

#07

CHARLIE VICTOR

The IAH issue

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WELCOME



Every year around this time, we reflect as an organization, and as individuals, upon the past year and the upcoming business environment. We look at successes, ways to prepare for the future, and efforts we can make to improve.

This edition of our magazine highlights some important aspects of our work. From CV classic to CV alive, our products continue to emphasize our exceptional level of expertise in this industry, as our networks continue to expand. Our uniquely flexible approach and attention to tailor-made solutions proves, again and again, that it is the underpinning of our customers' high satisfaction.

Our agility allows us to operate with an impeccable focus on the horizon. A major target for us is digitalization. We have been involved in a program of technology renewal and revision for several years. Tackling the challenge of ensuring that our systems are modern and apace with industry developments is an important focus.

The environment and efforts to reduce our environmental footprint is a central pillar for us. These pages feature not only the team accountable for environmental and CSR reporting, but much of the good work the Cargolux team does to reduce our impact, and support socially responsible and sustainable practices throughout the year.

We are in the midst of a transformation that is profound and ongoing. Our vigilance regarding changes in the economy and the potential impact on our industry and company will remain high. But our commitment to exceeding customer expectations is unwavering.

It is through teamwork that is focused on excellence, and a strategy focused on agility that Cargolux strives to become the Global Cargo Carrier of Choice.

MOA SIGURDARDOTTIR

HEAD OF COMMUNICATIONS AND CSR

How to WOW!

SEA LIFE TRUST, WHALE AND DOLPHIN CONSERVATION (WDC)

AND CARGOLUX WORKED TIRELESSLY TO ENSURE

THAT LITTLE GREY AND LITTLE WHITE MADE

THE JOURNEY TO THEIR NEW HOME SAFELY.

Most whales that live in captivity cannot be set free. The Sanctuary provides a safe location where the belugas can live in a more natural and harmonious habitat.



Beauties Inside & Out

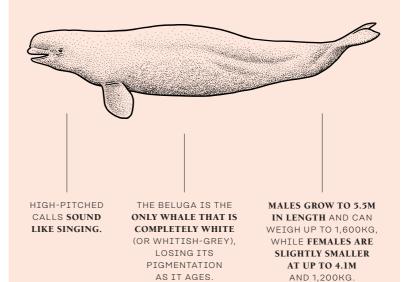
January 2019 saw a new beluga decal livery for Cargolux LX-ECV. The temporary design was used to commemorate the belugas' trip, and is an exciting addition to aircraft livery already recognized globally for its colorful style.

— FACT —

The Sea Life Trust Beluga Whale Sanctuary was created in partnership with Whale and Dolphin Conservation (WDC).

The Sea Canary

Cargolux moved two beluga whales for Sea Life Trust to the world's first beluga sanctuary in June. The trip was originally scheduled for April but was postponed to ensure the whales would travel in ideal weather conditions.





Quest for Quality Awards (2018)

Cargolux received the prestigious
Best All Cargo Carrier award
for its performance, service
excellence and customer value.
4,500 industry members
voted to select Cargolux
as the winner.

Jakarta on Board!

Cargolux's global network expanded in 2019. In April, CV doubled its flights to Budapest bringing the weekly amount of flight up to 6. Two additional destinations were also added in June:

Jakarta and Santiago de Chile.



Customer Care Award

The Air Cargo News
Industry Customer Care Award
measures the organization's
customer care policy, the level
of proactiveness the team takes
to customer service, and the
effectiveness of the company's
problem resolution process.
This year, Cargolux was proud
to be presented with this
award during the 35th Air Cargo
News Conference and Awards.



Kids

kids.cargolux.com

Want to share a special moment of learning with your child? Visit the new Cargolux website for kids and discover interesting facts about the air freight industry, Cargolux's operations, and their environmental efforts.

Cargo for Kids

The fun and visually appealing platform explains Cargolux's core business and global presence to the younger generations and hopes to spark the children's interest in this fascinating industry.



Flourishing in the South

In June, Cargolux reinstated Santiago de Chile to the Latin American routes that transport perishables such as fruit and flowers from this location and highly specialized equipment, machinery, as well as pharma to the region. The direct, all-cargo flights between South America and Amsterdam and Luxembourg allow merchandise to be moved on to additional destinations quickly via the extensive road feeder services.

