

Climate Report 25

TE PŪRONGO
ĀHUARANGI

Aotearoa New Zealand
Climate Standards:
Climate Related Disclosures

TE TAUNGA
RERERANGI
O WHAKATU



NELSON
AIRPORT

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Kia ora

Nelson Airport's second Climate Report outlines progress in our journey towards full voluntary compliance with the Aotearoa New Zealand Climate Standards. We're building our knowledge and maturing our approach to identifying and managing climate risks as we work towards full compliance with the reporting standards in the 2026 financial year.

Our operations benefit from the highly sustainable terminal building, contributing to our already low scope 2 energy emissions baseline. Given this strong emissions performance, the potential for significant further reductions through efficiency improvements is limited, in contrast to many other airports and organisations of similar scale.

We're proud of the steps we're taking to contribute to a more sustainable future for our region, including a strong focus on supporting local restoration initiatives, enabling sustainable transport choices for staff and customers, and ensuring our construction projects follow best-practice waste reduction and reuse principles.

This year, we are reporting on scope 3 aeronautical emissions associated with flights for the first time. Scope 3 emissions are those outside the direct control of Nelson Airport. As this report clearly demonstrates, the emissions that are directly produced by the airport are dwarfed by the emissions produced by aircraft operations. Nelson Airport has limited ability to reduce these emissions and is largely reliant on the decisions and actions taken by airlines and the global aircraft manufacturing industry to tackle aviation's carbon reduction challenge. We can support and advocate for sustainability improvements by our airline partners, and to ensure our infrastructure is able to host more sustainable aircraft types when they come into operation.

We are committed to continued progress in the areas we can directly influence, while supporting a more sustainable aviation sector through collaboration with all our partners.

Highlights

Progressed

PROJECT-2-ZERO

preparing for next-generation aircraft through notice of requirement and plan change enabling a future runway extension

Supported

īnanga spawning habitat in Jenkins Creek through staff volunteering

Powered by

100%

renewable energy

Recycled/reused more than

8000 m³

of old airfield apron material for use in improving access roads and upgrading the airport perimeter walkway

Diverted

c. 7 tonnes

of terminal waste from landfill to compost

Progressed major stormwater upgrade programme

\$1.3m

spent this year

Ongoing

partnership

with the Brook Waimārama Sanctuary

Supported sustainable staff commuting through WorkRide scheme with

20%

uptake

Climate reporting standards

While we are not covered by the Government’s mandatory climate-related disclosures legislation, we have committed to voluntary reporting on our climate risks and opportunities, guided by the Aotearoa New Zealand Climate Standards. To manage the significant commitment of resource required to create this report we are working towards full compliance by 2026 and using adoption provisions allowed under Aotearoa New Zealand Climate Standard 2.



From left: Jesse Woods, Head of Operations; Beth Catley, Head of Corporate Services; Brendan Cook, Chief Executive; Marius Coetzee, Head of Assets and Projects; Adrian Ferris, Chief Financial Officer.

Governance

Governance body oversight

The Nelson Airport Board holds ultimate responsibility for overseeing climate-related risks and opportunities. A designated Audit and Risk Committee is specifically focused on managing business risks, including those related to climate change. The board regularly reviews Nelson Airport’s risk register, which includes risks specifically related to climate change. The Board receives regular updates on changes to the profile of climate-specific risks and progress on mitigation measures on at least an annual basis.

Our board members have experience in understanding and managing climate change issues, with several members working with organisations that are Climate Reporting Entities.

Management’s role

The Senior Leadership Team (SLT) is responsible for delivering on the strategic direction set by the Board, and for providing day to day management of the airport’s operations, including climate-related work programmes and actions. Each SLT member must consider the climate impact of their operational area and any projects they oversee. This includes implementing measures to mitigate those impacts.

SLT meets with the wider management team monthly to discuss operational matters, including key projects and risks, their impact on climate resilience, as well as wider impacts on the natural environment where relevant. The SLT are active participants in board meetings where these topics are discussed.

SLT structure



Strategy

Nelson Airport’s Vision, Purpose and Mission provide the direction for the decisions we make and actions we take. They guide the development of our Objectives and our annual Business Plan.

Our Vision

Tō Tātou Tirohanga Whakamua

To be a world class airport where zero emissions aircraft operate.

Kia noho hei taunga rererangi o te ao e whakahaere ana i ngā waka rererangi kore tuku.

Our Purpose

Tō Tātou Whāinga Matua

To contribute to a sustainable and prosperous Nelson-Tasman.

Kia tāpae atu ki a Whakatū-Aorere hei wāhi whakauka, tōnui hoki.

Our Mission

Tā Tātou Kaupapa

Nelson Airport provides sustainable airport infrastructure that connects Nelson-Tasman to the world.

E whakarato ana te Taunga Rererangi o Whakatū i ngā hanganga taunga rererangi e noho ai a Whakatū-Aorere ki te ao whānui.

Nelson Airport facilitates business opportunities by optimising the use of land and developing commercial facilities.

E whakahaere ana te Taunga Rererangi o Whakatū i ngā ara pakihi mā te arotau i te whakamahinga o te whenua me te whanake whare arumoni.

