



Corporate Social Responsibility Report

2017

A | Auckland
Airport



A PŌWHIRI TO WELCOME HONG KONG AIRLINES TO AUCKLAND AIRPORT

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Cover: Southern Cross Campus students on work experience with Ara, Auckland Airport's jobs and skills hub, opened the event which officially launched Ara in June.

Welcome

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

Tēnā koutou katoa

As one of New Zealand's most significant companies, Auckland Airport is very proud of the role we play in making New Zealand a better place to live. We're proud, too, to be New Zealand's largest gateway to the world.

We make a major contribution to New Zealand's tourism industry and to many other industries around the country. We're helping to create jobs and a better quality of life for all New Zealanders, and this contribution will continue to grow over the next 30 years as we build and run our 'airport of the future'.

An obligation to operate responsibly

Like all New Zealand businesses, we have an obligation to operate responsibly: to be a good neighbour to the communities within which we operate and to play our part in protecting and enhancing the natural environment. As you will read in this report, we've chosen to do this in three main ways: by offering educational opportunities to people in our South Auckland community, creating sustainable employment for local people and minimising our impact on the environment.

In this report you'll see many examples of the progress we've made in the 2017 financial year against these three areas of focus. For example:

- Thousands of students from South Auckland schools have benefited from our education programmes, whether through an education scholarship, taking part in work experience at the airport or by performing at ASB Polyfest, which we sponsored for the first time in 2017.
- We've connected 190 people with employment through Ara, our airport jobs and skills hub.
- We've worked with our airline partners and government agencies to divert 48 per cent of non-quarantine aircraft cabin waste away from landfill.

You will also see in this report that we're continuing to take a risk-based approach to sustainability, managing 10 issues that we

believe are material to ensuring the long-term success of our business.

Looking to the future

Auckland Airport has an obligation to ensure we continue to operate responsibly into the future as well. Our 30-year development plans give us a unique opportunity to create 'shared value' for our communities – significant long-term benefits for everyone with a stake in Auckland Airport: our investors, employees, business partners, tenants, communities across South Auckland, Auckland and New Zealand, and the environment.

We're taking this responsibility seriously. For example, as we develop our aeronautical infrastructure we're connecting thousands of local students with work experience through Ara. We're also using 'smart' design and construction techniques to ensure that the airport community continues to minimise the impact of its operations on the environment.

We have a clear and ambitious corporate social responsibility strategy: we want to significantly increase our focus on activities that create 'shared value'. We've put a strong base in place and we will continue to build on this in the coming years.

Thank you

Corporate social responsibility is about people, and we've worked hard this year to continue to build strong partnerships with the people and organisations that are helping us on our journey.

You'll find them listed on page 42. Thank you to everyone who shares our passion for Auckland and New Zealand and for helping us make our communities and our country even better places to live.

Ngā mihi

Adrian Littlewood
Chief Executive



Highlights

of the year ended 30 June 2017

Sustainability indices



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



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



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

Education



Our Auckland Airport Community Trust distributed \$329,783 to support learning, literacy and life skills in South Auckland



We launched our ASB Polyfest sponsorship to celebrate diversity in Auckland's secondary schools



We celebrated 29 years as a sponsor of the Counties Manukau Life Education Trust

Employment



We officially launched Ara, our airport jobs and skills hub

190 people gained jobs and 1,355 people gained training opportunities through Ara

68 local secondary school students gained work experience through Ara

Environment



We achieved Carbon Emissions Measurement and Reduction Scheme Certification (CEMARS) for the fifth year in a row



We helped airlines recycle 48 per cent of non-quarantine cabin waste



We reduced water use per passenger by 26 per cent

¹ This report focuses on activities at Auckland Airport located in Māngere. It excludes activities at the airports in which we hold investments. This report covers the period from 1 July 2016 to 30 June 2017 (our 2017 financial year).

About Auckland Airport

Auckland International Airport Limited (Auckland Airport) is one of New Zealand's largest and best-performing companies. For our island nation it is a major economic driver, connecting New Zealand to the world, creating thousands of jobs, generating billions of dollars and making a vital contribution to New Zealand's trade and tourism and the communities that surround the airport and beyond.

Our business spans everything from domestic and international travel to significant property, hotel and retail operations, and we are growing rapidly.

We are publicly listed on the New Zealand and Australian stock exchanges and have almost 50,000 shareholders. Auckland Council is our largest shareholder and owns approximately 22 per cent of the company.

In the 2017 financial year we employed 476 permanent, fixed-term and casual staff and 93 contractors. Ninety-six volunteers, our valued 'Blue Coats', continued to welcome passengers and visitors in our terminals.

Our airport businesses

We own and operate airports in New Zealand and Australia. We own 100 per cent of Auckland Airport and hold investments in Queenstown Airport (24.99 per cent), Cairns Airport (24.55 per cent) and Mackay Airport (24.55 per cent).

Auckland Airport

As the gateway to Aotearoa, the Land of the Long White Cloud, Auckland Airport is the largest airport in New Zealand and the third-largest airport in Australasia by international passenger numbers. Nineteen million passengers passed through our airport in the 2017 financial year, including over 74 per cent of international visitors to New Zealand.

We connect Auckland to New Zealand and New Zealand to the world. In the 2017 financial year we handled more than 170,000 flights to 65 domestic and international destinations.

We are New Zealand's third-largest cargo port by value. In the year to 30 June 2017 we handled \$15.3 billion in international cargo.

A significant retail and business district

More than 20,000 people work in and around the airport; this represents more than three per cent of Auckland's workforce. The area is home to over 800 businesses including hotels, more than 100 retail shops, cafés and restaurants, and global retailers like Icebreaker and Victoria's Secret. Employment at the airport and its adjacent area is forecast to grow strongly in the years ahead.

Auckland Airport owns 1,500 hectares of land, an area larger than Auckland's central business district. We have 270 hectares of land available for commercial development. We also own more than 325,000 square metres of industrial buildings and over 40,000 square metres of retail and office space across the wider airport area.

Our business park, known as 'The Landing', is home to international



BUILDING OUR NEW INFRASTRUCTURE

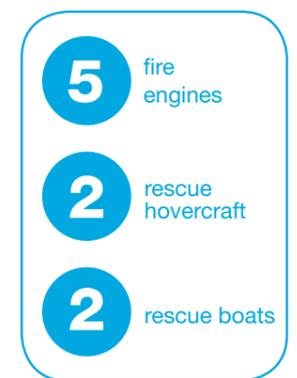


THE LANDING BUSINESS PARK

logistics companies, manufacturers and technology businesses and will provide more than 100 hectares of world-class developed land when complete.

Building our 'airport of the future'

The number of passengers flying into and out of Auckland Airport each year is expected to more than double to 40 million by 2044, making us a global hub for air travel. To accommodate this growth, we are well on the way to delivering our 30-year plan for our 'airport of the future'. Over the next three decades, we plan to build a uniquely-themed combined domestic and international terminal and a second runway. We will also transform our transport infrastructure.



Corporate Social Responsibility

(CSR) at Auckland Airport

Why CSR is important to us

We believe we have an obligation to the communities within which we operate to carry out our activities responsibly. As a business we benefit from our location on the shores of the Manukau Harbour, the resources available to us here and the relationships we have built.

In return for these benefits, we want to be 'a good neighbour' – to play an active role in respecting and supporting local communities and protecting the local environment. Our aim is to create 'shared value': significant long-term benefits, not only for Auckland Airport but also for our employees, investors, business partners, people in South Auckland, Auckland and New Zealand, and the global community.

Being a responsible company makes good business sense too. For example, it helps us to reduce our operating costs, attract talented people to build and run our 'airport of the future', and develop strong relationships with our business partners.

Our approach to CSR

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

- At home (our employees) – we want to be an employer of choice
- 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.

Our CSR work focuses on three areas:

- Empowering people within our communities through education
- Empowering people within our communities through sustainable employment
- Protecting the natural environment.

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

In addition, education, employment and the environment are areas where we can use our specialist airport knowledge, skills and resources to create significant long-term benefits for our communities. For example, as we expand our aeronautical infrastructure, we can create sustainable employment, and design facilities that will minimise the environmental impact of the airport community's operations.

Our 10 material sustainability issues

In 2013 we identified 10 sustainability issues which are material to the way in which we operate. We reaffirmed these issues in 2016, based on feedback from our stakeholders. These sustainability issues are listed in the table on page 8. As the table shows, all 10 issues have a direct or indirect impact on one of the three areas we have chosen to focus on as a socially-responsible organisation: education, employment and the environment.

