



Being a good neighbour

Corporate Social Responsibility Report 2018



Our Auckland Airport waiata

E ngā manā, e ngā reo,
 E ngā waka haere mai rā
 Tēnei mātou
 Nō te Taunga wakarererangi
 E mihi ana
 Tū whakahi nei mātou
 Hei poipoi i te tomokanga
 Ki tō tātou whenua,
 Ko Aotearoa, Aotearoa!

People of all origins, languages and vessels – welcome

We of the airport greet you

We stand proud and humble as we care for the gateway to our land, Aotearoa!

MA-ORI GOVERNMENT MINISTERS AND OTHER DIGNITARIES ARE WELCOMED ONTO TE MANUKANUKA O HOTUROA MARAE AT AUCKLAND AIRPORT

Cover: Auckland Airport emergency services officer Hercules Panama presents the Auckland Airport award on the Niuean stage at Polyfest to Sam Tohillima

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Welcome

Auckland Airport: operating sustainably and empowering our communities through education and employment

Tēnā koutou katoa

Auckland Airport strives to be a good neighbour. We want to be a responsible business that plays a role in the communities we are a part of. In the pages that follow you'll read about many of the ways we've done this in the 2018 financial year.

We've continued to actively manage our ten material sustainability issues as risks and opportunities across our business to deliver long-term 'shared value' for everyone with a stake in Auckland Airport. This includes our employees, customers, business partners, investors, the South Auckland and Auckland communities and all New Zealanders.

We signed the national Climate Leaders Coalition statement this year and continued to keep carbon emissions constant, despite an increase in passenger numbers and extensive redevelopment programme. We improved our customers' journeys with new infrastructure and services, including our expanded international departures area. We shared the benefits of our investment programme with the community, placing 215 people in employment and training through Ara, our Auckland Airport Jobs and Skills Hub.

We are proud of the role we play as the main gateway to Aotearoa New Zealand, of our contribution to the New Zealand tourism industry and many other industries around the country, and of the many ways we're helping New Zealanders get ahead.

We have an ambitious plan to develop our 'airport of the future'. Our plan for the local, national and global communities we are a part of is equally ambitious.

Many people and organisations have helped us achieve these results. Thank you to everyone listed on page 43 for the part you've played.

Ngā mihi



Adrian Littlewood
Chief Executive



Highlights

of the year ended 30 June 2018

External acknowledgement



We continued to rank in the Colmar Brunton Reputation Index as one of New Zealand's top ten most trusted companies



We received an Airports Council International award for reducing waste to landfill from inbound flights



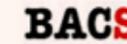
We were included in the FTSE4Good Index for the eleventh year in a row



Enviro-Mark Solutions recognised us as one of New Zealand's top carbon reducers



We were included in the Dow Jones Sustainability Index for the eighth year in a row



We received the Business and Community Shares (BACS) Education and Skills Award



We achieved a five-star rating for our first submission to GRESB Infrastructure

Protecting the natural environment



We were the first airport and country in Oceania to set public carbon reduction targets under the UN-supported Science Based Targets initiative



We helped airlines recycle 46% of non-quarantine cabin waste



We reported to the Carbon Disclosure Project for the tenth year in a row



We signed the national Climate Leaders Coalition pledge

Supporting local communities



215 people gained jobs through Ara, our Auckland Airport Jobs and Skills Hub



Our scholarships helped nine local students into tertiary education



68 local secondary students gained work experience through Ara



Our four education sponsorships helped thousands of South Auckland students gain skills



We gave \$335,000 to our Auckland Airport Community Trust to distribute to the South Auckland community

About Auckland Airport



Auckland Airport is New Zealand's largest international airport and the third busiest airport in Australasia by passenger numbers.

Connecting Auckland to New Zealand and New Zealand to the world

As the main gateway to Aotearoa New Zealand, we connect our small island nation to the world and play a leading role in supporting New Zealand tourism and trade. Our business also includes significant and growing property, hotel and retail operations.

We support New Zealand and New Zealanders. We are proud of the role we play in creating thousands of jobs, generating billions of dollars in incomes and helping people, businesses and industries in communities up and down the country get ahead.

At 30 June 2018 we employed 506 permanent, fixed-term and casual staff and 93 contractors. Ninety-six Blue Coats Ambassadors welcomed travellers and visitors in our terminals.

One of New Zealand's largest companies

We are one of New Zealand's largest companies and we are publicly listed on the New Zealand and Australian stock exchanges, with more than 50,000 shareholders. Our largest shareholder, Auckland Council, owns approximately 22 per cent of the company.

We hold a 24.99 per cent investment in Queenstown Airport.

The airport community

The area around the airport is a major business district. We own 1,500 hectares of land (an area larger than Auckland's central business district), more than 325,000 square metres of industrial buildings and over 40,000 square metres of retail and office space.

In 2018 our terminals and wider airport precinct were home to more than 800 businesses including two hotels, more than 100 retail shops, cafés and restaurants, and global retailers like Icebreaker and Hugo Boss.

Tenants in our expanding business district include global companies like DHL, Fonterra and Fuji Xerox. The Landing business park will provide more than 100 hectares of world-class developed land when it is complete.

More than 15,000 people work on the airport precinct. Employment here is forecast to continue to grow strongly.

Building our 'airport of the future'

Auckland Airport is becoming a global hub for air travel. The number of passengers flying into and out of our airport grew 5.7% per cent in the 2018 financial year. This number is expected to more than double to 40 million by 2044.

We have a 30-year plan to accommodate this growth and deliver our 'airport of the future'.

In the past year we have expanded and upgraded our international departures area, expanded our international terminal Pier B by adding aircraft stands and pier capacity and improved our transport infrastructure. In coming years, we plan to build a combined domestic and international jet terminal, new hotels and a second runway. We will also continue to expand The Landing business park.

Our aim is to create an airport that offers New Zealanders and overseas visitors an outstanding customer experience with a 'Kiwi' flavour, and a business district that helps tenants and employees build long-term businesses and careers.

 **20.6 million** annual passengers

 30 international airlines
46 international destinations
4 international freight airlines
19 domestic destinations
4,000 baggage trolleys

 **1,500** hectares of land

75% share of international visitors to New Zealand


174,000+ flights
150+ international flights each day
320+ domestic flights each day

5 fire engines
2 rescue hovercraft
2 rescue boats

 **3,635** metres of runway

 **24/7**
24 x 7 operation, 365 days a year



800+ businesses



 **15,000+** people working at and around the airport

100+ shops, cafés and restaurants
2 hotels

Corporate Social Responsibility

(CSR) at Auckland Airport

Being a responsible business matters

Being a responsible business is important to us – for our business, our neighbourhood, New Zealand and globally.

Four communities of interest, three themes

We have identified four 'communities' and set an aspiration for each:

- At home (our employees, customers and tenants) – we want to be an employer of choice, offer customers true hospitality: manaakitanga, and create a vibrant business hub
- In our neighbourhood (South Auckland) – we want to be a good neighbour
- In our country – we want to be a great New Zealand business
- Around the world – we want to be a good global citizen.

We have three overarching themes for the corporate responsibility work in our neighbourhood, country and global communities.

We want to:

- Empower people through education
- Support people into sustainable employment
- Protect the natural environment.

We chose these themes because people in our communities tell us they are important to them. These outcomes are also relevant to the United Nations' sustainable development goals.

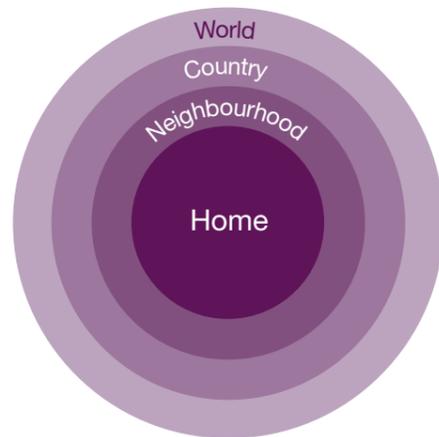
In addition, these are areas where we can use our specialist airport skills and resources to create significant longterm benefits for local communities. For example, as we develop our airport we can design facilities that minimise our environmental impact and offer local people sustainable employment.

Ten material issues

In 2013 we identified these 10 issues which we need to manage well, as risks and opportunities, to be a responsible business. We reconfirmed these issues in 2016, based on feedback from our stakeholders. We reviewed them again in 2018 as we set our new corporate

responsibility policy.

1. economic contribution: creating jobs and incomes for New Zealanders
2. employer and work location of choice: being a good employer and creating a vibrant business hub
3. customer experience: making journeys better for our customers
4. community and Māori engagement: helping local people get ahead, respecting mana whenua
5. energy and carbon: minimising the energy our operations use and the carbon they emit
6. waste and water: minimising the waste we create and the water we use
7. noise and emissions: minimising the impact of aircraft noise and spills
8. safety and security: keeping people healthy, safe and secure
9. ground transport: improving access to, from and around the airport
10. smart design and construction: building for the future



We were delighted to support Kivis for Kivis with a \$10,000 Twelve Days of Christmas grant and to name this kiwi chick Haerenga ('journey' in the Māori language). Haerenga is living happily on Motutapu Island in Auckland's Hauraki Gulf.





Involving our employees

Our corporate responsibility work is important to our people. Involving our employees helps us deliver our programmes effectively and promotes employee engagement.

In the past year:

- We launched our new internal corporate responsibility forum (The Good Neighbour Project). Fourteen employees meet quarterly to act as the company's 'internal conscience' on social and environmental issues.
- Team members joined local schools to plant trees at nearby Puhinui Reserve.
- Eight Māori and Pasifika employees presented awards at ASB Polyfest as part of our annual sponsorship.
- Nine employees mentored recipients of our education scholarships.
- Our firefighters raised more than \$53,000 to support the Leukaemia and Blood Cancer Foundation.
- Employees nominated 30 community groups to receive a total of \$30,000 in grants.

