



Functional Policy

Director Remuneration Policy

1.0 Purpose

- 1.1 Air New Zealand ("the Company") will provide fair, reasonable, and competitive remuneration for its directors to ensure that the Company attracts and retains directors who have the experience and knowledge to perform effective corporate governance to support the Company's strategic objectives.

2.0 Directors' Remuneration

- 2.1 The policy for non-executive Directors is to pay:

2.1.1 base fees; and

2.1.2 further fees for additional Board duties, including but not limited to chairing or being a member of a Board committee.

2.2 The Company's Independent Non-Executive Directors do not participate in any executive remuneration scheme or employee share schemes, nor do they receive Long-term incentives, bonus payments or any incentive-based remuneration. No additional payments are made to non-executive Directors on joining or leaving the Board.

2.3 Director remuneration will be paid out of a pool of funds approved by the shareholders for that purpose. Shareholder approval will be sought for any increases in the pool available to pay director's fees, and independent advice will be provided to shareholders to support any proposed increase.

2.4 Expenses incurred by Directors in performing their role are reimbursed, as well as any related tax cost on such reimbursement. Discretionary non-cash benefits including travel benefits may be available to directors during or following their term of appointment. The utilisation of these may be subject to disclosure. Such expenses and non-cash benefits are not remuneration for services as a director or in any other capacity.

2.5 Director remuneration will comply with any requirements or provisions of the Constitution, NZX Listing Rules, or applicable legislation.

3.0 Review of Directors' Remuneration

3.1 When reviewing the directors' remuneration, the Company will take into account

3.1.1 An independent assessment of the market

3.1.2 The Company's remuneration practices compared with similar companies

3.1.3 Changes in directors' responsibilities

3.1.4 The funding approved by shareholders for director remuneration and the fairness of remuneration to the Company

4.0 Disclosure

4.1 The Company will disclose directors' remuneration in accordance with legal requirements.

5.0 Related Documents

- Code of Conduct
- People, Remuneration and Diversity Committee Charter

6.0 Governance and Maintenance

6.1 Review Timetable

At a minimum, this Policy will be formally reviewed annually by the PRDC.

6.2 Contact

For queries in relation to this Policy, please contact Policy@airnz.co.nz

7.0 Version History

Issue	Owner	Action	Approved by	Date
1.0			Board of Directors	June 2023