



ASX Release

QANTAS GROUP 2021 ANNUAL GENERAL MEETING

REMARKS FROM CEO ALAN JOYCE

5 November 2021: Thank you, Richard.

I'd like to acknowledge the traditional owners of the land we meet on here in Sydney, Gadigal people of the Eora Nation, and pay my respects to their elders past, present and emerging.

RESPONDING TO UPHEAVAL

As we reflect on the past year, a key theme for the Group has been adapting to incredible levels of change.

The most obvious has been dealing with the rolling waves of travel restrictions. Domestically, we've had aircraft take off to capital cities that had closed their borders by the time we got there. That would have been unthinkable not long ago.

But we've also launched more new routes than at any other time in our history, to make the most of travel between places that were open.

Our ability to adapt quickly meant that 95 per cent of the time we flew last financial year, we generated cash.

With so many things turned upside down, we've had to look at every aspect of our business from top to bottom.

Our recent sale of surplus land in Mascot, which bundled up 14 hectares that has surged in value during the pandemic, is a good example.

We've also made a lot of difficult structural decisions – including the outsourcing of the remaining ground handling function for Qantas and Jetstar – that will generate crucial savings.

This is particularly important as we see new competitors emerge.

We've also doubled down on the things that work well. Last month, we announced the early renewal of our cornerstone agreement with Emirates, taking us through to at least 2028, pending regulatory approval.

Our Freight business has boomed during COVID and while some of that spike is temporary, it has almost certainly accelerated the permanent expansion of e-commerce in this country. That's why we're working with key partners like Australia Post on how we respond to this structural change.



These decisions – and many others – are about making the Qantas Group fit for the future. And to make sure we deliver for our customers, our people and our shareholders in a post-COVID world.

REOPENING AT LONG LAST

I'm glad to say that reopening of that world is approaching quickly.

Earlier this year, when we announced our plans to restart international flights in December, it seemed too optimistic to some.

But because Australians have come out in droves to be vaccinated, it's actually happening faster than any of us expected.

Flights from Sydney to London and to Los Angeles started this week. And the leadership of the New South Wales Government to remove quarantine for the fully vaccinated means we've been able to accelerate the return of routes that we didn't think would be viable until well into next year – places like Johannesburg and Bangkok.

Domestically, the crucial Melbourne-Sydney route has started to ramp up. And most states have outlined their plans to open their borders before Christmas – one of the busiest travel times of the year.

Australia is on track to have one of the highest vaccine rates of any country in the world and that gives us a lot of reassurance that we can open safely, and stay open. There will still be challenges – but we are investing in the restart because we have every confidence that the only way is forward.

One of those challenges is a patchwork of entry conditions nationwide. Each time borders closed over the past 18 months, different states had different rules. Unfortunately, we're seeing the same thing as we re-open.

That is frustrating for vaccinated travellers who would reasonably expect they can move freely and easily. Hopefully these conditions – particularly PCR testing at every turn – is dispensed with as Australia becomes more confident living with COVID. Surely that's something we've all earned.

PERFORMANCE UPDATE

As Richard said, we'll be providing a trading update to the market in December, but let me share a few insights.

In short, travel demand and confidence levels are high.

Qantas has taken close to half a million domestic bookings in the past two weeks, compared with around twenty thousand in a two week period in August.

Bookings to South Australia have increased more than six fold since the SA Premier confirmed their re-opening plan. Bookings to Brisbane, Gold Coast and Cairns are up 10 fold in the past two weeks.

Jetstar's recent international sale saw 75,000 seats sold in 72 hours.



Demand for seats on Qantas' London to Sydney service have been extremely strong, with Aussies coming home in time for Christmas and more flights added as a result.

Throughout the pandemic, our Frequent Flyers have been stockpiling the points they've kept earning on the ground with program partners – like Woolworths and the banks. In a very positive sign of member engagement, they've come out in force as we have added flights.

In October, Qantas Loyalty had its single biggest day for flight redemptions with more than half a billion points spent on 15,000 domestic and international seats in just 24 hours.

A return to scale is good news for all customers, because it means we can reopen lounges and bring more aircraft back into service – including our flagship A380s.

The ongoing support and understanding of our customers throughout this pandemic has been tremendous, and we look forward to being able to repay that as they come back to flying.

This return to flying is obviously great news for our people who have endured a very difficult period.

As we announced recently, all of our onshore employees are able to return to work by early December.

Combined with operational and corporate employees already working, all 22,000 employees are expected to be back working, which wasn't expected to happen until June next year.

This is fantastic, particularly for those who have been stood down since the very start of the pandemic and thought it could be another year before they would be flying again.

And finally, the return to flying is also great news for shareholders. You have continually shown tremendous patience and confidence during this crisis – and we thank you for it.

There aren't many companies that have been hit by this pandemic as hard as Qantas. In years to come, we'll look at this as a very difficult – but very significant – part of our long history. Something we endured. That we recovered from. And that ultimately made the national carrier better and more resilient.

And that means we have a lot to look forward to, beyond the simple pleasure of flying again. Renewing our domestic fleet with Project Winton. Finally solving the tyranny of distance with Project Sunrise and more non-stop flights. And using technology to make meaningful inroads to cutting emissions.

Thank you.

Media Enquiries: Qantas Media +61 418 210 005 qantasmedia@qantas.com.au

Investor Relations Enquiries: +61 416 058 178 filipkidon@qantas.com.au

Authorised for release by the Group General Counsel and Company Secretary

