



Our Corporate Governance Statement



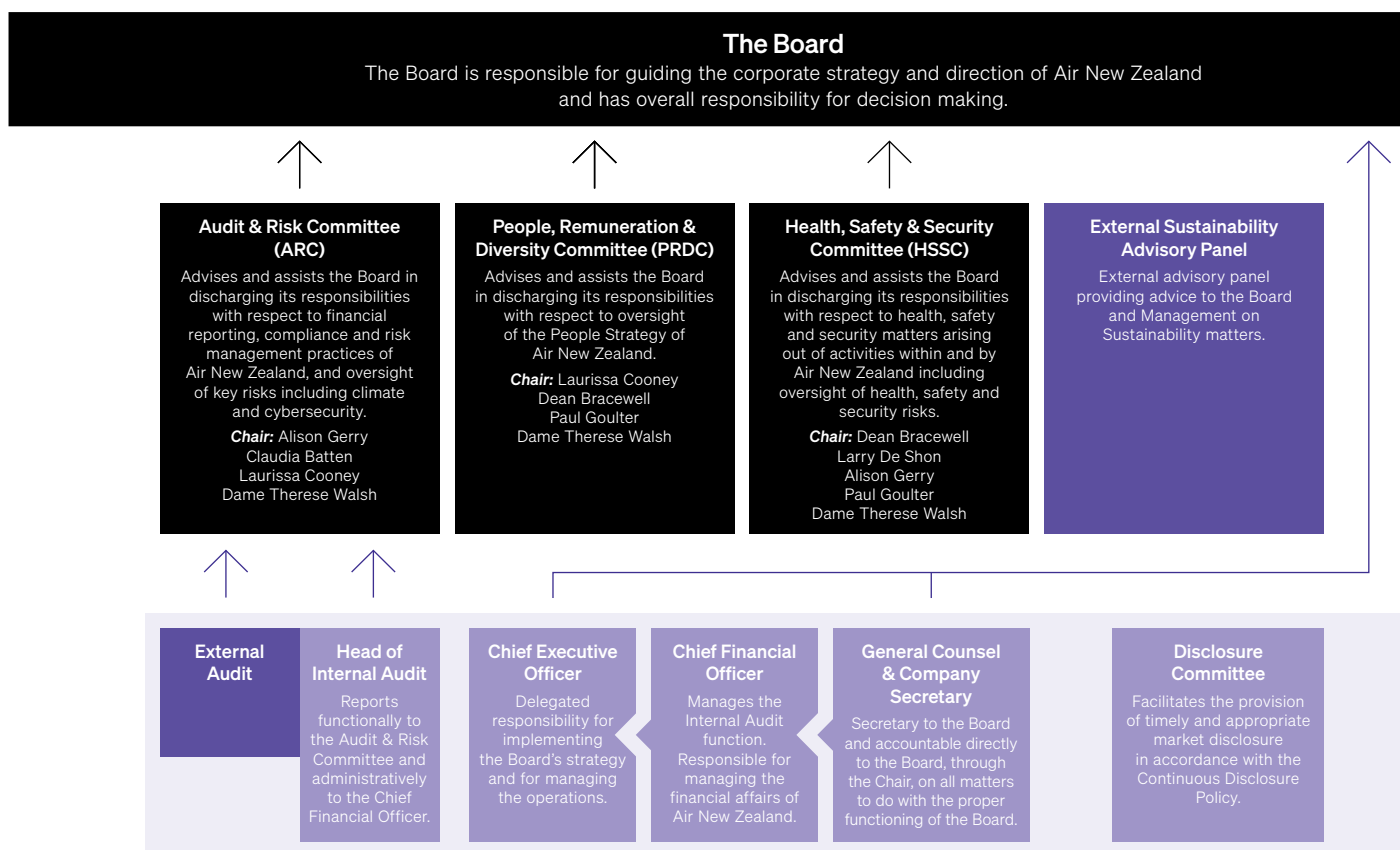
Corporate Governance Statement

Effective corporate governance is at the heart of the Air New Zealand Board's agenda, and the Board considers its governance practices to be consistent with the Principles of the NZX Corporate Governance Code dated 1 April 2023.

This Corporate Governance Statement was approved by the Board on 28 August 2024 and is current as at that date.



Our Governance Structure



Board / Committee meeting attendance – 1 July 2023 to 30 June 2024

	Board Attendance ¹	Audit & Risk Committee Attendance ¹	People, Remuneration & Diversity Committee Attendance ¹	Health, Safety & Security Committee Attendance ¹
Dame Therese Walsh	10/10	4/4	5/5	3/4
Claudia Batten	10/10	4/4		
Dean Bracewell	10/10		5/5	4/4
Laurissa Cooney	10/10	4/4	5/5	
Larry De Shon	9/10			4/4
Alison Gerry	9/10	3/4		2/4
Paul Goulter	9/10		5/5	4/4
Jonathan Mason	3/3	0/1	2/2	

1. The attendance is the number of meetings attended/number of meetings for which the director was a member. Jonathan Mason retired from the Board on 30 September 2023.



Current Directors



Dame Therese Walsh
DNZM, BCA, FCA
Independent Non-Executive Director
(Appointed 1 May 2016)
Chair



Claudia Batten
LLB(Hons), BCA
Independent Non-Executive Director
(Appointed 28 October 2021)



Dean Bracewell
Independent Non-Executive Director
(Appointed 20 April 2020)
Health, Safety & Security Committee Chair



Laurissa Cooney
BMS(Hons), FCA, CMInstD
Independent Non-Executive Director
(Appointed 1 October 2019)
People, Remuneration & Diversity
Committee Chair



Larry De Shon
BA Communications, BA Sociology
Independent Non-Executive Director
(Appointed 20 April 2020)



Alison Gerry
BMS(Hons), MAppFin
Independent Non-Executive Director
(Appointed 28 October 2021)
Audit & Risk Committee Chair

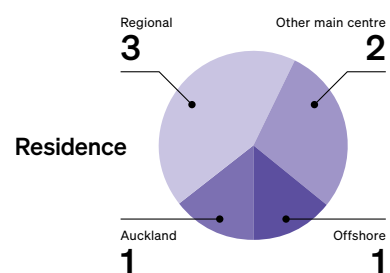
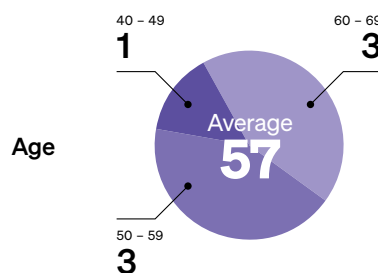
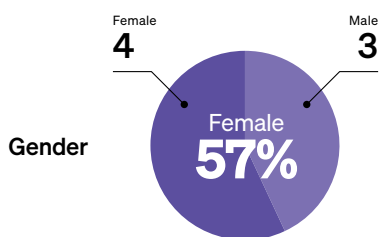
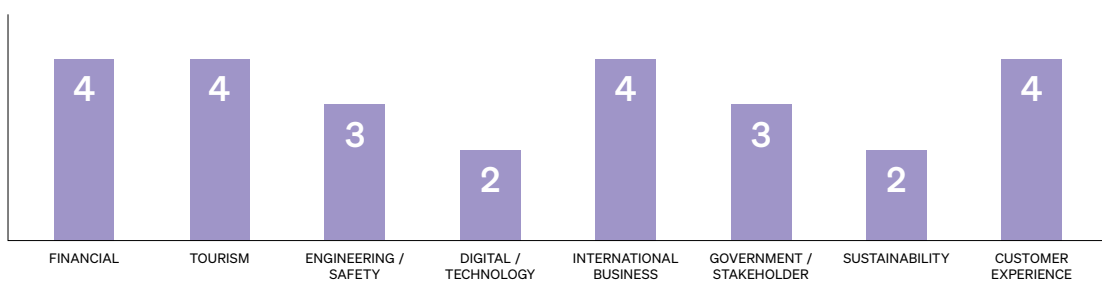


Paul Goulter
LLB, MA(Hons), BA
Independent Non-Executive Director
(Appointed 28 October 2021,
and retiring late September 2024)



Details of directors' skills and experience can be found at:
airnewzealand.co.nz/air-new-zealand-board

Board skills and diversity



Corporate Governance Statement (continued)

Independence

The Board has identified criteria in its Charter, against which it evaluates the independence of directors in line with the NZX Listing Rules. These are designed to ensure directors are not unduly influenced in their decisions and activities by any personal, family or business interests.

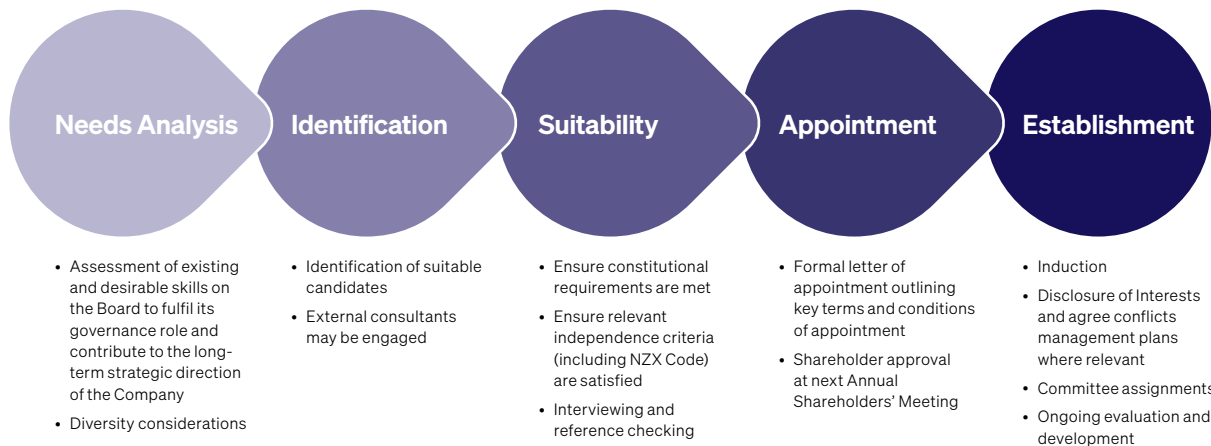
All directors have been determined to be Independent Directors under these criteria, and for the purposes of the NZX Listing Rules. Directors are required to inform the Board of all relevant information which may affect their independence such that the Board continually considers the independence of its members.

