QANTAS | 100

Investor Day

19 November 2019

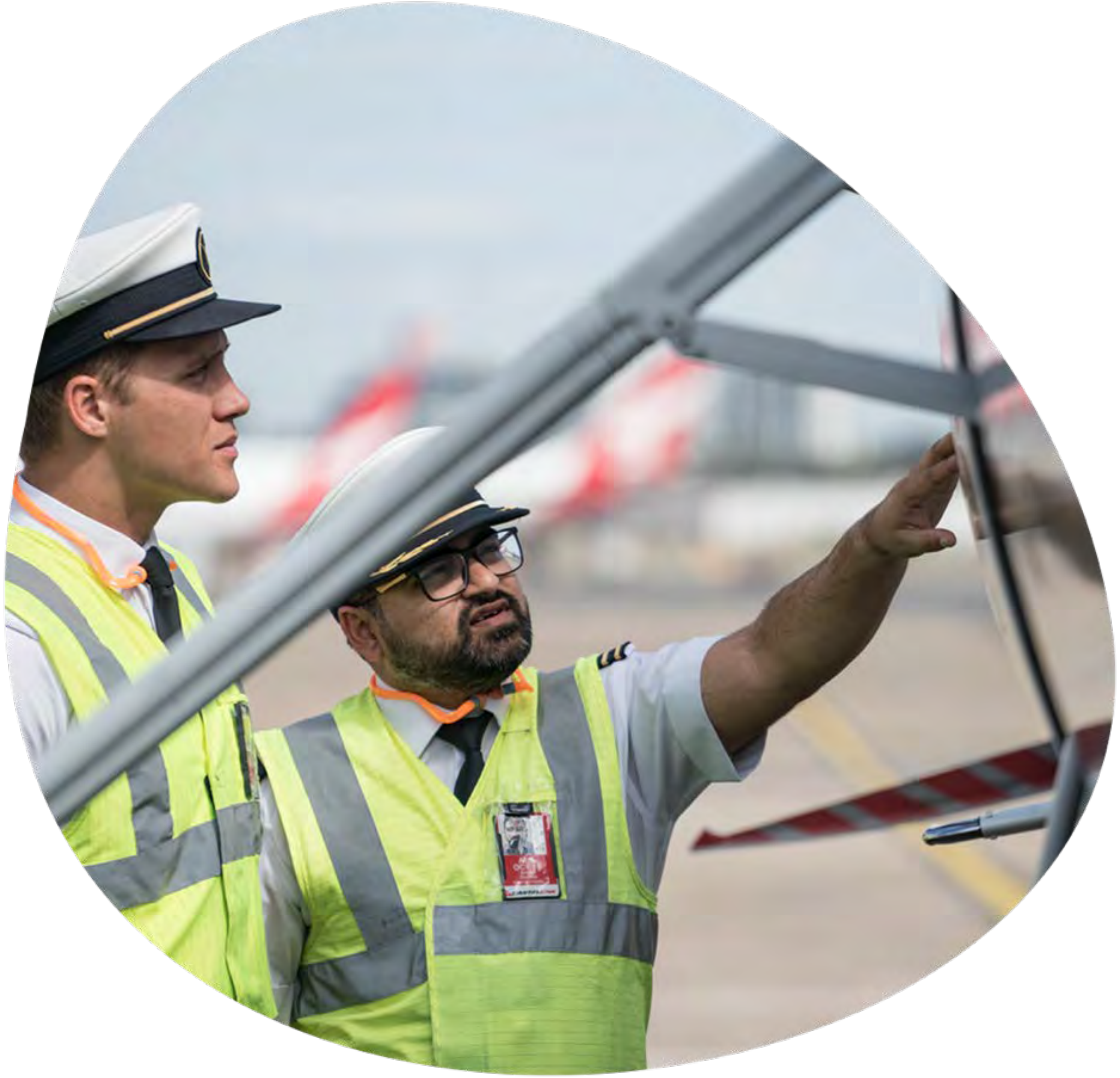
ASX: QAN

US OTC: QABSY

Building on our sustainable competitive advantage

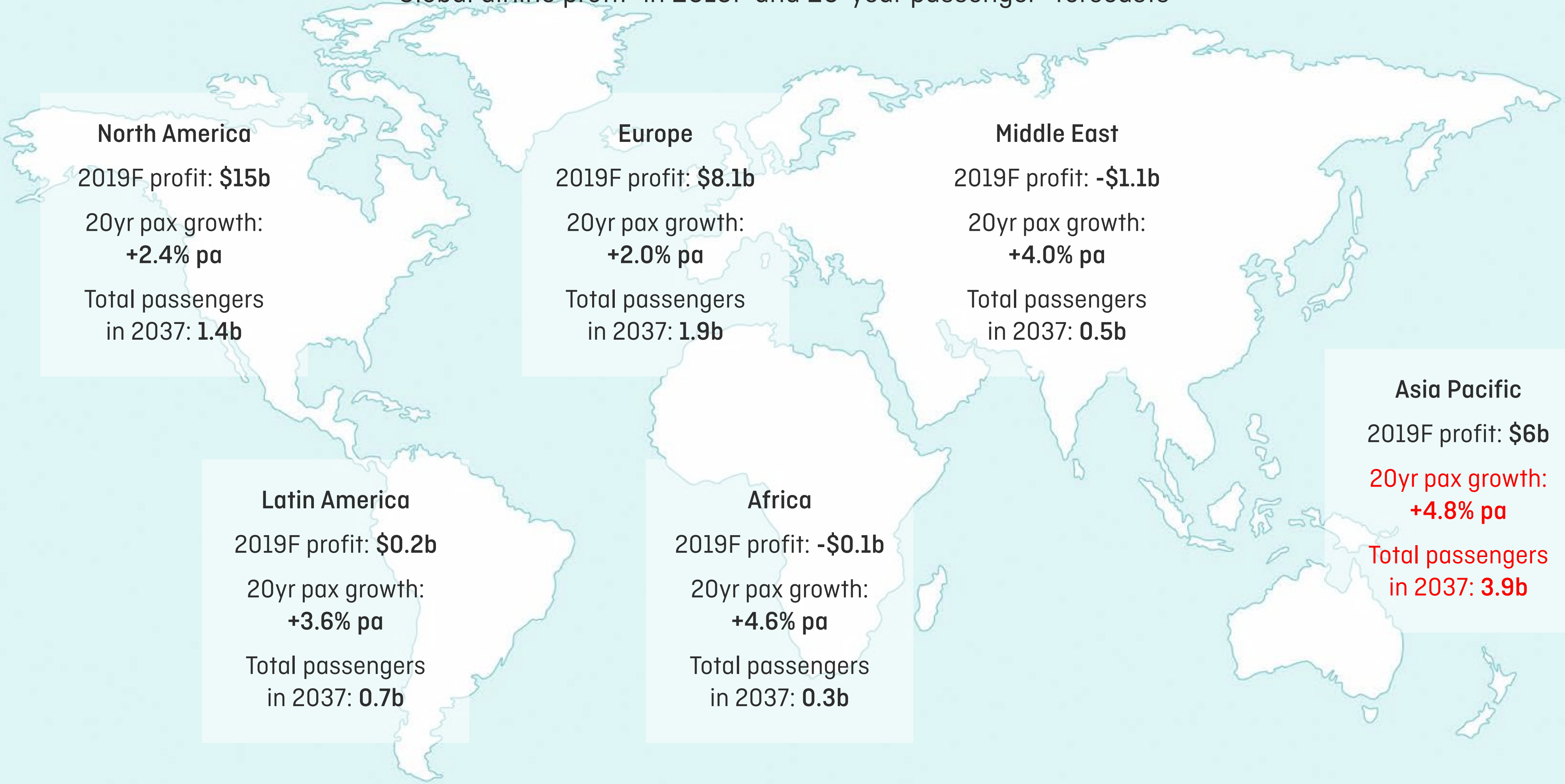
Safety is always our first priority

- Strong risk reporting culture underpinned by a 'Just Culture' framework
- Continued focus on improving the safety and wellbeing of our people
- Strong relationships with safety regulators, key industry bodies
- Leading business resilience and crisis management frameworks
- Continued investment in cyber security systems, privacy and capability
- Security supporting our safety priority



The long-term outlook for global passenger growth remains robust

Global airline profit[1] in 2019F and 20-year passenger[2] forecasts



1. IATA, 'Industry Economic Performance Jun 2019. Net post tax profits in USD. 2. IATA, 'IATA Forecast Predicts 8.2 billion Air Travelers in 2037', 24 Oct 2018. Annual forecast growth refers to average annual growth.

The Group's strategy is responding to long term global forces and recent developments

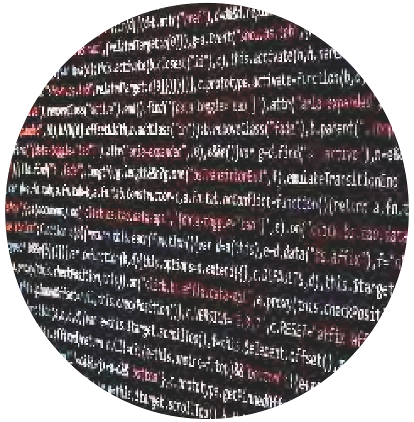
Global forces

New centres of customer demand and geopolitical influence

Rapid digitalisation and the rise of big data

Shifting customer and workforce preferences

Resource constraints and climate change



Recent developments

Slowing global economy

Asian growth still >5%

Lower oil price and AUD

Social media influence

Privacy

Artificial Intelligence

Social licence to operate

Always connected

Personalised experiences

Flight shaming

Sustainable fuels

Waste and plastics

The Group is uniquely positioned through its key competitive advantages

Trust in brand	Home market strength	Dual Brand know-how	Customer loyalty and insights	People and Culture
				

Financial and balance sheet strength

The Group's integrated portfolio of mutually reinforcing businesses will ensure its ongoing success

- Domestic Dual Brand strategy allows each airline to play to their strengths to focus on customer segments and sustain leading margins
- Local distribution strength allows Qantas and Jetstar to fly internationally where Australians want to go
- Qantas share of corporates in international and domestic markets mutually reinforced by corporate dealing model
- Premium cabin redemptions and upgrades drive Qantas Loyalty's customer value proposition, also leveraging Jetstar and alliances
- Deepening engagement of Qantas Frequent Flyers from reward redemptions reinforces strength in home market and grows ecosystem

The Group's strategy will build on its sustainable competitive advantages

Understanding the long-term context

New centres of customer demand and geopolitical influence

Rapid digitalisation and the rise of big data

Shifting customer and workforce preferences

Resource constraints and climate change

Clear strategic priorities

Maximising leading domestic position through Dual Brand strategy

Building a resilient Qantas International, leveraging our home market

Aligning Qantas and Jetstar with Asia's growth

Investing in customer, brand, data and digital

QANTAS LOYALTY

Diversification and growth at Qantas Loyalty

Focus on people, culture and sustainability

Positioned to deliver higher domestic operating margins

- Sound market structure
- Stable operating environment and growing economy
- Each Group brand has a sustainable competitive advantage
- Sophisticated Dual Brand strategy magnifies advantages
- Flexibility in fleet, brand and operating platforms
- Focus on driving margin expansion particularly through cost reduction

Building a resilient Qantas International

- Transforming into a fit and competitive business
- Home market distribution strength
- Playing to our strengths flying where premium customers want to go
- Leveraging partnerships to extend the network
- Already harnessing new fleet technology for further advantage
- Will be further transformed even before Sunrise[1]

1. Project Sunrise remains subject to rigorous business case hurdles.

Playing to competitive advantages to align with Asia's growth

- Both brands fly where Australians want to go
- Connectivity with own networks and partners
- Exporting low cost and Dual Brand know-how
- Leveraging local strengths for inbound market
- Strong position in Japan – world's 4th largest airline market
- A321LR and A321XLR flexibility to open up new opportunities

Investing to drive superior customer experiences

- Customers are always at the centre of our thinking
- The brands are a key source of competitive advantage
- Centenary program will drive further brand equity
- Continuing to invest in both physical and digital experiences
- Strengthening customer relationship via AI powered personalization
- Greater control over content through improved distribution model
- Heightened focus on disruption management, reward and recognition

Diversification and growth of Qantas Loyalty earnings

- Qantas Loyalty is uniquely advantaged locally and globally
- Evolved from a frequent flyer program to a consumer loyalty ecosystem
- Business with a track record of growth, innovation and resilience
- Investing in member experience
- Deepening and expanding coalition program
- Launching and scaling new consumer direct businesses
- Driving to $500-600m EBIT in FY22

Enabling our people to be their best

- Our employee value proposition is unique and differentiated
- Our culture promotes diversity and keeps our people energised
- Our training is aligned with required capabilities
- Leveraging technology to allow our people to deliver superior customer service
- Growth in front line and digitally capable workforce is aligned with key global and industry trends

randstad

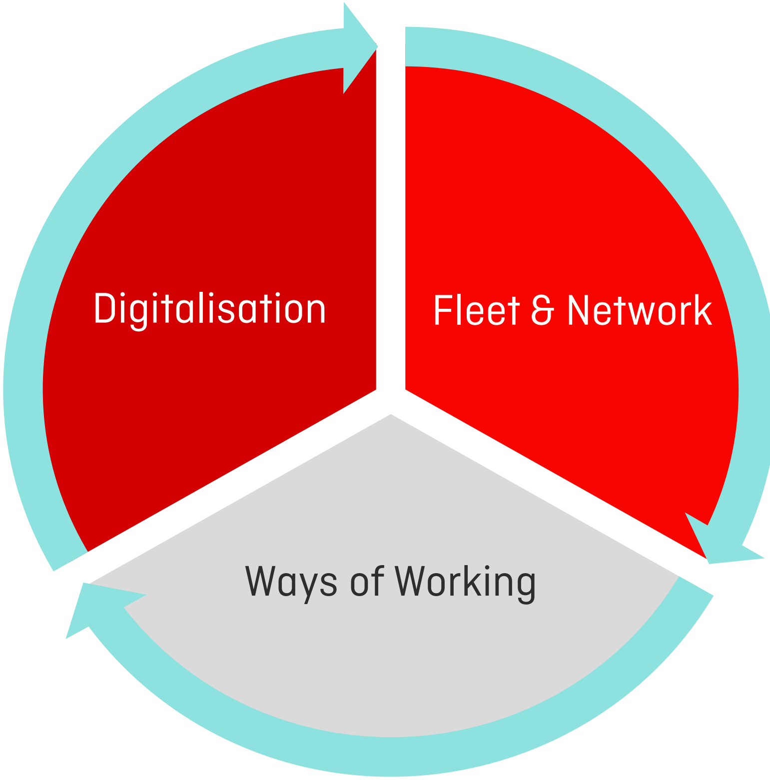
Qantas Group ranked #1 employer in Australia by Randstad in 2019

LinkedIn

Qantas Group rated most attractive employer by LinkedIn in 2019

Transformation will continue to drive valuable outcomes across the business

- Transformation delivered $3b benefits in FY15-FY19
- Now embedded and delivering minimum $400m in new benefits p.a.
- Established principles still governing transformation
- The Group has a strong pipeline of initiatives and has identified enablers
- FY20 more focused on cost than revenue compared to previous years



FY20 focus

- Operational efficiency
- Revenue optimisation
- Customer experience
- Empowering employees

Looking forward, in FY24 we will measure our success by

Qantas Domestic Relative margin advantage	Jetstar Domestic Relative margin advantage	Qantas International Relative competitive advantage	Jetstar International Lowest cost position	Qantas Loyalty Stable earnings growth
Targeting EBIT margin ~18%	Targeting EBIT margin ~22%	Targeting ROIC >10%	Targeting ROIC >15%	Targeting $500-600m EBIT in FY22

Transformation: $400m in gross annual benefits

People: Continued improvement in employee engagement

Customer: Maintain Net Promoter Score premium to competitor

Top quartile shareholder returns

Ensuring our sustainability for the next 100 years

1. Combined direct and indirect economic and tourism contribution in FY19. Source: Deloitte Access Economics.

Acting responsibly

The National Carrier is committed to acting responsibly, respecting our social licence to operate

topics today

1. Combined direct and indirect economic and tourism contribution in FY19. Source: Deloitte Access Economics.

Global movement to further improve carbon emission targets to limit the impact of climate change

1.5 degrees warming and net zero emissions are the new focus globally

The Paris Accord 2015

- 195 countries agreed to limit global warming to 2 degrees
- Included aspiration to limit to 1.5 degrees
- Global average temperatures are now already 1.1 degrees higher than pre industrial period
- On track to exceed 2 degrees warming limit

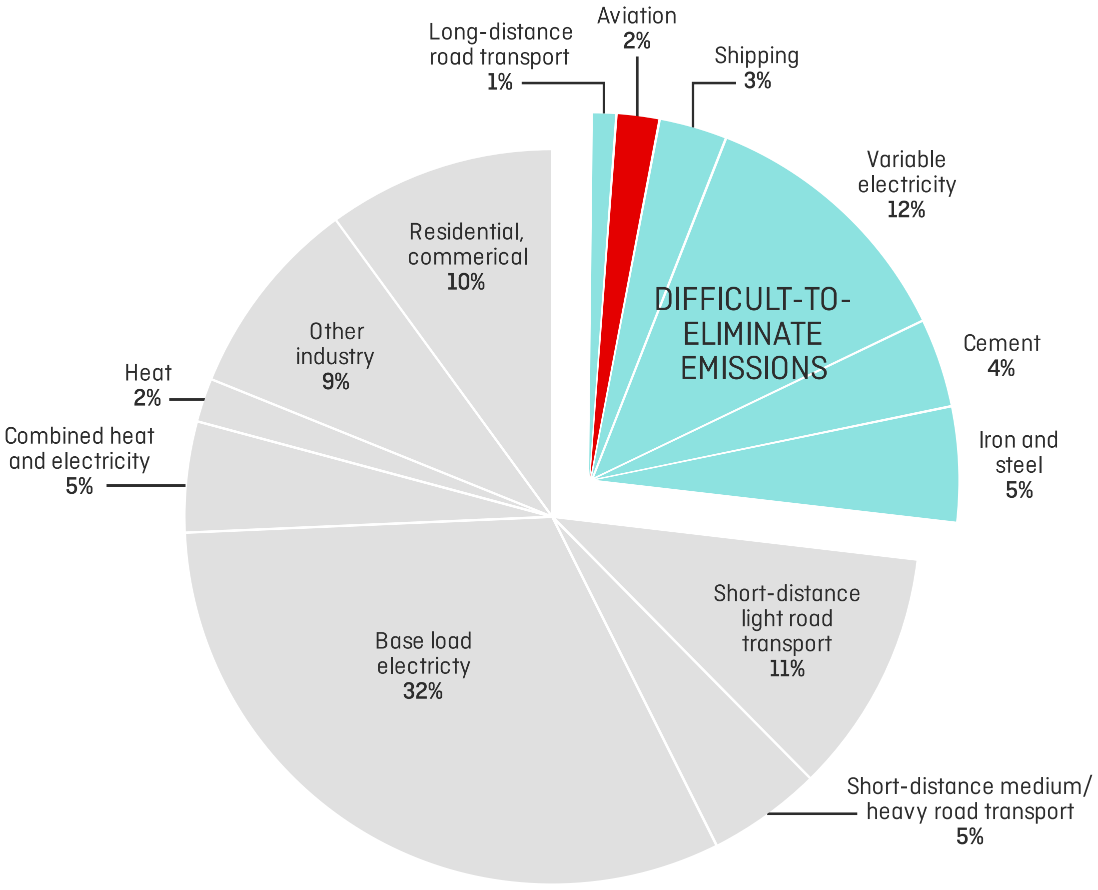
IPCC[1] Report 2018

- Emerging global movement to aspire to limit global warning to 1.5 degrees
- To meet this aspiration collectively the world needs to achieve **net zero emissions** by 2050
- "Net zero" means any CO_2 emitted in a year is balanced out by CO_2 absorbed in that year
- Only 70 countries and 85 companies (including International Airlines Group and the Qantas Group) are committed to meeting this target

Drought and bushfires locally demonstrate the urgency of transition to low carbon economy

1. Intergovernmental Panel on Climate Change.

Aviation is 2%[1] of global carbon emissions but must lead in acting to reach net zero by 2050



Note: Total does not equal 100% due to rounding

- As other sectors de-carbonise, aviation risks becoming a much higher proportion of emissions if it does not act decisively
  - Rapidly growing industry driven by global forces
  - >85% of aviation emissions are for journeys over 1,500km – often no viable alternative to flying over much shorter distances
  - No alternative to hydrocarbon fuels for long haul flights
- Aviation is the only difficult to eliminate emission that is directly used and readily identifiable by its end-consumer
- Aviation industry is already being targeted, reinforcing the need for leadership to give customers the confidence to fly

1. Source: Net-zero emissions energy systems, Steven J. Davis et al published in *Science* 29 Jun 2018

CORSIA is an encouraging start, but industry target of 50% reduction in net emissions does not go far enough

Carbon Offsetting and Reduction Scheme for International Airlines (CORSIA)

- The airline industry mechanism to reduce global emissions, adopted in 2016 by the International Civil Aviation Organisation (ICAO)
- From 2019 airlines began monitoring and verifying their emissions baselines
- During the voluntary phase (between 2021-2026), airlines operating in States that have signed up to CORSIA will purchase offsets for any growth in international emissions between these States
- This includes Qantas and covers most of our international destinations
- From 2027 CORSIA will become mandatory – with exemptions for some small emitters[1] who can join voluntarily

1. Small emitters include Least Developed Countries, Small Island Developing States and Landlocked Developing Countries.

Many airlines are already pushing beyond CORSIA[1] to make aviation sustainable

HARBOUR AIR SEAPLANES
All-electric seaplane fleet in the 2020's

BRA
Offsetting all flights from 2019

FINNAIR
Offering offsets or buying SAF[1]

International Airlines Group (vueling, LEVEL)
Net zero emissions by 2050
offset domestic emissions from 2020
USD400m investment in SAF[2]

Cape Air — We're Your Wings
First airline to order commercial aircraft that run on electric batteries

UNITED
Largest user of SAF[2]
Committed $40m to accelerate SAF[2]
Invested in SAF supplier Fulcrum Bio Energy

AIRFRANCE
Offsetting domestic emissions

KLM
Purchasing 75k Tonnes of SAF[2] p.a. for 10 years

Invested in SAF[2] supplier Fulcrum Bio Energy

QANTAS Jetstar
Net zero emissions by 2050
Cap net emissions (domestic and international) at 2020 levels
Invest $50m in SAF[2]
Double the number of customer flights offset by matching customer contributions

QANTAS Jetstar AIR NEW ZEALAND Virgin australia tigerair
Building scale in sustainable aviation through collaboration

AIR NEW ZEALAND
Collaborating with ATR on hybrid aircraft

The industry must collaborate on sustainability as it does for safety
The Qantas Group is determined to play a leading role

1. Carbon Offsetting and Reduction Scheme for International Airlines. 2. Sustainable Aviation Fuel.

Qantas has long been a leader in addressing carbon emissions and other environmental impacts

2007

Fly Carbon Neutral launched

2009

Industry-wide climate targets adopted

Qantas Group targets set

2012

Qantas and Jetstar operate Australia's first commercial SAF flights

2015

Qantas Future Planet (QFP) launched

2018

10th anniversary of Fly Carbon Neutral

Qantas operates world's first USA to Australia biofuel flight

Qantas enters into agreement with SG Preston for biofuel supply out of LAX from 2021

Qantas partners with Agrisoma to trial mustard seed crops in Australia

2019

Customers earn 10 Qantas Points for every $1 spent offsetting

QFP grows to over 30 partners, including Australia Post

Announced waste reduction project

Reached over 1000 Green Team members

2020

Achieved 20% reduction in water consumption

Achieved 35% reduction in electricity

Achieve reduction in single-use plastics by end-2020

1.5% average annual fuel efficiency improvement offsets growth in seat-kilometre capacity

Qantas has set the most ambitious emissions targets of any airline

Net zero emissions by

2050

Capping Group emissions at

2020

levels

Investing

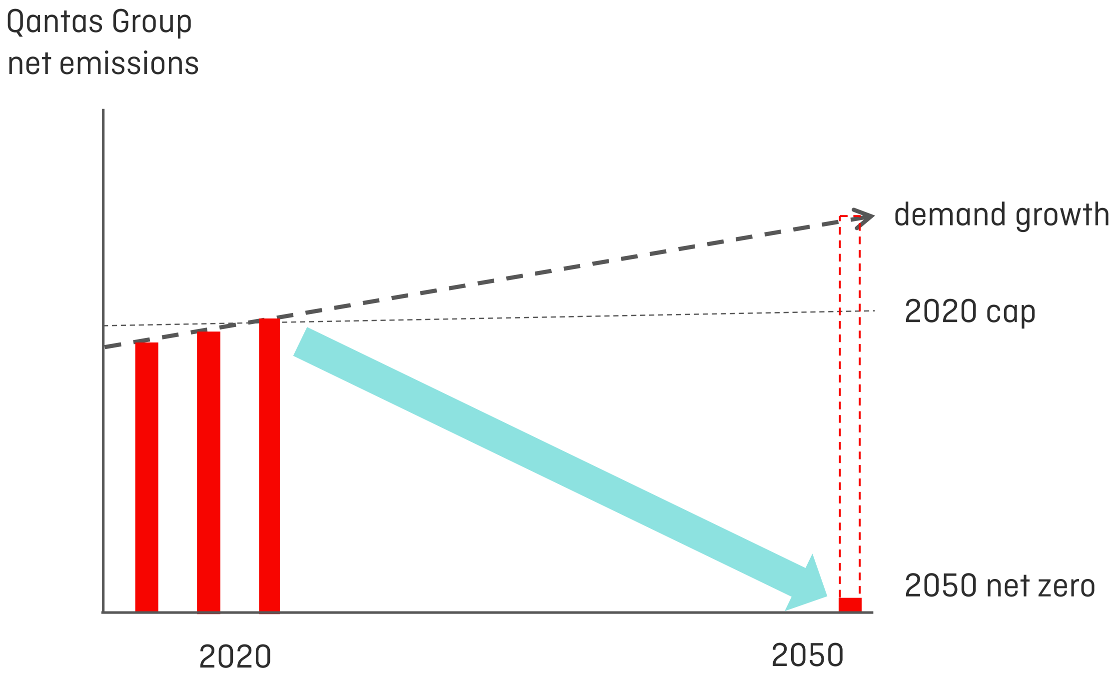
$50m

in Sustainable Aviation Fuels

Qantas has now set itself the most ambitious carbon emissions target for any airline group globally

Our targets

- **Zero** net carbon emissions by **2050**
- **Capping** of net emissions at **2020** level



Our actions

Offset

- Increase carbon offsetting
  - Qantas Points incentives
  - Match customer offsets dollar for dollar

Reduce

- Reduce fuel usage (efficiency)
  - Invest in more fuel-efficient aircraft
  - Apply new technologies in flight planning and operations
  - Optimise operational policies and procedures
  - Reduce aircraft weight and drag

Substitute

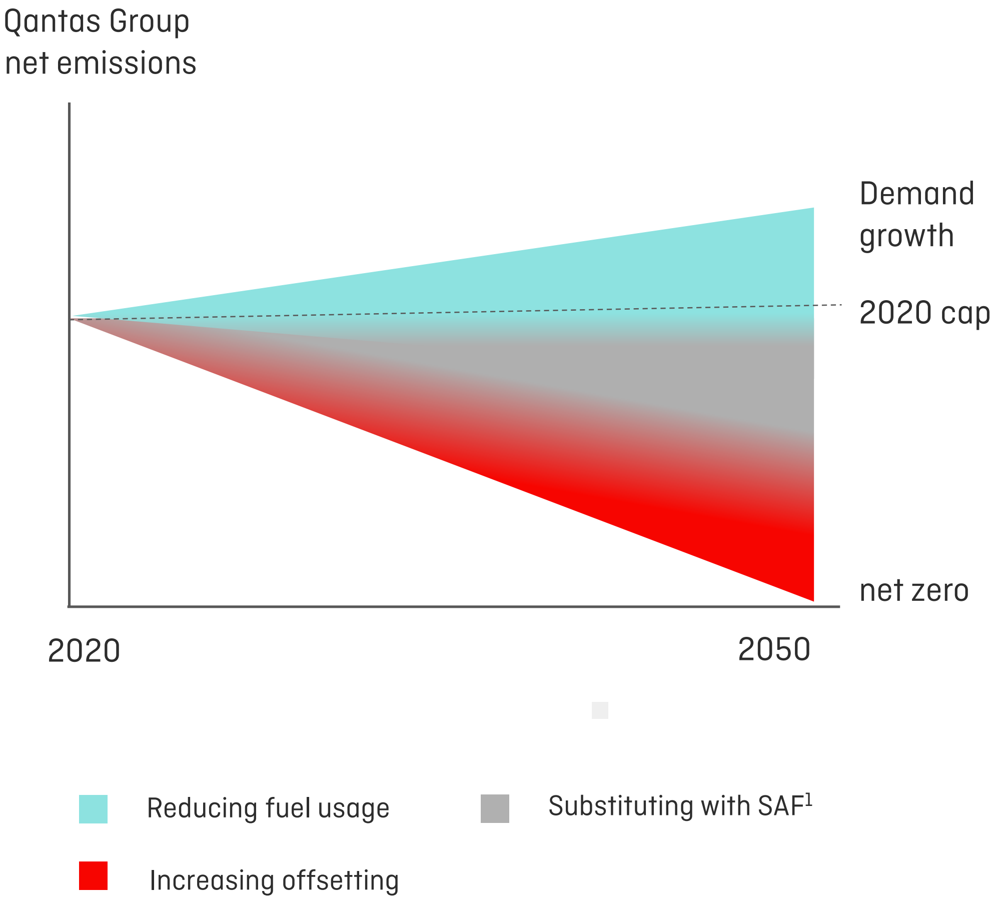
- Invest and support development of biofuels
  - $50m investment in sustainable aviation fuels (SAF[1])
  - Support development of a SAF[1] industry in Australia
  - Calling on Government and Industry to boost demand, invest and use SAF[1]

Measure

- Hold ourselves accountable and influence others to follow
  - Best practice disclosure and reporting
  - Collaboration not competition, similar to safety culture

1. Sustainable Aviation Fuel.

Multiple potential pathways to meeting targets, partly dependent on technological developments



Potential drivers of increases in relative contributions

Substitute

Substitute

– Government incentives and major private investments in sustainable fuel for all transport industries, giving scale to SAF[1]

Offset

Offsetting

– Availability of large-scale cost-effective certifiable carbon offset projects, leveraging a long history of leadership in this space

Reduce

Reduce

– Breakthrough in battery technology leading to more rapid uptake of electric and hybrid powered aircraft

– Further efficiency improvements in next generation aircraft available now

– Technology improvements leading to the development of beyond next generation aircraft e.g. hybrid, electric, hydro, etc.

