



Statement of Intent

Year ending **30 June 2022**



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INTRODUCTION

This Statement of Intent ("SoI") is prepared by the Board of Directors of Christchurch International Airport Ltd ("CIAL") in accordance with Section 64(1) of the Local Government Act 2002.

CIAL has five wholly owned subsidiaries. These wholly owned subsidiaries are currently non-trading and are not holding any assets or liabilities.

This SoI sets out for CIAL (and subsidiary companies) the objectives, the nature and scope of the activities to be undertaken, and the performance targets and other measures by which the performance of the company may be judged in relation to its objectives.

CIAL's achievements against the objectives outlined in last year's Statement of Intent are referred to in this year's Annual Report.

The SoI is a public and legally required document, reviewed and agreed annually with its shareholders and covers a three-year period. This SoI covers the period from 1 July 2021 to 30 June 2024.

Contact details for both the Chair and Chief Executive are CIAL's registered office:

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Christchurch International Airport
Memorial Avenue, PO Box 14-001, Christchurch

Telephone: +64 3 358 5029

Website: www.christchurchairport.co.nz

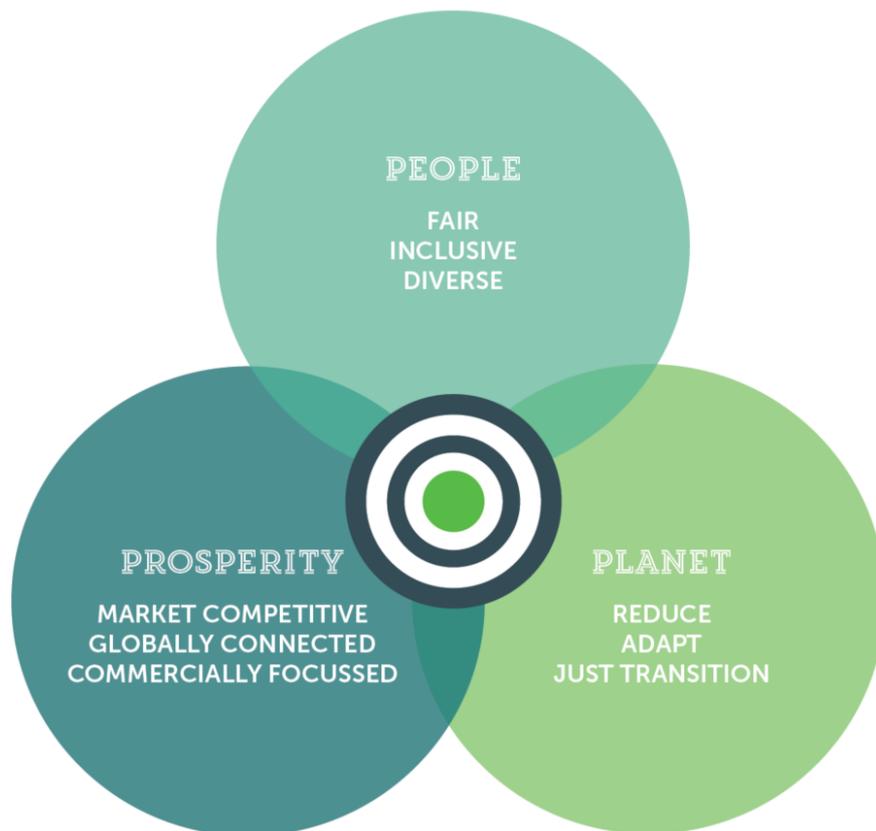
Christchurch International Airport Ltd is a council-controlled trading organisation ("CCTO") for the purposes of the Local Government Act 2002.

PURPOSE & MISSION

Our Purpose & Philosophy

“To be a champion provider of aviation services, acknowledged at home and abroad as the engine room of the social, economic and environmental prosperity for the South Island and regional New Zealand”

CIAL will continue to pursue its core philosophy of stakeholder equity where People & Planet & Prosperity across key stakeholders must be considered and balanced. The key being the ‘&’ – it is not ‘either-or’, it is ‘and’.



Our Mission is to achieve three things simultaneously:

- Building a Stronger Business; **and**
- Enhancing our customer journeys; **and**
- Being good Kaitiaki (being good ancestors today)

The activities of CIAL and the connectivity they provide, make a significant contribution to the social and economic wellbeing of the communities and economies of Christchurch, Canterbury and in social and economic development of the South Island and regional New Zealand – making a better contribution to the nation’s outcomes.

Airports have a strong multiplier effect on the economies they serve, and they are critical regional economic development and social infrastructure. Pre Covid-19, this was independently estimated at 50:1, or for every \$1 CIAL earns, the wider South Island economy, including Christchurch, earns \$50.

NATURE AND SCOPE OF ACTIVITIES

Christchurch International Airport Limited's (CIAL) primary activity is to create growth in long-term value for shareholders, customers and the travelling public through the provision of appropriate landside and airside facilities for all airport users, including both commercial and non-commercial aviation users, and pursuing commercial opportunities with wider complementary products, services and business solutions where needed.

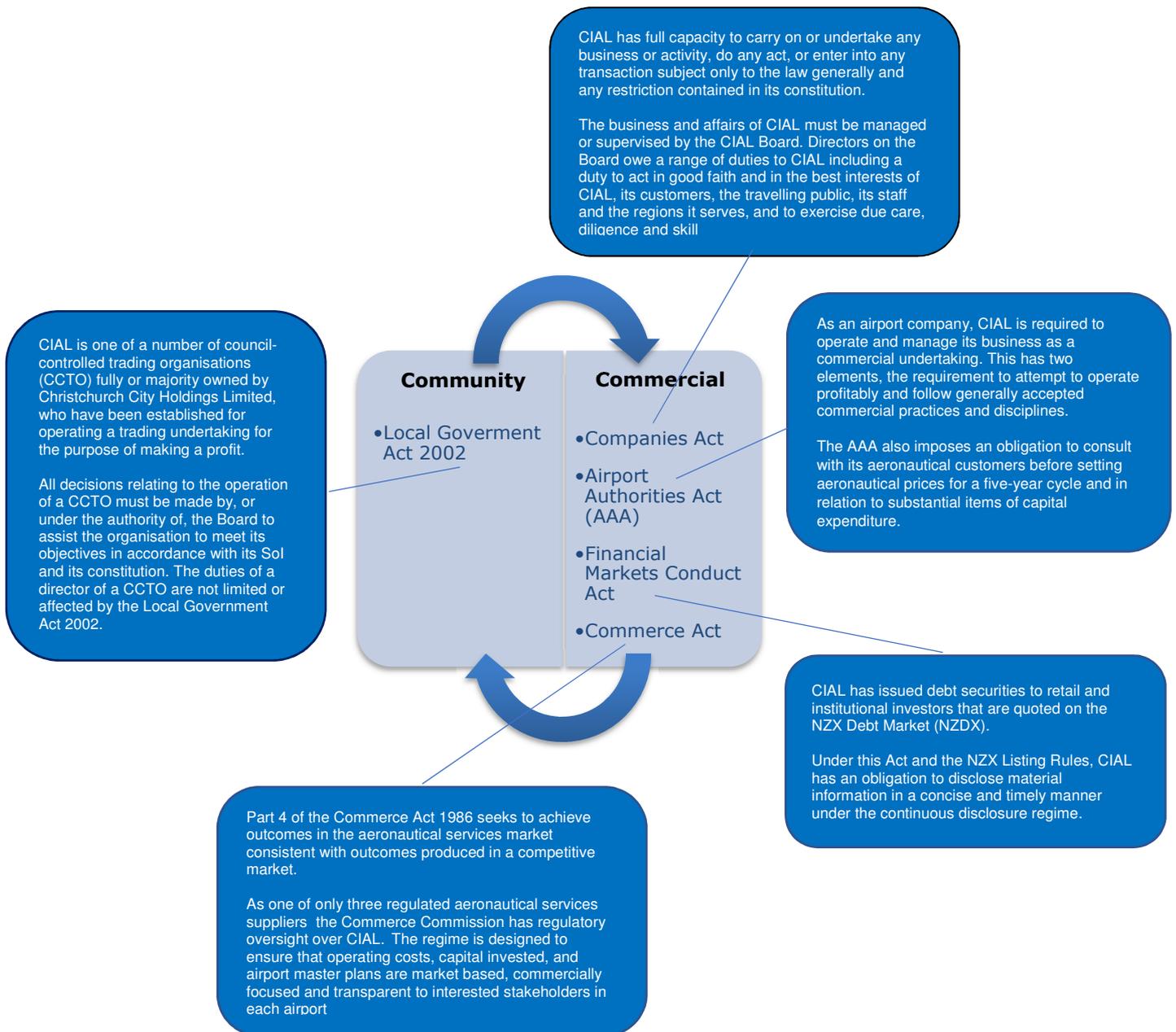
CIAL will also look to utilise the culture and capability developed over the last five years at the Christchurch campus to proactively investigate opportunities beyond a single site, that support regional economic growth across New Zealand and support aviation infrastructure that will enable a more efficient and lower carbon transport network across New Zealand, where that contributes to New Zealand's overall social, economic & environmental objectives and supports long-term growth in shareholder value.