The Board Charter makes explicit that the Chair and the Chief Executive Officer roles are separate.

Director Appointments

There have been no new directors appointed during the 2024 financial year.

The Board's approach to appointing directors is depicted below. The Board as a whole considers the requirement for additional or replacement directors.



Directors are expected to acquire a shareholding in the Company equivalent to 50 percent of the annual base director fee within 3 years of appointment. Dame Therese Walsh, Dean Bracewell, Laurissa Cooney, Alison Gerry, Paul Goulter and Larry De Shon have all met this threshold. Claudia Batten is expected to do so by the end of the 2025 financial year.

Key Governance documents are available on the Air New Zealand website. These include:

- The **Company's Code of Conduct and Ethics**, stating the guiding principles of ethical and legal conduct, applicable to everyone working at or for Air New Zealand – directors, executives, employees, contractors and agents;
- Charters for the Board and each of its Committees**, detailing authorities, responsibilities, membership and operation;
- The **Securities Trading Policy**, identifying behaviours that could be illegal for individuals, or otherwise unacceptable or risky in relation to dealings in Air New Zealand's securities by directors, employees or their associated persons;
- The **Continuous Disclosure Policy**, addressing compliance with continuous disclosure obligations and the timely treatment of Material Information.



Air New Zealand's key Governance documents can be found at:
airnewzealand.co.nz/corporate-governance



Diversity, Equity & Inclusion

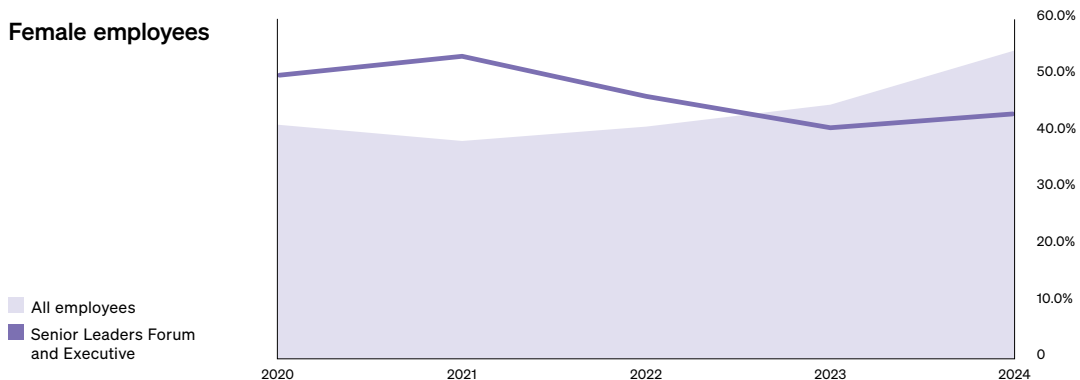
The Company’s Diversity, Equity & Inclusion strategy recognises the value of a diverse workforce which is proudly representative of Aotearoa New Zealand, and aims to create an open, inclusive environment for our people, customers, whānau and communities to thrive. Overall, the Board considers the Company’s performance against this strategy has been consistent. The Board has also had input into and endorsed the recently refreshed strategy and will continue to regularly evaluate progress.

Diversity is considered across a number of measures, including gender, ethnicity, disability, age, and sexual identity. There is a focus on recruitment practices that promote the retention and attraction of diverse talent, as well as a broad range of employee initiatives to reflect, support and develop the diversity we have across the airline. Air New Zealand’s 10 Employee Networks play a key role in supporting and advocating for employees and ensuring the success of the airline’s Diversity, Equity & Inclusion strategy.

With a target of 50 percent women in the senior leaders forum (which includes the Executive), the Company achieved 42 percent as at 30 June 2024. The Board will continue to monitor this and is comfortable that the recent decline is not reflective of any systemic issues, and that recruitment, retention and management of talent pipelines are all operating well. The 50 percent target will be maintained for the 2025 financial year and there will be a continued focus on building a pipeline of women leaders at all levels of leadership to help us achieve this.



Female employees



Air New Zealand also has a target of 21 percent of the Company’s people leadership roles being held by Māori and Pasifika employees by 2025; as at 30 June 2024 the result was 17 percent. The 21 percent target will be maintained for the 2025 financial year, with ongoing support for our graduates of our Mangōpare leadership development programme, and continued focus on initiatives that support the recruitment, retention and development of Māori and Pasifika talent.

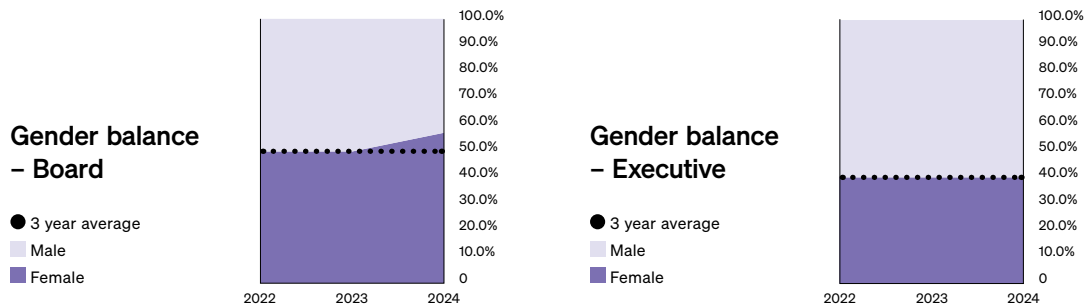
AS AT 30 JUNE	2024	2023
Directors (female:male:gender diverse)	4:3:0	4:4:0
Executive team (female:male:gender diverse)*	4:6:0	4:6:0

*The Executive Team comprises the Chief Executive Officer and direct reports to the Chief Executive Officer, and corresponds to “Officers” as defined in the Listing Rules.



Laurissa Cooney discusses the activities of the People, Remuneration & Diversity Committee:
<https://youtu.be/dw9CsF7I-tA>

Corporate Governance Statement (continued)



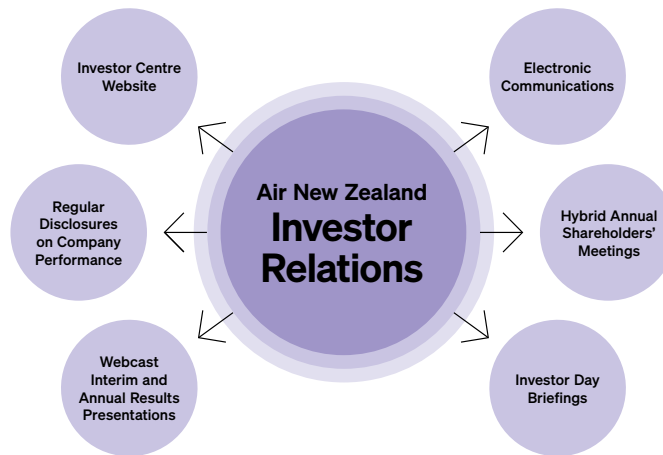
Shareholder Engagement

Air New Zealand is committed to regular dialogue and engagement with shareholders and utilises a number of channels to communicate relevant information.

Disclosure of material information is made first and foremost through announcements to the NZX and ASX. In accordance with legislation, the Constitution and the Listing Rules, Air New Zealand also refers any significant matters to shareholders for approval at a shareholder meeting. The airline maintains an investor centre, which can be found on the Air New Zealand website. This contains many resources for shareholders including information about the airline’s operations, its current and historical financial performance, shareholder meeting materials as well as key governance information and group policies. This year’s Annual Report can also be found on this website including, effective from 29 August 2024, Air New Zealand’s first annual Climate Statement.



Air New Zealand’s Investor Centre can be found at:
airnewzealand.co.nz/investor-centre



A comprehensive frequently asked questions section is maintained on the investor centre to assist shareholders with common questions. In addition, all shareholders can make enquiries regarding their investment via a dedicated Investor Relations email (investor@airnz.co.nz). Shareholders also have the option to sign-up to receive email notifications of investor news via the investor centre website.

The Company operates an investor relations programme with a dedicated Investor Relations team who manage scheduled interactions with investors, analysts and relevant market stakeholders throughout the year. Twice a year at the interim and annual results announcement, the CEO and CFO host an investor-focused conference call and answer questions raised by analysts and investors. A transcript of the investor call is made available on the investor centre to enable full transparency to all stakeholders. The Company also participates in bi-annual podcasts for existing and prospective retail shareholders, which provides an opportunity to ask questions related to the financial results, as well as the Company strategy.

Shareholders are actively encouraged to attend the Company’s annual meetings and vote on major decisions. Air New Zealand posts any Notices of Shareholder Meetings on its website as soon as these are available. The general practice is to make these available not less than four weeks prior to the shareholder meeting. The Company has been holding a hybrid form Annual Shareholders’ Meeting since 2016, which enables wide participation by shareholders both in person and online.

In addition to shareholders, Air New Zealand maintains open channels of communication with a wide range of other stakeholders including brokers, the broader investment community, the New Zealand Shareholders’ Association (NZSA), and regulators.



Differences in Practice to NZX Code

The Board has not set protocols to be followed in the event of a takeover offer. The Board considers a takeover offer to be extremely unlikely in light of the Crown's continued majority shareholding in the Company. Should circumstances change and a takeover offer was received, Air New Zealand would have adequate time to implement protocols and procedures, and communicate those to shareholders. On that basis, the Board considers it reasonable and appropriate for Air New Zealand not to follow Recommendation 3.6 of the Code at this time. Notwithstanding this, the Board agrees with the principles behind this recommendation, being good communication with shareholders and independent directors leading matters that require appropriate independence.



Board Activities

The Board continues to focus on the future position of the Company, and what that means for stakeholders including customers, employees and investors, despite global supply challenges impacting fleet and causing unprecedented levels of disruptions.

The Board approved strategy, Kia Mau, continues to provide a robust framework as the Company focuses on the future and continuing to deliver service excellence to its customers as a key part of driving Air New Zealand's success. During the year there were 10 Board meetings and 7 Board Strategy sessions. There were also 13 Committee meetings (4 ARC, 4 HSSC and 5 PRDC).

Key areas of activity during the year include:

Kia Mau

Guiding the Company's strategy, ensuring it is refined and monitoring progress towards achievements, is central to the Board's activities. As part of this, the Board was involved in the strategy refresh that was undertaken in the 2024 financial year. For more information on our Kia Mau strategy, please refer to pages 16 and 17 of this report.

