



## 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 2018, together with the directors' and auditor's reports to shareholders.

**D. Resolutions:** To consider, and if thought fit to pass, the following ordinary resolutions (which require the approval of a simple majority of the votes cast on the resolution):

- 1. Re-election of Patrick Strange:** That Patrick Strange, 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 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).
- 3. Election of Mark Binns:** That Mark Binns, who has been nominated by the Board to stand as a director, be elected as a director of the company (see explanatory note).
- 4. Election of Dean Hamilton:** That Dean Hamilton, who has been nominated by the Board to stand as a director, be elected as a director of the company (see explanatory note).
- 5. Election of Tania Simpson:** That Tania Simpson, who has been nominated by the Board to stand as a director, be elected as a director of the company (see explanatory note).
- 6. Directors' Remuneration:** That the total quantum of annual directors' fees be increased by \$36,720 from \$1,530,000 to \$1,566,720, such amount to be divided amongst the directors as they deem appropriate (see attached explanatory note and voting exclusion).
- 7. 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.**



**MORAG FINCH**, Acting Company Secretary

26 September 2018

## 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. The Chair of the meeting is willing to act as proxy for any shareholder who wishes to appoint him for that purpose. If you appoint the Chair and you do not indicate how the Chair should vote, the Chair will vote in favour of the resolutions, unless the chair is specifically excluded from voting on a particular resolution. 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 11, Deloitte Centre, 80 Queen Street, Auckland, New Zealand or by mail to P O Box 91976, Auckland 1142, New Zealand, email or fax not later than 48 hours before the start of the meeting in accordance with the instructions on the proxy form.

A corporate shareholder may appoint a person to attend the meeting as its representative in the same manner as it could appoint a proxy.

You may also appoint your proxy online as per the instructions on the proxy form.

### Resolutions 1 and 2. Re-election of Directors

Patrick Strange, Brett Godfrey, James Miller and Sir Henry van der Heyden are the directors retiring in 2018. Patrick Strange and Brett Godfrey, being eligible for re-election, offer themselves for re-election. Sir Henry van der Heyden and James Miller come to the end of their tenure on the Board this year and will be retiring from the Board at the end of the meeting. The Board has appointed Patrick Strange as the new Chair effective at the end of annual meeting, subject to him being re-elected to the Board at the annual meeting.

Brief biographical notes of the directors seeking re-election are as follows:

#### Patrick Strange



##### Term of Office

Appointed as a director 22 October 2015

##### Board Committees

Terminal Development Project Committee (Chair)  
People and Capability Committee  
Safety and Operational Risk Committee

#### Biography

Patrick Strange was appointed as a director of the company in 2015. He is the Chair of the company's terminal development project committee and in 2018 Patrick was also a member of the company's people and capability committee and the safety and operational risk committee.

Patrick is currently the Chair of Chorus Limited and the Chair of Chorus's nominations committee. Patrick is also a director of Mercury NZ Limited, NZX Limited and Essential Energy.

Patrick's background includes experience as the Chief Executive of Mercury Energy (now Vector Limited) where he went on to build the network unit into a successful standalone business, as well as Chief Executive of Transpower. During his tenure, Transpower successfully completed a major, multi-billion dollar reinvestment in the grid.

## Brett Godfrey



### Term of Office

Appointed as a director 28 October 2010  
Last re-election 2015 annual meeting

### Board Committees

People and Capability Committee  
Safety and Operational Risk Committee

## Biography

Brett Godfrey was appointed as a director of the company in 2010.

Brett is a Chartered Accountant and has had a 20 year career in the airline industry, holding senior finance positions, 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 director of Canada's publicly listed, second-largest airline, Westjet. Brett is also Chair of Tourism and Events Queensland, Queensland's marketing body.

Brett 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.

