

Target market determination

Flight Centre Travel Group Limited: Business ownership scheme (BOS) unsecured notes

Target market summary

This Product is likely to be appropriate for an eligible consumer who is an employee of the Flight Centre Travel Group Limited corporate group (**Group**) and is personally invited by Flight Centre Travel Group Limited (**Issuer**) to participate. The Product is intended for use by an eligible consumer with a low risk/return profile for that portion of their investment portfolio, and is likely to be consistent with the financial situation and needs of a consumer with a long investment timeframe and who is seeking to gain exposure to income returns in addition, and referable, to their employment income. The Product is appropriate for an eligible consumer who has an intended investment term of 10 years but may want to withdraw their money at any time, subject to the redemption criteria below.

Key information

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| Issuer | Flight Centre Travel Group Limited |
| Issuer ACN | 003 377 188 |
| Trustee | Melbourne Securities Corporation Limited |
| Trustee ACN | 160 326 545 |
| Trustee AFSL | 428289 |
| TMD version | 2.0 |
| TMD effective from | 28 May 2026 |
| Product prospectus | See https://www.fctgl.com/investors#governance-documents |
| Issuer contact | BOS_Australia@flightcentre.com |

About this document

This Target Market Determination (**TMD**) is made by the Issuer and is required under section 994B of the *Corporations Act 2001* (Cth). It describes the class of customers that comprises the target market for the Product and matters relevant to the Product's distribution and review. Specifically, this TMD outlines the key attributes of the Product, the distribution conditions, the triggers and periods to review the target market, and certain other information. It forms part of the Issuer's design and distribution arrangements for the Product.

This TMD is **not** a prospectus or product disclosure statement and is **not** a summary of the features or terms of the Product. This TMD does not take into account any person's individual objectives, financial situation or needs. Persons interested in acquiring this Product and who are personally invited by the Issuer to acquire the Product should carefully read the Issuer's prospectus dated 28 May 2026 (**Prospectus**) before making an investment decision. The Prospectus can be obtained by accessing it online at <https://www.fctgl.com/investors#governance-documents>

Important terms used in this TMD are defined in the attached table of definitions which supplement this TMD. Capitalised terms used in this TMD and not otherwise defined have the meaning given to them in the Prospectus. A reference to a 'consumer' in this TMD is a reference to a potential holder of the Product.

Applicable target market

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| Key Product features and redemption criteria | BOS unsecured notes (Product) are issued under the unsecured note deed to which the Issuer is a party, dated 19 April 2022 (as amended from time to time) (Trust Deed). The Trust Deed provides for special conditions of issue to be attached to the Product (Special Conditions of Issue). Interest on the Product is generally payable by reference to the |
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| | <p>relevant shop or business unit profits (or in the case of certain approved shop or business units, profit improvements of the business), or by reference to profit of the shops or business units within the reporting lines and under the leadership of the consumer as an employee of the Group and/or management profit and loss as determined by the Issuer.</p> <p>Accordingly, there may be no interest payable if there are no such profits, or profit improvements. No particular level of interest return is promised or guaranteed by any person.</p> <p>The Product may only be acquired using a limited recourse loan (Loan) offered by P4 Finance Pty Ltd (Financier) for the full face value of the Product. The payments on the Loan are limited to the interest on that Loan, and accordingly a consumer's payments in relation to the Product are limited to the interest payments made on that Loan.</p> <p>Redemption of any Product for its face value occurs:</p> <ul style="list-style-type: none"> • upon termination of the employment of the relevant employee for any reason; • upon notice in writing from the holder requesting redemption or repayment of the Product; • upon notice in writing from the Issuer advising that redemption or repayment of the Product will occur on a certain date; • upon notice in writing from the Financier to the Issuer or the holder advising that redemption of the Product or repayment of the Loan will occur on a certain date in circumstances outlined in the Prospectus; or • upon the 10th anniversary of the date of issue of the Product, whichever occurs first. <p>The Product is otherwise subject to the Special Conditions of Issue, further details of which are set out in the Prospectus.</p> <p>Funds raised by the issue of the Product are used for working capital requirements of the Group.</p> <p>The Product is comprised of unsecured notes which rank equally with all other unsecured creditors of the Issuer, after the interests of the secured creditors of the Issuer, but before the interests of shareholders upon a winding up of the Issuer.</p> <p>The Product may only be acquired using a limited recourse loan offered by P4 Finance Pty Limited for the full face value of the Loan. Consumers will only be obliged to pay the interest on the Loan, which will be charged monthly in arrears. The term of the Loan will be one year and following that can be rolled over on a yearly basis. Accordingly, the most that a consumer will be exposed to at any time is one year of interest payments on the Loan (and any other fees or charges payable on the Loan in that year).</p> |
| <p>Consumers likely to be in the target market</p> | <p>The Product is likely to be appropriate for a consumer with the following characteristics (and who receives a personal invitation from the Issuer):</p> <ul style="list-style-type: none"> • The consumer is eligible to receive the invitation-only offer because they are employed by the Group. A consumer will therefore be an employee of the Group who has personally received an invitation to participate from the Issuer. |