Capital Management

In August 2023 the Board approved a revised capital management framework, following an extensive review of the Company's approach to liquidity levels, leverage targets and shareholder distribution parameters. Comparisons to global airline industry peers was an important consideration in the review. Core to the capital management framework is the Board's commitment to maintaining targets that support an investment grade credit rating.

Capital management activities undertaken during the 2024 financial year included payment of a 6.0 cent per share special dividend to reflect the strong performance in the prior financial period, purchasing two new A321neo aircraft with cash to build up the unencumbered fleet portfolio, early repayment of approximately \$70 million of secured debt and reinstating the first ordinary dividend since Covid, starting with the 2024 interim dividend of 2.0 cents per share.

In May 2024, the Company established a new, three year, \$250 million unsecured, syndicated revolving credit facility, which replaced the previous \$400 million unsecured committed Crown Standby Facility which was cancelled on 21 March 2024, having never been drawn upon. The new syndicated revolving credit facility is undrawn as at 30 June 2024.

Corporate Governance Statement (continued)

Sustainability

A successful and sustainable future requires ongoing commitment by the Company to advancing its sustainability initiatives and the Board is focused on ensuring progress in managing and reporting on climate change impacts. To achieve this, the Board has collaborated with management to establish climate scenarios and models, both to meet climate disclosure requirements and to inform and shape the Company's responses and strategies. Directors have endorsed efforts to enhance the availability and sourcing of alternative jet fuel, as well as approving the purchase of a new battery electric 'demonstrator' aircraft, which is expected to operate a single short-haul cargo route from 2026.

The Company's transition plan to guide its transition to a low emissions operating model has been a focus for the Board given the challenges the airline industry faces. In 2022, the Company set a near-term target for 2030 in line with the aviation sector methodology designed by the SBTi to reduce its carbon emissions intensity by 28.9 percent against a 2019 baseline. After careful consideration, Air New Zealand retracted this target and withdrew from the SBTi in July 2024. This was driven by two main factors. Many of the levers needed to meet the target, including the availability of new aircraft, the affordability and availability of alternative jet fuels, and global and domestic regulatory and policy support, are outside the airline's direct control and remain challenging. More recently delays to the airline's fleet renewal plan due to global manufacturing and supply chain issues that could potentially slow the introduction of newer, more fuel-efficient aircraft into the fleet posed an additional risk to the target's achievability.

The Board's focus on sustainability is not limited to climate change, as demonstrated in the Sustainability section of this report. Sustainability issues are also expected to be discussed in all relevant Board papers to drive improvement in, and focus on, their identification, measurement and management.

Kia Rite

The airline continues its journey to realise and embed an authentic te ao Māori approach for the Company. In September 2023, the Board approved a refreshed Māori strategy Kia Rite (updated from the February 2023 Māori strategy) which presents three core opportunities to enable Air New Zealand to be the leading airline in authentic indigenous relationships in the world. The calls to action are: Grow Māori Workforce, embed te ao Māori and Lift Māori Connections.

Authenticity has also been a focus for the Board during 2024. The uniform project has benefited greatly from understanding the importance of Māori design skillsets steeped in whakapapa, tikanga and authentic narrative. These were key criteria in the designer selection process and will also inform other design initiatives in future years.

Furthering connections with the Māori economy during the year through the annual Board visit programme gave the Board a deeper awareness of the value that te ao Māori brings to an organisation. The Board's visit to Rotorua included a formal pōwhiri (welcome) at Te Puia (New Zealand Māori Arts and Crafts Institute), and a tour of the now iwi-owned business. Engagements held with the business community in Rotorua and in Tauranga revealed the extent of Māori investment across the region and the important role that Air New Zealand plays in connecting iwi, hapū (clans or descent groups), and Māori entities to domestic and international markets.

Customer Initiatives

Initiatives which improve and innovate the customer journey have been of keen interest to the Board, including inflight food offerings, innovative aircraft layouts including the new Skyneest™ (which will debut on the new Boeing 787 aircraft due to enter the fleet in late calendar year 2025), an enhanced Air New Zealand app and the launch of our new loyalty platform iFly. Biometric boarding is progressively being introduced across United States ports, with Los Angeles being the first. The Board receive regular updates on the Airpoints™ programme, noting members have grown to 4.6 million this year.

Customer satisfaction has improved across the year, including how disruptions are handled. Ongoing global supply chain pressure for aircraft components (resulting in more frequent grounding of aircraft), has meant periods of disruption to the network, schedule adjustments, and increased workload for our personnel as well as pauses on some routes due to global engine issues with Pratt & Whitney and Rolls-Royce.

Significant process and tooling improvements, and additional resources have been added to the contact centre and customer care teams, which has markedly improved customer response times. Live Chat was introduced on a 24/7 basis and has been well received. There has been an ongoing focus on self-service, from online capabilities to check-in via the mobile app and airport kiosks.

The continued care our people demonstrate to our customers has been a major factor in the Company's success in external awards and industry recognition. Over the year these have included:

- **Safest Airline of the Year** – AirlineRatings.com
- **Best Economy Class** – AirlineRatings.com for innovations including Skyneest™ and Economy SkyCouch™
- **Best Premium Economy Class** – AirlineRatings.com
- **New Zealand's Most Attractive Employer 2024** – Randstad Award
- **Most Family Friendly Airline in Australia and Pacific** – Skytrax
- **Air New Zealand's international lounge at Auckland, Best Business Class Lounge in Australia and Pacific** – Skytrax



Further Afield

This year the Board visited parts of Air New Zealand's global operations in Japan and Singapore to meet stakeholders, get to know local employees and to undertake health and safety reviews. These meetings focused on highlighting Air New Zealand, as well as tourism and business opportunities in New Zealand's wider economy.

Regional Initiatives

Air New Zealand is committed to supporting the growth and prosperity of regional New Zealand and the Board has been active in this effort. The Board visited Rotorua and Tauranga on their annual regional visit, meeting local leaders, tourism operators, business communities and local airport teams while gaining a deeper understanding of local issues and initiatives.

In August 2023, Air New Zealand and the Nelson Marlborough Institute of Technology/Te Pūkenga announced a partnership to work together in responding to the country's skill needs for aviation engineering. The initiative will strengthen the foundation for trainees to move into Air New Zealand's apprenticeship programmes, and followed on from the Air New Zealand Board's visit to the Nelson/Marlborough region earlier in 2023.

As Directors have visited different parts over the year, they have also taken the time to engage with local employees and recognise their mahi in improving the customer experience.



Air New Zealand Board members in Rotorua

Left to right: Larry De Shon, Laurissa Cooney, Claudia Batten, Dame Therese Walsh (Chair), Dean Bracewell, Alison Gerry and Paul Goulter.

Infrastructure

Having safe, efficient and future-proof supporting infrastructure is critical, both operationally and for our customers. Auckland International Airport is the airline's main base and 60 percent of domestic journeys and 80 percent of international journeys go through the Auckland domestic or international terminals.

As a regulated supplier Auckland International Airport undertakes a price setting event every five years, which is informed by the airport's multi-decade airport redevelopment programme. The Board has been closely involved with the airline's response to the 2023 airport price setting consultation and the overall redevelopment plans, given that the airport's plans are a generational shift in investment and are likely to have an adverse impact on airline ticket prices and customer demand. The airline continues to recognise the need for some level of investment in site development and improved terminal facilities at Auckland airport but considers there are more affordable alternatives to some of the current proposals.

Employees

The Board considers Air New Zealand employees to be the airline's most valuable asset and was proud to see the airline again recognised as New Zealand's Most Attractive Employer by Randstad in 2024. The Board takes great pride in being our nation's airline. It's important to the Board that Air New Zealand reflects the diversity of the people and cultures in Aotearoa New Zealand, and we are actively working to embed that even further. The Board supports our Māori Development strategy, Kia Rite as the airline works to grow our Māori workforce through a partnered recruitment model with iwi and hapū and developing our Māori employees into leadership positions. The Board considers diversity more broadly than just race or ethnicity. This past year it has been encouraging to see customers, employees and others with disabilities supported through the Enable Network, the use of New Zealand Sign Language onboard our flights and enhanced training for our employees, and the establishment of the Flourish Café in our head office staffed by young people with intellectual or learning disabilities.

The Board supports the talent management and leadership development programmes so the Company maintains a pipeline of great talent for the longer term. This was demonstrated by the launch of the Pilot Cadetship programme aiming to lessen some of the financial barriers to entry.

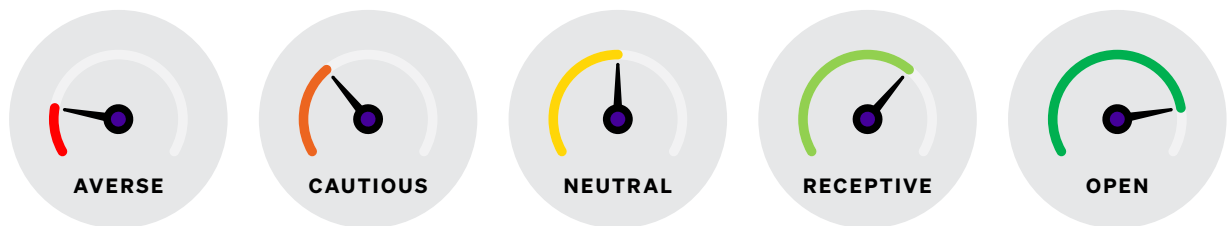
Corporate Governance Statement (continued)

Risk Appetite

The Board's Risk Appetite Statement (RAS) gives clarity to decision makers across the airline about which risks, and how much of each, can be taken in pursuing its strategy. The Risk Appetite aligns to the Strategic Risks set out on pages 45 - 48. The Board periodically refines the RAS to respond to changes, and to ensure the settings remain appropriate. At a minimum, the Board formally reviews it once a year along with their review of the airline's top Strategic Risks. This review was last undertaken in December 2023. The Board expects the Risk Appetite to be explicitly addressed in matters presented to it.

Risk Appetite ranges from 'Averse' for risks such as operational or people safety to 'Open' for innovation reflecting its ambition to embrace risk to lead innovation in customer experience and technology, whilst being clear that there is no appetite for innovation to create safety or compliance risks.