1. Sustainable Aviation Fuel.

The Qantas Group is committed to transparency in reporting and disclosures

- We report transparently to demonstrate how we're creating shareholder value, delivering on our strategy, laying foundations for long-term sustainability and making a positive impact in the communities we serve

- Qantas Group is one of only six airlines aligned to the recommendations of the Taskforce on Climate-Related Financial Disclosures

- We take an open source approach to disclosure of material information, leveraging the Qantas Group Site as a single source of publicly available policies, procedures, initiatives and performance indicators across our material issues

Sample report from Qantas sustainability portal[1]

Environment metrics FY17 to FY19

Metric	Unit	FY19	FY18	FY17
Aviation fuel consumption	000 L	4,888,697	4,931,466	4,873,267
Fuel per 100 RTKs (Group Efficiency)	L	36.2	37.1	37.6
CO2-e emissions – Total (Scope 1 & 2)	tonnes	12,406,303	12,526,141	12,387,666
CO2-e emissions - Scope 1	tonnes	12,285,422	12,390,319	12,248,233
CO2-e emissions - Scope 2	tonnes	120,881	135,822	139,433
CO2-e emissions – Domestic	tonnes	4,412,114	4,451,018	4,503,746
CO2-e emissions – International	tonnes	7,994,189	8,075,123	7,883,921
CO2-e per 100 RTKs (Group Efficiency)	Kg	91.8	94.3	96.0
CO2-e emissions - Scope 3	tonnes	1,212,055	N/A	N/A
CO2-e emissions - Total	tonnes	13,618,358	N/A	N/A
Electricity (Australia)	MWh	144,955	168,807	169,466
Direct waste to landfill (Australia)	tonnes	13,209	21,292	20,635
Water (Australia)	000 L	800,019	895,100	902,545
Natural gas (Australia)	GJ	165,586	204,556	218,797
Diesel (Australia)	Litres	5,413,826	6,228,262	6,115,161

1. Source: https://www.qantas.com/au/en/qantas-group/delivering-today/financial-and-non-financial-metrics.html.

The Qantas Group is leading the aviation industry in the transition to a circular economy

Reduce 100m single-use plastics by the end of 2020

– We have removed approximately 16 million unnecessary plastics from our flights

Jan 2020
- 18m Replace coffee cups
- 4m Replace headrest covers

Apr 2020
- 2m Remove receptacles
- 96m Cutlery items
- 8m Remove plastics from rotable cutlery covering

Reduce waste to landfill by 75% by the end of 2021

– Introducing recycling and compostable waste streams in flight to reduce waste to landfill

– Working with our waste service provider to ensure recycled waste does not end up in landfill

– Working with industry, government and suppliers to ensure appropriate solutions across our value chain

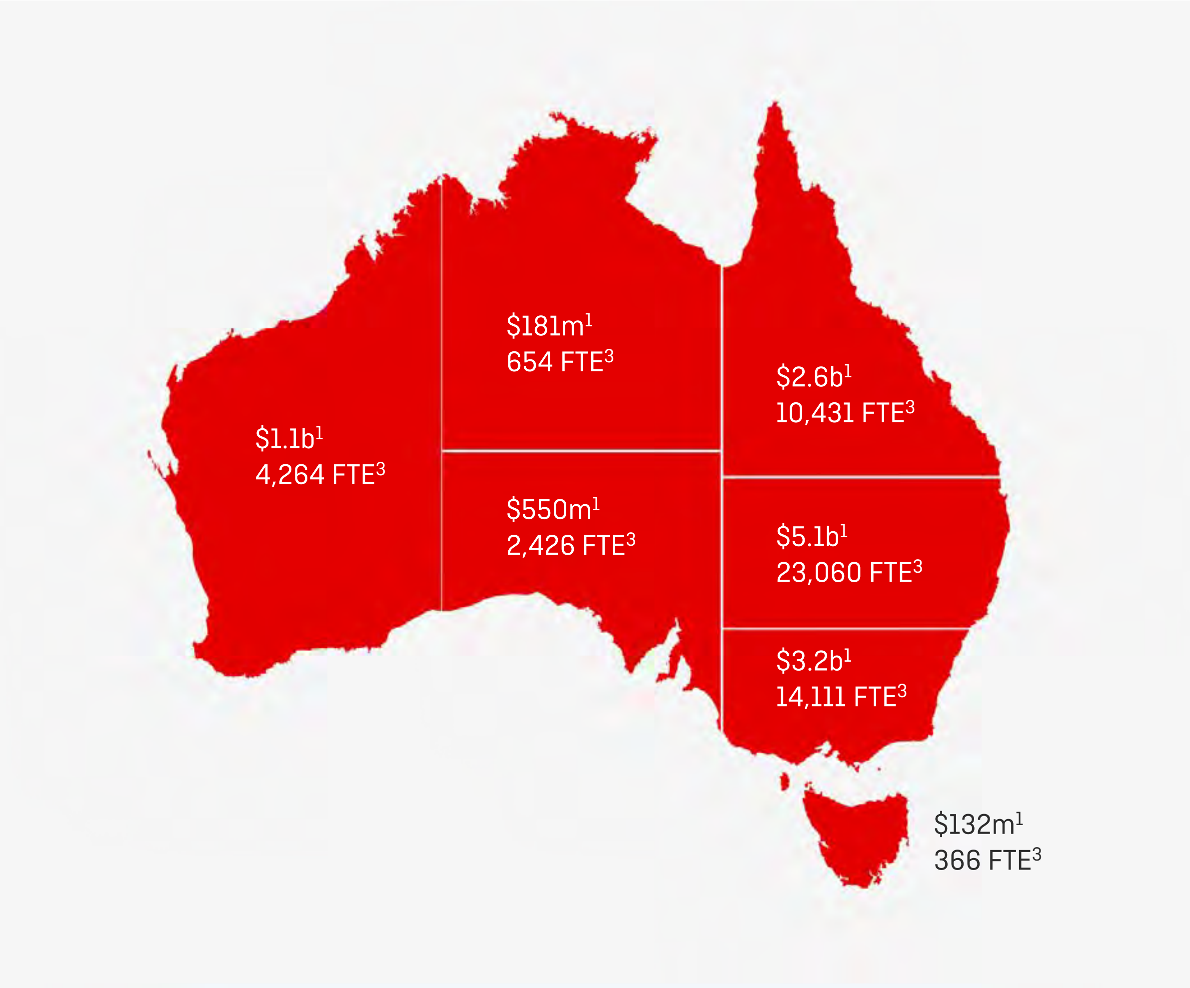
– Qantas partnered with BioPak, dnata and Suez for the Zero Waste Flight

A century on, Qantas continues to be "of considerable importance to Australia generally"

Fergus McMaster, 1921 AGM.

The National Carrier continues to be a strong performer for Australia's economy representing 0.7% of total Gross Domestic Product[1]

- **>$12b** — Total economic contribution[1] to the Australian economy in FY19
- **28k** — Team[2] of 28k Australians, total employment contribution[3] over 55k FTEs
- **>$13b** — Contribution to tourism[4] including facilitating over $4.7b from international tourism expenditure
- **$5.1b** — Spend with Australian suppliers, committed to increase spend with Indigenous businesses to 3% of our annual contestable non-fuel spend by FY24
- **>$2.8b** — Australian taxes[5] paid and collected in FY18, exhausted carried forward tax losses and recommenced payment of company tax



1. Combined direct and indirect economic contribution in FY19. Source: Deloitte Access Economics. 2. Permanent staff employed by the Qantas Group. 3. Source: Deloitte Access Economics. 4. Combined direct and indirect economic tourism contribution in FY19. Source: Deloitte Access Economics. 5. Includes corporate tax, payroll tax, fringe benefits tax, goods and services tax, personal income tax for employees, withholding tax and ticket taxes, fees and charges. Source: 2018 Qantas Voluntary Tax Transparency Code Report.

Qantas supports regional Australia

Regional fares

- Taken action to make travel more accessible for residents of remote and regional Australia
- Discounted Fares for Residents Program having meaningful impact on communities
- Over 25,000 tickets sold[1]
- Airfare capping in place to give residents pricing certainty for last minute travel

Regional grants

- $5m commitment over five years
- 1,200+ submissions received from across regional Australia

Successful recipients announced in November include:

- Red Dust Role Models, Alice Springs
- Outback Futures, Regional Queensland
- Lifeline Central West, Dubbo

Drought initiative

- Partnering with Rural Aid to help fund hay bales, water trucking, groceries and mental health counsellors for farming communities
- Provided a total donation of $3m to date[2]
- Operated two special fundraising charter flights from Sydney to Longreach and Tamworth
- Supporting employees to join Rural Aid's Farm Rescue program and volunteer their time
- Hosted monthly "Chops for Change" pop-ups at various Australian lounges

1. As at 31 Oct 2019. 2. As at 31 Dec 2018.

The opportunity for leadership

- The Qantas Group plans to capture and consolidate its position as a leader. This means leadership in sustainable aviation, supporting and standing up for regional Australia and continuing to engage on critical social and economic issues

- The world in which we operate demands more of us in our 100th year. Trends like flight shaming point to what we know about customers expecting businesses to step up on climate change. We also face greater investor scrutiny and have regulatory measures on our doorstep. And, we understand the physical and transitional risks to our business under different climate futures

- We are responding by investing in key areas like sustainable aviation fuel, the circular economy, renewable energy, electric vehicles and carbon offsetting. We use these levers to create impact, meet expectations and stay ahead of the rest

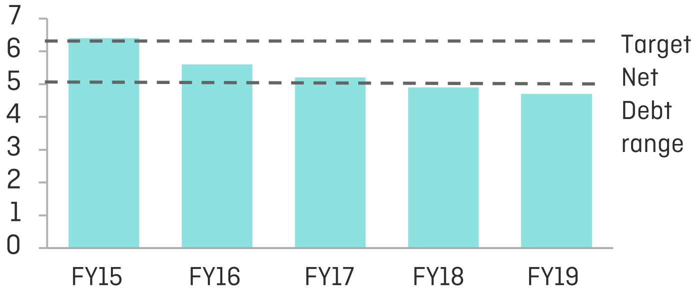
Disciplined application of our Financial Framework

Delivering against our Financial Framework

1

Maintaining an optimal capital structure

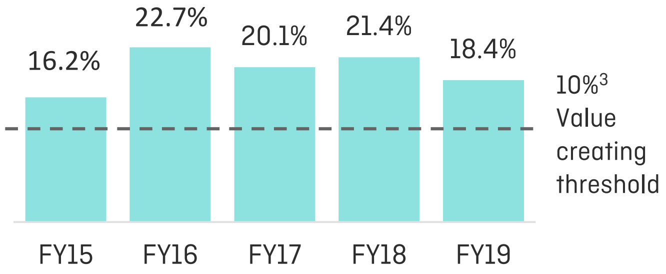
Net Debt[1] profile FY15 to FY19 ($B)



2

ROIC > WACC[2] through the cycle

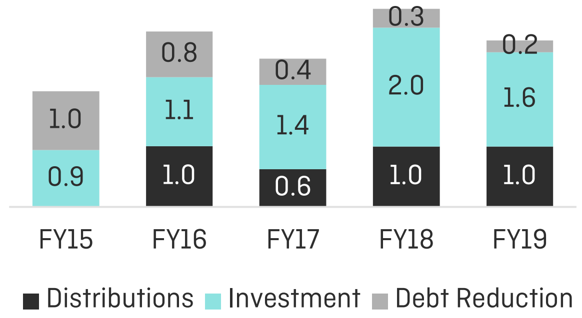
Return on Invested Capital



3

Disciplined allocation of capital

Capital allocation split FY15 to FY19 ($B)



Maintainable EPS[4] growth over the cycle

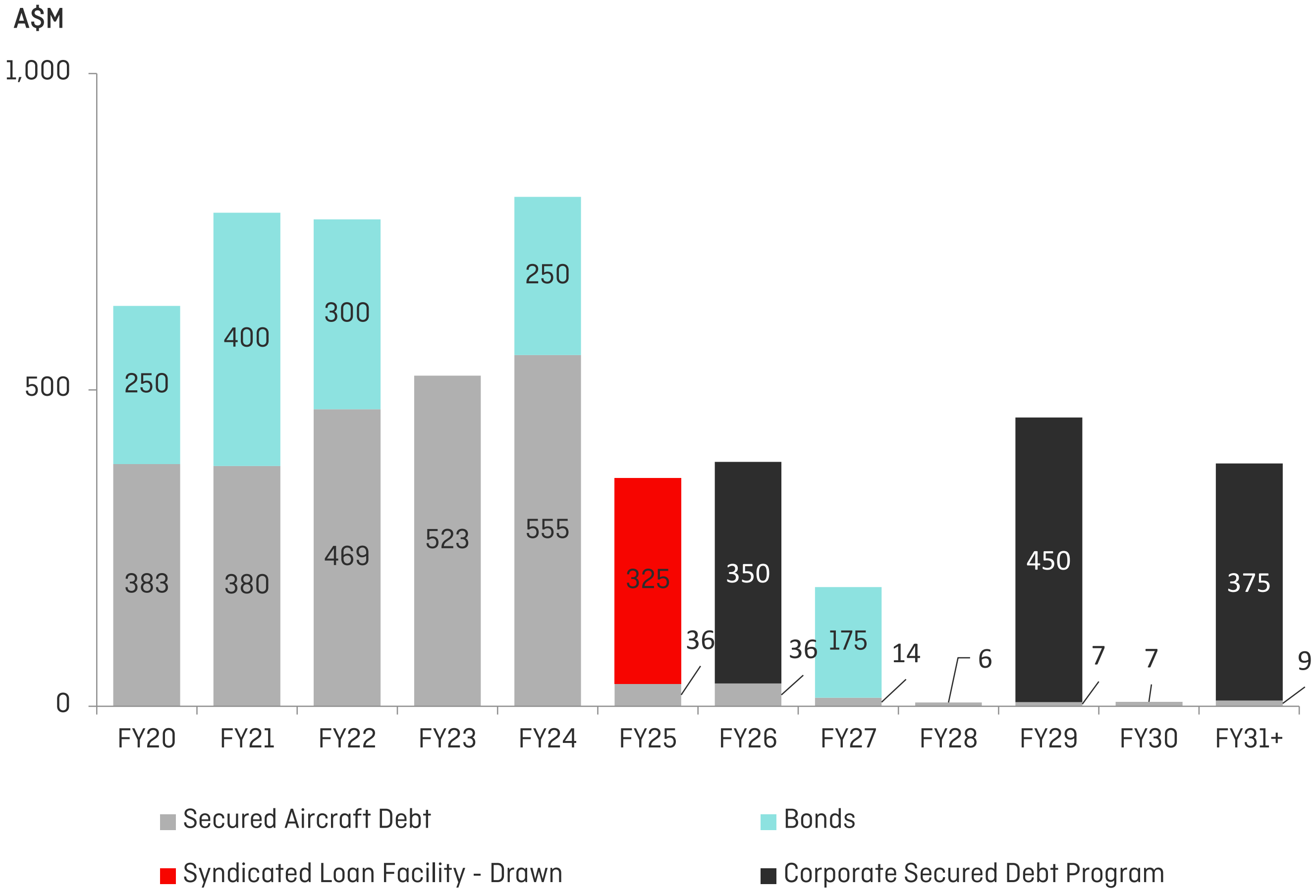
Total shareholder returns in the top quartile[5]

1. Net debt includes on balance sheet debt and aircraft operating lease liabilities under the Group's Financial Framework. Capitalised aircraft operating lease liabilities are measured at fair value at the lease commencement date and remeasured over lease term on a principal and interest basis akin to a finance lease. Residual value of capitalised aircraft operating lease liability denominated in foreign currency is translated at the long-term exchange rate. 2. Weighted Average Cost of Capital, calculated on a pre-tax basis. 3. Target of 10% ROIC allows ROIC to be greater than pre-tax WACC. 4. Earnings Per Share. 5. Target Total Shareholder Returns within the top quartile of the ASX100 and global listed airline peer group as stated in the 2018 Annual Report, with reference to the 2018-2020 LTIP.

Extended tenor and smoothed profile resulting in minimal refinancing risk

1

Debt maturity profile as at 30 June 2019 ($M)[1]



Optimal capital structure

– Net Debt target = 2.0x – 2.5x ROIC EBITDAR where EBITDAR achieves a fixed 10% ROIC

Debt structure

– Diverse funding sources – new markets
– Extended tenor
– Smoothed profile – maximum maturity tower <30% of operating cash flow
– Cost of debt continuing to reduce
– No financial covenants

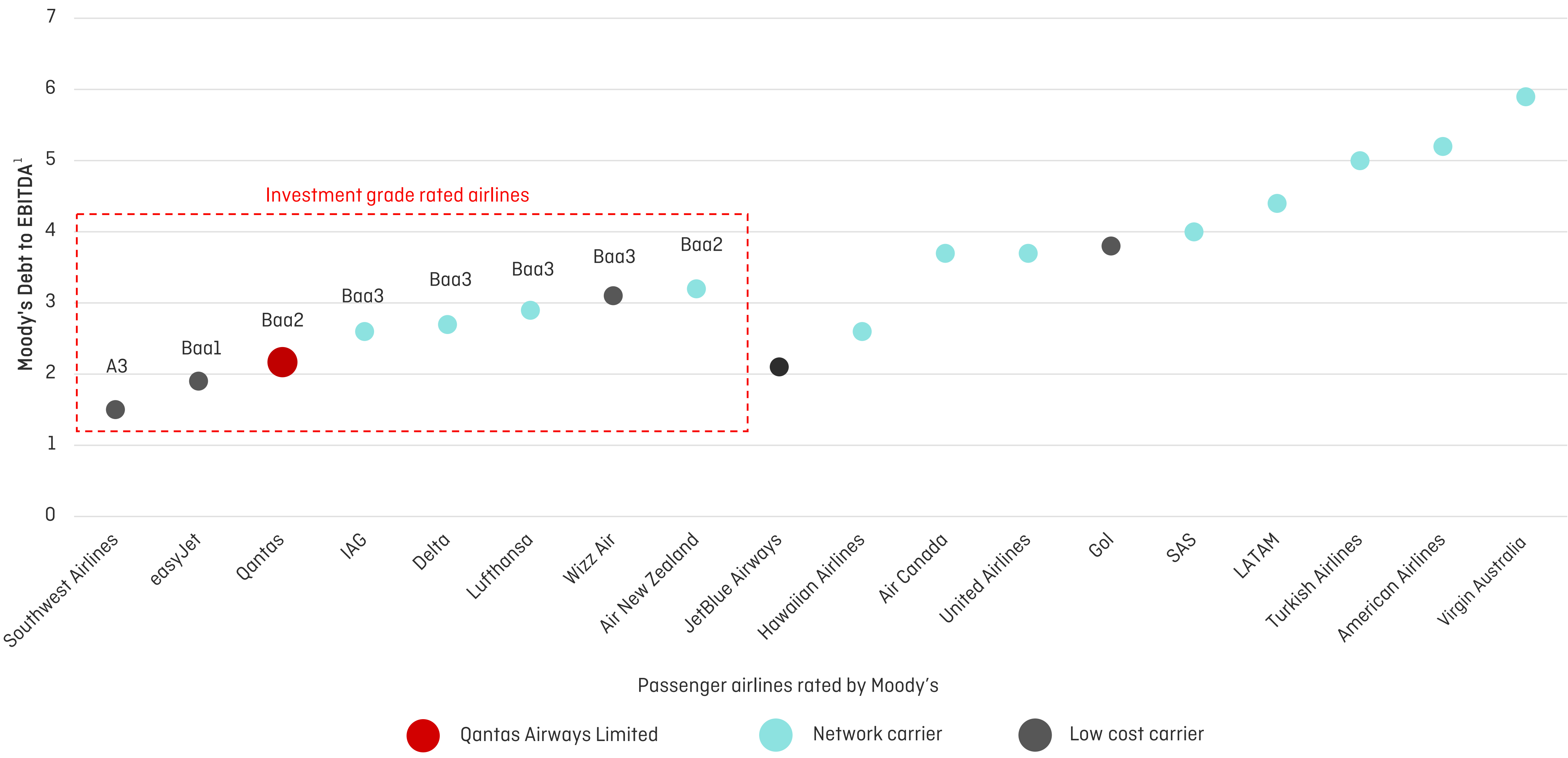
Strong liquidity

– Cash of $2.2b[2]; Undrawn facilities of $1b
– Unencumbered aircraft valued at $4.5b[3]

1. Cash debt maturity profile excludes operating leases. 2. Includes cash and cash equivalents as at 30 Jun 2019. 3. Based on AVAC market values as at 30 Apr 2019 and AUDUSD exchange rate at 0.69.

Qantas is one of the least leveraged network carriers of Moody's rated airlines

1



1. Moody's Debt to EBITDA as at each airline's last full year reporting period. Reporting periods differ between airlines.

Quality of earnings remains strong

2

Qantas Group's sustainable competitive advantages provide a stable earnings base

Stable earnings

Leading Dual Brand domestic position
- Sound market structure
- Successful Dual Brand strategy

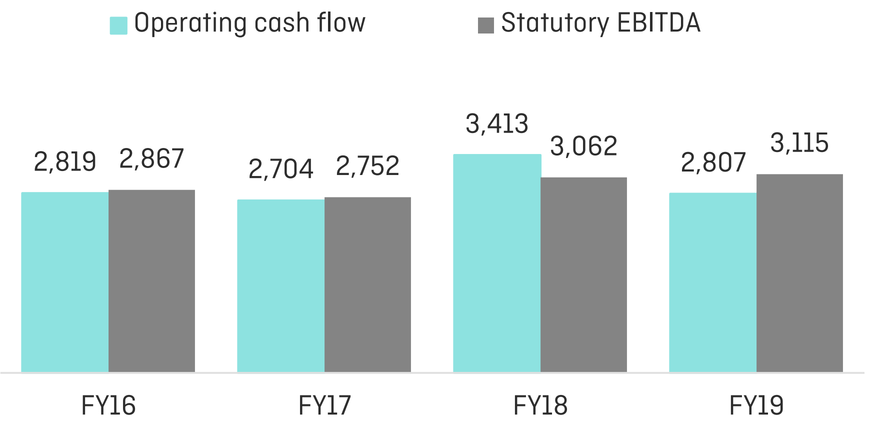
Growing and diversified earnings

Uniquely advantaged
- ~13m members (50% population[1] penetration)
- 500+ partners

Improved earnings stability

Group International[2] a fit and sustainable business delivering ROIC > WACC[3]

Earnings ($M) stable and trend will continue



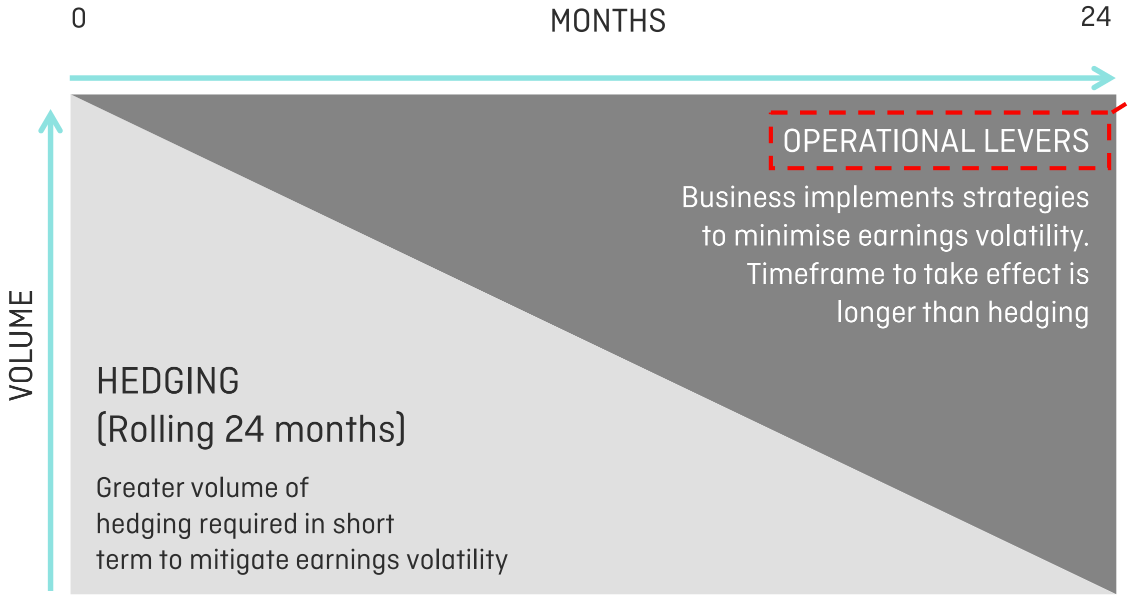
	FY16	FY17	FY18	FY19
ROIC	**22.7%**	**20.1%**	**21.4%**	**18.4%**

1. ~50% penetration across the Australian population. Qantas internal analysis based on Australian Bureau of Statistics data. 2 Group International includes Qantas International, Freight, Jetstar International Australian operations, Jetstar New Zealand, Jetstar Asia (Singapore) and the contributions from Jetstar Japan and Jetstar Pacific (Vietnam). 3. Weighted Average Cost of Capital, calculated on a pre-tax basis.