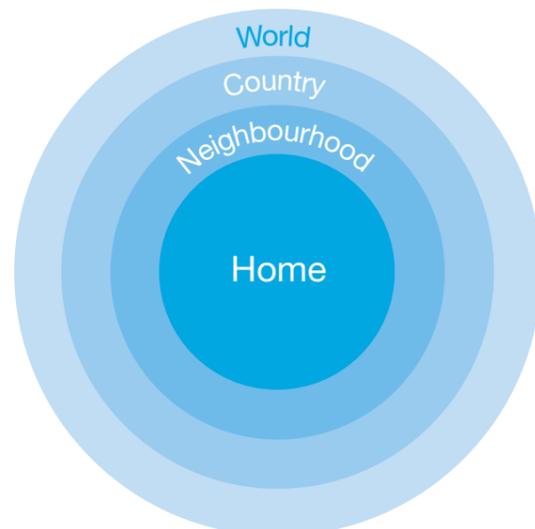
This report covers these three areas of focus and associated materiality issues in section one, and our other materiality issues in section two.

Listening to our stakeholders and acting on their feedback

The views of our stakeholders are important in developing and delivering our plans. We consulted them regularly in the 2017 financial year to understand how we could partner with them to achieve benefits for everyone involved.

For example, we:

- Set up an advisory board to support Ara, our airport jobs and skills hub. Members of the advisory board included employers based at the airport, together with school principals and representatives from training organisations and government
- Visited 14 school principals and careers advisors and developed customised annual engagement plans to support their teachers and students
- Tailored our waste recycling activities based on feedback we received from customers, including members of the public
- Involved members of both local community boards in our CSR activities



Our CSR work and the United Nations' sustainable development goals

Directly relevant

<p>Quality education</p>	<p>Decent work and economic growth</p>	<p>Climate action</p>	<p>Industry, innovation and infrastructure</p>
<p>Life below water</p>	<p>Good health and well-being</p>	<p>Gender equality</p>	<p>Reduced inequalities</p>

Indirectly relevant

<p>No poverty</p>	<p>Sustainable cities and communities</p>	<p>Responsible consumption</p>	<p>Partnerships for the goals</p>
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- Asked local community leaders to nominate community groups to receive \$40,000 in He Tangata grant funding.

Involving our employees

We actively involved our employees in our CSR work during the 2017 financial year. For example:

- Eight employees participated in our internal sustainability forum
- Around 30 employees took part in our annual Coastal Clean-up of the Manukau Harbour with local school Māngere College
- Māori and Pasifika employees presented awards at ASB Polyfest as part of our sponsorship activities
- Our firefighters raised more than \$73,000 to support our long-term charity partner the Leukaemia and Blood Cancer Foundation

- Employees nominated 18 community groups to receive a total of \$18,000 of our grant funding
- Eight employees mentored recipients of our tertiary education scholarships.

Holding ourselves accountable

We report on our CSR performance each year in this publication and, in an abbreviated form, in our annual report.

During the 2017 financial year all our CSR work was reported to the Dow Jones and the FTSE (Financial Times Stock Exchange) 4 Good indices and we met their standards for accreditation. We submitted the results of our carbon emissions monitoring to the Carbon Disclosure Project (CDP). We also reported our work to GRESB Infrastructure (The Global ESG Benchmark for Real Assets) for the first time.

These are the results we received:

- Dow Jones: Environmental/Social/Governance (ESG) score of 21 per cent above our industry average
- FTSE4Good: average score of three out of five across all ESG practices
- Carbon Disclosure Project: C
- GRESB: five-star rating out of five.

We set targets for our environmental work and reported on these again in the 2017 financial year. Our environmental management plans were peer-reviewed by industry experts. Our carbon management plan was audited externally and met international ISO standards.

The impact of our social investment in education and employment was measured in several ways. For example, Ara's Interim Steering Group

Sustainability issue	CSR outcome		
	Empowering people through education	Creating sustainable employment	Protecting the natural environment
Section one			
Economic contribution ²	●	●	●
Community and Māori engagement	●	●	●
Energy and carbon	●	●	●
Waste and water	●	●	●
Noise and emissions	●	●	●
Section two			
Customer experience	●	●	●
Safety and security	●	●	●
Employer and work location of choice	●	●	●
Smart design and construction	●	●	●
Ground transport	●	●	●

● significant contribution ● moderate contribution ● some contribution

(before June 2017) and trustees (from June 2017) confirmed targets for Ara's activities and reviewed progress regularly; we reviewed our major sponsorships to assess their impact; recipients of our Community Trust grants completed detailed accountability reviews to show the results they were achieving; we joined BACS (Business and Community Shares) and received an annual report from them on our activities.

We continued to benchmark our social investment against Australasian companies using data from LBG, an organisation which sets global standards in this area, and against New Zealand corporates.

Meeting reporting standards

We have reviewed the 2017 New Zealand Stock Exchange Corporate Governance Code on reporting and disclosure. The Code provides guidelines on non-financial reporting, including material environmental, social and governance (ESG) factors and practices. We are confident that all elements of our CSR reporting currently meet or exceed these guidelines.

We are also reviewing developments in ESG reporting, including Global Reporting Initiative (GRI) reporting and Integrated Reporting (IR). We have used elements of both reporting frameworks in developing the report you are reading (e.g. identifying and managing our 10 materiality issues).

BACS – Business and Community Shares New Zealand, June 2017

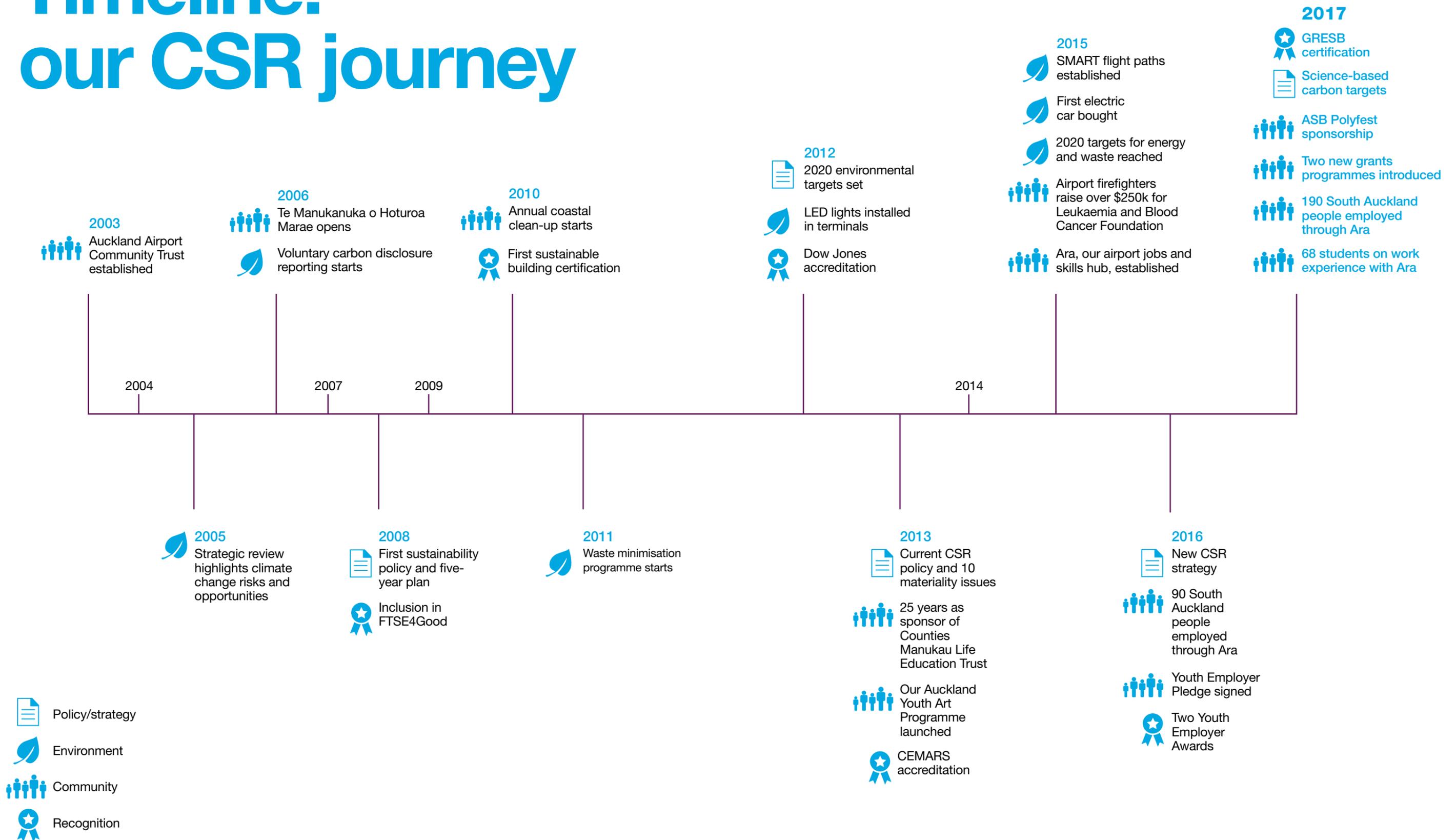
“

Auckland Airport clearly understands its role in ensuring the success of its local community. As one of the largest employers in the community, it is impressive to see how wide-ranging its support is, and its focus on long-term employment, as the key highlight.”

