

2020

ANNUAL DATA BOOK

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Then, Now,
Always.



Contents

Foreword	2
1. About Air New Zealand	3
2. Competitive advantages	4
3. Sustainability	6
4. Shareholding and structure	9
5. Network	10
6. Operating fleet	13
7. Balance sheet structure, funding and liquidity	15
8. Risk management	16
9. Earnings and dividend performance	18
10. Five-year statistical review	20
11. Other information	25
12. Investor resources	31

Foreword

Air New Zealand's 2020 Databook has been condensed to reflect the fact that the 2020 financial year has been significantly impacted by the global outbreak of Covid-19.

In March 2020, following widespread transmission of Covid-19 and declaration of a global pandemic, the New Zealand Government 'the Government' announced that all foreign nationals would need to undertake a 14-day mandatory isolation period upon entry to New Zealand. Later that month, the Government closed New Zealand's borders completely to foreign nationals and announced a four-tier alert system that resulted in a seven-week period of nationwide lockdown. During this lockdown, all non-essential businesses were closed or operated under severe restrictions, people were required to stay at home and avoid contact with anyone outside their residence and strict limitations were placed on all methods of travel.

While the lockdown was very effective at slowing the spread of Covid-19 in New Zealand, it also had a profound impact on demand for air travel. In March and April 2020, demand reduced to almost zero, which resulted in Air New Zealand operating less than 5 percent of its total network capacity. Never in the 80-year history of the airline has an event caused such a significant reduction in capacity. For the year ended 30 June 2020, Air New Zealand reported its first annual loss in 18 years, reflecting the severe impact that Covid-19 has had on the airline.

1. About Air New Zealand

Company description

The Air New Zealand Group ('Air New Zealand') operates a global network that provides air passenger services and cargo transport services to, from and within New Zealand. Following the outbreak of Covid-19 and the resulting decline in demand for air travel, Air New Zealand has largely been operating as a domestic business with some international repatriation and cargo flights.

Trading information

Air New Zealand is publicly traded on the NZX and ASX. Additionally, American Depositary Shares are traded over-the-counter (OTC) in the United States under Air New Zealand's sponsored Level 1 American Depositary Receipt programme.

NZX Ticker code: AIR

ASX Ticker code: AIZ

ADR OTC Ticker code: ANZLY





2. Competitive advantages

Resilient core domestic business

Our domestic network is unmatched, offering services to 20 main centres and regions across New Zealand. Our strong corporate brand and renowned Kiwi service culture continue to drive increased loyalty from our customers, strong brand health and employee engagement. Investments in larger and modern aircraft and lounges support continued demand for domestic travel.



Pacific Rim focused international network

Our alliance-driven international network underpins our Pacific Rim strategy. With our revenue-share alliance partnerships, Air New Zealand benefits from strong relationships with market leaders in some of our key international markets, including the United States, Singapore, Hong Kong and China.



Airpoints™ loyalty programme

Our Airpoints™ programme is viewed as the most valuable loyalty programme in New Zealand. Providing our members with the world's easiest and most transparent loyalty currency, Airpoints Dollars™ has driven strong membership growth. With approximately 3.5 million members, Airpoints also provides Air New Zealand with valuable data that allows us to better understand our customers and their travel experiences.



Focused on sustainable cost improvements

Our simplified and modern fleet has an average seat weighted age of 7.1¹ years and is contributing significant operational efficiencies to the airline. Our fleet consists of modern fuel-efficient aircraft, across fewer aircraft types, which provides the airline with a competitive cost structure.



Investment-grade financial strength

Air New Zealand has a proven history of achieving profitability through the cycle. Prior to the outbreak of Covid-19, which has had a devastating impact on the airline industry, Air New Zealand had delivered positive earnings since 2003 and paid dividends to our shareholders every year since 2005. Underpinning our ability to generate strong returns is a focus on capital allocation discipline.

Air New Zealand has a credit rating of Baa2 from Moody's with stable outlook, placing us amongst the top echelon of airlines in the world.



¹ Excludes the Boeing 777-200 fleet, which has been grounded for an indefinite period.



3. Sustainability

Air New Zealand continues to play a crucial role in the long-term success of our nation, as highlighted by our guiding purpose – to enrich our country by connecting Air New Zealanders to each other and New Zealand to the world.

The Covid-19 pandemic has only accentuated the importance of connection, and the crucial role international trade links and tourism play in the New Zealand economy. That is why acting on climate change is not something we consider to be a choice. Being able to decarbonise our business is vital to the airline's long-term success and remains an important part of Air New Zealand's business model, even as we navigate the most challenging economic environment the airline industry has ever faced.

Our carbon strategy

As part of the airlines refreshed strategy, which was undertaken in the 2020 calendar year when new CEO Greg Foran commenced in his role, Air New Zealand aims to take ambitious action on climate change and a leadership role supporting sustainable aviation regulation and action across the aviation industry. To achieve this, the airline will put greater focus on leading and advocating for action on decarbonisation with the goal of achieving net zero emissions by 2050.

Air transport is essential to New Zealand's trade, export, investment and tourism industries. However, these benefits need to be considered in conjunction with the aviation industry's significant impact on the climate, with the global sector contributing two to four percent of global emissions. While it is clear that aviation is vital to New Zealand's future prosperity, the industry must evolve and operate in a more sustainable manner in order to ensure its long-term success.

Acting on climate change is not something Air New Zealand considers to be a choice; which is why sustainability and climate change formed an integral part of the airline's recent strategy reset. Through the strategy review process it has become increasingly clear that as an airline and as a country, if we are to meet our shared net zero by 2050 goal

and take decisive action on climate change in the coming decade, we need to pursue sustainable alternative fuels.

Sustainable fuels and the infrastructure they rely on require significant upfront capital and new policy settings to give producers confidence there will be long-term demand and to ensure commercial viability to the end user. These fuels currently cost two to three times that of traditional fuel – but that commercial gap can be narrowed. Making this a reality will require close collaboration, investment from both the public and private sectors, and strong enabling policy to attract investment and ensure long-term industry competitiveness.

New Zealand's high mix of renewable energy, reliance on aviation for domestic connectivity, and high proportion of relatively short distance regional flights also mean it is uniquely placed to be an early adopter of next generation aircraft (electric, hybrid and/or hydrogen). Air New Zealand is working with several aviation equipment manufacturers to accelerate development and deployment of future aircraft and engine technology.

Air New Zealand recognises that its operations have a significant carbon footprint and has already implemented several initiatives to reduce this impact.

One of the most significant ways in which the airline can reduce carbon emissions is by operating a modern, fuel efficient fleet. As at 30 June 2020, our fleet has an average seat-weighted age of 7.1 years, compared to the industry average of 12 years¹.

Through our dedicated Carbon Reduction Programme, we have continued to focus on making the airline's operations as fuel efficient as possible, both in the air and on the ground. This focus has helped improve fuel efficiency by more than 18.3 percent since the baseline year of 2009. However, continued fleet substitution challenges due to the ongoing Rolls-Royce Trent 1000 engine issues coupled with the Covid-19 operating environment, has eroded some of the hard-won efficiency gains made in the first part of the 2020 financial year resulting in a 3.1 percent decrease in fuel efficiency this year.