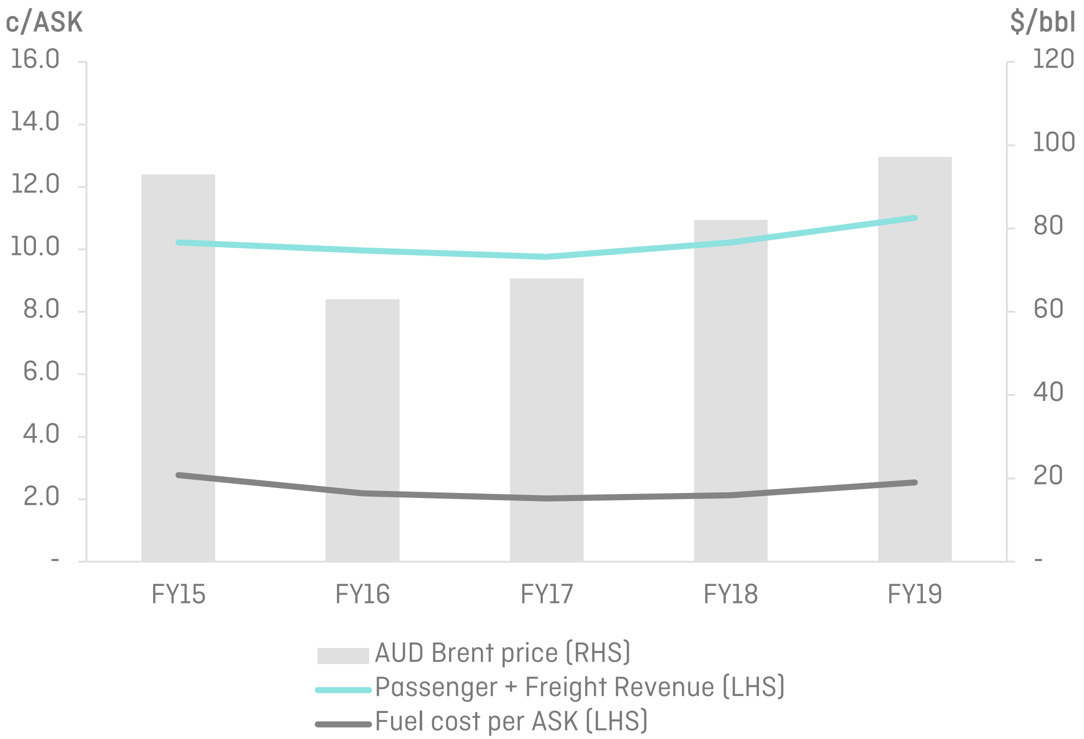
Maintaining earnings despite fuel price volatility

2

Reducing cash flow volatility in the short term through disciplined hedging program to allow for implementation of operational levers



Capacity discipline has delivered revenue increases in line with fuel price increases



Our business and strategy is diverse enough to manage currency fluctuations

2

0.50

0.75
Average long term AUDUSD rate

1.00

- Weaker demand environment
- Lower fuel
- Demand reduces for outbound international travel
- Australian market less profitable for international competitors
  - Reduced competitor capacity

- Stronger demand environment
- Higher fuel
- Demand increases for outbound international travel
- Australian market more profitable for international competitors
  - Increased competitor capacity

Focussed on financial strength and margin advantage in all operating environments

Capital allocation linked to earnings, balance sheet strength a priority

3

Net Debt

- Balance sheet strength
- Lowest cost of capital
- Net debt target 2.0x-2.5x EBITDAR with ROIC at 10%

EBITDA outlook

- 6 and 12 month forward view of cash flow

Debt reduction / reinvestment

- Debt reduction if required
- Reinvestment $2b in FY19
- Capex prioritisation framework

Ordinary Dividend

- Ongoing cash distributions (~$200m each half)
- 27 cents per share[1]
- Current dividend yield 3.6%

Remaining surplus capital

Growth capex

- Expand competitive advantages
- Long-term earnings grow

Shareholder distributions

- Quantum returns net debt to target position
- Most efficient form at the time

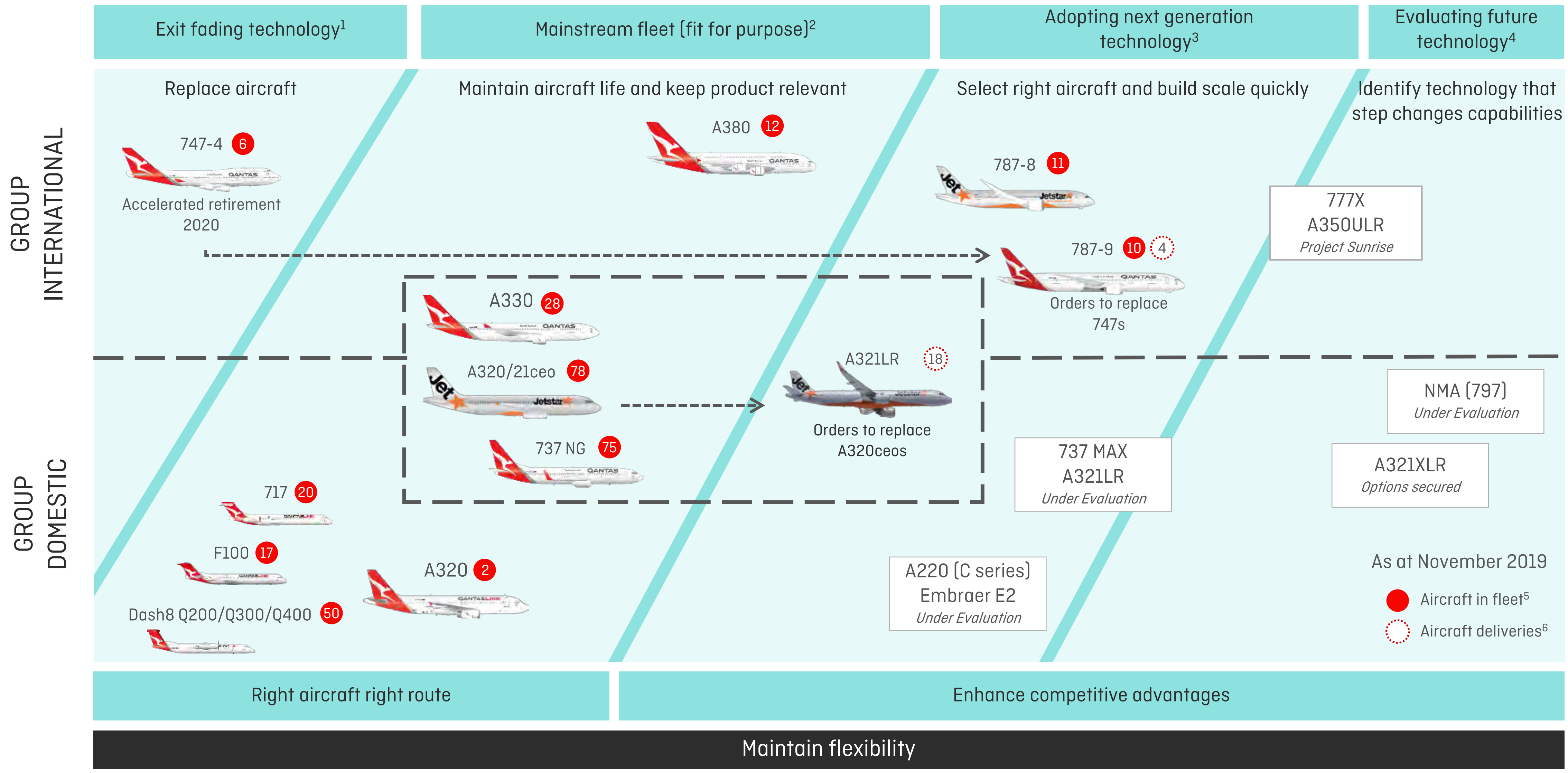
CAPITAL ALLOCATION DECISIONS

Maximising economic outcomes

1. Estimated annual base dividend FY20 onward.

The Qantas fleet is ‘fit for purpose’

3



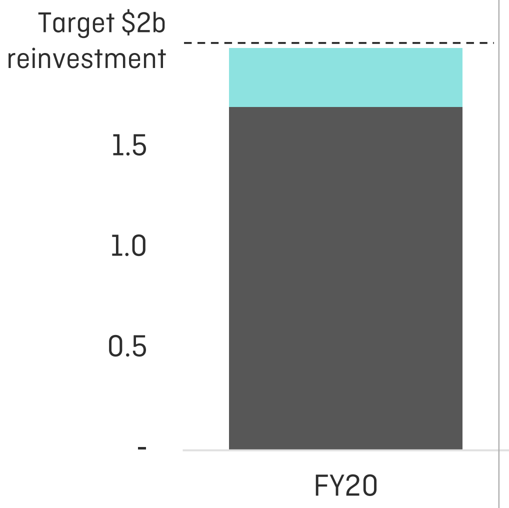
1. Aircraft planned for retirement from Qantas fleet. 2. Aircraft widely operated by global peers and regional competitors as at Nov 2019. 3. Aircraft with industry-leading technology, and greater fuel efficiency and range flexibility than mainstream technology. 4. Aircraft under production not yet in commercial operation or aircraft under development as at Nov 2019. 5. As at Nov 2019. 6. Represents aircraft orders with confirmed delivery date by 2022 at time of publication. Qantas has 39 purchase options for 787 aircraft, and an existing order of 109 A320 aircraft beginning with 18 A321LRs from 2020, including options for up to 36 A321XLRs. Remaining delivery dates yet to be determined.

Target $2b reinvestment per annum will deliver a sustainable fleet

3

Illustrative example only

Current planned investment



Annual fleet investment scenarios[1]

- Average $2b[1] reinvestment per annum, subject to escalation and currency fluctuations
- Under this scenario, Qantas Group fleet can be replaced within 20–25 years
- Spend on new aircraft vs aircraft maintenance is determined based on the best economic and customer outcomes
- Flexibility to adjust delivery schedules to maintain Financial Framework settings
- Growth investment will be in addition to average $2b[1] per annum

	FY20	FY21	FY22	FY23-FY27
Narrowbody		9 x A321neo[2]	9 x A321neo[2]	Aircraft maintenance + up to 63 new narrowbody aircraft or up to 21 new widebody aircraft (over 4 years)
Widebody	4 x 787-9	2 x 787-9		

- Committed aircraft purchases and aircraft maintenance
- Uncommitted aircraft purchases and aircraft maintenance
- Customer, loyalty, transformation

1. Based on 2018 dollars and AUDUSD exchange rate at 0.75. 2. All A321LR aircraft.

Qantas was strong leading into the last GFC – now it's even stronger

Comparison to FY08

Market fundamentals

- Leading domestic position with Jetstar 2.5x larger
- Rational domestic market capacity growth expected
- Mature Dual Brand strategy provides a high barrier to entry
- Qantas International and Jetstar International poised to benefit from new aircraft – 787 and A321LR
- International competitor capacity growth slowing
- Loyalty business has more than doubled in size
- Transformed cost base narrowing the gap to key competitors – non-fuel CASK 6% lower

Financial performance

- Operating cash flow $700m higher
- Margin advantage to key competitors
- Clear Financial Framework

Balance sheet strength

- Financial leverage lower – 2.2x versus 2.5x
- Low refinance risk and diversified sources of debt
- Substantial unencumbered asset pool of $4.5b[1]
- Market capitalisation $2b higher

Right aircraft, right route

- Simplified fleet
- Aircraft types more versatile

Forward capital commitments

- Aircraft orders USD9.2b lower
- More disciplined approach to ordering aircraft

1. Based on AVAC market values as at 30 Apr 2019 and AUDUSD exchange rate at 0.69.

Financial Framework is a proven success and will continue to guide our capital decisions

1

Maintaining an optimal capital structure

Minimise cost of capital by targeting a Net Debt range of $5.2b to $6.5b[1]

Net Debt position optimised with minimal refinancing risk and prudent liquidity policy

2

ROIC > WACC[2] through the cycle

Deliver ROIC > 10%[3]

Investing to create competitive advantages that drive value

3

Disciplined allocation of capital

Grow invested capital with disciplined investment, return surplus capital

No debt reduction required, remaining surplus capital for growth capex and shareholder distributions

Maintainable EPS[4] growth over the cycle

Total shareholder returns in the top quartile[5]

1. Based on current invested capital of ~$8.9b as at 30 Jun 2019. 2. Weighted Average Cost of Capital, calculated on a pre-tax basis. 3. Target of 10% ROIC allows ROIC to be greater than pre-tax WACC. 4. Earnings Per Share. 5. Target Total Shareholder Returns within the top quartile of the ASX100 and global listed airline peer group as stated in the 2019 Annual Report, with reference to the 2019-2021 LTIP.

Transformation: Past, present and future

Transformation journey

FY15 - 17

$2.1b

- 767/747 retirements
- 747 base closure
- 35 minute turns
- Contact centre consolidation
- Non operational staff reduction
- Wage freeze

FY18

$463m

- Engineering base maintenance turnaround
- Single engine taxi
- Singapore hub switch
- 787-9 Dreamliner introduction
- Perth-London direct services

FY19

$452m

- Ground service equipment telemetry
- IT Group strategic procurement
- Customer disruption management
- Digital channel expansion with SMS/ in app chat
- Jetstar +3kg carry on baggage
- Personalisation

FY20+

$400m+

- New fleet technology
- Digitalisation step change
- Empowering front line
- Increasing utilisation
- Continued focus on fuel
- Tailored tools and approach

Transformation sources (FY18-FY19)

	Technology	Supplier	Utilisation	Continuous improvement	Indirect costs	Group initiatives
Target $400m	~$100m	~$75m	~$75m	~$75m	~$25m	~$50m
Average $455m	~$90m	~$95m	~$85m	~$130m	~$30m	~$25m
	– 787-9 roll out – Customer self service – Customer contact through SMS/app chat; web chat – Revenue management system enhancements – Wi-Fi	– Group supplier renegotiations – Group category strategies – Tighter management of contract terms and incentives (KPIs, warranties)	– Fleet changes – Network changes	– Fuel burn reduction – Engineering maintenance optimisation – Jetstar ancillary revenue	– Reducing organisation complexity – Lounges cost and revenue evaluation	– Engineering supply chain efficiencies – Cross group ground service equipment management – Customer disruption management

Continuous improvement mindset – 70% of initiatives <$1m

Case Study: Qantas Group Engineering

Base maintenance

- Improve Brisbane facility efficiency by optimising for narrowbody types — Qantas 737 and Jetstar A320
- 20-30% reduction in 737 turn time
- Bring Jetstar A320 work in-house to ensure consistent year-round demand with turn times better than could be achieved at external providers
- Attracted 3rd party work with high quality service and competitive rates and turn times

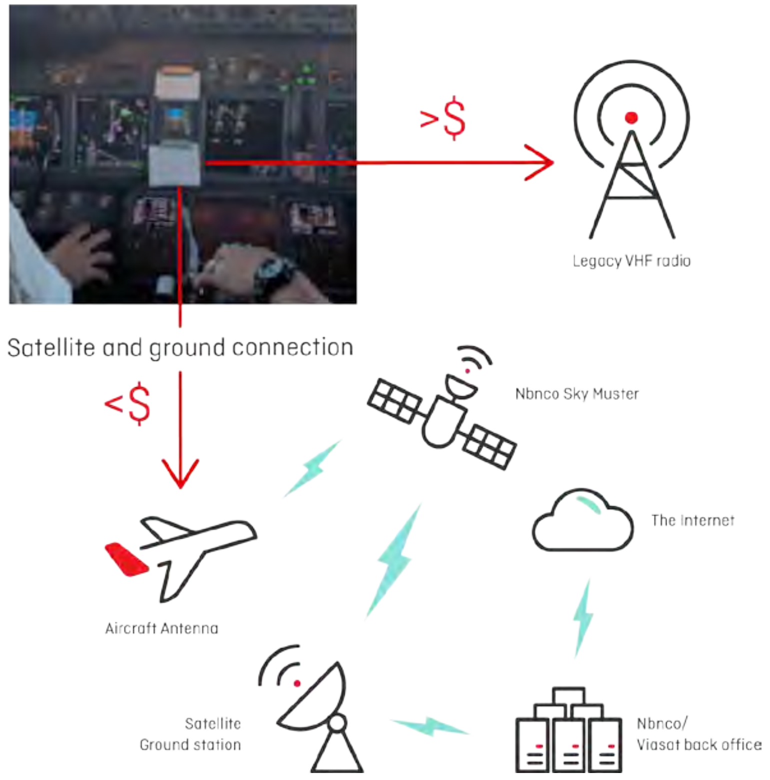
Supply chain

- Reduce delays due to part availability while also reducing cost across the Qantas Group
- Inventory optimiser software, integrated business planning, supplier management and warehouse consolidation
- Average 8% reduction in cost
- Higher employee engagement
- 50% reduction in injuries resulting in lost work

Case Study: Wi-Fi flight deck connectivity/aircraft e-enablement

- Switched cockpit communications from legacy radio-based to real-time satellite using state-of-the-art NBN satellites
  - Significantly reduced communications cost
  - Real-time aircraft information improving aircraft performance, reducing fuel burn and improving operational decision making
  - 80 domestic aircraft enabled and launched
- Provides free and fast Wi-Fi for our customers
  - Passenger usage at ~40%
  - Most popular usage is web browsing, email, messaging, social media, video streaming and live sports
  - Strong customer feedback and point of difference
- Additional operational benefits from easier air-to-ground communication for cabin crew

Cost reductions for flight deck messaging



Established principles still governing transformation

Ownership	Business Unit ownership, centrally supported
Alignment	Working together towards a common goal
Linkage	Direct line of sight to bottom line/strategic objectives
Engagement	Institutionalised cadence of coordination meetings
Embedded	Cost conscious/continuous improvement culture
Customer focus	Bias towards win/win outcomes

Ongoing transformation themes

Digitalisation

Data enablement:

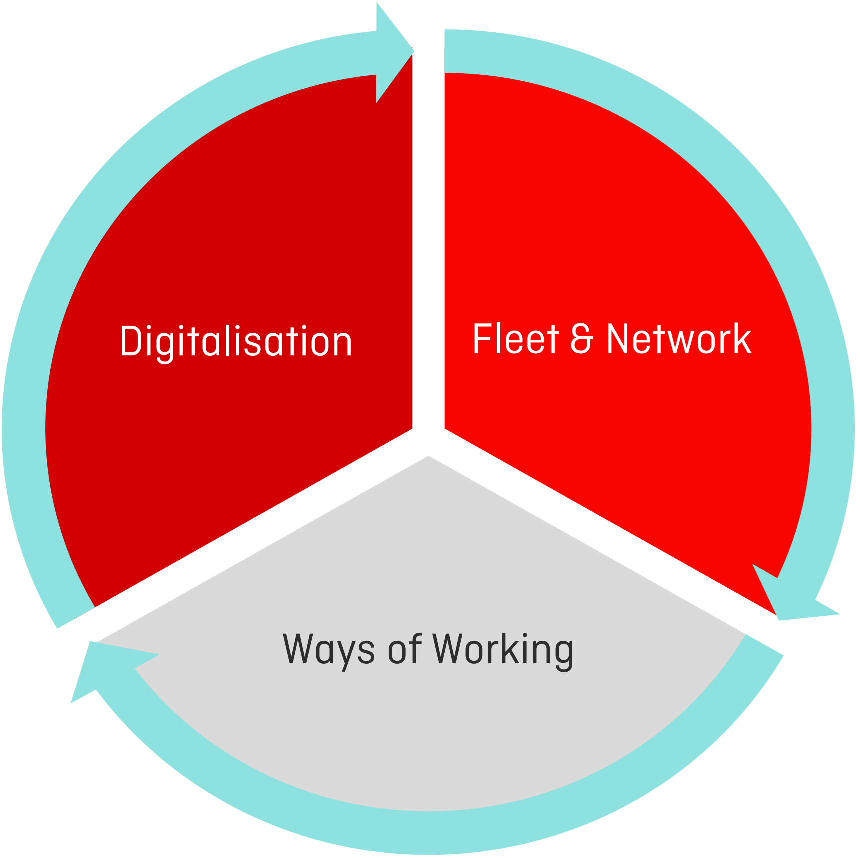
- Common architecture and standards
- Central data repository/lakes
- Extraction layer for legacy systems
- Clean, secure and real time data

Automation:

- Business process re-engineering
- Robotics/IPA[1]

AI[2]:

- Machine learning capabilities
- Natural language processing
- Facial recognition



Fleet & Network

- Increasing utilisation
- Reducing fleet complexity
- Better matching capacity to demand by route and cabin
- Reducing fuel consumption
- Newer aircraft (lower fuel and maintenance, better customer experience)

Ways of Working

- Tailoring agile delivery
- Empowering front line with insights
- Stage gate funding
- Experimentation — learn fast

1. Intelligent Process Automation. 2. Artificial Intelligence.

Transformation pipeline

Fleet & Network

- 747 retirement
- A380 reconfiguration
- A320neo family
- A321XLR
- Point to point
- Ultra long haul
- Project Sunrise

Ways of Working

- Flight Pulse
- Single engine taxiing
- APU[2] usage
- Dynamic tasking
- Agile coaching

Digitalisation

DATA

- Cabin Crew iPads
- Engineering iPads
- GSE[3] telemetry/airport map
- Hub control
- Integrated ops
- Qantas Direct Platform
- Single customer ID
- Employee experience app

AUTOMATION

- Disruption management
- Flight planning
- Schedule development
- Chatbots
- Pax check-in and boarding
- Cyber threat hunting
- Back office/IPA[4]

AI[1]

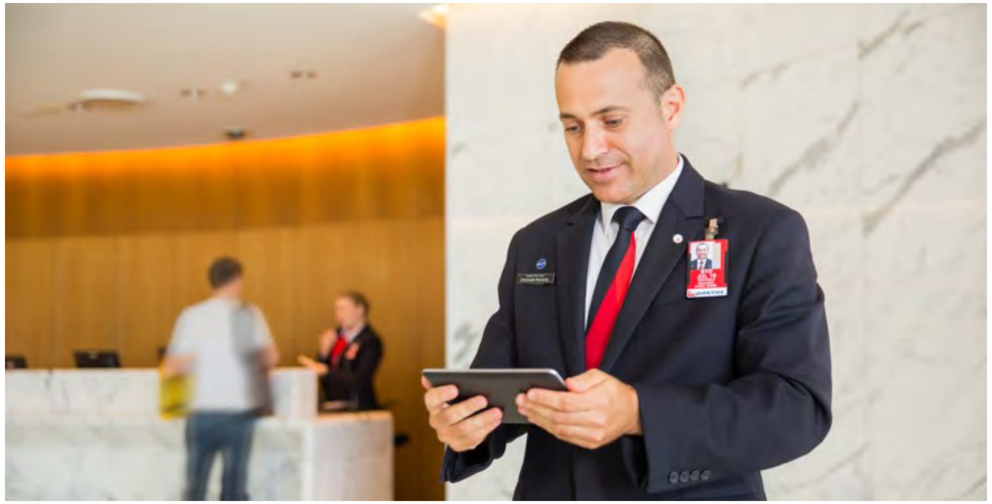
- Slot/schedule optimisation
- Crew optimisation
- Predictive maintenance
- Catering waste reduction
- Revenue management
- Dynamic pricing
- Personalisation
- Biometrics

1. Artificial Intelligence. 2. Accelerated Processing Unit. 3. Ground Services Equipment. 4. Intelligent Process Automation.

