



CHARLIE VICTOR

The CGO issue

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WELCOME

Welcome to *Charlie Victor*, our new magazine for our valued customers and staff. This company holds a special place in the hearts of its employees; as a family of close-knit air cargo enthusiasts, we have shown again and again that Cargolux's reputation as a unique player on top of the industry is well earned. We believe that you will find the following pages as colourful and divers as Cargolux is. With *Charlie Victor*, we will give you a glimpse into our world and show you what it is that makes us special.

It's not only that we make every effort to ensure the best possible service for our customers, regardless whether they have highly specialized needs or routine, everyday shipments. It is that we understand the importance of what we do, that personal and professional lives are affected by everything we carry, be it machinery, a transplant organ, medical products or thoroughbred horses and consignments of flowers. Our highly skilled and dedicated teams are partners of our customers and understand what is at stake. Exceeding expectations is our daily bread and butter.

We know that we are not alone in this business and others have large freighters too. But, personal care, communication, flexibility and specialist knowledge of every client's need is central to what makes us different. Each edition of this magazine will present the people, ideas, processes and technology that enable us to achieve this. We are passionate about our work, as you will soon discover in these pages.

As for the magazine's name, *Charlie Victor* refers to Cargolux's Iata code CV. Which, in Nato alphabet spells, you guessed it, "Charlie Victor". What better way to highlight our people-centred work than by using the name that every Cargolux employee identifies with!

MOA SIGURDARDOTTIR

HEAD OF CORPORATE COMMUNICATIONS

3



Going the extra mile

DIRK REICH TOOK THE CAPTAIN'S SEAT AT CARGOLUX TWO YEARS AGO. AT A TIME WHEN NOT ONLY THE COMPANY, BUT THE WHOLE INDUSTRY HAD TO STEER THROUGH SEVERE TURBULENCES.

Cargolux aims to be the "Global Cargo Carrier of Choice". How do you define this aim? Historically, we have been a Luxembourg-based carrier with international connections, but now we are becoming a truly global carrier. Clients no longer have to search for an airline for transpacific routes, for China, for Europe, as Cargolux is the One Stop Shop for end-to-end air freight.

How have you achieved this? We can transport shipments from anywhere to anywhere, thanks to our growing fleet, increased traffic rights, a full service strategy, and our strategically located hubs and gateways. Luxembourg will remain our largest hub, but the growth of our operation in Zhengzhou in China is very exciting, now accounting for about a tenth of the shipments we make. There are our gateways in Hong Kong, Chicago and Milan as well. This enables us to connect to smaller markets. We are looking to grow our market share from 4% today to 5% medium term.

Cargolux had a successful year in 2015. What is your focus for this year? Customer service is central. The previous 18 months have been about laying the groundwork, with effort going into processes, network planning, increasing the fleet, boosting capacity, the collective work agreement and raising punctuality. Now everything is in place to provide the augmented flexibility and services our clients need.

Everyone here talks about the dual-hub strategy. How has that strategy developed? The key step was China's Henan Civil Aviation and Investment Co. taking 35% of our shareholding in the spring of 2014. This relationship has blossomed, with good cooperation within the board, the development zone around Zhengzhou, and local suppliers. And HNCA's equity stake gives us long-term stability.

How significant was this for successful services to China? We now connect our Zhengzhou hub with the world to an extent we did not have before. We are now transporting 65,000 tons from there with 14 departures per week. Two years ago, there was zero. In fact, all European goods that are flown into China go through Luxembourg. This is a huge opportunity for us as China/Hong Kong is the biggest airfreight destination in the world, being twice the size of the US and four times that of Germany. Moreover, growth remains strong. We currently have a 10% market share and we are looking to double this. We already have 10 flights a week into other destinations in China, such as Beijing, Shanghai and Xiamen, and we are looking to add more soon.

Apart from the obvious focus on China, what are

the developments regarding other destinations?

particularly for services across the Asia-Pacific region,

Having another hub opens many possibilities,

especially into the United States. In addition, we have added new destinations in 2015, including Turkmenistan, India and, with the summer Olympics in mind this year, Rio de Janeiro.

Cargolux enjoys a stellar reputation among its peers and within the freight community. What do you see as the company's strong points? Our clients tell us they greatly value our unique flexibility. You can give us a call and come with 50 tons or more and we will find a short-term solution. Size is not a problem either, as we can take loads up to six metres in length. Also, we are not tied to passenger routes and can adapt our services to cope with one-off or seasonal demand when needed. We have a can-do attitude that allows fast decisions to be taken.

