

Corporate Governance Statement

Flight Centre Travel Group Limited (**FLT**) endorses the Australian Securities Exchange's (ASX) Corporate Governance Principles and Recommendations and complies with each recommendation.

This statement is current as at 30 June 2025 and has been approved by the FLT Board.

1. Lay solid foundations for management and oversight

Roles and responsibilities of the Board and management

The Board acknowledges that its primary role is to create and safeguard shareholder value. The FLT Board Charter is available on the company's corporate website (see www.fctgl.com/investors#governance-documents) and sets out:

- the respective roles and responsibilities of the Board and management; and
- the matters expressly reserved to the Board and those delegated to management.

In short, the Board's functions include:

- charting the group's direction, strategies and financial objectives;
- overseeing and monitoring organisational performance;
- identifying risks and implementing appropriate control, monitoring and reporting mechanisms;
- instilling and reinforcing the values and culture of FLT including through the Code of Conduct;
- the chair's appointment;
- appointment, performance assessment and, where appropriate, replacement of the chief executive officer (**CEO**), chief financial officer (**CFO**) and company secretary
- ensuring Board structure and composition is effective;
- approving and monitoring major capital expenditure, capital management, operating budgets, acquisitions and divestitures;
- overseeing FLT's corporate reporting systems, disclosure processes and risk management frameworks; and
- approving the incorporation and deregistration of all FLT group entities

The chairman leads the Board in meeting its responsibilities to FLT stakeholders. Under FLT's constitution, the Board can also delegate any of its powers to the CEO. Those powers can be withdrawn, suspended or varied at any time.

The CEO, CFO and the other senior executives are authorised to make day-to-day decisions required to fulfil their roles and to achieve the company's strategic and financial objectives. The

company secretary is directly accountable to the Board through the chairman on all matters to do with the Board's proper functioning.

Senior executives report to the Board each month to update it on initiatives and issues. These reports include key performance indicators (**KPIs**), which are the basis of executive performance evaluations.

The full Board deals with all significant matters. To assist in its deliberations, the Board has established various committees that act primarily in a review or advisory capacity.

Checks undertaken prior to appointment

Before appointing a director, or putting forward to security holders a candidate for election, appropriate checks are undertaken in relation to such persons, including checks as to the candidate's character, experience, education, criminal record and bankruptcy history. All material information is provided to security holders with regard to the decision on whether or not to elect or re-elect a director. FLT has a written agreement with each director and senior executive setting out the terms of their appointment.

Diversity Policy

FLT's Diversity Policy is available on the company's corporate website (see <https://www.fctgl.com/investors#governance-documents>). FLT's vision for diversity relates to a broad range of areas and the Diversity Policy specifies that diversity at FLT includes, but is not limited to, gender, age, ethnicity and cultural background.

Some examples of how FLT's policy on diversity is reflected in its practice include:

- the company continues to follow a best practice recruitment process to ensure all key selection criteria for each role focus on the experience, merit and competency of the candidate. In addition, to avoid unconscious bias in the recruitment process, specialised training is provided to recruiters, hiring managers and members of the talent team;
- all policies, procedures and advertising are reviewed to ensure they are gender neutral and that practices are free of any form of discrimination. Online training modules have been developed to enhance the effectiveness of the policies;
- the company engages industry experts to provide guidance on the use of language that fosters diversity and inclusion;
- targeted remuneration packages are based on the requirements of the role being performed to support equitable pay for roles that are similar. This is designed to limit the influence of gender bias in FLT's remuneration practices;
- approximately 66% of staff members are women and 55% of FLT's senior leaders (defined as area leaders and above) are women. The company endeavours to ensure that interview panels are of mixed gender and that at least one woman applies for all senior roles; and
- with the support of the Remuneration and Nomination Committee, the Board is responsible for setting measurable objectives for achieving diversity across the company and reviews the effectiveness and relevance of these objectives annually.

The Board has established a directorship policy for its subsidiaries that exposes more staff to director roles and responsibilities. Under this policy, the relevant executive general manager (**EGM**) is appointed a director and receives valuable training and experience.

Under FLT's diversity measurable objectives, the company seeks to ensure:

- not less than 30% of directors from each gender;
- that at least one woman is shortlisted as a candidate for all Board and executive management level roles; and
- initiatives are implemented that increase the number of women applying for, and being appointed to, senior leadership positions.

These objectives were achieved in FY25.

