

# Safety and Operational Risk Committee Charter

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## **Auckland International Airport Limited (“Auckland Airport”) Safety and Operational Risk Committee (“Committee”)**

### **1. Role**

The primary objective of the Committee is to assist the Board to fulfill its corporate governance and responsibilities relating to health and safety and operational risk management and compliance.

Specifically, the Committee oversees and makes recommendations to the Board on the safety (including health and safety), environmental and operational risk profile of the business, and ensures that appropriate policies and procedures are adopted for the timely and accurate identification, effective management and reporting of the significant risks.

Specifically, in order to fulfill its role the Committee reviews and monitors the application of the Auckland Airport's enterprise-wide processes for identifying and managing:

- Occupational health, safety and wellbeing matters;
- Public safety and operational risk;
- Commercial operational risk;
- Human rights violation risk;
- Sustainability risks and opportunities, including physical and transitional climate change risks; and
- Community and reputational matters,

and reports and makes recommendations to the Board accordingly.

### **2. Structure and Composition**

The Committee shall comprise a minimum of three 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 it would be usual for the Company Secretary to be invited to act as Secretary to the Committee, and the Chief Executive, the General Manager Corporate Services, the General Manager Aeronautical Operations and the Head of Health and Safety to 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 this is 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 members may deem appropriate.

Members will be given the opportunity to participate in Health and Safety related technical or professional development courses each year. The Chair will review with each member of the Committee their requirement for health and safety technical or professional development, on an annual basis.

The Committee shall identify / arrange appropriate Health and Safety related technical or professional development for all Directors of Auckland Airport. This development may include courses, briefings and updates on legal developments and governance practices in Health and Safety.

Members should also participate in work site visits to assist them in keeping up to date with operational risks and other relevant issues. Members should advise management that health and safety-related work site visits / observations have been undertaken.

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.

All directors of the Board will be advised of any work-related fatality that occurs at Auckland Airport as soon as is practicable, and in any event within 24 hours of the fatality occurring.

The Chair of the Committee will be advised of any Notifiable Injury that occurs at Auckland Airport, within 24 hours of the injury occurring.

The Board will be advised of any Notifiable Incident (non-injury) that occurs at Auckland Airport, in the course of regular monthly Health and Safety reporting.

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

The responsibilities of the Committee will include:

- (a) in relation to each of the six areas in which it has a specific role (Occupational Health, Safety and Wellbeing, Public Safety and Operational Risk Management, Commercial Operational Risk Management and Community and Reputational Matters):
  - (i) considering and recommending for Board approval all major policy issues with the potential to affect Directors, including any significant proposed changes to Auckland Airport's relevant policies and practices, including the enterprise-wide Safety Management System Framework, which should be submitted to the Committee by Management for consideration;
  - (ii) considering and recommending to the Board whether any changes to Auckland Airport's policies and practices are required as a result of changes to any generally-accepted principles or statutory requirements (for example, in relation to occupational health and safety management);
  - (iii) ensuring that processes are in place so that the Board is properly and regularly informed and updated on matters relating to governance, performance and compliance as these impact relevant matters within the Committee's areas of responsibility, and monitoring those processes;

- (iv) reviewing Auckland Airport's system(s) for monitoring compliance with both relevant applicable law and Auckland Airport policies;
  - (v) 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, and whether those identified risks comprehensively cover Auckland Airport's current risk profile;
  - (vi) obtaining regular reports from Management on the operation of Auckland Airport's relevant risk management, compliance and internal control processes;
  - (vii) evaluating the adequacy of Auckland Airport's relevant systems for the reporting and management of actual or potential incidents and breaches, subsequent investigations and remedial actions;
  - (viii) ensuring that this Committee's and the Board's directions to Management on Health, Safety and Wellbeing matters are acted upon in a timely fashion; and
  - (ix) evaluating the appropriateness of the functions of relevant internal control and internal audit within Auckland Airport as well as meeting directly with Auckland Airport's auditors following all significant Health and Safety audits,
- (b) providing an annual assessment to the Board of the Auckland Airport's risk profile and compliance and control processes. Such reports should highlight the main risks to Auckland Airport's performance and how these are managed under the risk management framework;
  - (c) ensuring that there are plans and strategies in place that would appropriately ensure that Auckland Airport could maintain business (operational and financial) continuity in the event of adverse circumstances;
  - (d) ensuring the use of sustainability disclosures to accurately measure progress and performance of Auckland Airport's business for the long term;
  - (e) reviewing Auckland Airport's policies of insurance in place from time to time, having regard to the insurable risks specific to Auckland Airport. No material changes to any insurance policy shall occur without the approval of the Board, as recommended by the Committee;
  - (f) periodically reviewing Health and Safety plans, budgets and organisational structures to ensure adequate provision has been made;
  - (g) ensuring that Auckland Airport has adequate resources and processes in place to plan for and respond effectively in an emergency; and
  - (h) receiving a report of an annual management review of Health and Safety policies and practices.

## **5. Meetings**

The Committee should meet formally at least three 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**

October 2022