*The Board unanimously recommends that shareholders vote in favour of the re-election of Patrick Strange and Brett Godfrey. Both Patrick Strange and Brett Godfrey are considered by the Board to be independent directors.*

## Resolution 3. Election of a Director

A brief biographical note of Mark Binns, seeking election is as follows:

### Mark Binns



### Term of Office

Appointed as a director April 2018, being eligible, Mark Binns offers himself for election at this annual meeting

### Board Committees

People and Capability Committee  
Safety and Operational Risk Committee  
Terminal Development Project Committee

## Biography

Non-executive director Mark Binns was appointed as a director of the company by the Board in April this year and now offers himself for election by shareholders.

Mark spent most of his career at Fletcher Building and its predecessor Fletcher Challenge, where he was principally involved in construction, property and heavy building materials. His final position was Chief Executive of the Infrastructure Division of Fletcher Building, its largest and most profitable division. During this time he was responsible for the delivery of major projects such as Sky City Casino and Sky Tower, Te Papa Tongarewa, Manapouri Second Tailrace Tunnel, Eden Park World Cup redevelopment, Waterview Connection and Wiri Prison PPP. He was also responsible for construction and building material operations in the US, South America, Asia, India and the South Pacific.

Mark brings listed company CEO experience having moved to Meridian Energy at the beginning of 2012 for the preparation of its IPO in 2013. The IPO was the largest in NZ's history. He retired from Meridian Energy at the end of 2017 with the company having produced strong earnings and share price growth since listing.

Mark has joined the Boards of Metlifecare, Auckland War Memorial Museum and Crown Infrastructure Partners.

By background Mark is a lawyer and was a partner at Simpson Grierson practising in the corporate and banking areas before leaving to join Fletcher Challenge in 1989.

*The Board unanimously recommends that shareholders vote in favour of the election of Mark Binns. He is considered by the Board to be an independent director.*

## Resolution 4. Election of a Director

A brief biographical note of Dean Hamilton, seeking election is as follows:

### Dean Hamilton



### Biography

Non-executive director Dean Hamilton, was nominated to be appointed as a director of the company by the Board in September and now, offers himself for election by shareholders.

Dean comes to Auckland Airport with significant CEO and financial markets experience. Most recently he was CEO of Silver Fern Farms Limited where he successfully led the business through a period of significant change. This followed 12 years at global investment bank Deutsche Bank. During his time at Deutsche Bank in New Zealand and Australia, Dean held senior roles providing advice to clients across a range of sectors. Prior to Deutsche Bank, Dean held roles in manufacturing and general management in retail.

Dean brings experience at running a large organisation with a wide range of stakeholders as well as a deep understanding in finance and capital markets.

Following his retirement from Silver Fern Farms this year, Dean has joined the Boards of Fulton Hogan and Tappenden Holdings.

*The Board unanimously recommends that shareholders vote in favour of the election of Dean Hamilton. He is considered by the Board to be an independent director.*

## Resolution 5. Election of a Director

A brief biographical note of Tania Simpson seeking election is as follows:

### Tania Simpson



### Biography

Non-executive director Tania Simpson, was nominated to be appointed as a director of the company by the Board in September and now offers herself for election by shareholders.

Tania is a director of the Reserve Bank of New Zealand, Ngai Tahu Tourism, Tainui Group Holdings Ltd, Moko Club NZ and Deep South Challenge. Tania is also a Board member of Global Women NZ and a member of the Waitangi Tribunal. She is a Trustee of the Waitangi National Trust and Chair of Radio Maniapoto. Prior to this, Tania spent 14 years as a director of Mighty River Power from its beginnings as a State Owned Enterprise through to its successful listing in 2013.

Tania is known for her work with Maori communities. Her experience includes time spent as a Maori Advisor Officer for the Housing Corporation of NZ before moving into central government as a Senior Policy Analyst on housing policies.

She has also helped negotiate agreements for Maori communities through her time at Treasury Group Ltd and has worked on a number of Treaty settlements.

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

#### Resolution 6. Directors' remuneration

The amount of fees paid to directors was last increased at the 2017 annual meeting, when shareholders approved a total quantum of annual directors' fees of \$1,530,000.

