2 emissions. As part of this process, our 2017 baseline and 2022 emissions reporting were verified by Toitū Envirocare.⁴

SCOPE 1
Emissions we own or control directly
 Inclusions: Terminal natural gas, ground fleet fuel, emergency generators

SCOPE 2
Emissions caused indirectly from the generation of energy we purchase and use
 Inclusions: Electricity

SCOPE 3
Emissions from sources not owned or controlled by us, but created by our activities
 Inclusions: Staff travel⁵

4. Toitū provides emissions reporting verification and benchmarking in New Zealand and internationally, and is a wholly owned subsidiary of Manaaki Whenua – Landcare Research, a Government-owned Crown Research Institute.

5. We will shortly commence reporting on our wider Scope 3 emissions, including land transport access to the Airport, embodied carbon and airline emissions.



Photo by Scott Boardman



Photo by Jess Dougherty

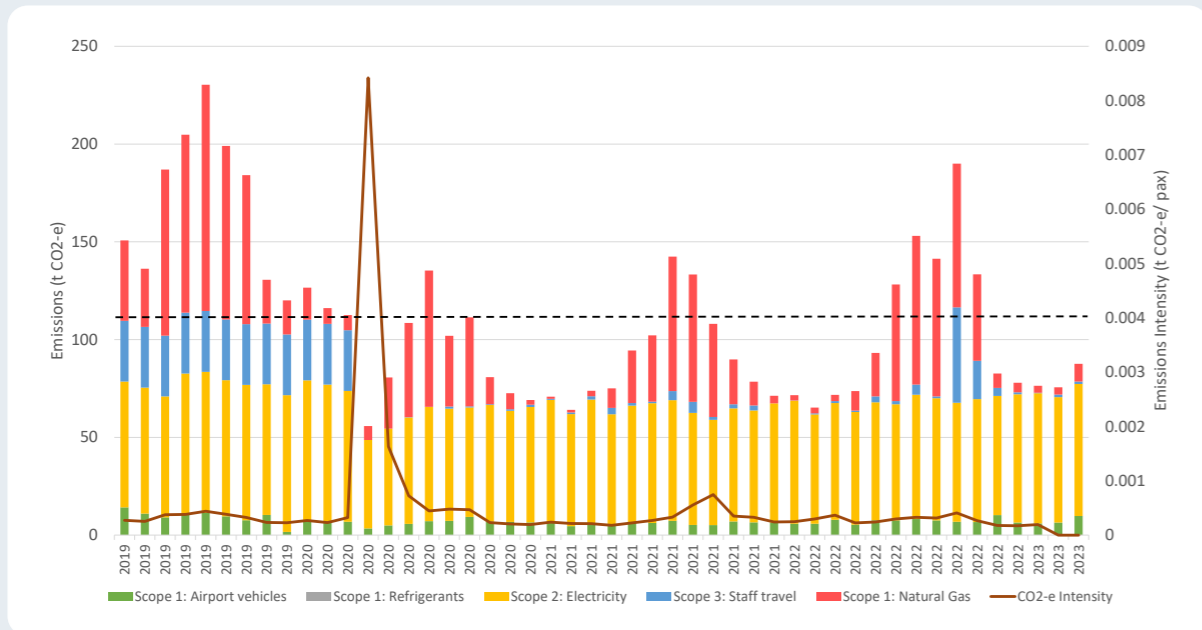
FY17 BASELINE EMISSIONS



FY22 EMISSIONS AT A GLANCE⁶



WELLINGTON AIRPORT CO2-E EMISSIONS, APRIL 2019 – MARCH 2023⁷



6. FY22 emissions have been verified by Toitū as part of the Airport’s ACA Level 2 Verification process.

7. Source: Airport fuel, electricity, gas, refrigerant and staff travel data is collated and MfE supplied emissions are applied to each data set to generate CO2-e emissions totals.

Going forward, we intend to set a Science Based Target for ongoing emissions reduction via the Science Based Targets initiative (SBTi).

This will provide independent verification that our pathway for emissions reduction is in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C and pursuing efforts to limit warming to 1.5°C.

SETTING A SCIENCE-BASED TARGET IS A FIVE-STEP PROCESS:

- **Commit:** submit a letter establishing intent to set a science-based target.
- **Develop:** work on an emissions reduction target in line with the SBTi’s criteria.
- **Submit:** present target to the SBTi for official validation.
- **Communicate:** announce the target and inform stakeholders.
- **Disclose:** report company-wide emissions and track target progress annually.

➔ We will commence this process shortly with a Commitment Letter to SBTi.



Sustainability Linked Lending

To add another layer of accountability to our emissions reduction programme, Wellington Airport has converted \$100 million of existing bank facilities into sustainability linked loans.

It means that Wellington Airport's lending will be charged a lower interest cost and line fee for achieving agreed sustainability goals, and a higher rate if those goals are not achieved.

The four main target areas for Wellington Airport are aligned with its sustainability goals and are:

- Addressing greenhouse gas emissions the airport is directly responsible for (Scope 1 and 2), Science Based Target Initiative (SBTi) validation of reduction

targets and public reporting of Scope 3 emissions.

- Supporting and enabling low-emission commercial flights at Wellington Airport through electric, hybrid and/or sustainable aviation fuelled aircraft.
- Progressing through the internationally recognised Airport Carbon Accreditation programme which runs independent assessments of airports around the world.
- Reducing the level of waste ending up in landfills from our operations.

These targets were externally reviewed and Wellington Airport's performance in meeting the sustainability targets will also be independently verified.



Reducing overall energy use

Wellington Airport has made large strides in reducing our energy use in recent years including:

- **Optimising heating and cooling systems.**
Our project to use energy more efficiently by reviewing our Building Management System and Heating, Ventilation and Air Conditioning systems, has enabled us to reduce our energy usage by 14.7% in our main terminal building.⁸
- **Rolling out LED replacements across terminal and airfield lighting.**
To date, we have replaced around 70% of internal lighting with LED alternatives with a goal of 100%. We anticipate further transition of internal lighting to LEDs as and when existing lighting reaches end of life. We will also begin transitioning external lighting towers to LED systems, with investigation and design work currently underway and a progressive rollout next year.

