

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS 2019

**FLIGHT
CENTRE**
TRAVEL GROUP™
Brighter Futures



MESSAGE FROM FCTG'S CEO, GRAHAM "SKROO" TURNER



It is with pleasure that we submit our second Communication on Progress, and showcase some of Flight Centre Travel Group's (FCTG) achievements that have been realised throughout 2018-2019.

As a signatory to the United Nations Global Compact (UNGC), we recognise that we have a commitment to play a role in the achievement of UNGC's goals. We believe that by enabling our people and our customers through support and education that we are able to deliver on this commitment.

Our people are empowered to create change at a personal level by supporting philanthropic community activities and workplace giving, advising our customers how to travel responsibly, and advocating for environmental and wildlife protection where we work, live and travel.

The positive results of educating our people and our customers have enabled us to make headway on our sustainability journey. By way of example, our partnership with SolarBuddy has facilitated the donation of 17,000+ SolarBuddy lights to children living in energy poverty around the world.

Our people have also played an important role as participants on our second Cambodian Children's Trust (CCT) Advocacy trip earlier this year. Participants raised \$22,600 AUD and advocated the importance of empowering vulnerable children to escape the cycle of poverty.

Our progress has also been assisted through the FCTG travel network that stretches to most regions of the world. This unique position enables us to promote and implement sustainable travel principles through our 'family brands' – Topdeck, Back-Roads Touring (Global Touring) and Discova, to achieve outcomes that are truly global.

FCTG is committed to helping all stakeholders understand the impact of the travel and tourism industry on key issues such as environment, community engagement and modern slavery.

Raising awareness of human exploitation and respecting human rights for our people and our customers has been central to our sustainable and ethical approach. We are taking meaningful steps to identify, prevent and address modern slavery risks that may be present in our global operations and supply chains.

Our sustainability journey includes creating a Sustainability Report for our organisation. This project will provide an assessment of our existing sustainable practices plus create a roadmap on how to ensure a sustainable future for our company. Earlier this year we engaged EY to assist us in providing a framework and structure for this significant undertaking by way of a Materiality Report.

We are proud to outline our progress and the delivery on our commitment as a signatory to the UNGC, and respectfully submit our Communication on Progress 2019.

Yours sincerely

Graham Turner
CEO & Founder
Flight Centre Travel Group

OUR PURPOSE

TO OPEN UP THE WORLD FOR THOSE WHO WANT TO SEE

At the very core of our operations is a passion and drive to share the love of travel...

For our people this means opening up their world by helping them develop professionally and personally. For our customers it is by delivering amazing travel experiences. To our suppliers it is working together to provide amazing travel experiences... and for our global community it means building brighter futures where we work, live and travel.



OUR CORE VALUES

IRREVERENCE

We take our business seriously, but not ourselves.
We respect our customers, our partners and each other.

OWNERSHIP

We take full responsibility for our business and
treat it as our own.

EGALITARIANISM

Everyone has the same opportunities, rights and privileges.
Self important people don't fit in.

OUR STORY SO FAR



1973

Graham 'Skroo' Turner and his friend Geoff 'Spy' Lomas created Top Deck from very basic building blocks – a sense of adventure, an eye on a growing business opportunity, and one double decker bus they called 'Argus'.

1987

Flight Centre expands into NZ.

1993

Flight Centre opens first corporate business.

1995

Flight Centre Limited floats on the Australian Stock Exchange (ASX).
Flight Centre expands into Canada and UK.

2004

FCTG launches FCM Travel Solutions (Global TMC).

2008

The Flight Centre Foundation is launched.

2013

Flight Centre Limited becomes Flight Centre Travel Group (FCTG).

2015

We celebrate 20 years of Public listing on ASX.

2017

FCTG becomes a UN Global Compact Signatory.

2018

10 years anniversary of Flight Centre Foundation – nearly \$20m AUD raised.
Worldwise, Brighter Futures, Green Commandos kick off.

1982

Flight Centre opens its first store in Australia.

1989

Flight Centre expands into Wholesale.

1994

Flight Centre expands into South Africa.

1999

Flight Centre expands into the USA.

2012

Foundation Champion initiative starts.

2014

We bring Topdeck back!

2016

We move into our new Global HQ in Brisbane.

2019

Today, we are in 22 countries, with 30+ brands and 20,000+ employees.

FCTG'S CORPORATE SOCIAL IMPACT PROGRAM

BUILDING BRIGHTER FUTURES WHERE WE WORK, LIVE AND TRAVEL

Our implementation of the Ten Principles of the United Nations Global Compact (UNGC) can be most easily demonstrated through our global Brighter Futures program, which is comprised of four elements:

WORLDWISE – OUR RESPONSIBLE TRAVEL CHARTER

Building brighter futures through responsible travel

Worldwise is the area which develops and implements our Responsible Travel Charter. A pivotal way to drive change in this area is education. A key achievement for 2018-2019 was the delivery of responsible travel education campaigns to our workforce and customers across many different platforms.

