

2 October 2025

Auckland International Airport Limited Ltd (AIA)



The company will hold its Annual Shareholders Meeting at **10.00am Thursday 23 October 2025**.

The location is **Ellerslie Events Centre, 100 Ascot Ave, Remuera, Auckland**.

You can also join the meeting online [at this link](#).

Company Overview

The airport hosts 28 airlines flying to 42 international destinations and 23 domestic destinations. It had 157,000 aircraft movements and 18.7 million passenger movements during the year, and handled 168,000 tonnes of international cargo.

Its 1,500ha of land holdings hosts 320 business including three hotels, two of which the company has an ownership stake in. Over 20,000 people work in and around the airport.

Current Strategy

The strategy “Building a Better Future” is to create a vibrant precinct of travel, trade and hospitality that connects people and place, contributes to the prosperity to the community and supports the wider economy.

Previous Year Shareholder Meeting

NZSA recorded the following key items at last year’s annual shareholder meeting:

1. The post-Covid recovery continues but has been hampered by constraints on the availability of planes and engine issues with two aircraft engine manufacturers and demand for international travel.
2. The expansion of the airport into a shopping centre, hotels, and more warehousing is seen as diversifying risk.
3. The redevelopment of the domestic terminal, while expensive, is essential to move the domestic gates away from the taxiway that will be used as the runway in 2030 when the main runway must be renewed.

The meeting report is available [at this link](#).

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Key

The following sections calculate an objective rating against criteria contained within NZSA policies.

Colour	Meaning
G	Strong adherence to NZSA policies
A	Part adherence or a lack of disclosure as to adherence with NZSA policies
R	A clear gap in expectations compared with NZSA policies
n/a	Not applicable for the company

Governance

NZSA assessment against its key policy criteria are summarised below.

G Directors Fees: Generally good disclosure. Whilst there is no mention of share options as being excluded from Director's remuneration, NZSA believes the wording of this policy is clear in that they cannot be paid. The company does allow the payment of special exertion benefits to Directors, for additional "out of scope" work.

It is not clear from the Annual Report if any payments were made in FY25. NZSA would appreciate a clear disclosure as to whether any payments are made, the Director to whom the payment is made and a brief description of the work undertaken to ensure transparency.

G Director Share Ownership: Directors must apply 15% of their base fees in an initial three-year term to acquire shares or if the value of their shareholding is less than their annual Director's fee. The scheme is managed by an independent manager.

NZSA encourages share ownership by independent Directors but does not support compulsion as this reduces the pool of available Directors, may compromise independence, and removes the 'market signal' associated with share purchases.

NZSA considers that the structure of this scheme does not act as a barrier to Director diversity due to the relatively low percentage of fees applied each year.

G CEO Remuneration: The company discloses its remuneration policy on its website, which includes an overview of the remuneration philosophy applicable to the company. The People, Iwi and Remuneration Committee are responsible for implementing the policy.

Incentives: The CEO is paid a short-term incentive (STI) in cash and a long-term incentive (LTI) by way of Share Rights. We note the Annual Report,

'The Board also undertook a wider review of the LTI scheme and approved a one-off introduction of a retention-based award to two key executives, that would operate under the existing LTI plan. Under the one-off retention-based award, share rights were granted with 30% subject to an 18-month vesting period and the remaining 70% subject to a three-year vesting period.'

The 'two key executives' are not identified, and it is not clear if they include the CEO.

NZSA encourages fulsome disclosure in relation to any incentive payments made to the CEO, including disclosure of measures (or measure 'groups'), weightings, targets, and the level of achievement versus target for each component associated with any awards. This methodology is supported by the new [NZX Remuneration Reporting Template](#).

The STI is awarded at a *target* of 50% of base salary with a maximum payment of 70% of base salary. The measures, weightings, and level of achievement against each component are well-disclosed, with the overall STI award being made at 72% of the maximum.

