

AUCKLAND INTERNATIONAL AIRPORT LIMITED



Notice of Annual Meeting

2013

Notice is hereby given that the 2013 annual meeting of the shareholders of Auckland International Airport Limited will be held in the Genesis Energy Theatre, Vodafone Events Centre, 770 Great South Road, Manukau, Auckland on Thursday, 24 October 2013 commencing at 2.00pm.



BUSINESS

A. Chair's Address

B. Chief Executive's Address

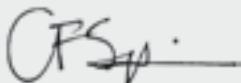
c. Financial statements and reports: To receive and consider the financial statements of the company for the year ended 30 June 2013 together with the directors' and auditor's reports to shareholders.

d. Resolutions: To consider, and if thought fit, to pass, the following ordinary resolutions:

- 1. Re-election of Brett Godfrey:** That Brett Godfrey, who retires by rotation and who is eligible for re-election, be re-elected as a director of the Company (see explanatory note).
- 2. Re-election of Sir Henry van der Heyden:** That Sir Henry van der Heyden, who retires by rotation and who is eligible for re-election, be re-elected as a director of the Company (see explanatory note).
- 3. Election of Michelle Guthrie:** That Michelle Guthrie, who has been nominated by the Board to stand as a director, be elected as a director of the Company (see explanatory note).
- 4. Directors' Remuneration:** That the total quantum of annual directors' fees be increased by \$42,436 from \$1,326,120 to \$1,368,556, such amount to be divided amongst the directors as they deem appropriate (see attached explanatory note and voting exclusion).
- 5. Auditor:** That the directors be authorised to fix the fees and expenses of the auditor.

E. Other business: To consider any other matters that may lawfully be considered at the meeting.

By order of the Board:



C F SPILLANE

Corporate Secretary

25 September 2013

EXPLANATORY NOTES

Proxy vote: A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of the shareholder. The proxy need not be a shareholder. To be effective, the proxy form must be received at the registered office of the company or by the share registrar of the company, Link Market Services Limited, Level 7, Zurich House, 21 Queen Street, Auckland, New Zealand or by mail to PO Box 91976, Auckland 1142, New Zealand not later than 48 hours before the start of the meeting or completed online in accordance with the instructions on the proxy form. A corporation may appoint a person to attend the meeting as its representative in the same manner as it could appoint a proxy.

Resolution 1 & 2. Re-election of Directors

Brett Godfrey and Sir Henry van der Heyden retire by rotation at the meeting and, both being eligible for re-election, offer themselves for re-election. Brief biographical notes of the directors seeking re-election are as follows:

Brett Godfrey BCom, ACA

Brett Godfrey was appointed a director of the company in 2010. He is a Chartered Accountant and has had a 20 year career in airlines, holding senior finance positions and culminating in conceptualising and writing the business plan for what is now Virgin Australia Limited. He was the airline's founding Chief Executive and led the company until 2010.

Today he maintains his connection to the industry as a Board Director of Canada's publicly listed second-largest airline, Westjet.

His keen interest and experience in marketing is channelled into his position on the Board of Tourism Australia.

He has been awarded the Australian Centenary Medal for his service to tourism and aviation, was recognised as the Australian Chief Executive of the Year by the Customer Service Institute of Australia and the Outstanding Chartered Accountant in Business by the Australian Institute of Chartered Accountants.

Sir Henry van der Heyden KNZM, BE (Hons)

Sir Henry van der Heyden was appointed a director of the company in 2009 and is chair-elect. His goal is to lead and support the growth of strong, internationally competitive and sustainable businesses which contribute to New Zealand's economy and the well-being of its people. He is chairman of Tainui Group Holdings Limited and chairman-elect of Manuka SA Limited. He is a director of Rabobank New Zealand Limited, Rabobank Australia Limited, Foodstuffs North Island Limited and Pascaro Investments Limited.

Sir Henry graduated from Lincoln University with a Bachelor of Engineering with Honours and served in dairy industry governance roles for 23 years. He is a past chairman of the New Zealand Dairy Group and was the chairman of Fonterra from 2002 to 2012.

Sir Henry was awarded Chairman of the Year in 2012, New Zealand Herald Business Person of the Year in 2007 and Federated Farmers' 2013 Agri Personality. In 2009, Sir Henry was appointed a Distinguished Companion of the New Zealand Order of Merit.

He brings to the Board strong governance skills and a deep understanding of domestic and international business. Sir Henry has an open, energetic and down-to-earth approach to his governance and mentoring work.

The Board unanimously recommends that shareholders vote in favour of the re-election of Mr Godfrey and Sir Henry. They are both considered by the Board to be independent directors.

Resolution 3. Election of director

Michelle Guthrie has been nominated by the Board to hold office following the annual meeting, filling the vacancy on the Board created by the retirement of Joan Withers.

She is a seasoned media executive with 13 years' experience in Asia focused roles and experience in the area of digital marketing, business development, business acquisitions, law and governance. She is currently an executive at Google Asia International Pacific based in Singapore.

