



CORPORATE GOVERNANCE STATEMENT

The Board considers its governance practices to be consistent with the Principles of the NZX Corporate Governance Code.

This Corporate Governance Statement was approved by the Board on 25 August 2021 and is current as at that date.

Code of Ethical Behaviour

Air New Zealand has a published Code of Conduct and Ethics (“the Code”), as a statement of our guiding principles of ethical and legal conduct. The Code applies to everyone working at or for Air New Zealand – directors, executives, employees, contractors and agents.

Mechanisms are provided for the safe reporting of breaches of the Code or of other policies or laws, and the consequences of non-compliance are made explicit.

The Code is supplemented by a number of other documents, including the Board Charter and specific policies on key matters. As a whole, these documents address all matters in recommendation 1.1 of the NZX Corporate Governance Code.

Air New Zealand also has a Securities Trading Policy, which identifies behaviours that are illegal, unacceptable or risky in relation to dealings in Air New Zealand’s securities by directors, employees or their associated persons. This policy provides a framework that reduces the potential for insider trading. No material policy breaches have been reported during the 2021 reporting period.

Air New Zealand makes these documents, and other significant governance documents, available on its website.

Board Composition and Performance

The Board has a formal Board Charter detailing its authority, responsibilities, membership and operation, which is published on Air New Zealand’s website.

The business and affairs of Air New Zealand are managed under the direction of the Board. The Board is responsible for guiding the corporate strategy and direction of Air New Zealand and has overall responsibility for decision making. The Board delegates to the Chief Executive Officer responsibility for implementing the Company’s strategy and for managing the operations of Air New Zealand.

Dame Therese Walsh has been Chairman of Air New Zealand since 25 September 2019. The Board Charter makes explicit that the Chairman and the Chief Executive Officer roles are separate.

The General Counsel & Company Secretary is secretary to the Board and accountable directly to the Board, through the Chairman, on all matters to do with the proper functioning of the Board.

The Board has specific 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 skills and experience represented on the Board are summarised in the diagram below:

Executive Leadership		Tourism	
Engineering/Safety		Digital/Technology	
International Business		Government & Stakeholder	
Financial		Governance	
Customer Experience			

Details of each director’s experience, independence, and interests are published on the Air New Zealand website.

Diversity and Inclusion

The Company’s Equality, Diversity and Inclusion Policy recognises the value of a diverse workforce, proudly representative of Aotearoa New Zealand, as well as the creation of an inclusive environment where Air New Zealanders can be themselves and thrive.

Diversity is considered across a range of factors including gender, ethnicity, disability, age and sexual identity. There is a focus on recruitment practices that promote the retention and attraction of diverse talent, and a broad range of employee initiatives to reflect the diversity we have in the airline. The 10 Employee Networks play a key role in supporting Air New Zealanders and in the success of the Diversity & Inclusion strategy.

Despite a challenging environment, the Company’s performance in respect of the policy has remained positive. With a target of 50% women on the Airline Leadership Team (ALT – including the Executive), the Company achieved 52.4% as at 30 June 2021. This target will be maintained and there will be a continued focus on building the numbers of women at all levels of leadership to ensure a strong and diverse talent pipeline.

Board Cadence

- 20** Board meetings
- 24** Committee meetings
- 7** Strategy/deep dive sessions
- 6** Circular resolutions

Recent Focus Areas

- Covid-19
- Funding
- Sustainability
- Future Strategy and Routes
- Cargo
- Brand Strategy
- Customer Loyalty
- Digital initiatives

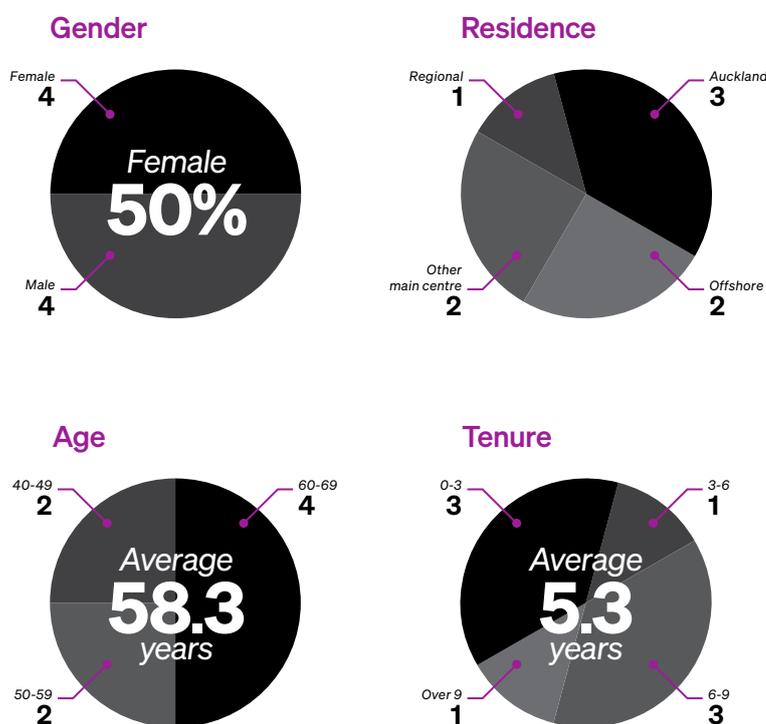
CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Air New Zealand also has a target of 20% of the Company’s people leadership roles being held by Māori and Pasifika employees by 2022. As at 30 June 2021 achievement towards this target was approximately 16% based on available data. The Mangō Pare leadership development programme continues to support growth in this space, with a cohort of 16 people completing the training in the 2021 financial year, following two cohorts in the 2020 financial year, and two more cohorts planned in the 2022 financial year.

*AS AT 30 JUNE	2020	2021
Directors (female:male)	4:4	4:4
Executive Team (female:male)*	2:6	3:4

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

Diversity is equally important on the Board. Aspects of diversity on the Board are charted below.



The Board Charter provides for regular performance reviews of the Board as a whole and its Committees.

The Board as a whole considers the requirement for additional or replacement directors. In so doing, it has regard to the skills, experience and diversity already on the Board, and the skills that are necessary or desirable for the Board to fulfil its governance role and contribute to the long-term strategic direction of the Company. The Board engages consultants to assist in the identification, recruitment and appointment of suitable candidates.

When appointing new directors, the Board ensures that the Constitutional requirements in respect of directors will continue to be satisfied. At all times there must be between five and eight directors, with at least three resident in New Zealand. The majority of directors must be New Zealand citizens and at least two must be independent. The NZX Corporate Governance Code’s recommendation that a majority of the Board should be Independent Directors is also met.

Each Non-Executive Director receives a letter formalising their appointment. That letter outlines the key terms and conditions of their appointment and is required to be countersigned confirming agreement.

The Board expects all directors to undertake continuous education so that they can effectively perform their duties and progress on this forms part of the Board evaluation process.



CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Board Committees

Board committees are set up where these can assist in the efficient performance of the Board's functions, and the achievement of appropriate governance outcomes. All committees operate under written Charters, which define the role, authority and operations of the committee. Committee Charters are available on the Air New Zealand website. Current standing committees are outlined below.

Committee	Composition and Roles	Members
Audit and Risk ("ARC")	3-7 non-executive directors. A majority, including the Chairman, must be independent. A majority of the members should be financially literate and at least 1 member must have an accounting or financial background. The Chair may not be the Chairman of the Board. Advises and assists the Board in discharging its responsibilities with respect to financial reporting, compliance and risk management practices of Air New Zealand.	Jan Dawson (Chair) Laurissa Cooney Jonathan Mason Dame Therese Walsh
People Remuneration and Diversity ("PRDC")	2-7 non-executive directors. A majority, including the Chairman, must be independent. Advises and assists the Board in discharging its responsibilities with respect to oversight of the People strategy of Air New Zealand.	Jonathan Mason (Chair) Dean Bracewell Jan Dawson Dame Therese Walsh
Health, Safety and Security ("HSSC")	At least 3 non-executive directors. A majority, including the Chairman, must be independent. Advises and assists the Board in discharging its responsibilities with respect to health, safety and security matters arising out of activities within and by Air New Zealand.	Rob Jager (Chair) Larry De Shon Linda Jenkinson Dame Therese Walsh
Funding	3-4 directors. The Chairman of the Board will be the Chairman. Advises and assists the Board in discharging its responsibilities with respect to funding transactions and associated matters.	Dame Therese Walsh (Chair) Jan Dawson Rob Jager

The Board also has a special purpose committee to assist in management of Covid-19 issues. No fees were paid to members of this committee.

As noted above, the Board as a whole considers the requirement for additional or replacement directors, and has not established a nomination committee or similar for this purpose.

The table below reports attendance of members at Board and Board Committee meetings during the 2021 reporting period.

