



FLIGHT CENTRE
TRAVEL GROUP™

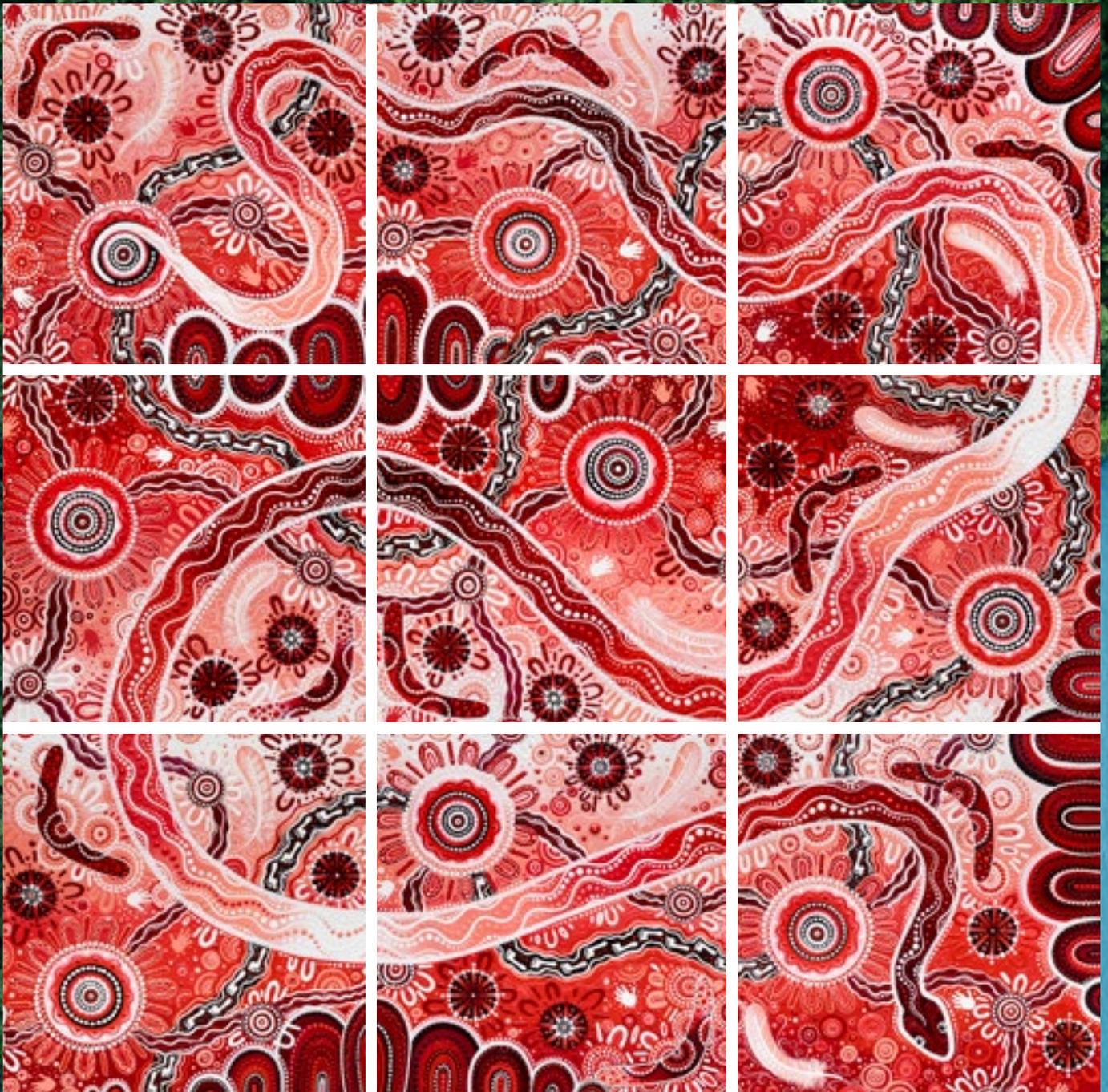
**MODERN SLAVERY
STATEMENT**

FINANCIAL YEAR ENDING 30 JUNE 2023

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Traditional Owners of our Country throughout Australia and recognise their ongoing connection to lands, waters and communities.

We pay our respects to Aboriginal and Torres Strait Islander Elders past, present and future, and support the continuation of cultural, spiritual and educational practices.



Flight Centre Travel Group commissioned a painting by Judi Sutton, a proud Kalkadoon woman (Mount Isa region, Queensland), to tell our 40-year story. We asked the artist to interpret her own storytelling, through the artwork, reflecting our values, mission and history

CONTENTS

2

**A message from our
Chief Executive Officer**

3

About this statement

4

**Key areas of improvement
over the last 12 months**

- 4 Travel and tourism industry collaboration
 - 5 Supply chain mapping
 - 5 Risk management
 - 6 Supply chain screening
 - 6 People processes and controls
 - 6 Internal engagement
-

7

Our structure and operations

- 8 Our People
 - 7 Our Brands
-

9

Our supply chain

10

**Risks of modern slavery in our
operations and supply chain**

- 10 Transparency
 - 11 Geographic assessment
 - 12 Case Study 1 – Middle East Office Locations
 - 14 Product assessment
 - 14 Political instability
-

15

**Actions taken to assess
and address modern
slavery risks**

- 15 Supplier commitments
 - 16 Our direct supply chain
 - 17 Our indirect supply chain
 - 18 Governance and policies
 - 19 Remediation and grievances
 - 19 Training
 - 20 Case Study 2 – Discova's Child Protection Program
 - 21 Environmental, Social and Governance (ESG)
-

22

**Assessing the effectiveness
of our actions**

23

**Consultation with owned
or controlled entities**

24

Next steps

A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

Travel and tourism are critical to the global economy.