The directors maintain a share purchase plan pursuant to which the directors each apply 15% of their base fee to acquire shares in the company. FNZC, as manager of the plan, acquires these shares on behalf of the directors over the five 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.

Each year, the people and capability committee of the Board reviews the level of directors' remuneration. The committee considers the skills, performance, experience and level of responsibility of directors when undertaking the review, and is authorised to obtain independent advice on market conditions. After taking external advice, the committee makes recommendations to the Board on the appropriate allocation of fees to directors, and shareholders approve a fee pool for directors at the annual meeting.

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 \$36,720 from \$1,530,000 to \$1,566,720 (an increase of 2.4%), such amount to be divided among directors as they deem appropriate from time to time. Should the resolution be passed, the initial allocation will range from 0% to a 2.4% increase, and will be as follows:

Office	Current Remuneration	Proposed Remuneration
Chair (inclusive of all committee fees)	\$250,000	\$256,000
Other directors' base fee	\$118,320	\$121,160
Chair of audit and financial risk committee	\$50,779	\$50,779
Member of audit and financial risk committee	\$25,390	\$25,390
Chair of safety and operational risk committee	\$26,500	\$27,136
Member of safety and operational risk committee	\$13,250	\$13,570
Chair of people and capability committee	\$26,500	\$27,136
Member of people and capability committee	\$13,250	\$13,570
Ad hoc committee work (per day)	\$2,650	\$2,650

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 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 NZX Main Board Listing Rules) or an Associate (as defined in section 11 and sections 12 and 16 of the Corporations Act (Australia) with section 12 being applied as if it were not confined to associate references in chapter 6 of that Act and on the basis that the company is the "designated body" for the purpose of that section, and includes a related party of a director of the company) of any directors of the company.

However, the company need not disregard a vote if it is cast by a disqualified person if that person is a proxy for a person who is entitled to vote on this resolution in accordance with the express instructions on the proxy form.

#### Resolution 7. Auditors

Deloitte is automatically reappointed auditor under section 207T of the Companies Act 1993. This resolution authorises the Board to fix the fees and expenses of the auditor as required by section 207S of the Companies Act 1993.

#### Voting

##### Attending the Meeting

Shareholders attending the annual meeting can vote electronically by using the LinkVote App. To vote electronically, a shareholder must download the LinkVote App on the Apple App Store or Google Play Store to vote at the meeting using your mobile phone. Alternately, a poll card will be provided at registration for voting purposes.

##### Other participation methods

This year the company will enable shareholders to attend and participate in the annual meeting without being physically present at the meeting by attending the meeting online.

##### Online participation

To participate online please go to [www.virtualmeeting.co.nz/aia18](http://www.virtualmeeting.co.nz/aia18). Shareholders participating online will be able to ask questions during the meeting via the chat function. Information on participating via this function can be retrieved during the meeting through the 'Question' button. Please note, if you will be participating online you will require your shareholder number, found on your proxy form, for verification purposes.

## ANNEXURE A

### COMPANIES ACT DISCLOSURE DOCUMENT RELATING TO THE GIVING OF FINANCIAL ASSISTANCE BY THE COMPANY FOR THE PURCHASE OF SHARES UNDER THE AUCKLAND INTERNATIONAL AIRPORT EMPLOYEE SHARE PURCHASE PLAN

**TO: ALL SHAREHOLDERS OF THE COMPANY**

#### INTRODUCTION

1. This document is provided to you for your information. You are not required to take any action in relation to it.
2. This document is provided to all shareholders of Auckland International Airport Limited (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 (the **ESS Plan**).

#### FINANCIAL ASSISTANCE

3. The Company established the ESS Plan by a trust deed dated 19 November 1999 (as amended by a deed of amendment and restatement to the Trust Deed dated 1 September 2018) to enable employees to acquire fully paid ordinary shares in the Company.
4. The ESS Plan involves the Company making interest free loans to employees to fund the acquisition of shares in the Company. The shares will be allocated to employees firstly from surplus shares held by the trustees of the ESS Plan. The 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.
5. The maximum amount of the loans made to each employee will not exceed \$5,000 in any year. 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 \$1,700,000.
6. 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 of the Companies Act 1993.