The methodology associated with the LTI *award* is **not** disclosed (e.g., share rights awarded as a percentage of base remuneration), so it is not possible to determine the relationship between the

salary, the STI and LTI. For LTI, NZSA would prefer an explicit disclosure as to the remuneration model for the CEO at award, in addition to the *vested* outcome. We also prefer a weighting towards LTI to ensure the CEO is aligned with the interests of long-term shareholders.

The weightings and measures are a mix of absolute and relative total shareholder returns (TSR) which is favoured by NZSA. The LTI vesting period is 3 years. We note that no LTI vested in FY25.

The company is one of few that offers discloses both the gender pay gap and CEO/employee remuneration ratio.

Golden Parachutes: In the interests of transparency, NZSA believes there should be explicit disclosure around the severance terms and notice periods associated with the CEO, including whether specific termination payments are offered.

Disappointingly given the general level of remuneration disclosure, is no disclosure around these in the Annual Report

G **Director Independence:** All Directors are independent.

G **Board Composition:** The company is one of few that participates in the IoD's Future Director programme designed to develop and mentor the next generation of Directors. NZSA expect NZX50 companies to participate as part of a responsibility to develop and mentor the next generation of Directors. In October 2024, the company appointed Ngahuia Leighton as its 7th Future Director.

Whilst there is a skills matrix in the Annual Report it does not attribute skill sets to individual Directors to demonstrate how they contribute to the governance of the company.

The nature of the company's board indicates a commitment to thought, experiential and social diversity, with relevant experience for AIA.

G **Director Tenure:** NZSA looks for evidence of ongoing succession or 'staggered' appointment dates that reduce the risks associated with effective knowledge transfer in the event of succession. We also prefer a term maximum of 9-12 years, unless there are exceptional circumstances that may apply.

Christine Spring was appointed to the Board in October 2014; on this basis we would expect to see some indication of her future tenure. Other Directors were appointed between 2017 and 2024.

G **ASM Format:** Auckland Airport Limited is holding a 'hybrid' meeting, (i.e., physical, and virtual), a format preferred by NZSA as a way of promoting shareholder engagement while maximising participation.

G **Independent Advice for the Board & Risk Management:** NZSA looks for evidence, through disclosures, that a Board has access to appropriate internal and external expertise to support board assurance activities. We also look for evidence that Boards are across their risk management responsibilities.

The [Board Charter](#) offers clear disclosure that Directors are able to seek external professional advice to support decision-making, paid for by AIA subject to approval of the Chair. It also states that the

Board has access to the Company Secretary. It is unclear as to the extent to which other internal assurance staff have unfettered access to the Board.

Auckland Airport appears to take a broad approach to disclosure of external risks, with a clear summary of its business model shown in its Annual Report (including key business and strategic risks). In an improvement from FY24, we note the discussion of core risk mitigation actions associated with these disclosures. The risk management process is also well described.

Audit

NZSA assessment against its key policy criteria are summarised below.

G **Audit Independence:** Good disclosure.

A **Audit Rotation:** The company ensures the Lead Audit Partner is rotated at 5 years as required by the NZX Listing Rules. There is no disclosure as to the tenure of the current audit firm. NZSA also expects disclosure of the appointment dates of the Lead Audit Partner and Audit Firm in the Annual Report to improve transparency for investors.

Environmental Sustainability

G **Overall approach:** Auckland Airport (AIA) once again demonstrates comprehensive disclosure across governance, risk, strategy, and metrics/targets, with alignment to the NZ Climate Standards. In FY25, it achieved a 20% reduction in waste to landfill from aeronautical activities relative to its 2019 baseline, diverted 295 tonnes of food waste into composting, and ensured new commercial property developments achieved 5 Green Star sustainability ratings. These voluntary initiatives, while not required under the climate reporting standards, reflect a broader commitment to environmental stewardship consistent with NZSA's encouragement for companies to extend their disclosures beyond climate.

G **Sustainability Governance:** AIA discloses a Board skills matrix that explicitly includes environment and sustainability as a competency. During FY25, the Board also undertook an external climate governance training session. Oversight is delegated to the Safety, Sustainability and Operational Risk Committee (SSORC) at the Board level. The Chief Strategic Planning Officer coordinates climate-related risks and opportunities. The dedicated sustainability team supports this by developing and implementing the company's climate programme. This structure confirms dedicated human and governance resources to sustainability.

