

**ANNUAL
DATA BOOK**
2019



Kia ora



Notes

Air New Zealand flew to Ho Chi Minh City up until October 2018.

Air New Zealand will operate the Christchurch to Singapore route from 1 December 2019 to 22 February 2020. Singapore Airlines has been operating this seasonal service three times a week, in addition to its daily service.

Air New Zealand will commence services direct to New York from October 2020. At the same time, the airline will withdraw from its Los Angeles to London route.

Key

- Routes operated by Air New Zealand
- Routes operated solely by alliance partners
- - - Routes commencing in the 2020 financial year
- Routes commencing in the 2021 financial year



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1. Introduction to 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 to almost 18 million passengers a year. Air New Zealand's strategic focus and competitive advantage lies within the Pacific Rim where the airline's network reach extends from New Zealand into Australia, Asia and the Americas.

With our global alliance partners we are able to connect New Zealand to Europe and beyond, with over 3,500 flights, on average, each week to domestic and international destinations. Air New Zealand's consolidated operating revenue was \$5.8 billion in the 2019 financial year, generated by a fleet of 113 aircraft and over 12,500 employees based globally.

A key contributor to and beneficiary of New Zealand tourism

As the first New Zealand experience for many overseas travellers, Air New Zealand is an integral part of the New Zealand tourism industry. Similarly, tourism is an important driver of Air New Zealand's performance as the airline generates a significant portion of its revenue from overseas travellers. Air New Zealand plays an active role in increasing the demand for travel into and around New Zealand through our comprehensive domestic and regional network, through our partnerships with tourism organisations and promoting our national and regional sponsorships both off-shore and within New Zealand. Tourism continues to be New Zealand's top export earner. Tourism contributes 20.6 percent of New Zealand's total exports of goods and services, employs 8.0 percent of New Zealand's workforce and makes a total contribution to New Zealand GDP of \$27.0 billion (\$15.9 billion direct contribution and \$11.1 billion indirect value-add of industries supporting tourism).¹

An award-winning airline

Air New Zealand is proud of our fleet, our brand and our Kiwi customer service culture. These all contribute to Air New Zealand being an award-winning airline, with the following select accolades received as recent examples.

2019 Colmar Brunton Corporate Reputation Index

- Most reputable company in New Zealand

2019 Reputation Institute's Australian Corporate Reputation Index

- Most reputable company in Australia

2019 ATW Airline awards

- Eco-Airline of the Year
- Passenger Experience Achievement Award - Skycouch™ infant pod

2020 Airline Passenger Experience Association (APEX) Awards

- Best Product or Service award – Economy Skycouch™

2019 New Zealand Workplace Health and Safety Awards

- Best overall contribution to improving workplace health and safety in New Zealand
- Best initiative to encourage worker involvement in health and safety

2019 www.airlinerratings.com airline awards:

- Best Premium Economy for the third consecutive year
- Best Long-Haul airline in the Pacific

TripAdvisor's Travellers' Choice Awards for 2019:

- Best Business Class in the South Pacific
- Best Premium Economy Class in the South Pacific and the world
- Best Economy Class in the South Pacific

2019 New Zealand Tourism awards

- Winner of Tourism Sustainability Business Excellence award for businesses with more than \$6m annual turnover.

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**

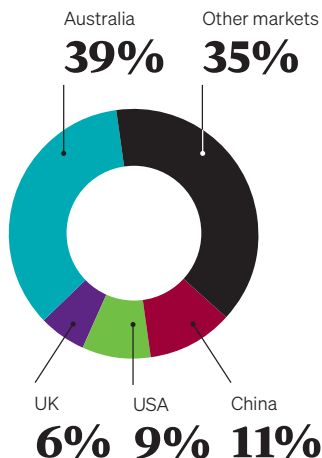
ASX Ticker code: **AIZ**

ADR OTC Ticker code: **ANZLY**

International visitor arrivals



Top markets for international visitors to New Zealand for year ended 30 June 2019



**THE NEW ZEALAND
TOURISM AWARDS
2019**



¹ Tourism Satellite Account, March 2018.

In November 2019, Air New Zealand was named '2020 Airline of the Year' by AirlineRatings.com. This means that Air New Zealand has now received the top honour in AirlineRatings.com's Airline Excellence Award for the sixth year in a row.

2. Competitive advantages

Our competitive advantages provide us with a simple and proven strategy for success.



Resilient core domestic business

Our domestic network is unmatched, offering services to 20 main centers 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 are further stimulating travel within New Zealand from both international and domestic tourism.



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.



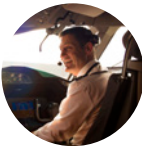
Airpoints™ loyalty programme

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 3.2 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 7.1 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

We have a proven history of achieving profitability through the cycle as Air New Zealand has delivered positive earnings every year 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.

3. 2019 highlights

190,000+

flights operated

~17.7m

passengers carried

No.1 employer

top rated in New Zealand

2019 Randstad Employer Brand research

**Eco-Airline
of the Year**

2019 Air Transport
World Airline Industry Awards

**No.1 corporate
reputation**

in New Zealand
and Australia

Colmar Brunton
Corporate Reputation Index 2019

Reputation Institute
Corporate Reputation Index 2019

60,000+

tonnes of CO₂-e offset

~3.2m

Airpoints™ members;
up 11% from 2018

968,123

flights paid for by Airpoints
Dollars™ during the year

**Gender,
Accessibility &
Rainbow Tick**

accreditations achieved

44%

of women in senior
leadership positions;
up from 16% in 2013

A smiling Air New Zealand cabin crew member in a black uniform and a purple and pink patterned scarf is the background for the text. She is looking towards the camera.

\$5.8b

Operating revenue

\$986m

Operating cash flow

\$374m

Earnings before taxation

22 cents

Full year declared dividend
per share

4. Sustainability



Air New Zealand has an important part to play in our country's long-term success. We are committed to sustainably growing our business and supercharging New Zealand's success – socially, environmentally and economically.

On an annual basis, Air New Zealand releases a Sustainability Report which discusses our performance and our longer-term aspirations. For more information, our 2019 Sustainability Report can be accessed online at airnewzealand.co.nz/sustainability

Our 2030 Sustainability Goals

Manaakitanga
Our People

Air New Zealanders

Our Communities



Air New Zealanders:

Air New Zealand is a global benchmark organisation for its employee engagement, grounded in its distinct employee experience that ensures safety and fosters high performance, innovation, community involvement, diversity and inclusion.



Our Communities:

Air New Zealand is recognised as the most influential exponent of strategic community investment in New Zealand, helping build cohesive, resilient and sustainable communities across the country.

Kaitiakitanga
Our Place

Carbon

Nature and Science



Carbon:

Air New Zealand has stabilised emissions through carbon neutral growth post 2020, in a way that simultaneously drives significant environmental, social and economic benefits.



Nature and Science:

Air New Zealand has enabled world-leading conservation and climate science, engaging in long-term strategic partnerships to help protect New Zealand's precious natural capital.

Ōhanga Ora
Our Economy

Tourism

Trade and Enterprise



Tourism:

Air New Zealand has played a pivotal role in the New Zealand tourism sector delivering economic prosperity while enhancing natural and cultural resources and providing outstanding experiences for visitors and New Zealanders alike.



Trade and Enterprise:

Air New Zealand has enabled the distribution and promotion of sustainable products and services around the globe, and has developed a world-class supply chain to support sustainable New Zealand businesses of all sizes.

Our carbon strategy

Air New Zealand continues to support the aviation industry target of 1.5 percent annual average fuel efficiency improvement (2009-2020); carbon neutral growth from 2020; and halving 2005 emissions by 2050.

At Air New Zealand we believe that aviation fuel efficiency is the most significant way in which we can currently reduce our carbon footprint. The airline has made significant progress in this area, achieving an average annual reduction of 2.0 percent since the baseline year of 2009. This year our average aviation fuel efficiency declined (down 1.1 percent compared to 2018) as 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. To provide operational surety and schedule resilience, the airline leased three 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.

