

WELLINGTON
AIRPORT



WELLINGTON AIRPORT
ANNUAL REVIEW 2024

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Matt Clarke CEO



Rachel Drew Chair



© Darrell Maddock



It has been another positive year of growth for Wellington Airport with passenger numbers recovering well and earnings ahead of both last year and pre-Covid levels.

For the year ended 31 March 2024 we hosted 5.5 million passengers, an increase of almost 200,000 from the previous year. Growth was particularly strong for international travel with a 31% increase in passengers.

Strong revenue uplift across all parts of the business have seen an EBIDTAF of \$107.1 million, a very positive result which is up from last year (\$89.6 million) and pre-Covid FY20 (\$103.9 million). The return to earnings growth territory aligns with the global rebound in travel volumes and places Covid-19 firmly in the rear-view mirror.

Over the last year we've seen new air services launched (Wellington–Brisbane by Qantas), significant development projects completed including the reconstruction of our main apron taxiway, and exciting projects commence such as the construction of our new Airport Fire Station.

Other highlights include excellent progress on sustainability, including a hydrogen trial and being selected as homebase for Air New Zealand's electric demonstrator aircraft service from 2026. We are now on track for net zero emissions for our own direct operations by 2028, two years ahead of originally planned.

Our after-tax result has been impacted by the Government's removal of tax depreciation on commercial buildings. This tax change has had a one-off impact on Wellington Airport alongside many other New Zealand businesses.

Over the last year we've invested \$67.7 million in infrastructure and have also been laying the groundwork for future growth to meet the needs of Wellington and the wider region. These projects, and other highlights from the year, are outlined in the rest of this publication.

Growth can only happen if it is sustainable for people and the planet.

Sustainability is embedded into everything we do at Wellington Airport. We are proud to be making consistent, measurable and independently verified progress.

Our annual climate disclosures are scheduled to be released before 30 June and will highlight the challenges and opportunities posed by a changing climate.

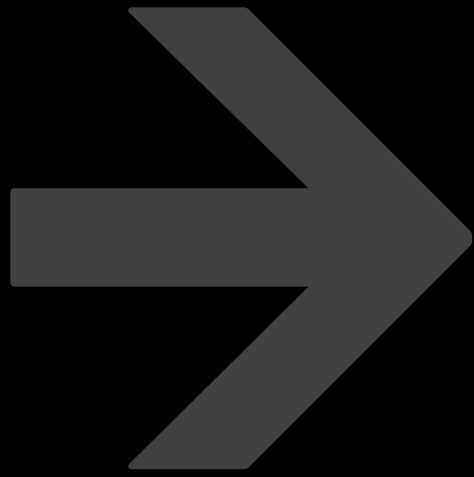
This Annual Review contains a brief overview of our work in this area but for a full outline of our environmental, social and governance work, please see our annual [Kaitiakitanga Report](#) which was released several weeks ago.

Matt Clarke CEO

Rachel Drew Chair

	FY24	FY23	Variance
Passengers domestic	4,711,526	4,689,792	0.5%
Passengers international	736,640	563,533	30.7%
	5,448,166	5,253,325	3.7%
Aero income	\$86.0m	\$77.3m	11.3%
Passenger services income	\$54.3m	\$46.8m	16.0%
Property/other income	\$18.9m	\$15.7m	20.1%
Operating expenses	(\$52.1m)	(\$50.2m)	3.7%
EBITDAF¹	\$107.1m	\$89.6m	19.6%
Net profit/(loss) after tax	(\$28.8m)	\$25.2m	(214.3%)
Capital expenditure	\$67.7m	\$42.2m	60.4%

1. EBITDAF before subvention payment is a useful non-NZ GAAP measure of earnings which presents management's view of the underlying business operating performance. A reconciliation between Wellington Airport's net profit after tax and EBITDAF before subvention payment is set out in the NZX announcement and Note A1 of the Annual Report for the year ended 31 March 2024.



