

ANNUAL REVIEW

& KAITIAKITANGA 2020



**WELLINGTON
AIRPORT**

INTERNATIONAL VISITOR
SPEND IN WELLINGTON
REGION UP +12%

WELLINGTON AIRPORT'S
POTENTIAL FOOTPRINT
INCREASED 13%
TO 133HA

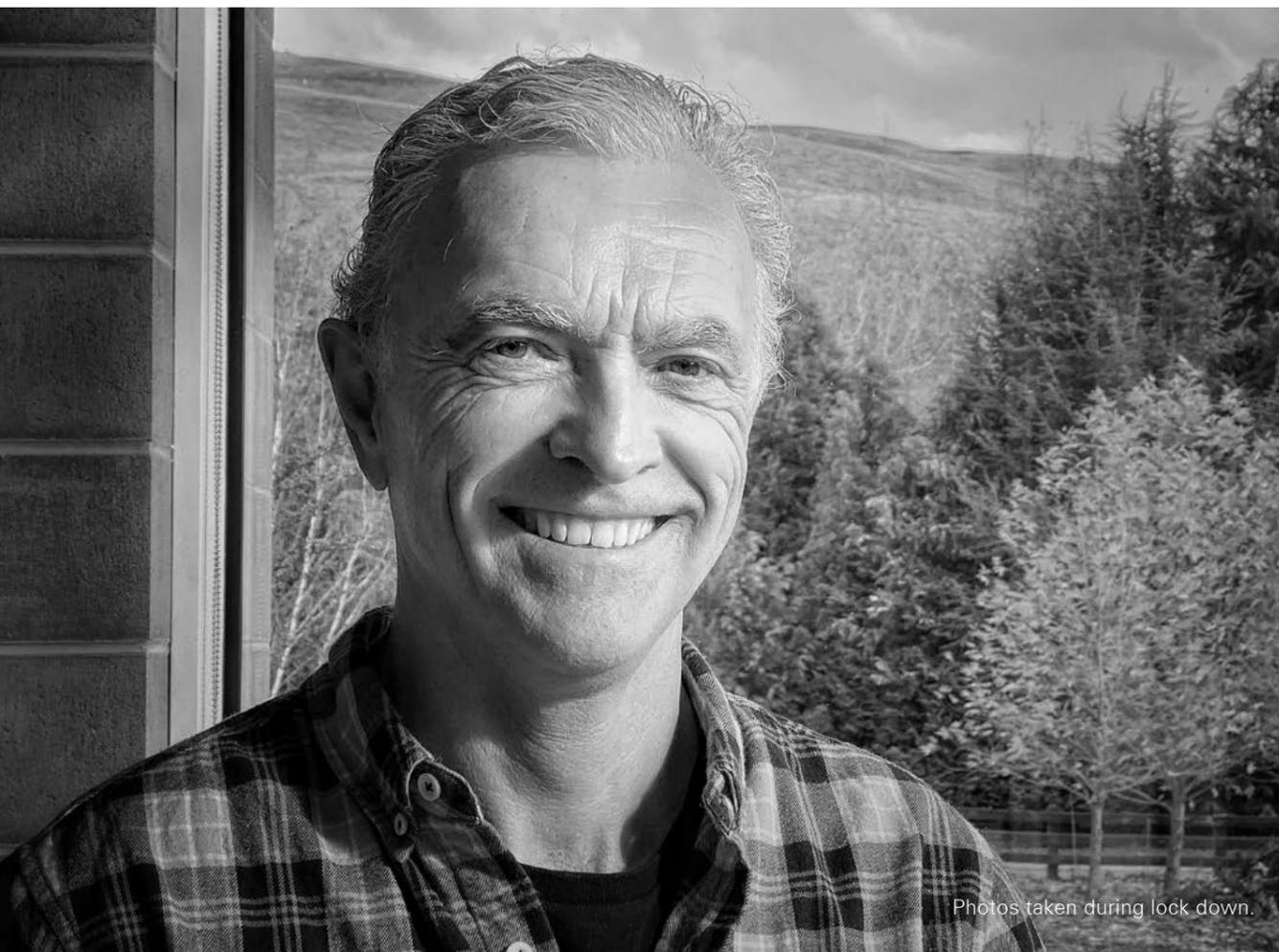
ARRIVAL OF
SINGAPORE AIRLINES
A350



2020 WELLINGTON AIRPORT ANNUAL REVIEW

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Photos taken during lock down.

Wellington Airport is essential infrastructure for central New Zealand and will continue to play an important role in the recovery of our local community and economy in the wake of the COVID-19 pandemic. Last year our economic contribution to the region was \$2.3b, supporting 11,000 jobs. While these large economic figures get thrown around a lot, we are currently seeing the tangible impacts of a significant reduction in that economic contribution.

We all have a role in ensuring New Zealand remains a safe place to live, work and visit. At Wellington Airport, we are doing everything we can to support safe travel and enable freight to continue flowing in and out of the country. Tourism is New Zealand's biggest export earner, supporting 365,000 jobs. We are working hard with Government, the New Zealand Aviation Coalition and the Australia New Zealand Leaders Forum to help the industry recover. As one of the best short stay destinations in the country, the Wellington region will continue to play a significant role in both domestic and international tourism.

Like the entire aviation industry, our passenger numbers and operations were severely impacted by Covid-19 at the tail end of the financial year. However, during the year we achieved several major milestones including a major upgrade to our domestic terminal, welcoming the new Singapore Airlines' Airbus A350-900, concluding consultation and publishing our 2040 Masterplan, acquiring the old Miramar South School site and signing a contract with the Miramar Golf Club to purchase the 'back 9' for future airport development.

Wellington Airport's net profit after taxation was \$28.9 million for the year ended 31 March 2020, with underlying earnings showing an EBITDAF before subvention payment of \$103.2 million, up 1.8% on last year.

	Audited year ended 31 March 20	Audited year ended 31 March 19	Variance
Passengers Domestic	5,225,999	5,488,013	(262,014)
Passengers International	919,741	929,457	(9,716)
Aeronautical income	\$80.8m	\$81.5m	(\$0.7m)
Passenger services income	\$52.1m	\$43.5m	\$8.6m
Property/other income	\$13.5m	\$12.9m	\$0.6m
Operating expenses	(\$43.2m)	(\$36.5m)	(\$6.7m)
EBITDAF before subvention payment ¹	\$103.2m	\$101.4m	\$1.8m
Net Profit After Tax	\$28.9m	\$23.5m	\$5.4m
Capital investment	\$80.6m	\$72.5m	\$8.1m

1. EBITDAF before subvention payment is a useful non-NZ GAAP measure of earnings which presents management's view of the underlying business operating performance. A reconciliation between WIAL's NPAT and EBITDAF before subvention payment is set out in the NZX announcement and Note A1 of the Annual Report for the year ended 31 March 2020.