5 Point Risk Appetite



Safety

The safety of our customers, employees and our operations remains paramount for the airline and the Board. Safety performance, risk, and capability is subject to continual management review and Board governance to achieve assurance and to identify opportunities for continuous improvement. These safety activities align with our Kia Mau strategy and promise of Manaaki – taking care further than any other airline.

Given the dynamic nature of aviation, a competitive market, and our reliance on global supply chains, the airline has faced several challenges in recent times. These include difficulties in obtaining or overhauling aircraft and engine components, resulting in aircraft grounding until the airworthiness requirements can be achieved. To minimise disruption to our customers the airline has leased additional aircraft to replace some of those not currently operating. We have also had to make the difficult decision to pause some routes until the supply chain can catch up with our needs. Increased frequency and intensity of weather events has further challenged our schedules.



Dean Bracewell discusses the activities of the Health, Safety & Security Committee:
https://youtu.be/HW_OPKcNmLO

The challenges above have been addressed using our safety management systems. Proactive management of risk is a pillar of our systems, supported by new technology and personnel training. A suite of robust safety risk controls with associated safety leadership and supervision help to ensure the risk remains at an acceptable level. The quarterly Group Safety Review Board provides a good forum for assurance, common risk awareness, and management decision-making and action. Our airline's safety guardrails and quarterly planning processes are designed to ensure safety is factored into business initiatives and is appropriately resourced, while optimising the performance of our business.

A key feature of our safety approach is how we support our people, including assistance with the pressures brought on by the challenges above. The airline has a focus on employee wellbeing, which includes a mature Peer Support Network, Employee Assistance Programme, confidential Speak Up line, and our other 10 Employee Networks. Maintaining and further developing a safety and security culture through effective training is a priority.

The airline has a comprehensive safety investigation and internal audit programme. The Civil Aviation Authority conducts routine monitoring and inspection activities, which provides another layer of review and opportunity for improvement. The airline benchmarks against health and safety standards through participation in the ACC Partnership Programme and the IATA Operational Safety Audit programme. The latter involves assessment against the latest industry safety standards for airline operations, with the next audit planned for October 2024.

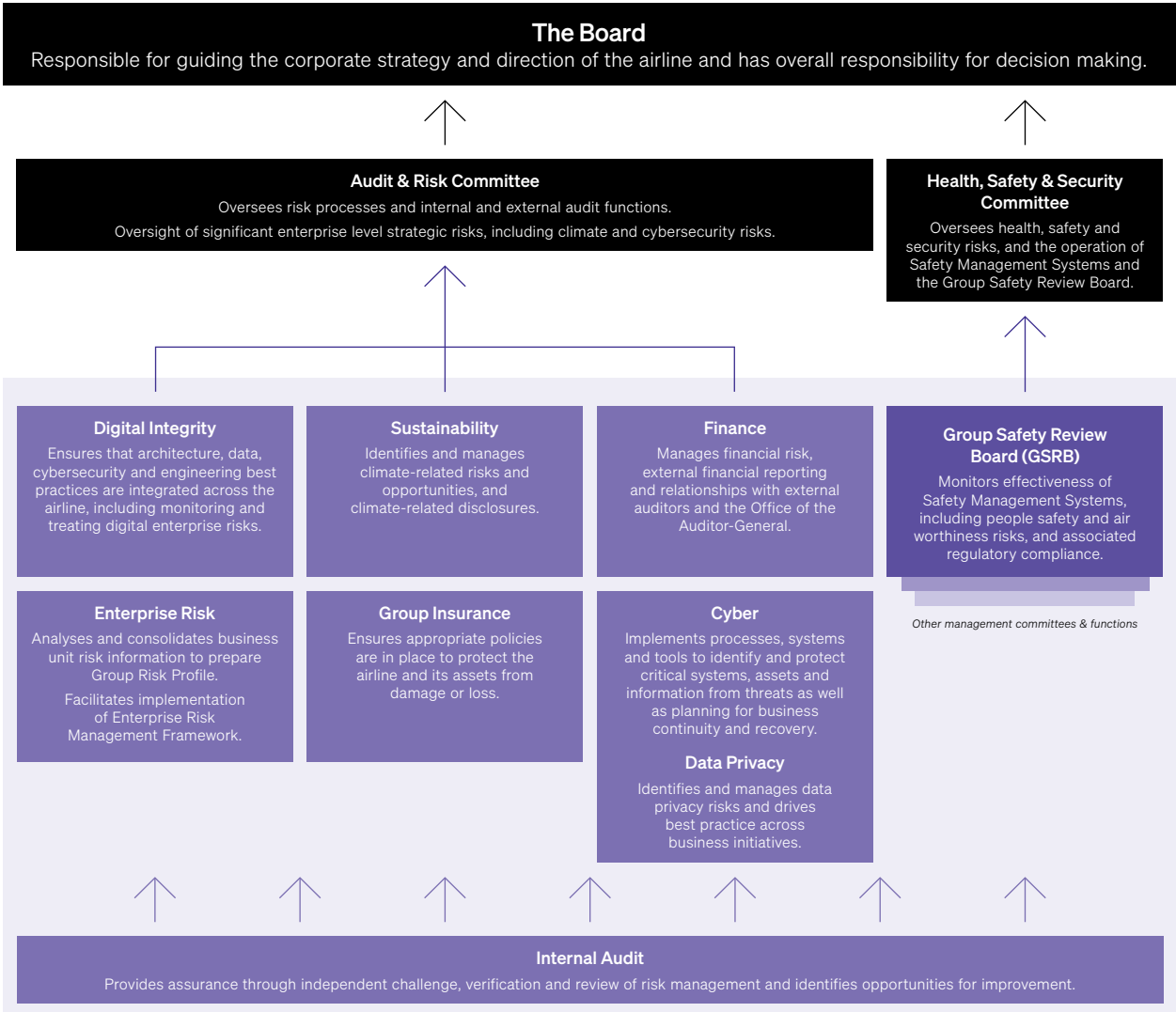
The Board's Health, Safety & Security Committee (HSSC) provides governance of the airline's safety management. The HSSC meets quarterly and engages with management and representatives of our front-line workforce to review operational risk and safety performance. These meetings include the consideration of detailed reporting against safety metrics as well as spending time in the operations of the airline. The Committee has also met with key stakeholders whom the airline works closely with to ensure safe operating practices. Directors visit several domestic and offshore ports over the year to meet with employees and observe the operation.

The Board was pleased with the repeated success of the airline in the NZ Workplace Health & Safety Awards, recognising industry leadership in health and safety. In 2024 the airline was again voted the World's safest airline by AirlineRatings.com.



Risk Management/Strategic Risks

Our complex operating environment means that we are inherently exposed to a range of strategic, financial, legal and regulatory and operational risks which cannot always be eliminated. It is important to the Board that material risks are identified, and appropriate risk mitigation strategies are implemented to avoid unintended consequences and more effectively deliver our strategy.



Note: Only principal management relationships are depicted.

Risks are identified through both top-down and bottom-up processes and informed with enterprise wide insights from specialist risk functions. There is a regular cadence of reporting to relevant management, Board Committees and the Board.

Strategic risks presented on Air New Zealand’s Group Risk Profile are confirmed by the Audit & Risk Committee every six months, and ranked based on risk rating. Risk ratings reflect an assessment of the likelihood and the impact of an event, after considering the effectiveness of existing mitigations.








Alison Gerry discusses the activities of the Audit & Risk Committee:
<https://youtu.be/FKD6vABWSCg>

Corporate Governance Statement (continued)

Given their significance, strategic risks are assigned to members of the Executive as Risk Owners, who ensure appropriate management of the risk.

The Board continues to give particular attention to climate risks and cybersecurity, drawing on a range of internal and external advice from experts. Risks associated with the current economic and geopolitical environment, which are deeply interconnected with the risks of supply chain disruption and legal and regulatory compliance, are also being closely monitored. The effects of innovation and business transformation on our workforce and the Company's competitive position are also of ongoing interest to the Board.








The Company's strategic risks are tabulated below and mapped to our strategic focus areas under our Kia Mau strategy. The Board and its Committees focus on areas of significant risk including through targeted deep dives every six months on specific risks.

Strategic Risk Area	Description	Principal Mitigants
Climate change 	Transition risks combined with physical climate change risks may constrain travel demand, operational and financial performance and network growth, adversely impacting investor expectations and Air New Zealand's social licence.	Various workstreams implementing decarbonisation levers. Engagement with regulators and legislators on carbon reduction, climate and policy. Transparent disclosure, and provision of options for customer emissions reporting. Response teams, training and toolkits for responding to crises, emergency and business disruption. Business Continuity Plans and testing combined with operational procedures, flight planning and weather tools.
Global uncertainty 	Heightened economic, geopolitical and market uncertainties could affect the ability to accurately plan for future travel demand, adversely impacting supply planning and the ability to meet revenue optimisation and growth targets.	Predictive monitoring of economic activity and indicators. Continuous review of revenue projections including demand and supply forecasting and financial modelling. Disciplined capacity management. Use of fuel price hedging.
Technology lifecycle 	Failure to manage technology hardware and software lifecycle may introduce cyber vulnerabilities, operational overhead, impede transformation/innovation and lead to digital/business disruption.	Technology Roadmap for technical debt reduction; Vulnerability Management and System Lifecycle Management. Implementation of MACH (Microservices based, API-first, Cloud-native, and Headless) Framework for continuous improvement of system architecture.
Cybersecurity 	A sub-optimal response to a cyberattack or misuse of systems may lead to significant data breach, loss of integrity/availability of information or of a control system, compromised personal information and widespread disruption resulting in financial loss, reputational damage and regulatory fines or sanctions.	Comprehensive Cybersecurity programme delivered by a dedicated Cybersecurity function, complemented by appropriate cybersecurity measures, testing and evaluation and insurance. Privacy management, including training and awareness, and Breach Response processes.
Agile transition and change management 	Ineffective culture change management and associated low employee buy-in may constrain the ability to embed new ways of working and impede the ability to achieve Kia Mau strategic objectives.	Dedicated functions supporting Agile initiatives. Focused training and education for key roles and leader immersions. Continuous improvement through external benchmarking and feedback mechanisms.