2 8

ENVIRONMENTAL SUSTAINABILITY

Building brighter futures through sustainable practices

This area develops and drives our environmental policies and practices to ensure that we reduce our corporate footprint across our office and store locations globally.

7 8 9

FLIGHT CENTRE FOUNDATION

Building brighter futures through empowered giving

Flight Centre Foundation, the philanthropic and community arm of the organisation harnesses the collective goodness of our people, industry partners and customers through a range of programs. The Flight Centre Foundation has generated close to \$20m AUD globally to date to support local charities across the regions in which we operate.

1 2 4 5

FCTG PEOPLE

Building brighter futures through Egalitarianism and Unity

Our bedrock FCTG philosophy of *Egalitarianism and Unity*, is embodied in all company programs, and we continue to strengthen our diversity and inclusion initiatives across FCTG.

3 6 10

UN GLOBAL COMPACT TEN PRINCIPLES

The numbers opposite refer to the following Ten Principles of the UNGC and demonstrate how our undertaking to operating in a responsible manner correlates to the areas of human rights, labour, environment and anti-corruption.

HUMAN RIGHTS

- 1 **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 **Principle 2:** make sure that they are not complicit in human rights abuses.

LABOUR

- 3 **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 **Principle 4:** the elimination of all forms of forced and compulsory labour;
- 5 **Principle 5:** the effective abolition of child labour; and
- 6 **Principle 6:** the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- 7 **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- 8 **Principle 8:** undertake initiatives to promote greater environmental responsibility; and
- 9 **Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- 10 **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

FCTG'S CORPORATE SOCIAL IMPACT PROGRAM

CREATING POSITIVE CHANGE IN TRAVEL

The FCTG network spans 22 countries, has 20,000+ employees, an extensive list of thousands of supplier partners, plus millions of customers each year. This network creates a significant area in which we can drive positive impact.

As a global travel business with both leisure and corporate, FCTG is aware of the economic, environmental and social impacts of travel and tourism across the globe. We believe that we have a responsibility to model and lead the way for both our customers and travel industry colleagues.

As a company we have commenced developing our Sustainable Development Goals (SDGs) Blueprint, addressing 12 of the 17 SDG goals set out by the United Nations. Here's some of the progress we're making:

- | | |
|---|--|
| <p>1. End poverty – End Poverty in all its forms everywhere.
<i>FCTG is working alongside SolarBuddy to end energy poverty.</i></p> <p>2. Zero hunger – End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
<i>FCTG is working with organisations like Foodbank and 3Square to ensure no child goes hungry.</i></p> <p>3. Good health & wellbeing – Ensure healthy lives and promote wellbeing for all at all ages.
<i>FCTG makes the health and wellbeing of our people a top priority through our Healthwise business.</i></p> <p>4. Quality education – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
<i>FCTG supports local schools and students in South Africa and the Teach for Tomorrow Program in PNG in conjunction with KTF.</i></p> <p>5. Gender equality – Achieve gender equality and empower all women and girls.
<i>FCTG is committed to ensuring more women progress to the highest levels of the company and offers development opportunities and initiatives including Womenwise to achieve this.</i></p> <p>8. Decent work & economic growth – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
<i>FCTG supports work opportunities for all within the travel and tourism industry and strives for a healthy workplace culture.</i></p> <p>10. Reduced inequality – Reduce inequality within and among countries.
<i>FCTG supports diversity and inclusion through initiatives like the Reconciliation Action Plan in</i></p> | <p><i>Australia. In South Africa, FCM Travel Solutions achieved the Level 1 BBBEE (Broad-Based Black Economic Empowerment) Contributor status - the highest possible rating.</i></p> <p>12. Responsible consumption & production – Ensure sustainable consumption and production patterns.
<i>FCTG continues to minimise energy consumption and eliminate the use of single use plastics where possible.</i></p> <p>13. Climate action – Take urgent action to combat climate change and its impacts.
<i>FCTG carbon offsets in the UK and is investigating ways to reduce its carbon footprint in Australia.</i></p> <p>14. Life below water – Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
<i>FCTG prioritises education of our customers and our people to conserve and sustainably use the oceans, seas and marine resources. Our family brand tour operators have commenced the removal of single use plastics from product ranges.</i></p> <p>15. Life on land – Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
<i>FCTG supports Bush Heritage Australia in the conservation of ecologically important land.</i></p> <p>17. Partnerships for the goals – Strengthen the means of implementation and revitalise the global partnership for sustainable development.
<i>FCTG works with the UNGC, the International Institute For Peace Through Tourism (IIPT), and the Association of British Travel Agents (ABTA), to ensure we are creating positive change.</i></p> |
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SUSTAINABLE DEVELOPMENT GOALS