G **Strategy and Impact:** Auckland Airport highlight both physical and transition risks, noting flooding of aeronautical infrastructure as its most significant physical risk, supported by investments

in upgraded stormwater infrastructure. Transition risks include regulatory pressures and shifts in travel demand.

G **Risk and Opportunity**: The FY25 disclosures provide a detailed view of climate risks and mitigation strategies, including both physical and transition categories.

G **Metrics and Targets**: The climate statement includes a full GHG inventory (Scopes 1, 2, and 3), with prior-year comparatives and explanation of trends. Scope 1 emissions have fallen by 19% since the FY19 baseline. The 90% reduction by 2030 target is reiterated, though no interim targets are set. Sustainability KPIs are embedded in executive remuneration.

G **Assurance**: For FY25, Deloitte provided reasonable assurance over Scope 1 and 2 emissions, and limited assurance over Scope 3. This improves on prior years and demonstrates the company's commitment to credible reporting. However, AIA would need to extend assurance coverage beyond GHG inventories to other aspects of sustainability reporting.

Ethical and Social

NZSA assessment against its key policy criteria are summarised below.

G **Whistleblowing**: Good disclosure.

A **Political Donations**: Not disclosed if political donations are made. NZSA expect an explicit statement as to whether donations are made.

Financial & Performance

Policy Theme	Assessment
Capital Management	A
Takeover or Scheme	n/a

Auckland International Airport's share price rose from \$7.54 to \$7.87 (as of 16th September 2025) over the last 12 months – a 4% increase. This is comparable with the NZX 50 which also rose 4% in the same period. The capitalisation of AIA is \$13.3b placing it 3rd out of 115 companies on the NZX by size and makes it a large company.

Metric	2021	2022	2023	2024	2025	Change
Revenue	\$281m	\$300m	\$626m	\$896m	\$1,005	12%
EBITDAFI	\$172m	\$145m	\$397m	\$614m	\$701.1	14%
Operating Margin		48%	63%	69%	70%	2%
Investment Property change	527m	\$204	-\$140m	-\$15m	\$127.5	n/a
NPAT	\$464m	\$192m	\$43m	\$5.5m	\$420.7	n/a

EPS ¹	\$0.315	\$0.13	\$0.03	\$0.004	\$0.249	n/a
PE Ratio	24	59	270	2,029	32	
Capitalisation	\$11.1b	\$11.4b	\$11.6b	\$11.2b	\$13.3b	19%
Current Ratio	0.39	0.12	0.27	0.54	1.04	93%
Debt Equity	0.23	0.25	0.29	0.44	0.34	-22%
Operating CF	\$61m	\$101m	325m	\$496m	\$474.3m	-4%
NTA Per Share ¹	\$5.39	\$5.53	\$5.69	\$5.82	\$6.20	7%
Dividend ¹	\$0.00	\$0.00	\$0.04	\$0.1325	\$0.1325	n/c

¹ per share figures based off actual shares at balance date (not weighted average)

FY25 was another good year for AIA with most metrics improving markedly, despite higher baselines after a good year in 2024. Revenues rose 12% to \$1,005m compared with \$896m in 2024, which is now well above pre-covid levels. Operating expenses were up 8% to \$304m and these 2 variables contributed to a 14% increase in EBITDAFI (Earnings before Interest, Tax, Depreciation, fair value adjustments and investments in associate and joint ventures) of \$701m. Their operating margin continued to increase to 70%.

During the year, the company raised a net \$1,375m from a cash issue and the number of shares on issue increased by 208m. Funds raised were used to fund its ongoing capital investment programme.

NPAT rebounded to \$421m after the fine operating results and was bolstered by a revaluation in investment property of \$127.5m. Tax expenses were back to normal levels of \$133.5m after last year's one-off adverse change which we commented on.

Operating Cashflows were static at \$474.3m. The company has low debt with the debt equity ratio at 0.34. AIA reduced its debt slightly during the year. Debt is a mixture of bank facilities and bonds.