It is promising that reductions in energy and fuel use over the last few years look to be maintained for the current year, even as passenger numbers recover.

Looking ahead, we are determined to retain efficiencies as much as possible and continue driving our emissions down. In consultation with our airline partners, our future projects include:

- **Continued rollout of building system improvements, LED replacements and electrification.**
- **Replacing our boiler system.**
As a critical part of our 2040 Masterplan developments, we will decouple our heating and cooling plant away from the main terminal by replacing our natural gas boiler, providing a cleaner and more efficient energy source.
- **Reducing vehicle fuel use.**
We will continue electrification of our ground fleet (further detail below).

AS OUR BUILDINGS GROW

Our 2040 Masterplan involves significant expansion to the east, over part of Miramar Golf Course. These expansion plans will help our net zero emissions target as new buildings enable us to consider options such as rooftop solar panels.

While our new buildings will increase our lighting, heating and cooling requirements, our net zero goal remains the same and will be achieved by powering new buildings from renewable sources.

8. Electricity and gas, FY23 vs FY20. This calculation factors in climatic variables.



Renewable energy sources

In addition to reducing our overall energy requirements, we will ensure that virtually all the energy we do use comes from renewable sources. This is important since our plan includes an increase to electricity consumption as we shift away from gas.

To do this our electricity use will be verified by New Zealand Energy Certificate System (NZECS) certificates. These are acknowledged by the Greenhouse Gas (GHG) Protocol Scope 2 Guidance as an acceptable method of reporting Scope 2 emissions, and supported by Toitū in New Zealand for emissions verification purposes.

We will be setting criteria in the procurement of these certificates to ensure transparency and credibility are maintained. In particular, we will ensure the proceeds are allocated to renewable energy infrastructure improvements by our supplier. We will also have a preference for electricity suppliers who possess 100% renewable infrastructure.

This will eliminate our Scope 2 electricity emissions and be a major step towards net zero emissions.

As mentioned above, replacing our natural gas boiler will be another big contribution.

Beyond that, we are actively looking into several other projects which have yet to be fully scoped. These could include a solar PV array, and continual rollout of Greenstar principles as we modernise our terminal. These projects have the potential to further reduce our emissions and even to move the Airport into a carbon negative position.

Electrifying our vehicle fleet

Nearly a third of our ground vehicles have been converted to electric so far with the remainder to be converted over the next few years.

The only exception to this is our Airport Fire Service fleet which has unique technical requirements. Therefore it isn't suitable to begin converting these vehicles yet, although we are keeping an eye on new models which are being developed. Those released to date are hybrids only, and incorporate diesel pumps.

Offsetting residual emissions

In general, we do not want to rely on offsets to achieve our goals. Instead we are prioritising actual reductions in energy use as described above, along with removal of remaining fossil fuel-powered energy sources.

This is evident from the graph on page 8 showing our path to net zero by 2030. By optimising use of gas for heating and cooling (FY22–23 and ongoing), offsetting staff travel (FY23), moving to certified renewable electricity (FY24), electrifying our vehicle fleet (FY23–28) and eliminating reliance on our gas boilers (FY29), we are left with very low residual emissions. These relate solely to emergency diesel generators and the Airport Fire Service fleet.

We will rely on offsets only in the following ways:

- After reducing energy use as much as possible, the low amount of residual emissions from 2028 will be fully offset through the purchase of high quality, internationally recognised carbon removals. In future, we are optimistic about the potential for battery powered backup energy supply and electric heavy vehicles to completely eliminate emissions.

- Staff travel will continue to be offset via Air New Zealand's FlyNeutral programme. This allows us to offset our share of the emissions generated by staff travelling around New Zealand and abroad through the purchase of verifiable carbon credits, meaning that the emissions attributable to staff travel will be equally sequestered or prevented from entering the atmosphere. As our staff travel reporting does not form part of our Scope 1 and 2 emissions we are comfortable with this as an offsetting mechanism, though for residual Scope 1 and 2 emissions we prefer carbon removal mechanisms.

Our long-term goal is to minimise our energy use and emissions so that we no longer need offsets. By 2050 our aim is to reach absolute zero emissions, meaning no carbon output at all.



Reducing our own direct emissions is clearly not enough, given that most aviation emissions come from aircraft rather than airport operations. This is why we are embracing a leadership role to help airlines also decarbonise.

Simply reducing air travel is not practical for New Zealand, given our geography – long, thin mountainous islands, often separated by water meaning there are no easy land transport alternatives. Recent natural disasters have emphasised the crucial role aviation plays in connecting our communities.

Restricting air travel would also lead to extremely expensive airfares with flying reserved for a privileged few. This is why airports and airlines are taking action to ensure we can keep connecting people and destinations while managing our environmental impact.

As a first step, we have worked on initiatives to reduce fuel burn and give Wellingtonians and visitors the most direct, efficient means possible to travel near or far. This has included:

PROMOTING AIRPORT COLLABORATIVE DECISION MAKING (ACDM)

This aims to improve communication between origin and destination airports, to reduce go-arounds, holding patterns and congestion in the air to avoid unnecessary fuel use. It has the potential to save between 6000-9000t of CO2 between Wellington and Auckland alone.

ELECTRIFICATION OF GROUND POWER UNITS (GPUS)

This enables aircraft to rely on ground-sourced electricity to power essential systems while on-stand, rather than consuming fuel through the use of on-board Auxiliary Power Units (APUs).

ELECTRIFICATION OF GROUND SERVICE EQUIPMENT (GSE)

We are providing infrastructure to support ground handling equipment and vehicles, including tugs and airside vehicles, to switch from internal combustion engine vehicles to EVs.

LAYING THE FOUNDATION FOR AIRPORT EXPANSION

More efficient aircraft will be both larger (more efficient on a per passenger basis for existing technology) and smaller (lighter, electric aircraft). Both require more space, as we have a limited number of large aircraft

stands, while electric aircraft will be smaller but more numerous, again requiring more stands. We have commenced planning and land acquisitions for airport expansion to accommodate changing aircraft types and enable flexibility for the future.