As a leading player in the global tourism and travel sectors, we believe our company, Flight Centre Travel Group (FLT), has an important role to play in helping to ensure positive outcomes from the industry's ongoing growth and evolution.

In our everyday activities, we source and sell travel products from countries across the world and, therefore, acknowledge that modern slavery and other risks may exist in our incredibly diverse supply chains.

We believe – very strongly – that all forms of modern slavery are a violation of fundamental human rights and it will not be tolerated in our business or within our supply chains. Accordingly, we are committed to identifying and preventing all forms of modern slavery within our domain and advocate for responsible and sustainable travel and tourism.

This year, I am pleased to report that we have made progress in the form of supply chain mapping, screening our largest suppliers, reviewing our risk management framework and more. The initiatives we have implemented in 2023 have set us up to remain diligent in this area in the years ahead, and we are pleased to share our recent progress with you in this report, which is FLT's (ABN 25 003 377 188) fourth Modern Slavery Statement for Australia and the seventh Modern Slavery Statement for our Flight Centre UK business.

As I alluded to earlier, our company is committed to acting ethically and with integrity in all our business dealings and relationships. We expect our 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 FLT's values in everything we do.

Company-wide, we are committed to promoting and selling travel that respects human rights, the environment, wildlife and social equality.



We are also dedicated to acting responsibly, doing what we can to ensure our customers travel safely, maintaining a strong and positive company culture and upholding the values our stakeholders expect of us.

All employees, contractors and representatives of FLT are required to read and comply with FLT's global Code of Conduct and Modern Slavery Policy, which includes information about risks associated with modern slavery and human trafficking.

The statistics on slavery today are shocking. Close to 50 million people are estimated to be exploited and controlled throughout the world, including many children. Exploitation comes in many forms, including slavery, servitude, forced and compulsory labour, forced marriage, debt bondage, human trafficking and child labour.

We firmly believe we can do our part to help alleviate this shocking situation and look forward to updating you on our progress in this and future communications.

A handwritten signature in white ink, appearing to read 'Graham Turner', is positioned above the name and title.

GRAHAM TURNER

CEO (Chief Executive Officer),
Managing Director and Founder

30 November 2023

ABOUT THIS STATEMENT

This Statement has been prepared by FCTG and describes the actions taken by FCTG, its subsidiaries, joint ventures and the entities owned and controlled by FCTG, including Australian OpCo Pty Ltd (Australian OpCo) (ABN 20 003 279 534), collectively referred to as 'the Group', to address modern slavery and human trafficking risks within our business and our supply chains over the financial year ending 30 June 2023.

FCTG and Australian OpCo meet the requirements as reporting entities under the Modern Slavery Act 2018 (Cth) (the Act). The Statement has been prepared

to meet the requirements of the Australian Modern Slavery Act 2018 and the United Kingdom Modern Slavery Act 2015. It has been prepared by our Modern Slavery Working Group for FCTG and Australian OpCo, a collaboration of our Enterprise Risk, Sustainability 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).



KEY AREAS OF IMPROVEMENT OVER THE LAST 12 MONTHS

Pleasingly, the dark clouds of COVID that hung over our business for some two and a half years have all but disappeared and travel patterns have slowly, but surely, returned to normal. Demand for travel increased across our core corporate and leisure divisions, with growth in our tour operations and in-destination businesses rebounding strongly.

The growth in the number of customers traveling again increases the risks of modern slavery across our operations and supply chain. We remain committed to addressing modern slavery risks and to continually maturing our modern slavery awareness and anti-slavery program.

This year, we have made some substantial inroads, notably in industry collaboration; supply chain management; risk management; people processes and controls; and internal engagement.



Travel and tourism collaboration



Supply Chain Mapping



Risk Management



Supply Chain Screening



People, Processes and Controls



Internal Engagement



Travel and tourism industry collaboration

Early in 2023, we launched a new travel consortium in partnership with Intrepid and Informed365. The consortium's purpose is to measure and address modern slavery supply chain risks across the travel industry. As a founding member, we have started distributing self-assessment questionnaires (SAQ) to our key suppliers, globally, using the Informed365 platform. The SAQ is designed to consider modern slavery risks associated with the product and service provided by those suppliers. The Informed365 tool provides analysis on the data to provide risk-based reporting which we use to assess our risk and, where necessary, take appropriate action. The product includes tools to encourage suppliers to address risks within their operations through the development of continuous improvement plans (CIP).

We are encouraging other tourism businesses to join the consortium to mobilise and educate the travel industry to address modern slavery as an industry, rather than as individual organisations.



Supply chain mapping

This year, FCTG appointed a Global Head of Procurement responsible for the management of our indirect procurement spend. The new leader has made significant progress in mapping our Tier 1 indirect global supply chain by product or service. As at 30 June 2023, 83% of our spend value has been mapped against a spend category.

Our supply division began the mapping of our current product supply chain during 2023. The progress of this project is impacted by the number of locations and systems used to interact with suppliers across our operations. At the date of this report, 87% of our product spend has been mapped to a category.

We have been successful in mapping the suppliers of our air, car, insurance and passenger transfer products, representing 69% of our total product spend. In addition, we have made good progress in mapping the supply chain of our remaining products—including hotel, tour and cruise categories—and we will continue to develop this in coming years.



Risk management

The Global Enterprise Risk Team has updated the Group Risk Management Strategy (including the FCTG Risk Taxonomy) which was approved by the Board in the first half of FY23. During the second half of FY23, the Team facilitated risk identification workshops as part of the ongoing uplift of risk capability and reporting across the group.

The scope of this first phase of our risk profiling was focussed on our key global brands and pillars with subsequent phases covering the rest of the Group throughout FY24 (see diagram below).