Nelson Airport supports excellent experiences that add to visitor satisfaction.

E tautoko ana te Taunga Rererangi o Whakatū i ngā wheako pai e whakanui ana i ngā painga ki ngā manuhiri.

Objectives

Nelson Airport has eight strategic pillars, two of which hold particular relevance for our sustainability and climate resilience work:

- Invest in and maintain buildings and infrastructure that support our strategic and sustainability objectives.
- Minimise the ecological impact of the airport through sustainable practices and a long-term commitment to environmental health and resilience.

Value chain



Regional climate projections and our current and anticipated climate-related physical risks

Regional climate projections and climate scenarios

The exact scale and nature of climate change impacts on our region, and the airport specifically, are still uncertain. Climate scientists have developed global reference scenarios, based on societal, demographic and economic changes (Shared Socioeconomic Pathways - SSPs) and mitigation activities (Representative Concentration Pathways - RCPs). The temperature outcomes of these global scenarios range from increases of below 1.5°C to over 4°C by the end of the century.

At a local level, and for the purposes of the climate disclosures, sector scenarios have been developed which are anchored to global reference scenarios and provide context for assessing physical and transition risks and opportunities. Scenario analysis was conducted to account for the specific nature of operations and location of Nelson Airport.

Our climate risk assessment was informed by the sector scenarios for Tourism¹, Transport² and Property³ as these are the most relevant sectors for most of our revenue. The risk assessment was across three different time horizons:

Table 1: Our planning alignment - climate scenarios time horizons

Time Horizon	Alignment with Planning
Short term: Present Day to 2030	Aligned with Statement of Intent planning, where detailed planning of operational and capital investment occurs.
Mid Term: 2030 to 2050	Aligned with Masterplan-level planning, where high-level planning of operational and capital investment occurs.
Long Term: 2050 to 2100	Beyond the time horizon that we plan for, as changes in aviation beyond 2050 are so uncertain they cannot be meaningfully planned for yet.

The scenarios are in no way predictions of what may come; they are plausible, challenging and internally consistent groupings of drivers that allow us to test our strategies for an uncertain future. We have identified the drivers most relevant to our business and grouped them into Orderly, Disorderly and Hothouse scenarios, broadly aligned with the sector analysis.

¹ Tourism Sector Climate Change Scenarios — The Aotearoa Circle
² Transport Sector Climate Scenarios — The Aotearoa Circle
³ Property and construction sector release climate scenarios for New Zealand (nzgbc.org.nz)

Regional climate projections and climate scenarios



Orderly Scenario

Aotearoa New Zealand achieves net zero emissions by 2050. Carbon emissions and the impact of climate change are lowered due to rapid and effective policy transition and stimuli.



Disorderly Scenario

Policy, technology and behaviour change is delayed. Sudden implementation of climate policy and other stimuli post-2030 causes a disorderly transition.



Hothouse World

CO₂ emissions continue to rise unabated. No new policies or other stimuli are introduced to curb emissions. Severe climate impacts experienced, which causes supply chain disruptions and issues for transport systems.

The airport specific scenarios were used to identify our transition risks and opportunities - risks arising from socio-economic response to climate change.

See Appendix 3 for more detailed information on each scenario.

Current risks and opportunities

Currently impacts from physical climate risks are rare, with the main impact being delays or cancellations due to fog or minor flooding of the airfield, which will impact operations for a few hours. Transition risks are most significant in the short term, as government policies may affect passenger numbers or limit our operations.

The current financial impacts are minor, with the spend on stormwater infrastructure being the only material impact this year, of which a portion relates to increasing capacity to deal with future expected rainfall. We are unable to split out the portion of this cost that relates to managing climate related risks, as opposed to replacement of existing infrastructure.

Direct and indirect physical risks

The projected changes in climate within the Nelson region will expose Nelson Airport to direct and indirect physical risks. Some are more significant than others in terms of their impact, and the parts of the airport’s operation that are affected. We have expanded upon our more significant physical risks in the table below.

Table 2: Highest rated direct physical risks

Climate hazards	Potential impacts	Elements at risk		Short term risk	Medium term risk	Long term risk	Nelson Airport Response
Coastal inundation, groundwater rise and river flooding	Coastal inundation, groundwater rise, and inland flooding pose a compounding flooding risk to several assets and operations at Nelson Airport. Hangars, flood defence structures, and the airfield are at highest risk from flooding	Hangars	Orderly	Very high	Very high	Very high	Current stormwater pipe replacement project addresses hangar flooding. Working with Nelson City Council on a plan for monitoring and maintenance of rock walls. Stormwater improvement programme continues. Improved drainage infrastructure is integrated into planned surface renewal projects.
			Disorderly	Very high	Very high	Very high	
			Hothouse	Very high	Very high	Very high	
		Flood defence structures	Orderly	High	High	High	
			Disorderly	High	High	High	
			Hothouse	High	High	High	
		Airfield	Orderly	Medium	Medium	Medium	
			Disorderly	Medium	Medium	Medium	
			Hothouse	Medium	Medium	High	
Extreme temperature Extreme weather Extreme wind	Extreme weather events, including high temperatures and strong winds, are likely to have a significant impact on both people and assets at Nelson Airport. These conditions could lead to more frequent maintenance requirements, discomfort, and potential health risks for both passengers and staff.	People	Orderly	High	High	High	Thermal comfort improvements already undertaken in back-of-house areas, with additional improvements underway for tenants. Additional long-term changes possible if required. Ongoing airfield monitoring and maintenance regime to ensure surface integrity including an annual runway assessment.
			Disorderly	High	High	Very high	
			Hothouse	High	High	Very high	
		Airfield	Orderly	Medium	Medium	Medium	
			Disorderly	Medium	Medium	Medium	
			Hothouse	Medium	Medium	High	