- The consumer is seeking to gain exposure to income returns in addition to their employment income based on the performance of the relevant shop(s) or business unit(s), as opposed to capital growth. Note that the existence and amount of income returns is not guaranteed, and may be influenced by the profits or profit improvements of the relevant shop(s) or business unit(s).
- The consumer is prepared to incur up to one year of interest on the Loan to invest across a long timeframe of up to ten years. Notwithstanding the ability for the Product to be redeemed and the Loan repaid on an annual basis, the Product should not be considered as a short or medium term investment.
- The consumer must:
 - have an understanding of the operation of the Issuer's business generally and the relevant shop(s) or business unit(s) connected to the consumer;
 - be able to tolerate a variable return on the Product, including where the return in any period is zero; and
 - be prepared to lose some or all of the interest paid on the Loan in the event of insolvency or default by the Issuer.

The Product is likely to be appropriate for a consumer with a **low** risk appetite, having regard to:

- their experience as an employee within, and knowledge and inherent understanding of, the Group and degree of control over their investment (or in the case of a nominee, that of the person who appointed them);
- the ability for the Product to be redeemed for its face value on notice by the consumer or the Issuer, or otherwise in certain other circumstances, in accordance with the Special Conditions of Issue;
- the fact that a consumer is only exposed to one year of interest on the Limited Recourse Loan at a time (and any other fees or charges payable on the Loan in that year); and
- the historical performance of the Group and previous iterations of the Product, particularly in periods of difficult market conditions.*

An individual with a low risk appetite is one who has a preference or objective for income distribution, has a low appetite for losses and is comfortable with a moderate target return profile in exchange for not putting significant capital at risk. The individual is prepared to put one year of interest on the Loan at risk on the assumption that they can redeem on a short notice period, and invests in a more diverse range of asset classes with a bias towards fixed income with some opportunity for performance or growth. Consumers should note that the interest payments on the Product are dependent on the performance of the relevant shop(s) or business unit(s) and the overall performance of the Issuer, however the most that a Consumer is exposed to at any time is the interest paid on the Loan.

This summary is not a complete description of the risks of investing in the Product. The Prospectus sets out greater detail in relation to key risks associated with investing in the Product. Consumers should note that where a consumer seeks financing for the Product from the financier described in the Prospectus, the financing arrangement will be

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| | <p>with a related body corporate of the Issuer on such terms as the consumer and the financier agree (but which terms, to the best of the Issuer's knowledge and belief, will be consistent with arm's length terms). Where a consumer has sought such financing and elects to redeem the Product, they will still be required to pay any outstanding interest on their loan to the financier.</p> <p>The Product has not been designed as a portfolio investment but as a stand-alone Product to supplement a consumer's income, benefits and rewards (as a Group employee). The Product is not diversified and is exposed to risks within the overall travel industry, however the consumer will have a degree of control over the drivers which generate any returns on their investment.</p> <p>Therefore, the Product is likely to be consistent with the objectives of an eligible consumer with a long term investment horizon and at least a low risk appetite, and who is seeking to put at risk one year of interest on the Loan of no more than 30% of their investable assets. The Product does not interact with any other asset classes to the extent they are held by the consumer, but for general market conditions.</p> <p>Even if you are eligible to participate, if you are not willing to invest across a long timeframe, have a low risk appetite, or are looking for a diversified investment for capital growth, you would not be considered to be in the target market for the Product.</p> <p><i>* This refers to the challenging market conditions experienced by the Group during the COVID-19 pandemic, during which period the Issuer repaid the face value (together with any outstanding interest and returns) of all then outstanding BOS unsecured notes, which were the previous iteration of the current Product.</i></p> |
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| Product distribution | |
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| Distribution channels | The Product will be distributed directly by the Issuer to eligible consumers (as outlined above). Consumers must engage the services of the Financier, who will assist them to obtain the Loan to fund their purchase of the Product. The Financier is a related body corporate of the Issuer. |
| Distribution conditions | <p>The Product will only be distributed when the following conditions have been met:</p> <ul style="list-style-type: none"> • confirmation that the consumer is an eligible consumer (as outlined above); • provision of the Prospectus to the consumer; • the Product is to be acquired through the use of the Loan; • distribution to take place only by trained and authorised employees of the Group; and • no financial advice is to be provided by the Issuer or its employees. The consumer must read the Prospectus and obtain their own independent financial advice if necessary. |
| Appropriateness of the TMD | <p>The Issuer reasonably believes that:</p> <ul style="list-style-type: none"> • issuance of the Product in accordance with these distribution conditions is likely to be to a consumer within the target market; and • issuance of the Product to a consumer within the target market is likely to be consistent with the likely objectives, financial situation and needs of the consumer. |

