

**AIRWAYS CORPORATION OF NEW ZEALAND LIMITED**

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS  
OF AIRWAYS CORPORATION OF NEW ZEALAND LIMITED  
HELD IN PERSON AND VIA TEAMS CONNECTION  
ON TUESDAY 30 AUGUST 2022 AT 8:15AM – 4.30PM**

**Present:** Mark Pitt (Chair), Darin Cusack, Lisa Jacobs, Mark Hutchinson, Nicola Greer,  
John Holt, and Gavin Fernandez.  
Denise Church joined online from approximately 8.15am to 11.50am

**Apologies:** Nil

**In attendance:** James Young, Acting CEO  
Kim Nichols, Head of Safety and Assurance  
Katie Wilkinson, GM Air Traffic Services  
Jamie Gray, Head of Public Relations & Acting Head of People and Capability  
Erin Lee, Acting Chief Financial Officer  
Fiona Shine, Head of Legal and Regulatory  
Johl Steel Brown, Manager Strategic Air Traffic Services  
Geoff Peck, Acting Chief Information Officer

**BOARD ONLY TIME**

The Board met alone from approximately 8.15am – 8.30am.

The Board and Acting CEO met without management present from approximately 8.30am – 9.40am.

**FORMAL BOARD AGENDA**

The Board Meeting commenced at approximately 9.40am.

**ITEM 1.0 STRATEGIC PAPERS / PRESENTATION**

The Board agreed to discuss item 1.2 from the agenda as the first agenda item.

Item 1.2 ***Airspace Optimisation Programme (AOP) Update***

Johl Steel Brown joined the meeting at approximately 9.43am.

Management presented a detailed update on the programme. The Board discussed the programme and noted that the AOP strategy will continue to evolve and be further influenced by the refreshed Airways strategy.

Management reported that a further AOP update would be presented to the Board next month. The Chair thanked management for the presentation.


The Board **noted** the AOP Update.

Johl Steel Brown left the meeting at approximately 10.26am.

Item 1.1 ***Auckland Tower Programme Update***

Management gave a detailed presentation on the programme, including the rationale for management's recommended preferred option and implementation approach.

s9(2)(g)(i)&s9(2)(i)



The Board acknowledged the need for a no surprises, transparent and genuine consultation with stakeholders on the three options and the preferred option, and that it would be an opportunity to reset the relationship with the industry.

The Board requested that it be provided with regular updates on the programme.

The Board:

- **noted** the preferred option of a hybrid solution for Auckland;
- **endorsed** an implementation approach that retains the option of a digital tower if all decision criteria can be met within the 2024 timeframe; and
- **endorsed** a full consultation (moved by Mark Hutchinson and seconded by Gavin Fernandez).

ACTION: The Board requested that management present the consultation paper for approval at the September Board meeting

*Board broke from approximately 11.40am -11.50am*

Item 1.3      ***Infrastructure Update***

Geoff Peck joined at 11.50am and provided an update on issues regarding Airways' technology, noting the importance of the technology for Airways' refreshed strategy going forward.

s9(2)(g)(i)



Management reported on the implementation of the Service Now technology and the Board noted the positives of the technology and that it would assist in mitigating the risk of future technology issues.

The Board **noted** the Infrastructure Update.

Geoff Peck left the meeting at approximately 12.29pm.

Board broke for lunch from approximately 12.30pm - 1.09pm.

Jamie Gray and Erin Lee joined the meeting at 1.09pm

#### ITEM 5.0 PAPERS FOR APPROVAL OR ENDORSEMENT


s9(2)(i)



The Board **approved** the:

- a) Engagement letter for the annual audit of the Group's financial statements for the years ending 30 June 2022 to 30 June 2024 (Appendix A);
- b) Engagement letter for the audit assurance procedures for the Company's Economic Value Added (EVA) Reporting Framework for the year ended 30 June 2022 (Appendix B);
- c) Engagement letter for the audit assurance procedures for the Student Fee Protection Trust for the year ended 30 June 2022 (Appendix C); and

s9(2)(b)(ii)



The Board **authorised** the Chair of the AFC to sign the three engagement letters (Appendix A, Appendix B and Appendix C) and acknowledgment of use of offshore delivery centres (Appendix D) (*moved by Gavin Fernandez and seconded by Darin Cusack*).

