



MODERN SLAVERY STATEMENT

Financial year ending

30 June 2020

Contents

Introduction	3
A message from our Chief Executive Officer	3
Our Structure, Operations & Supply Chains	3
Risks of Modern Slavery Practices in our Operations and Supply Chain	6
Transparency in our operations and supply chains	6
Geographic assessment – modern slavery risk.....	6
Product assessment – modern slavery risk.....	6
Actions Taken to Assess and Address Modern Slavery Risks.....	7
Supplier and client commitments.....	7
Governance and Policies	7
Remediation and Grievances	8
Training	8
Improving public awareness	9
Corporate social responsibility	9
Measuring the Effectiveness of our Actions	10
Responding to Covid-19	10
Next Steps	10

Introduction

This Statement has been prepared by **Flight Centre Travel Group Limited** (FCTG) (ABN 003 377 188) and captures the activities of FCTG, our subsidiaries, joint ventures and the entities owned and controlled, including Australian OpCo Pty Ltd (Australian OpCo) (ABN 003 279 534), collectively referred to as “the Group”. FCTG and Australian OpCo are reporting entities under the *Modern Slavery Act 2018* (Cth) (the Act).

The Statement has been prepared to meet the requirements of the Act and the United Kingdom Modern Slavery Act 2015. While this is FCTG’s first Modern Slavery Statement for Australia, we have previously provided three Modern Slavery Statements for our Flight Centre UK business.

The Statement has been prepared by our Modern Slavery Working Group for FCTG and Australian OpCo, a collaboration of our Enterprise Risk, Financial Crime Compliance and In-House Legal teams who have consulted with senior executives and subject matter experts from each area of our business (including FCTG and Australian OpCo) and with input from external experts.

A message from our Chief Executive Officer

All forms of modern slavery, including slavery, servitude, forced and compulsory labour, forced marriage, debt bondage, human trafficking and the worst forms of child labour, are a violation of fundamental human rights. FCTG recognises that while modern slavery risks may be higher in certain industries and geographic locations, no country or industry is immune to this shocking reality. As a retailer of travel products globally we source and sell travel products from countries across the world, and acknowledge that these modern slavery risks may exist in our supply chains.

We are committed to promoting and selling travel that respects human rights, the environment, wildlife and social equality. We are also committed to acting responsibly, doing what we can to ensure our customers travel safely, maintaining a strong and positive company culture and upholding the values that our stakeholders expect of us.

Further, we are committed to responsible and sustainable travel and tourism, including the identification and prevention of all forms of modern slavery in our business and supply chains. We are committed to acting ethically and with integrity in all our business dealings and relationships. We do not tolerate any form of modern slavery in our own business or throughout our supply chains.

FCTG expects its people to have a shared commitment to maintain the highest standards of personal and professional ethics, to comply with all relevant laws and regulations and to personify and represent FCTG’s values in everything we do.

All employees, contractors and representatives of FCTG are required to read and comply with FCTG’s global Code of Conduct, which includes a description of modern slavery and human trafficking.

Our Structure, Operations & Supply Chains

FCTG’s purpose is to open up the world for those who want to see. Every day, we give people all around the world the opportunity to experience something really amazing – travel!

Starting in the early 1980s as an Australian leisure travel agency, FCTG has grown to be one of the world's largest travel groups and has been listed on the Australian Securities Exchange since 1995 (ASX: FLT). Australian OpCo is a wholly-owned subsidiary of FCTG.

Today, FCTG has a leisure and/or corporate travel presence in more than 20 countries, plus a small network of in-destination businesses (referred to internally as The Travel Group) specialising in touring, hotel management and destination management.

We have offices in 23 countries and are headquartered in Brisbane, Australia. As at 30 June 2020 the Group employed 17,768 fulltime equivalent employees worldwide, with more than 45% based in Australia. However, due to the impacts arising from Covid-19 and significant reduction in global demand for travel and the tourism sector, as at 30 June 2020, the Group unfortunately had to stand down (or furlough) 7,156 employees. In Australia, employment conditions are covered by the National Employment Standards (NES) which set out the 10 minimum employment entitlements that have to be provided to all employees.