Case study: Frontline empowerment

Above the Wing

- Integrated operations app directly links frontline to Ops Centre increasing situational awareness
- Empowers frontline for best customer service
- Enables proactive management of delay causes
- Increases workforce productivity and engagement
- Green initiative — reduces paper based reporting



Below the Wing

- Airport mapping system integrates Ground Services Equipment telemetry with operations status
- Allows controller to allocate equipment in real-time
- Ground Services Equipment readiness for high aircraft utilisation
- Multiple asset types on airport ramp at any time
- Enables better safety outcomes, maintenance plans, equipment rationalisation and fuel benefits

Case study: Revenue management technology

- Better decisions to recommend the right price at the right time
- Internal application developed utilising Qantas expertise and relationships with leading universities:
  - Leveraging datasets
  - Opportunities unlocked via AI[1] (machine learning)
  - Scalability and agility utilising technology such as cloud computing
- Enhancements deliver tangible benefits:
  - Return on investment of 8x
  - Quicker decision making increasing number of price points driving greater efficiency and revenue
  - Lower cost of R&D by utilising in-house and university expertise
- Further opportunities to evolve with additional data, real time price evaluation and offer creation capability within our digital channels

1. Artificial Intelligence.

Case study: Biometrics

Trials to date

- Successful trials at SYD[1], BNE[2] and LAX[3]
  - Customers enrol at kiosk or mobile app
  - Face recognised at bag drop, lounge, gate
- Positive customer feedback from participants
  - Higher NPS and journey satisfaction
  - Reduced anxiety
- Future trials on cross-border travel and Qantas taking lead industry role – IATA 'oneID' forum

Future benefits

- Customer
  - Seamless personalised customer journeys
  - Enhanced security
  - Fewer missed connections
- Operations
  - Check-in and boarding staff focus on exceptions
  - Better communications in disruption
  - Potential for shared gates
- Business
  - Control lounge access, potential flexible pricing
  - Smarter spend on reduced airport footprint

1. Sydney Kingsford Smith Airport. 2. Brisbane Airport. 3. Los Angeles International Airport.

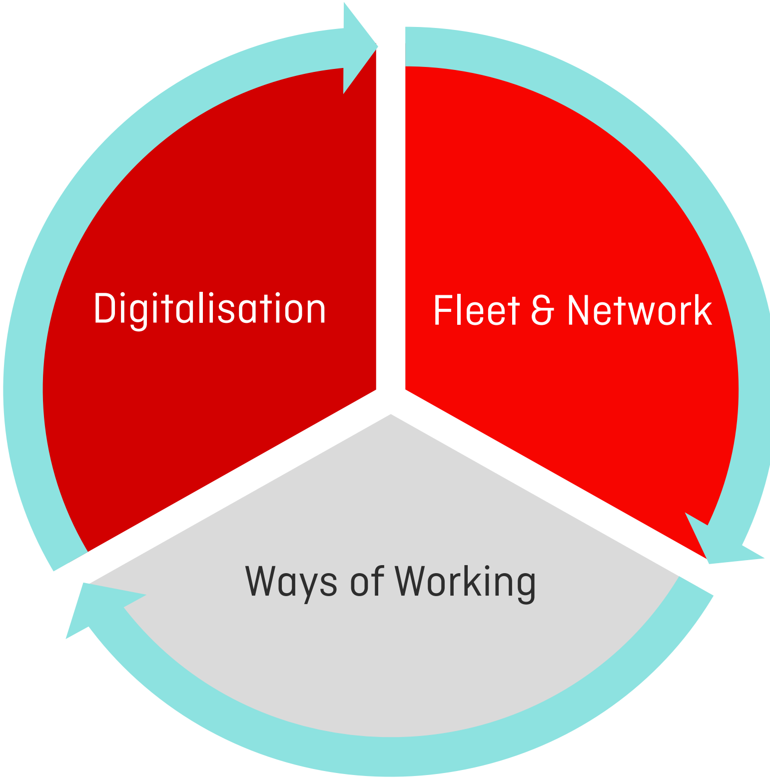
Enablers going forward

- Group data and architecture foundation
- Cloud based technology mindset
- Mobile enabled frontline
- Digitally oriented and capable workforce
- Cyber and privacy risk culture
- Appropriate AI[1] ethics and governance
- Agile tailored approach

1. Artificial Intelligence.

Transformation summary

- Proven track record of delivery
- Robust transformation pipeline and emerging areas for benefit realisation
- Clear link to outcomes and strategic objectives
- Established principles still governing transformation
- Commitment to minimum $400m in new benefits per annum
- FY20 more focussed on cost than revenue compared to previous years



FY20 focus

- Operational efficiency
- Revenue optimisation
- Customer experience
- Empowering employees

Building on our leading domestic position

Structural advantage in the Australian domestic market

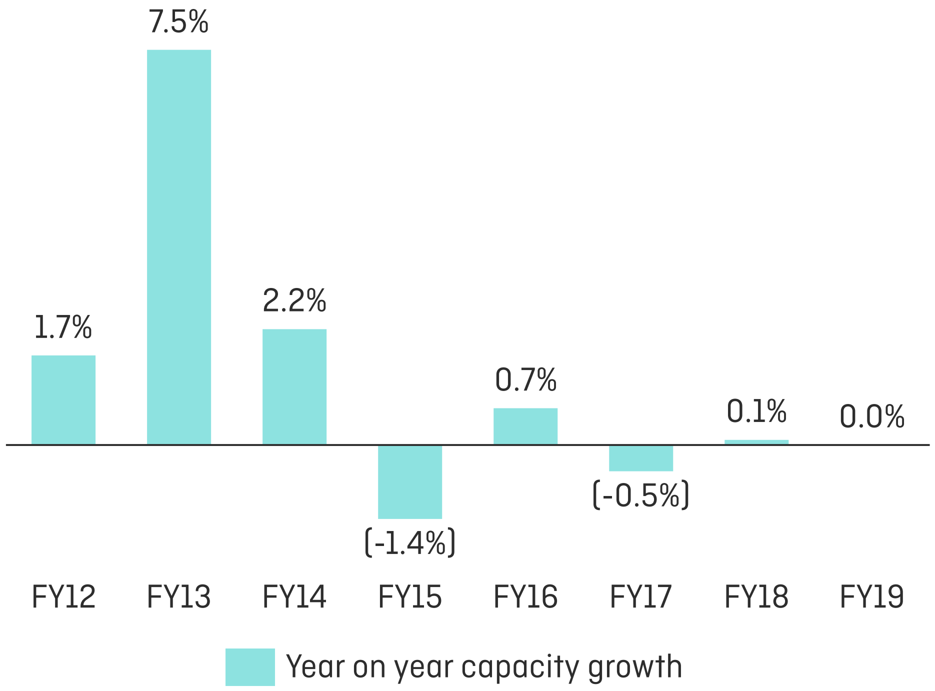
Market dynamics and stability

- Australian economy stable and resilient over the long term
- Population concentrated in large cities separated by large distances
- Two airline groups have 98% capacity share, customer well served; two full service and two low cost carriers in market
- Fares 30% lower now than 13 years ago[1]
- Market capacity has been increasingly disciplined over last 5 years

Infrastructure factors

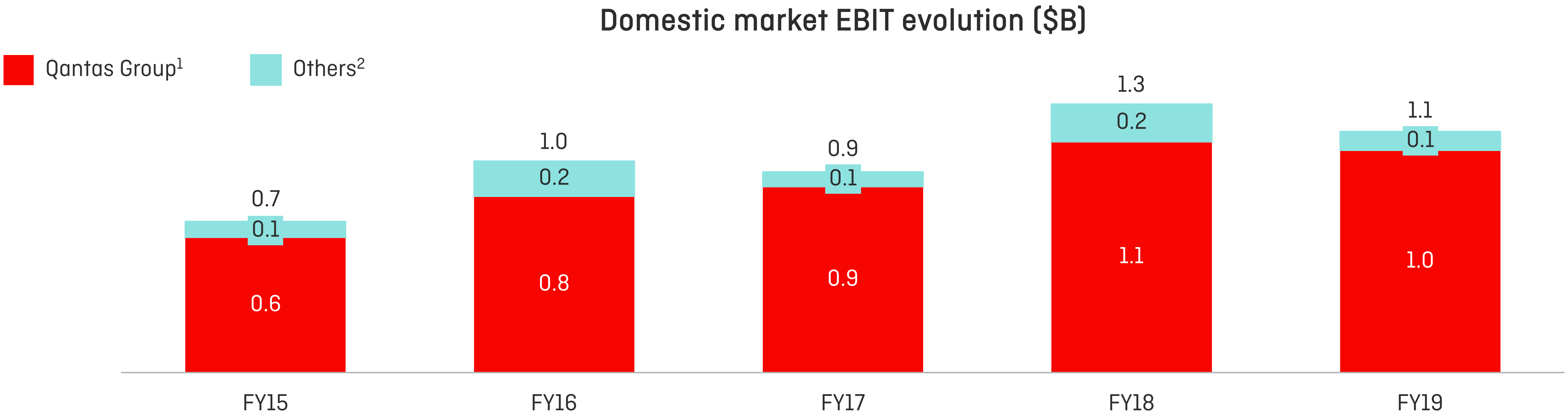
- Sydney and Melbourne airports are becoming increasingly constrained; SYD-MEL is the 2nd busiest and SYD-BNE the 12th busiest route globally[2]
- 44% of domestic journeys[3] touch SYD[2] where the Group has 50% of slots
- Western Sydney Airport to provide future relief, but Kingsford-Smith Airport to still be business traveller preferred
- Alternative technologies not economically attractive

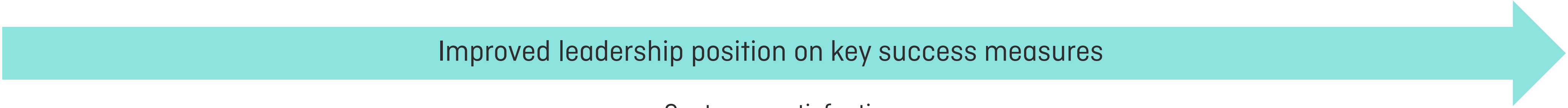
Domestic market capacity evolution (ASK)[4]



1. In real terms. 2. SYD; Sydney Kingsford Smith Airport. MEL; Melbourne Tullamarine Airport. BNE; Brisbane Airport. Busiest domestic routes globally. Source: OAG Aviation Worldwide Limited 'Busiest Routes 2019' report. 3. Passenger segments flown FY19. Source: BITRE. 4. Growth versus prior year. Source: BITRE.

Growing the domestic contribution





Customer satisfaction
Net Promoter Score advantage
Profit share
Margin advantage
Network advantage
Corporate market share
SME[3] market share
Resource market share
Low fares penetration

1. Qantas Group share is comprised of Qantas Domestic and Jetstar Domestic. EBIT in FY19 restated for changes associated with the first time adoption of AASB 15. 2. Others is comprised of Virgin Australia Domestic and Tigerair Australia using published data for FY19.
3. Small-to-Medium Enterprise.

Building on our success

1

Protecting and extending dual brand network advantage

2

Maintaining customer focus and expanding segment leadership

3

Ensuring rigorous and rational capacity management

4

Delivering higher operating margins; clear cost and revenue strategies to achieve ~18% for Qantas Domestic and ~22% for Jetstar Domestic

Continuously evolving our uniquely integrated network advantage

1

Leading business proposition

- Best frequency and schedule, including peak and super-peak hours
- Strongest domestic and international connectivity
- Most resource sector services in Western Australia and Queensland

Leading leisure proposition

- Most seats to top domestic and international leisure destinations
- Growing premium leisure footprint
- Largest low cost offer on all major leisure markets

Integrated Dual Brand strategy and management

- Joint views of demand
- Alignment to customer segmentation
- Extensive collaboration

Customer focus strengthening our leadership across all core segments

Corporate Revenue proportion: ~30%[1] Market revenue share: 80%	**SME** Revenue proportion: ~30%[1] Market revenue share: 50%	**Premium Leisure** Revenue proportion: ~40%[1]
Customer experience via product and service, NPS advantage (e.g. Wi-Fi, lounges, OTP[2])		
Qantas Frequent Flyer value proposition		
Strength of the Qantas International and partner propositions		
Strategic account management	Qantas Business Rewards	Regional Resident Fares

Price Sensitive Leisure Revenue Proportion: ~85%[3]	**Price Sensitive Business** Revenue Proportion: ~15%[3]
Leading low cost customer experience via product and service, NPS advantage	
Low fare market leadership	
Ancillary revenue, personalisation and direct distribution strength	
Club Jetstar subscription and member benefits	Business hub

1. FY19 share of Qantas Domestic total revenue. 2. On Time Performance. 3. FY19 share of Jetstar Domestic total revenue.

Our fleet composition provides flexibility for market demand

Primary mission of fleet

A320/A321

All domestic markets
(Jetstar)

A330

737

Trunk markets
(Qantas)

717

Turboprops

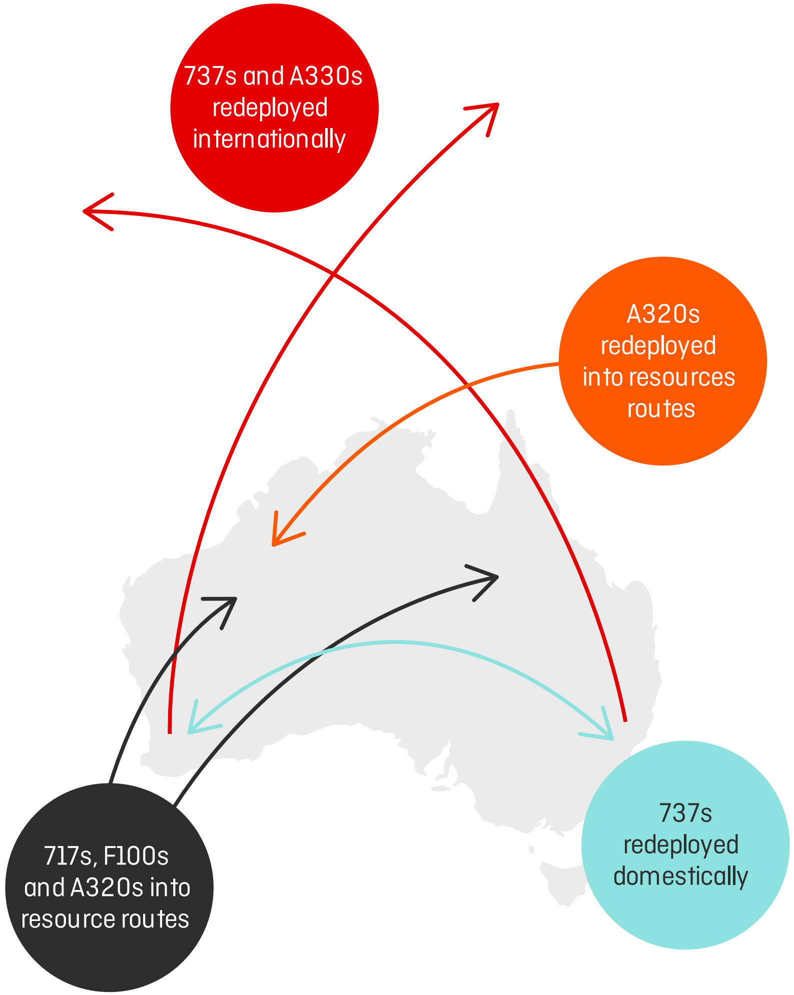
Regional markets
(Cobham)
(Eastern & Sunstate)

A320

F100

Resource markets
(Network Aviation)

Flexible utilisation of fleet



Rigorous and rational capacity management

3

Domestic market dynamic and capacity

- **Highly sophisticated management of dual brand capacity settings**
- **Flexibility in use of fleet and shifts for changing demand**
- **New competitor management seeking profitability**

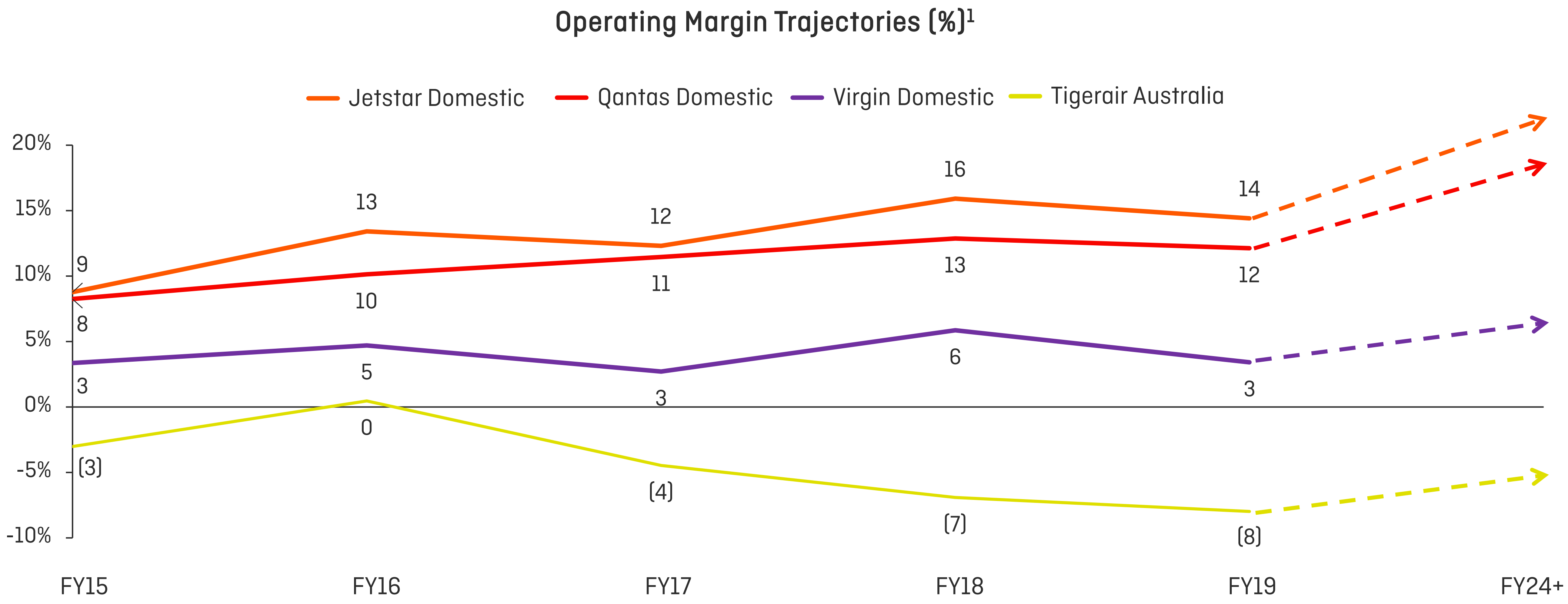
FY20 position

- **Current market softness warrants ongoing discipline**
- **We expect both Qantas Group and Virgin Group to operate near flat market capacity growth for 1H20**[1]
- **Virgin Group has announced a target 2H20 capacity reduction of -2% vly**
  - As of last week, announced and published changes amounted to 1 ppt of capacity reduction and published growth of +2.9%[2]
  - Over the weekend, additional published changes amounted to a further 2.3 ppts of capacity reduction[2]
  - Assuming normal operational cancellation rates, we estimate this will result in an operated capacity position of -1% versus prior year
- **Qantas Group continues to refine a profiled position for 2H20**
  - Excluding deliberate growth in Western Australia, our published capacity is currently +1.8% vly[2]
  - We will continue to adjust our settings based on latest views of demand, competitor capacity and our strategic positions

1. Domestic ASKs. Source: internal estimates of forward operating capacity growth based on BITRE published schedules and typical rates of cancellation. 2. Domestic market ASKs flown. Source: BITRE.

Delivering higher operating margins

4



Clear margin strategies in execution across multiple pillars

Customer	Commercial	Operational	People

1. Calculated as underlying segment EBIT divided by total segment revenue. FY18 and FY19 restated for changes associated with the first time adoption of AASB 15.

Jetstar's relentless focus on low costs and revenue growth

4

Cost focus

- A321LR introduction
  - ~23% fuel savings per seat than A320ceo
  - ~25% more seats than A320ceo
  - ~12% lower CASK than A320ceo
  - Utilisation opportunities with international
- Operational digitalisation
- Efficiency program (automation, robotics, analytics)
- Group opportunities with Qantas – e.g. supplier rationalisation

Revenue focus

- Customer experience improvement on A321LR
  - Improved seats
  - Larger overhead bins
  - In-flight streaming for BYO devices
- Significant further upside in ancillary revenue
- Digitalisation; Personalisation, dynamic retailing, seamless servicing
- Driving direct distribution
- Australian leading load factors – over 90%

A321neo

Qantas driving revenue premiums and operationally-enabled cost transformation

4

Cost focus

- Dedicated focus on transforming operations to best practice
  - Digital integration
  - Asset utilisation
  - Fuel efficiency (Flight Pulse, Constellation)
  - Fleet renewal
- Engineering strategy, including predictive maintenance
- Cultural shift enabling greater efficiencies and overhead cost reductions

Revenue focus

- Pursuing industry leading models across:
  - Distribution
  - Personalisation
  - Dynamic pricing
- Customer experience enhancement
  - Completion of Wi-Fi installation
  - Completion of turboprop cabin refresh
  - Continued lounge refurbishment
- Assertive resource sector growth
- SME[1] program expansion
- Expansion of Resident Fares Program

Melbourne lounge

Turboprop cabin

1. Small-to-Medium Enterprise.

Our priorities combined with the right market fundamentals will enable substantial earnings growth

Our ongoing priorities

1. Protecting and extending dual brand network advantage
2. Maintaining customer focus and expanding segment leadership
3. Ensuring rigorous and rational capacity management
4. Delivering higher operating margins; clear cost and revenue strategies to achieve ~18% for Qantas Domestic and ~22% for Jetstar Domestic

Market fundamentals; What do you need to believe?

- Market capacity is aligned to demand environment, fuel and FX movements
- Ex-fuel CASK increases of 1.0% per annum for both Qantas Domestic and Jetstar Domestic
- RASK growth of 2.5% per annum in line with average GDP growth
  - Qantas Domestic would require an average $5-6 fare increase per annum
  - Jetstar Domestic would require less than $3.50 per annum increase in fare and ancillary charges

Qantas International: Building sustainable advantage

Qantas International: A business transforming

A business in need of transformation

- High cost base
- Over-exposed to challenged loss-making markets using Asia as a refuelling stop
- One joint business (covering Europe)
- Static network deployment across the year
- Inconsistent premium cabin product
- Legacy fleet

A business delivering unacceptable returns

Prior to 2014

A fit and competitive Qantas International

- >$1b[1] in transformation benefits
- Halved exposure to Europe and made flying profitable
- Reoriented schedule to satisfy growing Asian demand
- Advanced partnerships including three joint businesses covering three major regions
- Dynamic network and capacity scheduling
- Reconfiguring widebody fleet to consistent state of the art Business Suite product
- On track to exit legacy fleet by end of 2020

A fit and sustainable business delivering ROIC > WACC[2]

2019

A solid foundation to take the business into the next phase

1. Transformation benefits from FY15 to FY19 inclusive. 2. Weighted Average Cost of Capital, calculated on a pre-tax basis.

Leverage strengths for sustainable competitive advantage

1 Australian market	Home market distribution strength
2 Partnerships	Leverage partnerships for competitive advantage
3 Technology	Leverage technology for further advantage

Home market distribution strength

1

Qantas and codeshare partners serve 88 of the top 100 destinations from Australia

Via a unique and hard to replicate proposition...

...across all segments

- Australia's leading loyalty program
- Australia's leading premium airline customer experience
- Australia's most comprehensive domestic network

...for individual segments

Corporate	SME[1]	Premium leisure
Corporate dealing model	BUSINESS REWARDS	FREQUENT FLYER

Allows us to deliver the best proposition for the Australian market with competitive advantage

1. Small-to-Medium Enterprise.

Commonality across key segments reinforces leading network position

1

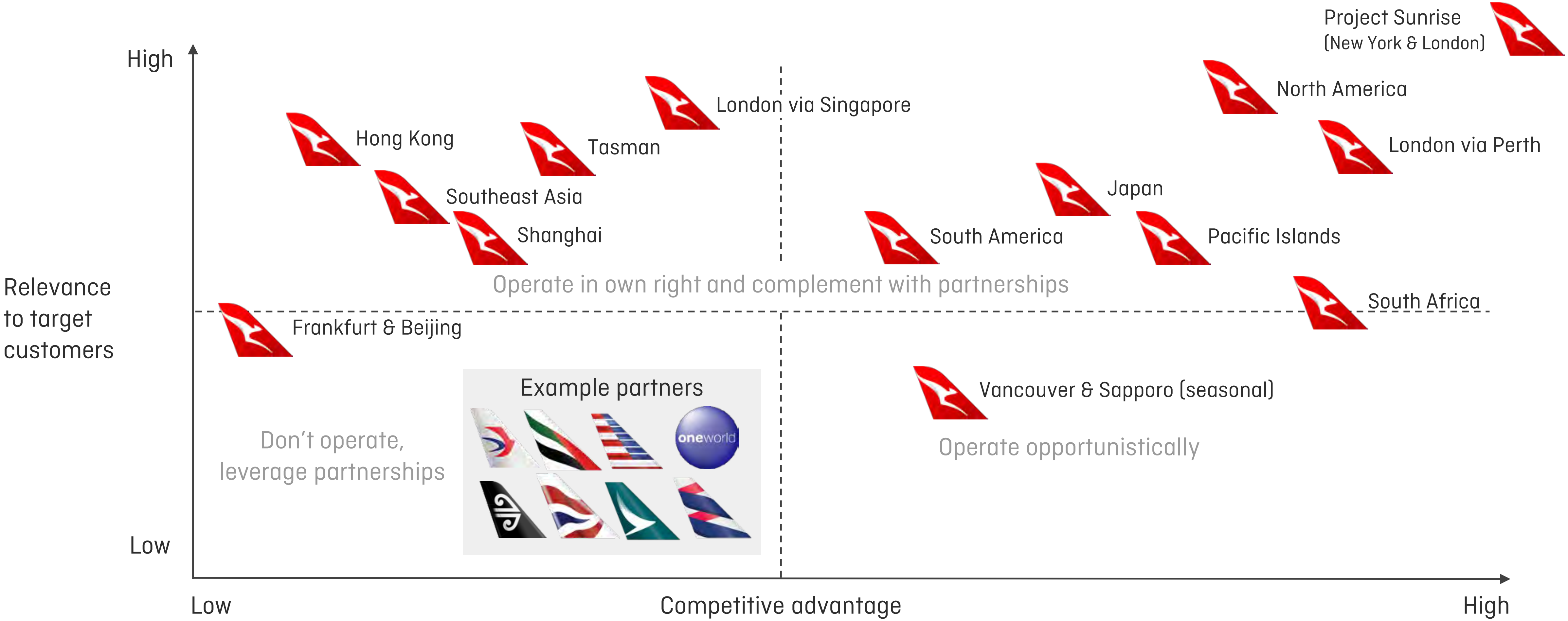
Top destinations on the Qantas International network by segment[1]

Destination	Corporate rank	SME[2] rank	Leisure rank
Auckland	1	1	1
Singapore	2	2	3
London	3	3	5
Wellington	4	6	9
New York	5	8	7
Hong Kong	6	4	4
Tokyo	7	7	2
San Francisco	8	12	11
Los Angeles	9	5	6
Port Moresby	10	14	24
Manila	11	10	15
Bangkok	12	15	17
Shanghai	13	11	12
Jakarta	14	17	19
Dallas	15	19	22

1. Ranked by number of Qantas International passengers originating from Australia for twelve months ended Jun 2019. Source: RADAR. 2. Small-to-Medium Enterprise.