FLT has a range of strategies and programs to drive greater diversity and inclusion. Some examples include:

- regional initiatives and events that embrace an inclusive workplace culture and celebrate the individual components of diversity;
- a development program across the FLT group to provide career progression paths for all employees;
- regional workplace surveys to gauge employee sentiment and to advance continuous improvement in diversity and inclusion;
- initiatives to support employees in work-life matters, such as financial planning, workplace flexibility, ongoing education, and employee support programs; and
- dedicated roles in Australia and the Americas to provide a culturally safe workplace for First Nations employees; and a commitment to reconciliation through FLT's Innovate Reconciliation Action Plan (RAP) in Australia.

These strategies and programs have been effective during FY25 and FLT will continue to develop them going forward.

Board evaluation

The company follows an established process for periodically evaluating the performance of the Board, its committees and individual directors. Board members and other senior executives evaluate the Board on its overall performance and individual directors' performance. The Board as a unit is assessed on Board process and dynamics, while the individual directors and chairman are assessed on leadership, interaction with other directors and senior executives, imparting of knowledge, attendance and involvement in decision making. The Board may also engage an external facilitator to help conduct periodic performance reviews. The Board is evaluated annually based on its performance during the financial year and the evaluation process for the Board, its committees and directors will be undertaken in September 2025 for FY25.

Senior executive evaluation

FLT's senior executives are subject to performance evaluation by the managing director and the task force. This evaluation includes measurement of performance against set KPIs. The process was undertaken during the FY25 financial year and the results of the annual review were communicated to each senior executive.

2. Structure the Board to be effective and add value

The Board has a complementary mix of skills that provides the desired depth and experience. The Board currently consists of five independent non-executive directors (including the chairman) and one executive director, who is the CEO.

The Board generally meets monthly and on an ad hoc basis to consider time critical matters.

Directors may seek legal advice, at the company's expense, on any matter relating to the group, subject to prior notification to the chairman. FLT provides additional updates and training to Board members on matters relating to their roles. Examples may include corporate governance updates and the impacts of recent court rulings involving such topics as directors' duties, disclosures and transactions.

Board composition

The directors' names and biographical details are provided in the annual report's Information on Directors section.

At all times, the Board seeks to have a complementary mix of financial, industry and listed entity knowledge and experience. The Board believes its current members have the necessary knowledge and experience to direct the company in its current operations. A summary of the breadth and depth of the Board's experience and skills appear below:

SKILLS AND EXPERIENCE

The current mix of skills and experience represented by the directors during the period, is as follows:

	GARY SMITH	JOHN EALES	ROBERT BAKER	COLETTE GARNSEY	KIRSTY RANKIN	GRAHAM TURNER
Travel or retail industry	✓	✓	✓	✓	✓	✓
Senior executive	✓		✓	✓	✓	✓
Finance/capital markets			✓			
Audit/accounting	✓		✓			
Legal*						
Regulatory/public policy	✓					
International markets	✓	✓		✓	✓	✓
Strategy/risk management	✓	✓	✓	✓	✓	✓
Governance	✓	✓	✓	✓	✓	
Marketing/communications	✓	✓		✓	✓	✓
Technology/IT*					✓	
Sustainability & ESG			✓			

* For expertise in areas not listed above, the directors seek expertise within FLT and externally where appropriate.

Remuneration and Nomination Committee functions

FLT has a Remuneration and Nomination Committee which is comprised of all of FLT's non-executive directors. Due to the Board's small size, FLT has a combined Remuneration and Nomination Committee. Consequently, the Remuneration and Nomination Committee considers (per the Board Charter) Board composition to ensure it includes the appropriate blend of skills and competencies to oversee the company.

The Remuneration and Nomination Committee establishes whether to nominate a further director, if a Board position becomes available or where additional skills may be required at Board level. For example, if the company chose to access a new region or sector, the committee may consider appointing an additional director with appropriate experience.

Where the Remuneration and Nomination Committee recommends the nomination of a further director, the Board may engage a professional recruitment firm to identify candidates that fit the criteria being sought to complement the Board and its existing skills set. Other factors to be considered when appointing a new director will include references, ability to devote time to the role, diversity considerations, cultural fit, strong financial acumen, technology knowledge and residential location.

Once a short list is created, the Remuneration and Nomination Committee will interview candidates.

Ultimately, a candidate will be presented to the full Board for appointment (to be ratified at the next AGM by shareholders). Should shareholders nominate a candidate for election at an upcoming general meeting, the Board will state whether or not it supports the nomination in the explanatory memorandum accompanying the notice of meeting.

Additional information on the roles and responsibilities of the Remuneration and Nomination Committee are set out in the Remuneration and Nomination Committee Charter.

The Remuneration and Nomination Committee also oversees succession planning for the CEO, board members and senior executives.

The composition of the Remuneration and Nomination Committee, the Directors' attendance records, as well as the number of times the Remuneration and Nomination Committee met throughout the FY25 financial year, are reported in the annual report's Meetings of Directors section.