Board/Committee Meetings 1 July 2020 – 30 June 2021

	Board	Audit and Risk Committee	People Remuneration and Diversity Committee	Health, Safety and Security Committee	Covid-19 Committee
	Attendance ¹	Attendance ¹	Attendance ¹	Attendance ¹	Attendance ¹
Dame Therese Walsh	20/20	5/5	4/4	4/4	11/11
Dean Bracewell	19/20		4/4		
Laurissa Cooney	20/20	5/5			
Jan Dawson	20/20	5/5	4/4		10/11
Larry De Shon	20/20			4/4	
Rob Jager	20/20			4/4	
Linda Jenkinson	19/20			4/4	
Jonathan Mason	20/20	5/5	4/4		11/11

1. The attendance is the number of meetings attended / number of meetings for which the director was a member.

The Funding Committee generally satisfies its responsibilities through electronic communication and written resolution, to ensure efficient processing of funding and related transactions. No physical meetings of this Committee were held in the year, and no additional fees are paid in respect of this Committee.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Reporting and Disclosure

The Board is committed to timely, accurate and meaningful reporting of financial and non-financial information. In addition to statutory disclosures, the Company provides ongoing updates of its operations, as well as presentations to the investment community. This material is made publicly available through releases to the NZX and ASX, in accordance with the Listing Rules.

Air New Zealand has a Continuous Disclosure Policy, available on the Air New Zealand website and are managed by the General Counsel. The purpose of this policy is to:

- Ensure that Air New Zealand complies with its continuous disclosure obligations;
- Ensure timely, accurate and complete information is provided to all shareholders and market participants; and
- Outline mandatory requirements and responsibilities in relation to the identification, reporting, review and disclosure of Material Information relevant to Air New Zealand.

This policy establishes a Disclosure Committee to facilitate the provision of timely and appropriate market disclosure.

Remuneration

In accordance with the Constitution, shareholder approval is 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	Chairman ¹	\$270,000
	Deputy Chairman	\$114,000
	Member	\$100,000
Audit and Risk Committee	Chair	\$40,000
	Member	\$20,000
Health, Safety and Security Committee	Chair	\$40,000
	Member	\$20,000
People Remuneration and Diversity Committee	Chair	\$20,000
	Member	\$10,000

1. The Chairman receives no additional committee fees.

Directors took a voluntary 15% reduction in fees effective for the full reporting period.

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 travel, accommodation and other expenses they may incur whilst travelling to and from meetings of the directors or committees. Directors also receive certain travel entitlements for personal use.



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 Utilised Travel Entitlement ^{1,2}
Dame Therese Walsh (Chairman)	\$229,500	-	-	-	\$229,500	\$15,249
Jan Dawson (Deputy Chairman)	\$96,900	\$34,000 (Chair)	-	\$8,500	\$139,400	\$6,132
Dean Bracewell	\$85,000	-	-	\$8,500	\$93,500	-
Laurissa Cooney	\$85,000	\$17,000	-	-	\$102,000	\$16,636
Larry De Shon	\$85,000	-	\$17,000	-	\$102,000	-
Rob Jager	\$85,000	-	\$34,000 (Chair)	-	\$119,000	\$3,160
Linda Jenkinson	\$85,000	-	\$17,000	-	\$102,000	\$35,518
Jonathan Mason	\$85,000	\$17,000	-	\$17,000 (Chair)	\$119,000	\$10,517
Total	\$836,400	\$68,000	\$68,000	\$34,000	\$1,006,400	\$87,212

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. The value of the travel entitlements received by former directors during the 2021 financial year were as follows: Tony Carter (\$10,445), Paul Bingham (\$29,645), Roger France (\$5,640), John Palmer (\$6,828), Warren Larsen (\$2,488), Jane Freeman (\$12,802).

In addition to the director remuneration provisions above, Air New Zealand's employee remuneration policy is discussed in the remuneration report.

The remuneration of the Chief Executive Officer is disclosed in the remuneration report.

Risk Management

Air New Zealand operates in a complex environment that is not devoid of risk. Risks inherent within our business environment need to be systematically identified and managed to meet legal, regulatory and governance obligations, while still allowing the Company to operate sustainably as a commercial airline. We achieve this by embedding risk management into our organisational processes and culture through our Enterprise Risk Management Framework ("ERMF") as well as through Risk working Groups, Risk Champion Networks and regulatory compliance processes under applicable legislation.

Risk Governance and reporting

The Board of Directors, supported by the Audit and Risk Committee, has overall responsibility for ensuring the effective implementation of risk management systems in line with the Risk Management Policy, and that the Company does not operate beyond its risk appetite.

The Board ensures that it receives appropriate information on key risks and the management of these. A Group Risk Profile representing the most significant strategic risks facing the Company as identified by management is presented to the Audit and Risk Committee and the Board annually. This is supplemented with quarterly updates on changes to the Group Risk Profile, which reflect any new or emerging strategic risks requiring prioritisation. The reports enable the Board to gain assurance that a robust assessment has been undertaken of the key risks facing the Company, and the effectiveness of Air New Zealand's system of internal controls for managing them.

The Board's Health, Safety and Security Committee provides oversight of Air New Zealand's health, safety and security risk management including processes, policies and performance, and monitoring the effectiveness of internal control assurance. The Committee's oversight process includes site visits and other experiential learning sessions to observe and understand operational and safety risks, as well as presentations on risk management practices and targeted deep dives on specific areas of risk, to obtain assurance that risks receive the appropriate focus from management.

Further monitoring of the effectiveness of Air New Zealand's Safety Management Systems (SMS) across our operations, including people safety and air worthiness risks, and associated regulatory compliance is undertaken by a cross-functional executive management committee, the Group Safety Review Board (GSRB), that meets quarterly.

The Executive Team, under the leadership of the Chief Executive Officer, implements the process, methodology and structure that encompass the ERMF. The ERMF promotes risk conversations amongst the Executive Team, and a risk operating rhythm providing a regular cadence for the review and monitoring of risks across the business.

Enterprise Risk Management Framework

The Board, led by the Audit and Risk Committee, has worked with management to develop and implement an ERMF which provides a consistent approach to risk identification, management and reporting. The ERMF and risk management process is built on the commonly accepted ISO31000:2018 standard for risk management which has been implemented company-wide.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The scope of the ERMF includes a consideration of Strategic, Operational, Financial and Legal/Regulatory risks, both short-term and long-term, across all critical business functions of the Air New Zealand Group. A taxonomy of risk types is maintained to assist in the identification of risks and facilitate their consistent categorisation to drive meaningful analysis.

Key risks are identified at business unit, divisional and group levels, with ownership for the management of these formally assigned to senior managers. All key risks are assessed and prioritised against a risk matrix of likelihood and consequence.

Risk information is captured in a centralised database.

ERM focus for the 2022 financial year

Air New Zealand has been operating in an unusually volatile environment since the outbreak of the Covid-19 pandemic which has become the most significant crisis the aviation industry has ever faced. The continually evolving situation has not only created a bespoke risk footprint for the Company, but also highlighted opportunities to build value and organisational resilience.

A Company-wide deep dive review was undertaken in the 2020 financial year and presented to the Board. This focussed on understanding the holistic impacts of the pandemic and lessons learned as Air New Zealand has moved through the crisis and focussed on recovery.

The focus in the 2021 financial year was on strengthening the cohesion between the company's bottom-up and top-down processes for the review of risks, including embedding a more regular quarterly cadence for the review of risks.

The top-down approach involved the Executive's and Audit and Risk Committee's participation in the strategic risk identification process. It also led to the introduction of an additional layer of Divisional risks owned by each Executive. The approach considered the internal and external environment, and the company's Kia Mau strategy, in identifying the most consequential risks to the Company.

Over the 2022 financial year, continuing initiatives to improve the maturity of risk management activity will address a formal risk appetite, lifting risk management capability across our business and build on the functionality in the new digital platform to provide management with enhanced risk management visibility and capability.

Accountability – Three Lines of Defence

Air New Zealand's risk management structure aims to align with the Three Lines of Defence model, involving the Executive, Audit and Risk Committee and Board oversight of risk management and assurance. Each Line has a set of core accountabilities:



Strategic Risks

The Board and management have identified, assessed and prioritised a number of strategic risks facing the business based on their relative importance and criticality to the Company.

Air New Zealand has been operating in a constantly evolving and unpredictable environment since the Covid-19 pandemic outbreak. The risks identified recognise the impact of Covid-19 on the operations of Air New Zealand, as well as its second order effects on commercial and operational performance and on the Company's ability to deliver its Kia Mau strategy.

'Another Pandemic' has been identified as an emerging risk whose potential for harm or loss is not fully known. The Company's assessment of pandemic risk and its interconnectedness with key strategic risks is a continued focus as the Company considers lessons learned through Covid-19, and its ongoing direct and indirect impacts on our business environment.

The top risks that have been identified in the Group Risk Profile are outlined below. These are not ranked. In addition, a set of "Below the Line" strategic risks have been identified for active monitoring.



CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Strategic Risk Area ¹	Description	Mitigation
Cybersecurity	A cyber-attack could result in lost integrity or access to information, loss of control systems or a significant data privacy breach causing widespread business disruption, reputational damage and/or liabilities.	Cybersecurity programme delivered by a dedicated Cybersecurity function, complemented by appropriate cybersecurity measures and insurance.
Macro-economic uncertainty	Heightened economic, geopolitical or market uncertainty (including as a consequence of the pandemic) could impair long-term planning around travel demand recovery adversely affecting revenue optimisation and growth.	Regular market monitoring through a range of economic and market indicators to facilitate forecasting of and planning for underlying demand, revenue and capacity.
Industrial relations	Inability to achieve desired outcomes with unions on employment agreements or in respect of the transformation agenda could lead to a deterioration in union relationships and present a heightened risk of industrial unrest.	Dedicated HR team with effective union relationship management, supported by communication and issue resolution processes.
Climate change	Physical and transitional impacts of climate change, including consumer activism and government regulation could drive increased cost of operations and reduced long run demand, and adversely impact social licence to operate and future revenue.	Implementation of a decarbonisation strategy focused on future use of SAF, continued efficiency improvements and future zero emissions aircraft; continuous improvement of operational procedures and investment in modern operational technologies.
Operational safety and integrity	A significant compliance breach, failure of the aviation safety system or catastrophic aircraft accident could result in a suspension or revocation of Air New Zealand's Air Operator's Certificate.	Airline Safety Management System supplemented with rigorous training and competency requirements for flight and cabin crew.
People health, safety and wellbeing	Continued disruption from business transformation, constrained resources, government policy changes and associated "Covid-19 fatigue" could adversely affect employee health and wellbeing and operational performance.	Health, safety and wellbeing management framework and Group critical risk protocols for active monitoring and management of risks and incidents.
Alliance relationships	The unravelling of a key alliance relationship or formation of new alliance partnerships could reduce Air New Zealand's competitiveness, adversely impacting network and growth strategy.	Formal agreements and re-negotiation process, supplemented with strong ongoing relationship management to ensure alignment of objectives and plans.
Supplier concentration	Supplier concentration, rationalisation or insolvency may limit the ability of suppliers to adequately respond to the airline's profile of recovery and result in sustained business disruption and loss of revenue.	System enabled supplier risk management from sourcing throughout the supplier management lifecycle and monitoring of supplier performance.
Talent risk	Continuing business transformation may lead to attrition and loss of key talent and exposure to unmanaged loss of institutional knowledge and capability gaps, impacting culture, safety and wellbeing.	Talent strategy review and alignment for identification of critical roles and skills, supplemented with succession planning and career development for critical roles and key talent.
Legal & regulatory compliance	A significant compliance breach from the inability to respond swiftly to rapidly changing government policy/restrictions, CAA regulations, stock exchange requirements or other legal or regulatory obligations may lead to regulatory sanction, loss of stakeholder confidence and/or reputational damage.	Liaison relationship management with regulators, combined with active monitoring using external law firms, newsletters and IATA forums for timely information on changes in laws / regulations. Application of systematic safety management and robust training / awareness campaigns, including annual company-wide Code of Conduct refresh training to promote awareness of policy requirements.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Strategic Risk Area ¹	Description	Mitigation
Competition – traditional and disruptive	A significant increase in traditional or disruptive competition, including from emerging technologies may lead to disintermediation of customers and loss of revenue streams.	Investment in technology through innovation partnerships and research and development, and active management of alliances relationships and partners around response to emerging trends identified.
Duration of Covid-19 and potential for new global pandemics	Inability to respond to or recover from the current Covid-19 crisis, the onset of future global pandemic or similarly disruptive macro event could adversely affect operations, financial performance, and the ability to deliver strategy.	Activation of Group Emergency Management Team for management of Emergency response and ongoing Business Continuity Management.
Business transformation	An inconsistent and unstructured approach to business transformation and change could cause a deterioration in core company values/culture and undesirable changes in employee behaviours, resulting in reduced performance and increased susceptibility to unethical conduct.	Management of business transformation through a dedicated team, including people and processes. Includes consideration and management of employee wellbeing through People Safety team.

Auditors

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. Deloitte has been appointed in this respect.

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

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

Internal Audit

Internal Auditing is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of Air New Zealand. The Company's Head of Internal Audit reports functionally to the Audit and Risk Committee and administratively to the Chief Financial Officer. The internal auditors' responsibilities are defined by the Audit and Risk Committee as part of their oversight role, and the Head of Internal Audit has unfettered access to the Audit and Risk Committee or its Chair.

Shareholder Rights and Relations

Air New Zealand engages with shareholders in a number of ways, including:

- **Investor Centre Website**

Air New Zealand maintains a dedicated investor website at airnewzealand.co.nz/investor-centre. This website contains financial information, current and historical annual reports and presentations, current share price information, dividend history, notices of shareholder meetings, frequently asked questions and other relevant information pertaining to Air New Zealand.

- **Electronic Communications**

Air New Zealand provides an Investor Relations email address as a mechanism for shareholders to communicate electronically with Air New Zealand on any matters relating to their investment or other dealings with the Company. All shareholder-related enquiries are provided with a response within a reasonable timeframe.

- **Hybrid Annual Shareholder Meetings**

Beginning in 2016, Air New Zealand has where possible offered shareholders the ability to attend the Annual Shareholders' Meeting in either a physical or digital capacity.

- **Investor Day Briefings**

Air New Zealand holds periodic investor briefings to provide an update on the Company's strategy and financial framework, as well as provide shareholders with an in-depth discussion on a particular topic and access to senior management. Webcast access and transcripts of the event are provided on the Air New Zealand website.



CORPORATE GOVERNANCE STATEMENT (CONTINUED)

- **Webcasting Interim and Annual Results Presentations**

Air New Zealand webcasts its earnings announcements on a semi-annual basis. A replay of the webcast and a transcript of the event are made available on the Air New Zealand website.

- **Regular disclosures on company performance**

Monthly investor updates containing operating statistics for the month (traffic and capacity figures, passenger numbers and load factors), as well as details on any significant investor news and events are released to the market and posted on the investor centre website.

In accordance with the Companies Act, Constitution and Listing Rules, Air New Zealand refers any significant matters to shareholders for approval at a shareholder meeting.

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.

Differences in Practice to NZX Code

The Board has not established protocols setting out procedures to be followed in the event of a takeover offer. This is because the Board considers receipt of a takeover offer to be an extremely unlikely event in light of the Crown's majority shareholding in the Company and the other shareholding restrictions that apply to Air New Zealand. In addition, Air New Zealand would have adequate time to implement such protocols and procedures, and communicate those to shareholders, should circumstances change. Accordingly, and having regard to the supporting commentary in the NZX Corporate Governance Code, the Board considers that it is 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.

CLIMATE-RELATED DISCLOSURES

Taskforce on Climate-related Financial Disclosures (TCFD)

Air New Zealand committed to supporting the TCFD in 2019. The following disclosures summarise how Air New Zealand aligns with the TCFD recommendations.



Governance of Climate-Related Risks and Opportunities

TCFD Recommendation: Board's oversight of climate-related risks and opportunities

The Board is ultimately responsible for the Company's response to the risks and opportunities presented by climate-related issues. Board oversight is through its Audit and Risk Committee, which oversees key strategic risks including climate change.

This Committee meets quarterly and, amongst other things, considers updates on management of strategic risks. The Board is updated following each Committee meeting. Matters meriting Board-level consideration are highlighted or dealt with as standalone Board agenda items.

Strategic climate-related risks are also considered by the Board as part of the Company's Group Risk Profile which is an output of the Air New Zealand's Enterprise Risk Management Framework (ERMF).

TCFD Recommendation: Management's role in assessing and managing climate-related risks and opportunities

Management has day-to-day responsibility for identifying and managing climate-related risks and opportunities.

Climate-related workstreams are the responsibility of the full Executive team, operational management and the Sustainability Team. Management focus is given to risk identification, promoting consistency in approach, and that the climate-related activities are adequately resourced (for example, a programme of work relating to sustainable aviation fuel (SAF), zero emissions aircraft, carbon offsetting, regulatory compliance). Key issues are reported up to the Audit and Risk Committee as appropriate.

Sustainability is affirmed as a group policy and is reflected in the Company's Code of Conduct and its Supplier Code of Conduct, which set expectations of employees and of those the Company does business with.



Strategy

TCFD Recommendation:

1. Climate-related risks and opportunities identified over the short, medium, and long-term
2. Actual and potential impacts of climate-related risks and opportunities on the Company's strategy and financial planning
3. Resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

In 2020 Air New Zealand set a goal to achieve net zero emissions by 2050. Underlying this was the development, and subsequent implementation, of an updated decarbonisation strategy. This includes advocacy to accelerate the availability and commercial viability of SAF, investment in resource and capability to bring new aircraft technology to market (including hydrogen and battery technology), and ongoing engagement with stakeholders to achieve carbon emissions reductions across the network. The decarbonisation strategy was informed by the risks and opportunities which have been identified by Air New Zealand as part of its TCFD disclosure workstream.

Prior to the Covid-19 outbreak, Air New Zealand engaged third-party experts to undertake scenario modelling to quantify the impact of several physical and transitional climate-related risks, and to assess the resilience of the Air New Zealand's strategy. This engagement has been paused until greater certainty is known as to the recovery of the airline industry post the Covid-19 pandemic, and new regulatory requirements for mandatory climate-related reporting.

Transitional Risks

Transitional risks are risks related to the transition to a lower carbon economy. These include the impact of policy, legal, technological, reputational or market measures associated with climate change and decarbonisation. The transitional risks defined below were used to inform Air New Zealand's strategic response to climate change.