The ongoing evolution and maturing of our risk management environment will assist us in minimising the risks of modern slavery across our operations and supply chain.

Risk Profiling Effort	AU/NZ	Asia	EMEA	Americas	Total
# of stakeholders engaged	94	13	39	91	237
# of risk workshops conducted	42	10	6	22	80
# of regions covered	2	1	3	3	8
# of FTE involved in workshop facilitation	8	1	2	4	15

Diagram 1: Global reach of the first phase of risk profiling



Supply chain screening

Using software, such as Informed365 and Givvable, we have screened 54% of our product supply chain and 39% of our indirect supply chain during the year. This has provided us with a greater understanding of the risks and opportunities that sit within our Tier 1 supply chain, including modern slavery. We have been able to use the analysis from these systems to identify risks and begin the development of CIPs for suppliers who do not meet minimum standards.

We are also in the process of developing a resource library for use by suppliers to aid in the remediation of modern slavery practices.



People, processes and controls

This year, FCTG appointed a Global People and Culture Leader and developed a global people and culture structure. This has allowed us to work more effectively with our people and culture leaders around the world to ensure we increase awareness, and address risks, within our own operations.

Continuing to acknowledge the ongoing challenges our incentivised workforce faced through 2023's post-pandemic recovery phase, we extended our Global Recovery Rights (GRR) program in September 2022, making share rights available for free to almost all of FCTG's global workforce.



Internal engagement

We expanded the Modern Slavery Working Group to include the two new key roles mentioned above: Global Head of Procurement and Global People and Culture Leader. This is an important step towards increasing collaboration across areas of the business that are critical to the management of modern slavery risks.

Led by the Global Sustainability Officer, we have been able to increase the level of awareness of modern slavery risk management requirements in each of the key areas of operations, people and culture, supply and risk management. This ongoing collaboration will enable us to continue to achieve improvements in the way we manage this risk across the Group.

OUR STRUCTURE AND OPERATIONS

FCTG is one of the world's largest travel groups with a vast leisure and corporate travel sales network that extends throughout four major regions: Australia and New Zealand, The Americas (specifically, the United States, Canada and Mexico), EMEA (the United Kingdom, South Africa, Ireland, Europe and the United Arab Emirates), and Asia (including India, China, Hong Kong, Singapore, Malaysia and Japan).

Our purpose is to open up the world for those who want to see. Every day, we give people around the world the opportunity to experience something amazing – travel! Our company is our people. We care for our colleagues' health and wellbeing, and we are committed to respecting the human rights of our people, wherever they work for us.

After starting with one shop in the early 1980s, FCTG has enjoyed remarkable ongoing growth under its founder and CEO, Graham "Skroo" Turner. The company now has more than 30 brands, including the flagship Flight Centre leisure travel brand. Key corporate brands include Corporate Traveller and FCM.

In addition, FCTG's global corporate travel management network, FCM, extends to about 90 other countries through strategic licensing agreements with independent local operators.

FCTG maintains its global headquarters in Brisbane and has been listed on the Australian Securities Exchange since 1995. It currently has a market capitalisation in the order of \$AU 4.3 billion.

The backbone of FCTG's organisational structure is the stone age concept of Family, Village, Tribe. Our structure is simple, lean, flat and transparent, with accessible leaders. Our business model is centred on being one of the world's best and biggest small business operators.

Our People

As at 30 June 2023, the Group employed approximately 13,065 full-time equivalent employees worldwide. In Australia, employment conditions are covered by the National Employment Standards (NES), which set out the 10 minimum employment entitlements that must be provided to all employees. In addition, more than 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. In every country within which FCTG operates, employees are paid at least the appropriate prevailing wage to comply with all legal requirements. No employee is required to work more than the regular and overtime hours allowed by the law of the relevant country. We undertake regular reviews of the modern awards and employment contracts to ensure our workers' entitlements are being met.

The company has twice been judged Australia's best employer, in addition to claiming a number of other employer and travel agency awards in Australia and overseas.

Pedal Group Pty Ltd (Pedal Group) is also a reporting entity under the Modern Slavery 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 and 99 Bikes NZ Limited (together, 99 Bikes), a Brisbane and Auckland based national chain of retail bike stores; a 100% shareholding in Advance Traders (Australia) Pty Ltd and Advance Traders (New Zealand) Limited, Brisbane and Auckland based wholesale bike companies; and a 100% shareholding in PGP Co Pty Ltd, a Brisbane based property purchasing company for 99 Bikes' leases.

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

As at 30 June 2023, the Group employed approximately 13,065 full-time equivalent employees worldwide

Our Brands

FCTG operates a number of leisure travel brands. Its flagship Flight Centre brand is also present in four other countries around the world. By offering a broad range of leisure brands, FCTG can cater to niche sectors within the travel market; the Flight Centre brand is aimed at the mass market; Student Universe focuses on the youth market; and Travel Associates and Scott Dunn target the premium market.

FCTG's corporate business includes three major brands that service the needs of organisations of all sizes across multiple industries. Its global corporate network spans more than 90 countries worldwide and is made up of company-owned offices and strategic licensing agreements with leading local agencies. Corporate travel is an important part of the travel

market and FCTG's highly successful corporate travel brands account for an ever-growing proportion of the company's overall income and profit.

FCTG owns a number of wholesale brands that supply products to its national and international network or travel retail outlets. In some instances, this will also include direct to the public and other travel agencies worldwide.

FCTG has also expanded into other travel related areas, such as foreign currency exchange and travel academies, as well as areas where its unique business model works, such as recruitment marketing and bike retailing, and employee benefit businesses, including Healthwise and Moneywise.



OUR SUPPLY CHAIN

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 and Cruise 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. Examples include, information technology, marketing and printing, uniforms, stationery, cleaning contractors and more.



RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAIN

Transparency

Transparency is fundamental to maintaining a safe and responsible supply chain. Our 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 United Nations (UN) Guiding Principles, The Global Slavery Index 2023 and the Australian Institute of Criminology.

We continue to use a combination of geographic and product categorisation as risk identifiers to assess supplier risk. We have remapped the majority of both our direct and indirect supply chains by product categorisation during the year. Our supply chain will be remapped by geography in the year ahead.

We have commenced issuing supplier self-assessment questionnaires (SAQ) via the Informed365 portal and completed credential screening of our top suppliers by spend via the Givvable platform.

Enhanced checks will be completed, where necessary, based on the assessment of risk, involving:

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



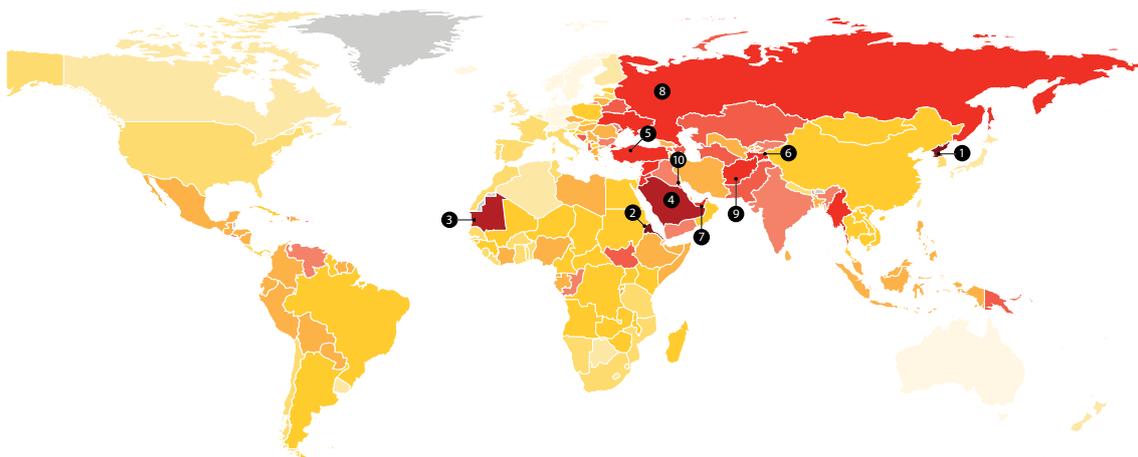
Geographic assessment

With reference to the UN Guiding Principles and The Global Slavery Index 2023, FCTG assessed potentially high-risk regions for modern slavery to include the Middle East, Africa, Asia and the Pacific. India, Cambodia, Indonesia, Thailand and Vietnam have also been assessed as potentially high-risk countries within FCTG’s operations and supply chains because of the modern slavery risks associated with forced labour and forced marriage.

In diagram 3, the top 10 countries with the highest prevalence of modern slavery have been mapped against the locations where FCTG has offices and where FCTG has imposed sanctions. Diagram 2 highlights the estimated prevalence of modern slavery by country (noting estimated prevalence per 1,000 population for the 10 countries with highest prevalence).

Country	Estimated prevalence of Modern Slavery per 1000 population	FCTG Office	Current FCTG Sanctions
North Korea	104.6	x	Do not trade
Eritrea	90.3	x	Permitted
Mauritania	32.0	x	Permitted
Saudi Arabia	21.3	Yes	Permitted
Türkiye	15.6	x	Permitted
Tajikistan	14.0	x	Permitted
United Arab Emirates	13.4	Yes	Permitted
Russia	13.0	x	Approval required
Afghanistan	13.0	x	Permitted

Diagram 2



Estimated prevalence of modern slavery by country
 (noting estimated prevalence per 1,000 population for the 10 countries with highest prevalence)



Rank	Country	Prevalence
1	North Korea	104.6
2	Eritrea	90.3
3	Mauritania	32.0
4	Saudi Arabia	21.3
5	Türkiye	15.6
6	Tajikistan	14.0
7	United Arab Emirates	13.4
8	Russia	13.0
9	Afghanistan	13.0
10	Kuwait	13.0

Diagram 3

CASE STUDY 1

MIDDLE EAST OFFICE LOCATIONS

With the Middle East ranked a high-risk area for modern slavery, our Middle East operations are working hard to ensure that our offices can be part of the change we need to see.

FCTG operates businesses in these locations in a way that is far from the norm, even within our own industry. The FCTG leadership team breathe the FCTG global values daily, having each been with the company for nearly 20 years. There is an open-door policy for all staff – albeit there are no cabin offices for the Leadership team thus ensuring staff can walk up to their managers at any time.

To ensure continued transparency between all staff, the team in the Middle East have been running the ‘Great Places to Work Survey’ for several years and ranked highly in the survey results, both for our business and for women in business – the only travel management company to achieve such accolades.

Most of our people leave the office at 5.30 pm and there is a handover to the Emergency Services team at that time. All emails have a number for clients to contact after hours and the Emergency Services team hand over to the day staff the following morning. Night shift staff have two consecutive days off after a shift.

All staff are paid on time each month via the government portals in the Middle East region and salary payments are never delayed, nor are there any discrepancies.

Whistleblower phone numbers can be found on internal portals and are also on display in the office. There are cameras installed in the offices, as per local laws, ensuring treatment of staff is monitored.

Office environments are spacious for staff to work and there are sufficient areas for personal calls and recreational areas to take a break from emails. Staff events happen regularly on a weekly, quarterly and annual basis to recognise and reward employees within the business.

FCTG has had a presence in the Middle East for almost 20 years with the average tenure being seven years, thus a testament to the value our Leadership sees in a collaborative working environment.