Independence and materiality

All of FLT's non-executive directors are independent directors including the chairman. An independent director is a director who is independent of management and free of any business or other relationship that could materially interfere with the exercise of the director's unfettered and independent judgment. Materiality is assessed on a case-by-case basis from the perspective of both the company and the director concerned.

The Board believes all non-executive directors, including the chairman, are independent having regard to the indicia in Box 2.3 of the ASX Corporate Governance Principles and Recommendations. The board took into account a range of factors including, but not limited to, the fact that none of the non-executive board members have ever been employed by FLT, none receive performance-based remuneration or have been in a material business relationship with, or advisor to, FLT in the last three years. While businesses in which John Eales has an interest supply services to FLT, those services are not of a material quantum to those businesses, nor to FLT, such that the Board would consider that the independence of Mr Eales would be affected.

The roles of chairman and CEO are exercised by different individuals, being Gary Smith and Graham Turner respectively.

Notwithstanding the Board's view that all non-executive directors are independent, the Board appointed Colette Garnsey as a Senior Independent Director on 26 August 2025. The Senior Independent Director will provide leadership and support to the other independent directors in relation to matters that concern them as independent directors, this includes

- working with the chairman, to ensure conflicts of interest on the Board are identified and managed;
- chairing the board if (and only whilst) the chair is conflicted;

- acting as a liaison point for independent directors (excluding the chair);
- calling and chairing meetings of independent directors (excluding the chair), as required or requested;
- if asked by the independent directors, participating in discussions with shareholders, analysts, proxy advisors or other stakeholders; and
- assisting the board with succession planning for the chair.

Further details regarding the length of service of each director and their relevant interests, positions, associations and relationships, are included in the annual report's Information on Directors section.

Board and senior executive induction

Non-executive directors are given a letter of appointment setting out the terms of their appointment, time commitment envisaged and the Company's expectations for their role.

Newly appointed Board members and senior executives are given a practical induction into the group's operations, strategies, culture and values, meeting arrangements and financial position through access to appropriate documentation and face-to-face discussions with current Board members and senior executives. The induction is tailored to each individual's existing skills, knowledge and experience.

Appropriate professional development opportunities for directors are also provided in order to allow directors to develop and maintain the skills and knowledge required for them to perform their roles as directors effectively and to add value to FLT. The company secretary, in conjunction with the Board, may from time to time identify professional development courses relevant to the Board members. Lastly, the Board ensures that the directors receive briefings on material developments in legislation, regulations and accounting standards relevant to FLT.

3. Instil a culture of acting lawfully, ethically and responsibly

FLT actively promotes a set of values designed to assist employees in their dealings with each other, competitors, customers and the community. These values set out standards expected of all employees. Values endorsed include: honesty, integrity, fairness and respect. These values are incorporated into the company's Philosophies, which are included in the annual report and Code of Conduct. The Code of Conduct also outlines the company's position on lawful and ethical behaviour, conflicts of interest, use of inside information, confidentiality, bribes and facilitation payments, public comments, privacy and harassment, bullying and discrimination.

The Board endorses FLT's Code of Conduct and it applies to all directors, officers, employees, consultants and contractors. All employees receive training on the Code of Conduct, and senior executives are responsible for reinforcing the values in their day-to-day interactions with customers, competitors and suppliers, thereby setting the tone at the top. FLT terminated a small number of employees during the year for material breaches of its Code of Conduct.

In addition, FLT has implemented a Whistleblowing Policy, Anti-Fraud Policy, and an Anti-Bribery and Corruption Policy across its global operations.

The company takes its responsibility to global sustainability seriously. Our purpose as an organisation is to open up the world for those who want to see and, as one of the world's largest travel retailers and corporate travel managers, we recognise our responsibility to preserve the places we love while enriching our people, destinations and communities.

We are focused on reducing the environmental impacts of travel while delivering unique travel experiences for generations to come. We will leverage our platforms, people and partnerships to facilitate informed choices, helping customers reduce their impact and ensuring our actions benefit our people, destinations and communities.

In 2022, as part of the process to set the group ESG strategy, we completed a materiality assessment, a formal process outlined by the Global Reporting Initiative (GRI), to determine and prioritise the most significant environmental, social and governance (ESG) impacts for our business. Our approach was informed by existing GRI guidance on materiality and by GRI Standard 3 (2021). While we did not conduct detailed impact analysis to assess the relative significance of ESG impacts, we used GRI 3's significance parameters of scope, scale, likelihood, human rights impact, and irredeemable character (for negative impacts) to inform impact prioritization in an internal materiality workshop with senior leaders across the business. The results of this exercise have informed our ESG strategic direction.