CLIMATE-RELATED DISCLOSURES (CONTINUED)



Strategy (continued)

Transitional Risks (continued)

Key Risk and Opportunity Timeframes: **S** Short-term (0-2 Years) **M** Medium-term (2-5 years) **L** Long-term (+5 years)

Transitional Risk	TCFD Category	Risk Description	Risk Mitigation
Government policy changes	Policy and legal Risk timeframe: S M L	Implementation or expansion of domestic and international policy regulating carbon emitting activities could increase operational and compliance costs. Examples include emissions trading schemes, carbon taxes, passenger levies, biofuel mandates or demand control measures. Differing international standards could also introduce compliance complexity, and risk distorting the competitive composition of the market.	<ul style="list-style-type: none"> Air New Zealand actively engages in government consultations on climate change policy with the goal of advancing aviation decarbonisation. This includes advocating for new policy measures to support the supply of SAF. Public submissions and advocacy documents can be found on the Air New Zealand website¹. Implementation of the airline's decarbonisation strategy to achieve reductions in gross carbon emissions, including improvements to operational efficiency, ongoing fleet renewal, planning for zero emissions aircraft, and advocacy to accelerate the availability and commercial viability of SAF.
Carbon pricing and regulation	Policy and legal Risk timeframe: S M L	Rising costs associated with complying with carbon-related regulation. Current compliance obligations include the New Zealand Emissions Trading Scheme (NZETS) for emissions from domestic aviation fuel, and the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) for growth in international emissions from a 2019 baseline.	<ul style="list-style-type: none"> Future carbon pricing assumptions considered in operational and strategic planning. Implementation of the airline's decarbonisation strategy to achieve reductions in gross carbon emissions, including improvements to operational efficiency, ongoing fleet renewal, planning for zero emissions aircraft and advocacy to accelerate the availability and commercial viability of SAF. Air New Zealand is advocating for NZETS auction proceeds to be ring fenced to accelerate the development and deployment of technologies to enable aviation decarbonisation. Air New Zealand's compliance costs for the NZETS were \$14.5 million (calendar year 2020) and \$14.6 million (calendar year 2019).
Changing customer/market behaviour and preferences	Market/Reputational Risk timeframe: S M	Changing sentiment amongst leisure and business travellers towards lower carbon alternatives to air travel. This could see customers choose to reduce travel, elect to travel on substitute modes of transport, or elect to avoid air travel.	<ul style="list-style-type: none"> Development of, and communication and disclosure relating to Air New Zealand's decarbonisation strategy. Air New Zealand's voluntary customer offsetting programme FlyNeutral allows customers to offset flight emissions with high quality carbon offsets. Surveys to gain insights on customer and wider market sentiment regarding climate change to inform strategic decisions.

Transitional Opportunities

Transitional Opportunity	TCFD Category	Opportunity Description	Strategy to realise Opportunity
Future aircraft technology	Technology Opportunity timeframe: M L	The evolution of existing aircraft technology to improve fuel efficiency and the development of battery or hydrogen powered electric aircraft, will enable a reduction in operating costs, gross carbon emissions and lower Air New Zealand's exposure to carbon pricing and policy changes.	<ul style="list-style-type: none"> Continued investment in fleet renewal programme. Memorandum of Understanding (MOU) with ATR on hybrid and zero emissions aircraft technology. MOU with Wisk Aero exploring how electric vertical takeoff and landing (eVTOL) aircraft could potentially enable zero emissions short range domestic flights.
Sustainable aviation fuel (SAF)	Technology Opportunity timeframe: S M L	SAF has the potential to reduce carbon emissions from Air New Zealand's existing fleet by between 70% and 90%. In addition to a reduction in gross carbon emissions, this will reduce Air New Zealand's exposure to carbon pricing and policy changes.	<ul style="list-style-type: none"> Engagement with Government to advocate for new policies and investment required to enable SAF production and supply in New Zealand. Air New Zealand is collaborating to advance SAF supply in New Zealand including as a founding member of the SAF Consortium (Air New Zealand, Z Energy, Scion, LanzaTech and LanzaJet).

CLIMATE-RELATED DISCLOSURES (CONTINUED)



Strategy (continued)

Physical Risks

Physical risks are risks arising from changes in the regional and global climate and the consequential impacts and events. These may include acute physical damage from variations in weather patterns (for example severe storms, coastal/tidal flooding, drought) or chronic impacts (for example sea level rise and temperature increase).

Key Risk and Opportunity Timeframes: **S** Short-term (0-2 Years) **M** Medium-term (2-5 years) **L** Long-term (+5 years)

Physical Risk	TCFD Category	Risk Description	Risk Mitigation
Extreme weather events	Acute Physical Risk timeframe: S M L	Increasing frequency of extreme weather events resulting in greater disruption to flights and the wider network.	<ul style="list-style-type: none"> Implementation of flight planning software using advanced data analytics to optimise flight paths both in planning and dynamically once aircraft are airborne. Investment in advanced operations control thunderstorm detection in Auckland enabling proactive direct-to-aircraft -crew notification. Air New Zealand is a member of New Zealand's New Southern Sky Programme which has been established to future proof New Zealand's airspace with the deployment of advanced technology adoption.
Sea level rise and coastal intrusion	Chronic Physical Risk timeframe: L	Sea level rise and coastal intrusion causing network disruption, loss of access to airports, other aviation support facilities, critical infrastructure and supply chains.	<ul style="list-style-type: none"> Spatial master planning process identifies infrastructure risks and these are reflected in master planning. Ensuring maintenance is fit for purpose and current to legislation and regulation for building resilience.



Risk Management

TCFD Recommendation:

1. Processes for identifying and assessing climate-related risks
2. Processes for managing climate-related risks
3. Processes for identifying, assessing and managing climate-related risks and integrating them into overall risk management

Risks are identified at various levels of the organisation, including a “bottom up” review involving the identification of key risks by business units, review of top Divisional risks by each Executive in respect of their portfolio of functions, a collective review by the Executive team of the top risks for the Company and periodic workshops with the Board to seek “top down” input. These processes are supplemented with specialist input from functional experts, including from the Sustainability, Corporate Finance, Legal and Risk teams, to promote consistency and completeness. Key climate-related risks and opportunities are also identified, assessed, and managed by each business unit in accordance with this process.

Risk activity is driven by a Risk Operating Rhythm which sets a cadence for the review of risks. Key risks identified are entered into Risk Registers and a formal assessment process determines the materiality of the risk.

Risks identified through the ERMF are assigned to a responsible manager (Risk Owner). Key mitigations for identified risks are determined and assessed for effectiveness and action plans developed where required to reduce the risks to an acceptable level.

Significant climate-related risks are brought to the attention of the Executive team and/or the Audit and Risk Committee as part of the process of reporting to those bodies, and where appropriate are escalated to the Board.



CLIMATE-RELATED DISCLOSURES (CONTINUED)



Metrics and Targets

TCFD Recommendation:

1. Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process
2. Reporting greenhouse gas emissions
3. Targets used by the organisation to manage climate-related risks and opportunities and performance against targets

Air New Zealand uses a range of carbon metrics in its internal reporting, strategy formation and decision making. This includes metrics related to assessing the impact of gross carbon emissions, emissions intensity values and the value of New Zealand's carbon compliance obligations. Key metrics are reported below.

The impact of Covid-19 has had a significant impact on Air New Zealand's operations and network as well as the key metrics that Air New Zealand reports on. As a consequence, it is difficult to meaningfully compare the key metrics with prior years.

Carbon Emissions Data ¹	2019	2020	2021
Scope 1 International Network Emissions (Tonnes of CO ₂ -e) ² (Jet Fuel)	3,286,502	2,649,922	817,078
Scope 1 Domestic Network Emissions (Tonnes of CO ₂ -e) (Jet Fuel)	629,876	518,607	508,737
Scope 1 Other Emissions ³ (Tonnes of CO ₂ -e)	9,273	8,106	7,376
Scope 2 Emissions (Tonnes of CO ₂ -e) (Electricity)	3,098	2,832	2,720

Commentary on Carbon Emissions Data

Total Scope 1 and 2 emissions reduced by 58% in 2021. This reduction is due to the reduction in Scope 1 emissions from the international network which reduced by 69%, compared to a 2% reduction in Scope 1 emissions from the domestic network.



Carbon Intensity Data

Carbon intensity data below provides a measure of emissions generated for each kilogram of payload flown.

This is the prominent metric for benchmarking airline carbon intensity. Air New Zealand aims to improve carbon intensity by reducing emissions and maximising total payload carriage (RTK)⁴.

		2019	2020	2021
International Network	Grams of CO ₂ -e per Revenue Tonne Kilometre (RTK)	726	747	972
Domestic Network	Grams of CO ₂ -e per Revenue Tonne Kilometre (RTK)	1,028	1,112	1,168

1. Air New Zealand discloses its emissions within its Greenhouse Gas (GHG) Inventory report, full definitions of emission scopes can be found within that report, extracts from that report are duplicated here within. Deloitte was engaged to provide reasonable assurance over the 2021 GHG Inventory Report. Refer to the reporting and communications page on Air New Zealand's website for the full GHG Inventory and Assurance Report.

2. Gases included in the carbon dioxide equivalents (CO₂-e) factor are carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).

3. Scope 1 other emissions include the combustion of jet fuel from ground operations, LPG, natural gas, diesel, petrol, and wood pellets.

4. Revenue Tonne Kilometre (RTK) is a measure of the weight that has been paid for on the aircraft (freight and passengers) multiplied by the number of kilometres transported. Freight values are from Air New Zealand records, and passenger weights are estimated at 100kg per passenger (including checked and carry-on baggage) as recommended by IATA for generating a fuel efficiency target. CO₂-e emissions are from Air New Zealand's use of aviation fuel over the same time period.