Table 3: Highest-rated indirect physical risks

Elements at risk	Climate hazard	Consequence	Potential impacts	Nelson Airport response
Three-waters infrastructure	Landslips	Major	Secure water supply is critical for the day-to-day operation of the airport, especially for firefighting services. If the Council-operated three-waters infrastructure is impacted, the airport might not be able to operate.	Water supply infrastructure resilience project planned to commence in 2026.
Specialised contractors	Extreme weather, Landslides, Flooding	Major	Maintenance and construction companies are likely to experience increased demand for their services in extreme climate events. Delays in repairs and maintenance could lead to closures of the airport.	Nelson Airport is a designated lifeline utility under the Civil Defence Emergency Management Act 2002 and is likely to be prioritised by Civil Defence for contractor deployment.
Access roads	Flooding	Major	Access to the airport is via two main arterial roads. Without these access roads, the airport is limited in how it can operate critical services including emergency services (i.e. medical flights and acting as a lifeline utility in a civil defence event).	Continued engagement with Nelson City Council about the resilience of the supporting road network.



Transition risks

Transition risks refer to risks related to the transition to a low-emissions, climate-resilient global and domestic economy. This encompasses factors such as policy, legal, technology, market and reputation changes associated with the mitigation and adaptation requirements.

Nelson Airport faces several transition risks under both the orderly and disorderly climate scenarios. In an orderly scenario, risks include strict mitigation and adaptation requirements which may increase the cost of compliance and insurance. Policy restrictions on flights and carbon budgets, combined with reduced use of cars and need for carparks, has the potential to impact airport revenue. An orderly scenario opens opportunities for the airport to shift to more sustainable transport modes, where the airport could derive income from alternative transport businesses and utilise land currently used for car-parking for other purposes.

A significant risk in an orderly scenario is the risk that Nelson Airport might be unable to upgrade its infrastructure to be able to handle next generation aircraft due to policy or cost restrictions. Next-generation aircraft are expected to be heavier and are likely to require a longer runway, which presents challenges with land use and operational boundaries. We are addressing this through our Project 2-Zero project as described in our response to climate impacts section below.

In a disorderly scenario, the risks become more pronounced. A lag in technological innovation due to reduced incentives, combined with political instability, could complicate long-term planning. Market limitations could hinder access to critical resources and skills, delaying adaptation and making response to climatic disasters more inefficient. Societal backlash against aviation emissions may grow, while the potential for energy shortages could strain operations. Limited transition opportunities were identified for the disorderly scenario due to the delays in the transition to a decarbonised economy.

No transition risks or opportunities were identified for the Hothouse world scenario as this scenario assumes the transition to a decarbonised economy is abandoned.

Anticipated impacts of transition risks

The anticipated impacts of transition risks are relatively low. Nelson Airport’s main source of revenue is aeronautical charges, which are set by the airport through an aeronautical pricing consultation process. The climate related impacts on passenger numbers can be mitigated to a certain extent through resetting aeronautical charges. A more significant risk is the potential inability to cater for future aircraft. In this case, we would be unable to generate sufficient revenue through aeronautical charges over the long term due to insufficient aeronautical activity.

Anticipated financial impacts

We are adopting provision 2 of Aotearoa New Zealand Climate Standard 2 and have not quantified our anticipated financial impacts in the current year. We will be quantifying these impacts from 2026.



Nelson Airport response to climate related impacts

A wide range of work has already taken place, and is occurring now, to respond to climate-related threats, build Nelson Airport’s resilience and contribute to a more sustainable future for our region. A summary of some recent initiatives include:

Project 2-Zero

Project 2-Zero is Nelson Airport’s plan to ensure a resilient and successful future for the home of aviation in Nelson-Tasman. It aims to alter the existing airport designations and zoning in the Nelson Resource Management Plan to provide the necessary planning approvals to support our future operations, including the ability to extend our main runway to the north within the next 10 – 15 years. At 1,347 metres, our current runway is one of the shortest in the world catering for ATR aircraft and is expected to be too short to accommodate future aircraft types. It already imposes weight restrictions on airlines in certain weather conditions, which are anticipated to become more common due to a warming climate. The development of low-emission propulsion systems and next-generation aircraft is a key focus of the aviation industry’s efforts to decarbonise the sector’s operations. Nelson Airport is committed to contributing to these efforts and needs to have the ability to provide for these next generation aircraft in order to continue to contribute to a sustainable and prosperous region.