Steve Sanderson
Chief Executive

Tim Brown
Chairman



KEY HIGHLIGHTS

<p>5.2m DOMESTIC PASSENGERS</p>		<p>920,000 INTERNATIONAL PASSENGERS</p>	
<p>\$103.2m EBITDA¹ - BEFORE SUBVENTION PAYMENT</p>		<p>\$80.6m CAPITAL INVESTMENT</p>	
<p>40% LOSS OF PASSENGERS IN MARCH 2020 AS COVID-19 RESTRICTIONS START</p>	<p>0 SERIOUS INJURIES</p>	<p>45 NET PROMOTER SCORE</p>	
<p>ONE OF THE TOP RATED AIRPORTS IN AUSTRALASIA FOR SERVICE QUALITY</p>			
<p>AIRPORT OF THE YEAR AWARD, NEW ZEALAND AIRPORTS ASSOCIATION</p>			
<p>ACQUIRED 15 HECTARES OF LAND FOR FUTURE DEVELOPMENT INCREASING THE AIRPORT AREA BY 13% TO 133 HECTARES</p>			
<p>\$2.5m COMMUNITY INVESTMENT²</p>		<p>\$2.3b TOTAL ECONOMIC OUTPUT</p>	
<p>1,508t CO₂e GREENHOUSE GAS EMISSIONS³</p>		<p>A350 ARRIVAL OF NEXT-GENERATION A350 SERVICES</p>	

2. Investment includes sponsorships, community awards and noise insulation programme for residents.
3. Scope 1, 2 and 3 (staff travel) emissions

TRAVEL AND TOURISM

After several years of consistent passenger growth, 2019-20 delivered mixed results. Covid-19 travel restrictions came into effect in March resulting in a -40% reduction in passengers for the final month of the financial year, and a -99% reduction in the final week as national borders were closed and all but essential domestic travel was restricted. Overall, passengers were down -4.2% to 6.1M compared to the previous year, with domestic passengers -4.8% to 5.2M and international -1.0% to 920,000.

Before Covid-19, total passenger numbers were stable compared to the previous year, with domestic passengers down -1.2% and international up +2.9%. Overall demand held up well despite a challenging aviation environment, primarily due to a softer Global economy (international trade sanctions and Brexit) impacting air travel demand and airlines managing capacity, particularly on the domestic main trunk network, after a number of years of growth.

Regional domestic services continued to exhibit strong growth in both capacity and loads with notable increases on Hamilton, Invercargill, Napier, New Plymouth, Queenstown, Tauranga and Timaru routes. Jetstar increased



Right: Bradley Garner Photography



its flights to Queenstown from three days a week to daily from the end of October. Jetstar's Nelson services were withdrawn in December along with all their New Zealand regional services.

We saw a strong increase in international capacity prior to Covid-19 with seats +5.7% over the year. Air New Zealand's new Brisbane service and Virgin Australia's new Sydney service both contributed to this growth. Jetstar's Wellington-Gold Coast route continued to perform strongly, with the airline announcing an increase in frequency for FY21 from three flights a week to six a week prior to Covid-19.

In November, we welcomed the new Singapore Airlines' Airbus A350-900 – the first aircraft out of Wellington offering customers the option of flying its latest Premium Economy and Business Class

product. And, in January 2020, Singapore Airlines boosted its Wellington-Melbourne-Singapore frequency from four to five flights per week.

The strong commitment of our airline partners to the Wellington market also contributed to a significant increase in international visitor spend, with the region outperforming the rest of New Zealand. For the 12 months to January 2020, International visitors spent \$928M in the Wellington region, up \$100M (+12%) on the previous year compared with a +7% increase for the rest of New Zealand. It was pleasing to see the region continuing to be more appealing to a wider range of visitors with Asian visitor spend up +19%, United States/Canada up +20%, and Australia up +9% over the 12 months prior to Covid-19.

International visitors spent \$928M in the Wellington region, over the year to January 2020, up +12% compared with a +7% increase for the rest of New Zealand.