| Reviewing the TMD | | |
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| Initial review | Within 12 months of the TMD's 'effective from' date (as outlined above) | |
| Subsequent reviews | Every 24 months | |
| Review triggers | Description | Reporting period |
| | <ul style="list-style-type: none"> • Material change to design or distribution of the Product; • Significant dealing outside the target market; • Deterioration in the financial performance of the Group that has a material impact on the risk of the Product; • Materially high number of complaints from consumers as determined by the Trustee; or • The Group begins to distribute the Product through third parties or otherwise changes distribution. | <ul style="list-style-type: none"> • Immediately • As soon as practicable, and in any case within 10 business days after becoming aware • As soon as practicable, and in any case within 10 business days after becoming aware • As soon as practicable, and in any case within 10 business days after becoming aware • Immediately |

| Distributor reporting requirements | |
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| Applicability | This section applies to the Issuer in its capacity as sole distributor of the Product. Reports in respect of review triggers (including the matters set out below) will be provided to the Audit and Risk Committee if required. |
| Complaints relating to the Product, its design or its distribution | Report semi-annually. |
| Significant dealings outside of the target market | Report as soon as possible, but at least within 10 business days after becoming aware of the significant dealing. |

Definitions

| Term | Definition |
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| Consumer's investment objective | |
| Capital growth | The consumer seeks to invest in a product designed or expected to generate capital return over the investment timeframe. The consumer prefers exposure to growth assets (such as shares or property) or otherwise seeks an investment return above the current inflation rate. |
| Capital preservation | The consumer seeks to invest in a product designed or expected to have low volatility and minimise capital loss. The consumer prefers exposure to defensive assets that are generally lower in risk and less volatile than growth investments (which may include cash or fixed income securities). |
| Income distribution | The consumer seeks to invest in a product designed to generate income, as opposed to capital preservation or growth. The consumer prefers exposure to income-generating assets (which may include dividend-paying equities, fixed income securities and money market instruments). |
| Consumer characteristics | |
| Eligible consumer | A consumer who is an employee within the Group and has received a personal invitation from the Issuer. |
| Consumer's intended product use (% of investable assets) | |
| Solution/standalone (up to 100%) | The consumer may hold the investment as up to 100% of their total investable assets. The consumer is likely to seek a product with very high portfolio diversification. |
| Major allocation (up to 75%) | The consumer may hold the investment as up to 75% of their total investable assets. The consumer is likely to seek a product with a medium to high portfolio diversification. |
| Core component (up to 50%) | The consumer may hold the investment as up to 50% of their total investable assets. The consumer is likely to seek a product with a medium portfolio diversification. |
| Minor allocation (up to 25%) | The consumer may hold the investment as up to 25% of their total investable assets. The consumer is likely to seek a product with a low to medium portfolio diversification. |
| Investable assets | Those assets that the investor has available for investment. |
| Portfolio diversification | |
| Very low | The relevant product provides exposure to a single asset (for example, a commercial property) or a niche asset class (for example, minor commodities, crypto-assets or collectibles). |
| Low | The relevant product provides exposure to a small number of holdings (for example, fewer than 25 securities) or a narrow asset class, sector or geographic market (for example, a single major commodity such as gold or equities from a single emerging market economy). |