The details of the strategy and the future direction of FLT's ESG approach can be found in the FLT Group Sustainability Reporting available on the company's corporate website at <https://www.fctgl.com/sustainability>.

The Flight Centre Foundation, which started in Australia in 2008, remains a key element in our overall CSR platform and has continued to expand its reach globally.

FLT's workplace giving program in Australia continues to be well supported by our people.

Political contributions

FLT maintains a position of impartiality with respect to party politics and, accordingly, does not make cash donations to political parties, nor does it make donations at the request of public officials.

Trading policy

The Board has established guidelines in its Share Trading Policy (available on FLT's corporate website at <https://www.fctgl.com/investors#governance-documents>) governing trading in FLT shares by directors, senior executives, employees, contractors and people closely connected to FLT's directors and senior executives. Dealings in FLT's shares are only permitted for 30 days following the public release of the company's price sensitive announcements. If new price sensitive information emerges during this period, directors, senior executives, employees, contractors and closely connected persons are not permitted to trade in FLT's shares until the information has been publicly released. The Share Trading Policy also prohibits short-selling and short term dealing in FLT shares at all times. FLT monitors dealing in FLT shares as part of the administration of the Policy.

Other policies

The Board also oversees the implementation of:

- the Code of Conduct;
- the Anti-Bribery and Corruption Policy; and
- the Whistleblowing Policy

(available on FLT's corporate website at <https://www.fctgl.com/investors#governance-documents>).

4. Safeguard the integrity of corporate reports

Audit and Risk Committee

The Audit and Risk Committee functions include:

- Reviewing and making recommendations on the adequacy of FLT's corporate reporting processes;
- Reviewing FLT's financial statements and making recommendations as to whether they reflect the understanding of the committee members, and otherwise provide a true and fair view, of FLT's financial position and performance;
- Providing assurance to the Board on the preparation and review of FLT's financial statements;
- Assessing the appropriateness of any significant accounting estimates, judgments or choices in FLT's financial statements;
- Recommending the external auditor's appointment/removal, reviewing the auditor's performance and the audit's scope and adequacy;
- Advising on procedures in relation to the audit engagement partner's rotation;
- Reviewing the company's published financial results;
- Ensuring timely adoption of, and adherence to, all relevant accounting policy changes;
- Assisting the Board in approving the Group Risk Management Framework and the Board Risk Appetite Statement in managing financial and non-financial risks;
- Reviewing and monitoring the Group risk profile in line with the Board Risk Appetite Statement.
- Ratifying the appointment/removal and performance assessment of risk management personnel;
- Making recommendations on objectivity and performance of FLT's risk function;
- Reporting to the Board on matters relevant to the committee's role and responsibilities;
- Reporting to the Board on the effectiveness of FLT's risk management framework; and
- Considering advice from Enterprise Risk on whether FLT is operating efficiently, effectively and in accordance with relevant laws and regulations.

These responsibilities are included in the Audit and Risk Committee charter available on the company's corporate website (see <https://www.fctgl.com/investors#governance-documents>).

Committee composition

The Audit and Risk Committee consists of all FLT's independent non-executive directors: Robert Baker (appointed chairman of the committee in September 2013), Gary Smith, John Eales, Colette Garnsey and Kirsty Rankin, who have a complementary mix of experience and expertise in accountancy, financial management, risk management, legal compliance and corporate finance. Details of the directors' qualifications are set out in the annual report's Information on Directors section.

The Board has reviewed the committee's composition and is satisfied that, given the size of FLT's Board, the committee has appropriate financial representation. The Audit and Risk Committee chairman is not the Board's chairman.

Committee meetings

Directors' attendance records, as well as the number of times the Audit and Risk Committee met throughout the FY25 financial year, are reported in the annual report's Meetings of Directors section.

Auditor appointment

The policy of the company and the Audit and Risk Committee is to appoint an external auditor that clearly demonstrates quality and independence. The external auditor's performance is reviewed annually. Ernst & Young (EY), the current external auditor, is obliged to rotate audit engagement partners at least every five years.

An analysis of fees paid to the external auditor, including fees for non-audit services, is provided in the annual report. The external auditor's policy is to provide the Audit and Risk Committee with an annual declaration of independence.

Certification of financial reports

A decision by the Board to approve FLT's financial statements for a financial period is subject to receipt, from the CEO and CFO, of a declaration in accordance with section 295A of the *Corporations Act 2001* (Cth) and recommendation 4.2 of the ASX Corporate Governance Principles and Recommendations.

Auditor communication

The external auditor attends every annual general meeting to answer shareholder questions concerning the conduct, preparation and content of the audit report.