Our Terminal

The terminal provides a strong foundation for our transition to a low-carbon future through its energy-efficient design that utilises passive ventilation and light harvesting. The use of locally-sourced structural timber reduced the building’s embedded carbon. Energy use from our main centre of operations is already very low. Future reductions in energy will be through interventions such as the replacement of light sources with LEDs or solar options, and working with our tenants and operators to minimise their own energy use as much as is practical.

Construction

All airport construction projects endeavour to minimise waste and carbon emissions. All excavated material from our apron remediation project is being reused in infrastructure and projects, such as upgrades to airport access roads and the perimeter walkway. This reduces waste and emissions associated with truck movements to landfill.

Our major programme of stormwater resilience works continues, with \$1.3m spent on stormwater and flood management infrastructure this year. This programme is a combination of replacing old infrastructure, changing network configuration to be more fit for purpose and expanding capacity to deal with higher volumes of water.

Transport

We do not provide company vehicles, and staff are encouraged to use our electric golf cart for short trips around the airport precinct. Access to regular eBus services and cycle storage provides sustainable transport options for both workers and passengers. This year, we have put considerable focus on staff commuting, joining the WorkRide benefit programme, participating in the 2025 Aotearoa Bike Challenge and collaborating with other businesses in the region through Mission Zero: Green Commute to share insights and promote lower carbon commuting.

Environment

Our Sponsorship Policy targets support towards organisations, events and activities that support wider community environmental outcomes. In FY25 we continued to support the work of the Brook Waimārama Sanctuary, the South Island’s largest fenced sanctuary for endangered plants and wildlife. A new partnership with Tasman Bay Guardians saw Nelson Airport staff participate in a project to support inanga spawning habitat in nearby Jenkins Creek.

Since the 2024 financial year we have purchased Renewable Energy Certificates through Meridian’s Certified programme. These confirm that all electricity consumed by NAL is matched to renewable energy sources. Our purchase of renewable electricity contributes towards grassroots decarbonisation initiatives through Meridian’s Decarbonisation Fund.

Since the 2021 financial year we have purchased high-quality carbon credits to offset our scope 1 and remaining scope 2 emissions. In the 2025 financial year we moved to bundled New Zealand carbon and biodiversity credits, incorporating measured, reported and verified biodiversity conservation outputs within Aotearoa.

From 2025 onwards, we intend to offset our scope 1 and 3 business travel emissions through native forest carbon credits that fund native reforestation projects in Mōhua - Golden Bay, as well as investing directly in local environmental initiatives. We recognise the importance of continuing to focus on emissions reduction wherever possible across all our operations.

Stakeholder Engagement

We work with airport tenants and operators to encourage sustainable practices, and to respond and plan for climate effects that have an impact on the wider airport community.

Examples include a joint composting scheme for Nelson Airport, cafe operators and the Air NZ Lounge, as well as signage improvements to support airport and cafe customers to better separate recyclable packaging from items destined for landfill.

Our future stormwater planning incorporates input from airport tenants about their future plans and the current impacts some experience from occasional flooding.

Risk management

Process for identifying, assessing and managing climate related risks

The first climate risk assessment, aligned with NZ CS1 disclosure requirements, was undertaken in 2024. This assessment has since been reviewed, with outputs considered relevant for the 2025 report. The process began by establishing the scenarios and timeframes for focus. SCP and RCP scenarios were considered across three time periods. Scenario narratives for the Orderly, Disorderly, and Hothouse scenarios were prepared based on the sector scenarios for property and construction, tourism, and transport.

A series of workshops involving a range of Nelson Airport staff was conducted across 2024 and 2025 to identify potential risks and opportunities under various scenarios. This collaborative approach ensured a comprehensive assessment of physical risks (direct and indirect) and opportunities as well as transition risks and opportunities across the entire value chain. Direct physical risks were rated using a methodology that considered exposure, sensitivity, adaptive capacity, and organisational consequence.

Indirect physical risks and transition risks were assessed based on their organisational consequence, reflecting their indirect nature and potential to affect the airport's operations. Opportunities identified during this process were not assigned a formal rating but were noted

for their potential to enhance resilience and operational efficiency in the face of changing climate conditions.

Climate risks were assessed using Nelson Airport's consequence framework, which allows the comparison of the consequence magnitude across other business risks.

The culmination of this process was a focused analysis to identify the highest-rated risks, which is critical for informing the airport's adaptation planning and strategic response. This structured and methodical approach ensures the airport's readiness to address significant climate-related challenges while also positioning the organisation to capitalise on emerging opportunities.

We have continued to build our understanding of risks, especially transition risks, since carrying out this detailed assessment. A refresh of our risk management processes will see the integration of all risks, including climate risks, into the framework. Reviews of the most significant risks are undertaken each year with key airport staff as part of a sustainability-focused risk review workshop. Remaining risks are managed through the risk management framework on an as-needed basis.



Figure 2: Process for identifying, assessing and managing climate related risks.