Kia Mau pillars and enablers










Strategic Risk Area	Description	Principal Mitigants
<p>Legal and regulatory compliance</p> 	<p>Rapidly changing and complex legal or regulatory obligations globally (for example consumer laws, greenwashing, human rights/modern slavery and artificial intelligence) create significant operational and commercial complexity potentially resulting in non-compliance and resultant legal, financial and reputational impacts.</p>	<p>Active monitoring and communication of regulatory changes, alignment of internal standards, procedures and conformance monitoring. Frequent engagement with regulators and use of external law firms for legal and regulatory updates. Targeted training of high-risk areas, including annual Company-wide Code of Conduct and Ethics training to promote awareness. Systematic safety management, including active safety promotion and operational risk management.</p>
<p>Innovation</p>    	<p>Air New Zealand's failure to pursue innovation in response to stakeholder expectations may threaten competitiveness and impact strategic achievement to brand and reputation.</p>	<p>Quarterly Business Review enables capability development, alignment and prioritisation of initiatives to strategy. Research and analysis of customer behaviour. Monitoring of productivity improvements from, and customer responses to, delivered innovations. Assess proof of concepts for innovative technology before activating.</p>
<p>Supply chain</p> 	<p>Global supply chain challenges (aircraft parts, engines, raw material shortages and labour availability), increase in supplier Environmental, Social and Governance (ESG) risks (compliance with Modern Slavery and Carbon emissions standards) and historic under-investment in ground service equipment may result in operational disruption and reputational damage.</p>	<p>Robust integrated business planning and monitoring of supplier risk. Supplier Code of Conduct confirmations supplemented by supplier relationship management, performance monitoring and social practice audits. Alternative supply arrangements established as appropriate.</p>
<p>Safety</p> 	<p>Capability, capacity and culture constrains the ability to successfully execute safety policies and management systems, potentially resulting in harm to Air New Zealand's people, assets and environment resulting in a compliance breach and reputational damage.</p>	<p>Implementation of comprehensive airline's safety management systems. Governance and oversight of significant issues provided by the Board's Health, Safety & Security Committee, including Empowerment Framework Safety Guardrails and the Quarterly Business Review process ensures a focus on safety risk management. Monitoring and reporting on safety performance and ongoing training and awareness.</p>

Kia Mau pillars and enablers

-  **Grow Domestic**
-  **Elevate International**
-  **Lift Loyalty**
-  **Brilliant Basics**
-  **Serious about Sustainability**
-  **Digital Dexterity**
-  **Prioritising People & Safety**

Corporate Governance Statement (continued)

Strategic Risk Area	Description	Principal Mitigants
<p>Competition</p> 	<p>Growing other airline capacity, a change to alliance relationships and/or a disruption to the airline/customer relationship, may increase the risk of competition, negatively impacting Air New Zealand's growth prospects and profitability.</p>	<p>Competitive analysis and pricing strategy. Customer research and investment in technology. Strategic relationship management with key stakeholders and alliance partners.</p> <p>Brand development, marketing and communication, and loyalty programme.</p>
<p>Aeronautical infrastructure and systems constraints</p> 	<p>Lack of prudent investment in aeronautical infrastructure (including airspace, air traffic management, security, baggage systems, hangars, renewable energy storage, generation and new technology) constrains the future growth and financial performance of Air New Zealand.</p>	<p>Strategic planning process to understand current and future infrastructure demand. Capital investment planning to support infrastructure development in line with growth objectives.</p>
<p>Workforce</p> 	<p>Industry disruption, talent pipeline technical skills and the inability to right size the workforce, or a deterioration in union relationships may lead to capability gaps and the potential for significant operational disruption, constraining the ability to deliver strategy.</p>	<p>Sustainable job strategy combined with talent review, career development initiatives and succession planning for critical roles. Productive union relationships based on collaboration principles. Quarterly engagement surveys and rewards and recognition programme.</p>
<p>Social licence and corporate reputation</p> 	<p>Continuing operational and fleet challenges and/or lack of support from stakeholders/interest groups and partners may constrain the airline's ability to manage customer/stakeholder expectations and erode Air New Zealand's social licence, brand strength and corporate reputation resulting in diminished competitiveness and growth.</p>	<p>Proactive stakeholder management and communication programme for central and regional government and other stakeholders including media. Investment in brand strategy and monitoring of advocacy, sentiment and reputation to identify key issues impacting Air New Zealand, including opportunities through international channels. Cultural authenticity through Board approved Māori strategy.</p>
<p>Business disruption</p> 	<p>A significant event threatens our customers, people, property, operations or the external environment resulting in financial, social licence and reputational impacts.</p>	<p>Crisis, Emergency and Business Resilience framework, including Emergency Response teams, training and plans which are tested through exercises. Business Continuity Plans are maintained and tested to assess the effectiveness of plans and identify areas for improvement.</p>

Kia Mau pillars and enablers





Internal Audit

The internal audit function helps the Board and management maintain accountability and transparency of risk management and internal control processes through independent assurance activity. This group objectively and systematically assess, assures and recommends enhancements to the business's management of risk, contributing to the overall robustness of the airline's corporate governance.

Internal audit acts for the Board and reports to the Audit & Risk Committee. Recommendations made by internal audit, and the status of management's adoption of these is reported to and monitored by the Audit & Risk Committee.

External Audit

As a Public Entity, Air New Zealand is subject to the Public Audit Act 2001. The Auditor-General is the auditor but may appoint an independent auditor to conduct the audit process. Melissa Collier of Deloitte Limited has been appointed in this respect, from the 2022 financial year.

The Audit & Risk Committee liaises with the Auditor-General on the appointment and re-appointment of the external auditors, to ensure the independence of the external auditor is maintained, and to approve the performance of any non-audit services in accordance with the Audit Independence Policy.

Air New Zealand requires the external auditor to rotate its lead audit partner at least every five years, with suitable succession planning to ensure consistency.

On a regular basis the Audit & Risk Committee meets with the external auditor to discuss any matters that either party believes should be discussed confidentially. The Chair of the Audit & Risk Committee will call a meeting of that Committee if so requested by the external auditor.

The appointed external auditor has historically attended the Annual Shareholders' Meeting and is available to answer relevant questions from shareholders at that meeting.



Remuneration

Director Remuneration

In accordance with the Constitution, shareholder approval must be sought for any increase in the pool available to pay directors' fees. Approval was last sought in 2015, when the pool limit was set at \$1,100,000 per annum. This approval was based on 7 directors; with a Board comprising 8 directors the pool limit is \$1,232,333 per annum consistent with NZX Listing Rule 2.11.3.

Where the pool permits, the Board may amend the actual fees paid to reflect market conditions or other relevant factors. The Board has determined the following allocation of the pool.

	Position	Fees (Per Annum)
Board of Directors	Chair ¹	\$270,000
	Member	\$100,000
Audit & Risk Committee	Chair	\$40,000
	Member	\$20,000
Health, Safety & Security Committee	Chair	\$40,000
	Member	\$20,000
People, Remuneration & Diversity Committee	Chair	\$30,000
	Member	\$10,000

1. The Chair receives no additional committee fees.

Air New Zealand's Independent Non-Executive Directors do not participate in any executive remuneration scheme or employee share schemes; nor do they receive options, bonus payments or any incentive-based remuneration. Directors are entitled to be reimbursed by Air New Zealand for reasonable travelling, accommodation and other expenses they may incur whilst travelling to and from meetings of the directors or committees. Directors have an entitlement to a limited number of free of charge flights for each year served as a director as set out in a director travel policy.

Corporate Governance Statement (continued)

Remuneration and benefits of directors and former directors in the reporting period are tabulated below.

	Board Fees	ARC	HSSC	PRDC	Total Fees	Value of Travel Entitlement ^{1, 3}
Dame Therese Walsh (Chair)	\$270,000	-	-	-	\$270,000	\$18,681
Claudia Batten	\$100,000	\$20,000	-	-	\$120,000	\$16,207
Dean Bracewell	\$100,000	-	\$40,000 (Chair)	\$10,000	\$150,000	\$11,885
Laurissa Cooney ²	\$100,000	\$20,000	-	\$17,500 (Chair)	\$137,500	\$7,564
Larry De Shon	\$100,000	-	\$20,000	-	\$120,000	-
Alison Gerry	\$100,000	\$40,000 (Chair)	\$20,000	-	\$160,000	\$17,787
Paul Goulter	\$100,000	-	\$20,000	\$10,000	\$130,000	\$10,933
Jonathan Mason	\$25,000	\$5,000	-	\$5,000	\$35,000	\$4,774
Total	\$895,000	\$85,000	\$100,000	\$42,500	\$1,122,500	\$87,831

Amounts stated as FBT and GST exclusive where applicable.

1. Includes value of travel benefits for related parties and benefits accrued in prior years utilised in current year.

2. Laurissa Cooney became PRDC Chair 1 October 2023.

3. The value of the travel entitlements utilised by former directors during the 2024 financial year, using the taxable value of subsidised transport as provided in the Income Tax Act 2007 and reported to Inland Revenue, was as follows:

Jonathan Mason (served as a director until 30 September 2023) (\$16,834), Paul Bingham (\$20,594), Jan Dawson (\$760), Rob Jager (\$13,909), Linda Jenkinson (\$12,894), Tony Carter (\$9,810), Roger France (\$2,419) and John Palmer (\$8,480).

In addition to the director remuneration provisions above, Air New Zealand's employee remuneration policy and the remuneration of the Chief Executive Officer are discussed in the remuneration report.



