THE QANTAS GROUP AT A GLANCE

HISTORY  Qantas is the world's second oldest airline. Founded in the Queensland outback in 1920, it is Australia’s largest domestic and international airline and is recognised as one of the world's leading long distance carriers, having pioneered services from Australia to North America and Europe. The Qantas Group today employs approximately 32,500 people and offers services across a network spanning 182 destinations in 44 countries (including those covered by codeshare partners) in Australia, Asia and the Pacific, the Americas, Europe, the Middle East and Africa.

BUSINESS AND INVESTMENTS  The Qantas Group’s main business is the transportation of passengers using two complementary airline brands – Qantas and Jetstar. Qantas is divided into three closely related groups, Commercial, Customer and Marketing, and Operations. The Commercial group includes sales and distribution, commercial planning, QantasLink and alliances. Customer and Marketing includes customer experience, cabin crew, inflight services and marketing. The Operations group comprises engineering, airports, catering, flight operations, operations planning and control and Qantas Aviation Services. Jetstar, the Group’s low fares airline also manages the Jetstar Asia operations based in Singapore. In addition to the airline brands, the Qantas Group operates Qantas Frequent Flyer and Qantas Freight. The Group has additional equity interests in airline and airline-related businesses, including a 27 per cent stake in Vietnam’s Jetstar Pacific; a 46 per cent interest in Air Pacific and an interest in Jetset Travelworld Group. Qantas is also a partner with Australia Post in two jointly controlled entities: Australian air Express, a domestic air freight operator; and Star Track Express, a national road freight business.

FLIGHTS AND ROUTES  Domestically, Qantas, QantasLink and Jetstar operate around 5,600 flights a week serving 59 city and regional destinations in all states and mainland territories (Qantas – nearly 2,400; QantasLink – nearly 2,000; Jetstar – around 1,200). Jetstar also operates 160 domestic flights a week in New Zealand. Internationally, Qantas and Jetstar operate more than 970 flights each week (Qantas – 630; Jetstar – 340). The Group’s network comprises 182 destinations in 44 countries, including Australia and those served by codeshare partner airlines.

FLEET  At 1 September 2010, the Qantas Group operated a fleet of 252 aircraft, comprising Boeing 747s, 767s, 737s and 717s, Airbus A380s, A330s and A320s, Bombardier Dash 8s and Bombardier Q400s.

OPERATIONAL STATISTICS – QANTAS GROUP

<table>
<thead>
<tr>
<th>Passengers carried (000):</th>
<th>Year ended 30 June 2009</th>
<th>Year ended 30 June 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qantas</td>
<td>23,622</td>
<td>22,540</td>
</tr>
<tr>
<td>QantasLink</td>
<td>4,120</td>
<td>4,323</td>
</tr>
<tr>
<td>Jetstar</td>
<td>10,696</td>
<td>14,565¹</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>38,438</strong></td>
<td><strong>41,428</strong></td>
</tr>
<tr>
<td>PKs² (m):</td>
<td>99,176</td>
<td>100,727</td>
</tr>
<tr>
<td>ASKs³ (m):</td>
<td>125,594</td>
<td>124,717</td>
</tr>
</tbody>
</table>

¹ Includes Jetstar Asia for the period 8 April-30 June 2010
² Revenue Passenger Kilometres (RPKs – number of paying passengers carried, multiplied by number of kilometres flown)
³ Available Seat Kilometres (ASKs – number of seats available for passengers, multiplied by number of kilometres flown)
FINANCIAL PERFORMANCE  For the full year ended 30 June 2010, Qantas reported an Underlying Profit Before Tax of $377 million. Net profit after tax was $116 million.

MANAGEMENT

Chief Executive Officer

- Alan Joyce

Executive Committee

- Bruce Buchanan  Chief Executive Officer Jetstar Airways
- David Epstein  Group Executive Government and Corporate Affairs
- Gareth Evans  Chief Financial Officer
- Lesley Grant  Group Executive Qantas Airlines Customer and Marketing
- Rob Gurney  Group Executive Qantas Airlines Commercial
- Simon Hickey  Chief Executive Officer Qantas Loyalty
- Jane Hrdlicka  Executive Manager Strategy
- Brett Johnson  General Counsel
- Rob Kella  Chief Risk Officer
- Jon Scriven  Group Executive People
- Lyell Strambi  Group Executive Qantas Airlines Operations

REGISTERED ADDRESS

Qantas Airways Limited
Building A
203 Coward Street
Mascot NSW 2020
AUSTRALIA

CONTACT

Phone   +61 2 9691 3636
Fax    +61 2 9691 3339
SITA    SYDXLQF
Telex   20113
Web     qantas.com
HISTORY

THE BIRTH OF QANTAS

Qantas was conceived by Lieutenants Wilmot Hudson Fysh DFC and Paul McGinness DFC on their return from service with the Australian Light Horse Regiment and then the Australian Flying Corps in World War 1. In 1919, they were commissioned to find suitable landing grounds for a Great Britain-Australia air race. After completing the survey in a Model T Ford, they were convinced that air travel was the ideal alternative for crossing sparsely populated country. They envisaged their aircraft linking Brisbane and Darwin – the capitals of Queensland and the Northern Territory – with railheads at Charleville, Blackall, Longreach, Winton and Cloncurry. Fysh, McGinness, and grazier Fergus McMaster registered Qantas in Brisbane on 16 November 1920. The name comes from the initial letters of the words in the original registered title – Queensland and Northern Territory Aerial Services Limited. The first board meeting was held in Winton on 10 February 1921. Qantas relocated to Longreach later that year, to Brisbane in 1930 and to Sydney in 1938. Paul McGinness pursued other interests, but Hudson Fysh remained with Qantas for 46 years, was knighted in 1953 and retired as Chairman in 1966.

AERIAL JOYRIDING

The company began its operations with joy rides and air taxi flights. Regular scheduled airmail and passenger services began on 2 November 1922, from Charleville to Cloncurry in rural Queensland. The journey of 923 kilometres took two days with an overnight stop at Longreach. Passenger ticket No. 1 was issued to 84 year-old western Queensland pioneer Alexander Kennedy.

DEVELOPMENT

Qantas has played a key role in the development of Australian and international aviation. In 1928, it operated the first flying doctor service for the Reverend John Flynn's Australian Inland Mission. In 1931, Qantas made its first link with Imperial Airways (a predecessor of BOAC and British Airways), when it carried mail to Darwin as part of an experimental Australia-UK service. 1934 saw the formation of Qantas Empire Airways Limited, with Imperial Airways holding 50 per cent. The two airlines began regular Australia-UK services in December 1934, initially carrying only mail. A Qantas aircraft flew overseas for the first time in February 1935, when a DH86 operated the Brisbane-Singapore section of the service, and the first Qantas overseas passenger left Brisbane for Singapore in April 1935. Four-engine Shorts 'Empire' flying boats brought new levels of luxury and comfort to the Australia-UK service from July 1938.

WORLD WAR II

During the Second World War, Qantas maintained vital air links, flew supply drops at treetop level in (Papua) New Guinea and established 'Double Sunrise' non-stop flights across the Indian Ocean with Catalina flying boats operating in radio silence. By the end of the war, Qantas engineers had serviced 298 aircraft, more than 2,800 aircraft engines and more than 24,300 aircraft instruments for the allied forces. Their reputation ensured that the label 'Overhauled by Qantas' was much sought after.

POSTWAR EXPANSION

The company expanded rapidly after the war. In 1947, the Australian Government purchased the shares held by Imperial Airways (which had become BOAC) plus all remaining shares. That year, Qantas took delivery of its first pressurised long-range Lockheed Constellation, which went into service on the 'Kangaroo' Route. Qantas operated its first Sydney-London flight in its own right in December 1947, leaving Australia on 1 December and landing in the UK on 5 December. Services to Japan began on behalf of the Royal Australian Air Force, and in 1950, Qantas inaugurated its own commercial services to Japan. Hong Kong was added to the Qantas network in 1949 and South Africa in 1952.

USA AND THE WORLD

Qantas began flying to San Francisco and Vancouver in May 1954. In 1956, the airline carried the Olympic flame from Athens to Darwin as part of its journey to the Melbourne Olympics. Round-the-world services operated by Super Constellations began on 14 January 1958. Qantas entered the
jet age in 1959, taking delivery of the first Boeing 707 operated by a non-US airline. The 1960s brought rapid expansion. In 1967, the airline’s name changed to Qantas Airways Limited and the company ordered the advanced B model of the Boeing 747, which went into service in September 1971. The first Qantas Longreach series Boeing 747-400, delivered in August 1989, set a world distance record for a commercial jet when it flew London-Sydney non-stop (a record until 1993).

AUSTRALIAN AIRLINES (DOMESTIC, 1946-1993) Australian Airlines helped pioneer domestic commercial aviation. Beginning as Trans-Australia Airlines (TAA), the airline flew its first passengers from Melbourne to Sydney in a Douglas DC3 in September 1946. TAA took over Qantas domestic services and the flying doctor network in 1949, enabling Qantas to concentrate on overseas services. TAA introduced the turboprop Vickers Viscount to trunk routes in 1954, the Boeing 727 in 1964, and gave the domestic market wide body airliners and Business Class when it introduced the Airbus A300 in 1981. In August 1986, TAA became Australian Airlines. Qantas purchased Australian Airlines in 1992.

PRIVATISATION Australia’s domestic airline industry was deregulated in October 1990. In April 1991, the Australian Government announced it would sell 49 per cent of Qantas and 100 per cent of Australian Airlines. In February 1992, the Government overhauled aviation policy, including an end to the artificial barrier between Australia’s international and domestic air services. This opened the way for Qantas to re-enter the domestic market after an absence of more than 40 years, and enter the bidding for Australian Airlines. In June 1992, the Government accepted Qantas’ bid for Australian and decided to fully privatise the Qantas Group. The A$400 million purchase of Australian Airlines was completed in September 1992 and the operations of the two airlines were merged under the single Qantas brand in October 1993. The privatisation of Qantas began with a trade sale, and in December 1992 the Government selected British Airways as the successful bidder. British Airways completed its A$665 million purchase of 25 per cent of Qantas in March 1993. The Public Share Offer was launched on 22 June 1995. The privatisation was completed and Qantas shares listed on the Australian Stock Exchange on 31 July 1995. British Airways sold its stake (18.25 per cent at the time) in September 2004.

IMPULSE AIRLINES Qantas purchased Impulse Airlines in November 2001 in accordance with the terms of a commercial relationship signed in May 2001 in which Impulse contracted its aircraft to Qantas, after deciding to withdraw from operating scheduled services in its own right. Impulse operated under the QantasLink brand and livery as a wholly-owned subsidiary of Qantas until the launch of Jetstar in 2004, when the fleet of 14 Boeing 717 aircraft was transferred to the new carrier.

ANSETT COLLAPSE The collapse of Ansett in September 2001 created many challenges for Qantas. To assist stranded Ansett passengers, Qantas leased extra aircraft and added hundreds of special flights. The airline flew over 50,000 former Ansett passengers for free and another 65,000 on heavily discounted fares. Qantas added the equivalent of about seven years’ growth virtually overnight. This huge effort was critical in minimising the impact of the Ansett collapse on the Australian economy, tourism, business and national life.

AUSTRALIAN AIRLINES (INTERNATIONAL, 2002-2006) Qantas launched a new international carrier, Australian Airlines, in October 2002. As part of the strategy to focus on two strong brands – Qantas and Jetstar – Australian Airlines ceased operation in July 2006.


TODAY International Air Transport Association (IATA) data for 2009 showed Qantas was the world’s 11th largest airline in terms of Revenue Passenger Kilometres (RPKs). Qantas Group airlines offer services to 182 destinations in 44 countries – 59 in Australia and 123 in other countries (including those operated by codeshare partner airlines) and carried 41 million passengers in 2008/09. The Group fleet numbered 256 aircraft (at 1 September 2010) and the company employs around 32,500 people worldwide.

For further details on Qantas’ history, visit qantas.com.
Qantas Airways Limited ABN 16 009 661 901

Further information and media releases can be found at the Qantas website: qantas.com

September 2010

THE QANTAS GROUP

The Qantas Group’s long term vision is to operate the world’s best premium airline, Qantas, and the world’s best low fares carrier, Jetstar. To achieve this, the Group is focused on five key elements:

- Safety is our first priority: An unwavering commitment to world’s best safety practices and reporting.
- Right aircraft, right routes: Fleet renewal delivering one of the world’s most effective fleets flying on an optimal route network.
- Customer service excellence: Consistent customer service excellence as the cornerstone of the business.
- Operational efficiency: Achieving simplicity and further productivity across the business.
- Two strong complementary brands: Qantas and Jetstar as the best premium and low fares brands respectively.

The airline businesses, grouped under the Qantas and Jetstar brands, are:

- Qantas
- QantasLink
- Jetstar
- Jetstar Asia
- Jetstar Pacific

QANTAS BRANDS

QANTAS Qantas is a premium, full-service Australian domestic and international airline that offers benefits such as a global network, First, Business Premium Economy (on A380 and B747 services) and Economy on international services and Business and Economy on domestic services, a leading Frequent Flyer program, inflight meals and entertainment, airport lounges and other services. qantas.com is Australia’s leading travel website. Qantas is a founding member of the oneworld global airline alliance. Qantas’ Tasman services are operated by Jetconnect, a wholly-owned Qantas subsidiary based in New Zealand.

QANTAS COMMERCIAL, CUSTOMER AND MARKETING AND OPERATIONS Qantas Airlines comprises commercial, customer and marketing, and operations arms.

Commercial In addition to Qantas mainline sales and distribution, the commercial group includes QantasLink, Qantas Freight Enterprises and alliances.

Customer and Marketing The customer and marketing arm includes product and service development, cabin crew, marketing and inflight services.

Operations The operations group comprises engineering, airports, catering, flight operations, operations planning and control and Qantas Aviation Services.

QANTASLINK QantasLink is a full-service regional airline that supports Qantas’ domestic network by developing ‘feeder’ markets that connect regional business and leisure travellers with major cities.

JETSTAR BRANDS

JETSTAR Launched as a low fare domestic airline in 2004, Jetstar has opened up air travel to a growing market of domestic and international leisure travellers. Jetstar launched international services in November 2006 and commenced New Zealand domestic operations in June 2009.
JETSTAR ASIA  Qantas holds a 49 per cent interest in Newstar Investment Holdings Pte Limited (“Newstar”), which owns all the shares in Orangestar Investment Holding Pte Limited (“Orangestar”), which in turn owns and operates the value based intra-Asia airlines Jetstar Asia and Valuair, based in Singapore.

JETSTAR PACIFIC  Qantas owns 27 per cent of Jetstar Pacific which operates domestic services in Vietnam.

LOYALTY  The Qantas Frequent Flyer program has more than 7.2 million members, nearly 500 partners, and is the largest and most popular airline loyalty program in the southern hemisphere. In 2008/09, approximately 3.3 million award seats were redeemed for travel across Qantas domestic and international routes and approximately 385,000 award seats were redeemed on program partner airlines.

CORPORATE GROUPS  A range of corporate groups provide guidance, shape policy, develop strategic direction and perform a safeguarding role in terms of compliance and performance monitoring for the Group. These include:

- Finance – financial policy, planning and reporting; treasury; tax; insurance; fleet; investor relations and strategy
- Government and Corporate Affairs – government and international relations; and employee and external communications
- Information Technology
- Legal
- People – people strategy; industrial relations; remuneration; workforce management initiatives; and the implementation of programs aimed at creating a competitive and motivated workforce
- Public Company
- Risk and Assurance – risk; safety; security; occupational health and safety; environment; aviation health; and internal audit, providing an integrated approach to risk management across the Group
- Shared Services – people services; property; procurement; and financial services areas of revenue accounting; accounting control; accounts payable; credit management; and Group payroll
**FLEET**

**QANTAS GROUP FLEET** At 1 September 2010, the Qantas Group operated a total passenger fleet of 252 aircraft.

### Qantas and QantasLink (191)

<table>
<thead>
<tr>
<th>Aircraft</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airbus A380-800</td>
<td>6</td>
</tr>
<tr>
<td>Boeing 747-400ER</td>
<td>6</td>
</tr>
<tr>
<td>Boeing 747-400</td>
<td>21</td>
</tr>
<tr>
<td>Boeing 767-300</td>
<td>26</td>
</tr>
<tr>
<td>Airbus 737-800</td>
<td>41</td>
</tr>
<tr>
<td>Boeing 737-400</td>
<td>21</td>
</tr>
<tr>
<td>Airbus A330-300</td>
<td>10</td>
</tr>
<tr>
<td>Airbus A330-200</td>
<td>7</td>
</tr>
<tr>
<td>Boeing 717-200</td>
<td>11</td>
</tr>
<tr>
<td>Bombardier Dash 8</td>
<td>21</td>
</tr>
<tr>
<td>Bombardier Q400</td>
<td>21</td>
</tr>
</tbody>
</table>

### Jetstar and Jetstar Asia (61)

<table>
<thead>
<tr>
<th>Aircraft</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airbus A320-200</td>
<td>48</td>
</tr>
<tr>
<td>Airbus A321-200</td>
<td>6</td>
</tr>
<tr>
<td>Airbus A330-200</td>
<td>7</td>
</tr>
</tbody>
</table>

**FLEET STRATEGY** For the Qantas Group, fleet planning is about balancing the immediate flying needs of the business while investing in new aircraft to drive long term improvements in safety, passenger comfort, cost, fuel efficiency, noise emissions, freight capacity and range capability. The new generation A380 and B787 remain central to the future of the Group’s flying businesses. The A380 will replace B747s on mature, dense routes such as London and Los Angeles. The A380 fleet will grow to 20 by 2015/16. The B787 will be ideal for point-to-point flying on medium density short and long haul routes. It will facilitate Jetstar’s growth into Europe and in Asia, be operated by Qantas on services into Asia and, potentially, high traffic Qantas domestic routes. The arrival of the B787 will allow for the progressive retirement of Qantas’ B767 fleet. The cornerstone of QantasLink’s fleet renewal remains the 74-seat turbo-prop Bombardier Q400. The Group is also acquiring narrow-body aircraft to support Qantas (B737-800) and Jetstar (A320/A321) domestic and short haul international growth.

**FLEET INVESTMENT AND RENEWAL** Since 2000, the Group has announced a number of new aircraft orders for Qantas, QantasLink and Jetstar as part of its multi-billion dollar fleet renewal program.

<table>
<thead>
<tr>
<th>Date</th>
<th>Aircraft and Quantities</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2000</td>
<td>12 A380s, 13 A330s, 6 B747-400ERs</td>
</tr>
<tr>
<td>January 2005</td>
<td>7 Bombardier Q400s</td>
</tr>
<tr>
<td>December 2005</td>
<td>up to 115 B787-8 and -9s, including 45 firm orders</td>
</tr>
<tr>
<td>August 2006</td>
<td>4 A330-200s</td>
</tr>
<tr>
<td>October 2006</td>
<td>8 A380s, 4 A330-200s, 5 B737-800s</td>
</tr>
<tr>
<td>January 2007</td>
<td>2 Bombardier Q400s</td>
</tr>
<tr>
<td>March 2007</td>
<td>9 A320s</td>
</tr>
<tr>
<td>July 2007</td>
<td>B787 firm orders increased to 65</td>
</tr>
<tr>
<td>October 2007</td>
<td>12 Bombardier Q400s</td>
</tr>
<tr>
<td>November 2007</td>
<td>up to 188 narrow body aircraft, including 68 A320/A321s and 31 B737-800s</td>
</tr>
<tr>
<td>June 2009</td>
<td>B787 firm orders reduced to 50</td>
</tr>
<tr>
<td>August 2009</td>
<td>4-5 A330-200s</td>
</tr>
<tr>
<td>July 2010</td>
<td>7 Bombardier Q400s</td>
</tr>
</tbody>
</table>

The Group had more than 150 aircraft planned for delivery over then next 10 years:

<table>
<thead>
<tr>
<th>Aircraft</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airbus A380</td>
<td>14</td>
</tr>
<tr>
<td>Boeing 787-8 and -9</td>
<td>50</td>
</tr>
<tr>
<td>Airbus A330-200</td>
<td>5</td>
</tr>
<tr>
<td>Boeing 737-800</td>
<td>28</td>
</tr>
<tr>
<td>Airbus A320/A321</td>
<td>52</td>
</tr>
<tr>
<td>Bombardier Q400</td>
<td>7</td>
</tr>
</tbody>
</table>
GROUP ROUTE NETWORK

At 1 September 2010, the Qantas Group served 182 destinations in 44 countries, including Australia – 59 in Australia and 123 in other countries (including destinations served by codeshare partner airlines).