Metrics and targets

Our targets

Interim goal: 80% reduction of scope 1 and 2 emissions from 2021 to 2035

Long term goal: Net zero carbon emissions by 2050

Nelson Airport’s carbon reduction targets were developed in 2020. Achievement of this interim goal assumes a market-based approach to measuring scope 2 emissions. We achieved this targeted reduction in 2024 and continue to achieve this reduction for 2025. Initially we set

a base year of 2020, however we did not have sufficient data from this period to meaningfully compare to current emissions. We have measured our carbon emissions since 2021 following the ISO14064 Standard and have therefore chosen to set 2021 as our base year for current and future comparison.

Whilst our scope 1 and 2 emissions per passenger are very low compared with industry norms, we monitor our performance against these goals on absolute basis, rather than an intensity (e.g. per passenger) basis.

Our emissions

Table 4: 2025 Emissions

Total Emissions	Location-based* (tCO2-e)	Market-based* (tCO2-e)
Scope 1	15	15
Scope 2	87	-
Total Scope 1 & 2	102	15
Scope 3	21,663	21,600
Total	21,765	21,615

Table 5: 2025 Emissions per Passenger

Emissions per Passenger	Location-based* (kg CO2-e)	Market-based* (kgCO2-e)
Scope 1 & 2 emissions per passenger	0.119	0.017
Total emissions per passenger	25.4	25.2

*The location-based method uses an emission factor calculated from all electricity delivered to the grid in a year, the market-based method uses a contract-based method to attribute the renewable energy generation source a company intentionally chooses.

In measuring our emissions, we have used adoption provision 4 of Aotearoa New Zealand Climate Standards: Scope 3 GHG emissions disclosure for a subset scope 3 emissions. We have

not captured emissions relating to purchased goods and services or capital goods, or for vehicles accessing the landside area of the premises. We will capture these emissions from 2026 onwards.

Scope 1 and 2 emissions

Material sources of our scope 1 and 2 emissions are combustion of fuels in our Airport Emergency Service vehicles and electricity consumption of our terminal building.

Electricity

Electricity use is our largest source of scope 1 and 2 location-based emissions. Electricity emissions vary depending on how much electricity is used and the composition of generation sources across the national grid, with a higher percentage of renewable energy generation resulting in less CO₂ emitted per kilowatt hour. With a highly efficient terminal, our ability to reduce our electricity use further is limited. The ability to manage and further reduce scope 2 emissions requires either on-site renewable generation or a greater percentage of renewable energy generation at a national level. We are investigating the integration of solar generation on our airside covered walkway extension, which will be built in the coming year. This will our first solar project of significant scale.

We are committed to investigating further on-site solar generation. We purchase renewable energy certificates to ensure our scope 2 and 3 electricity is from renewable sources and that our purchase of electricity contributes towards grassroots decarbonisation initiatives.

Fuel Consumption

Our Airport Emergency Service vehicles are our second largest location-based scope 1 and 2 emission source. This emissions source has increased as the size of our Airport Emergency Service team has grown to support the airport’s safe and effective operations.

Low-emission light operational vehicles are a mature technology that is readily available and are a likely choice to replace our existing diesel ute. Low-emission Airport Emergency Service firefighting vehicles are an emerging technology. We will consider these options for fleet replacement as they become operationally viable and proven at the point when current vehicles reach end of life.

Scope 3 emissions

This year we have begun measuring aircraft emissions for the first time. The most significant exclusions in our scope 3 reporting are emissions associated with construction of capital assets, and landside vehicle access. These are emissions where a significant amount of analysis and estimation is required. We are investigating an effective way to incorporate these emissions in future.

All areas of the business are captured within the organisational boundary for climate reporting. Nelson Airport has a Net Zero Emissions by 2050 target but does not currently have scope 3 emissions targets for specific emissions sources. Most of Nelson Airport’s scope 3 emissions are

aviation-related and are correlated to passenger numbers. Aircraft type also has a meaningful impact on emissions per passenger. The ability to manage these emissions is highly dependent on airlines’ ability to reduce the emissions associated with aircraft fuel.

The airport is not directly responsible for aviation emissions but has a role to play in enabling and influencing aviation-related emission reductions. We acknowledge this is a hard to abate sector, with significant technological change required. Ensuring our infrastructure is fit for purpose and can accommodate future aircraft types is the main contribution Nelson Airport can make.