#### Item 5.2 **Student Fee Protection Trust**

Management reported that PwC had reported no concerns and provided a sign off letter, and that management had also provided a back-to-back representation letter to the Board.

The Board:

- **endorsed** the PwC independent assurance review of the Student Fee Protection Trust; and
- **authorised** the Board Chair and Chair of the AFC Committee to sign the Audit Representation Letter in support (*moved by Mark Hutchinson and seconded by John Holt*).

#### Item 5.3 **Final 2021/2022 Airways Integrated Annual Report**

Management reported that the feedback from the Board in the July meeting and further feedback from the Audit and Finance Committee had been incorporated into the Annual Report.

The Board noted that the Audit and Finance Committee had completed a page turn and recently endorsed the Report.

The Board congratulated management on their efforts.

The Board:

- i. **approved** the annual report and group financial statements (Appendix A);
  - ii. **approved** the annual group results announcement for Treasury (Appendix B);
  - iii. **approved** the media release (Appendix C);
  - iv. **noted** the representation letter signed by Management (Appendix D);
  - v. **Approved** and **authorised** two directors to sign the audit representation letter required by PwC) (Appendix E); and
  - vi. **noted** the final PwC Audit Report (Appendix F)
- (moved by Gavin Fernandez and seconded by John Holt).*

#### Item 5.4 ***Have Your Say Workplan***

Jamie Gray presented the paper reporting that, as requested by the Board at the June meeting, management had been open and transparent with staff about the outcomes of the survey and the proposals to address the concerns raised. Management reported on the other actions taken since the last Board meeting to reset and rebuild trust within Airways. The Board congratulated management on their actions and stressed the need to continue to be visible and transparent with staff.

The Board **noted**:

- the Have Your Say progress to date along with next steps; and
- that management would provide an update on the initiatives to address the concerns at the November meeting.

#### Item 5.5 ***2022 IEA Remuneration Review Recommendation***

s9(2)(i)



The Board:

- **approved** the FY22 remuneration review outcomes.
- **approved** the Board approval for use of the requested drawdowns from the CEO Discretionary Fund.
- **approved** the payment of 2021/22 Variable Performance Component for Airways International Limited

*(moved by John Holt and seconded by Nicola Greer).*

Item 5.6      ***Removal of Graeme Sumner as a director of Airshare Limited and Intragroup Transfer of Airshare Limited to Airways International Limited***

In accordance with section 156 of the Companies Act 1993, the Board **approved** the removal of Graeme Sumner from the office of director for Airshare Limited with effect from the date of today's Board meeting.

In accordance with clause 12.2 of the Airshare Limited Constitution, the Board **approved** the appointment of Sharon Cooke as a director of Airshare Limited with effect from the date of today's Board meeting.

The Board:

- **approved** the sale of its 100 ordinary shares in Airshare Limited on the terms and conditions of the attached Share Purchase Agreement (SPA).
- **approved** entry into the SPA.
- **approved** that management, on behalf of ACNZ, be authorised to execute the:
  - SPA; and
  - Share transfer form.
- **authorised** management to do all things and acts (or to procure that they are done), necessary or desirable, to give effect to these resolutions including, updating the directors' interest register and Companies' Office.

*(moved by Nicola Greer and seconded by Lisa Jacobs).*

Item 5.8      **Proposed amendments to Whistle-blower Policy, Whistle-blower process and Anti-Bullying and Harassment Policy**

The Board noted that the documents had been reviewed and edited by external lawyers.

ACTION: The Board queried the deletion of clause 2.1.2.(2) from the Whistle-blower process and requested that management consider its reinsertion.

Subject to resolution of the above action, the Board **approved** the proposed amendment to the Whistle-blower Policy, Whistle-blower process and Anti-Bullying and Harassment Policy *(moved by Gavin Fernandez and seconded by Lisa Jacobs).*

**ITEM 2.0      BOARD MATTERS**

Item 2.1      ***Continuous Disclosure***

No matters raised.

Item 2.2      ***Register of Directors' Interests***

The Board **noted** the amended Register of Directors' Interests.

An update was provided by Lisa Jacobs and Mark Hutchinson.

Item 2.3      ***Minutes of Board Meeting held 21 July 2022***

The Board **approved** the minutes of the previous Board meeting held on 21 July 2022 as a true and correct record of that meeting. *(Moved by Gavin Fernandez, seconded by Darin Cusack).*

Item 2.4      ***Matters Arising and Action Items***

The Board **noted** the Matters Arising and Action Items from the 21 July Board meeting.

