

STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE – June 25, 2021

FLIGHT CENTRE TRAVEL GROUP TO INTRODUCE
TARGETED NEW STAFF RETENTION INITIATIVE

Key Points

- **FLT introduces tailored new retention program as proactive, one-off response to COVID-19** and its ongoing impacts on the company's people
- New Global Recovery Rights (GRR) **program is aligned with FLT's strategic objectives of retaining people who are integral to the company's recovery, while preserving cash** in the short-term
- **All staff members globally (apart from board members and senior executives) included in the program**
- **FLT's people to receive circa 1.9m shares in total (under 1% of issued capital)** with an expected non-cash cost of circa \$30million at today's share price

THE Flight Centre Travel Group (FLT) today unveiled a retention program targeted at the company's global sales force and support staff.

Under the new Global Recovery Rights (GRR) program, staff globally (excluding board members and senior executives) will be granted share rights if they continue their FLT careers during what is expected to be a recovery phase through to December 31, 2022¹.

¹ This statement is for informational purposes only and does not constitute an offer under the GRR program. No person is entitled to receive an offer under the GRR program as a result of this statement. Any offer to be made by FLT under the GRR program will be made to eligible employees through formal offer documentation tailored for each relevant jurisdiction. This announcement does not constitute or form part of any offer purchase, a solicitation of an offer to purchase, an offer to sell or an invitation or solicitation of an offer to sell, issue or subscribe for, securities in or into Australia, the United States or in any other jurisdiction.

Most participants will receive a one-off GRR grant of 250 share rights, which will vest in February 2023, when the company will release its December 2022 half-yearly results. GRR participants who meet the program's continuous employment condition will then be able to exercise their rights and receive an equivalent number of ordinary FLT shares.

In a small number of locations where FLT is not able to offer its Employee Share Plans, the company will pay a cash benefit (rather than shares) at the end of the GRR vesting period to its people who meet the same continuous employment condition.

In total, about 7500 FLT people are expected to receive about 1.9million shares under the program at an expected non-cash cost of circa \$30million based on today's share price.

Managing director Graham Turner said the GRR program was a specific, one-off response to COVID-19 and was aligned with FLT's key strategic objectives of:

- Investing in and retaining people who would be integral to the company's recovery and shareholder value creation; and
- Preserving cash, while governments continued to impose heavy travel restrictions that were severely impacting demand for travel

"This is a material investment in the people who are integral to both our recovery and our future success," he said.

"The GRR program underlines our people's importance and recognises their efforts and their loyalty since the pandemic began and heavy travel restrictions were imposed, adversely impacting their earning potential, while they continued to work incredibly hard to help customers secure refunds or rearrange their travel plans.

"It is first and foremost a retention program that encourages our people to continue their careers with us during what we believe will be an important 18-month period as

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vaccination programs progress, trading conditions start to normalise and the recovery starts to gain momentum.

“In addition to being aligned with our strategic objectives, this new program also gives our people a stronger degree of ownership of our company and thereby strengthens the ties between their interests and those of our other shareholders in the mid to long-term.”

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This announcement has been approved by the Board of FLT.

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