TRAVELLER

SERVICES

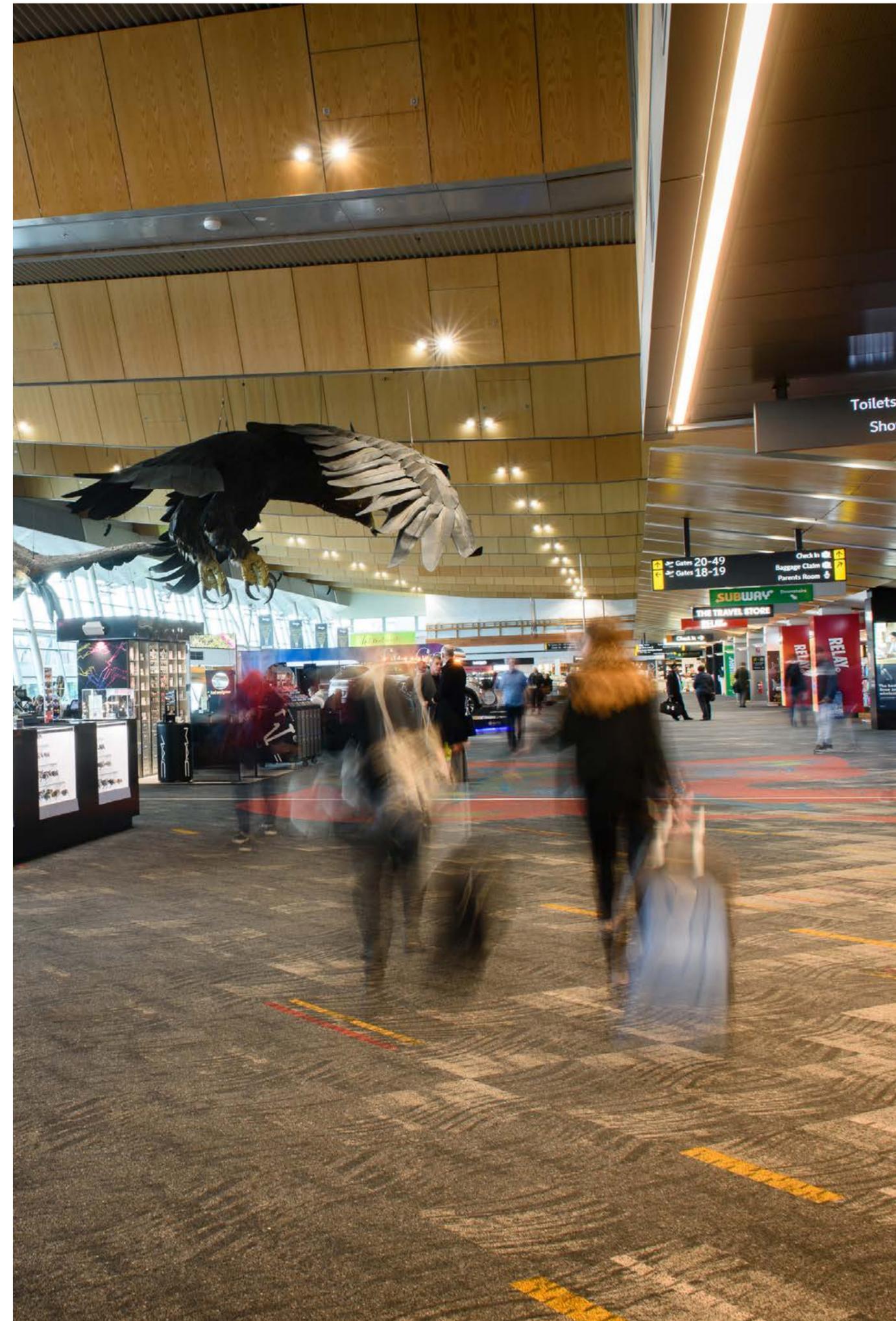
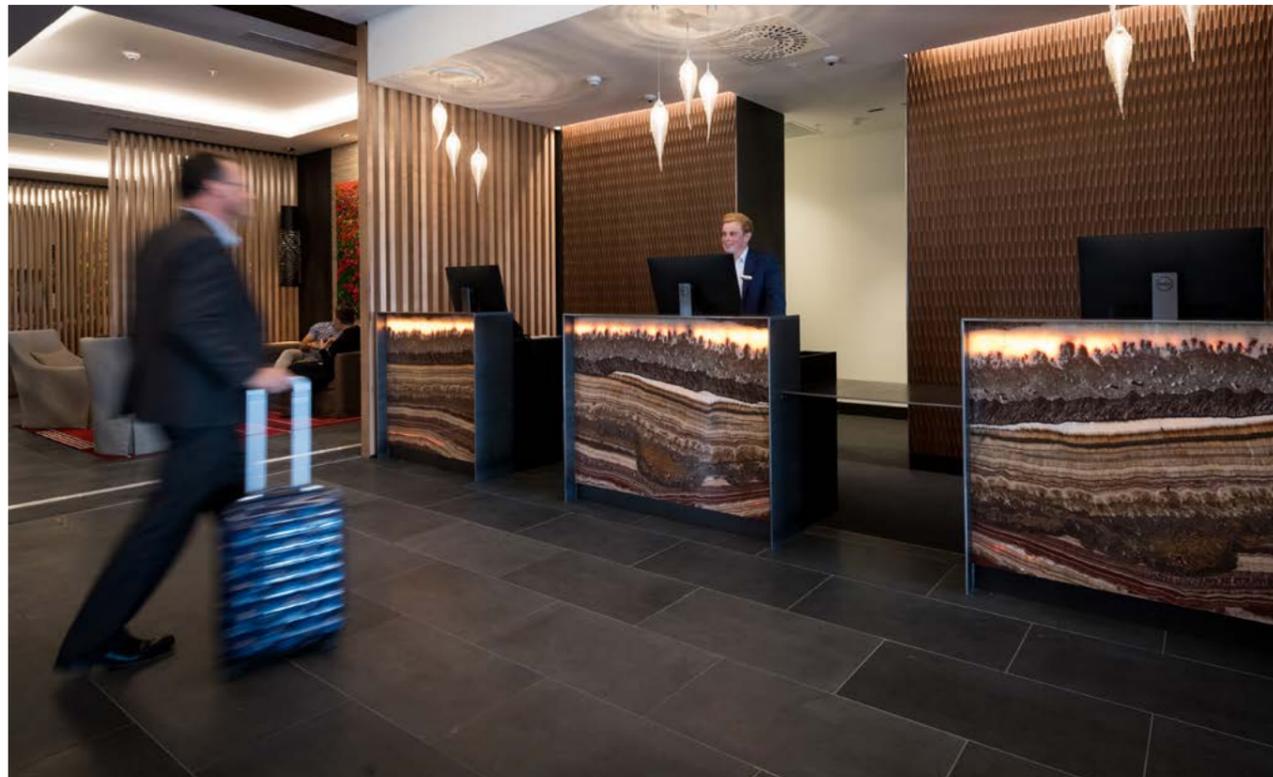
In August 2019, we completed a major upgrade to the main terminal, transforming it into an open space for more passenger seating and better retail, food and beverage options showcasing local and international favourites. This includes Mojo, Superfino, the Blue Lady, Ben & Jerry's scoop shop, Peloton and most recently Cosmetique.

The upgrade has continued to lift customer experience and we are proud to be consistently rated as one of the top airports in Australasia for service quality; most recently being recognised as 'New Zealand's Airport of the Year' by the New Zealand Airports Association.

In October we opened a new Integrated Operations Centre providing a collaborative workspace shared with Air New Zealand and Aviation Security. This has enabled the airport community to work more closely together to improve response times and manage disruptions. It's an Australasian first and has set a new benchmark for how airports, airlines

and Government agencies work together.

During its first year in operation, Rydges Wellington Airport Hotel was well received with occupancy rates in line with expectations. The six new conference rooms became fully operational in June 2019 and in October the hotel opened the Peloton Bar and Eatery, offering a sophisticated and relaxing environment to enjoy a social catch up before or after a flight. Hotel operations were closed for a period due to Covid-19 and are now scaled back with occupancy levels decreased in line with overall passenger numbers.