The airline continues to be a participant in the New Zealand Emissions Trading Scheme and has an obligation to report greenhouse gas emissions generated from fuel use on

all domestic flights, then purchasing and surrendering to the Government an equal number of New Zealand Units to match those emissions. In the 2019 calendar year, the Emissions Trading Scheme obligation was 628,408 tonnes CO₂-e.

For emissions in international airspace, Air New Zealand participates in the Carbon Offset and Reduction Scheme for International Aviation (CORSIA) requiring carbon neutral growth from 2020. Governed by the International Civil Aviation Organization, CORSIA sets the global framework to measure, report and cancel offset units for international aviation emissions. In addition to the CORSIA scheme, Air New Zealand has committed to the International Air Transport Association's (IATA) industry targets on fuel efficiency and carbon emissions, being a 1.5 percent annual average fuel efficiency improvement (2009–2020); and halving 2005 emissions by 2050. We have however taken this further by extending our aim to achieve net zero emissions by 2050.



1 According to analysis undertaken by Swiss intelligence provider ch-aviation.

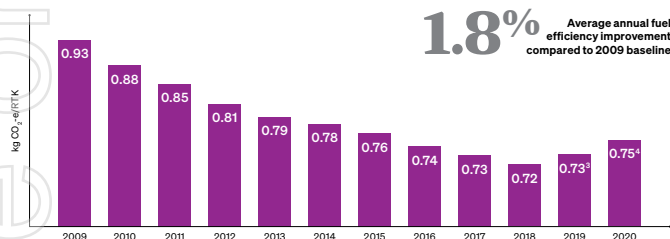


Despite all of the disruption faced this year, the airline continues to encourage and enable our customers to voluntarily offset carbon emissions from their air travel, via FlyNeutral, our customer carbon offsetting programme¹. When customers choose to offset the carbon from their flights, the money collected goes to carefully chosen projects which provide permanent, verified, and sustainable emission reductions. These projects generate emissions reduction units, which are purchased and then cancelled

from circulation permanently. Along with the airline's own voluntary offsetting commitments, customers elected to offset over 92,000² tonnes of CO₂-e up from over 63,000 tonnes in the previous year.

Further detail on our climate-related governance, strategy, risk management, metrics and targets can be found in our 2020 Taskforce for Climate Related Financial Disclosures (TCFD) contained in the airline's 2020 Annual Financial Results.

FUEL EFFICIENCY: CO₂-e PER REVENUE TONNE KILOMETRE³



* 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 efficient target. CO₂-e emissions are from Air New Zealand's use of aviation fuel over the same time periods.

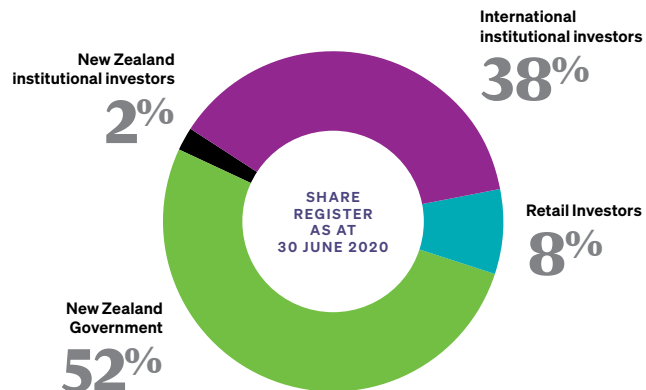
- ¹ This voluntary carbon offsetting programme is separate from Air New Zealand's compliance with the New Zealand Emissions Trading Scheme, which covers Air New Zealand's domestic operations and which Air New Zealand separately meets. Voluntary carbon offsetting is relevant and important, even in the context of a regulatory emissions trading scheme.
- ² Retail customers offset at the time of booking. Where flights have been cancelled due to Covid-19, customers have been issued credits, including for the value of offsets purchased. This figure includes tonnes of carbon purchased by retail customers in the year, the value of which was credited back to the customer due to Covid-19 related cancellations.
- ³ In 2019, up to four of our most fuel-efficient aircraft, the Boeing 787-9 Dreamliner, were unavailable for use due to the global Rolls-Royce Trent 1000 engine issues. Air New Zealand leased two Boeing 777-200 and one Boeing 777-300 aircraft which, depending on flight route and duration, typically used 20 to 26 percent more fuel than the Dreamliner, resulting in the decline in fuel efficiency this year.
- ⁴ In 2020, two of our most fuel-efficient aircraft, the Boeing 787-9 Dreamliner, were unavailable for use due to the global Rolls-Royce Trent 1000 engine issues resulting in less fuel-efficient Boeing 777-200 and Boeing 777-300 aircraft being substituted on routes. Additionally, the impact of Covid-19 on payloads, mandated social distancing requirements and network changes negatively impacted fuel efficiency.

4. Shareholding and structure

Air New Zealand is listed on the New Zealand Stock Exchange (NZX) with the ticker symbol AIR.NZ and on the Australian Securities Exchange (ASX) with the ticker symbol AIZ.AX.

In 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 are traded over-the-counter in the United States (ticker code ANZLY).

There are 1,122,810,044 Ordinary Shares on issue (excluding Treasury Stock), as at 30 June 2020. The New Zealand Government is the majority shareholder with 582,854,593 shares, or 52 percent of total issued capital. The remaining shares are held by New Zealand institutional and retail investors primarily in the United States, Australia, the United Kingdom and Asia. For the year to 30 June 2020, Air New Zealand had average daily trading volume of approximately 2.3 million shares.





5. Network

Air New Zealand provides air passenger and cargo transport services within New Zealand, as well as to and from Australia, the Pacific Islands, Asia, the Americas and until March 2020 the United Kingdom.

Five-year key operating statistics

GROUP	JUNE 2020	JUNE 2019	JUNE 2018	JUNE 2017	JUNE 2016
Passengers carried ('000s)	13,525 (23.8%)	17,738 4.5%	16,966 6.4%	15,952 5.2%	15,161 6.0%
Available Seat Kilometres (ASKs, millions)	36,335 (21.1%)	46,029 4.0%	44,274 5.0%	42,169 6.3%	39,684 11.5%
Revenue Passenger Kilometres (RPKs, millions)	29,568 (23.3%)	38,573 5.2%	36,662 5.3%	34,814 4.8%	33,223 11.0%
Load Factor	81.4% (2.4 pts)	83.8% 1.0 pt	82.8% 0.2 pts	82.6% (1.1 pts)	83.7% (0.4 pts)
Revenue per Available Seat Kilometres (RASK, cents)	10.8 0.7%	10.8 1.6%	10.6 1.8%	10.4 (8.1%)	11.3 (2.3%)

New Zealand domestic and regional

Air New Zealand operates one of the most comprehensive domestic and regional networks in the world. Prior to Covid-19, the airline typically operated over 400 flights every day to 20 New Zealand destinations. The domestic jet network across the main centres in New Zealand (Auckland, Wellington, Christchurch, Dunedin and Queenstown) is operated by a fleet of 17 Airbus A320s. Our turboprop network across the regional centres of New Zealand is operated by a fleet of 50 turboprops including ATRs and Q300s.

