

## Media Release | 5 November 2012

# Auckland Airport appoints Adrian Littlewood as Chief Executive Officer

Auckland Airport today announced that Adrian Littlewood, currently the company's General Manager of Retail & Commercial has been appointed Chief Executive Officer, effective 12 November 2012.

Chair of Auckland Airport, Joan Withers said the Board was delighted to have appointed Mr Littlewood, an internal candidate, to the position after an extensive local and international search programme which attracted a significant number of high calibre applicants.

“Adrian, who joined the Airport in 2009, has played an instrumental role in delivering on the company's new strategic approach which has transformed our business performance and delivered significant benefit to passengers, airline partners, the wider tourism sector and New Zealand as a whole.”

“In particular he has done an outstanding job leading the growth and development of the retail and commercial division, our key non-aeronautical revenue lines which now deliver approximately 40% of the Airport's income - NZ\$166m revenue.”

“Adrian's broad commercial experience, his proven performance while at the Airport and strategic management background mean he is ideally equipped to lead the next phase of ambitious growth in the business as we maintain our leadership position in New Zealand tourism.”

Mr Littlewood said under his leadership Auckland Airport will continue its commitment to growth through innovation and appropriate capital investment in order to maintain the momentum achieved to date.

“I’m delighted to have the opportunity to lead a New Zealand business that makes such a significant contribution to the national economy. Auckland Airport has a very clear understanding of how to create choice for customers and will keep its focus on making journeys better for each of them.”

“I’m looking forward to leading the Airport team to build on the recent growth delivered by the Airport and meet the increased market expectations we face.”

“We have a strong leadership team in place to achieve ambitious tourism growth – both in volume and value - and deliver on the infrastructure development plans outlined in our strategic plan.”

“We will continue to work closely with our partners in the tourism and trade sectors to make the most of the opportunities that exist as we move ahead to finalise our Master Plan of airfield, terminal and land development to meet New Zealand’s needs.”

Mrs Withers said the Auckland Airport Board wanted to acknowledge the contribution made by Simon Robertson, who stepped into the role of Acting Chief Executive Officer in August.

“Simon has done a great job leading the company through this transition period while the search for the Chief Executive Officer was underway.”

“However he made it clear to the Airport Board that he did not wish to be considered for the Chief Executive Officer role on a permanent basis and will now return to his role as Chief Financial Officer with our thanks.”

Before joining Auckland Airport, Adrian Littlewood spent 5 years at Telecom, in key strategy, product and marketing roles, including Head of Consumer Propositions where he was responsible for design, pricing and launch of consumer offers across mobile, broadband and landline portfolios covering 3.5m customer relationships and earnings of over \$1billion.

Mr Littlewood, who graduated from Auckland University with a Bachelor of Law and Bachelor of Arts, began his career in corporate and commercial law with Belly Gully in New Zealand and Baker & McKenzie in London.

-ends-

Editors note: A summary of Adrian Littlewood's career and key contract terms with Auckland Airport are set out below:

## **Curriculum Vitae - Adrian Littlewood**

### **Qualifications**

- B.A.LLB Bachelor of Law, Bachelor of Arts, University of Auckland
- Stanford Executive Program, Stanford University Graduate School of Business

### **Significant Career Achievements**

Member of the Auckland Airport executive team responsible for leading the Retail & Commercial division covering the Airport's non-aeronautical revenue lines (excluding property development) and representing approximately 40% of Auckland Airport's revenue (NZ\$166m revenue)

At Telecom NZ, responsible for design, pricing and launch of consumer offers across mobile, broadband and landline portfolios covering over 3.5m customer relationships and earnings of over \$1bn plus Telecom's retail channel marketing function

### **Career Summary:**

2009 – Recent: General Manager Retail & Commercial, Auckland Airport.

