AUSTRALIAN
SHAREHOLDERS'
ASSOCIATION

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So far, so good, now for the hard part

Company/ASX Code	**Qantas/QAN**
AGM time and date	**11am Friday, 7 November 2025**
Location	Lawson Ballroom, Amora Hotel Brisbane, 200 Creek Street, Brisbane Queensland 4000
Registry	MUFG Corporate Markets
Type of meeting	Hybrid https://meetings.lumiconnect.com/300-224-273-219
Monitor	Sue Howes assisted by Julieanne Mills with David Loosemore
Pre-AGM Meeting	John Mullen (Chair), Nora Scheinkestel (Rem Chair), Filip Kidon (Investor Relations) and Jack Penton (Investor Relations)

Monitor Shareholding: The individuals (or their associates) involved in the preparation of this voting intention have no shareholding in this company.

1. How we intend to vote

No.	Resolution description	
2a	Election of Dion Weisler	For
2b	Re-election Dr Heather Smith	For
2c	Re-election of Doug Parker	For
3	Participation of the Chief Executive Officer, Vanessa Hudson, in the Long Term Incentive Plan	For
4	Adoption of the 2025 Remuneration Report	For

2. Summary of Issues and Voting Intentions for AGM/EGM

- Chair workload

  See Governance Section for more detail.

  We discussed the demands on Mr Mullen's time. He is aware of the issue and rather than the general response to reducing workload that we received last year, the Company was able to assure us that there is planning in place to reduce this over the next year. We were satisfied with this.

- Ongoing financial stability of the company

See Finance section for more detail.

Qantas has had a very good year financially, resumed dividends and paid special dividends, has continued with the share buy-back and taken on additional debt. It also has significant CAPEX to support with a new plane arriving every three weeks or so over the next three years.

We had detailed discussion with the Company around debt levels, current liabilities vs current assets, the ability to fund the CAPEX program and the need to further repair the balance sheet. We gained assurance that the company had additional liquidity capacity against its aircraft assets – OK, but is doing that a good thing? – and that the Board are fully cognisant of the need for Qantas to earn sufficient cashflow to cover fleet renewal, interest payments, debt retirement while targeting a reasonable base dividend.

The general outlook for share buyback is that it would likely be at a much lower level and only if value accretive given the share price.

- Continuing commentary on Ms Hudson as CEO

  See Governance and Culture section for more detail.

  Since Ms Hudson stepped into the CEO role from CFO we have had considerable reservations about her suitability for the job, given her association with the past CEO.

  One year on and we can see significant improvement in Qantas operations, finances and remuneration outcomes.

  Both the Chair and Ms Scheinkestel were able to give a solid response to our questioning and tangible examples of where Ms Hudson's vastly different management style and approach have made a significant difference to company outcomes.

  We can now shelve our reservations.

See ASA Voting guidelines and Investment Glossary for definitions.

3. Matters Considered

Accounts and reports

The table below shows a company coming back after a difficult period. However, the result is somewhat distorted by the extraordinary result in FY23, which occurred on the back of significant pain to customers and staff, reputational issues and saddling the company with a substantial legal bill and CAPEX requirements for several future years. The impact of COVID should also be taken into account for the years prior.

Revenue grew 8.6% to $23.8 billion, NPAT increased 28% to $1.6 billion, and ROIC dropped from 57.9% to 50.8% as CAPEX requirements start to bite. The Company recommenced dividend payment with special dividends of 19.8 cents and Base dividends of 33.0 cents over the year.

Financial performance

(As at FYE)	**2025**	**2024**	**2023**	**2022**	**2021**
NPAT ($m)	1,605	1,251	1,744	(860)	(1,692)
UPBT ($m)	2,394	2,078	2,465	(1,859)	(1,774)
Share price ($)	10.74	5.85	6.20	4.47	4.66
Dividend (cents)	52.8	0	0	0	0
Simple TSR (%)	92.6%	(5.6)	38.7	(4.1)	23.2
EPS (cents)	105.2	75.9	96.0	(45.6)	(89.9)
CEO total remuneration, actual ($m)	4.80	4.38	21.44 Restated (14.91)	2.272	1.98

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

The company does have a balancing act to manage over the next five years or so, as indicated by the table below:

Year	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Current Assets	4,188	4,952	3,430	5,633	5,105	3,979	4,515
Current Liabilities	9,018	8,304	7,595	10,558	12,097	11,744	12,716
Ratio	215%	168%	221%	187%	237%	295%	282%
Current IBL	610	868	969	669	799	208	247
Non-current IBL	4,527	5,825	5,861	5,291	4,370	4,827	6,153
Total Debt	5,137	6,693	6,830	5,960	5,169	5,035	6,400
Total Equity	3,014	1,526	443	-190	10	294	783

The ravages of the COVID years can clearly be seen on the balance sheet in this table. Given the need for the company to fund a considerable CAPEX program in the next few years we discussed the debt build up, uses of capital in the business, need to ensure Current Liabilities can be serviced within the business (most of this is revenue received in advance) and general repair of the equity position and balance sheet.