5.5 MILLION PASSENGERS
(UP 195,000 ON FY23)
4.7 MILLION DOMESTIC PASSENGERS
737,000 INTERNATIONAL PASSENGERS (UP 31%)



CONSTRUCTION OF NEW AIRPORT FIRE STATION UNDERWAY



\$107M
EBIDTAF



NEW QANTAS WELLINGTON-BRISBANE SERVICE LAUNCHED



HOSTED A HYDROGEN TRIAL - THE FIRST AT A NEW ZEALAND AIRPORT



SELECTED BY AIR NEW ZEALAND AS HOME BASE FOR FIRST ALL-ELECTRIC AIRCRAFT SERVICE FROM 2026



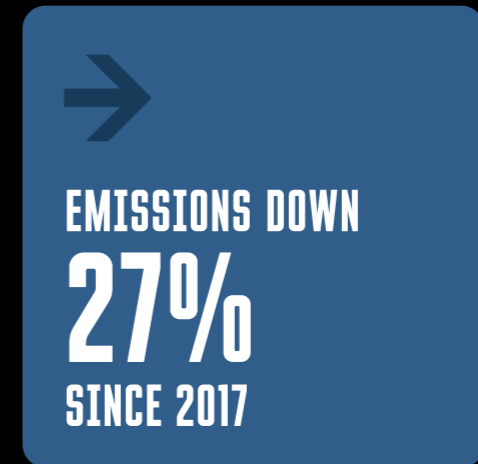
NEW UBER PICK-UP ZONE



SOUTHERN HILLOCK REMOVED, FREEING UP 10,000 SQUARE METRES



TAXIWAY BRAVO RECONSTRUCTION COMPLETED



EMISSIONS DOWN 27% SINCE 2017



DEVELOPMENT OF FORMER GOLF CLUB LAND ANNOUNCED





➔ The last year has seen continued steady recovery in passenger numbers which are now close to pre-Covid levels, especially for domestic travel.

Our 5.5 million passengers in the last financial year were made up of 4.7 million domestic and 737,000 international for an overall increase of 195,000 from the previous year.

This works out to a 31% increase for international passengers and 0.5% increase in domestic numbers, which were constrained in part due to airline engine maintenance issues.

Domestic numbers for FY24 are 90% of pre-Covid (FY20) levels and international at 80%. All pre-Covid routes are now restored with services at or above pre-Covid levels, except for Singapore Airlines and Virgin who are yet to return.

A feature has been the growth of Qantas who are now Wellington's largest international airline, well ahead of any other airline by total seats and number of return flights operated.

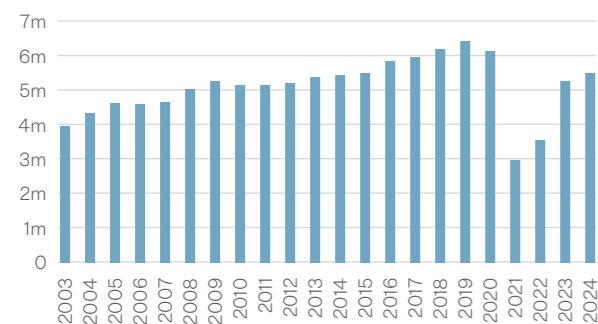
A new Qantas Wellington-Brisbane service was launched in October 2023 and has been so successful that Qantas will be upgrading to a larger B738 aircraft for the upcoming 2024/25 summer. By the end of this year Qantas will be operating 40% more seats than pre-Covid.

Fiji Airways continues to be very popular with 81% more seats flown than pre-Covid, and Jetstar also operating 13% more seats to the Gold Coast in the same period (FY24 compared to FY20).

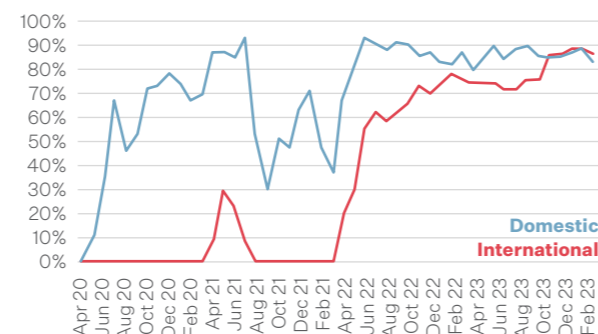
These numbers are positive given they come at a time aviation is facing several headwinds including high airfares, a slowing economy and restrained airline capacity.

As always, we continue to work hard on attracting more capacity and routes to Wellington to better serve travellers.

