BOARD CHARTER

This Board Charter sets out the authority, responsibilities, membership and operation of the Board of Directors of Air New Zealand Limited ("the Company"). It is to be read in conjunction with the Constitution of the Company.

1. OPERATION OF THE BOARD

1.1 Governance

Each of the directors and all of the Company's management are fully committed to high standards of corporate governance, which includes embracing the following principles:

1. To lay solid governance foundations through clarity of Board and management roles;
2. To structure the Board to add value through its composition, size and commitment;
3. To promote ethical and responsible decision making;
4. Having oversight of and monitoring progress against and achievement of climate-related metrics, guidance and/or targets.
5. To safeguard integrity in financial reporting;
6. To make timely and balanced disclosure;
7. To act in the best interests of its shareholders;
8. To recognise and manage risk;
9. To ensure that Air New Zealand acts as a good corporate citizen; and
10. To monitor the development and performance of key talent in the Company and remunerate and promote fairly and responsibly, having regard to Air New Zealand's Equality, Diversity and Inclusion Policy.

1.2 Director Responsibilities

The primary responsibility of the directors is to exercise their individual and collective business judgement to act in what they believe to be the best interests of the Company and its shareholders. In discharging that obligation, directors shall be entitled to rely on the honesty and integrity of the Company's senior executives and its external advisors and auditors.

It is the Board's responsibility to take appropriate steps to protect and enhance the value of the assets of the Company in the best interests of its shareholders. The Board will ensure that at the heart of the organisation there is a culture of honesty, integrity and excellent performance. In furtherance of its responsibilities, the Board will:

1. Ensure that appropriate systems and processes are in place so that the business of the Company is conducted in an honest, ethical, responsible and safe manner;

2. Oversee the overall conduct of the business and ensure that it is being effectively managed;
3. Ensure that effective audit, risk management and compliance systems are in place to protect the Company's assets and to minimise the possibility of the Company operating beyond legal requirements or beyond acceptable risk parameters;
4. Be actively engaged in directing and approving the strategic planning of the Company and monitoring management's implementation of the strategies having regard to the continued ability of the Company to respond to change;
5. Analyse and review material acquisitions, divestments and capital expenditure;
6. Set delegated authority levels for the Chief Executive Officer;
7. Review and approve the corporate plan, financial and dividend policies and the operating budget, and monitor financial performance and integrity of reporting;
8. Approving publicly available annually produced reports including the annual report, climate-related disclosure, climate action plan, greenhouse gas inventory, and modern slavery statement;
9. Appoint, and if necessary, remove the Chief Executive Officer and oversee succession plans for the senior executive team;
10. Act in such a way that Board meetings and discussion promote focused debate within a supportive team atmosphere;
11. Ensure effective and timely reporting to shareholders; and
12. Safeguard and enhance the image and reputation of the Company.

1.3 Board and Committee Meetings

The Board will meet, in person or by Teams or online meeting platform, at least nine times a year and otherwise as necessary to deal with any urgent matters. The Constitution governs the regulation of meetings and proceedings of the Board. A schedule of locations of the regular meetings will be provided to the directors at the beginning of each year. Directors should spend the time necessary and meet as frequently as necessary to properly discharge their responsibilities. To enable appropriate review of Board materials, directors will be sent materials in advance of the Board meetings in either paper form or electronically. The content, presentation and delivery of papers to directors for each meeting will be in accordance with guidelines agreed by the Board.

The Chair, Chief Executive Officer or committee chairs may from time to time invite employees and advisors to attend Board or Committee meetings whenever deemed appropriate.

Proceedings of all meetings are minuted. Minutes are circulated to directors and, when approved by the Board, signed by the Chair at that meeting or subsequently.

Meeting procedures for committees will be governed by the respective Board approved charters.

1.4 Agenda Items

The General Counsel & Company Secretary in conjunction with the Chief Executive Officer and Chairman will establish the agenda for each Board meeting. Standing items will include the Chief Executive Officer's report, financial reports, health & safety reporting, disclosure compliance and notification of changes in directors' relevant interests. Each director is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

1.5 Quorum

The quorum for a meeting of the Board is three Directors. No business may be transacted at a meeting of the Board unless a quorum is present.

A resolution in writing shall be passed when three quarters or more of the Directors have signed or assented to the resolution.

1.6 Company Secretary

The General Counsel & Company Secretary will be secretary to the Board.

All directors shall have access to the General Counsel & Company Secretary.