Aside from the company's ability to raise debt readily, given its aircraft assets, which on the one hand is helpful, but on the other does nothing to improve the Debt-to-Equity ratio, it is clear from our discussions that the Board are aware of the need to manage this in future years.

The Board is keenly aware of the need to grow profit sustainably, in a notoriously volatile industry, while managing capital allocation. The general view is that as profit increases cash will be deployed to operations, then CAPEX, then sustainable dividends and any surplus cash would fund buybacks provided the share price compared to company value is sensible at the time.

CAPEX is significant, but will also improve efficiency and sustainability, and this will drive further growth and improve profitability.

Debt is structured to be renewed over many years into the future, as debt is retired interest rates are likely to increase and guidance has been issued that interest payments are likely to increase to $300m FY26

The company's Moody's rating and target debt levels are good for the airline business.

We find comfort in this response.

Governance and culture

The recommendations from the August 2024 Governance Review have now been implemented.

The unlawful termination of ground handlers during the pandemic finally saw an agreement to pay $120m in compensation in December 2024 and an apology. An additional $90m penalty was imposed by Justice Lee in July along with a scathing assessment of the company and the new CEO's absence from the court case. He highlighted the disconnect between what is said and what is done by the company. No further adjustments were made to executive remuneration given the 33% reduction in FY24

We questioned the company on the decision for Ms Hudson to not front the penalty hearing. We were disappointed that Ms Hudson did not turn up to the Lee Hearing, although we know it was supposed to be a penalty hearing with no further evidence being tabled.

All legacy legal issues are now concluded, and we are sure the company will be happy to move forward.

We spent a considerable time discussing the workload of the Chair. We explained our position is not one of box ticking but comes from the experience of observing Boards during the Financial Services Royal Commission and COVID, which overlapped to an extent, and the difficulties of attracting focus from overloaded directors. We also made it clear that mixed messaging on the issue not only causes angst for concerned shareholders but also leads to questioning of judgement on other items of uncertainty, such as suitability of the CEO for the organisation.

Frank discussion resulted in us gaining an understanding of the difficulties faced by the Chair in adjusting his workload during the past year and a solid assurance that plans are afoot to manage this issue effectively in the next few months. This is an issue we will continue to monitor closely at the ASA over all Mr Mullen's various listed roles.

A cyber event in June 2025 saw a data breach of 5.7 million customers. Qantas systems remained secure but customer data, including frequent flyer numbers, was accessed, no financial details, pin numbers, login details, or passport numbers were accessed. A dedicated helpline was setup and the company reacted with an injunction to protect customers' data. The CEO and executive had their STI reduced by 15% due to the cyber incident, with the CEO losing $250,000. The decision to do this was suggested by the

CEO and management team and then agreed to by the Board. A somewhat different approach to what one would have expected in past years.

It seems that ASA differs to some proxy advisors in our view on the 15% reduction to STIP from the cyber incident. In the scheme of the breadth, diversity, complexity and degree of cultural repair being undertaken at Qantas, to us, 15% for this one issue does seem high.

Qantas has introduced a share plan for 25,000 non-executive employees with $1000 worth of shares given annually, subject to group performance. $1000 thank you payments were also paid in FY25, and $500 staff travel credits in FY26

There is a minimum shareholding requirement (MSR) for the CEO of 150% of fixed remuneration, executive management was increased to 100% base pay from Oct 2025 and Directors and Chair have a 100% of base fee requirement. All directors and the CEO are compliant.

This year's Board education included Sustainable Aircraft Fuels (SAF) and Carbon Markets.

An external audit tender process in FY25 saw KPMG maintain the role. There is a rotation of partners every 5 years, and one is due at the end of this FY.

