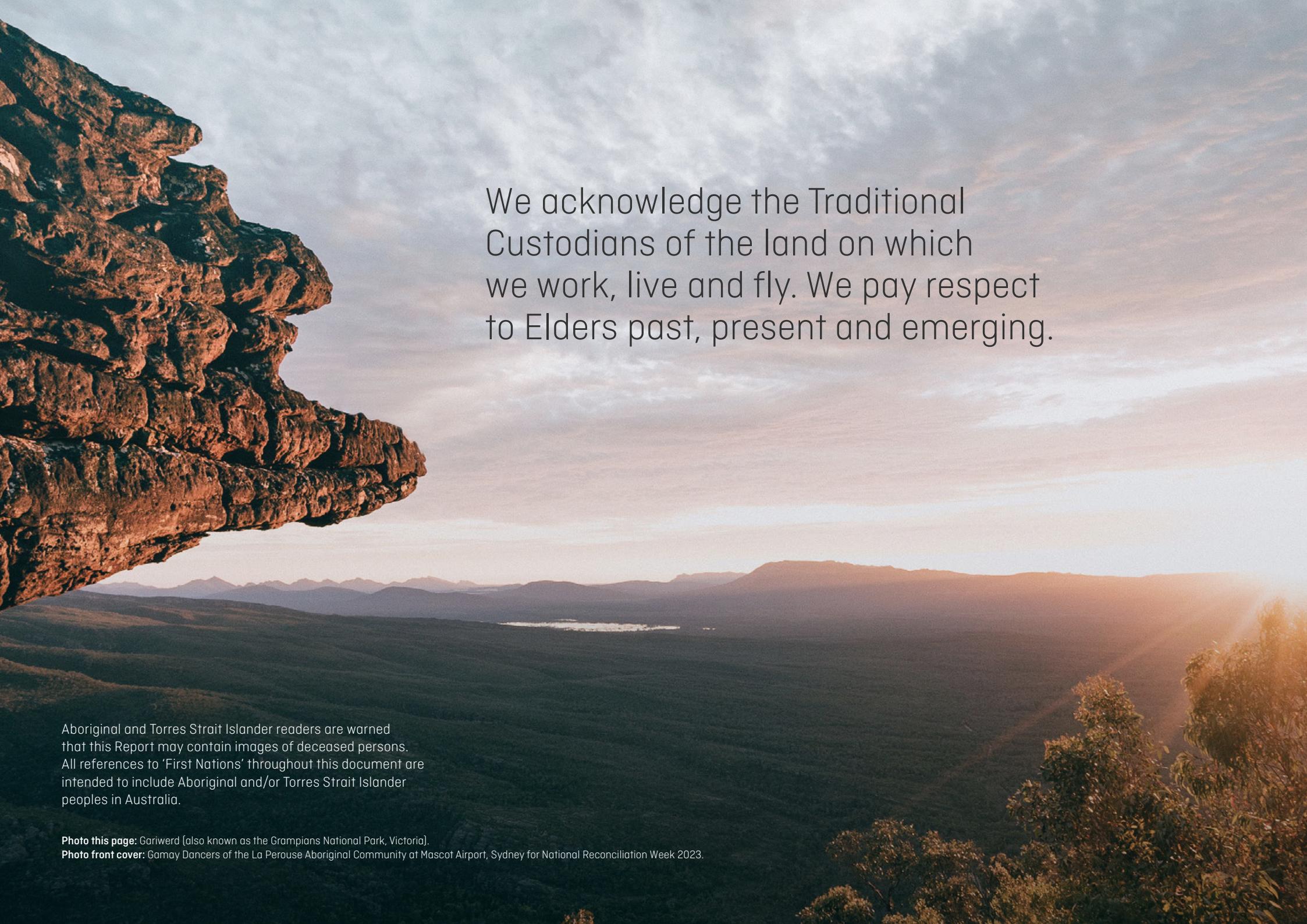




QANTAS SUSTAINABILITY REPORT 2023

DRIVING SUSTAINABILITY TO PROTECT
THE FUTURE OF TRAVEL



We acknowledge the Traditional Custodians of the land on which we work, live and fly. We pay respect to Elders past, present and emerging.

Aboriginal and Torres Strait Islander readers are warned that this Report may contain images of deceased persons. All references to 'First Nations' throughout this document are intended to include Aboriginal and/or Torres Strait Islander peoples in Australia.

Photo this page: Gariwerd [also known as the Grampians National Park, Victoria].

Photo front cover: Gamay Dancers of the La Perouse Aboriginal Community at Mascot Airport, Sydney for National Reconciliation Week 2023.

Contents

Chairman's message	3
FY23 sustainability milestones	4
About the Qantas Group	5
About this Report	6
Sustainability Framework	7
Stakeholder engagement	9
Governance	12
Valuing our planet	20
Climate action	21
Reducing waste through circularity	35
Protecting nature through sustainable tourism	38
Enabling our people	40
Supporting our people to feel safe and valued	41
Enhancing inclusion and diversity	54
Respect for human rights	59
Connecting customers and communities	61
Connecting the regions	62
Supporting communities	64
Aboriginal and Torres Strait Islander partnerships	67
Non-financial metrics	71
Independent assurance report	75

Sustainability Framework



**Valuing
our planet**



**Enabling
our people**



**Connecting customers
and communities**

This Sustainability Report has been prepared for the purpose of providing investors, and other stakeholders, with information regarding our approach to sustainability issues related to our business. It has not been prepared as financial or investment advice or to provide any guidance in relation to the future performance of Qantas.

This Report contains forward-looking statements and statements of opinion. These may include statements regarding sustainability plans and strategies, the impact of climate change and other sustainability issues, energy transition scenarios, actions of third parties, and external enablers such as technology development and commercialisation (including with respect to sustainable aviation fuels), policy support, market support, and energy and offsets availability.

Any such statements are made only as at the date of this Report. Readers are cautioned not to place undue reliance on such statements, particularly in light of the long time horizon which this Report discusses and the inherent uncertainty in possible policy, market and technological developments.

No representation or warranty is made regarding the accuracy, completeness or reliability of the forward-looking statements or opinions contained in this Report, or the assumptions on which either is based. All such information is, by its nature, subject to significant uncertainties outside of the control of Qantas, and actual results, circumstances and developments may differ materially from those expressed or implied in this Report. Except as required by applicable laws or regulations, Qantas does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events. To the maximum extent permitted by law, Qantas and its officers do not accept any liability for any loss arising from the use of the information contained in this Report.

Chairman's message



This past year has seen the Qantas Group more than double the amount of flying compared to FY22, which is great for our customers and people. We know that brings with it a renewed focus on the steps the industry must take to reduce its impact on the environment.

As our 2023 Sustainability Report details, this past year we took significant steps to support our long-term goal to decarbonise as we accelerate investment.

Our fleet renewal program is the largest example of that. New, more fuel-efficient aircraft are one of the ways we will seek to achieve our interim goal of reducing net emissions by 25 per cent by 2030 and reach net zero by 2050.

During FY23 we received 10 new aircraft, and in the year ahead we'll receive another 14, including QantasLink's first Airbus A220 aircraft, which uses 25 per cent less fuel than the aircraft it replaces.

During the year we also built on our existing partnership with Airbus to establish a \$400 million Climate Fund, which we're using to accelerate the development of an Australian SAF industry and ensure access to high-integrity carbon offsets. We've already made our first investments in SAF — one in Queensland and another in Western Australia, both with partners — and have more in the pipeline.

We're also increasing investment in our workforce to support both our future needs and that of the wider industry. We expect to create 8,500 new highly skilled jobs in Australia over the next decade and that's going to require a significant investment in training.

As part of this commitment, we announced a new Engineering Academy that will help us develop a more diverse pipeline of talent in a traditionally male-dominated area. We also nearly doubled the size of our Pilot Academy scholarship program for women and Aboriginal and Torres Strait Islanders with 50 places over five years.

Construction has begun on a new flight training centre in Sydney that will enable training for up to 4,500 Qantas and Jetstar pilots and cabin crew each year.

Sustainability is also about ensuring we help support and sustain the communities that we serve, which is why the Qantas Group has a long history of supporting wider social issues that impact our people and customers.

This includes Indigenous reconciliation, which we have supported for many years. We've been promoting First Nations culture and tourism since the 1960s. We supported constitutional recognition in 2014 and the Uluru Statement of the Heart in 2019. And that continues with our support for the Yes campaign in this year's referendum on an Indigenous Voice to Parliament.

As an airline founded in outback Queensland more than a century ago, we're proud of the Group's longstanding commitment to regional Australia.

Our Regional Grants program, which was paused during COVID-19, returned this year and doubled in value. We had a record number of entries and made grants to 32 organisations across Australia.

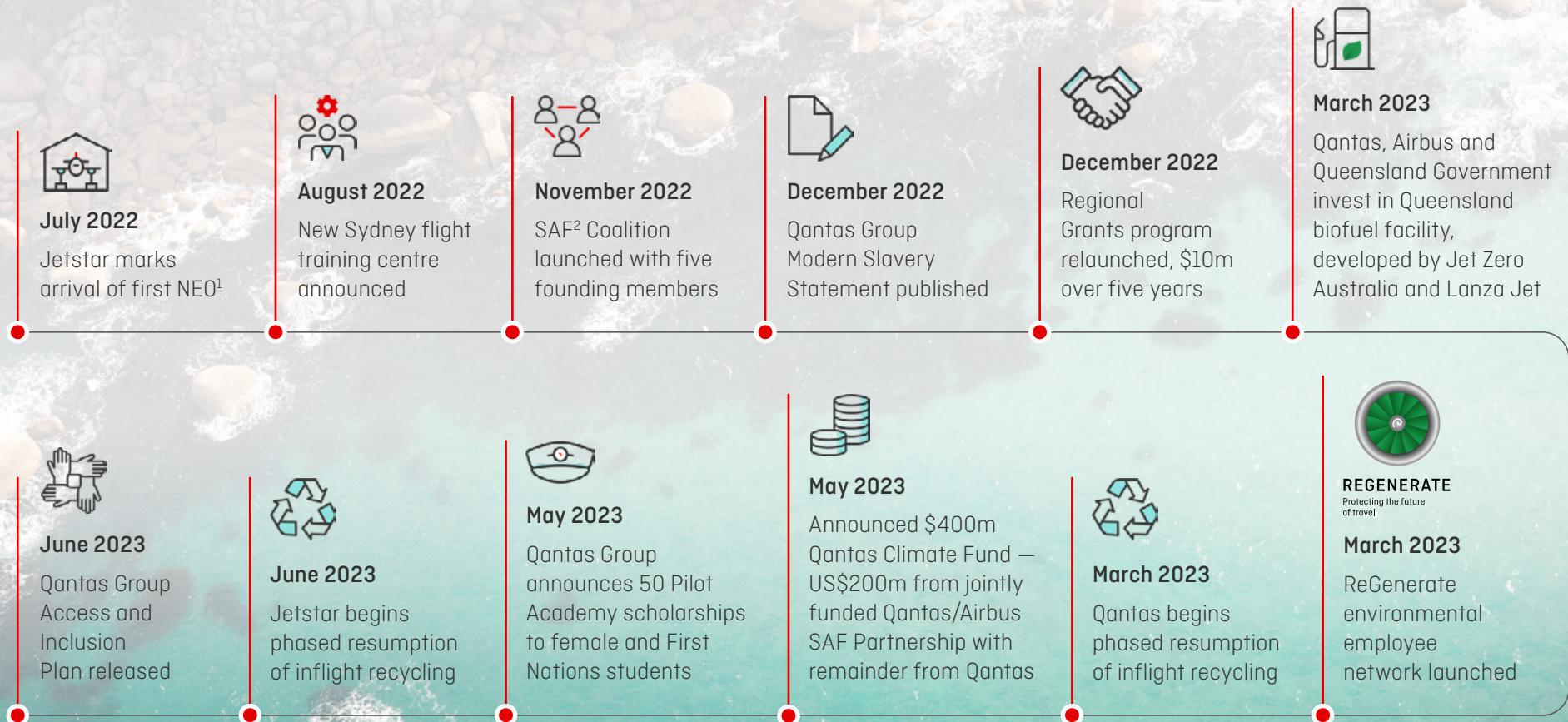
As part of our commitment to inclusion and diversity, we also released our first Access and Inclusion Plan so that we can continue to improve the experience for people with disability who choose to fly or work with us.

While there has been good progress on sustainability goals over the past 12 months, we also acknowledge shortcomings in how we have served our stakeholders. We know there is much more to be done and we look forward to keeping you updated on our progress.

A handwritten signature in black ink, appearing to read "Richard Goyder".

RICHARD GOYDER AO

FY23 sustainability milestones



1. The A321neo LR [NEO] CFM Leap A1 engine burns up to 20 per cent less fuel than Jetstar's earlier A321 aircraft.
2. Sustainable aviation fuel

About the Qantas Group

Founded in the Queensland outback in 1920, Qantas has grown to be Australia's largest domestic and international airline. Qantas has a range of subsidiary businesses that all, in one form or another, support the overall operations of the Group.

The Qantas Group's main business is the transportation of customers using two complementary airline brands — Qantas and Jetstar — operating regional, domestic and international services. This also involves a range of operational functions, both in-house and contracted, including pilot and cabin crew operations, aircraft engineering and maintenance, catering and cleaning services, freight processing and other operational airline support services.

Operations	Overview	Businesses
Airline	<p>Our main airline business transports customers using two complementary brands — Qantas and Jetstar. Our airline brands operate regional, domestic and international passenger services.</p>	     
Loyalty ^{1,2}	<p>Our Loyalty program undertakes activities connected to earning or redeeming Qantas Points, including Qantas Wine, Qantas Store, Qantas Hotels and Holidays, Qantas Insurance and Money, Qantas Business Rewards and retail partnerships [e.g. Woolworths, BP].</p> <p>Both Vii and Qantas Group Accommodation (QGA) are wholly-owned subsidiaries of Qantas. QGA is an online travel agent and takes bookings for hotels globally. Vii is a gift card technology service provider, which has a mostly Australian customer base; however, Vii has some international transactions in the UK, United States of America (USA), New Zealand and Japan.</p> <p>Qantas has a majority shareholding in the Australian online travel business TripADeal, allowing Qantas Loyalty to expand its online package holiday offering.</p> <p>Qantas also has a majority shareholding in Taylor Fry, an actuarial and financial services provider that operates in Australia and New Zealand.</p>	         
Freight	<p>Qantas Freight is Australia's largest independent air freight services business. We service 350 destinations globally, air freighting on average 3,000 items every day, domestically and internationally. Dedicated cargo handling terminals are available around the world, and our trusted business partners also offer road transport and door-to-door services to complete the delivery cycle.</p>	    
Support Services	<p>Supporting our flying operations are a number of operational business areas, including Engineering and Maintenance, Flight Training, Safety, Health and Security, and Customer Services, as well as Group corporate support functions, such as Sustainability, Treasury, Legal, Strategy, Government, Industry and International Affairs, Finance, Procurement, Human Resources, Risk, Compliance, and Technology. Most of these functions are conducted in Australia; however, we have corporate support teams located in New Zealand, Singapore, Japan, Hong Kong, the USA and the UK.</p>	  

1. In the Qantas Group FY22 Sustainability Report [FY22 Report], Vii and Qantas Hotels were positioned under the heading Associated Businesses. They are now included under Loyalty to better reflect the business segment they contribute to.

2. The FY22 SR included Red Planet as a standalone brand under its Loyalty operations. These services are now considered to be part of the core Qantas Loyalty offering.

About this Report

PURPOSE

The purpose of this Report is to provide stakeholders with a comprehensive update on progress against our sustainability targets and on key actions undertaken in FY23 under each area of our Sustainability Framework. The Framework includes the social and environmental sustainability issues of most importance to Qantas and our stakeholders, and those where we can have the greatest impact.

REPORT SCOPE AND BOUNDARY

Unless otherwise stated, this Sustainability Report (Sustainability Report or Report) covers the period 1 July 2022 to 30 June 2023 (FY23) for Qantas Airways Limited and its wholly-owned entities (unless stated otherwise). These entities form the Group's respective business segments, including Qantas International (including Qantas Freight), Qantas Domestic (including QantasLink and Network Aviation), Qantas Loyalty and Jetstar Group (including Jetstar Airways and where specified Jetstar Asia). All financial data is in Australian dollars, except where explicitly stated.