Item 2.5      ***Proposed agenda topics for future meetings***

The Board **noted** the proposed agenda topics for future meetings, including the ALPA presentation and the consultation paper on the Digital Tower.

**ITEM 3.0      HEALTH AND SAFETY**

Item 3.1      ***Board Company Safety Report***

The Board discussed the paper, including:

- the Airways crisis response plan in the event that a further ILS type incident occurs;
- the need to ensure that implementation of projects does not impact Airways' services or wellbeing of staff and noted that once the refreshed strategy is agreed, management will consider resourcing; and
- noting that a safety culture summary including full presage report had been made available to all staff.

The Chair congratulated management on their efforts.

The Board **noted** the Company Safety Report.

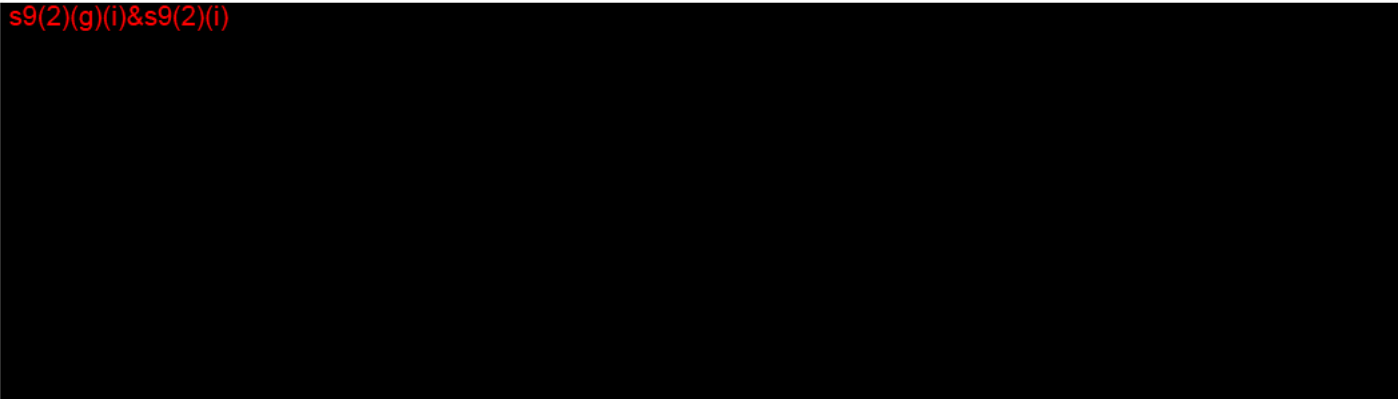
**ACTION:** The Board requested that management put the Report in the Resource Centre.

**ITEM 4.0      PERFORMANCE**

Item 4.1      ***CEO Executive Summary and Company Performance Report***

The paper was taken as read.

s9(2)(g)(i)&s9(2)(i)





The Board discussed management's efforts to improve Airways' culture and noted that Directors will be invited to attend the Values Awards in November.

The Board **noted** the CEO Executive Summary and Company Performance Report.

**ITEM 6.0 PAPERS FOR INFORMATION**

No matters were raised.

**ITEM 7.0 PAPERS FOR DISCUSSION**

No matters were raised.

**ITEM 8.0 OTHER MATTERS**

Item 8.1 ***Next Board Meeting Arrangements***

The next Board meeting will be held in Wellington on 20 September 2022.

Item 8.2 ***Board Workplan 2022***

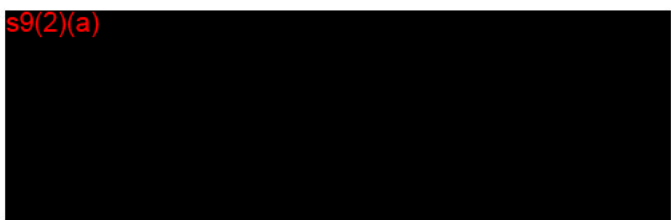
The Board **noted** the work plan for 2022.

Item 8.3 ***End of Meeting Reflection***

**CLOSE OF MEETING**

There being no further business, the formal Board meeting concluded at approximately 2.24pm and was followed by an AIL Board meeting and then period of ACNZ Board only discussion.

s9(2)(a)



Chair

24/11/22

Date