A group wide review was undertaken of bribery, corruption and sanctions assessments, which led to the implementation of an Anti-Bribery and Corruption Policy in November 2024. We questioned the Board as to how this sits with the operation of the Chairmans' Lounge. The Chair gave a clear explanation that membership of the Chairmans' Lounge is really a reward based on non-contractual corporate spend for large customers, as is common in large companies. There is no other gain from this benefit. While the company will not remove any existing memberships, it is likely that they will slowly constrict the range of this benefit and some memberships of the past are unlikely to be repeated.

ASA is aware of the ongoing scepticism of whether Ms Hudson is the right person for the CEO role. Some of the decisions regarding the CEO this year are questionable:

- Not fronting the Ground Handler's penalty hearing – damned if you do and damned if you don't.
- Handling of the cyber incident – very well handled from a customer point of view, unfortunately the CEO did not come across well – enormous amount of pressure, though.
- Press comments around the Ground Handler issue – CEO did not come across well "wrong kind of sorry".

It is most difficult to get these things right and particularly so with a press corps looking for a story.

So, we questioned both Mr Mullen and Ms Scheinkestel on this and received genuine and resounding approval of the CEO from both directors. Another year into the role and the Board have found the CEO to be very different to her predecessor, have no ego, a strong moral compass and is seen as having an unassuming way. This certainly comes as a relief, and the cyber incident was handled very well. This may be a CEO where the proof of the pudding is in the eating, not in the presentation.

Key events

Jetstar Asia closure in July 2025 enabled $500 million in capital and 13 planes to be redeployed. 16 routes were impacted.

The Classic Plus Rewards Tier was introduced in July 2024 as a way of offering redress to long-suffering customers, making it easier to redeem points, more available seats and flights and the ability to apply upgrades, but at a roughly 50% higher cost than the previous program.

It now transpires that, having introduced this, the cost has been increased further with no fanfare.

Key board or senior management changes

The refreshed FY24 Group Leadership Team remain in place with the addition of Fiona Messent as Group Chief Sustainability Officer in January 25, and Kate Towey as General Counsel and Company Secretary. Andrew Finch resigned as Company Secretary in October 2024.There are now 7 women to 5 men in the group leadership team. Key management Personnel is generally stable.

The Board appointed Dion Weisler as a director in March 2025, and Todd Sampson retired in July 2025. There are now 7 independent Directors and the Executive Director. The Board has been refreshed with 5 of the 7 independent Directors appointed since 2023. The Board currently has 50% women. Additional directors are planned.

An external consultant provided a board skills matrix which shows most directors have extensive experience in strategy, customer, transformation, finance, capital investment and governance, people and organisational leadership. There are 4 directors with extensive experience in transportation, operations, safety and risk. Three with extensive experience in climate and environment, and one with extensive experience in digital technology.

Directors who were on the board in 2023 took a 33% cut to their director fees in FY25.

Sustainability/ESG

QAN acknowledges that air travel is not environmentally sustainable (2% global emissions) and recognises that it will increasingly need to mitigate its emissions. It acknowledges that it will be “complex, costly and is still emerging”. It claims it is tackling this on several fronts by gradually replacing existing aircraft with more fuel-efficient ones, improving efficiencies in operational performance, and by introducing SAF fuels to the fuel mix. It will also increasingly use carbon credits to mitigate emissions and is investing in external carbon credit projects to achieve this.

While QAN 2022 CTAP has a net zero target for 2050 it arguably doesn’t have a credible plan to get there and is relying heavily on their carbon offsets.

QAN’s emissions continue to increase with Scope 1 emissions increasing 6% on the prior year to more than 12 million tCO_2e, due to increased flights and new routes. Scope 3 emissions also increased 17% to more than 7million tCO_2e due to new aircraft production and the Jetstar Asia and Japan investments.

Renewal of the fleet will improve fuel efficiencies and operational performance and require significant capital investment. In FY25 17 new aircraft were added to the fleet and 12 midlife planes were added with better operational efficiencies. 17 were retired.

The QAN 2022 CTAP set a target of 25% reduction in GHGe (from 2019 levels) and 10% SAF use by 2030. There has been minimal change in the overall amount of SAF use this year with 10.5 million litres used compared to 10 million in FY24, QAN used 0.2% SAF fuels in FY25 and SAF CO_2e abatement was below FY24. The regulatory requirements in the EU, UK require a 2% SAF blend in 2025, increasing to 6% in 2030 and 70% by 2050. Singapore and Japan will see more SAF use, and carbon credits required over the coming years. Other countries are also considering mandates.