CASE STUDY



FIRST IN SOUTHERN HEMISPHERE TO INSTALL REAL-TIME RUNWAY MONITORING SYSTEM

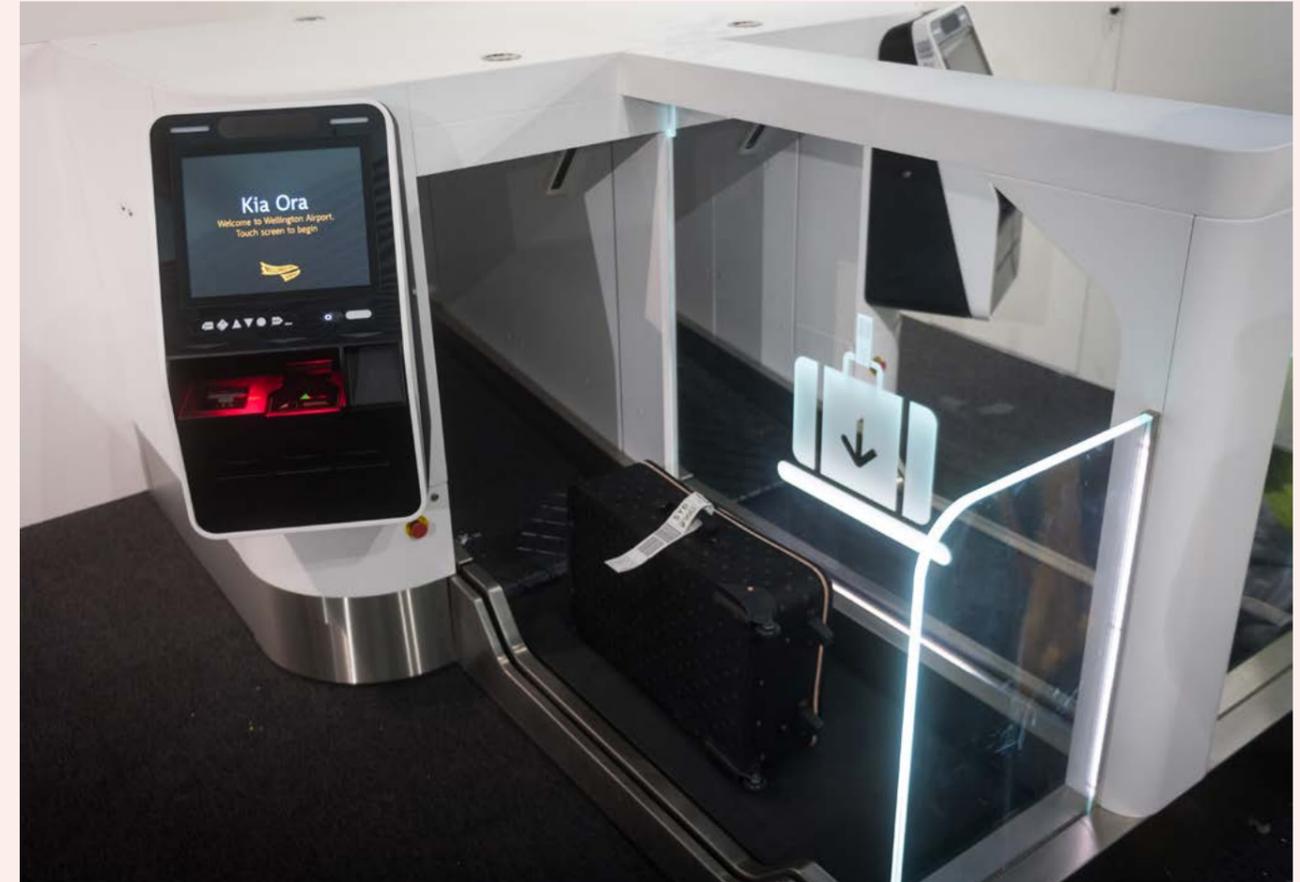
We can now access real-time data about runway conditions after installing state of the art sensors to monitor runway surface conditions.

The nine fixed sensors automatically measure temperature, moisture or ice on the runway surface and transmit the data directly to our new Integrated Operations Centre. We're working with industry stakeholders to enable the information to be sent directly to air traffic control and pilots.

The new technology enables pilots to more accurately calculate an aircraft's landing or take-off performance.

From November 2020, the International Civil Aviation Organisation (ICAO) requires all airport operators to be able to assess and notify runway conditions using a new standardised methodology. We are one of the first airports to have achieved this, particularly using technology to automate the process.

CASE STUDY



STATE OF THE ART AUTO BAG DROPS

Wellington travellers are now able to check-in their luggage using state-of-the-art technology with seven new auto-bag-drop units.

The units match a facial scan with a passenger's passport details, simultaneously checking a bag's size and weight and create a tag in a matter of seconds.

Developed by Sydney-based organisation ICM Airport Technics, the units are currently available for Qantas and Singapore Airlines passengers.

We were the second airport in New Zealand to install ICM's Auto Bag Drop units, with Air New Zealand operating the units in Auckland Airport's international terminal.

COPING WITH

COVID-19

TRAVEL RESTRICTIONS

On 30 January the New Zealand Government chartered an Air New Zealand flight to evacuate New Zealanders from Wuhan. The next day the World Health Organisation declared the Covid-19 outbreak to be a “public health emergency of international concern”. A few days later on 3 February, the Government placed the first entry restrictions on foreign nationals travelling here from, or transiting through, mainland China, requiring them to self-isolate for 14 days. By 11 March the World Health Organisation had declared a global pandemic and all those entering the country needed to self-isolate for 14 days. By 25 March 2020 the Government declared a State of Emergency and the country went into full lock down for over four weeks.

COVID-19 continues to have an unprecedented impact on the aviation and tourism industry and on Wellington Airport. Passenger numbers plummeted in March, down -40%, and then all the way to -99% in April. The recent move to Level 2 has, however, been a positive start for the aviation sector with an increase in scheduled domestic flights within New Zealand.

In response, we have taken significant action to resize our operation for the forecast impact of reduced airline travel. There have been a lot of sacrifices made from Directors, Management and Staff. This has included reducing airport staff by 30%, salary reductions and reduced working hours. Other expenditure has

also been reduced, including reduced passenger related costs, cost-out initiatives and substantially delaying capital projects where practicable.

Wellington Airport has worked with its lenders and shareholders to put in place funding to ensure smooth operations and overall financial flexibility until traffic and income stabilises over time. This has involved agreeing terms with banks for an increase of facilities by \$70 million to \$170 million, a temporary waiver of certain banking covenants and a \$75 million underwriting agreement with shareholders Infratil and Wellington City Council. Negotiations are progressing with US lender Priscoa for it to accept terms similar to those agreed with the banks.

The support of these capital providers reflects well on the good relationships built up by the airport’s management and the general confidence that traffic will resume over the next few years. Unlike some other businesses impacted by the Covid-19 crisis, restructuring of Wellington Airport’s finances has not been overly expensive or caused shareholder dilution.

Looking forwards, the Wellington region will play a significant role in the recovery of domestic and international tourism. Tourism was New Zealand’s biggest export earner and total tourism spend in 2019-20 was \$41 billion, employing 365,000 people. The picture now is in stark contrast. While we are working with both Tourism New Zealand and

WellingtonNZ on domestic marketing campaigns, they will not be enough to sustain the many inbound tourism operators around the country and the biggest hope lies in a trans-Tasman bubble.

Australia used to account for 40% of New Zealand’s international visitors and that also equated to 13% of all outbound Australian travellers. With a lack of other options for Australians, especially during the ski season, and a lot of available capacity in New Zealand we could expect that number to rise significantly. It is vital for the survival of our tourism industry and our economy that a trans-Tasman bubble is enabled as soon as possible. We are working closely with New Zealand and Australian aviation groups and our respective Governments to develop solutions to ensure safe travel options and safely re-open our borders to our neighbours.

Right: @binghamcreative



2040

MASTERPLAN

In October 2019, we initiated public consultation on our proposed 2040 Masterplan after consulting with airlines and airport stakeholders. The plans show how we will accommodate future growth for the region. We invited stakeholders and the local community to provide feedback and published a final version in early December 2020.

The masterplan reflects a forecast that passenger numbers will double from 6.4 million to 12 million by 2040 – doubling our economic contribution to the region from \$2.3 to \$4.3 billion per year and facilitating more than 22,000 additional jobs.

