



STATEMENT TO AUSTRALIAN SECURITIES EXCHANGE - June 15, 2022

FLIGHT CENTRE TRAVEL GROUP TO INVEST MORE THAN
\$30MILLION IN TARGETED STAFF RETENTION INITIATIVE

ABOUT 10,000 Flight Centre Travel Group (FLT) sales and support staff are set to receive additional share rights in the company as part of a multi-million-dollar retention initiative.

The company today unveiled plans to extend its Global Retention Rights* (GRR) program, a tailored retention initiative that was introduced during the 2022 fiscal year (FY22) to counter COVID-19's impacts on the business and its people, for a further 12 months.

Under the 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 post-COVID recovery phase.

The proposed FY23 offering will see most of FLT's people globally offered a one-off grant of share rights valued in the order of \$3750, with employees in locations where the company does not operate share plans being offered a similar cash benefit at the end of the period (rather than shares).

FY23 rights are intended to be issued in August 2022 and will vest when the company releases its December 2023 half-yearly results (February 2024). GRR participants who meet the continuous employment condition through to December 31 2023 will then be able to convert their rights to ordinary FLT shares.

In total, about 10,000 people are expected to receive shares or cash via the FY23 offer at an expected one-off cost between \$30million and \$35million.

Managing director Graham Turner said the GRR program was a targeted response to COVID-19's impacts on the business 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
- Aligning shareholder and employee interests via ownership; and
- Preserving cash ahead of the business's recovery

"The GRR program is a material investment in the people who are integral to both our recovery and our future success and we believe it is contributing to the healthy overall retention rates we are seeing," he said.

"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 period in our recovery. Travel is rebounding but there is added complexity, which once again underlines the value of our people and their expertise.

"By extending this innovative and popular program for an additional 12 months, we are:

- Encouraging people to continue their careers with us as the recovery takes off and confidence returns, which will help alleviate some of the staffing pressures we are currently experiencing
- Providing a secondary mechanism to alleviate wage pressures globally; and
- Strengthening the alignment between the interests of our people and our shareholders given increased employee ownership in the company, which is one of our company's core philosophies.”

The number of rights each participant in the FY23 GRR offer will receive will be based on the volume weighted average price (VWAP) for the 10 days leading up to the grant date.

Based on current projections, the FY23 offer will have less than a 1% dilutionary impact on FLT's shareholder base if the company elects to issue the shares.

ENDS: Media & investor enquiries to haydn_long@flightcentre.com, + 61 418750454

*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.

Flight Centre Travel Group Limited's board has authorised this announcement.