NTA per share was up 7% to \$6.20 and the company trades at a 27% premium to its NTA.

Dividends which are fully imputed, were steady at \$0.1325. NZSA does question whether a dividend should have been paid in a year that the company has completed a capital raise. \$153m in dividends were paid, so theoretically the company could have suspended the dividend payment, reduced the capital raise requirement by the same amount (\$153m) and thus saved fees associated with the capital raise.

Page 35 of an investor presentation provides some forward-looking statements. The company expects underlying earnings of between \$280m and \$320m and capital expenditure of between 1.0b and 1.3b for FY26.

The top 20 shareholders are a range of institution. Shares in Auckland International Airport are widely held.

Resolutions

1. To re-elect Mark Cairns as an independent Director.

Mark Cairns was appointed to the Board 1 June 2022. He retired in 2021 as Chief Executive of Port of Tauranga following 16 years in the role. He has a first-class honours degree in Civil Engineering from the University of Auckland, a degree in Business Studies and a Master of Management from Massey University. He is a Fellow of Engineering New Zealand and a Chartered Fellow of the Institute of Directors. Mark has worked in large infrastructure (build/operate), logistic operations and complex supply chains for most of his career and brings extensive Chief Executive experience in business operations at scale, including significant exposure to capital markets. Mark is currently the Chair of Freightways Limited. Mark has been appointed by the Board of Briscoe Group Limited to join the Board as an independent director.

Mark's appointment is effective 1 November 2025.

We will vote undirected proxies **IN FAVOUR** of this resolution.

2. To re-elect Elizabeth Savage as an Independent Director.

Elizabeth Savage was appointed to the Board 23 October 2019. She has extensive experience in the airline, travel & tourism sectors and brings a deep understanding of the airline business to the Board. Her 20-year career in senior leadership roles in Australia and Europe, includes being Chief Commercial Officer of Virgin Australia during the successful early-stage transformation of the airline and Business Development Director of easyJet during the airline's first ten years of rapid growth. Liz is currently a Director of Intrepid Travel Group, North Queensland Airports, Australian Sailing Limited, and The Royal Automobile Club of Queensland Limited. Liz will retire from her role as Director of Funlab Limited on 30 September 2025. Through her roles, Liz brings particular focus on customer strategy, marketing, and sustainable growth. Liz qualified as an Aeronautical Engineer, with a master's degree in Air Transport Management.

We will vote undirected proxies **IN FAVOUR** of this resolution.

3. To increase the Directors Fee Pool by \$95,601 (6%) from \$1,593,350 to \$1,688,951.

The current Fee Pool was approved by shareholders in 2019. The Board has commissioned an independent report from PwC and a link to this is included in the Notice of Meeting. The report includes comparator company data. It has benchmarked the proposed fees to the 75th percentile of the comparator group.

Despite the limited overall increase in fee pool, the proposal is to increase the Chair's fee 26% and the Directors fees 13.6%. Some Committee fees would increase, some stay the same and some reduce. The 'headroom' would reduce by 45% to \$96,451.

NZSA policy is that Board's should review fees around every two years to ensure they are in line with the market and prevent large increases. We hold some concern around the limited headroom available (<10%), which may indicate a higher probability that a further increase in director fees will be proposed within a short time frame, and questions the effectiveness of any review process that has occurred since the last increase in 2019.

We also note that from NZSA's perspective, the proposed fee pool is slightly above the top end of our calculated range for the market as a whole, but falls within our calculated range when considering industry sector.

On balance, we will vote undirected proxies **IN FAVOUR** of this resolution.

4. That the Board is authorised to fix the auditor's remuneration for the coming year.

This is an administrative resolution.

We will vote undirected proxies **IN FAVOUR** of this resolution.

Proxies

You can vote online or appoint a proxy at <https://vote.cm.mpms.mufg.com/AIA/>

Instructions are on the Proxy/voting paper sent to you.

Voting and proxy appointments close **10.00am Tuesday 21 October 2025.**

Please note you can appoint the Association as your proxy. We will have a representative attending the meeting.

The Team at NZSA