One of the ways in which Air New Zealand can reduce carbon emissions is by operating a modern, fuel efficient fleet. Our investment in this area continues to improve fuel efficiency with fuel consumption up 1.8 percent compared to a 4.0 percent increase in capacity.

In the 2019 financial year, the airline announced a commitment to purchase seven additional Airbus A321 NEO aircraft for our domestic network. Equipped with new generation engines and approximately 25 percent more seats, the A321 NEOs are expected to deliver fuel savings and efficiencies of up to 15 percent compared to the airline's existing A320 domestic aircraft, helping to reduce carbon emissions. This year Air New Zealand also took delivery of the first eight of its existing order of 13 A320X321 NEO aircraft which form part of the airline's replacement of the international narrowbody fleet and will be deployed on the trans-Tasman and Pacific Islands networks.

In May 2019 the airline also announced its commitment to purchase eight Boeing 787-10 Dreamliner aircraft powered by GE Aviation's GEnx-1B engines. The first of these highly fuel-efficient aircraft will join our fleet in the 2023 financial year and will replace our fleet of eight Boeing 777-200 aircraft, which will be phased out

by the middle of the next decade. These aircraft are expected to be up to 25 percent more fuel efficient than the Boeing 777-200 aircraft and have the potential to save 190,000 tonnes of CO₂-e emissions per year.

In addition to our investment in fleet, we continue to implement other fuel efficiency initiatives. Last financial year we implemented more efficient departure climb profiles on our Boeing 777 and Boeing 787-9 aircraft. This year we have focused on approach-path efficiencies and in December 2018, we implemented new approach paths into Christchurch across our jet fleet to reduce the distance flown, allowing for continuous low-powered descents and lower fuel requirements for our planes. We are currently trialing similar approaches into Wellington. We have also focused on removing further unnecessary weight from our domestic jet aircraft, and have saved nearly 200 tonnes of fuel and 622 tonnes of CO₂-e.

Air New Zealand participates in the New Zealand Emissions Trading Scheme for domestic emissions. From 1 January 2019 this year, Air New Zealand has an obligation under the scheme to purchase and surrender emission units for 100 percent of its domestic emissions.

We are supportive of, and have submitted on, the Government's Zero Carbon Bill. We want to see the Government work in partnership with sectors that have limited emissions reduction options to explore complementary policy measures that could support lower-emission investments and industry innovation.

In March 2019 Air New Zealand entered into a limited liability partnership with Contact Energy, Genesis Energy and Z Energy to form Drylandcarbon One Limited Partnership (Drylandcarbon), which will see the four companies invest in the establishment of a geographically diversified forest portfolio to sequester carbon and deliver New Zealand Units (NZUs). Drylandcarbon is specifically targeting marginal, unproductive and often erosion prone land for conversion to sustainable forestry for carbon farming.

For emissions in international airspace, Air New Zealand participates in the Carbon Offset and Reduction Scheme for International Aviation (CORSIA). Governed by the International Civil Aviation Organization, CORSIA sets the global framework to measure, report and cancel offset units for international aviation emissions. The monitoring phase commenced this year and requires the airline to report emissions from international aviation. Along with other global participants we will begin to offset emissions associated with growth beyond 2020.

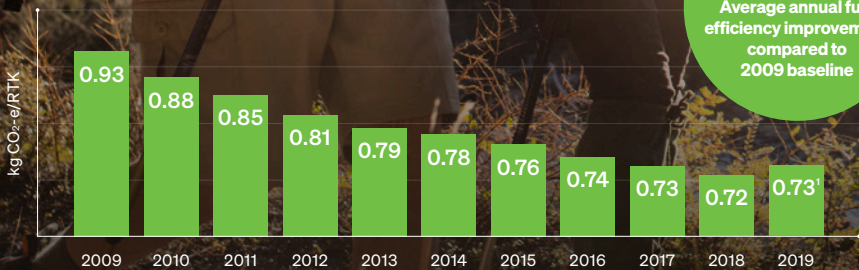
With growing awareness of the effects of climate change, we know many of our customers are committed to living in a more sustainable way. This year we continue to encourage and enable our customers to voluntarily offset the carbon emissions from their air travel, via FlyNeutral, our customer carbon offsetting 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.

Since integrating the offsetting functionality into our bookings system and introducing this on our US, United Kingdom, Canadian and Australian websites this year, we have seen an improved uptake rate — from less than 100 bookings a month to more than 15,000 journeys per month. In the past year, retail customers partially or fully offset more than 183,600 journeys, up from just over 130,200 last year, and we have seen a rise in the number of corporate and government customers joining FlyNeutral. Air New Zealand also offsets all carbon dioxide emissions associated with our employees travelling around our network for work, which this year amounted to more than 11,500 tonnes of CO₂-e reduced or removed from the atmosphere.

For more information on this and our other sustainability initiatives, please refer to Air New Zealand's Sustainability Report 2019 at airnewzealand.co.nz/sustainability

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.

Fuel efficiency: CO₂-e per Revenue Tonne Kilometre (RTK)*



2.0%
Average annual fuel
efficiency improvement
compared to
2009 baseline

*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.

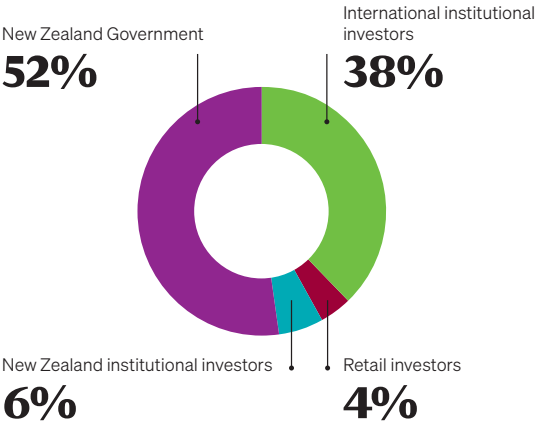
1. In 2019, up to four of our most fuel-efficient aircraft, the Boeing 787-9 Dreamliner, were unavailable for use due to the global Rolls-Royce Trent 1000 engine issues. Air New Zealand leased two Boeing 777-200 and one Boeing 777-300 aircraft which, depending on flight route and duration, typically used 20 to 26 percent more fuel than the Dreamliner, resulting in the decline in fuel efficiency this year.

5. Shareholding structure and performance

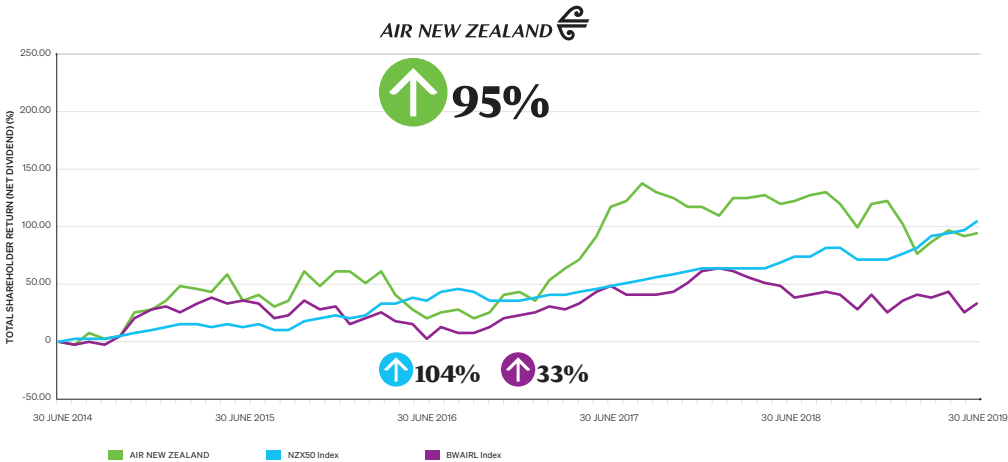
Air New Zealand is listed on the New Zealand Stock Exchange (NZX) with the ticker symbol AIR.NZ and on the Australian Securities Exchange (ASX) with the ticker symbol AIZ.AX. In 2017, Air New Zealand launched a sponsored Level 1 American Depositary Receipt (ADR) programme. Air New Zealand's American 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 2019. The New Zealand Government is the majority shareholder with 582,854,593 shares, or 52% of total issued capital. The remaining shares are held by New Zealand institutional and retail investors and institutional shareholders primarily in the United States, Australia, Asia and the United Kingdom. Air New Zealand has a robust average daily trading volume of approximately 1.0 million shares.