COMMERCIAL & REGULATORY CONTEXT

Christchurch International Airport Limited (CIAL) is one of three named airports in New Zealand within the Airport Authorities Act 1966 (AAA), meaning it is infrastructure of national significance and has economic impacts into regions beyond Christchurch City.

CIAL operates in a commercially competitive environment both domestically and internationally, overlaid by a complex layered legal and regulatory environment with a wide stakeholder group.

The chart below demonstrates various aspects of commercial and non-commercial demands on CIAL, which the Board endeavours to balance.



CCTO GOVERNANCE MODEL

CIAL is 75% owned by Christchurch City Holdings Limited (CCHL) and 25% by the Crown.

CCHL was set up in 1993 to create a confidential, independent, non-political buffer between the Council and the companies it owned and has no direct role in the operations of the subsidiaries.

The holding company structure was adopted to ensure a commercial approach to managing the investments.

The key aspects of the shareholders role in providing the foundations for an effective relationship with CIAL revolve around:

- being clear about CIAL's purpose;
- appointing Directors with appropriate skills, knowledge and experience; and
- creating an appropriate level of monitoring and accountability.

In turn the role of the independent CIAL Board is to review all the needs on the business from shareholders, customers, regulators, community and statutes (see section above). It is the role of the CIAL Board to strike the best balance of these inputs when developing the SoI and long-term strategy for the business.

The Office of the Auditor-General has previously reviewed the CCHL holding company model noting several factors which have contributed to the success of the model, including:

- their roles of all parties are clear and well understood by the various participants
- there is a clear focus on skills and capability in Board appointments
- there is respect and confidence between shareholders and the company

PRINCIPAL OBJECTIVES

CIAL's core business is to create growth in long-term value for shareholders, customers, staff and the travelling public through the provision of aviation services, operating safe and efficient airport infrastructure wherever requested to do so on a commercial basis by its various customers.

CIAL's key objectives are to operate as a successful commercial entity and through that deliver sustainable benefits to customers, the travelling public, the regions it serves and its staff while delivering growth in long-term value and dividends to shareholders.

Consistent with these primary objectives, CIAL will:

- provide well-designed and maintained runways, taxiways, turnouts and aprons in co-operation with the Airways Corporation of New Zealand and other airport users
- provide airfield and terminal infrastructure that delivers the required outcomes for CIAL and existing/potential customers, with an emphasis on resilient and efficient airside activities
- utilise the culture and capability developed at the Christchurch campus to proactively investigate opportunities beyond a single site, that enhance the provision of aviation services across regional New Zealand to the benefit of all stakeholders
- pursue activities designed to ensure the safe and effective utilisation of its assets and its people
- ensure the company adopts an environmentally sustainable approach to the operation of all its activities (including carbon, land use, water, energy, waste and noise management) and pursue a commitment to protecting the environment, minimising use of natural resources where possible and improving the quality of life for our communities
- pursue initiatives to grow shareholder value and provide a sustainable and diversified revenue stream through continuing an appropriate level of investment in, and development of, the company's property holdings
- focus on the health, safety and wellbeing of our people through a culture of safety leadership, a strategic approach to risk management and a robust safety management system
- unequivocally champion Christchurch, Canterbury, the South Island and regional New Zealand's social and economic contribution to the country as a whole, ensuring they are well positioned within Australasian and Pacific Rim aviation networks
- recognise that disruption in many forms will be a constant over the coming years and hence adopt an open-minded, self-driven creative disruption process to our revenues and operating structures. Partnering and trialling will continue to be important components of how we will approach this
- be a fair employer in providing a work place that values people, celebrates inclusiveness and diversity and supports people leading themselves and developing skills to lead others. Ensures all are fairly rewarded
- exhibit a sense of social responsibility by having regard to the interests of the communities in which it operates

STRATEGIC PRIORITIES – REAL GROWTH 2040 (RG40)

The strategy Real Growth 2025 (RG25) was developed in 2014 as a response to the risks to the CIAL business arising from the earthquakes. It was focused on building breadth into our risk mitigation approach through developing further diversification into our revenue streams on the Christchurch campus via our three commercial pillars of Planes, Passenger & Property. This served CIAL well as it set about recovering from the quakes.

In 2019, CIAL reached a point in its strategic journey where it wanted to build further depth and resilience into its risk mitigation approach to go alongside the breadth already achieved at the Christchurch campus.

A market scan identified opportunities for CIAL to extend and expand RG25 out for the next twenty years to 2040 (RG40). The key assumptions that underpinned the 'extend and expand' approach under RG40 remain valid as we move into the revive and thrive stages of the Covid-19 event, noting that in addition Covid-19 will accelerate structural change in air networks and regional airport viability over the next 20 years. But we are unsure exactly how.

Since adopting RG40, CIAL has been investigating opportunities beyond a single site that enhance shareholder value, supports regional social and economic development and supports airlines accessing more emission efficient operating opportunities.

The first major step has been purchasing land in Central Otago to continue to evaluate the potential for the long-term development of new sustainable aviation infrastructure in Central Otago to serve the aviation needs of the lower South Island for the next 75 years and beyond.

