

Emirates and Poland



232 thousand passengers on Emirates' flights to and from Warsaw in 2017-18

79 percent seat factor on Emirates' flights to and from Warsaw in 2017-18

4,000 tonnes cargo carried on Emirates' flights from Warsaw in 2017-18

1 million passengers on Emirates' flights to and from Warsaw since 2013

€105 million direct, indirect and induced GDP impact

4,070 jobs direct, indirect and induced, supported through Emirates' operations*

*Frontier Economics (2015): Emirates' Economic Impact in Europe

Emirates launched daily non-stop flights to Warsaw in February 2013 with an Airbus A330.

In less than three years, demand surpassed capacity and the route was upgraded with a larger Boeing 777-300ER in December 2015, representing 81% growth in seats. In 2017-18 alone, 232,000 passengers flew on Emirates' flights to and from Warsaw, with over one million passengers on the route since 2013.

Impact on Polish employment and GDP

A 2015 study by Frontier Economics found that Emirates' daily flights to Warsaw had a GDP impact of €105 million and supported more than 4,070 direct, indirect and induced jobs in Poland.

This number not only takes into account Emirates' staff in Poland, but also employment across the supply chain such as ground handling and catering jobs as well as induced employment through the economic activity generated by these direct and indirect employees.

Emirates' unique connectivity

Connectivity plays an important role in enabling tourism, international business relationships, Foreign Direct Investment and international trade. In Europe, connectivity is mainly provided by a few large hub airports such as Frankfurt and Paris, as a result of which intercontinental connections from other cities in Europe often require an additional stopover. This creates a connectivity gap. Emirates helps bridge that gap by serving more non-hub centres through its global network.

In fact, Emirates is the only carrier offering scheduled flights between Warsaw and Dubai International Airport (DXB). From DXB, Emirates offers connections via Dubai to 82 destinations in the Middle East, Africa and Asia Pacific that are currently not served directly from Warsaw by any airline. According to Frontier Economics, this



unique connectivity created a catalytic GDP impact of €1 million for the Polish economy in 2013-14. Furthermore, Emirates' unique connections had a catalytic impact of €3 million on Polish trade in 2013-14.

Poland-UAE trade relations

The UAE continues to be Poland's largest trade partner in the Middle East and North Africa region. In 2017 alone, bilateral trade between Poland and the UAE exceeded €629 million, having grown by 52% in the last five years. Close to half of Polish exports to the Gulf countries are destined for the UAE, dominated by telecommunications-related appliances as well as pharmaceuticals, cosmetics, specialty foods and electronic products. Poland imports products such as aluminium, metal packaging, plastic products, machinery, sporting goods, medical and electrical equipment and leather products from the UAE.

In February 2013, the UAE-Poland Joint Commission for Economic Cooperation was inaugurated to further enhance mutual economic ties and attract foreign investment in Poland. This was planned alongside

Emirates' launch to Warsaw, demonstrating Emirates' instrumental role in facilitating the trade of goods, services and people between the two countries.

The importance of tourism for Poland

Tourism constituted 5.6% of Poland's GDP and 6.1% of Polish exports in 2015. The tourism economy of Poland is worth €23.8 billion in annual revenue and employs 760,000 people, 5% of the total workforce. According to the Polish Ministry of Sport and Tourism, this sector contributes to economic diversification and generates demand for highly-skilled human resources, innovative services and modern management tools, including information and communication technologies. Recognising the potential for tourism to significantly improve economic, territorial and social cohesion, in August 2015 the Polish Council of Ministers approved the Tourism Development Programme until 2020.

Emirates contributes to Poland's tourism economy by facilitating travel not only between Poland and the UAE, but also 45 other countries across Emirates' network that

can be logically routed via one-stop connections at Dubai. In 2015-16, Emirates connected passengers on the Dubai-Warsaw route to 100 destinations via Dubai. Moreover, Emirates' operations to Warsaw have stimulated the tourism market to the benefit of other airlines. Emirates' worldwide agency ticket sales for 'destination Warsaw' grew by 5% in 2015-16, with all airlines experiencing similar growth, meaning the market grew for all players.

Open Skies for a stronger Europe

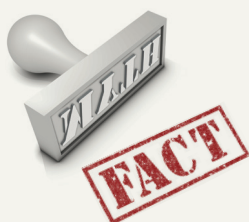
International aviation competition is currently high on the European Union agenda. Opening markets with main trading partners is an urgent necessity if the EU is to bridge its connectivity gap with the rest of the world. Liberalised aviation markets create new routes for people to travel, work and goods to be exchanged. It is not surprising that key representative bodies, including Airports Council International (ACI Europe) with seven Polish airports among its members and the European Travel Commission which is supported by the Polish Tourist Organisation (PTO), recently called on policy-makers to prioritise free aviation market access, including with the Gulf countries. Some European legacy carriers in France and Germany disagree with this. But why should valuable direct international air links, which are so important for business and tourism, be limited to a few European airlines and a few European hubs with higher ticket prices, longer travel times and passenger inconvenience as consequences?

About Emirates

Emirates was established in 1985 and since then, the company's growth has been measured in line with market demand. With 267 efficient aircraft in service today, Emirates operates a global network of over 160 destinations in 86 countries, independently of the three traditional alliances. Emirates launched passenger services to three new destinations in 2017 – Newark in the US, Phnom Penh in Cambodia and Zagreb in Croatia, and launches services to London Stansted, Santiago de Chile and Edinburgh in 2018.



Myth vs. Fact: Setting the record straight



Some of our competitors claim that Emirates competes unfairly or negatively impacts the aviation market. Such misconceptions, when repeated often enough, can ultimately be accepted as fact. Below we aim to address some of these allegations levelled against Emirates.

Myth: Emirates is heavily subsidised by the Dubai Government.

Fact: Emirates is a consumer-focused, commercial airline, operating a financially transparent and non-subsidised business model. Our funds are raised on a fully commercial basis through a wide range of sources including operating leases, commercial asset-backed debt and equity from investors. Our financial accounts are audited by PricewaterhouseCoopers in full compliance with International Financial Reporting Standards, and are publicly available at <https://www.emirates.com/english/about-us/business-model/financial-transparency.aspx> and have been since 1993-94.

Emirates has been profitable for the last 30 years and rather than receive subsidies as erroneously alleged, the Emirates Group has in fact paid its state shareholder over US\$5.1 billion in dividends up to and including its 2017-18 financial year.

Myth: Emirates receives free fuel and does not pay to use infrastructure in Dubai.

Fact: In the 2017-18 financial year, Emirates' fuel costs totalled US\$6.7 billion and comprised 28% of operating costs, wholly comparable with other large long-haul carriers. Shell, one of Emirates' main fuel suppliers in Dubai and abroad, recently confirmed that it does not give Emirates preferential treatment. Emirates also pays the full published landing charges at Dubai International Airport – as do the 100 other airlines that fly to and from this airport. Similarly, Emirates pays the same airport handling fees to the ground-handling agent as would a similar high volume airline customer.

Myth: The social conditions in which some of Emirates' employees work are unacceptable.

Fact: As a responsible multinational company, Emirates complies with the labour laws in each of the countries that we operate in. To attract and retain top talent Emirates offers competitive salaries and benefits. Emirates currently employs over 62,000 staff of over 170 nationalities worldwide. The Emirates Group's status as an excellent employer is shown by its high staff retention rates with more than 17,000 staff having worked for the company for 10 years or longer, of which 3,200 have worked for over 20 years.

Please visit our website to read more on "Airlines and Subsidy: Our position"