Involving other stakeholders

The views of our customers, investors, government, business partners and the community help us develop and deliver our corporate responsibility plans. We consulted them regularly in the past year. For example:

- As we build our new airport and transport infrastructure we have engaged airlines, border control agencies, retailers, tenants and people working on the precinct to understand their needs.
- We visited 11 school principals and careers advisors and agreed engagement plans to support their students.
- Ara, our Auckland Airport Jobs and Skills Hub, has an advisory board comprising local employers, school principals and representatives from training organisations and government.
- Community leaders and local business associations nominated community groups to receive \$50,000 in He Tangata grant funding.
- We worked with Māngere-Ōtāhuhu board to review stormwater management on our precinct.

Holding ourselves accountable

We set targets for our environmental work and report on these on our website and in this report. Our carbon management plan is audited externally and meets international ISO standards.

We benchmark our social investment against Australasian companies using data from LBG-Corporate Citizenship and against New Zealand corporates. Our annual report from BACs (Business and Community Shares) provides useful feedback on our community activities.

We recognised that we needed to get better at measuring outcomes rather than outputs in our community activities. We are now tracking outcomes for Ara placements and trainees, scholarship recipients, beneficiaries of our major sponsorships, and recipients of our Auckland Airport Community Trust grants (our largest grants programme).

External reporting

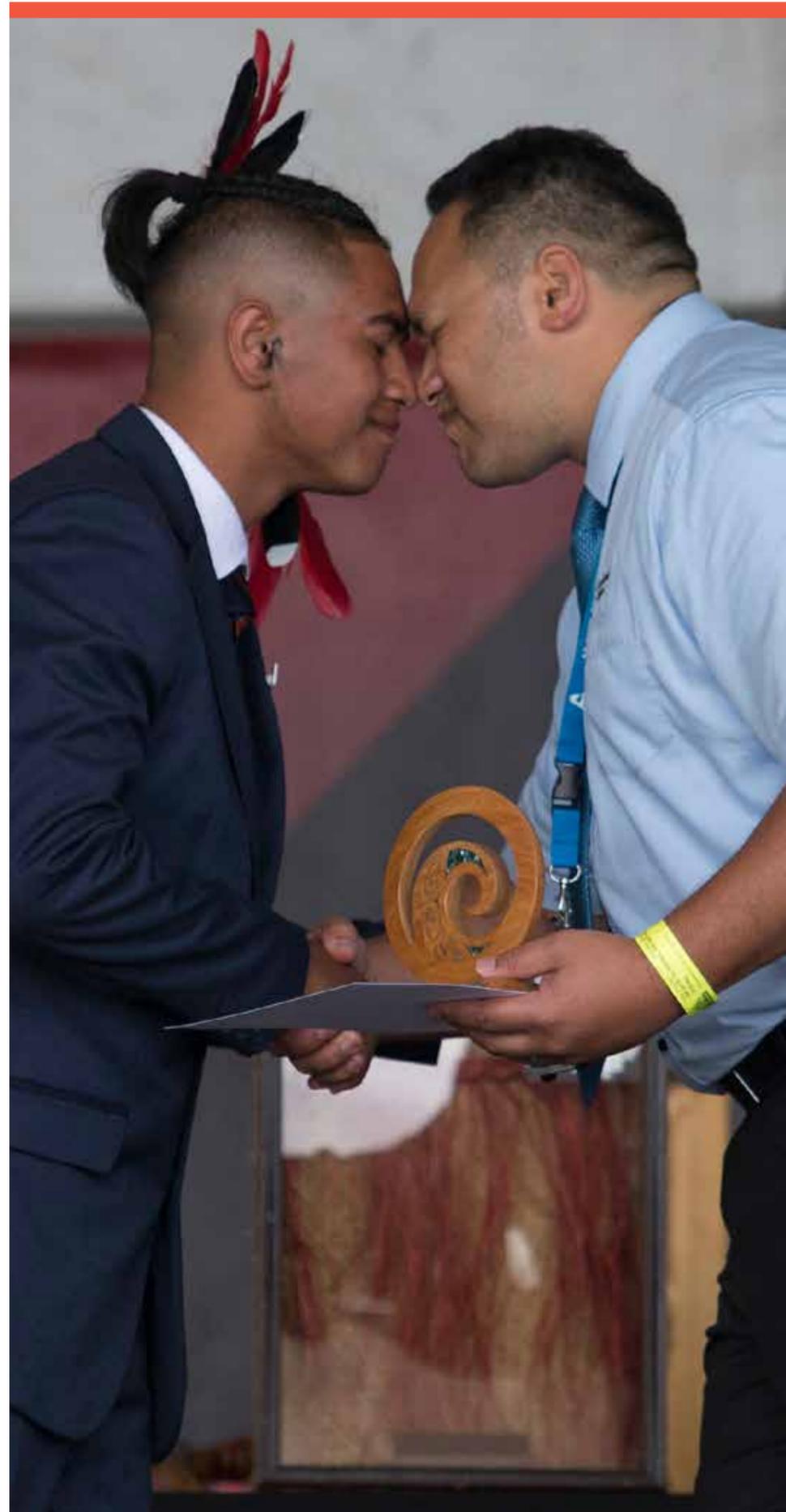
We report on our corporate responsibility performance each year in this publication and in our annual and interim reports.

During the 2018 financial year we also reported through these indices and submitted the results of our carbon emissions monitoring to the Carbon Disclosure Project, with these outcomes:

- Dow Jones Sustainability Index: Environmental/Social/Governance (ESG) score in 71st percentile for our industry (transport)
- FTSE4Good: included
- GRESB: five-star rating out of five
- Carbon Disclosure Project: B

Developing our reporting

We are reviewing developments in environmental, social and governance (ESG) reporting, including Global Reporting Initiative (GRI) reporting and Integrated Reporting (IR). We have used elements of both reporting frameworks in this report, including by identifying and managing our ten material issues.



BACS – Business and Community Shares New Zealand, June 2018

“

[Auckland Airport's] stunning results showed they were indeed top of the tree for 2018. Considerable number of [judges'] comments were made on their excellent job with their Ara project."

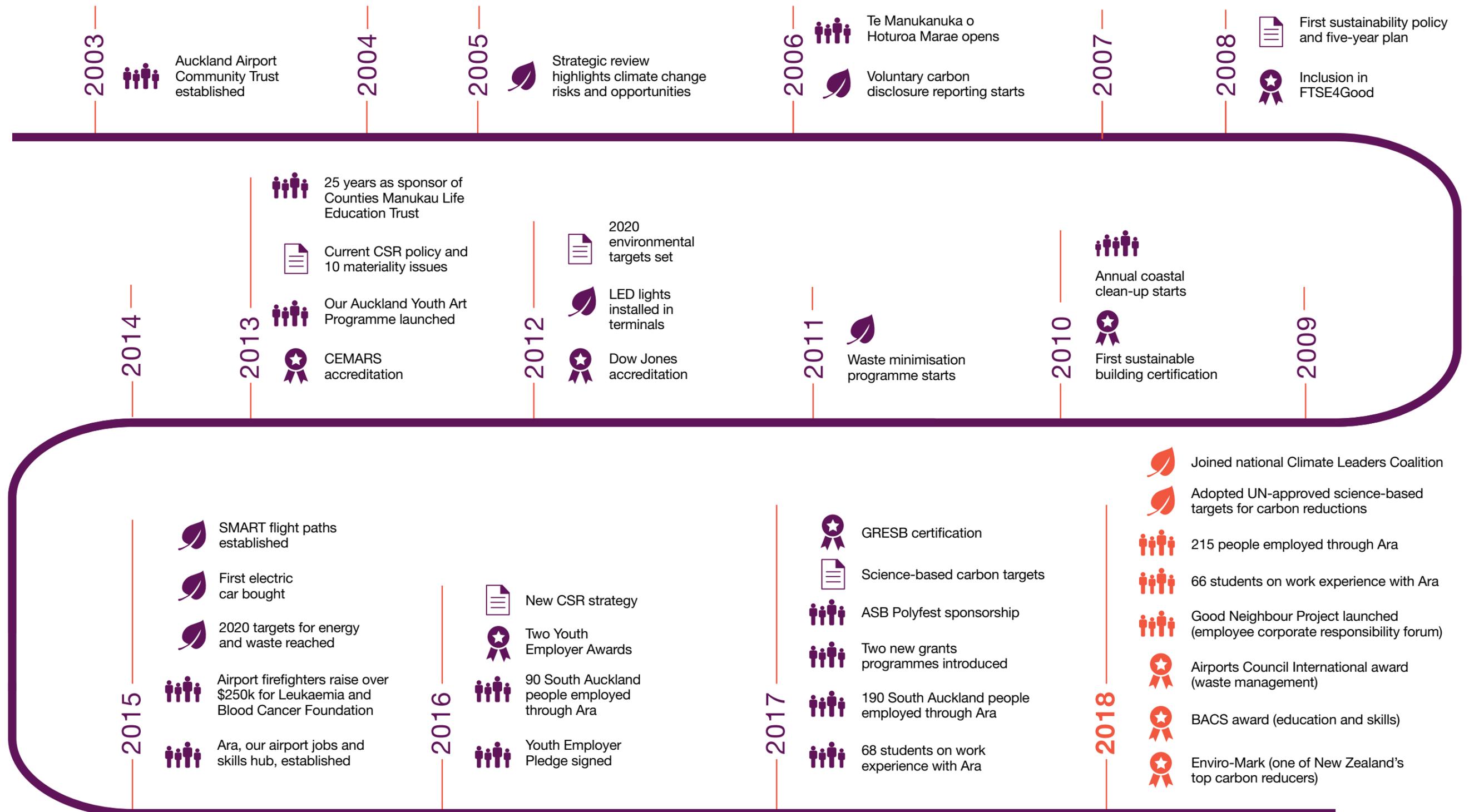
Teinaki Marsters, employee of Cook Islands ethnicity, who presented on the Polyfest Cook Islands stage

“

What an awesome experience. I'm so on a high right now. My family and friends are so proud of me. A big thank you."

