AUSTRALIAN SHAREHOLDERS' ASSOCIATION

Flight Centre 2026 AGM Report

ASX code	**FLT**
Meeting date	**Wednesday, 11 November 2026**
Type of meeting	Hybrid with physical meeting at Flight Centre Head Office
Monitor	Susan Bailey with Peter Cory
Pre-AGM meeting	Susan Bailey, ASA Company Monitor, met with Haydn Long, Investor Relations, Gary Smith, Chair and John Eales, Non-Executive Director.

Meeting Statistics

Number of holdings represented by ASA	46
Number of shares represented by ASA	91,527
Value of shares represented by ASA	$1.1 million
Total number attending meeting	~ 80 attendees
Market capitalisation	$2.4 billion
ASA open proxies voted	ASA voted in favour of all the resolutions except the re-election of John Eales.

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

The Chair and Managing Director gave addresses to the meeting. FY26 total transaction value rose 5% to a record $25.7 billion and statutory net profit rose 38% to $149 million, but underlying profit before tax fell 4% to $278 million after Middle East disruption hit leisure in the fourth quarter. The initial FY27 target is underlying profit before tax of $290 million to $325 million, weighted to the second half. Click here to read the reports.

New director Gareth Turner was elected with 97.44% of votes in favour. He brings experience in travel and finance that will complement the Board, and he will succeed retiring director Robert Baker as Chair of the Audit and Risk Committee.

Before this meeting, three of the six non-executive directors, including the Chair, had served more than 12 years, so ASA no longer regards them as independent. With Robert Baker retiring, this now applies to two of the five non-executive directors (the Chair and John Eales), and only three of the six directors are independent. Mr Eales' re-election drew a 14.22% vote against, with proxy adviser Institutional Shareholder Services (ISS) recommending against. ASA also voted against, even though Mr Eales told us that a succession plan for himself and Gary Smith is in place, though with no firm dates yet. The Board is actively recruiting, with the plan that Mr Smith will retire in two years and Mr Eales at the end of this term. The resolution was carried with 85.78% of votes in favour.

The grant of LTIP rights to the Managing Director was approved with 97.95% of votes in favour, with no questions from the floor.

The remuneration report faced scrutiny, particularly around the discretion the Board applied to STI payments. FLT accepts that travel disruptions often occur unexpectedly and plans for them as far as it can. However, the government's Do Not Travel advisory for key Middle East transit hubs in the fourth quarter of FY26 (April to June 2026) greatly increased the workload of leisure staff, who refunded more than $250 million in airfares to customers. The company wished to reward these staff for their efforts.

The Board was questioned about paying the STI in cash rather than a mix of cash and shares, and told us this is because the STI is regarded as part of the executive's salary. The CEO Leisure retention payment was also a concern. The payment is not capped, but the Board told us the hurdle is structured so that an excessive payout is very unlikely. It cannot be paid before June 2030 and carries continued-employment conditions. With ISS recommending against the report, the Chair had expressed concern about a possible first strike. The report received 74.76% of votes in favour and 25.24% against, which is a first strike under the Corporations Act. If 25% or more of votes are cast against the remuneration report again in 2027, shareholders will vote on whether to spill the Board.

In light of the explanations given to ASA at the pre-AGM meeting and at the AGM, we voted FOR the remuneration report on this occasion. Reassurances included that while the 2026 disruption reduced UPBT, at the same time it increased the workload of the Leisure division considerably. The STI bonus was extended to all incentive-eligible employees with Leisure or Group profit measures, with the Board limiting the resulting payout to 50% of the pre-COVID (Do Not Travel advisory) outcome. ASA will keep raising the concern regarding cash-only STI payments at future meetings.

Shareholders were told that the company has strong structures to prevent and respond to cyber security issues, with its internal audit team reviewing them. All board members have undergone training and remain mindful of AI and cyber security threats. Gareth Turner and Kirsty Rankin both have cyber security experience.

ASA Disclaimer

This document has been prepared by the Australian Shareholders Association Limited ABN 40 000 625 669 ("ASA"). It is not a disclosure document, it does not constitute investment or legal advice and it does not take into account any person's particular investment objectives. The statements and information contained in this document are not intended to represent recommendations of a particular course of action to any particular person. Readers should obtain their own independent investment and legal advice in relation to the matters contemplated by this document. To the fullest extent permitted by law, neither ASA nor any of its officers, directors, employees, contractors, agents or related bodies corporate:

- *makes any representations, warranties or guarantees (express or implied) as to the accuracy, reliability, completeness or fitness for purpose of any statements or information contained in this document; or*
- *shall have any liability (whether in contract, by reason of negligence or negligent misstatement or otherwise) for any statements or information contained in, or omissions from this document; nor for any person's acts or omissions undertaken or made in reliance of any such statements, information or omissions.*

This document may contain forward looking statements. Such statements are predictions only and are subject to uncertainties. Given these uncertainties, readers are cautioned not to place reliance on any such statements. Any such statements speak only to the date of issue of this document and ASA disclaims any obligation to disseminate any updates or revisions to any such statements to reflect changed expectations or circumstances.