Developing a greenfield airport is an inter-generational undertaking and the project will adopt a phased approach. The priorities for the current phase of the project, that is expected to take up most of the period covered by this Statement of Intent (FY22-FY24), are:

- continued engagement with local communities, iwi mana whenua and stakeholders; and
- undertaking the validation and planning work that will be required before the project can move to its next critical milestone of obtaining the approvals required to enable development. Formal consultation will occur during the next more formal part of the approvals journey.

Further opportunities may arise that may allow CIAL to place its capital, people talent and operating systems that harness future aviation trends in a way that may create benefits for customers, staff, shareholders and the environment. The company will remain open minded around this and assess opportunities on their long-term merit.

CURRENT CONTEXT FY22-24: RECOVER & REPOSITION

Covid-19 is now a structural reality for the world, New Zealand and for CIAL and we expect Covid-19 to remain the biggest influence on outcomes during FY22. CIAL has had such an event in its risk register since the earthquakes and proactively made changes to its operational and financial strategies in 2014 building enough resilience into our business, leadership and financial capabilities, to provide CIAL with a self-help pathway in such an event.

The lessons learned from the quakes and preparation for events like a pandemic, has enabled CIAL to navigate Covid-19 in a way that has been supportive of our customers, fair to all our staff, true to our shareholders and mindful of the 1:50 economic multiplier the airport has on the South Island economy.

This economic multiplier has been further evidenced during Covid-19 through CIAL's role in supporting and influencing the recovery of domestic airline seat capacity and passenger numbers; providing ongoing support to our campus and terminal tenants where required; and assisting with the creation of a freight support scheme for our airline customers.

Now that we are into the next phase of the Covid-19 event, we can begin the process of looking to our post event 'new normal' and understanding how much 'new' we face and how much 'normal' we still have. FY22 will see more information around this emerge to assist us set our new normal pathway out to 2030.

It is also relevant to keep in mind that CIAL approaches decision making and risk management over different time horizons i.e. operations (3 years), leases (10 years), building & infrastructure (20 years) and land (50 years).

Consequently, ongoing decisions may look through the near-term impact of Covid-19 (estimated at 2-3 years) i.e. they may have material benefits to CIAL and shareholders which accrue beyond the next three years.

The Christchurch Airport campus remains the organisation's number one priority to execute on. It remains the engine room of the business that will allow us to extend and expand.

Aeronautical (Planes)

The aeronautical strategy remains focused on 'finding planes' and 'filling planes'. The material impact that Covid-19 has had on aviation has meant that there is a required focus on ensuring that we rebuild what we had before the pandemic, whilst at the same time using the opportunity to seek to improve our position in the New Zealand aviation market.

Christchurch Airport is 90% a short-haul airport, servicing domestic, Tasman and Pacific Islands air services. Looking forward beyond the near-term impact of Covid-19 on travel, the fundamentals of the market remain strong and with targeted interventions, CIAL believes it can return to its pre Covid-19 position. The key opportunity remains in strengthening our position as the gateway into and out of the South Island, our role as a Tasman/domestic hub and spoke airport and capitalising on the freight opportunities revealed through Covid-19.

Terminal (Passengers)

CIAL's 'Park to Plane' (P2P) strategy is the strategic priority for the passenger portfolio which includes the customer and commercial activity associated with the terminal and ground transport assets. The terminal (including ground transport) is our largest centre of business activity.

- For FY22 the core focus will continue to be on working with our commercial partners to bring them back to a position where our key partners survive and then thrive.
- Opportunity to consider how Christchurch Airport could re-configure the terminal layout to assist with appropriate safe border pathways and future security requirements
- Continue to invest in technology solutions across ground transport, terminal offerings and harnessing customer data.

Property

CIAL's commercial portfolio strategy remains to develop its bare land holdings by 'being a Landlord'.

CIAL's investment strategy in this portfolio is to pursue new investment where the proposed investment grows CIAL's balance sheet, increases (and de-risks) revenue streams and enhances dividend flows and grow shareholder value.

- CIAL is not a property developer, but rather a long-term investor in property outcomes. As a landlord CIAL enables businesses to transport goods to distant markets and increase commerce in the city and regions of New Zealand.
- While the focus both during and in the months immediately after lockdown has been on supporting existing tenants, CIAL remains focused on further expansion of our investment property portfolio. Several development opportunities have emerged in the post Covid-19 period that will deliver outcomes that benefit the airport and the region and focus will be on converting these using our well tested and proven approach.
- Asset planning and maintenance remains a priority, with the objective being to create a strategic and planned approach to asset management targeting an outcome of productive and resilient assets that are aligned to CIAL's business needs and strategic direction.

Enabling

Refer to later sections in this document for discussion around People, Protection (Health & Safety) and Planet - Sustainability.

BEYOND CIAL

CIAL is aware of and acknowledges that Christchurch City Council has objectives regarding Community Outcomes under its Long-Term Plan and that the Crown also has objectives regarding Regional Economic Development under its national growth agenda.

CIAL's strategy is focused on more than just being an airport in Christchurch. CIAL has played a significant role in supporting the tourism recovery of Christchurch, Kaikoura and the Upper South Island (in conjunction with the City and MBIE). CIAL has made significant contributions to the promotion of Christchurch and the South Island through its investment in ChristchurchNZ, the South initiative (all 15 regions of the South Island) and New Horizons (small business mentoring program)

In addition, CIAL also recognises the key role it plays in supporting the Christchurch Antarctic Gateway Strategy, and actively supports Antarctic entities at Christchurch Airport, most notably Antarctica New Zealand and the Antarctic Heritage Trust.

As a commercial entity CIAL will always act and operate as a responsible corporate citizen, noting CIAL must compete for its outcomes, especially in aviation, in a highly competitive environment with several very strong commercial entities that have a purely commercial focus.

CIAL believes that the best way it can support both shareholders' strategies in these areas is by successfully executing its strategy, which will not only deliver wide ranging social and economic benefits to the City and the regions of the South Island, but also grow both the value of CIAL and increase shareholder cash flows which will then be available for each shareholder for investment in specific areas of interest as they see fit.

In addition, CIAL will continue to focus on the pursuit of essential on-going objectives that will be important to the Council's documented Community Outcomes and the wider local community in general.

- Ensure effective stewardship of the City's airport asset, including meeting all relevant statutory obligations
- Create and maintain an attractive and well-designed airport environment.
- To operate Christchurch Airport and its various activities in a way that supports Christchurch's sustainable economic growth
- Ability to operate 24/7 - The ability to operate under a 24/7 operating environment is essential to the financial and economic well-being of both CIAL and the regional economy
- Health and Safety as a priority with a commitment to a safe environment for all staff and airport users
- CIAL will continue to ensure staff engagement remains high and CIAL continues to be regarded as an employer of choice
- Minimise any adverse effects of CIAL's activities and facilities on the environment (land, waste, water, energy, noise and emissions), to be a responsible corporate citizen and to maintain strong links and regard for the community

INTERNAL GOVERNANCE FRAMEWORK

Commitment

Directors and management are committed to effective governance. As with safety and quality, governance includes a set of systems and processes, supported by people with the appropriate competencies and principles.