²Our economic contribution related to Ara, our Auckland Airport jobs and skills hub, is covered in section one. Other aspects of our economic contribution (specifically, our contributions to regional incomes, trade and tourism) are covered in section two.



Timeline: our CSR journey



Empowering people through education

Activities in the past year

In the 2017 financial year we helped students in schools across South Auckland to build their skills and knowledge and set out on pathways to future employment.

We visited principals and careers advisors at 14 local secondary schools and developed a customised engagement plan with each school. These plans offered schools scholarships, work experience and careers education for their students, together with grants and opportunities to take part in environmental and cultural activities with the airport.

Eight Year 13 students from local secondary schools were awarded Auckland Airport Education Scholarships, receiving paid work experience as Passenger Experience Assistants (a customer service role) in our terminals over the busy summer months, a grant towards their tertiary tuition fees, a laptop and mentoring from a member of our Auckland Airport team.

Ara, our airport jobs and skills hub, connected 68 students from Aorere College, Māngere College, Manurewa High School, Southern Cross Campus and Onehunga High School with work experience at the airport to support their NCEA trades studies.

We sponsored four educational organisations and events (the Counties Manukau Life Education Trust, ASB Polyfest, the Auckland Arts Festival's schools programme and the Second Nature Charitable Trust). These sponsorships helped young people gain life skills like healthy eating, relating well to others and water safety, celebrated their cultural diversity and introduced students to international-quality performing arts.

We also supported schools' education programmes. Through our annual Our Auckland Youth Art Programme we commissioned students from Tangaroa College to create artwork as part of their NCEA studies. Their art is on display in our international terminal. In April, 20 students and teachers from Māngere College joined airport employees and the Sustainable Coastlines Trust to clean up a section of the airport's Manukau Harbour coastline as part of an environmental project.

We were delighted to sponsor and support a young Samoan South Auckland resident and community leader, Chillion Saveri, on the Committee for Auckland's Future Auckland Leaders programme. This initiative gives emerging leaders opportunities to build their leadership skills and knowledge, by working on real-world projects that benefit the city.

We delivered more than 20 careers seminars and information sessions about the airport to local students, training organisations and community groups.



SEVEN OF OUR EIGHT 2017 SCHOLARSHIP RECIPIENTS WITH THEIR AUCKLAND AIRPORT EMPLOYEE MENTORS



STUDENT ARTISTS FROM TANGAROA COLLEGE WITH THEIR ART, WHICH WE DISPLAYED IN OUR INTERNATIONAL TERMINAL



FIA TAUVELA, SECURITY COORDINATOR, PRESENTS THE AUCKLAND AIRPORT AWARD ON THE SAMOAN STAGE AT ASB POLYFEST. CREDIT: BEN CAMPBELL



Rina Tui
One of eight recipients of our Auckland Airport tertiary education scholarships in FY17

Rina left Alfriston College in Manurewa in 2016 and has studied towards a BCom in human resources and economics at AUT University in 2017. Her scholarship package included three months' paid work experience in our terminals in a customer service role, a laptop and a grant towards her tertiary fees. One of our Auckland Airport team members enjoyed mentoring her during her time with us.

“

I know education's the key to helping my family get ahead. I've always dreamed about going to university – and now I'm here.

My scholarship's made a big difference. It's taken off some of the financial pressure, so I can focus on my grades. And I've learned so many things while working at the airport that will be useful in my career – like how to help a huge range of customers in an environment that's really fast-paced, and how to get on with a big team of different people.

Perhaps most important of all, my scholarship's given me the confidence to know I can break down the stereotypes. I have as much chance of succeeding as anyone else. If I get a good education and work hard, I'll achieve good things for my family.”



Robin Staples
Principal, Southern Cross Campus

Fourteen Southern Cross Campus Year 13 students took part in Ara's schools work experience programme in the 2017 financial year, working with airport employers one day a week as part of their NCEA studies.

“

Ara's value lies in connecting our students and teachers with real-world learning and real-world employers.

In the past it's been hard for schools like ours to gain access to employers. Teachers have been isolated and often had outdated views of what businesses were looking for. Employers' needs are changing and it's been difficult to prepare our students for what's expected of them in the workforce.

Ara's helping change that situation, by giving us a direct relationship with local employers offering local jobs. Our challenge now is to adapt our school curriculum so we're preparing students from Years 9 and 10 with the skills and confidence they need to step into these jobs.”

 **Measuring our progress**

Unit	FY16	FY17
Education sponsorships		
Value	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
Tertiary education scholarships		
Number and total value	5 \$15,000	8 \$24,000

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

Helping people into sustainable employment

Activities in the past year

In the 2017 financial year we helped hundreds of people gain long-term employment and develop their skills.

In June we were proud to host the official launch of Ara, our airport jobs and skills hub, with an event attended by the Minister of Tertiary Education, Skills and Employment and around 100 community members, people connected to jobs through Ara, local schools, representatives from central and local government, and training providers. Ara is now a charitable trust, fully owned by Auckland Airport. To support Ara's work, we have invested in premises, systems and our Ara team.

In the 2017 financial year, Ara connected 190 people with job and training opportunities as part of the airport's infrastructure development programme. One hundred and fifty-six of these people live in South Auckland and 74 came off central government benefits. Hundreds of people successfully completed 1,355 training courses through Ara, including employees building their skills through apprenticeships. Courses included working-at-heights training, driving instruction and supervisory skills.

Ara also connected 68 South Auckland students from Aorere College, Māngere College, Manurewa High School, Southern Cross Campus and Onehunga High School with work experience at the airport. The students spent one day a week working with employers on the airport's development programme, gaining valuable work skills and earning credits towards their NCEA studies

We have designed Ara to be flexible to the community's needs and believe this is one reason for the initiative's success. For example, Ara recruits candidates through local community groups and schools; our Ara team is located in the airport contractors' village, making it easy for employers to discuss their vacancies and interview candidates; training takes place on site, meaning employees spend as little time as possible away from their place of work.

Sixty people gained work in our terminals over the busy summer months, including twelve Year 13 students from local schools.



SOUTHERN CROSS CAMPUS STUDENTS ON WORK EXPERIENCE WITH ARA, AUCKLAND AIRPORT'S JOBS AND SKILLS HUB, OPENED THE EVENT WHICH OFFICIALLY LAUNCHED ARA IN JUNE.



MANY OF THE PEOPLE BUILDING OUR NEW AIRPORT INFRASTRUCTURE HAVE BEEN PLACED THROUGH ARA



JOSHUA RICHARDS FROM MANUREWA HIGH SCHOOL DEVELOPING HIS SKILLS THROUGH ARA'S WORK EXPERIENCE PROGRAMME



Vaka Hirinuki Hoist operator and airside driver Ara placement with Absolute Traffic Solutions Limited (ATSL)

After being made redundant from his manufacturing job of 20 years, Vaka struggled to find work. A chance conversation connected him with Ara and new employer ATSL, where he has been a valued permanent employee since early 2016. Vaka's story illustrates two of the reasons for Ara's success: it fosters local relationships and offers a one-stop shop for recruitment and training.