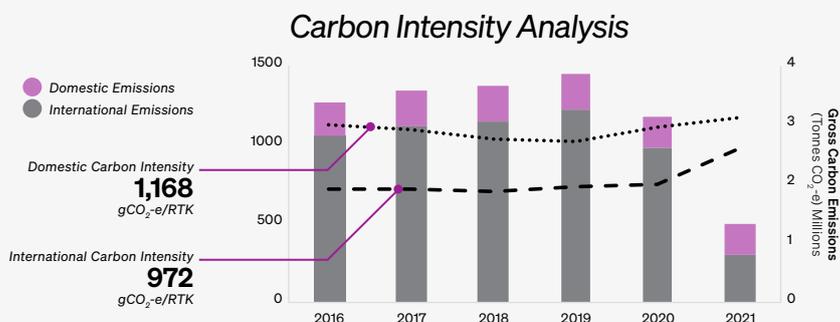
CLIMATE-RELATED DISCLOSURES (CONTINUED)



Metrics and Targets (continued)

Commentary on Carbon Intensity Data

Air New Zealand's carbon intensity (measured in gCO₂-e/RTK) increased 31% compared to 2020. This increase was largely due to New Zealand border restrictions leading to lower than usual load factors on the international network and multiple national lock downs impacting load factors on the domestic network.



Targets

Air New Zealand is a participant on a technical working group established by the Science Based Targets Initiative (SBTi), to provide input on the development of a target-setting tool for the aviation sector. The tool will enable airline's to set a science-based carbon reduction target aligned to the ambition of limiting global warming in line with the ambitions of the Paris Climate Agreement.

Summary of Climate Targets

- Commitment to net zero emissions by 2050.
- A cap on net CO₂ emissions from international aviation from 2020 (carbon-neutral growth). Achieved through the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

Air New Zealand is also committed to meeting the International Air Transport Association (IATA)'s carbon reduction targets.



DIRECTORS' PROFILES

The following directors held office as at 30 June 2021:

Dame Therese Walsh DNZM, BCA, FCA Chairman

Independent Non-Executive Director

Appointed 1 May 2016

Dame Therese Walsh is an Independent director and Chairman of Air New Zealand. She is also a director of ASB Bank Limited, and Contact Energy Limited, and a board member of Antarctica NZ.

Previously she was the Head of New Zealand for the ICC Cricket World Cup 2015 Limited, and the Chief Operating Officer for Rugby New Zealand 2011 Limited. She has also been Chairman of TVNZ Limited, a director of NZX Limited, NZ Cricket and Save the Children NZ, Trustee of Wellington Regional Stadium, CFO at the New Zealand Rugby Union and part of the team that worked on the winning bid to host RWC 2011. Prior to this she was an auditor at KPMG.

Dame Therese is a Fellow of Chartered Accountants Australia and New Zealand, and a commerce graduate from Victoria University. In 2013, she was named the inaugural supreme winner of the Women of Influence Awards and was awarded a Sir Peter Blake Trust Leadership Award in 2014. She became a Dame Companion of the New Zealand Order of Merit in June 2015.

Janice (Jan) Dawson CNZM, BCom, FCA Deputy Chairman

Independent Non-Executive Director

Appointed 1 April 2011

Ms Dawson is Chairman of Westpac New Zealand Limited and a director of AIG Insurance New Zealand Limited and Meridian Energy Limited. Ms Dawson is a member of the University of Auckland Council and the Capital Investment Committee of the National Health Board.

Ms Dawson was a partner of KPMG for 30 years, specialising in audit and risk advisory, and the Chair and Chief Executive of KPMG New Zealand from 2006 until 2011.

Ms Dawson holds a Bachelor of Commerce from the University of Auckland. She is a Fellow of Chartered Accountants Australia and New Zealand, a Fellow of the Institute of Directors in New Zealand, a Paul Harris Fellow, a North Shore Business Hall of Fame Laureate (2010) and named Chartered Accountant of the Year in 2011 by the New Zealand Institute of Chartered Accountants.

Dean Bracewell

Independent Non-Executive Director

Appointed 20 April 2020

Mr Bracewell has significant experience in the freight and logistics industry, with the majority of his career spent at Freightways Limited where he held a number of leadership and Executive roles, including most recently as Managing Director from 1999 to 2017.

Mr Bracewell is a Director of Tainui Group Holdings Limited, Property for Industry Limited and the Halberg Foundation. He was a director of the public policy think tank "The New Zealand Initiative" and its predecessor the "New Zealand Business Roundtable" from 2011 to 2015.

Mr Bracewell is of Ngāti Maniapoto and Ngāi Te Rangi descent.

Laurissa Cooney BMS(Hons), FCA, CMInstD

Independent Non-Executive Director

Appointed 1 October 2019

Ms Cooney is a Fellow of Chartered Accountants Australia and New Zealand, and a Chartered Member of the Institute of Directors in New Zealand. She has previously held senior manager, auditing and consulting roles with Deloitte in New Zealand and Deloitte Touche in London and was the Chief Financial Officer for Te Whare Wānanga o Awanuiārangi.

Ms Cooney currently serves as the Chair of Tourism Bay of Plenty, and is an Independent Non-Executive Director for Goodman (NZ) Limited, Accordant Group Limited and Aotearoa Circle and a Trustee on the Charitable Investment Trust for Ngāi Tai ki Tāmaki. She also holds a role as an independent director on the Audit & Risk board of Ngā Tāngata Tiaki and was previously a committee member for the Institute of Directors Bay of Plenty Branch. She was a 2017 recipient of the Institute of Directors Emerging Director Award.

Ms Cooney is of Te Āti Hau Nui a Pāpā Rangi (Whanganui) descent.

DIRECTORS' PROFILES (CONTINUED)

Larry De Shon BA Communications, BA Sociology

Independent Non-Executive Director

Appointed 20 April 2020

Mr De Shon has more than 40 years' experience in the Aviation and transportation industries.

Prior to joining Air New Zealand's Board in April 2020, he was Chief Executive Officer of Avis Budget Group, Inc, where he was responsible for more than 30,000 employees globally.

He also spent 28 years with United Airlines where he held a number of Executive roles across key business areas such as Airport Operations, Marketing and On-Board Service. During his time as the head of United's worldwide Airport Operations, he oversaw the airline's ground operations, logistics, safety, customer service, product development and internal communications teams.

Mr De Shon is a non-executive director for The Hartford Financial Services Group Inc, a US-based Fortune 500 investment and insurance company.

Mr De Shon has bachelor's degrees in both communications and sociology from the University of Missouri, Kansas City.

Robert (Rob) Jager ONZM, BE(Hons), MBA

Independent Non-Executive Director

Appointed 1 April 2013

Mr Jager spent a career spanning more than 40 years within Shell in a variety of engineering, project development, operations and asset management, executive management and governance roles in New Zealand and overseas. He completed his Bachelor of Engineering degree in 1983 with 1st Class Honours and later gained an MBA with Distinction.

Mr Jager chaired the independent taskforce on Workplace Health and Safety for the New Zealand Government, which has been instrumental in encouraging fundamental changes to New Zealand's approach to workplace health and safety. Mr Jager was awarded Officer of New Zealand Order of Merit (ONZM) in the 2018 New Zealand Honours' for his services to Business and Health and Safety.

Mr Jager has been Chairman of the Air New Zealand Health, Safety and Security Committee since September 2014.

Linda Jenkinson MBA, BBS

Independent Non-Executive Director

Appointed 1 June 2014

Ms Jenkinson is a proven global entrepreneur who has started three multi-national companies, one of which listed on the NASDAQ. Most recently she was the co-founder of John Paul, a global concierge services and digital solutions company that services some of the world's leading customer facing businesses.

Ms Jenkinson currently chairs Guild Super, Jaxsta and Unicef Aotearoa NZ. She is also a director of the Eclipx Group in Australia, a director of Harbour Asset Management and a trustee and secretary of the Massey University Foundation in the United States. Ms Jenkinson is the Founder of LevelUp which supports high-growth companies into hyper-growth.

Previously Ms Jenkinson was a partner at A.T. Kearney in their Global Financial Services Practice and was a leader in A.T. Kearney's Global Sourcing Practice. Ms Jenkinson holds a Master of Business Administration from The Wharton School, University of Pennsylvania and a Bachelor of Business Studies from Massey University.

Jonathan Mason MBA, MA, BA

Independent Non-Executive Director

Appointed 1 March 2014

Mr Mason has more than 30 years' experience in the financial sector, with an emphasis on emerging markets.

Prior to joining Air New Zealand's Board in March 2014, he was Fonterra Co-operative Group's Chief Financial Officer from 2009.

Mr Mason has had governance experience for organisations in both New Zealand and the US. His current directorships include Vector Limited, Westpac NZ and Zespri Group Limited. Mr Mason also serves as an Adjunct Professor of Management at the University of Auckland, specialising in international finance.

Changes to Board Membership

There were no changes to Board membership during the reporting period.



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. New disclosures advised since 1 July 2020 are italicised.