5. Make timely and balanced disclosure

FLT has a Communications and Continuous Disclosure Policy (available on FLT's corporate website at <https://www.fctgl.com/investors#governance-documents>) which discloses FLT's policies and procedures governing continuous disclosure and shareholder communication.

In accordance with ASX Listing Rules, the company will immediately disclose publicly any information that a reasonable person will expect to have a material effect on the value of its shares. The Board receives copies of all material market announcements promptly after they have been made.

Prior to any new and substantive presentation being given to investors or analysts, FLT will release a copy of the presentation materials on the ASX Market Announcements Platform.

All information communicated to the ASX is posted on the company website. The annual report is available on the company's website and, on request, can be emailed or posted to shareholders.

6. Respect rights of security holders

Shareholder communications

The Board aims to keep shareholders informed of all major developments affecting the group's activities and its state of affairs through distribution of the annual report, ASX announcements and media releases. All such communications (including historical announcements for at least the previous three years) are placed on the company website (see <https://www.fctgl.com/investors>).

To facilitate and encourage participation at meetings of security holders, shareholders are encouraged to supply, prior to the annual general meeting, any questions of the Board so that these can be addressed at the meeting. To further encourage participation, FLT's investor relations manager is available at other times to address shareholder, analyst and media queries. Security holders are able to receive communications from, and send communications to, the company and its share registry electronically.

The investor relations manager maintains a register of analyst and investor briefings and supplies teleconference facility details at the end of the results announcements (if held) for shareholders to be fully informed. Where possible, recordings are made available on the company's website.

7. Recognise and manage risk

FLT's risk management approach is guided by three fundamental principles:

- **Asset and Stakeholder Protection:** Effective risk identification and management to safeguard the group's assets, personnel, and key stakeholders.
- **Operational Optimisation:** Continuous improvement and informed decision-making to enhance the group's operations.
- **Growth and Sustainability Support:** Balancing risk to ensure the group's growth and sustained value creation.

Risk management is established by the risk management policy and strategy, and is a responsibility shared by all employees.

The Board, via the combined Audit and Risk Committee, oversees the company's risk management framework. This framework supports the Board and management to identify, evaluate, monitor, and manage key risks, supporting the protection of assets and enhancing shareholder value.

The Audit and Risk Committee's charter is available on our website at www.fctgl.com/investors#governance-documents.

The risk management framework is built around the following processes:

- **Identification:** Identifying risks that could potentially materially impact on the group's strategic objectives and operations.
- **Assessment:** Evaluating the impact and likelihood of key risks.
- **Mitigation and Control:** Developing appropriate strategies and treatment to manage risks within acceptable levels.
- **Monitoring and Reporting:** Ongoing monitoring and reporting of risks in line with the group's risk appetite.

Risks are considered within the context of the group's strategic and operation goals across both financial and non-financial domains. The Board and / or Audit and Risk Committee reviews the FLT risk management policy and FLT's risk management framework and is satisfied that it continues to be sound.

The CEO and management are accountable for identifying, assessing, and monitoring risks, and ensuring risk management activities are communicated in line with the group's risk strategy framework.

While FLT does not have a dedicated internal audit function, regions have risk functions responsible for monitoring and helping to manage risks, along with dedicated specialists for risk categories including information security, cyber, privacy, and financial crime. The Enterprise Risk function operates independently of the business and provides an objective evaluation of FLT's risk and control environment.

The CEO and CFO provide the Board with a formal sign-off on the group's financial statements, in accordance with section 295A of the *Corporations Act 2001 (Cth)* and recommendation 4.2 of the ASX Corporate Governance Principles and Recommendations. That sign-off is founded upon a sound system of risk management and internal control which is operating effectively in all material aspects in relation to financial reporting risks.

Material Risk Profile

The below section outlines the key risks currently associated with the group, though it may not encompass every potential risk. The materiality of these risks is subject to change, and new risks may arise. The group is committed to managing these risks effectively to mitigate any negative effects on our financial performance and reputation. However, it is important to note that some risks are outside the group's control.

Risk Classes

The risk management strategy identifies key risk classes intrinsic to our business model, operations, and the external trading environment.

By effectively managing these material risks, we support the achievement of FLT's overall objectives.

- **Strategic Risks:** Risks that may impact on the adequacy and viability of FLT's business models in the medium / long term.
- **Financial Risks:** Risks that impact FLT's ability to financially support the strategic objectives of the organisation and to meet financial obligations as they fall due.
- **Operational Risks:** Caused by inadequate management of internal processes, people, technology or external events that can lead to negative impacts on FLT.
- **Conduct & Compliance Risks:** Risks associated with behaviours and actions taken that can have negative consequences for customers, counterparties, our people or FLT's reputation.
- **Emerging Risks:** Risks that cannot be fully assessed but may have a future impact on our business models and strategy. Typically, these risks are outside the control of the organisation.