COUNTRIES – 44

<table>
<thead>
<tr>
<th>Africa (1)</th>
<th>South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas (5)</td>
<td>Argentina</td>
</tr>
<tr>
<td></td>
<td>Mexico*</td>
</tr>
<tr>
<td>Asia and Pacific (20)</td>
<td>Australia</td>
</tr>
<tr>
<td></td>
<td>Fiji*</td>
</tr>
<tr>
<td></td>
<td>Indonesia</td>
</tr>
<tr>
<td></td>
<td>New Zealand</td>
</tr>
<tr>
<td></td>
<td>Philippines</td>
</tr>
<tr>
<td></td>
<td>Taiwan*</td>
</tr>
<tr>
<td></td>
<td>Vanuatu*</td>
</tr>
<tr>
<td>Europe (14)</td>
<td>Austria*</td>
</tr>
<tr>
<td></td>
<td>France*</td>
</tr>
<tr>
<td></td>
<td>Italy*</td>
</tr>
<tr>
<td></td>
<td>Poland*</td>
</tr>
<tr>
<td></td>
<td>Switzerland*</td>
</tr>
<tr>
<td>Middle East (4)</td>
<td>Bahrain*</td>
</tr>
<tr>
<td></td>
<td>United Arab Emirates*</td>
</tr>
</tbody>
</table>

AUSTRALIA – 59

<table>
<thead>
<tr>
<th>ACT (1)</th>
<th>Canberra</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales (12)</td>
<td>Armidale</td>
</tr>
<tr>
<td></td>
<td>Dubbo</td>
</tr>
<tr>
<td></td>
<td>Newcastle</td>
</tr>
<tr>
<td></td>
<td>Tamworth</td>
</tr>
<tr>
<td>Northern Territory (4)</td>
<td>Alice Springs</td>
</tr>
<tr>
<td></td>
<td>Darwin</td>
</tr>
<tr>
<td>Queensland (25)</td>
<td>Biloela</td>
</tr>
<tr>
<td></td>
<td>Bundaberg</td>
</tr>
<tr>
<td></td>
<td>Cloncurry</td>
</tr>
<tr>
<td></td>
<td>Gold Coast</td>
</tr>
<tr>
<td></td>
<td>Horn Island</td>
</tr>
<tr>
<td></td>
<td>Maroochydore</td>
</tr>
<tr>
<td></td>
<td>Mount Isa</td>
</tr>
<tr>
<td></td>
<td>Roma</td>
</tr>
<tr>
<td>South Australia (3)</td>
<td>Adelaide</td>
</tr>
<tr>
<td></td>
<td>Port Lincoln</td>
</tr>
<tr>
<td>Tasmania (3)</td>
<td>Devonport</td>
</tr>
<tr>
<td></td>
<td>Launceston</td>
</tr>
<tr>
<td>Victoria (3)</td>
<td>Avalon</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Western Australia (8)</td>
<td>Broome</td>
</tr>
<tr>
<td></td>
<td>Kununurra</td>
</tr>
<tr>
<td></td>
<td>Perth</td>
</tr>
</tbody>
</table>

**INTERNATIONAL (123)**

<table>
<thead>
<tr>
<th>Africa (1)</th>
<th>Johannesburg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas (52)</td>
<td>Anchorage*</td>
</tr>
<tr>
<td></td>
<td>Baltimore*</td>
</tr>
<tr>
<td></td>
<td>Buenos Aires</td>
</tr>
<tr>
<td></td>
<td>Charlotte*</td>
</tr>
<tr>
<td></td>
<td>Dallas/Fort Worth*</td>
</tr>
<tr>
<td></td>
<td>Edmonton*</td>
</tr>
<tr>
<td></td>
<td>Halifax*</td>
</tr>
<tr>
<td></td>
<td>Indianapolis*</td>
</tr>
<tr>
<td></td>
<td>Los Angeles</td>
</tr>
<tr>
<td></td>
<td>Miami*</td>
</tr>
<tr>
<td></td>
<td>Montreal*</td>
</tr>
<tr>
<td></td>
<td>Orlando*</td>
</tr>
<tr>
<td></td>
<td>Pittsburgh*</td>
</tr>
<tr>
<td></td>
<td>Reno*</td>
</tr>
<tr>
<td></td>
<td>San Jose*</td>
</tr>
<tr>
<td></td>
<td>Seattle*</td>
</tr>
<tr>
<td></td>
<td>Toronto*</td>
</tr>
<tr>
<td></td>
<td>Washington DC*</td>
</tr>
</tbody>
</table>

| Asia and Pacific (37) | Auckland | Bangkok | Beijing* |
|                       | Chengdu*     | Christchurch | Dalian* |
|                       | Delhi*       | Denpasar | Dili* |
|                       | Espiritu Santo* | Fuzhou* | Guangzhou* |
|                       | Harbin*       | Ho Chi Minh City | Hong Kong |
|                       | Jakarta       | Kunming* | Manila |
|                       | Mumbai        | Nadi* | Norfolk Island* |
|                       | Noumea        | Osaka | Papeete* |
|                       | Phuket        | Port Moresby* | Port Villa* |
|                       | Qingdao*      | Queenstown | Seoul* |
|                       | Shanghai      | Shenyang* | Singapore |
|                       | Taipei*       | Tokyo | Wellington |
|                       | Xianyang*     |       |       |

| Europe (29)         | Aberdeen*    | Amsterdam* | Barcelona* |
|                     | Berlin*      | Budapest* | Copenhagen* |
|                     | Dusseldorf*  | Edinburgh* | Frankfurt |
|                     | Geneva*      | Glasgow* | Hamburg* |
|                     | London       | Lyon* | Madrid* |
|                     | Manchester*  | Milan* | Munich* |
|                     | Newcastle*   | Nice* | Oslo* |
|                     | Paris*       | Prague* | Rome* |
|                     | Stockholm*   | Toulouse* | Vienna* |
|                     | Warsaw*      | Zurich* |       |

| Middle East (4)     | Abu Dhabi*   | Amman* | Bahrain* |
|                     | Beirut*      |       |       |

*Services operated by codeshare partners
QANTAS PRODUCT – DOMESTIC AND INTERNATIONAL

AN AWARD WINNING BRAND Qantas is one of Australia’s leading brands, with a history of safety, reliability, operational and engineering excellence and outstanding customer service. This reputation has been confirmed in recent years by peer, customer and industry awards, including:

- AFTA National Travel Industry Awards, Best Domestic Airline (2010)
- Good Design™ Award for A380 First Class Suite Chicago Athenaeum Museum (2009)
- Australian International Design Award for A380 Economy seat (2009) and Sydney First Lounge (2008)
- Good Design™ Award for Skybed, Chicago Athenaeum Museum (2004)
- Australian Design Award for Skybed (2004)

INTERNATIONAL First (B747 services) Qantas First offers an exclusive cabin with 14 fully flat beds complemented by luxurious soft furnishings and a designer amenity collection. Dedicated cabin crew are trained in premium service, food preparation and wine knowledge. Additional ground services include First Hosts in selected ports, a dedicated and exclusive check-in facility in Sydney and Melbourne (dedicated check-in counters in other ports), priority baggage with additional allowances, priority boarding and disembarkation and express customs and immigration in selected ports.

Business (B747 and A330 services) Qantas Business offers the award-winning, Skybed sleeper seat, specially trained cabin crew, a self-service refreshment bar and mood lighting. Additional ground services include dedicated check-in counters in all ports, priority baggage with additional allowances, priority boarding and disembarkation and express customs and immigration in selected ports.

Premium Economy (most B747 services) Qantas Premium Economy was launched on select B747-400 services in April 2008 and offers an all-new seat with generous recline and leg room. Additional ground services include priority check-in, increased hand baggage allowance and priority boarding.

Economy Qantas’ ergonomically designed slimline Economy seat offers customers greater comfort with features including lumbar support and adjustable headrest wings for extra head and neck support.

Dining Qantas offers a choice of complimentary inflight meals and snacks based on the best produce and ingredients. In First and Business, restaurant-style menus are designed by renowned Australian chef and restaurateur Neil Perry. First customers can enjoy an eight course tasting menu on some sectors. Business customers can choose from a range of menu options, a room service breakfast and refreshments are available throughout the flight. Premium Economy offers a Neil Perry-inspired menu, premium wines and refreshments. A choice of two main meal options is available in Economy, along with ice creams, hot chocolate, herbal teas, fresh fruit and Snack on Q, an assortment of quality snack foods.

Wine Qantas sources more than four million bottles of wine each year and offers more than 300 different wines, showcasing the diversity of the Australian industry. A panel of qualified judges and respected winemakers lends further specialist expertise to the airline’s award winning position in the industry. Qantas cabin crew are sommelier trained. A wine guide with tasting notes on more than 100 wines served over a six month period is also available inflight and at qantas.com.

Amenity Collections First customers receive premium pyjamas and slippers and designer amenity collections featuring skincare products from Payot Paris. Business amenity collections feature skincare
products from New York’s Malin + Goetz. Pyjamas are available for Business customers on select long haul night flights. In Premium Economy and Economy, customers receive an amenity kit.

See also Qantas A380 Fact File

DOMESTIC  Qantas offers two domestic travel classes – Business and Economy. Domestic inflight service features complimentary meals and snacks and audio-visual entertainment. Qantas’ Cityflyer offers customers travelling between Adelaide, Brisbane, Canberra, Melbourne, Perth and Sydney more flights and more seats than any other airline. Cityflyer services include priority departure gates, dedicated customer service desks, complimentary newspapers on early morning flights and complimentary wine and beer after 4pm weekdays (after 12pm seven days-a-week on Perth services).

INFLIGHT ENTERTAINMENT  All Qantas International A380, B747 and A330 aircraft are fitted with on demand entertainment systems offering digital picture and sound quality and large selections of movies, television programs, destination guides, CDs, radio channels and interactive games. The award-winning monthly magazine, *Qantas the Australian Way*, is available in the seat pocket on all Qantas flights.

QANTAS CLUBS AND LOUNGES  Qantas Club lounges provide comfortable seating, complimentary light refreshments, bar facilities, a morning barista service and reading material. Select lounges also include business facilities, complimentary wireless internet, work-stations and showers. Members are welcome at over 130 lounges worldwide. Lounges are open to Platinum and Gold Frequent Flyers, one world equivalent members, Qantas Club members on day of Qantas travel and all Qantas First and Business customers on day of travel.

FIRST LOUNGES  Qantas flagship First Lounges in Sydney and Melbourne are designed by Marc Newson and offer full concierge service, restaurant with Neil Perry menus, library and complimentary day spa.

DOMESTIC BUSINESS LOUNGES  Qantas opened dedicated domestic Business Lounges in Sydney, Melbourne, Brisbane and Canberra in 2008, offering quiet work suites and complimentary wireless internet, a selection of hot and cold food, barista service and separate bathroom and private shower suites. The lounges are open to Business customers and Qantas Platinum and one world Emerald Frequent Flyers.

QANTAS MEETING ROOMS  Qantas Meeting Rooms are available in Qantas domestic terminals in Sydney (T3), Melbourne and Brisbane, as well as Adelaide, Darwin and Townsville, providing exclusive meeting facilities and state-of-the-art IT services.

QANTAS VALET PARKING AND QANTAS DRIVE  Available in Sydney (T1, T2 and T3), Melbourne, Brisbane, Adelaide and Perth, Qantas Valet Parking is a premium valet service that allows customers to drop off their car and proceed straight to check-in. Qantas Frequent Flyers can pre-book using Valet Express. Qantas Drive offers a limousine service to and from select domestic airport terminals.

ONLINE CHECK-IN AND CHECK-IN KIOSKS  An online check-in service is available at qantas.com for domestic flights, allowing customers to select their seat, print their boarding pass up to 24 hours before their flight. International online check-in is also available for customers whose first itinerary sector is with Qantas. Qantas offers check-in kiosks in major domestic terminals.

NEXT GENERATION CHECK-IN  Qantas’ Next Generation Check-in launched on a trial basis in Perth in July 2010. This all-new check-in experience will streamline the journey through the airport and give customers more time to relax before their flight. In its initial stage, the changes will focus more on new check-in kiosks and bag drop stations, with the system accessed by a new Frequent Flyer card equipped with an intelligent chip. The official launch of Next Generation Check-in is planned for the Qantas domestic terminal in Sydney (T3) later in 2010, alongside a terminal re-design, new design Qantas Cards and a Q Bag Tag.

ADVANCE SEAT SELECTION  qantas.com’s Advance Seat Selection offers seat selection for eligible customers travelling on a Qantas operated domestic or international flight. For domestic flights, eligible customers can choose an aisle or window seat (excluding QantasLink).
EXIT ROW SEATING  Economy customers seeking extra legroom can purchase exit row seats on Qantas operated international flights (excluding Tasman/Noumea services and those operated by single aisle aircraft). The seats can be purchased between seven days up to 24 hours prior to flight departure, or on request at airport check-in on the day of travel, if available.

QANTAS WEB CONNECT  Qantas Web Connect workstations offer pay-per-use high-speed broadband internet access via desktop PCs, data port or wireless connection in Qantas’ domestic terminals in Sydney (T3), Melbourne (T1), Brisbane and Perth.

For further details, visit qantas.com
THE QANTAS A380

Qantas took delivery of its first Airbus A380 on 19 September 2008, before the aircraft operated its first commercial service, between Melbourne and Los Angeles, on 20 October. The airline’s second and third A380s arrived in December 2008, the fourth in August 2009, the fifth in December 2009 and the sixth in January 2010. The airline will have a 20-strong A380 fleet by 2015. The Qantas A380 operates daily services between Sydney and Los Angeles, as well as selected services between Melbourne and Los Angeles and Sydney and Melbourne to London via Singapore. The aircraft is configured with 450 seats – 14 in First, 72 in Business, 32 in Premium Economy and 332 in Economy – with each of the four cabins designed by Qantas Creative Director, Australian Marc Newson to offer customers more space and comfort then ever before.

FIRST

The main deck First cabin features 14 private suites, each with wide screen LCD video monitors, a unique touch screen control unit and a seat, manufactured by B/E Aerospace’s VIP jet group, that swivels and reclines into a comfortable armchair and fully flat, extra long and very wide bed. In December 2009, the Qantas A380 First Suite won the Chicago Athenaeum Museum’s Good Design™ Award. First highlights:
- 14 individual suites featuring electronically adjustable seat with programmable positions and fully adjustable multi-zone massage function;
- seat converts into a fully flat bed complemented by a mattress, sheepskin overlay and fitted cotton sateen sheeting;
- electronically deployed 17 inch LCD widescreen video monitor;
- touch screen control unit, operating all electronic functions including adjustable privacy screens and featuring a personal flight map;
- leather guest seat and large dining table designed to accommodate two;
- a variety of personal storage options including dresser unit;
- high quality finishes including Edelman leather and real wood;
- noise cancelling headset port, PC power, and USB ports;
- electronically controlled dual layer window shades;
- mood lighting and enhanced cabin soundproofing; and
- designer amenities and pyjamas, soft furnishings and tableware featuring designs by Marc Newson.

BUSINESS

The upper deck Business cabin features an enhanced version of the award-winning Skybed sleeper seat in a two-two-two layout. The A380 Skybed is longer and fully flat, with ergonomically enhanced cushioning, a larger in-arm entertainment screen and additional storage options. A private lounge area is available featuring leather sofas, self-service bar and large video monitor with laptop connectivity. Business highlights:
- illuminated Skybed controller operating all seat functions, electronically deployed privacy divider and fully adjustable in-arm video monitor;
- variety of personal storage options including dedicated spaces for laptops, headset, shoes, reading material, water bottle, and coat hook;
- multiple reading lights, noise cancelling headset port, PC power and USB ports;
- lounge area featuring self-service refreshment bar, large sofa, seatbelts for inflight use, selection of reading material and large entertainment screen with laptop connection; and
- designer amenities, pyjamas, soft furnishings and tableware featuring designs by Marc Newson.
PREMIUM ECONOMY The new upper deck Premium Economy cabin features a seat, in a two-three-two configuration, and designed by Marc Newson. Manufactured by Recaro, it offers the world’s best Premium Economy recline and leg room, extra width, an in-arm digital wide screen entertainment monitor and laptop power connection. Premium Economy is also available on Qantas’ fleet of B747-400 Kangaroo and Pacific aircraft. The B747-400 Premium Economy cabin is located on the main deck in a two-four-two configuration, with 32 seats (on Kangaroo route aircraft) and 40 seats (on Pacific aircraft). Premium Economy highlights:

- nine inch seat recline and up to 42 inch seat pitch;
- extra wide, up to 19.5 inch seat;
- larger, in-arm touch screen video monitor, noise cancelling headset port, and PC power;
- multiport jack with USB ports (A380 only);
- multi-way adjustable headrest and integrated leg rest with fold-out footrest;
- wide centre console with a fixed cocktail table and in-arm meal table; and
- self-service bar (A380 only).

ECONOMY The Qantas A380 offers a new Marc Newson designed seat, manufactured by Recaro, and featuring a sliding base that moves with the seat back to create a more comfortable, ergonomically correct position to aid sleep and eliminate pressure points. The innovative design also includes a foot net, increased knee and shin room between seats and a larger seat back entertainment screen. The main deck Economy cabin is configured in a three-four-three layout and offers four self-service bars. In May 2009, Qantas won the prestigious Design Award of the Year at the Australian International Design Awards for the seat. Economy highlights:

- ergonomic seat with a unique carbon fibre seat back, articulating seat base and flexible front edge;
- concealed in-arm entertainment controller, shared PC power, and USB port;
- literature pocket and water bottle holder;
- multi-way adjustable headrest; and
- mood lighting.

INFLIGHT ENTERTAINMENT The Qantas A380’s state-of-the-art inflight entertainment system is manufactured by Panasonic Avionics Corporation, and offers customers greater choice. A state-of-the-art graphic user interface allows passengers to easily navigate through a vast range of entertainment choices, including on-demand access to over 100 movies, 500 television selections, 1000 audio CDs, 80 PC style games, as well as a selection of 50 audio books and 20 radio channels, Deloitte Leadership Academy, Lonely Planet destination and arrival guides, and language tutorials. USB and PC power ports are also available in all cabins. The aircraft also features an external camera giving a pilot’s eye view of take-off, landing and cruise. Wireless or in-seat access to a range of connectivity options including email and internet will be introduced in 2011 subject to regulatory approval.

FIRST LOUNGES Ahead of the introduction of the A380, new flagship Qantas First Lounges opened in Sydney and Melbourne in May 2007. Designed by Marc Newson, the lounges offer a full concierge service, open kitchen restaurant with menus by Neil Perry, library and complimentary day spa.

MARC NEWSON Australian Marc Newson is one of the most influential designers in the world today. His association with Qantas began with the award-winning Skybed Business sleeper seat in 2003. As Qantas Creative Director, Marc oversees all Qantas product development including aircraft interiors, onboard product and lounges. Marc’s designs are part of most major permanent museum collections including the Museum of Modern Art in New York, London’s Design Museum, Musée National d’Art Moderne – Centre Georges Pompidou and the Vitra Design Museum.