Dame Therese Walsh	Antarctica NZ ASB Bank Limited Climate Change Commission – nomination panel Contact Energy Limited On Being Bold Limited Therese Walsh Consulting Limited Victoria University Wellington Homeless Women's Trust	Director Director Member Director Director Director Pro-Chancellor Ambassador
Jan Dawson	AIG Insurance New Zealand Limited Jan Dawson Limited Meridian Energy Limited National Health Board Capital Investment Committee University of Auckland Council Westpac New Zealand Limited World Sailing – resignation advised 24 November 2020	Director Director Director Member Member Chairman Director
Dean Bracewell	Ara Street Investments Limited Dean Bracewell Limited Freightways Limited Halberg Trust Property for Industry Limited Tainui Group Holdings Limited	Director and Shareholder Director and Shareholder Shareholder Director Director Director
Laurissa Cooney	<i>Accordant Group Limited (formerly AWF Madison Group Limited)</i> <i>GMT Bond Issuer Limited</i> <i>GMT Wholesale Bond Issuer Limited</i> <i>Goodman (NZ) Limited</i> <i>Goodman Property Aggregated Limited</i> Ngā Tāngata Tiaki – Audit Committee Ngāi Tai ki Tāmaki Charitable Investment Trust <i>The Aotearoa Circle Trust</i> Western Bay of Plenty Tourism and Visitors Trust (“Tourism Bay of Plenty”)	<i>Director</i> <i>Director</i> <i>Director</i> <i>Director</i> <i>Director</i> Member Trustee <i>Guardian</i> Trustee (Chair)
Larry De Shon	The Hartford Financial Services Group, Inc	Director
Linda Jenkinson	Cryptfolio Limited – ceased 8 December 2020 Eclix Group Limited Gold Cross Products & Services Pty Ltd Guild Link Pty Ltd – ceased 8 December 2020 Guild Trustee Services Limited Harbour Asset Management Limited Jaxsta Limited Massey University US Foundation RewardChain Limited – ceased 8 December 2020 Te Auaha Limited UNICEF NZ Valocity Limited – ceased 8 December 2020 ValueRoad Limited – ceased 7 July 2020	Shareholder Director Chair Director Director Director Director Director and Secretary Shareholder Director Chair Advisor Shareholder
Jonathan Mason	Beloit College (USA) Board of Trustees Dilworth School for Boys New Zealand Assets Management Limited – ceased 30 November 2020 University of Auckland Endowment Fund Vector Limited Westpac New Zealand Limited World Wide Fund for Nature New Zealand Zespri Group Limited	Trustee Trustee Director Trustee Director Director Trustee Trustee Trustee

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 2021 as below:

	Interest	Shares
Jan Dawson	Beneficial	20,000
Larry De Shon	Beneficial	50,000
Rob Jager	Beneficial	24,500
Linda Jenkinson	Beneficial	22,000
Jonathan Mason	Beneficial	29,000
Dame Therese Walsh	Beneficial	100,000

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.



EMPLOYEE REMUNERATION

	Remuneration paid in FY21 including base and exit payments for FY21, and performance rights issued under the LTI scheme that relate to FY20 performance*	
	New Zealand Management	Aircrew, Engineering, Overseas and Other
100,000 - 110,000	171	357
110,000 - 120,000	155	302
120,000 - 130,000	107	239
130,000 - 140,000	84	195
140,000 - 150,000	57	221
150,000 - 160,000	63	129
160,000 - 170,000	41	103
170,000 - 180,000	36	124
180,000 - 190,000	15	52
190,000 - 200,000	14	58
200,000 - 210,000	12	75
210,000 - 220,000	12	62
220,000 - 230,000	12	54
230,000 - 240,000	3	44
240,000 - 250,000	2	39
250,000 - 260,000	3	19
260,000 - 270,000	3	21
270,000 - 280,000	3	22
280,000 - 290,000	1	16
290,000 - 300,000	2	23
300,000 - 310,000	2	20
310,000 - 320,000	-	20
320,000 - 330,000	1	16
330,000 - 340,000	1	15
340,000 - 350,000	3	18
350,000 - 360,000	-	12
360,000 - 370,000	3	6
370,000 - 380,000	1	11
380,000 - 390,000	3	8
390,000 - 400,000	1	13
400,000 - 410,000	3	4
410,000 - 420,000	1	5
420,000 - 430,000	1	6
430,000 - 440,000	3	2
440,000 - 450,000	-	4
450,000 - 460,000	1	3
470,000 - 480,000	1	3
480,000 - 490,000	-	3
490,000 - 500,000	-	2
500,000 - 510,000	-	1
510,000 - 520,000	1	1
520,000 - 530,000	3	-
530,000 - 540,000	-	1
540,000 - 550,000	2	-
550,000 - 560,000	1	1
570,000 - 580,000	-	1
580,000 - 590,000	1	-
640,000 - 650,000	1	-
660,000 - 670,000	1	-
690,000 - 700,000	1	-
700,000 - 710,000	1	-
770,000 - 780,000	1	-
890,000 - 900,000	1	-
930,000 - 940,000	1	-
1,020,000 - 1,030,000	1	-
1,340,000 - 1,350,000	1	-
1,850,000 - 1,860,000	1	-
2,120,000 - 2,130,000	1	-
2,350,000 - 2,360,000	1	-
2,530,000 - 2,540,000	1	-
Grand Total	842	2,331

* This table includes employees who have exited the business during the year.

EMPLOYEE REMUNERATION (CONTINUED)

Remuneration philosophy

Air New Zealand's remuneration philosophy is aligned with its recruitment and leadership development philosophies and performance management approaches to ensure the attraction, development and retention of talented individuals.

Air New Zealand's remuneration strategy is underpinned by a pay for performance philosophy and uses annual performance incentives to create opportunities to achieve market competitive remuneration levels and in the case of superior performance, total remuneration in excess of market.

Executive remuneration

The CEO and Executive remuneration packages are made up of three components:

- Fixed Remuneration;
- Short-term performance incentive; and
- Long-term performance incentives.

Air New Zealand's People Remuneration and Diversity Committee is kept apprised of relevant market information and best practice, obtaining advice from external advisors when necessary. Remuneration levels are reviewed annually for market competitiveness and alignment with strategic priorities and performance outcomes.

Fixed remuneration

Air New Zealand's philosophy is to set fixed remuneration at the market median for Executives who are fully competent in their role.

In the 2021 financial year, Air New Zealand's Chief Executive Officer and other Executives agreed to reduce their fixed remuneration by 15% until 30 June 2021 due to the impact of Covid-19.

Short-term performance incentives

The annual performance incentive component is delivered through the Air New Zealand Short Term Incentive Scheme (STI). For the CEO, the STI is set at 55% of annual fixed salary at target performance.

Targets have historically related to both Company financial performance and individual targets, and the maximum payment was capped at 200% of target.

In the 2021 financial year no STI payments were made to the CEO or Executives.

For the upcoming 2022 financial year, the targets, weighting and maximum payout have been changed to align incentives to strategic objectives using a broader range of business measures, promote collaboration through shared objectives, and support the business recovery. Under the revised structure 50% of the incentive is based on Company financial results, and 50% is based on Company customer, operational and safety measures. The maximum payment is capped at 175% of target if all performance measures are exceeded.

Long-term performance incentives

Air New Zealand's long-term incentive plan arrangements are designed to align the interests of the CEO and Executives with those of our shareholders and to incentivise participants in the plan to enhance long-term shareholder value. In the 2021 financial year the plan available to Executives was the Air New Zealand Long Term Incentive Performance Rights Plan (LTIP). Participation in any year is by annual invitation at the discretion of the Board.

Long Term Incentive Performance Rights Plan (LTIP)

Performance Rights

LTIP participants are eligible to receive a grant of performance rights. Any grant of performance rights is at the discretion of the People Remuneration and Diversity Committee of the Board of Directors but, in the normal course of events, is expected to equate to a value of 55% of fixed remuneration for the CEO, and between 20% and 40% of fixed remuneration for Executives depending on their seniority. The number of performance rights to be allocated will be determined by an independent valuation of the performance rights carried out each year at the time of issue.

Three years after the date of issue of any performance rights, if the Air New Zealand share price has outperformed the performance hurdle, a proportion of the performance rights will convert to shares. The performance hurdle comprises of an index made up of the NZSX All Gross Index and the Bloomberg World Airline Total Return Index in equal proportions.



EMPLOYEE REMUNERATION (CONTINUED)

The proportion of performance rights that convert to shares will depend on the extent to which the Air New Zealand share price has outperformed the index. In particular:

Performance against index	Percent of Rights Vesting
<100%	nil
100%	50%
101% – 119%	Additional 2.5% vesting per 1% increment
120%	100% (maximum)

If vesting is not achieved on the third anniversary of the issue date, 50 percent of performance rights will lapse. For the remaining 50 percent there will be a further 6 month opportunity for the performance rights to vest. If performance rights do not vest at that time, they also lapse.

Unless Air New Zealand's share price outperforms the index as outlined above, no value will accrue to the participating Executive.

Mandatory Shareholding

Participants are required to commit to investing a specified amount to purchase shares in the Company. The amount is set at a value of 55% of fixed remuneration for the CEO, and between 20% and 40% of fixed remuneration for Executives depending on their seniority.

Until participants have attained this target, any shares issued to them from vested performance rights must be retained as part of the mandatory shareholding. This holding must be maintained while continuing to participate in the LTIP. Executives are not required to purchase shares outside of the LTIP to satisfy this mandatory shareholding requirement.

