

AIRWAYS CORPORATION OF NEW ZEALAND LIMITED

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS

OF AIRWAYS CORPORATION OF NEW ZEALAND LIMITED

HELD AT AIRWAYS OFFICES, 26 SIR WILLIAM PICKERING DRIVE, CHRISTCHURCH

ON TUESDAY 23 MAY 2023 AT 9.00AM – 4.30PM

Present: Denise Church (Chair), Mark Pitt (Deputy Chair) Darin Cusack, Mark Hutchinson, John Holt, Gavin Fernandez (via Teams), Terry Paddy

Apologies: Lisa Jacobs (leave of absence)

In attendance: James Young, CEO
Katie Wilkinson, GM Air Traffic Services
Erin Lee, Acting Chief Financial Officer
Geoff Peck, Chief Information Officer
Jamie Gray, Head of Public Affairs & Acting Head of People and Capability
Kim Nicholls, Head of Safety and Assurance
Sharon Cooke, CEO Airways International Limited
Fiona Shine, Head of Legal & Company Secretary
s9(2)(a) , AMEA representative
s9(2)(a) , AMEA representative
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The Board met alone from approximately 9.00 – 9.40am.

FORMAL BOARD AGENDA

The Chair opened the meeting at approximately 9.40am.

The Chair noted that Lisa Jacobs was on special leave and was an apology for the meeting.

ITEM 1.0 BOARD MATTERS
Item 1.1 ***Continuous Disclosure***

No matters were disclosed.

Item 1.2 ***Register of Directors' Interests***

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

Mark Hutchinson declared a potential conflict of interest regarding his nomination as the new candidate to contest the Napier seat in the forthcoming general election. The Chair noted that whilst the Board was a strictly A-political team, they wished Mr Hutchinson well in his pursuits. The Board noted that Mr Hutchinson would appoint an alternate and requested that the Company Secretary draft the necessary paperwork.

ACTION: Paperwork to appoint an alternate director to be drafted.

Item 1.3 ***Minutes of Board Meeting held 18 April 2023***

The Board **approved** the minutes of the previous ACNZ Board meeting held on 18 April 2023 as a true and correct record of that meeting.

The Chair highlighted the list of strategic risk issues generated at the end of the April meeting and requested that the Board keep them front of mind for the day's meeting.

Item 1.4 ***Matters Arising and Action Items***

The Board **noted** the Matters Arising and Action Items from the 18 April 2023 Board meeting.

Item 1.5 ***Reappointment of Mark Pitt to the AIL Board***

Mark Pitt declared an interest in the agenda item and refrained from voting on the resolution.

In accordance with Part C, clause 2 of the AIL constitution, the Board (as shareholder of AIL):

1. **approved** the reappointment of Mark Pitt as a director of AIL from 1 May 2023 until 31 October 2023; and
2. **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 Companies' Office.

The meeting was adjourned at 9.45am.

The meeting recommenced at 11am. The Board noted that AMEA were due to visit at 12pm and agreed to reorder the agenda.

ITEM 2.0 STRATEGIC PAPERS / PRESENTATIONS

Item 2.1 ***ATS Future Services – Key problem statements***

Management presented the paper and the ATS Future Services 2033 roadmap noting that the feedback and questions from the previous meeting had been included in the latest iteration.

The Board had a wide-ranging discussion and provided comprehensive feedback to management on the problem statements including consider:

- expanding the duration of the strategy to a later date of 2045 to synchronise with other aviation players;

- inclusion of strategies to increase project delivery resilience to ensure projects are completed in a timely and exemplary manner;
- s6(a)
- potential ICAO SARPS or other standards or policy in connection development of the digital strategy;
- strategies to further develop the relationship with the CAA to ensure a united approach to proactively working towards a digital future; and
- how to adapt the existing system for generational change and for a contemporary future aviation workforce.

The Board discussed other parts of the ATS strategy and gave feedback to management, including requesting:

- 'scenarios' of the future vision be added;
- safety by design to be threaded through the entire strategy; and
- inclusion of strategies to 'enable' the future vision.

Katie Wilkinson left the meeting at 11.33am.

Item 2.3 s6(c)&s9(2)(h)

Sharon Cooke and Jamie Gray joined the meeting at 11.33am.

s6(c)&s9(2)(h)

The Board had a separate discussion on Diversity and Inclusion and requested that management consider a timeframe for advancing the thinking on this topic

Sharon Cooke and Jamie Gray left the meeting at 11.55am.

The Board took a break from 11.55am to 12pm.

Item 2.4 s9(2)(g)(i)&s9(2)(i)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Gavin Fernandez left the meeting at 12.45pm.

The Board reconvened at 1.15pm. The Chair noted the importance and usefulness of the discussions with AMEA and requested that the CEO update the Board on how the matters discussed were progressing and any challenges. The Board agreed to write a short thank you letter and requested that the Company Secretary work with Jamie Gray to prepare the letter. The Board also requested that Jamie Gray consider whether there are any other issues that might be impacting AMEA that management could assist with.

ACTION: Thank you letter from the Board to AMEA to be drafted by management on behalf of the Board.

ITEM 3.0 HEALTH AND SAFETY

Item 3.1 Board Company Safety Report & Safety Site visits

Kim Nichols, Geoff Peck and Katie Wilkinson joined the meeting at 1.15pm and presented the paper.

Mark Pitt gave an overview of the discussions at the Safety Sub-Committee (**SSC**) the preceding day. The Board acknowledged that whilst some of the actions regarding safety reporting will be discussed at the SSC, the Board would benefit from seeing management's suggested approach to interpreting data.

