5,000 Poppies depart for London

In collaboration with the Victorian Government, Qantas assisted in sending the popular 5,000 Poppies Project to the RHS Chelsea Flower Show. Qantas provided free carriage of 300,000 poppies, hand-made by volunteers, which will form the major display in London throughout May. This venture is a demonstration of the respect Australians have for our servicemen and women, and is a prime opportunity to showcase the talents of many Victorians. The partnership has put the project on the world stage, and highlighted the partnership between Qantas and the Victorian Government.

Qantas Chairman Leigh Clifford AO joined Victorian Minister for Veterans’ Affairs the Hon John Eren MP and over forty Members of Parliament on the steps of Melbourne’s Parliament House to officially see the poppies and their volunteers off on their journey to London.

Please contact us at government@qantas.com.au

Driving Efficiency through Innovation

Innovation has been a part of the Qantas culture for a long time. More than 30 years ago, Qantas was the first airline in the world to introduce business class air travel. Today, business class travel is offered on almost every full service airline and is common place in the global aviation industry.

Over ten years ago, Qantas invested in a brand new business model with the introduction of Jetstar. Jetstar’s Low Cost Carrier (LCC) model – which has been exported throughout Asia – enables more customers to travel more regularly. It stimulates tourism, creates jobs and gives a wider customer base access to air travel. According to BITRE data, since December 2005, there has been a 30 per cent increase in domestic passengers in Australia.

More recently, the Group implemented the Transformation Program. The fundamental principle was to leverage technology and drive efficiency throughout every aspect of the business. To achieve this the Group had to transform its operations through process innovation. The result was increased aircraft utilisation resulting in more flights to more destinations.

In conjunction with an Australian SME, QantasLink recently introduced a customised ramp for its smaller aircraft – the QRamp. Since introduction, there have been no embarking or disembarking safety incidents and there has been an average decrease in delay minutes of 27 per cent across all ports, dramatically increasing operational efficiency.

Overall, innovation results in increased investment, growth and stimulation of Australia’s tourism industry. Innovation acts as a catalyst to business improvement and will continue to be a focus for the Qantas Group both now and into the future.
Qantas commits to the fight against wildlife trafficking

In March, Qantas affirmed its commitment to combat the illegal wildlife trade, with Qantas Group Chief Financial Officer Tino La Spina signing United for Wildlife’s (UFW) declaration on the Transportation of Illegal Wildlife Products at Buckingham Palace. This move solidifies Qantas’ role in inhibiting the global supply chain for endangered plants and animals. It also makes Qantas a leader in this space, being the first and only Australian organisation to sign.

This includes an enhanced role in reporting instances of wildlife trafficking, raising public awareness of the trade’s criminality and ensuring systems are in-line to adequately defeat trafficking.

Airlines, by virtue of the international markets they serve through the transportation of people and freight, have the ability to effectively combat trade in illegal wildlife.

Qantas Freight strictly adheres to national and international policies regulating the transport and trade of animal products, and has long operated with policies that prevent the carriage of threatened animals and those destined for inhumane treatment. This includes bans on carriage of hunting trophies, dolphins, shark fin products, racing greyhounds and animals for scientific research.

The Qantas Group will now play its part in developing a secure, harmonised system for passing information about suspected illegal wildlife trade from the transport sector to relevant customs and law enforcement authorities.

Jetstar launches services to the Cook Islands

On 22 March, Jetstar launched a service from Australia to the Cook Islands via New Zealand, becoming the first airline to commence operations to the Cook Islands in more than 10 years.

With tourism the most significant contributor to the economy of the Cook Islands – providing approximately 60 per cent of GDP – Jetstar’s services are considered as a major economic boost for the island country.

The year-round Airbus A320 services will add more than 25,000 return seats a year, with Jetstar’s low fare options projected to inject over NZ$20 million per year to the local economy through increased tourism.

The flights operate three times per week departing Auckland for Rarotonga on Tuesday, Saturday and Sunday, with seamless connections to Jetstar and Qantas services to and from Australia.

On 19 April, Qantas began codesharing on Jetstar’s Cook Islands services, with fares to Rarotonga currently available from Sydney, Melbourne and Brisbane.
Investing in Chinese Growth

Given the ability of aviation links to provide substantial economic benefit with international flight connections, Qantas is continuing to evaluate the highest growth regions across traditional markets, with China remaining in focus for the near term. Qantas has strong relationships with three of the biggest carriers in the greater China market, including a joint venture with China Eastern, a code-share agreement with China Southern and a one world relationship with Cathay Pacific. Jetstar also has an innovative partnership with the Chinese Wanda Group with twice weekly, regular nonstop service from the Gold Coast to Wuhan.