Progress against targets

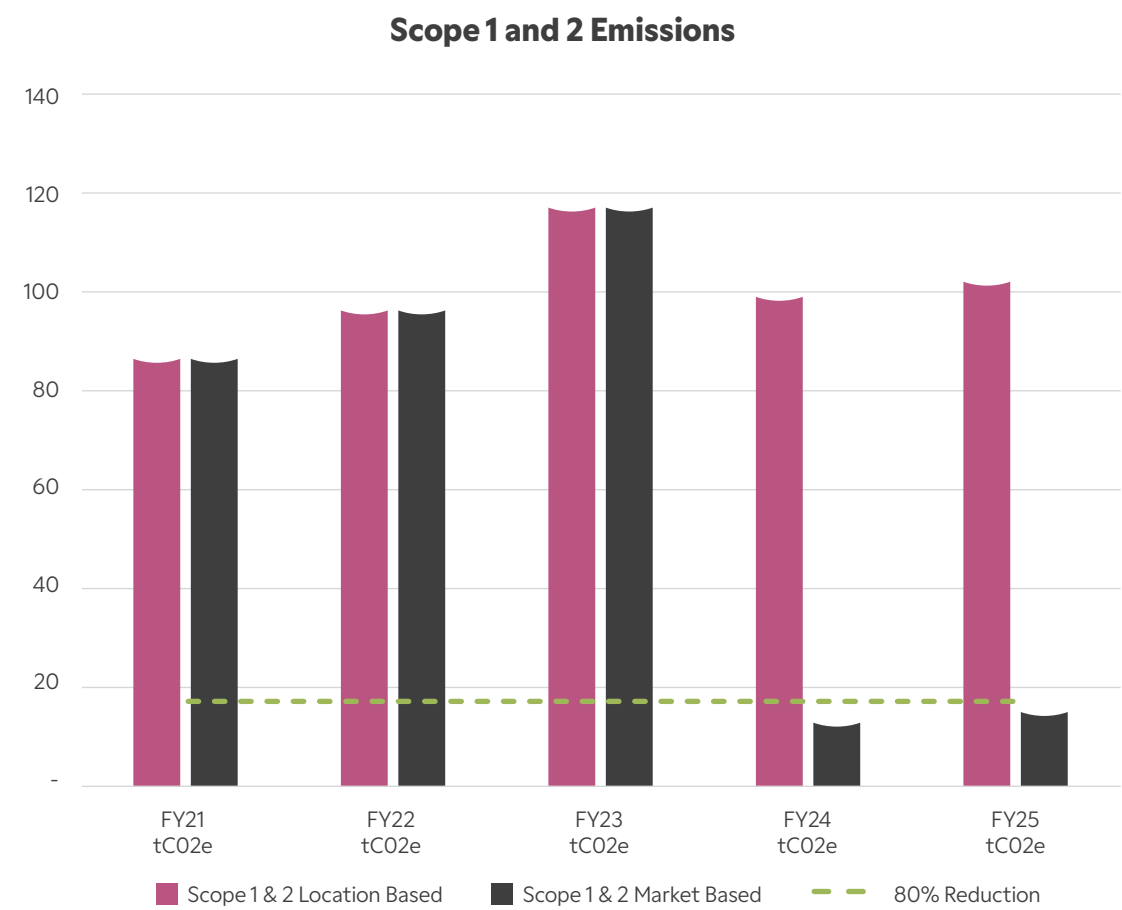


Figure 3: Progress against GHG target.



Nelson Airport’s goal is net zero by 2050, with an interim goal of an 80% reduction in scope 1 and 2 absolute gross emissions from our base year of 2021 by 2035. As we are starting from a low scope 1 and 2 base, further reductions are challenging. There are limited options for driving further change due to current technology constraints. Most airport scope 1 emissions are from the Airport Emergency Service fire response vehicles, which are expected to have equivalent low emissions alternatives available in years ahead. These alternatives will be considered when the fleet is due for replacement.

Carbon pricing

Setting an internal price for carbon emissions has been determined as an unsuitable mechanism for managing carbon emissions. The team is small, with senior leadership members responsible for managing climate risks and opportunities within their respective areas of operations. The cost of offsetting emissions with carbon credits effectively establishes a carbon cost for scope 1 and 2 emissions.

Board role in setting, monitoring and reviewing metrics and targets

The Board provides feedback and guidance on risk assessments, information and decision papers provided by the Senior Leadership Team that cover a broad range of climate-related metrics and targets. The Board is responsible for overseeing high-level performance expectations through annual Statement of Intent and business planning processes. Currently, sustainability metrics are not incorporated into remuneration policies for Board or management staff.

Vulnerability of assets and business activities to climate risks and opportunities

Exposure to climate risks and opportunities has been assessed based on revenue streams, taking into account vulnerability to both physical and transition risks. These revenue streams are strongly linked to passenger numbers, which exposes them to transition risks to a greater degree than aeronautical revenue. A large change in passenger numbers would significantly impact these revenue streams. These revenue sources are exposed to physical risks that, in most cases, are expected to be managed with adaptation and mitigation measures. We consider this revenue stream to be moderately vulnerable to transition risks.

Aeronautical Revenue

Nelson Airport’s main source of revenue is aeronautical charges, which make up 55% of revenue in 2025. Our exposure to physical risks in the short and medium term is expected to be manageable with mitigation and adaptation measures. We consider the vulnerability of this revenue stream to be low. Climate-related impacts on passenger numbers can be mitigated through resetting of the aeronautical pricing as part of the pricing consultation process with airlines.

Other Revenue

Revenue from commercial licences, leases and ground transport are the other main airport revenue streams, making up 44% of revenue.

Exposure to Climate-Related Opportunities

The Nelson-Tasman region has a temperate climate, and could become an even more popular destination to live or visit as temperature variations become more extreme in other areas. The potential to attract greater numbers of travellers to the region would positively affect revenue.