MEET PIERANDREA GALLI SR. VP COMMERCIAL PLANNING

A passion for cargo

PIERANDREA GALLI EXUDES ENTHUSIASM. "WE ARE
THE LUCKIEST PEOPLE IN THE WORLD TO BE ABLE
TO WORK IN THIS INDUSTRY," HE SMILES. "MY INITIAL
ADDED VALUE WILL BE TO CONTINUE TO BUILD ON
THE SUCCESS OF THIS DIVISION."

Maison Moderne



istening to Pierandrea describe the air cargo industry and his experience at Cargolux is almost like listening to someone talk about their favourite holiday. Despite 30 years in the industry, his eyes shine, and you can see his excitement at being a part of this fascinating field. "I've tried working in other sectors, but I always come back to the airline industry. It is the most amazing place to be."

In September, he moved from his position as CEO of Cargolux Italia to the Luxembourg headquarters and took over as Sr. VP Commercial Planning. As CEO he focused on managing every aspect of Cargolux Italia operations, without direct responsibility for the commercial side of the business, but that doesn't mean that this position is new to him.

In fact, this job, in many ways, is like coming home. Pierandrea's spent the first 4 years of his career in Pricing and Network Management before moving into sales and commercial for an additional 14 years,

including three years as VP Revenue Management and Distribution.
Then 3 years as Managing Director for Cargo ensured a well-rounded and deep understanding of every aspect of the business. This balance of commercial and operational experience allows Pierandrea to approach his new responsibility of managing the commercial teams with a seasoned perspective.

Focus on the Customer

His division's focus is on understanding both their external and internal customers... and how to best address their needs. The team's responsibility is two-fold; 1) capacity planning and the design and management of the company's networks, to ensure maximum responsiveness to customer needs, and 2) revenue management and pricing.

Digital Transition

On the horizon digital is approaching fast. An upcoming challenge is managing this transition. New operational tools that provide quicker and more effective network alternatives and new revenue management systems will soon be introduced. Pierandrea, an accomplished manager, is passionate about his people. He sees the harmonization of people and technology as an important part of his job. "It is critical that we have the digital tools to help the team work effectively and to make decisions more quickly and accurately," he says. "The main focus of any technology adoption is to help us do a better job meeting customer needs, and to help us execute our activities more safely and efficiently."

Pierandrea is dedicated to his team's success and his people keeping pace with new technology. That means lots of system orientation and detailed training programs. He wants to ensure that everyone is comfortable with digitalization. "Digital and automation are core to sustaining efficient processes," he says. "I want everyone to achieve the level of expertise required to take full advantage of these tools."

Celebrating Success

With a full complement of 35 staff, a mix of experience and cultures allows them to connect with their diverse clients and share the Cargolux culture. Everyone is proud of Cargolux's history. As the biggest freight-only carrier headquartered in one of the smallest countries in the world, it is truly a success worthy celebrating. Pierandrea, like many at Cargolux, has had the good fortune to work and live in different countries around the world. Italy, Japan, Germany and the US have all been home to him at one point or another in his career. His extensive travel has afforded him a unique and special perspective on Cargolux, its story and its people. He is content to be in Luxembourg and be part of this great story as it continues to unfold.

"I am excited to take over this new challenge and feel very lucky to work with such a professional and passionate team."