1.7 Director Compensation and Reimbursement

Total directors' remuneration, to be paid in the form of directors' fees, is subject to shareholder approval. Fees up to the approved level may be allocated by the Board to its members as it considers fair and appropriate, to reflect responsibilities, workload, or other relevant factors. The Board may also approve cash or non-cash allowances and benefits to directors where it is satisfied as to the fairness to the company of such allowances or benefits.

The Company will meet the cost of:

- Director's travel directly associated with their attendance at Board and committee meetings, Board trips and Board business;
- Any costs associated with a director's attendance at functions where the director is representing the Company;
- Any travel costs directly associated with a director's spouse or partner's attendance at functions where their attendance is considered appropriate; and
- Any costs directly associated with the director's performance of their role.

1.8 Director Orientation and Education

The Board will ensure that all new directors are appropriately introduced to senior managers and the business of the Company. All such directors will receive full disclosure and compliance packs including relevant Company policies, its Constitution and this Charter.

It is expected that all directors will continuously educate themselves to ensure that they may appropriately and effectively perform their duties. The Company will cover the cost of director's training were approved by the Chair. In addition, visits to specific Company operations, when appropriate, and briefings from key executives and industry experts will be arranged.

1.9 Chief Executive Officer Evaluation

The Board will conduct an annual review of the Chief Executive Officer's performance to ensure that he or she is providing the best leadership for the Company in the long and short-term.

1.10 Management Delegations

The Board delegates to the Chief Executive Officer responsibility for implementing the Board agreed strategy and for managing the day-to-day operations of the Company. The Chief Executive Officer is, in turn, expected to delegate some of those powers to management. The Board is responsible for monitoring those delegations.

1. Routine communications between the Chairs of Board Committees and relevant senior executives may occur directly as needed.
2. Information updates from Chief Officers may be sent directly to the Board if directed by the Chief Executive Officer.
3. All substantive communications or discussions between directors and employees should be arranged through the Board EA or the Company Secretariat Team, with notification to the Chair.

1.11 Independent Advice

A committee or individual director may, with the prior approval of the Chair, engage professional advisers at the Company's expense to advise or assist them in carrying out their responsibilities.

1.12 Conflicts of Interest

The Board expects its members, both individually and collectively, to act ethically and in a manner consistent with the values of the business. Each director will minimise the possibility of any conflict of interest with the Company by restricting involvement in other businesses that would be likely to lead to a conflict of interest. Where conflicts of interest do arise, directors will excuse themselves from the relevant discussions and, in accordance with the listing rules of the stock exchanges on which the Company is listed, will not exercise their right to vote in respect of such matters.

2 BOARD STRUCTURE

2.1 Size of the Board

The Constitution prescribes that the Board shall comprise not more than eight and not less than five directors The Board has discretion to fill any vacancies up to this maximum of eight directors. At least three directors must be ordinarily resident in New Zealand and more than one half of the total number of directors must be New Zealand citizens.

2.2 Selection of Directors

The Board is responsible for filling vacancies on the Board that may occur between Annual Meetings of Shareholders and will have regard to candidates with appropriate skills, knowledge and experience who can exercise independent and informed judgement and are free from any relationships that could compromise their independence. Any director

appointed by the Board between shareholder meetings must retire at the next Annual Meeting and may stand for election by shareholders at that time. Shareholders may also nominate candidates for election, and assess their suitability, including whether they meet the criteria for independence. The Board will evaluate all candidates, and consider whether they would be Independent, and may recommend candidates to Shareholders.

2.3 Independence of Directors

A majority of the directors shall be independent as assessed by the Board, having regard to the factors described in the NZX Corporate Governance Code. The Board's expanded guidelines for determining the independence of a director are set out in Attachment A to this Charter.

Directors are required to bring forward to the Board all relevant information which may affect their independence. Loss or gain of independence by a director shall be disclosed to the market immediately.

2.4 Chair

The Chair must be an independent director and may not be the Chief Executive Officer of the Company

The Chair and Deputy Chair (if appointed) are selected by the full Board. The Chair must be approved by the majority shareholder.

The Chair's role is to:

- Manage the Board effectively and provide effective leadership in formulating strategic direction;
- Foster a constructive governance culture and apply appropriate governance principles among directors and with management;
- Ensure that the Board is well informed and effective, providing members, both individually and collectively the opportunity to express different viewpoints, explore new ideas and generate the collective insights and wisdom essential for the effective functioning of the Board and the Company; Ensure there are processes and procedures in place to evaluate the performance of the Board, its committees and individual directors;
- Ensure effective communication with shareholders;
- Act as a mentor or counsel for the Chief Executive Officer; and
- Act as the link between the Board and the Chief Executive Officer on a day-to-day basis.