Governance by its very nature is on-going; it does not have a finite end. Changing commercial circumstances require regular review and continually evolving systems that implement newly developed techniques and industry best practice.

Regulatory Framework

The company operates solely in New Zealand and is governed by a range of New Zealand legislation and regulation including the Civil Aviation Act 1990 and the Airport Authorities Act 1966. The Civil Aviation Act 1990 establishes the framework for civil aviation safety, security and economic regulation in New Zealand and ensures that New Zealand's obligations under international civil aviation agreements are implemented. The Airport Authorities Act 1966 gives a range of functions and powers to airport authorities to establish and operate airports.

The Ministry of Transport is progressing work on a Civil Aviation Bill. The Bill will replace the Civil Aviation Act 1990 and the Airport Authorities Act 1966 with a single new statute that includes a number of proposals related to the safety, security and efficiency of New Zealand's civil aviation system.

See also Regulatory Context section above.

Governance Objectives

The Board has adopted the following governance objectives:

- Approve Corporate Strategy and direction, laying down solid foundations for management and oversight
- Structure itself to utilize the expertise of Directors to add value at a governance level
- Promote ethical and responsible decision-making
- Safeguard the integrity of its financial reporting and make timely and balanced disclosure
- Recognise and manage risk and encourage enhanced performance
- Ensure the occupational health, safety and wellbeing of the company's people and contractors working for CIAL across the Christchurch International Airport campus
- Remunerate fairly and responsibly
- Respect the rights, and recognise the legitimate interests, of stakeholders.

These objectives are reflected in the Board's management of Board and Committee activities, CIAL's policies and governance practices.

Role of the Board of Directors

The Board is ultimately responsible for approving CIAL's strategic direction; oversight of the management of the company and achievement of its business strategy, with the aim being to increase long term shareholder value while sustaining and ensuring the obligations of the company are properly met.

The Board is accountable to shareholders for the performance of the company.

In carrying out its principal function, the Board's specific responsibilities include:

- Working with executive leadership to ensure that the company's strategic goals are clearly established and communicated, and that strategies are in place to achieve them;
- Monitor management performance in strategy implementation;
- Appointing the Chief Executive Officer (CEO), approving his or her contracted terms, monitoring his or her performance and, where necessary, terminating the CEO's employment;
- Approving and monitoring the company's financial statements and other reporting, including reporting to shareholders, and ensuring the company's disclosure obligations are met;
- Adopting appropriate procedures to ensure compliance with all laws, governmental regulations, applicable codes and accounting standards;
- Ensuring that CIAL's internal decision making and compliance policies and procedures are implemented, to ensure that the business of the company is conducted in an open and ethical manner;
- Approving performance criteria for CIAL and monitoring the performance of the CEO and executive leadership team against these;
- Deciding necessary actions to protect CIAL's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such actions are taken
- Ensuring that the company adheres to high ethical and corporate behaviour standards;
- Establishing procedures and systems to ensure the occupational health, safety and wellbeing of people working at, or visiting the, Christchurch Airport precinct;
- Promoting a company culture and remuneration practice which facilitates the recruitment, professional development and retention of staff, whilst considering ways to achieve a high level of diversity within the business;
- Set specific limits on management's delegated authority for entry into new expenditure, contracts and acquisition or development of assets and approve commitments outside of those limits;
- Ensuring that CIAL has appropriate risk management and regulatory compliance policies in place and monitoring the appropriateness and implementation of these policies.

The Board delegates day-to-day operations of the company to management under the control of the CEO. Such day-to-day operations are required to be conducted in accordance with strategies set by the Board.

All directors are required to comply with a formal code of conduct, which is based on the New Zealand Institute of Directors Code of Proper Practice for Directors.

The Board annually critically evaluates its performance, its processes and procedures to ensure that they are not unduly complex and that they assist the Board in effectively fulfilling its role and performing its duties. The Board and Committees and each director have the right to seek independent professional advice to assist them to carry out their responsibilities.

Responsibility to Shareholders

Shareholders articulate their key focuses to the Board in an annual Letter of Expectation. Having received and considered that Letter of Expectation from shareholders, and in accordance with Section 64 of the Local Government Act 2002, each February the company submits a draft SoI for the coming financial year to Shareholders. The SoI sets out the company's overall objectives, intentions and financial and performance targets.

After due consultation and discussion with the Shareholders and completion of the annual business planning and budgeting, the final SoI is approved by the Board of Directors and delivered to the Shareholders in June.

Board Composition and Fees

A fully constituted Board consists of six Directors, four appointed by majority shareholder, Christchurch City Holdings Limited ("CCHL") and two appointed by the Minister of Finance and the Minister for State Owned Enterprises (on behalf of the New Zealand Government). From 1 July 2014, CCHL has also been appointing an intern director for a period of twelve to eighteen months in order to enable prospective directors to gain an insight into good governance practice and to observe the dynamics of sitting on a Board.

Directors' appointments are for such periods determined by the relevant shareholder but shall not exceed three years. Retiring Directors may be reappointed by the relevant shareholder by way of notice prior to the Annual General Meeting.

Fees for the Board are reviewed regularly by the shareholders using independent advice.

The Board generally meets approximately nine to ten times during the year and at other times as required. To enhance efficiency, the Board has delegated some of its powers to Board Committees and other powers to the CEO and senior executives. The terms of the delegation by the Board to the CEO are clearly documented.

The CEO has, in some cases, formally delegated certain authorities to his direct reports and has established a formal process for his direct reports to sub-delegate certain authorities.

The Board has four formally constituted committees: the Risk, Audit and Finance Committee, the People, Culture and Safety Committee, the Property and Commercial Committee and the Aeronautical Committee. All committees have Board-approved terms of reference outlining the committee's authority, duties and responsibilities, and its relationship with the Board. Additional committees may be established based on need. Each committee must include a representative of each shareholder.

FINANCIAL PERFORMANCE TARGETS

Given the continued uncertainty associated with the impacts of the COVID-19 pandemic on borders and international travel, CIAL has continued to formulate our revenue and cash flow outcomes across FY22-24 using three assumption-based passenger demand scenarios.

For the purposes of the FY22 SoI, CIAL has continued to adopt a mid-point passenger demand scenario for FY22-24. The assumptions behind the passenger demand forecasts will no doubt continue to be refined over the coming months and CIAL will continue to update its FY22 forecasts each quarter and make any adjustment for the remainder of the year as necessary.

\$m	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
Total Revenue	139.3	166.5	188.9	213.3
EBITDAF ¹	77.8	96.1	116.0	135.5
Net Profit (Loss) After Tax	8.7	20.2	33.0	45.9
EBITDAF as % of Revenue	55.7%	57.1%	61.0%	63.2%
Return on Invested Capital ²	2.1%	3.1%	4.1%	5.2%

Passengers	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
Domestic	3,622,959	4,492,665	4,891,138	5,270,792
Tasman & Pacific Islands	57,814	615,202	1,043,666	1,355,609
International	3,608	14,528	135,324	248,466
Total Passengers	3,684,381	5,122,395	6,070,128	6,874,867

N.B. the forecast statement of financial performance outlined above excludes:

- any non-cash investment property revaluation gains/losses (*given amounts are non-cash related*)
- any other asset impairment assessments
- any non-cash deferred tax adjustments

¹ Earnings before interest, tax, depreciation, amortisation and fair value movements.