For more on the Qantas A380, visit qantas.com
QANTASLINK

QANTASLINK  QantasLink, a wholly-owned subsidiary of Qantas Airways and Australia’s largest regional airline, operates around 1900 flights each week to 54 metropolitan and regional destinations across Australia and, as of July this year, its first international destination in Papua New Guinea’s Port Moresby. QantasLink comprises three separate regional airline entities – Airlink, Eastern Australia Airlines and Sunstate Airlines.

GLOBAL REACH  QantasLink customers enjoy a range of benefits that include:
- intrastate, interstate and international connections;
- access to the Qantas reservation system;
- affiliation with the oneworld alliance;
- Qantas Frequent Flyer points*;
- access to Qantas Club lounges*;
- e-ticket availability from most ports to all domestic and selected international ports;
- online check-in via qantas.com; and
- through baggage check for Qantas domestic and international connections.
*subject to membership terms and conditions

FLEET  At 1 September 2010, QantasLink operated 53 aircraft – 11 B717-200 jets, 21 Bombardier Dash 8 Q200/Q300s and 21 Bombardier Q400 turboprop aircraft. A further seven Q400s are on order for delivery from 2011.

QANTASLINK BASES  QantasLink provides direct employment for more than 1,000 people in metropolitan and regional centres, including Adelaide, Brisbane, Cairns, Melbourne, Mildura, Sydney and Tamworth.

REGIONAL LOUNGES  QantasLink is undertaking a program to refresh its network of Regional Lounges. The airline has recently opened new QantasLink Regional Lounges in Coffs Harbour and upgraded facilities in Devonport and Launceston. Lounges are also located in Mackay and Townsville with new lounges being constructed next year in Gladstone and Emerald.

REGIONAL NETWORK  QantasLink operates to 54 destinations in Australia and also to Port Moresby, Papua New Guinea:

<table>
<thead>
<tr>
<th>Australian Capital Territory (1)</th>
<th>Canberra</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales (11)</td>
<td></td>
</tr>
<tr>
<td>• Albury</td>
<td>• Armidale</td>
</tr>
<tr>
<td>• Dubbo</td>
<td>• Lord Howe Island</td>
</tr>
<tr>
<td>• Newcastle</td>
<td>• Port Macquarie</td>
</tr>
<tr>
<td>• Tamworth</td>
<td>• Wagga Wagga</td>
</tr>
<tr>
<td>• Coffs Harbour</td>
<td>• Moree</td>
</tr>
<tr>
<td>• Moree</td>
<td>• Sydney</td>
</tr>
<tr>
<td>• Sydney</td>
<td>• Darwin</td>
</tr>
<tr>
<td>Northern Territory (4)</td>
<td></td>
</tr>
<tr>
<td>• Alice Springs</td>
<td>• Ayers Rock</td>
</tr>
<tr>
<td>• Gove</td>
<td>• Darwin</td>
</tr>
<tr>
<td>Queensland (21)</td>
<td></td>
</tr>
<tr>
<td>• Barcaldine</td>
<td>• Biloela</td>
</tr>
<tr>
<td>• Brisbane</td>
<td>• Bundaberg</td>
</tr>
<tr>
<td>• Charleville</td>
<td>• Cloncurry</td>
</tr>
<tr>
<td>• Gladstone</td>
<td>• Hamilton Island</td>
</tr>
<tr>
<td>• Horn Island</td>
<td>• Longreach</td>
</tr>
<tr>
<td>• Moranbah</td>
<td>• Mt Isa</td>
</tr>
<tr>
<td>• Roma</td>
<td>• Townsville</td>
</tr>
<tr>
<td>• Blackall</td>
<td>• Cairns</td>
</tr>
<tr>
<td>• Cairns</td>
<td>• Emerald</td>
</tr>
<tr>
<td>• Emerald</td>
<td>• Hervey Bay</td>
</tr>
<tr>
<td>• Mackay</td>
<td>• Rockhampton</td>
</tr>
<tr>
<td>• Rockhampton</td>
<td>• Weipa</td>
</tr>
</tbody>
</table>

Further information and media releases can be found at the Qantas website: qantas.com

September 2010
Tasmania (2)  
- Devonport  
- Launceston  

Victoria (3)  
- Melbourne  
- Mildura  
- Mt Hotham  

Western Australia (8)  
- Broome  
- Kalgoorlie  
- Karratha  
- Kununurra  
- Newman  
- Paraburdoo  
- Perth  
- Port Hedland  

South Australia (3)  
- Adelaide  
- Olympic Dam*  
- Port Lincoln  

* codeshare service

AFFILIATE AIRLINES QantasLink flights also link up with services provided by the following affiliate airlines that serve more than 40 additional destinations:

- Aeropelican, based in Newcastle  
- Brindabella Airlines, based in Canberra  
- Airmorth, based in Darwin  
- Cobham Aviation, based in Adelaide

QantasLink commenced codeshare services with Airmorth from Kununurra to Darwin, Broome and Perth in September 2007, and with Alliance Airlines from Adelaide to Olympic Dam in November 2007.

QANTASLINK ENGINEERING QantasLink’s fleet is serviced in a number of city and regional locations. Heavy maintenance is undertaken in Tamworth, while line maintenance bases are located in Brisbane, Melbourne and Sydney.

REGIONAL SPONSORSHIPS Sponsorship of events and the promotion of tourism demonstrates QantasLink’s commitment to rural and regional Australia and the airline works closely with other parts of the Qantas Group to promote regional and destination tourism within Australia and overseas. QantasLink’s support for community, cultural, educational and sporting events, festivals and conferences, includes:

- Ag-Grow Field Days  
- Albury City Council Community Awards  
- Country Music Association of Australia  
- Cape York Turtle Rescue Camp  
- Cradel Coast Tourism Forum  
- Destination Albury Wodonga  
- Devonport Jazz Festival  
- Fraser Coast South Burnett Tourism  
- Gladstone Harbour Festival  
- Lord Howe Island Tourism Association  
- Mildura Arts Centre  
- New England Regional Art Museum  
- Miss Wagga Wagga Quest  
- Moree on a Plate Food Festival  
- NSW Country Rugby Union  
- National Breast Cancer Foundation  
- Port Macquarie Chamber Business Awards  
- Port Lincoln Tunarama Festival  
- Port Lincoln Cup  
- Queensland Outback Tourism Awards  
- Wide Bay Australia International Air Show  
- Western Plains Cultural Centre Dubbo
Jetstar commenced Australian domestic operations on 25 May 2004. Headquartered in Melbourne, the low cost, value-based carrier currently operates up to 2,400 flights a week to 52 destinations, on domestic Australian and New Zealand services, international services from Australia to New Zealand (commenced June 2009) and into Asia, as well as within Asia. Jetstar is today one of the two largest low cost carriers in Asia, where the Qantas Group has expanded the Jetstar brand with direct investments in Jetstar Asia (based in Singapore) and Jetstar Pacific (Vietnam). The orange star in the Jetstar Australia logo symbolises Epsilon Crucis, the smallest and only five-point star in the Southern Cross, as represented on the Australian flag.

**JETSTAR SHORT HAUL**  For its Australian domestic and short-haul international services, Jetstar operates a fleet of 36 single-class A320 and six A321 aircraft. A further eight A320s will be delivered in the 2010-11 to operate across Jetstar branded networks. The A320 services offer 177 all-leather seats (213 seats on the A321), a range of hot and cold food and beverages (including alcohol) for purchase and portable video-on-demand entertainment units for hire (offering movies and a range of television programs, music videos and audio tracks). The airline also offers a monthly in-flight magazine, *Jetstar*. Qantas Frequent Flyers can earn Frequent Flyer points and Status credits with the purchase of Jetstar's *JetFlex* fares, and redeem points on any Jetstar flight, subject to availability. Qantas Club members can use Qantas lounge facilities where available when flying on Jetstar.

**SHORT HAUL NETWORK**  Jetstar Australia currently operates to the following short haul domestic and international destinations:

<table>
<thead>
<tr>
<th>Country</th>
<th>City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiji</td>
<td>Nadi</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Bali</td>
</tr>
<tr>
<td>New South Wales</td>
<td>Ballina</td>
</tr>
<tr>
<td>New Zealand</td>
<td>Auckland</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>Darwin</td>
</tr>
<tr>
<td>Queensland</td>
<td>Brisbane</td>
</tr>
<tr>
<td></td>
<td>Hamilton Island</td>
</tr>
<tr>
<td></td>
<td>Townsville</td>
</tr>
<tr>
<td>Singapore</td>
<td>Singapore</td>
</tr>
<tr>
<td>South Australia</td>
<td>Adelaide</td>
</tr>
<tr>
<td>Tasmania</td>
<td>Hobart</td>
</tr>
<tr>
<td>Victoria</td>
<td>Melbourne</td>
</tr>
<tr>
<td>Vietnam</td>
<td>Ho Chi Minh City</td>
</tr>
<tr>
<td>Western Australia</td>
<td>Perth</td>
</tr>
</tbody>
</table>

**JETSTAR NEW ZEALAND**  Jetstar is the second largest airline in the New Zealand market and operates domestic and Tasman services. Its domestic network comprises Auckland, Christchurch, Queenstown and Wellington. A future fleet of eight A320s and one A330-200 will support a growing New Zealand operation. Jetstar commenced international flying on the Tasman from Christchurch in December 2005 (today to Brisbane, Gold Coast, Melbourne and Sydney). Auckland-Sydney services commenced in April 2009 (also to Gold Coast, and with Melbourne and Cairns to be added later this year). Queenstown will be added by December 2010. Direct Singapore-Auckland A330 services will commence in March 2011 subject to regulatory approval.
JETSTAR LONG HAUL  Jetstar commenced international long haul flights on 23 November 2006 and operates seven A330-200 aircraft from Sydney, Melbourne, Cairns and the Gold Coast. The 303-seat aircraft offer all-leather seating in two classes - Economy and StarClass, Jetstar's international business class. A further four aircraft will be added from late 2010 to support future long haul growth ahead of the introduction of a fleet of Boeing 787 Dreamliners. StarClass fares include all meals, snacks and beverages, inflight entertainment options and comfort and amenity packs, and StarClass customers have access to priority check-in, larger baggage allowances and lounges and can earn Qantas Frequent Flyer points at Business class rates. Jetstar's international Economy offering gives customers a choice of food, drink, entertainment and amenity options which can be purchased at time of booking or onboard. Jetstar international services offer connections to other Jetstar and Qantas international services. Qantas codeshares on most Jetstar long haul services and a codeshare is in place with Japan Airlines on the majority of its Australia-Japan services. Interline arrangements are in place with Qantas a number of other airlines including Air France/KLM and Air Canada. Jetstar will become the Qantas Group's launch airline for the new generation Boeing 787 Dreamliner, with the first aircraft to arrive in mid-2012. The Jetstar B787-8 will seat 313 passengers, including 38 in StarClass. Jetstar will fly the larger B787-9, expected from 2014/15, to support further expansion of its international operations.

LONG HAUL NETWORK  Jetstar currently operates to the following long haul destinations:

| Cairns to: | Osaka | Tokyo (Narita) |
| Gold Coast to: | Osaka | Tokyo (Narita) |
| Melbourne to: | Bali | Bangkok | Singapore* |
| Sydney to: | Bali | Honolulu | Phuket |

* From 16 December 2010

JETSTAR ASIA  The Qantas Group has a 49 per cent interest in Jetstar Asia. The remaining 51 per cent holding is owned by Westbrook Investments Pte Ltd. From its Singapore hub, Jetstar Asia operates a fleet of 10 A320 aircraft to 20 destinations across Asia and into Australia. Two A330-200 aircraft will be based in Singapore from December 2010 and March 2011, and operate direct services to Melbourne and Auckland (subject to regulatory approval). Jetstar Asia operates between Singapore and the following destinations:

| Vietnam | Ho Chi Minh City |
| Cambodia | Phnom Penh | Siem Reap | Macau |
| Indonesia | Bali | Jakarta | Medan |
| Malaysia | Kota Kinabalu | Kuala Lumpur | Penang |
| Myanmar | Yangon |
| Philippines | Manila |
| Taiwan | Taipei |
| Thailand | Bangkok | Phuket |

JETSTAR PACIFIC  The Qantas Group owns 27 per cent of Jetstar Pacific, the only low cost, value-based airline in Vietnam. Other shareholders are its majority owner, State Capital Investment Corporation, and Saigon Tourist. The investment which will grow to 30 per cent in 2010 and supports Jetstar’s pan-Asian growth strategy. Based in Ho Chi Minh City, the airline’s network covers seven cities – Danang, Hai Phong, Hanoi, Ho Chi Minh City, Hue, Nha Trang and Vinh. Pacific Airlines was re-branded Jetstar Pacific in May 2008 under local business services and branding agreements. Under these agreements, Jetstar provides a broad range of commercial services, common branding and distribution arrangements. With a fleet of six aircraft (5 B737-400s and one A320), Jetstar Pacific will to an all-A320 operation over time.

For further details, visit jetstar.com
Qantas Frequent Flyer

Established in 1987, Qantas Frequent Flyer is the leading airline loyalty program in Australia, with more than six million members, and a global redemption network supporting the Qantas Group. It is the only loyalty program in Australia which offers members the ability to combine points from flying, credit or charge card spend and everyday grocery shopping directly into one account. With more than 400 partners including Woolworths/Safeway supermarkets and liquor outlets, BWS, Big W and participating Dick Smith and Tandy stores in Australia, members can earn points, simply by doing the things they do every day. When members use a credit or charge card that earns Frequent Flyer points they could earn points twice – once with the partner and once with their card. There are also hundreds of ways to use points – including Classic and Any Seat Award flights, upgrades, Qantas Club membership and for more than 1,800 products and experiences, including over 100 gift vouchers from the Qantas Frequent Flyer Store. On average, 11,000 new members join the program each week. In 2008/09, approximately 3.3 million seats were redeemed for travel across Qantas Group domestic and international routes, and one in nine passengers travelled on a flight award. Members also redeemed points for approximately 385,000 award seats on program partner airlines.

Earning Points

Qantas Frequent Flyer program members can:

- earn points from over 400 partners with flights; credit and charge cards; groceries and liquor, hotels; cars, shopping, travel and travel services; restaurants and entertainment; and finance, business and real estate;
- earn points flying with Qantas, Jetstar and 25 other partner airlines including:
  - oneworld alliance carriers American Airlines, British Airways, Cathay Pacific Airways, Finnair, Iberia, Japan Airlines (JAL), LAN, Malév and Royal Jordanian; and partner airlines Aer Lingus, Air Niugini, Airmouth, Air Pacific, Air Vanuatu, Alaska Airlines, Alitalia, Brindabella Airlines Dragonair, El Al, Jet Airways, Mexicana, NationalJet, and SAS
- earn a guaranteed minimum 1,000 points per eligible Qantas or Jetstar flight and more when flying Qantas Business or Jetstar StarClass and Qantas First - 1,250 points
- earn points and Status credits when travelling on Qantas and Jetstar Any Seat Awards on eligible flights in eligible earning classes.
- earn bonus points when flying in Qantas Premium Economy, Business and First and Jetstar StarClass
- earn Status credits by flying on eligible flights with Qantas, Jetstar, oneworld airlines and Air Pacific
- earn points automatically from every day spending with a range of direct earn credit card partners, including ANZ, American Express, Citibank, Commonwealth Bank, Diners Club, NAB, St George and Westpac
- ‘double dip’ by using a direct earn card to make an eligible purchase from any program partner, earning once with the card and again from the partner
- earn points when shopping at Woolworths/Safeway Supermarkets and Liquor (excluding Tasmania), BWS (excluding Tasmania), BIG W and Dick Smith and Tandy stores (excluding franchisee and reseller stores) across Australia

Using Points

Qantas Frequent Flyer program members can redeem points for:

- Qantas and Partner Classic Awards – the traditional option of using a set number of points for a limited number of seats on Qantas, Jetstar and 25 international and regional partner airlines. Classic Award seats are subject to capacity controls and availability is limited
- Qantas and Jetstar Any Seat Awards – on flights with a QF or JQ flight number plus a further 100 destinations with other airline partners using all points (including surcharges, fees and taxes) or the flexible
Points Plus Pay option. The points required for Qantas or Jetstar Any Seat Awards are variable and are only valid when quoted and not all special promotional fares are available as Any Seat Awards

- an upgrade request on eligible Qantas domestic and international flights
- transferring points to eligible family members and purchasing top-up points to access Award flights sooner
- more than 1,800 products (500 in NZ) and experiences, including over 100 (90 in New Zealand) gift vouchers from the Qantas Frequent Flyer Store using all points, or for selected products, taking advantage of the flexible Points Plus Pay option

POINTS PLUS PAY The flexible Points Plus Pay option is available for Qantas and Jetstar Any Seat Awards and selected products in the Qantas Frequent Flyer Store. It allows members to combine points (above a specified minimum level) with a debit, credit or charge card payment.

NO POINTS EXPIRY There is no expiry date on Qantas Frequent Flyer points, provided members earn or redeem points at least once every 18 months.

MEMBERSHIP LEVELS The program also recognises and rewards the most frequent travellers by offering three membership levels above the entry Bronze level – Silver, Gold and Platinum. Members can move up to the next level by accumulating the required Status credits which can be earned each time they fly on an eligible flight with Qantas, Jetstar, oneworld alliance airlines and Air Pacific. Members must also take a minimum of four eligible flights with a Qantas, QantasLink or Jetstar flight number each year. Each membership level offers particular privileges, including priority check-in, baggage allowances and, for Platinum and Gold members, complimentary Qantas Club membership. Eligible Frequent Flyer members also have access to oneworld lounges. The higher the membership status, the greater the privileges including additional points when flying on all Qantas, British Airways and American Airlines flights.

BOOKING AWARD FLIGHTS The following should be considered when booking Frequent Flyer award flights:

- Two types of Award bookings are available – Qantas and Partner Classic Awards & Qantas and Jetstar Any Seat Awards.
- with flights open 353 days prior to departure, booking as early as possible is always recommended, either online at qantas.com or by calling Qantas Telephone Sales. An award assistance fee of 2,500 points per person applies to bookings made via Qantas Telephone Sales.
- there is a 24 hour minimum advance booking requirement for all Award flights.
- Qantas and Partner Classic Award flights during peak periods (peak business hours on domestic flights, and during school and public holidays on all flights) are generally in high demand. Booking outside these periods if possible is recommended.
- if a Qantas and Partner Classic Award flight is not available on the desired dates, consider a Qantas or Jetstar Any Seat Award flight.
- Qantas and Jetstar Any Seat Awards offer flexibility and choice when using your points to book an Award flight. You can use your points to redeem a Qantas & Jetstar Any Seat Award for any available seat on any Qantas or Jetstar flight with a QF or JQ flight number. Members can also earn points and Status credits when travelling on a Qantas and Jetstar Any Seat Awards in an eligible class on an eligible flight.

For more information visit qantas.com/frequentflyer
Qantas Engineering

The Qantas Group operates one of the largest aircraft engineering and maintenance organisations in the Asia-Pacific region. Part of Qantas Airlines Operations, Qantas Engineering has an established international reputation for operational excellence and safety and employs over 5,500 people at maintenance facilities in Adelaide, Avalon, Brisbane, Melbourne, Sydney and Los Angeles, as well as at line stations in Australia and other overseas locations. One of the largest industrial organisations in Australia, Qantas Engineering provides a comprehensive range of engineering, maintenance, supply chain, training and support services for aircraft, engines and components and successfully operates in a rapidly changing market by managing and providing safe, compliant, high quality customer services with competitive cost and turnaround times. Qantas Engineering is continually transforming to ensure delivery of world’s best practice performance and as the aircraft maintenance, repair and overhaul (MRO) industry continues to globalise and consolidate, the business aims to position itself as the supplier of choice for the Qantas Group. The facilities in Avalon, Brisbane, Melbourne and Sydney have extensive capabilities in aircraft maintenance, modifications, refurbishment, and engine and component repair. While engineering and maintenance work is primarily carried out on wide and narrow body aircraft, engines and components for the Qantas Group, Qantas Engineering also undertakes customer work for other airlines and the Australian Defence Force.