SAF is central to decarbonisation of the industry, and it commands a premium price of 3-5X more due to supply limitations.

QAN and Airbus have invested in two promising SAF projects: Seadra Energy, a NZ Biofuel refinery in Marsden Point, and a SAF refinery converting alcohol to biofuel in Townsville, that is expected to produce 102 million litres pa, is near a FID.

In FY25 in partnership with Sydney Airport and Ampol, QAN imported 1.7 million litres of SAF fuel to test critical infrastructure and demand. It is working with Airbus and Boeing for SAF supply and has offtake agreements in place in Los Angeles and Heathrow.

QAN is developing its own “high” integrity framework to ensure carbon credit projects have associated benefits such as Social and Bio-diversity benefits and Indigenous projects. There are social and biodiversity co-benefits along with the cost benefits of developing its own carbon credits. Carbon credits are essential to offset its emissions for international travel (CORSIA) and the Safeguard Mechanism for domestic offsetting.

Qantas retired 364,000 carbon credits in FY24, 55,000 were to comply with the Safeguard Mechanism while 243,000 were purchased on behalf of customers as part of QAN’s voluntary carbon program (VCP renamed due to claims of greenwashing). The VCP no longer has a co-contribution from Qantas. The SAF Coalition Program targets businesses to do the same.

ESG targets are included in the remuneration scorecard GHGe, waste reductions, safety, customer service and employee engagement. Climate accounts for 5% of group scorecard assessed against waste diversion, single use plastics (SUPs) and CO_2e. The targets appear to be very low with CO_2e at 102,000 tCO_2e equivalent to 0.85% of QAN total scope 1 emissions.

QAN have improved some waste diversion and removed 21 million single use plastics, but improvements seem to have stalled. A new circular economy strategy is planned for FY26.

Electric ground vehicles have been introduced. The company is reducing water and gas consumption and have purchased LGC’s (renewable energy) for Scope 2 emissions.

QAN employ 30,000 people across 27 countries. In FY25 it improved employee engagement by 5% to 71%. It has a 5.2% attrition rate with 45:1 job application rate. QAN has achieved Gold Employer status for AWEI awards.

Safety continues to be a primary focus for QAN. In FY25 there were no fatalities and TRIFR is low for its sector although above average for Qantas, however some of this is due to coming out of COVID.

QAN has seen a steady climb to 40.7% female representation at senior management level. The gender pay gap is relatively high, largely reflecting the male domination of engineers and pilots. QAN is addressing this with scholarships and targets for women and First Nations applicants at its Pilot and Engineering academies.

A “Stretch” RAP saw a $26m indigenous spend in FY25 and partnerships across several indigenous organisations continue including Jawun, Bangarra Dance, Yothu Yindi and Clontarf. QAN are aiming for 25% of carbon credits provided by First Nations suppliers.

This year has seen a focus on regional support with $60m spent on discounting flights for residents of remote communities, support for Surf Lifesaving, the Olympics, Cricket, Football teams and the Arts.

For a more detailed analysis please see Appendix 2.

4. Rationale for Voting Intentions

Resolution 2a - Election of Director Dion Weisler (for)

Dion Weisler was appointed a director in March 2025. He is a member of the Safety Health Environment & Security Committee (SHEHS) and the Audit Committee.

Dion is currently a Non-Executive Director (NED) of BHP (since 2020); Intel (since 2020) and Thermo Fisher Scientific (since 2017).

He was President CEO of HP Inc (Hewlett Packhard) from 2015-2019, and director and adviser 2019-2020.

Key Insights that he will bring to the Board include global executive experience in innovation, technology, and data, global energy transitions, safety, decarbonisation, and stakeholder management.

His expertise in IT will be a significant contribution in assessing the risks and opportunities posed by cyber, AI and increasing global connectivity attached to any accelerated digital improvements in the business.

The ASA fully support the election of Mr Weisler.

Resolution 2b - Re-election of Director Dr Heather Smith (for)

Dr Heather Smith was appointed a director in August 2023. She is a member of the People and Remuneration Committee and the Audit Committee. BEc (Hons) PhD

She is currently a Director of the ASX (since 2022) and Challenger Ltd. She is also a Director of the Reef Restoration and Adaption Program. She co-led the 2024 Independent Review of Australia's National Intelligence Community.