Share register (as at 30 June 2019)



5 year total shareholder return (net dividend)
Air New Zealand vs NZX50 vs Bloomberg World Airline Index

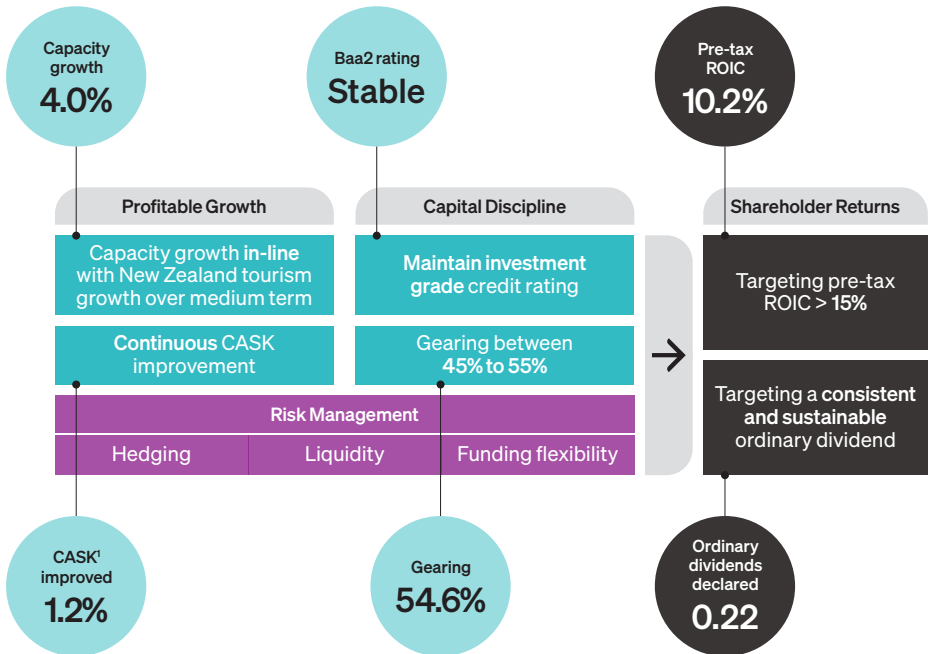


As part of our financial framework, we have a target to consistently pay a sustainable level of ordinary dividend as well as growth in share price to provide a combined Total Shareholder Return. Due to market fluctuations,

we monitor Total Shareholder Returns over a five-year period including the change in share price and dividends received (assuming dividends are reinvested in shares on the ex-dividend date).

6. Financial framework and our 2019 performance

Air New Zealand utilises a financial framework that is focused on profitable growth while maintaining capital discipline. The ultimate target is to provide sustainable and strong shareholder returns over the long-term.



¹ Excluding fuel price movement, foreign exchange, temporary impact from global Rolls Royce engine issues and third party maintenance.

7. 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 the United Kingdom.

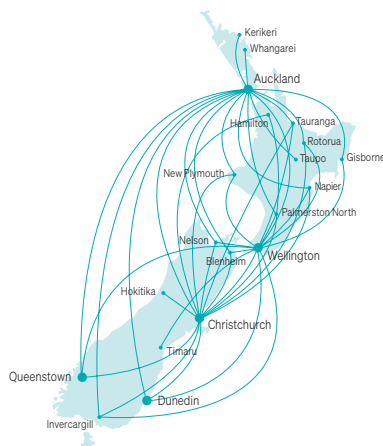
Five year key operating statistics

GROUP	JUNE 2019		JUNE 2018		JUNE 2017		JUNE 2016		JUNE 2015	
Passengers carried ('000s)	17,738	4.5%	16,966	6.4%	15,952	5.2%	15,161	6.0%	14,297	4.2%
Available Seat Kilometres (ASKs, millions)	46,029	4.0%	44,274	5.0%	42,169	6.3%	39,684	11.5%	35,601	6.6%
Revenue Passenger Kilometres (RPKs, millions)	38,573	5.2%	36,662	5.3%	34,814	4.8%	33,223	11.0%	29,934	6.6%
Load Factor	83.8%	1.0 pt	82.8%	0.2 pts	82.6%	(1.1 pts)	83.7%	(0.4 pts)	84.1%	-
Revenue per Available Seat Kilometres (RASK, cents)	10.8	1.6%	10.6	1.8%	10.4	(8.1%)	11.3	(2.3%)	11.6	0.2%

New Zealand domestic and regional

Air New Zealand operates one of the most comprehensive domestic and regional networks in the world with over 400 flights every day to 20 New Zealand destinations. Our 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 (as at 30 June 2019).

Our turboprop network across the regional centres of New Zealand is operated by a fleet of 52 turboprops (as at 30 June 2019) including ATRs and Q300s.



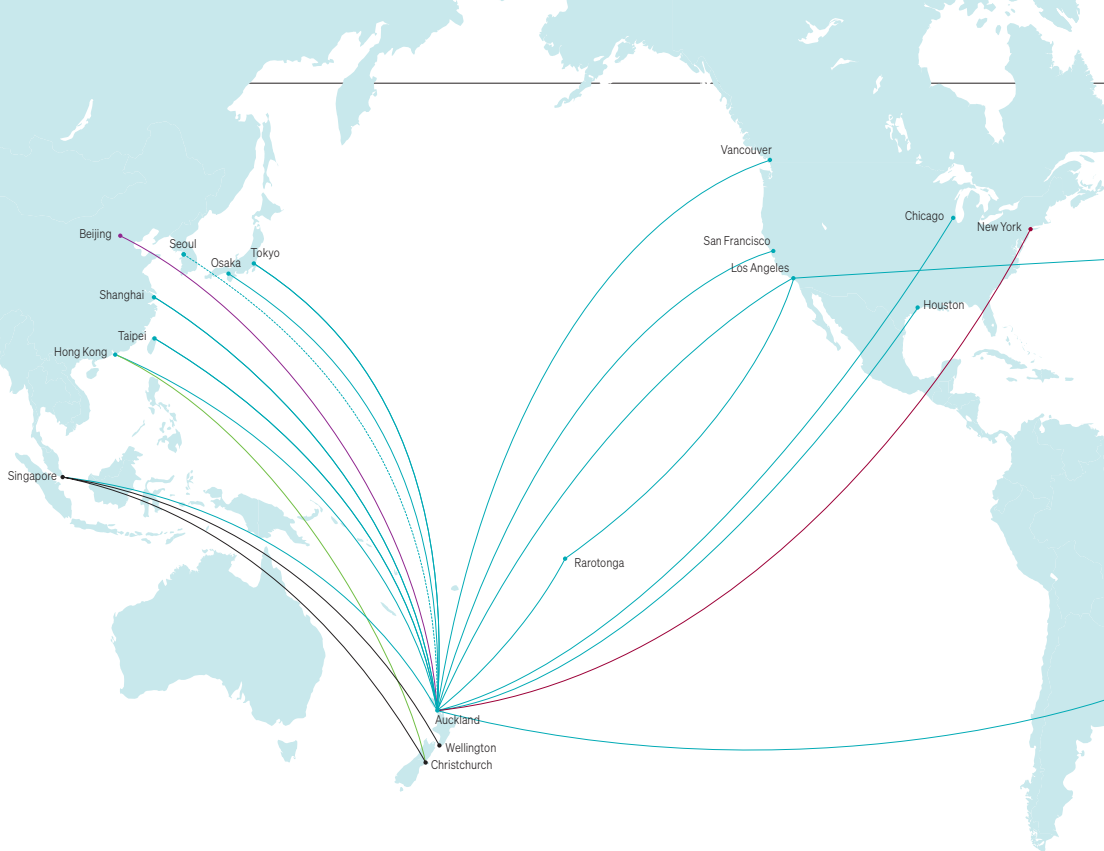
DOMESTIC AND REGIONAL	JUNE 2019		JUNE 2018		JUNE 2017		JUNE 2016		JUNE 2015	
Passengers carried ('000s)	11,513	3.8%	11,089	6.8%	10,379	6.7%	9,725	5.2%	9,246	3.7%
Available Seat Kilometres (ASKs, millions)	7,104	2.9%	6,905	4.7%	6,597	8.8%	6,065	8.5%	5,592	3.8%
Revenue Passenger Kilometres (RPKs, millions)	5,957	4.1%	5,719	7.7%	5,311	8.7%	4,887	7.2%	4,561	4.4%
Load Factor	83.9%	1.1 pts	82.8%	2.3 pts	80.5%	(0.1 pt)	80.6%	(1.0 pt)	81.6%	0.5 pt
Revenue per Available Seat Kilometres (RASK, cents)	22.5	2.1%	22.0	3.6%	21.2	(2.9%)	21.8	(6.5%)	23.4	3.1%



