

# Proposed Relationship Principles between Auckland Council and Auckland International Airport Limited

## 1. Purpose

This relationship principles document sets out the nature of the governance relationship between Auckland Council and Auckland International Airport Limited in the context of the council's minority shareholding in Auckland Airport.

## 2. Context

The following context underpins council's role as a shareholder in respect of AIAL:

- 2.1 AIAL is a publicly listed company, subject to NZX continuous disclosure requirements.
- 2.2 Council currently has a 22.3% shareholding in AIAL.

## 3. Objectives

The objectives of council in its relationship with AIAL are to:

- 3.1 ensure an optimal commercial return from council's investment in AIAL.
- 3.2 observe appropriate shareholder governance practice proportionate to council's minority shareholding in AIAL.

## 4. Monitoring, Liaison and the Disclosure of Information

Communication between council and AIAL is set out as follows:

Aspect	Nature of Information	Point of Contact
<b>4.1 Financial Reporting Requirements</b>	<ul style="list-style-type: none"> <li>• Financial results information provided to council around 20 February / 20 August annually</li> <li>• Discussions between council and AIAL regarding timing and delivering of financial information to coordinate with council reporting</li> <li>• AIAL information is confidential until released via the NZX by no later than 28 February and 30 August each year for the respective interim and full year results</li> </ul>	<ul style="list-style-type: none"> <li>• AIAL and council Financial Control teams</li> <li>• Expertise from council legal team, as required</li> <li>• Oversight by AIAL and council CFOs, if required</li> </ul>
<b>4.2 Dividend and Shareholder Actions</b>	<ul style="list-style-type: none"> <li>• Voting at AGMs</li> <li>• Voting on director appointments</li> <li>• Decisions on dividend reinvestment plan and rights matters</li> <li>• Receipt of interim and final dividend</li> <li>• Other corporate actions, as required</li> </ul>	<ul style="list-style-type: none"> <li>• Council treasury and AIAL Investor Relations and Legal</li> <li>• Expertise from council legal and governance teams, as required</li> <li>• Oversight by AIAL and council CFOs, if required</li> </ul>
<b>4.3 Annual Engagement</b>	<ul style="list-style-type: none"> <li>• Annual meeting with council executive team on AIAL activity</li> <li>• Annual meeting with Mayor, Deputy Mayor and Committee of Whole Chairs on AIAL activity</li> </ul>	<ul style="list-style-type: none"> <li>• Council governance team to liaise with AIAL Strategy, Performance &amp; Planning team</li> <li>• Oversight from AIAL and council CEs, if required</li> </ul>
<b>4.4 No Surprises</b>	<ul style="list-style-type: none"> <li>• Council and AIAL to operate on 'no surprises' basis and inform one another on matters of interest</li> </ul>	<ul style="list-style-type: none"> <li>• Council Mayor's Office and CE of council, CE of AIAL</li> </ul>

## 5. Status of Relationship Principles Document

- 5.1 This relationship principles document is not legally binding.
- 5.2 This relationship principles document, and any action under it, is subject to all applicable laws.