

# Infrastructure Development Committee Charter

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**Auckland International Airport Limited (“Auckland Airport”)**

**Infrastructure Development Committee (“Committee”)**

## **1. Role**

The primary objective of the Committee is to assist the Board to fulfill its governance responsibilities relating to Auckland Airport’s ongoing infrastructure development.

Specifically, in order to fulfill its role the Committee will provide formal recommendation(s) to the Board on key decision points relating to the sequencing, design and construction of significant infrastructure projects.

Specifically, the Committee will oversee and provide feedback to the Board on:

- Procurement strategy and tendering processes associated with key airport infrastructure projects;
- Prioritisation and sequencing of projects;
- Option and design development of projects including associated enabling works;
- The award of major infrastructure project contracts for both design and construction activities; and
- Major project progress through the procurement phase.

Investment Property and ICT projects are excluded from the Committee’s scope.

## **2. Structure and Composition**

The Committee shall comprise a minimum of four Directors, with a quorum of two, all of whom shall be non-executive Directors. Members will be appointed by the Board and will hold office until changed by Board resolution. The majority of the members shall be independent. The Chairperson of the Committee shall be an Independent Director and shall not be the Chairperson of the Board. The members of the Committee are expected to have the capacity to devote the required time and attention to prepare for and attend Committee meetings.

Management will not be represented on the Committee, but the Company Secretary or other legal counsel will be Secretary to the Committee, and the Chief Executive and the General Manager Airport Development and Delivery shall attend meetings, in each case where the Committee thinks it is appropriate.

### **3. Access and Authority**

The Board authorises the Committee, within the scope of its responsibilities, to:

- (a) seek any information it requires directly from any employees of Auckland Airport or external persons;
- (b) obtain external legal or other professional advice if it considers necessary; and
- (c) require the attendance of employees of Auckland Airport at meetings as appropriate,

and to have direct communication with, and unrestricted access to, any such employees or external advisors as the Committee may deem appropriate.

Members are entitled to rely on information or advice from Auckland Airport employees on matters within those employees' responsibility, and on external professional advisers or experts (including Auckland Airport's auditors) on matters within those advisers' and experts' professional or expert competence, provided that:

- (a) the Committee members do not know, or have no reason to believe, that such reliance is unwarranted;
- (b) the Committee members have reasonable grounds to believe that each person on which the Committee relies is reliable and competent in relation to the matters concerned; and
- (c) the Committee members make proper inquiry where the need for inquiry is indicated by the circumstances (including whether further information is required or available in order to make a decision on a given matter).

Each Committee member must apply an independent and enquiring mind, as well as his or her own knowledge of Auckland Airport and its business, to evaluate a given matter, and to form his or her own opinion on that matter, and no information or advice provided by an employee or external professional adviser shall be a substitute for a Committee member's own examination of important matters.

The Board may rely on information provided by the Committee and its members in relation to matters within the Committee's responsibility under the terms of this Charter (subject to the same provisos as set out above).

It is the responsibility of each Committee member to bring to the attention of the Committee any issue which a Committee member becomes aware of which is relevant to the ability of the Committee to fulfill its responsibilities under this Charter.

The Committee may delegate any of its responsibilities to the Chairperson of the Committee or a subset of its members from time to time and on such terms as the Committee considers appropriate.

#### **4. Responsibilities of the Committee**

The responsibilities of the Committee will include:

- (a) meeting with management and employees of the Company to discuss infrastructure development as required;
- (b) forming a view, and making a formal recommendation to the Board, at key decision points in relation to the development and procurement of infrastructure (the “Committee Recommendation”). The Committee Recommendation should include, amongst other things, an analysis of the possible risks/ rewards associated with pursuing the recommendation course of action;
- (c) ensuring that processes are in place so that the Board is properly and regularly informed and updated on matters relating to infrastructure development, and monitoring those projects;
- (d) reviewing Auckland Airport’s procedures for identifying and managing relevant risk, including without limitation monitoring Auckland Airport’s actual and potential exposure to identified relevant material and strategic risks;
- (e) periodically reviewing infrastructure development plans, budgets and organisational structures; and
- (f) acting in accordance with specific delegations from the Board.

#### **5. Meetings**

The Committee should meet formally at least four times per year and at other times as appropriate. The proceedings of all meetings should be minuted.

The Committee, where the Committee thinks it is appropriate in its discretion, may:

- (a) invite any person to attend meetings of the Committee, and may request any such invitee to retire from a meeting of the Committee at any time; and
- (b) visit sites at Auckland Airport.

#### **6. Accountability and Reporting**

The Committee is accountable to the Board. In this regard, the Committee shall:

- (a) regularly report to the Board on all matters relevant to the Committee's responsibilities and make appropriate recommendations;
- (b) ensure that the Board is made aware of any matters which may significantly impact on the risk profile of Auckland Airport and its business; and
- (c) provide copies of minutes of all Committee meetings to all members of the Board at the next scheduled meeting of the Board.

The Committee shall review and assess the adequacy of this Charter annually, discuss any required or recommended changes with the Board, and ensure any revisions to the Charter are approved by the Board.

**Next Review**

February 2020