

Nelson Airport Ltd Statement of Intent 2023/2024



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I. Introduction

Nelson Airport Limited (“NAL”) is a Council Controlled Trading Organisation under section 6 of the Local Government Act 2002.

This Statement of Intent is presented by the Directors of NAL in accordance with section 64 of the Local Government Act 2002.

This Statement of Intent is for the 2023/24 Financial Year to 30 June 2024, and for the two following financial years.

The purpose of this document is to publicly state the objectives, strategies, and targets of NAL at this time.

NAL acknowledges the Statement of Expectation from Infrastructure Holdings Ltd dated 23rd January 2023. NAL notes the feedback from the Joint Shareholders’ Committee on the Draft Statement of Intent of Infrastructure Holdings Ltd regarding revenue growth and climate disclosure reporting.

II. Strategic Context

A. Purpose

Our Vision

- To be a world class airport where zero emissions aircraft operate

Our Purpose

- To contribute to a sustainable and prosperous Nelson Tasman

Mission Statement

- Nelson Airport provides sustainable airport infrastructure that connects Nelson Tasman to the world.
- Nelson Airport facilitates business opportunities by optimising the use of land and developing commercial facilities.
- Nelson Airport supports excellent experiences that add to visitor satisfaction.

Values Statement

Everything we do supports a culture of inclusiveness, diversity and openness and we live by our values below:

- **Safety** *“the condition of being protected from or unlikely to cause danger, risk, or injury”.*

Safety is our top priority, informing every decision we make and the daily activities we perform.

- **Integrity** *“the quality of being honest and having strong moral principles”.*

We are honest, open, ethical, and fair in all of our actions, respecting our customers and colleagues alike, even when no one is watching.

- **Teamwork** *“the combined action of a group, especially when effective and efficient”*

We work together, using our collective skills and expertise to meet the needs of our customers and to help Nelson Airport succeed.

- **Continuous Improvement** *“a thing that makes something better or is better than something else”.*

We constantly challenge ourselves to explore opportunities to improve the quality and efficiency of the business.

Openness *“willing to consider new ideas; unprejudiced”.*

We’re open to new ideas and opinions, encourage curiosity, and embrace change and innovation.

- **Accountability** *“the condition of being responsible for your actions”.*

We hold ourselves accountable for the outcomes of our actions, good and bad.

B. Nature and Scope of Activities

NAL was incorporated in 1996 and purchased the assets and undertakings of the Nelson Regional Airport Authority in March 1999.

The airport is a key strategic asset and contributor to the prosperity and growth of the Nelson Tasman economy. Its commercial operations and services deliver significant benefits to the Nelson Tasman region. Its primary service is moving people into and out from the region safely and efficiently. Prior to Covid, the number of passengers through the airport was more than one million annually, however, because of lockdowns that volume has reduced to 865,000 (December 2022 forecast) for the 2022/23 financial year. NAL has shown resilience through the Covid pandemic by remaining open for business and it is anticipated that growing understanding of the virus will result in a return to previously predicted levels of activity within a three-year timeframe.

Through Air New Zealand, Nelson Airport has direct links with the key cities of Auckland, Wellington, and Christchurch. Other carriers including Originair, Sounds Air and Golden Bay Air provide direct provincial links to the North Island cities of Palmerston North, as well as the Kapiti Coast and short hops to “local” destinations Tākaka and Karamea in the north of the South Island. During the recent closure of State Highway 6 between Nelson and Blenheim, Originair ran regular scheduled services between Nelson and Blenheim with NAL’s support.

The airport supports a diverse range of businesses that service passengers or require access to air services or airport land and building infrastructure.

Nelson Airport connects Nelson Tasman to the rest of New Zealand and the world. With the region’s high dependency on air access and relative isolation from road, rail and sea connections, Nelson Airport is critical to delivering on the region’s development and growth aspirations. In particular, the airport contributes to the:

- growth and efficiency of business

- attraction and retention of talent
- resilience of the region and its ability to respond to emergencies.
- efficiency and effectiveness of national health services
- opportunity to facilitate investment in sustainable green energy sources for future aircraft and road fleet requirements.
- attraction of investment in local operations of international aeronautical players

NAL may also grant and administer sub-leases of the land, buildings or installations vested in NAL for any purpose complementary to the ongoing safe and efficient operation of the Airport.