Tasman and Pacific Islands

Air New Zealand operates an expansive network to Australia and the Pacific Islands, with over 44 flights every day to/from eight destinations in Australia and 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 2019		JUNE 2018		JUNE 2017		JUNE 2016		JUNE 2015	
Passengers carried ('000s)	4,044	6.5%	3,798	6.7%	3,561	1.6%	3,507	3.5%	3,388	3.4%
Available Seat Kilometres (ASKs, millions)	13,640	5.2%	12,963	7.7%	12,039	5.3%	11,438	5.1%	10,888	2.5%
Revenue Passenger Kilometres (RPKs, millions)	11,195	5.8%	10,584	8.2%	9,784	2.6%	9,532	3.8%	9,184	3.7%
Load Factor	82.1%	0.5 pts	81.6%	0.3 pts	81.3% (2.0 pts)		83.3% (1.1 pts)		84.4%	1.0 pt
Revenue per Available Seat Kilometres (RASK, cents)	9.6	(0.1%)	9.6	4.5%	9.2	(7.1%)	9.9	(1.1%)	10.0	2.7%



International long-haul

New Zealand is the centre of the Pacific Rim and accordingly Air New Zealand operates a strong network within this region. The airline's fleet of Boeing 777-200s, Boeing 777-300s and Boeing 787-9s, along with a network of revenue share partnerships with other airlines, provides 33 direct flights every day to 14 international long-haul destinations (outside Australia and the Pacific Islands).

Key

- Operated by Air New Zealand
- Operated by Air China
- Operated by Singapore Airlines; Singapore–Wellington operated via Melbourne
- Operated by Cathay Pacific
- - - Routes commencing in the 2020 financial year
- Routes commencing in the 2021 financial year

Notes

Air New Zealand flew to Ho Chi Minh City up until October 2018.

Air New Zealand will commence services direct to New York from October 2020. At the same time, the airline will withdraw from its Los Angeles to London route.

Air New Zealand will operate the Christchurch to Singapore route from 1 December 2019 to 22 February 2020.

INTERNATIONAL LONG-HAUL	JUNE 2019		JUNE 2018		JUNE 2017		JUNE 2016		JUNE 2015	
Passengers carried ('000s)	2,181	4.9%	2,079	3.3%	2,012	4.3%	1,929	16.0%	1,663	9.3%
Available Seat Kilometres (ASKs, millions)	25,285	3.6%	24,406	3.7%	23,533	6.1%	22,181	16.0%	19,121	10.0%
Revenue Passenger Kilometres (RPKs, millions)	21,421	5.2%	20,359	3.3%	19,719	4.9%	18,804	16.2%	16,189	9.0%
Load Factor	84.7%	1.3 pts	83.4%	(0.4pts)	83.8%	(1.0 pt)	84.8%	0.1 pt	84.7%	(0.7 pts)
Revenue per Available Seat Kilometres (RASK, cents)	8.1	2.7%	7.9	(1.2%)	7.9	(12.9%)	9.1	1.6%	9.0	(2.1%)

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 35 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 code share and interline relationships with other carriers into specific markets, including Aerolíneas Argentinas, 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.

Revenue share alliance partners



Code share partners



¹ Effective 28 October 2018.

8. 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.

In the 2019 financial year, Air New Zealand announced the purchase of seven additional Airbus A321 NEO aircraft, with phased delivery expected from the 2021 to 2024 financial years. These aircraft will be deployed on high demand routes to support domestic growth. Equipped with new generation engines and approximately 25 percent more seats, the A321 NEOs are expected to deliver fuel savings and efficiencies of up to 15 percent compared to the existing A320 domestic aircraft, helping to reduce carbon emissions.

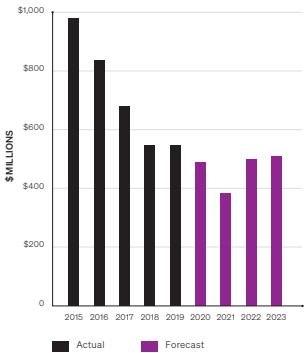
Air New Zealand took delivery of A320/A321 NEO aircraft this year which forms part of the airline's replacement of its international narrowbody fleet. Air New Zealand is the first airline to operate the Airbus NEO in Australasia. These aircraft provide growth and cost benefits for the Tasman and Pacific Islands network. Two Boeing 787-9 aircraft with increased premium cabin space and next generation Rolls-Royce TEN engines also joined the fleet during the year.

In May 2019 Air New Zealand announced capital expenditure for eight Boeing 787-10 Dreamliner aircraft powered by GE Aviation's GEnx-1B engines. The first of these highly fuel-efficient aircraft will join the Air New Zealand fleet in 2022 and have the potential to save 190,000 tonnes of carbon per year. The airline also has the option to increase the number of aircraft and has substitution rights that allow a switch from the larger Boeing 787-10 aircraft to smaller Boeing 787-9s, or a combination of the two models. The delivery schedule can also be delayed or accelerated according to market demand.

These new long-haul aircraft will replace Air New Zealand's fleet of eight Boeing 777-200 aircraft, which will be phased out by 2025. Combined with GE Aviation's GEnx-1B engines, the Boeing 787-10s are expected to be 25 percent more fuel efficient than the aircraft they are replacing.

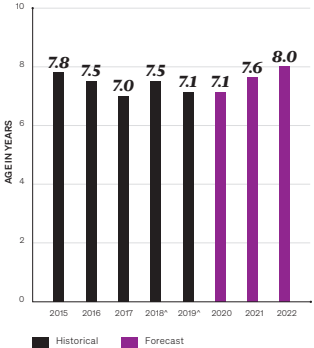
Actual and forecast aircraft capital expenditure

-\$ millions



Aircraft fleet age in years

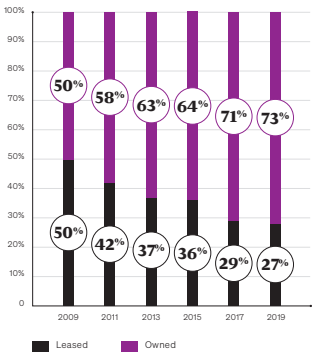
- seat weighted



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

Historic trend of fleet ownership

- seat weighted



AIRCRAFT DELIVERY SCHEDULE (AS AT 30 JUNE 2019)	NUMBER IN EXISTING FLEET	NUMBER ON ORDER	DELIVERY DATES (FINANCIAL YEAR)			
			2020	2021	2022	2023
Owned fleet on order						
Boeing 787-10	-	1*	-	-	-	1
Airbus A320/A321 NEOs	4	9*	2	3	4	-
ATR72-600	22	7	6	1	-	-
Operating leased aircraft						
Boeing 787-9	1	1	1	-	-	-
Airbus A320/A321 NEOs	4	1	1	-	-	-

*Does not reflect two additional A321 NEO aircraft or seven Boeing 787-10 aircraft on order for expected delivery from 2024.