Michelle has considerable international board experience. She currently sits on the boards of Modern Times Group in Sweden, Pacific Star Network in Melbourne and Plan International in Hong Kong. She has also previously sat on a number of other boards including Metro in Sweden, Verosign in the US and numerous Asian media boards.

Michelle is an Australian living in Singapore and travels regularly throughout Asia as part of her current role with Google. She speaks Mandarin and has the experience and skills to broaden the Board's and the company's engagement with new markets, in particular key growth markets in Asia. Her customer engagement and new media experience will also serve the airport well as it addresses the challenges and opportunities of the digital era.

The Board unanimously recommends that shareholders vote in favour of the election of Ms Guthrie. She is considered by the Board to be an independent director.

Resolution 4. Directors' remuneration

The amount of fees paid to directors was last increased at the 2012 annual meeting, when shareholders approved a total quantum of annual directors' fees of \$1,326,120. That approved sum is currently allocated by the directors as follows:

Chair (inclusive of all committee fees)	\$220,000
Deputy chair	\$118,450
Other directors' base fee	\$103,000
Chair of audit and financial risk committee	\$46,350
Member of audit and financial risk committee	\$23,175
Chair of human resources committee	\$18,540
Member of human resources committee	\$9,270
Chair of nominations committee	\$10,300
Member of nominations committee	\$5,150
Ad hoc committee work (per day)	\$2,575

The directors have also entered into a share purchase plan pursuant to which the directors each apply 15% of their net remuneration to acquire shares in the company. First NZ Capital, as manager of the plan, acquires these shares on behalf of the directors over the 20 business days commencing two days after the company's half year and full year results announcements. Directors are required to remain in the plan until one year after their retirement from the Board.

The Board's policy is to regularly seek independent advice on the appropriate level of directors' remuneration. This year the Board has obtained advice from PricewaterhouseCoopers ("PwC"). In undertaking their review, PwC have considered the skills, performance, experience and level of responsibility of the directors, and the market conditions currently prevailing. PwC have provided the Board with guidance in respect of the level of fees which are appropriate for directors of companies of a comparable scale and complexity in New Zealand. The comparable companies reflect the level of governance and consequently time commitment, required of directors pursuant to national and international standards. The advice received from PricewaterhouseCoopers indicates that the fees received by the

directors of Auckland Airport are modestly below those received by their market peers.

The Board is also mindful of clear shareholder feedback that, where directors' fee increases are necessary and justified, they should be linked to company performance and be small regular adjustments rather than large and infrequent.

Taking these factors into account, the Board proposes a modest increase in the directors' fee pool of \$42,436 from \$1,326,120 to \$1,368,556 (an increase of 3.2%), such amount to be divided among directors as they deem appropriate from time to time.

In their proposed allocation of this pool, the directors have also considered the likely workload of the recently established safety and operational risk committee and the appropriate quantum of fees to be paid to the chair and members of that committee. It is proposed that the chair of that committee will receive a fee of \$20,000 and members a fee of \$10,000 in respect of these roles. For all directors an increase of 3.2% will be applied to their fees.

Should the resolution be passed, the initial allocation will be as follows:

Chair (inclusive of all committee fees)	\$227,040
Deputy chair	\$122,240
Other directors' base fee	\$106,296
Chair of audit and financial risk committee	\$47,833
Member of audit and financial risk committee	\$23,917
Chair of safety and operational risk committee	\$20,000
Member of safety and operational risk committee	\$10,000
Chair of human resources committee	\$19,133
Member of human resources committee	\$9,567
Chair of nominations committee	\$10,630
Member of nominations committee	\$5,315
Ad hoc committee work (per day)	\$2,657

This proposal provides for a full complement of eight directors (the maximum permitted pursuant to the company's constitution). Remuneration for ad hoc committee work will only be paid for specific identified assignments where approved in advance by the Board.

The company will disregard any votes cast on this resolution by:

- any director of the company; and
- an Associated Person (as defined in the NZSX Listing Rules) or an Associate (as defined in section 11 and sections 13 to 17 of the Corporations Act (Australia) with section 13 being applied as if it were not confined to associate references in chapter 7 of that Act) of any directors of the company.

However the company need not disregard a vote if it is cast by:

- (a) such person as proxy for a person who is not disqualified from voting on this resolution, in accordance with the express instructions on the proxy form; or
- (b) the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5. Auditors.

Deloitte is automatically reappointed auditor under section 200 of the Companies Act 1993. This resolution authorises the Board to fix the fees and expenses of the auditor.

AUCKLAND INTERNATIONAL AIRPORT LIMITED
("Company")

**DISCLOSURE DOCUMENT RELATING TO THE
GIVING OF FINANCIAL ASSISTANCE BY THE COMPANY
FOR THE PURCHASE OF SHARES**

(Sections 78(5) and 79 of the Companies Act 1993)

TO: ALL SHAREHOLDERS OF THE COMPANY

Introduction

1. This document is provided to all shareholders of the Company in accordance with the requirements of sections 78(5) and 79 of the Companies Act 1993, in respect of financial assistance to be provided by the Company for the purposes of a further invitation to employees of the Company to participate in the Company's Employee Share Purchase Plan.