FACILITIES

- **Sydney**  
  Qantas Engineering undertakes maintenance work on all its aircraft types, along with Rolls-Royce engine repair, component overhaul, engineering and technical training at the Arthur Baird Jet Base. Approximately 3,300 people are employed at this facility at Sydney Airport.

- **Melbourne**  
  The Melbourne Jet Base at Tullamarine caters for the Group’s narrow body B737-400 and -800 engineering and heavy maintenance, as well as aircraft component overhaul and maintenance of Boeing Business Jets. Approximately 700 people are employed at the facility.

- **Brisbane**  
  Qantas Engineering undertakes A330 and B767 heavy maintenance in Brisbane at a world-class hangar facility that employs more than 600 people.

- **Avalon**  
  Qantas Engineering’s B747 heavy maintenance base at Avalon Airport employs approximately 650 people.

- **Other Facilities**  
  Qantas Engineering employs over 300 people at other ports around Australia and the world network, including Adelaide, Perth, Canberra, Cairns, Darwin, Alice Springs, Townsville, Los Angeles, Singapore, Tokyo, Jakarta, Hawaii and London.

ONSHORE AND OFFSHORE MAINTENANCE  
More than 80 per cent of all Qantas aircraft heavy maintenance has been carried out at Qantas facilities in Australia for many years. When these facilities are at capacity, top tier overseas operations, certified by the Australian Civil Aviation Safety Authority (CASA), other national safety regulators and Qantas are used. All work is supervised by onsite Qantas engineers, and the facilities are regularly audited in accordance with Australian regulations.

INTERNATIONAL APPROVAL  
Qantas Engineering holds regulatory approval from CASA, the United States Federal Aviation Administration (FAA), the European Aviation Safety Agency (EASA), the Australian Department of Defence and many other foreign regulatory authorities and airlines. It is also accredited under the international standard for Quality Assurance ISO9001-2000. This confirms that Qantas Engineering not only meets the safety criteria of aviation authorities, but also achieves world standards for delivery, cost and other factors vital to customers.
AIRCRAFT, ENGINE AND COMPONENT MAINTENANCE Including line, base, overnight and heavy maintenance for the Qantas Group’s fleet in Australia, and a number of international destinations, Qantas Engineering’s comprehensive routine maintenance check capability includes:

- B747 - up to D check
- B767 - full system and structural check level
- B737 Classic - full system and structural check level
- A330 - full system and structural check level
- A380 - line and base maintenance
- B737-800 full system and structural check level

In addition to routine maintenance, Qantas Engineering specialises in customised maintenance inspections and modification packages including:

- aircraft interior and commercial product upgrades
- minor/major airframe repairs
- structural inspections
- corrosion prevention and control
- aging aircraft inspections
- major aircraft modification/refurbishment

Engine management and repair services are provided for Rolls-Royce engines in Sydney. Large numbers of aircraft and engine components are regularly inspected, tested, repaired and overhauled by Qantas Engineering to ensure safety and quality standards are maintained while delivering competitive turn around times and cost effective services to the Qantas Group and other customers.

AIRCRAFT AIRWORTHINESS Qantas Group airlines and the core maintenance areas of Qantas Engineering are supported by a range of technical engineering functions. Their role is to ensure all applicable regulatory obligations and business needs are met through the development and monitoring of systems and standards, thus maintaining Qantas’ reputation for high quality engineering.

SUPPLY CHAIN Qantas Engineering has a significant supply chain inventory management operation providing materials, distribution and logistics services for the extensive range of aircraft inventory required to support maintenance, modification and overhaul programs.

TRAINING Qantas has advanced technical training facilities, making it one of the few airlines with its own industry training program that includes apprentices and advanced technical training for engineers to certify the release of aircraft and components into service. As the Qantas Group fleet is expanding with new types of aircraft, engines, components and technological processes, the continuation of an ongoing apprenticeship program is integral to ensuring that Qantas Group, and other customer airlines’ aircraft, are maintained to the highest standards of safety, reliability and cost effectiveness. Qantas Engineering has trained over 7000 apprentices since the first apprentice commenced in 1927 and an average of 100 apprentices have been taken on each year over the last 30 years. The introduction of Finance Graduate and Professional Engineering Graduate Programs demonstrates Qantas Engineering's ongoing commitment to developing internal skills to help meet the evolving challenges faced by the business.
QANTAS AVIATION SERVICES

Qantas Aviation Services comprises five associated businesses, which deliver specialist services to the Qantas Group and third party customers.

QANTAS DEFENCE SERVICES  Qantas Defence Services (QDS) provides expert support to the Royal Australian Air Force’s (RAAF) C130 Hercules aircraft at Richmond and Canberra, and the Australian Government’s VIP aircraft in Canberra. QDS is also providing aircraft conversion services for Airbus Military on the RAAF’s Multi-Role Tanker Transport (MRTT) – a large and complex project to convert four A330-200 aircraft to tankers with air-to-air refuelling capability. QDS employs approximately 500 employees, with approximately 160 highly-skilled specialist engineers focused on the MRTT project. Around 50 dedicated staff will provide through-life-support for the MRTT program at RAAF Amberley once the first aircraft enters service (expected to be in late 2010).

QANTAS GROUND SERVICES  Qantas Ground Services provides ‘below the wing’ personnel support to a number of Group business areas, including Airports and Catering.

GROUND SERVICE EQUIPMENT  Complementing Qantas Ground Services, Ground Service Equipment provides equipment necessary to support aircraft servicing between flights.

QANTAS FLEET PRESENTATION  Qantas Fleet Presentation assists with the cleaning and preparation of aircraft between flights, ensuring that onboard product is maintained to a high standard.

LTQ ENGINEERING  Qantas is a partner in LTQ Engineering, an engine maintenance Centre of Excellence joint venture with Lufthansa Technik that overhauls General Electric engines for Qantas, Lufthansa and third party customers. Based in Melbourne, the business employs around 200 people.
AIRPORTS

Qantas Group airlines currently operate to 57 city and regional airports in Australia and nearly 30 overseas airports. Qantas’ domestic and international airport operations provide a range of services to the Group’s flying businesses and other international airlines, including check-in, baggage handling and ramp services and the operation of lounge facilities.

PRODUCTS AND SERVICES  Qantas continues to invest in services, products and technology to provide customers with the very best airport experience. For Australian domestic e-ticket customers, check-in kiosks available in Sydney, Melbourne, Brisbane, Perth, Canberra and Adelaide provide the simplest and fastest way to check-in for a flight. Customers use the kiosks to access and review their booking, select a preferred seat if available, obtain a boarding pass and even do the same for a return flight if it is within 12 hours of the first flight. For customers without baggage, check-in can be completed in less than 60 seconds. Airport retail operations have become an integral part of the travel experience for airline customers and airport visitors. Qantas currently offers customers more than 140 retail and food outlets at its domestic terminals in Brisbane, Canberra, Melbourne and Sydney. Dedicated domestic Business lounges and Qantas Meeting Rooms are available in Brisbane, Melbourne and Sydney.

AIRPORT OF THE FUTURE  In November 2009, Qantas unveiled plans to halve check-in times for domestic customers at CityFlyer ports across Australia. Next Generation Check-in will dramatically increase the speed and ease of the airport experience for customers. Qantas Frequent Flyers’ membership cards will be embedded with an intelligent chip, transforming them into personal boarding passes linked to permanent bag tags, enabling customers to swipe their card on a reader and head to a simplified baggage drop, or straight through the security process to their departure gate, or Qantas lounge. The first stage of the project is being trialled in Perth, and will be followed by Sydney, Melbourne, Brisbane, Adelaide and Canberra later this year and into 2011. The service will be available for all Qantas Frequent Flyers from Silver through to Platinum and all Qantas Club Members. Bronze Frequent Flyers and non-frequent flyers will also see significant upgrades to their check-in arrangements, with hosted kiosks and rapid bag drop.

TERMINAL DEVELOPMENTS  

Domestic  Qantas is working closely with airport operators on improvements to a number of domestic terminals and is investing in upgrades of its own terminals. A $75 million upgrade program at the Qantas domestic terminal at Perth Airport has seen the expansion of check-in, departure and baggage claim areas, the improvement and expansion of Qantas Club facilities, construction of a new aerobridge and improved baggage handling capacity. Qantas has invested $35 million in new facilities for Canberra Airport new multi-user terminal that will open later this year. The facility will include a new Business Lounge and Qantas Club lounge. Qantas also continues to expand its network of regional lounges.

International  The entry into service of the Qantas A380 in October 2008 required significant investment in equipment and training – in Australia, the UK, the USA and Singapore. At Los Angeles Airport, Qantas services operate from the Tom Bradley International Terminal, where facilities include a lounge jointly operated by oneworld members Qantas, Cathay Pacific and British Airways. Qantas services to and from the United Kingdom operate from London Heathrow’s upgraded Terminal 3, which now hosts all oneworld alliance airlines. Qantas recently opened a new, seamless international-to-domestic transfer facility at Sydney Airport in July 2010.
AIRPORT LOUNGES  Qantas Club members, Qantas Platinum and Gold Frequent Flyers and First and International Business customers have access to a network of lounges in Australia and overseas. Some international lounges are operated with oneworld partners or by third parties, but are available to Qantas customers:

<table>
<thead>
<tr>
<th>Australian Domestic</th>
<th>Adelaide</th>
<th>Alice Springs</th>
<th>Brisbane</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Broome</td>
<td>Cairns</td>
<td>Canberra</td>
</tr>
<tr>
<td></td>
<td>Darwin</td>
<td>Devonport</td>
<td>Gold Coast*</td>
</tr>
<tr>
<td></td>
<td>Hobart</td>
<td>Kalgoorlie</td>
<td>Karratha</td>
</tr>
<tr>
<td></td>
<td>Launceston</td>
<td>Mackay</td>
<td>Melbourne</td>
</tr>
<tr>
<td></td>
<td>Perth</td>
<td>Port Hedland</td>
<td>Rockhampton</td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td>Townsville</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Australian International</th>
<th>Adelaide</th>
<th>Brisbane</th>
<th>Melbourne</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Broome</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Darwin</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hobart</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Launceston</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Perth</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>New Zealand Domestic</th>
<th>Auckland*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sydney</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overseas International</th>
<th>Auckland</th>
<th>Brisbane</th>
<th>Buenos Aires</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Christchurch</td>
<td>Frankfurt</td>
<td>Hong Kong</td>
</tr>
<tr>
<td></td>
<td>Honolulu</td>
<td>Jakarta</td>
<td>Johannesburg</td>
</tr>
<tr>
<td></td>
<td>London</td>
<td>Los Angeles</td>
<td>Manila</td>
</tr>
<tr>
<td></td>
<td>Mumbai</td>
<td>Nadi</td>
<td>New York</td>
</tr>
<tr>
<td></td>
<td>Noumea</td>
<td>San Francisco</td>
<td>Singapore</td>
</tr>
<tr>
<td></td>
<td>Tokyo</td>
<td>Wellington</td>
<td></td>
</tr>
</tbody>
</table>

* Jetstar lounges with complimentary access for Platinum Frequent Flyers

FIRST LOUNGES  In May 2007, Qantas opened new First Lounges in Sydney and Melbourne. Designed by internationally renowned Australian industrial designer Marc Newson, lounge features include full concierge service, day spa, open kitchen restaurant with menus by Neil Perry, chair-side waiter service, and state-of-the-art business facilities. Marc Newson designed First Lounges are also planned for Hong Kong, Los Angeles and Singapore.

AUSTRALIAN AIRPORTS  The Qantas Group currently owns and operates its own domestic terminals in Brisbane, Hobart, Launceston, Melbourne, Perth and Sydney. Qantas also operates its own leased domestic terminal in Canberra and shares facilities at common-user terminals at other ports across the country.

SYDNEY AIRPORT  Qantas Group airlines operate from all three Sydney Airport terminals:
- **Terminal 1 (T1)** Qantas and Jetstar operate international services from Sydney Airport Corporation Limited’s (SACL) international terminal. Facilities include which include a Business lounge with seating for 500 and a First lounge with seating for 220.
- **Terminal 2 (T2)** QantasLink and Jetstar operate from SACL’s T2. Facilities include a 220-seat Qantas Club.
- **Terminal 3 (T3)** Qantas’ domestic terminal covers around 85,000 square metres over two levels and has 14 aircraft parking gates a Business Class Lounge; a Qantas Club with seating for approximately 1,000 guests and a comprehensive business centre; valet parking and direct access to the Airport Link rail line.

MELBOURNE AIRPORT  Qantas Group airlines operate from two of the three terminals at Melbourne Airport:
- **Terminal 1 (T1)** Qantas and Jetstar domestic and QantasLink services operate from Qantas’ domestic terminal features 20 gates, a Business Class Lounge, and a Qantas Club with seating for 750 guests and comprehensive business centre facilities.
- **Terminal 2 (T2)** Qantas and Jetstar utilise facilities at Melbourne Airport’s International Terminal. Facilities include a Business lounge with seating for 450 and a First lounge with seating for 130.
QANTAS CATERING GROUP

The Qantas Group’s wholly-owned catering businesses are focused on delivering high quality meals to airlines and their passengers. The Qantas Catering Group comprises the premium catering business, Q Catering and Snap Fresh, a leading manufacturer of meals and meal components. Between them, they employ over 3,400 people across eight Australian centres and, in 2008/09, they produced over 37 million meals for more than 266,000 flights operated by around 35 customers, including Qantas and QantasLink. Rigorous safety, quality and environmental systems are in place across all catering businesses. Q Catering and Snap Fresh are ISO 22000 certified, making the Qantas Catering Group the first multi-site flight caterer to meet the internationally-recognised quality standard at all of its locations. The Qantas Catering Group’s multifaceted change program is well advanced, and continues to focus on customer service, operations and food technology, as well as the implementation of improved water management strategies. The program, which aims to maintain and improve cost efficiencies, includes substantial infrastructure redevelopments, a network-wide transport fleet modernisation, and the use of improved production methodologies.

Q CATERING The Q Catering brand was launched in March 2008 and embodies the long history of Qantas’ catering operations that began in the early 1940s. Over the years, these operations evolved and matured, and the new identity combines the strengths of the Qantas Flight Catering Limited (QFCL) and Caterair brands. Q Catering reflects a significant change in business modelling and culture that strategically places it in the premium flight catering market. Its strength is its national approach to the coordination of food production, operations, logistics, transport, quarantine waste handling, warehousing and bonded store functions. The tailored, end-to-end service for customers delivers innovative menus that remain authentic to local and international cuisines, meet dietary, religious and budget requirements, and take advantage of national procurement initiatives, the best of Australian produce and the market’s most experienced culinary skills. While delivering catering for airline passengers in Economy, Premium Economy, Business and First is its primary business, Q Catering also has extensive experience in servicing the special needs of VIP flights, charter operations and providing catering and related services to long distance rail clients, health care providers and schools. Q Catering services customers through seven centres – Adelaide, Brisbane, Cairns, Melbourne, Perth and two in Sydney.

SNAP FRESH Snap Fresh Operates from a centralised, state-of-the-art export licensed facility near Brisbane in Queensland. Snap Fresh opened for business in February 2002 and specialises in the centralised production of frozen meals for airlines and other customers. It operates one of the most modern meal production centres in the world and represents an international trend in the catering industry to deliver greater quality and consistency using the most cost-effective methods. Snap Fresh uses chef-driven meal design, and advanced production and freezing technology to produce meals for Qantas and other airlines, and has quickly become an industry leader. It is also diversifying and expanding into non-airline segments including contract manufacturing for food service and retail, quick service restaurants, defence and healthcare markets. Snap Fresh has a plant capacity of over 20 million meals per annum with current production at around 14 million meals. Snap Fresh operates under the ISO14001 Environmental Management System.
Qantas has been carrying freight since its inaugural service in 1922, and uplifting international airmail since the airline’s first overseas flight in 1935. Today, the Qantas Group’s freight assets, including strategic investments in a number of specialist logistics businesses in Australia and across the world, are controlled by the wholly owned subsidiary Qantas Freight Enterprises (QFE).

AIR CARGO PRODUCTS Qantas Freight markets the freight capacity of international Qantas and Jetstar aircraft and a fleet of three B747-400 and one B767-200 freighter aircraft. Freight is carried in containers, or on pallets, known as Unit Load Devices (ULDs), designed to allow fast and efficient handling while making maximum use of available space. Qantas Freight products include:

- Airmail – carried on behalf of more than 80 postal administrations worldwide;
- Courier – a priority service for major express companies sending overnight documents and small parcels offering late acceptance times and express delivery at destination;
- Fast Freight – an express air freight service for loose shipment and shipper loaded containers offering late acceptance and priority unloading;
- General cargo – tailored solutions are available for a wide range of commodities, such as computer and electrical equipment, printed matter and machinery parts, perishables, valuable cargo and live animals such as prime breeding stock, thoroughbred horses, zoological species and family pets; and
- Customs clearance – Qantas Freight has its own customs brokerage arm in Sydney.

CARGO HANDLING FACILITIES Qantas Freight operates its own handling facilities in Sydney, Melbourne, Brisbane, Perth and Los Angeles. These terminals handle not only Qantas and Jetstar, but many other major carriers. Each terminal offers a variety of services appropriate to local market needs, including: coolrooms and freezers for perishables; warmrooms for tropical fish and other live animals vulnerable to cold weather; strongrooms and safes for secure storage; and dry ice and wet ice for re-icing. An ongoing improvement program is in place across all terminals, with recent developments including works to combine the import and export areas of the main Sydney terminal to improve traffic flow and dramatically reduce customer waiting times. A multi-million dollar redevelopment of the Melbourne terminal was completed in 2009 that included the establishment of Australia’s only temperature controlled airside perishables facility. In mid-2009, Qantas Freight also replaced its entire Australian fleet of terminal tugs and forklifts with highly energy efficient units.

FREIGHTER AIRCRAFT Qantas Freight operates a fleet of three B747-400F freighters, wet leased from Atlas Air Worldwide Holdings, and a B767-200 freighter wet leased from Air Transport International. The B747-400Fs offer main-deck capacity and side and nose loading, making them ideal for transporting over-sized shipments. The aircraft operate a mix of scheduled and charter services to supplement capacity to key import and export destinations around the world. During the 2009/10 financial year, the freighter division operated over 50 charters to 22 cities in addition to its regular scheduled services. Qantas Freight’s current freighter schedule includes: seven weekly services from Australia into China; six weekly services between Australia and New Zealand; five weekly services from China to the United States; four direct weekly services from the US into Australia; one weekly service from Korea to the United States, one weekly service from the United States to China, and weekly services from Hong Kong, Singapore and Shanghai into Australia. The network includes: Auckland, Christchurch, Bangkok, Chicago, Seoul, Ho Chi Minh City, Hong Kong, Melbourne, New York, Shanghai, Singapore, and Sydney.
ALLIANCES In addition to services on more than 800 weekly Qantas and Jetstar international services, Qantas Freight’s network is complemented by commercial agreements with oneworld carriers, other airlines and chartered freighter operations. An extensive road feeder service throughout Australia, Europe and the USA further expands this network.