Operating fleet as at 30 June 2019*

Boeing 777-300ER

Number: 7
Average Age: 7.2 years
Maximum Passengers: 342
Cruising Speed: 910 km/hr
Average Daily Utilisation: 14:10 hrs



Boeing 777-200ER

Number: 8
Average Age: 13.2 years
Maximum Passengers: 312
Cruising Speed: 910 km/hr
Average Daily Utilisation: 11:36 hrs



Boeing 787-9 Dreamliner

Number: 13
Average Age: 3.1 years
Maximum Passengers: 302 or 275
Cruising Speed: 910 km/hr
Average Daily Utilisation: 12:26 hrs



Airbus A320/321NEO

Number: 8
Average Age A321: 0.5 years
A320: 0.3 years
Maximum Passengers: A321: 214
A320: 165
Cruising Speed: 850 km/hr
Average Daily Utilisation: A321: 8:59 hrs
A320: 9:38 hrs



Airbus A320CEO

Number: 25
Average Age: 15 years short-haul, or
5.4 years domestic
Maximum Passengers: 168 short-haul, or
171 domestic
Cruising Speed: 850 km/hr
Average Daily Utilisation: 9:23 hrs short-haul, or
8:11 hrs domestic



ATR 72-500 / ATR 72-600

Number: 29
Average Age: 6.8 years
Maximum Passengers: 68
Cruising Speed: 518 km/hr
Average Daily Utilisation: 6:50 hrs



Bombardier Q300

Number: 23
Average Age: 12.4 years
Maximum Passengers: 50
Cruising Speed: 520 km/hr
Average Daily Utilisation: 6:28 hrs



*The fleet statistics do not include short-term leased capacity to cover Boeing 787-9 engine issues.

9. Balance sheet structure and funding

Credit rating

On 3 July 2015 Moody's upgraded Air New Zealand Limited's (AIR NZ) senior unsecured issuer rating to Baa2 from Baa3. The outlook on the rating is stable as at 30 June 2019. This puts Air New Zealand as 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 2019, 93 of Air New Zealand's 113 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 2019, Air New Zealand had total secured bank borrowings of \$1,459 million. Secured borrowings are subject to both fixed and floating interest rates. Fixed interest rates as at 30 June 2019 were 1%.

Finance leases

As at 30 June 2019, Air New Zealand had total finance leases of \$1,088 million. Finance lease liabilities are secured over aircraft and aircraft related assets and are subject to both fixed and floating interest rates. Fixed interest rates as at 30 June 2019 ranged from 0.7% to 3.1%. Purchase options are available on expiry or, if applicable under the lease agreement, on early termination of the finance leases. Finance leases are treated as owned aircraft.

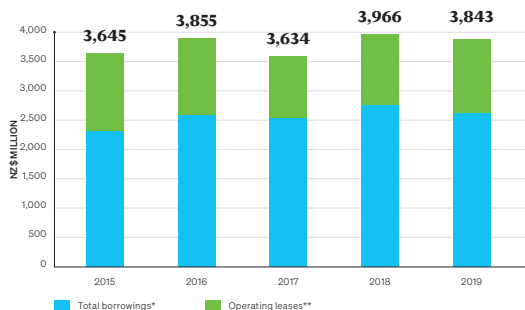
Unsecured borrowings

As at 30 June 2019, 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% payable semi-annually. The bonds are quoted on the NZX Debt Market under the ticker code AIR020.

Gross debt (\$m)

as at 30 June



Operating leases

As at 30 June 2019, 20 of Air New Zealand's 113 aircraft fleet were under operating lease contracts. Payments made under operating leases (net of any incentives received) are recognised as an expense in the Statement of Financial Performance on a straight-line basis over the term of the lease. For the year ended 30 June 2019, Air New Zealand recognised \$183 million of operating lease expenses in relation to aircraft, and as at 30 June 2019, had \$767 million future operating lease commitments in relation to aircraft. 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.

¹Excluding short-term leases which provide cover for Boeing 787-9 engine issues.

*Total borrowings comprise secured borrowings, bonds and finance lease liabilities.

**Operating leases comprise 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).

Gearing¹

When calculating the level of gearing, Net Debt includes secured and unsecured borrowings, finance leases, capitalised aircraft operating leases less interest-bearing assets and unrealised gains/losses on open debt derivatives. As at 30 June 2019, Net Debt (including capitalised aircraft operating leases) was \$2,517 million and gearing (including capitalised aircraft operating leases) was 54.6 percent. Air New Zealand targets a capital structure within the range of 45 percent to 55 percent.

Capital management and Distribution policy

The Air New Zealand Board of Directors (the Board) is committed to a Distribution Policy which ensures the balance sheet and financial policies are managed in a way that support long-term financial resilience and provides a consistently sustainable dividend.

Air New Zealand may have periods of time when excess capital is available to be returned to shareholders. In these circumstances, the Board will assess the appropriate level and mechanism of additional capital returns consistent with the objectives above. Should the financial profile weaken and threaten our capital management targets, a review of capex and/or capital distribution will be undertaken.

Policy guidelines

The following policy guidelines form Air New Zealand's Distribution Policy:

- Air New Zealand will seek to maintain an investment grade credit rating.
- Target gearing range to be within a range of 45 percent to 55 percent.
- Given the cyclical nature of the airline industry and the requirement to undertake significant fleet reinvestment programmes, Air New Zealand may, for limited periods, operate outside the target ranges.

Subject to the objectives above, the Board is committed to a Distribution Policy geared towards consistently paying a sustainable ordinary dividend stream to shareholders.

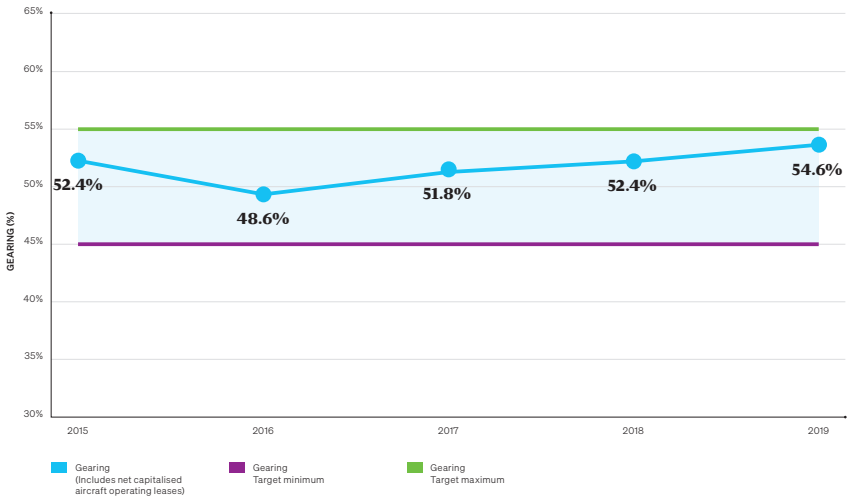
The Board will seek to minimise volatility in the dividends from year to year.

The Board recognises that distributions to shareholders by way of fully imputed dividends represent the optimal way in which to return funds to shareholders.

This is dependent on the level of imputation credits available to be attached to dividends.

Gearing %

as at 30 June
(including capitalised aircraft operating leases)



¹ Gearing defined as Net Debt/(Net Debt plus Equity).

10. Risk management

Risk management

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. 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, including fuel price risk and foreign exchange risk.

Last year, the Board, led by the Audit Committee, has worked with management to develop and implement a comprehensive Enterprise Risk Management Framework (ERMF) 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 2019 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% and that minimum then progressively reduces to zero by the eighth month. The maximum amount of hedges can be 85% for the next six months and then progressively falling to 20% in the twelfth month.