Employee Remuneration

	Total remuneration paid in the 2024 financial year ¹	
	New Zealand Management	Aircrew, Engineering, Overseas and Other
100,000 - 110,000	237	505
110,000 - 120,000	225	403
120,000 - 130,000	163	297
130,000 - 140,000	164	267
140,000 - 150,000	155	215
150,000 - 160,000	159	210
160,000 - 170,000	125	181
170,000 - 180,000	100	174
180,000 - 190,000	75	157
190,000 - 200,000	74	137
200,000 - 210,000	69	135
210,000 - 220,000	43	145
220,000 - 230,000	37	124
230,000 - 240,000	31	78
240,000 - 250,000	42	49
250,000 - 260,000	22	57
260,000 - 270,000	34	42
270,000 - 280,000	12	39
280,000 - 290,000	13	31
290,000 - 300,000	11	55
300,000 - 310,000	11	51
310,000 - 320,000	6	36
320,000 - 330,000	4	20
330,000 - 340,000	5	28
340,000 - 350,000	7	30
350,000 - 360,000	7	40
360,000 - 370,000	6	46
370,000 - 380,000	6	20
380,000 - 390,000	4	25
390,000 - 400,000	3	19
400,000 - 410,000	4	7
410,000 - 420,000	-	8
420,000 - 430,000	1	10
430,000 - 440,000	4	7
440,000 - 450,000	1	12
450,000 - 460,000	1	22
460,000 - 470,000	-	20
470,000 - 480,000	-	20
480,000 - 490,000	3	20
490,000 - 500,000	-	10
500,000 - 510,000	3	10
510,000 - 520,000	3	10
520,000 - 530,000	3	12
530,000 - 540,000	-	17
540,000 - 550,000	-	8
550,000 - 560,000	3	5
560,000 - 570,000	1	9
570,000 - 580,000	-	3
580,000 - 590,000	-	8
590,000 - 600,000	-	6
600,000 - 610,000	1	1
610,000 - 620,000	-	2
620,000 - 630,000	-	1
630,000 - 640,000	-	3
640,000 - 650,000	1	2
650,000 - 660,000	-	3
660,000 - 670,000	-	2
670,000 - 680,000	3	5
680,000 - 690,000	-	2
690,000 - 700,000	-	2
700,000 - 710,000	1	-
710,000 - 720,000	-	1
720,000 - 730,000	-	3
740,000 - 750,000	1	2
750,000 - 760,000	1	-
760,000 - 770,000	1	-
770,000 - 780,000	1	-
780,000 - 790,000	1	-
840,000 - 850,000	-	1
850,000 - 860,000	1	-
870,000 - 880,000	1	-
1,180,000 - 1,190,000	1	-
1,290,000 - 1,300,000	1	-
1,330,000 - 1,340,000	1	-
1,380,000 - 1,390,000	1	-
1,420,000 - 1,430,000	1	-
1,470,000 - 1,480,000	1	-
1,510,000 - 1,520,000	1	-
3,950,000 - 3,960,000	1	-
Total	1,898	3,870

1. This information is provided under the Companies Act 1993, section 211.1(g). These numbers reflect total remuneration and benefits received in the financial year including base salary; short-term incentive payments for the 2023 financial year performance paid in the 2024 financial year; travel benefits; superannuation employer contributions; the value of long-term incentives which vested in the financial year; and any other cash payment received in the year. The Company no longer includes in these numbers the value of any long-term incentive rights issued in the financial year which have not vested, and therefore remain at risk.

The 2024 financial year contained 27 pay periods compared to the usual 26 pay periods as reported in prior years.

Remuneration Report

Key highlights from the People, Remuneration and Diversity Committee

The role of the People, Remuneration and Diversity Committee (PRDC) is to advise and assist the Board in discharging its responsibilities with respect to oversight of our People strategy. As part of that role, the Board has generally delegated authority for rewards and remuneration to the PRDC.

Air New Zealand's remuneration philosophy is aligned with its recruitment, leadership development philosophies and performance management approaches to ensure the attraction, development, and retention of key talent. The PRDC is kept apprised of relevant market information and best practice, obtaining advice from external advisors where necessary. Remuneration levels are reviewed annually for market competitiveness and alignment with strategic priorities and Company performance objectives.

In the 2024 financial year, the PRDC reviewed both the short and long-term incentives as well as the Diversity, Equity & Inclusion (DE&I) strategy:

- **Short-term incentive (STI):** The PRDC introduced a sustainability measure relating to carbon emissions intensity into the STI scorecard for the 2024 financial year, comprising 15 percent of the overall STI value for participants. This climate-related component will be awarded if the prescribed annual emissions intensity reduction target for the year is achieved, or partially awarded if a minimum milestone is achieved. The carbon intensity data provides a measure (in grams) of emissions generated (CO₂-e) for each kilogram of payload flown and each available seat. Payload carriage is expressed as Revenue Tonne Kilometres (RTK) and seat availability is measured in ASK.
- **Long-term incentive (LTI):** The PRDC, supported by independent consultants, undertook a review of the LTI plan, which has been in place since 2014. This was to compare the plan to best practice and ensure alignment to market and key peers. This review determined that the current LTI plan is generally effective in aligning shareholder and senior management interests and recognised some opportunities to bring the LTI plan more in line with current market practices. The PRDC approved the adoption of a slightly revised LTI plan from the 2024 financial year. More information about the LTI plan rules and details of the Share Rights allocation for the CEO are set out on pages 53 and 54.
- **Diversity:** We are proud to highlight our ongoing commitment to diversity, equity, and inclusiveness which led to the review and implementation of our refreshed DE&I strategy this year. Through extensive research, including internal focus groups and external discussions, our goal was to elevate our DE&I strategy to represent best in class. The resulting strategy is anchored by a vision to drive an open, inclusive environment for our people, customers, whānau and communities to thrive. This vision is supported by our ambitions to create an environment free from discrimination, leaders who are reflective of Aotearoa New Zealand, and fair and equitable experiences for everyone.

Executive remuneration

CEO and Executive remuneration packages comprise both fixed and variable components.

- Fixed remuneration consists of base salary and superannuation contributions, which are matched by an employer superannuation contribution of up to 4 percent of gross taxable earnings. Fixed remuneration is reviewed periodically based on market data from external independent remuneration sources. The PRDC approves the proposed remuneration packages for the CEO and the Executive team. The proposed budget for the annual remuneration review and changes to salaries (if any) are approved by the PRDC.
- Variable pay consists of a STI and LTI. Both of these incentive schemes are performance-based in accordance with the schemes' terms. These discretionary payments are awarded only if specific financial and non-financial metrics are achieved and are at the discretion of the PRDC. More details about the terms can be found below.

STI and outcomes for 2024

The STI performance targets are the same for all participants and consist of a broad range of measures designed to promote collaboration through shared objectives

For the 2024 financial year, 50 percent of the incentive related to Group financial targets and the remaining 50 percent comprised measures for customer, people safety, on-time performance and sustainability. The PRDC's review determined that customer satisfaction and people safety targets were met, but the sustainability target was not met. The Group financial and on-time performance targets were only partially met to varying degrees. The STI outcome for the year as approved by the PRDC is summarised as follows:

Performance measure	Weighting	Target ⁷	2024 performance	2024 STI % Outcome versus weighting ⁷	Commentary
Return on Invested Capital (ROIC) ¹	25%	13%	9.7%	10% of the 25%	Minimum threshold met Target partially achieved
Controllable Cost / Revenue ²	25%	58%	59%	82% of the 25%	Minimum threshold met Target partially achieved
Customer Satisfaction ³	15%	84%	84%	100% of the 15%	Target achieved
People Safety ⁴	10%	87%	89%	120% of the 10%	Target exceeded
On-time Performance ⁵	10%	83%	79%	28% of the 10%	Minimum threshold met Target partially achieved
Sustainability ⁶	15%	817g	889g	0% of the 15%	Target not achieved
Total	100%			50%	



STI and outcomes for 2024 (continued)

1. ROIC is the return the Company earns on capital invested. A full definition of ROIC can be found on page 114 of the Five Year Statistical Review.
2. Controllable Cost are costs the Company can control such as catering and ground handling costs. This excludes fuel and foreign exchange. A percentage that is lower than the target percentage indicates stronger performance.
3. Customer Satisfaction is measured via the MyVoice Customer Survey, an optional post-flight survey completed by passengers via an email link.
4. People Safety is comprised of Risk Control Effectiveness (RCE) which focusses on our critical people safety risks and ensuring the Company has the controls in place to operate safely.
5. On-time-performance is measured through Arrival 15 (the percentage of on-time arrivals within 15 minutes) and Departure Zero controllable (the percentage of Airline controllable on-time departures within zero minutes). To achieve this measure the minimum threshold for the RCE target must be achieved (which it was, as shown in the STI outcomes table on page 52) before a payment for on-time-performance can trigger a payment.
6. Sustainability is measured via CO₂-e per RTK and ASK. To achieve a payment for this measure, the CO₂-e per RTK and ASK target range was 817g (target) to 848g (minimum).
7. The result of each performance measure is compared to a range of minimum, target and maximum values set by the PRDC and used to calculate the payout for each measure which is then multiplied by the weighting of the measure to give the percentage payout for each performance measure.

2025 STI target

Each year, the PRDC reviews the STI scorecard to ensure alignment with annual business priorities. For the 2025 financial year the PRDC has determined that the performance measures and weightings as set out in the table for 2024 on page 52 will be retained.

LTI

The LTI plan is designed to align the interests of the CEO and Executives with those of our shareholders and to incentivise participants in the plan (**Participants**) to enhance long-term shareholder value. Additionally, offering participation seeks to motivate and retain top talent. Participation in any year is by annual invitation at the discretion of the PRDC. Details on how this plan works and the outcomes for the 2024 financial year are set out below. Details of how this plan worked in prior financial years can be found in previous Annual Reports.

Share Rights

Participants are eligible to receive a grant of share rights, which gives them the right to receive ordinary shares in the Company subject to certain vesting conditions being achieved over a three-year performance period (**Share Rights**). Grant of Share Rights is at the discretion of the PRDC, but in the normal course of events, is expected to equate to a value of 55 percent of fixed remuneration for the CEO and 40 percent of fixed remuneration for Executives. The number of Share Rights to be allocated to Participants is determined by an independent valuation of the share rights each year at the time of issue.

Share Rights are divided into two equal tranches each measured against a separate performance hurdle. No testing against those hurdles will occur unless Total Shareholder Return (TSR) over the three-year performance period is greater than zero. If TSR is zero or negative, the Share Rights will lapse without the two performance hurdles being tested and no value will accrue to the Participants.

If the TSR hurdle is achieved, the number of vesting Share Rights will depend on Air New Zealand's TSR relative to (i) the NZX 50 index for the first tranche, and (ii) the Bloomberg World Airline index for the second tranche.

In each of the two tranches, 50 percent of Share Rights will vest if the Company's TSR has matched the comparison index over the performance period. For each 1 percent the TSR outperforms the comparison index, a further 2.5 percent of share rights will vest up to a maximum of 100 percent.

Mandatory Shareholding

Participants must hold a specified amount of shares through vesting of Share Rights. The amount is set at a value of 55 percent of the fixed remuneration for the CEO, and 40 percent of fixed remuneration for Executives. Participants are not required to purchase shares outside of the LTI to satisfy this mandatory shareholding requirement.

Until this mandatory shareholding is reached, any shares issued to Participants from vested rights must be retained. This holding must be maintained while still employed.