TECHNOLOGY In May 2010, Qantas Freight rolled out the first phase in its Freight Futures program – a multi-million dollar initiative to replace its disparate legacy IT systems and revolutionise work processes. The backbone of the program is the introduction of iCargo – an advanced, end-to-end, industry-specific application developed by global software company IBS in conjunction with Qantas and several other top line carriers. Once fully deployed, iCargo will provide Qantas Freight with a range of new tools and functionality to better serve the needs of its customers now and into the future. The Freight Futures program is on track for completion at the end of 2011. Qantas Freight is also leading the push to roll out IATA’s eFreight initiative, which will ultimately see the removal of paper air waybills and supporting documentation from the global airfreight process, and is now eFreight ready in all ports throughout Australia and around the globe. The online portal qantasfreight.com provides fast and easy, around-the-clock access to the latest information on worldwide freight movements. Registered users can generate an electronic air waybill, submit electronic shipment data, make an e-booking, and access the latest shipment status information through a number of convenient tracking options.

DOMESTIC AUSTRALIAN JOINT VENTURES Freight capacity on all Qantas and Jetstar domestic aircraft is marketed by Australian air Express (AaE). AaE is operated as a joint venture by Qantas and Australia Post to offer a comprehensive range of express products from hubs across Australia. Qantas and Australia Post also own and operate the Australian express road freight operator Star Track Express. Star Track Express is the market leader in the high value, express/time sensitive business-to-business market, offering a 'one stop', end-to-end service, a national distribution network and the world’s smartest delivery system.

EXPRESS FREIGHTERS AUSTRALIA Express Freighters Australia (EFA) is Qantas Freight’s wholly-owned subsidiary freighter management company. EFA provides aircraft, crew, maintenance and insurance services (known as a wet lease) to Australian air Express on long term contracts. EFA has its own Air Operators Certificate (AOC) and currently operates four B737-300 converted freighter aircraft.

QANTAS COURIER Qantas Courier complements Qantas’ existing domestic logistics ventures by utilising the network of the Qantas Group and third party suppliers including Australian air Express and Star Track Express to offer a wide range of courier and baggage services. Qantas Courier employees around 150 employees and operates offices and retail counters in Sydney, Brisbane, Canberra, Melbourne, Adelaide, Perth and Auckland. The business also has a retail presence at Sydney and Brisbane international airports through its Unaccompanied Baggage counters.

JETS TRANSPORT EXPRESS Jets Transport Express is Australia’s road feeder service of choice for the international air freight industry. Jets specialises in the provision of interstate trucking for domestic legs of international air cargo using a fleet of trailers specially designed to handle large air freight pallets which, due to their size, cannot be moved on domestic aircraft. The business operates scheduled services between all major capital cities from hubs in Adelaide, Brisbane, Coolangatta, Melbourne, Perth and Sydney.
THE QANTAS GROUP IN ASIA

HISTORY  Qantas began flying to Singapore 75 years ago and rapidly expanded services to other parts of Asia after World War II. As part of an airmail service to the United Kingdom, a four-engine DH86 biplane made the first Qantas overseas flight in February 1935 from Brisbane and Darwin to Singapore. Regular passenger flights began in April 1935. Pioneering mail, passenger and freight services – interrupted by World War II – have developed into a comprehensive network linking Australia with 10 countries in North, South East and South Asia. The Qantas Group offers direct services between seven Australian cities and 17 destinations in the region. As part of their alliance, Qantas and British Airways have developed a greater level of cooperation on Kangaroo Route services linking Australia, key Asian cities and Europe since February 1996.

COUNTRIES AND DESTINATIONS  Qantas Group airlines and codeshare partners offer services to from Australia the following destinations:

<table>
<thead>
<tr>
<th>Country</th>
<th>Beijing*</th>
<th>Hong Kong#</th>
<th>Shanghai#</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>Delhi*</td>
<td>Mumbai#</td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>Denpasar^</td>
<td>Jakarta#^</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>Osaka^</td>
<td>Tokyo#^</td>
<td></td>
</tr>
<tr>
<td>Philippines</td>
<td>Manila#</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Singapore</td>
<td>Singapore#^</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Korea</td>
<td>Seoul*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taiwan</td>
<td>Taipei*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thailand</td>
<td>Bangkok#^</td>
<td>Phuket^</td>
<td></td>
</tr>
<tr>
<td>Vietnam</td>
<td>Ho Chi Minh City#^</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

# Qantas  ^ Jetstar  *codeshare services

QANTAS SERVICES AND CODESHARES TODAY

China  Qantas commenced three non-stop flights per week between Sydney and Shanghai in December 2004. This increased to four services per week in November 2005, five in August 2007 and daily in March 2009. Onward connections to the Chinese mainland are also available from Qantas flights between Australia and Hong Kong.

Hong Kong  Qantas has served Hong Kong for almost 60 years, with scheduled services commencing in June 1949. In November 2004, Qantas commenced flying to the United Kingdom via Hong Kong, with the original three B747-400 services per week increasing to four in November 2005 and to daily in March 2006. Qantas operates 25 flights a week to Hong Kong from Brisbane, Melbourne, Perth and Sydney.

India  Qantas has operated three services a week between Sydney and Mumbai since September 2004. In May 2009, the services began operating via Singapore, with connections from Adelaide, Brisbane, Melbourne, Perth, Sydney (Qantas) and Cairns and Darwin (Jetstar).

Indonesia  Qantas began services to Jakarta (then Batavia) in April 1935 and operated its first flight to Denpasar, Bali in August 1969. In October 2008, Jetstar replaced Qantas on Perth-Denpasar and Perth-Jakarta services and replaced Qantas on Sydney-Denpasar services in June 2008.

Japan  Qantas flew charter services to Hofu in December 1947 and to Tokyo in October 1948 before beginning scheduled services to Tokyo in October 1950. Today, Qantas operates 10 flights a week between two Australian cities – Sydney and Perth – and Tokyo. In April 1997, Qantas commenced a codeshare
agreement with Japan Airlines (JAL) and today codeshares on seven JAL services each week between Brisbane and Tokyo. Jetstar currently operates daily services between Gold Coast and Osaka, daily services between Gold Coast and Tokyo and daily between Cairns and Tokyo.

**Philippines** Scheduled Manila services began in September 1949, following military charters which commenced in November 1947. Today, Qantas flies three times each week between Sydney and Manila. A fourth weekly service operates via Brisbane.

**Singapore** Qantas Empire Airways first flew between Australia and Singapore in 1934. Today, Singapore is an important Qantas hub, linking Australian cities with services to London and Frankfurt and flights to other parts of Asia. Qantas owns 45.04 per cent of Singapore-based Jetstar Asia (see below).

**South Korea** Flights to Seoul began in November 1991. Qantas currently offers daily services from Sydney via a codeshare agreement with Asiana Airlines.

**Taiwan** Sydney-Taipei services began in October 1991. Qantas currently codeshares on three Eva Air services each week between Brisbane and Taipei.

**Thailand** Qantas first flew to Bangkok in November 1953. Today, Qantas operates seven services a week to the United Kingdom via Bangkok and also codeshares on seven British Airways flights a week between Australia and Thailand and Thailand and the UK. Jetstar commenced services between Melbourne and Bangkok and Sydney and Phuket in November 2006.

**Vietnam** Qantas began scheduled services to Ho Chi Minh City in November 1994. In February 1998, Qantas commenced a codeshare agreement with Vietnam Airlines, and offers seven services a week on Vietnam Airlines flights to Ho Chi Minh City from Sydney. Jetstar operates five return services each week, linking Sydney and Ho Chi Minh City via Darwin.

**JETSTAR AND ASIA** Jetstar commenced long haul A330-200 international flights into Asia in November 2006 and today operates international services from Sydney, Melbourne, Gold Coast, Perth, Cairns and Darwin to Bali, Bangkok, Ho Chi Minh City, Jakarta, Phuket, Tokyo (Narita), Osaka and Singapore.

**JETSTAR ASIA** Jetstar Asia began flying in December 2004 with a fleet of four A320 aircraft. In July 2005, it acquired Valuair operating flights between Singapore and Indonesia. Jetstar Asia/Valuair today operate 10 A320 aircraft from Singapore to more than 20 destinations in Cambodia, China, Indonesia, Japan, Malaysia, Myanmar, the Philippines, Taiwan, Thailand and Vietnam. The Qantas Group has a 49 per cent interest in Jetstar Asia. The remaining 51 per cent holding is owned by Westbrook Investments Pte Ltd.

**JETSTAR PACIFIC** The Qantas Group owns 27 per cent of Jetstar Pacific, the only low cost, value-based airline in Vietnam. The investment, which will grow to 30 per cent in 2010, supports Jetstar’s pan-Asian growth strategy. Based in Ho Chi Minh City, the airline’s network covers seven cities – Danang, Hai Phong, Hanoi, Ho Chi Minh City, Hue, Nha Trang and Vinh. Pacific Airlines was re-branded Jetstar Pacific in May 2008.

**QANTAS OFFICES** Qantas has offices in Bangkok, Beijing, Denpasar, Fukuoka, Hanoi, Ho Chi Minh City, Hong Kong, Jakarta, Kuala Lumpur, Manila, Mumbai, Nagoya, Osaka, Sapporo, Seoul, Shanghai, Singapore, Surabaya, Taipei and Tokyo.
THE QANTAS GROUP IN THE AMERICAS

HISTORY Qantas first established itself in North America in San Francisco in 1954, taking over the operations of British Commonwealth Pacific Airlines which, in September 1946, commenced the first trans-Pacific commercial services. The first Qantas services linking Australia and the USA were operated by 60-seat Lockheed Super Constellations flying twice weekly via Fiji, Canton Island and Honolulu. When Qantas gained the rights to extend trans-Pacific services from San Francisco to New York and then London, the airline began, in 1958, the first round-the-world passenger service. The San Francisco-London sector proved unprofitable due to cabotage restrictions however, and was eventually dropped in 1973. In July 1959, Qantas introduced the first jet service across the Pacific, operating B707 aircraft, and began flying B747s to San Francisco in January 1972. In 1995, Qantas moved its US regional headquarters to Los Angeles and discontinued flying to San Francisco. Direct flights resumed in March 2006. Qantas became the first airline to offer non-stop services between Melbourne and Los Angeles in October 1999 and between Brisbane and Los Angeles in June 2004. In October 1999, Qantas commenced services to New York via Los Angeles. Qantas launched A380 services in October 2008 from Melbourne to Los Angeles on a twice weekly basis followed by Sydney to Los Angeles with three weekly flights; services increased to three frequencies from Melbourne and daily from Sydney in January 2010. It is planned to increase frequency of Melbourne A380 services to six per week by April 2011.

QANTAS SERVICES TODAY The Qantas Group today operates up to 45 return services per week between Australia and the USA:
- 34 to Los Angeles (Qantas) – 14 non-stop from Sydney, 14 from Melbourne (daily non-stop and daily via Auckland) and six non-stop services from Brisbane (will be daily for January to March 2011);
- four between Sydney and San Francisco (Qantas); and
- three between Sydney and Honolulu (Qantas) and four between Sydney and Honolulu (Jetstar).

Qantas also operates six weekly services to New York via Los Angeles.

CODESHARE SERVICES Qantas also offers codeshare services to the following destinations in the USA, and Canada:
- Air Pacific Nadi to/from: Honolulu and Los Angeles
- Air Tahiti Nui Papeete to/from: Los Angeles
- Alaska Airlines/ Horizon Air Los Angeles to/from: Anchorage, Portland, Reno, Seattle, Vancouver
  San Francisco to/from: Portland, Seattle
  Honolulu to/from: Anchorage, Seattle
  Seattle to/from: Calgary, Edmonton, Kelowna, Vancouver, Victoria
- American Airlines Los Angeles to/from: Austin, Boston, Chicago, Dallas/Fort Worth, Denver, Fresno, Honolulu, Las Vegas, Miami, Monterey, Nashville, New York, Newark, Orlando, St Louis, San Diego, San Francisco, San Jose, Santa Barbara, Toronto, Washington DC
  San Francisco to/from: Chicago, Dallas/Forth Worth, Los Angeles, Miami, New York
  New York to/from: Baltimore, Boston, Halifax, Los Angeles, Montreal, Orlando, Pittsburgh, Raleigh-Durham, San Francisco, Toronto
  Chicago to/from: Atlanta, Cincinnati, Detroit, Honolulu, Indianapolis, Los Angeles, Minneapolis, Montreal, New Orleans, Ottawa, Pittsburgh, San Francisco, Tampa, Toronto
  Dallas/Fort Worth to/from: Atlanta, Baltimore, Boston, Charlotte, Chicago, Cincinnati, Detroit, Honolulu, Houston, Indianapolis, Los Angeles, Memphis, Minneapolis, New Orleans, Orlando, Philadelphia, Pittsburgh, Raleigh-Durham, San Francisco, Tampa, Washington DC

Qantas Airways Limited ABN 16 009 661 901
Further information and media releases can be found at the Qantas website: qantas.com
September 2010
Qantas Airways Limited ABN 16 009 661 901
Further information and media releases can be found at the Qantas website: qantas.com
September 2010

Honolulu to/from: Chicago, Dallas/Fort Worth, Los Angeles, San Francisco
Miami to/from: Los Angeles, Orlando, San Francisco

Qantas has offices in Chicago, Los Angeles, San Francisco and New York. Regional representatives also operate in Atlanta, Boston, Dallas, Houston, Hawaii and Seattle. Canadian representatives operate out of Toronto and Vancouver.

SOUTH AMERICA    In 1966, Qantas commenced flights to Latin America as part of a new round-the-world route through Tahiti and Mexico to Bermuda and London. The service was discontinued in 1975. Between 1988-1993 and 1998-2001, Qantas had a codeshare arrangement with Aerolineas Argentinas on services to Buenos Aires. In November 2008, Qantas commenced direct services three times a week non-stop between Sydney and Buenos Aires and also offers daily services from Sydney to Santiago, Chile, via Auckland, on codeshare services operated by oneworld partner LAN. Qantas has offices in Buenos Aires and Sao Paulo.
THE QANTAS GROUP IN THE UK AND EUROPE

HISTORY  Qantas’ links with the United Kingdom extend back to 1931, when Qantas carried airmail from Brisbane to Darwin as part of an experimental Australia-England run with Imperial Airways (a forerunner of BOAC and British Airways). Qantas, together with Imperial Airways and then BOAC, provided an Australia-England air link almost without interruption during the Second World War. In 1947, Qantas began its first regular weekly service through to London on the Kangaroo Route. The airline’s presence in Germany dates from January 1953, when a Constellation L749 began a regular passenger service.

QANTAS SERVICES TODAY  Qantas currently operates up to 35 services each week from Australia to the UK and Germany – 23 B747-400 return services a week and 5 A380 return services a week to London Heathrow, and daily B747-400 return services to Frankfurt.

CODESHARE SERVICES  Together with its oneworld alliance and joint services partner British Airways, Qantas offers a total of 42 return services a week to the UK. As well as travelling on Qantas flights from Australia to London, Qantas passengers can travel between Australia and London via Frankfurt on British Airways codeshare flights. Qantas also offers codeshare services to the following European destinations:

- Budapest  Qantas from Australia to Bangkok and oneworld alliance partner Malev from Bangkok to Budapest
- Paris  Qantas from Australia to Singapore or Hong Kong and Air France from Singapore or Hong Kong to Paris
- Rome  Qantas from Australia to Hong Kong and oneworld alliance partner Cathay Pacific from Hong Kong to Rome

Within Europe, Qantas offers codeshare services with British Airways from:


Within the UK, Qantas offers codeshare services with British Airways from:

- London  Aberdeen, Edinburgh, Glasgow, Inverness, Isle of Man, Jersey, Manchester, Newcastle

EMPLOYMENT  Qantas employs people throughout the UK and Europe in a diverse range of roles. In 2005, the airline established a cabin crew base in London that today employs around 560 people, including many expatriate Australians.

THE QANTAS GROUP IN NEW ZEALAND AND THE PACIFIC

HISTORY Tasman Empire Airways Limited (TEAL), formed by Qantas, Imperial Airways (BOAC), and a partnership of Union Airways of New Zealand and the New Zealand Labour Government, inaugurated a weekly service between Sydney and Auckland in 1940. The Tasman service used two Shorts Empire Flying Boats. The first flight left Auckland on 30 April, arriving nine hours and 15 minutes later at Rose Bay in Sydney. It carried nine passengers and about 40,000 letters. In October 1961, Qantas began operations in its own right across the Tasman in pool with TEAL. In April 1965, Qantas inaugurated a B707 service between Sydney and Christchurch. Qantas first operated B747 services to New Zealand in 1972.

QANTAS SERVICES TODAY Qantas today operates more than 190 flights per week between Australia and New Zealand, including non-stop services between Sydney, Melbourne, Brisbane and Auckland, Sydney, Melbourne and Wellington and Sydney and Christchurch. Year-round weekly services between Sydney and Queenstown commenced in October 2005 and now operate thrice weekly. During the ski season, Qantas also operates direct weekly services from both Brisbane and Melbourne to Queenstown. The airline also connects Auckland with Los Angeles via a non-stop daily A330-200 service and provides a five-times-per-week A330-200 connection to and from New York. In September 2009, Qantas took delivery of the first of six new B737-800 aircraft which will be dedicated to Tasman services.

JETSTAR In June 2009, Jetstar commenced New Zealand domestic services between Auckland, Christchurch, Queenstown and Wellington. Qantas had previously operated the Group’s New Zealand domestic services. Jetstar also operates Tasman services from both Auckland and Christchurch to Sydney and Christchurch to Melbourne.

NOUMEA Qantas operates three services each week from Sydney and one service each week from Brisbane to Noumea.

CODESHARES With its codeshare partners, Qantas also offers services to seven Pacific destinations in Fiji, New Caledonia, Papua New Guinea, Tahiti and Vanuatu:

- Air Pacific Sydney, Melbourne, Brisbane, and Auckland to Nadi and Sydney to Suva
- Air Niugini Sydney and Brisbane to Noumea
- Air Tahiti Nui Brisbane, Cairns and Sydney to Port Moresby
- Air Vanuatu Sydney to Auckland and Papeete
- Air Vanuatu Sydney and Brisbane to Port Villa and Espiritu Santo

QANTAS OFFICES Qantas has offices in Auckland in New Zealand, Noumea in New Caledonia, and Nadi and Suva in Fiji.
HISTORY Qantas first began services to southern Africa in 1948 with a survey flight from Sydney via Perth, the Cocos Islands and Mauritius to Johannesburg. This was to become known as the Wallaby Route because of the ‘short hops’ between ports on the route. On 1 September 1952, the first scheduled passenger service left Sydney for Johannesburg on a Lockheed Constellation L-749A aircraft, arriving three days later on 4 September. Fortnightly services continued until 1955, when the Super Constellation L-1049 aircraft type was introduced. In 1957, Qantas and South African Airways (SAA) announced a partnership to operate services between the two countries on alternate weeks. SAA would operate DC7B aircraft between Johannesburg and Perth while Qantas would operate Super Constellations from Perth to Sydney and return. New speed records were set when Electra aircraft were introduced on the route, with aircraft VH-ECD recording a commercial flight time in June 1963 of 54 hours against the Super Constellation time of 61 hours 40 minutes. Qantas suspended services between Australia and southern Africa between 1977 and 1982. In November 1982, weekly services began from Australia to Zimbabwe (Harare). Passengers initially flew Sydney-Harare via Perth and then to Johannesburg, with direct Johannesburg services later added. Qantas ceased services to Harare in October 2000.

QANTAS SERVICES TODAY Qantas operates daily non-stop four-class B747-400 services between Sydney and Johannesburg per week. Typical flight time is 14 hours and 10 minutes Sydney-Johannesburg, one of the longest non-stop sectors in the Qantas network. The return leg is generally assisted by a favourable tailwind with a typical flying time of only 11 hours and 45 minutes Johannesburg-Sydney.

CODESHARE SERVICES Qantas also codeshares on seven services operated by South African Airways each week between Perth and Johannesburg.