On a quarterly basis, Air New Zealand discloses its fuel hedging position for the next 12 months, which can be accessed online at airnewzealand.co.nz/fuel-hedging-announcements

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.

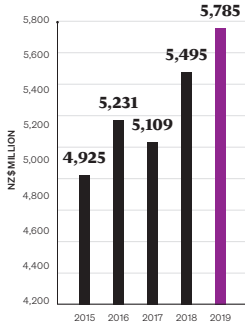
Air New Zealand manages currency risk through two methodologies:

- 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

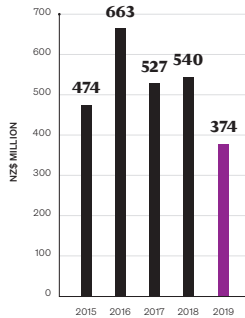
The above policies are adhered to and monitored on a day to day operational basis. The Executive Management Team and the Board of Directors reserve the right to operate outside of these policy parameters from time to time and as required for the financial and operational benefit of Air New Zealand.

11. Earnings and dividend performance

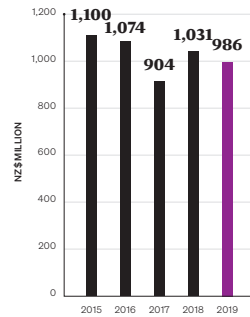
Operating revenue



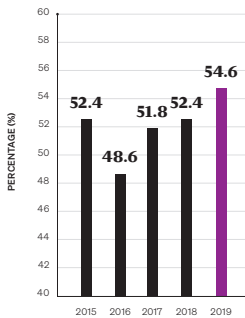
Earnings before taxation



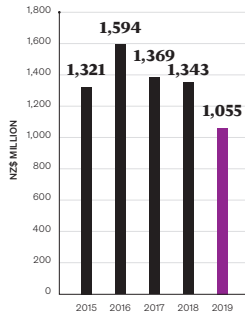
Operating cash flow



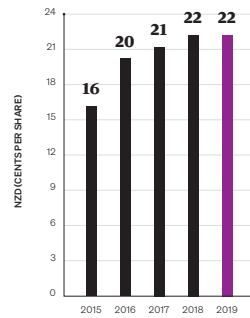
Gearing



Cash on hand



Ordinary dividends declared (cents per share)



12. Five year statistical review

Key Financial Metrics

For the year ended 30 June

		2019	2018	2017	2016	2015
Profitability and Capital Management						
EBIT/Operating Revenue	%	6.4	9.8	10.6	15.9	11.1
EBITDRA ¹ /Operating Revenue	%	20.4	23.5	24.8	29.5	23.6
Passenger Revenue per Revenue Passenger Kilometre (Yield)	cents	12.9	12.8	12.6	13.5	13.7
Passenger Revenue per Available Seat Kilometre (RASK)	cents	10.8	10.6	10.4	11.3	11.6
Cost per Available Seat Kilometre (CASK) ²	cents	10.0	9.5	9.1	9.3	10.6
Return on Invested Capital Pre-tax (ROIC) ³	%	10.2	14.5	15.3	18.8	15.6
Liquidity ratio ⁴	%	18.2	24.5	26.8	33.1	26.8
Gearing (incl. net capitalised aircraft operating leases) ⁵	%	54.6	52.4	51.8	48.6	52.4
Shareholder Value						
Basic Earnings per Share ⁶	cps	24.0	34.7	34.0	41.3	29.2
Operating Cash Flow per Share ⁷	cps	87.8	91.8	80.5	95.6	98.1
Ordinary Dividends Declared per Share ⁷	cps	22.0	22.0	21.0	20.0	16.0
Special Dividends Declared per Share ⁷	cps	-	-	-	25.0	-
Net Tangible Assets per Share ⁷	\$	1.69	1.79	1.64	1.76	1.66
Closing Share Price 30 June	\$	2.65	3.18	3.26	2.10	2.55
Weighted Average Number of Ordinary Shares	m	1,123	1,123	1,123	1,122	1,118
Total Number of Ordinary Shares	m	1,123	1,123	1,123	1,123	1,122
Total Market Capitalisation	\$m	2,976	3,565	3,660	2,352	2,861
Total Shareholder Returns ⁸	%	14.0	26.7	41.5	20.0	25.6

1. Earnings before interest and taxation (EBIT) excluding share of earnings of associates (net of taxation) and other significant items (refer footnote under Summary of Financial Performance)

2. EBITDRA excludes share of earnings of associates (net of taxation) and other significant items (refer footnote under Summary of Financial Performance)

3. Operating expenditure (excluding other significant items) per ASK (refer footnote under 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)

Certain comparatives within the five year statistical review have been reclassified for comparative purposes, to ensure consistency with the current year. The Group adopted NZ IFRS 15 - Revenue from Contracts with Customers on 1 July 2018. Comparatives have been restated for the 2018 financial year in respect of the adopted standard. Refer to Note 25 of the 2019 Annual Financial Statements for further details.

Key Operating Statistics

For the year to 30 June

	2019	2018	2017	2016	2015
Passengers Carried (000)					
Domestic	11,513	11,089	10,379	9,725	9,246
International					
Australia and Pacific Islands	4,044	3,798	3,561	3,507	3,388
Asia	914	837	814	791	642
America and Europe	1,267	1,242	1,198	1,138	1,021
Total International	6,225	5,877	5,573	5,436	5,051
Total Group	17,738	16,966	15,952	15,161	14,297
Available Seat Kilometres (m)					
Domestic	7,104	6,905	6,597	6,065	5,592
International					
Australia and Pacific Islands	13,640	12,963	12,039	11,438	10,888
Asia	9,699	9,169	8,918	8,349	7,022
America and Europe	15,586	15,237	14,615	13,832	12,099
Total International	38,925	37,369	35,572	33,619	30,009
Total Group	46,029	44,274	42,169	39,684	35,601
Revenue Passenger Kilometres (m)					
Domestic	5,957	5,719	5,311	4,887	4,561
International					
Australia and Pacific Islands	11,195	10,584	9,784	9,532	9,184
Asia	8,140	7,467	7,270	7,070	5,784
America and Europe	13,281	12,892	12,449	11,734	10,405
Total International	32,616	30,943	29,503	28,336	25,373
Total Group	38,573	36,662	34,814	33,223	29,934
Passenger Load Factor (%)					
Domestic	83.9	82.8	80.5	80.6	81.6
International					
Australia and Pacific Islands	82.1	81.6	81.3	83.3	84.4
Asia	83.9	81.4	81.5	84.7	82.4
America and Europe	85.2	84.6	85.2	84.8	86.0
Total International	83.8	83.4	83.8	84.3	84.6
Total Group	83.8	82.8	82.6	83.7	84.1
Group Employee Numbers (Full Time Equivalents)	11,793	11,074	10,890	10,527	10,196

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

Summary Financial Performance

For the year to 30 June

	2019 \$M	2018 \$M	2017 \$M	2016 \$M	2015 \$M
Operating Revenue					
Passenger revenue	4,960	4,696	4,376	4,481	4,113
Cargo	390	387	335	349	317
Contract services	197	193	164	172	258
Other revenue	238	219	234	229	237
	5,785	5,495	5,109	5,231	4,925
Operating Expenditure					
Labour	(1,351)	(1,294)	(1,261)	(1,225)	(1,193)
Fuel	(1,271)	(987)	(827)	(846)	(1,089)
Maintenance	(399)	(352)	(321)	(350)	(320)
Aircraft operations	(678)	(634)	(556)	(531)	(466)
Passenger services	(319)	(295)	(266)	(246)	(220)
Sales and marketing	(350)	(344)	(352)	(348)	(303)
Foreign exchange gains/(losses)	53	(19)	(6)	112	79
Other expenses	(290)	(278)	(252)	(398)	(252)
	(4,605)	(4,203)	(3,841)	(3,832)	(3,764)
Operating Earnings (excluding items below)	1,180	1,292	1,268	1,399	1,161
Depreciation and amortisation	(567)	(525)	(493)	(465)	(402)
Rental and lease expenses	(245)	(227)	(230)	(244)	(211)
Earnings Before Finance Costs, Associates and Taxation	368	540	545	690	548
Finance income	48	40	43	53	56
Finance costs	(79)	(73)	(87)	(100)	(108)
Share of earnings of associates (net of taxation)	37	33	26	20	(22)
Earnings Before Taxation	374	540	527	663	474
Taxation expense	(104)	(150)	(145)	(200)	(147)
Net Profit Attributable to Shareholders of Parent Company	270	390	382	463	327