Under the 20 year staged development plans, a new multi-purpose domestic and international jet terminal would be constructed to the south of the existing

terminal, with the surrounding apron and at-grade carparking areas repurposed for jet aircraft. Meanwhile, the northern parts of the terminal – essentially ‘flipping’ the terminals around. Also included in the plans were runway and taxiway system improvements, new freight facilities, additional aircraft parking stands, and a modern fire station.



A significant element of the staged plan is the ability to extend aircraft parking and gates to the east, over the back half of Miramar Golf Course. Following extensive discussions with the golf course and its members, the airport signed a contract to purchase the golf course land in December 2019. Wellington Airport also acquired the former Miramar South School land for aviation support purposes in the same month. The two acquisitions have increased the airport's land holdings by 13% to 133 hectares.

In the wake of Covid-19, we have deferred major capital projects until passenger numbers pick up again. The Masterplan provides a blueprint for the future and while Covid-19 delays its roll-out, we will continue to review the

plan as the World recovers from the economic impact.

We do however have to keep our eye on the ongoing resilience needs and regulatory compliance of our infrastructure. The sea wall that protects Wellington Waters' main sewerage line, the Council's road and the airports runway is nearing end of life and still needs to be strengthened. The recent swells that inundated the south coast caused more damage and repair plans to the sea wall are already underway.

Wellington Airport has increased its potential footprint by 13% to 133 hectares to cater for future demand in aircraft parking and support services.



1959



2019

CELEBRATING

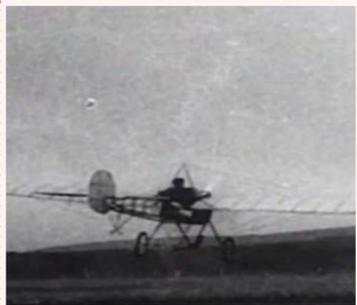
60 YEARS

25 October 2019 marked 60 years since Wellington Airport was opened with thousands of spectators there to witness the event. The very first terminal was a converted aircraft hangar, affectionately known as the 'tin shed'.

The corrugated iron building was planned as a five-year temporary fix but held on for 40 years, with a few add-ons and improvements along the way before the new terminal opened in 1999.

Since then the airport has grown and evolved to become one of the country's busiest and most popular hubs.

In the last twenty years the airport has developed many significant and award-winning facilities including 'The Rock' international terminal, domestic terminal expansion, multi-level transport hub and the Rydges Wellington Airport Hotel.



1910
1910 - First airplane flight from Wellington by Mr Arthur Schaefer



1930
1935 - First scheduled Cook Strait service
1939 - De Havilland factory opens



1950
1953 - 28 hectares of land reclaimed
1958 - De Havilland factory converted into main terminal
1959 - Grand opening of Wellington Airport



1960
1964 - The Beatles touch down in Wellington
1966 - American President Lyndon Johnson visits



1970
1972 - Runway extended to handle DC8 aircraft
1977 - International pier opens



1990
1997 - Southern Pier opens
1998 - South West Pier opens, car park building opens
1999 - New main terminal building



2010
2010 - The Rock International Terminal opens
2011 - Corporate Jet Hangar opens

2013 - Lyall Bay cafe opens. New fire appliances arrive
2015 - Expanded domestic terminal opens



2019
2016 - Singapore Airlines services commence
2018 - Multi-Level transport hub opens
2019 - Rydges hotel opens

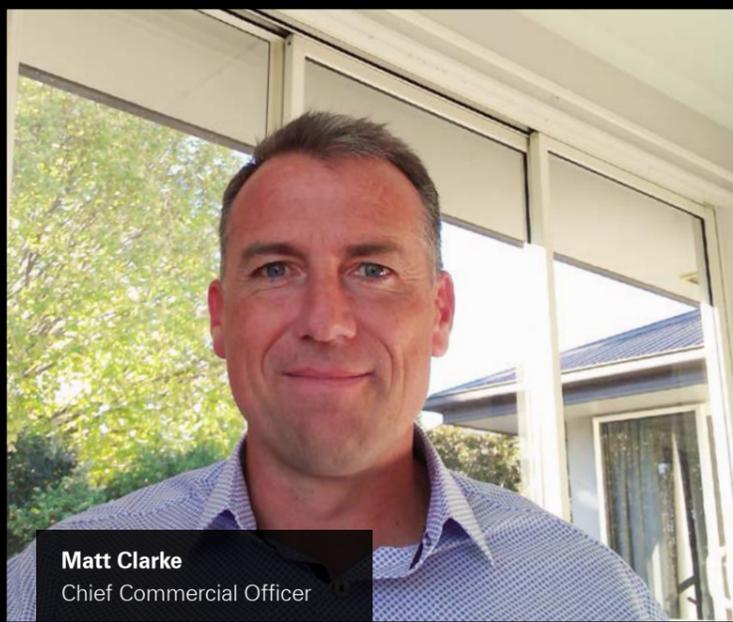
MEMORABLE MOMENTS

TEAM

We want to warmly thank our team at Wellington Airport and the many people who work within the wider airport community for their support during the year including our volunteer ambassadors and all our airlines: Air New Zealand, Jetstar, Qantas, Fiji Airways, Virgin Australia, Singapore Airlines, Sounds Air, Air Chathams & Golden Bay Air.



Steven Sanderson
Chief Executive



Matt Clarke
Chief Commercial Officer



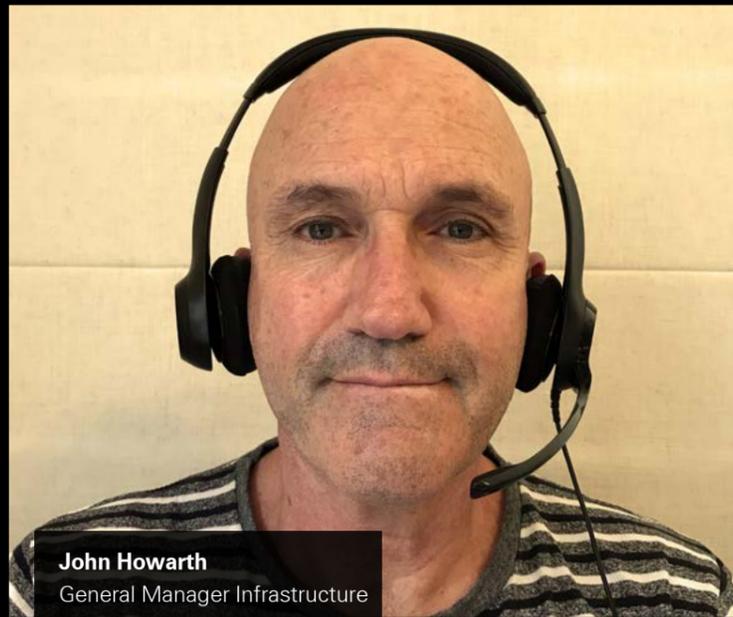
Leanne Gibson
General Manager IT and Facilities



Greg Thomas
General Manager Communication



Jackie Holley
General Manager People and Culture



John Howarth
General Manager Infrastructure



Ayolt Wiertsema
General Manager Aeronautical



Martin Harrington
Chief Financial Officer

KAITIAKITANGA

Wellington Airport is committed to embedding sustainability across everything we do. We understand our responsibility to manage an efficient operation that delivers excellent connectivity and customer experience, whilst also caring for our people, our community and the environment.