At the end of 2015, Cargolux operated the largest fleet in its history. How do you see the fleet growth?

No other European carrier has such a well-equipped fleet. We have invested US\$2.5bn in aircraft over the last six years and all of this supports our core business of flying cargo. We will get our 14th 747-8F next year, bringing our total fleet up to 26. Then we will look to add more second hand 747s to provide even more flexibility.

In 2015, Cargolux also introduced an extensive product portfolio. How has your service offering evolved?

Customers want to work with companies that understand their needs. This is why we are focused on the whole supply chain, from end to end. Shipments generally take five to seven days, with only about twelve hours in the air. As a freight expert, we make sure we have a full logistics network at our disposal to carry all types of shipments in ideal conditions. This is the heart of our specialist CV Product range. We have eight dedicated teams able to organize complete end-toend services. We are also working on a priority fast-lane service, whereby shipments can arrive 90-120 minutes before departure, rather than the standard six hours. All this is part of our commitment to go the extra mile in supporting our partners and customers in any way we can.



"I enjoy driving the heartbeat of Cargolux: our passion and dedication that make us the 'Global Cargo Carrier of Choice'."

LX-VCM ON TOUR

Around the world in 18 dates

OUR 13TH 747-8F BECAME A WORK OF ART AND EXHIBITION PIECE FOR OUR **45TH ANNIVERSARY CELEBRATIONS.**THE "LX-VCM WORLD TOUR" HELPED US COMMUNICATE OUR EXCITING VISION AROUND THE GLOBE.

ne of the many reasons we love our profession is that we can easily fly out to meet our clients and partners. What's more, we can turn our planes into a highly original party conversation piece. This is what we did to mark our 45th anniversary in the first half of 2016, taking our new aircraft, LX-VCM, to nine key destinations in Europe, Asia and the USA.

A selected group of invitees were there to welcome the plane on arrival. They were then invited to a visit to get close to the plane, enabling them to fully understand the scale and complexity of the work we do. Guests included customers, business partners, suppliers, ground handlers, government officials, employees, and airport staff, sometimes including customs, airport security, and the fire brigade.

There was another treat as the plane wore special livery created by the reputed Belgian cartoonist Philippe Cruyt. Inspired by the many varied shipments we carry, Philippe conjured up some lively, humorous images that amused our guests and were an instant hit with all aviation enthusiasts on social medias. What better way to

communicate the range and complexity of our work?

Generating excitement

The welcoming parties also enjoyed networking receptions at the airport, often followed by an even grander event in the evening. This was also the chance for our operations on the ground to add a local flavor. For instance, the trip to Chicago helped the team involved to highlight the new Cargolux US trucking fleet. In Kuwait, it was an opportunity to have a double celebration, marking our 25 years in that country.

"The LX-VCM World Tour was a great success," enthused Nicolaas van der Weide, our EVP Sales and marketing. He was particularly happy to see how thrilled even experienced professionals became when getting close to a new, big, sophisticated aircraft. "This excitement gave us a unique opportunity to show customers, authorities, and partners everything that Cargolux can offer."



ARRIVAL:

16:15 14TH JANUARY 2016

AIRPORT:

DUBAÏ WORLD CENTRAL

DISTANCE FROM LUXEMBOURG:

4,995KM / 3,100 MILES

"This was a very successful and productive event. The aircraft was welcomed with a water salute, after which guests (wearing specially prepared Cargloux VCM safety jackets) could inspect the plane on the runway. In the evening a well-attended gala dinner was topped off with cake cutting ceremony featuring an Arabic sword."

SHARON VAZ-ARAB

REGIONAL DIRECTOR MIDDLE EAST & INDIAN SUBCONTINENT



07:25 17™ MARCH 2016

AIRPORT:

HONG KONG INTERNATIONAL

DISTANCE FROM LUXEMBOURG:

9,400KM / 5,840 MILES



ARRIVAL:

16:30 31ST MARCH 2016

AIRPORT:

LOS ANGELES INTERNATIONAL

DISTANCE FROM LUXEMBOURG:

9,270KM / 5,760 MILES

"The venue for the reception was excellent: at the Flight Path Museum which is right on the airport. Many of the 100-plus guests said this was one of the classiest airline events they had attended, in addition to being conveniently located and at a convenient time."