QANTAS OFFICES Qantas has an office in Johannesburg.
ALLIANCES

COMMERCIAL ALLIANCES Since the beginning of commercial aviation, airlines have developed cooperative arrangements to allow them to provide a wider and more efficient range of services. Customers benefit from better networks, flight frequencies, products and services, while airlines gain from revenue enhancement and cost savings through shared facilities and resources. The trend towards alliances accelerated after US domestic deregulation in 1978 and following more recent changes in other markets towards a freer regulatory environment for national and international operations. Increasing competition has been a key driver in the formation of alliances. Qantas is involved in equity investments, commercial alliances and other agreements with a number of carriers.

ONEWORLD The one world alliance comprises eleven of the world’s leading airlines – Qantas, American Airlines, British Airways, Cathay Pacific, Finnair, Iberia, Japan Airlines, LAN, Malév Hungarian Airlines, Mexicana and Royal Jordanian. Another 20 or so airlines are affiliate member, including: QantasLink. Russia’s S7 Airlines will join the alliance in 2010. Member airlines’ combined route network services over 700 destinations in more than 140 countries, with around 8,500 daily departures. They carry 330 million passengers a year and employ nearly 300,000 people. Customers can earn and redeem frequent flyer and tier points with all member airlines on eligible fares across the one world network and top tier members enjoy their privileges across over 550 lounges worldwide. Alliance members also work together to make travel across their combined networks as smooth as possible. one world was the first airline alliance to offer interline e-ticketing across all member carriers, meaning customers can travel with the convenience of a single electronic ticket across the combined one world network. one world also offers an unrivalled choice of tickets, including the popular Explorer round-the-world fare and Visit passes for each continent. For more information, visit oneworld.com

QANTAS AND BRITISH AIRWAYS Qantas and one world partner British Airways (BA) commenced a Joint Services Agreement (JSA) in 1995, giving customers a wider range of routing and fare options between Australia and UK/Europe, reciprocal frequent flyer programs and lounge access including joint lounges. The JSA also applies to freight. In February 2010, the Australian Competition and Consumer Commission (ACCC) approved the continuation of the JSA on the Kangaroo Route between Australia, Asia and Europe for a further five years. The authorisation gives Qantas and BA the ability to coordinate schedules and pricing on their services between Australia, Asia and Europe. Qantas and BA have an extensive codeshare relationship and share a wide variety of resources. The two airlines have integrated their operations in Bangkok, Jakarta, Kuala Lumpur and Singapore, have joint or co-located airport and sales offices in a number of locations around the world and share airport lounges in Bangkok, Hong Kong, and Singapore.

QANTAS AND AMERICAN AIRLINES Qantas and American Airlines, also a one world partner, cooperate through codeshare agreements, reciprocal frequent flyer programs and lounge access arrangements. The relationship began in 1989 with what was, at the time, the world’s first commercial codeshare agreement.

QANTAS AND AIR PACIFIC Qantas has a 46.23 per cent shareholding in Air Pacific.

OTHER CODESHARE ALLIANCES In addition to the bilateral relationships covered above, Qantas has codeshare relationships with many other leading airlines, offering customers an extended network and seamless access to destinations around the world.
Qantas codeshares on each other’s services between Sydney, Brisbane and Noumea.

Qantas codeshares on all Air Niugini services between Port Moresby and Sydney and Brisbane.

Qantas codeshares on all Air France services between Singapore and Paris and between Hong Kong and Paris. Air France codeshares on selected Qantas services between Singapore and Sydney, Melbourne, Brisbane, Adelaide and Perth and between Hong Kong and Sydney, Melbourne and Brisbane.

Qantas codeshares on Airtour services between Kununurra and Perth, Darwin and Broome and between Darwin and Dili.

Qantas codeshares on Air Pacific services between Nadi and Sydney, Melbourne, Brisbane, Honolulu, Los Angeles, Auckland and Christchurch.

Qantas codeshares on all Air Tahiti Nui services between Papeete and Auckland and also selected services between Papeete and Los Angeles. Air Tahiti Nui codeshares on selected Qantas services between Auckland and Sydney.

Qantas codeshares on all Vanuatu services between Port Vila and Sydney and Brisbane.

Qantas codeshares on Alaska services from: Los Angeles to Seattle, Vancouver, Portland, Anchorage, Flagstaff, Reno and Boise; San Francisco to Seattle, Portland and Anchorage; Seattle to Calgary, Edmonton, Kelowna, Vancouver and Victoria; and Honolulu to Seattle and Anchorage.

Qantas codeshares on Alliance Airlines services between Adelaide and Olympic Dam.

Qantas codeshares on American Airlines services from: Los Angeles to Austin, Boston, Chicago, Dallas/Fort Worth, Denver, Fresno, Honolulu, Las Vegas, Miami, Monterey, Nashville, Newark, New York, Orlando, San Diego, San Francisco, San Jose, Santa Barbara, St Louis, Washington DC and Toronto; San Francisco to Boston, Chicago, Dallas/Fort Worth, Honolulu, Miami, New York and St Louis; Chicago to Atlanta, Cincinnati, Detroit, Honolulu, Indianapolis, Minneapolis, New Orleans, Pittsburgh, Tampa, Ottawa, Montreal and Toronto; Dallas/Fort Worth to Atlanta, Baltimore, Boston, Charlotte, Cincinnati, Detroit, Honolulu, Houston, Indianapolis, Memphis, Minneapolis, New Orleans, Orlando, Philadelphia, Pittsburgh, Raleigh Durham, Tampa and Washington DC; and New York to Baltimore, Boston, Orlando, Pittsburgh, Raleigh Durham, Tampa, Montreal, Halifax, Toronto.

American Airlines

Qantas codeshares on American Airlines codeshares on other services to Australia, Singapore, Bangkok, and both London and Frankfurt.

British Airways

Qantas codeshares on British Airways codeshares on other services beyond London Heathrow to: Amsterdam, Barcelona, Berlin, Budapest, Copenhagen, Dusseldorf, Frankfurt, Geneva, Hamburg, Lyon, Madrid, Milan (Malpensa), Munich, Nice, Paris, Prague, Oslo, Rome, Stockholm, Toulouse, Vienna, Warsaw and Zurich in Europe; and Aberdeen, Edinburgh, Glasgow, Manchester and Newcastle in the UK.

British Airways

Qantas and British Airways codeshares on selected Qantas services covering 16 Australian domestic routes, seven trans-Tasman routes and between Auckland and Los Angeles.

Qantas codeshares on Cathay Pacific services between Hong Kong and Rome.

Qantas codeshares on China Eastern services between Shanghai and Beijing, Chengdu, Dalian, Fuzhou, Guangzhou, Harbin, Kunming, Qingtao, Shenyang, Singapore and Xian.

China Eastern

Qantas codeshares on China Eastern services between Shanghai and Beijing, Chengdu, Dalian, Fuzhou, Guangzhou, Harbin, Kunming, Qingtao, Shenyang, Singapore and Xian.

China Eastern

Qantas codeshares on Intercity-Express rail services operated by Deutsche Bahn between Frankfurt and Cologne, Dusseldorf, Hamburg, Hanover, Munich, Nuremberg and Stuttgart.

Deutsche Bahn

Qantas codeshares on Eva Air services between Brisbane and Taipei.

Eva Air

Qantas codeshares on Iberia services between Madrid and London and Madrid and Frankfurt.

Iberia

Iberia codeshares on Qantas services between London and Sydney and Frankfurt and Sydney.

Japan Airlines

Qantas codeshares on Japan Airlines services between Sydney and Adelaide and Tokyo and on selected services between Singapore and Tokyo.

Japan Airlines

Qantas codeshares on Qantas services between Sydney and Adelaide, Melbourne and Perth.

Jet Airways

Qantas codeshares on all LAN Airlines services between Sydney, Auckland and Santiago.

LAN Airlines

Qantas codeshares on Malev services between Budapest and Frankfurt.

Malev

Qantas codeshares on Mexican services between Los Angeles and Cancun, Guadalajara, Mexico City and San Jose del Cabo and between San Francisco and Mexico City.

Mexicana

Mexicana codeshares on Qantas services between Los Angeles and Brisbane, Melbourne and Sydney and between San Francisco and Sydney.

Our Airline

Qantas codeshares on Our Airline services between Norfolk Island and Brisbane, Newcastle and Sydney.

South African Airways

Qantas codeshares on all South African Airways services between Johannesburg and Perth.

South African Airways

Qantas codeshares on Vietnam Airlines services between Ho Chi Minh City and Sydney and Melbourne.

Vietnam Airlines
**SALES**

The Qantas approach to sales focuses on regions, with its network divided into the following sales areas:

- Australia and Papua New Guinea
- Americas
- Japan
- New Zealand and the Pacific
- North Asia
- South East Asia
- UK, Europe, the Middle East and Africa

Qantas distributes its products through travel agents and via its Qantas Travel centres, Qantas Telephone Sales centres, the internet and travel wholesalers such as Qantas Holidays. Key markets for the airline include leisure travellers, corporate accounts, and group and incentives travel.

**ONLINE**

The Qantas website, qantas.com, is Australia's number one travel site. With around eight million visits recorded each month, over 50 per cent of Qantas' domestic bookings in Australia are made using the site. qantas.com customers can plan and book domestic and international flights with Qantas, Jetstar, one world alliance carriers and more than 35 other airlines. A multi-city planning tool means customers can plan and book domestic and international multi-city stop-over itineraries. Beyond flights, qantas.com provides a complete travel solution, offering hotel and flight packages, a range of domestic and international hotels, car hire, insurance, activities and experiences, show and event tickets, expert travel destination articles from the award-winning inflight magazine, *Qantas The Australian Way*, along with travel reviews, opinions and advice at Travel Insider. qantas.com’s Manage Your Booking facility allows customers to change and cancel flight bookings, check-in online, update details and make seat and meal requests. For corporate customers, qantas.com provides a range of online travel management solutions. Qantas Frequent Flyer members can use their points to make bookings on Qantas and partner airline flights, view their bookings, request upgrades, manage and update their accounts, use a points calculator to plan Award trips, view real-time points balances and activity statements, transfer points to a family member, purchase goods at the Frequent Flyer store and share their travel experiences online. qantas.com also offers duty free shopping and inflight entertainment guides and media and investor information. qantas.com continues to expand internationally, with online booking capability now available in seven languages and 30 countries outside Australia.

**TELEPHONE SALES**

Australia and New Zealand telephone sales centres are located in Brisbane, Hobart, Melbourne and Auckland. Telephone Sales Australia and New Zealand employs more than 1,000 people, operates 24 hours a day, seven days a week, is the primary direct booking channel after qantas.com, and provides services related to travel on Qantas, QantasLink, Jetstar, oneworld alliance airlines and other partner airlines. Telephone Sales is supported by an operational and management team in Sydney, along with Qantas Express Ticketing (QET), which is primarily responsible for the ticketing of customer bookings, the reissuing of tickets and refund processing. Qantas also has eight overseas contact centres located in Bremen (Germany), Buenos Aires (Argentina), Bangkok (Thailand), Hong Kong, Jakarta (Indonesia), Mumbai (India), Shanghai (China) and Tokyo (Japan).

**INDUSTRY SALES**

Qantas has a long standing relationship with the travel agent industry. An industry sales team works closely with around 4,000 agencies across Australia which operate in markets such as corporate, retail, wholesale, fly/cruise, and online. Qantas also has relationships with key industry bodies including the Australian Federation of Travel Agents (AFTA), the International Air Transport Association (IATA), and global distribution systems (such as Amadeus, Galileo and Sabre) that allow travel agents to quote fares and make bookings. Each Australian state and territory has a dedicated industry sales team that manages both day-to-day relationships and business development opportunities. A national account sales team is dedicated to ongoing relationship and business development opportunities with major travel agency groups. The Qantas
Industry Centre (QIC) in Sydney operates a centralised call centre providing the industry with sales assistance. Qantas also offers a dedicated website to Australian travel agents providing 24-hour assistance and information, online forms and a booking engine. The Qantas Industry Sales Platinum Club is a reward and recognition program for Australia’s top travel agents, with annual membership offering agencies priority, personal and premium service through a dedicated team of experienced QIC sales advisers.

CORPORATE AND GOVERNMENT SALES Qantas Corporate and Government Sales is responsible for managing the airline’s dealings with these markets in Australia. At the multinational level, the group works closely with sales teams to develop strategies, product offerings and sales tools to help establish and grow relationships in key markets. Qantas Corporate Sales’ primary role is to guide and support the airline’s national and global sales teams to deliver competitive value propositions to customers, to protect and grow its customer base in Australia and overseas, and allow the airline to reward customer loyalty with pricing and contractual options. Corporate and Government Sales teams in each state, as well as nationally, manage a diverse portfolio of accounts and also work closely with key business travel organisations, travel management companies and leading travel industry suppliers.

QANTAS BUSINESS TRAVEL Qantas Business Travel (QBT), along with Qantas Holidays, is part of Jetset Travelworld Group, which is part owned by the Qantas Group. QBT is one of the largest corporate travel managers in Australia, providing a total travel management service through offices in Adelaide, Brisbane, Canberra, Melbourne, Perth and Sydney. QBT’s business travel specialists provide personalised service to some of Australia's largest and highest profile corporate and government accounts as well as a broad range of small to medium enterprise customers. QBT offers global access to a full range of business travel management services, allowing customers to create or change their travel arrangements 24 hours a day, seven days a week.

GROUP TRAVEL Qantas Group Travel provides domestic and international travel arrangements for Australian-based customers who require group fares and conditions for 10 or more people travelling for a common purpose on the same flight. A Sydney-based team of consultants manage group sales Australia-wide, working with travel agents and direct customers. Group market segments include incentives, meetings, conferences, events, sporting groups, school groups, musical groups, special interest groups and the fly/cruise market. Qantas Group Travel can also arrange charter aircraft. Customers can request a quote for a group booking online at qantas.com (for direct bookings) or qantas.com/agents (for travel agents).

QANTAS TRAVEL CENTRES In addition to the strong relationship Qantas has with travel agents across Australia, Qantas Travel centres are located in every Australian state and territory. The outlets provide a range of services, including itinerary planning and pricing, air travel bookings and ticketing, cruises, accommodation, car hire, tours, travel insurance and rail passes. Qantas Travel locations are:

- Australian Capital Territory - Jolimont
- New South Wales - Sydney
- Northern Territory - Darwin, Nhulunbuy
- Queensland - Brisbane, Cairns, Townsville
- South Australia - Adelaide
- Victoria - Melbourne
- Western Australia - Perth

Further information and media releases can be found at the Qantas website: qantas.com
AIRFARES

Airfares have continued to fall in real terms since the end of World War II as a result of factors that include: operational efficiencies derived from new technology; larger aircraft offering lower operating costs; airline growth leading to economies of scope and scale; increasing competition; and, more recently, computerised yield management systems that allow airlines to meet market demand with a far greater range of fares.

INTERNATIONAL FARES  International airfare pricing is today determined by competition and demand, however this was not always the case. The International Air Transport Association's (IATA) 1946 Bermuda Agreement paved the way for IATA's involvement in setting international fares and cargo rates. Under the auspices of IATA, the industry introduced tourist class (now economy), offering lower fares in return for reduced leg room and inflight catering. Qantas introduced tourist class in 1954. With fares agreed between nations (not airlines) as part of bilateral air services agreements, special discounted fares were initially subject to Government approval throughout the world, with a more "hands off" approach developing over time. The introduction of the Boeing 747, with its lower seat-kilometre costs, enabled Qantas to pioneer fare discounts in the 1970s (still subject to Government approval). In 1982, fare regulation ended with the withdrawal of the government from fare setting. For the first time, Qantas was able to offer discounted fares direct to the public. The tables below illustrate falls in Sydney-London return fares over time. Comparisons are based on the lowest return fares available in each year. In August 2010, the lowest basic Qantas return fare was A$1,873 (excluding taxes and charges) and the latest figure published for average ordinary pre-tax weekly earnings was A$1,256 for full-time work, excluding overtime (sources: Australian Bureau of Statistics and Qantas).

The price of an average three-bedroom house is 53 times more than in 1967, a loaf of bread is around 20 times more, while a Sydney-London return airfare is only 1.4 times more.

DOMESTIC FARES  Prior to October 1990, interstate air services were subject to economic regulation under a Two Airlines policy, with an objective of maintaining two economically viable operators to provide competitive services. In 1981, the Independent Air Fares Committee (IAFC) was established to determine fares to be applied by the airlines. With deregulation in November 1990, 38 years of government control ended, and the airlines were given the freedom to determine capacity, fare levels and route structures. The entry of new competitors into the Australian domestic market over the years has focused attention on fare levels. In real terms, however, yield from domestic air travel has been declining over the past 30 years and, travellers today have access to the broadest and most flexible range of airfares.

SIMPLER FARE STRUCTURES  The worldwide industry trend is toward simpler, more customer-friendly and internet-friendly pricing. Qantas changed its domestic and international fare structures in 2003 and 2004 and continues to offer a broad range of discounted fares which provide a more flexible and simple set of conditions. Domestic fares are offered on a one way basis, which provides a greater variety of price options to create more flexible itineraries, while also allowing combination with many international fare types to create competitive total fares.
YIELD MANAGEMENT

YIELD MANAGEMENT  Yield management is a practice widely used in the airline, hotel and advertising industries. Each offers a ‘perishable’ product – airline seats (and freight capacity), hotel rooms or advertising time and space. If these are not sold, the opportunity to earn revenue from them is lost forever. For this reason, these industries seek to market their product with maximum efficiency. For airlines, yield managers use widely accepted statistical tools to forecast seat demand, taking into account historical data and seasonal variables. For example, there is heavy demand on domestic routes during weekday peak periods and to leisure destinations during holiday periods, but there may be troughs in demand at other times. Each flight has its own individual forecast. Yield managers look at factors as diverse as economic swings which affect longer-term demand, seasonal schedule changes and changes in aircraft capacity to achieve an optimal mix of fares. In today’s environment, and without yield management, airlines would find it more difficult to make a profit and customers would be denied the broad range of fares and services offered.

OVERBOOKING  An essential part of yield management is the overbooking of flights. Airlines overbook in the knowledge that a percentage of passengers and travel agents make reservations that are never used, while others make multiple bookings. This can deny other passengers the opportunity to travel on flights that appear to be fully sold. Overbooking profiles are carefully monitored and managed. For customers, overbooking ensures flights are not closed for bookings well ahead of departure. As a result, fewer seats are wasted and more customers have the opportunity to travel. Without overbooking, airfares would rise to cover the loss of revenue from last minute cancellations and ‘no shows’.

PRICING INITIATIVES  The philosophy of yield management is to maximise seat sales at the optimal (not necessarily the highest) price, and a range of fares is offered to help meet overall revenue targets. Not everyone is prepared to pay the same price at the same time. Some customers are driven by price and choose to purchase discounted fares, such as sale or promotional airfares, which require them to book early or travel on a particular day or time in order to secure a seat. Customers who are time sensitive or want greater flexibility are often willing to pay a higher price. While flights may vary by time, frequency and number of seats, it is common for the full range of fare types to be available for sale at some time during the booking life-cycle. Yield management aims to provide an optimal return from a network offering designed to suit the needs of a range of customers. In its aim to maximise seat sales, yield management also plays a role in identifying areas of weaker demand and then releasing special fares to stimulate demand.

CAPACITY TO MEET DEMAND  Where viable, peak travel periods are matched with additional capacity to meet customer demand. In periods of lower demand a combination of pricing initiatives and/or capacity changes may be applied in order to best match seat demand and supply.
BUSINESS INFORMATION SOLUTIONS

Qantas’ first computers were introduced in 1962. Today, Business Information Solutions (BIS) comprises around 1400 IT specialists from nine organisations who deliver over $100 million in new technology projects per annum, and manage infrastructure in eight data centres and over 350 business systems that are used to run the Qantas business in Australia and overseas.

