

## Fleet renewal

The Group is investing significantly in fleet renewal taking delivery of a new aircraft every three weeks on average for the next few years. The incoming aircraft, which will begin replacing our existing fleet which has an average age of 14.2 years<sup>1</sup>, will help Qantas and Jetstar restore capacity and expand their networks while lowering emissions and improving efficiency.

In June 2023, Qantas finalised our incremental order for nine A220-300s, bringing the total order to 29 A220-300s. These next-generation aircraft, through longer range and better economics, will improve how our customers travel around Australia. Qantas has also commenced the retirement of the older B717 fleet, with the first aircraft exiting service on June 2023 after 19 years of flying.

In August 2023, we announced an order of 24 aircraft (12 Airbus A350s and 12 Boeing 787s) arriving from the 2026/27 financial year to progressively replace the existing A330 fleet.

Qantas Freight announced the purchase of six Airbus A321 freighters, which are expected to progressively arrive between early calendar year 2024 and mid-2026, replacing the fleet of five Boeing 737 freighters. Each A321 freighter can carry 23 tonnes of cargo, nine tonnes more than the older 737s, and are around 30 per cent more fuel efficient per tonne of freight carried.

A total of nine A321neo LR (NEOs) aircraft have joined the Jetstar fleet<sup>2</sup>, with the initial order of 18 set to be delivered by the end of 2024. The NEOs' CFM Leap A1 engines burn up to 20 per cent less fuel than Jetstar's earlier A321 aircraft.

In the first year of flying, the airline's current NEO fleet has reduced total emissions by more than 16,000 tonnes. In addition to the fuel savings, the NEO has up to a 50 per cent reduction in noise footprint compared with our existing A320 and A321 aircraft. This significant noise saving occurs during both departure and arrival.

## On the ground

While emissions on the ground are a relatively small part of our total emissions profile, we are seeking to further reduce our footprint.

Through our partnership with BP Lightsource, we have increased our procurement of renewable electricity, purchasing large-scale generation certificates (LGCs). From the start of 2022, we have sourced LGCs to cover 100 per cent of the electricity consumption in all Qantas Group buildings throughout Australia.

During FY23, Qantas Freight purchased an electric main deck pallet loader to support our new A330P2F freighters. The new electric loader is powered by a rechargeable lithium-ion battery. The new loader can perform several turnarounds on a single charge and will be able to service all Qantas and customer aircraft currently handled by Qantas Freight.

### CASE STUDY — Wings of change

Qantas is installing Split Scimitar Winglets on 23 of our Boeing 737-800, which will increase the fleet's fuel efficiency and reduce carbon emissions.

The Split Scimitar Winglet System is a modification of the current Blended Winglet System. It further reduces aerodynamic drag on the aircraft resulting in fuel savings and carbon emissions reduction, as well as increasing payload, range and take-off performance capability.

Qantas B737-800 aircraft fly both domestic and international sectors.

The installation will begin in December 2023 at our maintenance base in Brisbane, Queensland and is expected to be completed by the end of 2026.

When installation is completed, it is expected carbon emissions will reduce by 8,000 tonnes per year.



### OUR FOCUS IN FY24 WILL INCLUDE:

- Accelerating fleet renewal opportunities including advancing A320 NEO deliveries
- Developing a mid-life refresh for the Jetstar 787 fleet to enhance the cabin while replacing old and heavier product and technology systems on board
- Continuing digitalisation of operations by rolling out paperless engineering in Jetstar with an eMobility suite of apps that removes paper-based processes onboard and in maintenance support areas from 2023.

1. Average fleet age: The Group's scheduled passenger fleet including both owned and leased aircraft. The Qantas Group's scheduled passenger fleet does not include dedicated freighters, wet-lease aircraft and Network Aviation F100 fleet.

2. As of 31 July 2023.