

# Disclosure and Communication Auckland Airport Policy

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## Purpose

Auckland International Airport Limited ("**Auckland Airport**") is committed to its obligation to inform shareholders (both current and prospective) and market participants of all information that might have a material effect on the price of its shares ("**Material Information**") in accordance with the NZX Listing Rules ("**Listing Rules**").

Auckland Airport has therefore developed this policy to:

- commit Auckland Airport to the continuous disclosure obligations it has pursuant to the Listing Rules; and
- set out the processes followed by Auckland Airport to ensure compliance with those obligations.

This policy applies to all Directors, officers and employees of Auckland Airport and any of its subsidiaries.

In addition, specific obligations apply to Directors, the Chief Executive, Chief Financial Officer, and members of the senior management team and certain other employees who possess information that may be Material Information.

## Continuous Disclosure

Auckland Airport will comply with the continuous disclosure requirements of the NZX and the ASX (the "**Exchanges**"). That is, Auckland Airport must **promptly and without delay** release Material Information (refer to definition below) to the Exchanges upon Auckland Airport becoming **aware** of that information, unless any applicable exemption is satisfied. Material Information must also not be released to any third party until the Material Information has been disclosed to the market.

**"Material Information"** means any information that a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of the issuer's quoted securities, and relates to particular securities, a particular issuer, or particular issuers, rather than to securities generally, or issuers generally.

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Approved for distribution to staff by the Leadership Team and the Board of Auckland Airport – November 2019

## Responsibilities

### Market Disclosure Officer and Board

Auckland Airport has appointed the Company Secretary as Auckland Airport's Market Disclosure Officer. The Market Disclosure Officer is responsible for monitoring Auckland Airport's business to ensure that Auckland Airport complies with its disclosure obligations.

The Market Disclosure Officer shall obtain all necessary information by the Chief Executive:

- requiring his or her direct reports to provide the Market Disclosure Officer with all Material Information in respect of their areas of responsibility; and
- regularly certifying that he or she has provided all Material Information and made all reasonable enquiries to ensure all Material Information has been disclosed to the Market Disclosure Officer.

The Market Disclosure Officer shall then determine what information must be disclosed. After the disclosure has been reported to, and approved by:

- in respect of financial matters, Auckland Airport's Audit and Financial Risk Management Committee of the Board; and
- in respect of other matters, the Chairman of the Board and the Chief Executive,

and the Market Disclosure Officer shall disclose that information to the Exchanges accordingly.

The Chief Executive will be responsible for making the final decision as to whether or not the relevant information requires disclosure to the Exchanges, taking into account the exceptions to the disclosure obligations and any timing requirements for disclosure, as set out below. If necessary, the Chief Executive may consider it appropriate to seek a trading halt from the Exchanges.

### Directors and employees

All Directors and employees of Auckland Airport are responsible for reporting immediately to the Chief Executive and Market Disclosure Officer any information that they consider to be or likely to be Material Information. The Chief Executive and Market Disclosure Officer will immediately report that information to the Board. If any employee fails to report to the Chief Executive and Market Disclosure Officer any such information, then appropriate disciplinary action will be taken.

If unreleased Material Information is unintentionally communicated by Auckland Airport or any of its subsidiaries, in any forum, the Chief Executive and Market Disclosure Officer must be advised immediately so that, following a decision of the Board, the market can be informed.

### Review

The Audit and Financial Risk Management Committee of the Board shall review this policy and the performance of the Market Disclosure Officer every two years.

## Examples of Material Information

The NZX Guidance Note on continuous disclosure provides that, amongst other things, any of the following information is likely to be Material Information:

- any change in the financial forecast or expectation of Auckland Airport;
- any transaction for consideration that is 5% or more of the written down value of Auckland Airport's consolidated assets;
- any proposed change in the general nature of the business of Auckland Airport or the Auckland Airport group;
- giving or receiving a notice of intention to make a takeover; or
- an acquisition or sale of an asset for consideration that is more than 10% of Auckland Airport's average market capitalisation.