LYNETTE ROUDINE FISHBURN

SALES REPRESENTATIVE





HONG KONG (PRC)

KEVIN SHEK

VICE-PRESIDENT HEAD OF ASIA AND PACIFIC



ARRIVAL:

7[™] APRIL

AIRPORT:

VIENNA INTERNATIONAL

DISTANCE FROM LUXEMBOURG:

760KM / 475 MILES

Our guests waited eagerly for the arrival of LX-VCM. Groups of 10 to 15 people visited the aircraft and were amazed by its livery. They took a lot of pictures and discussed details of the livery at the networking event at the GAC VIP area.

TONY MCNICHOL

REGIONAL DIRECTOR CENTRAL EUROPE

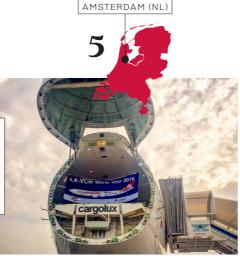
ARRIVAL: 9TH APRIL

AIRPORT:

AMSTERDAM SCHIPHOL

DISTANCE FROM LUXEMBOURG:

345KM / 215 MILES



"Over 100 freight forwarders visited the new Amsterdam office. A drinks reception was followed by a tour of the platform and a chance for customers to take photos with the aeroplane. We received a specially designed and made for this event Delfts Blue sign from Mr Jonas van Stekelenburg, director of cargo at Schiphol airport."

REBECCA MOK

COUNTRY MANAGER NETHERLANDS

ARRIVAL:

13™ APRIL

AIRPORT

KUWAIT INTERNATIONAL

KUWAIT (AR)

DISTANCE FROM LUXEMBOURG:

4,135KM / 2,570 MILES

"This event coincided with the 25th anniversary of operations in Kuwait, so it was of special significance. Guests for the official arrival included representatives of our top 10 global customers and our local partners. After a water salute, the guests toured the aircraft before the grand reception in the evening with even more guests."

SHARON VAZ-ARAB

REGIONAL DIRECTOR MIDDLE EAST & INDIAN SUBCONTINENT



"Around 60 customers enjoyed viewing our unique aircraft, then leaving for dinner at the so-called 'Airbrāu,' which has its own brewery located at the airport."

CHRISTIAN THIELE

COUNTRY MANAGER GERMANY



ARRIVAL:

22TH APRIL 2016

AIRPORT:

O'HARE INTERNATIONAL

DISTANCE FROM LUXEMBOURG:

6,945KM / 4,315 MILES

"We were excited to take this opportunity to present our new Carglolux trucks for the USA market to selected clients and partners. The presence of Pier Curci, Vice-President of the Americas, underlined the importance of Chicago to Cargolux's new multi-hub strategy."

GINA SUMMERFORD

REGIONAL MANAGER USA M.W.

CHICAGO (US)



6TH JUNE 2016

AIRPORT:

MILAN-MALPENSA

DISTANCE FROM LUXEMBOURG:

500KM / 310 MILES



Highly versatile

CARGOLUX'S 747 FREIGHTERS ALL FEATURE A UNIQUE NOSE-DOOR TO ENABLE EXTRA-LARGE SHIPMENTS TO BE LOADED. PALLETS OF UP TO 6M BY 3M BY 2.5M AND WEIGHTING AS MUCH AS 29 TONS CAN BE ACCOMMODATED.

Big bird

THIS IS ONE OF THE **LARGEST PIECES OF HIGH TECHNOLOGY** AROUND. THIS FREIGHT-SPECIALIST
JUMBO IS 76.4M LONG, 19.5M HIGH AND HAS A WING
SPAN OF 68.5M. THE TAIL IS AS HIGH AS A SIXSTORY BUILDING.

Fastest commercial aircraft

WITH A CRUISING SPEED OF UP TO MACH 0.86, THIS IS THE FASTEST COMMERCIAL AIRCRAFT IN EXISTENCE. PUT ANOTHER WAY, IT ONLY TAKES A SECOND FOR THE 747-8F TO TRAVEL THE LENGTH OF THREE FOOTBALL PITCHES.

Further, faster, more flexible

WE ARE A FULL-SERVICE, END-TO-END, VERSATILE LOGISTICS FIRM, BUT IT IS OUR FREIGHTER AIRCRAFT THAT ARE THE SOUL OF OUR OPERATION AS THE LARGEST ALL-CARGO CARRIER IN EUROPE, IT IS NO SURPRISE THAT HALF OUR FLEET ARE TOP-OF-THE-RANGE BOEINGS 747-8F.