In this Report, the terms 'Qantas', 'Qantas Group', 'the Group', 'our business', 'organisation', 'we', 'us', 'our' and 'ourselves' refer to Qantas Airways Limited and its wholly-owned entities unless stated otherwise. This Report contains information for the Group as at the date of this Report.

ASSURANCE

KPMG has provided Limited Assurance over our materiality assessment and selected sustainability metrics for the period 1 July 2022 to 30 June 2023. The Assurance Statement can be found on page 75.

GLOBAL SUSTAINABILITY FRAMEWORKS AND COMMITMENTS

Global Reporting Initiative

This Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. The GRI Content Index can be found in the Report Appendix (available on the Qantas Group Investor Centre website), which also includes our alignment with the United Nations (UN) Sustainable Development Goals (SDGs) and the Task Force on Climate-related Financial Disclosures (TCFD).

United Nations Global Compact

The 10 Principles of UNGC are derived from the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations (UN) Convention Against Corruption. Qantas joined the UNGC in 2017 and is a member of the UNGC Network Australia.

United Nations Sustainable Development Goals

The 17 UN SDGs are key to the UN's 2030 Agenda for a better future for people and the planet. Our Sustainability Framework aims to support the achievement of the UN SDGs. We recognise that there are some SDGs where we have a greater ability to influence environmental and social outcomes. These are included in the list of material sustainability topics on page eight and referenced at the beginning of each key section of the Report.

Task Force on Climate-related Financial Disclosures

The Financial Stability Board (FSB) created the TCFD to develop recommendations on the information companies should disclose related to climate change. In December 2017, Qantas Group publicly declared our support for the TCFD and its recommendations. Our response to the TCFD is included in the Climate action section of this report. More details on how the Qantas Group is aligned with the TCFD's recommendations can be found in the Report appendix.

International Sustainability Standard Board

Qantas is monitoring developments in global sustainability reporting, including the planned issuance of the International Sustainability Standard Board aligned standards in Australia by the Australian Accounting Standards Board. Qantas will respond to new reporting obligations as required.

Climate Action 100+

Climate Action 100+ is an investor-led initiative, focused on companies it views as key to driving the transition to global net zero emissions. Qantas is one of 166 focus companies selected for engagement. Qantas engages with Climate Action 100+ and the climate change section of this Report is aimed at supporting Climate Active's annual benchmark.

More Information: For more information or if you would like to provide feedback on this Report, please contact: sustainability@qantas.com.au

United Nations Sustainable Development Goals



Sustainability Framework

The Qantas Group's Sustainability Framework focuses on three key principles — valuing our planet, enabling our people and connecting customers and communities — to support our vision of driving sustainability to protect the future of travel. We have used this Framework to structure the FY23 Sustainability Report.

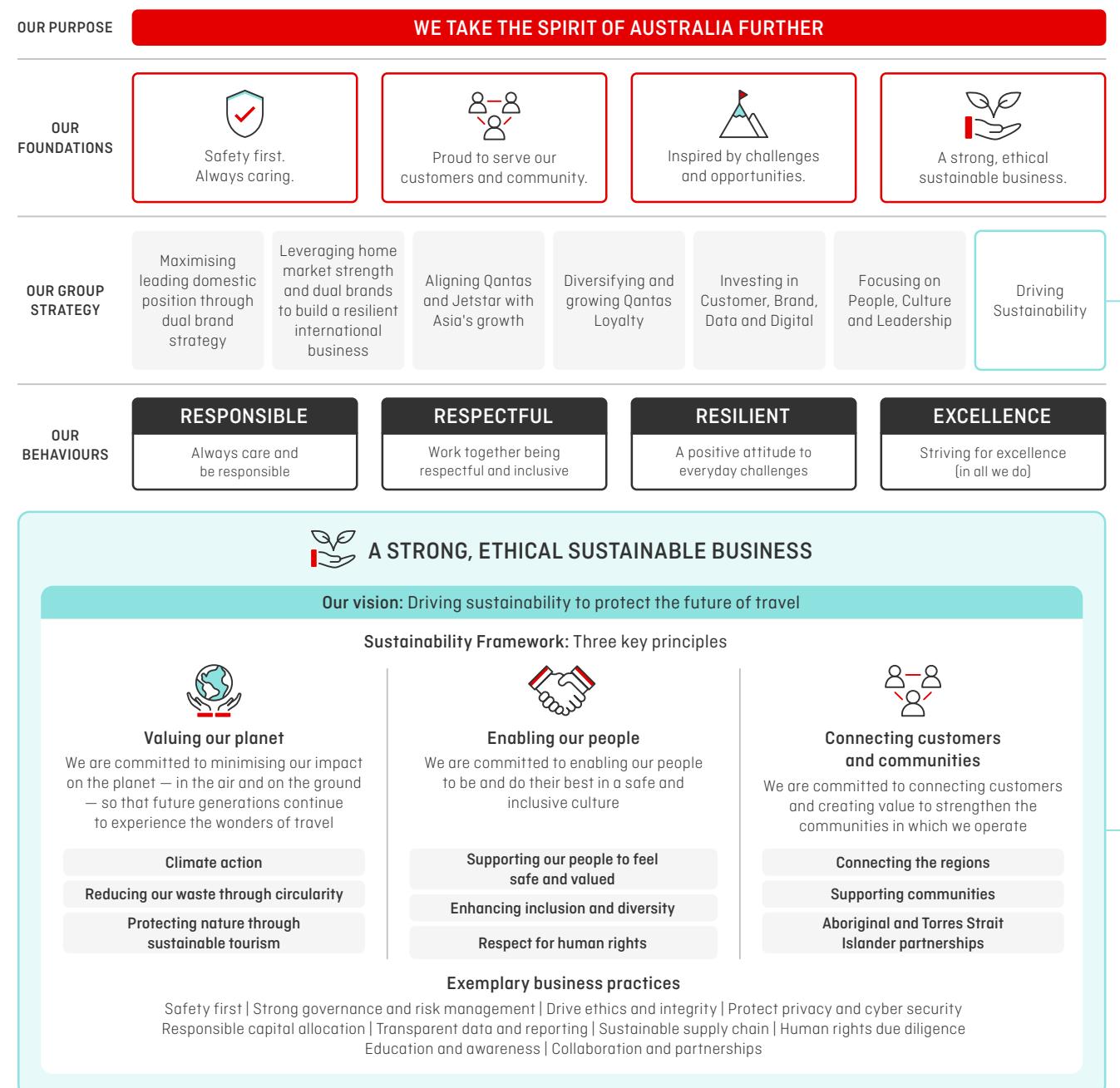
MATERIALITY ASSESSMENT

Our Sustainability Framework and Sustainability Report contain information about the environmental, social and economic issues or impacts of most interest and importance to our stakeholders and to the Qantas Group.

We undertook a materiality assessment in FY23, with consideration of the GRI Standards on Material Topics 2021, to confirm we were reporting on the issues that matter to our stakeholders and to Qantas. To begin, we developed an overall list of topics by reviewing those included in the GRI (noting the GRI does not yet have airline-specific guidance), as well as those included in the Sustainability Accounting Standards Board's Aviation Sector, the UNSDGs, and those reported on by nine airline peers.

We then asked stakeholders — Qantas and Jetstar customers, employees and investors — to rank the issues with consideration of Qantas' ability to impact the issue as well as the impact of the issue on Qantas. We did not specify whether the impact was negative or positive. We also undertook a desktop review of topics covered in the media, those being discussed by government and regulators, those included in peer materiality assessments and reports, as well as relevant risks covered in our Group Risk Report.

Results were discussed with key internal stakeholders and at an internal workshop. The final draft was presented to our Sustainability Management Board for endorsement. The table on the following page sets out and summarises the key issues.



The table below sets out our key sustainability issues, as identified through the materiality assessment detailed on the previous page. For each issue, we have identified where it sits within our Sustainability Framework and also listed the UN SDGs with which each issue is most aligned.

Description of issue		Sustainability Framework reference	Location of disclosure	Relevant UN SDGs	Description of issue		Sustainability Framework reference	Location of disclosure	Relevant UN SDGs
Health, safety and wellbeing	Providing a safe and healthy environment for our customers and teams, including supporting mental health and wellbeing	Supporting our people to feel safe and valued	Pages 41 to 48		Waste and the circular economy	Supporting initiatives to reduce waste and promote recycling, including end-markets for recovered materials	Reducing our waste through circularity	Pages 35 to 37	
Fuel and emissions	Implementing initiatives to reduce emissions	Climate action	Pages 21 to 34		Supply chain management/ Working with suppliers	Partnering with suppliers who share our commitment to compliance with the law and ethical business practices as a minimum standard	Governance	Page 13	
Employee relations and benefits	Focusing on employee relations, competitive total pay and benefit programs and working conditions	Supporting our people to feel safe and valued	Pages 50 to 53		Anti-competitive behaviour	Supporting the promotion of competitive markets and protection of consumers	Governance	Page 13	
Cyber/data security and privacy	Minimising the risk and impact of cyber incidents on our business, including customers, employees, strategic partners and investors	Governance	Pages 48 and 49		Connecting the regions	Supporting regional customers and communities through marketing initiatives	Connecting the regions	Page 62 and 63	
Business ethics and corruption	Upholding the highest possible standards of business ethics in line with our Code of Conduct and Ethics, relevant legislation and international standards	Governance	Pages 13 and 14	 	Training and development	Training and development	Supporting our people to feel safe and valued	Page 52 to 53	
Climate resilience	Building resilience to the impacts of climate change and climate-related events	Climate action	Pages 21 to 34	  	First Nations employment and engagement	Engaging with and providing opportunities to support First Nations employees, suppliers, customers and communities	Aboriginal and Torres Strait Islander partnerships	Pages 54, and 67 to 70	
Inclusion and diversity	Ensuring people of all ages, genders, backgrounds, sexual orientations and abilities are included, supported and have equitable opportunity	Enhancing inclusion and diversity	Page 54 to 58	  	Supporting communities	Contributing to communities across Australia through our partnerships and grants programs	Supporting communities	Pages 64 to 66	
Respect for human rights	Safeguarding human rights, including labour rights and modern slavery, in our operations and supply chains	Respect for human rights	Pages 59 to 60	   	Sustainable tourism	Supporting initiatives to encourage and grow sustainable tourism	Protecting nature through sustainable tourism	Pages 38 and 39	
					Biodiversity	Conserving and enhancing biodiversity and nature	Protecting nature through sustainable tourism	Pages 38 and 39	 

Stakeholder engagement

We have a wide range of stakeholders who we engage with regularly in many different ways. The selection of stakeholders included below is based on their ability to impact Qantas, as well as our impact (or potential impact) on them.

KEY STAKEHOLDER GROUP	Employees	Customers	Shareholders and investment community	Suppliers
HOW WE ENGAGE	<p>Regular communication, including daily email updates, weekly newsletters and specific updates from executives and managers; frequent updates to intranet site, internal social network and internal broadcast system; company-wide live-streamed town halls; employee networks; company-wide bi-annual executive roadshows.</p>	<p>Direct interaction with crew, airport and contact centre teams. Electronic communication, including through email and text messages. The Qantas and Jetstar websites and apps. Research forums. Qantas magazine, both hard copy and online. Advertising through a variety of channels. Social media platforms.</p>	<p>Direct investor engagement throughout the year, half-year and full-year results announcements, Annual General Meeting, annual reporting, investor roadshows and ASX releases.</p>	<p>Supplier governance, site visits, audits and onboarding/training (as applicable); Supply Chain Assurance program, Supplier Requirements and Supplier Code of Conduct; member of Supply Nation.</p>

CASE STUDY — Employee networks

In March 2023, we launched ReGenerate, our employee advocacy network for environmental sustainability, targeted at building a community of sustainability champions. Since the launch, more than 1,400 employees have joined.

One of the aims of ReGenerate is to encourage employees to share their environmental ideas, which are then evaluated by the business.

At the launch of ReGenerate, we announced a partnership with The Great Barrier Reef Foundation who will disperse 35,000 baby corals onto damaged reef in late 2023.

During FY23, we also relaunched the Daramu and Altitude employee networks, and launched Enabled in July 2023. Illuminate was relaunched in May 2022.

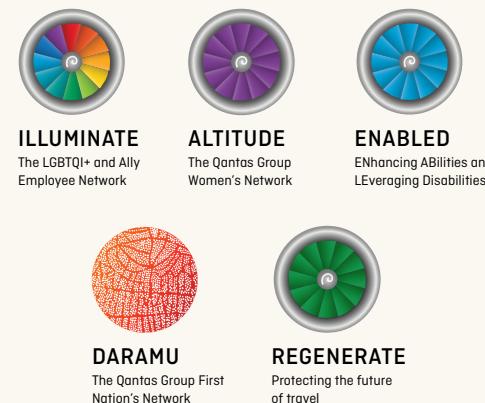


Photo: Andrew Parker, Chief Sustainability Officer Qantas Group (left), launching ReGenerate with Anna Marsden, Managing Director, Great Barrier Reef Foundation.

KEY STAKEHOLDER GROUP



Communities



Government and regulators



Aviation and tourism industry



Unions

HOW WE ENGAGE

Support of community organisations, including not-for-profit groups and charitable partners. Support in times of natural disaster or crisis. Connecting communities, including through reduced fares to some regional cities.

Regular engagement on key issues impacting aviation and on other issues more broadly, either directly or through industry associations.

Regular engagement with aviation and tourism bodies (including national and state tourism organisations) and industry councils on key issues and collaborative opportunities to promote regional, domestic and international tourism.

Regular engagement with unions who represent our employees, noting the terms and conditions of approximately 84.5 per cent (offshore and onshore) of our employees are set through enterprise agreements. Qantas recognises and supports the rights of freedom of association.

CASE STUDY — Advocating for a Jet Zero Council

During FY23, we continued to engage with the Australian Government to advocate for the transition to lower-carbon flying and support the production of SAF in Australia.

In June 2023, the Australian Government announced the establishment of the Jet Zero Council as a cross-sector forum of senior stakeholders from across the aviation industry and its supply chains. The Jet Zero Council will inform the design of policy settings to encourage emissions reduction, provide senior industry leadership, and work with industry to promote, mobilise and galvanise industry efforts to decarbonise aviation.

We were selected as a member of the Council, with our Chief Sustainability Officer representing the Qantas Group. The Council's first meeting was held in August 2023.



AVIATION INDUSTRY PARTNERSHIPS AND MEMBERSHIPS

Sustainability topics and issues are also addressed through the following industry partnerships and memberships.



oneworld

In September 2020, the oneworld alliance became the first airline alliance in which all member carriers committed to net zero emissions by 2050.

We are a member of oneworld's Environmental Sustainability Board which comprises sustainability representatives from the oneworld alliance.



International Air Transport Association

Qantas is a member of the International Air Transport Association (IATA) and vice chair of its Operations Advisory Council which encompasses all operational activity, including safety, flight operations, engineering and operational safety audit. We actively contribute to the development of international standards and practices for global airlines, including in relation to human trafficking. We have leveraged IATA guidance when developing our human trafficking training program.

We also support IATA 25by25, an initiative to help address gender imbalance across the industry.



International Civil Aviation Organization

International Civil Aviation Organization (ICAO) is a specialised agency of the United Nations that establishes internationally aligned aviation standards to realise safe, secure and sustainable air operations, including efforts to prevent human trafficking. We have participated in government consultation regarding proposed ICAO measures to combat human trafficking.



Airlines for Australia and New Zealand

Airlines for Australia and New Zealand (A4ANZ) is the peak airline industry group that represents airlines based in Australia and New Zealand. A4ANZ advocates on key public policy issues affecting the aviation sector, including sustainability.

OTHER PARTNERSHIPS AND MEMBERSHIPS

- Asian Leadership Project
- Australian Business Integrity Council
- Australian Network on Disability
- Australian Packaging Covenant Organisation
- Australian Red Cross
- Beyond Blue
- Bioenergy Australia
- Business Council of Australia
- Carbon Markets Institute
- Champions of Change
- Climate Leaders Coalition
- Corporate Mental Health Alliance
- Converge (Employee Assistance Program)
- Diversity Council of Australia
- Integrity Health and Safety
- Pride in Diversity (of which our CEO is a co-Patron)
- Royal Aeronautical Society Australian Division
- The Resilience Project
- United Nations Global Compact Network Australia (UN GCNA)
 - UN GCNA Bribery Prevention Network
 - UN GCNA Modern Slavery Community of Practice

Governance

CORPORATE GOVERNANCE

The Qantas Board of Directors is responsible for overseeing that Qantas has an appropriate corporate governance framework to enable the creation, protection and enhancement of shareholder value. Key to this are responsible, ethical and sustainable business practices.