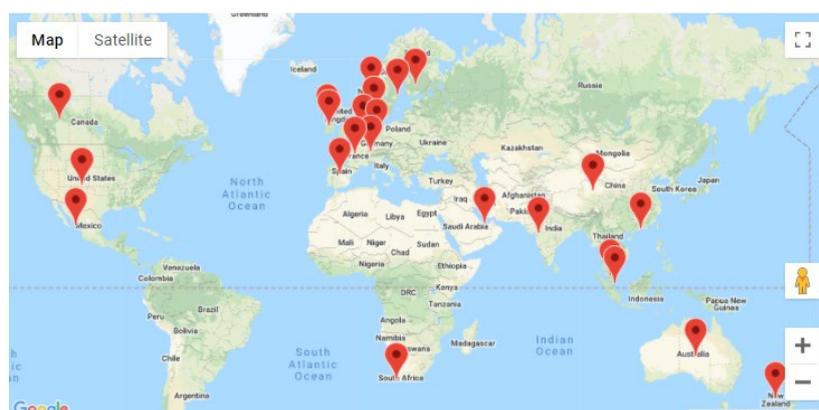
In addition, over 70% of our Australian employees are covered by modern awards or industrial agreements, which set minimum pay and conditions for specific categories of workers. The remainder of our employees have individual employment contracts, which provide additional conditions for an individual employee, but cannot reduce or remove the minimum entitlements prescribed under the NES.

We undertake annual reviews of the modern awards and employment contracts to ensure our workers' entitlements are being met. We also undertake regular internal and external audits of payroll to ensure our workers are being paid correctly.

Our vast leisure, corporate and wholesale travel service network extends throughout four major regions:

1. Australia and New Zealand;
2. The Americas, specifically the United States, Canada and Mexico;
3. EMEA (the United Kingdom, South Africa, Ireland, the Netherlands, Germany, Denmark, Sweden, Norway, Finland and the United Arab Emirates); and
4. Asia (Greater China, India, Singapore and Malaysia).

In addition, our global corporate travel management network, FCM Travel Solutions, extends to over 70 other countries through strategic licensing agreements with independent local operators.



Australia	→	New Zealand	→	USA	→
Canada	→	Mexico	→	United Kingdom	→
South Africa	→	India	→	Mainland China	→
Hong Kong	→	Singapore	→	UAE	→
Malaysia	→	Ireland	→	Netherlands	→
Sweden	→	France	→	Germany	→
Denmark	→	Norway	→	Finland	→
Switzerland	→	Spain	→		

FCTG trades under multiple brands including the flagship Flight Centre brand, as well as:



FCTG has an extensive and complex range of travel and tourism related product suppliers that may be contracted or non-contracted depending on the volume and nature of supply. Suppliers of these products and services vary in size and maturity from large global entities to small family operated accommodation or tour providers. Depending on the nature of the product and service, supply agreements may be global, regional or local.

FCTG categorises its suppliers based on the nature of the product or service they provide. Categories include:

- air travel service providers,
- accommodation providers,
- tour operators,
- transport providers,
- holiday package providers, and
- ancillary product and service providers.

FCTG also engages with non-trade suppliers to provide goods and services to support FCTG operations and include, but is not limited to, information technology, marketing and printing, uniforms, stationery, cleaning contractors and more.

In addition, FCTG also holds investments joint ventures as follows:

- 48.8% shareholding in Pedal Group Pty Ltd (Pedal Group). Pedal Group is also a reporting entity under the Act and will submit its own modern slavery statement. FCTG has joint control of Pedal Group. Significant shareholdings in Pedal Group include a 100% shareholding in 99 Bikes Pty Ltd, a Brisbane based national chain of retail bike stores, and a 100% shareholding in Advance Traders (Australia) Pty Ltd, a Brisbane based wholesale bike company. All companies are incorporated in Australia; and
- 51% shareholding in Go Vacation Vietnam Company Limited (GVVC) is held by Buffalo Tours One Member Vietnam Company Limited is a subsidiary of Buffalo Tours (Singapore) Pte Ltd. GVVC is a tour company incorporated in Vietnam. Per the relevant agreements, Buffalo Tours only hold 50% voting rights in GVVC and hence have joint control over the entity's economic activities, and therefore recognize this as an investment in a joint venture.

FCTG has contractual arrangements in place to establish joint control over each entity's economic activities, including financial and operating decisions.

Risks of Modern Slavery Practices in our Operations and Supply Chains

Transparency in our operations and supply chains

Transparency is fundamental to maintaining a safe and responsible supply chains. The Modern Slavery Working Group has assessed areas of our operations and supply chains where modern slavery risks are likely to be most prevalent, utilising research and data sources from the UN Guiding Principles, 2018 Global Slavery Index and the Australian Institute of Criminology.

Using a combination of geographic and product categorisation as risk identifiers to assess supplier risk, we have mapped our supply chains and performed a detailed risk assessment including conducting enhanced checks where necessary. Enhanced checks involved:

- screening suppliers and their shareholders/directors for adverse media relating to human exploitation;
- sending out detailed questionnaires to suppliers; and
- ongoing monitoring of high risk supplier operations.