Vesting of the 2020 LTI

Rights issued under the LTI in September 2020 partially vested in late calendar year 2023, based on external validation undertaken by PwC in the applicable testing period. This resulted in 57.2 percent of the 2020 performance share rights vesting, with the balance lapsing with no further testing.

CEO Retention Plan

This year the Board approved a cash-based retention plan for the CEO for the 2024 to 2026 financial years (CEO Plan). The rationale for the CEO Plan is to maintain stable leadership and incentivise delivery of key strategic priorities which are critical to the execution of the Kia Mau strategy.

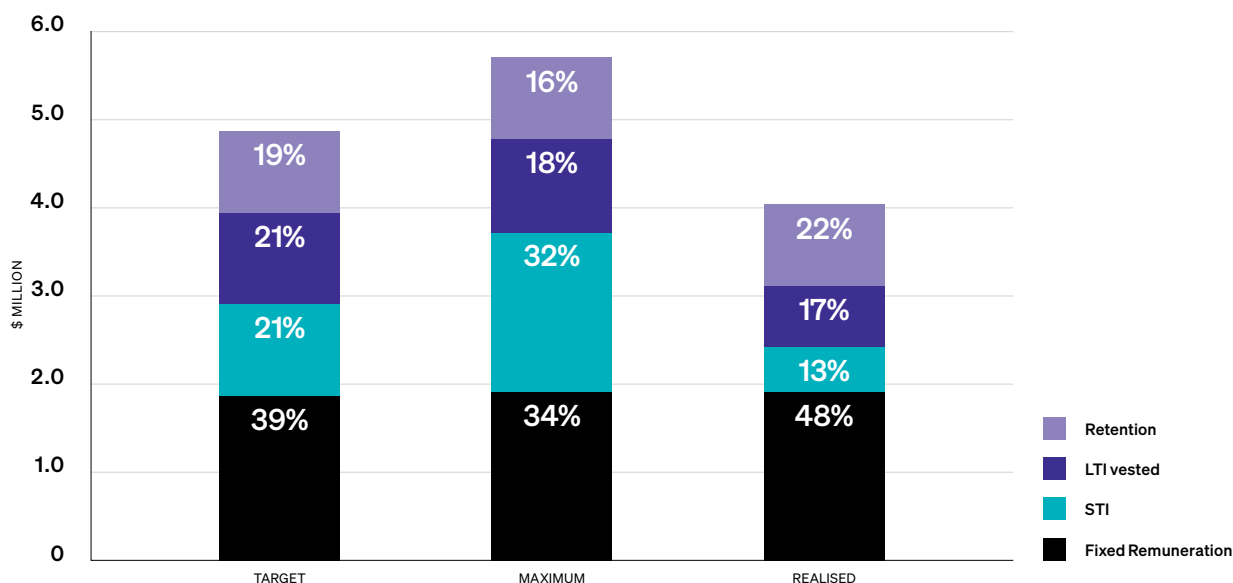
The CEO Plan will consist of three equal payments of up to \$900,000 (gross) payable for each of those three financial years. Each payment will be subject to (i) PRDC approval, (ii) the CEO not having given notice by 30 June and maintaining standards of performance and conduct; and (iii) the CEO's actual remuneration not exceeding 130 percent of the total target remuneration (including the retention payment).

Remuneration Report (continued)

CEO remuneration

CEO Remuneration Structure for the 2024 financial year

The CEO remuneration structure is consistent with the executive management remuneration structure described above. The chart below depicts the total remuneration mix for the CEO (excluding benefits) at target, maximum and the amount realised for the 2024 financial year.



CEO Remuneration Outcomes

Financial Year	Fixed Remuneration		Short-term Incentive			Long-term Incentive		Retention Plan	Total Earned	Share Rights allocated and at risk ³
	Base Salary	Benefits ¹	Target STI	STI Earned ²	STI Earned as % of Target	Shares vested ⁴	Market value at vesting	Retention Earned ⁵		
2024	\$1,928,478	\$162,484	\$1,037,850	\$518,925	50%	1,003,976	\$677,684	\$900,000	\$4,187,571	2,471,072
2023	\$1,839,029	\$171,239	\$990,000	\$1,123,650	113.5%	-	-	-	\$3,133,918	2,408,759
2022	\$1,657,169	\$76,733	\$915,464	\$613,361	67%	-	-	-	\$2,347,263	953,256

1. Benefits include superannuation and travel. As a member of the Group's superannuation scheme, the CEO is eligible to contribute and receive a matching Company contribution of up to 4 percent of gross taxable earnings (including STI). The CEO and eligible beneficiaries are entitled to an agreed number of trips for personal purposes at no cost to the individual.

2. STI earned in the reporting period reflects the cash value of amounts received following achievement of performance measures related to the current period.

3. LTI Share Rights allocation refers to the number of Share Rights issued in January 2024 for the 2023 year and remaining at risk.

4. LTI Share Rights issued in 2020 partially vested (57.2 percent) and converted to Ordinary Shares in the 2024 financial year as the performance conditions were partly met. The value is based on the closing price on 1 November 2023 (\$0.675) and consistent with the value reported to the Inland Revenue.

5. Retention earned in the reporting period was paid in July 2024 based on the achievement of the relevant criteria. See CEO Retention Plan section above.



Interests Register

No disclosures were made of interests in transactions under s140(1) of the Companies Act 1993.

Directors have made general disclosures of interests in accordance with s140(2) of the Companies Act. Current interests, and those which ceased during the year, are tabulated below.

Dame Therese Walsh	Antarctica New Zealand ASB Bank Limited Institute of Directors' Chapter Zero – Steering Committee Climate Change Commission – nomination panel On Being Bold Limited Therese Walsh Consulting Limited Wellington Homeless Women's Trust	Director Chair Chair Chair Director and Shareholder Director and Shareholder Ambassador
Claudia Batten	Pyper Vision Limited Serko Limited Vista Group International Limited Wonderful Investments Limited	Shareholder Chair Director Director and Shareholder
Dean Bracewell	Ara Street Investments Limited Dean Bracewell Limited Freightways Limited Halberg Trust Port of Tauranga Limited Property for Industry Limited Tainui Group Holdings Limited (ceased 31 March 2024)	Director and Shareholder Director and Shareholder Shareholder Director Director Chair Director
Laurissa Cooney	Accordant Group Limited (ceased on 29 May 2024) Chapter Zero Steering Group Institute of Directors GMT Bond Issuer Limited Goodman (NZ) Limited Goodman Property Aggregated Limited Goodman Property Services (NZ) Limited Ngāi Tai ki Tāmaki Charitable Investment Trust The Aotearoa Circle Trust	Director Member Director Director Director Director Audit Committee Chair Trustee and Co-Chair
Larry DeShon	The Hartford Financial Services Group, Inc United Rentals, Inc The Hartford's Finance, Investment, Risk Management Committee Nominating and Governance Committee for United Rentals International	Director Director Chair Chair
Alison Gerry	ANZ Bank New Zealand Limited Glendora Avocados Limited Glendora Holdings Limited Infratil Limited On Being Bold Limited Sharesies AU Group Limited Sharesies Financial Limited Sharesies Group Limited Sharesies Investment Management Limited Sharesies Limited Sharesies Nominee Limited	Director Director and Shareholder Director and Shareholder Chair Director and Shareholder Director Director Chair Director Director Director
Paul Goulter	New Zealand Nurses Organisation Incorporated	Officer

There have been no interest register entries in respect of use of Company information by directors.

Directors' Interests in Air New Zealand Securities

Directors had relevant interests in shares as at 30 June 2024 as below:

	Interest	Shares
Claudia Batten	-	-
Dean Bracewell ¹	Beneficial	125,000
Laurissa Cooney ²	Beneficial	146,570
Larry De Shon	Beneficial	1,002,514
Alison Gerry ³	Beneficial	84,393
Paul Goulter ³	Beneficial	76,401
Dame Therese Walsh	Beneficial	650,000

1. Dean Bracewell holds his interest through an associated entity, Ara Street Investments Limited.
2. Laurissa Cooney has an interest in 107,570 shares through a Craigs' KiwiSaver Scheme, and 39,000 shares personally held.
3. Alison Gerry and Paul Goulter hold their respective interests via Sharesies Nominees Limited.

Indemnities and Insurance

Pursuant to section 162 of the Companies Act 1993 and the Constitution, Air New Zealand has entered into deeds of access, insurance and indemnity with the directors of the Group to indemnify them to the maximum extent permitted by law, against all liabilities which they may incur in the performance of their duties as directors of any company within the Group. Insurance cover extends to directors and officers for the expenses of defending legal proceedings and the cost of damages incurred. Specifically excluded are proven criminal liability and fines and penalties other than those pecuniary penalties which are legally insurable. In accordance with commercial practice, the insurance contract prohibits further disclosure of the terms of the policy. All directors who voted in favour of authorising the insurance certified that in their opinion, the cost of the insurance is fair to the Company.

Subsidiary Companies

The following people were directors of Air New Zealand's subsidiary companies in the financial year to 30 June 2024. These companies are New Zealand incorporated companies except where otherwise indicated.

No director of any subsidiary received beneficially any director's fees or other benefits except as an employee.

Air Nelson Limited	Jennifer Page, Michael Williams
Air New Zealand Aircraft Holdings Limited	Jennifer Page, Baden Smith, Richard Thomson
Air New Zealand Associated Companies Limited	Jennifer Page, Leila Peters, Richard Thomson
Air New Zealand Express Limited	Jennifer Page, Richard Thomson
Air New Zealand Regional Maintenance Limited	Hamish Curson, Brendon McWilliam
ANNZES Engines Christchurch Limited	Jennifer Page, Richard Thomson
Mount Cook Airline Limited	Jennifer Page, Michael Williams
TEAL Insurance Limited	Katrina Meredith, Jennifer Page, Hannah Ringland
Air New Zealand (Australia) Pty Limited (incorporated in Australia)	Kathryn O'Brien, Jennifer Page



Other Disclosures

Donations

The Air New Zealand Group has made donations totalling \$110,833 in the financial year to 30 June 2024. No donations were made to any political party. It is Air New Zealand's policy not to make donations, in cash or in kind, or to provide free of charge travel to political parties.

Substantial product holders

The following information is provided in compliance with Section 293 of the Financial Markets Conduct Act 2013 and is stated as at 30 June 2024. The total number of listed Ordinary shares of Air New Zealand Limited at that date was 3,368,464,315.