Timeline: our CSR journey

-  Policy/strategy
-  Environment
-  Community
-  Recognition



Being a good neighbour

Page 28 shows the progress we are making for the three material issues associated with our communities.

Our location in South Auckland means we are part of a strong and vibrant community.

Members of our local community tell us that they value education and sustainable employment. We have taken these views into account in designing an annual community engagement programme which helps South Auckland people build their knowledge, skills and careers and celebrates diversity. The programme benefits our business and others on the airport precinct too by helping develop a skilled local workforce. It is true 'shared value'.

In the past year we have worked with the community, precinct employers, schools, government and training partners to create pathways into education and employment. Ara, our Auckland Airport Jobs and Skills Hub, is central to this work and has placed hundreds of local people, including students, in jobs and training.

Our wider engagement programme has encompassed five community sponsorships, ten tertiary education scholarships for local students and four philanthropy programmes. It has also involved cultural and environmental initiatives to reinforce students' classroom learning.

We have continued to build relationships with mana whenua (local Māori people), celebrate our diverse community and workforce through activities like our ASB Polyfest sponsorship, and build our team's cultural skills, including in te reo Māori (the Māori language).

Our role as an airport gives us unique opportunities to support the community. In the past year our firefighters raised thousands of dollars from generous travellers for charity and we donated an abandoned car to charity The Aunties.

We were delighted to receive the 2018 BACS award for Education and Skills.



STUDENT ARTISTS AND TEACHERS FROM ŌTĀHUHU COLLEGE WITH ARTWORK WHICH WE DISPLAYED IN OUR INTERNATIONAL TERMINAL



Gabriel Thompson
Duty Operations Manager,
Auckland Airport

Ko Toka Toka tōku maunga
 Ko Kaipara tōku moana
 Ko Arapaoa tōku awa
 Ko Māhuhu-ki-te-rangi tōku waka
 Ko Ngāti Whātua tōku iwi
 Ko Te Uri o Hau tōku hapu
 Ko Waihua tōku marae
 Ko Haumoewharangi tōku tupuna
 Ko Kapereira Tamihana ahau
 Tihei mauri ora!

Gabe is a casual speaker of te reo Māori (the Māori language) He and seven other Māori and Pasifika colleagues presented Auckland Airport awards on the ASB Polyfest stages as part of our annual sponsorship of this community event.

“

I made an award on the Māori stage on behalf of the company and it was tremendous – a humbling and inspiring highlight of my year. I knew some of the judges, media and backstage crews and was recognised by lots of kids who performed. It was an awesome feeling to hand out our award as I knew some of the winners through my coaching and other sporting events.

I'm grateful Auckland Airport puts a lot of emphasis on and energy into promoting diversity in South Auckland. This includes giving Polyfest winners the opportunity to perform in our international terminal.

I enjoyed supporting this kaupapa (principle) and encouraged my team to support it too. This mahi (work) supports an old saying I strongly believe in:

'He aha te mea nui o te ao?' – 'What is the most important thing in the world?'

'He tangata, he tangata, he tangata.' – 'It is the people, it is the people, it is the people.'



Sarah Redmond
Schools Engagement Manager,
Ara, Auckland Airport's Jobs
and Skills Hub

Sarah manages Ara's work experience programme. In 2018, 68 Year 13 students from five local secondary schools gained work experience with employers on the airport precinct.

“

South Auckland has high youth unemployment and we need to tackle the issue head-on. The schools I work with have academies for trade and hospitality courses. Ara works with them to place their students in work experience, to get them ready for the workforce. It's a true collaboration between the airport, schools and employers.

This year we've expanded from construction into hospitality and logistics too. Some students visit one day a week for 10 weeks, but most work one day a week for three terms, so they get a good feel for what the airport's doing.

We've also hosted maths and science teachers and their students. We've shown them the runway being re-concreted and the planning that goes into new infrastructure. It's about helping them understand where their classroom learning can lead.

Akech Duot Deng came through the Ara programme. The team at Accent, a carpentry business working at the airport, needed a labourer keen to learn more and do an apprenticeship, so I put them in touch with him. Akech's now working for them and becomes an apprentice after Christmas.

Akech Duot Deng is a former Māngere College student who completed work experience with Ara. He is now an apprentice carpenter with Accent Construction."



RINA TUI ADDRESSING GUESTS AT AUCKLAND AIRPORT'S ANNUAL DINNER FOR AIRLINES AND AIRPORT SERVICE PROVIDERS

Tackling climate change

Pages 32-37 show the progress we are making for the five material issues related to climate change.

We acknowledge that the aviation industry contributes to climate change. The impacts of climate change, including rising sea levels and temperatures and unpredictable weather, threaten our business, community, country and planet.

In late 2017 we joined 60 New Zealand businesses as a member of the Climate Leaders Coalition. We signed the pledge set out here, committing to working together to tackle climate change and help New Zealand transition to a low emissions economy. We also encouraged our suppliers to join the Coalition.

In the past year we have worked with our business partners to reduce carbon emissions, focussing on all activities which have a climate impact. For example, we have installed energy-saving equipment in our terminals, improved the efficiency of our 34 taxiways and seven aprons to minimise aircraft taxi time and fuel burn, reduced waste across the precinct, and worked with Auckland Transport and private operators to improve public transport access.

We are designing our new airport infrastructure and business park to minimise our impact on climate change.

We were encouraged to receive an Airports Council International award for our transitional waste facility and be recognised by Enviro-Mark as one of New Zealand's top carbon reducers.

The national Climate Leaders Coalition pledge (2017)

For the generations after us, for the country we love, for the viability of our businesses, we are ambitious for action on climate change. If we act now we can forge a path to create a future that is low-emission, positive for our businesses and economy, and inclusive for all New Zealanders. We are committed to playing our part to make that future real. If we don't, our competitiveness is at risk.

We take climate change seriously in our business:

- *We measure our greenhouse gas emissions and publicly report on them*
- *We set a public emissions reduction target consistent with keeping within 2° of warming*
- *We work with our suppliers to reduce their greenhouse gas emissions.*

We believe the transition to a low emissions economy is an opportunity to improve New Zealand's prosperity:

- *We support the Paris Agreement & New Zealand's commitment to it*
- *We support introduction of a climate commission and carbon budgets enshrined in law.*



Martin Todd

Project Manager, Development and Delivery Team, Auckland Airport

Martin is a member of the airport's development team. In the past year he has worked with the airport's electrical engineers and electricians to implement a 'grassroots' approach to reducing the energy the airport precinct uses and the carbon it generates – building by building, electrical fitting by fitting.

“

We've saved energy in our international terminal in the past year by changing the way we light and heat the building. That's despite a bigger terminal and many more travellers.

We've embedded energy savings into the design and build of our new infrastructure like Pier B and we're retrofitting older parts of the terminal as we upgrade them. We're putting in LED lighting and more efficient cooling and heating systems. In the public spaces it's almost all LED now and we're now working on 'back of house' areas too.

We're also installing 'smart' technology. For example, our sensors sniff the internal air for CO² and the fans pull in fresh air only when it's needed. So if it's windy and the doors are letting in lots of outside air, the system draws in only what needs to be heated or cooled.

This work is reducing our climate impact and it makes financial sense too. We're saving money on power and maintenance, and reinvesting those savings to improve our facilities for our customers.”



Dr Ann Smith

Chief Executive, Enviro-Mark Solutions (part of Manaaki Whenua – Landcare Research)

Auckland Airport was an early adopter of the Certified Emissions Measurement and Reduction Scheme (CEMARS®) provided by Enviro-Mark Solutions. The airport is now working on its seventh year of CEMARS certification, measuring and reporting greenhouse gas emissions and showing progress against short- and long-term reduction targets.

There were 129 New Zealand companies in the CEMARS and carboNZero schemes in 2018.

From this group, Auckland Airport was named one of the top 20 most successful emissions reducers.