The Qantas Group is committed to complying with all applicable laws and regulations, and to conducting business with the highest standards of ethics and integrity. We monitor global developments in governance, laws and business practices, and work collaboratively across our global footprint to ensure we continue to meet these standards.

The Qantas Business Practices provide an overview of our beliefs, values and business practices and highlight the standards to be upheld by all employees.

The Qantas Board oversees the adequacy and efficacy of environmental, social and governance (ESG) strategies and frameworks. The Board is assisted by four Board Committees, supporting the Board's work across key ESG issues for the business.

In May 2023, we announced that Vanessa Hudson had been appointed to the Qantas Board as an Executive Director, and in September 2023, we announced that she had been appointed Qantas Group CEO and Managing Director, succeeding Alan Joyce. In May 2023, we also announced that former American Airlines CEO and Chairman, Doug Parker, had joined the Qantas Board and that long-serving Qantas Director, Michael L'Estrange AO, would retire following the conclusion of the 2023 AGM. In August 2023, we announced that Dr Heather Smith had also joined the Qantas Board.

QANTAS BOARD

The Qantas Board is responsible for overseeing that the Qantas Group has an appropriate corporate governance framework to ensure the creation, protection and enhancement of shareholder value. Key to this are responsible, ethical and sustainable business practices.

Safety, Health, Environment and Security Committee [CHESS]

Assists the Board with oversight of the systems, policies and processes in place within its remit, including the performance of each, and undertaking the functions of a risk committee as set out in the ASX Corporate Governance Principles as they relate to operational and other relevant non-financial risks.

Audit Committee

Assists the Board with matters relating to the integrity of the Group's financial reporting, compliance with legal and regulatory obligations, the effectiveness of the Group's enterprise-wide risk management and internal control framework (in conjunction with CHESS), and oversight of the independence of the external and internal auditors.

Remuneration Committee

Assists the Board with matters relating to the remuneration framework for Non-Executive Directors, and the remuneration and incentive framework, and related recommendations and decisions, for the CEO, Executive Management, Senior Executives and other Group employees.

Nominations Committee

Assists the Board with matters relating to Board appointments, Director re-elections and performance, the Group's diversity obligations, Directors' induction programs and continuing development, Board Committee memberships and succession of the CEO.

SUPPLY CHAIN MANAGEMENT

Our Supply Chain Assurance (SCA) program is a risk-based framework aimed at assessing the potential compliance risks and ethical business conduct standards of third parties providing products or services to the Group.

The ongoing application of SCA supports decision-making relating to suppliers' standards, practices and management across a range of risk areas, particularly where we have identified suppliers that may present an elevated risk in one or more of those risk areas.

The program applies a combination of triage assessments, due diligence and third-party data to evaluate potential risks across seven key risk areas of our supply chain: anti-bribery; corruption; sanctions; modern slavery; illegal logging; workplace health and safety; privacy; and cyber security, including data and credit card protection.

We seek to regularly review the criteria we use to identify and assess supplier risk to ensure our methodology is reflective of the shifting global environment. If material risks are identified, we will work with suppliers to resolve the risks where possible, or otherwise to substantially mitigate them.

The SCA program applies to new and re-contracting suppliers managed through the Qantas Group central procurement system. Since the inception of the program, we have performed more than 10,000 SCA assessments across our supplier base. In addition, we apply a risk-based approach to prioritising the assessment of our existing unassessed suppliers. In FY23, we commenced a specialised program of work to prioritise the assessment of approximately 1,000 high-priority unassessed suppliers (prioritised on the basis of country of incorporation and the nature of the goods and services). FY24 is focused on the remaining unassessed suppliers.

We are committed to partnering with suppliers who share our commitment to compliance with the law and ethical business practices. Our expectations are reflected in relevant contractual arrangements, Supplier Requirements (which includes the Qantas Group Compliance Statement) and

Qantas Group policies including our Supplier Code of Conduct. Our policies are developed with regard to relevant legislation and internationally recognised standards such as the United Nations Universal Declaration of Human Rights.

COMPETITION AND CONSUMER LAW

We support the promotion of competitive markets and the protection of consumers by providing employees with the tools to understand their obligations under competition and consumer laws. The Qantas Group's Competition and Consumer Law Compliance Policy (Compliance Policy) requires Directors, employees, contractors, consultants and agents of the Qantas Group and any person or organisation that acts for or represents it to comply with all Australian and local competition and consumer laws (including the Australian Consumer Law). This means that, as a matter of policy, all overseas employees must comply with Australian law even if this sets a higher standard than would otherwise apply in the local area.

The Compliance Policy covers all aspects of Australian competition and consumer laws as set out in the *Competition and Consumer Act 2010* (Cth) (the Act). This includes price fixing, market sharing, bid rigging, resale price maintenance and predatory conduct. The Compliance Policy also covers the consumer protection provisions as set out in the Act.

The Compliance Policy forms an integral part of Qantas' Competition and Consumer Law Compliance program (Compliance program). This comprehensive program, endorsed by both the Board and Senior Management, supports Qantas in identifying any competition and/or consumer risks and putting procedures in place to avoid a breach occurring. All employees who have dealings with competitors, customers or suppliers must regularly complete mandatory competition and consumer law training which is offered in online and face-to-face classroom formats. All relevant employees must complete training within three months of commencement with Qantas and on a regular basis thereafter.

On 31 August 2023, the Australian Competition and Consumer Commission commenced proceedings in the Federal Court of

Australia alleging breaches of the Australian Consumer Law in respect of Qantas' approach to the cancellation of flights scheduled to operate between May and July 2022.

ETHICAL BUSINESS PRACTICES

The Group is committed to complying with all applicable laws and regulations, and to conducting business with the highest standards of ethics and integrity.

We monitor global developments in governance, laws and business practices, and work collaboratively across our global footprint to ensure we continue to meet these standards. We review and update our Group Policies annually to ensure that they reflect relevant regulatory and legislative updates, as well as evolving practices and expectations that might affect our business and operating environment.

Code of Conduct

The [Qantas Group Code of Conduct and Ethics](#) (Code) and [Qantas Group Business Practices Document](#) and supporting policies, including our [Supplier Code of Conduct](#), set out how we behave at the Qantas Group, including our expectations of our employees, contractors and those we do business with, to act in compliance with the law, ethically and with integrity.

In FY23, we revised our Code of Conduct and Ethics, expanding the scope to include anti-money laundering, sanctions and trade control law obligations to ensure we continue to be in line with our operational and current business integrity risks. Additionally, we updated our anti-bribery and corruption policy settings, including charitable donations, gifts, benefits, hospitality and conflicts of interest.

Anti-bribery and corruption

We know that through our decisions and actions, we have the potential to enhance or diminish the Qantas Group brand, and we aim to foster a culture of always acting with uncompromised ethics.

We have a responsibility to meet expanding foreign and domestic anti-bribery legislation, and we take steps, including

undertaking risk-based due diligence to help ensure that key business partners and those in our supply chain operate in a manner consistent with our anti-bribery program.

As outlined in our Code, the Qantas Group supports a zero-tolerance approach to crime and corruption. We prohibit our employees, contractors, agents or any persons acting on behalf of the Group from engaging in any form of bribery and corruption including conduct that creates the perception of bribery, or other economic or financial crimes. We have clear policies on gifts, benefits and hospitality, facilitation payments, charitable donations, sponsorships and conflicts of interest.

We have established channels to report issues of concern, including our independent, confidential Whistleblower hotline. It is accessible to Qantas Group employees as well as people external to the Qantas Group, including business partners, suppliers, contractors and their employees and relatives. We have processes in place to take appropriate action, including to investigate as necessary.

Employees can also report concerns or seek advice and support from our Business Integrity and Compliance team.

Business integrity and compliance

The Business Integrity and Compliance team reports to the General Counsel and is independent of the operative management of the Group. It is responsible for the Group's anti-bribery, trade sanctions and modern slavery programs and supports the Group to manage compliance risks and regulatory obligations in the jurisdictions where we conduct our business.

The function undertakes due diligence and risk assessments of our third-party relationships to minimise the reputational, financial and non-financial risks that may arise through the actions of third parties we engage with.

The Group's corporate compliance program has been established to address the expectations of global regulators and the essential elements of a corporate compliance management system.

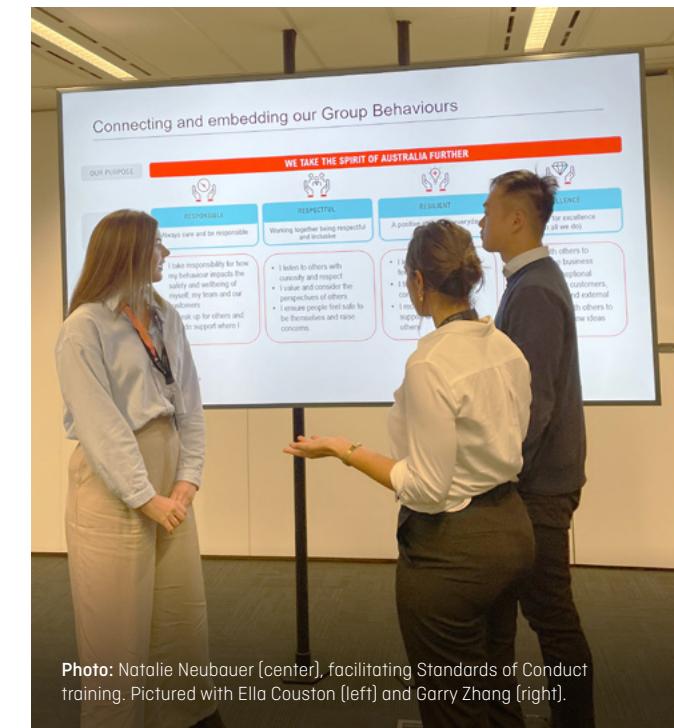
During FY23, we delivered a number of compliance program improvements including:

- Introduction of a new system functionality to perform enhanced sanctions screening of third parties designed to minimise our sanctions risk exposure
- Implementation of a new centralised system solution for the management of conflicts of interest and the development of associated guidelines and training to raise awareness of potential conflicts of interest
- Optimisation of third-party risk management, including establishing a dedicated project team to assess potential corruption, sanctions and modern slavery risks of our existing and previously unassessed supplier base and translation of our Supplier Code of Conduct into other key languages to ensure understanding of suppliers located in certain jurisdictions.

Training

All employees must regularly complete mandatory Standards of Conduct training which is offered in online and face-to-face classroom formats. Additional courses, including Competition and Anti-Bribery Law Compliance and Crime Awareness, are offered to employees and contractors based on their role in the organisation. All relevant employees must complete training within three months of commencement with Qantas and on a periodic basis thereafter.

In FY23, we developed a new online course, Acting with Integrity, which will be rolled out to employees early in FY24. The course is designed to better equip our people to navigate ethical dilemmas, guide and promote ethical decision-making, and builds on our existing training to strengthen employees' awareness of bribery and corruption, including possible issues that may be connected to bribery and corruption like gifts, benefits and entertainment, conflicts of interest and modern slavery. We delivered the new course in a face-to-face training session to Singapore-based employees, and intend to continue face-to-face training for those considered to be in high-risk roles or jurisdictions to ensure understanding of the increased risk of corruption that may be relevant to their activity.



SUSTAINABILITY GOVERNANCE

In addition to Board governance of sustainability, there is also a robust management governance framework.

The Chief Sustainability Officer (CSO) is a member of the Qantas Group Management Committee (GMC), which reports to the Group's CEO. The CSO is responsible for strategy development and driving climate action across the business as well as our sustainability disclosures, including reporting.

A Sustainability Management Board, comprising the GMC and key managers responsible for sustainability, enables focused consideration and action on sustainability issues.

Steps to strengthen environmental governance in FY23, included the establishment of a Carbon Offset Governance Forum, an Operational Efficiency Leadership team, and the Project Bowerbird Steering Committee, focused on meeting our waste targets. A SAF Futures Board was set up in FY22.

CEO AND GROUP MANAGEMENT COMMITTEE (GMC)

Management is accountable for the overall implementation of our Sustainability Framework and Climate Action Plan, including climate change initiatives, and reports to the Board on a regular basis.

SUSTAINABILITY MANAGEMENT BOARD

Oversees the delivery of our Group sustainability targets and ensures the Sustainability Framework is being integrated across the business. The Board comprises GMC and Executive representatives from across the business and meets regularly to ensure appropriate oversight of progress.

SAF Futures Board

Established to ensure progress on targets and accelerate investment decision-making, while maintaining appropriate levels of governance.

Carbon Offset Governance Forum

An internal working group established in FY23, overseeing implementation of the Carbon Offset Strategy, and execution of the Investment Principles and the Evaluation Framework.

Operational Efficiency Leadership team

Established in FY23, and responsible for ensuring cross Group collaboration and information sharing, and holistic prioritisation and management of strategic initiatives.

Project Bowerbird Steering Committee

Established in FY23 to monitor progress against waste targets and support implementation throughout the Group.

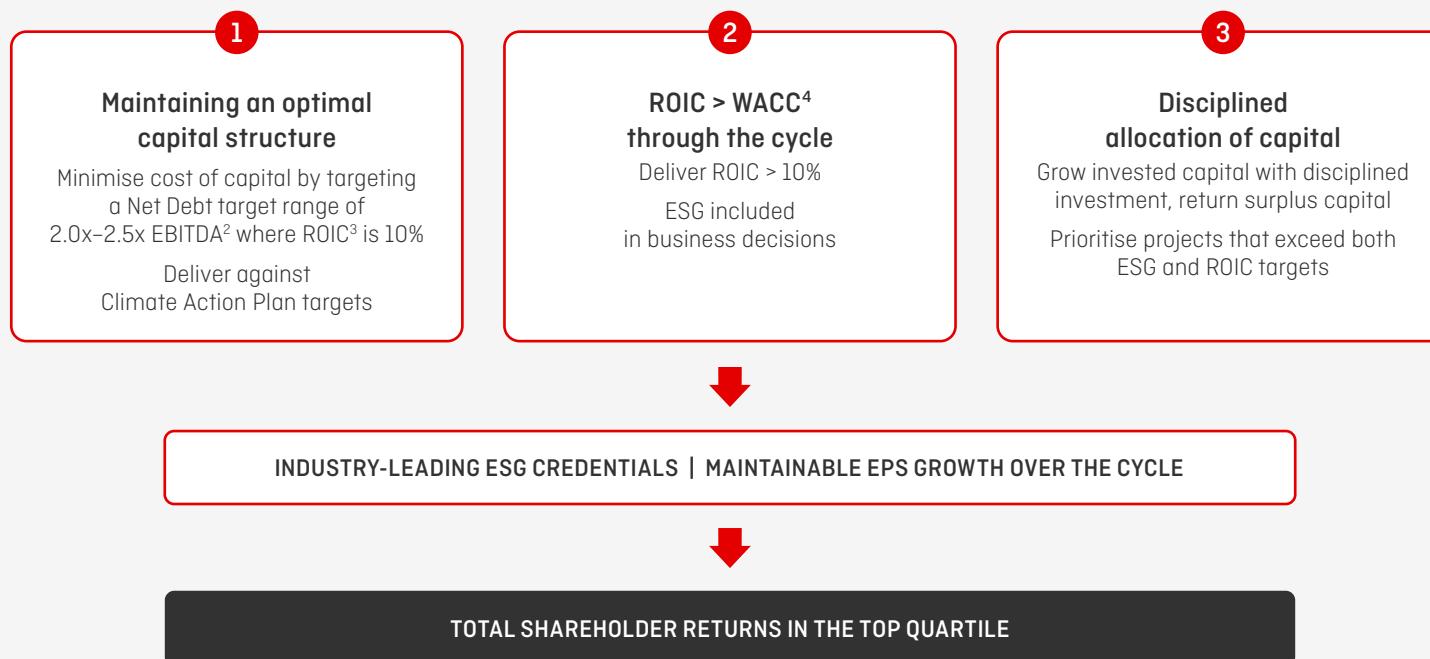
There is a diverse range of other committees and forums with a governance role. From a social perspective, in FY23 we enhanced governance around our Aboriginal and Torres Strait Islander Strategy, with three working groups — Customer, People and Procurement — reporting to the First Nations Internal Advisory Council. We also established an Access and Inclusion Committee, which oversaw the development of the Access and Inclusion Plan and will lead its implementation.