Revenue Analysis

The revenue streams earned reflect the scope of Airport activities. The diagram below illustrates a summarised view of the forecast revenue split for the 2023/24 financial year.

2023/24 REVENUE FORECAST BY REVENUE STREAM



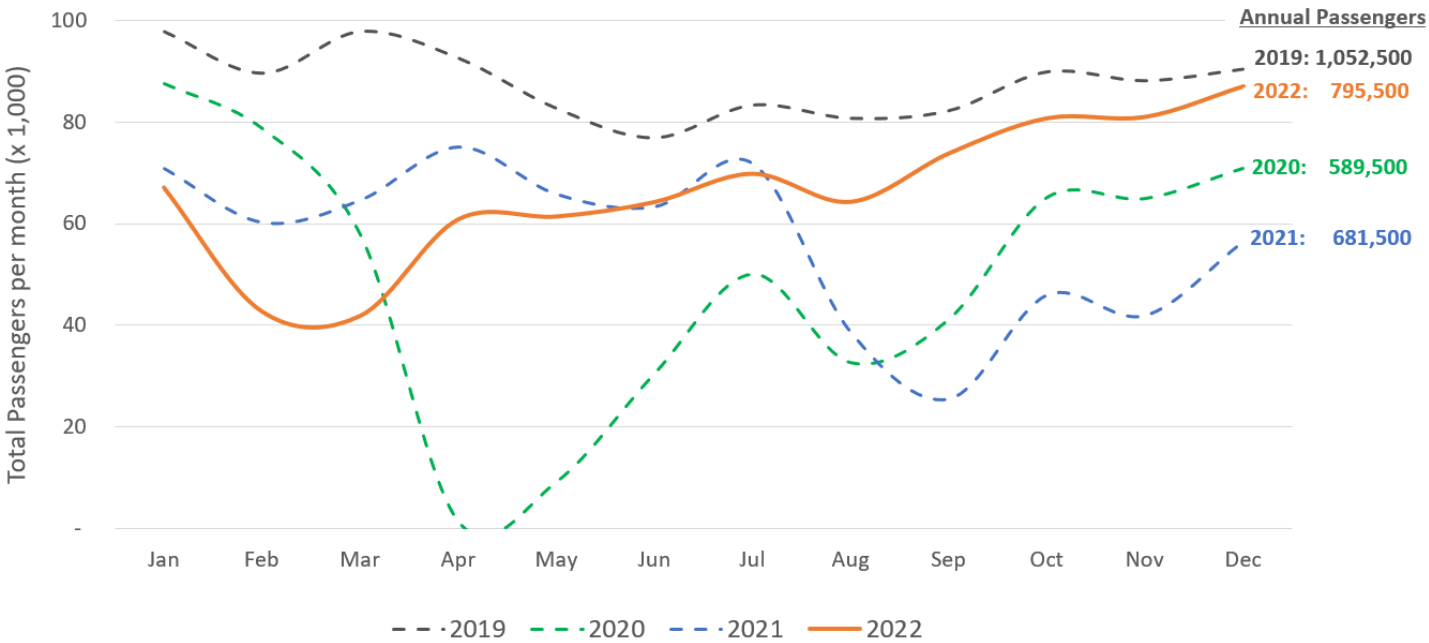
Through the *Master Plan 2050* and recent *Development Plans* NAL is looking to develop and market new commercial opportunities to ensure diversification from its reliance on aeronautical activity.