DOMESTIC AND REGIONAL	JUNE 2020	JUNE 2019	JUNE 2018	JUNE 2017	JUNE 2016
Passengers carried ('000s)	8,821 (23.4%)	11,513 3.8%	11,089 6.8%	10,379 6.7%	9,725 5.2%
Available Seat Kilometres (ASKs, millions)	5,619 (20.9%)	7,104 2.9%	6,905 4.7%	6,597 8.8%	6,065 8.5%
Revenue Passenger Kilometres (RPKs, millions)	4,552 (23.6%)	5,957 4.1%	5,719 7.7%	5,311 8.7%	4,887 7.2%
Load Factor	81.0% (2.9 pts)	83.9% 1.1 pts	82.8% 2.3 pts	80.5% (0.1 pt)	80.6% (1.0 pt)
Revenue per Available Seat Kilometres (RASK, cents)	23.6 5.1%	22.5 2.1%	22.0 3.6%	21.2 (2.9%)	21.8 (6.5%)

Tasman and Pacific Islands

Air New Zealand operates an expansive network to Australia and the Pacific Islands. Prior to Covid-19 the airline operated more than 40 flights every day to/from eight destinations in Australia and around 15 flights every day to/from 10 destinations throughout the Pacific Islands. Our international short-haul network is operated by a fleet of A320/A321s and Boeing wide-body aircraft.

TASMAN AND PACIFIC ISLANDS	JUNE 2020	JUNE 2019	JUNE 2018	JUNE 2017	JUNE 2016
Passengers carried ('000s)	3,002 (25.8%)	4,044 6.5%	3,798 6.7%	3,561 1.6%	3,507 3.5%
Available Seat Kilometres (ASKs, millions)	10,367 (24.0%)	13,640 5.2%	12,963 7.7%	12,039 5.3%	11,438 5.1%
Revenue Passenger Kilometres (RPKs, millions)	8,265 (26.2%)	11,195 5.8%	10,584 8.2%	9,784 2.6%	9,532 3.8%
Load Factor	79.7% (2.4 pts)	82.1% 0.5 pts	81.6% 0.3 pts	81.3% (2.0 pts)	83.3% (1.1 pts)
Revenue per Available Seat Kilometres (RASK, cents)	9.4 (2.2%)	9.6 (0.1%)	9.6 4.5%	9.2 (7.1%)	9.9 (1.1%)

International long-haul

New Zealand is the centre of the Pacific Rim and accordingly Air New Zealand operates a strong network within this region. Prior to Covid-19 the airline's wide-body fleet of Boeing 777-200s, Boeing 777-300s and Boeing 787-9s, along with a network of revenue share partnerships with other airlines, provided 36 direct flights every day to 15 international long-haul destinations (outside Australia and the Pacific Islands). Since the outbreak of Covid-19, the resulting border closures and reduced demand, Air New Zealand has operated a significantly reduced schedule, focussed primarily on repatriation and cargo flights. During the 2020 financial year the airline has permanently stopped flying to both London and Buenos Aires.

INTERNATIONAL LONG-HAUL	JUNE 2020	JUNE 2019	JUNE 2018	JUNE 2017	JUNE 2016
Passengers carried ('000s)	1,702 (22.0%)	2,181 4.9%	2,079 3.3%	2,012 4.3%	1,929 16.0%
Available Seat Kilometres (ASKs, millions)	20,349 (19.5%)	25,285 3.6%	24,406 3.7%	23,533 6.1%	22,181 16.0%
Revenue Passenger Kilometres (RPKs, millions)	16,751 (21.8%)	21,421 5.2%	20,359 3.3%	19,719 4.9%	18,804 16.2%
Load Factor	82.3% (2.4 pts)	84.7% 1.3 pts	83.4% (0.4 pts)	83.8% (1.0 pt)	84.8% 0.1 pt
Revenue per Available Seat Kilometres (RASK, cents)	8.1 (0.7%)	8.1 2.7%	7.9 (1.2%)	7.9 (12.9%)	9.1 1.6%



Our network partnerships

Air New Zealand's airline partnerships range from simple interline relationships through to deep revenue share alliances, and from destination-specific arrangements to those covering whole continents. At the global level, Air New Zealand's revenue share alliances, codeshare and Star Alliance partnerships allow us to offer connections across 33 major carriers and, together with our interline partners, to offer access for our customers to nearly 1,800 destinations worldwide. Our revenue share alliances are a key part of our Pacific Rim strategy and includes strategic partnerships with United Airlines, Singapore Airlines, Cathay Pacific and Air China. We maintain a range of other codeshare and interline relationships with other carriers into specific markets, including Air Canada, ANA, Lufthansa and Qantas. In addition, our membership in the Star Alliance is critical to our customer proposition, including providing access to global benefits for our Airpoints™ Gold and Elite members.

Like Air New Zealand, our airline partners have been significantly impacted by the reduction in demand for air travel resulting from the outbreak of Covid-19. Whilst the breadth and depth of the airline's partnership agreements have not changed, the extent of current partner operations is very limited. The future scope of these partnerships will vary depending on the timing of the re-opening of individual borders and on each airline's approach to building back to a profitable network of flying. We remain committed to providing connectivity through alliance partners.

REVENUE SHARE ALLIANCE PARTNERS



CODESHARE PARTNERS

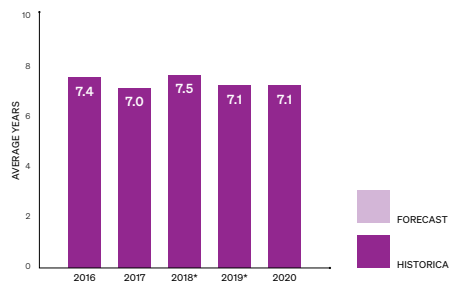


STAR ALLIANCE

6. Operating fleet

Air New Zealand operates a modern and highly efficient fleet that has been configured for the network and customers it serves. The airline continues to simplify its fleet, with fuel efficient aircraft across fewer aircraft types for greater operational efficiency.

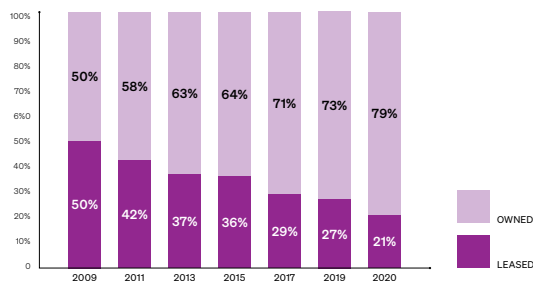
AIRCRAFT FLEET AGE IN YEARS – SEAT WEIGHTED¹



¹ Excludes the Boeing 777-200 fleet, which has been grounded for an indefinite period.

* Excludes short-term leases which provide cover for the global Rolls-Royce engine issues.