Certain comparatives within the five year statistical review have been reclassified for comparative purposes, to ensure consistency with the current year. The Group adopted NZ IFRS 15 - Revenue from Contracts with Customers on 1 July 2018. Comparatives have been restated for the 2018 financial year in respect of the adopted standard. Refer to Note 25 of the 2019 Annual Financial Statements for further details. Comparatives previously reported as Other significant items of \$3 million and \$143 million have been reclassified to Other expenses for the 2017 and 2016 financial years respectively.

Summary of Cash Flows

For the year to 30 June

	2019 \$M	2018 \$M	2017 \$M	2016 \$M	2015 \$M
Cash flow from operating activities	986	1,031	904	1,074	1,100
Cash flow from investing activities	(883)	(778)	(616)	(797)	(1,066)
Cash flow from financing activities	(391)	(279)	(513)	(4)	53
(Decrease)/Increase in cash holding	(288)	(26)	(225)	273	87
Total Cash and Cash Equivalents	1,055	1,343	1,369	1,594	1,321

Summary Financial Position

As at 30 June

	2019 \$M	2018 \$M	2017 \$M	2016 \$M	2015 \$M
Current Assets					
Bank and short-term deposits	1,055	1,343	1,369	1,594	1,321
Other current assets	749	910	518	745	661
Total Current Assets	1,804	2,253	1,887	2,339	1,982
Non-Current Assets					
Property, plant and equipment	5,268	5,035	4,745	4,485	4,061
Other non-current assets	684	558	539	427	732
Total Non-Current Assets	5,952	5,593	5,284	4,912	4,793
Total Assets	7,756	7,846	7,171	7,251	6,775
Current Liabilities					
Debt ¹	307	431	317	464	253
Other current liabilities	2,359	2,265	2,088	2,007	1,875
Total Current Liabilities	2,666	2,696	2,405	2,471	2,128
Non-Current Liabilities					
Debt ¹	2,290	2,303	2,197	2,103	2,069
Other non-current liabilities	711	671	583	569	613
Total Non-Current Liabilities	3,001	2,974	2,780	2,672	2,682
Total Liabilities	5,667	5,670	5,185	5,143	4,810
Net Assets	2,089	2,176	1,986	2,108	1,965
Total Equity	2,089	2,176	1,986	2,108	1,965

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

Summary of Debt

As at 30 June

	2019 \$M	2018 \$M	2017 \$M	2016 \$M	2015 \$M
Debt					
Secured borrowings	1,459	1,563	1,243	930	512
Unsecured bonds	50	50	50	150	150
Finance lease liabilities	1,088	1,121	1,221	1,487	1,660
	2,597	2,734	2,514	2,567	2,322
Bank and short-term deposits	1,055	1,343	1,369	1,594	1,321
Net open derivatives held in relation to interest-bearing liabilities ¹	7	42	(32)	(17)	24
Interest-bearing assets (included within Other assets)	264	182	164	288	141
Net Debt	1,271	1,167	1,013	702	836
Net aircraft operating lease commitments ²	1,246	1,232	1,120	1,288	1,323
Net Debt (including off Balance Sheet)	2,517	2,399	2,133	1,990	2,159

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).

13. 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 to 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 31 October 2024
May 2019	Air New Zealand announces commitment to purchase eight Boeing 787-10 Dreamliner aircraft powered by GE Aviation's GEnx-1B engines to replace its current 777-200 fleet
August 2019	Re-authorisation of joint venture alliance with Cathay Pacific for a further five years to 31 October 2024

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
EBIT	Earnings before interest and taxation
EBITDRA	Earnings before interest, taxation, depreciation, rentals and amortisation
Gearing	Net debt / (net debt plus equity); Net debt includes capitalised aircraft operating leases
Liquidity	Total cash (comprising bank and short-term deposits and interest-bearing assets) as at the end of the financial year divided by total operating revenue for that financial year
Net Debt	Interest-bearing liabilities, less bank and short-term deposits, net open derivatives held in relation to interest-bearing liabilities and interest-bearing assets, plus 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)
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
Pre-Tax Return on Invested Capital (ROIC)	Earnings before interest and taxation (EBIT), and aircraft lease expense divided by three, all divided by the average capital employed (being net debt plus equity) over the period
Revenue Passenger Kilometres (RPKs)	Number of revenue passengers carried multiplied by the distance flown (demand)

The following non-GAAP measures are not audited: CASK, Gearing, Net Debt, RASK and ROIC. Amounts used within the calculations are derived from the audited Group financial statements and Five Year Statistical Review contained in the 2019 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, FFP costs and distribution costs
Other expenses	Safety, IT costs, legal and accounting, insurance, employee relations and property costs
Rental and lease expenses	Aircraft and property operating lease rentals

14. Executive management team¹



Christopher Luxon | CHIEF EXECUTIVE OFFICER (resigned September 2019)

Christopher was appointed Chief Executive Officer in January 2013 having previously held the role of Group General Manager International Airline for almost two years. Prior to joining Air New Zealand, Christopher was President and Chief Executive Officer at Unilever Canada. This was one of several senior leadership roles he held during an 18-year career at the multi-national that saw him work in roles in Europe, North America and Asia/Pacific. Christopher has a Master of Commerce in Business Administration from the University of Canterbury.

Christopher announced his resignation as Chief Executive Officer in June 2019 after eight years with the airline and formally stood down on 25 September 2019. The airline has since announced that Greg Foran has been appointed as its new Chief Executive Officer. Greg is currently President and Chief Executive Officer of Walmart US and will take up his position with Air New Zealand in the first quarter of the 2020 calendar year.



Jeff McDowall | CHIEF FINANCIAL OFFICER (currently Acting Chief Executive Officer)

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 including Group General Manager Corporate Finance and Group General Manager Commercial. Jeff has worked in a variety of businesses during his career, including six years as a management consultant with PwC in New Zealand, Singapore and the United States, and three years with 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 became Acting Chief Executive Officer in September 2019 and will continue in this role until Greg Foran joins in the first quarter of calendar 2020.



Carrie Hurihanganui | CHIEF GROUND OPERATIONS OFFICER

Carrie Hurihanganui 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, including General Manager Eagle Air, General Manager Offshore Airports, General Manager Customer Experience, and Group General Manager Regional Airlines & Airline Operations.

Carrie left the airline in 2017 to join National Australia Bank (NAB) based in Melbourne as Executive General Manager Customer Experience before returning in 2018 to her current role. She has a Bachelor of Business Studies from Massey University.



Nick Judd | CHIEF STRATEGY, NETWORKS & ALLIANCES OFFICER

Nick was appointed as the Chief Strategy, Networks and Alliances Officer in October 2017 and leads Air New Zealand's Joint Venture Alliance partnerships, the Star Alliance relationship and the Sustainability and Transformation portfolios. He has worked across a number of functions beginning his Air New Zealand career in Finance, before holding senior roles in Loyalty, Sales and Commercial areas across Australia, China, America and New Zealand. Nick joined Air New Zealand in May 2003 after working in the United Kingdom and Canada in finance roles for companies such as Chase Manhattan Bank and News Limited. Nick is a Chartered Accountant and holds a Bachelor of Management Studies (Hons) from the University of Waikato.