Minimizing environmental impact

THE 747-8 FREIGHTER REPRESENTS A NEW BENCHMAR IN FUEL EFFICIENCY AND NOISE REDUCTION. WITH 17% LOWER CO. EMISSIONS THAN ITS PREDECESSOR, IT LIES WELL BELOW ICAO LIMITS.

DISCOVER CGO



The soul of our Chinese hub

ZHENGZHOU, CHINA, HAS A SPECIAL PLACE IN OUR HEARTS AS IT IS OUR STRATEGICALLY VITAL SECOND GLOBAL HUB. WE COMMISSIONED CARGOLUX PILOT AND KEEN PHOTOGRAPHER CHRISTIAAN VAN HEIJST TO CAPTURE THE CITY'S SPIRIT.

Christiaan van Heijst





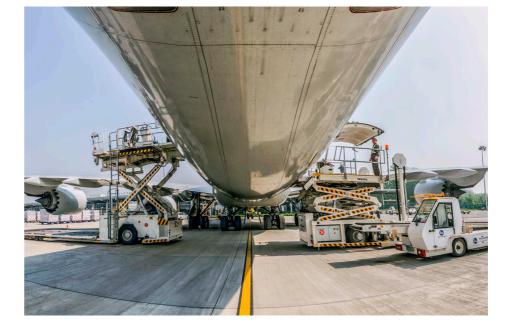


ZHENGZHOU IS THE POLITICAL, ECONOMIC AND TECHNOLOGICAL CAPITAL OF HENAN PROVINCE IN EAST-CENTRAL CHINA. IT IS AT THE HEART OF A DENSE ROAD, RAIL AND AIR TRANSPORT NETWORK.

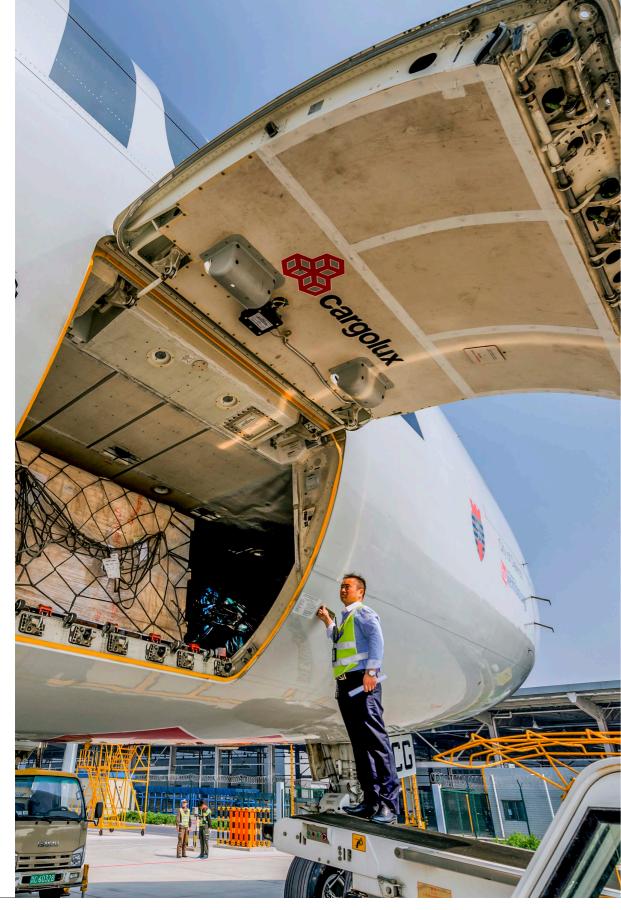


ZHENGZHOU IS THE FASTEST GROWING CARGO AIRPORT WORLDWIDE AND A TOP-TEN CARGO AIRPORT IN CHINA, WITH 403,000 TONS HANDLED IN 2015. THIS IS FIVE TIMES THE 2010 FIGURE.