Our Kaitiakitanga vision guides us to manage our operations efficiently, to care for our environment and our people, to support the local economy and to give back to the community.

We work closely with our partners – airlines, tenants, consultants and contractors – to realise this vision by seeking opportunities to adopt energy efficient and sustainable processes across everything we do at the airport.

We recently completed the annual GRESB Infrastructure Assessment for FY19. Our GRESB score of 4* validates, and benchmarks our Environmental, Social and Governance (ESG) performance data against other airports and infrastructure assets. The score was a very good start and we have implemented many additional measures and expect that score to lift in 2020.



OUR KAITIAKITANGA VISION

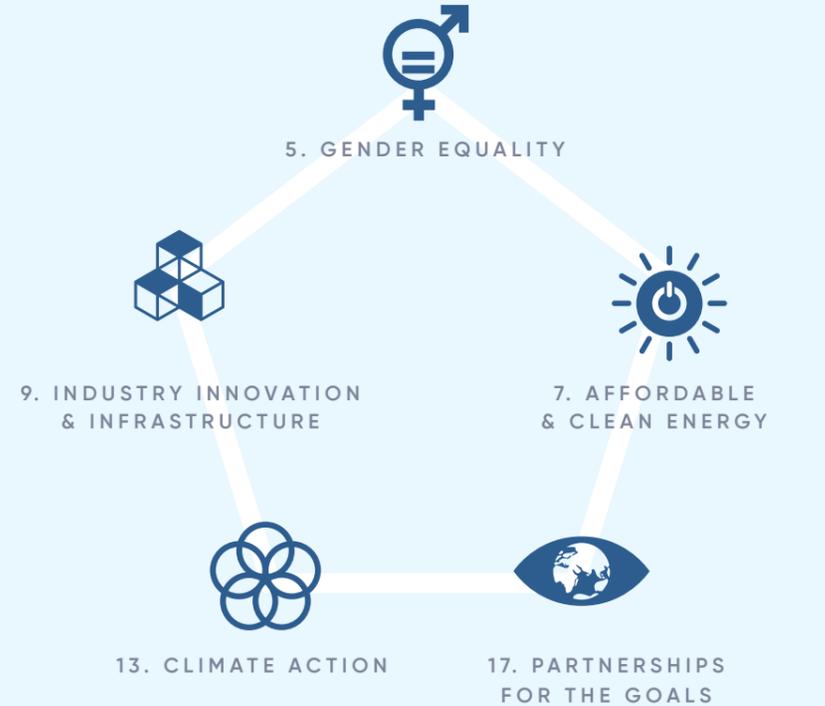


 <p>OUR PEOPLE</p> <ul style="list-style-type: none"> • Safeguard operations; • Care for all airport users and the community. 	 <p>OUR COMMUNITY</p> <ul style="list-style-type: none"> • Be a good neighbour; • Build meaningful community partnerships. 	 <p>OUR ENVIRONMENT</p> <ul style="list-style-type: none"> • Protection for future generations to enjoy; • Transition to a 1.5°C world.
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The United Nations’ Sustainable Development Goals provide a widely regarded international framework to achieve a better and more sustainable future for all – integrating economic, social and environmental aspects.

We have identified the most appropriate goals for us based on our ability to make or influence change and alignment with our values.

UNITED NATIONS’ SUSTAINABLE DEVELOPMENT GOALS



OUR

PEOPLE



Our people come first. We recruit people who share a common set of values that guide our decisions, inform how we work together and enable us to perform to our best.

We provide our people with a safe and supportive work environment and invest in a range of learning and development initiatives to grow their experience and help reach career aspirations.

Our values are:

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

Diversity and inclusion remain an imperative to ensure we continue to attract and retain high performers and continue to be a great place to work. Our demographic is diverse in age, ethnicity, background, experience and thought.

Currently our total workforce is made up of 22% females and 78% males. However in the corporate office the balance is more evenly split with 46% females and 54% males. We are continuing to address the overall balance throughout the airport and in senior management positions.

This year we've introduced a number of initiatives to address this, including

ensuring gender diversity across our interview panels, reducing unconscious bias, increasing the number of females we are interviewing for historically male oriented roles, introducing targets to increase gender diversity at senior management level and encouraging female staff to attend leadership courses.

In coming years, we will continue to support inclusivity through culture-focused projects and biannual engagement surveys, enabling us to capture staff feedback and take action to improve staff experience.

A SAFE

WORKPLACE



Best practice health and safety processes are an integral part of our operations and will always be the number one priority. Everything we do is designed with the safety and security of our customers, employees, contractors, community and the country in mind.

The airport is certified by the Civil Aviation Authority (CAA). Under the CAA's Part 100 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 addition to CAA and WorkSafe audits and

inspections, an internal auditing team carry out continuous checks to ensure both compliance and identify areas for improvement.

Regular maintenance checks are programmed to ensure equipment remains workable and safe, and all airport staff are involved in a monthly hazard identification check, to look for anything not already picked up.

The Airport coordinates with stakeholders including Airlines, ground handlers and Government agencies with regular meetings, spot checks and safety programmes like the Airport Safety week.

This year we also undertook a large scale, multi-agency, emergency training exercise to put all our practice into action.

Going forward we will continue to review our health and safety processes to ensure they remain fit for purpose in our new post-Covid-19 operational environment.

OUR COMMITMENT TO

COMMUNITY



As a truly city airport, we take pride in supporting our local businesses and communities – helping to keep Wellington on the map as one of the ‘coolest little capitals’ in the world.

Throughout 2019, we’ve hosted a wide variety of activities in our terminal – providing both financial support to Wellington-based businesses and entertainment for passengers and visitors.

Above: Uplifting, David Kirkpatrick, Waikato, New Zealand. Deadly Beauty, Zhang Xi of Donghua University, China. Eye See You Fluffy Kūwhai, Tina Hutchison-Thomas, Christchurch, New Zealand. Underling, Gillian Saunders, Nelson, New Zealand.

At the start of the year we partnered with the World of Wearable Art to capture imagination taking flight, facilitating a photoshoot on our runway and later showcasing award-winning garments in our terminal. The WoW season itself was a huge success attracting over 60,000 people, with many travelling to Wellington from other parts of New Zealand or from overseas.