Passenger Performance

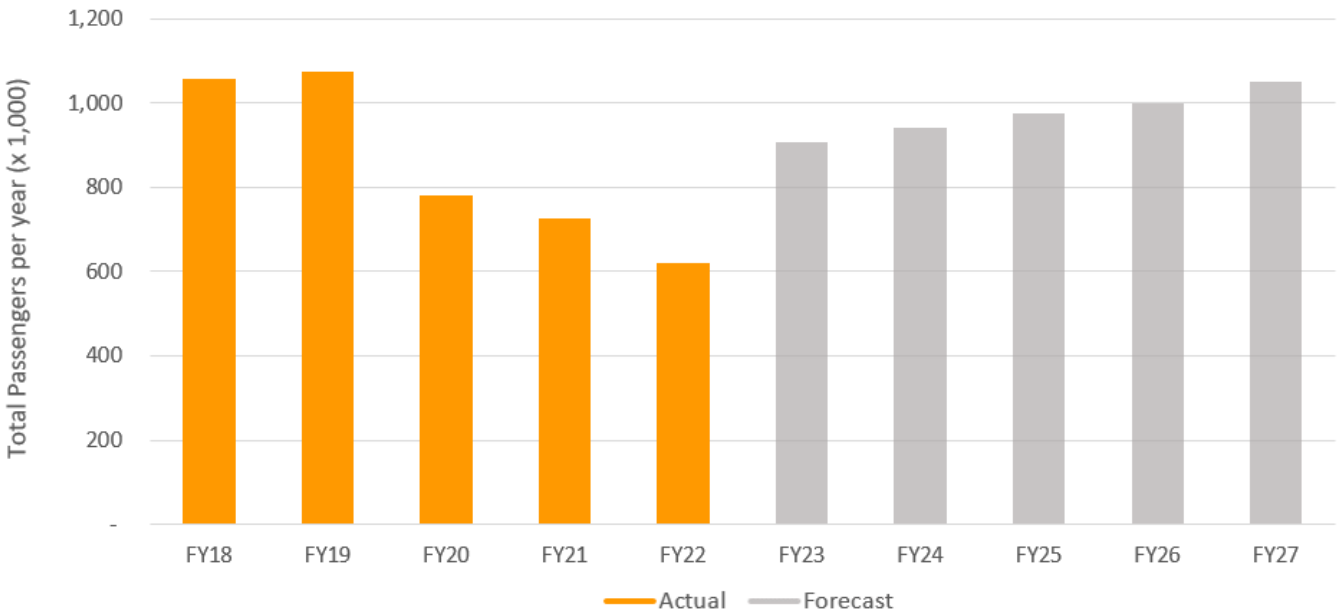
Passengers travelling through the airport underpin NAL’s financial performance. *Aeronautical Charges* earned by the airport to fund the facilities and services provided for aeronautical activities are directly proportionate to passengers and aeronautical activity. Additionally, other significant income streams have a strong positive correlation to total passenger numbers including *Ground Transport*, *Retail* and *Advertising*.

The following graphs tell the story of NAL’s journey through the Covid pandemic – the imposition of the lockdown, subsequent Covid restrictions, the recovery to date and the forecast ongoing recovery. NAL is forecasting a return to annual pre-Covid record passenger performance, over one million passengers, by FY26.

Passenger Comparison – Latest Four Calendar Years



Historical Vs Forecast Total Passengers



C. Objectives

NAL has developed strategic areas to improve business performance and encourage growth. These strategies are underpinned by a series of activities and key performance indicators.

2023/24 – 2025/26

STRATEGIC AREA	OBJECTIVES
People, Culture and Values	Be an Employer of choice in the region.
Health, Safety and Risk	Provide a safe and secure airport in accordance with CAA and HSWA rules, underpinned by a strong safety culture.
Infrastructure and Property	Invest in and maintain buildings and infrastructure that support our strategic and commercial objectives and provide resilience against the effects of natural events.
Financial Results	Ensure strong financial performance and expand and diversify revenue streams to reduce reliance on aeronautical activities.
Customers and Stakeholders	Build strong relationships with airlines, shareholders, Tasman and Nelson communities and Iwi, hapu and other Māori organisations.
Environmental Sustainability	Reduce our carbon emissions and waste by investing in future green energy production and waste reduction/recycling opportunities and facilitate other stakeholders to do the same.

