

**AIRWAYS CORPORATION OF NEW ZEALAND LIMITED**  
**MINUTES OF BOARD OF DIRECTORS**  
**OF AIRWAYS CORPORATION OF NEW ZEALAND LIMITED**  
**BY ZOOM VIDEO CONFERENCE**  
**TUESDAY 14 DECEMBER 2021 AT 9:00AM TO 12:00PM**

**Present:** Denise Church (Chair), Mark Pitt (Deputy Chair), Darin Cusack, John Holt, Lisa Jacobs, Paula Jackson, Mark Hutchinson and Nicola Greer

**Apologies:** Nil

**In attendance:** Graeme Sumner, Chief Executive Officer  
James Young, Chief Financial Officer  
Katie Bhreatnach, GM Customer and Regulatory Partnerships  
Kim Nichols, Head of Safety & Assurance  
Mark Daldorf, Head of People & Capability

**BOARD ONLY TIME**

The Board met for Board only time from approximately 9:00AM to 9:30 AM.

The Board and CEO met without management present from approximately 9:30 AM to 10:00AM and noted updates on staffing, vaccine policy and service interruption.

*The Board took a break from approximately 10:00AM – 10:20AM.*

**FORMAL BOARD AGENDA (commenced at approximately 10:20 AM)**

On behalf of the Board, the Chair acknowledged and thanked management for a challenging year, that has involved hard work, stressors, and challenges, and asked that management pass the Board's thanks on to their teams. Airways has played a major part in keeping New Zealand connected and will continue to do so over the coming period.

The Board **noted** the Wellington 16 ILS GlidePath had a failure on Sunday. An update had been provided to the Board by email earlier today as follows:

An antenna has been replaced and the ILS repaired. It has passed ground tests. It now requires a flight calibration test to return the ILS to operational service. This will be by our flight inspection aircraft based in Paraparaumu. This requires 2000' VFR minima conditions. Weather conditions at Wellington currently prevent this from happening. The flight inspection team are in liaison with Wellington tower to determine when they might be able to conduct this inspection. We are unable to put it back in to operation until the weather clears sufficiently for the instrument flight inspection team to test it with a flight. The CAA and Air New Zealand are aware, and we will have situation reports keeping us up to date through the day. The Board requested to be kept up to date with the situation and lessons learned review.

#### **ITEM 1.0 STRATEGIC PAPERS AND PRESENTATION**

No matters were raised

#### **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.

##### **Item 2.3 *Minutes of Board Meetings held 18 November 2021***

The Board **approved** the minutes of the previous board meeting held 18 November 2021 as a true and correct record of that meeting, (moved by John Holt, seconded by Lisa Jacobs).

##### **Item 2.4 *Matters Arising and Action Items from the October Meeting***

The Board **noted** the Matters Arising and Action Items from the August meeting. Refresh formulation. **ACTION:** reactivating connection with the Air NZ safety subcommittee: Mark Pitt has reached out to his counterpart for an introductory call, but there remains an intention to have a Board to Board contact in the New Year. The Chair will also meet **s9(2)(a)** in the New Year.

**ACTION:** the Board noted that Voice of Customer options will be presented at the January meeting.

### **ITEM 3.0 HEALTH AND SAFETY**

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

Kim Nichols provided a verbal update as follows: The Safety Culture Programme continues to make progress, with the Working Groups meeting on 15<sup>th</sup> December to discuss initial recommendations. The Programme Control Group will meet prior to Christmas to discuss these with the Working Group members and then provided to the Executive Leadership Team early February. This will be followed up with the Safety Sub Committee, also in February. **ACTION:** provide and update in the January Board papers through the Company Safety report. **ACTION:** provide a presentation on the recommendations to the Safety Sub Committee in February and then the Full Board in February or March

It was noted that there have been stresses and challenges in the conversations on vaccination policy, and leaders are working to give people space and support.

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

Katie Wilkinson provided an update on operations and preparedness for the upcoming busy period. She noted the following: ATS has been working for several weeks to prepare for the traffic light system changes and associated increase in traffic volumes across the network. Consideration for controller proficiency has been top of mind so several activities have been underway to return rosters to normal levels, conduct increased simulator and refresher training, targeted engagement from unit level procedures and operational safety teams. It is recognised that airspace users, particularly the airlines (AirNZ) will be doing the same and we are very aware of the complexity that this brings. We remain closely connected with particularly the airlines regarding their anticipated schedules in order to ensure proactive planning for their implementation We continue to see good levels of reporting

*The Board broke from 11:20AM – 11:25AM.*

### **ITEM 4.0 PERFORMANCE AGAINST BUSINESS PLAN**

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

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

Update from James Young and Katie Bhreatnach on airline meeting. Great engagement, and positive feedback about the consultative process. Noted challenges for offshore airlines if New Zealand sustains isolation policy and key interest in “absolutely necessary” capex.