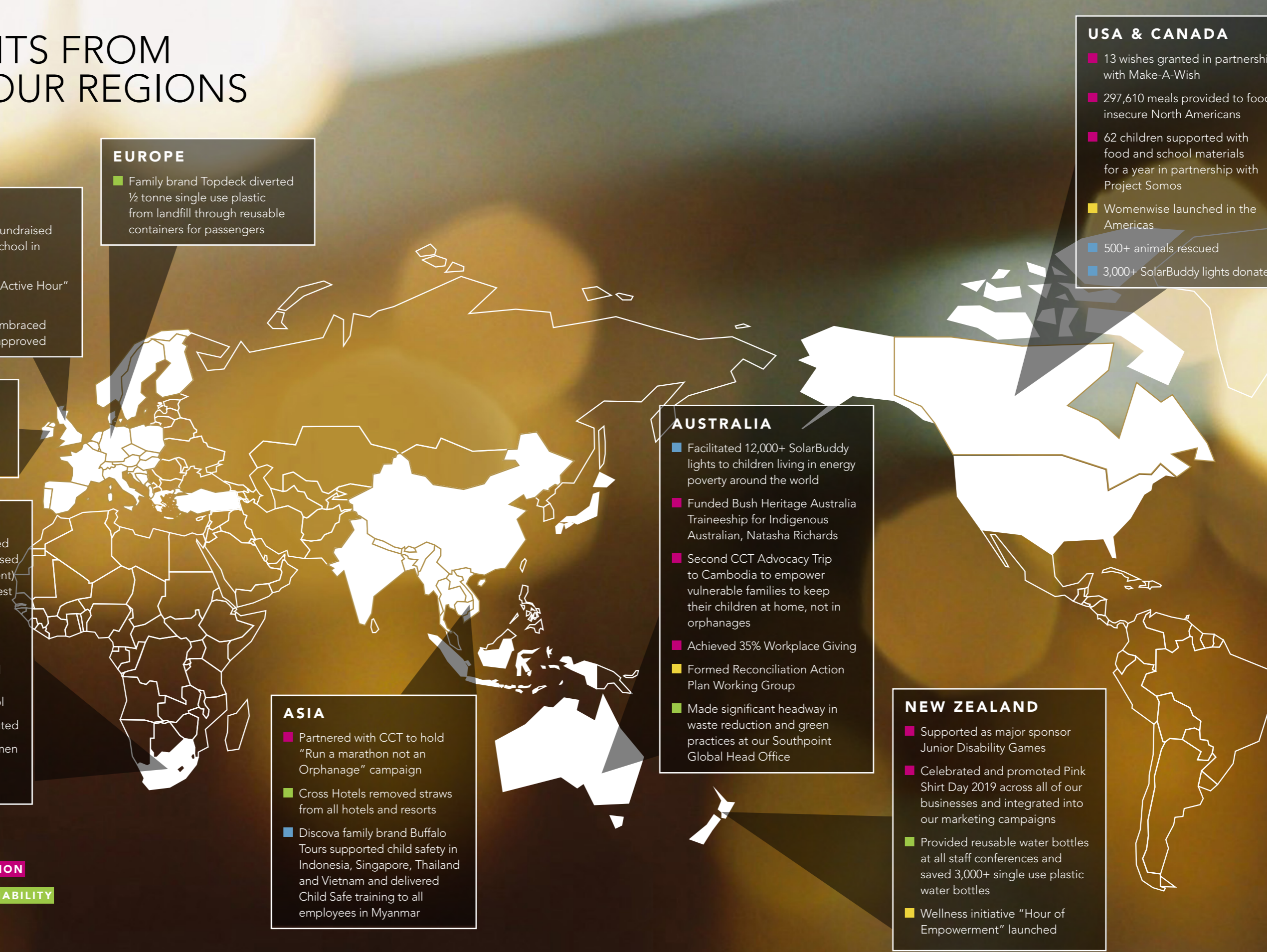
The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.

At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries – developed and developing – in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

<p>1 NO POVERTY</p>	<p>2 ZERO HUNGER</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>
<p>4 QUALITY EDUCATION</p>	<p>5 GENDER EQUALITY</p>	<p>6 CLEAN WATER AND SANITATION</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>
<p>10 REDUCED INEQUALITIES</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>
<p>13 CLIMATE ACTION</p>	<p>14 LIFE BELOW WATER</p>	<p>15 LIFE ON LAND</p>
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>	

FCTG'S CORPORATE SOCIAL IMPACT PROGRAM

HIGHLIGHTS FROM ACROSS OUR REGIONS



UK

- Over £20,000 GBP fundraised for Qhobosheane school in South Africa
- Wellness initiative "Active Hour" launched
- Flexibility actively embraced with 98% requests approved

EUROPE

- Family brand Topdeck diverted ½ tonne single use plastic from landfill through reusable containers for passengers