Heather served 20 years in the Australian Public Service including: Secretary to Department of Industry Innovation and Science from 2017-2020. She provides deep knowledge of the government and public sector including public policy, innovation and technology, national security and economic reform.

Given Dr Smith's background in technology and the issues at ASX that have raged for some four years now, we quizzed the Board on the skills that she brings to QAN and her contribution to the Board.

The Chair responded that as Government is a major stakeholder it is of great benefit to QAN to have someone who understands how government works and, her background in economic policy and international affairs as well as digital transformation bring very valuable skills to an international company such as Qantas.

While we have our reservations, on balance we will be voting any undirected proxies for this resolution.

Resolution 2c - Re-election of Director Doug Parker (for)

Doug Parker was appointed a director in May 2023. He is a member of the People and Remuneration Committee and the Safety Health Environment & Security Committee (SHEHS).

Doug has had a 30+ year career in the airline industry; he was CEO of American Airlines from 2013-2022 and Chairman of the Board until 2023. He has deep airline experience at board and executive level. As CEO of America West Airlines, he was involved in the merger with US Airways in 2005.

The ASA fully support the re-election of Mr Parker.

Resolution 3 - Participation of the Chief Executive Officer, Vanessa Hudson, in the Long Term Incentive Plan (for)

Given we are voting for the remuneration plan we will also be voting any undirected proxies for this resolution.

Resolution 4 - Remuneration Report (for)

The Remuneration Plan meets ASA guidelines. The basic outline is given in Appendix 1.

The Base pay, STIP and LTIP are reasonable given the size and complexity of the company. The STIP measures seem reasonable for the company and the Board applies rigour to the results. LTIP hurdles are also reasonable.

The Board are of the view that sufficient penalty was applied in FY24 for the industrial and consumer issues that have now been brought to a close. As the fine from Justice Lee seems not to have been anticipated by the company (not adequately provisioned) there is an argument that further penalty could have been applied. However, the past penalties meted out to staff, who arguably were not the main drivers of the poor culture of the organisation, were substantial and we agree it is time to draw a line. The financial results have been significantly improved this year, the company is again paying dividends, and the share price has also improved substantially.

The Board did, however, use its discretion to reduce STIP as a result of the cyber incident. We think the quantum and application both quite reasonable.

We will be voting any undirected proxies for this resolution.

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Appendix 1
Remuneration framework detail

CEO rem. Framework for FY26	Target* $m	% of Total	Max. Opportunity $m	% of Total
Fixed Remuneration**	1.70	26.3%	1.70	22.8%
STI - Cash	0.85	13.2%	1.35	18.1%
STI - Equity	0.85	13.2%	1.35	18.1%
LTI	3.06	47.4%	3.06	41.0%
Total	6.46	100.0%	7.46	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. *Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration framework set a maximum opportunity amount, but not all.

** This amount does not include additional benefits.

Changes to remuneration include:

- Reduced the group scorecard overdrive from 170% to 160%, which reduces the need for a cap.
- The maximum STIP payable for executives other than the CEO reduces from 160% of base pay to 140% of base pay.
- The LTIP opportunity will increase to 180% for the CEO.
- Weighting of the RepTrak measure will reduce from 33% to 20%.
- Minimum Shareholding guidelines have increased to 100% of base pay for executive managers.
- The Individual Performance Factor has been removed.

Calculation of actual remuneration

Item	Value $m
Base pay	1.49
Benefits	0.37
STIP cash	1.02
Vested shares – STIP	1.02
Vested shares – LTIP (179,108 *$10.74)	2.40
Total	6.31

Appendix 2

Sustainability/ESG detailed assessment

Qantas (QAN) reports against GRI, UN Global Compact, UN Sustainability Goals, and the TCFD which leads into the Australian climate reporting standard AASB S2. It is also reporting against the Taskforce for Nature-related Financial Disclosures (TNFD) and is preparing another 2025 Nature Action Plan.

This year's Sustainability Report is similar to last years. QAN is working towards the mandatory reporting requirements in 2026. Initially it will have limited assurance and will move towards reasonable assurance by 2029. There is reasonable assurance for Scope 1 & 2 GHGe already.

QAN acknowledges that air travel is not environmentally sustainable (2% global emissions) and recognises that it will increasingly need to mitigate its emissions. It acknowledges that it will be "complex, costly and is still emerging". It claims it is tackling this on several fronts by gradually replacing existing aircraft with more fuel-efficient ones, improving efficiencies in operational performance, and by introducing SAF fuels to the fuel mix. It will also increasingly use carbon credits to mitigate emissions and is investing in external carbon credit projects to achieve this.