2.5 Retirement, Rotation and Resignation from the Board

The requirements and procedures governing the retirement, rotation and resignation of directors are prescribed in the Company's Constitution.

Directors are not entitled to a retirement allowance or termination gratuity on ceasing to hold office.

3 COMMITTEES

3.1 Board Committees

The Board has established various committees to handle particular analysis and work delegated by the Board. These committees are comprised of directors appointed by the Board and the chairs of such committees are appointed by the Board. The quorum for meetings of committees shall be more than one half of the directors appointed to the committee, unless otherwise approved by the Board.

The standing committees are the Audit and Risk Committee, the Health Safety and Security Committee and the People Remuneration and Diversity Committee. From time to time, the Board may also establish additional standing, ad hoc, or special purpose committees to examine, or have the delegated authority to deal with, specific issues on behalf of the Board.

Audit & Risk Committee

The Audit & Risk Committee assists the Board in providing oversight of all matters relating to financial management and financial risks and internal controls, financial accounting, audit, insurance, cyber and the external reporting requirements (including climate related disclosure). The Committee is also responsible for overseeing cybersecurity risk, ensuring the effectiveness of technology infrastructure, and assessing whether appropriate policies and controls are in place to manage data privacy and cybersecurity threats.

Health, Safety and Security Committee

The Health, Safety and Security Committee assists the Board in overseeing health, safety and security matters across Air New Zealand's operations and supply chain. It ensures compliance with legal and regulatory requirements, promotes a strong safety culture, and supports effective risk management to protect the wellbeing of employees, customers, and the organisation.

People Remuneration and Diversity Committee

The People, Remuneration and Diversity Committee assists the Board in overseeing Air New Zealand's people strategy, including remuneration, talent development, and workplace culture. It provides guidance on initiatives that support employee wellbeing, diversity, equity and inclusion, and ensures that policies and practices attract, retain and develop a high-performing and inclusive workforce.

Nomination Committee

The Board may form a nomination and appointment committee but appointment of directors will normally be directed by the full Board obviating the need for a Nomination Committee.

3.2 Standing Committees

Each committee shall have a Board approved charter defining its purpose, role and responsibilities as well as the committee's membership, operations and reporting requirements, and engagement with management. Where appropriate, the committees will

make recommendations to the full Board. Committees are not to take action or make decisions on behalf of the Board unless specifically mandated by prior Board authority to do so.

3.3 Review of Committees

The Committees shall undertake regular reviews of their objectives and activities.

The objectives and activities of the Committees shall also be reviewed by the Board, in consultation with relevant senior managers and any other parties as the Board deems appropriate.

4 OTHER BOARD MATTERS

4.1 Trading in Air New Zealand Securities

The Board believes it is appropriate for non-executive directors to own shares in the Company to show their support and commitment. It is expected that directors will own an amount of shares equivalent to at least 50% of the annual base director fees. Directors are expected to reach this level of share ownership (either directly or through an associated entity) within a three-year period of their appointment.

Directors are subject to limitations on their ability to buy and sell Air New Zealand securities by the Company's Securities Trading Policy, stock exchange listing rules and the Financial Markets Conduct Act 2013. Consent is required prior to any trading, in accordance with the Securities Trading Policy. All changes in directors' security holdings must be disclosed to NZX and the company, which will be reported to the Board.

4.2 Board interaction with Institutional Investors, Analysts, Media, Customers and Members of the Public

Unless otherwise directed by the Chief Executive Officer or the Chair, communications on behalf of the Company with the media, analysts, brokers and investors must be made only by specifically designated representatives of the Company in accordance with the Company's Media Communications Policy. Only the Chair should speak on behalf of the Company on governance issues. The Chief Executive Officer is authorised to speak on all aspects of the Company other than governance. If any other director receives any enquiry relating to the Company, he or she should decline to comment and ask the enquirer to call the Chair or the Chief Executive Officer.

4.3 Board Independence from Management

The Board will meet regularly without management present, for open discussion on any Company issue.

4.4 Performance Evaluation of the Board

The Board will conduct regular performance reviews of the Board as a whole. These may include the collation of views of individual directors and the senior management team on Board process, efficiency and effectiveness.

4.5 Review of Charter

The Board will review this Charter periodically as required to ensure it remains consistent with the Board's objectives and responsibilities.

ATTACHMENT A:

INDEPENDENCE OF DIRECTORS

An independent director is one whom the Board affirmatively determines has no material relationship with the Company (either directly or as a partner, substantial security holder or officer of an organisation that has a relationship with the Company) that could reasonably influence their judgement and decision-making as a director.