Chief Executive Officer Remuneration

CEO Target Remuneration

Based on remuneration components outlined earlier, CEO target remuneration is as follows:

Financial Year	CEO	Salary ¹ \$	Benefits ² \$	STI ³ \$	LTIP ⁴ \$	CRSRP ⁵ \$	Summary \$
2021	Greg Foran	1,650,000	111,652	907,500	907,500	-	3,576,652
2020	Greg Foran	1,650,000	102,300	907,500	907,500	-	3,567,300
2020	Christopher Luxon	1,600,000	138,470	880,000	880,000	800,000	4,298,470

- These are full year salary equivalents. As part of the response to Covid-19, Greg Foran's annual contracted salary decreased from \$1,650,000 to \$1,400,000 for the 2021 financial year.
- Benefits include superannuation (KoruSaver scheme) and travel taken in the relevant financial year. As a member of the scheme the CEO is eligible to contribute and receive a matching Company contribution up to 4% of gross taxable earnings (including STI). The CEO and eligible beneficiaries are entitled to a number of trips for personal purposes at no cost to the individual. The dollar value represents the actual benefit received in each financial year, as no target is available for benefits. For Greg Foran's benefit calculation, 4% Kiwisaver on his target STI has been included as no actual STI was available. This is an estimated figure which will be confirmed at the end of the financial year.
- STI target entitlement is 55% of Salary.
- The Long-Term Incentive Plan remains at risk. Each year Performance Rights are awarded with a term of three years. At the end of three years after the date of issue of any Performance Rights, if the Air New Zealand share price has outperformed the performance hurdle, a proportion of the Performance Rights will convert to shares. The performance hurdle comprises an index made up of the NZSX All Gross Index and the Bloomberg World Airline Total Return Index in equal proportions. Should Air New Zealand's share price not perform better than a comparison index the granted Performance Rights will lapse. Christopher Luxon retained the Performance Rights awarded in the 2018 and 2019 programmes.
- Christopher Luxon also participated in the CEO Restricted Share Rights Plan (CRSRP) which commenced in the 2016 financial year, under which restricted share rights could be issued to the CEO. As CEO, he was not granted any further CRSRPs from the date of his resignation and those already awarded have since vested or forfeited according to the CRSRP rules.

EMPLOYEE REMUNERATION (CONTINUED)

CEO Realised Remuneration

Financial Year	Period	CEO ¹	Salary ² \$	Benefits ³ \$	STI ⁴ \$	Rights Vested	
						LTIP ⁵ #	CRSRP ⁶ #
2021	01/07/20 – 30/06/21	Greg Foran	1,400,000	65,352	-	-	-
2020	03/02/20 – 30/06/20	Greg Foran	594,231	23,769	-	-	-
2020	01/07/19 – 03/01/20	Christopher Luxon	1,676,220	142,387	901,698	922,778	275,758

Comments to the table:

1. Jeff McDowall performed the role of Acting Chief Executive Officer from 25 September 2019 to 7 February 2020. In recognition of Jeff McDowall's additional responsibilities during that period, he received additional remuneration as part of his base remuneration.
2. Salary includes cash paid to, or received by, the CEO in respect of the financial period. As part of the response to Covid-19, Greg Foran agreed to reduce his annual contracted salary from \$1,650,000 to \$1,400,000 for the financial year.
3. Benefits include superannuation (KoruSaver scheme) and travel. As a member of the Air New Zealand's group superannuation scheme, KoruSaver, the CEO is eligible to contribute and receive a matching Company contribution up to 4% of gross taxable earnings (including STI). The CEO and eligible beneficiaries are entitled to a number of trips for personal purposes at no cost to the individual.
4. STI in the reporting period reflects the cash value of amounts received where entitlement is determined by the achievement of performance measures that relate to the current period and is not the result of an award made in a previous period. As Air New Zealand suspended the STI scheme for the 2021 financial year due to the impact of Covid-19, no incentive was payable or paid.
5. LTIP includes the number of shares issued to the CEO on conversion of the Performance Rights, where the Air New Zealand share price has outperformed the performance hurdle. The performance hurdle comprises of an index made up of the NZSX All Gross Index and the Bloomberg World Airline Total Return Index in equal proportions. No rights converted to shares in the 2021 financial year.
6. Christopher Luxon also participated in the CEO Restricted Share Rights Plan (CRSRP) which commenced in the 2016 financial year, under which restricted share rights could be issued to the CEO. The CEO was not granted any further CRSRPs from the date of his resignation and those already awarded have since vested or forfeited according to the plan rules.

CEO Share Rights Granted 2021 Financial Year

CEO	LTIP ¹ #
Greg Foran	1,075,237

Comments to the table:

1. LTIP includes the number of Performance Rights granted in September 2020 (FY21). The Long-Term Incentive Plan remains at risk. Three years after the date of issue of any Performance Rights, if the Air New Zealand share price has outperformed the performance hurdle, a proportion of the Performance Rights will convert to shares. The performance hurdle comprises of an index made up of the NZSX All Gross Index and the Bloomberg World Airline Total Return Index in equal proportions. Should Air New Zealand's share price not perform better than a comparison index the granted Performance Rights will lapse.

CEO Pay for Performance Calculation

Greg Foran

Scheme	Description	Performance measures	Percentage/Rating achieved
STI	STI is set at 55% of fixed remuneration and has historically been based on a combination of Company performance and individual performance measures.	As a result of the impact of Covid-19 the short-term incentive scheme was suspended for the 2021 financial year.	
LTIP	Award of share rights under the Long-Term Incentive Performance Rights Plan is set at 55% of fixed remuneration.	Performance rights vest based on an index made of the NZSX All Gross Index and the Bloomberg World Airline Total Return Index in equal proportions.	100%



SUBSIDIARY AND JOINT VENTURE COMPANIES

The following people were directors of Air New Zealand's subsidiary and joint venture companies in the financial year to 30 June 2021. Those who resigned during the year are signified by (R). 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	Kelvin Duff Jennifer Page Michael Williams John Whittaker (R)
Air New Zealand Aircraft Holdings Limited	Jennifer Page Baden Smith Richard Thomson Jeffrey McDowall (R)
Air New Zealand Associated Companies Limited	Jennifer Page Leila Peters Richard Thomson Jeffrey McDowall (R)
Air New Zealand Associated Companies (Australia) Limited	Jennifer Page Richard Thomson Jeffrey McDowall (R)
Air New Zealand Express Limited	Jennifer Page Richard Thomson Jeffrey McDowall (R)
Air New Zealand Regional Maintenance Limited	Skye Daniels Carrie Hurihanganui Brendon McWilliam Shehan Sinnaduray (R)
Air New Zealand Travel Business Limited	Jennifer Page Richard Thomson Jeffrey McDowall (R)
ANNZES Engines Christchurch Limited	Jennifer Page Richard Thomson Jeffrey McDowall (R)
Ansett Australia & Air New Zealand Engineering Services Limited	Jennifer Page Richard Thomson Jeffrey McDowall (R)
Eagle Airways Limited	Jennifer Page Michael Williams
Mount Cook Airline Limited	Kelvin Duff Jennifer Page Michael Williams John Whittaker (R)
TEAL Insurance Limited	Jennifer Page Hannah Ringland Michelle Redington (R)
Air New Zealand (Australia) Pty Limited (incorporated in Australia)	Jennifer Page Kathryn Robertson

OTHER DISCLOSURES

Donations

The Air New Zealand Group has made donations totalling \$17,616 in the financial year to 30 June 2021, of which \$17,500 related to the Air New Zealand Environmental Trust. 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 2021. The total number of listed Ordinary shares of Air New Zealand Limited at that date was 1,122,844,227.

Substantial Product Holder	Quoted voting products in the Company in which a relevant interest is held
<i>Her Majesty the Queen in Right of New Zealand</i>	588,887,282* ordinary shares

In 1989, the Crown issued a Notice that arises through its holding of special rights Convertible Share, the "Kiwi Share" and the power of the Kiwi Shareholder under the Constitution. Full details of the rights pertaining to these shares are 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.

*Relevant interests held as follows:

As reported in its most recent Substantial Security Holder notice dated 6 July 2015, held by Her Majesty the Queen in Right of New Zealand acting by and through her Minister of Finance (582,854,593 Ordinary shares) and New Zealand Superannuation Fund (6,032,689 Ordinary shares) being property of Her Majesty the Queen in Right of New Zealand and managed by the Guardians of New Zealand Superannuation.