All staff are encouraged to learn, grow and change for the best, with messages displayed in offices to inspire them!

“Awaken the Giant within. Make the change!”





Product assessment

The Modern Slavery Working Group has 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 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

Diagram 4

Political instability

Political instability can create a vulnerable environment which can lead to increased instances of modern slavery. The ongoing conflict between Israel and Palestine, as well as the escalating crisis between Russia and Ukraine, are expected to increase the number of global instances of modern slavery. When there is political unrest and conflict, many civilians turn to smugglers to flee, which can lead to situations of forced marriage or debt bondage. We are aware that, over the next 12 months, we must maintain a heightened sense of awareness. FCTG will update our modern slavery training to include an understanding of the impacts of war on modern slavery.



ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

Supplier commitments

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 within our supply chains.

The Global Head of Procurement has undertaken a full review of our end-to-end procurement process and identified areas for improvement that will enhance our third-party risk management activities. The learnings from this review will be deployed into the Supply division in the year ahead.

We have reviewed and updated the Global Procurement Framework, the objective of which is to clearly present FCTG's procurement process for indirect spend and to provide clear guidance on responsibilities when engaging suppliers.

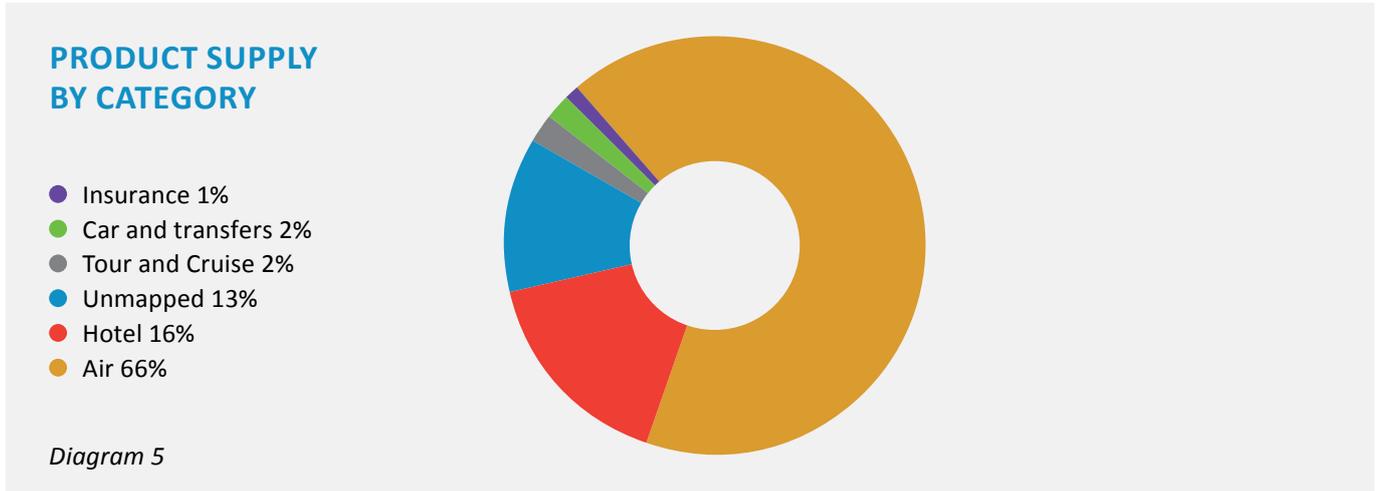
Our contracts with suppliers and clients continue to include anti-slavery and anti-human trafficking provisions to reflect our zero-tolerance for inaction in relation to modern slavery.

Having re-engaged with many of our original suppliers and expanded our supply chain post COVID, our focus during FY23 was to remap our global direct and indirect supply chains from a product or service perspective. The next step will be to map these suppliers through a geographic lens.



Our direct supply chain

During 2023, our supply division has consolidated and categorised 87% our global product spend of \$19.7b into the following categories: Air; Hotel; Car and Transfers; Tour and Cruise; Insurance; and Other, as presented in diagram 5.



Suppliers of air, car, transfer and insurance products, representing 69% of the total spend, have been mapped in full.

We have performed credential screening of the largest 24 suppliers, representing 54% of our total product supply spend [Diagram 8].

In mapping our supply chain, we have identified in excess of 50,000 suppliers globally. To focus our efforts, we identified the top suppliers for each category and the table below reflects the percentage of that category these suppliers represent [Diagram 6].

The largest supplier base sits in our hotel category and comprises a diverse range of product types from international hotel chains to local bed and breakfast providers. Efforts are ongoing to further enhance the visibility across this category.

Product	Top suppliers		Suppliers screened	
	Number	% of category	Number	% of category screened by value
Air	25	86%	17	72%
Hotel	200	82%	5	37%
Tour and cruise	40	53%		
Car and transfers	20	90%	2	34%
Insurance	4	98%		

Diagram 6

Footnote: The information provided in this table is based on the suppliers mapped during FY23 and may change as the remaining supply chain is mapped.

Our indirect supply chain

Throughout FY23, we mapped the Tier 1 suppliers within our indirect supply chain across 83% of our operations, representing more than 39,500 suppliers (measured by Total Transacted Value (TTV)). The largest 25 of these suppliers, representing 55% of our total tier one indirect spend, were mapped by category [Diagram 7]. We have performed credential screening for 17 of our top 25 suppliers, which represents 39% of the total indirect spend [Diagram 8].