INTEGRATING ESG CONSIDERATIONS INTO THE QANTAS GROUP'S FINANCIAL FRAMEWORK

Following the launch of the [Qantas Group Climate Action Plan](#) in March 2022, an environmental, social and governance (ESG) perspective was incorporated into the Financial Framework, with the aim of targeting industry-leading ESG credentials and maintainable Earnings Per Share (EPS) growth over

the cycle. This reflects the importance of ESG considerations in the Group's target of achieving Total Shareholder Returns (TSR) in the top quartile of the ASX100 and among a basket of global airlines.¹ The Financial Framework is built on three clear priorities and associated long-term aims.

The Financial Framework recognises that achieving ESG outcomes will be critical to achieving our TSR targets in the future.



1. Target Total Shareholder Returns within the top quartile of the ASX100 and global listed airline peer group as stated in the 2023 Annual Report, with reference to the Long Term Incentive Plan.

2. Earnings Before Interest, Tax, Depreciation and Amortisation.

3. Return on Invested Capital.

4. Weighted Average Cost of Capital, calculated on a pre-tax basis.

1

Pillar one: Optimal capital structure

Core to pillar one is minimising the cost of capital while preserving financial strength. Performance against the Group's Climate Action Plan (CAP) will be critical to retain access to capital at an efficient price in the future.

2

Pillar two: Return on invested capital

Core to pillar two is investing to create competitive advantages and drive value. Returns must explicitly consider climate-related costs including where appropriate an internal carbon price (ICP).

3

Pillar three: Capital allocation

Core to pillar three is growing invested capital with disciplined investment and returning surplus capital to shareholders. Investment in the business will prioritise those initiatives that deliver both ESG and ROIC outcomes and drive shareholder returns.

Key actions in FY23 included:

- Ongoing Executive sponsorship of the Sustainability Management Board and SAF Futures Board
- Governance structures and policies developed and approved (where appropriate) by the Qantas Group Board, including:
 - Provision of Limited Assurance by KPMG of emissions
 - Incorporation of carbon offset trading into the Treasury Risk Management policy ensuring appropriate segregation of duties, offset integrity parameters, counterparty assessment and Management and Board reporting requirements, all effective from 1 July 2023
 - Establishment of an ESG Finance team

Key actions in FY23 included:

- Operationalised internal cost of carbon across business segments including roll-out of training in emission reduction pathways and ICP application
- Business cases continue to consider an ICP and physical environment impacts

Key actions in FY23 included:

- Established Qantas Climate Fund. More information on the Climate Fund can be found on pages 18 to 19, and 29.

INTERNAL CARBON PRICE

We have incorporated a cost associated with decarbonisation¹ into business cases, such as that used to support the investment to retrofit winglets that support fuel efficiency to some of the 737 fleet (see case study on page 27). We see this as key to operationalising our commitments under our CAP, and to driving focus across the Qantas Group.

As part of that process, we have set an ICP that reflects our expected cost of decarbonisation¹ based on our secured deals in the market and our expectations for forward prices of SAF and offsets. As is the case with other input costs like fossil fuel, the ICP is subject to change. Our expectation is that any incremental cost would be covered via revenue and cost.

LINKING EXECUTIVE REMUNERATION TO OUR CLIMATE PERFORMANCE

In FY23, the Board approved changes to our Annual Incentive Plan performance measures and targets to include a climate-related performance measure. This will continue for FY24. The FY23 Annual Incentive Plan performance measures and outcome are available in the Qantas Group's 2023 Remuneration Report section of the 2023 Annual Report.

SUSTAINABILITY GOALS AND BEHAVIOURS

In recognising the importance of our strategic priorities, the impact of role modelling behaviours and the impact of leaders' decision-making, a new sustainability goal was launched as part of the FY24 Performance, Planning and Review cycle for Executive Management and senior professional employee groups across Qantas and Jetstar.

1. Reduction of carbon dioxide emissions through pillars outlined in our CAP, which includes operational and fleet efficiency, SAF and carbon offsets.

THE QANTAS CLIMATE FUND – ALLOCATING CAPITAL TO MEET CLIMATE AMBITIONS

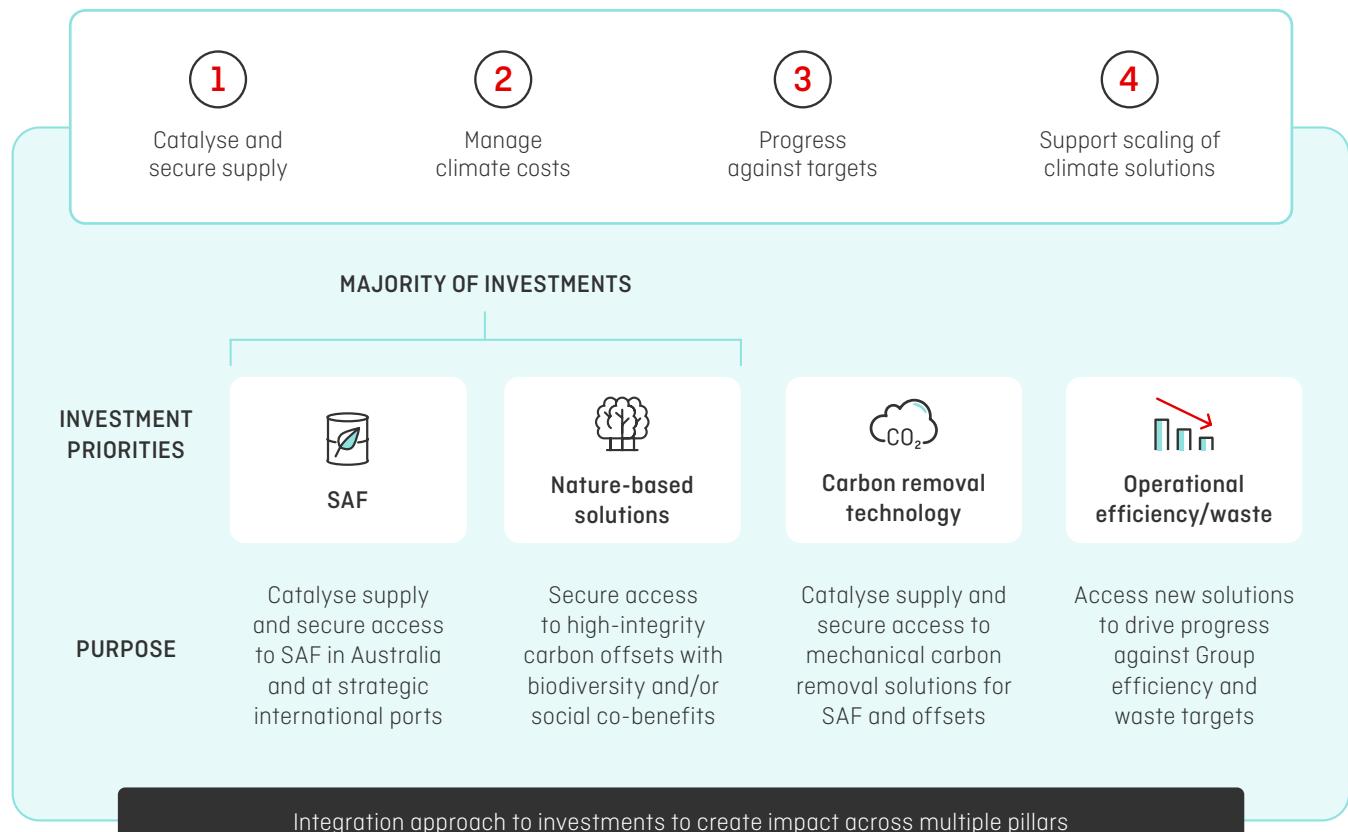
The path to net zero is uniquely challenging for the aviation sector. Substantial investment and support are needed to develop and scale the solutions our industry will require to meet its climate targets.

As Australia's largest airline, the Qantas Group recognises the crucial role we have to play in creating a more sustainable future for our business and industry.

The Group has taken a leadership position and established the Qantas Climate Fund, dedicated to directly investing in the development of the solutions needed to meet our targets and reduce our impact on the planet – both in the air and on the ground.

The \$400 million Fund includes the US\$200 million jointly committed by Qantas and Airbus in June 2022 to catalyse domestic SAF supply, with the remainder of the investment from the Qantas Group. The Fund will be the largest aviation fund of its kind in the world and will invest in sustainability projects and technologies across:

- SAF
- High-integrity nature-based offsets
- Carbon removal technology
- Operational efficiency and waste reduction.



The first investments from the Qantas Climate Fund have already been made.

CASE STUDY – Investing in Queensland biofuel development

In March 2023, we announced early-stage funding from the Qantas Group, Airbus and the Queensland Government, to support a feasibility study for the development of a Queensland biofuel production facility. The project being developed by Jet Zero Australia, in partnership with leading SAF technology company LanzaJet, aims to produce SAF from ethanol, derived from agricultural by-products.

Through the Qantas Climate Fund, the Qantas Group and Airbus have jointly invested \$2 million of an initial \$6 million capital raising, with the Queensland Government contributing \$760,000 and other Australian and international investors providing additional funding. The funds will be used to conduct a detailed feasibility study and early-stage project development.

The proposed facility will utilise LanzaJet's alcohol-to-jet technology to produce up to 100 million litres of SAF per year. Construction of the facility is expected to start in 2024.



CASE STUDY – Wheatbelt Connect

The Wheatbelt Connect project is also being supported through the Qantas Climate Fund, with an initial investment of approximately \$5 million.

This project in the Western Australia Wheatbelt, between Qantas, ANZ and INPEX, supports native reforestation and carbon farming to generate Australian Carbon Credit Units. It also includes a study to investigate the conversion of native Mallee biomass into renewable fuels.

This direct investment strategy aims to mitigate potential future supply and price risks of SAF for Qantas Group and also generates offsets.



Valuing our planet

We are committed to minimising our impact on the planet — in the air and on the ground — so that future generations can continue to experience the wonder of travel.

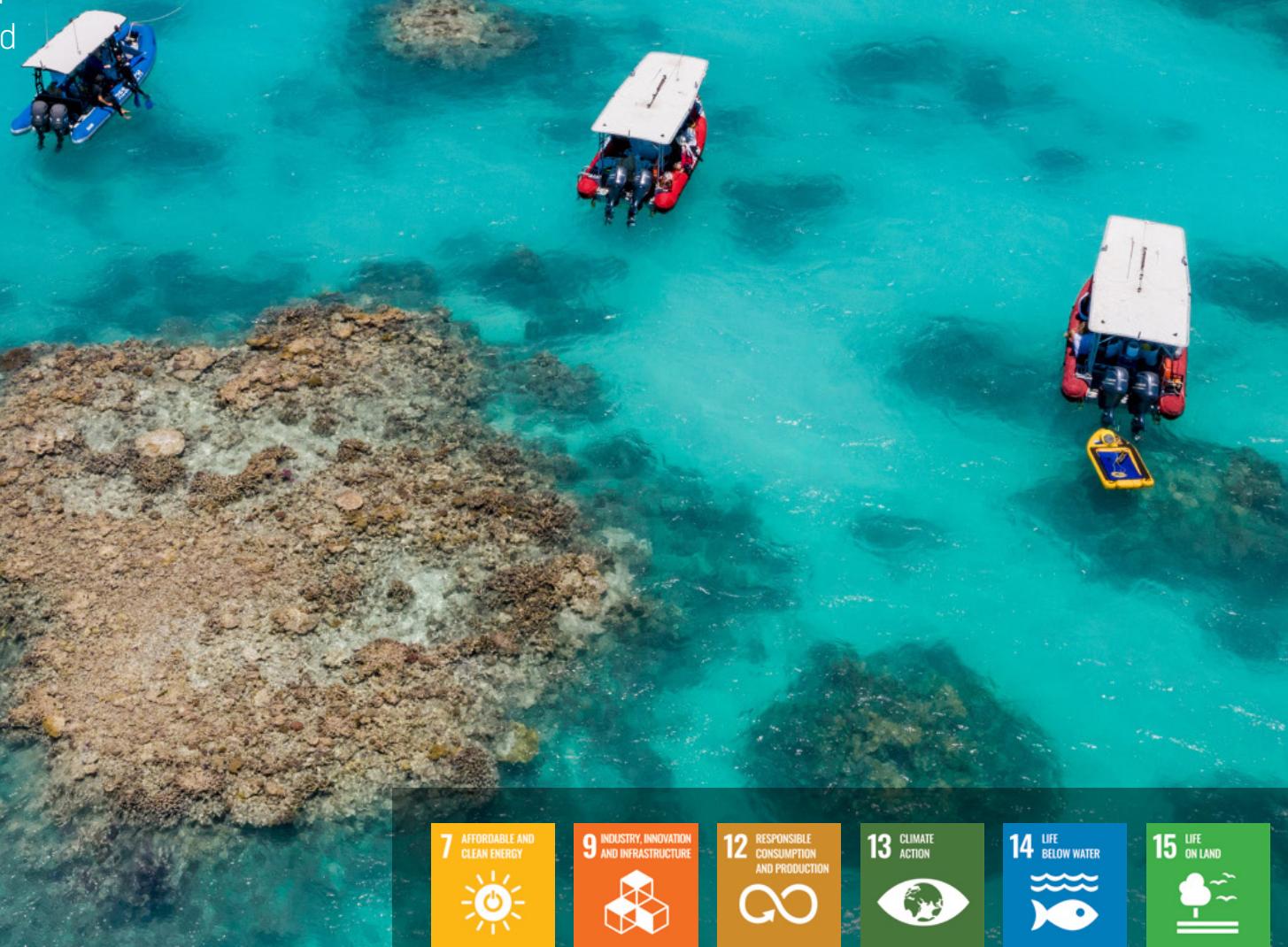


Photo: Córdl IVF Field Trip, Wisteria Reef. Our partnership with the Great Barrier Reef Foundation will see 35,000 baby corals dispersed onto damaged reef in late 2023.

Photo credit: Southern Cross University



7
AFFORDABLE AND
CLEAN ENERGY



9
INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13
CLIMATE
ACTION



14
LIFE
BELOW WATER



15
LIFE
ON LAND

This section of the Report highlights how we are supporting the achievement of six of the UN SDGs through our focus on climate, energy, waste and biodiversity. More information can be found in the Report appendix.

Climate action

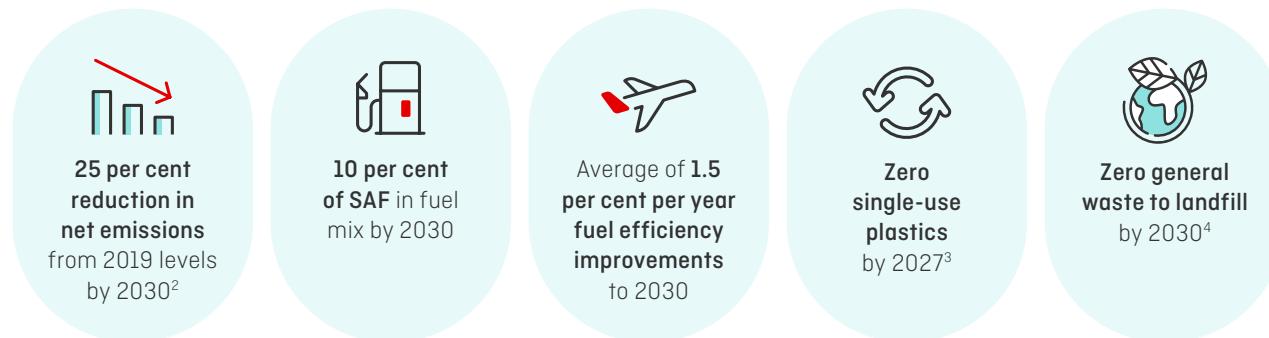
OUR APPROACH

We recognise that human-induced climate change is a significant issue for the aviation industry. We are committed to supporting the aims of the Paris Climate Agreement to limit warming to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

In 2019, we were one of the first airlines in the world to announce our commitment to achieving net zero emissions by 2050¹ and capping our net emissions at 2019 levels. In March 2022, we released our CAP which details our climate change targets and how we plan to meet them.