Our Strategies

For the financial years 2023/24 to 2024/25, the Statement of Intent concentrates on the following Strategies:

<p>People, Culture and Values</p> 	<ul style="list-style-type: none">• Provide a safe and secure airport in accordance with Civil Aviation Act Rules• Live our values in everything we do.• Be proud of our culture of openness, inclusiveness, and diversity.• Have a highly engaged workforce.	<p>Health, Safety and Risk</p> 	<ul style="list-style-type: none">• Comply with CAA¹ and HSWA² legislation and ensure appropriate strategies and policies are firmly entrenched in the company's culture.• Ensure everyone takes responsibility for identifying and mitigating risks including natural hazards and people/plant interfaces.
<p>Infrastructure and Property</p> 	<ul style="list-style-type: none">• Establish and manage an Asset Management Programme to provide a long-term, fit-for-purpose asset base.• Invest in commercial opportunities that provide attractive returns on capital and complement airport activities.• Create an airport precinct that promotes opportunities for our communities to enhance the airport experience.	<p>Financial Results</p> 	<ul style="list-style-type: none">• Establish a Dividend Policy which maximises dividend distributions in line with a prudent debt: equity ratio that ensures the ongoing growth and development of the airport.• Provide timely and relevant KPIs to measure the health and wealth of the business.• Establish SMART³ objectives across all areas of the business.• Diversify revenue streams to reduce reliance on aeronautical activities.


¹ Civil Aviation Act 1990

² Health and Safety at Work Act 2015

³ Specific, Measurable, Achievable, Relevant, and Time-Bound


Customers and Stakeholders

- Build strong relationships with airlines, shareholders, Tasman and Nelson communities and Iwi and other Māori organisations.
- Deliver excellent customer service to all travellers and visitors to the airport.
- Be innovative in all things we do.



Environmental Sustainability

- Reduce our carbon emissions and waste by investing in future green energy generation and recycling opportunities.
- Proactively pursue confirmation of Project 2-Zero NoR & Private Plan Change to protect ability to host zero-emission aircraft and develop green energy generation as a Permitted Activity
- Invest in opportunities that deliver carbon neutral or better outcomes.
- Invest in infrastructure improvements that will provide resilience against events of nature.
- Proactively seek opportunities to contribute to the environmental performance of our customers and stakeholders.



D. Performance Measures and Targets

FY24 Targets

STRATEGIC AREA	MEASURE	TARGET
People, Culture and Values	Annual employee engagement survey to be undertaken	Maintain a “Great” ⁴ result
	Maintain a formal training and development programme for employees	Achieve 10 hrs/FTE of ongoing personal development
Health, Safety and Risk	Meet all our obligations and standards under Civil Aviation Act Rules	No “major” ⁵ findings
	Have a behavioural based safety culture where everyone is responsible for safety on the airport and uses the SMS daily	Top 20 risk register reviewed fortnightly by Senior Leadership Team

⁴ Employee Engagement Survey Net Promoter Score between 30-70%

⁵ An occurrence or deficiency involving a major system that caused, or had the potential to cause, significant problems to the function or effectiveness of that system.

STRATEGIC AREA	MEASURE	TARGET
		One key risk reviewed at every Board meeting. Board Safety walks scheduled quarterly
	Have an NAL-facilitated Health and Safety Committee in place	Minimum of 9 safety meetings with all major airside and landside PCBUs ⁶
	Enhance oversight of noise levels as set out in the Nelson Resource Management Plan	Approval of Noise Management and Monitoring Plan by NANEAC ⁷
Infrastructure and Property	Maintain an asset management system to manage the condition, criticality, and life cycle of all assets	Main apron rehabilitation project completed
	Attract commercial investment in developments that deliver our vision	New rental car base of operations project completed by 30 June 2024
Financial Results	Manage financial performance to ensure we are optimising returns	Total Operating Revenues \$18.1m EBITDA ⁸ \$10.4m
	Annual Audit	Achieve an unqualified audit opinion
Customers and Stakeholders	Deliver an exceptional customer experience for those visiting the airport in any capacity	Maintain “Excellent” result in FY24 Customer Satisfaction Survey
	Appoint cultural advisor and provide plan for iwi engagement and strategic partnership opportunities	Implement one iwi partnership outcome by June 2024
Environmental Sustainability	Pursue sustainability initiatives that deliver our goal to be carbon neutral by 2030	Achieve Level 2 Airport Carbon Accreditation
	Zero carbon emission	Complete feasibility study for green energy production on airport by June 2024