Assurance

This year, limited assurance of scope 1 and 2 emissions will be obtained with McHugh & Shaw. Provision 8 of Aotearoa Climate Standard NZ CS2 has been adopted, allowing for exclusion of scope 3 GHG emissions disclosures from assurance.

Airports Carbon Accreditation

We are maintaining Airport Carbon Accreditation Level 1. While work is ongoing towards a higher level of accreditation, the current priority is to develop reporting under the XRB's Aotearoa New Zealand Climate Reporting Standards as it provides comparability beyond the aviation sector.

Level 1: Mapping

FOOTPRINT MEASUREMENT

Determine emissions sources within the operational boundary of the airport company. Calculate the annual carbon emissions. Compile a carbon footprint report.



Looking Ahead

We anticipate achieving full voluntary compliance with the Aotearoa New Zealand Climate Standards in the coming financial year, alongside pursuit of the next level of Airport Carbon Accreditation. The next steps are to develop a robust carbon management plan to provide a structured roadmap for delivering on the commitment to manage the airport's carbon footprint. Expansion of scope 3 measurements in the next Climate Report will provide a more holistic picture of the indirect carbon impacts associated with the airport's value chain.

We're planning further investment in local environmental initiatives, as well as on-airport restoration opportunities such as planting along the entrance corridor beside Jenkins Creek, ensuring airport resources are targeted towards local needs and environmental outcomes.

Investigation into incorporating solar capacity into property and infrastructure projects will continue, as will consideration of low-emissions vehicle replacements as Airport Emergency Service fleet vehicles are replaced. Resilience works are ongoing, with \$4.5 million in stormwater upgrades planned over the next four years.

Nelson Airport is proud to be one of the first regional airports in Aotearoa to have published a standalone Climate Report and maintains an ongoing focus on carbon footprint and operational sustainability. The topics covered in this report are central to our commitments as a responsible member of the New Zealand aviation community and the Nelson-Tasman community.

Ngā mihi nui,

The Nelson Airport team

Signed by:

A handwritten signature in black ink, appearing to read "Brendan Cook".

Brendan Cook

Chief Executive

A handwritten signature in black ink, appearing to read "Quinton Hall".

Quinton Hall

NAL Board Chair

Appendix 1 – Emissions by Location Basis

Activities	Scope	Base Year 2021 tCO2e	2023 tCO2e	2024 tCO2e	2025 tCO2e
Stationary Combustion	1	-	-	-	-
Mobile Combustion *	1	3	12	13	15
Chemical and Industrial Processes	1	7	-	-	-
Purchased Electricity (Location based) **	2	77	105	83	87
Purchased Electricity (Market based) **	2	77	105	-	-
Scope 1 & 2 Location Based		87	117	96	102
Scope 1 & 2 Market Based		87	117	13	15
Fuel & Energy Related Emissions	3	29	38	12	15
Business Waste	3	24	23	18	8
Business Travel	3	2	4	4	7
Staff commuting	3	16	25	21	19
Downstream leased assets (Location based) **	3	80	80	61	63
Downstream leased assets (Market based) **	3	80	80	-	-
Use of sold products	3	18,737	23,146	22,825	21,551
Scope 3 Location Based		18,888	23,317	22,942	21,663
Scope 3 Market Based		18,888	23,317	22,880	21,600
Grand Total Location Based		18,975	23,434	23,037	21,765
Grand Total Market Based		18,975	23,434	22,893	21,615

*Fuel usage by Airport Emergency Services is not captured in Mobile Combustion for 2021 as these services were provided by a third party. We have not restated the base year as it is not possible to reliably estimate this.

**Restated using 2024 emissions rate per MfE

Emissions per Passenger

Activities	Base Year 2021 kg CO2e	2023 kg CO2e	2024 kg CO2e	2025 kg CO2e
Scope 1 & 2 Location Based	0.119	0.128	0.104	0.119
Scope 1 & 2 Market Based	0.119	0.128	0.014	0.017
Total Location Based	26.1	25.5	25.1	25.4
Total Market Based	26.1	25.5	24.9	25.2