“

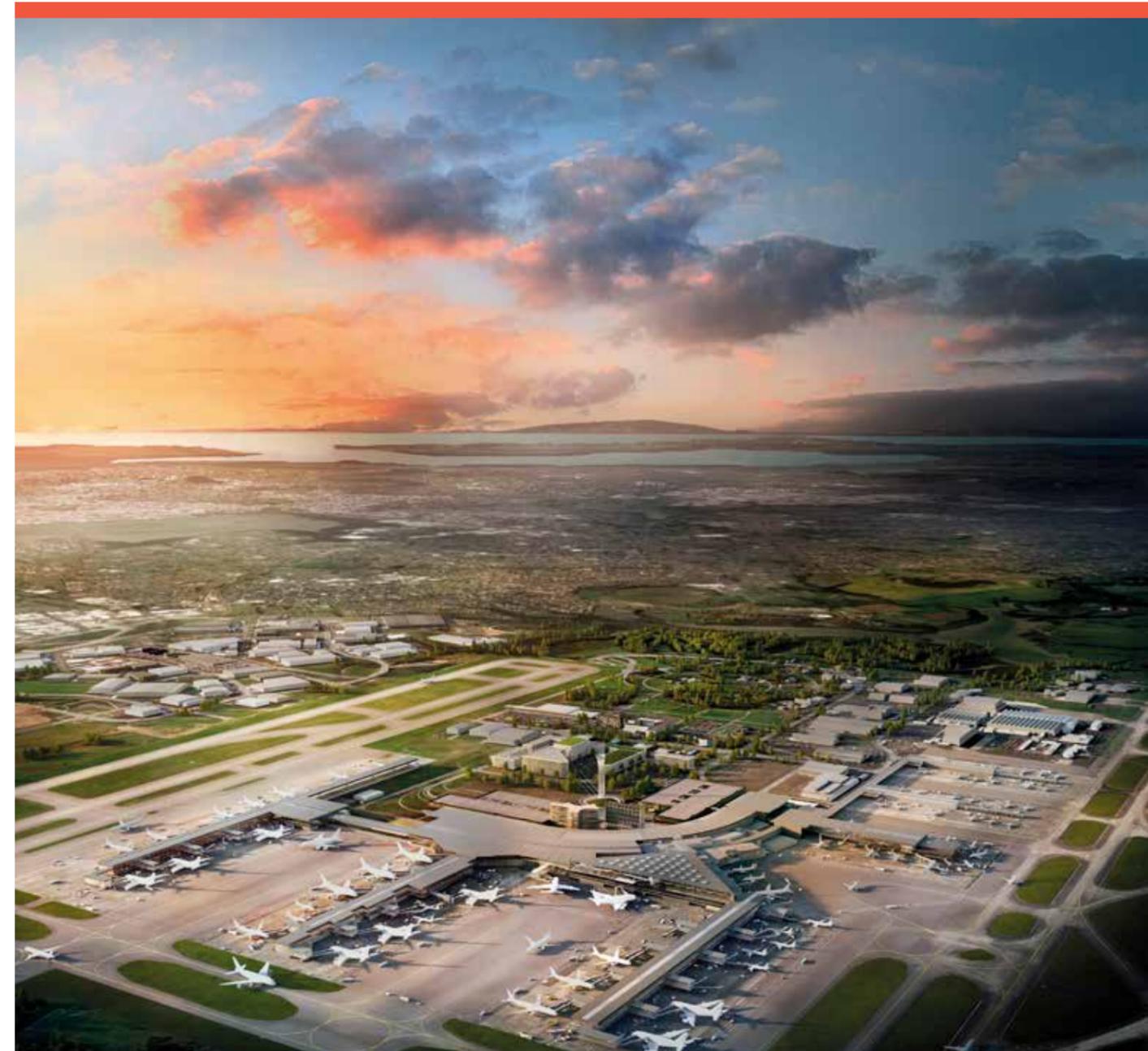
Auckland Airport is making a fantastic effort to set emissions reduction targets and work diligently towards them. For example, their LED lighting is reducing power consumption by 90%. The airport's a big consumer of electricity and gas so energy efficiency is key.

Enabling aircraft to plug into mains power on the ground is tremendous. It's cutting airlines' fuel use significantly and means better air quality for people working at the airport too.

The next issue is waste going to landfill which is a difficult problem as there are bio-security and security issues involved. The airport's making good progress there too.

Auckland Airport is one of the leaders in its industry, taking a well-rounded approach to sustainability and encouraging other companies to follow suit.”

Building the 'airport of the future'



With a 30-year plan to develop our 'airport of the future' we are looking long term. To operate successfully over this timeframe and beyond we need to develop infrastructure, services and tools that will continue to make journeys better for our customers and minimise our impact on the environment.

In the past year we completed the extension of Pier B in our international terminal, adding critical new aircraft stand and pier capacity and 90% of our new international departures processing area. This infrastructure will help us accommodate growing passenger numbers well into the future. We are now moving to the next major project in our

development programme: a combined domestic and international jet terminal.

We have also added and expanded features that are improving our customers' journeys through our airport. These include more mobile check-in kiosks, an online artificial intelligence customer service tool named Ava, and our new Strata Lounge for customers who choose a premium lounge.

We are future-proofing access to the airport, investing in new roads, access ways and tools to monitor and manage traffic flows and working closely with Auckland Transport and private operators to improve public transport access.

We are designing our new airport infrastructure and business park to minimise our impact on climate change. For example, the heating and lighting across all new areas in our terminals and offices adjusts to outside conditions and turn off when not needed.

We are pleased to share the benefits of our investment programme with our local community through Ara, our Auckland Airport Jobs and Skills Hub.



Isaac Taylor
Construction Manager,
Auckland Airport

Isaac works with the delivery teams on the airport's development programme, ensuring new infrastructure meets building standards and is fit for purpose. He works closely with contractors developing the airport and the team from Ara, Auckland Airport's Jobs and Skills Hub.

“

My work involves projects, infrastructure – and people. This year we've completed Pier B and upgraded our departures area. That means much better facilities and services for our customers.

The South Auckland community's top of mind too. My role gives me a unique understanding of what our airport and contractors need, and how the community can benefit from the opportunities being created. My team works with our contractors and Ara to find and train the right people for the work coming up.

Ara has a great schools programme. Typically students want to talk about jobs like electricians and building work. I want them to look at professional services jobs too – project managers, engineers and Building Information Management (BIM) technicians. These roles are all vital to building our 'airport of the future'.

So we showed Year 12 students from Southern Cross Campus some of these jobs and let them 'shadow' people from our team. We told them they could have 10 to 20 years of interesting work here, helping develop the airport.



Jill Lane
Airport Services Manager,
Auckland Airport,
Emirates Group

Emirates has been flying into Auckland Airport since 2003. The airline currently flies between Auckland and Dubai daily with an A380 aircraft and in the 2018 financial year launched a daily Boeing 777-300 ER service to Dubai via Bali.

“

The expansion of Pier B has given greater flexibility and opportunities for airlines to have contact stands for arriving and departing flights. This in turn provides our customers with a far better experience at the start or end of their journey.

With a potential 498 passengers on our A380, smaller gate lounges have limitations and are not an ideal environment in which to work or manage. The increased area and retail outlets have given more dwell space and comfort for customers waiting to depart.”

In the past year the Emirates Group has been a strong supporter of Ara, Auckland Airport's Jobs and Skills Hub, through its hospitality and retail subsidiary Emirates Leisure and Retail (ELRA). ELRA has supported 12 students through Ara's work experience programme and will be asking Ara to help place local people in paid retail and hospitality roles next year.

Making progress against our ten material issues

Economic contribution

Creating jobs and incomes for New Zealanders:

- More than \$4.6 billion contributed to regional GDP each year
- 20.5 million travellers welcomed this year
- \$2 billion infrastructure development programme underway
- \$100,000 invested in local tourism operators.

Activities this year

These are some ways we made an economic contribution.

Creating local employment and incomes

In the year to 30 June 2017, Auckland Airport contributed \$4.6 billion in regional GDP, 35,800 fulltime equivalent jobs, and \$2 billion in regional household incomes (directly, and through flow-on effects). This contribution continues to grow as we build and run our 'airport of the future'.

Connecting New Zealanders and New Zealand businesses with the world.

We worked closely with tourism and government partners to improve New Zealand's connections to international markets, expand the number of visitors to New Zealand and increase the volume of trade.

In the twelve months to April 2018 we welcomed 20 million travellers through our doors for the first time. In the year to 30 June, 20.5 million passengers travelled through our airport (up 5.7% on the previous year): 11.2 million international

passengers (an increase of 4.1%) and 9.3 million domestic passengers (up 7.7%).

Over the year we continued to see growth in capacity and improvements in airline connectivity. We welcomed Samoa Airways as a new carrier on the Apia to Auckland route. United Airlines will recommence flying year-round on the San Francisco to Auckland route from October 2018. Philippine Airlines started flying non-stop between Auckland and Manila and Emirates launched a new daily service between Auckland and Dubai via Denpasar. Air New Zealand announced a new Auckland to Chicago route and non-stop flights to Taipei and, with Singapore Airlines, the addition of a third daily flight between Auckland and Singapore. Virgin Australia announced a new seasonal route connecting Newcastle and Auckland.

We are the third largest port in the country by value of goods handled. In the past year we developed plans for a new air cargo handling precinct. This is part of a broader strategy to boost New Zealand trade in high value and time-critical products and support the airlines serving Auckland.

Supporting New Zealand tourism operators

We continued to help tourism operators and partners attract visitors from existing and emerging markets – all year around.

In the Australian market we focussed on developing Auckland as a short 'city break' destination and the North Island as a winter

holiday destination, as well as driving increased 'friends and family' travel to New Zealand. Our focus in China involved developing group and independent traveller segments through ecommerce channels. In the United States we worked with our airline partners to use their extensive channels to grow inbound visitors.

We extended our Tourism Development Grants Programme to help tourism operators commercialise new products. The programme is now in its sixth year. In the 2018 financial year we awarded two grants of \$50,000, one to Eat New Zealand and one to Haka Tours.

Building economic contribution into our supply chain

We want to work with companies that are responsible businesses too. In the past year we have spoken to suppliers including OCS Group, AIM Services and Cushman & Wakefield to encourage them to use Ara, Auckland Airport's Jobs and Skills Hub, to employ and train local people.

We are continuing to ask potential suppliers to provide information on their own corporate responsibility practices and taking this information into account in selecting them.