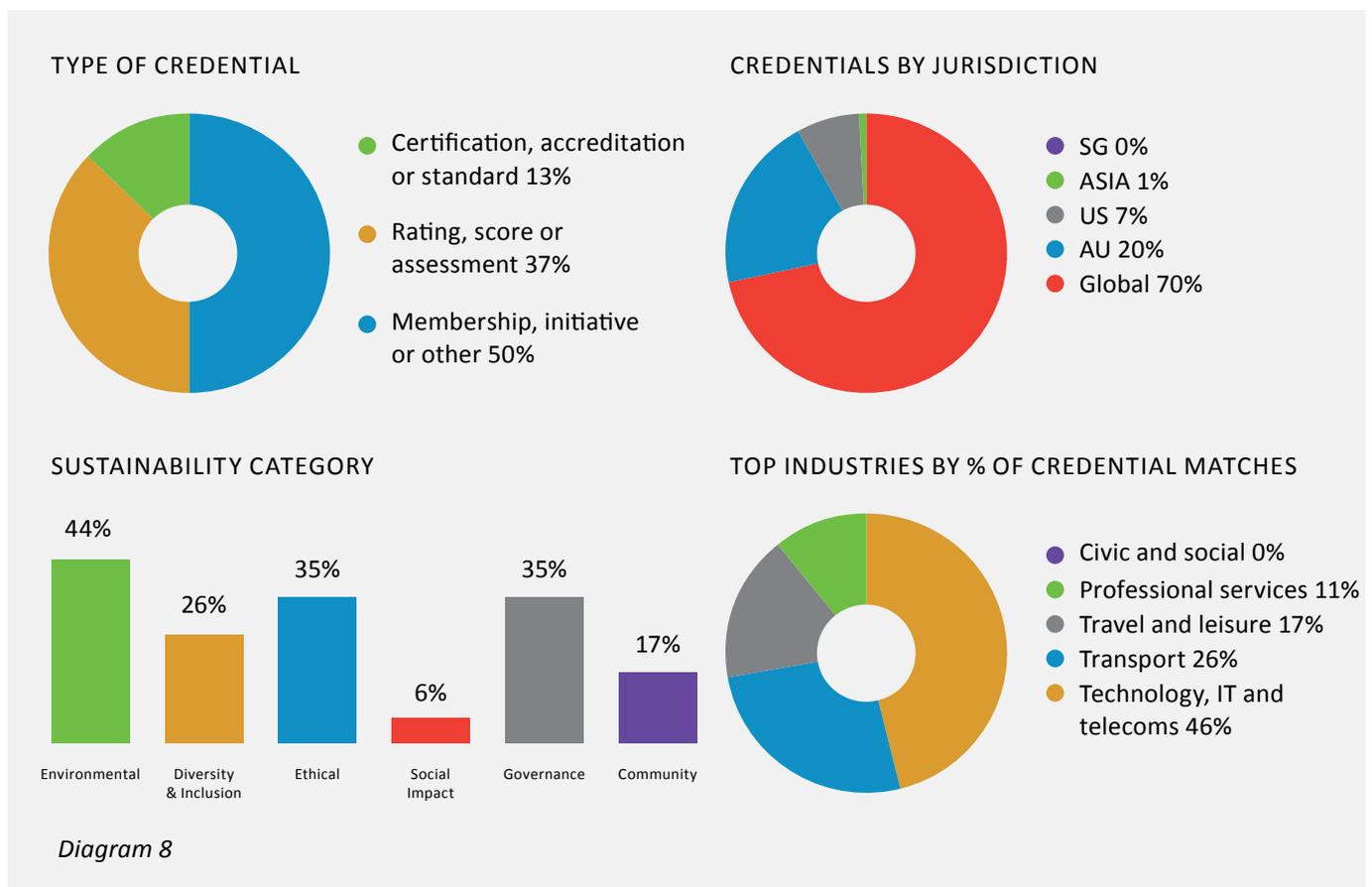
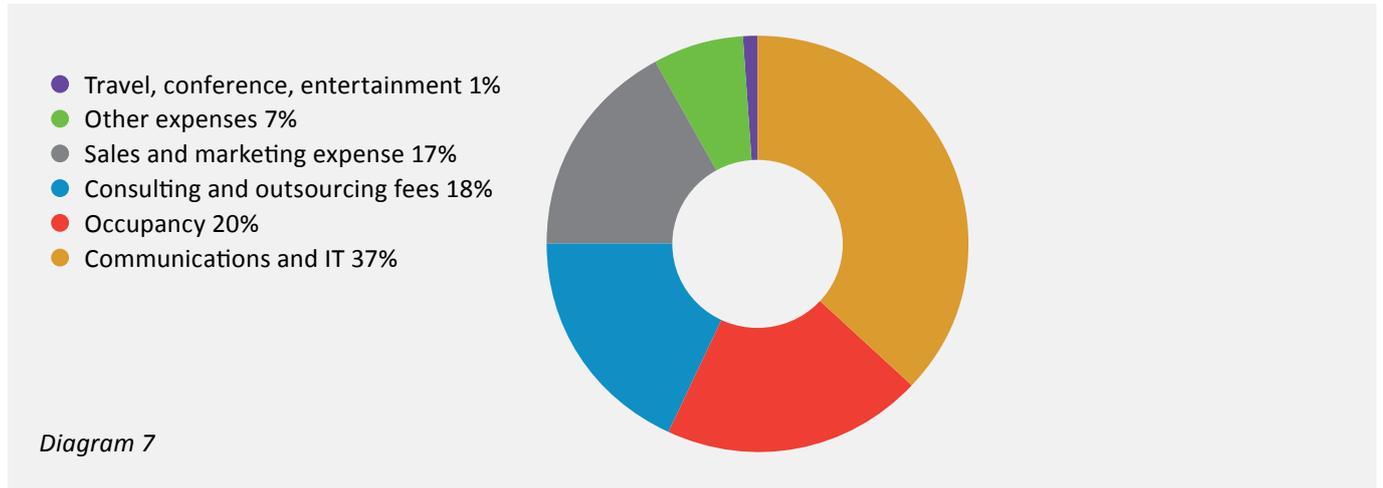


Diagram 8: Supplier screening via Givvable, outlining the credentials of a percentage of our Tier 1 suppliers across jurisdiction, industry and sustainability category.

