

Carbon Management Policy

Updated: July 2026

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1. Purpose

The purpose of this Policy is to confirm PNAL's commitment to carbon management and provide a clear basis for action, accountability and reporting. It supports the Climate & Carbon pillar of PNAL's Sustainability Strategy and contributes to PNAL's Five C's strategic framework: Compliance, Commercial, Community, Customer and Culture.

This Policy supports PNAL to:

- Maintain an accredited and independently verifiable carbon management programme;
- Track progress against its Scope 1 and Scope 2 emissions reduction target;
- Integrate carbon considerations into planning, investment, procurement, asset management and operations;
- Improve the quality, consistency and transparency of emissions reporting; and
- Guide engagement with stakeholders whose activities contribute to wider airport-system emissions.

2. Scope

This Policy applies to PNAL's direct operations and assets at Palmerston North Airport.

PNAL's formal emissions reduction target applies to Scope 1 and Scope 2 emissions within PNAL's operational control. These emissions are managed through the Carbon Management Plan and tracked through an annual greenhouse gas inventory.

PNAL also recognises that a significant proportion of airport-system emissions occur outside its direct control. These include emissions from aircraft activity, tenant operations, passenger travel, transport access, procurement, freight and construction-related activity (i.e. Scope 3 emissions).

These wider Scope 3 and airport-system emissions are measured through the annual greenhouse gas inventory and addressed through the Stakeholder Partnership Plan. Through this plan, PNAL works with airlines, tenants, transport providers, suppliers, staff, passengers, local partners and other stakeholders to improve data quality, support practical emissions reduction and record evidence of progress.

In simple terms, the Stakeholder Partnership Plan brings together the emissions PNAL can directly manage through its own operations and assets and the emissions it can influence through partnership, engagement, procurement, infrastructure and stakeholder action.

3. Policy Commitments

PNAL will:

1. **Maintain Airport Carbon Accreditation at Level 4 while progressing toward, and then maintaining, Level 4+**
Maintain the carbon management systems, stakeholder partnership processes, evidence, reporting and verification required to retain Level 4 accreditation, achieve Level 4+, and maintain that accreditation once achieved.
2. **Reduce operational emissions in line with target**
Deliver against PNAL's target to reduce Scope 1 and Scope 2 greenhouse gas emissions by 90 per cent by FY35 from an FY22 base year, monitor performance against the target trajectory, maintain reductions already achieved, and take corrective action where required.
3. **Measure and report emissions annually**
Maintain an annual greenhouse gas inventory covering Scope 1, Scope 2 and relevant Scope 3 emissions, supported by appropriate data quality controls, evidence retention, annual review and independent verification in line with ACA requirements.
4. **Embed carbon, resource efficiency and life-cycle considerations into decisions and delivery**
Consider carbon impacts, resource efficiency, waste minimisation and life-cycle performance in relevant business planning, procurement, asset management, infrastructure, maintenance, operational and capital investment decisions, with priority given to reducing emissions and waste at source where practical.
5. **Work with stakeholders and manage residual emissions transparently**
Work with airlines, tenants, transport providers, suppliers, contractors, staff, passengers, local government, iwi and community partners to improve Scope 3 data and support wider airport-system emissions reduction, while using offsets only for residual emissions that cannot yet be practically eliminated and clearly distinguishing offsets from direct reductions.

4. Airport Carbon Accreditation Levels

ACA provides a progressive framework for airport carbon management:

- Level 1 – Mapping: measure the airport's carbon footprint.
- Level 2 – Reduction: demonstrate effective carbon management and emissions reduction.
- Level 3 – Optimisation: extend measurement and engagement to relevant third-party emissions.
- Level 3+ – Neutrality: offset residual emissions within the required boundary.
- Level 4 – Transformation: maintain an absolute reduction target aligned with a 1.5°C pathway and a stakeholder partnership plan.

- **Level 4+ – Transition: meet Level 4 requirements and offset specified residual emissions.**
- **Level 5 – Net Zero Balance:** achieve and maintain at least 90% absolute Scope 1 and Scope 2 reductions and address residual emissions in line with ACA requirements.

5. Governance and Accountability

The Board has oversight of this Policy and PNAL's carbon management commitments and will receive annual updates on how PNAL is tracking against emission targets and Stakeholder Partnership Plan.

The Chief Executive Officer is accountable for ensuring this Policy is implemented through PNAL's existing governance, management and reporting processes.

Relevant PNAL managers, operational leads and the Airport Carbon Manager are responsible for implementing the Stakeholder Partnership Plan, maintaining the greenhouse gas inventory, supporting verification, retaining evidence and progressing carbon reduction and stakeholder partnership actions.

6. Review

This Policy will be reviewed at least every three years, or earlier where required to reflect material changes in PNAL's carbon management approach, emissions sources, organisational boundary, targets, capital programme, sustainability strategy or Airport Carbon Accreditation requirements.



David Lanham
Chief Executive
Palmerston North Airport Limited

Approval Date

Last Update: July 2026

This version will be reviewed by the Board no later than July 2029