PROMOTING MORE DIRECT SERVICES TO WELLINGTON

For current travellers, new more direct services have the potential to reduce their carbon footprint. Flying more directly shortens travel distances, while reducing the number of connections (landing and takeoff) also provides a significant reduction in fuel use. Airlines are investing in new more fuel-efficient aircraft targeting new markets, which will provide a more sustainable option for existing travellers by avoiding the need for a transfer stop. Our goal is to continue seeking new and more direct services to Wellington focused on Australia, the Pacific, Asia and North America.



➔ Electric aircraft

Wellington is uniquely placed to be a leader in electric air travel. At least initially, electric flight will be limited to shorter journeys, which makes Wellington's position at the centre of New Zealand ideal as a hub.

It may be challenging to fly from Hamilton to Christchurch on battery power, but it may well be possible to fly from Hamilton to Wellington, and Wellington to Christchurch. Wellington also hosts a number of short routes across the Cook Strait which have no land-based alternative and are ideal for electric travel.

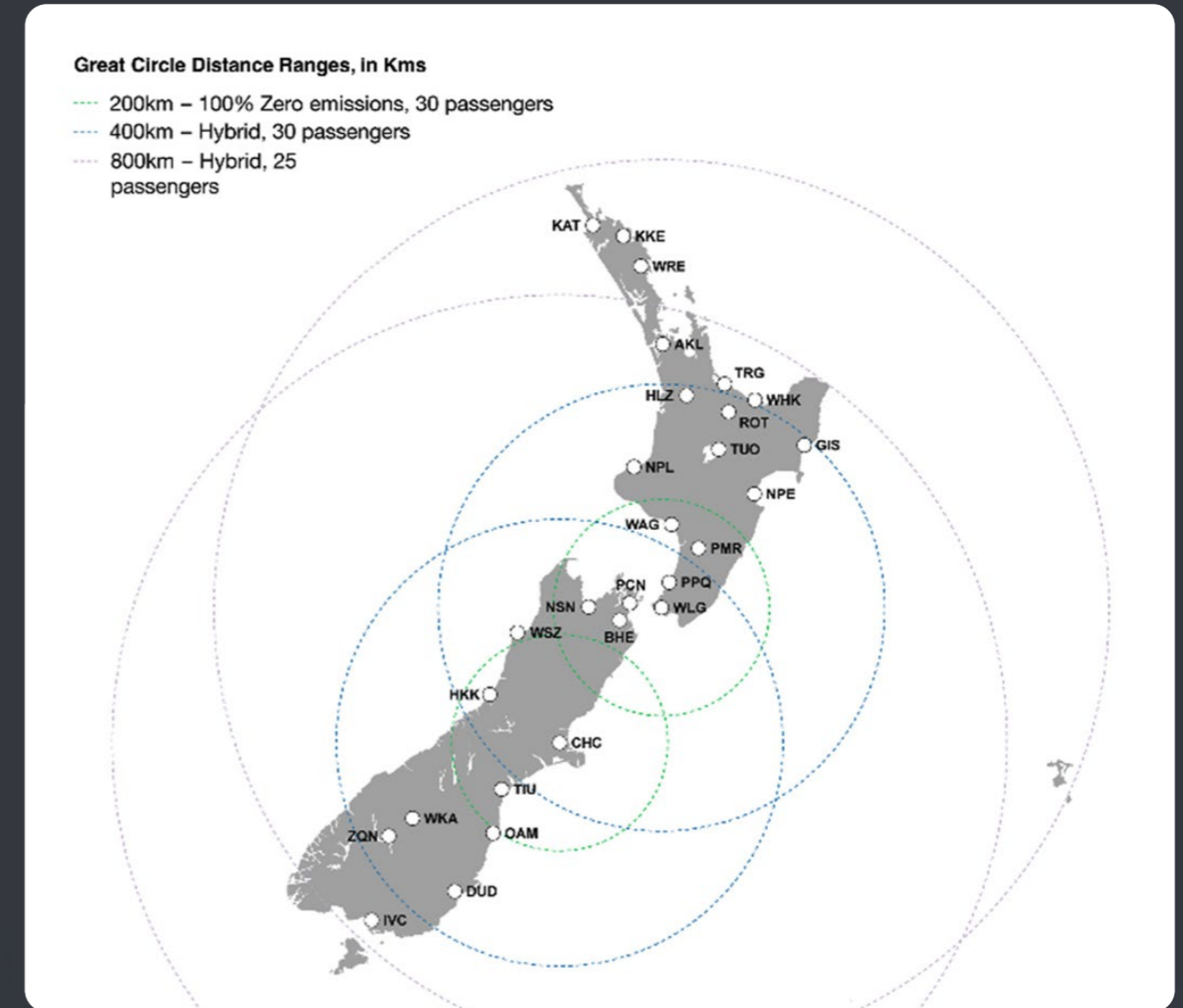
The first electric aircraft with a range of 200 km have the potential to serve 28% of Wellington Airport's flights. We are unique in the large number of short-haul flights which cannot be replaced by land transport, due to the Cook Strait which separates New Zealand's main islands. This 28% of flights relates almost entirely to trips to Nelson, Blenheim and Picton at the top of the South Island.

We hosted our first electric test flight in October 2021 and are looking forward to the commencement of electric passenger services around the end of this decade.

We have also:

- Established a regional Electrification Working Group with airlines and airports.
- Joined an Industry Advisory Group for Heart Aerospace who are developing the ES-30 electric aircraft.
- Completed an initial assessment of our future energy needs and commenced discussion with Wellington Electricity to ensure these will be supported.

We are also developing a detailed electrification plan to ensure our own infrastructure supports electric flights.



The range radius of fully-electric and hybrid electric power train aircraft as stipulated by Heart Aerospace and Soundsair.





Sustainable aviation fuel (SAF)

Airlines will need sustainable alternatives for longer distance (i.e. international) flights. Sustainable fuel technology is available right now, and is in action in parts of the world where governments subsidise fuel production and support airlines (e.g. California).

The New Zealand Government's Emissions Reduction Plan says that a mandatory level of sustainable fuel is a key step in reducing emissions from air travel. This fuel can be used by existing aircraft, or can be blended with other aviation fuel. It reduces life cycle emissions by 80% versus conventional fuel.

