INTERIM REPORT

For the six months to 31 December 2017

CHRISTCHURCH AIRPORT
bringing the world South

INTERIM REPORT

PERIOD AT A GLANCE

3,408,877 **Passenger Movements**

Total passenger movements increased by 168,021 (5.2%) as compared to the same six-month period ended 31 December 2016 (3,240,856).

- *Domestic* movements - 2,559,687 ↑ 5.1%
- *International* movements – 849,190 ↑ 5.6%

$88.9m **Total Operating Revenue**

Total operating revenue increased by 2.8% for the six months ended 31 December 2017 compared with the same period last year ($86.4m).

- *Aeronautical* Revenue - $40.4m ↓ 5.0%*
- *Non-Aeronautical* Revenue - $48.5m ↑ 10.3%

$55.9m **EBITDAF**

EBITDAF from operations increased by 4.9% for the six months ended 31 December 2017 compared with the same period last year ($53.3m).

$19.3m **Net Profit after Tax**

The net surplus after tax increased by 5.8% for the six months ended 31 December 2017 compared with the same period last year ($18.3m).

$17.4m **Declared Interim Dividends**

The declared total interim dividends for the six months ended 31 December 2017 at $17.4m has increased by 5.8% as compared to the prior year interim dividends ($16.4m).

$1,374m **Total Assets (Book Value)**

$394m **Drawn Borrowings**

** The decline in aeronautical revenues follows CIAL's latest aeronautical price reset which took effect from 1 July 2017 and reflected the lower return on capital or 'WACC" that the Commerce Commission will allow.*

INTERIM REPORT

OPERATIONAL AND FINANCIAL REVIEW

Financial Performance

Christchurch International Airport Limited's ('CIAL') continued activation of its core strategies across our 6 Ps (Planes, Passengers, Property, People, Protection and Planet) has delivered further growth in financial outcomes for the six months to 31 December 2017.

Total operating revenue for the period grew $2.4m (2.8%) compared to the same period last year. This growth was achieved despite CIAL's revenue from aeronautical activities declining $2.1m (5.0%) following its latest PSE3 aeronautical price reset which took effect from 1 July 2017 (due to lower return on capital or 'WACC' that the Commerce Commission will allow).

Non-aeronautical revenue[1] has grown 10.3% compared to the comparative period reflecting continued growth in rental streams from the on-going property development program together with growth across all parts of our commercial business.

This continued revenue growth coupled with a reduced operating cost base (reflecting the continued strategic focus on 'productivity driven management and investment'), has resulted in overall earnings before interest costs, tax, depreciation, amortization and fair value movements ('EBITDAF') of $55.9m, 4.9% ahead of the same period last year.

This EBITDAF growth has flowed through to an improved net surplus after tax of $19.3m, 5.8% ahead of last year. This has resulted in the Board declaring an interim dividend of $17.4m, also 5.8% up on last year.

Whilst CIAL's debt levels have risen during the period (reflecting the continued activation of the property development strategy), the balance sheet remains strong and the company continues to maintain funding facilities which are sufficient to fund forecast capital expenditure, which will underpin future dividend growth for at least the next three-year cycle.