Financial assistance

2. The Company established the Plan by a trust deed dated 19 November 1999 to enable employees to acquire fully paid ordinary shares in the Company.
3. The Plan involves the Company making interest free loans to employees to fund the acquisition of shares in the Company, to be issued by the Company to the Trustees of the Plan on behalf of participating employees. Those loans will be on an interest free basis and will be for a term of three years. The loans will be repaid by employees in regular instalments over this three year term by way of a deduction from their salary or wages.
4. The maximum amount of the loans made to each employee will not exceed \$2,340 in any rolling three year period. If all eligible employees took up the maximum loan available to them in the first year, the aggregate amount of loans made (on the basis of the number of eligible employees of the Company as at the date of this disclosure document) would not exceed \$300,000.00.
5. The making of those loans constitutes the giving of financial assistance for the purpose of, or in connection with, the purchase of a share issued or to be issued by the Company in terms of section 76(6) of the Companies Act 1993.

Resolution

6. Set out below is the text of the resolution of the Board of the Company required by section 78(1) of the Companies Act 1993, passed on 20 August 2013:

Noted:

- (a) The Company established the Auckland International Airport Limited Share Purchase Plan ("Plan") by a trust deed dated 19 November 1999 ("Trust Deed") to enable employees to acquire fully paid ordinary shares in the Company.
- (b) The Plan involves the Company making interest free loans to employees to fund the acquisition of shares in the Company, to be issued by the Company to the Trustees of the Plan on behalf of participating employees.
- (c) The making of those loans constitutes the giving of financial assistance for the purpose of, or in connection with, the purchase of a share issued or to be issued by the Company in terms of section 76(6) of the Companies Act 1993 ("Act").
- (d) The Board has been provided with copies of the Plan, the invitation from the Company to be made pursuant to the Trust Deed, and the form of Directors' Certificates to be given by the directors in respect of the issue of the shares, the financial assistance and satisfaction of the solvency test.
- (e) The Board has also been provided with a copy of the disclosure document that is required to be sent to each shareholder before the provision of the financial assistance under s76(1)(b) of the Act.

Resolved:

- (a) The Company provide to its employees financial assistance of up to a total of \$300,000.00 by way of loans made in accordance with the Plan.
- (b) The giving of the financial assistance is in the best interests of the Company.
- (c) The terms and conditions under which the financial assistance is given are fair and reasonable to the Company.
- (d) The Board is satisfied that the Company will, immediately after the giving of the financial assistance, satisfy the solvency test (as defined in the Act).
- (e) The giving of the financial assistance is of benefit to those shareholders of the Company not receiving the financial assistance.
- (f) The terms and conditions under the financial assistance is given are fair and reasonable to those shareholders not receiving the financial assistance.
- (g) The Board may cancel this resolution to give the financial assistance at any time until the time it is provided by the Company and if it does so the financial assistance shall not be provided by the Company.

Grounds for directors' conclusions:

The grounds for the directors' conclusions are as follows:

- (a) The purpose of the Plan is to encourage and incentivise employees by providing them with a stake in the Company and a financial interest in the performance and success of the Company.
- (b) That is in the best interests of the Company and of benefit to its shareholders as a whole.
- (c) The terms of loans made under the Plan are those stipulated by the Income Tax Act 2007. Having regard to the advantages of the Plan to the Company and its shareholders those terms are fair and reasonable to the Company and its shareholders.
- (d) The interim Financial Statements of the Group dated 21 February 2013 record that the assets of the Group exceed its liabilities (including contingent liabilities) by approximately \$2,456 million. The draft annual Financial Statements of the Company record that the assets of the Company exceeded its liabilities by approximately \$2,519 million as at 30 June 2013.
- (e) The amount of the financial assistance to be given under the Plan, if all employees took up their maximum entitlement, will not exceed \$300,000.00.
- (f) The Company is able to pay its debts as they become due in the normal course of business and will remain able to do so after the giving of the assistance.
- (g) The directors are not aware of any circumstances which could materially and adversely affect the conclusions recorded above."

Shareholder rights

- 7. Section 78(7) of the Companies Act 1993 confers on shareholders and the Company certain rights to apply to the Court to restrain the proposed assistance being given. The only grounds upon which such an application to the Court may be made are:
 - (a) the giving of the proposed assistance is not in the best interests of the Company and of benefit to those shareholders not receiving the assistance; or
 - (b) the terms and conditions under which the proposed assistance is to be given are not fair and reasonable to the Company and to those shareholders not receiving the assistance.
- 8. The financial assistance may be given by the Company not less than 10 working days and not more than 12 months after this disclosure document has been sent to each shareholder.

**SIGNED for and on behalf of
AUCKLAND INTERNATIONAL AIRPORT LIMITED
by**



C F SPILLANE
Corporate Secretary

25 September 2013

ANNUAL MEETING LOCATION



Genesis Energy Theatre
Vodafone Events Centre
770 Great South Road, Manukau,
Auckland



Thursday, 24 October 2013
commencing at 2pm.