“
I'd been door-knocking at businesses around the airport but couldn't find a job. My niece works in the shopping centre and heard Ruanna [Letalu, Ara's Operations Manager] talking about Ara. So she got me a phone number and I rang the next day. I got the second job I applied for. Everything was easy and it all happened in one place. I turned up for my interview in the morning and was still there at 5pm – getting paid to work. My boss Jade interviewed me, showed me round, signed me up, got me my safety gear and started training me. I love working at the airport! I'm surrounded by friendly people, there's lots of work, and I'm learning new things all the time. I've done [New Zealand Qualifications Authority] certificates in traffic control and airside driving and I'll do my Site Traffic Management Supervisor certificate soon. Ara's awesome! If you're looking for work, don't stay home on the couch. Look out for your family. Ara will help you.”

190
people placed in work through Ara

1,355
training courses completed through Ara

5
schools and 68 students involved in Ara work experience

Measuring our progress

	FY16	FY17
Ara placements	90	190
People who came off government benefits	44	74
Training courses completed	972	1,355
Schools involved in work experience	1 (pilot)	5
Students involved in work experience	4 (pilot)	50

Protecting the natural environment



MĀNGERE COLLEGE STUDENTS AND STAFF AND AUCKLAND AIRPORT EMPLOYEES ON OUR ANNUAL COASTAL CLEAN-UP OF THE MANUKAU HARBOUR



AUCKLAND AIRPORT POWER SYSTEMS ENGINEER ELNAZ VAN VURREN WITH THE AIRPORT'S SCADA SYSTEM WHICH MONITORS AND MANAGES OUR HIGH-VOLTAGE ELECTRICITY NETWORK

The aviation industry and climate change

We acknowledge that the aviation industry contributes to climate change. We are working with our aviation partners to reduce the carbon that our collective operations emit. For example, we:

- Are continuing to trial smart flight approaches which enable aircraft to burn less fuel and emit less carbon dioxide, as well as fly more quietly
- Have installed ground power units (GPUs) on all our international aircraft gates. GPUs enable aircraft to switch off their on-board auxiliary power unit and plug into electricity while they prepare for their next flight, reducing the fuel they burn and creating fewer emissions. Over 80% of international aircraft use these GPUs at our airport.
- Have reviewed the efficiency of our taxiways and aprons to minimise aircraft taxi times and fuel burn
- Are working with ground handlers to investigate installing infrastructure that supports electric ground servicing equipment, including vehicles.

In addition, airlines serving Auckland are continuing to upgrade their fleets to more fuel-efficient aircraft.

Activities in the past year

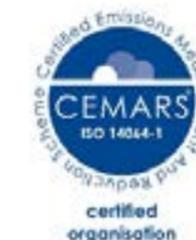
We are committed to operating in environmentally sustainable ways and in the 2017 financial year we achieved our 2020 goal of reducing our environmental footprint by 20 per cent per passenger. We continued to work with our customers and partners across the airport precinct to reduce the energy and water we use and the carbon, waste and emissions we generate. All these activities minimise the impact our operations have on climate change.

Raising the bar on reducing carbon emissions

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 under the Carbon Emissions Management and Reduction Scheme (CEMARS). We achieved CEMARS accreditation again in the 2017 financial year.

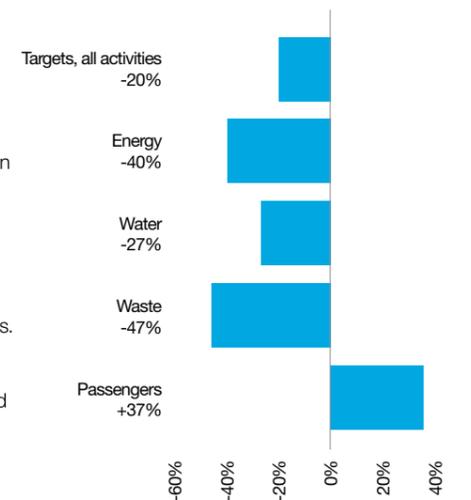
We reduced carbon emissions by a further 11 per cent on the 2016 financial year, thanks to initiatives like new electrical equipment in our international terminal, 'smart' controls and increasing our fleet of plug-in and hybrid vehicles. We also achieved a 'C' rating from the CDP, indicating that our management of carbon is on the average for the NZX50 index, our sector and our industry.

In the 2017 financial year we became the first company in Oceania to have an approved 'science-based target' for future carbon reductions. These targets are a collaboration between the CDP, the UN Global Compact, the World Resources Institute and the World Wildlife Fund. We have set ourselves an ambitious new goal: we want to reduce carbon emissions per square metre by 45 per cent by 2025, based on our current base year, 2012.



Performance against 2020 targets

All figures are per passenger





RECYCLING FACILITIES IN THE INTERNATIONAL TERMINAL



ENVIRONMENTAL CONSULTANTS TEMPORARILY RELOCATING NATIVE EELS FROM A STORMWATER POND BEFORE REMOVING SEDIMENT

25%

reduction in our scope 1 and 2 carbon emissions

44%

reduction in waste to landfill per passenger

18%

of vehicle fleet now hybrid and plug-in hybrid

46%

of rubbish recycled in our international terminal

0

noise infringements

Managing waste

We continued to work hard to minimise the amount of waste the airport community sends to landfill, reducing the waste we generate in our own terminals and offices and making it easier for our airline customers, retailers, food and beverage providers and property tenants to reduce their waste, too.

In the 2017 financial year, total waste to landfill per passenger fell by a further seven per cent. Retailers, food and beverage operators and the travelling public made good use of our recycling facilities, helping us achieve a recycling rate of 44 per cent in our international terminal.

Conserving water

We continued to manage water use, fitting low-flow devices and water recycling systems in our new infrastructure developments, and detecting and fixing leaks. In the 2017 financial year water use per passenger fell by 26 per cent to 11.8 litres.

Adapting to climate change

As a coastal airport, we need to understand the potential long-term impacts of climate change on our operations. In the 2017 financial year we modelled the potential flood risk from a rise in sea levels and future storms and shared this information with Airways New Zealand. We are using this data to plan our future operations and protect future assets like power plants by siting them outside potential floodplains. This modelling will be updated on a regular basis.

Managing stormwater and spills

We are proud of our location adjacent to the beautiful Manukau Harbour and recognise that we have a duty to care for the area's unique habitats, heritage and waterways. During the 2017 financial

year, we continued to manage stormwater actively, regularly cleaning roads, cesspits and interceptors to prevent contaminants from being flushed into the stormwater system and testing the discharge from our catchments and impacts on our receiving environments.

We recorded and acted on all spills across the airport precinct. Increasing airline operations saw the number of spills rise from 106 in the 2016 financial year to 152 in 2017. The number of significant spills (over two square metres) per 1,000 aircraft movements fell from 0.11 to 0.03 during the same period. Our Airport Emergency Services team is trained and equipped to deal with spills, whether they are oil, effluent or other hazardous substances.

In the 2017 financial year we reviewed our environmental auditing processes (for example, how we identify and manage risks like hazardous goods and potential stormwater run-off). We will expand these processes across our tenant sites in the coming financial year.

Managing local biodiversity

We continued to work closely with Auckland Council and other parties to manage local biodiversity. This included managing local wildlife by providing low-risk bird roosting areas and controlling food sources, and continuing to develop and maintain landscapes using native plants.

In the 2017 financial year contractors working on our terminal redevelopment noticed a native dotterel near their worksite. Our wildlife rangers monitored and protected the nest and we were delighted when all three eggs hatched successfully.

Managing aircraft noise

Aircraft noise is an issue for airports all over the world. In the 2017 financial year we continued to partner with airlines, government agencies and the community to manage aircraft noise to international best-practice standards. We are pleased to report that no breaches of noise occurred.

The Aircraft Noise Community Consultative Group – made up of Auckland residents and representatives from Auckland Council and its Local Boards, the Board of Airline Representatives New Zealand (BARNZ), Airways New Zealand, Auckland Airport, the business community and mana whenua – continued to meet regularly to monitor and manage community concerns. In addition, we continued to make it easy for members of the community to view the aircraft using Auckland Airport and enquire about aircraft noise.

Our Community Trust provided \$61,468 to help 29 homeowners install noise mitigation packages in their homes.



Lisa Daniell Head of Sustainability Air New Zealand

In partnership with our airline customers, the Ministry of Primary Industries and airport cleaning teams, we diverted 48 per cent of non-quarantined aircraft cabin waste away from landfill in the 2017 financial year through our transitional waste facility. Air New Zealand played a leading role in this success.

“

Our cleaning teams remove non-galley cabin waste like bottles, tins and newspapers from Air New Zealand aircraft and transport it to Auckland Airport's transitional waste facility where it's further sorted by hand and processed for recycling. Before the airport community had this facility, all cabin waste from international flights went to landfill.