IRELAND

- Introduction of Co2 reporting for clients
- 20% of staff working flexibility

SOUTH AFRICA

- FCM Travel Solutions achieved the Level 1 BBBEE (Broad-Based Black Economic Empowerment) Contributor status - the highest possible rating.
- After school beach monthly clean ups in Cape Town
- Killi4Kids initiative fundraised R300,000 ZAR for a library at Qhobosheane Primary School
- 1,500 SolarBuddy lights donated
- 74% of senior leaders are women
- Wellness initiative "Hour of Power" launched

ASIA

- Partnered with CCT to hold "Run a marathon not an Orphanage" campaign
- Cross Hotels removed straws from all hotels and resorts
- Discova family brand Buffalo Tours supported child safety in Indonesia, Singapore, Thailand and Vietnam and delivered Child Safe training to all employees in Myanmar

AUSTRALIA

- Facilitated 12,000+ SolarBuddy lights to children living in energy poverty around the world
- Funded Bush Heritage Australia Traineeship for Indigenous Australian, Natasha Richards
- Second CCT Advocacy Trip to Cambodia to empower vulnerable families to keep their children at home, not in orphanages
- Achieved 35% Workplace Giving
- Formed Reconciliation Action Plan Working Group
- Made significant headway in waste reduction and green practices at our Southpoint Global Head Office

USA & CANADA

- 13 wishes granted in partnership with Make-A-Wish
- 297,610 meals provided to food insecure North Americans
- 62 children supported with food and school materials for a year in partnership with Project Somos
- Womenwise launched in the Americas
- 500+ animals rescued
- 3,000+ SolarBuddy lights donated

NEW ZEALAND

- Supported as major sponsor Junior Disability Games
- Celebrated and promoted Pink Shirt Day 2019 across all of our businesses and integrated into our marketing campaigns
- Provided reusable water bottles at all staff conferences and saved 3,000+ single use plastic water bottles
- Wellness initiative "Hour of Empowerment" launched

- WORLDWIDE
- FLIGHT CENTRE FOUNDATION
- ENVIRONMENTAL SUSTAINABILITY
- FCTG PEOPLE

BUILDING BRIGHTER FUTURES THROUGH RESPONSIBLE TRAVEL

As a global travel business, FCTG has come to understand the vulnerability of our planet and its people. We are committed to promoting and selling travel that respects human rights, the environment, wildlife and social equality.

FCTG embodies this commitment in our Responsible Travel Charter. Over the past year we have continued to communicate with and educate our people and our customers on how to travel responsibly, promote responsible travel tips and guides both internally and externally, contribute to local communities and support other businesses and initiatives seeking to do the same.

Our unique position has allowed us to promote responsible travel principles to a wide range of stakeholders and to continue to have a positive influence on them and the outcomes we all seek to achieve in this space.

TARGETING ENERGY POVERTY WITH SOLARBUBDY

Across our planet there are 1.4 billion people living in energy poverty. What this means for millions of families – some of the world’s poorest people – is that they are reliant on dangerous and unhealthy fuels like kerosene for their energy source, which often does not extend to lighting after the sun goes down. FCTG has joined forces with SolarBuddy, a registered Australian charity, to help end energy poverty in a number of locations around the world. SolarBuddy has made it their mission to help improve the educational opportunities of 6 million children living in energy poverty throughout the South Pacific, South East Asia and Africa by 2030.

Our rapidly growing partnership with SolarBuddy has allowed us to facilitate

the donation of 17,000+ SolarBuddy lights so far to children living in energy poverty around the world. We have now made a pledge to help raise funds for 42,000 lights – enough to light up Vanuatu.

PROTECTING WILDLIFE

Our Australian and now Global Worldwide Committees continue to audit local operators to identify unacceptable wildlife practices and focus on promoting wildlife experiences that feature animal behaviour found naturally in the wild. We are mindful of the social and economic impacts withdrawal could have on the operator and often community. Our approach is to work with local operators towards achieving best practices, rather than withdrawing them from our range altogether, which would remove any influence we have.

PRIORITISING CUSTOMER EDUCATION

We do not seek to tell our customers what to do and what not to do. We instead seek to educate them and provide facts so that they can make informed choices.

At our travel expos this year and across our digital channels we promoted Five tips on how to be a Responsible Traveller:

1. Conserve water
2. Reduce your waste
3. Go local
4. Care about wildlife
5. Respect local people and culture.



WHAT WE ACHIEVED LAST YEAR

- Assembled a Worldwide Global Committee with representation in UK, South Africa, Canada, USA, Central America, NZ, Asia and Australia.
- Grew the Worldwide Ambassador group globally.
- Facilitated the donation of 17,000+ SolarBuddy lights to children living in energy poverty across the globe.
- Loaded SolarBuddy into our wholesale online booking system, so our consultants can offer the donation of a gift of light to their customers.
- Highlighted products in our online booking system which meet and go above and beyond best practice in ethical wildlife tourism.
- Launched ‘Five tips on how to be a Responsible Traveller’.
- Grew our external and Internal Supplier Advisory Boards to include more third party suppliers and family brands.
- Prepared and distributed Responsible Travel Guides via our Worldwide Global Committee.
- Participated in the International Institute for the Peaceful Traveller Peace Park dedication in Sydney, Australia.