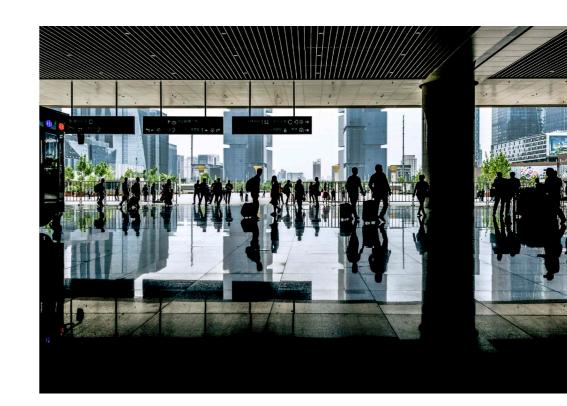


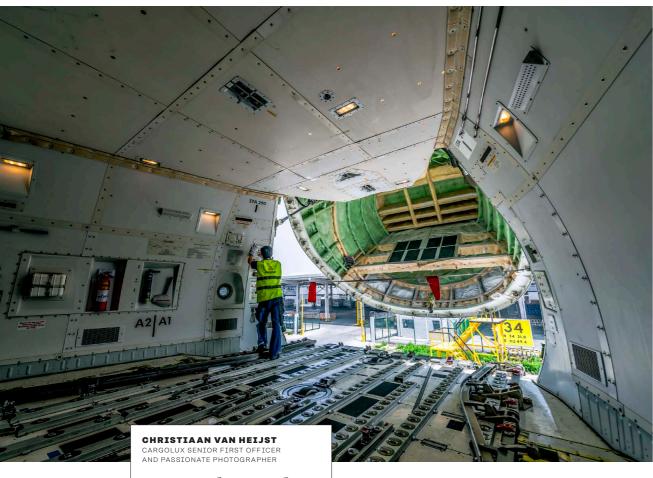
WITH ITS DIVERSE ECONOMY AND GROWING POPULATION OF NEARLY 10 MILLIONS, ZHENGZHOU IS ONE OF THE COUNTRY'S EMERGING MEGACITIES.





AS WELL AS BEING A LEADER FOR CARGO, ZHENGZHOU IS GROWING FAST AS A PASSENGER AIRPORT. IT WELCOMED MORE THAN 17 MILLION PASSENGERS LAST YEAR.





Express biography

1997 — AVIATION CAREER BEGINS AT THE AGE OF 14 FLYING GLIDERS IN HIS NATIVE NETHERLANDS.

2003 — PROFESSIONAL LIFE BEGINS FLYING SMALL TURBOPROPS AND THEN 737S. INSPIRED BY THE ORIGINAL SIGHTS HE SAW, HE BROUGHT HIS CAMERA ON TRIPS, HONING HIS FLYING AND PHOTOGRAPHY SKILLS.

2011 — JOINS CARGOLUX AND
THRILLED TO OPERATE THE 747
FREIGHTER AIRCRAFT,
THE ULTIMATE FOR ANYONE
PASSIONATE ABOUT FLYING.
WORKING WITH CARGOLUX
ALSO MEANS VISITING MANY
AMAZING PLACES WHICH
CHRISTIAAN IS ALWAYS KEEN
TO CAPTURE ON FILM.

WE SERVE ZHENGZHOU 30 TIMES
A WEEK WITH FLIGHTS TO AND FROM
LUXEMBOURG, CHICAGO, KUALA
LUMPUR, MILAN AND SINGAPORE.



CV Jumbo in action

As part of Cargolux's extensive product range, CV Jumbo offers customers specialized handling of heavy and outsized shipments, taken care of by Cargolux's team of dedicated experts. In this case, Blue Water Shipping benefitted from Cargolux's experience in this field when taking a particular heavy piece of drilling equipment from Copenhagen to Houston. The piece was 26 meters long and weighed in at 10,500kg. Loading it into a Cargolux 747 freighter with its advantage of nose loading capability, four highloaders and two support cranes were employed while a special ramp setup for loading and the positioning of the aircraft were necessary. Cargolux's attention to detail, thorough planning and alignment between all stakeholders facilitated a smooth operation. Naturally, the team allotted additional ground time and manpower to the project that was somewhat out of the ordinary.

"Cargolux has a long history in the transportation of outsized and heavy shipments," says Eric Reisch, manager Global product management at Cargolux. "Throughout the years, we have succeeded in positioning ourselves as an outstanding specialist in this segment. The really big pieces remain the most impressive type of air cargo and it is right there that Cargolux consistently sets records and continues to lead the industry."

"Apart from infrastructure and equipment, it mostly comes down to finding solutions," Mr. Reisch notes. "Customers that have closely worked with us have always perceived us as their first choice as experts in this domain. Our uniform fleet of specialized 747 freighters with their unique nose door loading capabilities, as well as the years of experience and development have earned us our reputation as 'the' pioneers in flying odd cargo."