LOCAL PEOPLE PLACED IN WORK WITH ARA, AUCKLAND AIRPORT'S JOBS AND SKILLS HUB, LEARNING ON-THE-JOB

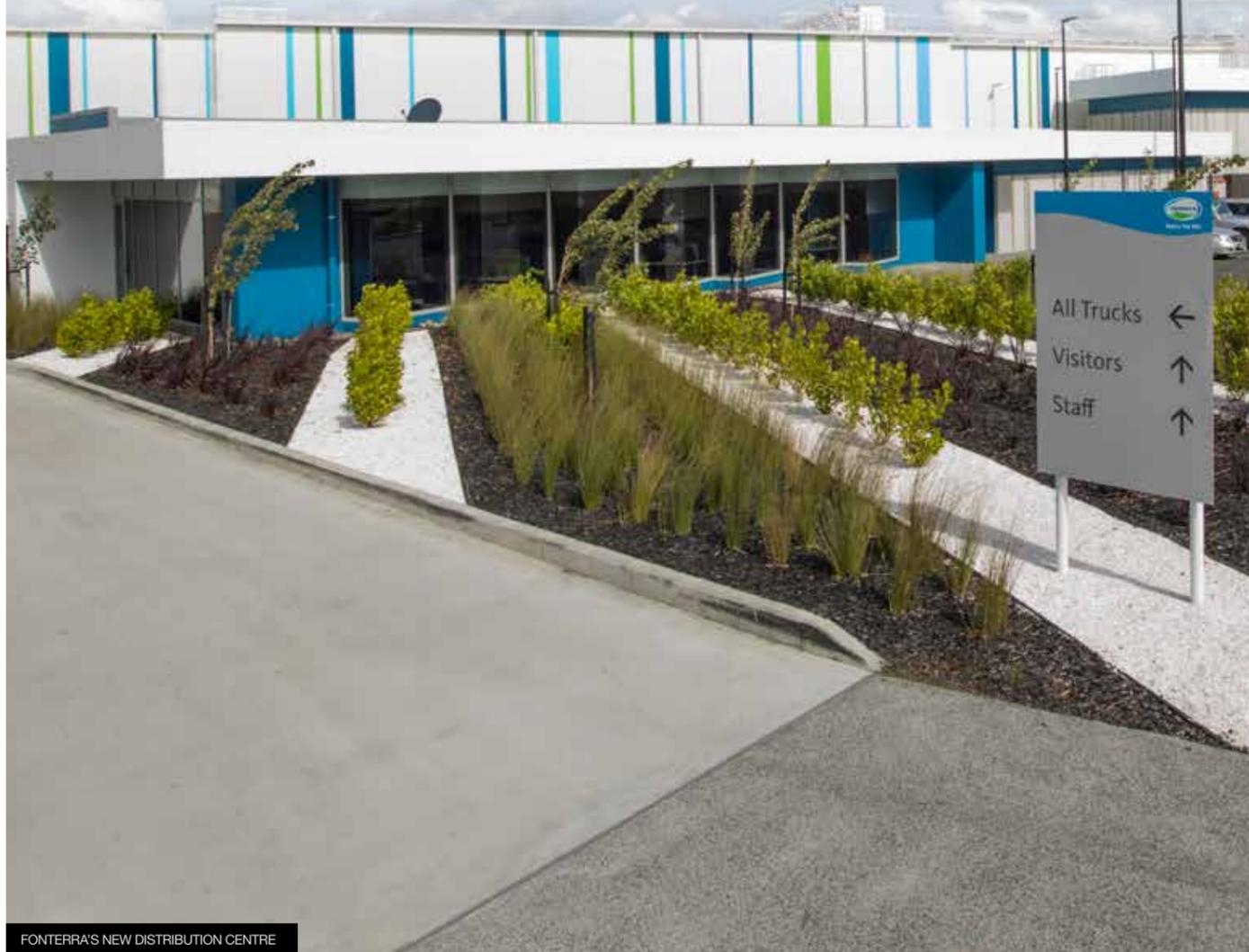


A TRADITIONAL WATER ARCH WELCOMES EMIRATES' INAUGURAL BALI AUCKLAND FLIGHT IN JUNE



THE TEAM FROM HAKA TOURS WHO RECEIVED ONE OF OUR TOURISM GRANTS

Employer and work location of choice



FONTERRA'S NEW DISTRIBUTION CENTRE



AIRPORT EMPLOYEES CELEBRATE DIWALI



DARREN MATTHEWS, PERMIT TO WORK ADVISOR FROM OUR SAFETY TEAM, RECEIVED ONE OF THIS YEAR'S NEW AWARDS FOR OUTSTANDING PERFORMANCE



New staff intranet



New staff recognition programme



Four awards for properties in our business hub

Activities this year

Our 'airport of the future' story runs much deeper than investing in infrastructure. It is founded on a long-term commitment to invest in our people. It is also about continuing to develop the area around the airport as a desirable business hub where thousands of Aucklanders work each day.

Being a good employer

These are some ways we supported our employees.

Helping our employees build their skills:

- We offered our employees two new professional development programmes and targeted development activities.
- Around 50% of employees received Gallup training to help them identify and use their strengths. With remaining employees will be trained in the coming year.
- We trained our managers to help them coach and engage their teams.
- We ran a Leadership Congress for 70 senior managers.

Improving communication:

- We launched our new staff intranet, The Radar.
- Our executives continued to brief employees in person monthly. We added a briefing location bringing the total to four.

Recognising our employees' contributions:

- We launched a new staff rewards programme

and recognised 56 employees who made a stand-out contribution.

- Two hundred and six employees were offered the opportunity to take part in our Employee Share Purchase Plan.

Supporting diversity and inclusion

- We are a silver sponsor of The Champions of Change initiative which aims to accelerate inclusive and diverse leadership in New Zealand workplaces.
- We celebrated cultural diversity by sponsoring ASB Polyfest and involving our employees in this festival. We also celebrated Māori Language Week and Diwali with our team.
- We audited our gender pay gap. We are rolling out a programme to address pay equity and introduce more flexible working options for staff.
- We increased the number of women employed as a proportion of employees and connected them with networking events and training.

Creating a vibrant business precinct

These are some ways we made the airport precinct a valued place to work:

- In April we confirmed that our retail partners would create 370 new management, operations and retail roles as they launch 27 new food and beverage outlets in our terminals. Ara, our Airport Jobs and Skills Hub, will place as many local people as possible in these roles.

• Developments in our business park won four Property Council of New Zealand awards:

- the Röhlig Logistics building: Best in Class Industrial Award)
- the Fonterra distribution centre: Excellence Industrial Award
- the Ministry for Primary Industries building: Excellence Office Award and Merit Industrial Award.

• We worked with Auckland Transport to improve public transport to and from the airport.



Measuring our progress

77%

of eligible employees accepted the 2017 Employee Share Purchase Plan offer

98%

occupancy rate for our buildings



Customer satisfaction

Maintained customer satisfaction ratings during development programme

Pier B

Pier B extension completed

Strata Lounge

New Strata Lounge for customers

SkyBus

SkyBus now running to the North Shore

ONE OF OUR NEW AVIRAMPS (MOBILE AIR BRIDGES)

Customer experience

Activities this year

These are some ways we improved our customer experience.

Improved aeronautical infrastructure:

- We completed the \$120m, 12,240m² extension of the international terminal Pier B, adding more aircraft stands and pier capacity.
- We completed 90% of our international departures processing project.

Improved tools and services for customers:

- We added more mobile check-in kiosks.
- We built a new Strata Lounge for customers who choose a premium airport lounge experience.
- We launched Ava, our online artificial intelligence customer service tool.
- We improved the quality and performance of our public Wi-Fi network.
- We launched our online virtual retail store 'The Mall', enabling passengers to conveniently choose from almost 3,000 products across the international terminal duty and tax free stores.

Improved transport access and services:

- We launched a new fleet of airport buses and mobile air bridges to provide flexible aircraft service and a quality customer experience on remote aircraft stands.

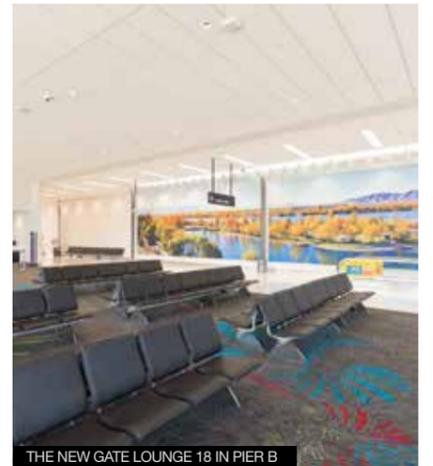
- We worked with SkyBus to deliver an improved bus service between the airport, city centre and the North Shore.
- We invested in new roads, access ways and tools to monitor and manage traffic flows to, from and around Auckland Airport.
- We worked with the New Zealand Transport Agency and Auckland Transport on upgrades to their transport systems to improve the critical network for connections to Auckland Airport, including plans for mass public rapid transit and state highway upgrades.

Our team:

- We recruited 75 Passenger Experience Assistants to help passengers during our busy summer months.

Every month, we survey a representative random sample of departing passengers to assess how satisfied they are with our services. This survey is based on the international airport survey methodology called Airport Survey Quality (ASQ), administered by the Airports Council International. We surveyed 2,000 passengers in the year to 30 June 2018, with these results:

- Departure processing times fell 12% on the previous year.²
- International flights using bus operations reduced to 3.3% from 8.4% in the previous year.³



THE NEW GATE LOUNGE 18 IN PIER B



Measuring our progress

Scores (out of five)	FY14	FY15	FY16	FY17	FY18
Overall satisfaction score – international terminal	4.21	4.16	4.21	4.19	4.12
Overall satisfaction score – domestic terminal	3.98	4.02	3.98	4.02	3.97

² International departures for calendar year to August 2018, including construction impact and higher passenger volumes than prior year.
³ Q4 2018

Community and Māori engagement

Helping local people get ahead, respecting mana whenua



OUR NINE SCHOLARSHIP RECIPIENTS WITH THEIR AUCKLAND AIRPORT MENTORS AND MEMBERS OF OUR OPERATIONS TEAM

Gregory Pierce
Principal of Aorere College

“
[Transitional vocational experience] gives [students] the experience of real-life learning after years in a classroom and helps in the development of a social, community, global perspective.”