Substantial Product Holder	Quoted voting products in the Company in which a relevant interest is held
The Sovereign in Right of New Zealand acting by and through the Minister of Finance	1,717,916,801 ordinary shares as reported in the Substantial Security Holder notice dated 11 May 2022

In 1989, the Crown issued a Notice that arises through its holding of a special rights Convertible Share, the "Kiwi Share" and the power of the Kiwi Shareholder under the Constitution. Full details of the rights pertaining to this share is set out in the Company's Constitution. The Kiwi Share does not confer any right on its holder to vote at a shareholders' meeting unless the Kiwi Share has been converted into an Ordinary Share by its holder. The Kiwi Share is not listed on any stock exchange.

Operating Fleet Statistics

As at 30 June 2024

Boeing 777-300ER

Number: 9
Average Age: 12.5 years
Maximum Passengers: 342
Cruising Speed: 910 km/hr
Average Daily Utilisation: 14.14 hrs



Boeing 787-9 Dreamliner

Number: 14
Average Age: 7.8 years
Maximum Passengers: 302 or 275
Cruising Speed: 910 km/hr
Average Daily Utilisation: 14.23 hrs



Airbus A321neo

Number: 12
Average Age: Short-haul: 5.3 years
Domestic: 1.1 years
Maximum Passengers: Short-haul: 214
Domestic: 217
Cruising Speed: 850 km/hr
Average Daily Utilisation: Short-haul: 10.57 hrs
Domestic: 3.20* hrs



Airbus A320neo

Number: 6
Average Age: 4.3 years
Maximum Passengers: 165
Cruising Speed: 850 km/hr
Average Daily Utilisation: 10.44 hrs



Airbus A320ceo

Number: 17
Average Age: 10.4 years
Maximum Passengers: 171
Cruising Speed: 850 km/hr
Average Daily Utilisation: 7.38 hrs



ATR 72-600

Number: 29
Average Age: 7.3 years
Maximum Passengers: 68
Cruising Speed: 518 km/hr
Average Daily Utilisation: 6.30 hrs



Bombardier Q300

Number: 23
Average Age: 17.4 years
Maximum Passengers: 50
Cruising Speed: 520 km/hr
Average Daily Utilisation: 5.43 hrs





Securities Statistics

Top Twenty Shareholders – as at 1 August 2024

Investor Name	Number of Ordinary Shares	% of Ordinary Shares
The Sovereign in Right of New Zealand acting by and through their Minister of Finance	1,717,916,801	51.00
New Zealand Depository Nominee	218,484,030	6.49
HSBC Nominees (New Zealand) Limited	116,920,171	3.47
Citibank Nominees (NZ) Ltd	77,459,842	2.30
BNP Paribas Nominees NZ Limited Bpss40	71,136,737	2.11
HSBC Nominees (New Zealand) Limited	66,268,443	1.97
JPMORGAN Chase Bank	48,885,197	1.45
Citicorp Nominees Pty Limited	35,443,219	1.05
BNP Paribas Nominees NZ Limited	28,038,882	0.83
Tea Custodians Limited	21,743,416	0.65
Public Trust	19,864,791	0.59
HSBC Custody Nominees (Australia) Limited	18,192,096	0.54
Private Nominees Limited	13,672,529	0.41
Xinwei Investment (NZ) Limited	13,164,081	0.39
J P Morgan Nominees Australia Pty Limited	12,950,482	0.38
Accident Compensation Corporation	12,783,638	0.38
FNZ Custodians Limited	7,823,385	0.23
BNP Paribas Nominees (NZ) Limited	7,580,496	0.23
Ping Luo	7,146,838	0.21
Custodial Services Limited	7,141,028	0.21
Total	2,522,616,102	74.89

Shareholder Statistics – as at 1 August 2024

Size of Holding	Investors ¹	% Investors	Shares	% Issued
1-1,000	17,428	34.57	7,924,951	0.24
1,001-5,000	15,404	30.55	39,148,211	1.16
5,001-10,000	6,003	11.91	44,887,327	1.33
10,001-50,000	8,715	17.28	196,204,335	5.83
50,001-100,000	1,497	2.97	106,873,213	3.17
100,001 and Over	1,371	2.72	2,973,426,278	88.27
Total	50,418	100.00	3,368,464,315	100.00

1. The above investor numbers relate to the number of shareholdings held directly on the register. As such it does not include the number of underlying beneficial owners within Custodial or Institutional accounts.

Securities Statistics (continued)

Top Twenty Bondholders – as at 1 August 2024

Investor Name	Number of Bonds	% of Bonds
Forsyth Barr Custodians Limited	45,350,000	45.35
FNZ Custodians Limited	6,264,000	6.26
HSBC Nominees (New Zealand) Limited	4,830,000	4.83
Investment Custodial Services Limited	4,335,000	4.34
Private Nominees Limited	2,895,000	2.90
Forsyth Barr Custodians Limited	2,698,000	2.70
BNP Paribas Nominees NZ Limited Bpss40	2,345,000	2.35
Mt Nominees Limited	2,070,000	2.07
JBWERE (NZ) Nominees Limited	2,064,000	2.06
Forsyth Barr Custodians Limited	1,472,000	1.47
Custodial Services Limited	1,336,000	1.34
HSBC Nominees (New Zealand) Limited	661,000	0.66
Pin Twenty Limited	525,000	0.53
Forsyth Barr Custodians Limited	460,000	0.46
Citibank Nominees (NZ) Ltd	408,000	0.41
I J Investments Limited	400,000	0.40
Malaghan Institute Of Medical Research Trust Board	400,000	0.40
JBWERE (NZ) Nominees Limited	300,000	0.30
Karl Leopold Zuba & Hedwig Zuba	250,000	0.25
Adminis Custodial Nominees Limited	249,000	0.25
Total	79,312,000	79.31

Bondholder Statistics – as at 1 August 2024

Size of Holding	Holders	% Holders	Bonds	% Issued
1-1,000	-	-	-	-
1,001-5,000	62	9.24	310,000	0.31
5,001-10,000	136	20.27	1,273,000	1.27
10,001-50,000	370	55.14	9,891,000	9.89
50,001-100,000	60	8.94	4,559,000	4.56
100,001 and Over	43	6.41	83,967,000	83.97
Total	671	100.00	100,000,000	100.00

On-market share buybacks

There is no current share buyback in the market.



General Information

Stock exchange listings

Air New Zealand's Ordinary Shares have been listed on the NZX Main Board (ticker code AIR) since 24 October 1989. It also has bonds listed on the NZX Debt Market (ticker code AIRO30).

Air New Zealand's Ordinary Shares are listed on ASX (ticker code AIZ) as a Foreign Exempt Listing. The Foreign Exempt Listing means that Air New Zealand is expected to comply primarily with the Listing Rules of the NZX Main Board (being the rules of its home exchange) and is exempt from complying with most of ASX's Listing Rules.

Neither NZX nor ASX has taken any other disciplinary action against the Company during the financial year ended 30 June 2024. In particular there was no other exercise of powers by NZX under NZX Listing Rule 9.9.3 (relating to powers to cancel, suspend or censure an issuer) with respect to Air New Zealand during the reporting period.

On 20 July 2017, Air New Zealand launched a sponsored Level 1 American Depositary Receipt (ADR) programme. Air New Zealand's American Depositary Shares, each representing five Ordinary Air New Zealand shares and evidenced by ADRs, are traded over-the-counter in the United States (ticker code ANZLY).

Place of incorporation

New Zealand

In New Zealand, the Company's Ordinary Shares are listed with a "non-standard" (NS) designation. This is due to particular provisions of the Company's Constitution, including the rights attaching to the Kiwi Share² held by the Crown and requirements regulating ownership and transfer of Ordinary Shares.

New Zealand Exchange

Waivers:

Waivers from the NZX Listing Rules granted to the Company or relied upon by the Company during the financial year ended 30 June 2024 may be found at www.airnz.co.nz/nzx-waivers.

Compliance with Listing Rules:

For the purposes of ASX Listing Rule 1.15.3, Air New Zealand Limited confirms the Company continues to comply with the NZX Listing Rules.

2. In 1989, the Crown issued a Notice that arises through its holding of a special rights Convertible Share, the "Kiwi Share" and the power of the Kiwi Shareholder under the Constitution. Full details of the rights pertaining to this share is set out in the Company's Constitution. The Kiwi Share does not confer any right on its holder to vote at a shareholders' meeting unless the Kiwi Share has been converted into an Ordinary Share by its holder. The Kiwi Share is not listed on any stock exchange.

Shareholder Directory

New Zealand

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15 Customs Street West, Auckland 1142
New Zealand

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Fax: (64 9) 375 5990

Email: enquiries@linkmarketservices.co.nz

Australia

MUFG Pension and Market Services
Level 12, 680 George Street
Sydney NSW 2000, Australia
Locked Bag A14, Sydney South
NSW 1235
Australia

Investor Enquiries:

Phone: (61) 1300 554 474

Fax: (61 2) 9287 0303

Investor Relations

Investor Relations Office
Private Bag 92007, Auckland 1142
New Zealand
Phone: (64 9) 336 2607 (Overseas)
Fax: (64 9) 336 2664
Email: investor@airnz.co.nz
Website: airnzinvestor.com

Annual Shareholders' Meeting

Date: 26 September 2024

Time: 2:00pm

Venue: Tekapo Room
The Novotel
30 Durey Road
Christchurch Airport

Current Credit Rating

Moody's rate Air New Zealand Baat

Auditor

Deloitte Limited (on behalf of the
Auditor-General)
Deloitte Centre
1 Queen Street, Auckland Central
PO Box 115033, Shortland Street
Auckland 1140
New Zealand

Lawyers

Bell Gully
Deloitte Centre
1 Queen Street, Auckland 1010
PO Box 4199, Auckland 1140
New Zealand

Registered Offices

New Zealand

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Air New Zealand House
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Fax: (61 2) 8235 9946
ABN: 70 000 312 685

Board of Directors

Dame Therese Walsh – Chair
Claudia Batten
Dean Bracewell
Laurissa Cooney
Larry De Shon
Alison Gerry
Paul Goulter

Chief Executive Officer

Greg Foran

Chief Financial Officer

Richard Thomson

General Counsel and Company Secretary

Jennifer Page