Pierandrea Galli, Sr. VP Commercial Planning

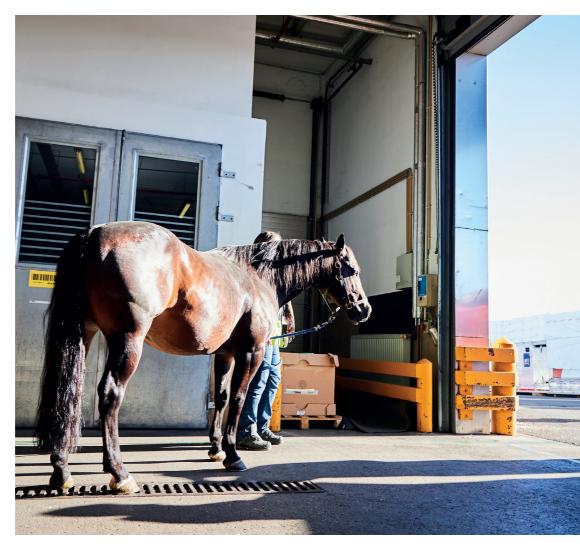




UNITED FOR WILDLIFE (UFW) WORKS WITH WWF AND CONSERVATION INTERNATIONAL TO INCREASE AWARENESS ABOUT THE PLIGHT OF ENDANGERED SPECIES. IT PROVIDES INFORMATION ABOUT HOW TO IDENTIFY SMUGGLED WILDLIFE PRODUCTS IN HOPES OF BREAKING THE CONNECTION BETWEEN SUPPLIERS AND CONSUMERS.



SHOWCASE



Special Care for Live Animals

PRICELESS THOROUGHBREDS, GIRAFFES, ALPACAS, POLO
PONIES, WHITE TIGERS, HIGH-PERFORMANCE SLED DOGS,
RHINOS, DOLPHINS AND WHALES... EVERY ANIMAL FINDS A
COMFORTABLE BERTH ON CARGOLUX'S HIGH-TECH AIRCRAFT.

Cargolux

he love for animals connects Cargolux, Eagle Freight and Snavelhof BV farm. These like-minded companies work tirelessly to ensure that the treatment of each animal falls within IATA and CITES regulations, but is also respectful, gentle and kind.

John van Velzen of Eagle Freight, a logistics company specialized in animal transportation, has been in the business for 15 years. "Animals must be transported," says John. "We need to ensure that every company transporting animals understands the importance and fragility of our wildlife and livestock so that every animal is cared for with respect and arrives relaxed and in top condition."

Cargolux's decades of experience instil confidence in customers transporting a single animal or chartering a whole aircraft. Its focus is the comfort and safety of each CV alive passenger, including managing the temperature within the aircraft to ensure an ideal environment. Whether they are breeding pairs to help repopulate a local environment or endangered species being transported to a new home, the main priority for Gerrit Vos, owner of Snavelhof BV, is to ensure that every animal arrives at its destination in the best possible condition. Specialized containers and years of experience ensure lower-stress travel for animals. "I started breeding waterfowl when I was 17," says Gerrit. "My hobby became a family business, now my daughter works with me and lives here on the farm with her family."

Snavelhof BV has a long history with Eagle Freight and Cargolux. "When transporting live animals, it is important to have trust; to know that the company you rely upon can do the job," he says. "I've transported everything from elephants to mice and hippos to dolphins, but the largest percentage of animals are ponies, livestock, and waterfowl. I know they are in good hands with Eagle Freight and Cargolux, whatever their destination."

CV alive: serious business

An important element of moving animals is the amount of transit time. The shorter, the better. Before Cargolux accepts a shipment, the Global Customer Services Live Animal Department reviews the species to ensure its transport complies with international and internal regulations and that it is approved to arrive at its destination in accordance with local regulations. This pre-approval and documentation review allows staff to start the "build up" process, working quickly and efficiently to load the animal carefully into the aircraft, as soon as they arrive.

Cargolux also works closely with logistics specialists like Eagle Freight. Both comply with IATA's Live Animal Regulations and the Convention on International Trade in Endangered Species (CITES). Cargolux is also a member of UFW, which advocates against illegal wildlife trade.

A big challenge for the logistics side of transporting live animals is road traffic, especially when dealing with aquatic species. Eagle Freight tries to optimize timing to avoid stop-and-go road traffic, so that water levels remain intact and animals remain calm. Many animals also travel with a contingent that can include a veterinarian and their regular handler. Having people who are familiar, reduces stress for the animal and provides an extra layer of assurance that everything will go as planned.

Working together

The commitment to animal welfare, whether mini-ponies or giraffes, allows Snavelhof BV, Eagle Freight and Cargolux to ensure safe transportation. Together they are the "'Noah's ark" of animal transportation.



 \bigcirc









CARGOLUX HAS CLOSE TO
50 YEARS' EXPERIENCE CARING
FOR ANIMALS IN THE AIR.
CUSTOMERS TRUST THEM TO GIVE
THEIR ANIMALS PRIORITY CARE
AND A SAFE PASSAGE.