PASSENGER NUMBERS



PASSENGER RECOVERY Actual % of pre-Covid (FY20)



Domestic Daily Frequencies

Auckland	20	●●●●●●●●●●●●●●●●●●
Nelson	13	●●●●●●●●●●●●●●
Christchurch	11	●●●●●●●●●●●●
Blenheim	10	●●●●●●●●●●●●
Hamilton	6	●●●●●●
Tauranga	5	●●●●●
Napier	4	●●●●
Dunedin	3	●●●
New Plymouth	3	●●●
Queenstown	3	●●●●
Rotorua	3	●●●
Gisborne	2	●●
Invercargill	2	●●
Picton	2	●●●
Taupo	2	●●●
Timaru	2	●●
Westport	2	●●●
Golden Bay	1	●●
Chatham Islands	0.5	●●

International Weekly Frequencies

Sydney	up to 28	●●●●●●●●●●●●●●●●●●●●●●●●●●●●
Brisbane	14	●●●●●●●●●●●●●●
Melbourne	up to 14*	●●●●●●●●●●●●●●
Gold Coast	Up to 6	●●●●●●
Fiji	Up to 4	●●●●

Airlines



*From September 2024 - May 2025, Melbourne frequency will increase to up to 17 per week, with additional Qantas services



© Kevin Phan



WELLINGTON AIRPORT

The positive growth in passenger numbers has flowed through into strong revenue uplifts across all parts of the business.

This includes transport and duty free with the continued rebound in international travel.

This has contributed to our highest ever EBITDAF of \$107.1 million, with the previous highest being \$103.9m in FY20 just before Covid-19.

As noted earlier, the after-tax result is a net loss of \$28.8 million largely due to the impact of the Government's removal of tax depreciation on commercial buildings and subvention payment.²

Property returns have been driven by leasing our Tirangi Road land in Rongotai to Greater Wellington Regional Council, and market/CPI reviews.

The Rydges Hotel has also performed strongly with high occupancy levels and conference rooms continue to perform well, including the new Karaka conference room.

Other commercial highlights include:

- Appointed Prosegur Change as our new foreign exchange partner
- Constructed a new ground services engineering workshop
- Increased the availability of rental car services including provision for 70 new EV chargers.

We have worked hard to hold costs in line with inflation, which is especially pleasing given the ongoing challenge of increased rates and insurance.

Capital spending has increased by over 60% to \$67.7 million for the year as we completed Taxiway Bravo reconstruction and began investing in Masterplan projects – more details on these in the following sections.

In ownership news, Wellington City Council has been consulting the public on a proposal to sell its 34% shareholding in Wellington Airport. This consultation finished on 12 May 2024 and a final decision will be made by councillors around the end of June as part of the Council's Long-Term Plan.



² WIAL is a member of the Infratil tax group. WIAL pays subvention payments to other members of the Infratil tax group. This year includes a recommencement of the subvention payment, last paid in June 2020.



Our 2040 Masterplan sets out a blueprint for the airport’s development, outlining the developments we’ll need over time to ensure we can meet growing demand from travellers.

Our location close to Wellington’s CBD is great for travellers but does mean space is at a premium. A number of projects are underway to help us maximise land use and gradually expand onto new spaces as required.

The grassy hillock at the southern end of Stewart Duff Drive has been removed which will eventually free up 10,000 square metres of land. This space is being used by the Wellington City Council to enable building their new sludge minimisation plant, and will then be used for a new ground services equipment workshop.

The new electric bus depot at the site of the former Miramar South School is now complete, along with new space for rental cars.

Work will soon begin to relocate car parks onto land previously acquired from Miramar Golf Club, helping maintain options for travellers while works take place in other parts of the airport precinct. The airport takes full possession of the remainder of the southern part of the golf course on 1 January 2025.

Construction officially began in December 2023 on a state-of-the-art Airport Fire Station on Coutts Street in Rongotai. Moving across from the eastern side of the runway will create space for more aircraft stands, allowing for future passenger growth and to accommodate electric aircraft which will be smaller and more numerous.

We are also helping revitalise the Lyall Bay precinct with the purchase of two high-profile waterfront corner sites in the Lyall Bay Junction on Kingsford Smith Street. These will feature new hospitality offerings opening in 2024.

Plans are also being developed for a new public promenade in this area along Lyall Bay parade, providing improved access from the Leonie Gill shared pathway to the Lyall Bay shopping, dining and beach precincts.





Work has progressed well on a number of major projects to improve the airport's long-term resilience.

Upgrading our sea defences is chief among these, in particular the Southern Seawall upgrade project which protects the runway from the southern ocean. This work is essential to increase our resilience and adaption to climate change, given that sea levels are rising and the frequency and severity of storms is likely to increase.