OPERATING FLEET STATISTICS

As at 30 June 2021*

Boeing 777-300ER

Number: 7
Average Age: 9.2 years
Maximum Passengers: 342
Cruising Speed: 910 km/hr



Boeing 777-200ER

Number: 8
Average Age: 15.2 years
Maximum Passengers: 312
Cruising Speed: 910 km/hr



Boeing 787-9 Dreamliner

Number: 14
Average Age: 4.8 years
Maximum Passengers: 302 or 275
Cruising Speed: 910 km/hr
Average Daily Utilisation: 9:07 hrs



Airbus A320/321NEO

Number: 11
Average Age A321: 2.3 years
A320: 2.1 years
Maximum Passengers: A321: 214
A320: 165
Cruising Speed: 850 km/hr
Average Daily Utilisation: A321: 2:17 hrs (to 31 Mar)
6:05 hrs (from 1 Apr to 30 Jun)
A320: 1:52 hrs (to 31 Mar)
5:52 hrs (from 1 Apr to 30 Jun)



Airbus A320CEO

Number: 20
Average Age: Short-haul: 16.8 years
Domestic: 7.4 years
Maximum Passengers: Short-haul: 168
Domestic: 171
Cruising Speed: 850 km/hr
Average Daily Utilisation: Short-haul: 2:46 hrs
Domestic: 4:44 hrs



ATR 72-600

Number: 28
Average Age: 4.5 years
Maximum Passengers: 68
Cruising Speed: 518 km/hr
Average Daily Utilisation: 5:54 hrs



Bombardier Q300

Number: 23
Average Age: 14.4 years
Maximum Passengers: 50
Cruising Speed: 520 km/hr
Average Daily Utilisation: 5:02 hrs



*Covid-19 related domestic lockdowns and government restrictions on international travel continued to impact Air New Zealand's scheduled operations and aircraft utilisation in the 2021 financial year. As both the Boeing 777-300ER and Boeing 777-200ER fleets are in storage, utilisation data has not been included. Utilisation on the Airbus A320/321NEO aircraft was restricted to Domestic operations prior to the opening of the trans-Tasman bubble in March 2021.

SECURITIES STATISTICS

Top Twenty Shareholders – as at 2 August 2021

Investor Name	Number of Ordinary Shares	% of Ordinary Shares
Her Majesty The Queen In Right Of New Zealand acting by and through her Minister of Finance	582,854,593	51.91
New Zealand Depository Nominee	57,764,604	5.14
Citibank Nominees (NZ) Limited	43,272,347	3.85
HSBC Nominees (New Zealand) Limited	24,331,695	2.17
HSBC Nominees (New Zealand) Limited	20,186,557	1.80
JPMORGAN Chase Bank	11,545,889	1.03
BNP Paribas Nominees NZ Limited	9,520,479	0.85
BNP Paribas Nominees NZ Limited Bpss40	8,635,975	0.77
Accident Compensation Corporation	6,824,680	0.61
Citicorp Nominees Pty Limited	6,292,007	0.56
Xinwei Investment (NZ) Limited	4,388,027	0.39
Public Trust	4,357,067	0.39
BNP Paribas Nominees (NZ) Limited	3,336,799	0.30
Garth Barfoot	3,000,000	0.27
Custodial Services Limited	2,514,013	0.22
Private Nominees Limited	2,471,906	0.22
BNP Paribas Nominees Pty Limited	2,190,454	0.20
Christopher Andrew Anderson & Virginia Ivy Anderson	2,000,000	0.18
Hira Lal Suresh & Uma Lal Suresh	1,911,669	0.17
HSBC Custody Nominees (Australia) Limited	1,715,338	0.15
Total	799,114,099	71.18

Shareholder Statistics – as at 2 August 2021

Size of Holding	Investors	% Investors	Shares	% Issued
1-1,000	24,290	46.81	11,556,492	1.03
1,001-5,000	17,179	33.11	43,575,102	3.88
5,001-10,000	5,076	9.78	38,423,986	3.42
10,001-100,000	4,974	9.59	129,754,011	11.56
100,001 and Over	371	0.71	899,550,178	80.11
Total	51,890	100.00	1,122,859,769	100.00



SECURITIES STATISTICS (CONTINUED)

Top Twenty Bondholders – as at 2 August 2021

Investor Name	Number of Bonds	% of Bonds
Custodial Services Limited	12,653,000	25.31
Pt (Booster Investments) Nominees Limited	5,783,000	11.57
FNZ Custodians Limited	5,109,000	10.22
Forsyth Barr Custodians Limited	2,460,000	4.92
Mt Nominees Limited	2,000,000	4.00
Investment Custodial Services Limited	1,629,000	3.26
Risk Reinsurance Limited	1,500,000	3.00
JBWERE (NZ) Nominees Limited	1,115,000	2.23
Tea Custodians Limited	1,000,000	2.00
Hobson Wealth Custodian Limited	796,000	1.59
Custodial Services Limited	350,000	0.70
HSBC Nominees (NZ) Limited	260,000	0.52
Forsyth Barr Custodians Limited	240,000	0.48
Dunedin Diocesan Trust Board	200,000	0.40
Andrea Joy Ransley	200,000	0.40
J M Butland Limited	150,000	0.30
Murray Allen Sherwin & Adriana Maria Arron	150,000	0.30
Forsyth Barr Custodians Limited	145,000	0.29
JBWERE (NZ) Nominees Limited	140,000	0.28
FNZ Custodians Limited	130,000	0.26
Total	36,010,000	72.03

Bondholder Statistics – as at 2 August 2021

Size of Holding	Holders	% Holders	Bonds	% Issued
1-1,000	-	-	-	-
1,001-5,000	40	6.99	200,000	0.4
5,001-10,000	139	24.30	1,360,000	2.72
10,001-100,000	373	65.21	11,919,000	23.84
100,001 and Over	20	3.50	36,521,000	73.04
Total	572	100.00	50,000,000	100.00

Current 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 AIR020).

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.

On 9 December 2020, the NZ Markets Disciplinary Tribunal approved a settlement agreement pursuant to NZX finding the Company had breached NZX Listing Rule 3.1.1 by not releasing Material Information promptly and without delay upon becoming aware of it and not releasing Material Information via NZX's market announcement platform before releasing it to the public or any other party. The Company received a public censure by the Tribunal and a financial penalty of \$40,000 plus costs. Neither NZX nor ASX has taken any other disciplinary action against the Company during the financial year ended 30 June 2021. 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 Share¹ held by the Crown and requirements regulating ownership and transfer of Ordinary Shares.

New Zealand Exchange

Waivers:

The following waivers from the NZX Listing Rules were granted to the Company or relied upon by the Company during the financial year ended 30 June 2021:

1. Waivers and approvals relating to the Kiwi Share provisions of the Constitution are contained in a decision of NZX Regulation dated 23 July 2019.
2. Under a waiver granted on 29 November 2019 Air New Zealand was permitted to renew an agreement with the Crown (acting through the Ministry of Business, Innovation and Employment) under which Air New Zealand provides government agencies with discounted fares, without the requirement to obtain shareholder approval (as the Crown is a Related Party) under Listing Rule 5.2.1.
3. Air New Zealand was granted a waiver on 19 March 2020 from the requirement under Rule 5.1.1 to obtain shareholder approval to enter into and perform Loan Arrangements in connection with a Loan to be provided by the Crown, where the Loan Arrangements were likely to be a Material Transaction.
4. Air New Zealand was granted a waiver on 19 March 2020 from the requirement under Rule 5.2.1 to obtain shareholder approval to enter into and perform Loan Arrangements in connection with a Loan to be provided by the Crown, where the Crown was a Related Party.
5. On 30 April 2021 Air New Zealand sought and was granted a waiver from the requirement under Rule 5.1.1 to obtain shareholder approval to enter into and perform Loan Arrangements in connection with the extension of a Loan provided by the Crown, where the Loan Arrangements were likely to be a Material Transaction. The waiver from Rule 5.1.1 was granted subject to two independent directors of the Board certifying that (i) the Loan Arrangements have and will be negotiated on an arm's length basis; (ii) entry into the Loan Arrangements is in the best interests of all Air New Zealand shareholders (other than the Crown); and (iii) the Loan Arrangements are not a major transaction requiring shareholder approval for the purposes of the Companies Act 1993.
6. On 30 April 2021 Air New Zealand sought and was granted a waiver from the requirement under Rule 5.2.1 to obtain shareholder approval to enter into and perform Loan Arrangements in connection with the extension of a Loan provided by the Crown, where the Crown was a Related Party. The waiver from Rule 5.2.1 was granted subject to two independent directors of the Board certifying that (i) the Loan Arrangements have and will be negotiated on an arm's length basis; (ii) entry into the Loan Arrangements is in the best interests of all Air New Zealand shareholders (other than the Crown); and (iii) the Crown, as the majority shareholder in Air New Zealand, has not influenced the Air New Zealand Board's decision to enter into the Loan Arrangements.

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.

1. In 1989, the Crown issued a Notice that arises through its holding of special rights Convertible Share, the "Kiwi Share" and the power of the Kiwi Shareholder under the Constitution. Full details of the rights pertaining to these shares are set out in the Company's Constitution. The Kiwi Share does not confer any right on its holder to vote at a shareholder's 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

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Email: investor@airnz.co.nz
Website: airnzinvestor.com

Annual Meeting

Date: 28 October 2021
Time: 1:00 pm
Venue: ASB Waterfront Theatre
138 Halsey Street
Auckland

Current Credit Rating

Moody's rate Air New Zealand Baa2

Auditor

Deloitte Limited (on behalf of the Auditor-General)
Deloitte Centre
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New Zealand

Registered Office

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Board of Directors

Dame Therese Walsh – Chairman
Jan Dawson – Deputy Chairman
Dean Bracewell
Laurissa Cooney
Larry De Shon
Rob Jager
Linda Jenkinson
Jonathan Mason

Chief Executive Officer

Greg Foran

Chief Financial Officer

Richard Thomson

General Counsel and Company Secretary

Jennifer Page



AIR NEW ZEALAND 

***You fly for a hug
We fly for you***

A STAR ALLIANCE MEMBER 