Governance and policies

FCTG has a robust governance framework and the FCTG Board is responsible for the approval and oversight of our sustainability strategy. This includes our human rights commitment and Modern Slavery Statement. The CEO and Global Executive Group (Taskforce) and the Sustainability Taskforce (STF)—comprising four representatives from Taskforce, representatives from our Global People and Culture division, and representatives from our Global Supply division, together coordinated by the Global Sustainability Officer (GSO)—are responsible for modern slavery risk management across the Group.

The STF is responsible for the development and implementation of FCTG’s sustainability strategy and roadmap. The STF provides strategic and operational support to the GSO on matters of sustainability and oversees the implementation of the sustainability initiatives of the Group, including reviewing the related commitments, policies and practices, and assessing and making recommendations on matters concerning the Group’s sustainability strategy, planning and risks.

Our Modern Slavery Working Group continues to be responsible for developing and implementing the Group’s modern slavery risk management program.

Key internal stakeholders include:

- FCTG Board
- FCTG Audit and Risk Committee
- FCTG Taskforce
- FCTG Sustainability Taskforce
- Global Enterprise Risk
- Global Procurement
- Global People and Culture
- Global Supply
- Modern Slavery Working Group
- Our people

FCTG has a suite of policies that seek to mitigate the risk of modern slavery and human rights violations across our operations and supply chains.

- Modern Slavery Policy
- Anti-Bribery and Corruption Policy
- Code of Conduct
- Risk Management Policy
- Whistleblowing Policy
- Diversity Policy
- Workplace Gender Equality Agency Report 20-21
- Privacy Policy
- Discova Child Safe Policy

FCTG’s Code of Conduct and Modern Slavery Policy outline the minimum standards of behaviour expected, in general, of FCTG employees and its representatives and, more specifically, regarding the risk of modern slavery. Going beyond mere compliance with legal and regulatory obligations, these policies set out our commitment to acting ethically and responsibly, with honesty and integrity, and in a manner that is consistent with the expectations of FCTG stakeholders and the broader community.

The Modern Slavery Policy confirms FCTG’s commitment to the identification and prevention of all forms of modern slavery in our business and supply chains. Under these policies, 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 policies is reported to the FCTG Board or an FCTG Board committee and may be considered misconduct resulting in disciplinary action (including cessation of employment or engagement).

Remediation and grievances

FCTG has a Whistleblower Policy and operates a confidential, external whistleblower service that can be used by employees, directors, contractors and other representatives as a tool to report issues or concerns, anonymously, about modern slavery. Any reports made under the Whistleblower Policy are investigated and treated sensitively and seriously.

A confidential summary of the number and type of whistleblower matters raised is presented and discussed at each Audit and Risk Committee meeting, with additional

information provided about any material incidents. 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 to 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 if modern slavery is occurring.

Training

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

FCTG provides modern slavery training for all employees across our Group targeted at increasing the awareness of modern slavery risks, both in our operations and supply chains, and providing our people with a clear path for raising any concerns they may have or become aware of. This training is made available to all staff via our online training application and is delivered face-to-face in certain regions.

During the FY23 financial year, in Australia, 66% of our new starters completed our Modern Slavery Awareness Training.

Training consists of the following modules:

- What is Modern Slavery?
- Different forms of Modern Slavery
- Regulations and legislation
- What FCTG is doing to combat Modern Slavery
- Risks of Modern Slavery in the Travel Sector
- Managing the Risks of Modern Slavery
- How we can do our part with details of critical phone numbers and email addresses

This training is also a part of the induction process for new or returning employees. Specific Child Safe training has been developed and provided to employees in targeted high-risk operations globally, resulting in employees in these businesses being certified and able to work with children.

DISCOVA

CASE STUDY 2 DISCOVA'S CHILD PROTECTION PROGRAM

Drawing on the 1999 Convention on Worst Forms of Child Labour, Discova's Child Protection Program attends to situations where children are exploited through slavery or slavery-like practices (including forced recruitment of children for use in armed conflict); used, procured, or offered for prostitution; used, procured, or offered for illicit activities (including production and trafficking of drugs); or engaged in hazardous work which may harm their health, safety or morals.

The wellbeing and welfare of children in our communities is one of our biggest priorities for our Discova business. We believe that children are not tourist attractions and, for several years, we have been working in close collaboration with key non-governmental organizations (NGOs) in the field to improve the standards of child protection in the travel industry.

AS PART OF THE DISCOVA COMMITMENT TO CHILD PROTECTION, DISCOVA HAS:

- banned all orphanage tourism and disruptive school visits and will not include such experiences in any product or marketing;
- created a detailed Child Protection Policy which includes guidance for Discova staff and customers about how best to protect children from exploitation in our destinations; and
- committed to working with all stakeholders to ensure broad awareness of the steps that must be taken to safeguard the future of our children.

CONTINUOUS EFFORTS:

Discova's Child Protection Policy is a key part of our onboarding process with all new employees, and all policies are easily accessible via our intranet and online learning platform to provide more depth and clarification when needed. We ensure tour guides who work on community projects involving children undergo police checks prior to starting work and have the knowledge and confidence to create a safe environment for both local and visiting children. To ensure the safety of children

travelling with us, seatbelts and car seats are offered in all Discova destinations. In addition to this, all product contracts have a ChildSafe clause, and trips not suitable for children will be specified when making a booking.