Geographic assessment – modern slavery risk

With reference to the UN Guiding Principles and the 2018 Global Slavery Index, FCTG assessed potentially high risk regions for modern slavery to include the Middle East, Africa and South East Asia.

Cambodia, Thailand and Vietnam have also been assessed as potentially high risk countries within FCTG's operations and supply chains, due to the modern slavery risks associated with Orphanage Tourism and Voluntourism.

Product assessment – modern slavery risk

The Modern Slavery Working Group also considered modern slavery risks in our operations and supply chains, in relation to the sectors from which we procure goods and services. During the reporting period, we identified the following potential high modern slavery risk areas:

Supply Chains	Possible Modern Slavery Practices
Air products (Airlines, Charter flights, etc.)	Underpayment, excessive working hours
Accommodation and Hospitality (Resorts, Hotels, etc.) (specifically cleaners, kitchen and maintenance staff)	Underpayment, excessive working hours, child labour
Cruise ships	Underpayment, excessive working hours, passports and/or wages withheld
Tour operators	Underpayment, excessive working hours
Orphanage tourism	'Bad' Orphanages exploiting children for profit
Voluntourism	Child trafficking and exploitation
Transport providers (including drivers)	Underpayment, excessive working hours
Uniform providers	Underpayment, excessive working hours, child labour
Technology providers	Underpayment, excessive working hours

Sectors which engage high numbers of low-paid, seasonal or agency workers through third party labour providers may also present a greater risk of exploitative practices.

Actions Taken to Assess and Address Modern Slavery Risks

Supplier and client commitments

To further assess modern slavery risks within the Group's operations and supply chains, during the reporting period we enhanced our supplier on-boarding process. Our Modern Slavery Working Group developed a supplier questionnaire which includes questions such as:

- whether the supplier is aware of any form of modern slavery in their organization;
- if they have been accused or investigated for any form of modern slavery related activity;
- whether the supplier has due diligence procedures to ensure modern slavery does not exist in their organisation or supply chains; and
- how they best describe their supply chains' visibility (high, moderate or developing visibility).

Additionally, FCTG also screened suppliers for adverse media relating to human exploitation.

Our contracts with suppliers and clients also include anti-slavery and anti-human trafficking provisions to reflect our zero-tolerance for inaction in relation to modern slavery. FCTG is committed to not knowingly conducting business with anyone engaged in modern slavery or human trafficking or knowingly permitting such conduct to be carried out in any of our supply chains.

Governance and Policies

FCTG has a robust governance framework and policy suite, several of which seek to mitigate the risks across our operations and supply chains, with respect to modern slavery and human rights. These documents can be found on our website.

- Anti-Bribery and Corruption Policy
- Audit and Risk Committee Charter
- Board Charter
- Code of Conduct
- Corporate Governance Statement
- Remunerations & Nominations Committee Charter
- Share Trading Policy
- Communications and Continuous Disclosure Policy
- Risk Management Policy
- Whistleblowing Policy
- Diversity Policy
- Related Party Policy
- Constitution of Flight Centre Travel Group
- Workplace Gender Equality Agency Report 18-19
- Privacy Policy

FCTG’s Code of Conduct outlines the minimum standards of behavior expected of FCTG employees and representatives. The Code of Conduct sets out our commitment to act ethically and responsibly, going beyond mere compliance with legal and regulatory obligations. Rather, it involves acting with honesty, integrity and in a manner that is consistent with the expectations of FCTG stakeholders and the broader community. The Code of Conduct includes FCTG’s commitment to the identification and presentation of all forms of modern slavery in our business and supply chains. Under the Code of Conduct, employees, contractors and representatives are encouraged to raise any concerns they might have in relation to the treatment and working conditions of any person in our business or supply chains.

FCTG takes compliance with and enforcement of its legal, ethical and social responsibilities seriously. This includes mitigating the risk of modern slavery occurring in our operations and supply chains. Any material breach of our Code of Conduct is reported to the Board or Board committee and may be considered misconduct and result in disciplinary action (including cessation of employment or engagement).

Remediation and Grievances

FCTG also has a Whistleblower Policy and operates a confidential external whistle-blower service that can be used by employees, directors, contractors and other representatives as a tool to report issues or concerns about modern slavery anonymously. Any reports made under the Whistleblower Policy are investigated and treated sensitively and seriously. FCTG’s response to a report will vary depending on the nature of the report and the amount of information provided. This may include engagement with suppliers, customers and other stakeholders. In these cases, steps are taken to understand the issue(s) and take appropriate action. This may involve referring the matter to the appropriate authorities (in the case of suspicions or allegations of modern slavery), or engaging with the entity about the areas of concern. It also includes the need to consider remediation processes and remedy if modern slavery is occurring.