Our cabin crew have supported this initiative and they're coming up with suggestions of their own to reduce waste further. For example, on all international Air New Zealand flights bound for Auckland, they now separate non-galley waste into recyclable waste streams, like paper and plastic.

We're also working with our Auckland-based caterer LSG SkyChefs and the Ministry for Primary Industries (MPI) on a world-leading programme to reduce inflight catering waste. In partnership with MPI we've identified 40 products, such as snacks and cans of soft drink, which can be used on future flights if they're removed from our aircraft sealed and untouched.

These are all ways the airport community can reduce waste and its impact on the environment.”



Brent Early
Managing Director and owner,
Bus Travel New Zealand

Brent and his team are working closely with our Auckland Airport transport team to introduce sustainable transport options for the airport's Park & Ride bus service. The first fully-electric bus will enter service in early 2018.

“

Every Park & Ride bus takes cars off the road and reduces traffic congestion. We trialled a hybrid bus successfully last year and now we're taking things to another level by making the leap to a 100 per cent electric bus.

Our nine Park & Ride buses together travel around 900,000 kilometres each year, so being powered by a renewable resource means big savings in carbon emissions. They're also smooth and quiet – and customers like that.

Commercial factors have played an important part in our decision, too. When we're transporting air crew and travellers we don't want a battery to go flat halfway to the terminal. The bus we've chosen has a large battery pack and can do a full day's work before it returns to the depot to recharge.”



THE SCULPTURE PARK IN THE HEART OF THE AIRPORT'S BUSINESS DISTRICT

Energy and carbon

	Unit	FY13	FY14	FY15	FY16	FY17
Energy consumed (precinct)	Gigawatt hours	108.10	106.49	98.90	102.80	102.70
Energy consumed (international terminal)	Gigawatt hours	29.55	30.24	32.71	33.04	34.78
Energy consumption per passenger	Kilowatt hours	2.1	1.9	1.9	1.6	1.4
CO ₂ emissions per passenger	Kilograms	0.60	0.50	0.52	0.44	0.41

Waste and water

	Unit	FY13	FY14	FY15	FY16	FY17
Waste generated per passenger	Kilograms	0.24	0.21	0.22	0.15	0.14
Waste recycled	Per cent	20%	22%	29%	45%	44%
Water use per passenger	Litres	17.36	15.08	18.37	15.90	11.80
Rainwater harvested	Cubic metres	1,200	1,200	1,200	1,200	1,200

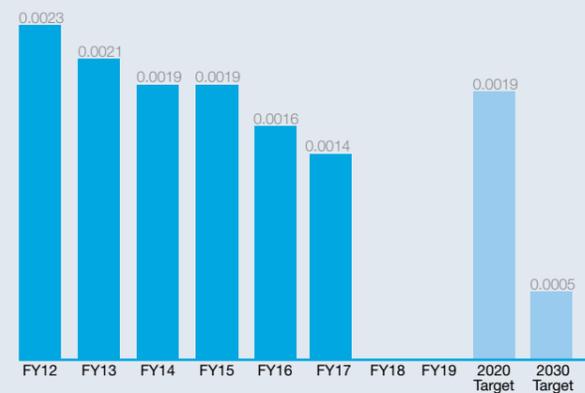
Noise and emissions

	Unit	FY13	FY14	FY15	FY16	FY17
Noise notifications per 10,000 air traffic movements	Number	6	254*	227	125	34
Noise infringements	Number	0	1	0	1	0
Total spills per 1,000 aircraft movements	Number	0.53	0.73	0.63	0.67	0.76
Significant spills (over 2m ²) per 1,000 aircraft movements	Number	0.08	0.15	0.19	0.11	0.03

*SMART Approach flight path trials carried out

Energy use per passenger

Energy per thousand passengers (KWh)



Carbon generated per passenger

Carbon per thousand passengers (tonnes)



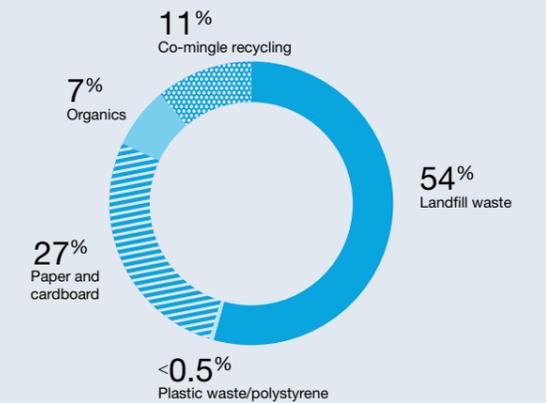
Waste generated per passenger

Waste per thousand passengers (tonnes)



Waste and recycling

Waste and recycling, international terminal, 2017 financial year



Water use per passenger

Water per thousand passengers (litres)



Community giving and fundraising

Our community giving and fundraising continued to support community groups across Auckland and New Zealand. All recipients were working to improve outcomes in one or more of our three areas of focus: education, employment and environment.

In August 2016, for the first time, we asked our employees to tell us the causes they would like us to support and then made 18 grants of \$1,000 each to schools and community groups across the Auckland region on their behalf. Recipients included Sunnynook Scout Group on the North Shore, Friends of Oakley Creek in Mt Albert and Te Kura Kaupapa Māori O Puau Te Moana-Nui-A-Kiwa in Glen Innes.

In December 2016 we made 12 grants of \$10,000 each to local charities to spread a little Christmas cheer. We are grateful to the hundreds of thousands of generous travellers who contributed to these funds by donating unwanted currency in the collection globes located in our terminals during the year. Recipients included Diabetes New Zealand, Genesis Youth Trust and the Native Forest Restoration Trust.

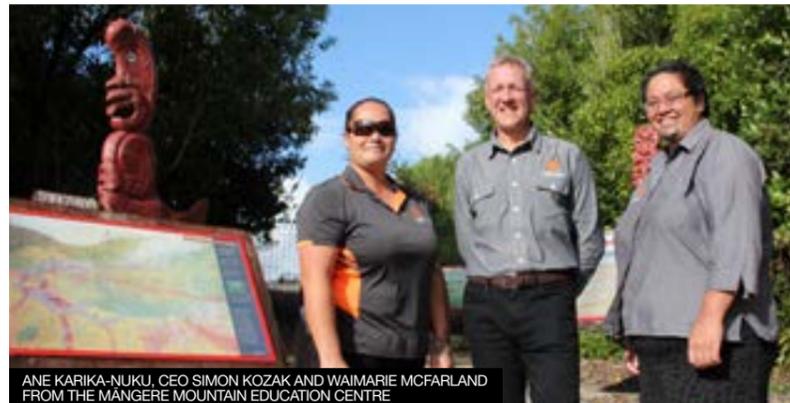
In October 2016 our Auckland Airport Community Trust distributed \$346,000 in grants to organisations working in South Auckland to promote learning, literacy and life skills. All recipients were located in the Trust's 'area of benefit': communities most affected by aircraft noise. These communities include parts of Papatoetoe, Whitford, Flat Bush, Manukau Central, Clover Park, Wiri, Ōtara, and Māngere.

The Trust also provided funds to help people facing financial hardship in the Trust's area of benefit to install noise mitigation packages in their homes.

In April 2017 we launched our He Tangata grants. We are grateful to our panel of local experts, including members of local community boards, media outlets and business associations, who helped us identify eight South Auckland schools and 'grassroots' community groups to each receive one of our \$5,000 grants. Recipients included Ōtāhuhu Māngere Youth Group, Māngere Mountain Education Centre and Hillary House Leadership Centre.



JASON DELAMORE, AUCKLAND AIRPORT GENERAL MANAGER MARKETING AND TECHNOLOGY, CELEBRATES THE GARDEN TO TABLE TRUST'S GRANT WITH PUPILS AND STAFF FROM MANGERE CENTRAL SCHOOL



ANE KARIKA-NUKU, CEO SIMON KOZAK AND WAIMARIE MCFARLAND FROM THE MANGERE MOUNTAIN EDUCATION CENTRE



AUCKLAND AIRPORT EMPLOYEE MICHELLE NOODERMEER PRESENTS A CHEQUE FOR \$1,000 TO THE ST HELIERS-GLENDOWIE SCOUT GROUP

Suzanne Teague
Business Practice Manager,
Genesis Youth Trust

“

We are very grateful and excited to be a recipient of an Auckland Airport Twelve Days of Christmas grant.