Qantas supports the TCFD and details on how we align with its recommendations can be found in the Report appendix.

OUR TARGETS



Details on our approach to delivering on these targets can be found in the following pages of this Report.



1. Includes Scope 1, 2 and 3.
2. Includes Scope 1 and 2.
3. Excludes items required for medical or health and safety reasons.
4. Excludes quarantine waste, a highly regulated and specialised waste stream with limited waste diversion pathways. All waste associated with international ports [inbound and outbound] is treated as quarantine waste.

CLIMATE GOVERNANCE

The Qantas Group Board oversees and approves the strategic direction of the Group and the corporate governance framework. The Board also oversees the Group's Sustainability Strategy, which includes Qantas' response to climate-related issues. Board Committees responsible for considering climate-related matters include the:

- CHESS, which assists the Board in fulfilling its strategy, policy, systems oversight, monitoring and corporate governance responsibilities with regard to environmental matters, including compliance with legal and regulatory obligations and risk management
- Audit Committee, which oversees the reporting and assessment of the effectiveness of the Qantas Group's enterprise-wide risk management and internal controls framework, including for climate change risks.

The Board approved the CAP, and CHESS receives a progress update against the Plan at each meeting. As climate change has wide-ranging implications for our business, responsibilities for managing and reducing climate-related risks are Group-wide.

Climate risk

Climate change has been identified as a material business risk to the Group, as detailed in our Annual Report. Climate risk is an inherent part of the operations of an airline and is managed through scenario analysis, governance, technology, operational and market-based controls, including consideration of changing factors such as global climate policies and stakeholder expectations.

The frequency with which the Board is informed about climate-related issues depends on the significance of the specific risk [opportunity or threat]. Strategic risks, including those related to sustainability, are included in the Group Risk Report which is provided to the Audit Committee and CHESS every six months.

STRATEGY

The Qantas Group's long-term strategy acknowledges the potential impact of climate change and resource constraints on the business.

Climate Action Plan

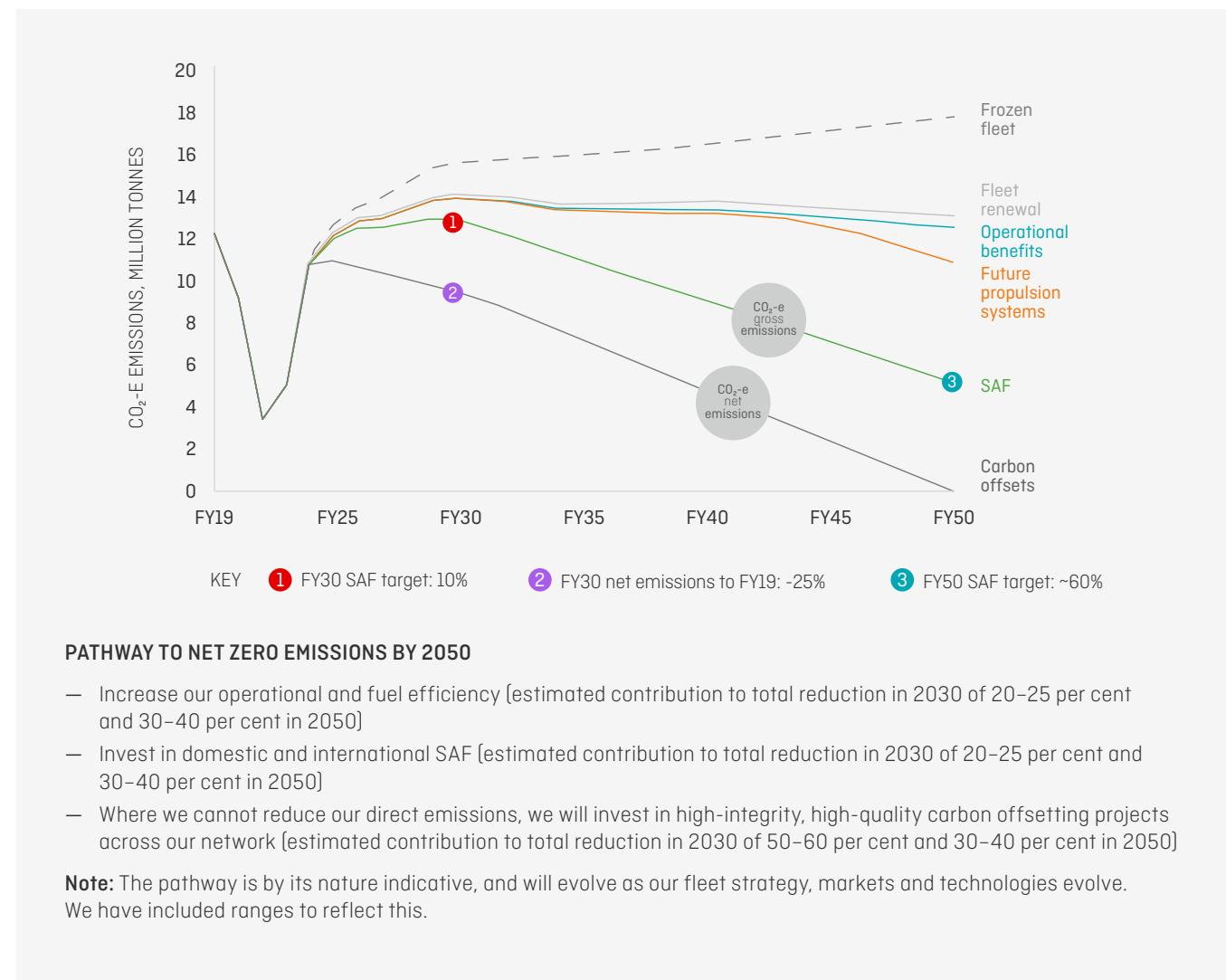
We are focused on driving progress across three pillars – some of which we have the ability to influence directly, and some of which will require action and collaboration within our industry, across sectors and by policymakers, while others will rely on technology development:

- **Operational and fleet efficiency:** Focusing on flying and engineering practices, investing in fuel-efficient aircraft, as well as broader airspace design and management initiatives which require industry-wide collaboration. Continuing to reduce fuel burn, including smarter flight planning. Reducing single-use plastic and waste to landfill
- **SAF:** Working with governments, industry and businesses to develop a commercial-scale, competitive SAF industry in Australia. This includes supporting the establishment of new supply chains and relies on creating SAF from various biomass sources such as used cooking oil, energy crops, agricultural residues or waste materials that can reduce emissions on a lifecycle basis, typically by around 80 per cent. It also includes advancing non-biogenic, synthetic SAF produced with carbon dioxide, green hydrogen and significant amounts of renewable electricity using power-to-liquid technology pathways
- **Carbon offsets:** Offsetting emissions by investing in high-quality, high-integrity Australian and international projects with community co-benefits, including those led by Traditional Owners.

The Qantas Climate Fund will enable direct investment in solutions across all pillars to help meet our targets.

Group emissions pathway

The Group emissions pathway provides details on the key levers to reach our 2030 and 2050 emissions targets. The pathway will be updated should significant changes occur. It remains unchanged from the pathway presented in the FY22 Sustainability Report.



Climate scenario analysis

We undertook our first climate scenario analysis in 2019 in line with the recommendations of the TCFD. In FY22, we updated this analysis to reference revised climate data, developments in the business, progress in technology and fuel availability as well as regulatory changes.

Scenario assessment does not provide an indication of probable outcomes and relies on assumptions that may or may not prove to be correct or eventuate. However, Qantas uses scenario assessment to help us understand potential business impacts in different scenarios to support our planning.

The analysis considered both transition and physical risks and opportunities for the business under different scenarios and provided a preliminary assessment of the financial implications of these risks. The analysis was based on scenarios aimed at improving our understanding of the risks and opportunities arising from climate change.¹ We aim to update the analysis in FY24.

Transition risk assessment

In order to analyse transition risks and opportunities to the business, we used four climate scenarios:

- **Ambitious:** where emissions are on track to be less than 2°C and industries decarbonise faster than expected
- **Committed:** where emissions are on track to meet 2°C
- **Delayed:** where emissions are expected to overshoot 2°C as a result of a disorderly transition
- **Slow:** where emissions are expected to overshoot 2°C as a result of slow transition.

These scenarios detail different policy and economic settings and resulting conditions such as the pace of SAF industry development and commercialisation in Australia. The scenarios were applied to the Group's emissions trajectory and we assessed the progress required on SAF, offset contributions and other levers required to meet our CAP targets and manage climate risk exposure to the business.

Physical risk assessment

The physical risk assessment considered three Intergovernmental Panel on Climate Change (IPCC) scenarios, at domestic and select international ports.

These scenarios were:

- Representative Concentration Pathway (RCP) 2.6 – <2°C low warming, unlikely
- RCP 4.5 – >2°C moderate warming, most likely
- RCP 8.5 – >4°C highest warming, worst case.

Changes in the frequency and intensity of different climate events to 2100 were modelled based on these three global scenarios. These changes were then applied to Group historic weather delay and cancellation data from all domestic ports to assess changes in operational conditions.

Key physical risk findings included a 15 per cent increase in weather-related disruptions by 2050², driven largely by more frequent thunderstorms and days above 37.5°C. The analysis also revealed that the physical climate change risks are highly site-specific, determined by geographic location and existing infrastructure.

The following table details some of our key climate risks, and the mitigation actions and opportunities relative to each risk.



Photo: Storms over Sydney, New South Wales. If global climate change exceeds an average annual temperature increase of more than 2°C (RCP 4.5), weather-related disruptions are expected to increase by 15 per cent by 2050, driven largely by a 40 per cent increase in thunderstorm disruptions.

1. Scenario analysis does not provide an indication of probable outcomes and relies on assumptions that may or may not prove to be correct or eventuate.
2. Under IPCC Representative Concentration Pathway 4.5.

RISK MANAGEMENT

TRANSITION RISK

Risk	Mitigations and opportunities
Policy and regulatory changes	<p>Changes to climate-related regulations to accelerate the transition including introduction of a carbon price, expansion of taxes, and/or barriers on high emitters</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Increased costs of compliance, likely through the procurement of offsets where decarbonisation is not possible
Evolving stakeholder expectations	<p>Consumer demand shifting towards low carbon transport</p> <p>Investor appetite for transparent and meaningful action on climate change</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Reduction in revenue from flying. Reduced access to capital, increasing costs of capital
Delay in SAF development	<p>Market supply develops slower than projected, potentially creating a supply shortfall compared to the high demand from airline customers and limiting the achievement of SAF targets</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Increased cost of SAF Greater need to procure high-integrity offsets to meet targets and/or compliance needs
Offset exposure	<p>Exposure to potentially volatile carbon offset prices</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Increased cost of carbon offsets
	<p>Investing in offsets where previously accepted methodology is questioned</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Cost of funding alternatives

<p>Forecasting and purchasing credits that will be ineligible at retirement date under the International Civil Aviation Organization Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and the Safeguard Mechanism.</p>	<ul style="list-style-type: none"> The Group is actively monitoring the shifting standards and vintages approved for CORSIA eligibility. The nine offset standards approved during the pilot phase (2021–23) are included in the Group's TRM policy CORSIA eligibility is a key priority for offsets procurement and a basis for all discussions with potential suppliers
<p>Potential financial risk</p> <ul style="list-style-type: none"> Volumes of credits ineligible to be counted towards Group compliance requirements under CORSIA regime 	
<p>Risk of purchased projects failing expected integrity or quality standards</p>	<ul style="list-style-type: none"> The Group has implemented a multi-layered integrity framework to elevate future investment and sourcing in high-quality carbon credits. These new measures incorporate enhanced due diligence and assurance over the Group's portfolio and we will communicate these requirements to suppliers
<p>Potential financial risk</p> <ul style="list-style-type: none"> Media scrutiny, leading to customer/brand reputation damage and potential accusations of greenwashing (with associated regulatory penalties) <p>Cumulative transition</p> <p>Collective risk of a less supportive policy, economic and technological transition to a lower-carbon future</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Higher than expected gross cost exposure associated with meeting CAP targets and climate-related regulatory requirements 	<ul style="list-style-type: none"> Advocating with the Australian Government to establish the cross-sector forum the Jet Zero Council to encourage and support increased production of SAF in Australia and to accelerate the transition to lower-carbon flying Engaging original equipment manufacturers on improving aircraft fuel efficiency, supporting greater SAF blend rates, developing next-generation technologies Developing sustainability-focused solutions to encourage customers to participate in shared emissions reduction

PHYSICAL RISK

Risk	Mitigations and opportunities
<p>Extreme weather events</p> <p>If global climate change exceeds an average annual temperature increase of more than 2°C (RCP 4.5), weather-related disruptions are expected to increase by 15 per cent by 2050, driven largely by a 40 per cent increase in thunderstorm disruptions</p> <p>If global climate change exceeds an average annual temperature increase of more than 4°C (RCP 8.5), both thunderstorms and hot days (above 37.5°C) will increase significantly, especially from 2040 onwards</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Increased weather-related disruption costs due to operational and equipment limitations 	<ul style="list-style-type: none"> Reflecting physical climate risks in operational processes (such as in the case of a cyclone, thunderstorm or high temperature day) and employee training Planning to incorporate physical climate risks assessments into new business cases for certain assets and equipment as well as assessing existing capital assets and equipment to withstand climate risks over their useful life
<p>Safety</p> <p>Health and safety risks associated with incremental changes in climate variables and extreme weather events including increased risk of future pandemics</p> <p>Potential financial risk</p> <ul style="list-style-type: none"> Exposure to increased safety incident cost and reduced revenue due to lower safety record 	<ul style="list-style-type: none"> Adapting processes and systems to expected changes in climate variables to support safety and customer experience

CLIMATE ACTION PLAN PILLAR ONE: OPERATIONAL AND FLEET EFFICIENCY

The Qantas Group remains focused on improving operational efficiency through fleet transformation activities, fuel efficiency initiatives and reducing waste to landfill.

The Group has set a target to improve fuel efficiency by an average of 1.5 per cent per annum, from a 2019 baseline, by 2030. This will be supported by the fleet renewal program, including the introduction of new-generation aircraft and the associated retirement of legacy airframes, as well as a focus on operational procedures aimed at reducing fuel burn. This target may be influenced, both positively or negatively, by market factors — such as passenger and freight loads — and the effectiveness of operational efficiency initiatives.

During FY23, an Operational Efficiency Leadership team was established. It is responsible for:

- The central coordination of organisational effort — ensuring cross-Group collaboration and information sharing
- Holistic prioritisation and management of strategic initiatives, and
- Ensuring visibility of progress towards the average 1.5 per cent fuel efficiency target.

Operational and fleet efficiency initiatives include:

- Flight operations: enhancement of pilot fuel efficiency operating procedures and practices, utilising FlightPulse as the key pilot interface and roll-out of Constellation flight planning and flight planning enhancements
- Engineering: trial of next-generation integrated ground power and pre-conditioned air to reduce Auxiliary Power Unit fuel usage, and aircraft performance improvements through aircraft drag reduction
- Approval to retrofit scimitars to 23 of our newest Boeing 737-800 aircraft, enhancing fuel efficiency and reducing carbon emissions



Photo: Nine A321neo LR [NEOs] aircraft have joined the Jetstar fleet [as at 1 July 2023]. The NEOs' CFM Leap A1 engines burn up to 20 per cent less fuel than Jetstar's earlier A321 aircraft.

- Ongoing rollout of ground service equipment to electric alternatives
- Aircraft specification: weight reduction initiatives ranging from introducing lighter weight seat products, increasing seat layout density in Jetstar, adding an extra two seats in A320 NEOs and A321 NEOs compared to A320 and A321 classic layouts.

The Qantas Group is participating in government-led noise reduction advisory forums and supports community engagement, ensuring we minimise our noise footprint as far as possible. We support noise abatement initiatives that do not increase track miles, which subsequently increases CO₂ emissions. The fleet renewal program will address this critical issue with the introduction of quieter aircraft.

Fleet renewal

The Group is investing significantly in fleet renewal taking delivery of a new aircraft every three weeks on average for the next few years. The incoming aircraft, which will begin replacing our existing fleet which has an average age of 14.2 years¹, will help Qantas and Jetstar restore capacity and expand their networks while lowering emissions and improving efficiency.