Kamlesh Lal
Teacher, Papatoetoe High School. Studied at Unitec on an Auckland Airport scholarship from 2016-2018

“
I have successfully completed my Postgraduate Diploma in Applied Practice. I would like to take this opportunity to thank Auckland Airport for the scholarship award which has helped me achieve one of my dreams.”



ARA PLACED MELANIE KEENAN WITH PRECINCT EMPLOYER BUTTERFLY CREEK



LAUNCHING A NEW CLASSROOM AT FLAT BUSH PRIMARY SCHOOL, OTARA WITH LONG-TERM PARTNER THE LIFE EDUCATION CHARITABLE TRUST

Activities this year

These are some ways we supported communities.

Ara, our Auckland Airport Jobs and Skills Hub

In the past year our Ara team placed 215 people in employment on the airport precinct, including 176 from South Auckland and 104 who were on government benefits. Hundreds of people completed 1,082 training courses. Courses included working-at-heights training, driving instruction and supervisory skills.

Our schools work experience programme expanded beyond construction into hospitality and logistics. Seventy-seven students from five schools spent one day a week working with employers, gaining valuable work skills and earning credits towards their NCEA studies.

Partner schools and government agencies have taken a leading role in funding the schools programme's employees and developing a strategic plan to take this work to the next stage. At the end of the financial year the Ministry of Business, Innovation and Employment reviewed the programme to identify opportunities to move to a more sustainable footing.

Ara is now a charitable trust owned by Auckland Airport. We continued to invest in Ara this year, employing a Business Development Manager, funding premises, operating costs and marketing

and connecting Ara to our wider community engagement programme.

Ara is a partnership and we value the financial contributions and expertise of the partners listed on page 43.

Supporting schools' educational programmes

We developed customised engagement plans with principals and careers advisors at 11 local secondary schools. These plans offered student scholarships, work experience and careers education, grants and opportunities to take part in environmental and cultural activities with the airport.

Nine Year 13 students gained Auckland Airport Education Scholarships, receiving three months' paid employment, financial and practical support for their tertiary studies and a mentor from our team. Some students continued to work for us during the academic year.

Our education sponsorships

Our four sponsorships (below) helped thousands of young people gain life skills like self-confidence, celebrate their cultural diversity and enjoy international-quality performing arts.

Polyfest 2018 was again a highlight – an opportunity to celebrate the many cultures that make up our city and for Māori and Pasifika employees to present awards.

We delivered more than 20 careers seminars and information sessions to local students and community groups.

Our community grants

Our four grants programmes supported community groups across Auckland. All recipients were working to improve outcomes in our three areas of focus: education, employment and environment.

Charity fundraising

Millions of travellers and visitors passed through our airport in the 2018 financial year. We are constantly humbled by their generosity.

In April and May they donated more than \$53,000 to support the Leukaemia and Blood Cancer Foundation (LBC). Fresh from rattling fundraising buckets, our firefighters completed the annual Firefighter SkyTower Challenge, racing up the SkyTower's 1,103 steps with colleagues from across the country.

We welcomed 12 charities to our terminals to raise funds and promote their valuable work. In the past year charities including Key to Life Charitable Trust, the New Zealand Red Cross and the SPCA.

Engaging with Māori

We have continued to develop relationships with mana whenua (local Māori people) and our organisation's cultural skills.

Kenneth Sin
Director What Hope
Community Trust



Many thanks! This [He Tangata grant] is a great affirmation to the community work we do in Manurewa."

We engaged with mana whenua regularly on airport developments, including reviewing stormwater management across the precinct, our proposed second runway and projects in The Landing business park, and on ongoing cultural monitoring.

In partnership with the Tainui people, we continued to maintain and administer our airport marae, Te Manukanuka o Hoturoa. The marae is an important community asset and we hosted many groups here during the year, including the Government's Māori Ministers. This event was one of many occasions where our airport waiata (song) was performed.

Building a New Zealand-themed airport is important to us. In the past year designer and Auckland University of Technology lecturer Dr Johnson Witehira (Tāmahaki, Ngā Puhi, Ngāti Hinekura, Ngāi Tuteauru) has led our collaboration with local iwi to develop and embed cultural words, symbols and forms into the architecture of our new development. These features run from the area where passengers prepare for Customs through to our new Pier B gates.

Pōwhiri (Māori welcome ceremonies) played a central role in events to welcome new airlines. We were delighted that the Māori King and Queen, King Tūheitia and Queen Atawhai, visited our airport to launch China Airlines' inaugural flight from Auckland to Brisbane/Taipei in March.

We supported Māori Language Week with public announcements in te reo Māori (the Māori language) in our terminals and kapa haka performances (traditional dances and chants) by three local schools. We produced a training video featuring members of our team performing their pepeha (greeting). Several employees, including one of our executives, are learning te reo Māori as part of their professional development.



STUDENTS FROM ONEHUNGA HIGH SCHOOL PERFORM OUR AIRPORT WAIATA AT TE MANUKANUKA O HOTUROA MARAE



QUEEN ATAWHAI AND KING TŪHEITIA (RIGHT) AT THE CHINA AIRLINES INAUGURAL EVENT



AINSLEY TONKS (FRONT) WITH (LEFT TO RIGHT) AUCKLAND AIRPORT EMERGENCY SERVICES CREW CHIEF TONY SCOTT, LBC SUPPORT SERVICE COORDINATOR TIM MAIFELELENI AND MOTHER YVETTE MORRISON. AINSLEY IS UNDERGOING TREATMENT FOR ACUTE LYMPHOBLASTIC LEUKAEMIA AND WE WISH HER WELL.



Measuring our progress

Ara and schools engagement	FY16	FY17	FY18
Ara placements		190	215
People who came off government benefits		74	105
Training courses completed through Ara		1,355	1,082
Schools and students involved in Ara work experience	1 school, 4 students	5 schools, 68 students	5 schools, 68 students
Primary and intermediate students supported through Life Education Trust sponsorship	6,783	3,911 ⁴	4,795
Secondary schools supported with customised engagement activities	n/a	14	11
Scholarships supporting students into tertiary education	5	8	9
Education sponsorships	Counties Manukau Life Education Trust Auckland Arts Festival \$195,000	Counties Manukau Life Education Trust Auckland Arts Festival ASB Polyfest Second Nature Charitable Trust \$230,000	Counties Manukau Life Education Trust Auckland Arts Festival ASB Polyfest Second Nature Charitable Trust \$230,000

Community giving	FY16	FY17	FY18
Auckland Airport grant to Community Trust ⁵	\$328,415	\$329,783	\$335,530
Twelve Days of Christmas grants (based on donations from generous travellers)	12 grants, \$120,000 in total	12 grants, \$120,000 in total	12 grants, \$120,000 in total
He Tangata grants (recipients chosen by community leaders)	\$30,000 (known as the Gold Medal grants)	8 grants, \$40,000 in total	10 grants, \$50,000 in total
Our Auckland grants (recipients chosen by our employees)	n/a	18 grants, \$18,000 in total	30 grants, \$30,000 in total

⁴ The Trust was without a General Manager for much of this time.
⁵ CPI-adjusted.

215
 people placed in work through Ara

\$1,082
 training courses completed through Ara

5
 schools and 68 students involved in Ara work experience

9
 students supported into tertiary education

50
 Auckland Airport community grants valued at \$200,000 in total

\$335,530
 granted to the Auckland Airport Community Trust to distribute to the community

\$53,000
 raised for the Leukaemia and Blood Cancer Foundation

Energy and carbon

Setting targets

We have set ourselves an ambitious goal of reducing carbon emissions per square metre by 45 per cent by 2025, based on our current base year, 2012.

Measuring and reporting our impact

We have measured and disclosed our carbon footprint every year since 2007 through the Carbon Disclosure Project (CDP). Since 2013 we have had our footprint externally audited and assured through the Certified Emissions Management and Reduction Scheme (CEMARS). We achieved CEMARS accreditation again in the 2018 financial year and were proud to be recognised as one of New Zealand's Top Carbon Reducers.

Activities this year

These are some ways we managed our energy use and carbon emissions.

Managing our own footprint

We were proud to sign the Climate Leaders Coalition commitment, making a public pledge to work with other New Zealand businesses to reduce carbon emissions. The pledge is set out on page 16.

Our biggest contribution to carbon is the energy we use in our airport operations. In the past year this figure was 45.9 gigawatt hours.

We have continued to reduce our energy use, installing lights, lifts and escalators that reduce energy use and using smart technology. The heating and lighting across all new areas in our terminals and offices adjusts to outside conditions and turns off when not needed.

Despite increasing passenger numbers, energy use was relatively constant on last year. This reflects the impact of maintaining heating and cooling for the international terminal while it is in a construction phase. In FY19, energy use and carbon emissions are expected to reduce because new energy-efficient equipment will be in operation in completed areas of the terminal.

We have continued to change our vehicle fleet to electric vehicles, investing in two new hybrids cars and ten fuel-efficient airside buses. These buses can be retrofitted to run on electricity and we are investigating this option.