This funding will be used to spend a little extra 'over and above' mentoring or counselling time with young people and their families. This will make all the difference to bring about change for a young person and their family.”



AUCKLAND AIRPORT EMERGENCY SERVICES OFFICERS STEVE MARRIOTT AND JESS NEHO RACED UP THE SKYTOWER TO SUPPORT THE LEUKAEMIA AND BLOOD CANCER FOUNDATION.

Fundraising

More than 19 million travellers and thousands of visitors passed through our airport in the 2017 financial year. Every month we gave one charity the opportunity to fundraise in our terminals and promote their valuable work. In the past year these charities included the Cancer Society, the Society for the Prevention of Cruelty to Animals and the New Zealand Red Cross.

Later in the year it was the turn of our Auckland Airport firefighters to raise funds as part of the Firefighter SkyTower Challenge. Thanks to the generous donations of travellers and visitors in our international terminal, they raised more than \$70,000 to support our long-term charity partner, the Leukaemia and Blood Cancer Foundation. Our firefighters followed this by joining over 900 other firefighters from across the country to race up the SkyTower's 1,103 steps.



Measuring our progress

	FY16	FY17
Auckland Airport grant to Community Trust	\$328,415	\$329,783
Twelve Days of Christmas grants	\$120,000	\$120,000
Gold Medal grants	\$30,000	Replaced by He Tangata grants
He Tangata grants (recipients chosen by community leaders)	N/A	\$40,000
Our Auckland grants (recipients chosen by our employees)	N/A	\$18,000

38

community grants valued at \$178,000 in total

\$329,000

in grants distributed by the Auckland Airport Community Trust

\$73,489

raised for the Leukaemia and Blood Cancer Foundation

10

charities raised funds in our terminals

Māori engagement



TIANJIN AIRLINES CABIN ATTENDANT LI GUO IS WELCOMED TO AUCKLAND AIRPORT BY KAUMATUA (ELDER) OTENE REWETI



AUCKLAND AIRPORT EMERGENCY SERVICES CREW CHIEF ANTHONY WILSON WELCOMES GUESTS TO THE FORMAL LAUNCH OF ARA, OUR AIRPORT JOBS AND SKILLS HUB, WITH A TE REO MĀORI GREETING

Building strong relationships with local Māori and developing our organisation's cultural skills and taonga (treasures) are important to us. In the 2017 financial year we continued to develop our relationship with mana whenua. In addition to our regular engagement hui (meetings) and consultation on airport developments, the designers of our upgraded international departure experience and iconic gateway bridge have been working closely with iwi on some of the projects' key design features. Pōwhiri (Māori welcome ceremonies) continued to play an important part, much valued by travellers, in welcoming new airlines to Auckland.

Our Māori Language Week activities included seminars to help our employees build their te reo Māori (Māori language) skills and knowledge of tikanga Māori (Māori customs), including landmarks around the airport of particular significance to mana whenua. We made public announcements in te reo Māori in our terminals and two local schools performed kapa haka (traditional dances and chants) in our international terminal.

In an initiative led by one of our employees, we also developed an airport waiata (song). You will find the te reo Māori words and English translation on this page. We are proud to use this waiata at community events.

In partnership with the Māori people of the Tainui waka (canoe), we continued to maintain and administer our airport marae, Te Manukanuka o Hoturoa, an important community asset which is located in the heart of the airport.

Our Auckland Airport waiata

*E ngā mana, e ngā reo,
E ngā waka haere mai rā
Tēnei mātou
Nō te taunga wakarererangi
E mihi ana
Tū whakahi nei mātou
Hei poi poi i te tomokanga
Kī 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!*

Economic contribution



UNITED AIRLINES ARRIVES IN NEW ZEALAND ON ITS INAUGURAL FLIGHT, 3 JULY 2016

\$3.5b

More than \$3.5b contributed to regional GDP

\$1m

Over \$1m invested in core airport infrastructure every working day

\$2b

Aeronautical investment programme over the next five financial years

Activities this year

Creating local employment and incomes

In 2014 Auckland Airport and our neighbouring activities contributed more than \$3.5 billion to regional GDP, provided over 33,100 jobs, and added more than \$1.9 billion to Auckland's household incomes (directly and through flow-on effects).

This contribution is continuing to grow as we build and run our 'airport of the future'. In the 2017 financial year we invested more than \$1 million every working day on core airport infrastructure. Over the next five years we expect to invest \$2 billion. This investment is continuing to have significant flow-on benefits for the Auckland region in terms of employment and incomes.

In the next three decades, we expect to increase regional GDP by around \$2 billion, create more than 27,000 jobs and lift the income of Auckland's households by \$1.4 billion. Thousands more jobs will be created to run the expanded airport and surrounding area.

Section one of this report (Helping people into sustainable employment) explains the economic contribution of Ara, our airport jobs and skills hub.

Connecting New Zealand with international markets

We continued to work 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 2017 financial year, the total number of passenger movements was up 10.2 per cent to 19 million. International passengers (excluding transits) were up 11 per cent to 9.7 million, and domestic passengers were up 8.9 per cent to 8.6 million. International transit passenger movements were up 16.8 per cent to 0.7 million.

Growth in the number of arriving and departing international passengers reflects the efforts made by Auckland Airport and the New Zealand tourism industry to diversify international passenger growth across a number of markets and to mitigate the economic risks should any one market decline in the future.

The 12 months to 30 June 2017 saw the launch of eight new international routes, seven new international airlines (United Airlines, Hong Kong Airlines, Tianjin Airlines, Hainan Airlines, Qatar Airways, Sichuan Airlines and Norfolk Island Airlines) and a 14.5 per cent increase in international seat capacity.

Building economic contribution into our supply chain

We want to do business with companies that are trying, as we are, to be good corporate citizens. To achieve this, we are continuing to improve our procurement practices by building sustainability criteria into our purchasing decisions. These criteria include making a

material economic contribution to local communities.

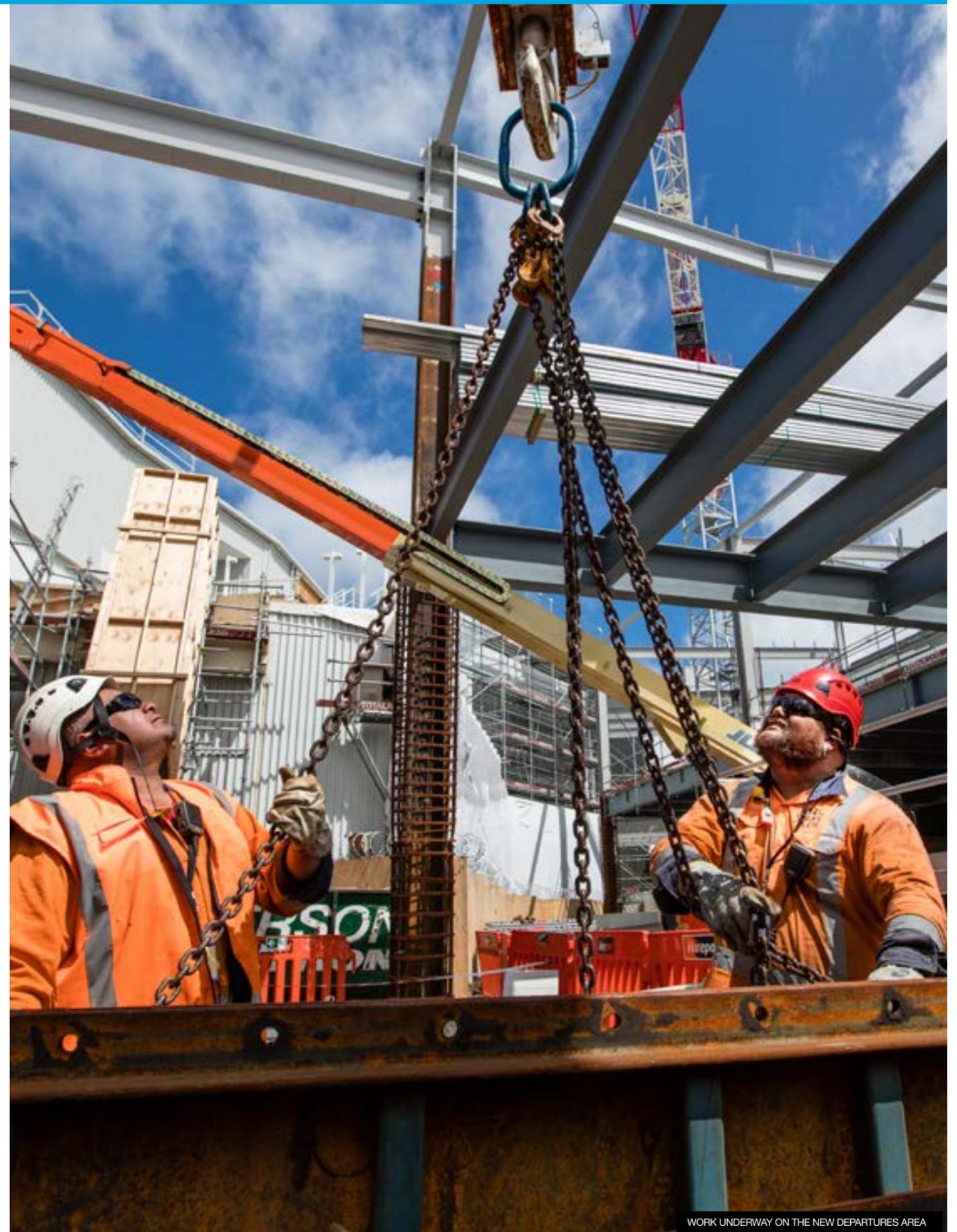
In the 2017 financial year we introduced a CSR questionnaire which asked companies responding to our requests for proposal to provide information on their own CSR practices: to what extent do they have environmental policies in place, support their local communities, monitor their CSR performance and report on these activities? We also asked potential providers of services based at the airport whether they would consider employing local people introduced to them through Ara, our airport jobs and skills hub. Companies' replies helped us select providers for goods and services from baggage trolleys to building infrastructure and grounds maintenance.