CV jumbo

CV Select expands product portfolio capability

On the occasion of the Air Cargo China 2016 event in Shanghai, Cargolux expands its product portfolio with two new additions, CV Select and CV Select +.

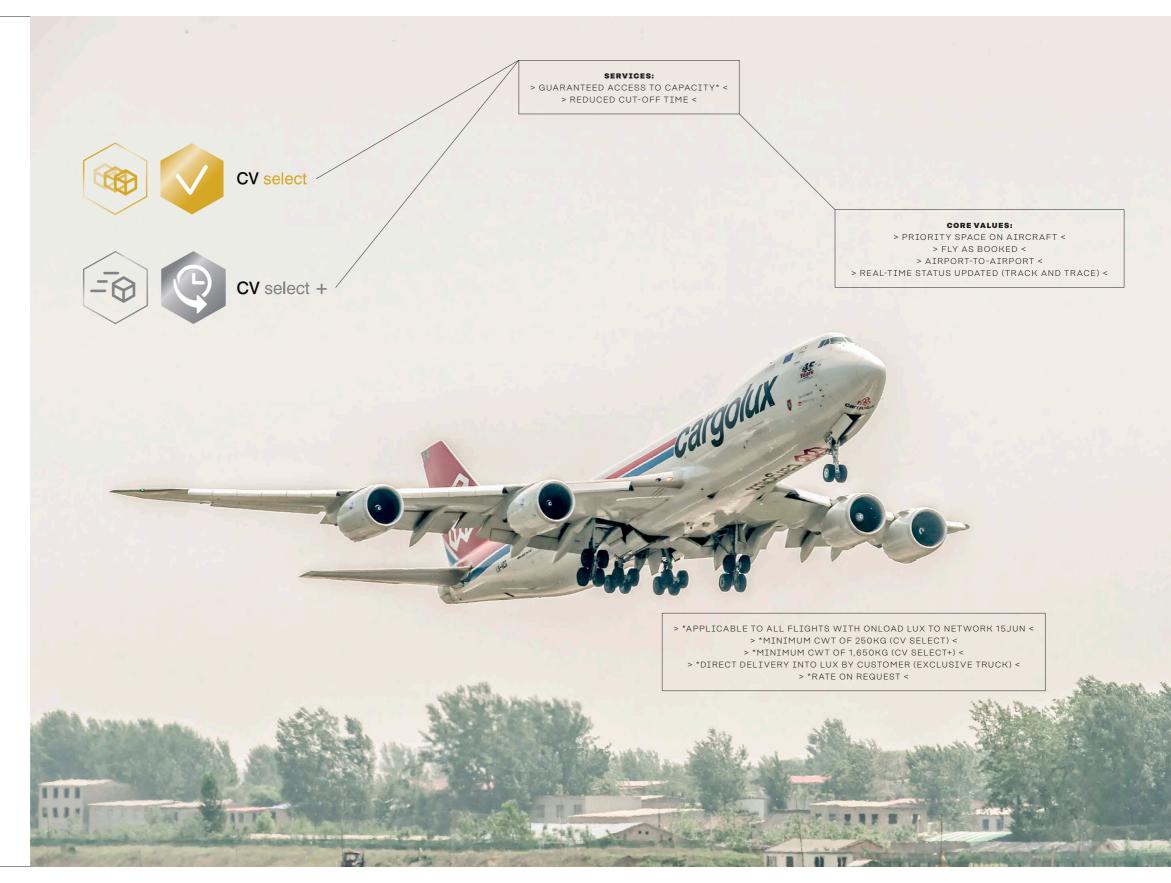
These two features act as an additional layer in combination with any of the eight existing products and will be implemented as of 15 June 2016.

They can be added to a product while booking.

The two exciting new additions to Cargolux's extensive product present customers with a number of unique advantages. CV Select features preferred access to premium capacity and booking commitment, all combined with our long-standing expertise and detailed attention to the specificities of different commodities. In addition, CV Select + gives reduced cut-off times before departure.

There is no time to waste with perishable shipments such as foodstuffs, cut flowers or pharmaceuticals. Similarly, high performance thoroughbred horses need to arrive at the race venue with as little stress as possible. Or your clients may just be very eager to receive their non-perishable purchases.