While QAN 2022 CTAP has a net zero target for 2050 it arguably doesn't have a credible plan to get there and is relying heavily on their carbon offsets. To get there it would need to see a decrease in demand or significant improvements in fuel efficiency per passenger. This may be possible as technology changes but currently QAN is not aligned to a credible IEA sectoral pathway to net zero.

QAN's emissions continue to increase with Scope 1 emissions increasing 6% on the prior year to more than 12 million tCO_2e, due to increased flights and new routes. Scope 3 emissions also increased 17% to more than 7million tCO_2e due to new aircraft production and the Jetstar Asia and Japan investments.

In 2025 QAN prepared a scenario analysis for 4 temperatures, reviewed the physical and transition risks, and expanded Scope 3 GHGe reporting. It recognises the impact climate will have on its business.

The QAN 2022 CTAP set a target of 25% reduction in GHGe (from 2019 levels) and 10% SAF use by 2030. There has been minimal change in the overall amount of SAF use this year with 10.5 million litres used compared to 10 million in FY24, QAN used 0.2% SAF fuels in FY25 and SAF CO_2e abatement was below FY24. The regulatory requirements in the EU, UK require a 2% SAF blend in 2025, increasing to 6% in 2030 and 70% by 2050. Singapore and Japan will see more SAF use, and carbon credits required over the coming years. Other countries are also considering mandates.

The IEA has modelled the need for 50% SAF use by 2050 for the airline industry. SAF is central to decarbonisation of the industry, and it commands a premium price of 3-5X more due to supply limitations. There are issues going forward with food security and environmental issues around biofuel cropping and the limited availability of recyclable fuel.

QAN and Airbus have a $400m climate fund and have deployed $100m. It is supporting the development of SAF in Australia by investing in Climate Tech Partners, a VC Fund and Jet Zero Australia, a SAF coalition. Two promising projects are: Seadra Energy, a NZ

Biofuel refinery in Marsden Point, and a SAF refinery converting alcohol to biofuel in Townsville, that is expected to produce 102 million litres pa, is near a FID.

In FY25 in partnership with Sydney Airport and Ampol, QAN imported 1.7 million litres of SAF fuel to test critical infrastructure and demand. It is working with Airbus and Boeing for SAF supply and has offtake agreements in place in Los Angeles for 100 million litres of SAF over 3 years, 10 million litres per annum of SAF at Heathrow.

Renewal of the fleet will improve fuel efficiencies and operational performance and require significant capital investment. In FY25 17 new aircraft were added to the fleet and 12 midlife planes were added with better operational efficiencies. 17 were retired.

QAN is developing its own "high" integrity framework to ensure carbon credit projects have associated benefits such as Social and Bio-diversity benefits and Indigenous projects. There are social and biodiversity co-benefits along with the cost benefits of developing its own carbon credits. Carbon credits are essential to offset its emissions for international travel (CORSIA) and the Safeguard Mechanism for domestic offsetting.

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Remuneration targets for the KMP scorecard include: GHGe, waste reductions, safety, customer service and employee engagement. Climate accounts for 5% of group scorecard assessed against waste diversion, single use plastics (SUPs) and CO_2e. The targets appear to be very low with CO_2e at 102,000 tCO_2e equivalent to 0.85% of QAN total scope 1 emissions.

Capital allocation considers ESG, ROIC and shareholder returns. An internal carbon price is used to integrate ESG in financial decisions.

The IEA suggests the most effective way to reduce emissions is to reduce demand. Australians due to our isolation and preference for travel are the highest per capita emitters globally, this is great for QAN growth plans but not for decarbonisation or emissions reductions. This illustrates the importance of progress on sustainability to sustain our travel.

There are lots of unknowns ahead including potential new technology, policy sector support and further regulations.

The Australian Govt has just introduced a cleaner fuels program and committed $1.1b over 10 years to the program. The Government's airline industry white paper supports a SAF industry in Australia and a possible SAF mandate post 2028, if the production and refining is established? Australia is currently lagging behind the EU, UK and parts of the US and Asia in its decarbonisation plans for the airline industry.

In October 2024 Climate Integrity and the EDO submitted a greenwashing claim against QAN with the ACCC. For further information on QAN impact on climate please see below:

https://climateintegrity.org.au/qantas

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