In June 2023, Qantas finalised our incremental order for nine A220-300s, bringing the total order to 29 A220-300s. These next-generation aircraft, through longer range and better economics, will improve how our customers travel around Australia. Qantas has also commenced the retirement of the older B717 fleet, with the first aircraft exiting service on June 2023 after 19 years of flying.

In August 2023, we announced an order of 24 aircraft (12 Airbus A350s and 12 Boeing 787s) arriving from the 2026/27 financial year to progressively replace the existing A330 fleet.

Qantas Freight announced the purchase of six Airbus A321 freighters, which are expected to progressively arrive between early calendar year 2024 and mid-2026, replacing the fleet of five Boeing 737 freighters. Each A321 freighter can carry 23 tonnes of cargo, nine tonnes more than the older 737s, and are around 30 per cent more fuel efficient per tonne of freight carried.

A total of nine A321neo LR (NEOs) aircraft have joined the Jetstar fleet², with the initial order of 18 set to be delivered by the end of 2024. The NEOs' CFM Leap A1 engines burn up to 20 per cent less fuel than Jetstar's earlier A321 aircraft.

In the first year of flying, the airline's current NEO fleet has reduced total emissions by more than 16,000 tonnes. In addition to the fuel savings, the NEO has up to a 50 per cent reduction in noise footprint compared with our existing A320 and A321 aircraft. This significant noise saving occurs during both departure and arrival.

CASE STUDY – Wings of change

Qantas is installing Split Scimitar Winglets on 23 of our Boeing 737-800, which will increase the fleet's fuel efficiency and reduce carbon emissions.

The Split Scimitar Winglet System is a modification of the current Blended Winglet System. It further reduces aerodynamic drag on the aircraft resulting in fuel savings and carbon emissions reduction, as well as increasing payload, range and take-off performance capability.

Qantas B737-800 aircraft fly both domestic and international sectors.

The installation will begin in December 2023 at our maintenance base in Brisbane, Queensland and is expected to be completed by the end of 2026.

When installation is completed, it is expected carbon emissions will reduce by 8,000 tonnes per year.



¹. Average fleet age: The Group's scheduled passenger fleet including both owned and leased aircraft. The Qantas Group's scheduled passenger fleet does not include dedicated freighters, wet-lease aircraft and Network Aviation F100 fleet.
². As of 31 July 2023.

On the ground

While emissions on the ground are a relatively small part of our total emissions profile, we are seeking to further reduce our footprint.

Through our partnership with BP Lightsource, we have increased our procurement of renewable electricity, purchasing large-scale generation certificates (LGCs). From the start of 2022, we have sourced LGCs to cover 100 per cent of the electricity consumption in all Qantas Group buildings throughout Australia.

During FY23, Qantas Freight purchased an electric main deck pallet loader to support our new A330P2F freighters. The new electric loader is powered by a rechargeable lithium-ion battery. The new loader can perform several turnarounds on a single charge and will be able to service all Qantas and customer aircraft currently handled by Qantas Freight.



OUR FOCUS IN FY24 WILL INCLUDE:

- Accelerating fleet renewal opportunities including advancing A320 NEO deliveries
- Developing a mid-life refresh for the Jetstar 787 fleet to enhance the cabin while replacing old and heavier product and technology systems on board
- Continuing digitalisation of operations by rolling out paperless engineering in Jetstar with an eMobility suite of apps that removes paper-based processes onboard and in maintenance support areas from 2023.

CLIMATE ACTION PLAN PILLAR TWO: SUSTAINABLE AVIATION FUEL

The use of SAF is central to achieving our interim targets and net zero by 2050 goal. With long-haul routes accounting for around 70 per cent of the Group's emissions profile, SAF is currently the only viable technology/decarbonisation option available across all of our flying operations. Our target is for 10 per cent of our fuel use to come from SAF by 2030 and ~60 per cent by 2050.

While the global landscape for SAF is rapidly evolving, the development of a SAF sector at the pace and scale required by airline decarbonisation targets can only occur with significant government support. In the last 12 months, countries aiming to take a leadership position in SAF have accelerated development by enacting supporting policies at national and provincial levels. The approach has varied by region — the EU has enacted progressive blending mandates; the US has world-leading financial subsidies for producers; and the UK is investigating a hybrid of both approaches coupled with grant funding.

Qantas has made significant progress in delivering the SAF strategy including securing offtakes from the US, pioneering the establishment of the SAF Coalition, securing the first investment in Australian SAF production (through the Airbus SAF Partnership), and advocating government for supportive policy development. As promising as the early SAF development has been both locally and globally, SAF is not yet available at the scale or price needed to meet our 2030 and 2050 targets. Scaling SAF production to the point where it can contribute to the emission reduction required by our CAP whilst also being cost-competitive will take the concerted effort of both industry and government.

Advocating for a domestic SAF industry

The Group has been engaging with governments in Australia to advocate for a supportive policy framework to enable and expedite a domestic SAF industry. Recent developments include the Australian Government's establishment of the Jet Zero Council (see page 10), the Australian Renewable Energy Agency's (ARENA) \$30 million grant funding for SAF development and the Australian Government signalling that \$400 million of Powering the Regions funding will be directed to aviation.

The UK, Europe and Japan have set, are investigating or have proposed SAF blending mandates of between five and 10 per cent of the fuel supplied by fuel distributors to airlines in those countries to be reached by the end of the decade, and the USA has set a 2030 production target of three billion gallons per year.

At our May 2023 Investor Day, the Group called for the Australian Government to introduce a SAF blending mandate as part of a broader framework of industry policies, similar to those announced in other jurisdictions.

The Group is also fostering policy development with supportive state governments, with the Group signing a Memorandum of Understanding with the Queensland Government to support the development of the sector in that state.

Sustainable Aviation Fuel Coalition

In November 2022, Qantas launched the SAF Coalition program, with Australia Post, Boston Consulting Group, KPMG Australia, Macquarie Group and Woodside Energy signing as foundation members. The Coalition demonstrates that demand exists for SAF in Australia.

Members pay a premium to address some of the carbon emissions associated with their flying activity by contributing to the incremental cost of SAF rather than using traditional carbon offsets.

Coalition members receive enhanced reporting on the emissions from their flying activity and their employees are recognised towards achieving Qantas Frequent Flyer's Green Tier status.

Qantas has continued to evolve the SAF Coalition proposition and is seeking expressions of interest to join the CY23 iteration of the program (which will utilise the SAF-derived emission reduction from the SAF being acquired in Heathrow).

SUSTAINABLE AVIATION FUEL COALITION



Founding members of the SAF Coalition

The Qantas Climate Fund

The Group has taken a leadership position and in FY23 established the Qantas Climate Fund, dedicated to directly investing in the development of the solutions needed to meet our targets and reduce our impact on the planet – both in the air and on the ground.

The Fund will focus on stimulating the production of SAF, high-integrity offsets that deliver dividends for nature and carbon removal technology, as well as technologies that deliver on efficiency and waste reduction.

More information can be found on page 18.



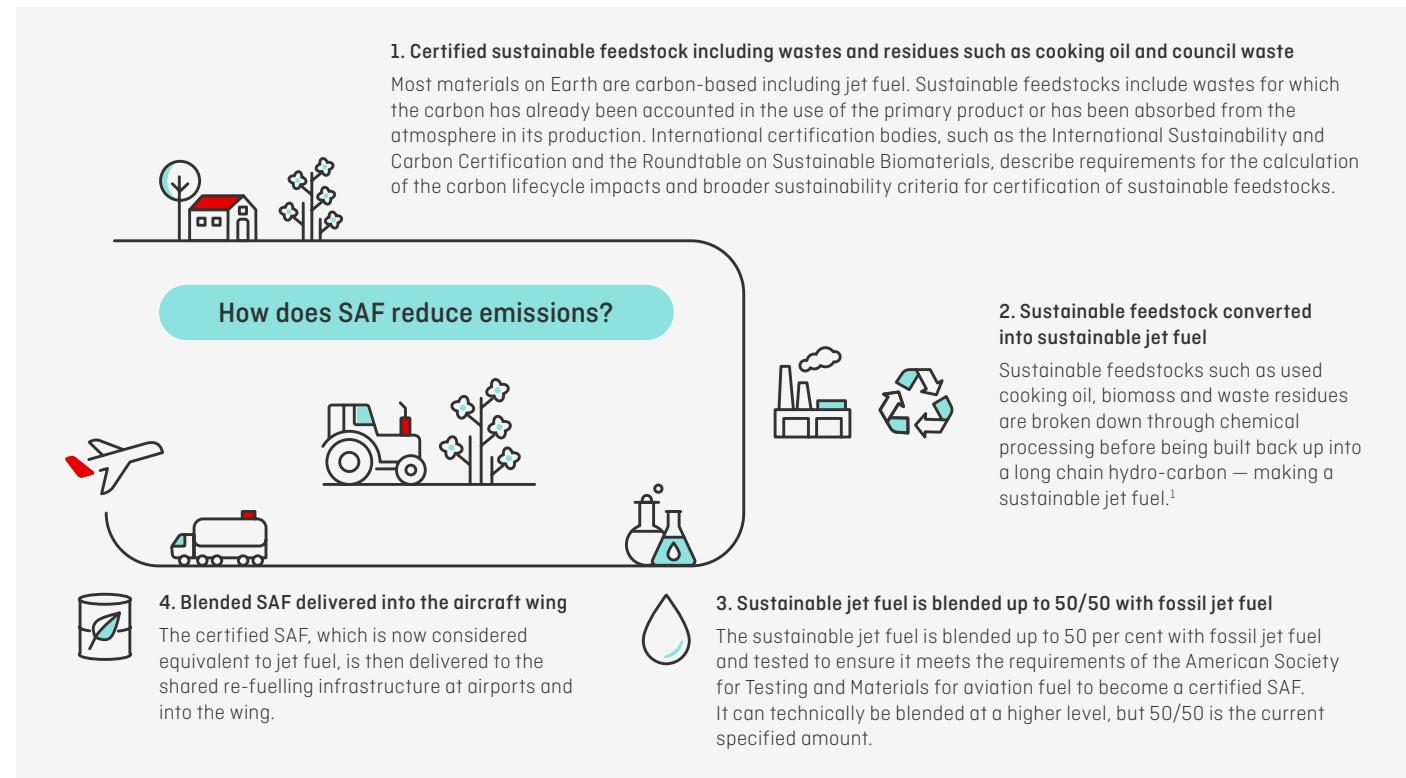
Current SAF use

In 2022, Qantas became the first Australian airline to purchase SAF on an ongoing basis with the delivery of seven million litres of SAF to Heathrow airport during the 2022 calendar year. Qantas has increased this offtake to 10 million litres in the 2023 calendar year, representing a projected 7.9 per cent of our total Heathrow fuel uptake and an approximate reduction of 20,000 tonnes of CO₂-e on a lifecycle basis compared to fossil jet fuel.

In March 2022, the Qantas group entered into an agreement with biofuel producer Aemetis to purchase 7.5 million litres of SAF made using agricultural waste for delivery into Los Angeles International Airport from 2025.

We will continue to look for opportunities to purchase SAF from international ports, particularly in the US, to support our target of 10 per cent SAF in our overall fuel mix by 2030.

¹. Emissions still exist in the production of SAF and are calculated for each step in the production life cycle and compared against lifecycle emissions from fossil jet fuel as a baseline to determine the total emission reduction benefit.



OUR FOCUS IN FY24 WILL INCLUDE:

- Continuing to seek out domestic and offshore SAF investment and offtake opportunities with credible partners and project development plans that de-risk, to the extent possible, the production of cost-effective SAF to support the Group's 2030 and 2050 targets
- Evolving the SAF Coalition to drive further membership and to provide important price support for the future supply of domestic SAF
- Working with government and industry to effectively deploy committed funding to the domestic SAF sector, assist in the formulation of strategic SAF development plans and the introduction of supporting policy that enables the creation and embedding of the SAF value chain.

CLIMATE ACTION PLAN PILLAR THREE: CARBON OFFSETS

Aviation is a hard-to-abate sector, and high-integrity carbon offsets will play an ongoing part in achieving our goals until alternate direct emissions reduction levers (such as SAF, fuel-efficient fleets and emerging technologies) become more readily available.

Demand for carbon offsets continues to grow, with recent regulatory changes driving activity in carbon markets. In Australia, the Safeguard Mechanism reforms and outcomes of the Chubb Independent Review (which concluded that the Australian Carbon Credit Unit (ACCU) scheme is “essentially sound”) have stimulated demand for ACCUs and defined the base parameters for effective carbon offsetting.

Qantas will continue to monitor international developments and consider strategic procurement positions, particularly regarding the next iteration of CORSIA eligible credits under Phase 1. The results of the 2023 Technical Advisory Board assessment and its recommendations are expected for consideration by the 230th ICAO Session of the Council in October/November 2023.

Carbon credit markets continue to diversify and become more sophisticated, with growing convergence between compliance and voluntary standards and emerging methodologies and technology-based offsets gaining recognition. The Group has a focused approach to offsets procurement, ensuring investment aligns with shifting regulatory requirements and market expectations of what constitutes a high-quality, high-integrity carbon offset.

Increasing demand and its impact on supply is a key focus of procurement, and a driver behind future investment in long-term offtakes and securing volume for future requirements.

Offsets strategy and Integrity Framework

While the Group’s existing approach to carbon offsetting has been consistent with standard market practices, expanding compliance requirements and overall exposure have required

AMBITION	Target	Deliver an impactful offset program achieving superior environmental and social outcomes that Qantas customers and stakeholders value, recognise and participate in			
	Objectives	<ul style="list-style-type: none"> – Protect and enhance market leadership with high standards and ambition – Influence the industry benchmark for high-integrity sourcing and new solutions – Strengthen strategic alignment and efficiency of offsetting activities 			
ACTION	Initiatives	Adopt high-quality, high-integrity principles	Establish fund to drive investment into early stage projects and new methods	Connect procurements and origination to nature strategy to maximise positive biodiversity outcomes	Establish nature-based tourism offer connected to offset projects
		Diversify sourcing across project types, activities, locations and developers	Catalyse market for CORSIA credits and credits eligible under the Safeguard Mechanism	Conduct project origination in partnership with First Nations peoples	Build customer engagement in offset program through Qantas Loyalty
Governance and management processes					
ENABLERS	Internal	Investment guiding principles	Project evaluation framework	Portfolio composition requirements	
	External	Catalytic partnerships	Customer engagement	Communication tools	Metrics to assess contribution

an updated Integrity Framework, intended to elevate our approach to ensure our carbon portfolio is resilient and composed of verifiable high-quality, high-integrity credits.

During FY23, the Group developed a multi-faceted Carbon Offsets Strategy and accompanying Integrity Framework to address the increasing scrutiny of carbon offsetting and ensure the Group’s carbon portfolio remains a credible and effective tool for achieving net zero ambitions.

The updated Integrity Framework has included additional layers of scrutiny regarding offsets procurement.

In the past, our sourcing approach has been informed by:

- **Purchasing from verified registries:** Credits procured by the Group are sourced from reputable registries that assess the credibility of projects before permitting the issuing of any credits
- **Due diligence/assurance from suppliers:** Project owners and issuers conduct their own levels of technical and scientific due diligence on carbon projects and provide this data to registries prior to the credits being issued
- **Ongoing monitoring and reporting:** Project owners and issuers provide periodic reporting on the projects sourced as part of the Group's carbon portfolio.

We have now added further layers of scrutiny to the Group's sourcing approach and ongoing offset portfolio management, effective from 1 July 2023:

- **Investment Principles:** The Group has developed prescriptive Investment Principles to guide carbon credit procurement for carbon offsetting. These Principles provide integrity and quality criteria that credits must meet to ensure the carbon offsets procured are real, measurable, and verifiable. Internally, the Principles will provide guidance and a framework by which sourcing will occur. Externally, the Principles provide clarity to stakeholders, build confidence, and maximise efficiency
- **Project Evaluation Framework:** The new Project Evaluation Framework will be used to assess carbon credits procured against the Investment Principles. This tool will be used to direct procurement by screening suppliers and assessing projects. Through benchmarking potential investments against the Group's Investment Principles, Management will assess the commercial, market, project management, technical, legal, and regulatory risk of projects and deliver an overall integrity rating. Offsets will not be purchased where projects do not meet minimum Qantas integrity criteria.