² Earnings before interest & tax / (debt + equity)

Notes & Assumptions

Revenue

The impact on CIAL's revenue streams will remain significant until the wider opening of the border and/or other travel bubbles eventuate

- **Aeronautical:** Domestic passenger numbers will remain steady at current levels (currently circa 85% of pre-Covid-19) and then grow as Tasman and international traffic returns. Tasman recovery is on a relatively slow growth path and will be lumpy initially – affected by intermittent lockdowns and following school holiday patterns. Currently assumed that no meaningful opening of international borders until March 2022.
- **Lease Rental:** Underlying lease rental will continue to grow through FY22-24, predominantly reflecting a market rate rental return from the forecast property development program and ongoing market annual rent review arrangements.

This is overlaid with recognition of some existing rent abatement and deferral agreements which we expect to see continue through into FY22 for those tenants most reliant on the return of international passengers.

- **Terminal & Commercial Concessions and Ground Transport:** Intention remains that all operators will be on a pathway to move them back to their pre-Covid-19 commercial arrangements as soon as is commercially viable. Revenue will correlate to passenger growth trajectories (overall and Tasman/International for Duty Free)

Parking taxis and rideshare revenue will follow similar recovery path to domestic and Tasman passenger numbers as key drivers of this.

- **Hotel:** It is assumed that the hotel will remain under contract to the government as a MIF facility until April 2022 and then look to re-open in Spring 2022 after a period of refurbishment.

Operating Costs

CIAL has a relatively fixed operating cost base, particularly in respect to its major terminal and airfield assets even when the level of passenger throughput decreases.

Since the major lockdown period of 2020, CIAL has reduced its underlying operating cost base by around 20% of pre-Covid-19 levels. It is expected that this level of productivity will remain for the majority of FY22 in respect to the underlying operational costs of the terminal and airfield, whilst also noting that increased passenger demand will mean that larger areas of the terminal in particular will be operational.

Whilst we have seen these productivity gains over the last 6-9 months, CIAL has forecast several elements of its cost base will experience increases in FY22. These include:

- Staff costs – removal of pay freeze and return to annual remuneration process and collective agreement arrangements

- Insurance & Rates – these costs are outside of CIAL control and rising at rates much higher than CPI. Insurance costs are forecast to increase by between 13%-15% p.a. over the next three years and rates by 5% p.a.
- Maintenance costs will increase in FY22 resulting from the new water treatment infrastructure and chlorination program that is now in place across the campus.
- Operating costs – the costs associated with our cleaning contract are forecast to increase by circa 18% (\$500k) in FY22 reflective of new contractual rates with our cleaning contractor implemented as part of their move towards ultimately paying all their staff the living wage with further cost increases expected. IT licencing and software costs are also increasing off the back of upgraded operating systems and the increased costs of licences.

Ratio of Shareholders’ Funds to Total Assets

The forecast Capital Structure, ratio of shareholders’ funds to total assets and gearing ratios for the next three years are:

\$m	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
Shareholder Funds/Total Assets %	58.8%	59.8%	60.6%	61.2%
Gearing (debt/(debt + equity)) %	34.5%	33.6%	32.8%	32.2%
EBITDAF Interest Cover x	3.3	3.9	4.5	5.1
Free Funds Interest Cover x	2.9	3.7	4.0	4.5
Free Funds/Debt %	7.7%	11.4%	13.6%	16.2%

DISTRIBUTIONS

CIAL aims to distribute funds surplus to its on-going and forecast investment and operating requirements, subject to meeting the solvency requirements of the Companies Act 1993.

The Directors will review dividend policy annually and recommend such dividend payments as are consistent with CIAL’s earnings, capital expenditure and future investment requirements, subject to targeting a gearing ratio which does not exceed 40% and maintaining CIAL’s targeted stand-alone credit rating of BBB+.

In addition, CIAL notes Shareholders’ expectations regarding dividends and understands that certainty of dividend stream is a key financial component in ensuring Christchurch City’s long-term financial stability.

During FY21 CIAL negotiated covenant waivers with bank funding providers and the bond supervisor. As part of obtaining these waivers, CIAL agreed, up to 31 December 2021, not to make or pay any distribution to shareholders until it is in compliance with all financial covenants. CIAL has met all its financial covenants for FY21 to date and consequently has not had to call specifically on these waivers over the last 12 months.

The company paid a dividend of \$20m for the year ended 30 June 2020 in line with its dividend policy. No decisions on any dividend for FY21 will be made until the full year trading outcome is known and more information around vaccinations and the future of borders becomes clearer.

Beyond FY21, subject to trading conditions at the time, the Board will consider the resumption of dividend payments in line with dividend policy.

On the assumption that a return to dividend policy is adopted beyond FY21, forecast dividend flows would be as follows:

\$m	2021 Forecast	2022 Budget	2023 Budget	2024 Budget
Dividend Forecast	-	18.2	29.5	41.3
Dividend Pay-outs (Cash Flows)				
Current Year Interim Dividend	-	9.1	14.75	20.65
Prior Year Final Dividend	-	-	9.1	14.75
Forecast Dividend Cash Flow	-	9.1	23.85	35.4

As has recently been highlighted, it should be cautioned that aviation is an inherently volatile sector. This volatility coupled with other market sector variables means trading conditions can be materially and quickly impacted.

HEALTH, SAFETY AND WELLBEING

The Protection of *Our People* is at the core of our Health, Safety and Wellbeing Strategy and we remain committed to bringing this strategy to life through:

- Fostering a culture with strong safety values
- Visible and authentic safety leadership
- A robust safety management system focused on continuous improvement; and
- Activation of our *Whare Tapa Wha* (Wellbeing Strategy)

Performance Measures	Performance Targets		
	2022	2023	2024
Culture - continue to develop a positive culture that enables the health, safety and wellbeing of our people	<ul style="list-style-type: none"> ▪ Maintain health, safety and wellbeing score above 85% in our annual culture and engagement survey. ▪ Incremental increase in safety leadership conversations. 	<ul style="list-style-type: none"> ▪ Maintain health, safety and wellbeing score above 85% in our annual culture and engagement survey. ▪ Incremental increase in safety leadership conversations. 	<ul style="list-style-type: none"> ▪ Maintain health, safety and wellbeing score above 85% in our annual culture and engagement survey. ▪ Incremental increase in safety leadership conversations.
Safety Management – continuous improvement in systems to manage safety and wellbeing	<ul style="list-style-type: none"> ▪ CIAL Health, Safety & Wellbeing workplan delivered on schedule. ▪ Annual review of SMS and HSMS 	<ul style="list-style-type: none"> ▪ CIAL Health, Safety & Wellbeing workplan delivered on schedule. 	<ul style="list-style-type: none"> ▪ CIAL Health, Safety & Wellbeing workplan delivered on schedule.
Wellbeing – activation of our Whare Tapa Wha	<ul style="list-style-type: none"> ▪ Incremental improvement in the wellbeing and work/life blend scores in our annual culture and engagement survey. ▪ Deliver resilience workshops 	<ul style="list-style-type: none"> ▪ Incremental improvement in the wellbeing and work/life blend scores in our annual culture and engagement survey. ▪ Deliver resilience workshops 	<ul style="list-style-type: none"> ▪ Incremental improvement in the wellbeing and work/life blend scores in our annual culture and engagement survey. ▪ Deliver resilience workshops

Emergency Response and Resilience

Operational readiness for emergency and business interruption events will continue to be a key focus for CIAL’s operations and people safety teams.