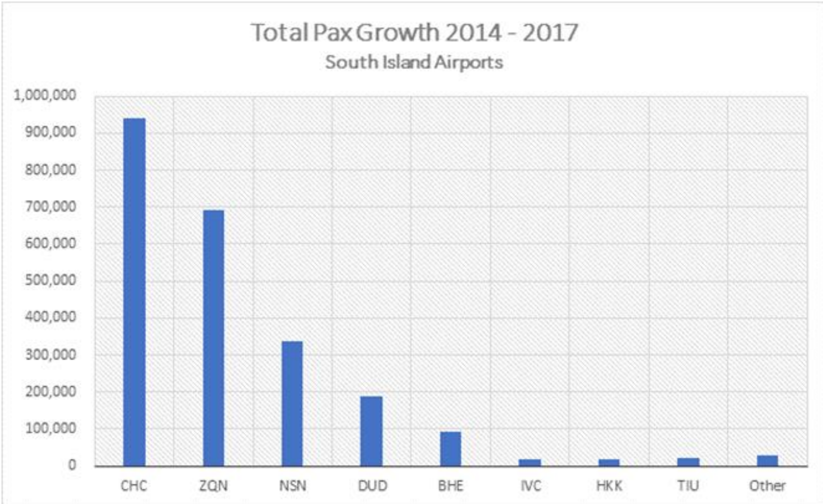
Building a Stronger Business

The six months to 31 December 2017 saw total passenger movements increase by 168,021 or 5.2% compared to the same period last year. This included CIAL recording its busiest month ever with 638,043 passengers using the terminal during December 2017.

This growth highlights the resurgent contribution Christchurch makes as the primary gateway to the South Island, and reflects the significant airline capacity growth that CIAL has achieved with its new and existing airline partners over the past three years. Christchurch ('CHC') has added 1.44 new passengers for every 1 new passenger added at Queenstown ('ZQN') between 2014-2017.

---

[1] 'Non-aeronautical revenue' includes terminal concessions, terminal office and operational area leases, campus property leases, car parking and ground transport and other commercial revenues



New services or larger aircraft are now flying between Christchurch and Guangzhou, Hong Kong, Perth, Melbourne, Sydney, Brisbane, Pacific Islands, as well as domestically within New Zealand.

International arrivals led passenger growth, with a 6.8% increase compared to the same period last year. Highlights for this period were the commencement by Cathay Pacific of a seasonal service direct from Hong Kong, and China Southern increasing its direct service from Guangzhou to a daily service from December through to February. Whilst CIAL has experienced strong passenger growth during the period, it should be noted that over the past six months there has been a material rise in the price of jet fuel which creates risk to the future financial outcomes and hence behaviours of our substantial airline customers.

In addition, CIAL's international carriers are also handling ever increasing demand for South Island fruit, seafood and flowers exported directly to Asia.

The strong growth in international visitor numbers at Christchurch Airport, coupled with the work that CIAL has been doing with the regions of the South Island in China, South East Asia and Australia (through the 'South' program), will continue to benefit the regions of the South Island as international passengers arriving at Christchurch visit more regions, stay longer and spend more on average than any other arrival point.

In June 2017, CIAL set its aeronautical prices for the period 1 July 2017 to 30 June 2022 ('PSE3'). The pricing decision was the outcome of seven months of extensive consultation with CIAL's substantial customers. These prices came into effect from 1 July 2017. The Commerce Commission will perform a review of CIAL's pricing decision which is likely to occur in the first half of calendar year 2018.

CIAL's property team continues its activation of the property development strategy (noting this is investment in new revenue and future dividend generation), spending around $46.5m in capital expenditure in the first six months of the FY18 financial year ($40.2m in prior period).

The construction of the Novotel Christchurch Airport Hotel development has continued to progress over the period, with construction expected to be completed in the middle of the 2018 calendar year. The Spitfire Square precinct is now fully leased and the development of CIAL's other property precincts Mustang Park (rental vehicle center) and Dakota Park (freight and logistics) continues to progress well. Focus remains on final negotiations to secure an anchor tenant for Stage 1 of Harvard Park, our trade retail precinct.

INTERIM REPORT

Enhancing Customer Journeys

CIAL continues to be rated as one of Australasia's best for customer service and amenities, as rated by independent customer surveys carried out across all airports.

New retail offerings continued to be introduced into the terminal together with a focus on terminal theming to showcase seasons, events and promotions. New look charging tables have been rolled out across the terminal together with several pop-up activations including bean bag seating and table tennis tables.