HISTORIC TREND OF FLEET OWNERSHIP – SEAT WEIGHTED





As at 30 June 2020*

Boeing 777-300ER¹

Number: 7
Average Age: 8.2 years
Maximum Passengers: 342
Cruising Speed: 910 km/hr
Average Daily Utilisation: to 30 Jun: 12:25 hrs
to 29 Feb: 14:07 hrs



Boeing 777-200ER¹

Number: 8
Average Age: 14.2 years
Maximum Passengers: 312
Cruising Speed: 910 km/hr
Average Daily Utilisation: to 30 Jun: 8:40 hrs
to 29 Feb: 11:35 hrs



Boeing 787-9 Dreamliner

Number: 14
Average Age: 3.8 years
Maximum Passengers: 302 or 275
Cruising Speed: 910 km/hr
Average Daily Utilisation: to 30 Jun: 10:57 hrs
to 29 Feb: 13:13 hrs



Airbus A320XLR

Number: 11
Average Age: A321: 1.3 years A320: 1.1 years
Maximum Passengers: A321: 214 A320: 185
Cruising Speed: 850 km/hr
Average Daily Utilisation: A321: 7:18 hrs (30 Jun) or 9:23 hrs (29 Feb)
A320: 6:53 hrs (30 Jun) or 8:54 hrs (29 Feb)



Airbus A320CEO

Number: 22
Average Age: Short-haul: 16.1 years Domestic: 6.4 years
Maximum Passengers: Short-haul: 168 Domestic: 171
Cruising Speed: 850 km/hr
Average Daily Utilisation: Short-haul: 6:10 hrs (30 Jun) or 7:40 hrs (29 Feb)
Domestic: 5:43 hrs (30 Jun) or 7:16 hrs (29 Feb)



ATR 72-500 / ATR 72-600

Number: 27
Average Age: 3.6 years
Maximum Passengers: 68
Cruising Speed: 518 km/hr
Average Daily Utilisation: to 30 Jun: 5:06 hrs
to 29 Feb: 6:29 hrs



Bombardier CRJ-900

Number: 23
Average Age: 13.4 years
Maximum Passengers: 50
Cruising Speed: 520 km/hr
Average Daily Utilisation: to 30 Jun: 5:13 hrs
to 29 Feb: 6:17 hrs



* Due to the impact of Covid-19 and the government restrictions on both international and domestic travel, a number of Air New Zealand's aircraft were parked over the months of March to June 2020. The aircraft totals above reflect the number of aircraft in the fleet capable of operation as at 30 June 2020. Average utilisation figures have been provided for both the full financial year, which incorporates the non-operational periods, and for the period to 29 February 2020, prior to the impacts of Covid-19.

¹ Both the Boeing 777-200 and Boeing 777-300 fleet are currently in long-term storage. The Boeing 777-200 fleet has been grounded for an indefinite period and the Boeing 777-300 fleet is not expected to return to service before September 2021.

7. Balance sheet structure, funding and liquidity

Credit rating

On 3 July 2015, Moody's upgraded Air New Zealand Limited's senior unsecured issuer rating to Baa2 from Baa3. On 20 March 2020, Moody's reaffirmed Air New Zealand's issuer rating of Baa2 and stable rating outlook. As at 30 June 2020, there had been no further rating action. This makes Air New Zealand one of the top investment-grade rated airlines in the world.

Funding

Air New Zealand aircraft and associated aircraft assets are acquired via a mixture of ownership and lease structures. As at 30 June 2020, 89 of Air New Zealand's 112 aircraft fleet¹ were effectively owned.

Secured borrowings

Air New Zealand funds the purchase of some of its aircraft and other aircraft related assets through secured bank borrowings from major international banks which specialise in airline and aircraft funding. As at 30 June 2020, Air New Zealand had total secured bank borrowings of \$1,413 million. Secured borrowings are subject to both fixed and floating interest rates. Fixed interest rates as at 30 June 2020 were 1 percent.

Leases with purchase options

Air New Zealand adopted NZ IFRS 16 - Leases on 1 July 2019. As such, leases which contain a purchase option that are expected to be exercised (previously called finance leases) have been reclassified from interest-bearing liabilities to lease liabilities on the airline's balance sheet. As at 30 June 2020 Lease liabilities of \$1,223 million were recognised in relation to these leases.

Government standby loan facility

On 20 March 2020, Air New Zealand entered into a debt funding agreement with the New Zealand Government. Under the terms of the agreement, the Government provided a standby loan facility of up to \$900 million to support the airline as it manages the unprecedented impact of the Covid-19 outbreak on its business. As at 30 June 2020, no amounts had been drawn under this facility.

Unsecured borrowings

As at 30 June 2020, Air New Zealand had NZX listed bonds of \$50 million.

The unsecured, unsubordinated, fixed rate bonds have a maturity date of 28 October 2022 and an interest rate of 4.25 percent payable semi-annually. The bonds are quoted on the NZX Debt Market under the ticker code AIR020.

Leases without purchase options

As at 30 June 2020, 23 of Air New Zealand's 112 aircraft fleet were under lease contracts where a purchase option was not expected to be exercised (previously called operating leases). Upon adoption of NZ IFRS 16 a right of use asset and a corresponding lease liability was recognised on the balance sheet, and depreciation, interest expense and other expenses were recorded in the Statement of Financial Performance. Aircraft lease liabilities related to these contracts were \$694 million and property lease liabilities were \$321 million as at 30 June 2020. For the year ended 30 June 2020, amounts recognised in the Statement of Financial Performance for aircraft were \$195 million and property of \$69 million.

Prior to this time, payments made under such leases (net of any incentives received) were recognised as rental expense on a straight-line basis over the term of the lease and



8. Risk management

the amount of future payments recorded off-balance sheet as an operating lease commitment. For the year ended 30 June 2019, Air New Zealand recognised \$183 million of operating lease expenses in relation to aircraft, and had \$767 million future operating lease commitments. For the purposes of Net Debt and gearing calculations, operating leases are capitalised as net aircraft operating lease commitments for the next 12 months multiplied by a factor of seven (excluding short-term leases in 2018 and 2019, which provide cover for Boeing 787-9 engine issues). As at 30 June 2019, Air New Zealand included \$1,246 million of net aircraft operating lease commitments as part of Net Debt.

Gearing

When calculating the level of gearing, Net Debt includes interest-bearing liabilities, lease liabilities less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities and lease liabilities, and interest-bearing assets, plus, for the prior period, net aircraft operating lease commitments for the next 12 months multiplied by a factor of seven (excluding short-term leases, which provide cover for Boeing 787-9 engine issues). As at 30 June 2020, Net Debt was \$2,966 million and gearing (including net capitalised aircraft operating leases) was 69.2 percent. Gearing increased dramatically in the 2020 financial year as a result of operating and impairment losses sustained due to Covid-19. Air New Zealand targets a capital structure within the range of 45 percent to 55 percent, however, acknowledges in its capital management policy that it has the ability to go outside this range from time to time.

Liquidity

As at 30 June 2020, the airline had cash of \$438 million. This does not include any drawings from the \$900 million Government standby loan facility.

Air New Zealand is subject to foreign currency, fuel price, interest rate and credit risks. These risks are managed with various financial instruments, applying a set of policies approved by the Board of Directors. Compliance with these policies is reviewed and reported monthly to the Board and is included as part of the internal audit programme.

As a result of Covid-19, uncertainty regarding the resumption of international flying is expected to continue to affect the ability to accurately forecast transactions subject to foreign exchange and fuel price risk in the short to medium term. Consequently the Board of Directors granted an interim exemption to certain risk management policies which are set out in more detail in the 2020 audited financial statements. Governance reporting of the Group's risk management position continues to be monitored by the Board of Directors and management on a regular basis. The Group policy is not to enter, issue or hold financial instruments for speculative purposes. The latest Air New Zealand Annual Financial Results provides a full description of financial risk management and discusses the specific risks and risk management applicable to Air New Zealand.