Appendix 2 – Emissions assumptions, methods and uncertainty

Scope	Category	GHG Emissions source	Data Source	Method and assumptions	Uncertainty	Source of emission factors
Scope 1	Stationary / mobile combustion	Fossil fuels used in Airport Emergency Services vehicles and diesel generator	Supplier data - Fuel retailer invoices (litres)	Fuel-based method	Low	MfE (2025)
Scope 1	Fugitive Emissions	Refrigerant used in HVAC systems	Maintenance records (kg)	Top-up method	Low	MfE (2025)
Scope 2	Electricity	Electricity Consumption	Supplier data - Meridian Energy (kWh)	Location-based method. Low uncertainty. Terminal tenants' portion subtracted from Scope 2 based on actual meter readings.	Low	MfE (2025)
Scope 3	Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	Electricity transmission and distribution losses (T&D)	Supplier data - Meridian Energy (kWh)	Average-data method. Emissions from T&D losses estimated based on scope 2 data	Low	MfE (2025)
		Fuel well-to-tank (WTT)	Supplier data - Fuel retailer invoices	Average-data method. Emissions from T&D losses estimated based on scope 1 data	Low	DEFRA (2024)
Scope 3	Category 5: Waste generated in operations	Waste to landfill	Supplier data - EnviroNZ	Average data method, emissions factor is gas capture landfill.	Low	MfE (2025)
		Wastewater	Supplier data - Nelson City Council	Due to a lack of specific measurement of wastewater, a percentage of total consumption of water was used as a proxy.	Medium	MfE (2025)
Scope 3	Category 6: Business travel	Air travel, mileage, taxis, car rentals and hotels and accommodation	Supplier data	Distance-based method used for air travel and car rentals using emission factors. Nights-stayed method was used for hotels and accommodations. Dollar per kilometre rate used for taxis and mileage.	Low	MfE (2025)
Scope 3	Category 7: Employee Commuting and Home Office	Staff commute and home office	Staff survey	Annual survey of working patterns, commuting distance and vehicle type completed by NAL staff.	Medium	MfE (2025)
Scope 3	Category 11: Use of Sold Products	Aircraft full flight one way - Regular Public Transport	Flight data from Airways New Zealand and Airlines	Distance-based method of one-way full flight used for air travel using emission factors per passenger per kilometre by aircraft type and passenger counts. The method covers outbound flights, but not inbound flights which is accepted by Airports Carbon Accreditation as an appropriate measurement method.	High	MfE (2025)
		Aircraft full flight one way - General Aviation	Flight data from Airways New Zealand	Distance-based method of one-way full flight used for air travel using fuel consumption rates by aircraft type, or similar aircraft if data not readily available. The method covers outbound flights, but not inbound flights which is accepted by Airports Carbon Accreditation as an appropriate measurement method.	High	MfE (2025)
Scope 3	Category 13: Downstream leased assets	Tenant electricity	Supplier data - Meridian Energy (kWh)	Location-based method. Low uncertainty. Terminal tenants' portion calculated based on actual meter readings.	Low	MfE (2025)

Emissions factors sourced from:
Ministry for the Environment (MfE) 2025 'Measuring emissions guide'
Department for Environment Food & Rural Affairs (DEFRA) 2024 'Greenhouse gas reporting: conversion factors'

Appendix 3 – Scenario Analysis

Our Approach to Understanding Regional Climate Change Risks

To better understand our *physical* climate change risks, we used localised climate models and projections developed by the National Institute of Water and Atmospheric Research (NIWA) for the Nelson region, along with existing flood modelling completed by Nelson City Council.

These projections indicate that over the next several decades, Nelson’s climate is expected to warm significantly, resulting in more hot days and fewer frosty days. This warming trend is expected to amplify the risk of drought during drier periods, with extended summers and shorter winters.

Rainfall patterns are projected to become increasingly erratic, with heavier and more frequent downpours, particularly in winter, raising the risk of flooding. Rising sea levels, coupled with more frequent and intense storms, are likely to exacerbate the flood risk.

With significant weather events affecting the region in recent months we are continuing to develop our understanding of the location and extent of possible flooding and the degree to which existing and recently improved infrastructure copes with this flooding. This is allowing us to develop effective mitigation strategies and consider what improvements are needed to our existing infrastructure.



Nelson Airport Scenarios in Detail

	Scenario 1 ‘Orderly’	Scenario 2 ‘Disorderly’	Scenario 3 ‘Hothouse’
SSP (Shared Socio-economic Pathways)	SSP1-2.6	SSP2-4.5	SSP5-8.5
RCP (Representative Concentration Pathways)	RCP 2.6	RCP 4.5	RCP 8.5
Temperature (2050)	+1.6°C	+2.0°C	+2.3°C
Temperature (2100)	+1.4°C	+2.7°C	+4.4°C
Scenario	New Zealand and the world reach net zero by 2050, driven through strong policies and rapid technological change.	Progress towards decarbonisation is slow to 2030. New Zealand and the developed world commence their transition, but the developing world does not follow suit, and as such emissions still increase considerably.	New Zealand and the world miss net zero targets, current growth patterns continue. There is a continued reliance on fossil fuels.
Global / NZ Narrative	<p>An ambitious and globally coordinated transition to a low emissions future accelerates through the 2020s.</p> <p>Strong climate policies, innovation, targeted investment, and social change cause disruption, but limit global warming to a temporary overshoot of +1.6°C by 2050, with carbon capture used to dial temperatures back to +1.4°C by 2100.</p>	<p>Meaningful global action on decarbonisation is delayed until the early 2030s, followed by a sudden and globally uncoordinated economic transformation.</p> <p>Extensive and stringent government intervention both in Aotearoa New Zealand and overseas limits global warming to +1.7°C by 2100, but with higher socioeconomic costs.</p>	<p>Aotearoa New Zealand prioritises an adaptation strategy to build climate resilience.</p> <p>Global emissions reduction policies and investment falter, and current socio-economic trends continue, resulting in +2.1°C global warming by 2050 and more than +3.9°C by 2100 in a ‘hot house world’.</p>



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