

Gender Pay Report 2019

Air New Zealand operates in a diverse environment, both in New Zealand and internationally, and is committed to a culture that values diversity and inclusion throughout the Group. It recognises the importance of fostering a diverse workforce which leads to better innovation, stronger customer connections and better business outcomes.

As an Equal Employment Opportunity (EEO) employer, the Air New Zealand Group is committed to promoting equal opportunities for its employees. This commitment is upheld through our performance management, recruitment, talent management and remuneration policies and practices.

The following table shows the gender composition and the associated gender equity pay differential for all New Zealand and International employees covered by Individual Employment Agreements. This year we have reviewed the relativity of all our positions and developed a revised remuneration structure based on five Career Levels which has improved the accuracy of our gender equity reporting. The analysis continues to provide insight into our population and highlights opportunities to improve our position. Overall our males are paid 0.46% more than females.

As well as monitoring pay outcomes, Air New Zealand is also focused on ensuring equitable representation in work levels and performance outcomes, as well as critically examining policies and programmes to ensure they promote equitable outcomes.

Air New Zealand Career Level	Number of Females	Number of Males	Average Pay Differential
Executives and General Managers Designs and drives business strategy for a major business division or Group-wide function	29	49	-3.24%
Senior Managers Develops and implements the strategy and business plan for a division	92	139	-0.02%
Operational Managers Inputs into the functional strategic plan, but focus is on operational management	276	350	1.58%
Specialists and Team Leaders Formally leads a team or an established specialist in a technical or professional discipline	714	563	0.40%
Support/Administration Work is routine, in nature, with set patterns	209	54	-0.35%
Total	1,320	1,155	0.46%

Please note: Gender pay differences are calculated on averaged, annualised, full-time equivalent salaries. This means that all employees – part-time and full-time – are included in the calculation and the salaries of those who are not full-time employees are converted to a full-time equivalent.

The analysis is broken down by Air New Zealand's career levels, enabling us to compare roles of similar complexity and responsibility and provide insight into our population, highlighting opportunities for improvement.

The gender equity pay differential is expressed as a percentage of men's earnings. A negative value means that women's earnings are higher than men's.

Collective Covered Employees

Pay rates within Air New Zealand collective agreements are skills, competency or service based, ensuring all employees with the same levels of service or skill in the same role, will be paid the same.