ABOUT HOUSTON

FOUNDED IN 1836

LARGEST CITY IN TEXAS

AND SOUTH US, WITH ITS GREATER AREA COVERING 25,000+KM²

HOUSTON

4TH

4TH LARGEST CITY IN THE US (AFTER NY, LOS ANGELES & CHICAGO)

THE CITY ITSELF COVERS ALMOST 2,000KM2

THE HOUSTON GREATER AREA IS LARGER THAN THE STATE OF NEW JERSEY

6TH LARGEST CITY IN NA

2.3+ MILLION INHABITANTS



MOST ETHNICALLY DIVERSE CITY IN THE US

145

HOUSTON RESIDENTS
SPEAK OVER 145 LANGUAGES



The Commercial Jewel of Texas

HOME TO THE SPACE CENTER AND NASA'S ASTRONAUT TRAINING CENTER, THE 6TH MOST POPULATED CITY IN NORTH AMERICA
BOASTS A VIBRANT THEATRE DISTRICT, A WORLD-CLASS CULINARY
SCENE THAT INCLUDES EVERYTHING FROM RESTAURANTS TO FOOD
TRUCKS, AND IS THE MOST ETHNICALLY DIVERSE METROPOLIS
IN THE UNITED STATES.



IAH IS NORTH AMERICA'S 15TH
BUSIEST AIRPORT AND SAW
A TOTAL OF **504,740.8 METRIC TONS OF FREIGHT** TRANSITED THROUGH
IT IN 2018. OPENED IN FEB 1980,
AND THEN REINSTATED IN APRIL
1994, THIS IS THE CARGOLUX ARE
A HEADQUARTER TODAY.









CLASSIC, JUMBO AND HAZMAT CARGO TRAVELING THROUGH THIS HUB, MOVES VIA TRUCK BETWEEN HOUSTON (IAH) AND AUSTIN (AUS), EL PASO (ELP), NEW ORLEANS (MSY) AND SAN ANTONIO (SAT).







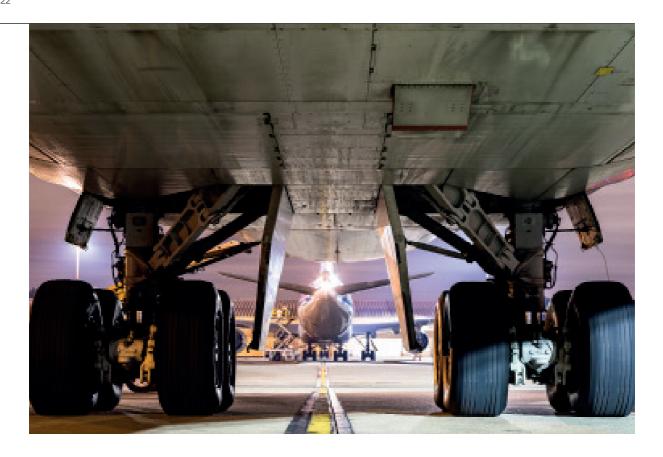
WITH A CARGOLUX STAFF OF 40 PEOPLE AND 3 LUXEMBOURG TO HOUSTON (LUX-IAH) FLIGHTS PER WEEK, IAH, THE LARGEST OF HOUSTON'S 3 AIRPORTS, IS WELL-SUPPLIED WITH CONNECTIONS AND CUSTOMER SERVICE!





NAMED AFTER SAM HOUSTON, THIS CHARMING CITY'S ECONOMY RANKS 30TH IN THE WORLD. IT HOSTS THE WORLD'S LARGEST MEDICAL CENTER, RODEO AND COMMERCIAL PORT.





THE AIRPORT IS 20 MILES (32 KM) FROM HOUSTON

A VERY SMALL PORTION OF THE 6,200 MILES (9,978 KM) OF ROADWAYS, THAT INCLUDE 575.5 MILES (926 KM) OF FREEWAYS AND EXPRESSWAYS.