Jodie King | CHIEF PEOPLE OFFICER

Jodie was appointed Chief People Officer in February 2016. Prior to this she had managed Air New Zealand's Organisational Effectiveness and Talent, HR Corporate and HR Airports and Sales and Commercial teams. Jodie has had a significant international career, living and working in the United Kingdom for 16 years. During her time in London Jodie worked at KPMG in leadership and management consultancy roles across a range of industries. Prior to KPMG she worked for New Zealand Treasury and NZ Dairy Co-operative after graduating from the University of Otago with an Arts and a Commerce degree. Most recently she studied at INSEAD, France, where she completed the Advanced Management Programme.

¹ Please refer to the following link on Air New Zealand's website for full executive management profiles:
airnewzealand.co.nz/about-air-new-zealand



Captain David Morgan | CHIEF OPERATIONAL INTEGRITY & STANDARDS 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.



Jennifer Sepull | CHIEF DIGITAL OFFICER

Jennifer Sepull 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 as well as a Bachelor of Arts in criminal justice. 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.



Mike Tod | CHIEF MARKETING & CUSTOMER OFFICER

Mike has responsibility for Air New Zealand's global marketing and its customer experience related functions together with accountability for Corporate Affairs, Government Affairs and Industry Relations, Sponsorship and Community Partnership programmes. Mike was previously General Manager of Marketing and Communications and prior to that General Manager of Communications. He joined Air New Zealand from Fonterra where he held the roles of Assistant to the Chief Executive Officer and Shareholder Communications Manager. Prior to these roles he held senior positions with Television New Zealand and in the print industry. Mike is a Fellow of the Chartered Institute of Marketing and a graduate of Harvard Business School's Advanced Management Programme.



Cam Wallace | CHIEF REVENUE OFFICER

Cam was appointed as Chief Revenue Officer in January 2014 and is responsible for generating Air New Zealand's passenger and cargo revenue, currently a portfolio with a turnover of \$6b. His responsibilities include revenue management, global pricing, online sales, Grabaseat™, retail marketing, corporate, distribution, government sales and contact centres. Cam joined Air New Zealand in 2001 and has held a number of senior positions in the airline. Cam has completed business management programmes at Darden School of Business, Kellogg School of Management – Northwestern University Chicago and the London Business School. Most recently he studied at INSEAD, France where he completed the Advanced Management Programme.



John Whittaker | CHIEF AIR OPERATIONS & PEOPLE SAFETY OFFICER

John leads the 4,800 people in Air New Zealand's Jet Pilot, Cabin Crew and People Safety teams. He started his career with Mount Cook Group in 1985 and was General Manager of Mount Cook Airline when this was integrated into Air New Zealand.

Since then John has held General Manager roles in Operations, Loyalty, Alliances and Government Relations. Prior to his 2016 appointment to Chief Air Operations & People Safety Officer, he held the role of Group General Manager Airports leading the worldwide Airport and Lounge teams and championed the adoption of High Performance Engagement with unions and Air New Zealanders. He has a Bachelor of Commerce from the University of Canterbury.

15. Board of Directors¹



Antony (Tony) Carter | CHAIRMAN

BE (Hons), ME, MPhil

Independent Non-Executive Director (Appointed 1 December 2010)

Mr Carter is Chairman of Fisher & Paykel Healthcare Limited, a director of Fletcher Building Limited, ANZ Bank New Zealand Limited and Vector Limited.

Mr Carter worked for his family company, Carter Group Limited, in Christchurch until 1986 when he purchased a Mitre 10 hardware store, also eventually serving as a director of Mitre 10 New Zealand Limited and becoming Chairman of Mitre 10 New Zealand Limited in 1993. In 1994 Mr Carter was appointed General Manager of Foodstuffs (South Island) Limited and in 1995 he was appointed Chief Executive of Foodstuffs (South Island) Limited. In 2001 Mr Carter was appointed Managing Director of Foodstuffs (Auckland) Limited and Managing Director of Foodstuffs (New Zealand) Limited, until he retired in December 2010.

Mr Carter resigned as Chairman following the 2019 Annual Shareholder Meeting. Dame Therese Walsh succeeded Mr Carter as the airline's Chairman at this time.



Dame Therese Walsh | DIRECTOR, CHAIRMAN ELECT

DNZM, BCA, FCA

Independent Non-Executive Director (Appointed 1 May 2016)

Dame Therese is currently Chairman of TVNZ Limited, a director of ASB Bank Limited, Contact Energy Limited, and Antarctica NZ, and Pro Chancellor at Victoria University.

Previously she was the Head of New Zealand for ICC Cricket World Cup 2015 Limited, and the Chief Operating Officer for Rugby New Zealand 2011 Limited. She has also been a director of NZX Limited, NZ Cricket and Save the Children NZ and Chief Financial Officer at the New Zealand Rugby Union. Prior to this she was an auditor with 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 | DEPUTY CHAIRMAN

CNZM, BCom, FCA

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, Meridian Energy Limited and World Sailing. Ms Dawson is a member of the University of Auckland Council and the Capital Investment Committee of the Ministry of Health.

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 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).



Robert (Rob) Jager | DIRECTOR

ONZM, BE (Hons), MBA

Independent Non-Executive Director (Appointed 1 April 2013)

Mr Jager was appointed as Vice President of Shell Australia's Prelude Floating LNG and wider East Browse assets offshore of Western Australia in November 2018. Mr Jager was formerly Chairman of the Shell Companies in New Zealand and General Manager, Shell Todd Oil Services.

Mr Jager spent a career spanning more than 40 years within Shell, joining the group in New Zealand in 1978 as an engineering cadet and working for Shell in a variety of engineering, project, operational, business, 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 has been Chairman of the Air New Zealand Health, Safety and Security Committee since September 2014.

¹ Please refer to the following link on Air New Zealand's website for full director profiles:
airnewzealand.co.nz/about-air-new-zealand



Jonathan Mason | DIRECTOR

BA, MA, MBA

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 Company.

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



Linda Jenkinson | DIRECTOR

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 is currently a director of Guild Group Holdings, Chair of Guild Super, a director of the Eclizp Group (ECX) in Australia and a director of Harbour Asset Management.

Ms Jenkinson is the Founder of LevelUp, working with high-growth companies which includes Jaxsta, where she is a director of the global music data platform. 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.



Rt Hon Sir John Key | DIRECTOR

GNZM, AC

Independent Non-Executive Director (Appointed 1 September 2017)

Sir John was Prime Minister of New Zealand from 2008 to 2016. He successfully led the country through the aftermath of the global financial crisis and a series of devastating earthquakes in Christchurch. Among his portfolios, Sir John was Minister for Tourism. In this role he promoted New Zealand offshore and oversaw substantial growth in New Zealand's tourism industry.

Sir John is well respected in international affairs. He chaired the International Democrat Union between November 2014 and February 2018 and chaired the United Nations Security Council in 2016. Sir John, who was knighted in the 2017 Queen's Birthday Honours, has also been appointed an Honorary Companion of the Order of Australia.

Sir John is the Chairman of ANZ Bank New Zealand Limited, a non-executive director of ANZ Banking Group Limited Australia, and NYSE-listed cyber security company, Palo Alto Networks, Inc. He also sits on the BP International Advisory Board.



Laurissa Cooney | DIRECTOR

BA, MA, MBA

Independent Non-Executive Director (Appointed 1 October 2019)

Ms Cooney is of Te Āti Hau Nui a Pāpā Rangi (Whanganui) descent and is a professional independent Director with several iwi affiliated entities, as well as Chief Financial Officer for Te Whare Wānanga o Awanuiāraangi.

Ms Cooney currently serves as the acting Chair of Tourism Bay of Plenty and is a Trustee on the Charitable Investment Trust for Ngāi Tai ki Tāmaki. She also holds roles as independent directors on the Audit & Risk boards of Āti Hau Incorporation Limited and 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.

16. Investor resources

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