⁶ Person Conducting a Business or Undertaking

⁷ Nelson Airport Noise Environment Advisory Committee

⁸ Earnings before interest, taxes, depreciation, amortisation, and other non-operating income/expenses

III. Financial Performance

A. Prospective Summary Financial Statements

Prospective Summary Statement of Comprehensive Income (\$ million)

	FY23	FY24	FY25	FY26
Total Operating Revenues	16.4	18.1	19.9	21.9
Total Operating Expenses	(6.4)	(7.6)	(7.3)	(8.0)
EBITDA before Other Income / Expenses	10.0	10.4	12.5	13.9
Other Income / (Expense)	(0.0)	(0.6)	(0.2)	(0.1)
EBITDA after Other Income / Expenses	10.0	9.8	12.3	13.8
Depreciation and Amortisation	(4.2)	(4.5)	(5.1)	(5.6)
EBIT	5.8	5.3	7.2	8.2
Finance (Expense) / Income	(1.4)	(1.6)	(2.4)	(3.0)
Profit before Income Tax	4.4	3.7	4.8	5.2
Income Tax	(1.4)	(1.3)	(1.4)	(1.5)
Net Profit after Income Tax	3.0	2.4	3.4	3.7

Prospective Summary Statement of Financial Position - As at Year End (\$ million)

	FY24	FY25	FY26
Assets			
Current Assets	1.3	1.4	1.6
Property, Plant and Equipment	153.1	170.5	191.5
Intangible Assets	0.1	0.1	0.1
Other Non-Current Assets	0.4	0.1	0.0
Total Assets	154.9	172.0	193.2
Liabilities			
Current Liabilities	5.1	3.2	3.5
Total Loan Finance	32.4	49.5	68.2
Other Non-Current Liabilities	13.8	13.8	13.8
Total Liabilities	51.4	66.6	85.5
Total Net Assets	103.5	105.5	107.7
Total Equity	103.5	105.5	107.7

Prospective Summary Statement of Cashflows (\$ million)

	FY24	FY25	FY26
Cash Opening Balance	0.2	0.2	0.2
Cash In			
Cash from Operations	20.6	22.7	25.0
Cash drawn from Loan Facility	10.8	27.1	18.9
GST Received	-	1.3	1.7
Other Assets / Liabilities	0.4	-	-
Total Cash Inflows	31.9	51.1	45.6
Cash Out			
Operational Expenses	8.6	8.1	8.6
Income Tax Paid	1.8	1.8	1.6
Dividends	1.2	1.3	1.4
Capital Expenditure	12.3	27.6	30.7
GST Paid	0.7	-	-
Loan Payments (principal and interest)	7.2	12.4	3.2
Total Cash Outflows	31.9	51.1	45.6
Cash Closing Balance	0.2	0.2	0.2

Note

Cash balances will be maintained at minimal levels whilst the MOCL finance facility remains active.

B. Ten-Year Projected Capital Expenditure Programme

The following table shows the projected capital expenditure forecast for the current financial year plus ten additional years.

Ten-year Total Capital Expenditure Forecast

	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
Total Capex (\$m)	4.5	11.9	22.5	26.7	13.7	13.6	8.1	6.8	13.2	14.8	13.5

Prospective Summary Statement of Capital Expenditure (\$ million)

Capital Expenditure Forecast	FY24	FY25	FY26
Runway, Aprons and Taxiways	4.5	5.3	3.2
Electrical Assets	-	-	1.0
Stormwater / Erosion / Drainage	1.3	1.9	2.8
Rescue Fire Service	-	-	6.0
Security	-	14.1	-
Landside Roading and Carparks	1.5	0.2	11.3
Commercial Property Developments	2.4	-	2.0
All Other Forecast Capital Expenditure	2.3	1.0	0.5
	11.9	22.5	26.7

C. Ten-Year Projected Debt Profile

The following table shows the projected debt levels for NAL for the current year plus ten additional years.