In determining independence, the Board endorses the following view of the Financial Markets Authority:

It is recognised that Board effectiveness is not always enhanced by directors' formal independence if this is given too much weight in contrast to the independence of mind, and the skills, knowledge, experience, and time that a director can contribute to the entity. Independent representation is an important contributor to Board effectiveness, but only when considered along with the other attributes sought in a non-executive director.

ASSESSMENT OF INDEPENDENCE

The Board of directors has adopted the following guidelines to assist in the determination of each director's independence. If any of the factors cannot be affirmed, the Board retains discretion to determine that a director's circumstances can still support a determination that they are independent. The reasons for such a determination and any Board agreed materiality thresholds must be disclosed in the Company's Annual Report. For the purposes of determining "independence", any reference below to "Company" includes a director's relationship with any subsidiary company of the Company.

A director will be presumed to be independent if the director:

1. Is not currently, and has not been within the last three years, employed as an executive of the Company or any of its subsidiaries, and
2. Has not, during the last three years, been employed by a present or former auditor of the Company or held a senior role of any other material professional adviser or consultant to the Company or any of its subsidiaries, or an employee materially associated with the service provided; and
3. Has not, during the last three years, had a material business relationship with the Company or any of its subsidiaries, including but not limited to:
    a) being a director, executive officer or an employee of a company that made payments to, or received payments from, the Company for property or services in any of the last three years in an amount which, in any single fiscal year, exceeds the greater of $1 million, or 2% of such other company's consolidated gross revenues; and
    b) being an executive officer of a foundation, University or non-profit trust or other charitable organisation, for which the Company and its respective trusts or foundations, account or accounted for more than 2% or $1 million, whichever is greater, of such charitable organisation's consolidated gross revenues, in any of the last three years; and

c) being a director, executive officer or general partner of an entity that has received an investment from the Company or any of its subsidiaries, unless such investment is less than $1 million or 2% of such entity's total invested capital, whichever is greater, in any of the last three years; and

4. Is not a substantial product holder[1] of the Company or a senior manager of, or otherwise associated with, a substantial product holder of the Company (other than solely as a consequence of being a director of the Company); and
5. Does not have a relationship with the Company (other than solely as a consequence of being a director of the Company) from which that director is likely to derive at least 10% of his or her revenue during the current financial year of the Company, including director fees and distributions from the Company or its subsidiaries; and
6. Does not have any immediate family member in any of the categories above.
7. Has not been a director of the Company for a length of time that may compromise independence.
8. Is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.
9. The Board will ensure transparency and compliance with NZX Listing Rules by disclosing the independence status of its directors in the Annual Report, Notices of Meetings, and relevant market disclosures. If a director's independence is questioned due to potential conflicts of interest or relationships, the Company will detail the process used to assess the situation, referencing NZX code factors, and provide an explanation if a director is determined not to have a disqualifying relationship. Additionally, the Board will disclose any materiality thresholds applied in determining independence, including any relevant relationships with third parties.

The Board shall also consider any additional factors identified in the NZX Listing Rules or the NZX Corporate Governance Code that are relevant to the determination of independence.

Materiality

It is important for the Board to consider materiality thresholds from the perspective of both the Company and its directors. Materiality thresholds from the perspective of directors and third parties are included in the guidelines above. The threshold for materiality for the purpose of assessing the materiality of relationships between a non-executive director and the Company (other than as a director) will be judged according to the significance of the relationship to the director in the context of their activities as a whole.

From the Company's perspective, a relationship is presumed immaterial when it generates less than 5%, and presumed material when it generates more than 10% of revenue over a twelve month period, in the absence of evidence or convincing argument to the contrary.

[1] A substantial product holder is defined in the Financial Markets Conduct Act as the holder of 5% or more of a class of quoted voting products. The Board may take into account lesser interests where circumstances make this appropriate.

Associated Person (immediate family member)

An associated person includes any spouse or partner, child, sibling or parent (or nominee or trustee for any of them) of the director.

Timing of Determination

The Board will make independence assessments:

1. Prior to, or immediately following, appointment of a new director;
2. On or about the Company's balance date, for inclusion in the Company's Annual Report;
3. Prior to the publication of the Notice of Meeting, for any director or candidate seeking election at the corresponding meeting;
4. Following receipt of any advice or information that might impact upon a director's independence status.

Immediately after making any new determination or when a change in status has been determined an announcement as to the director's independence will be sent to the stock exchanges.

March 2025