A more detailed list of matters that NZX considers likely to be Material Information is set out on pages 6 and 7 of the NZX Guidance Note.

The continuous disclosure requirements in the Listing Rules also apply to Auckland Airport's listed debt securities. However, what constitutes Material Information in relation to Auckland Airport's shares may not be considered material in relation to its debt securities (and vice versa). Any information that relates to the ability to pay interest on, and repay the principal on maturity of, a debt security is likely to be material information. Similarly, any change to, or review of, the credit rating of Auckland Airport or the debt securities themselves is also likely to be material information. Further examples of information that may be material in relation to debt securities is set out on pages 10 and 11 of the NZX Guidance Note.

## Exceptions to disclosure obligation

The Listing Rules provide that disclosure of Material Information is not required where one of five exceptions applies. The exceptions are as follows and only apply if, in each case, a reasonable person would not expect the information to be disclosed and the information is also confidential and its confidentiality is maintained:

- if its release would be a breach of law;
- the information concerns an incomplete proposal or negotiation;
- the information contains matters of supposition or is insufficiently definite to warrant disclosure;
- the information is generated for Auckland Airport's internal management purposes; or
- the information is a trade secret.

Guidance as to whether an exception applies will be provided by a Director, the Chief Executive or the Chairperson of the Board in consultation with the Company Secretary. Employees should not decide that an exception may apply and should therefore always make the internal disclosure as required under this policy.

## Aware

Auckland Airport will become aware of Material Information as soon as a director or senior manager has, or ought reasonably to have, come into possession of the Material Information in the course of the performance of their duties. This means that where a person within Auckland Airport is in possession of information that may be Material Information and that information ought reasonably to have escalated to an appropriate person but was not, Auckland Airport will still be deemed to have been "aware" of the information, regardless of whether that information has actually been escalated to an appropriate person.

## Promptly and without delay

There will inevitably be a period of time between a director or senior manager of Auckland Airport becoming aware of Material Information and the release of information to the market. For example, it may take time to determine that the information in question is Material Information and that none of the exceptions to disclosure outlined above apply. This does not mean, by default, that Auckland Airport has failed to release the Material Information promptly and without delay.

How promptly Auckland Airport is able to release an announcement will depend on the particular circumstances and nature of the Material Information. If the Board considers that it is unable to release information without unreasonable delay, it may consider requesting a trading halt.

## Approval of disclosure

To the greatest extent practicable in the circumstances, the full Board will be given the opportunity to review Exchange announcements disclosing Material Information to the market. However, the Directors accept that, given the time critical nature of the announcement of Material Information to the market, obtaining unanimous Director approval to the announcements may not always be achievable. In any event, any of the Chief Executive and Market Disclosure Officer shall approve the form and content of disclosure of Material Information to the market.

## Communications Framework and Strategy

To assist in the application of this policy and to ensure that communications with all stakeholders are managed efficiently Auckland Airport has developed the following communications framework and strategy:

### 1. Consistency

Auckland Airport ensures that it deals with analysts, media and investor queries in a structured and consistent manner. No person, other than those identified in section 4, may speak with an external party on behalf of the Company without first having sought approval from the Chief Executive.

It is also important that information provided to analysts is consistent with the information provided to the market generally.

## 2. Accuracy, false market, market speculation and rumours

Auckland Airport ensures that all information Auckland Airport provides to analysts, media and investor queries is accurate and verifiable.

Auckland Airport will release Material Information to the Exchanges to the extent necessary to prevent development or subsistence of a false market for Auckland Airport's quoted financial products (i.e. a market which is materially influenced by false or misleading information), where required. Auckland Airport may be required to provide this information even if an exception to the continuous disclosure rules (discussed above) applies.