ABOUT IAH



3 LUX-IAH FLIGHTS PER WEEK

IAH HOUSES ONE OF CARGOLUX'S

3 CHARTER OFFICES

TO GUARANTEE ROUND-THE-CLOCK SERVICE EXCELLENCE

504,740.8

A TOTAL OF **504,740.8 METRIC TONS OF FREIGHT**TRANSITED THROUGH IAH
IN 2018



IAH IS HOUSTON'S LARGEST AIRPORT

15TH

IT COVERS MORE THAN
11,000 ACRES

IT IS NORTH AMERICA'S 15TH BUSIEST AIRPORT

IAH SUPPLIES 170,000 JOBS

AND CONTRIBUTES USD 22 BILLION TO THE LOCAL ECONOMY

IT HAS 81K+ SQUARE METERS OF CARGO AREA

81K+

454,000 TONS OF CAPACITY





CV classic in Europe

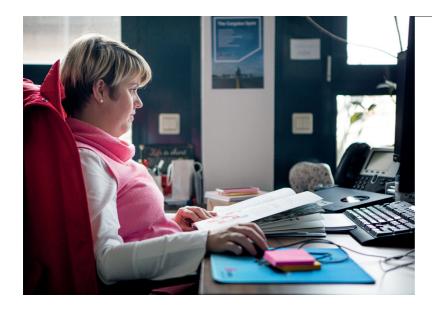
The close relationship that Cargolux staff enjoy with their customers, especially CV classic regulars, means that if something comes up, someone at Cargolux is always just a phone call away.

The number of clients who use Cargolux to transport exotic and highly specialized items makes it easy to overlook the high-quality, standard service that is their bread and butter. Almost 70% of Cargolux's business is comprised of CV classic transports. Freight originating from Europe may travel to any one of Cargolux's 90+ destinations. Shoes and handbags, mobile phones and tablets, furniture, marble, milk powder and microscopes all find a place with this impeccable service. CV classic allows Luxembourg customers to build up their own goods into Shipper Built Pallets. This enables them to optimize the configuration of pallet elements and save time and money in the transportation process. Since the pallet arrives ready to be boarded, customers save the build-up time and cost at the cargo center.

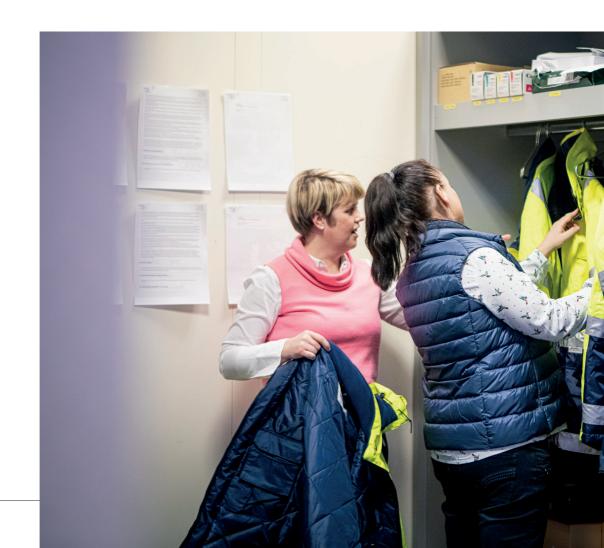
Attention to detail, flexibility and their ability to transport... well, just about everything makes Cargolux legendary. "We always find a way," say Nicolas Thermoz, Country Manager Luxembourg, "Whether a cargo needs special shoring, offloading at a destination, or re-routing a scheduled flight to accommodate the movement of large consignments, we always find a way."



© Cargolux



TEAMWORK CREATES OUTSTANDING PLANNING AND EXECUTION OF ENVIRONMENTAL STRATEGIES.
THE RESULTS SPEAK FOR THEMSELVES. DOZENS OF INITIATIVES REDUCE IMPACTS IN A PLETHORA OF AREAS.