We are working toward a SAF trial at Wellington Airport as soon as supply is possible. As airlines scale up their SAF use, or new government requirements come into force, we are ready to enable this with relatively little change in airport infrastructure.

Introduction of SAF is not without challenges. Its cost is currently four to five times that of conventional fuel, and there is no significant SAF production in New Zealand.

Globally, SAF production has only been established where enabled by government support. In order to establish a reliable and cost-effective source, we are engaging in work across the aviation sector and Government to explore tools such as mandates for minimum

use of SAF and policy settings to enable affordable domestic supply.

Air New Zealand and the Ministry of Business, Innovation and Employment have announced investment in two studies to consider the feasibility of SAF production in New Zealand. Proposals from specialists LanzaJet and BioEnergy will be considered as Air New Zealand evaluates the technical, economic, supply chain and environmental feasibility of establishing a SAF facility.

Wellington Airport strongly supports these initiatives and continues to collaborate with industry and government on establishing SAF use in Aotearoa.

Hybrid or hydrogen aircraft

Hydrogen or hybrid hydrogen/electric aircraft are further on the horizon, but airport infrastructure planning takes time and we need to be prepared.

We are working with government and airline partners, and aircraft manufacturers, to understand what these future technologies may look like. Hydrogen produces only water and heat as byproducts, so has the potential to completely eliminate CO2 emissions from air travel. We are also working to establish a hydrogen facility on-site which will initially be used for ground transport.

Working with government and airline partners

We are careful to ensure our planning takes into account the most up-to-date information from the Climate Change Commission, government policy, Emissions Reduction Plans, and airlines' stated intentions. As such, we work closely with the Government and airlines to develop a shared understanding of future technologies and infrastructure needs.

The Government's Emissions Reduction Plan set out a joint government-industry body as another key initiative to work toward reductions in aviation emissions and supply of new fuels. This body, Sustainable Aviation Aotearoa, brings together airports, airlines, other industry participants and government departments to provide strategic direction and coordination on low-and-zero emission aviation.

Wellington Airport is an active participant as this collaboration is critical to achieving the industry's decarbonisation goals. In particular, setting clear reduction targets for domestic aviation will provide much greater clarity around what we need to achieve and how the aviation sector will play its part in reaching net zero emissions.

COMMITMENTS FROM AIRLINES USING WELLINGTON AIRPORT

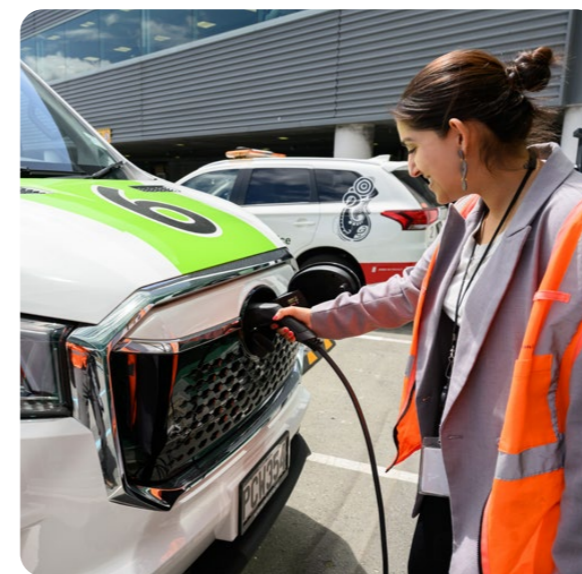
Air New Zealand

- Reduce carbon intensity by 28.9% and absolute emissions by 16.3% by 2030
- Target 10% Sustainable aviation fuel by 2030
- Net zero by 2050

Qantas Group

- Reduce net emissions by 25% by 2030
- Target 10% Sustainable aviation fuel by 2030
- Net zero by 2050

Locky Docks provide peace of mind so people can feel comfortable leaving a bike here while travelling or working here.



Reducing land transport emissions

ELECTRIC BUS SERVICE

In October last year we were proud to welcome the new Airport Express bus service into action.

Ten new purpose-built, fully electric buses make up the Airport Express fleet, which runs between Wellington Railway Station and Wellington International Airport every 10 – 20 minutes, seven days a week. The buses include free Wi-Fi, USB chargers and luggage racks.

The service has proved very popular and offers travellers a fast, convenient and lower emissions way to access the airport.

NEW ELECTRIC BUS DEPOT

We have built an electric bus charging facility to support the new airport bus service on Kauri Street at the site of the old Miramar South School.

The new depot provides overnight bus changing capabilities, driver amenities and vehicle wash down facilities. This 10-bus depot is the second fully electric depot in New Zealand.

ELECTRIC VEHICLE CHARGING STATIONS

We have rolled out charging stations in the multi-level carpark building and plan to install more chargers as needed to meet demand. We also accommodate installation of chargers to support rental car operators at the Airport.

SUPPORTING ACTIVE TRANSPORT (WALKING, CYCLING AND SCOOTERS)

We have newly installed e-scooter parking and additional bike racks, and are working to improve the Airport interface with walking and cycling routes.

In May this year we installed 10 new Locky Docks providing free and extremely safe bike parking – the first at any airport in New Zealand. These provide peace of mind so people can feel comfortable leaving a bike here while travelling or working here.

SUPPORTING LOCAL INNOVATORS

We supported Lyall Bay's FTN Motion by purchasing early models of their 'Streetdog' electric moped and providing marketing support with a showcase in the terminal.

ADVOCATING FOR IMPROVED TRANSPORT

There is significant congestion on the Airport–CBD route, leading to unnecessary fuel consumption and significant negative impacts for local communities as vehicles use local roads to avoid congestion. We are strong advocates for improvements to SH1 within the context of the private road fleet transitioning to electric/hybrid vehicles and public transport from the eastern suburbs.



Reducing construction emissions

We are also working through the methodology to establish our embodied emissions from construction activity.

Embodied carbon emissions refer to the amount of greenhouse gas emissions released throughout the life cycle of a product or service. This includes the emissions generated during manufacturing and transporting aspects of construction projects, and also emissions encountered during the extraction and processing of the raw materials involved in associated supply chains.