| Term | Definition |
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| Medium | The relevant product provides exposure to a moderate number of holdings (for example, up to 50 securities) in at least one broad asset class, sector or geographic market (for example, Australian fixed income securities or global natural resources). |
| High | The relevant product provides exposure to a large number of holdings (for example, over 50 securities) in multiple broad asset classes, sectors or geographic markets (for example, global equities). |
| Very high | The relevant product provides exposure to a large number of holdings across a broad range of asset classes, sectors <u>and</u> geographic markets with limited correlation to each other. |
| Consumer's intended investment timeframe | |
| Long | The consumer seeks to invest over a timeframe of up to 10 years but is able to withdraw their money at any time subject to the redemption criteria. Each Product is issued for a maximum period of 10 years. |
| Consumer's risk (ability to bear loss) and return profile | |
| Low | <p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> • has a conservative or low risk appetite; • is not prepared to put any capital at risk, regardless of the liquidity of the underlying instrument; • is concerned with capital preservation; • seeks to minimise volatility and potential losses (for example, has the ability to bear up to one negative return over a 20 year period); and • is comfortable with a low target return profile. <p>The consumer typically prefers stable, defensive assets (such as cash or fixed income).</p> |
| Medium | <p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> • has a moderate or medium risk appetite; • is prepared to put a significant portion of their capital at risk on the assumption that they can redeem on a short notice period; • seeks low volatility and potential losses (for example, has the ability to bear up to four negative returns over a 20 year period); and • is comfortable with a moderate target return profile. <p>The consumer typically prefers defensive assets (for example, fixed income).</p> |
| High | <p>For the relevant part of the consumer's portfolio, the consumer:</p> <ul style="list-style-type: none"> • has a high risk appetite; • can accept high volatility and potential losses (for example, has the ability to bear up to six negative returns over a 20 year period); and • seeks high returns (typically over a medium or long timeframe). <p>The consumer typically prefers growth assets (for example, shares and property).</p> |

| Term | Definition |
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| Very high | <p>For the relevant part of the consumer’s portfolio, the consumer:</p> <ul style="list-style-type: none"> • has a very high risk appetite; • can accept very high volatility and potential losses (for example, has the ability to bear six to seven negative returns over a 20 year period); and • seeks to maximise returns (typically over a medium or long timeframe). <p>The consumer typically prefers high growth assets (such as high conviction portfolios, hedge funds and alternative investments).</p> |
| Extremely high | <p>For the relevant part of the consumer’s portfolio, the consumer:</p> <ul style="list-style-type: none"> • has an extremely high risk appetite; • can accept significant volatility and losses; and • seeks to obtain accelerated returns (potentially in a short timeframe). <p>The consumer seeks extremely high risk, speculative or complex products which may have features such as significant use of derivatives, leverage or short positions or may be in emerging or niche asset classes (for example, crypto-assets or collectibles).</p> |
| Distributor reporting | |
| Significant dealings | <p>Section 994F(6) of the <i>Corporations Act 2001</i> (Cth) requires distributors to notify the Issuer if they become aware of a significant dealing in the Product that is not consistent with the TMD. Neither the <i>Corporations Act 2001</i> (Cth) nor ASIC defines when a dealing is ‘significant’ and distributors have discretion to apply its ordinary meaning.</p> <p>The Issuer will rely on notifications of significant dealings to monitor and review the Product, this TMD and its distribution strategy, and to meet its own obligation to report significant dealings to ASIC.</p> <p>Dealings outside this TMD may be significant because:</p> <ul style="list-style-type: none"> • they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the Product; or • they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the consumer (or class of consumer). <p>In each case, the distributor should have regard to:</p> <ul style="list-style-type: none"> • the nature and risk profile of the Product (which may be indicated by the Product’s risk rating or withdrawal timeframes); • the actual or potential harm to a consumer (which may be indicated by the value of the consumer’s investment, their intended Product use or their ability to bear loss); and • the nature and extent of the inconsistency of distribution with the TMD (which may be indicated by the number of red and/or amber ratings attributed to the consumer). <p>Objectively, a distributor may consider a dealing (or group of dealings) outside the TMD to be significant if:</p> <ul style="list-style-type: none"> • it constitutes more than half of the distributor’s total retail product distribution conduct in relation to the Product over the quarter; • the consumer’s intended Product use is solution/standalone; |

| Term | Definition |
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| | <ul style="list-style-type: none">• the consumer's intended Product use is core component or higher and the consumer's risk/return profile is low; or• the Product has a green rating for consumers seeking extremely high risk/return. |