CIAL embarked on a full calendar of events in the terminal and plaza over the Christmas period and a further program of events will follow over the upcoming summer months. In addition, a new plaza art enhancement project is underway to bring vibrancy to the plaza area in front of the terminal through colors and a local Christchurch theme.

A new carpark on the corner of Orchard and Perimeter Roads was opened during the period, providing an additional 359 parking spaces to relieve strain on the current carparking facilities and provide further parking choices for customers.

Discussions are underway around how CIAL can best support Phase 2 of the autonomous vehicle trial, with the trial expected to occur sometime around the middle of the 2018 calendar year. This may include CIAL developing a use case for using the autonomous vehicle within controlled areas of our existing transport eco-system around the airport campus.

CIAL is currently investigating options for introducing robots into the terminal to assist with information and customer support. While in the early stages, this project is looking to activate during 2018.

In line with its focus on productivity driven management and investment, CIAL is actively investigating how Artificial Intelligence ('AI') may be applied to manage energy efficiency throughout its premises.

Kaitiaki (Guardians for Safety, Society & Sustainability)

In October 2017 CIAL released an updated Airport Master Plan ("Christchurch Airport 2040') that brings together the various strategies that have been developed under Real Growth 2025. Whilst there is nothing new in the material used, the updated Master Plan focuses on the long-term land and infrastructure needs of the airport and provides a framework to deliver future growth while making the most of exciting innovations in technology and sustainable management.

In September 2017 CIAL released its first annual Sustainability Report – a move that will better articulate the effort going into improving sustainability at the Airport and the outcomes being achieved. The report is on the airport's website www.christchurchairport.co.nz and outlines CIAL's achievements and objectives under the five areas of its Sustainability Strategy – energy, waste, land, water and noise.

As a part of the activation of the Sustainability Strategy, CIAL is currently finalizing a plan to deliver on a commitment to replace all but a handful of our current combustion driven vehicle fleet with electric and/or hybrid vehicles over the next 12-18 months.

CIAL was awarded the Efficiency Champion category of the Sustainable Business Network Awards in recognition of the team's hard work in reducing energy use and focusing on using cleaner energy sources. The NZI Sustainable Business Network Awards, which have been running for 15 years, are the pre-eminent and longest standing sustainability awards in New Zealand.

CIAL remains focused on a safety strategy focused on three pillars – Culture, Risk Management and Safety Management systems. A risk based leadership approach is key to building the Health & Safety ecosystem and the Board is active in this process of how we are protecting our people and key stakeholders. Leadership at all levels is key to a proactive culture and work is being activated to keep building safety leadership.

FINANCIAL STATEMENTS

Statement of financial performance for the six months ended 31 December 2017

	Note	**For six months ended 2017** $000	For six months ended 2016 $000
REVENUE			
Operating revenue	2	88,867	86,436
Interest income		76	104
Total revenue		88,943	86,540
EXPENSES			
Operating costs	3	32,977	33,170
Financing and interest costs		11,492	10,389
Depreciation, amortisation and impairment		17,624	17,606
Total Expenses		62,093	61,165
Surplus before tax		26,850	25,375
Tax attributable to operations		7,518	7,105
Surplus after tax		19,332	18,270

The accompanying notes form part of these financial statements.

Statement of comprehensive income for the six months ended 31 December 2017

	For six months ended 2017 $000	For six months ended 2016 $000
Surplus after tax	19,332	18,270
Other comprehensive income		
Cash flow hedges	(486)	9,263
Other comprehensive income for period, net of tax	(486)	9,263
Total comprehensive income for the period	18,846	27,533

Statement of movements in equity for the six months ended 31 December 2017

	Note	For six months ended 2017 $000	For six months ended 2016 $000
Equity at the beginning of the period		826,902	791,175
Total comprehensive income for the period		18,846	27,533
Transactions with owners			
Dividends paid to shareholders	7	(21,861)	(16,514)
Equity at end of period		823,887	802,194

The accompanying notes form part of these financial statements.