Supporting our business partners

We worked with Airways New Zealand and airlines serving Auckland to help airlines reduce the fuel they burn, with fuel-saving flight paths and shorter taxiways. In addition, airlines flying to Auckland are continuing to upgrade their fleets to more fuel-efficient aircraft.

We made it easier for our business partners and customers to reduce emissions too. For example, we installed ground power units (GPUs) on the two new gates on Pier B, meaning that all international aircraft serving Auckland can plug into low emissions electricity while they prepare for their next flight. We also provided pre-conditioned air so that airlines do not need to run their own air-conditioning.

We are pleased to report that use of the electric vehicle charging stations, operated with our partner Vector, almost doubled from 350 to more than 700 uses per month. We are working with ground handlers to make it easier for them to use electric vehicles and equipment too, including on our aprons.

10

new fuel-efficient airside buses

18%

of vehicle fleet is hybrid and plug-in hybrid

46%

We helped airlines recycle 46% of non-quarantine cabin waste



Measuring our progress

For reasons mentioned above, carbon emissions were similar to last year and we are still on track to meet our 2025 target.

In 2018 the airport's CDP rating was a score of B within the MANAGEMENT band, an improvement on its 2017 score of C within AWARENESS band. This is higher than the general average of B- and the Oceania regional average of C. This improvement is due to our work through the climate-related risks and opportunities. The CDP Score Report allows companies to benchmark and compare their progress towards environmental stewardship against peers, in order to continuously improve their climate change governance and stewardship

	Unit	FY14	FY15	FY16	FY17	FY18
CO ₂ emissions per passenger	Kilograms	0.50	0.52	0.44	0.41	0.41



Waste and water

Minimising the waste we create and the water we use

Setting targets

We have set goals of reducing waste to landfill and water use by 20% by 2020, based on our 2012 year.

Activities this year

These are some ways we managed waste and water use.

Reducing waste in our terminals

The recycling facilities in our terminals continue to be well used by retailers, food and beverage operators and the public. Thanks to their efforts and those of our waste management partner OCS, waste per passenger has reduced by over 40% since our base year of 2012. It is currently 0.14 tonnes per passenger, similar to the previous two years.

To improve this performance in the coming year we will review how we separate out waste streams to increase recycling and composting. With overseas recycling businesses accepting fewer New Zealand materials, our focus must be on reducing waste. We are currently developing full back-of-house sculleries so food and beverage outlets can reuse crockery and cutlery instead of single-use plastic items.

Reducing waste from inbound aircraft

We were delighted to win a Green Airports award for waste minimisation from the Airports Council International Asia-Pacific. The award recognises the results we are achieving, with our airline customers, the Ministry for Primary Industries and our waste management supplier OCS, to divert non-quarantined aircraft cabin waste like plastic bottles and newspapers away from landfill. In the 2018 financial year this diversion rate was 46.4 per cent.

We are working with airlines to increase the reuse of items like trays and headphones.

Engaging others in our waste management work

When we launched The Good Neighbour Project, our employee corporate responsibility team, on World Environment Day 2018, we wanted to show that everyone can play their part in reducing waste. To do this, we gave all our employees a reusable coffee cup. One single-use cup every working day results in almost 3 kg of waste to landfill and 27 kg of greenhouse gases each year, so avoiding using single use cups is a small action with a big impact. The Good Neighbour Project team has chosen several initiatives to work on over the next year. These include a strategy to help our food and beverage retailers reduce waste at source.



BUILDING OUR NEW INFRASTRUCTURE

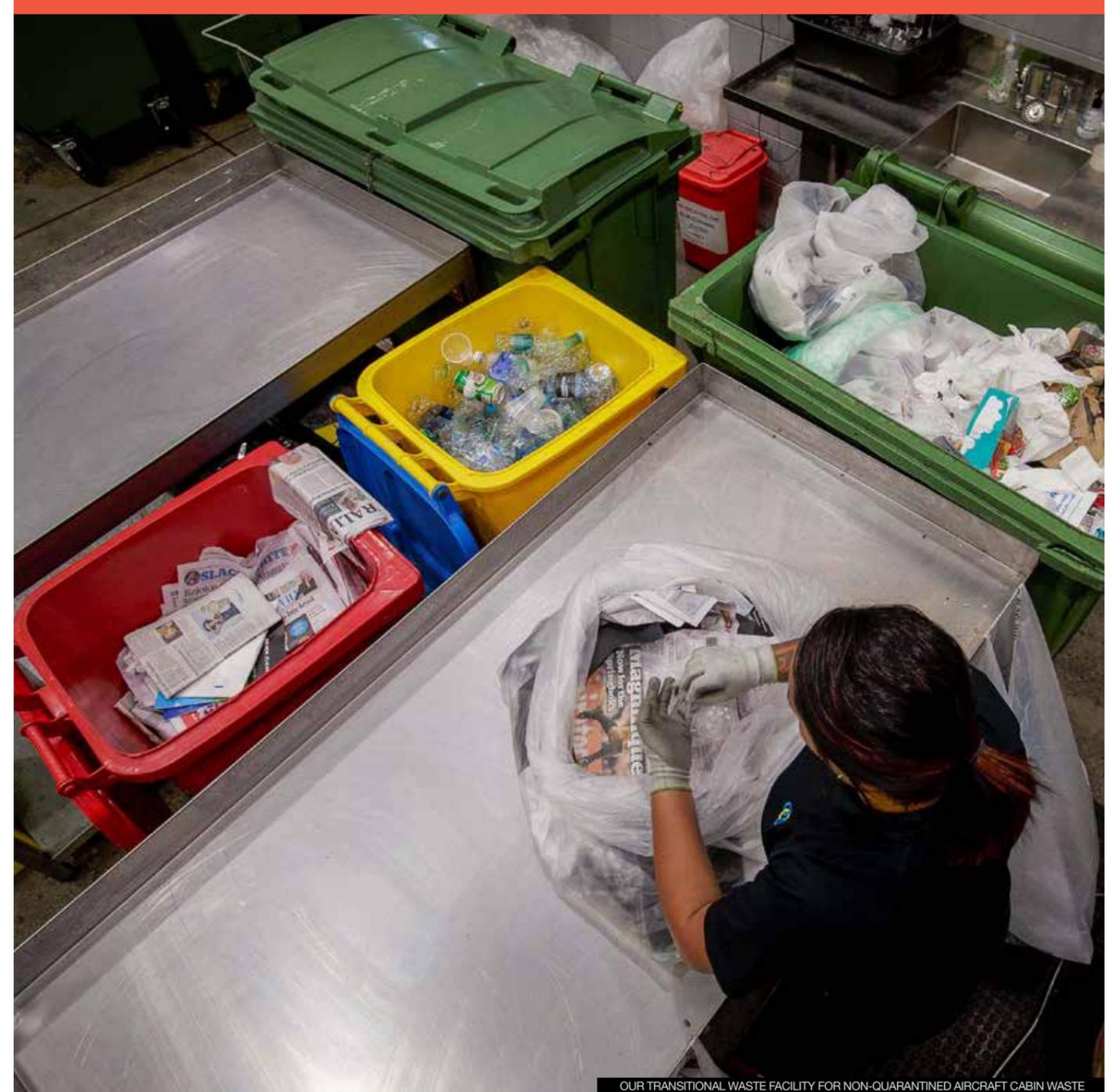


THE LANDING BUSINESS PARK

Conserving water

We are continuing to manage our water use actively. We are replacing fittings in newly built areas of our terminals with water-efficient options and new buildings in our business park include features like low-flow devices and water recycling systems. We are installing more water metering at the point of use to track and reduce water use, and have a programme in place to detect and fix leaks.

Our water use increased in the past year with higher passenger numbers. Planned capital investments are expected to reduce net water use in future years.



OUR TRANSITIONAL WASTE FACILITY FOR NON-QUARANTINED AIRCRAFT CABIN WASTE

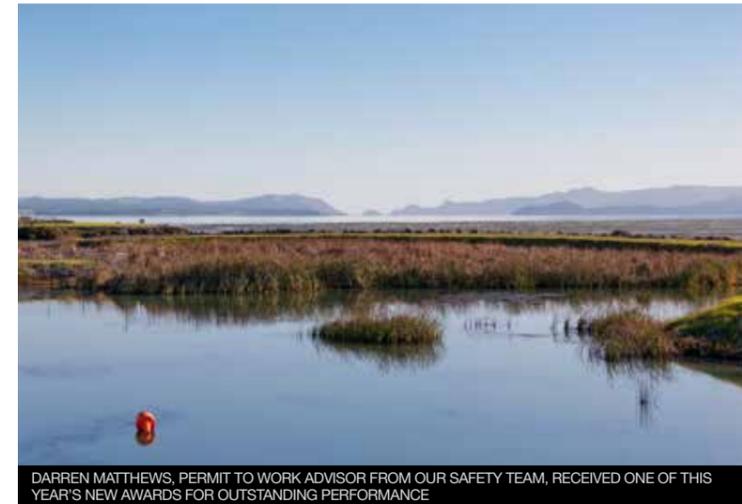


Measuring our progress

	Unit	FY14	FY15	FY16	FY17	FY18
Waste generated per passenger	Kilograms	0.21	0.22	0.15	0.14	0.14
Waste recycled	Percent	22%	29%	45%	44%	39%
Water use per passenger	Litres	15.08	18.37	15.90	11.80	15.80

Noise and emissions

Minimising the impact of aircraft noise and spills



No noise breaches

Managing aircraft noise

Aircraft noise is an issue for airports worldwide. We continued to work with airlines, government and the community to manage aircraft noise to international best-practice standards in the past year and are pleased to report that there were no noise breaches.

