

Stock exchange listings: New Zealand (NZX: AIR) / Australia (ASX: AIZ) / ADR (OTC: ANZLY)

MARKET ANNOUNCEMENT

30 July 2024

Air New Zealand withdraws from Science Based Targets initiative

After careful consideration, Air New Zealand is removing its 2030 science based carbon intensity reduction target and will withdraw from the Science Based Targets initiative.

Many of the levers needed to meet the target, including the availability of new aircraft, the affordability and availability of alternative jet fuels, and global and domestic regulatory and policy support, are outside the airline's direct control and remain challenging.

Air New Zealand Chief Executive Officer, Greg Foran says, "In recent months, and more so in the last few weeks, it has also become apparent that potential delays to our fleet renewal plan pose an additional risk to the target's achievability. It is possible the airline may need to retain its existing fleet for longer than planned due to global manufacturing and supply chain issues that could potentially slow the introduction of newer, more fuel-efficient aircraft into the fleet. As such and given so many levers needed to meet the target are outside our control, the decision has been made to retract the 2030 target and withdraw from the SBTi network immediately.

Work has begun to consider a new near-term carbon emissions reduction target that could better reflect the challenges relating to aircraft and alternative jet fuel availability within the industry.

Air New Zealand Chair, Dame Therese Walsh says, "Air New Zealand remains committed to reaching its 2050 net zero carbon emissions target. Our work to transition away from fossil fuels continues, as does our advocacy for the global and domestic regulatory and policy settings that will help facilitate Air New Zealand, and the wider aviation system in New Zealand, to do its part to mitigate climate change risks."

Ends

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