Home market distribution strength: Operate to play to our strengths

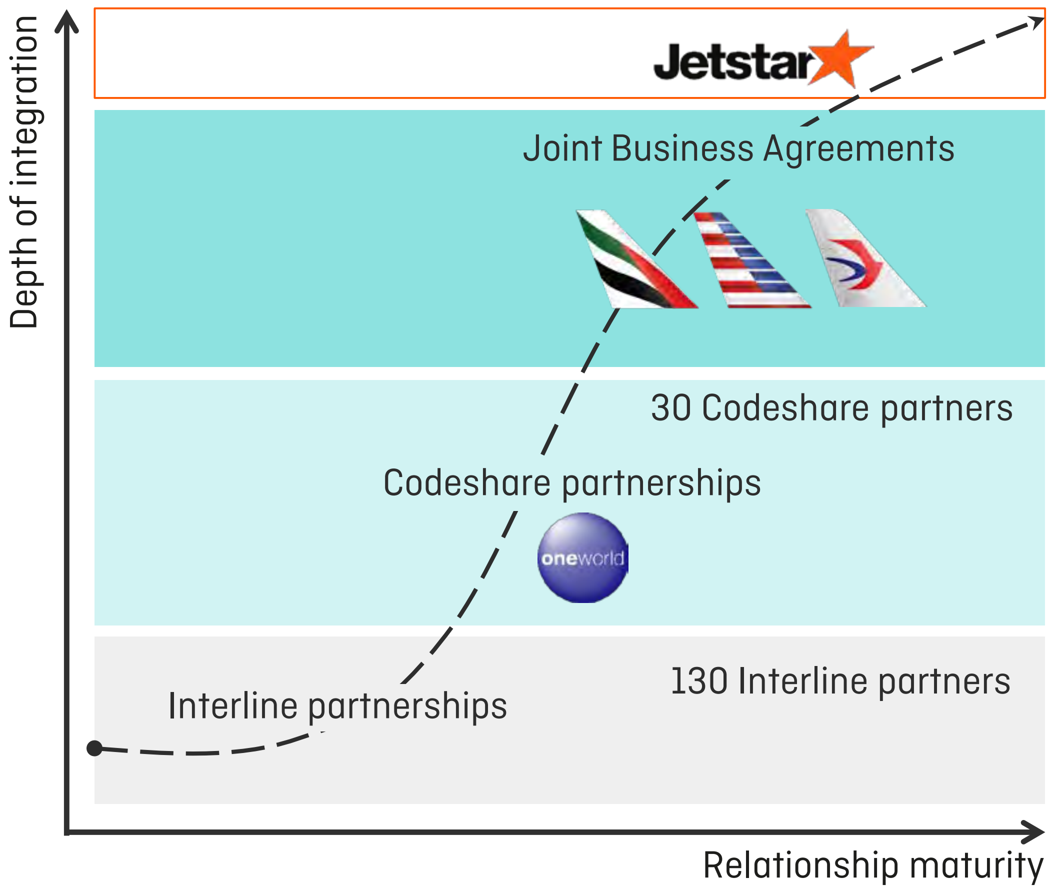
1



Illustrative route portfolio matrix

Leverage partnerships for competitive advantage

2



Qantas selling onto partners[1]

$1.5b

Qantas revenue driven by partnerships[2]

$1.1b

$1.1b

$0.3b

Total: $2.5b

40% of Qantas International customers connect to/from partners

1. Billings from airline partnerships. FY19 figure. 2. Qantas revenue (Domestic and International) associated with airline partners in FY19: Qantas ticketed revenue with an airline partner segment less cost of partner segments, partner airline sales on Qantas operated services, codeshare commissions and revenue from block space operations.

Leverage partnerships for competitive advantage: Joint business partners

2

Emirates

- 50 destinations[1] across Europe, the Middle East and Africa[2]
- One-stop proposition via Dubai
- Thin routes not viable for Qantas to operate in own right
- 1.8m passengers travelling across partnership[5]

American Airlines

- 109 destinations[1] across North America, on track to double vs pre-partnership
- #1 Position on the Pacific[4]
- Flying into key American hubs creates “funnel” of traffic onto Pacific routes
- 100 million AAdvantage members, complementing Qantas Frequent Flyer member base in Australia

China Eastern

- 25 destinations[1] in China[3]
- Provides improved access to largest inbound market to Australia
- Annual passenger volumes have more than doubled since commencement

← Leverage distribution strength in Australia →

← Provides attractive network to key customer segments plus earn and burn opportunities for Qantas Frequent Flyers →

1. Qantas (QF) coded destinations. 2. Codeshare also covers Singapore and Christchurch (excluded from count). 3. Codeshare also covers Singapore (excluded from count). 4.Defined by capacity, revenue and network. 5. Count of passenger segments for FY19.

Leverage technology for further advantage

2

787	Perth-London	– Last two continents to be connected with non-stop flights – Key pillar in transforming London from a decade of losses into a profit centre
787	Americas	– New routes Brisbane-Chicago and Brisbane-San Francisco – Increasing frequency on Los Angeles and Santiago – Improving tag flight economics (Los Angeles-New York)
Project Sunrise	The final frontier of aviation	– Subject to meeting business case – Regular, non-stop commercial flights connecting the east coast of Australia to London and New York

New aircraft technology creates unique opportunities for competitive advantage

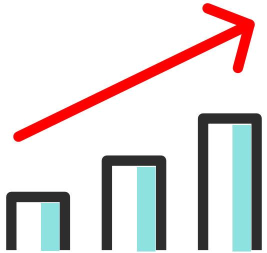
Case study: Leverage technology for further advantage on Perth-London

1. UK route challenged

- Over 20 one-stop competitors to UK, all through hubs
- Capital intensive requiring 5 aircraft to operate two daily services at peak
- Qantas operations were loss making for a decade

2. 787 facilitates differentiated service

- Perth-London connects Australia to Europe non-stop for the first time
- Lower unit cost
- 30% of seats in premium cabins vs 23% A380 (old configuration) drives better yield mix
- Hubs Australia in Australia



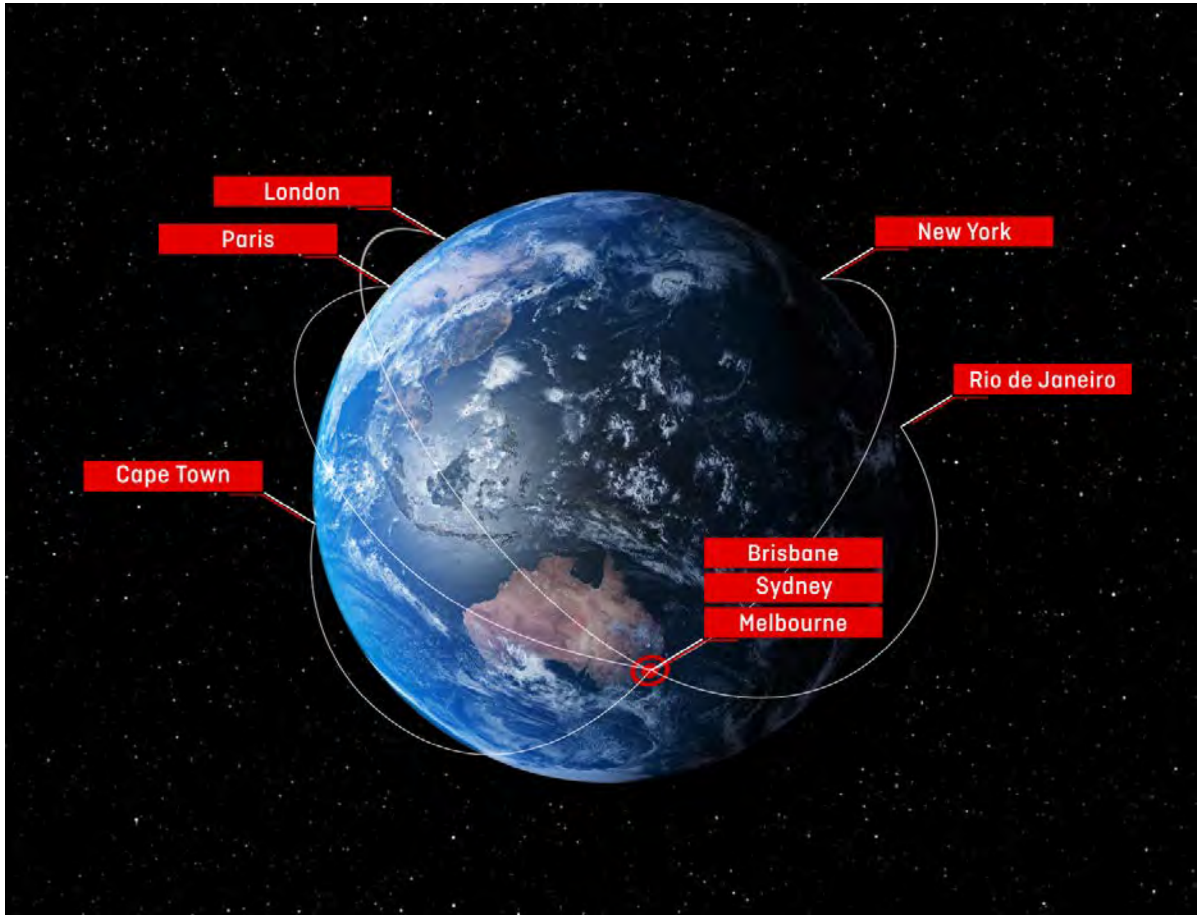
3. Results

- Average 94% seat factor (99% in Business)
- Highest customer satisfaction rating in International network across all cabins
- Achieving a 30% fare premium in Business/Premium Economy over one-stop alternatives from UK point of sale[1]
- All UK route flights now profitable for the first time in a decade

1. Average fare comparison versus one-stop via Singapore for year ended Jul 2019.

Leverage technology for further advantage: Project Sunrise

3



Continues profit-maximising strategy

- Non-stop flying takes customers directly to where they want to go
- Increased proportion of premium seats reduces exposure to economy market
- Smaller gauge fleet increases flexibility in deployment and capacity management

Reinforcing our competitive advantage

- Customer demand proven for non-stop service (London-Perth has highest NPS in the network)
- Yield premium versus one-stop flying (London-Perth premium yields over 30% higher than one-stop)
- Qantas better-positioned to operate versus competitors (traffic rights and fleet scale)

But must meet tough business case hurdles

Qantas International in transition: From now to December 2020

14x 787-9s delivered, 747s retired	Quad engine ASK production down from 78% to 42% of total[1]	✓	Fuel cost down 25%[2] Maintenance cost down 20%[2]
12x A380s reconfigured	Increased premium configuration enhances revenue generation per cabin square metre	✓	~7% improvement in trip revenue
28x A330s upgraded	State of the art lie flat Business Suite with direct aisle access	✓	Consistent competitive product across all 54 widebodies for the first time in our history
AA partnership	Launch of Brisbane-Chicago/San Francisco Doubling codeshare destinations by 2020	✓	The best proposition between Australia, New Zealand and North America

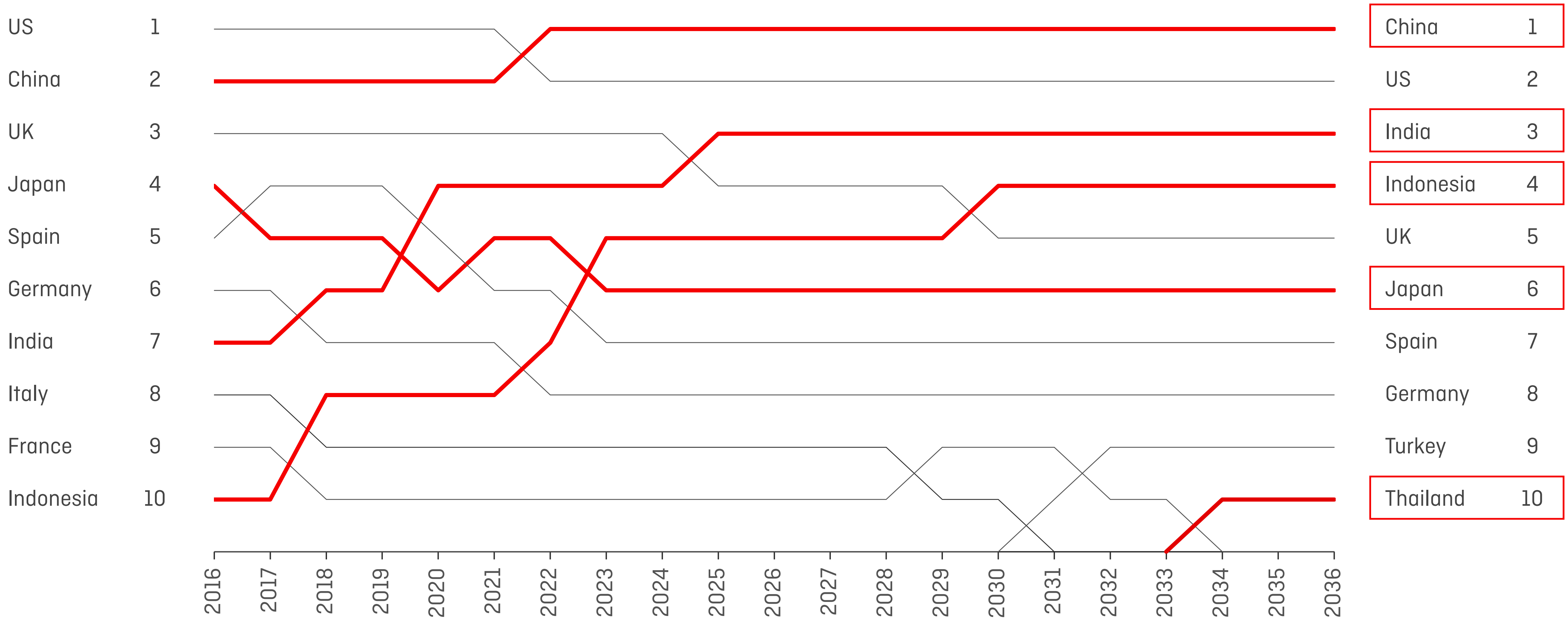
ROIC greater than WACC[3] through cycle

1. FY13 vs FY20 forecast. 2. Unit cost comparison between 747 and 787. 3. Weighted Average Cost of Capital, calculated on a pre-tax basis.

Aligning Qantas and Jetstar with Asia's growth

By 2030 Asia features increasingly prominently in the world's top ten aviation markets

The 10 largest air passenger markets over time (ranked by passenger numbers, to/from and within each country)[1]



1. Based on: IATA 20-year Passenger Forecast is developed by IATA and Tourism Economics

Asian inbound traffic is growing at double the rate of other segments

International travel to/from Australia by FY27[1]

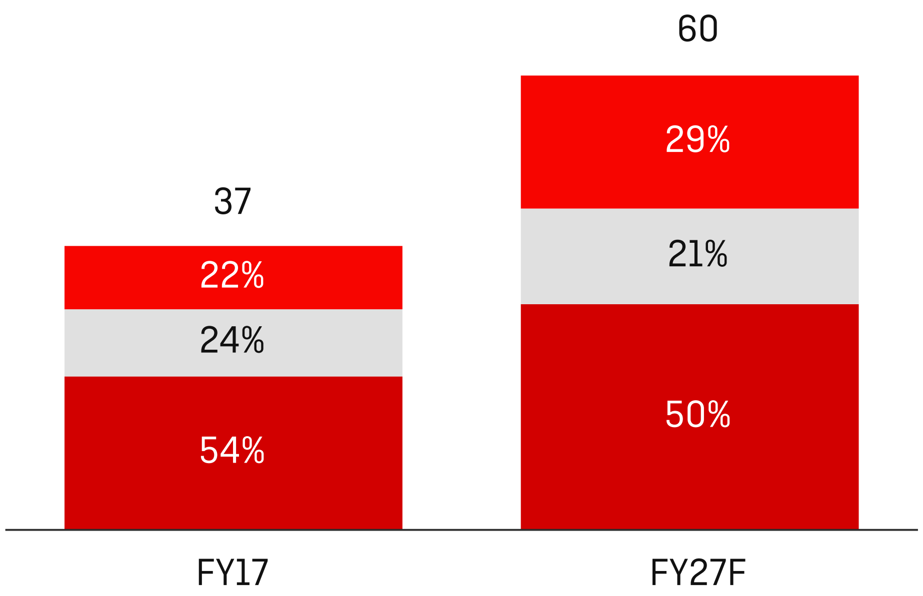
1.6x the growth in international pax (total 60m pax)

65-70% of all traffic to be in Asia Pacific

80% of inbound traffic to be leisure / VFR

$173b total tourism spend (vs $126b in FY18)

Passenger outlook Australia international (M)[1]



Compound Annual Growth Rate

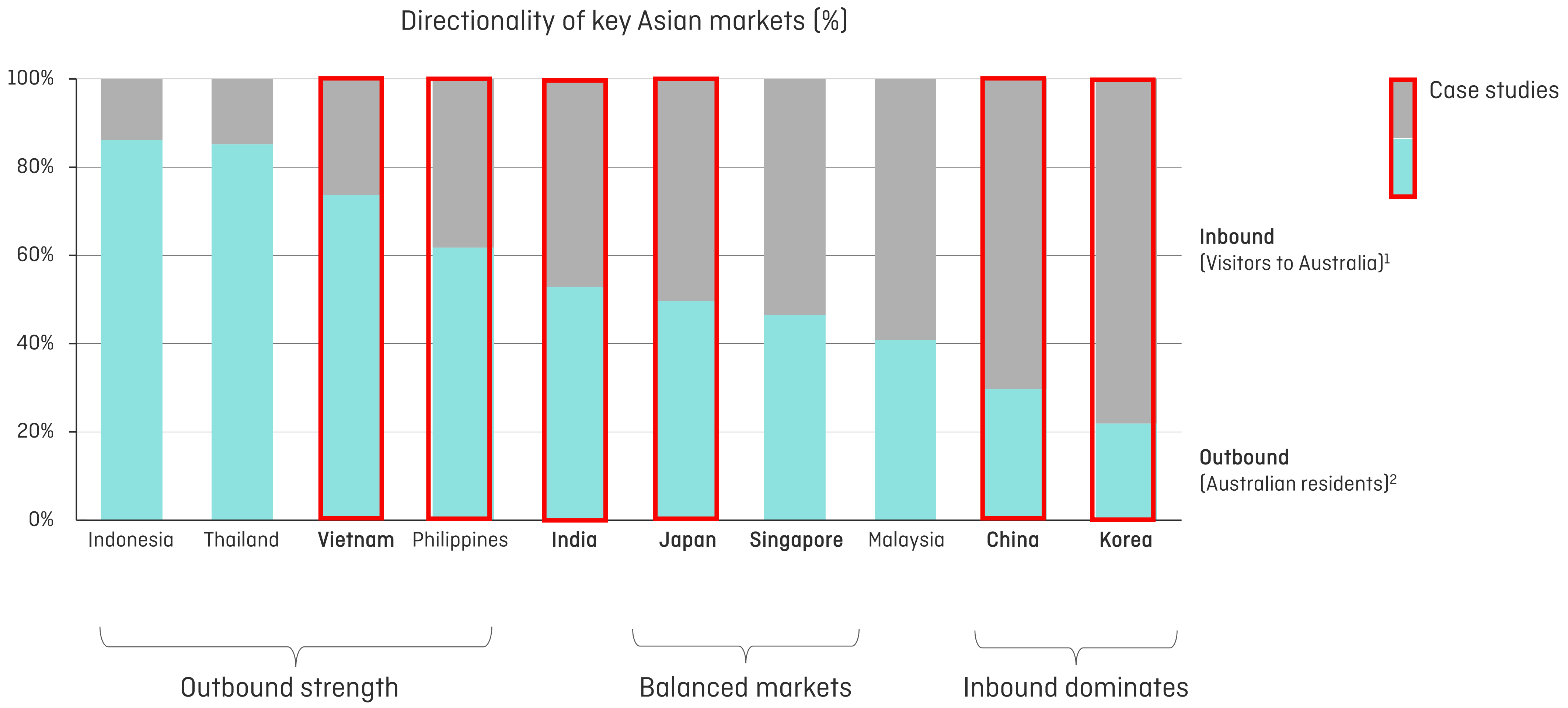
Inbound Asia	Inbound Rest of World	Outbound Australia
+8%	+4%	+4%

1. Short term arrivals and departures. Source: Austrade – Tourism Research Australia National Tourism Forecast (2017-2027).

The Group will play to its competitive advantages to align with Asia's growth

Brand strength	Fly directly where Australians want to go
Distribution	Leverage partnerships and codeshares to get reach
Low cost and Dual Brand know-how	Export low cost model and ability to operate dual brands to inbound and outbound markets
Flexibility	Fleet and operating models
Domestic network	Capture greatest share of inbound passengers travelling domestically

Asia-Australia traffic has directionality and market characteristics requiring tailored strategies



1. Short-term visitor arrivals (FY19, seasonally-adjusted). Source: Australian Bureau of Statistics. 2. Short-term resident departures (FY19, seasonally-adjusted). Source: Australian Bureau of Statistics.

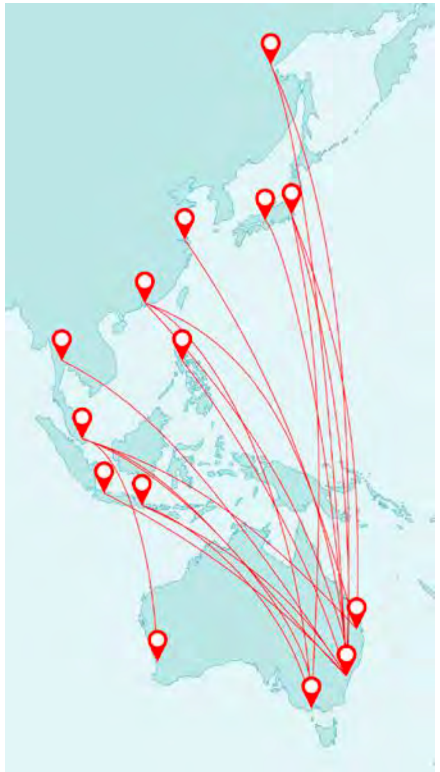
The Group's dual brands operate key premium and price sensitive international routes to Asia

QANTAS

Qantas serves **business** and **premium leisure** passengers leveraging brand and distribution strength in outbound markets

Jetstar

Jetstar deploys its low cost position, pan-Asia brand strength and distribution model on outbound and inbound **price driven leisure** markets



Australia Outbound Top 20 Destinations[1]

- Denpasar
- Auckland
- Singapore
- London
- Hong Kong
- Tokyo
- Bangkok
- Nadi
- Los Angeles
- Kuala Lumpur
- Christchurch
- Honolulu
- Ho Chi Minh City
- Phuket
- Manila
- Shanghai
- Queenstown
- Delhi
- Wellington
- Beijing

1. Source: DDS Estimate Report.

The Group is evolving the role of Singapore as a hub underpinned by strong point to point traffic

- Jetstar Asia is the 2nd largest low cost carrier in Singapore
- Offers bundle of food, entertainment and through-checked baggage
- Top connections from London to Kuala Lumpur, Bangkok, Bali and Phuket
- Connections with Qantas up 72%[1] in FY19 and growing
- London-Singapore profitable for first time in a decade
- New competitive product on Qantas A330 and A380

1. Jetstar Asia connections with Qantas Airways through Singapore.

Partners serve India via Singapore hub

- Fastest growing inbound market to Australia +53% in 3 years[1]
- Still low volumes, fragmented over many cities and low yield
- In short term South East Asian hubs remain best way to service demand
- In medium term as yields rise, Australian based aircraft could fly to key Indian cities via Singapore leveraging 5th freedom rights
- Long term potential to operate direct services from east coast Australia

1. Source: Austrade Tourism Research Australia.

The Group participates only where it can be profitable in the Chinese market

- Operate Australia-China routes only where Group has competitive advantage
  - Service Australia premium customer demand to Shanghai and Hong Kong
  - Niche freight provider on the Australia/China/USA triangle and into Macau
- Operate Asian Jetstar branded airlines into China leveraging their home markets
- Leverage partnerships to service China inbound and beyond outbound gateways
  - Joint Business with China Eastern
  - Codeshare with China Southern
  - one**world** relationship including interline with Cathay Pacific

Vietnam has substantial growth but very challenging market dynamics

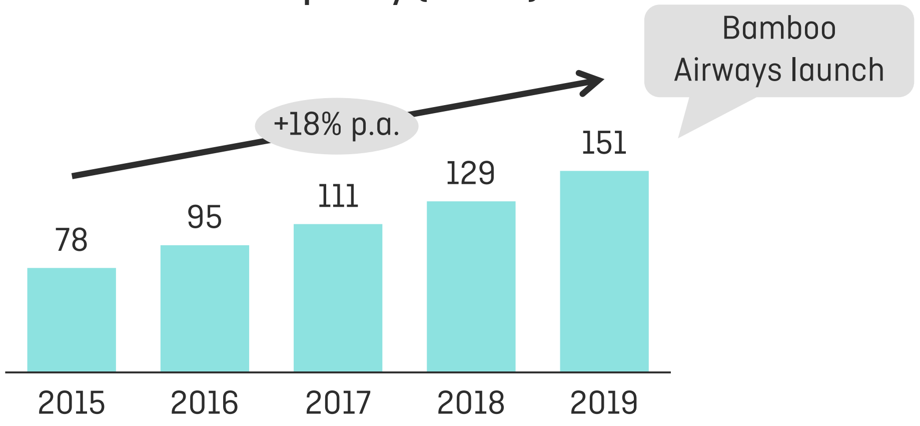
Growing substantially

- Population 97m with 70% under 35 years of age
- Rapidly increasing propensity to travel as GDP per capita rises
- Geography highly amenable to air travel
- HAN-SGN[1] 6th busiest route in the world
- Inbound tourism booming (especially from Korea, Japan and China notwithstanding past 12 months)
- Manufacturing boom in response to China-US trade war

Very challenging market

- Several aggressive, well-funded entrants that are unconstrained by need to protect legacy businesses
- Land grab mentality - Vietjet order book of 350 aircraft, Bamboo Airways plans to triple in size
- AirAsia has wound down Vietnam entry plan for the 4th time

Vietnam capacity (ASK B)[2]



1. HAN; Noi Bai International Airport Hanoi, SGN; Tan Son Nhat International Airport Ho Chi Minh. 2. Source: BITRE.

The Group is very well positioned in the Japanese market

Australia — Japan

- Qantas Group has #1 Position[1]
- 70 years of operation on route
- Qantas and Jetstar Dual Brand
- Haneda and 787-8 expansion
- New A321XLR markets

1. By market share, includes Qantas International and Jetstar International

Japan Domestic

- #1 Position in Low Cost market
- JAL and Jetstar Japan Dual Brand
- Returning cost of capital
- A321LR deliveries – growth in time for 2020 Tokyo Olympics

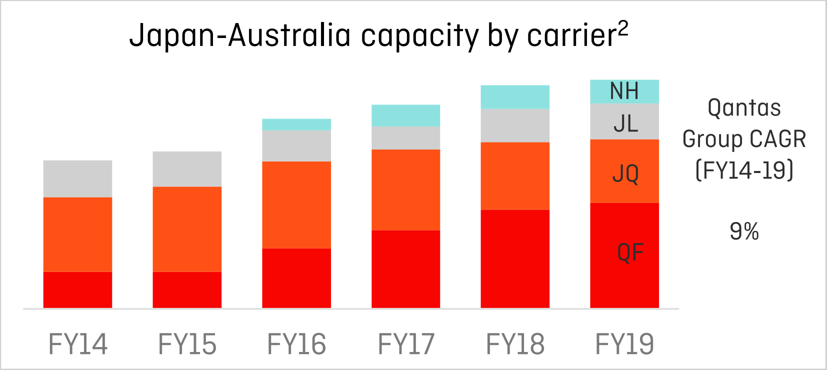
Japan — Asia

- Focussed network
- Jetstar Japan and Jetstar Asia Pan-Asia Brand
- Asia inbound demand
- New A321LR markets

Sustainable competitive advantage in one of the largest markets in the world

Number one position with further growth potential in Australia to Japan

- Japan is the fastest growing North Asian inbound tourism market to Australia (faster than China)
- Also #1 fastest growing North Asia market outbound for Australians
- Dual Brand deployed on bi-directional flows
  - 75% market share FY19
  - Over 40 Qantas Group frequencies per week
  - Added Sapporo-Sydney seasonal services NW19[1]
- Clear growth opportunities
  - Haneda expansion
  - 787-8 redeployment following A321LR entry into service

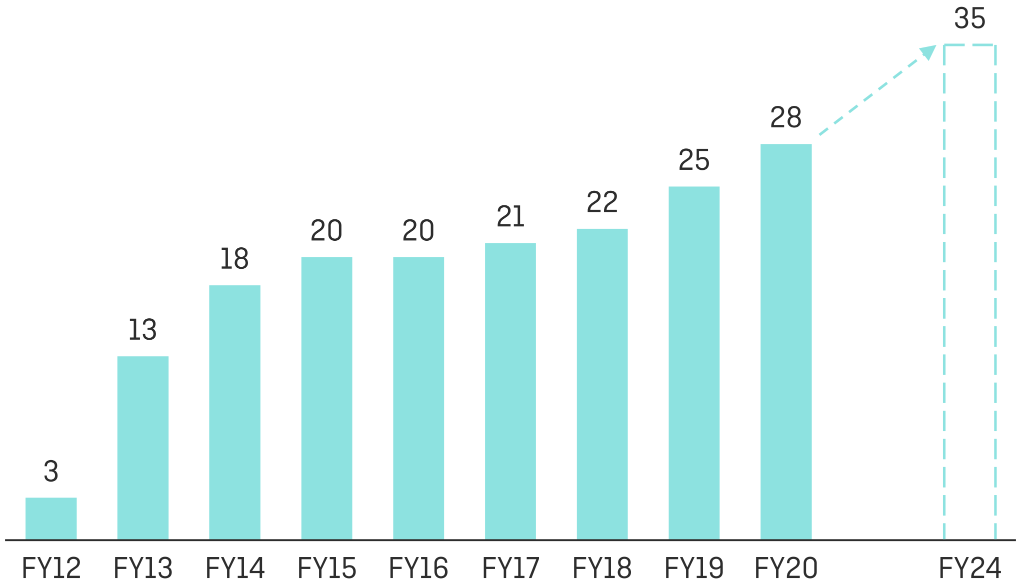


1. Northern Hemisphere Winter 2019. 2. ASKs. Source: BITRE. NH; All Nippon Airways. JL; Japan Airlines, JQ; Jetstar International, QF; Qantas International.