We introduced some new night approaches: between 23:00 and 06:00 flights that used to approach Auckland Airport over the central city are now directed over the Whangaparaoa Peninsula to the north and south towards Waiuku. This reduces the impact on the city's most populated suburbs which receive most flights during the day.

We continued to make it easy for members of the community to view the aircraft using Auckland Airport website and enquire about aircraft noise. We appreciated the work of the Aircraft Noise Community Consultative Group (ANCCG) in monitoring and managing community concerns. The ANCCG comprises Auckland residents and representatives from Auckland Council, the Board of Airline Representatives New Zealand, Airways New Zealand, Auckland Airport, the business community and mana whenua.

We invested more than \$1.2 million in noise mitigation packages for homes in the High Aircraft Noise Area (HANA) and Moderate Aircraft Noise Area (MANA). We pay 100 per cent of the costs of these packages in the HANA and 75 per cent in MANA. The Auckland Airport Community Trust granted \$62,508 to 26 low-income homeowners in the MANA to take their subsidy to 100 per cent.

Managing spills and stormwater

Our location on the beautiful Manukau Harbour makes Auckland Airport unique. We work hard to care for the area's unique habitats, heritage and waterways.

We record and act on all spills across the precinct. The number of spills fell slightly in the 2018 financial year from 152 to 150. One hundred and four of these were major spills (over two square metres). Our Airport Emergency Services team is trained and equipped to deal with spills, whether they are oil, effluent or other hazardous substances.

We cleaned roads, cesspits and interceptors regularly to reduce their flow into the stormwater system and tested discharges from our catchments into our receiving environments.

Changing our fire-fighting foam

We worked with our emergency services teams and the Environmental Protection Authority to review how we use and store fire-fighting foam. Historically this foam has contained substances which can have negative health and environmental impacts. Our historic stocks of foam are in secure storage awaiting destruction. The foam in our current operations is approved for use in New Zealand.

We also worked with regulators, consultants and overseas airports to understand the risks of potential contamination of airport land from use of foam. We are investigating whether (and, if so, to what extent) soil and/or groundwater may have been contaminated.



Measuring our progress

	Unit	FY14	FY15	FY16	FY17	FY18
Noise notifications per 1,000 air traffic movements	Number	25.4 ⁶	22.7	12.5	3.4	2.7
Noise infringements	Number	1	0	1	0	0
Total spills per 1,000 aircraft movements	Number	0.73	0.63	0.67	0.90	0.86

⁶ SMART Approach flight path trials carried out

Safety and security

Keeping people healthy, safe and secure

Activities this year

The safety and security of everyone on our airport precinct is a top priority. These are some ways we improved safety and security.

- We reviewed our Safety Management System and were the first tier one airport in New Zealand to have its new system certified by the Civil Aviation Authority.
- We developed our safety mascot Safety SAHM (Safety and Health Management, pronounced 'Sam'). You will find SAHM spreading the safety message with customers in our terminals.
- Our employees completed 2,136 safety-related courses.
- We developed a wellbeing and resilience strategy and will roll this out in the coming year.
- In the run-up to our busy summer period we trained customer-facing employees to help them manage fatigue and stress.
- We expanded our Leadership team 'safety walks' around the business to include security. These walks are an opportunity for our executive to identify health, safety and security issues and talk with employees and contractors about any concerns.
- We undertook regular covert security tests of doors and gates leading to security areas in the airfield and terminals.
- We launched a new digital CCTV platform with greater analytical features.



Measuring our progress

Despite the volume of construction work occurring in confined spaces, we further reduced recordable injuries (lost time, medical treatment and restricted work) among employees and contractors.

	Unit	FY14	FY15	FY16	FY17	FY18
Lost-time injuries (employees)	Number	1	5	3	2	4
Lost-time injuries (contractors)	Number	Unavailable	4	6	4	1
Lost-time injury frequency rate (employees)	Injuries per 200,000 exposure hours	0.30	1.50	0.86	0.51	0.9
Lost-time injury frequency rate (contractors)	Injuries per 200,000 exposure hours	Unavailable	1.70	2.24	0.43	0.1



GRETCHEN FENTON (OPERATIONS SAFETY AND COMPLIANCE DELIVERY MANAGER) AND RATESHNI VANDANA (SAFETY AND COMPLIANCE COORDINATOR – TERMINALS) WITH SAFETY SAHM

23%

increase in reporting of safety observations, hazards and near-misses

17.5%

decrease in recorded injuries to employees (by hours worked)

9.3%

decrease in passenger safety incidents

Ground transport

Improving access to, from and around the airport

Activities this year

Improving transport flows to and around the airport precinct continued to be a priority. These are some ways we improved access and travel times throughout the airport transport network.

Investing in infrastructure and systems

We invested in infrastructure:

- We improved access to the domestic forecourt for passengers and buses
- We installed a T2 vehicle lane on Tom Pearce Drive, which increased frequency of the 380 Airporter public bus during peak periods.
- We developed a new Southern Bypass, which will provide a direct north (SH20A) to south (SH20B) link through Nixon Road, helping improve traffic times and flows on the airport precinct by directing through-traffic away from the airport terminal roads.

We worked closely with transport partners NZTA and Auckland Transport on the Southwest Gateway programme to deliver:

- 20Connect, to improve access to and from the airport;
- Airport to Botany Rapid Transit, to deliver a fast, frequent and reliable bus rapid transit system; and

- the Landing Drive roundabout upgrade, transforming it into an eight-lane intersection with traffic lights.

We invested in and supported new systems:

- We launched a traffic monitoring system to measure traffic movements across the precinct. This system uses radar and Wi-Fi to gather real-time information, enabling us to detect congestion early and respond appropriately.
- We partnered with NZTA to roll out the RideMate app which helps customers make smarter decisions about their trips to and from the airport.

We plan to invest more than \$100 million between now and 2022 to upgrade our internal transport network.

Advocating for better public transport

We continue to advocate for transport network improvements by central and local government, in particular an upgrade to State Highway 20B/ Puhinui Road and improved public transport services to and from the airport.

'Smart' design and construction

Building for the future

Our 30-year infrastructure plan gives us a significant opportunity to design and develop the airport and surrounding business park in ways that contribute positively to the natural environment, people who work on our airport and the wider community.

Activities this year

These are some ways we are designing and building for the future:

- We continued to be members of the New Zealand Green Building Council and the Infrastructure Sustainability Council of Australasia (ISCA).
- Our terminals are being built to Green Star requirements and our infrastructure in line with the ISCA sustainability assessment tool.

- We are developing a new 8,500m² five-star office building for Foodstuffs North Island in our business park.
- We confirmed that we will run a pilot project using the new green star Performance tool at our head office at 4 Leonard Isitt Drive. This work will help us understand how we can build green star features into other developments.
- We continued our partnership with the Energy Efficiency and Conservation Authority to improve energy efficiency in our built environment, and created a new role of Energy Efficiency Engineer to focus on these activities.
- We reviewed how we engage with construction partners and strengthened our requirements for our contractors to meet environmental standards.



Measuring our progress

↓ 45%

Improvements to the domestic terminal forecourt have reduced traffic movements at the main entrance by 45 per cent



Our traffic monitoring system is in place and helping manage movements on airport precinct



The new Landing Drive roundabout is speeding up entry from and exit to the precinct

\$100m

investment of internal transport network underway



Looking ahead to the 2019 financial year

In the coming year we plan to expand our sustainability efforts across our precinct, to minimise the collective impact of our operations on climate change and support our local communities.

Our plans include:

- Developing sustainability strategies with our tenants
- Introducing an agreement for maintaining our grounds that encourages suppliers to use electric vehicles and equipment
- Expanding our transitional waste facility to recycle more aircraft cabin waste
- Ensuring sustainability principles continue to be core to the design and construction of our new buildings and infrastructure
- Increasing the promotion of Ara, our Auckland Airport Jobs and Skills Hub, to place more local people in employment and training across the precinct.

Thanks to our valued partners!

Corporate responsibility is about people and partnerships. We are grateful to everyone who helped us make progress in the past year, including:

- Our Auckland Airport employees
- Our business partners, including airlines, border control agencies and suppliers
- Our tenants
- Mana whenua: Te Ākitai Waiohū, Te Kawerau ā Maki and Makaurau Marae Māori Trust
- Our Ara partners: Southern Cross Campus, Aorere College, Māngere College, Manurewa High School and Onehunga High School; the Ministry of Social Development; the Ministry of Business, Innovation and Employment; the Tertiary Education Commission and Ministry of Education; Auckland Tourism, Events and Economic Development (ATEED); Fletchers; Hawkins; local employers; ServiceIQ; the Auckland Construction Skills Alliance; and the South Auckland community
- Our transport partners including the New Zealand Transport Agency and Auckland Transport
- The Aircraft Noise Community Consultative Group
- The trustees of the Auckland Airport Community Trust, the Trust administrators (The Auckland Foundation and, since June, Natalie Vincent)
- The 11 secondary schools we work with directly, and the 17 primary and intermediate schools we work with directly and through the Counties Manukau Life Education Trust
- The millions of travellers and visitors who donated unwanted currency into our collection globes and supported charities' fundraising in our terminals
- The panel of local experts who helped us allocate our He Tangata community grants
- The New Zealand Herald, our partner on our annual Twelve Days of Christmas grants
- The community groups with which we partner
- The Sustainable Business Council
- The New Zealand Green Building Council
- The Energy Efficiency and Conservation Authority
- Business and Community Shares
- LBG-Corporate Citizenship
- Everyone on our precinct who used a reusable coffee cup and our recycling facilities and said 'no' to a plastic bag.