Statement of financial position as at 31 December 2017

	Note	As at 31 December		As at 30 June
		2017	2016	2017
		$000	$000	$000
EQUITY				
Share capital		57,600	57,600	57,600
Reserves		457,474	463,543	457,959
Retained earnings		308,813	281,051	311,343
TOTAL EQUITY		823,887	802,194	826,902
NON-CURRENT LIABILITIES				
Borrowings	4	370,222	307,643	340,151
Derivative financial instruments		13,478	10,825	12,988
Deferred taxation		112,486	108,673	112,674
Trade and other payables		934	1,035	985
TOTAL NON-CURRENT LIABILITIES		497,120	428,176	466,798
CURRENT LIABILITIES				
Current Portion of Borrowings	4	25,000	38,000	29,000
Trade and other payables		19,308	13,429	19,120
Taxation payable		6,620	4,486	3,650
Derivative financial instruments		1,816	2,084	1,577
TOTAL CURRENT LIABILITIES		52,744	57,999	53,347
TOTAL EQUITY AND LIABILITIES		1,373,751	1,288,369	1,347,047
NON-CURRENT ASSETS				
Property, plant and equipment		958,037	937,246	948,707
Investment Properties		384,101	318,177	370,523
Intangible Assets		4,137	3,610	3,774
Trade and other receivables		6,147	6,360	5,878
TOTAL NON-CURRENT ASSETS		1,352,422	1,265,393	1,328,882

The accompanying notes form part of these financial statements.

Statement of financial position as at 31 December 2017 (continued)

	As at 31 December		As at 30 June
	2017	2016	2017
	$000	$000	$000
CURRENT ASSETS			
Cash and short-term deposits	2,809	4,846	3,268
Receivables and pre-payments	18,039	17,371	14,164
Inventories	481	759	733
TOTAL CURRENT ASSETS	21,329	22,976	18,165
TOTAL ASSETS	1,373,751	1,288,369	1,347,047

For and on behalf of the Board

C Drayton
Chair

K Morrison
Director

28 February 2018

The accompanying notes form part of these financial statements.

Statement of cash flows for the six months ended 31 December 2017

	Note	**For six months ended 2017**	For six months ended 2016
		$000	$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
Receipts from customers		92,007	87,561
Interest received		76	104
Net Goods and Services Tax received		1,095	1,522
		93,178	89,187
Cash was applied to:			
Payments to suppliers and employees		36,416	35,560
Financing and interest costs		11,290	10,291
Income tax paid		4,550	5,500
		52,256	51,351
Net Cash Inflows from Operating Activities		40,922	37,836
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Proceeds from transfer of assets	5	1,060	-
Cash was applied to:			
Purchase of property, plant and equipment, intangibles & investment properties		46,580	40,239
Net Cash (Outflows) from Investing Activities		(45,520)	(40,239)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			
Borrowings		60,000	48,000
Cash was applied to:			
Borrowings		34,000	25,000
Dividends paid	7	21,861	16,514
Net Cash (Outflows) from Financing Activities		4,139	6,486

The accompanying notes form part of these financial statements.

Statement of cash flows for the six months ended 31 December 2017 (continued)

	For six months ended 2017	For six months ended 2016
	$000	$000
Net Increase in Cash Held	(459)	4,083
Add cash at beginning of the period	3,268	763
CASH AT END OF THE PERIOD	2,809	4,846
Cash	9	9
Bank and deposits	2,800	4,837
Cash at End of The Period	2,809	4,846
RECONCILIATION WITH OPERATING SURPLUS		
Net operating surplus after tax	19,332	18,270
Items Not Involving Cash Flows		
Amortised borrowing costs and fair value hedge ineffectiveness	50	123
Amortisation of lease surrender	323	323
Accrued interest within derivatives	76	69
Depreciation, amortisation and impairment	17,624	17,606
	37,405	36,391
Impact of Changes in Working Capital Items		
Increase/(decrease) in accounts payable*	4,765	1,683
(Increase)/decrease in accounts receivable	(4,470)	(1,823)
(Increase)/decrease in inventories	252	(23)
Increase/(decrease) in taxation payable	2,970	1,608
	3,517	1,445
Net Cash Flows from Operating Activities	40,922	37,836

* includes impact of movement in capital items

The accompanying notes form part of these financial statements.