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	Approach	Objective
STRATEGIC RISK	Strategic risk management is delivered through our annual strategy and business planning process at group and Divisional levels. Strategic risk assessment will consider the risks that inform our	Reduce uncertainty and maximise the upside of risks taken for superior returns.

Key Risks

- Competition risk
- Inorganic growth
- Organic growth
- Transformational change
- Sustainability
- Market conditions

Overview and Risk Factors

FLT faces various threats and disruptions that may impact its ability to effectively execute growth strategies, including both organic growth and strategic growth through mergers and acquisitions (M&A). Operating in a highly competitive environment, the group encounters challenges from existing and new competitors and risks of disruption from emerging technologies and changing customer preferences.

The successful achievement of the group's strategic growth objectives relies on the performance and alignment of its Global Divisions, as well as its investments. These areas are subject to influences from internal and external factors.

The group's M&A strategy also includes significant risks, such as identifying suitable acquisition targets, conducting thorough due diligence, integrating acquired businesses, realising synergies, and meeting financial expectations. These risks could adversely affect the group's operational and financial performance.

How we manage these risks

Strategic Planning and Diversification

The group actively evaluates its strategies and business model as part of its ongoing strategic planning process. Through diversification, we aim to reduce the risk of disruption and competition from market entrants, while striving for sustainable growth.

Innovation and Technological Advancement

To foster innovation and improve business operations, the group invests in key capabilities and technologies, focusing on automation and digital transformation. Additionally, inorganic growth through mergers and acquisitions is consistently assessed and pursued when such investments offer strong value, returns, and complement our existing portfolio.

Geographical Presence and Market Adaptation

The group's established presence in key geographical regions enhances our understanding of local markets, supporting our global division and brand strategies with strong operations and oversight. We adapt to shifts in demand by prioritising streamlined, automated, and standardised business operations.

Our diverse business lines and product offerings enable us to accommodate varying travel behaviours across different demographics. Consumer preferences play a central role in shaping our sales and marketing strategies, product procurement, and overall customer experience.

Strategic Project Oversight

Major strategic projects, including capital raising, mergers, acquisitions, divestment, joint ventures, and business initiatives or transformations, undergo risk assessments. These assessments are designed to align with specific objectives and risk appetite of each project, ensuring they support the group's goals.

	Approach	Objective
FINANCIAL RISKS	Financial risks are managed through Board policy limits and tolerances translated from our Risk Appetite.	Support financial requirements of strategic objectives and ensure financial obligations are met when they are due.

Key Risks

- Liquidity and Capital Access
- Foreign Exchange
- Interest rate
- Credit
- Investment

Overview and Risk Factors

Securing liquidity and access to capital is essential for the group to achieve its business objectives and meet financial obligations. Failure to maintain a strong balance sheet or difficulties in obtaining favourable credit or capital facilities could adversely affect our operational and financial performance, as well as our ability to fulfil ongoing liquidity needs, including debt refinancing.

As an international operator, FLT is exposed to foreign exchange risks, which can impact our operating and financial performance. Fluctuations in currency exchange rates influence future cash flows and may affect the demand for travel and tourism services, which are central to our business.

The group faces exposure to interest rate fluctuations, potentially increasing debt servicing costs. Global financial market developments might affect the liquidity of credit markets and our access

to those markets, which could have a material impact on our future financial performance and position.

Our business model relies on pre-payment by customers for travel-related services, along with sizeable corporate credit balances and supplier payment terms. Changes in these terms, customer refund requests, chargebacks or issues with receivables and recoverable assets could necessitate additional working capital, negatively impacting the group's operational and financial performance.

How we manage these risks

Liquidity Oversight

The group actively manages liquidity through rolling operating cash flow forecasts, supported by detailed 13-week cash flow forecasts prepared weekly for each business and country. These forecasts provide insight into cash inflows and outflows, helping identify potential liquidity gaps or surpluses. Regular assessment of liquidity ratios is conducted to evaluate the group's ability to convert assets into cash and cover short-term liabilities. Efforts to optimise working capital include effective management of receivables and payables, along with negotiating favourable terms with suppliers and customers. Debt structures are monitored in line with our capital management strategy, which aims to sustain growth, maintain a strong balance sheet, and maximise shareholder returns.

The group continually assesses its strategies and models as part of our strategic planning process. Through diversification, the group aims to mitigate the threat of disruption and market entrants and pursue sustainable growth. Investment into key capabilities and technologies are made with the goal of fostering innovation, automation and digital transformation in respect of our business operations. Inorganic growth via mergers and acquisitions is continually assessed and executed where investment presents strong value, returns and complements our portfolio.