Ten-year Total Third-party Debt Forecast

	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
Total Debt (\$m)	27.2	32.4	49.5	68.2	71.5	75.9	74.3	69.5	69.7	71.0	69.9

D. Key Financial Covenants

Prospective Key Ratios and Indicators - As at Year End

	Note	FY24	FY25	FY26
Working Capital (\$ x 1,000,000)	1	(3.8)	(1.9)	(1.9)
Working Capital Ratio	2	0.3	0.4	0.5
Return on Equity	3	2.3%	3.2%	3.5%
Shareholders' Funds to Total Assets Ratio	4	0.7	0.6	0.6
Debt to Equity Ratio	5	0.3	0.5	0.6
Leverage Ratio	6	3.1	3.9	4.9
Interest Cover Ratio	7	6.5	5.3	4.6
Funds from Operations / Debt	8	23.1%	17.7%	13.8%

Notes

- Working Capital = (Current Assets - Current Liabilities)
Current Liabilities include Dividend Payable. Cash balances will be maintained at minimal levels whilst the MOCL finance facility remains active.
- Working Capital Ratio = (Current Assets / Current Liabilities)
Cash balances will be maintained at minimal levels whilst the MOCL finance facility remains active.
- Return on Equity = (Net Profit after Tax / Total Shareholders' Equity)
- Shareholders' Funds to Total Assets Ratio = (Total Shareholders' Equity / Total Assets)
- Debt to Equity Ratio = (Total third-party debt at year end / Total Shareholders' Equity)
- Leverage Ratio = (Total third-party debt at year end / EBITDA before other Income/Expenses)
- Interest Cover Ratio = (EBITDA before other Income/Expenses / Net Finance Costs)
- Funds from Operations / Debt = ((EBITDA before other Income/Expenses - Cash Interest - Cash Taxes) / Total third-party debt at year end)

E. Accounting Policies

NAL reports financially under the new Accounting Standards Framework implemented by the Financial Accounting External Reporting Board to effect changes enacted by the new Financial Reporting Act 2013. For financial reporting purposes NAL is a "for-profit public sector entity". By virtue of the size of the business, and by election, NAL reports under the Reduced Disclosure Regime to Tier 2 requirements.

From the 2015/16 financial year NAL has undertaken General Purpose Financial Reporting utilising the revaluation model based on the accounting concept of Fair Value. Significant valuation work was

undertaken towards this end and underpins the reporting of Property, Infrastructure and Leasehold Interest at fair value.

NAL regularly reports internally on a monthly accounting cycle with actuals for the Balance Sheet and Income Statement being presented to management and the Board monthly. Progress against budgets and forecasts is regularly monitored internally and reported against.

The reporting entity for accounting and financial reporting purposes is Nelson Airport Limited. Nelson Airport Limited has a balance date of 30th June.

Accounting policies are set out in detail in NAL's Annual Report which is available from Nelson Airport Ltd website at: www.nelsonairport.co.nz.

F. Dividend Policy

NAL will use best endeavours to maximise the annual dividend pay-out to shareholders, whilst remaining within prudent debt ratio limits, that provides for the ongoing successful operation, growth, and development of the airport.

G. Commercial Valuation

The commercial value of the Shareholders' investment in the Company is considered by the Directors to be not less than the Shareholders' funds as disclosed in the Statement of Financial Position published in the last Annual Report.

The fair value of assets is supported by valuations of land, buildings, infrastructure, and the leasehold interest in the aerodrome land by independent registered valuers as required.

A reassessment of the value of the Shareholders' investment in NAL may be undertaken as required from time to time by the Shareholders or Directors.

H. Procedure for Acquisition of Other Interests

If the Directors believe NAL should invest in or otherwise acquire any interest in any other organisation, they will obtain the prior approval of the Shareholders by special resolution, unless the total cost is less than \$50,000. In this case, prior approval will not be required but Shareholders will be advised in writing within 14 days.

IV. Non-Financial Performance

A. Sustainability, Risk Management & Reporting

NAL is committed to reducing its impact on the environment, including its contribution to climate change, as well as providing transparency to the community on the potential impacts of climate change on airport operations.

Risk Management:

NAL has a comprehensive risk management framework in place that is reviewed monthly by the Board. This framework includes risks pertaining to natural hazards and climate change such as inundation, significant weather events, and natural disasters.

Carbon reduction:

NAL has committed to two specific goals for carbon emissions reduction:

- An 80% reduction of gross carbon emissions from 2019FY to 2035FY, and
- Net zero carbon emissions by 2050 .