INFORMATION AND COMMUNICATIONS TECHNOLOGY SERVICES  BIS provides a diverse range of managed technology services to Qantas, including:

- end user computing (EUC) and collaboration services that provide the touch points (through desktop, laptop and other mobile devices, peripherals and applications) that enable Qantas users to access the broader Qantas computing environment and information sources
- unified communication and conferencing services that provide the Group with solutions for telephony, contact centre, command and control, two-way radio, conferencing (video, audio and web-based) and satellite communication systems
- secured network access services that provide the Group, business partners and customers with secure access to information sources from any location and device
- business applications that provide full lifecycle management for the core business applications required to carry out airline and related functions.

MAJOR PROJECTS  A number of project developments have taken place within Qantas BIS in 2009-2010 following a wide ranging business review designed to ensure it was operating at maximum efficiency, both internally and in terms of vendor partner relationships. Following the review, BIS engaged Fujitsu to provide end-user desktop services and continues to work with Telstra as an existing partner in other areas. IBM has also been engaged to perform a range of project delivery functions. The Next Generation Check-in experience, part of the Airports of the Future program, was successfully launched on a trial basis in Perth in July and next generation loyalty and freight projects have also had successful first phase implementations. Qantas Engineering’s system refresh program also continues, with the first release scheduled for implementation in early 2011.

SUSTAINABLE IT  Qantas BIS continually reviews opportunities to support the company’s sustainability initiatives and strives to reduce costs and waste. A Green IT program actively identifies opportunities to retire ageing systems, projects to introduce server and storage consolidation and virtualisation, IT power consumption reductions and a continued focus on reducing unit costs and consumption across the breadth of the IT Services portfolio.
GOVERNMENT AND INTERNATIONAL RELATIONS

Qantas’ Government and International Relations division engages with a wide range of government and industry stakeholders to influence aviation and related policy in order to represent and advance the Qantas Group’s interests, both in Australia and internationally. The division also secures the rights for Group airlines to operate, grow and compete in global markets. As the primary interface between the Qantas Group and government, the division advocates the Group’s strategic and commercial objectives at both federal and state level. This involves:

- direct representations with Ministers and Members of Parliament and working with a broad spectrum of government agencies, regulators and interest groups and industry associations on aspects of the policy and regulatory framework relating to the aviation and tourism industries; and
- developing and coordinating submissions and representations to a range of policy reviews, parliamentary inquiries and other consultation processes on behalf of the Group, including aviation specific reviews and related issues that have an impact on the Group, such as the development of emissions trading schemes.

Government and International Relations monitors and communicates developments relevant to the interface between policy, regulatory regimes and the aviation industry to raise awareness of their potential impacts and provides assistance and advice to internal stakeholders on government processes. The Qantas Group is actively involved in a range of industry associations and is represented on:

- the Board of Airline Representatives of Australia (BARA);
- the Australian Government’s Tourism Access Working Group (TAWG); and
- the International Air Transport Association’s (IATA) Industry Affairs Committee.

AIR SERVICES AGREEMENTS  The rights to operate international air services are established in Air Services Agreements which are negotiated between governments, typically bilaterally. These treaties set out the rights and entitlements of the respective countries’ airlines regarding which cities may be served, frequency, routing, aircraft type and limitations on passenger and cargo traffic that may be carried between particular points. Liberalisation of Air Services Agreements has occurred progressively, and is continuing, driven by the growth needs of airlines and the broader objectives of governments. Government and International Relations coordinates the Qantas Group’s position to feed into the Australian Government’s preparations in advance of air services negotiations, and is represented as an adviser on the delegation at the negotiations. Before exercising air services treaty rights, Government and International Relations must generally apply to the International Air Services Commission (IASC), an Australian independent statutory body, for an allocation of capacity to enable services to be operated by Qantas, Jetstar or Qantas Freight.
PEOPLE

The Qantas Group is one of Australia’s largest employers with around 32,500 employees, over 90 per cent of whom are based in Australia. Qantas’ human resources function, known as ‘People’, operates across the Group through three areas:

<table>
<thead>
<tr>
<th>Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>People Corporate Centre</td>
<td>Responsible for shaping policy and strategy and supporting the business</td>
</tr>
<tr>
<td>People Business Segments</td>
<td>People managers work within business segments to support line managers</td>
</tr>
<tr>
<td>People Shared Services</td>
<td>A central support unit performing streamlined administration and advisory services such as answering human resources enquiries, updating employee records, supporting recruitment processes, providing remuneration and benefit administration services, managing workers’ compensation, administering staff travel schemes and designing and delivering learning and development programs.</td>
</tr>
</tbody>
</table>

VISION AND VALUES  The future of the Qantas Group is about great people who are skilled, motivated and supported to do great things, and the success of the Group is underpinned by its employees. The every day actions of Qantas Group people are guided by six values and behaviours:

- Safety – demonstrates and drives genuine commitment to safety
- Transparency and Honesty – is open, listens and speaks honestly
- Customer Focus – always puts the customer first when making decisions
- Collaboration and Teamwork – works with others to create success for all
- Enjoyment – enjoys work and being part of a successful team
- Ownership and Accountability – takes responsibility for delivering agreed outcomes

STRATEGY  Key areas of the Group’s people strategy are to:

- nurture management capabilities and engender a constructive leadership style
- generate a pipeline of talented people for future succession
- create an environment and culture which engages employees and enables lasting change to be implemented
- foster a diverse and inclusive workplace
- bolster performance at all levels through regular face-to-face communication
- build a flexible and adaptable workforce focused on continuous business improvement and customer satisfaction
- effectively manage productivity, workforce planning and budgets
- embed safety as the number one priority

A range of programs and standards in place to support the achievement of these goals and principles.

LEARNING AND DEVELOPMENT  The Group invests in developing people via on-the-job training, coaching and mentoring and formal classroom learning. Learning and development focuses on areas such as functional training, leadership and management development, customer service, safety and compliance training. Qantas Airways Limited is a Registered Training Organisation and, through Qantas College, provides a range of learning solutions for professional development including Government approved, nationally accredited qualifications that may provide credit for further study in the Australian vocational training sector.
TALENT  The Qantas Group identifies and develops talented employees from across the company to be future leaders. This ensures a pipeline of suitable candidates are ready to step into management/senior leadership positions when successors are required. Programs to build leadership capability are designed around the needs of the business and help individuals to develop a versatile set of skills. Current programs include the Graduate Development Program, Emerging Leader Program, Women at Qantas Development Program, Harvard Leadership Program and Senior Executive Program.

ENGAGEMENT  The Company’s long and successful history is underpinned by passionate people who take great pride in working for Qantas. To preserve this strong spirit, employee views are sought via a company-wide engagement survey and twice-yearly employee roadshows. Creating an environment where employees are inspired and feel part of the Group’s journey is critical to achieving the company’s goals.

DIVERSITY  As a global organisation with a diverse workforce, Qantas aims to develop an inclusive work environment accessible to all. Initiatives to support women in the workplace, Indigenous employees (the Group has a Reconciliation Action Plan – see Indigenous Programs Fact File), age management and accessibility for people with a disability are considered key planks in delivering improved business, customer and shareholder value to the Group. Cross-cultural training is also available to line managers. A Diversity Council meets quarterly with a remit to shape the diversity vision, articulate strategy and ensure that initiatives are championed in the business.

WORK-LIFE BALANCE  Qantas supports employees to manage work, family and personal commitments through a range of initiatives including access to health and wellbeing programs, child care (Qantas has built three on-site The Joey Club day care centres in Brisbane, Melbourne and Sydney) and a free Employee Assistance Program counselling service.

REMUNERATION AND BENEFITS  Around 95 per cent of Australia-based Qantas Group staff are covered by awards and various collective agreements. Qantas works with 16 national unions to negotiate around 45 Enterprise Bargaining Agreements. The remuneration strategy for executive management is detailed in the Qantas Annual Report, available at qantas.com. Employees have access to a wide range of benefits including airline travel.

STANDARDS OF CONDUCT  Qantas has comprehensive standards of conduct policies which set standards for employee behaviour, particularly in relation to key compliance areas such as occupational health and safety, theft, fraud, discrimination, bullying, harassment and the maintenance of a smoke-free workplace. These standards of conduct also form part of the Qantas Supplier Requirements, a set of terms and conditions binding all contractors engaged by Qantas.
Pilots

Qantas employs approximately 2,300 pilots in its mainline operations. Qantas pilots work with the latest technology maintained to the highest standards and operate as part of a highly trained, motivated and dedicated team of professionals. Qantas pilots are required to continually update their skills and undergo regular examinations to maintain their licences to the highest standards of proficiency.

PILOT POSITIONS WITH QANTAS

- **Captain**: The Captain has ultimate responsibility for each flight, including overall responsibility for the aircraft, crew, passengers and freight. Obtaining a command, or Captaincy, is the ultimate goal for all Qantas pilots.

- **First Officer**: Promotion to First Officer on domestic or international aircraft depends on vacancies becoming available, seniority, proficiency and the successful completion of a promotion course. First Officers are co-Captains. They make command decisions and judgements while relieving the Captain on long flights. First Officers are approved to fly aircraft during take-off and landing, as well as in cruise.

- **Second Officer**: When a pilot commences with Qantas, it is as a Second Officer operating on B747, A330 or A380 aircraft. Second Officers are not required on B767 or B737 aircraft. Second Officers observe and assist the Captain and First Officer during take-off and landing and provide relief crewing by flying during cruise. This is a continuation of the learning process that begins during training and prepares the Second Officer for promotion training to First Officer.

Nearly 80 per cent of Qantas' pilot group is based in Sydney, with the based in Brisbane, Melbourne and Perth. Captains make up 41 per cent of pilot numbers, First Officers 38 per cent and Second Officers 21 per cent. Female pilots make up just over three per cent of the Qantas pilot group.

**TRAINING** Qantas Flight Training operates training centres in Sydney, Melbourne and London that deliver pilot technical training and aircrew emergency procedures training. Approximately 18,000 pilot training sessions and more than 16,000 emergency procedures classes are delivered each year. Qantas operates nine simulators in Sydney (three B747, two B767, one A330, one A380 and two Dash 8) and five in Melbourne (four B737 and one A330).

**BECOMING A QANTAS PILOT** When recruiting, Qantas has two employment paths for pilots: Direct Entry as a Second Officer or the Qantas Cadet Pilot Program. The Direct Entry Scheme is available to experienced pilots who meet Qantas' minimum criteria. The Qantas Cadet Pilot Program is designed to equip successful HSC and other graduates with the skills, qualifications, education and experience required for possible employment in the aviation industry. Programs provided by Qantas-approved flight training organisations are delivered according Qantas' strict standards and procedures, in conjunction with our University partners and provides trainees with regular performance and development feedback. Eligible cadets have access to FEE-Help and HECS through Qantas’ university-based courses, and also undertake two years of industry experience. The Qantas Pilot Recruitment Plan is continually reviewed in response to the changing aviation environment and opportunities vary from year to year. For further information, visit qantas.com.
CABIN CREW

Qantas employs over 4,500 flight attendants for its international operations, and over 2,700 domestic flight attendants. QantasLink employs a further 280 flight attendants. Approximately 700 international Customer Service Managers and Customer Service Supervisors and approximately 550 domestic Customer Service Managers lead cabin crew activities onboard. More than 1,600 dedicated First and Business Flight Attendants have been selected for their extensive service experience and product knowledge and are trained to provide a premium service. Many Qantas flight attendants are multi-lingual, speaking a range of languages that include Cantonese, French, German, Italian, Japanese, Korean, Malaysian, Mandarin, Spanish and Tagalog (the language of the Philippines).

CABIN CREW BASES Australian international cabin crew bases are located in Brisbane, Melbourne and Sydney, while international bases are located in Auckland and London. Domestic cabin crew are based in Brisbane, Cairns, Melbourne, Perth and Sydney.

RECRUITMENT Qantas subsidiary Qantas Cabin Crew Australia Pty Ltd (QCCA) was established in November 2007 to hire all new full-time international cabin crew for Qantas’ international division. In December 2008, Qantas established a wholly-owned subsidiary, Qantas Domestic Pty Ltd, to provide full-time cabin crew for the airline’s domestic operations. Casual domestic cabin crew are employed by Maurice Alexander Management (MAM). When recruiting flight attendants, Qantas seeks applicants who are dedicated to providing an exceptional customer experience. They need to be genuine, friendly and able to deal with any eventuality. Senior First Aid and Responsible Service of Alcohol certificates are some of the prerequisites for employment. Detailed information on recruitment is available at qantas.com.

TRAINING The Qantas vision is to be the world’s best premium airline. As cabin crew play a crucial role in making this vision a reality, all flight attendants undertake the latest service and safety training. New flight attendants receive up to six weeks initial training, as well as recurrent training, in security, medical and emergency procedures. Qantas is a registered training facility, in accordance with Australian National Training Organisation standards, and has 90 certified course facilitators and designers delivering contemporary training through eLearning, workshops and coaching at work.

QANTAS CENTRE OF SERVICE EXCELLENCE In December 2008, Qantas opened a Centre of Service Excellence in Sydney, which provides an enhanced training program for over 18,000 staff from across the business each year. The 5,000 square metre facility features customer experience zones dedicated to the airline’s international First, Business, Premium Economy, Economy, as well as Domestic and QantasLink offerings. The Centre also includes a 132-seat auditorium, a central stage with seating for 125 people, four cabin crew training pods, a Qantas Innovation Zone, sponsored by Panasonic and designed to capture employees’ ideas and initiatives for exceptional service, an intranet workstation area, a wine training and epicurean wing, learning and development rooms, and two image and presentation rooms.

SUPPORT FOR CHARITY Qantas Cabin Crew are well known for their devotion to a number of worthy causes, including the United Nations Children’s Fund (UNICEF), the Royal Institute for Deaf and Blind Children (RIDBC) and Melbourne Royal Children’s Hospital. The Qantas Cabin Crew Team, a registered charity, undertakes projects that focus on helping underprivileged children in Australia, Bangkok, Harare, Johannesburg and Manila. The Pathfinders’ fundraising committee, comprising past and present employees, also raises money to help disadvantaged and disabled children. This includes organising annual charity flights.
around Australia to raise funds for the RIDBC, as well as the annual and extremely popular Qantas Crew Revue.

UNIFORMS  Like all fashion, Qantas cabin crew uniforms over the years have reflected both the tastes and social norms of the day. In 1938, the first male Qantas cabin crew dressed in white waiters' jackets when serving dinner to passengers. When female crew joined in 1947, fashion took a back seat to functionality, with a military style uniform. Over time, increasing emphasis has been placed not only on designing uniforms to look good, but to also allow our crew to perform their duties with ease. Peter Morrissey, in collaboration with Balarinji Design Studio, has been the designer of Qantas Cabin Crew uniforms since 2003. A new version of the uniform was launched to coincide with the arrival of the Qantas A380 in September 2008.
SAFETY AND HEALTH

The Qantas brand is built on a strong safety record and the Group’s strategy emphasises safety as its first priority. Qantas’ safety reputation and commitment to world’s best safety practices and reporting is recognised worldwide and safety is at the core of all activities. Safety and risk governance processes provide assurance that:

- aviation safety management systems comply with relevant legislation and that associated risks are managed
- all critical incidents and accidents are investigated and recommendations are implemented to prevent recurrence
- effective working and reporting relationships are maintained with local and overseas regulators and agencies, including Australia’s Civil Aviation Safety Authority, OHS regulators and the Australian Transport Safety Bureau

A Safety Policy Statement promotes a culture of safety leadership, collaborative effort, open communication, dissemination of safety information, consultation and involvement at all levels in the workplace, with employees and contractors encouraged to report errors and hazards within a fair and just cultural environment. Success in health, safety and wellbeing is based on:

- managers, employees and relevant third parties actively demonstrating a commitment to health and safety and meeting duty of care obligations
- individual acceptance of accountability and responsibility for safe conditions and behaviour
- implementing a healthy and safe work environment and culture integrating safety, environment, security, quality, risk and compliance systems
- managers demonstrating leadership through their personal actions, allocating resources, establishing goals and achieving agreed targets for all aspects of safety
- continuous monitoring, measuring, reporting and improving safety management outcomes and the health and safety performance of employees and operations
- educating and training based on defined competencies
- complying with regulatory and company standards
- effectively managing all aspects of risk consistent with the nature of work and scale of risk
- recognising employees who demonstrate safety excellence and develop innovative safety solutions

SAFETY MANAGEMENT  

Qantas is required to implement and maintain a formal Safety Management System to meet national and international regulations. Qantas’ integrated management system standard, Qantas Management System (QMS), is a world leading approach that contributes to strong safety, health, security, risk and environment outcomes. This overarching approach enables the Group to meet its obligations across the business in a consistent way. Safety performance is monitored across all areas of Qantas. Information on potential safety and health hazards are provided by employee reports, automated monitoring systems and a continual examination of safety incidents and environmental conditions to target improvements. A set of OHS programs are in place that aim to provide a safe and injury-free workplace and underscore operational excellence. Brought together under the title be safe!, and within the overarching QMS, these programs are part of a goal of zero injuries and occurrences through effective safety systems, a healthy and safe work environment and a strong safety culture. be safe! is supported by senior and executive management and Board review of safety performance and resultant accountability, safety beliefs, cardinal rules, the eXcel employee recognition program and regular communications. Business areas have further tailored the OHS programs based on their risk profiles and operational needs. Integral to all business processes, the Group's OHS programs deliver legislative compliance and behavioural and cultural change.
FATIGUE MANAGEMENT Qantas is committed to managing risks associated with the complex issue of fatigue. The Group's aim is to minimise the risk of fatigue-related incidents or accidents. Qantas has a multifaceted fatigue risk management system that includes:

- policies setting out clear responsibilities for managing fatigue from personal, management and organisational perspectives
- guidelines and tools for improved shift work design and the provision of rest opportunities
- education for employees regarding the risk of fatigue and personal risk management strategies
- monitoring systems for continuously evaluating risk and effectiveness of control measures

ALCOHOL AND OTHER DRUGS Qantas has worked closely with the Civil Aviation Safety Authority (CASA) to establish and implement alcohol and other drugs programs in the aviation industry and has incorporated changes to its existing Drugs and Alcohol Management Plan (DAMP). Key elements include:

- a zero blood alcohol and drug free policy in all workplaces
- the unauthorised use, possession, sale, manufacture, solicitation or distribution of any alcohol or other drugs on Qantas premises, at anytime, is prohibited
- all employees and contractors must undergo alcohol and other drugs training and alcohol and drug testing where required, in accordance with the DAMP
- testing and stand down procedures for staff involved in an incident
- appropriate rehabilitation, return to work and monitoring programs are in place for staff testing positive

INVESTMENT IN TECHNOLOGY Qantas has a long history of installing the latest proven flight safety technology well in advance of mandated requirements. For example, Qantas maintains a flight data analysis program where extensive data from all flights is downloaded automatically and analysed for early warnings of potential safety and pilot training issues. By analysing data from every flight on a daily basis, it is possible to identify potential trends and to take appropriate actions before problems develop. Qantas has more than 15 years of experience with flight data systems and is recognised as a world leader in this area.

SAFETY TRAINING Qantas maintains several training facilities equipped with the latest technology, including aircraft simulators. The Qantas Flight Operations Training Centre contains full flight simulators, emergency procedures cabin trainers, cabin service training equipment, a wet drill facility and emergency exit door trainers. Over and above technical training, Qantas is a world leader in the analysis and training of crew to address the human factors that can affect flight safety. For example, air safety experts have developed techniques to measure and improve the way crews manage human error, and Qantas has implemented a program of inflight observation and crew training to take advantage of this. Employee training provided through Qantas’ Centre of Service Excellence includes recurrent safety training.