There were around 1 million short-term Chinese visitors to Australia in 2015, an increase of 22 per cent from 2014. Tourism Research Australia forecasts that China will contribute almost a third of all inbound arrivals by 2024-25, at 1.95 million, and will surpass New Zealand as the largest inbound arrivals market in 2019-20. Under the China-Australia Free Trade Agreement, more than 86 per cent of Australian goods exports can now enter China duty free, rising to 94 per cent in January 2019 and 96 per cent in January 2029. Australian service industries also benefit from enhanced access. The Qantas Group has a platform to strengthen its freight and passenger operations to and from China, and to build on existing relationships to support increased trade, tourism and corporate travel links. Most recently, this has included the carriage of cattle between Melbourne and Zhengzhou, supporting Australian agriculture and promoting local produce to the burgeoning Chinese market.

Our partnerships and ongoing commitment to the development of the China market will continue to facilitate its long term growth.

Record low fares on Trans-Pacific

The Trans-Pacific route is highly competitive, with seven carriers operating direct services between the two countries – almost doubling the number of carriers on this route since 2006.

International airfares for Australians are at their lowest levels in real terms and fares between Australia and the United States (US) are consistent with this trend.

25%
Australians pay a staggering 25 per cent less to fly to the US than our American counterparts do when coming to Australia

4.5%
Percentage airfares have fallen by in 2015

Over the past ten years, capacity and connectivity between Australia and the US have significantly expanded. Qantas, Jetstar and five other carriers offer direct flights between city-pairs between Australia and the US, and Qantas alone connects to over 150 city pairs across North America, Canada and Mexico with codeshare partners American Airlines, Alaska Airlines and WestJet. Passengers can also travel between the two countries via a number of points such as New Zealand, Canada, Fiji, Tahiti and various cities in Asia with multiple airlines.

It is no coincidence that these positive developments in the market have occurred during a period of stable international aviation policy, supported by the Australian Government with respect to access to the Trans-Pacific route between Australia and the United States.
Field of Light

50,000 light stems weighing 15 tonnes were flown by the Qantas Group from London to Alice Springs as part of British artist Bruce Munro’s world-famous Field of Light—an art installation that employs tens of thousands of small frosted-glass spheres. The installation will remain lit for a year, officially opening on April 1.

Qantas will introduce additional services between Brisbane and Alice Springs from July 4 to September 28. These season services, timed to coincide with tourism events in Alice Springs including the Camel Cup, will run on Mondays and Wednesdays, and will provide an increase in growth to the local economy.

Qantas Group flights were employed...

More than...

50,000 light stems – weighing about 15 tonnes – were flown by the Qantas Group from London to Alice Springs; that’s equivalent to flying 15 cars or 3 killer whales.

Qantas Group Facts

<table>
<thead>
<tr>
<th>Employees (November 2015)</th>
<th>28,500</th>
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<tbody>
<tr>
<td>Fleet</td>
<td>300</td>
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<td>Fleet age</td>
<td>8.2 years</td>
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<td>International destinations</td>
<td>28</td>
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<tr>
<td>Domestic destinations</td>
<td>65</td>
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<tr>
<td>Codeshare partners</td>
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<td>Passengers carried in FY15</td>
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<td>Total contribution to the economy</td>
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<td>Suppliers</td>
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<tr>
<td>Qantas Frequent Flyer members</td>
<td>11.2m</td>
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</tbody>
</table>

Qantas and South Australia

> 844 employees in South Australia
> 623 Qantas Group flights from and within South Australia per week
> 534 million—Qantas Group’s economic contribution to South Australia
> 2,474 direct and indirect employees
> 4 domestic destinations in South Australia
> Jetstar to launched Adelaide–Avalon service from April 2015

> Domestically, the Qantas Group sells 97 flights and 14,000 seats to, from and within South Australia per day
> Qantas itself sells, on average, 69 flights and 10,000 seats per day touching Adelaide
> Internationally, Jetstar has 7 services a week to Denpasar
> Many of Qantas’ codeshare partners operate to and from Adelaide, including Emirates, China Southern, China Eastern and American Airlines