Abridged notes to the financial statements for the six months ended 31 December 2017

1. Accounting Policies

The company has used the same accounting policies and methods of computation as were used in the 2017 annual financial statements.

The financial statements have been prepared in accordance with the requirements of the Companies Act 1993, the Local Government Act 2002, the Financial Reporting Act 2013 and the New Zealand equivalents to International Financial Reporting Standards.

These unaudited statements for the six months ended 31 December 2017 have been prepared in accordance with NZ GAAP and are in compliance with NZ IAS 34.

Christchurch International Airport Limited is a company registered under the Companies Act 1993.

2. Operating Revenue

	For six months ended 2017	For six months ended 2016
	$000	$000
Landing and Terminal charges	40,389	42,500
Rent and Lease income	33,894	30,859
Ground transport and other trading activities	11,022	9,944
Other revenue	3,562	3,133
	88,867	86,436

3. Operating Costs

	For six months ended 2017	For six months ended 2016
	$000	$000
Staff	12,916	13,124
Asset management, maintenance and airport ops	5,887	4,947
Rates and insurance	4,708	4,351
Marketing and promotions	4,825	5,792
Professional services and levies	1,339	1,565
Commercial entity running costs	254	29
Other	3,048	3,362
	32,977	33,170

4. Borrowings

As at 31 December 2017, the Company has committed bank funding facilities for an aggregate $295,000,000 (2016: $295,000,000) with five banks. In addition, the Company has an overdraft facility of $1,000,000.

During December 2017, the Company refinanced a maturing $50,000,000 facility, effectively extending the maturity for another year.

The Company completed a $50,000,000 bond issue in April 2017, with a maturity of 10 years. Total bond funding at 31 December 2017 is $175,000,000 (2016: $125,000,000). The funds raised from these bond issues were used to refinance in part the Company's maturing debt facilities. $75,000,000 of the bond funding is held at amortised cost, adjusted by the fair value of the designated hedge instrument.

All borrowings under the bank facility and overdraft facility are unsecured and supported by a negative pledge deed. The negative pledge deed requires that no security interest is provided over any assets for borrowings, unless an equivalent security interest is created for the borrowing group and bond holders. Interest rates paid during the period, including offsetting interest rate swaps, ranged from 2.8% to 6.7%. (2016: 3.7% to 6.7%). The bonds constitute direct, unsecured, unsubordinated obligations and will rank equally with all other unsecured, unsubordinated indebtedness.

Current borrowings are expected to be refinanced through the extension of existing facilities, new facilities and debt capital market issue.

	As at 31 December		As at 30 June
	2017	2016	2017
	$000	$000	$000
Less than 1 year	25,000	38,000	29,000
1 > 3 Years	155,354	130,809	131,300
3 > 5 Years	164,868	176,834	158,851
Greater than 5 Years	50,000	-	50,000
	395,222	345,643	369,151
Total available funding	470,000	420,000	470,000

5. Related Party Transactions

Christchurch City Holdings Limited (CCHL), a wholly owned subsidiary of the Christchurch City Council (CCC), owns 75% and the New Zealand Government owns 25% respectively of the issued share capital of the company. Christchurch International Airport Limited enters into a large number of transactions with government departments, Crown entities, State-owned enterprises and other entities controlled or subject to significant influence by the Crown. All transactions with related entities:

- are conducted on an arm's length basis
- result from the normal dealings of the parties
- meet the definition of related party transactions only because of the relationship between the parties being subject to common control or significant influence by the Crown.