QANTAS GROUP CARBON OFFSET INVESTMENT PRINCIPLES FRAMEWORK

Minimum integrity standards							
Additional	Real	Measurable	Permanent	Avoids leakage	No double counting	Governance and approvals	Eligibility
Quality standards					Nature and community co-benefits		
Project type	Host country and legislative frameworks	Standard/verifier	Methodology	Governance	Nature-based projects		
Legal ownership	Monitoring, reporting and verification	Project size and realisation	Role of government	Project financials			
Developer experience	Co-benefits	Environmental impacts	Social impacts	Benefit sharing			



List of specific project types/methodologies/registries/sectors/jurisdictions that meet established principles

CASE STUDY — Reef credits

Qantas is investing in innovative and emerging environmental markets such as the Reef Credits scheme which is helping to protect one of Australia's most iconic natural assets. Reef Credits are a market-based mechanism that is helping improve water quality in the Great Barrier Reef catchment and is supported by investment from the Queensland Government.

The scheme is independently audited and assessed by Eco-Markets Australia, which establishes clear and robust



rules to ensure water quality improvement credits are real, additional and permanent — underpinned by a transparent and accountable governance structure.

Governance

Governance structures around offsets have been enhanced, with several new internal layers of assurance to ensure the broader strategy is being delivered and aligned with the Group's Carbon Offsetting Strategic Framework. This includes integrating carbon into the Group Financial Framework and Treasury Risk Management Policy, establishing an internal Carbon Offset Governance Forum and embedding integrity expectations into supplier contracts.

Sourcing strategy

Ensuring Qantas retains access to adequate volumes of credits for both compliance and voluntary needs is a key consideration. Increased demand for credits, driven in part by domestic and international compliance regimes (including CORSIA and the Safeguard Mechanism) is expected to stimulate further participation in carbon markets.

Aligned to the new Framework is a parallel sourcing strategy that considers the Group's compliance and voluntary requirements, in addition to associated integrity and co-benefit priorities. This includes:

- Updated targets for First Nations offsets procurement. Indigenous ACCUs will remain a priority sourcing target for the Group's portfolio (given their associated nature and First Nations co-benefits, alignment to broader organisational targets and compliance eligibility under the Safeguard Mechanism)
- A transition toward nature-based solutions. We expect this will grow as a proportion of the Group's portfolio to 2030 and beyond. Nature-based carbon removal methodologies such as environmental planting and afforestation will be targeted as part of a mixed carbon portfolio

- Identifying opportunities for investment in carbon removal and sequestration projects (including environmental planting, afforestation and blue carbon¹) and emerging technology-based removals (including Direct Air Capture).

The Group's Climate Fund will form a part of future sourcing approaches, identifying strategic opportunities for carbon offsetting investment. The Fund will consider investments that enable the Group to maintain strategic positions that facilitate access to our required supply of credits. An additional focus of the Fund is to catalyse offset markets relevant to the Group's compliance needs, including CORSIA eligible credits and ACCUs.

Key customer programs

Our two key customer programs are Fly Carbon Neutral (FCN) and Qantas Future Planet. FCN gives customers the opportunity to offset their flights, with Qantas matching the contributions.² Qantas offsets employees' duty and corporate travel through FCN.

Future Planet provides a carbon offsetting solution for corporate businesses wanting to offset their emissions. Through the program, we have offset emissions for more than 40 businesses, including Australia Post, Atlas Air, Allens, DHL, Deakin University, NextDC and T2.

Future Planet has partnered with Australia Post since 2019 for its carbon neutral delivery of every parcel sent through post offices and the MyPost system across Australia. Atlas Air's participation enables Qantas to offset emissions from its international freighter flights operated by Atlas Air between Australia, Asia and the USA.



CASE STUDY — Katingan Peatland Restoration and Conservation Project, Indonesia

The Katingan Mentaya REDD Project finances the conservation of peatlands located within a state-designated production forest.

The ecologically significant tropical peatlands store approximately 20 times more carbon below-ground than above-ground vegetation.

The project finances the conservation of these peatlands by appropriately valuing the natural capital and the ecosystem services they provide, preventing significant volumes of carbon dioxide from being released into the atmosphere.

1. Blue Carbon is defined as the sequestration of carbon via vegetated coastal ecosystems, for example through mangroves, seagrass and tidal marshes [CSIRO blue-carbon]

2. Qantas Frequent Flyer points contributions are not matched, only the cash contributions from Qantas and Jetstar passengers.



Photo credit this page: David Hancock Photography

CASE STUDY — First Nations fire abatement

In FY23, we procured offsets from Arnhem Land Fire Abatement (ALFA) an Aboriginal-owned, not-for-profit carbon farming business that supports Traditional Owners and rangers to utilise customary fire knowledge and skills in tandem with contemporary technology to accomplish highly sophisticated landscape-scale fire management that generates ACCUs through savanna burning methodology.



OUR FOCUS IN FY24 WILL INCLUDE:

- Embedding enhanced screening and evaluation processes into FY24/25 offsets procurement
- Integrating emerging, third-party carbon credit ratings agencies into procurement and assessment processes
- Assessing emerging reporting and disclosure standards which account for co-benefits associated with high-quality carbon projects (including community, nature and biodiversity)
- Ensuring key regulatory developments which govern offsets integrity (in both compliance and voluntary regimes domestically and internationally) are reflected in the Group's Investment Principles and minimum quality standards.

METRICS AND REPORTING

Regulatory and compliance update

Qantas Group is supportive of the Australian Government's updated Safeguard Mechanism which requires Australia's highest greenhouse gas emitting facilities to keep their domestic emissions below an emissions limit [baseline]. The new requirements, effective from 1 July 2023, broadly align with our Climate Action Plan and we consider we are well positioned to manage our exposure.

For international emissions, we comply with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). Commencing in 2021, CORSIA requires airlines to purchase carbon offsets to meet their share of emissions growth from a 2019 baseline.

For domestic emissions, we submit our annual greenhouse accounts to the National Greenhouse and Energy Reporting Scheme each October.

Greenhouse gas emissions

The Qantas Group reports on Scope 1, 2 and 3 greenhouse gas emissions annually. In relation to Australian domestic emissions, we report in accordance with the Australian Government National Greenhouse and Energy Reporting Scheme. International emissions are reported in accordance with the International Civil Aviation Organization Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

Indirect Scope 3 emissions from our value chain are monitored and reported using Climate Active guidance, informed by the Greenhouse Gas Protocol categories. Applying a test for relevance, we report on a range of indirect emissions [pages 73 and 74 of this Report] with the largest being extraction, production and transport of fuels which is addressed through operational and fleet efficiency measures. Additionally, programs such as our waste reduction initiatives support the reduction of Scope 3 emissions. We will undertake a more detailed analysis of our Scope 3 emissions in FY24.

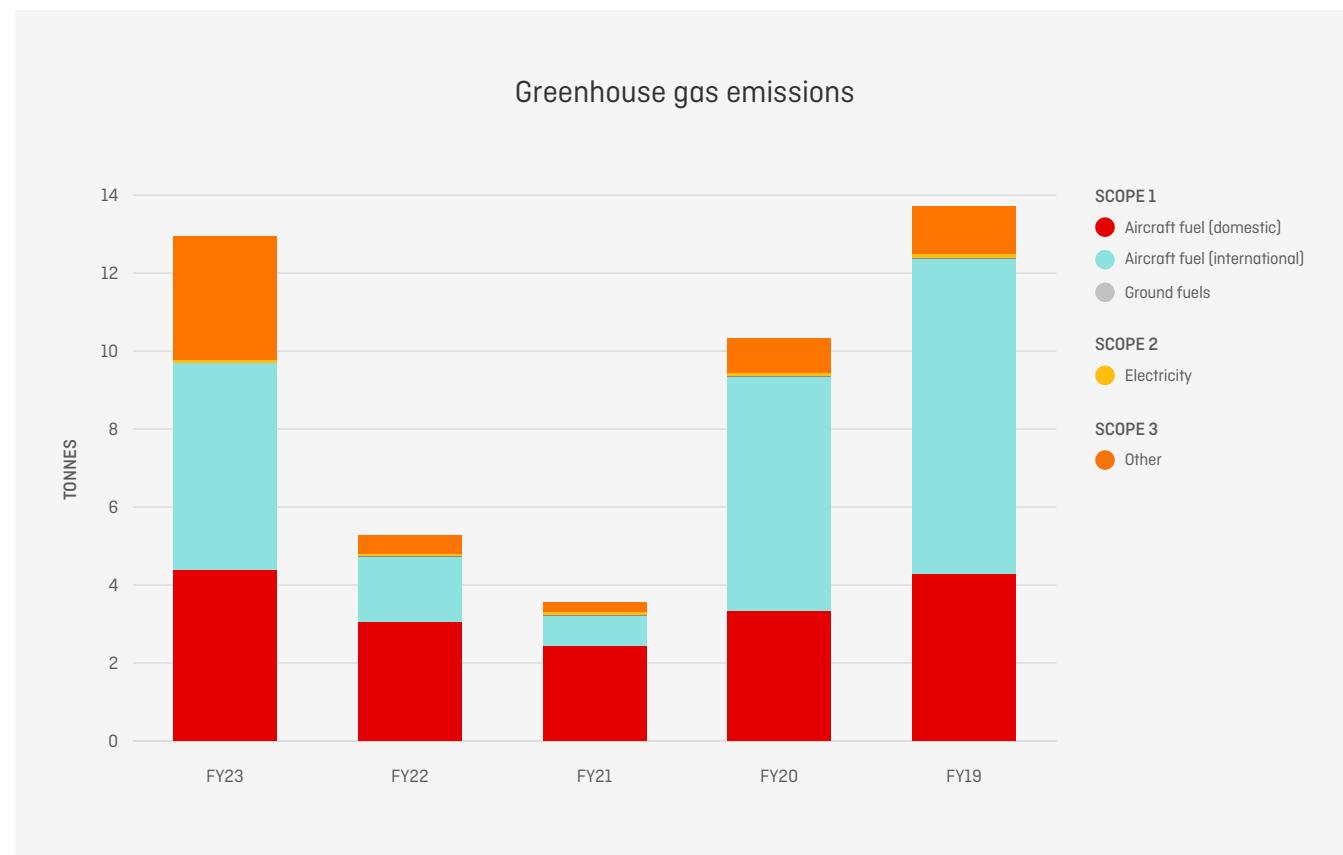
Aviation fuel, which makes up the majority of our emissions, has consistently accounted for more than 97 per cent of Qantas Group's Scope 1 and 2 emissions. The remaining three per cent relates to our ground-based emissions sources, the largest of which is electricity (Scope 2).

As flying returned to close to pre-pandemic levels in FY23, greenhouse gas emissions also increased.

In FY23, our Scope 1 emissions were 9,720,687 CO₂-e tonnes compared with 4,734,407 CO₂-e tonnes in FY22 and 3,236,753 CO₂-e tonnes in FY21.

In FY23, our Scope 2 emissions were 62,462 CO₂-e tonnes compared with 64,894 CO₂-e tonnes in FY22 and 64,983 CO₂-e tonnes in FY21.

In FY23, our Scope 3 emissions were 3,182,594 CO₂-e tonnes compared with 459,788 CO₂-e tonnes in FY22 and 218,276 CO₂-e tonnes in FY21. The increase in Scope 3 emissions in FY23 was a result of increased fuel consumption and a change in the Scope 3 emissions factor relating to transport fuels.



Reducing waste through circularity

OUR APPROACH

We recognise the impact waste has on the environment and as a Group we are committed to addressing this impact through waste reduction projects, innovation and improved waste management.

The Group's ambition is to have zero single-use plastics across our operations by 2027¹ and zero onshore waste to landfill by 2030². A robust governance structure has been established to drive the delivery of Project Bowerbird, the Group's waste reduction strategy, and accelerate the implementation of initiatives. This includes establishing an Executive Steering Committee and Business Unit Working Groups to monitor progress against targets and manage any roadblocks.

Since 2011, the Qantas Group has been a signatory to the Australian Packaging Covenant, working to improve the sustainability of the packaging we use through product reviews, product substitution to recyclable or compostable alternatives and increasing the use of recycled content.

SINGLE-USE PLASTICS

As at 30 June 2023, more than 202.9 million single-use plastics have been replaced or removed from our operations since Project Bowerbird commenced in 2019³.

We continue to identify opportunities to reduce plastics across our operations and in our inflight service where possible, taking into account safety, hygiene and various regulatory requirements. This includes the introduction of compostable hot meal boxes on domestic flights; responsibly sourced wooden cutlery and bamboo drink stirrers; changes to our amenity kits; phasing out single-serve condiments in our lounges; and trialling reduced thickness pallet wrap and protective sheeting made of 100 per cent recycled plastic in Freight operations.

We are working with our suppliers to increase the use of recycled and renewable materials and considering the environmental impact in the design phase of our products. For example, each of our premium economy blankets are made with 20 recycled plastic bottles, our water bottles are 100 per cent recycled PET and we have introduced pens made of wheat straw and kraft paper onboard our aircraft.



CASE STUDY — Qantas Regional Grants recipients helping to tackle waste

We relaunched the Qantas Regional Grants program in FY23, and two of the 32 successful grant recipients are working on ways to reduce waste and support recycling.

Ability Enterprises based in Queensland will use its grant to upgrade its plastics recycling facility with the addition of a colour sorting machine and provide employment to 45 vulnerable people. Take 3 for the Sea will further its work to reduce plastic pollution in oceans and waterways through educational programs and resources.



1. This target excludes items required for medical or health and safety reasons.

2. This excludes quarantine waste, a highly regulated and specialised waste stream with limited waste diversion pathways. All waste associated with international ports [inbound and outbound] is treated as quarantine waste.

3. Total number of single-use plastics includes absolute reductions through removal of packaging or items in service, and product substitutions for items previously containing plastic materials. This figure represents a cumulative count from 2019 to end FY23.

WASTE REDUCTION

We recycled 2,841 tonnes of waste in FY23, representing 23 per cent of total waste diverted. In FY24, we will continue to implement initiatives that directly reduce waste as well as those that expand recycling systems across our operations. A detailed roadmap to 2030 is under development to support the achievement of zero onshore waste to landfill by 2030.

During FY23, we began to reintroduce onboard recycling which had paused during the COVID-19 pandemic. For Qantas, domestic inflight recycling recommenced for flights into Sydney, Brisbane and Canberra and we are working toward phased full reintroduction across our domestic network in collaboration with suppliers.

Jetstar activated inflight recycling on flights into Melbourne, Sydney, Brisbane, Perth, Adelaide, Cairns and Avalon on 5 June 2023 (World Environment Day). The initial phase of the roll-out covers over 70 per cent of the domestic network, with further expansion planned in FY24.

We are working on optimising product loading on board our flights, re-establishing a food donation program with our caterer, removing plastic packaging, replacing products with compostable, recycled or recyclable alternatives, and government advocacy on quarantine requirements for international flight waste.

On the ground in our Qantas lounges, we continue to expand organics and recycling separation, with over 10 tonnes of food waste composted each month and diverted from landfill. Improving waste separation and collection across our domestic ports will continue throughout FY24. We are trialling innovative cleaning and food service products to reduce plastic, and replacing items reviewed for material efficiency to increase recoverability and reduce waste.

Employee engagement has been a key focus, with waste education sessions and a Group-wide training module developed to support behavioural change.

We support National Recycling Week to raise awareness among employees, with information sessions and a recycling drive in our head office. This provided the opportunity for employees to recycle or donate mobile phones, chargers and batteries; prescription glasses and hearing aids in good condition for redistribution through Lions Recycle for Sight; travel-sized toiletries for redistribution through Every Little Bit Helps; workwear and accessories in excellent condition for redistribution through Dress for Work and Dress for Success; and end of life shoes for recycling into change room flooring, anti-fatigue mats and ground cover for playgrounds and gyms through Tread Lightly. For Clean Up Australia day, employees were encouraged to participate in internal and external events around the country.