Japan Domestic – Competitively advantaged position in world's fifth largest aviation market

- Stable, highly profitable Japan domestic market
- Jetstar Japan is the #1 domestic low cost carrier
  - First mover advantage, in the market since 2012
  - Scale advantage with 16 destinations and 24 routes
  - Highly recognised – in the top 65 brands for Japan[1]
  - ROIC>10% in FY19 – able to self-fund growth
  - Leveraging Dual Brand know-how with Japan Airlines
- Room to grow low cost carrier penetration to 30% (3x growth)
  - Potential for 60+ aircraft (bigger than Jetstar in Australia)
  - Targeting 35 aircraft by FY24

Jetstar Japan A320 aircraft



1. 2019. Source: Nielsen report.

Significant growth potential in Asia region from Japan

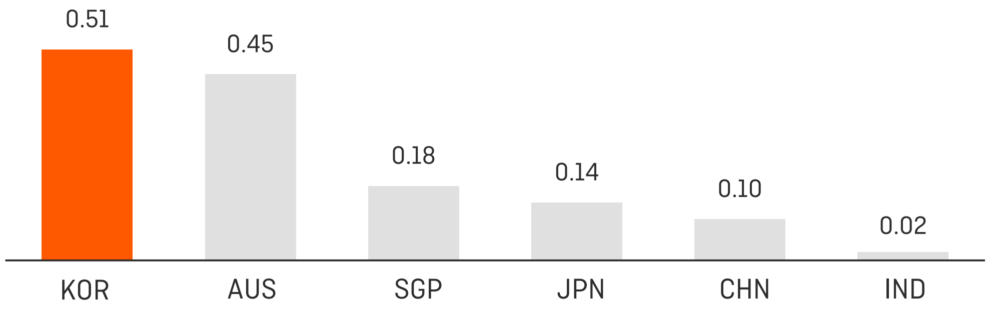
- Japan inbound from Asia growing at 27%
  - China and ASEAN major markets
  - Post-Tokyo Olympics ‘halo’ expected
- Almost 1/3 of world’s population in range of the A321LR from Tokyo
  - Only cherry-picking Japan to Asia routes now
  - A321LR cost base opens up new leisure markets
  - A321LR range allows overnight utilisation
  - Jetstar pan-Asian brand improves distribution reach
  - Pan-Asian operations lowers cost to serve

A321LR range from NRT

Korea – new inbound Asia leisure market for Jetstar

- Jetstar will launch 3pw Incheon-Gold Coast in December 2019
  - Koreans are the most frequent travellers in Asia Pacific
  - Distribution strength in both Australia and South Korea
  - Low cost long haul expertise
  - Only low fare direct service to/from South Korea
  - Government/airport support to bring tourists to Australia
- Jeju Air codeshare complements Korean distribution
  - Jeju is the oldest, largest and most profitable Korean LCC[1]
  - Similar to Jetstar positioning in Australia

International trips per capita[2]



1. Low Cost Carrier. 2. Source: Centre for Asia Pacific Aviation Report.

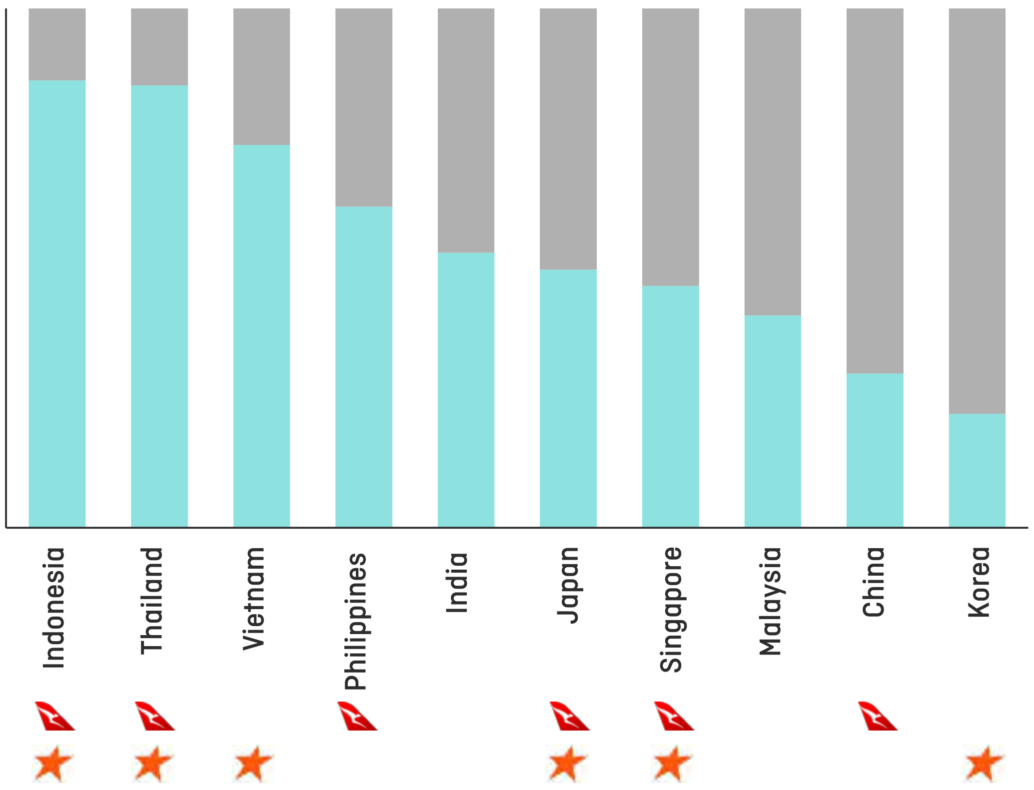
Jetstar fleet strategy underpins profitable growth in Asian markets

Lower cost	A321LRs will unlock lower trip costs and 787 redeployment on longer routes
+	
Lower risk	A321LR can operate domestic by day and international overnight for “free” international growth and higher utilisation
+	
9% 3 year CAGR[1]	Deepen existing international markets, develop emerging markets and grow new partnership markets

1. Jetstar International ASKs, Compound Annual Growth Rate FY20 to FY22.

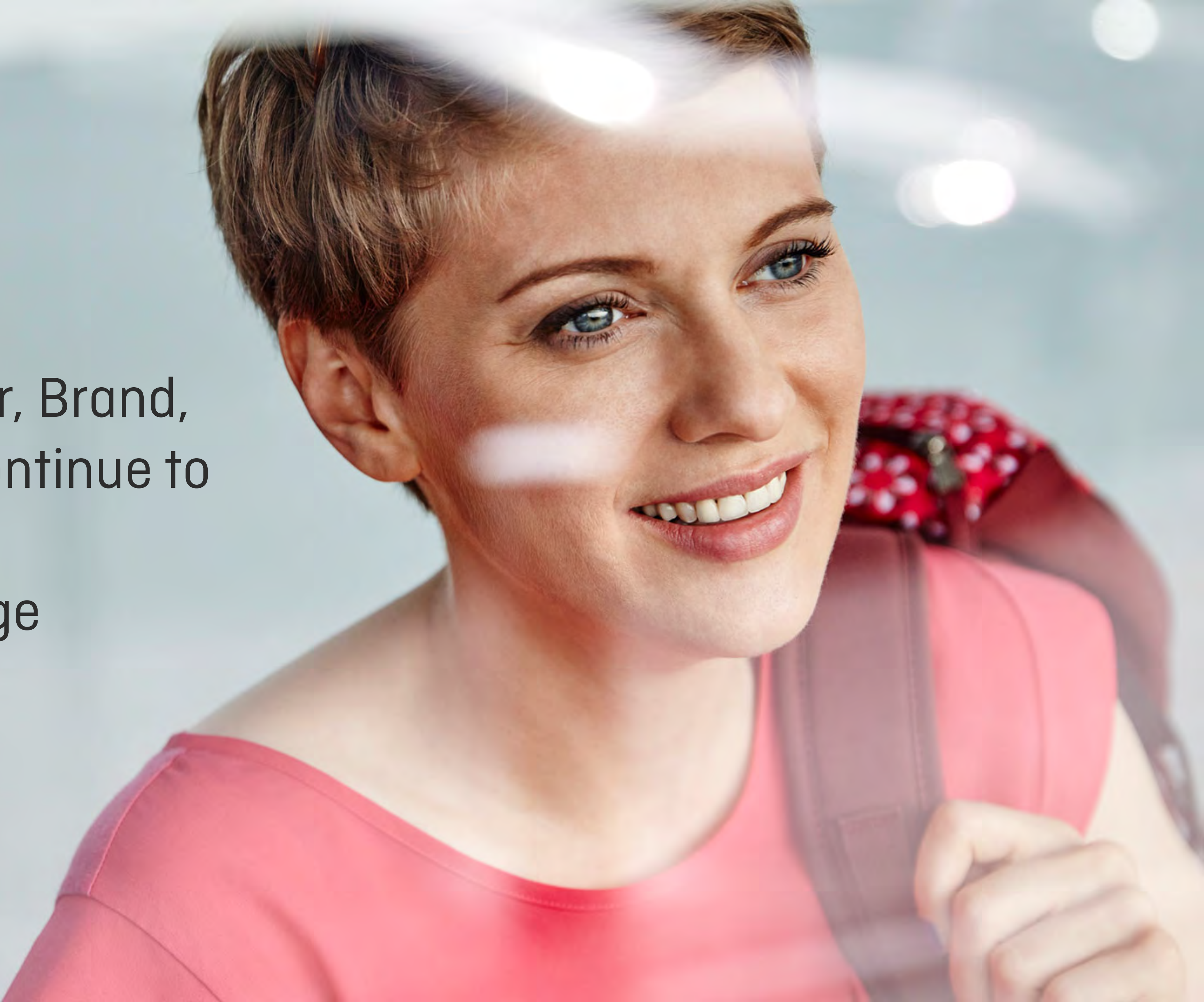
Playing where we can win in Asia

Directionality of key Asian markets (%)



Brand strength	Fly directly where Australians want to go
Distribution	Leverage partnerships and codeshares to get reach
Low cost and Dual Brand know-how	Export low cost model and ability to operate dual brands to inbound and outbound markets
Flexibility	Fleet and operating models
Domestic network	Capture greatest share of inbound passengers travelling domestically

Investing in Customer, Brand, Data and Digital to continue to deliver a sustainable competitive advantage

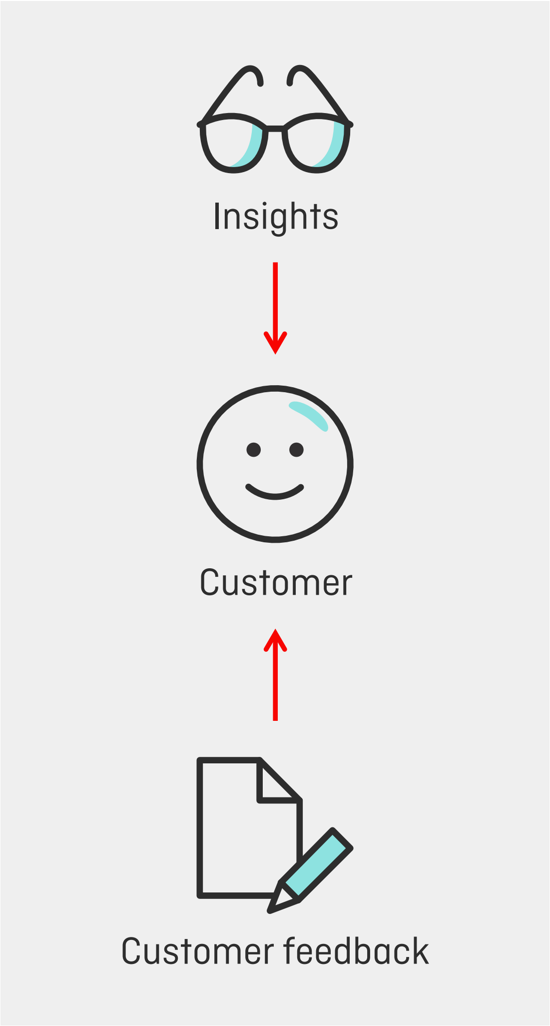


The strength of Qantas' brands are a key source of competitive advantage

Targeted to diverse customer segments and marketplaces

QANTAS	QANTAS LOYALTY	Jetstar
QANTASLINK QANTASFREIGHT	FREQUENT FLYER BUSINESS REWARDS	Jetstar (Australia & New Zealand) Jetstar Asia Jetstar Japan Jetstar Pacific
Premium business and premium leisure travel segment	13m QFF members 273,000 QBR members	Low fares price sensitive segment (business and leisure)

Customers are at the centre of our thinking



Trust[1]

- Qantas: Most trusted corporate brand in Australia
- Jetstar: Most trusted low cost carrier in Australia
- Half of Australians claim Qantas as the #1 business supporting the Australian Community

NPS

- Qantas and Qantas Frequent Flyer: Significant advantage in NPS over domestic competitors
- Qantas: Record NPS results for 787 international flights, particularly Perth-London
- Jetstar: Record NPS results in Australia and Asia

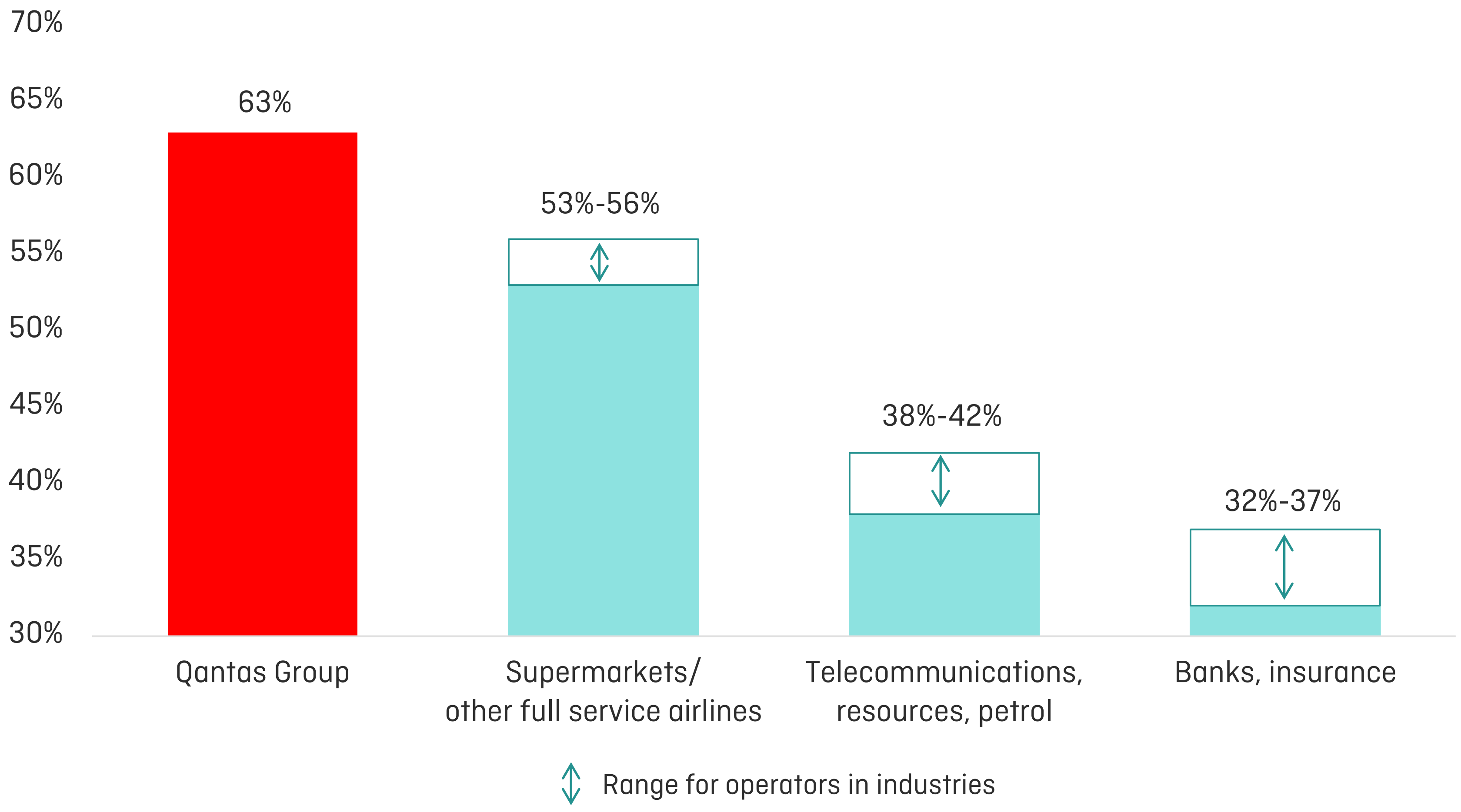
Preference

- Jetstar: Most preferred LCC in Australia for domestic and international travel
- Qantas: Most preferred carrier for domestic and international travel

1. Source: Qantas customer research programs.

Qantas continues to be in a unique position for trust in Australian businesses

Trust in the Qantas brand remains a key competitive advantage[1]



1. Source: Dynata, Q4FY19, Corporate Trust Research (Jun 2019). Respondents who scored 7-10 on the question "Overall, how much do you trust the following individual businesses operating in Australia today, where '1' means you don't trust them at all, and '10' means you have a lot of trust in them?".

Focussing on listening to our customers and responding

Three pillars: Identification, Prevention and Remediation, Customer Advocacy enable an objective voice when things go wrong or customers are not satisfied

Integration of customer and complaints reporting and governance

Successful resolution of over 90% of complaints in seven days through improved complaints management disciplines

Chatbots solving millions of interactions across Qantas and Jetstar

Technology facilitates a more comprehensive view of customers across touch points

Our strategic customer pillars are our competitive advantage

Continued investment in our product and service on the ground and in the air

ON THE GROUND

Melbourne Qantas Club and Lounges redesign

Singapore First Class Lounge

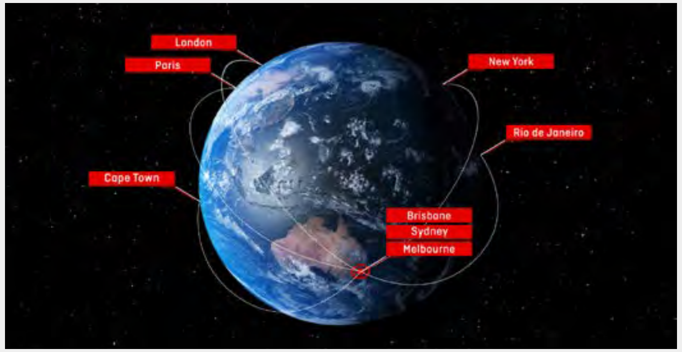
Plus upcoming lounge investments: Sydney, Hobart and Alice Springs

IN THE AIR

A380 Refurbishments

Additional 787-9s

Jetstar new A321LR



Qantas Project Sunrise

95% of Qantas Wi-Fi domestic aircraft embodied by Dec 2019[1]

Service focus including frontline training

1. 737 and A330 aircraft.

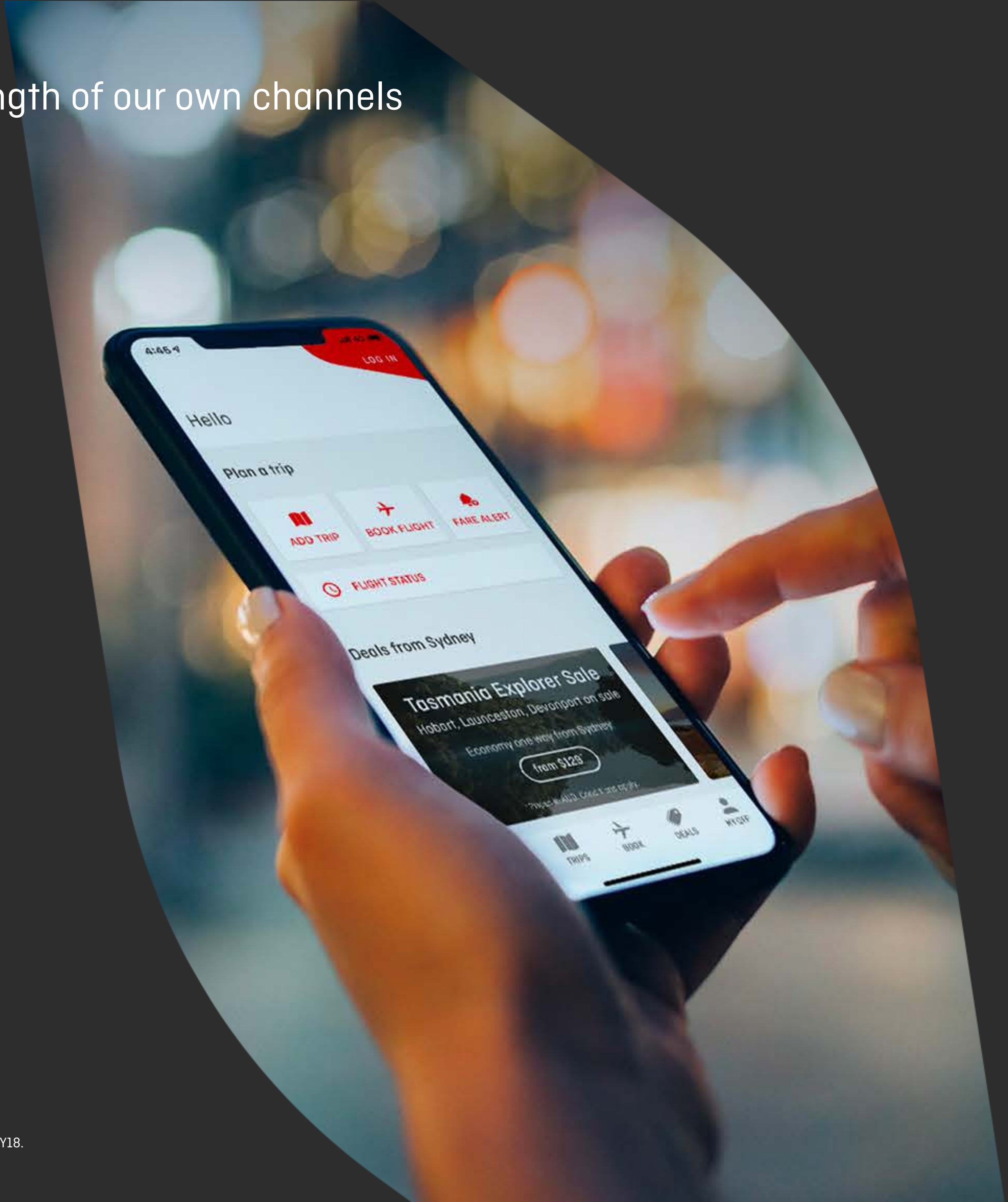
Digital success lies in the strength of our own channels

QANTAS

60%
Direct Channel share[1]

235 million
Visits to website and app per annum (+8%[2])

1 million
Monthly active app users (+21%[2])



Jetstar

70%
Direct Channel share

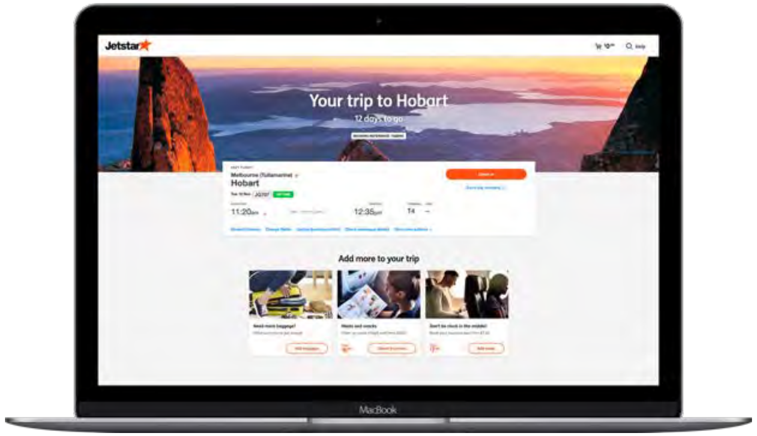
216 million
Visits to website and app per annum (+0.4%[2])

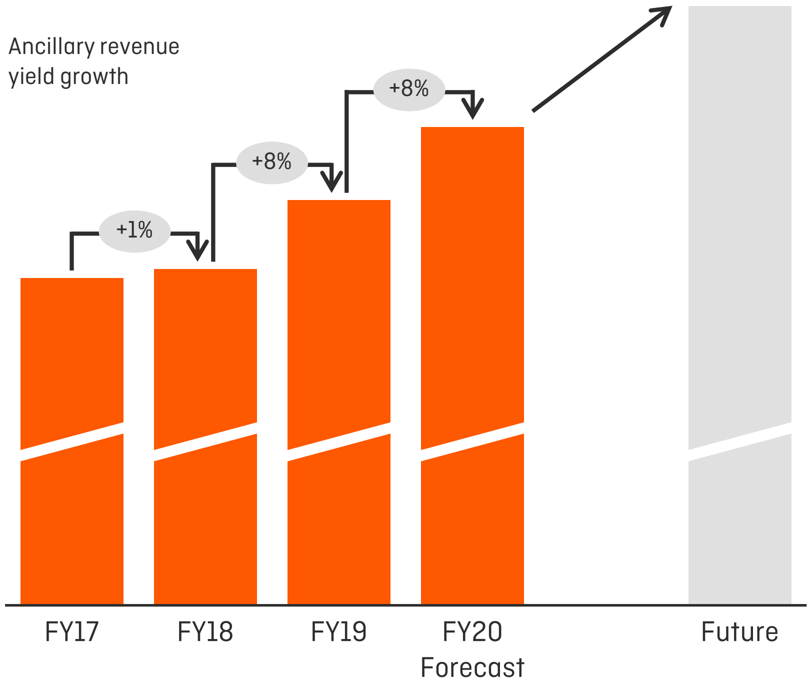
800,000
Monthly active app users (+14%[2])