CIAL’s Airport Emergency Plan is regularly updated in partnership with key airport stakeholders (i.e. NZ Police, NZ Fire Service, St John Ambulance etc.). To assist operational readiness for emergency events, CIAL leads and/or is involved various exercises including seismic events, pandemics, acts of terrorism and an aeroplane incident.

SUSTAINABILITY

Christchurch City, as the main gateway to the South Island, exists in an area of unique and beautiful geography. We believe, as citizens of the South Island, it's our responsibility and privilege to be one of many kaitiaki to this very special place and we take that role seriously.

We are passionate about protecting the environment, minimising our carbon footprint and improving the quality of life for our community.

Our approach to sustainability is centred in the Maori concept of kaitiakitanga (responsibility, care and guardianship). We continually challenge ourselves to seek out, develop and implement new processes that make our practices more sustainable.

Our base criteria for which we measure activity within our business includes whether our ambitions are good for people and planet and prosperity. We want to create genuine and enduring change that will have a lasting positive impact for environmental and intergenerational well-being.

Climate Change Risk Priority – De-Carbonisation

Our Sustainability Strategy focusses on six primary pillars. While we strive to make meaningful improvements in each of these focus areas, we are particularly focussed on our commitment to reduce and eliminate greenhouse gas (GHG) emissions from our operators and acting where we can help our suppliers, customers and the wider economy to reduce or eliminate GHGs.

In November 2020, we became the first airport in the world to be recognised for reaching the highest standard of carbon reduction best practice, known as Airport Carbon Accreditation Level 4. We are committed to reducing our own direct emissions ahead of science-based targets, a founding signatory of the Climate Leaders Coalition, advocates of the Climate Commission Pathway, and New Zealand's net zero carbon 2050 target.

CIAL is committed to doing what it practically can to support the national emissions reduction pathway to net zero, within the Climate Change Commission's capped and reducing budgets.

New Zealand is now entering a period of economy wide carbon budgets, which will mean that all infrastructure (current and new) will be required to support New Zealand's carbon neutral 2050 pathway. No existing or new infrastructure will be able to create unconstrained growth in emissions above the caps set in the national carbon budgets.

In respect to the aviation industry, we recognize that it currently relies on fossil fuels and will continue to do so for the foreseeable future. During FY22 we will continue working with interested parties, including renewable energy generators, on how we might counter the effects of carbon emissions and add renewable energy options into the system.

Whilst it is not expected that climate change risk related disclosures will become mandatory until 2023, current view is that CIAL will commence to report in this area for the FY21 year.

This is likely to include some note disclosures in the financial statements around the potential impact (if any) on CIAL's assets, liabilities, revenue or costs, together with some more general risk-based disclosure within the Annual Report or a separate climate risk document.

Performance Measures	Performance Targets		
	2022	2023	2024
<p>Carbon</p> <p>We set long-term emissions reduction targets based in science, aligned with keeping global temperatures within 1.5 degrees. Our goals are as follows;</p> <ul style="list-style-type: none"> to be net zero by 2030 to be absolute zero emissions for our Scope 1 and 2 by 2050 to influence reductions in our Scope 3 stakeholder’s emissions where possible. 	<ul style="list-style-type: none"> Maintain trend with our milestone emissions reduction goal of 84% reduction in Scope 1 & 2 by 2035 (using FY2015 carbon baseline) Demonstrate continued responsibility and leadership in aviation transition Actively seek to influence airport Scope 3 emissions reductions 	<ul style="list-style-type: none"> Achieve or surpass 2023 science-based target for S1 & S2 emissions reductions Renew ACA Level 4/4+ or above, and look for opportunities to demonstrate continued climate leadership Actively seek to influence airport Scope 3 emissions reductions 	<ul style="list-style-type: none"> Achieve or surpass 2024 science-based target for S1 & S2 emissions reductions Demonstrate continued responsibility and leadership in aviation transition Actively seek to influence airport Scope 3 emissions reductions
<p>Waste</p> <p>Waste is a by-product of operating a large and diverse organisation. We aim to minimise waste by redesigning our approach to better support a circular economy.</p>	<ul style="list-style-type: none"> Develop a CIAL waste minimisation strategy Create separated waste streams with known waste stream destinations. Undertake waste minimisation projects to reduce emissions and minimise waste 	<ul style="list-style-type: none"> Implement CIAL waste minimisation strategy Develop 2-3 key circular waste streams with known life cycle re-purposing Undertake waste minimisation projects to reduce emissions and minimise waste 	<ul style="list-style-type: none"> Implement CIAL waste minimisation strategy Maintain and develop 3-4 key circular waste streams with known life cycle purposing Undertake waste minimisation projects to reduce emissions and minimise waste
<p>Energy</p> <p>Energy efficiency has multiple benefits for CIAL; we reduce our carbon footprint, reduce our operating costs, and minimise our demand on the national grid. Beyond this, we understand the importance of clean renewable electricity generation and resilience, and the role critical infrastructure assets play in supporting the national energy transition.</p>	<ul style="list-style-type: none"> Actively pursue energy transition from fossil fuel to clean energy sources Make an impact beyond Christchurch Airport terminal boundaries to create partnerships, and demonstrate leadership to encourage faster energy transition uptake Undertake energy efficiency projects, including LED lighting upgrades 	<ul style="list-style-type: none"> Actively pursue energy transition from fossil fuel to clean energy sources Implement energy transition project Complete LED lighting upgrade and seek further energy efficiency projects 	<ul style="list-style-type: none"> Actively pursue energy transition from fossil fuel to clean energy sources Implement energy transition project Undertake further energy efficiency projects