The New Zealand Government is the majority owner of Air New Zealand, a major customer of CIAL from both an aeronautical and rental and lease perspective. Pricing agreements are renegotiated for aeronautical charges with all airline customers of CIAL, including Air New Zealand, every five years. Air New Zealand also leases several properties within the terminal and the wider CIAL campus.

	For six months ended 2017	For six months ended 2016
	$000	$000
Transactions with owners during the period to 31 December		
Purchases from CCC and subsidiaries	1,506	909
Rates paid to CCC	2,552	2,347
Revenues from CCC and subsidiaries	27	4
Interest paid to CCHL	-	389
Dividend paid to CCHL	16,396	12,386
Dividend paid to the Crown	5,465	4,128
Amounts payable to CCC and subsidiaries	136	3
Amounts receivable from CCC and subsidiaries	2	1
Transfer of net assets to subsidiaries*	869	-

* CIAL has entered into an agreement with Citycare Limited for the provision of asset maintenance services. This involved the transfer of certain net assets to Citycare. No gain or loss was recorded in respect of this transfer.

Non-Shareholder Related Party Transactions

Some directors of the company are, or have been during the period, directors of other companies or organisations with whom Christchurch International Airport Ltd may transact. Such transactions are all carried out on an arm's-length basis and are conducted on normal commercial terms. No amounts were written off or forgiven during the reporting period and outstanding balances were settled under normal trading terms.

6. Commitments

	As at 31 December 2017 $000	As at 31 December 2016 $000
Total capital expenditures committed to, but not recognised in, the financial statements	33,836	68,473

7. Dividends

A final dividend of $21,861,392 (38.0 cents per share) (2016: 16,514,000) net of imputation credits, in respect to the year ended 30 June 2017, was paid during the period.

INTERIM REPORT

HOW DID WE COMPARE AGAINST OUR STATEMENT OF INTENT?

TARGETS	FY 2018 Total Plan $000	**HY 2018 Actual $000**	HY 2018 Target $000
		Progress to 31 December	
a) FINANCIAL			
Total Revenue	178,917	88,867	86,124
EBITDAF	110,525	55,966	52,834
Net Profit after tax	44,469	19,332	16,991
EBITDAF as a % of Revenue	61.7%	63.0%	61.3%
Net Profit after tax as % of average equity	5.6%	2.3%*	2.1%*
Net Profit after tax as % of average total assets	3.5%	1.4%*	1.3%*

b) PASSENGER NUMBERS	2018 Total Plan	**HY 2018 Actual**	HY 2018 Target
Passenger			
Domestic	5,033,627	2,559,687	2,520,416
International	1,660,951	849,190	826,048
Total	6,694,578	3,408,877	3,346,464

c) RATIO OF SHAREHOLDERS' FUNDS TO TOTAL ASSETS	FY 2018 Total Plan	**HY 2018 Actual**	HY 2018 Target
Shareholder Funds/Total Assets %	60.3%	60.0%	60.8%
Gearing (debt / (debt + equity)) %	32.9%	32.4%	31.9%
EBITDAF Interest Cover X	4.8	4.9	4.9
Free Funds Interest Cover X	4.2	4.22	4.17
Free Funds / Debt %	19.0%	12.3%*	12.2%*

* the half year actual and target amounts are based on performance for the six-month period to date, and hence will be proportionately lower than the full year target shown in the first column. It should also be noted that the performance in the second half of FY18 is forecast to include any uplift in investment property revaluations, and hence will generate a higher return ratio than in the first half of the year.