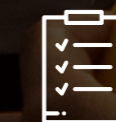
KEY PRIORITIES FOR THE FORTHCOMING YEAR



Grow our Global Worldwide Committee and Ambassador groups and customer and consultant awareness of Worldwide initiatives.



Facilitate the donation of 42,000 SolarBuddy lights to Vanuatu, 50,000 to the Dominican Republic and 57,000 to Madagascar to combat energy poverty around the world, with other initiatives to assist in lighting up Papua New Guinea.



Launch a tour and hotel product review/audit.



Launch a Worldwide range of trips which will offer a full responsible travel experience to our customers.



Launch an accessible product line for customers with mobility challenges, in partnership with our Infinity wholesale brand.

BUILDING BRIGHTER FUTURES THROUGH EMPOWERED GIVING

The Flight Centre Foundation is the heart of FCTG's corporate and social responsibility strategy. The Foundation embodies the FCTG philosophy of our people – through work we contribute to our community.

The Foundation provides company employees with a means to support nominated charities through a range of workplace giving, volunteering and fundraising initiatives. Projects include organised trips, volunteering opportunities and fundraising activities.

Since inception in 2008, the Flight Centre Foundation has donated close to \$20m AUD globally to our partner charities.

In Australia, every employee has the opportunity to donate to the Foundation or their 'Charity of Choice' via workplace giving. Every dollar donated by our people is matched by FCTG. In addition to workplace giving, our employees are entitled to one volunteer day annually which can be used within their local community.

ADDRESSING THE GLOBAL ORPHANAGE CRISIS WITH CCT

In March 2019, we ran our second advocacy trip to visit our partner Cambodian Children's Trust (CCT) in Battambang to learn more about how they protect vulnerable children by empowering families.

The group undertook a series of educational workshops and visits, participated in advocacy activities with the CCT team and learned how to advocate to help prevent tourists from engaging in orphanage tourism and inadvertently fueling the orphanage industry. Throughout the trip, we also patronised social enterprises to see the impact of the travel dollar in destination when spent mindfully. Participants also fundraised over \$22,600 AUD in support of CCT's holistic family based care.

BUSH HERITAGE AUSTRALIA TRAINEESHIP

In Australia, we continue to support the great work of Bush Heritage (an independent leading conservation organisation which aims to protect millions of hectares of ecologically important land for the benefit of all Australians) and assist in bridging any social, cultural, economic and ecological gaps.

Nastaha Richards (Tash) is FCTG's first Indigenous scholarship recipient on the Conservation Pathways to Employment program and is currently completing her Certificate III in Conservation and Land Management on the Carnarvon Station in remote outback Queensland.

"I wanted to say a personal thank you to everyone at Flight Centre Foundation for believing in me and this program – it means so much to me and it has had a big positive impact on my life."

– Tash



WHAT WE ACHIEVED LAST YEAR

- Raised over \$2m AUD globally to support local charities across the regions in which we operate.
- Ran our second advocacy trip raising \$22,600 AUD for Cambodian Children's Trust (CCT).
- Achieved workplace giving donations from 35% of our workforce in Australia.
- Ran the largest volunteering activity at our annual global conference in Las Vegas, USA supporting 3Square (local food bank) to create 3,000 food packs for children living with food insecurity.
- Strengthened our relationships with charity partners around the world including Make-A-Wish (USA), Halberg, MHF (NZ) Foodbank, Youngcare and Redkite (Australia).
- Partnered with preferred supplier partner World Expeditions to create a range of trips aligned to each of our Australian charity partners with the intention to raise \$1m AUD over a two year period.
- Funded an after school feeding program in South Africa to support children in areas rife with drugs, alcohol abuse and gang violence and provided eight full paid bursaries for high school students.

KEY PRIORITIES FOR THE FORTHCOMING YEAR



Focus our efforts on key partners around the world to maximise the impact of our donations.



Increase the amount of staff volunteering within our local communities.



Leverage our global footprint to profile partners' work and amplify their messages to the broader community.

FCTG PEOPLE

BUILDING BRIGHTER FUTURES THROUGH EGALITARIANISM AND UNITY

Our people are our number one priority and their path to success, equal privileges and rights are central to the way we operate. We have a workforce consisting of 72% female representation and key groups at all levels of the company to implement our strategies and vision. The intention is for all of our people to be equally represented, valued and rewarded.

We strive to ensure that all of our policies and procedures work to benefit our people for an equal opportunity to succeed. We encourage internal mobility and work with our people to map out an individual path to success called 'Brightness of Future'.

FCTG is committed to having a representation of senior female executives and board members that is more reflective of the gender balance across the company. We have a range of strategies, policies and practices in place to make this happen, because we believe that as a global player in the travel industry we have the opportunity to lead the way and proactively bring about change.