#### RESOLUTION

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 22 August 2018:

"NOTED:

- A. *Auckland International Airport Limited (the **Company**) established the Auckland International Airport Limited Share Purchase Plan (the **Plan**) by a trust deed dated 19 November 1999 (the **Trust Deed**) to enable employees to acquire fully paid ordinary shares in the Company. The Plan was established as an "employee share purchase plan" within the meaning of section DF 7 of the Income Tax Act 1994 (which later became sections DC 12 to DC 14 of the Income Tax Act 2007).*
- B. *The Company wishes to amend the Trust Deed to take advantage of the relaxed rules for "exempt ESS" under the Income Tax Act 2007, as reformed by the Taxation (Annual Rates for 2017-2018, Employment and Investment Income, and Remedial Matters) Act 2018 this year ("**Reformed Rules**").*
- C. *Pursuant to clause 15.1 of the Trust Deed, the trustees of the Plan (the **Trustees**) may, with the consent of the Company, vary the Trust Deed provided that the variations would not adversely affect the rights of any employees in respect of an employee's shares held by the Trustee for that employee. The Board has been provided with a copy of the deed of amendment and restatement to the Trust Deed ("**Deed of Amendment**"). Appended to the Deed of Amendment is a copy of the consolidated and restated Trust Deed ("**Consolidated Trust Deed**"), as well as a copy of the Trust Deed with the amendments proposed shown in mark up.*
- D. *Once the Consolidated Trust Deed takes effect, the Company will make the 2018 grant offers pursuant to the Consolidated Trust Deed. The 2018 grant will involve the Company making interest free loans to employees to fund the acquisition of shares in the Company. The shares will be allocated to employees firstly from surplus shares held by the Trustees under clause 6.1 of the Consolidated Trust Deed ("**Surplus Shares**"). To the extent that the number of Surplus Shares being allocated is not sufficient to meet the uptake of offers by participating employees, the Company will issue new shares to the Trustees on behalf of participating employees.*
- E. *The making of loans to employees 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 of the Companies Act 1993 (the **Act**).*
- F. *The Board has been provided with copies of the Deed of Amendment, the Consolidated Trust Deed, the invitation from the Company to be made pursuant to the Consolidated Trust Deed, and the form of directors' certificates to be given by the directors in respect of the issue of shares, the financial assistance and satisfaction of the solvency test.*
- G. *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 section 76(1)(b) of the Act.*

**Resolved:****Financial assistance**

1. *The Company provide to its employees financial assistance of up to a total of \$1,700,000 by way of loans made in accordance with the Plan.*
2. *The giving of the financial assistance is in the best interests of the Company.*
3. *The terms and conditions under which the financial assistance is given are fair and reasonable to the Company.*
4. *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).*
5. *The giving of the financial assistance is of benefit to those shareholders of the Company not receiving the financial assistance.*
6. *The terms and conditions under which the financial assistance is given are fair and reasonable to those shareholders not receiving the financial assistance.*
7. *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:**

1. *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 for those types of plans. 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 16 February 2018 record that the assets of the Group exceed its liabilities (including contingent liabilities) by approximately \$4,093.3 million. The draft annual Financial Statements of the Company record that the assets of the Company exceeded its liabilities (including contingent liabilities) by \$5,673.1 million as at 30 June 2018.*
  - (e) *The amount of the financial assistance to be given under the Plan, if all employees took up their maximum entitlement, will not exceed \$1,700,000.*
  - (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.
8. The financial assistance may be given by the Company not less than 10 working days before and not more than 12 months after this disclosure document has been sent to each shareholder.



## ANNUAL MEETING LOCATION



Vodafone Events Centre,  
770 Great South Road,  
Auckland, Manukau



Wednesday 31 October 2018  
commencing at 10:00 am.