Treasury and Financial Risk Management

A central treasury department oversees financial risk management, guided by Board-approved policies on areas such as foreign exchange, interest rates, and credit risk, along with the use of derivative and non-derivative financial instruments. Treasury collaborates with operating units to identify, evaluate, and hedge financial risks. The Board provides written principles for overall risk management and policies for specific areas.

Debtor and Supplier Risk Management

The group manages debtors and supplier risk through specific credit terms and criteria to assess the creditworthiness of suppliers and corporate customers. Regular evaluations and appraisals are conducted to ensure compliance with policies and standards. Based on risk profiles, the group may require collateral or guarantees to secure payment obligations. Invoices are settled promptly and accurately, adhering to agreed terms.

Acquisition and Investment Risk Management

The group follows a rigorous investment and due diligence process to evaluate financial, operational, legal, and strategic aspects of potential opportunities. Regular monitoring and reporting on existing investments ensure alignment with strategic objectives and value delivery.

	Approach	Objective
OPERATIONAL RISKS	Operational risks are assessed against their likelihood of occurring and the severity of their impacts.	Risks avoided or mitigated through practicable control design and operation.

Key Risks

- People & Culture
- Third Party / Supply Chain
- Cyber & Information Security
- Technology
- Artificial Intelligence (AI)
- Overview and Risk Factors

As a service-orientated organisation that relies on key senior management and personnel, the group faces significant risks from staff turnover and loss of key employees. The absence of experienced consultants, sales teams, frontline managers, and senior leaders could disrupt business operations in the short term and negatively affect financial performance. The complexity of operating over 30 brands in multiple countries further amplifies these challenges. Attracting and retaining qualified staff is crucial to mitigate these risks.

Our supply chain involves travel providers, major airlines, global distribution systems, and intermediaries including the International Air Transport Association (IATA). Reliance on third-party suppliers introduces risks of disputes or contractual failures that could harm reputation and financial performance. The current economic climate exacerbates these risks, as suppliers may alter engagement terms or default on payments due to operational challenges, posing direct threats to the group's operations and financial stability.

As a multinational organisation processing customer payments and personal data across multiple jurisdictions, the group faces material cybersecurity and IT operational risk. Our business model requires robust technology infrastructure to support operations in multiple international markets, creating exposure to cyber threats, system failures, and regulatory compliance challenges. Operating under multiple privacy and data protection regimes including GDPR, and maintaining PCI DSS compliance for payment credit card processing, adds further complexity to our risk landscape.

Primary cybersecurity and IT risks include ransomware attacks, data breaches, supply chain compromises, and system outages. Such incidents could result in operational disruption across our international network, revenue loss, regulatory penalties, and substantial reputational damage affecting customer confidence and future business performance. Non-compliance with regulatory requirements could result in sanctions, financial penalties, and operational restrictions.

The group remains committed to leveraging AI innovation to drive productivity, elevate customer experiences, and transform traditional travel offerings. At the same time, it recognises the importance of identifying and managing associated risks, including governance, data privacy, ethical considerations, and responsible use, to ensure AI is deployed in a way that is impactful, trustworthy and ethical., in addition to generating business value.

How we manage these risks

Employment Management

The group emphasises a strong culture, reward, and recognition systems to maintain high staff satisfaction and retention. The Executive Team is collectively responsible for ensuring an organisational culture that meets objectives. Strong talent management, succession planning, and retention mechanisms are in place to secure key capabilities.

Cybersecurity and IT Management

The group employs comprehensive cybersecurity frameworks designed to protect systems and data, detect security incidents, and enable rapid response to minimise business impacts. A dedicated Information Security team implements security controls and practices, supported by regular employee training programmes, security assessments, and continuous monitoring systems. Established incident response procedures provide additional protection against potential security events.

Recognising emerging technology risks, the group has implemented an AI governance framework, including policies, oversight committee, and reporting mechanisms to ensure responsible development and deployment of artificial intelligence technologies whilst managing associated cybersecurity and operational risks.

Supply Chain and Third-Party Management

The group performs due diligence and relationship management to monitor supply chain and third-party risks. By maintaining a diverse supplier base, the group reduces dependency and increases resilience. Ongoing supplier assessments ensure compliance, performance, and quality standards are met.

	Approach	Objective
CONDUCT AND COMPLIANCE RISK	Conduct and compliance risks are assessed and managed with a control environment designed to meet regulatory, customer, stakeholder, and community expectations.	Risks avoided or mitigated through practicable control design and operation with consideration to legal, regulatory and codes of conduct.