1. Excludes corporates, Australia only. 2. FY19 versus FY18.

Case study: Jetstar Ancillary revenue growth

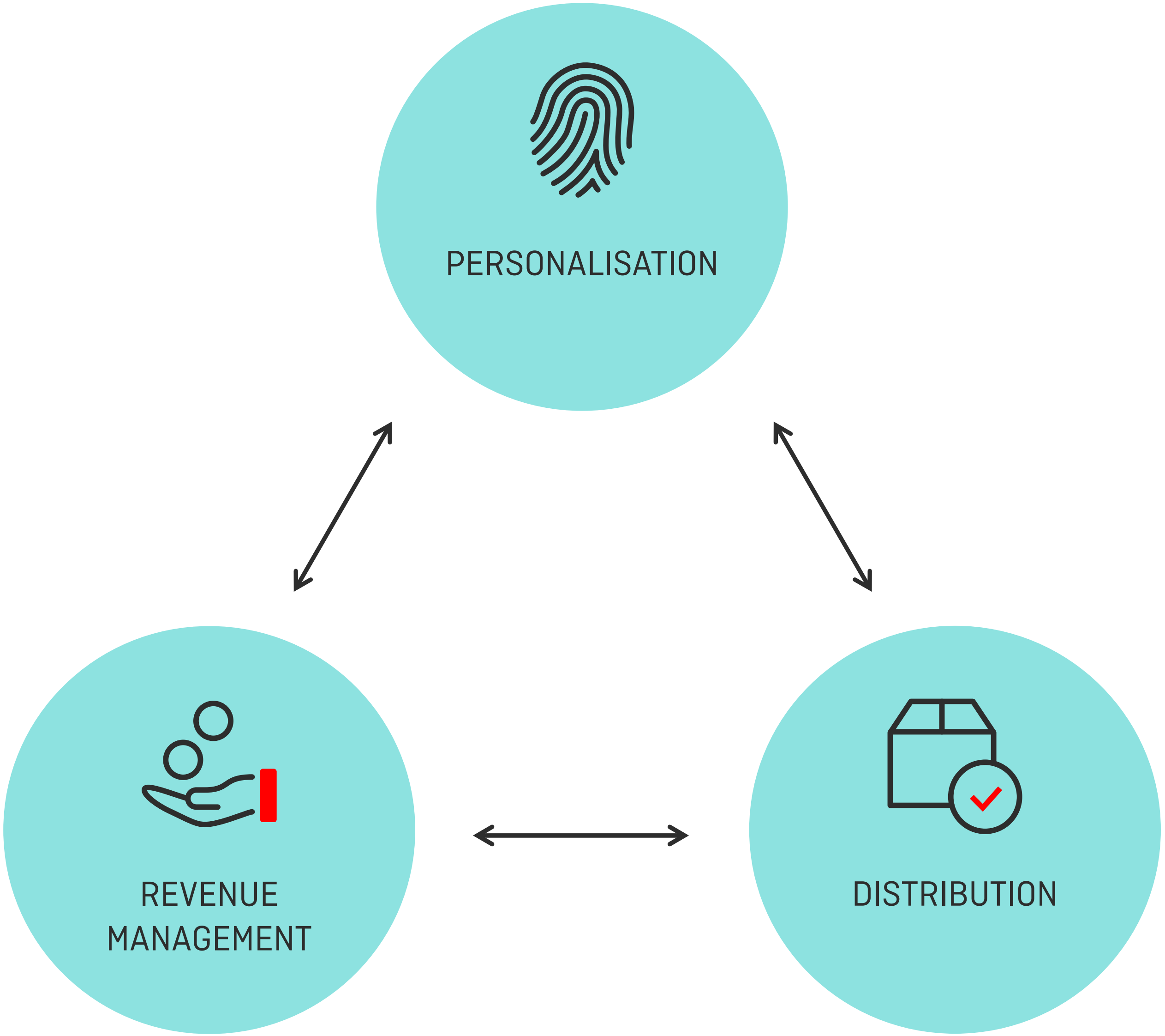
Ancillary revenue growth enabled through digital website enhancements allowing us to personalise the information we provide our customers and introduce new products and services that better suit their needs





- +3kg carry-on baggage (upgrade from the standard 7kg carry-on baggage to 10kg), 600,000 customers taken up
- 372,000 Club Jetstar members (+37% growth), saving members $30m in fares, seat selection and baggage
- Optimised and improved bundles — optimised bag, meal, seat selection and flex options
- Relaunch Manage My Booking to optimise post booking and journey management
- 73% of bookings with Jetstar add an Ancillary Product

“Know me” framework: Working together to drive greater value



Personalisation and Distribution are seeing momentum and success

PERSONALISATION

For our customer

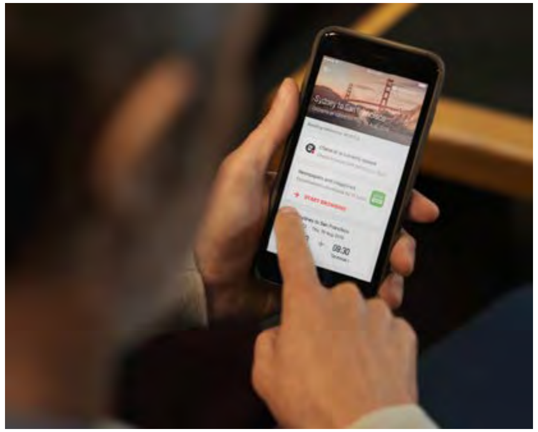
- Customer led offers over product led
- Overall satisfaction with communications increased
- Greater relevance with increased engagement

For our business

- 2x revenue return versus target in the last quarter
- Agility to respond to the market quicker
- Consistent airline intake and revenue out performance versus control group since launch

For our team

- Speed to market through increased offer output



Personalisation and Distribution are seeing momentum and success

DISTRIBUTION

For our customer

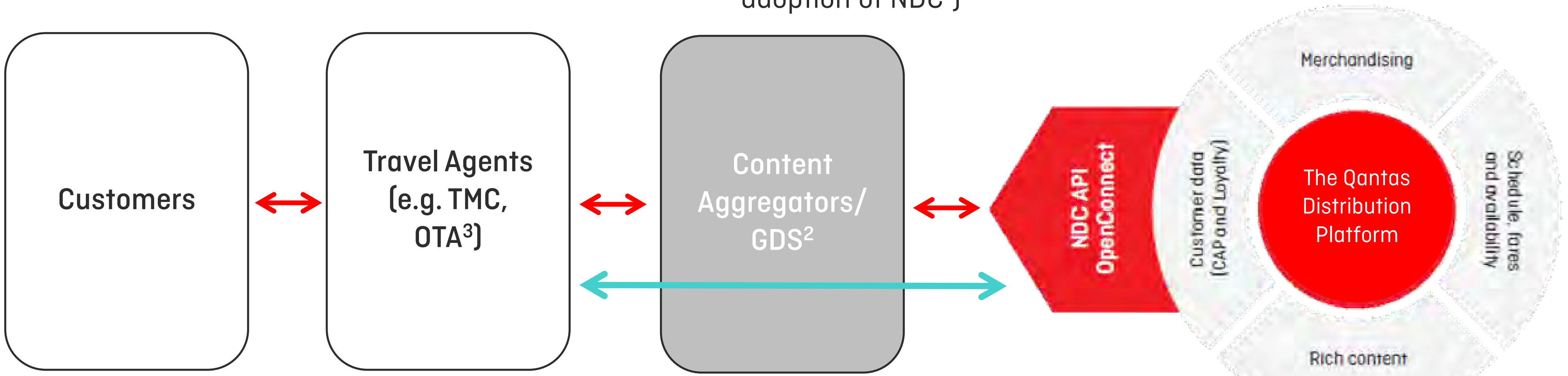
- Content innovation for the customer is at the heart of our distribution change
- Broaden customer offering within the indirect channel
- Increased visibility of the end customer at time of booking allows us to enhance their journey experience

For our business

- Compliance and greater guardrails on our content
- Ability to respond and participate in digital disruption
- Best offers are curated and controlled by Qantas
- 17,000 Qantas Channel members, covering 90% of revenue (ensuring rapid adoption of NDC[1])

For our team

- Qantas can support multiple distribution models (Direct, via new aggregators or GDS[2])
- Improved commercial decisions (shopping and booking data)
- Less restrictions on speed of innovation within our direct channel



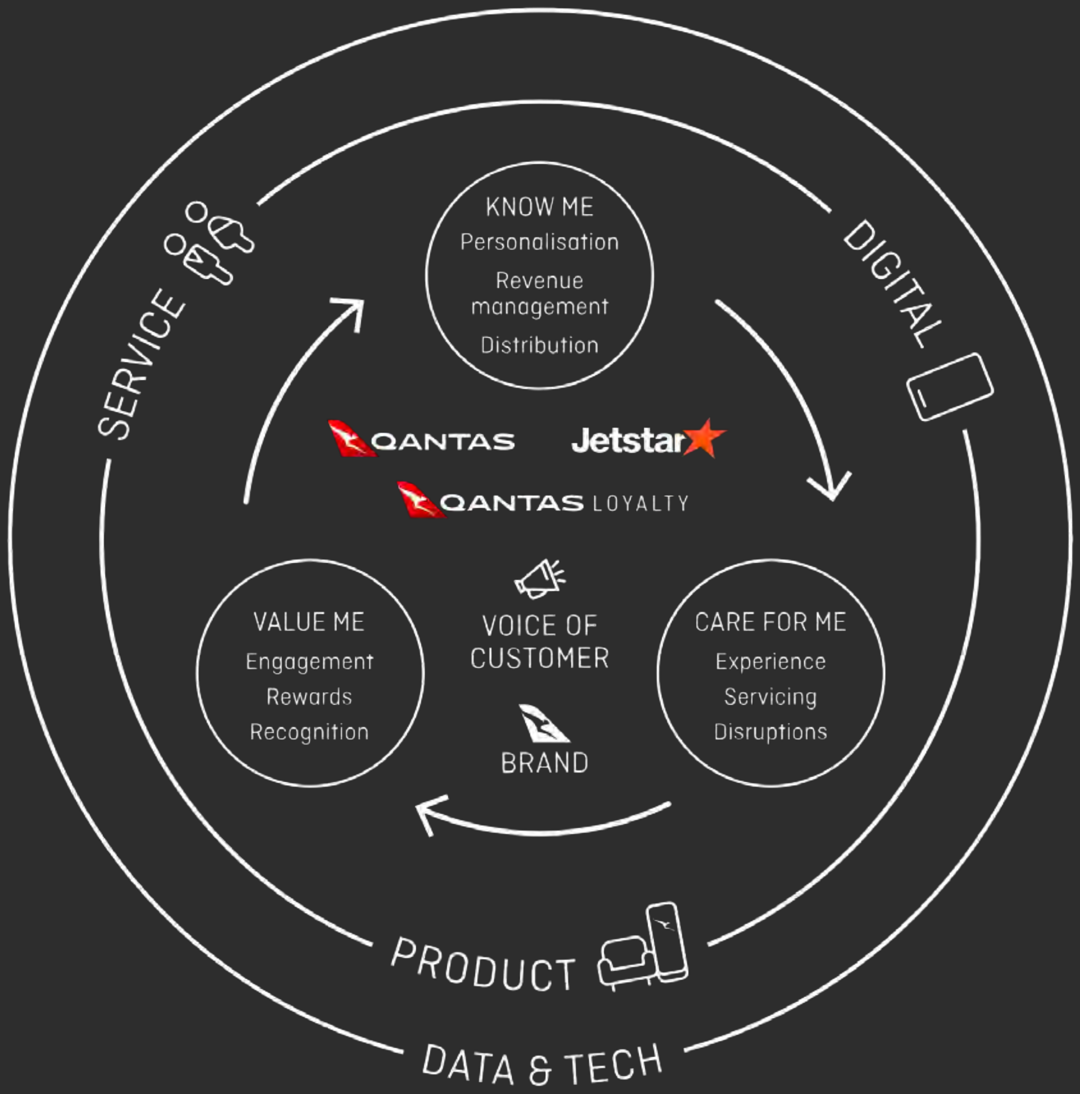
1. New Distribution Capability. 2. Global Distribution System. 3. Travel Management Company. Online Travel Agents.

Case study: Disruption management and servicing

Unmatched commitment to go above-and-beyond when making things right for our disrupted customers. Focus on **building, enhancing and optimising our digital solutions** to keep customers informed and empowered and **training our people** to deliver exceptional service in these moments that matter

- Operational investments delivering faster recoveries and tangible customer outcomes
- Continued investment in our digital ecosystem giving customers choice and flexibility in how they manage their booking in a disruption
- Automating manual processes so our people can focus on assisting our customers
- Customers empowered to self serve via Facebook Messenger, SMS and In-App chat, as well as chatting with Virtual Assistants “Jess” on jetstar.com and “Matilda” on qantas.com

Evolving our operating model to create customers for life



The Qantas Loyalty roadmap to FY22: Accelerating towards $500-600m

Qantas Loyalty is uniquely advantaged compared to local and global loyalty programs

Engaged audience

12.9m[1]
members, representing ~50% penetration across Australian population[2]

2.7m[1]
Qantas App downloads

~5m[1]
flight rewards redeemed annually

~30pts
advocacy premium over competitors[3]

Unique assets

>30 years
of innovation and loyalty experience, longest running loyalty program in Australia

1,200[4]
destinations provide unrivalled network reach

Quality partners

Only
loyalty program globally in partnership with all major banks in local market

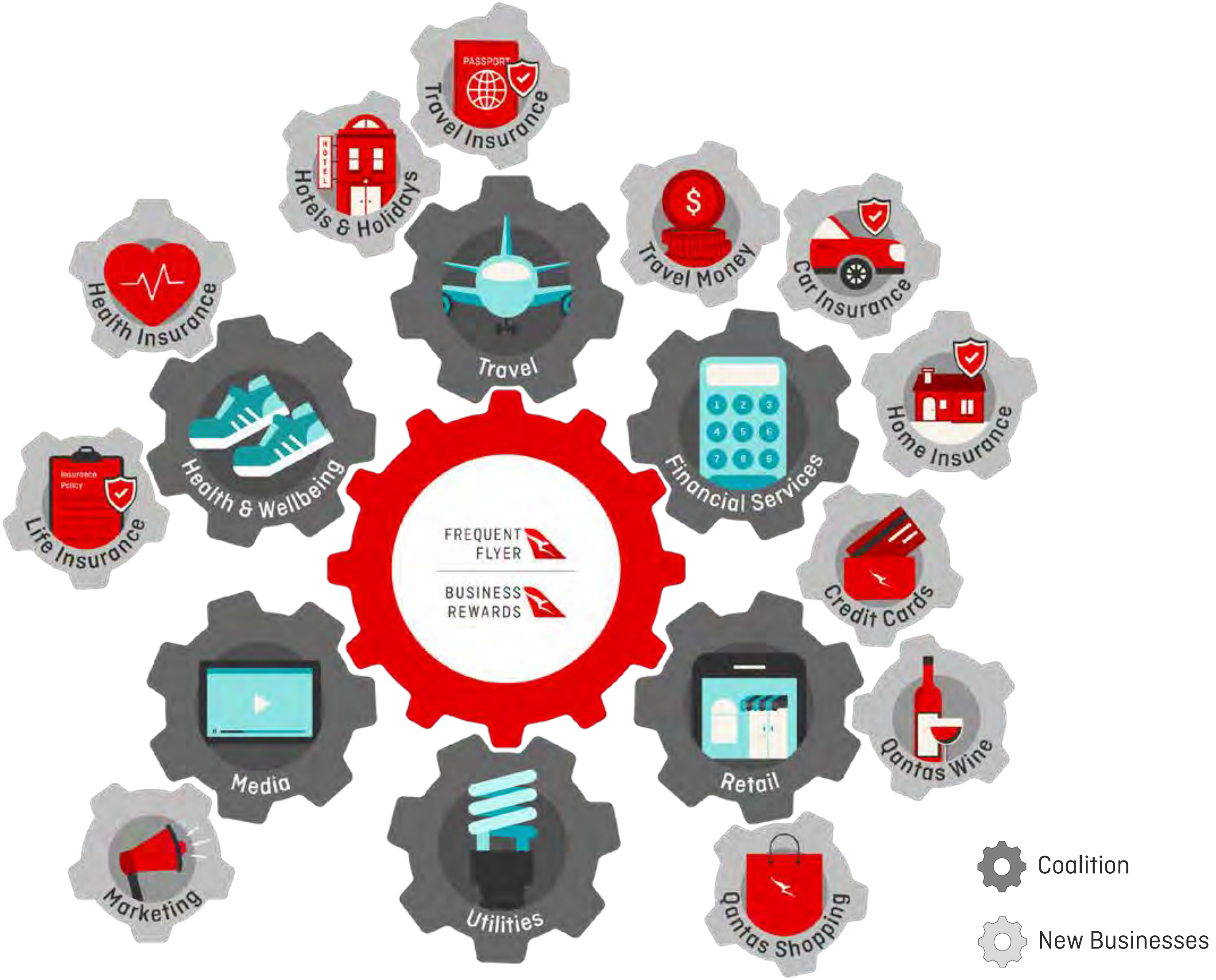
500+
partners across ~65 industries

~35%[5]
of all credit card spend in Australia is on Qantas Points earning credit cards

>50%[6]
more airline partners than nearest loyalty competitor

1. As at 30 Jun 2019. 2. Qantas internal analysis based on Australian Bureau of Statistics data as at Mar 2019. 3. Comparison against local airline loyalty programs; measured on whole of market Net Promoter Score in Mar 2019. 4. Includes destinations operated by Qantas Group and partner airlines. 5. Qantas internal analysis based on Reserve Bank of Australia credit card statistics as at Aug 2019. 6. Qantas internal analysis based on publicly available information on competitors' websites.

Evolved from a traditional frequent flyer program to a sophisticated consumer loyalty ecosystem

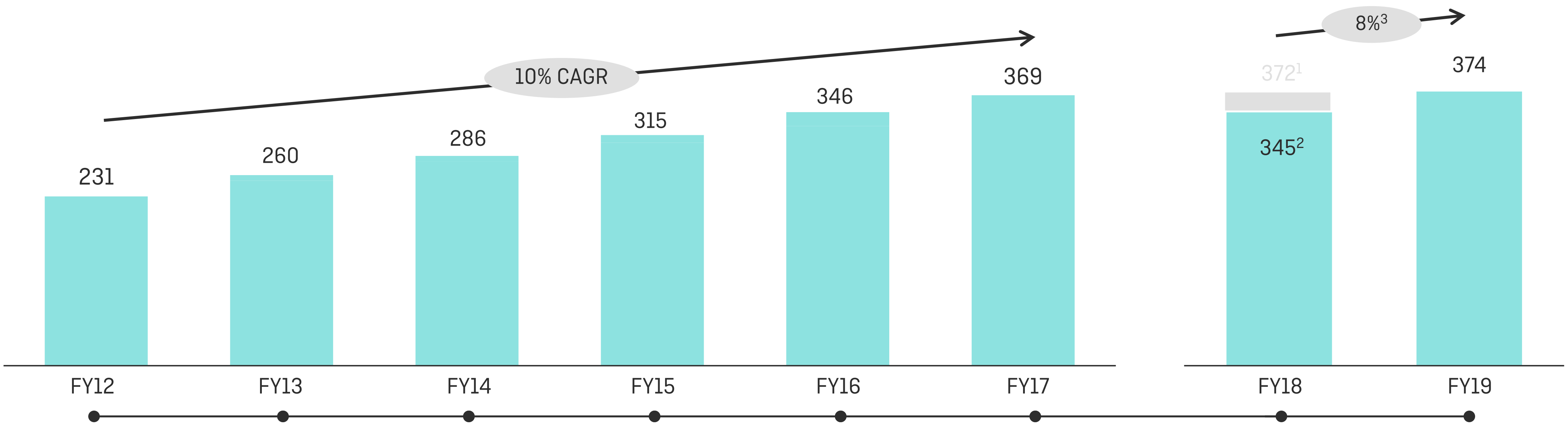


A mutually-reinforcing ecosystem, driving a network effect by:

- Rewarding members across multiple categories
- Generating value for partners by driving repeat engagement
- Supporting launch and scale of New Businesses

Business growth through a proven track record of membership growth, innovation and resilience

Qantas Loyalty EBIT evolution and key drivers, $M



	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
# Members	8.7M	9.4M	10.1M	10.8M	11.4M	11.8M	12.3M	12.9M
New businesses	QANTAS WINE	hooroo[4]	BUSINESS REWARDS; QANTAS CASH	TAYLOR FRY; QANTAS MALL; RED PLANET.	DATA REPUBLIC; HEALTH INSURANCE	[5] LIFE INSURANCE; QANTAS MONEY	[6] QANTAS WELLBEING; QANTAS SHOPPING; QANTAS HOTELS	[7] Packages

1. FY18 EBIT before restating for changes associated with the first-time adoption of AASB 15. 2. FY18 EBIT restated for changes associated with the first-time adoption of AASB 15. 3. FY19 vs FY18 EBIT restated for changes associated with the first-time adoption of AASB 15. 4. Qantas Group Accommodation initially launched as Hooroo. 5. Qantas Premier Platinum credit card. 6. Qantas Premier Everyday credit card. 7. Qantas Premier Titanium credit card.

We have a clear pathway to deliver the FY22 profit target and core member goals

FREQUENT FLYER

Targeting a profitable growth of $500-600m EBIT by FY22

A valued and trusted loyalty ecosystem

1 Members	2 Partnerships	3 New Businesses
Bringing the Dream Trip closer	**Delivering value for our partners**	**Growing new revenue streams**
Investing in member experience and enhancing program engagement	Defending and growing the core business through new partnership models	Scaling existing and launching new businesses leveraging Qantas Loyalty assets

Driving a network effect

Investing in member experience to drive program-wide engagement

1

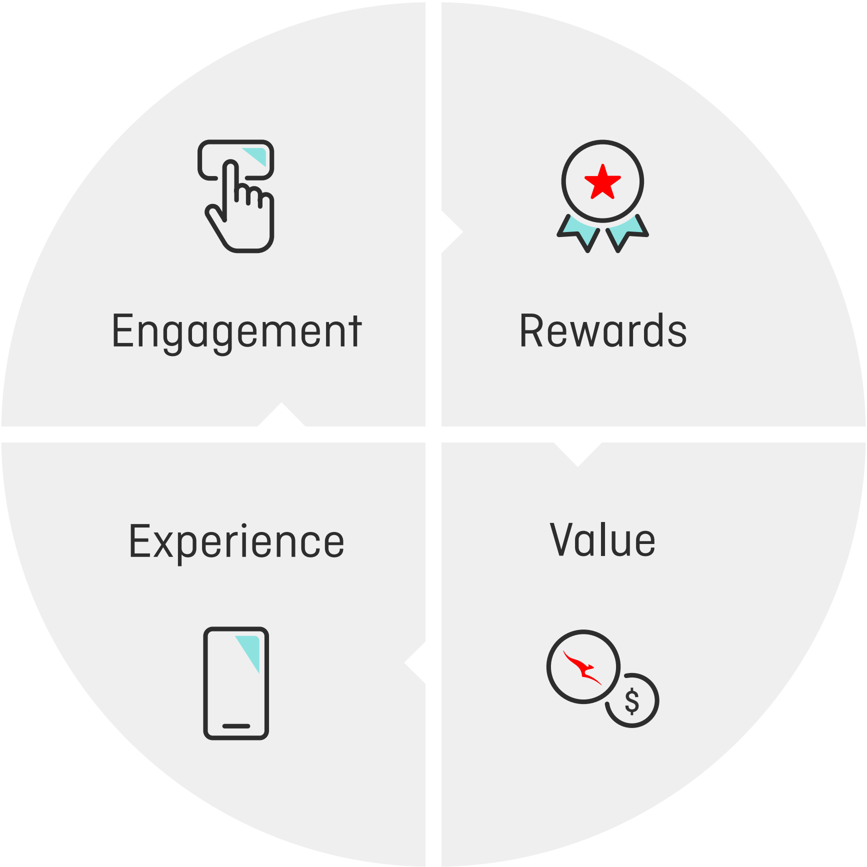
Our program is built around the member at its heart

Ongoing link between our customers and the Qantas brand

- Network of Qantas, Jetstar and 50+ airline partners providing global relevance
- Unrivalled everyday earn coalition links non-flying spend to aspiration of travel

Contextual and personalised interactions

- Tailored offers and digital experience based on member preferences and engagement
- Investment in self-service and automation to remove friction



Rewards that drive strive and create an emotional connection

- Extending recognition of QFF through partner network
- New, cohort-driven program constructs to reward high buyers, career flyers, new joiners

Investing in what matters most to members — The Dream Trip

- More reward seats and lower charges
- >100b Qantas Points expected to be redeemed in FY20 with >80% on highly aspirational flights and hotels

Investing in member experience to drive program-wide engagement

1

$25m investment to underpin program health and continued member growth

Member-centric initiatives to drive engagement

Biggest program overhaul in 32 years

- >1m[1] additional Classic Flight reward seats
- Reduced fees, rebalanced Qantas Points pricing
- Lifetime Platinum for career flyers; 'Points Club' for high-buyers
- New digital home for members delivering tailored content and utility

Underpinning long-term business growth

Increasing member lifetime value

- Higher share of flying wallet
- Higher adoption of Qantas and partner products
- Increased customer advocacy from removing program pain points
- Payback of investment expected within 12 months

Strong uplift in member engagement[2]

- 20% growth in Classic Reward flight redemptions
- 28% growth in high-value international premium cabins redemptions
- ~300k seats redeemed by members with no Classic Reward activity in the prior 18 months

Bringing the Dream Trip closer for our members

1. On Qantas and partner airline network as per program announcement made in Jun 2019. 2. Qantas internal data for period between 20 Jun and 11 Nov 2019.