The airline has a comprehensive Enterprise Risk Management (ERM) Framework designed to provide a consistent approach to risk identification, management and reporting. The Board and management have identified and assessed a number of strategic risks facing the business. These have been prioritised based on their relative strategic importance and criticality. For more information on strategic risks please refer to the Risk Management section of the Corporate Governance Statement in our 2020 Annual Financial Results or the Corporate Governance section of the investor centre website, which can be accessed online at airnewzealand.co.nz/corporate-governance

Fuel price risk

Fuel price risk is the risk of loss to Air New Zealand arising from adverse fluctuations in fuel prices. The objective of Air New Zealand's commodity risk management activities is to provide time to adjust to changing fuel prices while protecting the operating margin in the short-term.

Air New Zealand primarily manages jet fuel price risk by using crude oil hedges consisting of Brent Crude hedges. Fuel price hedging generally does not exceed 12 months. Typically, the next four months of future fuel purchases are hedged to a minimum of 50 percent and that minimum then progressively reduces to zero by the eighth month. The maximum amount of hedges can be 90 percent for the next six months and then progressively falling to 20 percent in the twelfth month.

Prior to Covid-19, Air New Zealand disclosed its fuel hedging position for the next 12 months on a quarterly basis. Given there is significant uncertainty surrounding the timing of the reopening of borders the airline has not provided these quarterly updates since March 2020. However, disclosure of the airlines fuel position was disclosed in the 2020 Annual Results materials.

Foreign currency risk

The Group's currency exposure primarily arises from operating activities, receiving ticket sales in foreign currencies and paying for fuel, aircraft leases and aircraft maintenance largely in USD. From capital activities, the company purchases fixed assets denominated in foreign currency on a regular basis and also has borrowings in foreign currency.

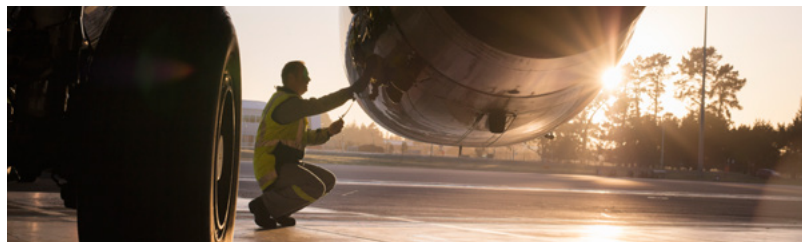
Currency risk management has the objective to give the company time to adjust to changes in market circumstances.

Air New Zealand manages currency risk through two methodologies:

- Placement of hedging cover on identified operating foreign currency exposures
- Management of foreign currency balance sheet items, mainly debt, by way of actual hedges and use of future foreign currency revenues

The above policies are adhered to and monitored on a day to day operational basis. The Executive Management Team and the Board of Directors reserve the right to operate outside of these policy parameters from time to time and as required for the financial and operational benefit of Air New Zealand.

Since March 2020, due to the impact of Covid-19 certain debt and lease liability items on the balance sheet have been unhedged, with foreign currency gains or losses arising on those instruments being recognised in earnings. The airline is hedging near term cash risk to mitigate the economic risk associated with these balance sheet items.



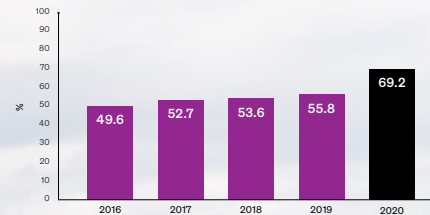


9. Earnings and dividend performance

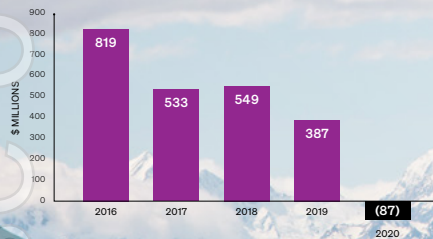
OPERATING REVENUE (\$ MILLIONS)



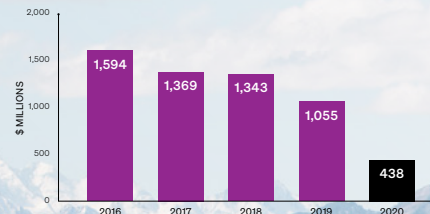
GEARING (%)



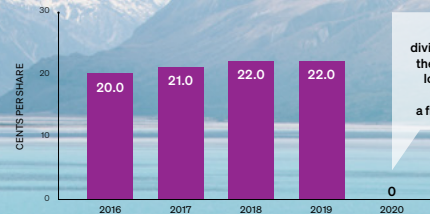
EARNINGS BEFORE OTHER SIGNIFICANT ITEMS AND TAXATION (\$ MILLIONS)



CASH ON HAND (\$ MILLIONS)



ORDINARY DIVIDENDS DECLARED (CENTS PER SHARE)



Air New Zealand cancelled its interim dividend in March 2020 as a pre-requisite to the availability of the Government standby loan facility. The Board of Directors also determined that it would not declare a final dividend for the 2020 financial year.



10. Five-year statistical review

Key Financial Metrics

GROUP		2020	2019	2018	2017	2016
Profitability and Capital Management						
EBIT/Operating Revenue	%	(1.2)	6.6	10.0	10.8	16.2
EBITDRA/Operating Revenue	%	16.2	20.4	23.5	24.8	29.5
Passenger Revenue per Revenue Passenger						
Kilometre (Yield)	cents	13.3	12.9	12.8	12.6	13.5
Passenger Revenue per Available Seat Kilometre (RASK)	cents	10.8	10.8	10.6	10.4	11.3
Cost per Available Seat Kilometre (CASK) ¹	cents	11.2	10.0	9.5	9.1	9.3
Return on Invested Capital Pre-tax (ROIC) ²	%	(13.3)	10.6	13.7	16.4	20.3
Liquidity ratio ³	%	9.1	18.2	26.8	33.1	26.8
Gearing (incl. net capitalised aircraft operating leases) ⁴	%	69.2	55.8	53.6	52.7	49.6
Shareholder Value						
Basic Earnings per Share ⁵	cps	(40.4)	24.6	31.6	35.9	43.6
Operating Cash Flow per Share ⁶	cps	20.5	87.8	91.8	80.5	95.6
Ordinary Dividends Declared per Share ⁷	cps	-	22.0	22.0	21.0	20.0
Special Dividends Declared per Share ⁷	cps	-	-	-	-	25.0
Net Tangible Assets per Share ⁸	\$	1.01	1.61	1.69	1.58	1.69
Closing Share Price 30 June	\$	1.32	2.65	3.18	3.26	2.10
Weighted Average Number of Ordinary Shares	m	1,123	1,123	1,123	1,123	1,122
Total Number of Ordinary Shares	m	1,123	1,123	1,123	1,123	1,123
Total Market Capitalisation	\$m	1,482	2,976	3,565	3,660	2,352
Total Shareholder Returns ⁸	%	(5.3)	14.0	26.7	41.5	20.0