<p>Water</p> <p>Christchurch is unique in using 100% naturally filtered water. Our passion is to maintain its integrity, avoid accidental contamination and minimise use of this precious resource as it passes under the airport.</p>	<ul style="list-style-type: none"> ▪ Measure, understand, and undertake to conserve water around terminal and campus 	<ul style="list-style-type: none"> ▪ Measure, understand, and undertake to conserve water around terminal and campus 	<ul style="list-style-type: none"> ▪ Measure, understand, and undertake to conserve water around terminal and campus
<p>Noise</p> <p>Historically, noise has been the environmental issue of greatest focus at airports around the world. Our responsibility and preference are to collaborate with all stakeholders, especially residents and businesses close to Christchurch Airport and its flight paths in relation to noise impacts.</p>	<ul style="list-style-type: none"> ▪ Noise complaints are limited to 10 per 10,000 aircraft movements per annum ▪ Successful delivery of the updated noise compliance contours to Environment Canterbury ▪ Offers of acoustic mitigation to noise impacted properties currently eligible ▪ Long term and ongoing program to protect CIAL from noise reverse sensitivity affects 	<ul style="list-style-type: none"> ▪ Noise complaints are limited to 10 per 10,000 aircraft movements per annum ▪ Successful delivery of the updated noise compliance contours to Environment Canterbury ▪ Offers of acoustic mitigation to noise impacted properties currently eligible ▪ Long term and ongoing program to protect CIAL from noise reverse sensitivity affects 	<ul style="list-style-type: none"> ▪ Noise complaints are limited to 10 per 10,000 aircraft movements per annum ▪ Successful delivery of the updated noise compliance contours to Environment Canterbury ▪ Offers of acoustic mitigation to noise impacted properties currently eligible ▪ Long term and ongoing program to protect CIAL from noise reverse sensitivity affects
<p>Land</p> <p>Our Place is an area of unique natural beauty. We have a responsibility to protect it, to encourage biodiversity, and our native species. We aim to maintain improve our land and remediate contaminated land. We also have a responsibility to our wider stakeholders to understand climate risks and mitigation, as well as airport hazards such as bird strike.</p>	<ul style="list-style-type: none"> ▪ Understand and enhance our unique dryland habitat ▪ Undertake Campus lands cape planning to celebrate native species and include plant succession planning. ▪ Monitor and understand bird migration patterns to mitigate bird strike risk ▪ Insert bird strike management areas in the regional and district planning framework 	<ul style="list-style-type: none"> ▪ Develop and implement protection plan for CIAL dryland habitat ▪ Continue Campus landscape planning to celebrate native species and include plant succession planning. ▪ Monitor and understand bird migration patterns to mitigate bird strike risk 	<ul style="list-style-type: none"> ▪ Promote and protect CIAL dryland habitat to broader community ▪ Continue Campus landscape planning to celebrate native species and include plant succession planning. ▪ Monitor and understand bird migration patterns to mitigate bird strike risk

COMMUNITY ENGAGEMENT

CIAL is a proud member of the Christchurch, Canterbury and South Island community. CIAL will continue to work to broaden and deepen its support and links with its communities.

Performance Measures	Performance Targets		
	2022	2023	2024
To make a positive contribution to the social and community outcomes of our City and the South Island	<ul style="list-style-type: none"> ▪ Demonstrate support for the city and the region, its image and activities as pandemic impacts allow. Provision of promotional space at the airport to showcase events and activities (i.e. Antarctic programme, mountain bike park) across the region. ▪ Engagement and communication with stakeholders led by the Chief Executive and GMs initiating and accepting invitations to meetings, speeches, addresses, panels and workshops. ▪ Senior leaders participate in and address events and functions, sharing expertise and skills. ▪ Support local and national charities by hosting collections within the terminal, and active engagement by staff in charity events. ▪ Respectively engage with our local communities, iwi mana whenua & stakeholders in respect of CIAL's plans to explore the potential for a new airport in Central Otago. 	<ul style="list-style-type: none"> ▪ Ongoing demonstration of support for the city, its image and activities. Provision of promotional space at the airport to showcase events and activities across the region. ▪ Reactivate the Community Fund as the pandemic allows. ▪ The Chief Executive and GMs initiate and accept invitations to meetings, speeches, addresses, panels and workshops to engage and communicate with stakeholders. ▪ Senior leaders participate in and address events and functions, sharing expertise and skills. ▪ Support local and national charities by hosting collections within the terminal, and active engagement by staff in charity events. ▪ Respectively engage with our local communities, iwi mana whenua & stakeholders in respect of CIAL's plans to explore the potential for a new airport in Central Otago. 	<ul style="list-style-type: none"> ▪ Ongoing demonstration of support for the city, its image and activities. Provision of promotional space at the airport to showcase events and activities across the region. ▪ Ongoing support of the Community Fund. ▪ Engagement and communication with stakeholders led by the Chief Executive and GMs initiating and accepting invitations to meetings, speeches, panels, addresses and workshops. ▪ Senior leaders participate in and address events and functions, sharing expertise, skills and airport activity. ▪ Support local and national charities by hosting collections within the terminal, and active engagement by staff in charity events. ▪ Respectively engage with our local communities, iwi mana whenua & stakeholders in respect of CIAL's plans to explore the potential for a new airport in Central Otago.

OUR PEOPLE

Our People Strategy is designed to continue building a collaborative, connected and engaged culture that enables every member of our Champion Team to deliver our purpose, mission and strategic priorities both individually and collectively. Our people are at the heart of everything we do and it's their great contributions that underlies all our successes, innovations and reputation.

We offer an environment of continuous learning that encourages our team to express their ideas, empowers them to take reasonable risks and recognises them for their diverse contributions. We will strive to ensure all members of our team have the tools, knowledge and support they need to reach their full potential and achieve their professional and personal goals within an environment that is flexible and supports overall wellbeing. We will continuously develop, support and value our leaders so they have the skills and competencies to inspire and empower others to perform to their best potential.

CIAL has just been named as an Employer of Choice in the New Zealand HR awards. As well as programs to support all aspects of employee and campus staff wellness, the way its People and Culture team supported its staff and the wider campus community during lockdown last year has been recognised.

We want to be a fair organisation, an inclusive team, one that embraces and reflects diversity. Diversity has many dimensions, and for CIAL it is important that diversity is embraced. The highest-level aspiration is on having diversity of thought and an organisation that has the capability and understanding to embrace diversity.

Performance Measures	Performance Targets		
	2022	2023	2024
<p>Retain and develop key talent</p> <p>Review and update of Potential and Performance/areas of strategic value talent mapping exercise</p> <p>Succession plans confirmed, and pathways actioned</p> <p>Pipeline of emerging leaders developed, and competency development pathways activated</p>	<ul style="list-style-type: none"> ▪ Retention strategy for critical talent and development of emerging leaders ▪ Activation of Talent Management strategy and internal review conducted with key stakeholders ▪ Tools created that guide talent planning 	<ul style="list-style-type: none"> ▪ Improved retention of critical talent 	<ul style="list-style-type: none"> ▪ Improved retention of critical talent