This year was the 16th Wellington Airport Community Awards, organised in collaboration with Wellington Community Trust and the region’s councils. The awards recognise the amazing 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. A Supreme Winner is also chosen with all winners receiving a share of \$50,000 for their community group. Last year we received nominations from over 200 volunteer groups with InsideOUT taking home the Supreme Winner award.

In June, travellers were treated to a series of live performances as part of the Wellington Jazz Festival. And, in September, we partnered with the National Library and Te Puna Foundation to showcase Māori performances as part of Te Wiki o te Reo Māori Language Week.

Later in 2019, over 1,000 members of the public learnt valuable lifesaving skills as part of Restart a Heart Day. We also partnered with Cystic Fibrosis

“It’s amazing to have our growth as an organisation recognised with this award. It represents the work of our team of incredible staff, volunteers and all the rainbow young people in Wellington who are striving for inclusion in their schools.”

– TABBY BESLEY
MANAGING DIRECTOR
INSIDEOUT

2019 WELLINGTON AIRPORT
COMMUNITY AWARDS
SUPREME WINNER



Wellington to host the annual Christmas Tree Festival at the airport. This year more than 30 businesses sponsored and decorated a tree, raising enough money to employ a Family Support Worker and essential medical supplies for the Central region.

In early 2020, we were a leading partner for the New Zealand Festival of the Arts. Our partnered event Te Ata, a festival within the festival consisted of two weeks of ground-breaking creative development between the community of Porirua and international artists. This culminated in a week of public performances and events.

Events are one of the hardest hit areas by Covid-19 and this has significantly impacted our sponsorships for the coming year. The Community Awards have been put on hold and Cuba Dupa, World of Wearable Art, and the Phoenix FC, to name just a few, are all re-grouping. We can only look forward to when the cultural and sporting events that make our city great are back on the calendar.

Top right: InsideOUT
Bottom right: Te Ata, New Zealand Festival of the Arts



OUR

ENVIRONMENT

By 2030, we aim to reduce our operational carbon emissions, waste to landfill and electricity use by 30%. To achieve these targets, Wellington Airport is adopting energy efficient and sustainable construction into our projects. We must also make changes to how we manage our waste and resources.

The specific targets are ambitious and are considered as part of our daily decision making. Our carbon emissions target is absolute, which means we are committed to reducing our operational emissions irrespective of airport growth.

The reduction in travellers due to Covid-19 and consequential deferral of the terminal extension programme will mean a delay in the replacement of our heating and ventilation systems. Replacement of those systems was a key driver to achieve the reduction target. We will continue to focus on maximising the efficiency gains from our existing systems and all other emissions sources.



TARGET AREAS	INITIATIVES
Reducing carbon emissions	<p>Purchased Voluntary Emission Reductions to offset our 2019 operational carbon emissions (including staff travel). This makes us Carbon neutral for 2019</p> <hr/> <p>Replacing our fleet of vehicles with electric alternatives</p> <hr/> <p>Reviewed operating procedures to reduce unnecessary use of emergency stationary generation.</p>
Reducing energy use	<p>Replacing all halogen lightbulbs in the airport with energy efficient LED lighting</p> <hr/> <p>Investing in building analytics technologies to provide a real time, integrated view of our building performance – enabling us to identify changes, patterns and opportunities.</p>
Sustainable design	<p>Adopting energy efficient and sustainable construction into our projects – targeting a GreenStar 5* design rating</p>
Reducing waste	<p>Replacing single use plastic with reusable or compostable alternatives</p>
Diverting waste from landfill	<p>Trialling and implementing coffee cup composting with 'For The Better Good'</p> <hr/> <p>Implementing new processes to enable more efficient separation of recyclable and compostable material from landfill waste – most recently opening a new Resource Recovery Centre and introducing mobile sorting trolleys</p>
Influencing the supply chain	<p>Developed a Guide to Sustainable Procurement to ensure the goods and services we purchase make a positive contribution – environmentally, socially and economically</p>
Regenerating the local community	<p>Partnered with Trees that Count, Te Motu Kairangi and Predator Free Wellington to support the regeneration of the Miramar Peninsula and our local community</p> <hr/> <p>Installed traps and bait stations around the airport's perimeter in support of Predator Free Miramar's effort to rid the Peninsula of rats and mice</p>
Supporting industry	<p>Installed common-use electric chargers for our electric airside ground support equipment (GSE) and vehicles</p> <hr/> <p>Installed electrical ground power at some gates so aircrafts can get electricity straight from the local grid without the need to run their auxiliary power units (APUs)</p> <hr/> <p>Trialled Performance Based Navigation routes to enable quieter and more fuel-efficient arrivals into Wellington Airport. Results indicate airlines using Performance Based Navigation are flying fewer kilometres, reducing their fuel burn and CO₂ emissions and shortening passenger travel time.</p>

SUPPORTING OUR GLOBAL ENVIRONMENT



We continue to partner with Trees that Count, Te Motu Kairangi and Predator Free Wellington to preserve Miramar Peninsula as a space for future generations to enjoy.

This year we planted 1500 low growing regenerative plants on Wexford Hill and 1500 native trees in Tawatatawa Reserve, taking our total community tree planting count to 5,500.

Our location between the Peninsula and the city make us an important zone in the Predator Free Miramar project. Over the past two years, we have installed traps and bait stations around the perimeter of the airport. This 'virtual barrier' is helping to eradicate rats, stoats and weasels, bringing back the birds and bush to Wellington's eastern suburbs.

We have purchased Voluntary Emission Reductions to offset our operational carbon emissions for 2019. This gives us the opportunity to make a positive impact on the global environment while we work to reduce our own operational emissions in line with our 30% target. The credits are generated by international projects, helping to build wind farm capacity in India and assisting local farmers with sustainable agricultural techniques and forest management to avoid deforestation in Brazil. Our operational emissions include Scope 1 and 2 emissions and staff travel.

Above: Griffin Hunt, Te Motu Kairangi - Miramar Ecological Restoration

REDUCING OUR ENERGY USE



Heating, ventilation and air conditioning systems are essential for maintaining appropriate levels of comfort for passengers and airport community while they are in the terminal. However, they also make the biggest contribution to our operational carbon emissions.

To ensure our systems are operating as efficiently as possible, we have recently invested in cutting edge data analytics technology. The smart technology enables us to continuously review our building management system data. It also provides us with information to promptly identify any faults in our systems and opportunities to improve our energy efficiency.

This helps us to:

- reduce our energy consumption and carbon emissions,
- manage peak demand,
- lower maintenance and repair costs,
- improve asset life cycles.

REDUCING OUR WASTE TO LANDFILL



Each day over 2000 takeaway coffees are purchased at the airport. This year we've taken steps to reduce this waste by introducing a reusable coffee cup scheme and composting trial.