- 1 Earnings before interest and taxation (EBIT) excluding share of earnings of associates (net of taxation) and other significant items (refer footnote under Historical Summary of Financial Performance on page 22)
- 2 EBITDRA excludes share of earnings of associates (net of taxation) and other significant items (refer footnote under Historical Summary of Financial Performance)
- 3 Operating expenditure (excluding other significant items) per ASK (refer footnote under Historical Summary of Financial Performance)
- 4 (EBIT plus interest component of aircraft operating leases/average capital employed (Net Debt plus Equity) over the period
- 5 Bank and short-term deposits and interest-bearing assets (excluding restricted cash)/Operating Revenue
- 6 Net Debt (including capitalised aircraft operating leases)/(Net Debt plus Equity)
- 7 Per-share measures based upon Ordinary Shares
- 8 Return over five years including the change in share price and dividends received (assuming dividends are reinvested in shares on ex dividend date)

Key Operating Statistics for the year to 30 June

	2020	2019	2018	2017	2016
Passengers Carried (000)					
Domestic	8,821	11,513	11,089	10,379	9,725
International	3,002	4,044	3,798	3,561	3,507
Australia and Pacific Islands	734	914	837	814	791
Asia	968	1,267	1,242	1,198	1,138
America and Europe					
Total	4,704	6,225	5,877	5,573	5,436
Total Group	13,525	17,738	16,966	15,952	15,161
Available Seat Kilometres (m)					
Domestic	5,619	7,104	6,905	6,597	6,085
International					
Australia and Pacific Islands	10,367	13,640	12,963	12,039	11,438
Asia	8,117	9,699	9,169	8,918	8,349
America and Europe	12,232	15,586	15,237	14,615	13,832
Total	30,716	38,925	37,369	35,572	33,619
Total Group	36,335	46,029	44,274	42,169	39,684
Revenue Passenger Kilometres (m)					
Domestic	4,552	5,957	5,719	5,311	4,887
International					
Australia and Pacific Islands	8,265	11,195	10,584	9,784	9,532
Asia	6,526	8,140	7,467	7,270	7,070
America and Europe	10,225	13,281	12,892	12,449	11,734
Total	25,016	32,616	30,943	29,503	28,336
Total Group	29,568	38,573	36,662	34,814	33,223
Passenger Load Factor (%)					
Domestic	81.0	83.9	82.8	80.5	80.6
International					
Australia and Pacific Islands	79.7	82.1	81.6	81.3	83.3
Asia	80.4	83.9	81.4	81.5	84.7
America and Europe	83.6	85.2	84.6	85.2	84.8
Total	81.4	83.8	83.4	83.8	84.3
Total Group	81.4	83.8	82.8	82.6	83.7
Group Employee Numbers (Full Time Equivalents)	9,988	11,793	11,074	10,890	10,527

New Zealand, Australia and Pacific Islands represents short-haul operations.
Asia, America and Europe represent long-haul operations.

Historical Summary of Financial Performance for the year to 30 June

	2020 \$M	2019 \$M	2018 \$M	2017 \$M	2016 \$M
Operating Revenue					
Passenger revenue	3,942	4,960	4,696	4,376	4,481
Cargo	449	390	387	335	349
Contract services	216	197	193	164	172
Other revenue	229	238	219	234	229
	4,836	5,785	5,495	5,109	5,231
Operating Expenditure					
Labour	(1,197)	(1,351)	(1,294)	(1,261)	(1,225)
Fuel	(1,022)	(1,271)	(987)	(827)	(848)
Maintenance	(441)	(399)	(352)	(321)	(350)
Aircraft operations	(575)	(678)	(634)	(556)	(531)
Passenger services	(258)	(319)	(295)	(266)	(246)
Sales and marketing	(253)	(350)	(344)	(352)	(349)
Foreign exchange gains/(losses)	18	53	(19)	(6)	112
Other expenses	(324)	(290)	(278)	(255)	(255)
	(4,052)	(4,605)	(4,203)	(3,844)	(3,689)
Operating Earnings (excluding items below)	784	1,180	1,292	1,265	1,542
Depreciation and amortisation	(841)	(554)	(516)	(484)	(452)
Rental and lease expenses	-	(245)	(227)	(230)	(244)
Earnings Before Finance Costs, Associates, Other Significant Items and Taxation	(57)	381	549	551	846
Finance income	34	48	40	43	53
Finance costs	(103)	(79)	(73)	(87)	(100)
Share of earnings of associates (net of taxation)	39	37	33	26	20
Earnings Before Other Significant Items and Taxation	(87)	387	549	533	819
Other significant items (see below)	(541)	(5)	(57)	23	(118)
Earnings Before Taxation	(628)	382	492	556	701
Taxation credit/(expense)	174	(106)	(137)	(153)	(211)
Net (Loss)/Profit Attributable to Shareholders of Parent Company	(454)	276	355	403	490

Certain comparatives within the five year statistical review have been reclassified for comparative purposes, to ensure consistency with the current year. Following the International Financial Reporting Interpretations Committee issuing a new interpretation in September 2019 of the principles of IFRS 9 - Financial Instruments certain fair value hedges of underlying United States Dollar aircraft values previously undertaken by the Group are no longer permitted. The interpretation has been applied retrospectively and comparatives restated accordingly. The Group adopted NZ IFRS 16 - Leases on 1 July 2019. In accordance with the transitional provisions of NZ IFRS 16, comparatives have not been restated. NZ IFRS 15 - Revenue from Contracts with Customers was adopted on 1 July 2018 with comparatives being restated for the 2018 financial year in respect of the adopted standard.

Historical Summary of Other Significant Items for the year to 30 June

	2020 \$M	2019 \$M	2018 \$M	2017 \$M	2016 \$M
Foreign exchange losses on debt and leases, offset by foreign exchange gains on the hedged item, following disestablishment of fair value hedges	46	(5)	(57)	20	25
Amounts transferred from the cash flow hedge reserve where the forecast transaction is no longer expected to occur	(105)	-	-	-	-
Foreign exchange gains on uncovered interest-bearing liabilities and lease liabilities	67	-	-	-	-
Aircraft impairment expense	(338)	-	-	(8)	-
Reorganisation costs	(140)	-	-	-	-
Gain on sale of landing slots	21	-	-	-	-
Settlement of legal claim	-	-	-	(11)	(57)
Virgin Australia divestment	-	-	-	22	(86)
	(541)	(5)	(57)	23	(118)



Historical Summary of Financial Position as at 30 June

	2020 \$M	2019 \$M	2018 \$M	2017 \$M	2016 \$M
Current Assets					
Bank and short-term deposits	438	1,055	1,343	1,369	1,594
Other current assets	571	749	910	518	745
Total Current Assets	1,009	1,804	2,253	1,887	2,339
Non-Current Assets					
Property, plant and equipment	3,336	5,133	4,892	4,650	4,361
Other non-current assets	3,198	684	558	539	427
Total Non-Current Assets	6,534	5,817	5,450	5,189	4,788
Total Assets	7,543	7,621	7,703	7,076	7,127
Current Liabilities					
Debt ¹	513	307	431	317	464
Other current liabilities	1,589	2,359	2,265	2,088	2,007
Total Current Liabilities	2,102	2,666	2,696	2,405	2,471
Non-Current Liabilities					
Debt ¹	3,188	2,290	2,303	2,197	2,103
Other non-current liabilities	935	673	631	556	534
Total Non-Current Liabilities	4,123	2,963	2,934	2,753	2,637
Total Liabilities	6,225	5,629	5,630	5,158	5,108
Net Assets	1,318	1,992	2,073	1,918	2,019
Total Equity	1,318	1,992	2,073	1,918	2,019

1 Debt is comprised of secured borrowings, bonds, finance lease liabilities and lease liabilities.

Certain comparatives within the five year statistical review have been reclassified for comparative purposes, to ensure consistency with the current year. Following the International Financial Reporting Interpretations Committee issuing a new interpretation in September 2019 of the principles of IFRS 9 - Financial Instruments certain fair value hedges of underlying United States Dollar aircraft values previously undertaken by the Group are no longer permitted. The interpretation has been applied retrospectively and comparatives restated accordingly.