Defending and growing the partnership coalition – the core of our business

2

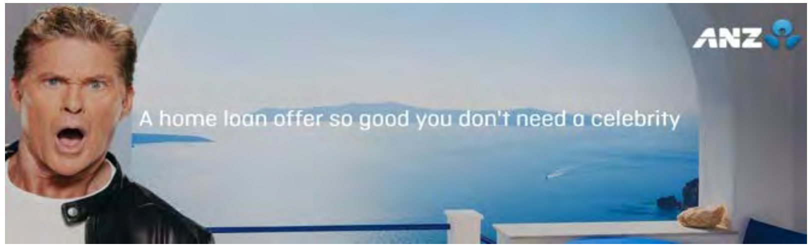
Outperforming market and diversifying our core financial services offerings

Stable growth in co-branded credit cards instilling confidence

- >50 Qantas Points earning credit cards in collaboration with ~20 financial institutions, including all major Australian banks
- Qantas Points earning credit cards continue to outpace the market despite softer industry operating environment
- Strong growth in international financial services; growth in partners from 4 to 12[1], ~80% growth in partner revenue[1]

Diversification in partner offerings extending core financial services offer

- **Launch of new mortgage product offer** with ANZ
  - Higher than expected application volume during the campaign
- **New earn category; Superannuation** — AustralianSuper
  - ~15k members made the switch during first six months of the campaign[2]



Enabling ~5% EBIT CAGR from core coalition through expansion and evolution of partnership models

1. FY19 compared to FY18. 2. Mar to Sep 2019.

Defending and growing the partnership coalition – the core of our business

2

Scale and frequency of engagement reinforcing value for our members and coalition partners

- **Market leading coalition in Australia**
  - ~500+ coalition partners[1]
- **Key 'everyday earn' partners** across pharmacy, fuel, energy, department store and grocery
  - Retail partnerships delivering members opportunities to earn everyday; ~25k Qantas Points earning transactions[3] per day
  - Qantas Points issuance from retail partnerships to increase by ~30%[4] driven by newly announced partnerships
- Future growth from **better serving our partners and members beyond points**

New 'everyday earn' partnerships in FY20

TerryWhite Chemmart	bp	Woolworths
Jul	Sep[2]	Oct (Enhanced)

Enabling ~5% EBIT CAGR from core coalition through expansion and evolution of partnership models

1. As at 30 Jun 2019. Includes Qantas My Card Offers. 2. Announced in Sep 2019, launching in 2020, subject to approval by the Australian Competition and Consumer Commission. 3. Transactions made in 12 months ending Oct 2019. 4. FY20 compared to FY19.

Defending and growing the partnership coalition – the core of our business

2

Growth from diversification into SME[1] sector with Qantas Business Rewards

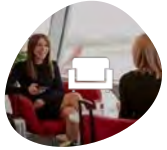
Rewarding Australian small businesses

- **Qantas' B2B[2] loyalty program** that rewards SMEs[1] with Qantas Points and savings on their business expenses

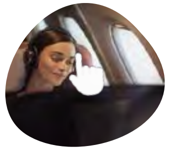
Qantas Business Rewards member benefits

Earn Qantas Points

Save $$$ on flights



Enjoy exclusive Qantas Club and member offers

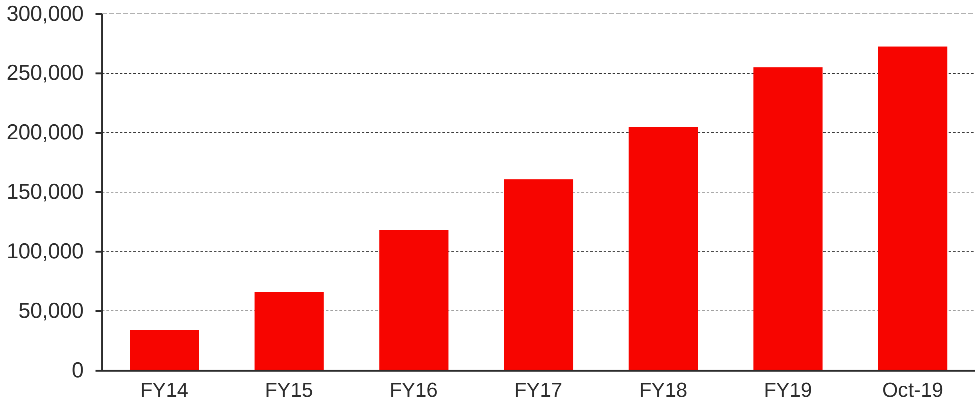


Redeem Qantas Points for rewards

Delivering value to Qantas Loyalty and the Qantas Group

- Strong **revenue growth** from partners (over 80%[3])
- Growth in membership to **270,000+ members**
- **60+ partners** across a wide range of spend categories
- Successful launch of **new B2B[2] Online Mall**
- Significant **contribution to airline revenue** (>$1b p.a.)

Consistent membership growth



Australia's most successful business loyalty program with a strong growth profile

1. Small-to-Medium Enterprise. 2. Business to Business. 3. FY19 compared to FY18.

Broader engagement has a multiplier effect for partners and Qantas

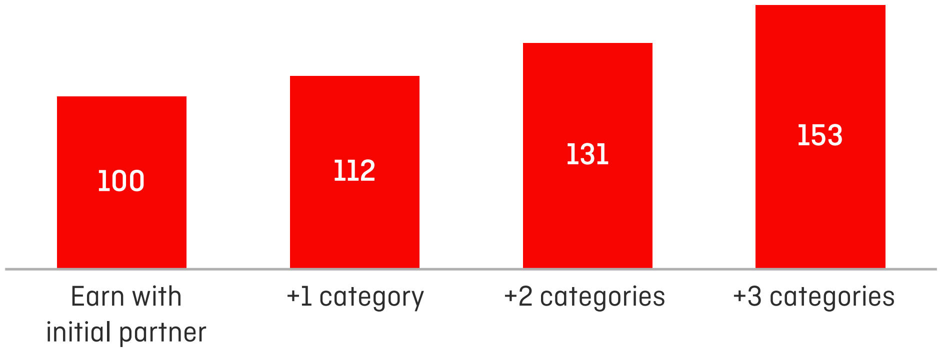
2

Breadth of program engagement multiplies points on offer

Number of members	Level of members' expenditure	Number of loyalty participants (e.g. earn partners)	Use of loyalty affiliated payment methods
More people participating	× ... and spending more	× ... and engaging with loyalty programs in more ways	× ... and with more payment methods to earn points

Generating an uplift in partner earn[1]

Index of member points earn with initial partner as engagement evolves across other categories



Flights | Cards & Banking | Shopping | Cars & hotels | Insurance | Food & Wine

The initial partner earns more as the member engages across multiple categories, resulting in a benefit for the initial partner and a benefit for Qantas Loyalty

Increasing breadth of the Qantas Frequent Flyer ecosystem reinforces existing partner earn benefits

1. Qantas internal analysis, as at Oct 2019.

Scale and launch New Businesses

3

Proven track record of developing and scaling new businesses

Continued double digit growth in health insurance

- #2 for growth in net persons insured for past two years[1]
- ~45% growth in FY19[2]

Continued growth in the Qantas Money portfolio

- $4.4b spent on Qantas Premier credit cards since launch[3]
- ~110% growth in total cards issued over the last 12 months

FREQUENT FLYER | QANTAS INSURANCE

FREQUENT FLYER | QANTAS HOTELS

FREQUENT FLYER | QANTAS MONEY

FREQUENT FLYER | QANTAS WINE

Rapid scaling of Qantas Hotels

- Continues to grow at double the OTA industry growth rate[4]
- 36% growth in revenue[2], from >700k guest bookings across >330k available properties

Qantas Wine growing at **double the rate of online liquor industry**

- Top five online players[5]

More than doubling[6] New Businesses earnings contribution to 15-20% in FY22

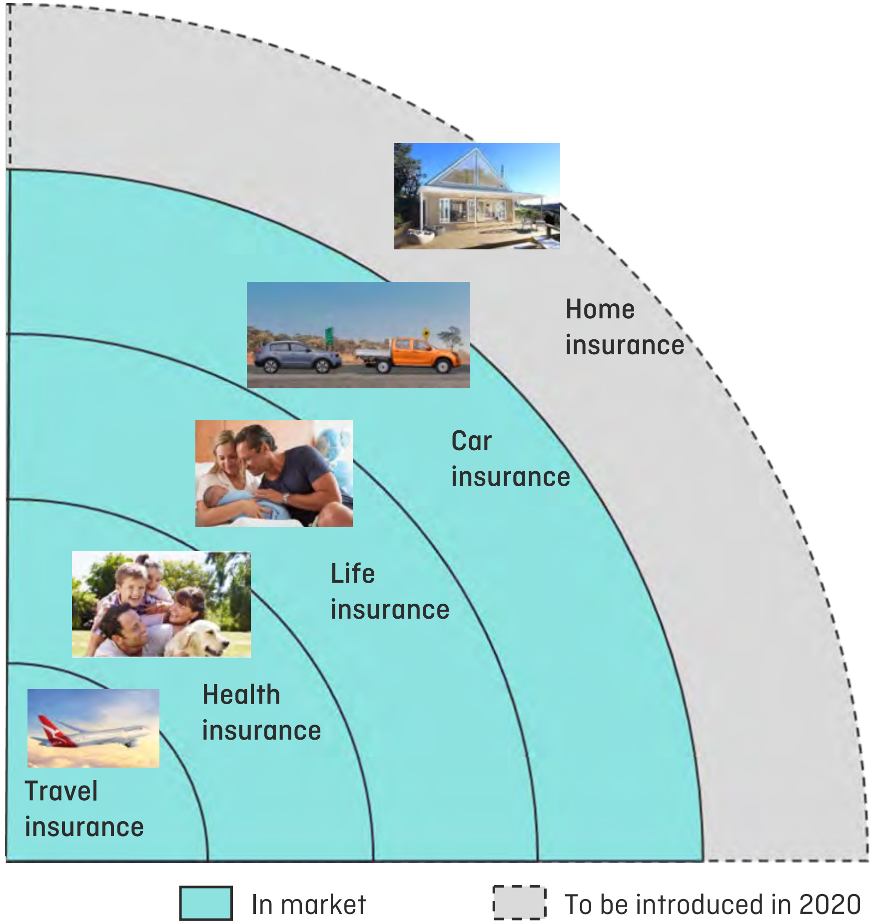
1. Based on FY18 and FY19 growth on prior year in net persons insured compared to all other private health insurance funds. Analysis based on Australian Prudential Regulation Authority Private Health Insurance operations report for FY17, FY18 and FY19. 2. Compared to FY18. 3. Platinum credit card launched in FY17, Qantas Everyday credit card launched in FY18 and Titanium credit card launched in FY19. 4. Online Travel Agents industry. Qantas Internal Analysis. Source: IBISWorld. 5. Qantas Internal Analysis. Source: IBISWorld. 6. Compared to FY17.

Scale and launch New Businesses

3

Our latest launch extends our Insurance portfolio

Evolution of the Qantas Insurance portfolio



Understanding our latest venture

Insights
Digital
Members

Compelling member experience — drives effective member acquisition and engagement leveraging QFF data and digital capabilities

Rewards

Market **differentiated proposition** driving positive behaviour in an engaged manner (e.g. Qantas Points for safety)

auto general

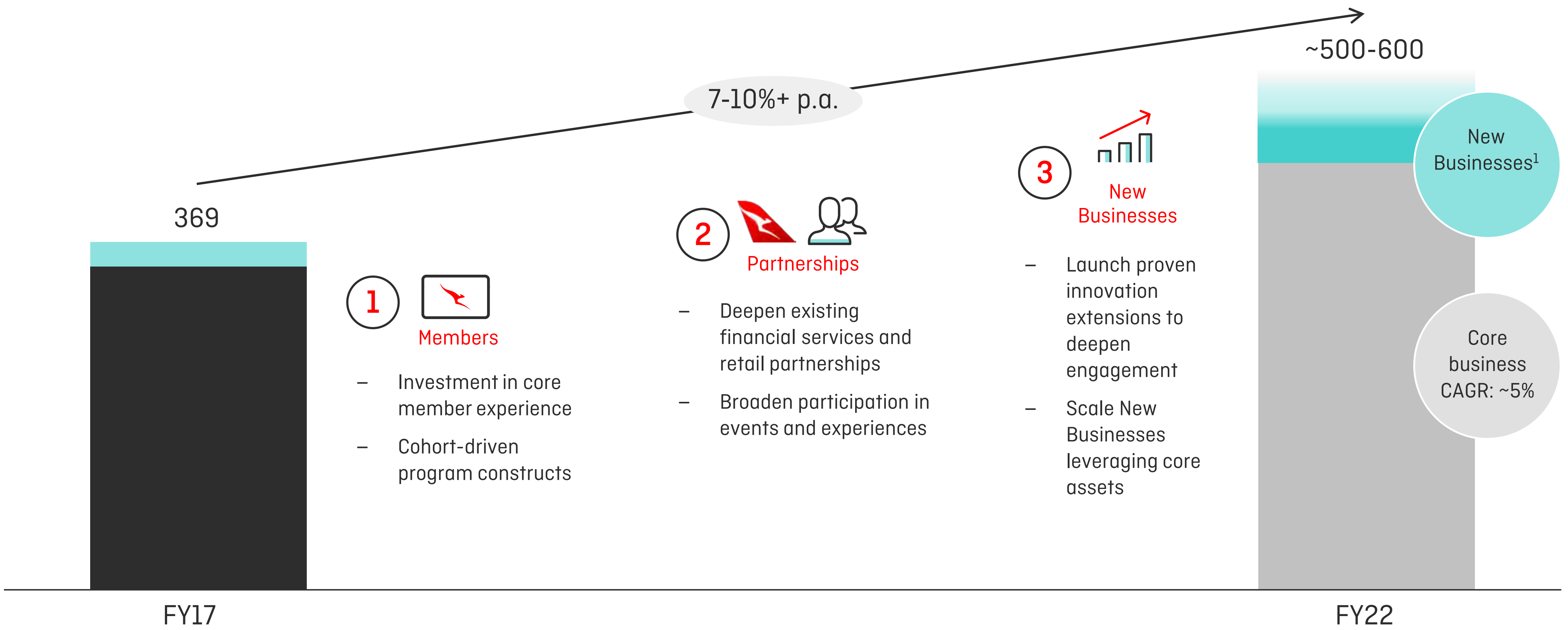
Disruptive growth partner — Auto and General is Australia's fastest growing motor and home insurer. They bring their expertise, underwriting of risk and claims management to the partnership in this $10b[1] industry

Price competitive position in market

1. Based on industry gross earned premium in FY19. Source: The Australian Prudential Regulation Authority.

We are confident we have the track record and momentum to achieve our FY22 goal

Qantas Loyalty EBIT evolution and key drivers, $M



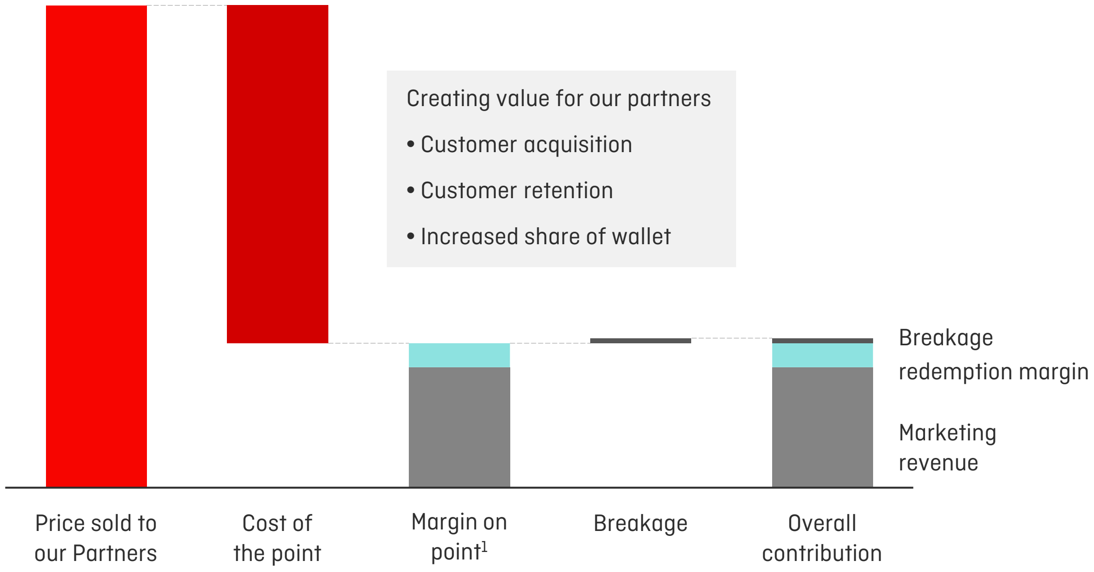
Strong earnings growth momentum from 2H19 continuing with expected double digit EBIT growth in 1H20

1. Illustrative: Future growth profiles for New Businesses not expected to be linear.

Unique assets and capabilities have enabled diversified sources of value

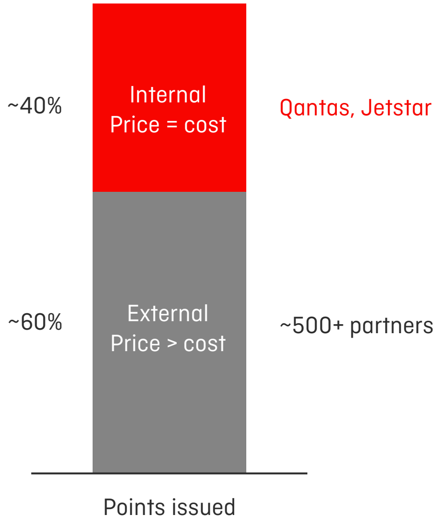
Core points sale

Core points sales – generates points margin



Margin is only generated on ‘external points’

(unique to other airline loyalty programs)



+

Share of revenue from New Businesses

QANTAS INSURANCE

QANTAS MONEY

QANTAS HOTELS

QANTAS WINE

1. Recognition is split across time of issuance and time of redemption.

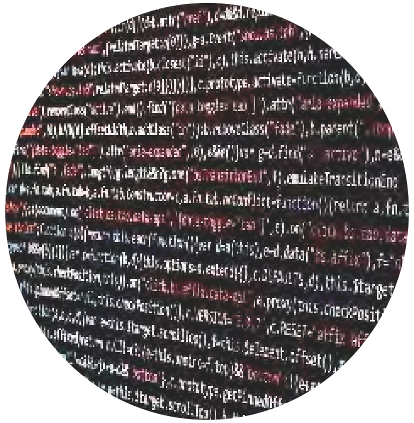
People and Culture

Global forces are shaping our People and Culture strategy

New centres of customer demand and geopolitical influence

- Asian heritage
- Asian cultural competency
- Workforce flexibility

Rapid digitalisation and the rise of Big Data



- Digital capabilities
- Automation and impact on nature of work
- Competition for talent

Shifting customer and workforce preferences

- Mimic customer expectations
- Reflect employee values
- New ways of working and methodologies

Resource constraints and climate change

- Environmental impact
- Alternative energy sources
- Protect employees from extreme weather

We have a diverse and experienced workforce

Gender

Male 58%

Female 42%

Australia-based

88%

By type

Employees (FTE) 29,000+

Contractors 1,600+

Employees under EBA 80%

Languages spoken

31+

onboard our aircraft[1]

Country of birth

160+

By age

Gen Z (< 23) 4%

Millennials (23 – 38) 33%

Gen X (39 – 54) 43%

Baby Boomers (55 – 73) 20%

Female senior leadership

36%

Aboriginal and Torres Strait Islanders (ATSI)

400+

1. International Cabin Crew with 'Advanced Proficiency' languages as at 1 Oct 2019.

Our employee value proposition is unique and differentiated

Connection	History	Brand and values	Purpose	Aviation industry
Experiential	Customer focus	Culture	Diversity and inclusion	Agility and flat structures
	Balance and flexibility	Breadth of business	Innovation	Products
Benefits	Salary	Travel		

Nurturing a healthy culture strengthens our business

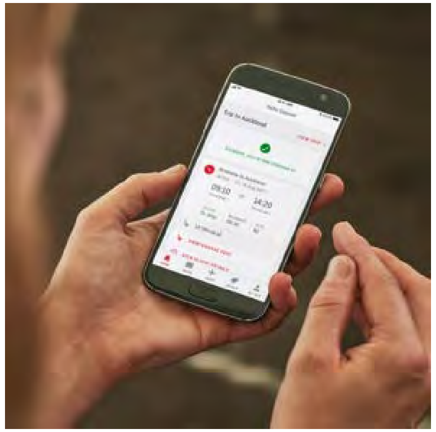
Clear Purpose

We take the Spirit of Australia further

Healthy culture

Clear behaviours, goal setting and accountability

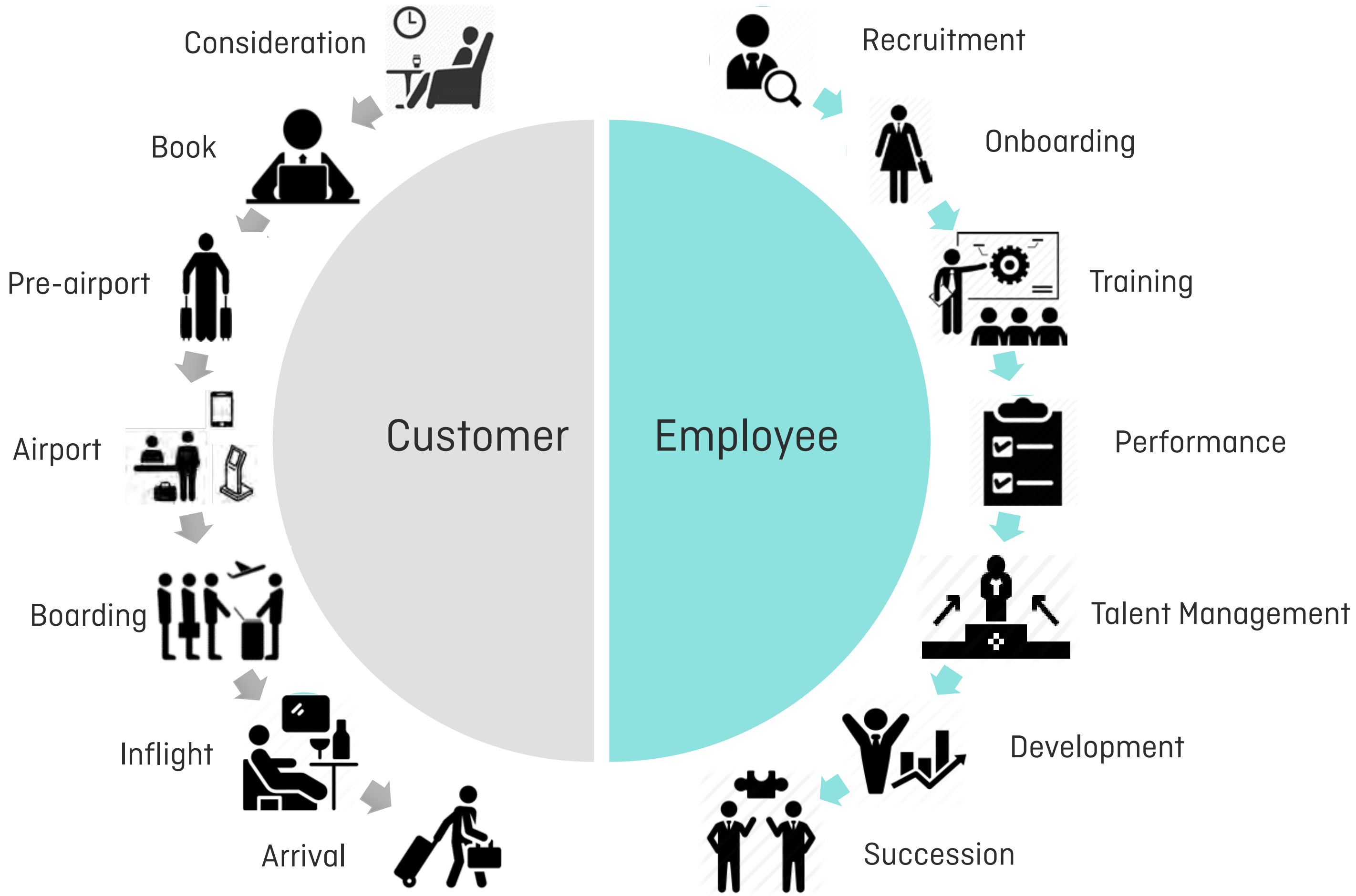
Investment in leadership and our people



Agile, innovative ways of working

Strong sense of community and appreciation

We have mapped out the employee experience, mirroring the customer experience



- Understand the 'moments that matter'
- Utilise listening and behavioural data
- Leverage frequent pulse surveys
- React and adapt to ongoing feedback

We are actively pursuing employee growth in areas aligned to global forces

Global pilot incremental demand[1]

- Pilot demand driven by rapid growth in Asia
- Increasing competition for talent from other industries
- Pilot Academy established to grow supply and encourage careers in industry
- Opportunity to leverage geography, Australian operating environment and Qantas brand to train pilots for other airlines, particularly in Asia-Pacific

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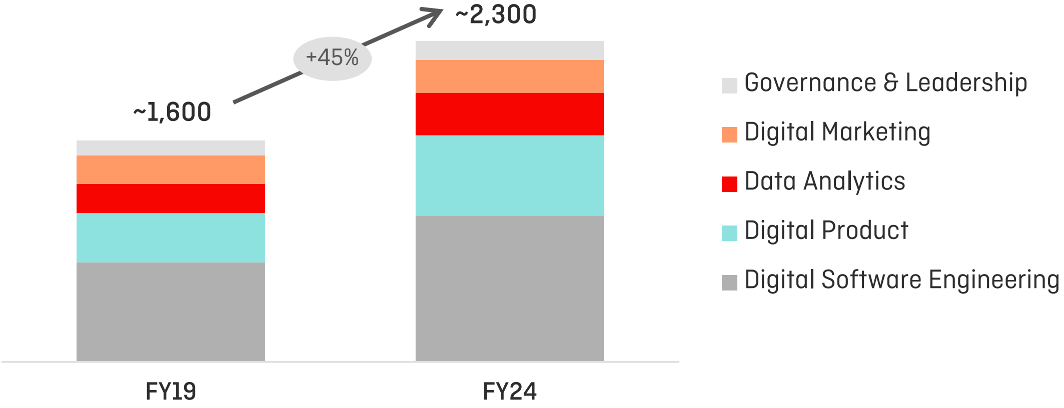
- High demand driven by digitalisation and the rise of Big Data
- Competition for talent for digitally capable workforce
- Digital workers tend to be Millennials with different expectations of the employee experience and career progression
- Requirement for reskilling to ensure sufficient supply
- Specific employee value proposition developed to recruit and retain capabilities

Qantas Group digital workforce



1. Source: Boeing 2019 Pilot and Technical Outlook.

Enabling our people to do their best work will drive extraordinary outcomes

- Right capabilities aligned with needs and growth
- Understand 'moments that matter' in employee lifecycle
- Support with technology, training and leadership
- Cost competitive, flexible and productive workforce

CEO Wrap Up

100 Years of The Spirit of Australia

Key messages you should take away from today

- Positioned to deliver higher domestic operating margins
- Building a resilient Qantas International delivering ROIC > 10%
- Jetstar's International and Asian portfolio are positioned deliver ROIC > 15%
- Qantas Loyalty will deliver on its growth target
- Investing to drive superior customer experiences
- Transformation will continue to drive valuable outcomes across the business
- Enabling our people to be their best
- We have sufficient planned capex to maintain competitive fleet
- The Group is a leader in acting responsibly to maintain our social licence to operate
- Disciplined application of our Financial Framework maintains balance sheet strength

Building on our sustainable competitive advantage

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