Auckland Airport's general policy on responding to market speculation and rumours is that it does not respond to market speculation or rumours. However, the Chairperson of the Board, Chief Executive, Chief Financial Officer, or the Board (as applicable) may decide to make a statement in response to market speculation or rumours if:

- they consider that Auckland Airport is obliged at that time to make a statement to the market about a particular matter;
- they consider it prudent in order to prevent or correct a false market occurring in Auckland Airport's quoted financial products; or
- an Exchange asks for information to clarify the market speculation or rumour.

If Auckland Airport does not have Material Information with which to respond to the rumour, then it can simply confirm that it is in compliance with its continuous disclosure obligations.

## 3. Open Door

Auckland Airport adopts an open door policy, in that it endeavours to respond to reasonable requests from analysts and the media on demand (reasonable in respect of the frequency and scope of demands). Auckland Airport is mindful of the fact that the markets do not like surprises, and need to be kept informed of all matters, regardless of whether they will have a positive or negative impact.

Information released should be transparent in respect of past or historical results, while drawing a distinction in respect of future outlook.

## 4. Contacts

In order to ensure consistency, the Chief Executive and Chief Financial Officer are to be the only points of contact for analysts. The Chairman, the Chief Executive and the General Counsel are to be the only points of contact for media or investor relations issues. General Managers may be invited to deliver a presentation or assist with the question and answer process if special topics require. General Managers will be invited at the discretion of the Chief Executive.

It is important that there is complete consistency of comment by Auckland Airport representatives involved.

## 5. Briefings

Auckland Airport will have two regular scheduled briefing sessions per year for analysts and media. These sessions will be held immediately following the release of interim and final financial accounts to the Exchanges. This will occur around the end of February and August each year and will involve a presentation by the Chairman, Chief Executive and Chief Financial Officer (and any General Managers deemed appropriate).

## 6. Road Show

Within a week or ten days of holding the briefings referred to above, the Chief Executive and Chief Financial Officer must be available to travel to Wellington to deliver repeat performances of the briefings.

Consideration will also be given to repeating the presentation to major overseas institutional investors if their holdings warrant such attention.

## 7. Local Body Shareholders

Following announcement of the annual result, meetings will be held with representatives of the major local body shareholders, repeating the media / institutional presentations and answering any queries.

## 8. Profile Information

Auckland Airport will develop a data sheet or booklet which will contain updated information, specifically targeted for analysts, such as key value drivers.

## 9. Rules

Auckland Airport determines at the outset the rules by which the relationship with analysts will be governed, for example:

- Auckland Airport being permitted to preview publications / reviews before they are printed, to ensure there are no basic misunderstandings;
- Auckland Airport requests that analysts and media publish information without attributing comments to Management generally, or to individual Managers; and
- Auckland Airport will not endorse, or be seen to endorse, analyst reports or the information they contain.

## 10. Press Releases

Auckland Airport releases information to the market immediately after notifying the Exchanges, through frequent press releases (using email and Auckland Airport internet site).

## 11. Share Register

Auckland Airport will regularly monitor the share register to observe significant changes in shareholdings. A weekly report will be requested from the Share Registry, detailing all transactions involving more than 50,000 shares.

## 12. Confidentiality

Auckland Airport will enter into confidentiality agreements with advisors and other service providers before passing on confidential information.

## 13. Monitor and Evaluation:

Auckland Airport will:

- monitor and assess all press comments;
- monitor and assess brokers' reactions / circulars; and
- assess required level of press follow-up (if necessary).

## 14. Target Audiences

Auckland Airport will identify key target audiences, compile database and communications strategies for:

- (a) Media - National and regional financial and business press
  - Specialist trade press
  - Financial and business correspondents on national broadcast media
- (b) Investment Community - Stockbrokers
  - Investment Analysts
  - Institutional Investors
  - Banks
  - Finance Houses
- (c) Employers - Management
  - Staff
  - Bluecoats

## References

NZX Listing Rules  
NZX Guidance Note on Continuous Disclosure

## Next Review

November 2021