Our strength lies in our differences, not our similarities. True business, culture and workplace success stems from all team members feeling free to bring their best, most unique selves to work. Whatever that looks like.

FOCUSING ON MODERN DAY SLAVERY

Improving staff and management awareness of modern slavery risks is vital to our sustainable and ethical approach to ensure that slavery or human trafficking is

not taking place within our own business or across our supply chains. FCTG is continually involved in knowledge sharing with its staff on such issues and is looking at delivering targeted training programmes for employees located in high risk regions.

Transparency in our supply chain is also fundamental to FCTG's approach to committing to a safe, responsible and profitable business. FCTG has focused on assessing general areas of our operations and supply chains where modern slavery risks are likely to be most significant and as such we embrace research and data sources from the UN Guiding Principles, 2018 Global Slavery Index and the Australian Institute of Criminology.

To date we have mapped the majority of our supply chain through Calypso, our wholesale booking engine and undertaken a detailed risk assessment including a process to assess particular suppliers using enhanced checks where necessary. Enhanced checks will involve screening the suppliers, shareholders and directors for adverse media relating to human exploitation, sending out detailed questionnaires for the supplier to complete and regular ongoing monitoring of the suppliers operations.

FCTG has also hosted and actively participated in many external forums on modern slavery to help improve awareness in the business community. We have hosted and presented throughout Australia for both the Governance, Risk & Compliance Institute (GRC), Association of Certified Anti-Money Laundering Specialists (ACAMS) and will be speaking at the upcoming annual Australian Financial Crime Summit in Sydney. Additionally, FCTG regularly writes for a number of newsletters and magazines and recently contributed to the featured article for the *GRC Annual Magazine* on Modern Day Slavery.

WHAT WE ACHIEVED LAST YEAR

- Launched our Reconciliation Action Plan process in Australia with a working group of 82 Ambassadors.
- Increased awareness of Mental Health across all regions including participation in key initiatives with R U OK? in Australia, Mental Health Foundation in NZ and Mental Health Awareness Week in the UK.
- Developed and encouraged 18 female leaders to move into senior leadership and board positions through our intensive 'Goddess in the Boardroom' program. 100% of women in our first program round have been successful in securing a higher position.
- Rolled out Womenwise chapters globally across NZ, Asia, Canada, USA, South Africa, UAE and the UK, using our successful model developed in Australia.
- Reached 3,000 participants in our mentor program in Australia.
- Launched a new partnership with employee health and wellbeing provider Benestar in Australia.
- Made gender equal panels mandatory for all senior leader roles in Australia to address unconscious bias in recruitment process.
- Partnered with Stonewall by joining their Global Diversity Champions Program in the UK.
- Launched Parentwise initiative in NZ, Canada and the UK.
- 70% of people have returned to work after taking Parental Leave in Australia.
- Recognised for our people and workplace culture through winning and being shortlisted in various awards including Best Places to Work (UK), Karry-On, Women in Travel, NTIA (Australia) and the Global Healthy Workplace Awards.

KEY PRIORITIES FOR THE FORTHCOMING YEAR



Submit and embed our Reconciliation Action Plan (RAP) in Australia.



Formalise and promote flexible work options and increasing the amount of employees globally that have flexible work arrangements.



Continue to expand our Womenwise and Parentwise initiatives with a focus on Asia and Mexico.



Continue to raise awareness around Mental Health and implement a global program to support our people.



BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)

FCM Travel Solutions in South Africa has achieved the Level 1 BBBEE Contributor status – the highest possible rating. This milestone has been achieved through a focus on empowerment in all its different facets. The creation of FCTG’s Employee Share Scheme has changed the culture of the business. Through the scheme, shareholders own 30% of FCM. Each year, company dividends are shared with people of colour employed in the business and who have worked with the company for a set number of years.

RECONCILIATION ACTION PLAN PROGRESS

FCTG is very proud to be working through our Reconciliation Action Plan (RAP) in anticipation of submission to Reconciliation Australia. As an Australian founded company we believe strongly in acknowledging the Traditional Owners of the Land on which we live and work. We look forward to continuing to grow our partnerships and

learning how to further embrace the traditions of and honour the Aboriginal and Torres Strait Islander people. Our working group and 82 Ambassadors from across our organisation will endeavour to progress our actions and commitments to the valuable cause.

SUPPORTING OUR LGBTQI PEOPLE

The Rainbow Tick is designed to educate, acknowledge and celebrate LGBTQI team members and we are making progress in Australia and NZ to receive this tick. We are proud to provide a foundation where everyone feels comfortable being themselves.

The UK has partnered with Stonewall by joining their Global Diversity Champions Program. In Australia and NZ, Flight Centre has participated and sponsored National LGBTQI Awards.