MOA SIGURDARDOTTIR

HEAD OF CORPORATE COMMUNICATION

GERALDINE GUEBEL

MANAGER ENVIRONMENTAL MANAGEMENT



Heart & soul of CSR

MOA SIGURDARDOTTIR, HEAD OF CORPORATE COMMUNICATIONS, WORKS CLOSELY WITH PEOPLE LIKE GERALDINE GUEBEL, MANAGER ENVIRONMENTAL MANAGEMENT, TO **BRING CSR TARGETS AND GOALS TO LIFE**. IMPROVED FUEL EFFICIENCY AND REDUCED CO₂ EMISSION, SAFE WORK ENVIRONMENT, SUSTAINABLE PROCUREMENT, YOUTH TRAINING AND DEVELOPMENT, DIVERSITY AND GENDER EQUALITY, ARE JUST A FEW OF THE CSR ELEMENTS THAT BIND THE ORGANIZATION AND ITS TEAM TOGETHER.

oa and Geraldine are Cargolux's dynamic duo of Corporate Social Responsibility (CSR) working together in very distinct but related areas. Moa is responsible for the company's overall CSR program while Geraldine manages the important aspect of environmental reporting. She is one of the many people throughout the organization that works with Moa to provide data for the CSR program and reporting. From the moment they begin to talk about CSR, their enthusiasm for the topic and pride in their roles and Cargolux's efforts is apparent. "It's a bit funny," says Moa, "We didn't think we were doing much in the area of environment and CSR until we started reporting our activities. We found that CSR is in our DNA. It's just a matter of understanding everything we are doing and collecting all the great stories."

Environmental responsiveness

Cargolux's commitment to CSR is fueled by its commitment to customers, its desire to do things the right way, as well as changes to regulations in the industry. Geraldine's main focus is on the environment and reducing the company's impact in that area.

Throughout the years, Cargolux has garnered industry recognition for its efforts toward CSR and environmental protection in particular. Since the introduction of the 747-8 freighter in 2011, the airline has increased its fuel efficiency by 9.5% while nearly doubling the fleet of Boeing 747 freighters. In 2017, the company reduced its carbon footprint by 2.2%. In 2018, CO₂ emissions remained stable compared to the previous year.

Cargolux was the first airline worldwide to be awarded the Lean and Green Award in 2016 for its commitment to reduce the CO_2 emissions by 10% in 5 years. It is a founding member of SAFUG (Sustainable Aviation Fuel Users Group) and member of the RSB, the Roundtable on Sustainable Biomaterials.

In 2018, for the second year running, Cargolux achieved Ecovadis' Gold Rating status. Ecovadis monitors sustainability in global supply chains. The audit produces a reliable assessment of the airline's Corporate Social Responsibility performance through comprehensive feedback, benchmarks, and tools. Its methodology is based on the sustainable development standards related to the Global Reporting Initiative (GRI), the United

Nations Global Compact, and ISO 26000.

Sustainable, committed

Reporting on the environment is now clearly complemented by other operational, social and community work. Since 2008, when the first CSR report was published, Moa and Geraldine have seen growing commitment among the Cargolux staff. Employees' environmental and social awareness is supported by the positive and upbeat approach that they take when presenting CRS statistics or consulting with different divisions of the organization. "It's a team effort. We are doing very well this year," smiles Geraldine proudly. "Not only are the staff more tuned in every year to the importance of reducing CO₂ emissions and improving waste management, we are seeing everyone come together to make gains in most areas. I enjoy this work and appreciate how Moa reflects all of our activities in the annual wrap-up."

In 2017, Moa reviewed the Cargolux CSR program reporting and aligned it with the UN Sustainable Development Goals. The CSR report now reflects Cargolux's strategy for a sustainable future, in terms of global practices and reporting standards, more accurately than in previous years. Key to the Cargolux CSR strategy is stakeholder engagement, and Cargolux takes time to solicit feedback from staff and customers about key CSR areas. For example, when asked how important a well thought through and executed CSR plan was, 80% of the survey's 750 respondents listed it as important or very important.

Always working with an eye on the future, Moa mobilized Cargolux stakeholders to help articulate the CSR strategy around the company's three responsibilities across its whole value chain; from corporate, operational to community activities.

Main goals converge to:

- > reduce actual and potential negative environmental & social impacts;
- > reinforce positive effects throughout the value chain;
- > make the organization evolve to integrate CSR throughout the company and engage internally on our CSR roadmap;
- > value Cargolux CSR performance in compliance with international standards and stakeholder requirements: monitoring sustainability progress & transparency.