2003 – 2009: Telecom New Zealand

2006 – 2009: Head of Consumer Propositions,

2005 – 2006: Wired/Wireless Strategy Manager

2004 – 2005: Broadband Excellence Manager

2004: Head of Wi-Fi

2003 – 2004: Senior Strategy Analyst

2002 – 2003: Business Consultant, RoamAD

2001 – 2002: Senior Strategy Analyst, Logical Group (London)

1999 – 2001: Corporate/Commercial Solicitor, Baker & McKenzie (London)

1997 – 1999: Corporate/Commercial Solicitor, Bell Gully (New Zealand)

5 November 2012

## **SUMMARY OF KEY TERMS OF EMPLOYMENT BETWEEN ADRIAN LITTLEWOOD AND AUCKLAND INTERNATIONAL AIRPORT**

The terms of Mr Littlewood's employment with Auckland Airport, and in particular his remuneration package, have been agreed taking into account Mr Littlewood's skills and experience, and market relativities.

### *Term*

Mr Littlewood is to be employed for an indefinite duration, subject to the termination provisions detailed below. Mr Littlewood's employment with Auckland Airport will commence on 12 November 2012.

### *Remuneration*

Mr Littlewood shall receive the following remuneration package:

- a salary of \$725,000 per annum, to be reviewed annually;
- a short term incentive of up to \$435,000 per annum (reviewed annually) to recognise stretch performance in relation to both financial and non-financial aspects of Auckland Airport's performance; and
- an annual long term incentive grant of 50% of salary, with the terms of the long term incentive the same as the company's leadership team long term incentive rules.

Under his long term incentive plan, Auckland Airport shall grant Mr Littlewood phantom options each year, with a notional exercise price set at the closing share price on the grant date. The number of phantom options will be determined by the valuation of an option divided into the grant sum. The phantom options are not securities issued by Auckland Airport and no securities will be issued by Auckland Airport to Mr Littlewood on the exercise of a phantom option. Instead, when phantom options are exercised by Mr Littlewood in accordance with the terms of the long term incentive plan, Auckland Airport is required to pay a cash amount (less tax) to Mr Littlewood in respect of the phantom options being exercised. The cash amount in respect of each phantom option being exercised will be equal to the 20 day volume weighted average price of Auckland Airport ordinary shares on the business days immediately preceding the exercise date minus the notional exercise price for the phantom options.

The phantom options are exercisable by Mr Littlewood as follows:

- Subject to the following paragraphs, Mr Littlewood shall be entitled to exercise options at any time after the date three years after each grant is made.

- Once they become exercisable, phantom options shall remain exercisable by Mr Littlewood for a period of two years from the date they become exercisable. Any phantom options not exercised by this time shall automatically lapse.
- Mr Littlewood may not give an exercise notice in respect of any phantom option unless Auckland Airport total shareholder returns are equal to or greater than an independently calculated annual cost of equity plus one percent, as from the date of when the grant was made.
- If Mr Littlewood ceases to be employed by Auckland Airport in certain circumstances, some or all of the phantom options may lapse and cease to be capable of exercise by Mr Littlewood. This is discussed further below.

#### *Termination*

Mr Littlewood may resign at any time giving at least six months' notice. Auckland Airport may terminate Mr Littlewood's employment with six months' notice.

If Mr Littlewood's employment is terminated by Auckland Airport due to the redundancy of his position, he will receive a payment of 12 months' salary and pro rata payment of any short term incentive as redundancy compensation.

Auckland Airport may terminate Mr Littlewood's employment if it considers that it has lost trust and confidence in Mr Littlewood. In such a situation, Mr Littlewood will receive a payment of 12 months' salary and pro rata payment of any short term incentive.

In addition to the above, if Mr Littlewood's employment is terminated for reason of redundancy or loss of trust and confidence, he may also be able to exercise those phantom options which he has already become entitled to exercise at the relevant time.

If Mr Littlewood's role becomes redundant through a change in the organization, and he elects to accept another substantially similar role, no redundancy will be payable.

Auckland Airport may also terminate Mr Littlewood's employment without notice for serious misconduct.

#### *Restraints*

For a period of 12 months after ceasing employment with Auckland Airport, Mr Littlewood may be restrained from being associated with any company acting in competition with Auckland Airport. This restraint of trade shall come into effect at Auckland Airport's election.

For a period of 18 months after ceasing employment with Auckland Airport, Mr Littlewood shall be restrained from soliciting or otherwise dealing with Auckland Airport clients or customers, or soliciting Auckland Airport employees or contractors.

-Ends-

For further information, please contact:

Richard Llewellyn

Corporate relations manager

+64 9 255 9089

+64 27 477 6120