

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

Auckland International Limited is committed to operating its business with highest level of business ethics and in accordance with the applicable laws and regulations. Thus, in terms of Clause 49 of the Listing Agreement effective from 1st January, 2006, the Company proposes to lay down a Code of Conduct which shall form an integral part of the Company's governance policy. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanism to deal with unethical conduct. However this code is not an extensive narration of duties, obligations and rights of a director/senior management of the Company but broadly provides certain guidelines to be followed by a director/senior management of the Company.

Applicability

In terms of Clause 49 of the Listing Agreement, the Board of Directors (the "Board") of the Company has adopted the following Code of Business Conduct and Ethics (the "Code") for directors and senior Management personnel of the Company. For this purpose the term 'senior management' shall mean personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the Board of Directors, including all functional heads.

All concerned must read, understand and ensure to abide by it in their day to day activities. They may contact the Secretarial Department in case any query relating to compliance of this Code.

Effective Date

The code comes into effect from 1st January, 2006.

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Elucidation of Code:


The directors/senior management have the obligation to conduct themselves in an honest and ethical manner and to act in the best interest of the Company at all times. This code is intended to focus on the Board members including the executive director and senior management personnel on areas of ethical risk, integrity and honesty providing guidance to help them recognize and deal with ethical issues.

Any question or interpretation under this Code of Ethics and Business Conduct will be considered and dealt with by the Board or any committee or any person authorized by the Board in this behalf. The Board or any designated person/committee so authorised has the authority to waive compliance with this Code of business conduct for any director, officer or employee of the Company. The person-seeking waiver of this Code shall make full disclosure of the particular circumstances of the case to the Board or the designated person/committee.

The Directors and Senior Management is expected to demonstrate exemplary personal conduct through adherence to the following:

❖ Conflict of interest

All directors, senior management should avoid situations in which their personal interest could conflict with interest of the Company. In the likelihood of there being a conflict of interest, he/ she should make full disclosure of all facts and circumstances thereof to the Board of directors or any committee/officer nominated for this purpose by the Board and a prior written approval should be obtained.


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Conflict of interest may occur when an employee or director or a member of his/her family gets any undue personal benefits or interests due to his/her position with the Company. Under such situation, he/she is expected to disclose to the Departmental Head/ the Board about the same. The following examples are given as guidelines for determining situations where such conflict of interest may arise, but such examples are not intended to cover all possible events.

a. Relationship of Company with third parties

Directors shall not receive a personal benefit from a person or entity, which is seeking to do business or to retain business with the Company. He/she shall not participate in any decision making process of the Board involving another entity in which he/she has direct or indirect interest.

b. Compensation from non-Company sources

Directors shall not accept compensation (in any form) for services performed for the Company from any source other than the Company.

c. Gifts & Donations

The Company and its officers or employees shall neither receive nor offer or make directly or indirectly, any illegal payments, remuneration, gifts or comparable benefits from customers, vendors, consultants etc. that is intended to or perceived to influence any business decision or to obtain uncompetitive favours for the conduct of its business or where acceptance of such gift could create the appearance of a conflict of interest.

d. Personal use of Company assets

Directors shall not use Company assets, labour or information for personal use.



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❖ **Prohibitions:**

The Directors/Senior Management personnel are prohibited from:

- *Using opportunities that are discovered via the use of Company information or their position as a director;*
- *Using Company's assets for their personal benefit;*
- *Competing with the Company for business opportunities ignoring Company's interest.*
- *Misusing Company facilities except where such facilities have been provided for personal use either by policy or by specific permission.*

❖ **Honest and Ethical Conduct**

Honesty is the basic input of Trusteeship. The Directors/senior management shall act in accordance with the highest standards of personal and professional integrity. They shall act and conduct free from fraud and deception. Such acts are not only on the Company's premises and offsite but also at Company sponsored business, social events as well as other places. They shall conform to the best-accepted professional standards of conduct.

❖ **Confidentiality**

The directors/senior management shall maintain the confidentiality of confidential information of the Company or that of any valued customer/Collaborator/ supplier of the Company to whom the Company has a duty to maintain confidentiality, except when disclosure is authorized or legally mandated.

For purposes of this Code, "confidential information" includes all unpublished information relating to the Company that might be of use to competitors.

❖ **Corporate Opportunities**

The Directors/Senior Management shall enhance its legitimate business interest whenever and wherever any corporate business opportunities arise. Sometimes, it is difficult to draw a line between the benefit to director/Senior Management and the benefit to the Company and under such situation it is prudent for him/her to get approval in this respect from higher management beforehand.



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❖ *Protection Of Assets and cost consciousness:*

The assets of the Company should not be misused but be employed for the purpose of carrying on the business irrespective of the nature of assets. No employee shall use the Company's facilities for personal use. Even for use of Company's purpose, employees are expected to take utmost care for avoidance of wastage so that cost to the Company becomes reasonable.


❖ *Transparency and Auditability*

All the directors/senior management shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. It shall be necessary to ensure that areas of operation are open to audit and the conduct of activities is totally auditable. The integrity of data or information furnished to the Board is required to be ensured by any one (including a Director or Senior management personnel) who submits such data or information.

❖ *Legal and Regulatory Compliance :*

The directors/senior management of the Company shall comply with applicable laws, rules and regulations. They must also oversee compliance by employees, officers and other directors with these laws, rules, and regulations applicable to the Company, including insider trading laws. Directors must deal fairly and must ensure fair dealing by employees and officers with the Company's customers, suppliers, competitors and employees.

To ensure necessary compliance with various statutes and laws applicable to the Company, the Board must assign such responsibility to Departmental Heads so that they will provide compliance reports to CEO-CFO for placing the same in consolidated form to the Board.


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❖ *Financial Reporting :*

The Directors are made responsible to ensure that :

- *The accounts of the Company shall be prepared and maintained in such a manner that it reflects a true and fair view of the affairs of the Company. It must be prepared in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the Company conducts its business affairs.*
- *All required information shall be accessible to the Company's Auditors and other parties as authorized by the Board and government agencies so that they may prepare the accounts which truly and fairly reflects all the Company's business transactions and disposition of assets. There shall be no willful omissions of any Company transactions from the books and records, no premature income recognition, deferment of any chargeable expenses and no undisclosed bank account and funds.*
- *Any Willful material misrepresentation and/or misinformation in the financial accounts shall be regarded as a violation of this code, apart from inviting appropriate civil or criminal action under the relevant laws.*

❖ *Guidelines for Directors/Senior Management:*

- *Directors/Senior Management should communicate any suspected violations of this Code promptly to the Board or any designated committee thereof and such violations are subject to investigation by the Board or any Committee/or any person(s) so designated and appropriate action will be taken in the event of any violations.*
- *Directors should inform the Company immediately about the emergence of any situation which may disqualify him from Directorship.*



- *It is the duty of every Director to attend and actively participate in meetings of the Board and Committee thereof in which they are members.*

❖ *Compliance with code of conduct:*

Violations of this code of conduct will result in disciplinary action, which may even include termination of services of the employee. The Company's Board or any committee designated by the Board for this purpose shall determine appropriate action in response to violations of this code of conduct whose decision shall be final and binding on the guilty employee.

❖ *Continual Updation of Code:*

This Code is subject to continuous review and Updation in line with any change in law, the Company's policy, vision & plans or otherwise as the Board may deem necessary. Any such amendments and modifications shall take effect from the date stated therein.

❖ *General:*

All questions concerning the meaning and application of this code shall be addressed to the Board of Directors and all such questions and replies will be maintained in strict confidence.

Auckland International Airport
[Signature]
Director