Discova became one of the first global Destination Management Companies (DMCs) to become a ChildSafe certified business in all destinations where we operate. Our Asia teams completed their certifications in January 2021 and our Americas teams followed in November 2021.

SINCE BECOMING CERTIFIED DISCOVA HAVE:

- implemented across our business —and shared with the homestays with whom we contract—a ChildSafe Policy and Photograph and Media Guidelines;
- raised ChildSafe awareness, through sessions facilitated by our Discova ChildSafe Ambassadors, in all our contracted homestays across Thailand, Indonesia, Laos, Cambodia, and Vietnam;
- facilitated ChildSafe awareness sessions for freelancing tour guides to ensure they follow the guidelines and are aware of the seven tips for travellers; and
- included principles for child protection in our supplier contracts.

Environmental, Social and Governance (ESG)

Environmental, Social and Governance (ESG) is an increasingly important focus area in which FCTG continues to invest. The GSO has played a pivotal role in globalising our approach to ESG matters, including modern slavery risk management. With the development of the Global Sustainability Taskforce, Global Sustainability Champions and a global focus on our people and culture, we have been successful in ensuring that modern slavery risk has a continued and increasingly global focus.

We proudly support and advocate responsible travel, positive diversity practices, empowered giving, and conservation of natural resources and sustainability.

FCTG has been a proud member of the United Nations Global Compact (UNGC) since 2018. FCTG supports the Ten Principles of the UNGC on human rights, labour, environment and anti-corruption.

We are working toward making the principles part of the culture and day-to-day operations of our company, and engaging in collaborative projects which advance the broader development goals of the UN, particularly the Sustainable Development Goals (SDGs).

At FCTG, we believe we can make positive change, but we cannot do it alone: we must work together as an industry. In FY23, FCTG became a member of the Global Sustainable Tourism Council (GSTC). The GSTC establishes and manages global sustainability standards, known as the GSTC Criteria. The Criteria are designed to be adapted to local conditions and supplemented by additional criteria for the specific location and activity. The criteria address environmental, social and human rights issues and drives continuous improvement.



ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

The below table describes how we assess the effectiveness of the Key Performance Indicators (KPIs) used to address the risks of modern slavery practices in our operations and supply chains.

Action KPI	How effectiveness is assessed	FY2023 Outcomes
Board oversight of actions taken	Matters reported to FCTG Board and/or the Audit and Risk Committee	Material matters discussed at Audit and Risk Committee meetings during the year
Informed/knowledgeable stakeholders/country leaders	Number of stakeholders/country leaders informed in modern slavery updates	Targeted training for new businesses and employees located in high-risk regions
Staff training (Modern Slavery Awareness Training)	Monitoring the training percentage output from FCTG's learning management system (LMS (Learning Management System))	66% of FCTG new employees in Australia have completed the e-learning module. 98% of relevant employees have completed the ChildSafe training.
Contracts with modern slavery requirements	The number of supplier contracts with modern slavery conditions	Standard contracts reviewed by in-house legal counsel
Supplier monitoring (Modern Slavery Questionnaires)	Number of MS Supplier Questionnaires complete	Supplier questionnaires initiated but measurement incomplete
Supplier monitoring (Screening)	Number of suppliers credentials screened using Givvable.	39% of our Tier 1 suppliers of indirect spend screened.
Global platform to support our supply chain due diligence process	Level of coverage across supply chain	Informed365\Givvable in action
Grievances & whistleblowing	Number of grievances or whistleblowing raised with modern slavery concerns	No reported matters
Raise awareness	Informed/knowledgeable stakeholders	Engaged with industry bodies and peers to further develop a Travel Consortium to enhance the management of risks across the sector
Embed a third-party risk management framework	Progress towards the maturity of the framework	The appointment of a Global Head of Procurement. Procurement framework refreshed. Third party risk management review project initiated
Implementation of our sustainability strategy, specifically as it pertains to modern slavery risks	Meeting legislated sustainability reporting requirements.	Modern Slavery Statement issued in required markets including Australia and the United Kingdom

Diagram 9

CONSULTATION WITH OWNED OR CONTROLLED ENTITIES

FCTG operates its business activities through a range of wholly owned subsidiaries, controlled entities and associates. FCTG has implemented a Group-wide modern slavery risk management framework that is implemented locally by each business unit.

The Modern Slavery Working Group has consulted with those responsible for the implementation of our human rights and modern slavery program—including regional People and Culture leaders and the Taskforce—regarding the operation of the Modern Slavery Framework, and the development of this Modern Slavery Statement.

Consideration has been given to the reporting requirements of the Australian and UK Modern Slavery Acts, and the actions we need to take to address the requirements and continuously improve.

FCTG will continue to monitor for any updates by governments enacting regulations for modern slavery reporting in the other jurisdictions in which we operate, such as New Zealand, USA, Canada, Europe, France, Netherlands and Hong Kong.



NEXT STEPS

FCTG is committed to identifying and remediating modern slavery risks in its 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.

We will achieve this by:

Action KPI	FY24 Success Measure
Third party risk management framework	Development and implementation of a third-party risk management framework.
Development of a Supplier Code of Conduct	Supplier code of conduct developed and in circulation to all incumbent and new suppliers.
Ongoing review and development of our risk management framework;	Final phase of risk profiling project across rest of the Group throughout FY24.
Expand on our collaboration with industry bodies and partners	Increase in participation of the Informed365 Travel Industry Consortia.
Review and enhance modern slavery training programs currently in place	Refreshed training module deployed including further information on the impact of political unrest and war on modern slavery. Translation of modern slavery training into multiple languages to encourage greater global engagement.
Enhanced supplier screening	Increase in visibility of suppliers in modern slavery screening processes.

Diagram 10

We recognise we have continuous 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>