Historical Summary of Cash Flows for the year to 30 June

	2020 \$M	2019 \$M	2018 \$M	2017 \$M	2016 \$M
Cash flow from operating activities	230	986	1,031	904	1,074
Cash flow from investing activities	(542)	(883)	(778)	(616)	(797)
Cash flow from financing activities	(305)	(391)	(279)	(513)	(4)
(Decrease)/Increase in cash holding	(617)	(288)	(26)	(225)	273
Total Cash and Cash Equivalents	438	1,055	1,343	1,369	1,594



Historical Summary of Debt as at 30 June

	2020 \$M	2019 \$M	2018 \$M	2017 \$M	2016 \$M
Debt	1,413	1,459	1,563	1,243	930
Secured borrowings	50	50	50	50	150
Unsecured bonds	-	1,088	1,121	1,221	1,487
Finance lease liabilities	2,238	-	-	-	-
Lease liabilities					
	3,701	2,597	2,734	2,514	2,567
Bank and short-term deposits	438	1,055	1,343	1,369	1,594
Net open derivatives held in relation to interest-bearing liabilities and lease liabilities ¹	(37)	7	42	(32)	(17)
Interest-bearing assets (included within Other assets)	334	264	182	164	288
Net Debt	2,966	1,271	1,167	1,013	702
Net aircraft operating lease commitments ²	-	1,246	1,232	1,120	1,288
Net Debt (including off Balance Sheet)	2,966	2,517	2,399	2,133	1,990

1 Unrealised gains/losses on open debt derivatives

2 Net aircraft operating lease commitments for the next twelve months, multiplied by a factor of seven (excluding short-term leases in 2018 and 2019), which provide cover for Boeing 787-9 engine issues)

Certain comparatives within the five year statistical review have been reclassified for comparative purposes, to ensure consistency with the current year. Following the International Financial Reporting Interpretations Committee issuing a new interpretation in September 2019 of the principles of IFRS 9 - Financial Instruments certain fair value hedges of underlying United States Dollar aircraft values previously undertaken by the Group are no longer permitted. The interpretation has been applied retrospectively and comparatives restated accordingly. The Group adopted NZ IFRS 16 - Leases on 1 July 2019. In accordance with the transition provisions of NZ IFRS 16, comparatives have not been restated. NZ IFRS 15 - Revenue from Contracts with Customers was adopted on 1 July 2018 with comparatives being restated for the 2018 financial year in respect of the adopted standard.

11. Other information

Company history

April 1940	Tasman Empire Airways Limited (TEAL) incorporated
April 1965	TEAL renamed Air New Zealand Limited
April 1978	Air New Zealand and National Airways Corporation (NAC) merge
April 1989	New Zealand Government privatises Air New Zealand
October 1989	Air New Zealand listed on the New Zealand Stock Exchange (NZX)
October 1996	Air New Zealand acquires 50 percent of Ansett Australia
March 1999	Air New Zealand becomes a member of the Star Alliance group
June 2000	Air New Zealand acquires remaining 50 percent of Ansett Australia
September 2001	Ansett Australia placed into voluntary administration due to downturn
January 2002	Air New Zealand recapitalised by New Zealand Government for \$885m resulting in 82 percent government ownership
March 2011 – May 2014	Air New Zealand purchased shares in Virgin Australia taking ownership to 25.9 percent as at 30 June 2015
July 2011	Revenue share alliance with Virgin Australia commenced
January 2013	Revenue share alliance with Cathay Pacific commenced
November 2013	New Zealand Government sells down its holding to 52 percent
January 2015	Revenue share alliance with Singapore Airlines commenced
December 2015	Revenue share alliance with Air China commenced
June 2016	Air New Zealand sells 19.98 percent of its stake in Virgin Australia, reducing total stake to 2.5 percent
July 2016	Revenue share alliance with United Airlines commenced
October 2016	Air New Zealand sells remaining stake in Virgin Australia
October 2018	Air New Zealand and Virgin Australia end trans-Tasman alliance
	Re-authorisation of joint venture alliance with Singapore Airlines for a further five years to 2024
May 2019	Air New Zealand announces commitment to purchase eight Boeing 787 Dreamliner aircraft powered by GE Aviation's GENx-1B engines
August 2019	Re-authorisation of joint venture alliance with Cathay Pacific for a further five years to 2024
March 2020	Air New Zealand announces it has entered into a debt funding agreement with the New Zealand Government. Under the terms of the agreement the Government will provide a standby loan facility of up to \$900 million to support the airline as it manages the unprecedented impact of the Covid-19 pandemic on its business



Glossary of key terms

Available Seat Kilometres (ASKs)	Number of seats operated multiplied by the distance flown (capacity)
Cost/ASK (CASK)	Operating expenses divided by the total ASK for the period
Gearing	Net Debt/(Net Debt + Equity); Net Debt includes capitalised aircraft operating lease commitments up to 30 June 2019
Earnings before interest, tax, depreciation and amortisation (EBITDA)	Operating earnings (before depreciation and amortisation, rental and lease expenses, net finance costs, associate earnings, other significant items and taxation) plus finance income and cash dividends received from associates less foreign exchange gains
Net Debt	Interest-bearing liabilities, lease liabilities less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities and lease liabilities, and interest-bearing assets, plus, for periods up to 30 June 2019, net aircraft operating lease commitments for the next twelve months multiplied by a factor of seven (excluding short-term leases, which provide cover for Boeing 787-9 engine issues)
Cash, restricted deposits and net open derivatives	Bank and short-term deposits, interest-bearing assets and net open derivatives held in relation to interest-bearing liabilities and lease liabilities
Passenger Load Factor	RPKs as a percentage of ASKs
Passenger Revenue/ASK (RASK)	Passenger revenue for the period divided by the total ASK for the period
Revenue Passenger Kilometres (RPKs)	Number of revenue passengers carried multiplied by the distance flown (demand)
Other significant items	Other significant items are items of revenue or expenditure which due to their size and nature warrants separate disclosure to assist with the understanding of the financial performance of the Group. Other significant items is reported within the Group's audited annual financial statements

The following non-GAAP measures are not audited: CASK, Gearing, Net Debt, Gross Debt, EBITDA and RASK. Amounts used within the calculations are derived from the audited Group financial statements and Five Year Statistical Review contained in the 2020 Annual Financial Results. The non-GAAP measures are used by management and the Board of Directors to assess the underlying financial performance of the Group in order to make decisions around the allocation of resources.