Teamwork = results

Collaboration and teamwork form the basis of outstanding planning, execution and results for CSR goals. Working in lockstep with different divisions and departments, Moa puts shared value creation on the everyday agenda. The Cargolux team embodies the spirit and essence of the UN Sustainable Development Goals; striving to enhance results, pinpoint areas for improvements, and communicate successes around the Cargolux goals.



IN 2018 CARGOLUX WAS AWARDED THE ESR LABEL BY INDR, LUXEMBOURG'S INSTITUTE FOR SUSTAINABLE DEVELOPMENT AND CORPORATE SOCIAL RESPONSIBILITY, FOR BEING A SOCIALLY RESPONSIBLE COMPANY.

"Improved technology, efficient aircraft operation, enhanced infrastructure & filling the emissions gap via global market-based measures."

Moa Sigurdardottir, Head of Corporate Communications DOING BUSINESS IN SOUTH AFRICA

Gateway to the South

FROM CAR ENGINES TO MINING EQUIPMENT, CHEMICALS TO TEST CARS, TONNES OF CARGO TRAVEL THROUGH SOUTH AFRICA EACH YEAR. CARGOLUX HAS EVEN CARRIED 92 TONS OF MAIZE SEED INTO SPAIN.

YOU NAME, CARGOLUX FLIES IT!

anufacturing in South Africa is giving a welcome boost to the economy with steel, metal machinery, petroleum and motor vehicles all doing their part. Cargolux has seen a change in their route patterns in the past few years due, in part, to increases in this sector. Offering two flights per week to Johannesburg, and an additional flight that travels via Lubumbashi, in the Democratic Republic of the Congo, Cargolux's service to this regional airfreight hub is consistent throughout the year.

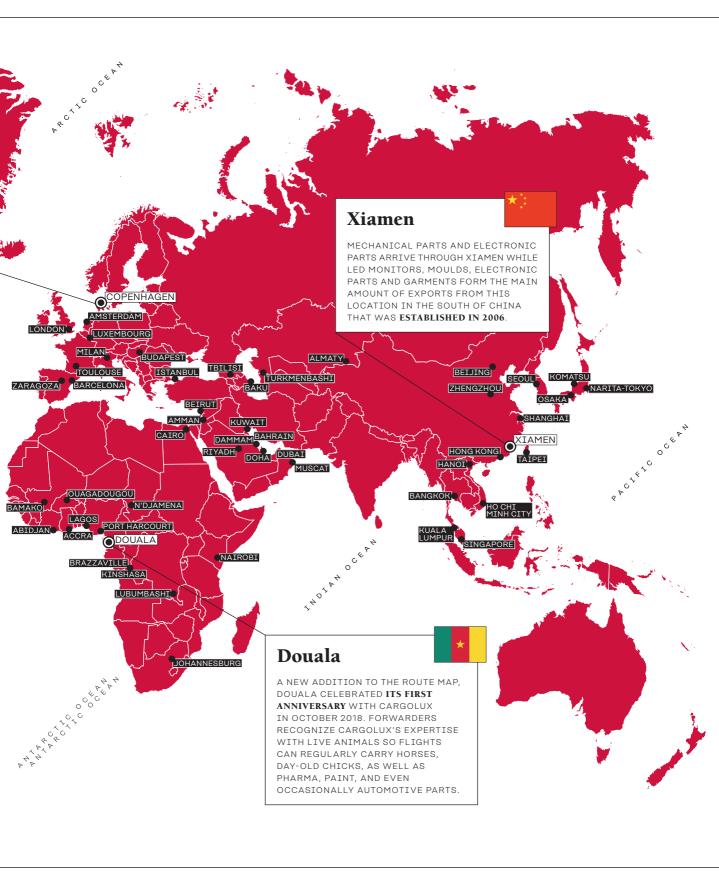
This is a highly competitive market, where air cargo companies compete with each other and with passenger airlines as well. Cargolux flights connect with weekly trucking connections via Johannesburg into Namibia, Zimbabwe, Botswana, Mozambique and Malawi, with additional interline connections (737F) into Zimbabwe and Zambia.

South Africa's primary export destinations are the Asian markets, other African Countries, the EU, and US/Canada. The main airfreight products being carried are precious metals, automotive parts, machinery/mine equipment and agricultural products. ○









CHARLIE VICTOR

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