Whilst NAL is not a member of the Climate Leaders Coalition, the first point above aligns with the Coalition's goal of contributing to holding the increase in global warming to 1.5 degrees. NAL's performance against this target will be independently verified. Achieving this result for Scope 1 and 2 emissions requires NAL to transition to 100% green energy use for both terminal and tenant services.

Climate change:

Following the August 2022 weather event, NAL began developing a resilience plan which identified the physical risks to the Airport from natural events such as the increase in rainfall while Jenkins Creek is at high tide. The resilience plan currently being completed will focus on the next 30 years and will identify mitigation strategies around stormwater networks, detention basin, pump stations, stop banks and rock walls.

Waste Minimisation:

With the appointment of a Sustainability Manger in FY24, NAL will focus on reducing waste and increasing recycling, this being pursued as part of an initiative to engage more deeply with the wider Airport tenants and suppliers to establish environmental champions and raise the priority of environmental management matters.

Climate related disclosures:

Consistent with the requirements of Council Shareholders and Infrastructure Holding Limited (IHL), NAL will commence reporting against the Climate-related Disclosures (NZ CS 1) standard in FY2024.

The reporting will be matured through three phases: scoping, qualitative and quantitative compliance over three years, with full compliance in FY2026. This reporting will cover the following areas:

1. Governance
2. Strategy
3. Risk Management
4. Metrics and targets.

FY24 Projects underway to both reduce our carbon footprint and build resilience against natural events including those caused by climate change:

- Proactively pursue confirmation of Project 2-Zero NoR & Private Plan Change to protect ability to host zero-emission aircraft and develop green energy generation as a Permitted Activity
- Stormwater airside replacement project
- Engagement with market players regarding commercial opportunity for hydrogen eco system and generation in Nelson
- Roll out the composting programme with tenants

- Continue with carbon offsetting
- Introduce eBus infrastructure upgrades
- Stipulate new building requirements which must include carbon footprint reduction capability
- Achieve Level 2 Airport Carbon Accreditation
- Complete feasibility study for green energy production on airport by June 2024

B. Health and Safety

NAL has a CAA approved Safety Management System (SMS) in place, ensuring compliance of our airside operations. Our SMS is also independently audited annually by an aviation consultancy. NAL continues to evolve the system which allows for more efficient and effective reporting of risks, hazards and incidents and provides a better overview of the health and safety environment at any given time. Continual improvement is a pillar of the system, and we will continue to deliver advancements in managing safety.

We recognise that procedures and processes can only provide a certain level of assurance however and that the main hazard at the airport is that created by people.

We continue to see open and honest communication with operators and stakeholders as the key element in driving a successful safety culture. NAL holds regular safety and security discussions with stakeholders to drive improvements where businesses co-exist. NAL is also an active member of the Safety Managers Forum created by the NZ Airports Association.

C. Relationships with Customers/Stakeholders/Iwi

In 2023 we will continue to build on the early steps we have made towards a closer relationship with iwi through the Iwi Chairs Forum. We have engaged a strategy and engagement specialist with strong experience and connections in iwi engagement, using recognised consultants to facilitate a 360-degree review of the airport's operational and strategic opportunities to draw out those that align with iwi aspirations and allow us to better identify the greatest opportunities for a mutually rewarding partnership.

This work will support the development of a Māori Responsiveness Plan and associated work programme for Nelson Airport.

Alongside this, we will continue to work on building our cultural capability internally, with Te Reo Māori classes offered to all interested staff from 2023. The first group began their classes with Te Ataarangi in March 2023.

V. Governance Performance

A. Approach to Governance

The Board's approach to governance of NAL is to preserve and enhance Shareholder value in the long term.

The Board is responsible for the Strategic Plan and Statement of Intent and is accountable to the Shareholders within the framework provided by the constitution of NAL, the provisions of the Companies Act 1993 and the Local Government Act 2002.

The Board must:

- Ensure that NAL uses its best endeavours to meet its objectives as defined in the Statement of Intent.
- Ensure that NAL complies with its legal obligations.
- Make any decisions as to policy that is not the preserve of general management and day to day administration.
- Employ the Chief Executive including entering into a performance management agreement, reviewing performance, and setting remuneration.
- Ensure sound financial management of NAL.
- Ensure NAL meets all health and safety obligations.