Cargolux's CV Select and CV Select + give you the peace of mind of guaranteed access to the schedules that suit you and your clients. With both, we guarantee full, optimal airport-to-airport service and real-time track and trace updates. It is Cargolux's enhanced comfort level for customers that value quality service combined with long-standing expertise and detailed attention to specific types of commodities.











MEET BERNARD STOLL, MANAGER EXPORT CONTROL



Ready for anything



BERNARD STOLL IS A MAN WITH A MISSION. TOGETHER WITH HIS 20-STRONG LOGISTICS TEAM, THE CARGOLUX MANAGER EXPORT CONTROL PUTS CARGOLUX'S PROMISE OF "YOU NAME IT, WE FLY IT" INTO ACTION, JUST AS THE CUSTOMERS EXPECT. BERNARD AND HIS TEAM SUCCESSFULLY DEAL WITH THE MYRIAD OF DAILY CHALLENGES AS WELL AS LONG-TERM AND LAST-MINUTE REQUESTS. >

Mike Zenari

eople like Bernard are the reason that Cargolux thrives on flexibility and enjoys a stellar reputation in the industry. It is professionals like him that know that the best-laid plans can hit a snag and preparation is the key to finding the perfect solutions. Customer needs are as diverse as customers themselves and Cargolux's strength is to fulfill them all. This, in essence, is the very fulfillment of the airline's vision to be the "global cargo carrier of choice".

Live animals and their grooms have different requirements than the tight schedule for the delivery of pharmaceuticals or human organs. Emergency supplies require a different treatment than Valentine's Day flowers. Yet, Bernard's team keeps an alert eye on all kinds of commodities in all kinds of situations to make sure that schedules are met. Ready for anything, indeed.

Meeting diverse needs

"Cargolux is often called on to supply speedy disaster relief or deliver vital drugs," Bernard says. When Cargolux's Charter department has accepted a shipment and decided which aircraft can provide the capacity, Bernard helps to meet emergency needs without disrupting long-standing commitments to other clients. And he makes sure that regular schedules run uninterrupted by additional flights.

"Delays of a few hours might be manageable if you are delivering designer shoes from Italy, but flowers from South America will be worthless if they don't arrive on time," he notes.

The Cargolux team puts customers first. It is the passion for this industry and the passion for the company that lay the foundation for dedication to tailor-made services, expert knowledge and an unwavering commitment to go the extra mile that is prevailing among Cargolux. Bernard sees no problems, only solutions. Livestock or perishables, high-tech goods or machinery, Cargolux has the tools to handle everything in the optimal environment on board of their sophisticated 747 freighters, and Bernard knows how to use these tools. All in a day's work.

Force of nature

His knowledge and expertise show best whenever the unusual happens, as it did in April 2010 when the airspace in Northern Europe was closed for a week by a vast ash cloud from the Icelandic Eyjafjallajökull volcano, causing massive disruption not only to travelers but also to logistics chains that relied on fast air transport. Cargolux swiftly reacted and moved the majority of its Luxembourg-based operations to Barcelona, Spain, the nearest functioning airport, 1,200 kilometers away.

It was a vast undertaking and Bernard Stoll with his team were at hand to coordinate and organize an impromptu supply chain.

Experience you cannot buy

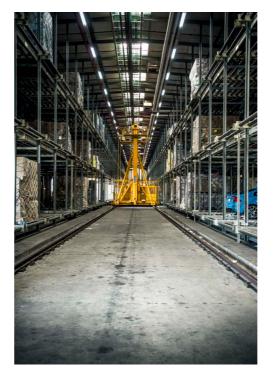
Such extreme emergencies are rare, but it illustrates best how the team works in any given situation. "Every day is different as we adapt to respond to client needs or global events around the clock," Bernard says. In a sophisticated environment such as Luxembourg's Cargo Center with automated processes and state-of-the-art facilities, experience is the key to running a smooth operation.

But experience cannot be bought, it accumulates through years of dealing with daily challenges coupled with passion and dedication. This is something that Bernard seeks to infuse in the next generation of cargo experts at Cargolux when he actively supports the integration of new recruits.

"Working at our Export department is an excellent training ground to really get to understand the business, both in terms of client needs and commercial imperatives," Bernard says. "Exports" in this context relates to everything that leaves Luxembourg or one of Cargolux's international stations. The team works closely with the Import department, which coordinates the arrival of shipments at their respective destinations.