d) CORPORATE SOCIAL RESPONSIBILITY

Performance target	Performance Measures 2018	Performance Measures Progress to 31 December 2017
Health & Safety		
1. Lost Time Injuries	▪ Better than industry standards, with ultimate target of Nil.	▪ 3 lost time injuries occurred from July to Dec 17. This is an improvement on the number of Lost Time injuries in the previous 6 months. Two of the LTIs in this reporting period related to physical activities whilst the other was due to a trip.
2. Lost Time injury frequency rate (LTIFR / million hours worked)	▪ Better than industry standards, with ultimate target of Nil.	▪ The LTIFR is 14.62 per 1 million man hours. This is higher than the industry standard of 7.48. CIAL has several initiatives underway to reduce the occurrence of injury to staff including an increased emphasis on hazard reporting and assessing the potential risk of any reported safety event.
3. Near Miss Frequency Rate (Near misses/million hours worked)	▪ Increase over the prior year, reflecting an improved near miss reporting culture.	▪ The CIAL near miss frequency rate is 267.38 per 1 million man hours. This is lower than the previous year, however there has been an increase in the importance of hazard reporting which enables effective management of hazards prior to a near miss or accident. ▪ CIAL continues its focus on the importance of lead indicators in effective health and safety management.
Sustainability		
Waste 4. Waste is a by-product of operating a diverse and large organisation but we can work with all our stakeholders to reduce, reuse and recycle so we minimise the impact on our environment	▪ Commission a new waste compaction a weighing system for the passenger terminal. ▪ Establish a Waste Working Group to deliver the objectives set by the Sustainability Strategy.	▪ Compactors have been scoped and priced. Procurement has been placed on hold whilst we review our waste infrastructure during Q3 FY18. ▪ A terminal waste working group has been established. The purpose of this group is to share information and inform tenants of any new waste procedures. It also serves as a forum for recognising and rewarding members for their efforts.
Energy 5. By minimising our energy use, we reduce our carbon footprint, reduce costs to our businesses and reduce demand on the national grid. We strive for growth without impact, and for our business to protect our city region and island.	▪ Continue to investigate and implement energy saving initiatives that ensure energy consumption is reduced. ▪ Establish an Energy Working Group to deliver on the targets set by the Sustainability Strategy.	▪ The continuous commissioning program continues to be implemented. CIAL recently received recognition for our efforts, winning the RICOH Efficiency Champion award at the 2017 Sustainable Business Network awards. ▪ This group was established during 2017 and is currently updating its objectives for 2018.
Water 6. Christchurch is unique in using 100% naturally filtered water. Our passion is to maintain its integrity, avoid accidental contamination and minimise use of this precious resource as it passes under the airport.	▪ Ensure on-going compliance with NZ Drinking Water Standards through regular monitoring of potable drinking groundwater supply ▪ Continue Environmental Compliance and Monitoring Program with existing airport operators and new operators	▪ CIAL updated the Water Safety Plan in early 2017. The WSP covers all requirements for compliance with Drinking Water NZ via the CDHB. All samples YTD are compliant with the NZ Drinking Water Standards.