Key Risks

- Privacy and data management
- Financial crime compliance
- Market Integrity
- Treating Customers Fairly

- Overview and Risk Factors

As a global retailer of travel and travel-related products, the group faces regulatory risks linked to non-compliance with jurisdiction-specific requirements. Key areas of exposure include:

- Data privacy breaches and mismanagement of confidentiality
- Failures in external financial and regulatory reporting
- Errors in tax payment and filing
- Money laundering and terrorism financing risks and compliance obligations
- Non-compliance with evolving risks and associated regulatory breaches
- Bribery and corruption risks and associated regulatory breaches
- Failure to identify material changes to laws, regulations, licensing, industry standards or codes.
- Any regulatory enforcement could significantly impact the group’s reputation and financial performance.

Monitoring ethical behaviour throughout our supply chain is vital, especially regarding human rights, modern slavery, and data security. Breaches such as fraud, bribery, corruption, anti-competitive actions, sanctions violations, money laundering, terrorism financing, cyber security and IT system continuity incidents and privacy violations pose substantial risks to our business.

FLT is dedicated to ethical conduct and strong governance. This commitment is essential for business success and meets the expectations of shareholders, regulators, customers and employees. Any deviation from our code of conduct by employees or suppliers could lead to a breach of legislation or regulations and damage the group’s reputation.

How we manage these risks

Compliance by design

The group ensures regulatory compliance by implementing robust policies, effective training, advanced technology, and streamlined processes and monitoring. These measures help FLT maintain strong relationships with regulators, respond effectively to regulatory changes, secure necessary licences and certifications, and operate responsibly across international borders.

Corporate Governance Framework

Our corporate governance approach is designed to manage, oversee, and report conduct matters across the group. FLT endorses the ASX Corporate Governance Principles and Recommendations, adhering to each as outlined in our Corporate Governance Statement. The group actively monitors and reports any material breaches of our code of conduct directly to the Board.

	Approach	Objective
EMERGING RISK	Emerging risks are assessed differently to other risk classes. Scenarios are utilised to inform mitigation plans to be implemented if the risk materialises.	Understanding potential impacts and mitigations if risk were to materialise.

Key Risks

- Environmental, Social and Governance
- Macroeconomic and Geopolitical
- Technological

Overview and Risk Factors

The group, along with its customers, suppliers, and service providers, is exposed to climate change risks, including rising sea levels, extreme weather conditions, and increased frequency of catastrophic events like floods, fires, storms, and droughts.

These physical and financial challenges disrupt supply chains and affect sectors associated with leisure and corporate clients, such as agriculture, impacting travel patterns.

Risks related to climate change mitigation efforts include policy and legal changes, shifts in investor and customer preferences, and technological advancements. These broad-scope risks can have significant domestic and international impacts, influence customer demand and potentially affecting the group's financial performance and prospects.

The global travel industry faces a complex macroeconomic and geopolitical environment. Although travel demand remains resilient, consumer caution in spending on travel and business cost-cutting measures are noticeable. Geopolitical tensions, including conflicts in Ukraine and Middle East, contribute to increased travel advisories, regulatory changes, and operational risks, affecting traveller confidence and logistics.

How we manage these risks

Sustainability and Compliance

The group has a dedicated sustainability team which leads compliance efforts with jurisdictional sustainability standards. In the upcoming financial year, we will assess climate risks and opportunities following these standards. Regular monitoring of the climate-related risks are presented to the Board, and the FY24 Sustainability Report outlines indirect and direct emissions for the group.

Digitisation of travel retailing

To ensure the ongoing viability the group's business model and operations, we are adopting digital platforms and advanced technologies including artificial intelligence, machine learning and automation to create competitive advantage and counteract disruption with the market segment by digital entrants. We are also utilising this emerging technology to streamline operations and enhance customer experience.

Risk Management Framework and Strategic Positioning

Our risk management framework strengthens balance sheets and ensures proactive business continuity planning. Strong relationships with suppliers and partners ensure service reliability and

adaptability. Traveller safety, flexibility, and support are paramount to fostering trust and loyalty during uncertain times. As travel remains a key discretionary category, our strategic positioning captures growth opportunities while safeguarding operations and reputation globally.

8. Remunerate fairly and responsibly

Full details of FLT's remuneration policies and structures, including director and key management personnel information, are outlined in the remuneration report in the annual report.

A summary of the Remuneration and Nomination Committee's responsibilities is included above at item 2 and additional information can be found in the Remuneration and Nomination Committee charter (see www.fctgl.com/investors#governance-documents).

All relevant governance charters and policies are available on www.fctgl.com/investors#governance-documents .