In the coming years we will continue to focus on creating supply chain partnerships that improve social, economic and environmental outcomes for our local communities.



³Source: Auckland Airport Masterplan 2014. This report is updated every five years.

⁴Source: Insight Economics 2014



WORK UNDERWAY ON THE NEW DEPARTURES AREA

Customer experience



Activities this year

Here is a list of activities completed and undertaken in the 2017 financial year to improve our customer experience.

Our infrastructure

- We progressed the major upgrade of our international departure area (a reconfigured landside farewell portal, a new and expanded security screening and processing area, a new retail hub, a new passenger lounge).
- We progressed the extension of Pier B to provide two further international gate lounges and extra airbridges.
- We significantly expanded our airfield infrastructure to better service international aircraft: a new taxiway and a new international airfield stand, fully serviced with fuel and other utilities.
- We progressed the construction of a second fully-serviced international airfield stand.
- We upgraded two remote international airfield stands.
- We launched 45 mobile international self-service check-in kiosks.
- We reconfigured our international check-in area to provide 13 additional serviced counters.
- We upgraded our back-of-house international baggage handling system.
- We added new technology to monitor real-time traffic movements across the airport precinct to improve the journey-time information we provide through our mobile and digital channels.

Our team

- We expanded our popular concierge service for international passengers.
- We recruited more than 60 Passenger Experience Assistants to help passengers during our busy December and January months, and more Customer Service Agents to help travellers needing assistance.

Our services

- We launched Strata Club, inviting travellers and other customers to join our new, innovative, mobile-based programme designed to recognise their travel choices with personalised service and benefits.
- We upgraded our Auckland Airport app.
- We worked with government agencies to improve the efficiency of border services for our passengers, including our new Green Lane which speeds up processing times for New Zealand and Australian passport holders who do not have food or other biosecurity risk items to declare.
- We provided extra public carparks near the international terminal and added more car parks to our Park & Ride facility. Most of these Park & Ride parks will be used by staff working at the international terminal. They will reduce staff traffic from the inner airport roads.
- We developed a new Drop & Ride service to reduce traffic volumes on our airport roads and forecourts.
- We progressed the design of a new five-star, 300-room hotel to provide customers with greater accommodation choices at the airport.



OUR MOBILE-BASED STRATA PROGRAMME



Measuring our progress

Scores (out of five)	FY13	FY14	FY15	FY16	FY17
Overall satisfaction score – international terminal	4.24	4.21	4.16	4.21	4.19
Overall satisfaction score – domestic terminal	4.01	3.98	4.02	3.98	4.02

Safety and security

Activities this year

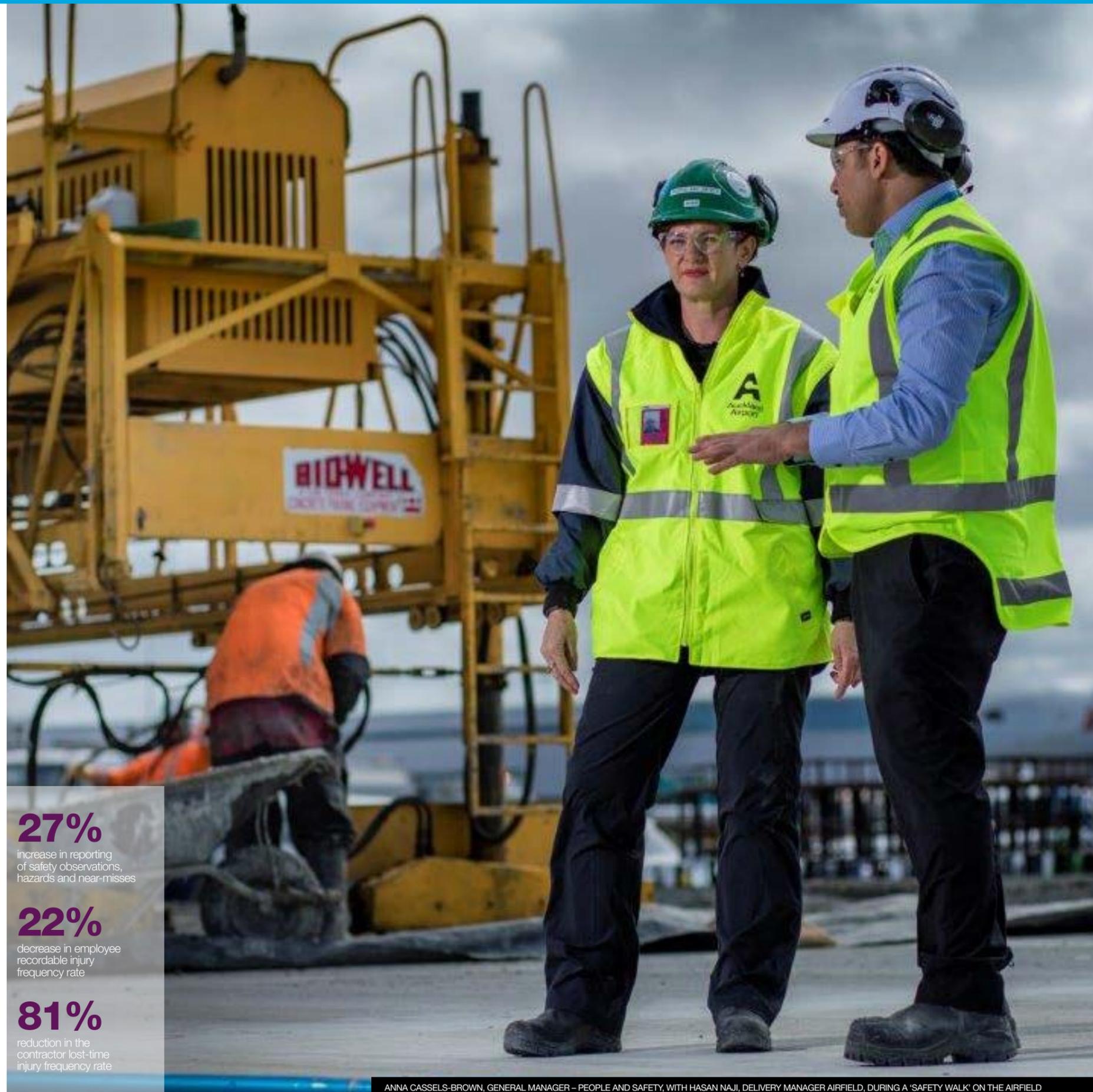
Here are some of the activities completed and undertaken in the 2017 financial year to improve safety and security:

- We reviewed and updated our entire safety management system.
- We significantly improved the way we manage higher-risk and non-routine physical works.
- We surveyed our employees to understand how engaged they are in health and safety activities, and saw an improvement in results.
- Our Leadership team continued to carry out 'safety walks' around the business to identify health and safety issues and talk with employees and contractors about any concerns.
- We trained more employees to investigate root causes of health and safety incidents across the organisation, bringing the total to 23 employees.