QUALITY ASSURANCE Qantas has successfully completed the International Air Transport Association’s (IATA) Operational Safety Audit (IOSA) and achieved IOSA Registration. The internationally recognised IOSA program is considered a global benchmark for airline safety and quality and involves examining over 900 internationally harmonised standards and recommended practices covering assessment of both operational management and control systems.
SECURITY AND RESILIENCE

In an increasingly challenging and complex global security environment, Qantas continues to enhance its capabilities to identify, assess and manage security risks to produce outcomes that comply with regulatory requirements, ensure the safety of passengers, employees and assets, and assure the resilience of Qantas Group operations. This is achieved through active and influential dialogue with governments and industry operators globally, the provision of quality security training to employees, adoption of innovative security technology, continual monitoring and evaluation of the global threat environment and the subsequent implementation of risk-based security measures.

INVESTMENT In recent years, Qantas has invested more than $1.1 billion dollars in capital works to implement enhanced screening measures. These significant enhancements include the introduction of x-ray screening of checked baggage and explosive trace detection capability for carry on baggage. Direct recurrent expenditure exceeds $82 million annually. An enhanced airside inspection regime is also in place at major Qantas ports, requiring personnel entering airside locations to be subject to additional security measures. Qantas continues to invest in CCTV technology and has a sophisticated network of over 1500 cameras in operation globally. A comprehensive Crime Corruption Control Policy is also in place to increase awareness and reduce the risk of crime and corruption in the business.

SECURITY OPERATIONS A dedicated Security Operations Centre monitors global security events 24 hours a day and supports other Qantas Group business interests, including Jetstar Asia, Jetstar Pacific, Air Pacific, and codeshare partner airlines. Qantas Group Security contributes to the planning and staging of major events involving Qantas assets and conducts security threat and risk assessments and coordination of security measures in Australia and in Qantas ports overseas. As a world leader in security best practice, the Qantas Group has also established a Security Management System which integrates all existing aviation security policy, transport security programs, procedures, training, audit and review processes to ensure compliance with legislative requirements. Central to the operational responsibilities of Qantas Group Security are Regional Security Managers (RSMs). Operating within defined geographic areas of responsibility, RSMs are accountable for the delivery of security outcomes to protect employees, assets and customers, and to provide support and assistance to business units across the Group to enable them to comply with their security responsibilities.

AIRPORT SECURITY Qantas Group Security continues to collaborate with aviation security regulators worldwide to improve security outcomes and to achieve greater harmonisation of security measures and improve passenger facilitation. Qantas is the largest designated screening authority in Australia, currently providing passenger and checked baggage screening services at 21 domestic airports – six capital city terminals and 15 regional airports. Security services are provided by almost 1,000 dedicated security officers, employed by three major security companies contracted to Qantas.

RISK AND RESILIENCE Qantas has a dedicated group of risk, threat and resilience experts, that constantly monitors the business and global environment to ensure the Group is prepared to respond to any number of internal and external crises. The team develops, manages, rehearses and provides operational coordination for the Group’s capability to respond to, and rapidly recover from, operational incidents including, more recently, the impact of the Icelandic volcano on European airspace earlier in 2010, the H1N1 09 (Human Swine Influenza) pandemic in 2009, the 2008 terrorist attacks in Mumbai, and civil unrest in Bangkok in the same year. The Risk and Resilience department also seeks to look ahead to identify and anticipate potential threats or risks and mitigate them through contingency planning and coordination with government and other industry partners.
ENVIRONMENTAL SUSTAINABILITY AND FUEL EFFICIENCY

The Qantas Group is committed to actively managing its operations and growth in a sustainable manner and reducing its environmental impact, while balancing the concerns and interests of all of its stakeholders. A coordinated and sustainable development approach is taken to managing risk in this area, ensuring actions to mitigate one environmental impact do not have adverse counter effects. The Group has a specialist team responsible for advising on environmental and fuel efficiency issues and implementing programs across the business. In addition to applying the Group's environmental strategy, the Qantas Environment and Fuel Conservation group:

- works with local communities to minimise aircraft noise around airports
- provides environmental management training, advice and support to Qantas Group employees
- provides recommendations on acquisition evaluations, including new businesses and new aircraft
- provides specialist environmental advice for major projects
- develops and oversees an environmental audit program
- liaises with key stakeholders, including government agencies, customers, supply chain partners and community groups on environmental issues
- implements and integrates environmentally efficient practices to ensure continual improvement in operational performance

IMPROVING ENVIRONMENTAL PERFORMANCE The Qantas Group is working towards a range of environmental performance improvement targets to be achieved by 2011. These include:

- fuel – deliver an improvement in fuel efficiency of an average 1.5 per cent per year to 2020 (measured as litres of fuel/100 revenue tonne kilometres)
- water – a 25 per cent reduction
- waste – a 25 per cent reduction in waste to landfill
- electricity – a 10 per cent reduction

To achieve these targets, the Group’s environmental sustainability and fuel efficiency strategy includes:

- improved fuel efficiency, emissions reduction, and noise abatement
- a multi-billion dollar investment in new fleet, including the A380 and B787, to take advantage of the latest airframe and engine designs
- working with air navigation service providers to improve air traffic management to optimise cruise speeds, flight paths and operational procedures and utilise advanced satellite navigation technology approach and departure procedures
- improved aerodynamic and engine cleanliness
- improved utilisation of Auxiliary Power Units (APUs) to supply electrical power and air-conditioning while aircraft are on the ground
- ongoing review of schedules and flight planning procedures
- aircraft weight reduction initiatives
- detailed analysis and monitoring of fuel efficiency initiatives across the business
- operational focus to minimise environmental risk by identifying and managing significant environmental impacts and encouraging continual improvement in environmental performance
- transparent reporting of environmental risks
- compliance with all relevant laws and regulations
ACHIEVEMENTS The Group has achieved a range of environmental and fuel efficiency improvements in recent years, including:

- the publication of environmental performance data using Global Reporting Initiative G3 guidelines and participating in the Carbon Disclosure Project
- the implementation and continued expansion of the Group-wide environmental improvement program begreen to raise employee awareness and embed environmental management systems across all parts of the business
- the introduction of waste minimisation initiatives and improved recycling facilities across the business;
- implementation of innovative process changes to decrease water consumption
- the expansion of the Qantas ‘Green Team’ (now 950 strong), a group of volunteer employees from across the Group who are committed to environmental initiatives

CARBON OFFSET PROGRAM The Qantas Group launched a Carbon Offset Program in 2007 that allows Qantas and Jetstar customers to offset their share of flight emissions when making a booking. The offset cost is based on a full life cycle assessment of all operations and a calculation of the emissions associated with carrying a passenger from one point to another. An online calculator advises customers of their emissions and the cost of offsetting them. Approximately 10 percent of all passengers booking at jetstar.com and qantas.com in Australia choose to offset their share of flight emissions. Last year, Qantas and Jetstar customers paid more than $2 million to offset their emissions, almost three times what they paid in the prior year. The Group also offsets emissions generated by employee work travel and ground vehicles. In total, close to 300,000 tonnes of carbon emissions were offset in 2008/09. All passenger offset contributions go towards Australia-based Greenhouse Friendly approved abatement programs, which may include energy efficiency measures, generation of renewable energy and tree planting projects. The programs have been independently verified and subsequently authenticated by the Federal Government’s Australian Greenhouse Office and either remove greenhouse gases from the atmosphere or avoid their release in the first place. Qantas has signed an agreement with Fieldforce, a Greenhouse Friendly accredited provider, to supply the Group’s carbon offsets. Fieldforce operates across Australia and generates carbon offsets by providing energy efficient light bulbs and water saving showerheads to eligible homes and businesses. For further information visit qantas.com and jetstar.com

SUSTAINABLE AVIATION FUELS The aviation industry is committed to the development of cleaner jet fuels that are commercially viable and generate lower carbon emissions over the ‘life cycle’. Over the past two years, there have been exciting developments in this area, with a number of trial flights successfully using jet fuel blends using, for example, algae and other plant-based oils. Qantas is working with key scientific and industry partners to look at the commercial production of sustainable aviation fuel in Australia. In July 2009, Qantas became a member of the Sustainable Aviation Fuel Users Group (SAFUG), a global coalition of airlines convened by Boeing that is working to accelerate the commercialisation of sustainable aviation fuels.

SUPPORTING COMMUNITY GROUPS The Qantas Group supports many environmental sustainability initiatives in the community. Qantas made an initial donation of $2 million to the Qantas Foundation Environmental Sustainability Fund which is being used to support ‘not-for-profit’ organisations including Landcare Australia, Clean Up Australia Day, Great Barrier Reef Foundation, Flora and Fauna International and the Centre for Sustainability Leadership.
DEFIBRILLATORS AND PHYSICIAN’S KITS  Qantas has achieved worldwide recognition for its use of inflight cardiac defibrillators. In 1991, the airline was the first in the world to install defibrillators on both its international B747 and B767 aircraft. In 1999, Qantas then set a new standard for Australian domestic aviation medicine, when it installed cardiac defibrillators on all of its B737 aircraft. Defibrillators, which are now installed across the Qantas mainline fleet, enable fast assessment and management of passengers who have had a cardiac arrest. Also on-board Qantas aircraft are extensive physician kits containing medical equipment and medications. Qantas Customer Service Managers undergo a wide-ranging training program to ensure they are confident and capable of using the defibrillator and the physician’s kit in the case of a cardiac emergency onboard.

MEDLINK  In October 2000, Qantas helped to set a global standard for the industry when it introduced a new service on international and domestic flights enabling inflight crew to contact on-ground physicians during a medical emergency. Provided by MedLink, the emergency telemedicine centre of MedAire in Phoenix, USA, the service enables direct consultation with certified emergency physicians at any time during a flight almost anywhere in the world. Crew can contact the hospital-based medical service from the aircraft by satellite communications or radio. MedLink communications officers gather basic information on the problem and pass it on to an emergency room physician to talk directly with the crew. The physician can then assess the situation and recommend a management plan for the operating crew on the aircraft, using the physician’s kit if necessary.

HEALTH INFORMATION INFLIGHT  Health information, including information about deep vein thrombosis (DVT), is available from a number of sources, including at qantas.com, in the inflight magazine Qantas the Australian Way, inflight audio and video programs and on passenger ticket itineraries.
SUPPORT FOR THE COMMUNITY, THE ARTS AND SPORT

Qantas is a proud financial and hands-on supporter of Australian community, arts and sporting organisations.

AT TIMES OF CRISIS  Qantas has always been ready to assist Australians during times of crisis – both in Australia and abroad. In recent years, Qantas responded to the October 2002 bombings in Bali by carrying more than 4,500 people home to Australia and scheduling nine special evacuation flights, in addition to regular scheduled services. The airline also carried medical supplies and worked with the Department of Foreign Affairs and Trade on the repatriation of remains. Again, following the second Bali bombings in October 2005, Qantas operated relief flights carrying medical, consular, security and aid personnel, and brought more than 800 people back to Australia. In 2004, Qantas assisted with relief efforts following the Boxing Day earthquake and tsunami which devastated parts of South East Asia. The airline operated special flights to Thailand, the Maldives and Sri Lanka to deliver medical personnel and supplies and evacuate people to Australia, and flew medical and charitable supplies free of charge. Qantas also donated $1 million to UNICEF, CARE Australia, Oxfam and World Vision and donated front page advertising space in major newspapers to UNICEF and CARE Australia. In Australia, when Cyclone Larry destroyed parts of North Queensland in April 2005, Qantas operated a special flight to carry volunteer tradesmen and emergency services personnel to Cairns to help rebuild homes and essential services. The airline also provided significant support to the relief effort following the Victorian Bushfires in February 2009.

CHARITY AND COMMUNITY  In partnership with UNICEF Australia, Qantas implemented the Change For Good Program in 1991. In Australia, the partnership involves Qantas staff from all levels of the organisation: over 7,000 international and domestic cabin crew who collect donations onboard; the ground crew – staff in airports, catering, security, freight – who ensure the envelopes are onboard and collected afterwards; the head office staff who collect additional change from their colleagues. Qantas employees also volunteer their time at UNICEF events and around 12 Retired Qantas staff volunteer at the Change for Good counting house. Since then, the airline and its customers have raised more than $21 million and Change for Good has been adopted by Qantas' one world partner airlines as their global charity. Through groups such as Pathfinders and the Qantas Cabin Crew Team, Qantas employees also continue to raise significant funds for a range of causes.

SHARING THE SPIRIT  Much of Qantas’ community and charity support is provided under the Sharing the Spirit program. An important Sharing The Spirit program is the Qantas Spirit of Youth Awards (SOYA), which were developed to discover and foster young Australian talent in a diverse range of creative fields. In 2010, seven awards will be presented, covering industrial and object design, photography, visual arts, music, film, visual communication and fashion design. Winners will each receive $5,000 in cash and $5,000 in air travel, and the opportunity to develop their careers with mentoring by some of Australia’s leading creative talent. Other Sharing the Spirit events and initiatives in 2010 to date included:
  - private performances by Australian Chamber Orchestra and Bangarra Dance Theatre
  - coaching clinics by Qantas Ambassadors Catherine Freeman and Mark Schwarzer.
  - the Qantas AFL KickStart Camp for elite young Indigenous players provides both a unique football experience and civic educational assistance from community role models;
  - AFL football clinics in Gove, Alice Springs and Darwin with AFL Ambassador, Michael Long and players from the Northern Territory FC;
  - Pathfinders charity flight to Adelaide to raise funds for the Royal Institute for Deaf and Blind Children.

QANTAS FOUNDATION  Established in April 2008 as part of the Group's commitment to operating in a sustainable and socially responsible manner, the Qantas Foundation aims to harness Qantas' people and
resources by supporting efforts to build a sustainable future for all Australians and helping communities at times of urgent need. The Foundation was launched with an initial donation of $5.4m from the Qantas Group in April 2008. Since its establishment, the Foundation has donated over $2 million to support important charitable initiatives in the areas of Health, Education, Community, Humanitarian, Environmental Sustainability and the Arts. This support has been delivered through the Foundation’s partnerships with leading philanthropic organisations, which are listed below.

<table>
<thead>
<tr>
<th>Qantas Foundation Partners</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Business and Community Network</td>
<td>Landcare Australia</td>
</tr>
<tr>
<td>Centre for Sustainability Leadership</td>
<td>Mission Australia</td>
</tr>
<tr>
<td>Clean Up Australia</td>
<td>Royal Flying Doctor Service</td>
</tr>
<tr>
<td>Fauna and Flora International</td>
<td>The Fred Hollows Foundation</td>
</tr>
<tr>
<td>Great Barrier Reef Foundation</td>
<td></td>
</tr>
</tbody>
</table>

SUPPORTING AUSTRALIAN SPORT  Qantas is the naming rights sponsor of two of Australia’s premier national sporting teams – the Qantas Wallabies and Qantas Socceroos – and is also proud and major partner of the AFL’s Indigenous Programs and official airline of the AFL.

KEY SPONSORSHIPS  Organisations and events currently supported by Qantas include:

| Community                                                      |                                                                 |
|                                                               |                                                                 |
| CARE Australia                                                 | Qantas Foundation Memorial                                      |
| Garvan Research Foundation                                     | Red Dust Role Models                                            |
| International Day of People with a Disability                  | Royal Institute for Deaf and Blind Children                    |
| Library Council of NSW                                         | Taronga Conservation Society Australia                          |
| National Australia Day Council                                  | UNICEF                                                          |
| National Breast Cancer Foundation                               |                                                                 |

| Arts                                                           |                                                                 |
|                                                               |                                                                 |
| Art Gallery of NSW                                             | Museum of Contemporary Art                                      |
| Australian Ballet                                               | National Boys Choir of Australia                                |
| Australian Business Arts Foundation                             | National Gallery of Victoria                                    |
| Australian Chamber Orchestra                                   | National Press Club of Australia                                |
| Australian Girls Choir                                         | National Gallery of Australia                                   |
| Australian War Memorial                                         | Opera Australia                                                 |
| Bangarra Dance Theatre                                         | State Theatre Company of South Australia                        |
| Canberra Symphony Orchestra                                     | Sydney Dance Company                                            |
| Gondwana National Indigenous Children’s Choir                  | Sydney Theatre Company                                          |
| Jersey Boys, the Musical                                       | Walkley Awards                                                  |
| Mary Poppins, the Musical                                      |                                                                 |

| Sport                                                          |                                                                 |
|                                                               |                                                                 |
| Australian Grand Prix Corporation                              | Football Federation Australia                                   |
| Australian Rugby Union                                         | Australian Commonwealth Games Association                       |
| Australian Football League                                     | Northern Territory Football Club                                 |
| Australian Olympic Committee                                   |                                                                 |
RECONCILIATION PROGRAMS

The Qantas Group is committed to working in partnership with Aboriginal and Torres Strait Islander (Indigenous) Australians to promote reconciliation through initiatives that include community activities, partnerships, support for Indigenous enterprise and employment.

RECONCILIATION ACTION PLAN The Qantas Reconciliation Action Plan (RAP) is now in its third year of implementation since its launch in November 2007. It demonstrates the Group’s commitment to reconciliation between Aboriginal and Torres Strait Islander peoples and other Australians and is a positive step toward fostering reconciliation in the broader Australian community. The RAP (see initiatives below) can be viewed at qantas.com/reconciliation.

EMPLOYMENT The RAP outlines Qantas’ support for Aboriginal and Torres Strait Islander people through access to job opportunities across the Qantas business. Qantas has also established university cadetships and school-based traineeships to support Indigenous students into employment with Qantas.

PROMOTING SHARED PRIDE IN INDIGENOUS CULTURE Qantas regularly screens Indigenous content on its inflight entertainment channels including programs made by Indigenous film-makers on Indigenous issues. The Qantas the Australian Way inflight magazine also regularly includes articles on Australian Aboriginal and Torres Strait Islander culture, art and tourism. On its reconciliation website, Qantas provides information for international travellers about respecting Indigenous culture when travelling in Indigenous communities in Australia and about making informed and ethical choices when purchasing Aboriginal art and artefacts. Qantas marks key dates on the Indigenous calendar, including Reconciliation Week (27 May-3 June each year) and Naidoc Week (the first week of July each year), through a range of events and activities. Qantas has worked with Balarinji Designs, an Indigenous design studio, to paint aircraft using Aboriginal designs and motifs. Wunala Dreaming, a B747-400 originally unveiled in 1994, is painted in an Aboriginal design depicting the story of journeys by spirit ancestors in the form of kangaroos across the Australian landscape. Following the retirement of this aircraft, the design was applied to a B747-400ER. In 1995, a B747-300, Nalanji Dreaming, was painted in an Aboriginal theme depicting the rainforest and reef. This aircraft was retired in 2007. In 2002, Yananyi Dreaming, a B737-800 was launched, painted in a design of radiating pathways leading to the symbol of Uluru and depicting the landscape, animals and the plants of the region. Balarinji also designed the distinctive Aboriginal print used in Qantas’ current cabin crew and customer service agent uniforms.

SUPPORTING INDIGENOUS ENTERPRISE Qantas is a founding member of the Australian Indigenous Minority Supplier Council (AIMSC) which aims to support and encourage engagement with Indigenous businesses across Australia in all areas of the Qantas business. Qantas was the first member to sign a contract with an AIMSC supplier in November 2009.

PARTNERSHIPS Qantas supports Indigenous communities through a range of partnerships including Bangarra Dance Theatre, the AFL’s Indigenous Programs, Gondwana National Indigenous Children’s Choir, the Indigenous Galleries at the National Gallery of Victoria and Red Dust Role Models. In May 2009 , Qantas established the Qantas Young and Emerging Indigenous Visual Arts Award in partnership with the Australia Council for the Arts and also funds a scholarship for an Indigenous student enrolled at the University of New South Wales’ Australian School of Business. Through a partnership with Reconciliation Australia, Qantas provided support for Indigenous community members to travel to Canberra for the Australian Government’s Apology to the Stolen Generations in February 2008.