<p>Develop, support and value leadership</p> <p>All employees and people leaders understand the role and expectations of a 'CIAL Leader'</p> <p>Our leaders are highly effective in coaching for performance, enabling change and are committed to supporting, empowering and developing others</p> <p>All our leaders are accountable and recognised for their successful performance and leadership behaviours</p>	<ul style="list-style-type: none"> ▪ Development of a CIAL Leadership Profile ▪ Implementation of a leadership coaching model into performance development/management practices ▪ Incremental improvement in leadership performance and personal development and performance reviews ▪ Incremental improvement in leadership measures in culture and engagement survey 	<ul style="list-style-type: none"> ▪ Incremental improvement in leadership performance, in personal development and performance reviews ▪ Incremental improvement in leadership measures in culture and engagement survey 	<ul style="list-style-type: none"> ▪ Incremental improvement in leadership performance, in personal development and performance reviews ▪ Incremental improvement in leadership measures in culture and engagement survey
<p>Build a workforce of the future</p> <p>Future oriented talent planning is embedded into operational and strategic planning</p> <p>There is enhanced understanding of the skills we have today and the skills we will need in the future</p> <p>We attract, recruit and develop a diverse and highly skilled workforce</p>	<ul style="list-style-type: none"> ▪ Creation of a CIAL Future of Work working party and establishment of key strategic objectives ▪ Internal recognition of the innovation and change being caused by Future of Work strategies ▪ Incremental improvement in Innovation measures in culture and engagement survey 	<ul style="list-style-type: none"> ▪ Incremental improvement in Innovation measures in culture and engagement survey 	<ul style="list-style-type: none"> ▪ Incremental improvement in Innovation measures in culture and engagement survey
<p>Strengthen diversity, inclusion and engagement</p> <p>Creation and implementation of a diversity, inclusion and participation strategy and engagement program which promotes diversity of thought throughout our business</p>	<ul style="list-style-type: none"> ▪ Create a set of organisation wide employee value statements that guide how we work, make decisions, and consider diverse perspectives to determine the way we treat each other ▪ Flexible work arrangements that reflect our people's needs and the needs of CIAL ▪ Incremental improvements in participation and inclusion measures in culture and engagement survey 	<ul style="list-style-type: none"> ▪ Incremental improvements in participation and inclusion measures in culture and engagement survey 	<ul style="list-style-type: none"> ▪ Incremental improvements in participation and inclusion measures in culture and engagement survey

FAIR EMPLOYER CHARTER

CIAL is committed to delivering a fair workplace, which means a work place that values people and builds capable and confident human beings. It is in support of these commitments that CIAL has developed our Fair Employer Charter (“Wawata Iwi Charter”).

A key commitment of our Charter is to create a culture that has high trust and embraces diversity and inclusiveness. CIAL’s wants to be focused on working together to be highly productive and to ensure that all are fairly rewarded for success.

CIAL recognises that we are part of our people’s lifelong journey and where we can, we will positively contribute to their learning, development and future success, both now and beyond.

REMUNERATION APPROACH

CIAL will look to attract, retain, develop and motivate high calibre employees at all levels – to support our principal objective, to operate as a successful business. CIAL is a socially responsible and equal opportunities employer.

CIAL has policies and procedures in place to ensure remuneration levels are set at market rates that are able to attract and retain the people we need to manage, operate and grow the business.

We regularly compare our employee remuneration against market data and in general will meet the market, subject to employee performance.

The company is especially conscious of its public responsibilities in the setting of remuneration for senior executives, which is closely managed by the Board and made publicly available via the Annual Report.

INFORMATION TO BE PROVIDED TO THE SHAREHOLDER

No Surprises

CIAL is very aware of Shareholders’ requirements in this respect. The company will operate on a “no surprises” basis in respect of significant shareholder-related matters, to the extent possible in the context of commercial sensitivity and confidentiality obligations. Any sensitive issues that could result in media attention or issues will be communicated to the Shareholders as soon as possible.

The Board aims to ensure Shareholders are informed of all major developments affecting the company’s state of affairs, while at the same time recognising commercial sensitivity may preclude certain information from being made public. Within this constraint, information is communicated to the Shareholders through periodic updates, occasional briefings, both the annual report and the half-yearly report, and “no surprises” updates on issues of importance as they may arise.

It must be noted that the 'no surprises' approach will be adhered to, as long as this does not cause non-compliance with CIAL's requirement for continuous disclosure, under the listing rules of the NZ Stock Exchange, as part of their bond listing obligations.

Statement of Intent

The Statement of Intent will be submitted to the shareholders for consultation annually, as required by the Local Government Act 2002. The directors will include any other information they consider appropriate. Where appropriate revised forecasts will be submitted to shareholders.

Annual & Half Year Report

An annual report will be submitted to the shareholders. The annual report will include audited financial statements and other details which permit an informed assessment of the company's performance and financial position during the reporting period provided to the shareholders.

Half-yearly reports will also be provided to the shareholders. These reports will contain unaudited information and comply with NZ IAS 34.

Annual reports will be produced, consistent with the company's objective to be a long-term sustainable and responsible business. The reports will outline the company's objectives and performance in terms of its economic, environmental and social outcomes.

Other Reporting

CIAL is subject to the disclosure regime under Part 4 of the Commerce Act. Under this regime CIAL is required to disclose publicly detailed information after each price setting event and annually after each financial year within the relevant 5-year period.

CIAL will provide regular updates to our shareholder on the ongoing performance of the company which may include financial, strategic, risk and operational updates for any given period.

ACQUISITION/DIVESTMENT PROCEDURES

CIAL will continually assess the best way to maximise its contribution to New Zealand's sustainable aviation growth and its contribution to the social and economic value added to the regions. CIAL's business development activity may include direct investment or partnership activities with appropriate organisations.

The subscription or acquisition of securities in any company or organisation, or a divestment of part of the existing business, will only be considered where it is consistent with the long-term commercial objectives of CIAL.

When the subscription, acquisition or divestment is considered by directors to be significant to the company's business operations, it will be subject to consultation with the shareholders.

Major transactions as defined in the Companies Act 1993, s129 (2), will be subject to shareholders' approval by special resolution.

Notwithstanding the above, if CIAL is considering a significant acquisition or disposal of assets or securities, the shareholders will be consulted with as much lead-time as is commercially practicable in the prevailing circumstances.

Where the company decides to incorporate, or subscribe to, shares in subsidiaries to undertake its commercial activities, the company will ensure effective management, with Board control of any subsidiary being exercised by CIAL's directors and staff.

ESTIMATE OF COMMERCIAL VALUE

The most recent estimate of the commercial value of Christchurch International Airport is \$1,270 million.

The primary approach for this assessment is a discounted future cash flow (DCF) approach related to the airport operations, plus investment properties and surplus land at independent market value assessments.

The current investment property and land market value assessments are based on independent valuations performed as at 30 June 2020. More recent valuations are currently being prepared but were not available as at 30 June 2021. An increase in the value of the investment property portfolio is expected.

The current commercial value of the Shareholders' investment of \$1,270 million (often referred to as the equity value) was calculated by taking the midpoint range of the enterprise value of \$1,888 million and deducting net debt of \$618 million.

The directors note that the estimation of the commercial value of CIAL each year is somewhat of an "academic" exercise. In particular, the approach used for the purposes of this SoI would almost certainly come up with a different estimate to:

- A valuation for financial statement purposes – prepared in accordance with the rules set out in the relevant accounting standards; or
- An earnings multiplier approach – used predominantly for transactional purposes.

Consequently, the directors note the commercial value a shareholder may realise on any sale of its investment in CIAL will almost certainly differ from the value estimated in this SoI, depending on the circumstances of sale, the identity of the buyer, and market conditions applicable or forecast at the time. This value is re-estimated annually.

ACCOUNTING POLICIES

CIAL has adopted accounting policies that are consistent with New Zealand International Financial Reporting Standards, generally accepted accounting practice and the policies adopted by the Christchurch City Council group.

The company's current detailed accounting policies are available in our most recent annual report for the year ended 30 June 2020, as published on our company website <https://www.christchurchairport.co.nz/globalassets/about-us/who-we-are/financial-reports/2020-financial-statements.pdf>