Embodied emissions are not always easy to accurately measure or track. Our engineering design partners have suggested the calculation of embodied carbon is best delegated to construction suppliers, given they have more detailed knowledge of their construction processes and are better positioned to identify embodied carbon in their transporting and procurement.

Construction partners have a greater view over the supply chain for materials they provide, including the sourcing of raw materials and the manufacturing processes involved.

Wellington Airport now requires emissions life cycle assessments (LCAs) and/or Environmental Product Declarations (EPDs) as part of our procurement and tendering processes for significant projects. Key criteria that LCAs/EPDs will be required to cover include:

- **Define the system boundaries:** Establish the scope of the analysis, including which stages of the product or service lifecycle will be included in the assessment.
- **Identify the emissions sources:** Identify all the sources of greenhouse gas emissions associated with the project/ product/ service, including direct emissions from manufacturing and transportation, as well as indirect emissions from the production of raw materials.
- **Calculate the emissions:** Use standard emission factors or specific data for each stage of the product or service lifecycle to calculate the total embodied emissions. Allocate the total emissions to the specific product or service based on the amount produced or used.
- **Monitor and report:** Monitor and report the embodied emissions over time, and identify opportunities for improvement in order to reduce the overall carbon footprint.

We expect that as the maturity of this field develops over time, construction firms will be required by most clients to complete similar assessments as a matter of course and more detailed and precise reporting will become possible. Wellington Airport intends to start reporting early information from next year.

Achieving Level 2 Airport Carbon Accreditation



Wellington Airport was proud to achieve Level 2 Certification from the Airport Carbon Accreditation programme (ACA) in 2022.

The ACA runs independent assessments of airports around the world, providing an independent benchmark of efforts to manage and reduce emissions. Level 2 (Reduction) is for airports with comprehensive emissions profile mapping and reductions in place.



By 2030 we aim to reduce both our water use and waste sent to landfill by 30% each (from a 2017 baseline).



All new-build and retrofit projects will utilise low-flow tap designs and reduced flush toilets. This will help to improve water efficiency.

We are also improving our stormwater management system as part of our Taxiway Bravo reconstruction.

Composting of coffee cups from the terminal is underway and will help grow crops at our community garden, creating a circular economy turning food waste into more food.

Newly designed bins are also being installed in the terminal this year to help better sort and recycle our waste. We are actively working with all operators to quantify waste streams to then reduce waste to landfill and reduce contamination of recycling.

Wellington Airport Community Garden

Recycling is underway at our Community Garden site on Bridge Street in Rongotai which is creating compost out of used coffee cups from the terminal. Composting the coffee cups in the garden diverts these from landfill.



This will help grow crops at our community garden, creating a circular economy turning food waste into more food.

Over time this garden will expand, helping reduce and re-use waste while involving the local community. We have a team of local volunteers signed up and ready to help develop this great local asset.



OUR PEOPLE



➔ People are our greatest asset and our greatest responsibility.

OUR PEOPLE



Wellington Airport's reputation as a 'great place to work' has traditionally served us well in attracting and retaining high skilled and talented people.

This is a greater challenge than ever as the aviation industry rebounds and deals with an extremely competitive labour market. This is why we place a big effort into our people practices and restoring our fun and vibrant culture.

We have focussed on fostering team cohesion so that all parts of the business feel a sense of belonging to the same family.

We do this through monthly activities and our calendar of events 'Hanga Kapa' which includes surfing lessons, cooking classes, mini golf, axe throwing, and even a Masterchef competition. Staff social events have also been held in person again, including mid-winter and Christmas events bringing all the different teams together.

We also offer a range of other benefits to staff:

- A competitive market salary with the inclusion of some targeted bonus payments.
- Flexible working practices and conditions.
- Free car parking and Airport retail discounts.
- Regular social events and team lunches.
- Rewards systems to recognise achievement and effort.
- Learning and development opportunities.
- Free twice weekly F45 fitness sessions.
- Free eye checks and annual flu vaccination, and discounted health insurance.



We're pleased to be attracting a good balance of candidates from a range of ethnic backgrounds and genders.



Parental Leave Provisions

This year Wellington Airport introduced a generous new parental leave policy, well ahead of what is required by law.

This includes:

- 100% salary top up (inclusive of Government payment) for up to 18 weeks.
- Continuation of KiwiSaver contributions while on leave and annual leave topped up to full value.
- Two weeks paid partner leave.

Our vision and values

Our vision and core values have stood the test of time. They were inspired and co-designed by our people, and have served us well through change and uncertainty.

Our values are:

- Whānau Kotahi (one team)
- Diversity & Inclusion
- Be Exceptional
- Courage & Freedom
- Customer Obsessed

Diversity and inclusion

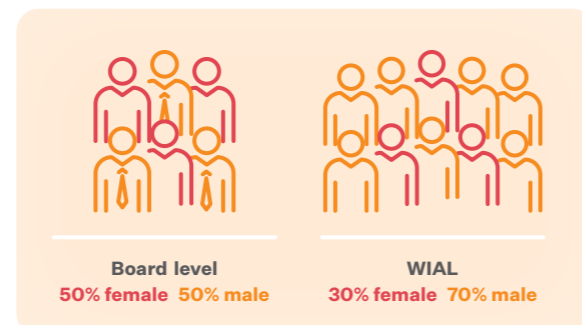
Diversity and inclusion at Wellington Airport has gone from strength to strength this year.

At board and executive level we now have a 50:50 ratio and a 30:70 ratio of females to male respectively. We're pleased to be attracting a good balance of candidates from a range of ethnic backgrounds and genders.

We are making progress on many areas within the airport, and employing more women in areas which have traditionally been male-dominated, such as the Airport Fire Service.

We continue to make progress towards minimising the gender pay gap across our business. As part of the 'Mind the Gap' initiative we have committed to disclosing our gender pay gap which as of 31 March 2023 sits at a median of 6.1%. This compares favourably to the wider New Zealand gender pay gap of 11.9%.

A key strategic focus is to remove bias from selection processes and to achieve a more balanced gender split across the whole of the business.