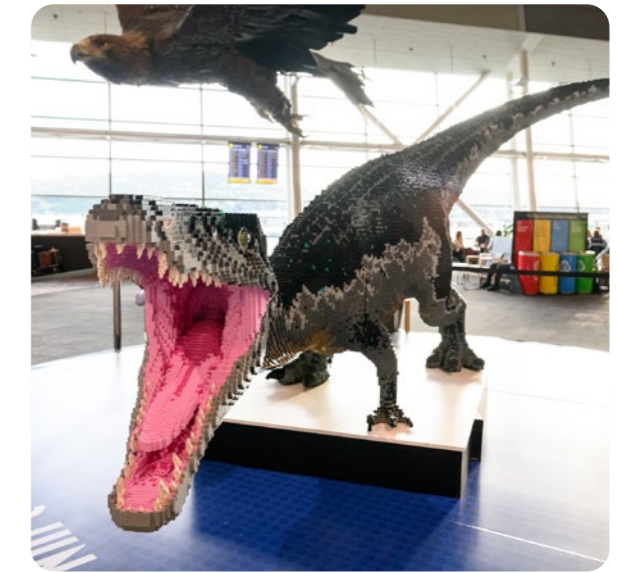


Planning work for this is well underway with a design option being progressed and public consultation ongoing.

Taxiway Bravo reconstruction work has been completed, the first time our major apron taxiway has been reconstructed since 1959. Completing this work while avoiding disruption to airside movements has been a major achievement.

We have also continued important earthquake strengthening projects and vital upgrades to baggage handling systems.

We are proud of our vibrant terminal and the overall experience we offer to travellers.



Last year we unveiled Ngā Tipua Nui (The Great Beings) as the centrepiece artwork for the terminal. This was created by Wellington Airport and WellingtonNZ featuring original artwork by Taupuruariki (Ariki) Whakataka Brightwell (Ariki Arts), and will be used as an enduring piece to showcase events and activities.

Over the last year we've added new retail and food and beverage outlets including:

- GoGo (grab and go food and drinks)
- Prosegur Change currency exchange
- Hurricanes and Wellington Chocolate Factory pop-up stores
- Ha Ha Chicken
- Expanded TJ Katsu sushi offering

Our 'Kids Zone' entertainment area has been a big hit with families over holiday periods, and we've hosted regular live entertainment in the terminal including musicians and performers of all genres.

Other highlights and displays in the terminal have included:

- World of WearableArt (WOW) display
- New Zealand's first ever 3D billboard
- Cystic Fibrosis Christmas Tree Festival
- Free mullets given away to support the Mental Health Foundation
- Beervana pop-up events and beer tastings

Options for getting to and from the airport continue to improve. The all-electric Airport Express bus has exceeded expectations with around 30,000 travellers per month, nearly double the original numbers expected.

A new dedicated Uber pick-up zone launched in March this year, making the popular service easier and more convenient. For cyclists, Locky Docks were also installed last year to make biking an easier and safer option.

This work is reflected in our most recent Airport Service Quality (ASQ) survey in which Wellington Airport has a high level of satisfaction by travellers.



OUR LEADERSHIP TEAM



EXECUTIVE LEADERSHIP TEAM

From left to right:

Nick Petkov
GM Infrastructure and Development

Ayolt Wiertsema
GM Aeronautical Operations

Jenna Raeburn
GM Corporate Affairs

Matt Clarke
CEO

Richard Dalby
GM Commercial

Jackie Holley
GM People and Culture

Martin Harrington
Chief Financial Officer



BOARD OF DIRECTORS

From left to right:

Rachel Drew (Chair)

Phil Walker

Matthew Ross
Elizabeth Albergoni
(joined Board in June 2023)

Mayor Tory Whanau

Wayne Eagleson
Phillippa Harford
(retired June 2023, not pictured)





Taking care of our people, our community and the environment is fundamental to how we operate as an airport.

More detailed information on how we do this is contained in our annual [Kaitiakitanga Report](#).

We have a range of ambitious targets to focus our work where we can make the best impact. Many of these targets are independently assessed, with progress reported on and regular updates published to drive accountability.

Our main targets are:

- Net zero emissions for our own direct operations by 2030
- Reducing water use 30% by 2030
- Reducing waste sent to landfill 30% by 2030.