Training

Improving staff and management awareness of modern slavery risks is vital to our sustainable and ethical approach to reduce the risk of slavery or human trafficking not being identified and addressed within our business or across our supply chains.

During the reporting period, FCTG facilitated and encouraged knowledge sharing with its staff on such issues and conducted targeted training. The training was directed at improving staff and management awareness of modern slavery risks and was delivered to leaders and teams responsible

for managing high risk areas.

Improving public awareness

FCTG hosted and actively participated in external forums on modern slavery to help improve awareness in the business community. We hosted and presented for the Governance, Risk and Compliance Institute, the Association of Certified Anti-Money Laundering Specialists and the annual Australian Financial Crime Summit. Additionally, FCTG regularly wrote for a number of newsletters and magazines and recently contributed to the Governance, Risk and Compliance Institute’s annual magazine on modern slavery.

Corporate social responsibility

FCTG set up formal structures and procedures to underpin its corporate social responsibility platform.

We proudly support and advocate responsible travel, positive diversity practices, empowered giving, and conservation of natural resources and sustainability. FCTG is also a contributing member of the United Nations Global Compact (UNGC). The UNGC initiative was created to encourage businesses worldwide to adopt sustainable and socially responsible policies and practices. To learn more about our progress on the delivery of our commitments to the UNGC, please see our second [Communication On Progress](#) 2019.

FCTG has also harnessed all its global corporate social responsibility activities into one program, ‘FCTG Brighter Futures’.



Visit <https://www.fctgl.com/about-us/corporate-social-responsibility/responsible-travel/truth-about-orphanages/> to see read our report on Truth about Orphanage Tourism.

Measuring the Effectiveness of our Actions

The below table describes how we assess the effectiveness of the actions taken to address the risks of modern slavery practices in our operations and supply chains:

Action (KPI)	How effectiveness is assessed
Board Oversight of actions taken	Regular discussion and review at Board and/or the Audit and Risk Committee meeting
Program and Risk Assessment Reviews	Regularly checking risk assessment programs and ensuring the reviews are completed within the deadline
Raise awareness of the Act	Informed/knowledgeable stakeholders
Contracts with modern slavery requirements	Monitoring the percentage of supplier contracts with modern slavery questionnaires
Staff Training	Monitoring the training percentage output from FCTG's learning management system (LMS)
Monitoring	Number of suppliers screened
Corrective Action	Number of suppliers resolved/suspended/off-boarded
Red Flags/Whistle-blower reports	Number of cases raised/remedied/reported
Audit of controls	Conducting internal audits of steps taken to assess and address modern slavery risks and reviewing the details of the audit findings.

We will continue to streamline processes within our supply chains management to effectively assess modern slavery risks.

As described above, FCTG established a cross-business Modern Slavery Working Group to monitor its response to modern slavery risks, however the Modern Slavery Working Group met less frequently than planned due to the impacts of COVID-19.

Responding to Covid-19

FCTG and the travel and tourism sector globally has been significantly impacted by border restrictions put in place by governments globally in an effort to reduce the spread of the Covid-19 virus. These restrictions have severely limited the ability of many of our suppliers to operate or where they do operate, to operate at significantly reduced volumes.

The reduction in demand for travel has the potential to reduce the risk of modern slavery across our supply chains, however FCTG recognizes that the economic and social consequences of the virus on operators and suppliers may also increase these risks in some operations. FCTG remains committed to addressing these risks in our supply chains and has continued to mature the effectiveness of our activities.

Next Steps

FCTG is committed to identifying and remediating modern slavery risks in our supply chains and operations.

We will continue to review, develop and promote our policies and practices to identify and mitigate risk areas for modern slavery and human rights abuse in our business and supply chains as part of

our ongoing commitment to continuous improvement. In future years, we will do this by:

- Delivering enhanced targeted training programmes for senior executives, procurement, mergers and acquisition teams and employees located in high risk regions;
- Implementing specific modern slavery questions into FCTG's health and safety or onboarding questionnaires for key suppliers; and
- Developing a global platform to support our supply chains due diligence process.

We recognise we have more work to do to identify and manage the risk of modern slavery in our organisation and supply chains.

As one of the world's largest travel groups, we are confident FCTG has the capacity and leverage to drive change throughout our supply chains and we will continue to engage with our stakeholders and look to identify further areas of improvement.

For more information about Flight Centre Travel Group, visit <https://www.fctgl.com/about-us/>.

This Modern Slavery Statement was approved by the Board of FCTG, on behalf of itself and Australian OpCo.



Graham Turner
CEO, Managing Director and Founder
25 March 2021