Succession planning in action

The last year has seen a number of internal promotions, most notably with the promotion of Matt Clarke to CE as well as the new General Managers of Infrastructure and Commercial – all three coming from senior management positions from within the business.

This is credit to our talent mapping and succession planning exercises carried out in recent years. Planning is underway to revisit this to enhance and grow core skills that will be essential in future. Particular focus will be on identifying female successors and ensuring their capability is appropriately grown and fostered.

Modern slavery

Modern slavery and worker exploitation is a serious global issue. Wellington Airport has policy and guidelines to stop any form of this abuse in business operations and related supply chains.

We assess all new suppliers to ensure they comply with the clauses in our policy, and we have randomly checked our existing suppliers through the Fair Supply Platform to ensure there is very little risk.

We continue to work with the Government and Policing agencies to monitor any risk of modern-day slavery.

Safety

Best practice health and safety processes have always been an integral part of our operations and will always be our number one priority.

Under the Civil Aviation Authority's safety rules, we are required to achieve and maintain a Safety Management System which aligns with the Health and Safety at Work Act 2015 and meets all safety regulations. In February 2023 we completed a re-certification audit with the Civil Aviation Authority, extending our aerodrome certification to February 2028.

Throughout the year we maintained our airport safety management system with ongoing audits, inspections and improvements made to staff training regimes. We also engaged with our stakeholders in Airport Safety Week, which is an Australian and New Zealand airports initiative to focus on airport safety.

We are proud that 93% of passengers identified as feeling safe and secure when travelling through our airport in a global airport passenger satisfaction and performance survey last year.





Wellington is our home and we are proud to support our local community.

We sponsor some of the most iconic events on Wellington’s calendar, helping make our city lively and entertaining for locals and visitors alike.

These include CubaDupa, Visa Wellington on a Plate, Life Flight Trust, World of WearableArt (WOW) Show, Trees that Count, Beervana, Lyall Bay Surf Lifesaving Club and Fringe Festival.

We also provided promotional support to a wide range of events and charities throughout the year including Little Miracles Trust, Wellington Free Ambulance, Te Papa, Māoriland Film Festival, UrbanArt Foundation, Wellington Saints and Wellington Phoenix.

A highlight was the 18th annual Wellington Airport Regional Community Awards, held in person for the first time since 2019.

The awards, organised in collaboration with local councils, recognise the work of volunteer groups in the areas of Arts and Culture, Education and Child/Youth Development, Health and Wellbeing, Heritage and Environment, and Sport and Leisure, as well as a Rising Star award and People’s Choice category.

Supreme Award winners for 2022 were Kiwi Community Assistance (KCA) for their work rescuing surplus food and household goods, and redistributing it to frontline agencies

working directly with people in need across Wellington.

Scholarships were also presented to five Year 13 students from our local secondary schools in the 16th annual Wild at Heart Spirit Awards, recognising service to school and community.

This year we’ve ramped up our engagement with local neighbourhoods, appointing a Community Engagement Officer and launching a quarterly community newsletter. In collaboration with the local community, a Community and Environment Fund has been established to mitigate any adverse impacts associated with airport operations. This will provide funding grants to organisations and community groups within Motukairangi/ Eastern Ward for the purpose of education, promotion and advancement of the community.

We’ve enjoyed a lot of engagement with local schools over the last year, hosting tours and attending numerous careers days. The Airport Fire Service has also been superb ambassadors for the Airport at numerous local events and parades.

Our Cystic Fibrosis Christmas Tree Festival in December created a spectacular forest within the terminal raising awareness and valuable funds for this important cause.



Photo by David Hamilton



Managing noise

Wellington Airport’s central location (just 5 km from the CBD) is great for travellers but also creates noise challenges for local residents.

We currently operate well within the noise limits and curfew conditions set by the airport purposes designations which are provided for in the Wellington City Council’s Operative and Proposed District Plans.

The Wellington Airport Noise Management Committee oversees our compliance with the conditions of the airport purpose designations and works collaboratively with the airport, airlines, local residents and City Council representatives. This committee meets twice a year.

A key part of our work in this area is the Quieter Homes programme which provides noise insulation and ventilation to the houses within

our Air Noise Boundary. We are completing one upgrade approximately every three weeks.

Certain departure flight paths out of Wellington Airport were changed in late 2022 by Airways with the approval of the airport. While this has delivered safety benefits and reduced costs, emissions, flight times and delays, some residents in the northern suburbs have been affected by increased noise. Wellington Airport and Airways are currently working with local residents to install noise monitors to provide more detailed information.

As part of our new designations achieved during the year, we have updated our Airport Noise Management Plan. This important document guides our approach to noise issues, providing for the ongoing operation and growth of the Airport while minimising the effects of aircraft and airport noise on the surrounding community.

APPENDIX 1

Preliminary climate risk disclosures

From 2024, Wellington Airport will be required to make climate-related disclosures, along with many other businesses in New Zealand. This follows the Financial Sector (Climate-Related Disclosures and Other Matters) Amendment Act, passed by the Government in 2021.

Wellington Airport will follow the disclosure standards set by the XRB, which are consistent with the recommendations of the Taskforce for Climate Related Financial Disclosures (TCFD).

In the meantime, our reporting is voluntary, but we have worked towards alignment with the TCFD and XRB frameworks in preparation for mandatory disclosures.

Our FY23 Climate Risk Disclosures will be made publicly available later this year and will be aligned to the XRB climate standards.

OUR CLIMATE DISCLOSURES ROADMAP

2020	2021	2022	2023	Next Steps
Governance review completed	Review of risk management process	Beca engaged to lead refinement of risk management processes	Completion of physical risk reports from Beca and GHD	Further develop Scenario Analysis
Metrics and targets established	All climate-related risks tagged in risk register as “Physical Risk” or “Transition Risk”	Engagement with external stakeholders to begin developing more detailed scenario analysis	Working with external consultants to consider passenger forecasts in a range of scenarios	Publish detailed climate-related disclosures with updated risk assessments
Established the Executive Kaitiakitanga (Climate Risk) Committee	Commenced review of Quantate risk management system	Redevelop metrics and targets to ensure continued alignment with Net Zero goals	Review integration of climate-related risks and opportunities into strategy and planning	Publish passenger forecasts for a variety of scenarios
Conducted gap analysis against TCFD disclosure areas	Submission in support of XRB early guidelines	Engagement with industry to identify transition risks and opportunities		Progress Climate Adaptation Plan with input from external consultants
Carried out high level scenario analysis and identification of climate-related risks and opportunities in risk management framework	First TCFD-aligned disclosures published in annual report			

GOVERNANCE AND OVERSIGHT OF CLIMATE-RELATED RISKS

Our Board has ultimate accountability for the management of business risks, including those related to climate change. The Board receives regular reporting and updates from the Executive-led Kaitiakitanga Committee, and considers all business risks via the Audit and Risk sub-committee.