The Board noted the benefit of attending the company's Safe Work Observation Program and requested that management arrange their attendance at forthcoming programs.

ACTION: Management to organise two dates for directors to join the Safe Work Observation program.

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

Kim Nichols and Geoff Peck left the meeting at 1.50pm.

ITEM 4.0 PERFORMANCE OVERVIEW & UPDATES

Item 4.1 CEO Executive Summary and Company Performance Report

Jamie Gray joined the meeting at 1.50pm.

The Board discussed the progress on the voice switch issue with the Skyline X System and noted the risk factors involved with going live before the peak connectivity period. Management advised that they would revert with a timeline for go live in due course. s6(a)

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

Item 4.6 Cyber Update

Management provided an overview of the proposed cyber security reporting going forward. The Board noted that one of the directors had been working with Mr Peck on the reporting and that the IoD paper on cyber security reporting had been considered. The Board endorsed the proposed reporting approach.

The Board **noted** the Cyber Update.

Geoff Peck left the meeting at 2.06pm.

Item 4.2 Have Your Say Work Programme Update

Management presented the paper including highlighting the slippages but noting that the program was broadly back on track. The Board discussed the frequency of surveying staff and potential survey fatigue and agreed with management's suggestion to undertake a full survey in September. The Board stressed the need to ensure that follow up on the results continues to be well communicated to staff.

The Board **noted** the Have Your Say Programme Update.

Item 4.3 ***Customer Update***

The Board discussed the paper and requested management to consider whether the customer relationship should be green or amber. The Board noted the anecdotal positive feedback Board members were receiving when engaging in the community and with stakeholders.

The Board **noted** the Customer Update.

Item 4.4 ***Sustainability Update***

The Board **noted** the Sustainability Update including the positive environmental effect of DMAPs in Wellington of removing 240 cars from the street.

Item 4.5 ***Noise management/stakeholder engagement***

The Board **noted** the paper.

Darin Cusack, Katie Wilkinson and Jamie Gray left the meeting at 2.38pm.

Item 4.7 ***Insurance Update***

The Board **noted** the Insurance Update.

Item 4.8 ***Civil Aviation Bill Update***

The Board **noted** the paper and noted the nexus between the new Act and the ANS Final Report.

ITEM 5.0 PAPERS FOR APPROVAL OR KEY INFORMATION

Item 5.1 ***Final Price Reset***

The Board noted that no feedback had been received from the consultation on the FY24 Price Reset.

The Board **approved** the release response document and **approved** that no changes be made to the published prices for the period 1 July 2023 to 30 June 2024.

Item 5.2 ***ANZ/ICA Amendments***

The Board noted that the changes for payment processing were administrative in nature and that the changes regarding funding were being made to comply with the letter received from the Shareholding Ministers regarding approval for the s6(c).

The Board **approved** entry into the **Variation Letter** and authorised any two directors to execute the Variation Letter on behalf of ACNZ.

Item 5.3 ***2023 IEA Remuneration Recommendations***

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

Item 5.4 ***Met Service Contract variation***

The Board **approved** the variation to the contract with the Meteorological Service of New Zealand and delegated authority to the CEO to execute.

Item 2.2 ***ANS Review***

The Board had a wide-ranging discussion on the ANS report and requested that management give thought to the areas of opportunity that Airways could proactively show thought leadership and/or commence work in and/or advance existing work and report back to the Board in June.

The paper was **noted**.

ACTION: Management to consider areas to progress potential and workstreams/provide thought leadership.

ITEM 6.0 GOVERNANCE PLANNING AND REVIEW

Item 6.1 ***Board Workplan 2023 & Proposed agenda topics for future***

The Board requested that an update on Kuwait be added to the June AIL agenda. The Board requested management consider who might be suitable to attend Board meetings and asked that Wisk be invited to the June Board meeting.

ACTION: Management to add Kuwait to the AIL June agenda.

ACTION: Management to consider potential future Board meeting attendees and to invite Wisk to the June meeting.

The Board **noted** the paper.

Darin Cusack joined the meeting at 4.20pm

Item 6.2 ***Site Safety Visits Completed and Suggested Locations 2023***

The Board reviewed the forward-looking plan to review safety site visits and requested that visits to Ohakea and Palmerston North be booked for July for Denise Churches and Terence Paddy.

ACTION: Management to arrange site visits to Ohakea and Palmerston North be booked for July for Denise Churches and Terence Paddy.

Item 6.3 ***Board Development update***

The Board **noted** the paper and the Chair requested that directors advise her as soon as possible (and before year end) if they wish to attend a Board Development Course.

Item 6.4 ***2024 Board Meeting Dates***

The Board requested that management email the dates for 2024 with clear instructions to advise within 48 hours if they cannot attend and then to put placeholders in diaries.

ACTION: Management to confirm proposed 2024 dates with directors.

End of meeting reflection

The Board and management reflected on the discussions.

The Board agreed that the agenda and papers of the day were helpful and improved and noted that management had prepared a new template to ensure focus on strategy.

The Chair noted that a snapshot of the strategic values and pillars will be included at the front of each Board pack and that all Board papers will make a clear references towards alignment with the strategy.

The Chair reflected that the discussions were more beneficial when all directors were attending in person and noted the need for current directors to think about questions previous directors may have asked due to their certain skill set.

The next Board meeting will be held on 21 June in Auckland.

CLOSE OF MEETING

There being no further business, the formal Board meeting concluded at 4.30pm

s9(2)(a)

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Chair