PROMOTING EQUALITY THROUGH WOMENWISE

With a workforce consisting of 72% women, it is essential FCTG encourages, empowers and enables the women of

our company to achieve great success. Womenwise was established in 2016 by a group of FCTG’s senior female leaders to inspire all women by showcasing opportunity, providing role models and offering structured support to create a gender balance in leadership teams across FCTG. There is a committee that meets regularly to evolve our strategy and manage programs and initiatives, events and more. This committee includes senior leaders as well as people in key roles across Peopleworks (our People and Culture department).

In the past year our ‘Goddess in the Boardroom’ program in Australia has been undertaken by 18 female leaders. The intensive program aims to transcend any current roadblocks and shift more women with innate leadership qualities into senior leadership and board positions. 100% of women in our first program round have been successful in securing a higher position.

SUPPORTING OUR WORKING PARENTS

Parentwise supports our many working families by offering ‘keep in touch’

activities throughout the parental leave journey to returning to work. In early 2019 FCTG launched holistic wellness sessions, first aid sessions, regular catch ups and a newsletter designed to ensure our parents on leave can stay connected and abreast of what’s happening in the workplace. Globally, our Parentwise initiative continues to grow and now has chapters operating in NZ, Canada and the UK.

We started collating data on returning to work in 2017. 70% of people on Parental Leave have returned to work.

SUPPORTING FLEXIBILITY IN ALL FORMS

As an organisation we support and promote flexibility in the workplace. In addition we have invested in new business models across the globe that allow travel consultants to work independently and/or remotely. Various brands have also introduced specific policies to enhance flexibility. For example, Universal Traveller (previously Student Flights) rolled out ‘Unlimited Leave’ and ‘Flexi Time’ programs in

Australia. Globally approximately 25% of our people currently work flexibly.

GLOBAL WHISTLEBLOWER PROGRAM RELAUNCH

FCTG relaunched its global Whistleblower Program in early 2019 with new provider Navex Global. For the first time, our people, suppliers and customers can report any concerns online via a new portal and manage existing reports in the same place. We also have a greater number of language options available (150), to cater for our diverse workforce, supplier network and customer base.

OUR POLICIES & COMMITMENTS

FCTG’s Policies and Commitments are centred around our people. Documents are reviewed regularly to ensure alignment with our company direction and employment principles and guidelines.

ENVIRONMENTAL SUSTAINABILITY

BUILDING BRIGHTER FUTURES THROUGH SUSTAINABLE PRACTICES

Travel brings with it an awareness of how fragile our planet is and we believe that we have a responsibility to ensure that our people and our customers explore our world in a sustainable manner.

The protection of our environment is essential to the future of tourism and, as one of the world's larger travel groups, we believe we are well positioned to play a role in affecting this kind of positive change where we work, live and travel.

CARBON OFFSETTING PROGRESS

As well as offsetting our Duty Travel emissions we are now offsetting all Co2 produced from our stores' electricity and gas usage in the United Kingdom. This is a significant step forward for us on our way to becoming a carbon neutral company. To offset our emissions, we have invested in wind farms in India which increase renewable energy and employment opportunities for communities in rural India. We are currently working on our carbon offsetting project for Australia.

THE FUTURE OF TRAVEL BROCHURES

For trip planning, travel brochures remain a key tool for many of our customers, so to facilitate a more sustainable approach we are focusing on offering more sustainable options for this popular resource. We have significantly reduced the numbers of printed brochures; we also encourage our people and customers to access e-brochures in store or at home/on their device as part of the sales process; we also ensure that the printing we do is PEFC certified with all left over stock being sent to the recycling plant.

REDUCING PAPER CONSUMPTION VIA APPS & FUNCTIONALITY

Across our Leisure and Corporate Business, we offer quotes / itineraries via email whenever possible. In addition, FCTG Corporate offers the Sam :) smart travel assistant app and through the acquisition of Umapped, FCTG Leisure brands now offer the Trips itinerary management app to customers. Apps greatly reduce the current practice of printing hard copies of the itinerary for customers, making it an environmentally friendly alternative. In the near future Trips will also provide customers with access to their quotes which will further help us reduce the current printed copies customers receive when they leave our stores.

In addition, we're now able to provide Electronic Customer Acceptance (ECA) forms to customers. As this is a legal requirement for each booking, it is anticipated that this will generate a significant reduction of paper usage across our retail footprint.

WHAT WE ACHIEVED LAST YEAR

- Diverted 5.6 tonnes of recyclable organic waste, saved 41,000 single use coffee cups and prevented 1,750kgs of e-waste going to landfill at our global head office in Australia.
- Saved 1,556 trees and 34,372Kh energy through proactive cardboard/ food recycling program in the UK.
- Maintained a Zero-Waste to Landfill status through a partnership with First Mile in the UK.
- Established a procurement environmental policy to "go green" wherever possible.
- Established a committed group of eco warriors, our "Green Commandos" to implement green initiatives across our corporate footprint.
- Reduced printed brochures across key regions – 70% in the Americas and 30% in Australia.
- Initiated a recycling programme in the Ireland head office and began Co2 reporting for clients.
- Provided reusable water bottles at all staff conferences in NZ and saved 3,000+ single use plastic water bottles.
- Continued monthly beach clean ups in Cape Town, in conjunction with the afterschool program funded by South Africa.
- Panellist at the Travel Daily Sustainability Summit on "Brochures, straws and more: Can the industry really reduce its environmental impact?"