At a Management level, Management has day-to-day responsibility for identifying and managing climate-related risks and opportunities. Climate-related risks are identified through a central risk register. Climate-related work programmes are the responsibility of the Executive team, the Executive Kaitiakitanga Committee and the Sustainability Manager. The Kaitiakitanga Committee meets monthly to track progress against key initiatives and targets.

In addition to Management reporting, our Board has regularly sought views from external experts.

The Board annually reviews frameworks for climate-related risk reporting and management, regularly reviews business risks via the Audit and Risk Committee, and will review our detailed updated disclosures prior to release in mid-2023.

CLIMATE RISK MANAGEMENT AND STRATEGY

Our Risk Management Framework and Risk Management Policy guides our approach to risk management. Climate change and climate-related risk is identified as a material issue and we have worked to separately identify all climate, environmental and other ESG risks in our risk management system.

We have engaged external consultants to inform our understanding of climate change risks and opportunities, both physical and transition.

Three climate change scenarios have been developed to test WIAL strategy. The results of the climate scenario analysis will be in our FY23 climate related disclosures, due to be released later this year.

In order to fully inform our understanding of future scenarios and the impact on weather and sea level rise in Wellington, a region-wide view is required. This is being developed by the nine local and regional councils, led by Wellington City Council, as a Regional Climate Change Risk Assessment. We are looking forward to working closely with local government as a key stakeholder in this work.

CLIMATE-RELATED RISKS AND CONTROLS

This section will be updated again later this year with our priority risks and opportunities.

Climate-related risks

	Risks	Existing and future controls
Physical risk		
Sea-level rise and storm surge	Damage to airport infrastructure, including seawalls and pavement	<ul style="list-style-type: none"> • Inspections of airfield and seawalls • Seawall renewal investment programme
	Operational disruption due to flooding	<ul style="list-style-type: none"> • Stormwater drainage capacity • Maintenance programmes
Increased rainfall and inundation	Airside operational disruption due to flooding	<ul style="list-style-type: none"> • Real-time Runway condition reporting • Weather detection systems • Inspection and reporting
	Business disruption due to failure of key utilities	<ul style="list-style-type: none"> • Maintenance programmes • Service contract agreements • Back-up generators for critical infrastructure • Relocation of critical systems off ground floors • Key utility relationships and planning (business continuity and resilience)
	Disruption to surface access to airport	<ul style="list-style-type: none"> • Liaison with Wellington City Council, Waka Kotahi and Let's Get Wellington Moving regarding transport infrastructure resilience
Increase in average temperature	Increased stress upon HVAC and building services	<ul style="list-style-type: none"> • HVAC optimisation project • Development of replacement energy systems • Enhanced and standardised insulation on all new-build and retrofit projects
	Reduced aircraft operational performance due to reduction in air density	<ul style="list-style-type: none"> • Aircraft payload maintenance • Runway optimisation
Increase of drought events	Shortages in potable water supply for terminal operations	<ul style="list-style-type: none"> • Incorporation of low flow water use design principles • Future rainwater harvesting and use for non-potable water use
Increase in wind and substantial weather events	Increase in disruption to aircraft operations	<ul style="list-style-type: none"> • Improvements in flight planning software using advanced analytics to optimise flight planning • New Southern Skies (NSS) programme

Climate-related risks (continued)

Risks		Existing and future controls
Transition risk		
Regulation	International Regulation restricting long haul sectors	<ul style="list-style-type: none"> Active contributions via submissions into regulatory development Pursue uptake of alternative fuel provisioning (SAFs, hydrogen) Participation in emissions reductions alliances
	External decarbonisation policy, regulation and legislation constraining airport development	<ul style="list-style-type: none"> Active contributions via submissions into regulatory development Incorporation of ground sourced heat pump design into apron expansion and modernisation work Demonstrating necessity for additional apron space to service increased frequencies necessary for viable electric aircraft operations Demonstration of reduction in total journey fuel consumption enabled by point-to-point long haul services over existing indirect connections
	External decarbonisation policy, regulation and legislation increasing the need for adaptation and mitigation expenditure	<ul style="list-style-type: none"> Assessment of infrastructure required to service novel aircraft and incorporating into capex and opex forecasting. This is developed through: Establishment and contributions to: <ul style="list-style-type: none"> » Electrification of Regional Aircraft (ERA) working group » Engagement and consultation with Air NZ and Soundsair- the early adopters of electric/ SAF/ hydrogen aircraft technology
	Decrease in passenger demand and forecasting figures due to caps implemented by policy	<ul style="list-style-type: none"> Active contributions via submissions into regulatory development Proactive provisioning of carbon reduction technologies including alternative fuel provisioning, GPU rollout

Climate-related risks (continued)