Graeme provided an update on engagement with the Transport Leadership Group, noting the CAA said they will inform not consult regarding its position on Covid. From his meeting with Gisborne and Eastland Port, Graeme noted there were freight delays and slackening of demand on bulk exports. Airport projects re-instigated but constraint across the Board to deliver.

Graeme provided a Union negotiation update advising the board of a cessation in bargaining with ALPA until the new year.

Katie Wilkinson, James Young, Jamie Gray, Katie Bhreatnach, Graeme Sumner and s9(2)(a) met with s9(2)(a) from MoT and s9(2)(a) drafted our input. The submission will be provided to the Board, and a discussion held in the January Board meeting. Treasury is making a submission themselves, requesting the review be much wider than currently a review of ANS system. We understand airlines will be pushing for a similar scope. **ACTION:** The MoT document will be put in the resource centre. Mark Hutchison requested a discussion in January on the progress on the Review, as we are seeking to influence the Terms of Reference.

Other matters noted included the potential for rising opex, collective expectations, and changing outlook for traffic volume. Other ANSPs have had significant price increases.

It was noted that this is the end of a year of hard work which has not always led to projects coming to fruition as intended – so disappointing for staff who have worked on these.

## **ITEM 5.0 PAPERS FOR APPROVAL / ENDORSEMENT**

### **Item 5.1 Audit Plan**

PWC attended the AFC. Major points of discussion were impairment and testing the audit fees. Good discussion around fraud – awareness and avoidance being an area of important focus for Directors, and agreed that it will be brought into the annual work plan of the AFC.

The board

- a. **Noted** the AFC endorsed the proposed Audit Plan at the November meeting
- b. **Approved**
  - o The PwC 2021/22 audit plan and fee proposal (Appendix A)
  - o Engagement letter – Group (Appendix B)
  - o Engagement letter - Student Fee Protection Trust (Appendix C)
- c. **Authorised** the Chair of the AFC to sign both engagement letters (Appendix B and Appendix C)

(moved by Darin Cusack, seconded by John Holt).

*Mark Daldorf joined the Board meeting.*

**Item 5.2 Code of Conduct Policy**

Mark Daldorf **noted** this was previously considered by the People and Capability Committee, that these are minor changes and that the Code is robust and serves us well when we need to use it.

The Board **approved** the changes made to the Code of Conduct Policy (moved by Lisa Jacobs, seconded by Mark Hutchinson).

The Board noted they are sorry to see Mark Daldorf moving on from the organisation and hope for an opportunity to meet face to face to thank him for his contributions to Airways.

**ITEM 6.0 PAPERS FOR INFORMATION**

**Item 7.1 Sidney Dekker overview**

The Board

- a. **noted** the key messages of the Sidney Dekker masterclass series
- b. **noted** that other leading safety professionals<sup>1</sup> may have competing or divergent views which should also be considered for applicability, and
- c. **noted** that further consideration lead by the Safety and Assurance Team will develop any appropriate recommendations to integrate into the strategic roadmap for Safety

**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 Tuesday, 25 January 2022 via Video Conference.

**ACTION:** The Chair would like to meet in person in February 2022. If it is not possible to meet in person at Airways premises in February, to meet elsewhere, and encouraged Directors to contact her

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if any concerns meeting kanohi te kanohi. Noted also we should have a new director colleague joining well in to the New Year.

## Item 8.2 **Board Work Plan 2022**

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

The Chair **noted** that the Board greatly appreciates the steady support provided by the CEO and management. To fellow directors, the Chair **noted** that they are a great bunch of people to work with and that she greatly appreciated their sustained energy across the year, and their intense interest in the well being of the organisation. As agreed last month Directors would finish each meeting with a brief review. The Chair's question was reflecting on this meeting or recent meetings, what has been particularly useful in helping us function well?

Lisa Jacobs: adding colour to reports through questioning and discussion.

Darin Cusack: ongoing chairing and leadership on keeping us on track.

Mark Pitt: conduct of the orchestra and kept us all in tune and done an amazing job of that. All seen the effort, the time put in behind the scenes. Deeper conversations enriches things.

Mark Hutchinson: quality of the ELT reports and the time to slow down, explore and make it real really helps. Thanks to Mark Pitt for helping that. Open conversation which is not defensive helps. Chairing – including adaptation to zoom chairing.

John Holt: continued application of the team – ELT and Directors. Keeping focused in an incredibly difficult time.

Graeme Sumner: value is to hold us to account and hold mirror up to have us not believe our own rhetoric too much. Eyes and ears to keep us on track. External voices and stakeholder also.

The Chair wished everyone a happy Christmas and new year. Stay safe, with whanau and friends, whoever it might be. Hope very much it will be a smooth and easy process over the next few weeks. We have all got used to adapting. To the extent possible, relax and enjoy it and look forward to seeing you all in the new year.

## **CLOSE OF MEETING**

There being no further business, the meeting concluded at approximately 12:10 PM.

s9(2)(a)



Chair

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Date