We're proud to be the first airport in New Zealand to introduce reusable coffee cups in partnership with 'Again Again' – a Wellington-based social enterprise who provide reusable steel cups available by deposit and return at any participating café. In addition to introducing the scheme, many café operators have also increased their dine-in options and acceptance of keep cups.

We also started a composting trial with social enterprise 'For The Better Good' to establish if we can develop a robust regenerative system for compostable packaging waste.

The trial has been incredibly successful and we've diverted over 25,000 cups from landfill.

Our next project is to investigate options for establishing a community garden with a composting facility near the airport.

SUPPORTING OUR AIRLINE PARTNERS



The aviation industry is collectively working hard to address aviation emissions. This year our focus has been on providing ground electrification at the airport – making it possible to replace diesel and petrol-powered ground service equipment with electric alternatives, and enabling airlines to power aircraft using electricity at the gate, rather than relying on their fuel-powered auxiliary power unit.

Air New Zealand identified ground electrification as one of their material sustainability issues – with a goal to be fully electric by 2025. We've worked closely with Air New Zealand and our other airline partners (including Planebiz and Swissport) to provide a ground servicing equipment electric charging system.

In February, following a joint procurement initiative with Auckland Airport, Christchurch Airport, and Queenstown Airport, we successfully installed two Fastcharge ground service equipment charging systems as stage one of this project.

We also now provide electric ground power at gates on the south and south west piers. This enables aircraft to 'plug in' and power their onboard lighting and electronics without the need to run their auxiliary power units.

IMPROVING OPERATIONAL RESILIENCE



Climate change and resilience is one of our material issues and our risk analysis is aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures and informs our design, planning and infrastructure development decisions.

As the climate continues to change, we are planning for rising sea levels, more extreme weather and climate related events which will present a risk to infrastructure and property.

This year we started planning for the upgrade of our coastal protection structures (seawalls and breakwater) – inviting feedback from the local community to help inform our design. The new structures need to withstand rising sea levels, increased frequency and intensity of storm events and earthquakes.

We also completed a detailed investigation of our stormwater infrastructure network, flows and capacity. This, together with our groundwater and stormwater quality monitoring data will inform our site-wide stormwater discharge resource consent and the design of future airport infrastructure.

NOISE MANAGEMENT



Few cities in the world benefit from an airport as conveniently located as Wellington's. This accessibility and proximity to residential properties means we must carefully monitor and manage the effects of airport noise on our neighbours.

The Wellington City Council District Plan governs the total noise for aircraft movements and the hours of flight, with a night curfew in place. We currently operate well within the noise limits and curfew conditions.

As part of our Noise Management Plan, which is overseen by the Wellington Air Noise Management Committee, we've implemented a range of noise mitigation measures within the Air Noise Boundary. This includes the Quieter Homes package which offers almost 700 homeowners a specifically tailored

package of acoustic mitigation treatment designed to reduce aircraft noise. We are continuing to roll out the programme for the properties most affected by air noise, completing 25 property upgrades this year.

Operational constraints at the airport often require construction and maintenance works to be done during the flight curfew. We are mindful of the close proximity of our neighbours to Wellington Airport, and our procedures require noise mitigation measures to be planned and implemented for all projects.

I have really been impressed with the team. Without exception they were friendly and helpful which I really appreciated. The high standard of workmanship by all in what is a fairly old house was noted.

– IAN MACDONALD

Above: @yourlocalplanephotographer

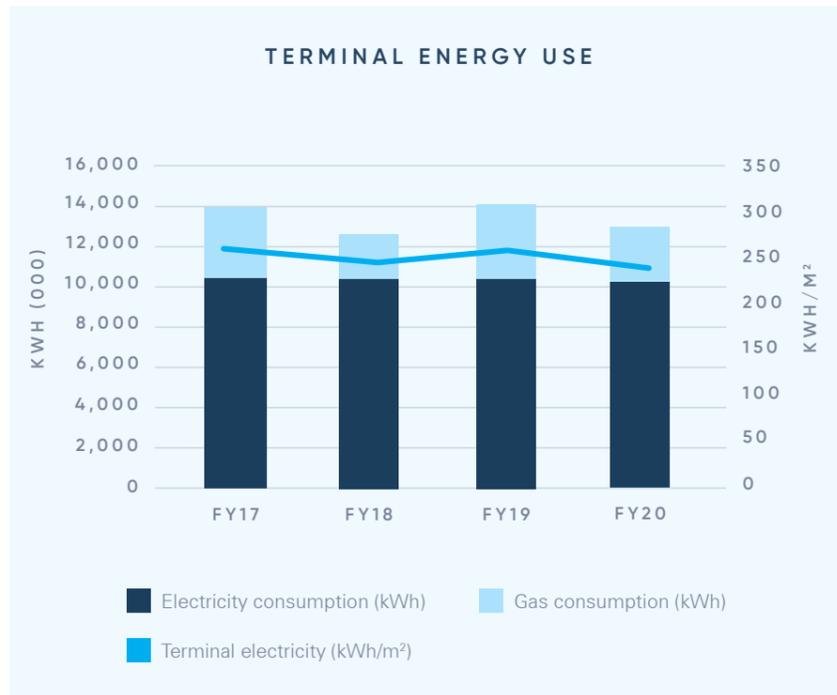
RESULTS

Energy

TOTAL GAS AND ELECTRICITY CONSUMPTION (KWH)
TERMINAL ELECTRICITY
KWH/M²/YR

Terminal energy consumption is influenced by the local weather conditions throughout the year, with the number of heating and cooling days impacting on our gas and electricity use respectively.

The ongoing optimisation of the terminal building management system has resulted in average annual energy savings of 14% when compared to FY17. Investment in building data analytics technology should see further efficiency improvements.



Waste

OPERATIONAL SOLID MUNICIPAL WASTE
KG/YR | KG/PAX/YR

Our total waste volume has slightly decreased from FY19, however the volume of waste sent to landfill for every 100 passengers has remained the same as FY19 at 7kg/100pax.

We are continuing to work on initiatives to reduce the overall volume of waste generated and increase the proportion of our waste that is diverted from landfill. Our FY20 diversion rate of 27% presents further opportunity for improvements in our waste collection and sorting capacity.



Carbon

SCOPE 1 +2 CO₂e EMISSIONS
KG/YR | KG/PAX/YR

Our scope 1 (direct emissions from Wellington Airport-owned sources) and Scope 2 (indirect emissions from purchased energy used by our operations) have decreased for FY20. This was the result of a combination of factors, most significantly being the considered use of our emergency generator, reduced fuel use by our vehicle fleet and gas terminal heating, and the lower emissions factor for purchased electricity from the New Zealand grid.

The emissions associated with staff travel (Scope 3) were 127.1 tonnes for FY20.



Scope 1 and 2 emissions have been verified by Toitu Envirocare and is aligned with ISO 14064-1:2006.

WELLINGTON
AIRPORT