We are now well on track to reach our net zero goal in 2028, two years ahead of schedule. This is thanks to initiatives including:

- Improving the efficiency of heating, cooling and lighting systems
- Planned replacement of our gas boilers and moving to 100% renewable energy sources
- Replacing our vehicle fleet with electric vehicles
- Offsetting any residual emissions.

We are pleased to have achieved Level 2 Certification from the Airport Carbon Accreditation programme in 2023 again, reflecting that we have comprehensive emissions profile mapping and reductions in place.

We also scored highly for sustainability in an independent global assessment, rating fifth in the world for participating airports. This was carried out by GRESB who rate the environmental, social and governance efforts of companies worldwide each year.

Of course, reducing our own emissions is not enough – we need to decarbonise air travel as well. We are proud to play a leadership role in this area, hosting a hydrogen trial and being selected as homebase for Air New Zealand’s electric demonstrator aircraft service from 2026.



Looking after our people creates a great culture that attracts and retains highly skilled people.



As a workplace we have put a lot of effort into our staff wellbeing programme known as the ‘Hauora Hub.’ The focus is to positively impact employees’ taha tinana (physical wellbeing), taha hinengaro (mental and emotional wellbeing) and taha whānau (social wellbeing).

To support this we run a series of fun monthly events that help build team cohesion and a sense of belonging across different teams. In the last year these have included snorkelling, painting, cooking, mini golf and axe throwing.

Some of the other benefits we provide our staff with include:

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

The results of this can be seen through our highest ever engagement score of 88%, an 11.5% increase on previous years.

We also offer generous parental leave well over and above what is required by law. This includes 100% salary top up (inclusive of Government payment) for up to 18 weeks, continuation of KiwiSaver and annual leave accumulation while on leave, and two weeks paid partner leave.

DIVERSITY AND INCLUSION AT WELLINGTON AIRPORT

We have a staff ratio of 30 females to 70 males and at Board level this is 50:50. We continue to attract a good balance of candidates from a range of ethnic backgrounds and genders.

Gender pay equity and the gap between women and men’s pay is a big focus in many New Zealand workplaces including Wellington Airport. We treat this issue with importance and pride ourselves on a proactive and transparent approach to pay gap data collection, analysis and reporting.

WIAL’s median gender pay gap for December 2023 is 5%, compared to the national median of 8.6%. This is down from 10.6% in 2022 which shows we are moving in the right direction.

Wellington is our home and we're proud to support our community in a variety of ways.



Artist in residence Em Wafer. © Mark Tantrum



OUR COMMUNITY

We sponsor some of the most iconic events on Wellington's calendar, helping make our city vibrant and fun for locals and visitors alike.

Some of these include Aotearoa New Zealand Festival of the Arts, Visa Wellington on a Plate, World of WearableArt (WOW) Show, Beervana and CubaDupa.

We also sponsor Wellington's iconic sports teams including the Hurricanes, Phoenix and Pulse.

A regular highlight is the Wellington Airport Regional Community Awards. This year is the 20th anniversary of celebrating volunteer groups across the wider Wellington region.

Our Cystic Fibrosis Christmas Tree festival in December is another regular highlight, creating a spectacular forest in the terminal while raising awareness and funds for this important cause.

We regularly support good causes in the terminal, including hosting a parade for Special Olympians and promoting the 2024 World Wheelchair Rugby Paralympic Qualification Tournament. Recently we've supported the Life Flight Trust Open Day and the relocation of kiwi to Wellington by Capital Kiwi. In 2024 we were also proud to be a silver sponsor and participate in the Wellington Pride Parade, celebrating diversity and culture in all different forms.

Once again this year we hosted Em Wafer as our artist in residence (pictured left), helping support the Āhuru Mōwai Trust in their work to support families with special needs.

BEING A GOOD NEIGHBOUR

Supporting and communicating with our neighbours is a priority for us. We now employ a full-time Community Relations Officer who keeps locals informed on relevant airport happenings through a variety of methods.

Every year we award five local high school students \$1,000 scholarships in the annual Wild at Heart Spirit Awards. These awards recognise and celebrate students who have gone above and beyond to provide service to their school and community.

We often host schools for airport visits and regularly have local musical groups performing in the terminal. The Airport Fire Service have also been great ambassadors for the Airport at numerous local events and parades.



WELLINGTON
AIRPORT