Expenditure classifications

Labour	All salaries, wages and employee benefits
Fuel	Fuel including hedging gains/losses
Maintenance	Materials and services
Aircraft operations	Airport dues, aircraft ground handling, line servicing, loading, air navigation and tech crew trip costs
Passenger services	Passenger ground handling, meals, inflight services, cabin crew trip expenses, lounge expenses and security charges
Sales and marketing	Commissions, advertising, promotions, marketing, Airports loyalty programme costs and distribution costs
Other expenses	Safety, IT costs, legal and accounting, insurance, employee relations and property costs

Executive Management team



Greg Foran — Chief Executive Officer

Greg started as Air New Zealand's Chief Executive Officer on 3 February 2020. Prior to this Greg was Chief Executive Officer of Walmart U.S. from 2014 to 2019 after joining Walmart International in 2011 and serving in several capacities, including President and Chief Executive Officer of Walmart China. Prior to joining Walmart International he held several senior positions with Woolworths Group.

Greg has attended Advanced Management Programs at Harvard University and the University of Virginia. He also holds a Diploma in Management from the New Zealand Institute of Management.



Jeff McDowall — Chief Financial Officer (resigned October 2020)

Jeff joined Air New Zealand in 2000 and was appointed Chief Financial Officer in January 2018. Prior to this position he held a range of senior commercial and finance roles within Air New Zealand. Jeff has worked in a variety of businesses during his career, including as a management consultant with PwC in New Zealand, Singapore and the United States, and at Mobil Oil in New Zealand and the United Kingdom.

Jeff has a Bachelor of Commerce and Administration from Victoria University, is a member of Chartered Accountants Australia and New Zealand and a certified member of the Institute of Finance Professionals NZ.

Jeff announced his resignation in October 2020 and will leave the airline toward the middle of 2021.



Leanne Geraghty — Chief Customer and Sales Officer

Leanne joined the airline in 2004 and was appointed Chief Customer and Sales Officer in 2020. In this role she oversees the sales, brand, marketing, customer and cargo functions.

During her time with Air New Zealand, Leanne has held a number of senior commercial and sales positions in both Australia and New Zealand, most recently as Group General Manager Airports.

Leanne holds a Bachelor of Economics and Finance from the University of New South Wales and has studied International Business management at IMD in Switzerland and Marketing at the Australian Institute of Marketing.



Carrie Hurihanganui — Chief Operating Officer

Carrie was appointed as Chief Ground Operations Officer in 2018. She is responsible for our Airports, Engineering & Maintenance, Properties & Infrastructure, Supply Chain and Airline Operations teams. She has deep strategic and operational experience through her 18 years at Air New Zealand in numerous senior roles.

Carrie left the airline in 2017 to join National Australia Bank (NAB) based in Melbourne as Executive General Manager Customer Experience before returning in 2016 to her current role. She has a Bachelor of Business Studies from Massey University.



Jennifer Sepull — Chief Digital Officer

Jennifer joined Air New Zealand in 2019 as Chief Digital Officer. Jennifer has more than 25 years of experience working in senior leadership roles at a range of organisations including Kimberly-Clark, Honda Motor Corporation and IBM.

Jennifer has a law degree from Chapman University School of Law in California. She also attended Cambridge University in England with a focus on international legal and technology business studies and received certification from Harvard University for advanced cybersecurity management.



David Morgan — Chief Operational Integrity and Safety Officer

David joined Air New Zealand in 1985 after a career in general aviation and subsequently joined the Flight Operations management team in 1996. David has held various senior operational management positions and was appointed to the Executive in 2008. In his current role David is responsible for the essential core airline activity of operational integrity and safety, regulatory accountability, flight operations policy, security and emergency management.



Joe McCollum — Chief People Officer

Joe joined Air New Zealand in April 2020 as Chief People Officer and is responsible for developing and executing the airline's people and culture strategy. He has more than 30 years' experience both in New Zealand and globally, leading companies through transformational HR initiatives and programmes.

Prior to joining Air New Zealand, Joe led the HR function at Spark New Zealand for more than seven years.

Joe has an MSc in Business Studies from Columbia University.

Board of Directors



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 Limited. She is also a Director of ASB Bank Limited, and Contact Energy Limited, a Board member of Antarctica NZ and Pro Chancellor of Victoria University. Previously she was the Head of New Zealand for the ICC Cricket World Cup 2015, 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 the New Zealand Institute of Chartered Accountants 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 and a director of AIG Insurance New Zealand Limited, Meridian Energy Limited and World Sailing. Ms Dawson is a member of the University of Auckland Council, 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 the New Zealand Institute of Chartered Accountants, a Fellow of the Institute of Directors in New Zealand, a Paul Harris Fellow and a North Shore Business Hall of Fame Laureate (2010).



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 (Freightways) where he held a number of senior leadership and Executive roles, including most recently as Managing Director from 1999 to 2017. During his over 30-year career at Freightways he led the business through its successful initial public offering in 2003 and as it diversified its business and extended its geographical footprint into Australia. Mr Bracewell is a Director of Tainui Group Holdings Limited, Property for Industry Limited and the Halberg Foundation. He is also a member of the Government's Future of Rail Steering Group and 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 Ngāhi Maniapoto and Ngāi Te Rangī descent.



Laurissa Cooney BMS (Hons), FCA, CMInstD

Independent Non-Executive Director – Appointed 1 October 2019

Ms Cooney is a Fellow of the New Zealand Institute of Chartered Accountants, and a Chartered Member of the Institute of Directors in New Zealand. She has previously held senior roles with Deloitte in New Zealand and Deloitte Touche in London and was the Chief Financial Officer for Te Whare Wānanga o Awanuiārangī. Ms Cooney currently serves as the Chair of Tourism Bay of Plenty, and is an Independent Non-Executive Director for AWW Madison Group and a Trustee on the Charitable Investment Trust for Ngāi Tai ki Tamaki. She also holds a role as an independent director on the Audit & Risk board of Ngāi Tangata 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 Ahi Hau Nui a Pāpā Rangī (Whanganui) descent.



12. Investor resources



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.



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

Independent Non-Executive Director – Appointed 1 April 2013

Mr Jager was formally Chairman and Vice President of the Shell Companies in New Zealand and more recently the Vice President of Shell Australia's Prelude Floating LNG and wider East Browse assets offshore of Western Australia. Mr Jager spent a career spanning more than 40 years within Shell working in a variety of engineering, project development, operations and asset management, executive management and governance roles in New Zealand and overseas. 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 a Director for National Science Challenge – Sustainable Seas – Project and an advisor to a major conservation project working towards the ecological restoration of New Zealand's iconic Mount Taranaki.



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 (JXT.AX) and Unicef Aotearoa NZ. She is a director of the Eclipz Group (ECK.AX) 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, working with high-growth companies. 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. He joined Fonterra in 2009 from US-based chemicals company Cabot Corporation where he was Executive Vice-President and Chief Financial Officer. Prior to this he was employed as the Chief Financial Officer at forest products company Carter Holt Harvey Limited and also served in senior financial management positions at US based International Paper. 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.

Investor Centre	airnewzealand.co.nz/investor-centre
Monthly traffic updates	airnewzealand.co.nz/monthly-operating-data
Quarterly fuel hedging disclosure	airnewzealand.co.nz/fuel-hedging-announcements
Corporate Governance	airnewzealand.co.nz/corporate-governance
Sustainability	airnewzealand.co.nz/sustainability
Contact information	
Email	investor@airnz.co.nz
Share register	enquiries@linkmarketservices.co.nz



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