The Board consists of a minimum of four and a maximum of six non-executive Directors, appointed by the Shareholders in accordance with the Constitution.

The Board meets at least nine times per year. The individual Directors' attendance record is maintained and reported in the Annual Report.

NAL employs sound financial management and systems providing reports to the Board on monthly and year-to-date performance. The Board also receives a Chief Executive's Report at each Board Meeting which addresses issues related to NAL's performance against its objectives.

All Directors will use their best endeavours to ensure NAL achieves the objectives as defined in this document and will comply with the requirements of its constitution and the Statement of Intent.

All Board Members comply with the New Zealand Institute of Directors' Code of Proper Practice for Directors.

Fees for the Board are set by the Shareholders in accordance with a policy jointly approved by Nelson City Council and Tasman District Council.

B. Information to be Provided to Shareholders

General

NAL operates on a 'no surprises' basis in respect of significant Shareholder-related matters, especially on matters likely to cause community or political concerns, to the extent possible in the context of commercial sensitivity and confidentiality obligations.

Half-Yearly Report

To be delivered to Shareholders by 28 February.

The half-yearly report will include:

- A Directors' report which includes commentary on NAL's operations and performance against non-financial performance measures

- A condensed Statement of Comprehensive Income
- A condensed Statement of Changes in Equity
- A condensed Statement of Financial Position
- A condensed Statement of Cash Flows
- Appropriate Notes to the condensed Financial Statements

The half-yearly report (The Interim Report) will be published on NAL's website following delivery to and adoption by the Shareholders.

When presenting the half-yearly report, the Board will indicate any significant movement expected in the final year-end position.

Statement Of Intent

- Draft to be delivered to the Shareholder by 31 January, or later if allowed by the shareholder. In any case not later than 28 February.
- Comments from the Shareholder on draft Statement of Intent, if any, to be provided to NAL by 1 May
- Final Statement of Intent to be delivered to the Shareholder following consideration of any Shareholder comments by 31 May, or later if allowed by the shareholder. In any case not later than 30 June.
- Final Statement of Intent to be made available to the public following adoption by the Shareholder.

The Statement of Intent will contain prospective financial information in the form of forecasts for the current year and following two years as well as a 10-year projected debt profile and capital expenditure profile. The financial forecasts will include a summary Statement of Comprehensive Income; Statement of Financial Position; Cashflow Statement; Earnings Before Interest and Tax (EBIT); Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA); Debt to Equity Ratio; Working Capital; Capital Expenditure; Return on Equity; and Ratio of Shareholders' Funds to Total Assets.

Annual Report

- To be delivered to Shareholders by 30 September and not less than 20 working days before the date fixed for holding the Annual Shareholders' Meeting
- To be made available to the public by 30 September

Within three months after the end of the financial year, the Board will deliver an audited Annual Report which fulfils the requirements of the Local Government Act 2002 and is prepared to comply with the requirements of the Financial Reporting Act 2013.

The Annual Report will include:

- A Directors' Report including a summary of the financial results, a review of operations, a comparison of performance in relation to objectives and any recommendation as to dividend.
- A Statement of Comprehensive Income disclosing actual and budgeted revenue and expenditure and comparative actual figures from the previous year
- A Statement of Changes in Equity with actuals and comparative figures from the previous year
- A Statement of Financial Position with actuals and comparative figures from the previous year
- A Statement of Cash Flows with actuals and comparative figures from the previous year
- An Auditor's Report on the above statements and the measure of performance in relation to objectives

Annual Shareholders' Meeting

- Annual Shareholders' Meeting to be held by 31 December each year
- Annual Report to be delivered to Shareholders not less than 20 working days prior to the Annual Shareholders' Meeting
- Written Notice of Meeting to be delivered by not less than 10 working days before the meeting

Written notice of the time and place of a meeting of Shareholders will be sent to every Shareholder and to every Director and Auditor of NAL not less than 10 working days before the meeting. The notice must be in accordance with the requirements of Schedule 1 of the Companies Act 1993.