Measuring our progress

	Unit	FY13	FY14	FY15	FY16	FY17
Lost-time injuries (employees)	Number	5	1	5	3	2
Lost-time injuries (contractors)	Number	Unavailable	Unavailable	4	6	4
Lost-time injury frequency rate (employees)	Injuries per 200,000 exposure hours	2.90	0.30	1.50	0.86	0.51
Lost-time injury frequency rate (contractors)	Injuries per 200,000 exposure hours	Unavailable	Unavailable	1.70	2.24	0.43



27%
increase in reporting of safety observations, hazards and near-misses

22%
decrease in employee recordable injury frequency rate

81%
reduction in the contractor lost-time injury frequency rate

ANNA CASSELS-BROWN, GENERAL MANAGER – PEOPLE AND SAFETY, WITH HASAN NAJI, DELIVERY MANAGER AIRFIELD, DURING A 'SAFETY WALK' ON THE AIRFIELD



6

new learning and development programmes

57%

increase in 'actively engaged' employees

Employer and work location of choice

Activities this year

Our CSR work starts with our 'home' community: our employees. We recognise that our organisation's continuing financial and non-financial success is due to the efforts of the talented people who work here and we remained focused on being a good employer in the 2017 financial year. Knowing that valuing different backgrounds and viewpoints underpins a constructive workplace environment, we also continued to highlight and celebrate the diversity of our people, and champion inclusiveness.

Here are some of the activities completed and undertaken in the 2017 financial year that supported our commitment to being a good employer.

Helping our employees build their skills

- We refreshed our on-boarding and induction programmes.
- We offered six new programmes under our professional development framework.
- We completed talent reviews and succession plans.
- We ran a Leadership Congress for 70 of our senior managers.

Supporting diversity

- We formalised our flexible working policy.
- We continued to increase the number of women employed as a proportion of total employees.
- We provided targeted funding to develop our female employees.
- We celebrated cultural diversity, by sponsoring ASB Polyfest and involving our employees in this festival and through our Māori Language Week activities.

Improving communication

- We launched monthly team briefings, led by our Executive team.
- We prepared to launch a new company intranet in the first half of the 2018 financial year.

Recognising our employees' contributions

- All employees who did not participate in the short-term incentive programme received a one-off performance bonus of \$1,500 before tax.
- A total of 158 employees were offered the opportunity to take part in our Employee Share Purchase Plan

Involving our team in our CSR work

- Recognising that our employees want to work for a company that plays its part in supporting the community and environment, we identified new opportunities for them to take part in our CSR work, including nominating 18 charities to each receive a \$1,000 grant and presenting the grants in person.

Measuring our progress

- The percentage of actively engaged employees increased between November 2015 and April 2016.
- Thirty-two per cent of eligible employees accepted the 2017 Employee Share Purchase Plan offer.
- Our employment brand strengthened, with a 57 per cent increase in followers on our Auckland Airport LinkedIn page.

'Smart' design and construction

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 our 10 material sustainability issues.

Activities this year

Building 'smart' design and construction into our supply chain

In the 2017 financial year we included the Infrastructure Sustainability Council of Australia's (ISCA) requirements and New Zealand Green Building Council (NZGBC) Green Star

requirements in the design standards for selected infrastructure and building developments respectively.

Rating tools like these help us communicate and embed our sustainability requirements into our developments early in the design stage. Examples of specifications include using low-carbon materials and products with environmental product declarations (EPDs) which are sustainably sourced, and designing facilities in ways that ensure we continue to minimise the energy and water we consume.

We also looked for sustainability expertise when we engaged our development partners, including Architectus, Mott MacDonald, and Grimshaw and Holmes Consulting.

In the 2017 financial year we joined the NZGBC. This membership complements our membership of ISCA; it will help us build sustainability into our buildings as well as into our infrastructure (for example, our proposed second runway).

Ground transport



OUR GATEWAY BRIDGE WILL MAKE IT EASIER FOR PEOPLE TO WALK AND CYCLE AROUND THE AIRPORT PRECINCT.



WE ARE CONTINUING TO EXPAND OUR FLEET OF LOW-EMISSION VEHICLES



OUR EXPANDED PARK & RIDE FACILITY WILL REMOVE STAFF TRAFFIC FROM INNER AIRPORT ROADS.

4
major transport
projects announced

18%
of airport vehicle fleet
now low-emission

Activities this year

Improving our airport network

We fast-tracked planned roading and transport upgrades to our own network:

- Upgrading the Puhinui Road roundabout to improve the eastern access to the airport from State Highway 20B/Puhinui Road
- Adding more car parks to our Park & Ride facility, mostly for use by staff working at the international terminal to remove staff traffic from the inner airport roads
- Upgrading the traffic light phasing and lane configurations at the airport's George Bolt Memorial Drive and Tom Pearce Drive intersection to improve traffic flows
- Updating the lane configurations at the airport's George Bolt Memorial Drive and Laurence Stevens Drive roundabout to improve traffic flows
- Developing new traffic management plans for use when the airport roading network is particularly busy.

Advocating for improved transport

We continued to advocate for additional 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. We worked closely with the New Zealand Transport Agency and Auckland Transport to advance both short- and long-term roading and public transport solutions for South Auckland and the airport precinct.

Four major transport projects

In June 2017 we announced four major transport projects as part of our longer-term plan to improve travel around the airport over the next three financial years. These include:

- Building an iconic new gateway bridge over George Bolt Memorial Drive for pedestrians and cyclists to connect 'the Quad' hotel and commercial precinct with the airport terminals and reduce vehicles using the main road network
- Improving traffic flows and public transport access to the domestic terminal by Christmas 2017 by providing more space for buses on the terminal forecourt and a new and separate access road for taxis and buses
- Implementing a transit lane system across the airport precinct between December 2017 and 2020 for buses and high-occupancy vehicles
- Upgrading Nixon Road by October 2017 to provide a new route to Auckland Airport's Park & Ride facility on Verissimo Drive. Drivers entering the airport from the south will no longer need to use the main intersection that connects the domestic and international terminals at Tom Pearce Drive and George Bolt Memorial Drive.

The above projects will help improve traffic flows and travel times around the airport, and help our transport network accommodate the increasing number of buses that will travel to and from the airport in the future. These improvements will, in turn, help us reduce the energy used and amount of carbon emitted across the airport precinct.

Looking ahead to the 2018 financial year

These are some of the activities we will be focussed on in the 2018 financial year.

Education

We will expand Ara's schools work experience programme, giving more young people the opportunity to gain valuable work skills while they complete their NCEA studies. We will also offer Ara scholarships to encourage students into trades careers, and increase the educational opportunities we provide through our sponsorships to reach more schools and students.

Employment

We will continue to invest in the systems, processes, people and relationships needed to support Ara's expansion into industries other than construction and employ more local people. In the 2018 financial year we expect Ara to expand into the retail, hospitality and logistics areas.

Environment

We will continue to reduce our environmental footprint to manage the impacts of climate change. We will engage actively with our airport tenants to better protect the environment, and continue to ensure sustainability is front and centre in our designs for our new buildings and infrastructure. We will also further embed sustainability into our procurement and supply-chain agreements and work with our construction supply chain partners to introduce low-emission materials and environmental product declarations (EPDs).

Community giving and fundraising

We will continue to increase our grant funding to community groups through our He Tangata grants and Our Auckland staff grants.



STUDENT ARTISTS FROM TANGAROA COLLEGE WITH THEIR ART, WHICH WE DISPLAYED IN OUR INTERNATIONAL TERMINAL

Thank you!

Thank you to everyone who helped us make progress against our CSR programme in the 2017 financial 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: the Ministry of Social Development; the Ministry of Business, Innovation and Employment (MBIE); the Tertiary Education Commission and Ministry of Education; Auckland Tourism, Events and Economic Development (ATEED); Fletchers; Hawkins; local employers; ServicelQ; 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 (ANCCG)
- The trustees of the Auckland Airport Community Trust and the Trust administrators, the Auckland Foundation
- 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 14 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 community groups with which we partner
- The Sustainable Business Council
- *The New Zealand Herald*, our partner on our annual Twelve Days of Christmas community giving programme.