KEY PRIORITIES FOR THE FORTHCOMING YEAR

-  Achieve a 10% reduction in energy consumption across all head office locations in Australia.
-  Rollout 'Waste Free Wednesday' as a global initiative.
-  Move towards removing single use coffee cups from all Australian head offices.
-  Continue to educate our people and our customers on the benefits of electronic documentation and brochures to reduce our environmental footprint.
-  Investigate ways to reduce our carbon footprint in Australia.



REDUCING ENERGY CONSUMPTION

FCTG continues to work to reduce energy usage by:

- Using sensor lighting in all head office locations
- Installing energy efficient lighting in new tenancy areas, including open plan offices and meeting rooms
- Minimising after hours air-conditioning use
- Installing blinds to minimise cooling and heating costs
- Installing multi-purpose devices to reduce the number of appliances in use
- Having automatic switch off time clocks for all signage
- Encouraging staff to switch off appliances and equipment when not in use
- Using energy efficient appliances.

COMMITMENT TO RECYCLING & WASTE REDUCTION

FCTG has continued to reduce its waste by:

- Ensuring recycling bins are available and accessible
- Printing information only when necessary and enforcing double-sided copying
- Reducing packaging
- Sourcing and using recycled, unbleached, post-consumer paper for 80% of printed materials
- Reducing our printed subscriptions
- Making publications available online
- Maintaining an active e-waste practice that recycles old computers and mobile phones
- Encouraging a global movement to use keep cups to reduce landfill.

SMART SHOP DESIGN

FCTG has initiated an Environmentally Sustainable Design program for its retail shops. This system sets out guidelines for fitout materials (including timber usage), waste management, lighting and signage and equipment including water fixtures and fittings.

Across Australia, where our largest store network exists and is constantly evolving, there has been a focus on standardising fitout components to reduce wastage.



FAMILY BRANDS CORPORATE SOCIAL IMPACT

OUR FAMILY BRANDS

The Flight Centre Travel Group is made up of nearly 40 brands that include travel businesses referred to as our 'family brands'. These brands which are and operate around the world have played a vital role in delivering our sustainability initiatives and include:

INFINITY

Infinity is FCTG's wholesale travel brand. Working closely with Worldwise and the Flight Centre Foundation, Infinity has:

- Added SolarBuddy into their online booking system, allowing our customers to add the donation of the gift of light to help end energy poverty for millions of children around the world.
- Ensured any products promoted in their new range of travel brochures align with our Worldwise (Responsible Travel Charter) goals.

GLOBAL TOURING

Includes Topdeck Travel and Back-Roads Touring

Topdeck is a tour operator with a passion for providing unforgettable adventures across the globe for 18–30 somethings. Back-Roads Touring's passion is delivering small group holidays that delve a little deeper. Travelling along scenic roads beyond the reach of larger vehicles, their tours invite travellers to see each destination through the eyes of the locals. Through both brands, Global Touring has:

- Saved half a tonne of single use plastics in 2018 across 638 Topdeck departures.
- Moved to biodegradable platters, knives forks, spoons, cups and bags versus single use plastics across 90% of Topdeck sites.
- Implemented initiatives to reduce the use of disposable plastics and plastic packaging across the catering sector including trialling reusable food containers and sporks on camping trips.
- Offered reusable water bottles to travellers on all Back-Roads tours in Europe and Topdeck Croatia sailing tours.

DISCOVA

Discova (previously Olympus Tours and Buffalo Tours) is FCTG's new global Destination Management Company (DMC). It offers tours, transfers and in country experiences as well as on the ground support. Discova has:

- Replaced plastic wrapped single use wet wipes with Pure Napkins made from bio degradable bamboo fibre, reducing waste by 100,000 - 125,000 plastic wraps a year in Bali (Buffalo Tours).

CROSS HOTELS & RESORTS

Cross Hotels & Resorts is a hotel management division which has an established and growing portfolio of well placed and well defined brands which support properties across hotels, resorts, urban developments, villas, residences, restaurants and bars from 3.5 to 5 stars.

Cross Hotels & Resorts has:

- Removed straws from all Cross Hotels & Resorts
- Started trialling water stations around hotels
- Launched 'My Personal Environment' – in room collateral encouraging guests to reuse towels and turn off air-conditioning and running taps
- Started beta testing biodegradable, commercially viable laundry detergent
- Ceased promoting tours that involve animals and child related areas such as orphanage tourism.



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PRY SCHOOL
ស្ថាប័ន ស្រុកកំពង់



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TRAVEL GROUP™
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