Risks		Existing and future controls
Transition risk		
Market	Reduction in flying demand owing to added cost associated with additional carbon credits	<ul style="list-style-type: none"> Active contributions via submissions into regulatory development Adjusting operator and landing fees to ease market reduction caused by establishment of mandatory fees Providing infrastructure to maximise share of low/ zero emission aircraft, to minimise exposure to emissions-related levies
	Inclusion of aviation into Emissions Reduction Plan targets	<ul style="list-style-type: none"> Active contributions via submissions into regulatory development Proactive adoption of infrastructure required to service low/zero emissions aircraft, to ensure that current and future growth will remain within ERP constraints New Zealand's unique geography and highly limited availability of viable alternative transport options mean that robust air links will remain critical. Therefore, excessive restrictions imposed by the ERP are unlikely to materialise
	Competition from lower carbon transport alternatives	<ul style="list-style-type: none"> New Zealand's unique geography and highly limited availability of viable alternative transport options mean that robust air links will remain critical Proactive adoption of infrastructure required to service low/zero emissions aircraft, to allow aviation to serve as a synergised sustainable link to other transport options, as opposed to a competitor
	Public attitude to flying to due to flight shaming culture/ altered customer perceptions	<ul style="list-style-type: none"> Adoption of infrastructure to service low/zero emissions aircraft, to decouple emissions from growth and to decarbonise operations Creating a zero/ low carbon airport by the reduction of Scope 1, 2 and 3 emissions via: <ul style="list-style-type: none"> » Optimisation of building energy use
Reputation	Public and investor scrutiny arising from failure to sufficiently address emissions	<ul style="list-style-type: none"> Providing electric public transport links to/ from the airport Adopting alternative-energy sources on-site Transitioning to an EV fleet

Climate-related opportunities

Opportunity	Description	Element
Improved market share against alternative carbon-dependant transport modes	The introduction of electric aircraft on trans-strait routes provide an opportunity for a zero-emission alternative to other transport alternatives. This is particularly relevant for Cook Strait ferry crossings	Financial, environment
On-charging for electric aircraft	On-charging for electric aircraft power supply will provide an additional and consistent revenue stream for the airport company	Financial
Reduced vulnerability to volatility of fossil fuel prices	Switching to ground sourced heat pump technology, transitioning our vehicle fleets to EVs and avoiding use of stationary fuel combustion provides an opportunity to eliminate our exposure to fossil fuel cost fluctuations	Financial
Reduction of aircraft noise	Introduction of electric regional aircraft will produce less noise than the Jet-A1 turboprops that they will be replacing	Reputation, environment, H&S
Community engagement opportunities	Reduction of waste and improvement of carbon sequestration through gardening initiatives allow for community outreach opportunities	Reputation, environment
Reduction of emissions and atmospheric pollutants	The adoption of non-fossil fuel dependant technology and in the air provides an opportunity to minimise greenhouse gas releases into atmosphere. In turn, this mitigates the impacts of airport and aircraft operations, allowing people to continue flying without harming our planet's fragile climate	Reputation, environment

CLIMATE-RELATED METRICS AND TARGETS

Our approach to sustainability includes targets (with metrics) for carbon emissions, waste reduction and potable water.

Our targets are to:

- Reduce absolute Scope 1 and 2 carbon emissions by 30% from FY17 baseline levels by 2030.
- Achieve net zero emissions by 2030.
- Reduce waste output by 30% from FY17 baseline levels by 2030.
- Reduce water use by 30% by 2030.

We have achieved significant reductions in all areas during Covid-19. Our key goal now is to hold on to efficiency gains and energy reductions wherever possible, rather than returning to prior levels as passenger volumes return.

We will continue to review our climate-related metrics as our scenario analysis develops and we further consider our climate-related risks and opportunities and resilience strategies. We will also reassess our targets during FY23 to ensure they are aligned with the Government's Emissions Reduction Plan when it is released in May, and strong enough to play our required role in meeting New Zealand's Net Zero goals.

Carbon

WIAL emissions – Scope 1, 2 and 3

Our Scope 1 (direct emissions from Wellington Airport-owned sources) and Scope 2 (indirect emissions from purchased energy used by our operations) have remained well below pre-covid levels. This is the direct result of significantly less boiler use for terminal heating, the realisation of our HVAC optimisation programme, our continued rollout of LED lighting and lower levels of staff travel. The relative maintenance of decreased emissions is evidenced by the stability of emissions intensity per passenger.

WIAL is developing a process to further quantify its Scope 3 emissions.

The graph on page 10 demonstrates our progress on emissions reduction.

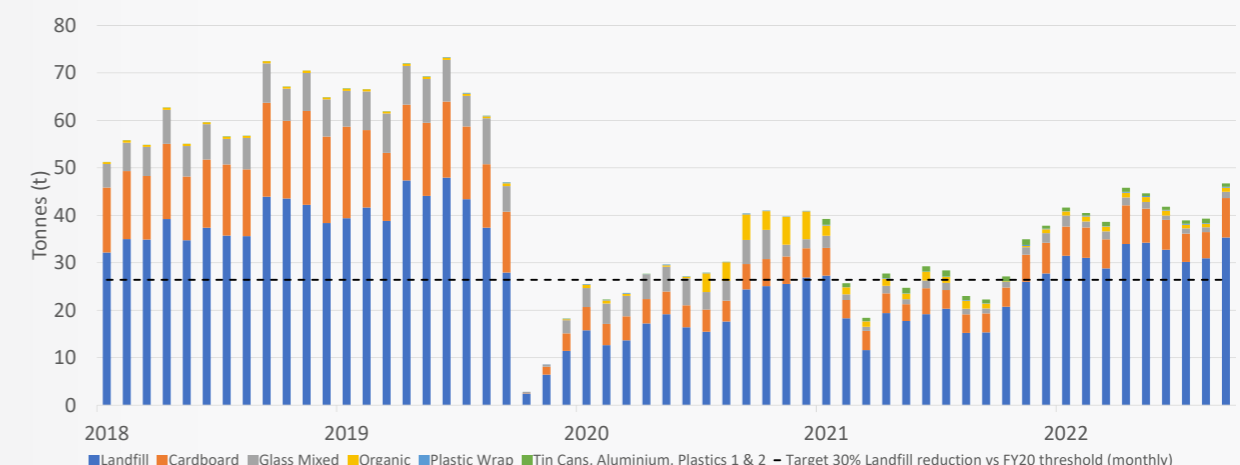
Waste

Operational solid municipal waste

Our total waste volume has remained well beneath covid-levels, despite increases in passenger numbers over as we recover from the impacts of Covid-19.

Our work continues to reduce our waste output and to continue the diversion of waste from landfill. Key initiatives that we are undertaking to pursue this include the creation of our community garden, replacement of waste bins with improved separation and signage, and continued waste audits.

WELLINGTON AIRPORT WASTE OUTPUT, JULY 2018 – MARCH 2023





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