Looking back on his years at Cargolux, Bernard is happy with his career choice. While initially training to become a school teacher, he followed the allures of an international airline operation and decided to take a different path. "I always had an interest in aviation from an early age on, particularly after I visited the airport as a very young student," he notes. He hasn't regretted a day since.

The Grand Duchy of Luxembourg may be a small country, but the people here are proud of their "national" cargo carrier and its global success. It's easy to see how Bernard can keep his enthusiasm for his job alive. 0

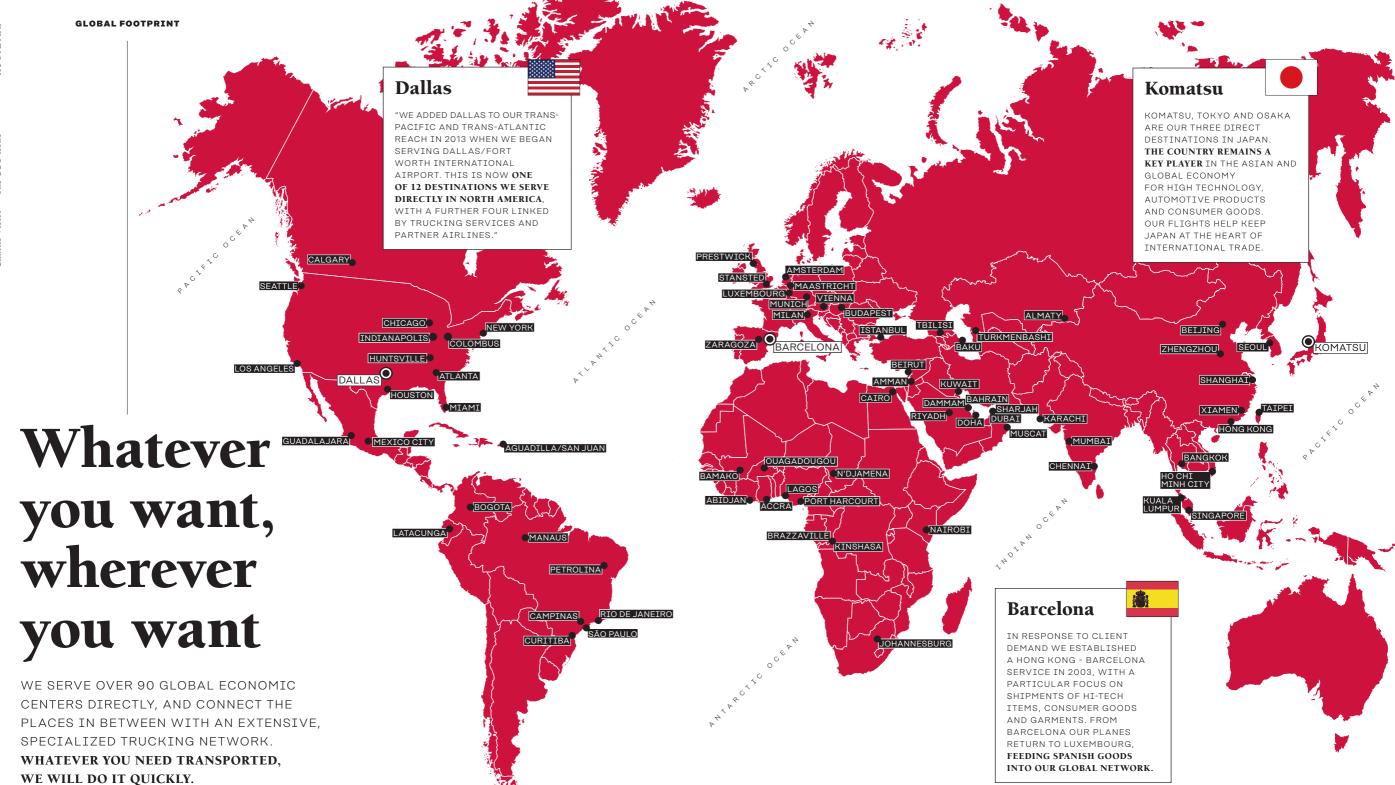




CONNECTIONS BETWEEN THE ROAD. THE WAREHOUSE AND THE PLANE RUN TO TIGHT SCHEDULES, AND EVERY MINUTE COUNTS.



"My favorite place is the Cargo Center. It is the link between commercial planning and our cargo operations."



CHARLIE VICTOR THE CARGOLUX MAGAZINE

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