By doing so, we ensure water supply safety and security, protect the aquifer, reduce costs and our business protects the city, region and island.	on airport land. ▪ Ensure all new operators are provided with Environmental Training ▪ Establish a Water Working Group to deliver the objectives set by the Sustainability Strategy.	▪ We monitor our water quality via a contract with the CCC testing department, this covers both the water source, being our 2 deep bore wells and distribution in the network. The result is a monthly test record, these are available to all CIAL tenants in respect to their business needs. ▪ All required tenant audits YTD have been completed. ▪ All new airport operators have received Environmental training and Environmental Compliance Management Plans. ▪ We actively work with all contractors to ensure spill training is complete and erosion and sediment control plans are implemented. ▪ The working group was established in 2017 and is currently focusing on understanding water use and automating metering.
Noise 7. Noise is the environmental issue of greatest focus at airports around the world. Our responsibility and bias is to engage and collaborate with all stakeholders, especially residents and businesses close to the airport and its flight paths.	▪ Establish an Airport Noise Community Liaison Group to discuss noise matters and agree actions.	▪ Airport Community Noise Liaison Committee has been established and there were 4 meetings conducted as at January 2018. ▪ The 12 month PBN Flight Trial at Christchurch commenced in November 2017 and thus far the level of community complaint is considered modest. ▪ CIAL developed and implemented a world leading method of measuring and managing engine testing noise. This initiative delivers greater transparency for the community and helps operators ensure compliance with local regulations.
Land 8. Our Place is an area of unique natural beauty. We have a responsibility to maintain it, improve it and remediate contaminated land. We also have a responsibility to ensure the safety of travelers and our airline partners, and so understanding the hazards and addressing the risks of bird strike is a critical and on-going activity.	▪ Achieve a Bird Strike incidence rate of 3<4/10,000 aircraft movements on a 12-month rolling average basis in line with level set for airports of a similar scale ▪ Work with territorial authorities and other stakeholders to implement management strategies for pest birds which pose bird strike hazard risks ▪ Establish processes to ensure compliance with CIAL's NES consent for contaminated land.	▪ For the calendar year 2017, the strike rate was 7.2/10,000 movements. Existing wildlife management processes have been supplemented by the collaborative project noted below. ▪ CIAL has collaborated with Christchurch City Council, Environment Canterbury and Ngai Tahu to develop plans for the management of Canada Geese and Black-back Gulls in Christchurch. This has led to the coordinated management of critical populations and assisted with the conservation of species threatened by the population increases of the above species. ▪ Processes have been established for the implementation and compliance of CIAL's global NES consent. This consent has been in place for ~18 months now and has significantly reduced consenting costs and project delays due to timeframes associated with obtaining individual project based consents.

Community Engagement		
9. To make a positive contribution to the social and community outcomes of our City and the South Island.	▪ To continue to demonstrate support for events which attract visitors, enhance the City's image and that residents can enjoy. ▪ Support community initiatives and organisations through the CIAL Community Fund, charity fundraisers and other donations through the year. ▪ To engage and communicate openly with stakeholders through the Chief Executive and GMs initiating and accepting invitations to meetings, speeches, addresses and workshops. ▪ To actively involve our staff in Corporate Social Responsibility initiatives to enhance engagement.	▪ CIAL has supported events through various forms of sponsorship and other support, including advertising on campus, our social media and publications. The CE and other senior managers take an active part in attending and speaking at city-focused events and offer views to local media. These include the Social Enterprise World Forum, "City Leaders" forum, Christchurch NZ events, China National Day. ▪ We continue to host charities' annual appeals in the terminal. The Community Fund gave grants totaling $45,000 to 23 community groups and activities in the six months in question. We actively supported other community initiatives through various means, including promoting them in and around the terminal in our social media and in our mini-magazine "Gateway South." ▪ The CE, executive team members and other senior leaders accept invitations to speak at public events, trade events and travel events and workshops, and to give speeches across New Zealand and overseas. These include CAANZ, City Leaders' Forum, NZ Chinese Language Week, the Mayoral Forum. ▪ Staff support events specific to our chosen charities (e.g. the Special Children's Christmas Party and catering for patients and families at the Ronald McDonald House) and actively take part in our "Random Acts of Kindness" campaign in December.
Our People		
10. To build a Champion Team who has the capability and passion required to achieve our mission – to be a Champion Airport.	▪ Leadership and people excellence, clear performance accountabilities and outcome focused expectations are part of the way we do business. ▪ People strategy activation projects delivered.	▪ People strategy projects continue to be activated with positive results being achieved through our bi-monthly pulse checks and annual culture and engagement survey. ▪ Several people strategy projects have been activated during the last 6 months including: - Review and amendment of the annual remuneration, personal development and performance review processes - Establishment and activation of the culture, engagement and strategy champions working party - Continued evolution of the leadership development program including leading self and safety leadership

		- Champion team events calendar established including all wellbeing, giving back, connection and collaboration initiatives - Continued success of the annual champion team awards and development of reward and recognition toolkits for all leaders