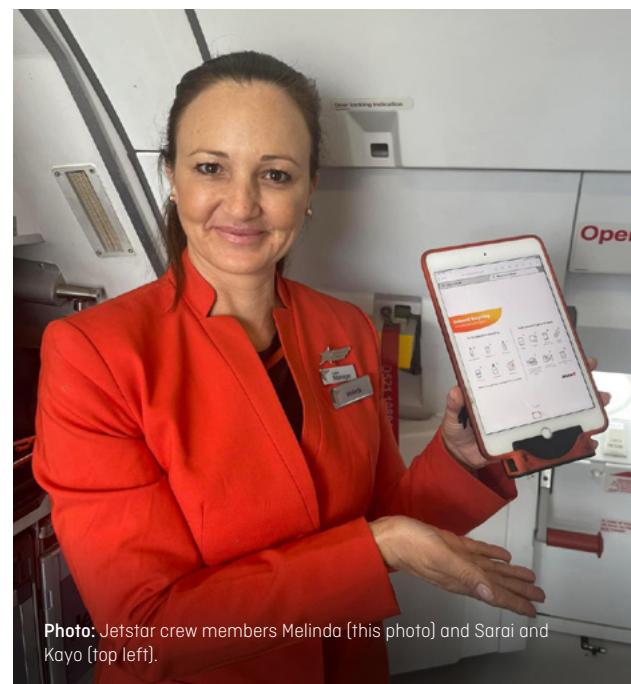


Photo: Jetstar crew members Melinda (this photo) and Saroi and Kayo (top left).



Onboard Recycling Australian Domestic Flights

To be placed in recycling



Please ensure you empty any liquids before recycling.

To be placed in general waste





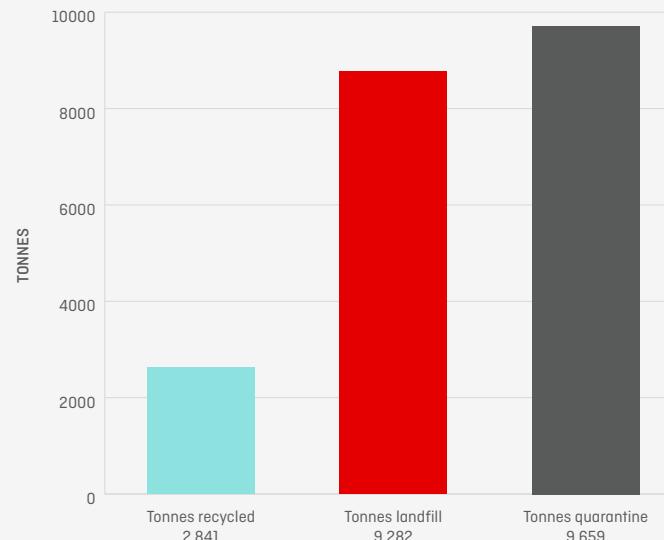
CASE STUDY — Converting passenger aircraft to freight

In February 2023, the second of our A330 passenger planes began its conversion to a dedicated air freighter. Prior to leaving Australia, items, including a bar cart, seats, exit signs and memorabilia made from repurposed life jackets, were auctioned to aviation enthusiasts to raise money for Pathfinders to donate to NextSense (formerly the Royal Institute for Deaf and Blind Children). Pathfinders is a volunteer fundraising committee made up of past and present Qantas crew members.

Before the major structural works were carried out in Dresden, Germany, the aircraft was stripped of all cabin items including seats, galleys and toilets, which will be reused, recycled and repurposed where possible.

WASTE METRICS

FY23 waste



In FY23, twenty-three per cent of our recoverable waste was recycled. Across the business, we continue to expand recycling systems for materials including paper and cardboard, mixed recycling, organics, electronic waste, metals, timber and soft plastics.

Quarantine waste is a highly regulated waste stream that is subject to biosecurity regulations. We are working with the Australian Government on opportunities to recover low-risk materials from the quarantine waste stream.



OUR FOCUS IN FY24 WILL INCLUDE:

- Continuing to reduce single-use plastics across our supply chain through the removal of packaging, changes to materials and products, increasing the use of recycled content, and identifying and trialling reusable items across our operations
- Developing a roadmap to accelerate waste reduction and diversion initiatives with a focus on highest materiality areas and opportunities
- Investing in available and emerging solutions to replace plastic and reduce waste.

Protecting nature through sustainable tourism

OUR APPROACH

Qantas views sustainable tourism as being mindful of the current and future economic, social and environmental impacts of tourism and aims to address the needs of visitors, the industry, the environment and host communities.

Our approach is to ensure travel and aviation continue to co-exist in the long term, by committing to reduce our own impacts and encouraging travellers to reduce their impacts while protecting and preserving tourism resources.

SUSTAINABLE TRAVEL CHOICES

In November 2021, Qantas was the first airline globally to announce a recognition and rewards initiative designed to encourage and recognise Frequent Flyer members who make more sustainable choices in the air and on the ground.

Green Tier officially launched on 8 March 2022 and is aimed at educating, encouraging and rewarding our 15 million Australian Frequent Flyer members for a range of activities including offsetting their flights, staying in eco-hotels and installing solar panels at home.

To achieve Green Tier, members need to complete at least five sustainable activities each year across six areas: flying, travel, lifestyle, sustainable purchases, reducing impact and giving back. Once achieved, members are rewarded with benefits such as bonus Qantas Points or status credits, access to exclusive events and initiatives, and the ability to earn Qantas bonus points when purchasing eligible sustainable products or experiences. These benefits are in addition to the rewards and status they receive under their existing flying tiers.

More than 470,000 members have completed at least one activity towards achieving Green Tier.

Achieving Green Tier

Complete actions in 5 out of 6 categories



Offset Flying

Offset a flight booked on Qantas.com



Sustainable Travel

Eco hotel stay booked through Qantas Hotels and Holidays



Sustainable Lifestyle

Offset your Home and Car
Purchase solar panels



Choose Sustainable

Purchase from eco winery through Qantas Wine
Offset Qantas Wine or Qantas Store delivery



Reduce Your Impact

Take our impact quiz to learn how



Give Back

Contribute to a sustainability organisation or project

NATURAL CAPITAL AND BIODIVERSITY

Nature and its resources are vital to the sustainability of the Qantas Group. Our businesses are inextricably linked to well-functioning, healthy ecosystems, which underpin everything from the food we serve, to the performance of our network, to the iconic destinations we fly our customers to. However, these ecosystems are under increasing threat, with nature loss occurring at an unparalleled rate and rapidly emerging as a global priority, alongside climate change.

A landmark United Nations report recently found that one million of the world's estimated eight million species of plants and animals are currently threatened with extinction. Human-induced climate and land use change is considered the leading cause, with 75 per cent of the Earth's land surface "severely altered" to date by human actions, including the loss of more than 85 per cent of wetland ecosystems.¹

Australia, despite its seemingly abundant natural assets, is on the frontline of nature loss with one of the highest country risk profiles, including:

- 19 ecosystems assessed as collapsing (second highest G20 country)
- The highest rate of mammalian extinction of any country in the world
- Only developed country identified as a global deforestation hotspot.

As Australia's national airline, Qantas acknowledges our significant interactions with nature and its resources. We recognise our crucial role in addressing this ongoing environmental crisis. We have a track record of backing regenerative initiatives through our carbon offset program. This includes our recent investment in the Reef Credits scheme.

1. IPBES [2019]: Global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. <https://www.ipbes.net/global-assessment>

The Group is committed to expanding these efforts, beginning our journey to implement the draft guidance released by the Taskforce on Nature-related Financial Disclosures (TNFD).

The TNFD was established in 2021 in response to the growing need to factor nature into financial and business decisions. The TNFD is a global initiative that seeks to create a framework for businesses to manage, disclose, and react to nature-related risks and opportunities, ultimately aiming to shift global finances away from nature-negative outcomes and toward nature-positive outcomes. The TNFD has released its beta framework, with final recommendations to be released in September 2023.

To prepare for this, the Group undertook a nature risk and opportunity assessment in FY23. This assessment identified material nature risks and opportunities across Qantas' value chain to create business value and inform the development of the Group's Nature Strategy. It was conducted in line with global best practices, including the TNFD beta framework.

This assessment was split into three broad categories: upstream supply chain, direct operations, and loyalty and destination tourism. The assessment found the Group's risk, from both an impact and dependency perspective, is concentrated in passenger and freight air transport supply chains, with key issues being freshwater use, land use and pollution.

This assessment has important implications for how we design our response to these risks as a part of a TNFD-aligned Nature Strategy. This strategy is due to be released in FY24, after the release of the final TNFD framework and guidance.

CASE STUDY — Qantas Regional Grants supporting regional conservation and tourism

Another of our successful Qantas Regional Grants recipients is supporting sustainable tourism and conservation in regional Australia. Aussie Ark, located in regional New South Wales, will use the grant to expand their eco-tourism accommodation options in the Barrington Tops, furthering Aussie Ark's ability to support the conservation of threatened native animals.



Photo: Tim Faulkner, Managing Director of Aussie Ark and qualified wildlife handler with Qantas crew members Melinda Fitzgerald and Joanne Maguire.



OUR FOCUS IN FY24 WILL INCLUDE:

- Continuing to grow Green Tier by increasing the number of eco-hotels and sustainable holiday and tourism experiences for members
- Adding opportunities for members to learn how to reduce their environmental footprint
- Releasing the Nature Strategy later in FY24, supporting four priority areas:
 - Refining biodiversity assessment for offset procurement and investment
 - Creating a biodiversity assessment framework for SAF investment
 - Demonstrating leadership as an early TNFD adopter
 - Developing opportunities to connect customers with Australia's natural assets.

Enabling our people

We are committed to enabling our people to be and do their best in a safe and inclusive culture.



This section of the Report highlights how we are supporting the achievement of the UN SDGs through our focus on inclusion and diversity, supporting our employees and respecting human rights. More information can be found in the Report appendix.



Photo: QantasLink team members (from left to right) Jason Mak, Cabin Crew, Leah Mbaria, Cabin Crew, Ameila TsiaVis, First Officer, Natasha Dargan, Cabin Crew, and Sarah Fry, Cabin Crew.

Supporting our people to feel safe and valued

SAFETY, HEALTH AND SECURITY

Our approach

The safety, health and wellbeing of our customers and people is always our priority. Our safety, health and security activities are supported by comprehensive governance structures and processes to monitor and manage performance and risks.

Qantas Group operates under one Safety Management System that integrates the management of risks associated with:

- People safety (workplace health and safety)
- Aviation operational safety
- Aviation operational security
- Privacy and cyber security.

The Safety Management System is audited internally and by external parties such as IATA, CASA and work health and safety regulators.

The Board has overall responsibility for the governance of risks. Oversight is maintained through the Board's Audit Committee, and CHESS, which is responsible for strategy, policy, systems oversight, monitoring and governance of the Qantas Group's operational risks.

Management has a governance model that facilitates the sharing of information and issues through both the airline (for example, Jetstar, Qantas Link, Network Aviation or Qantas Airways) and function (for example engineers, pilots and cabin crew). These governance forums have reporting and escalation pathways from the frontline through an individual airline or function, to the Group Safety and Operations Committee with representatives of airlines and functions, through to CHESS. In this way, safety concerns and successes can be quickly shared across the entire organisation.

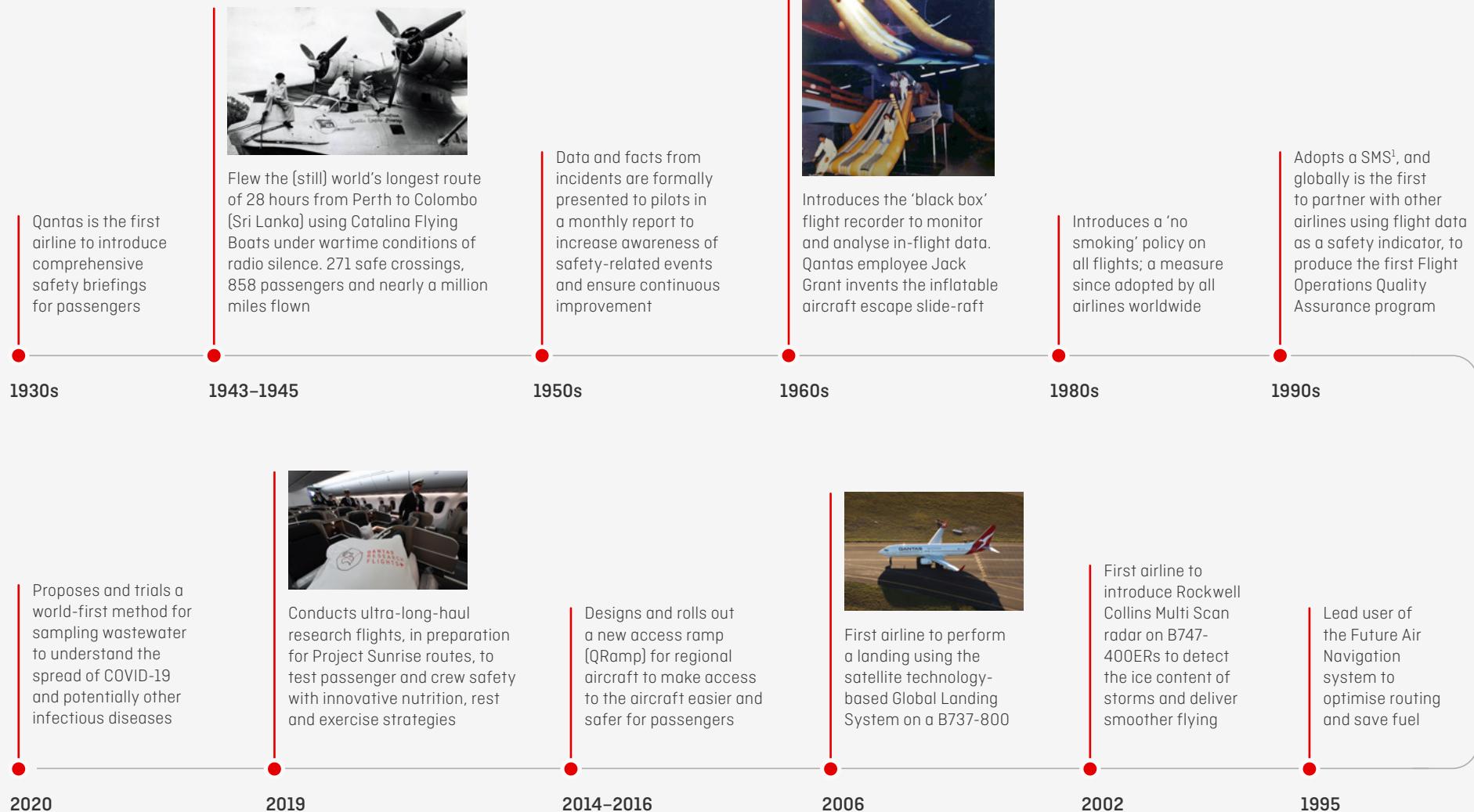
One of the highlights of our calendar is the annual Safety Conference. Our 11th Safety Conference, held in October 2022, brought together our people, partners and peers to

share knowledge and experience across the topics covered by CHESS. Presenters included leaders and industry experts. In 2022, participants could explore a 'virtual expo' on our internal website, learn about the changing face of national security, hear the story of one man's resilience during more than 500 days spent in the Antarctic, find out more about our sustainability agenda and hear more about specific areas of safety enhancement across the Qantas and Jetstar Group.

In April 2023, after more than three years in operation, our COVID-19 pandemic support team officially closed its doors, bringing an end to an important chapter in our COVID-19 pandemic response strategy. The cross-functional team, drawn from several Group airlines, was made up of more than 50 people from across the Group and included representatives from varied roles including pilots, cabin crew, airports, safety, medical, and people services. While COVID-19 is still with us, the management of the virus has now been integrated within business units.



HIGHLIGHTS OF OUR SAFETY JOURNEY



1. Safety Management System

CASE STUDY – World first COVID-19 study using aircraft wastewater

Qantas has been at the forefront of trialling a world-first for sampling wastewater to understand the spread of COVID-19. First proposed in 2020, and led by our Chief Medical Officer Dr. Ian Hosegood, a paper published in *The Lancet* in May 2023 highlights the key role international airports can have in screening, detecting, and mitigating cross-border transmission of COVID-19 and potentially other infectious diseases.

With aircraft passengers representing a subpopulation of a country or region, aircraft-based wastewater surveillance can be a promising approach to effectively identifying emerging viruses, tracing their evolution, and mapping global spread with international flights. The paper proposes the development of a global aircraft-based wastewater genomic surveillance network where aircraft wastewater samples are routinely collected for microbiological analysis and sequencing and linking the resulting data with associated international air traffic information.

With the creation of a strong international alliance between the airline industry and health authorities, this surveillance network will potentially complement public health systems with a true early warning ability to inform decision-making for new variants and future global health risks.



People safety

We are committed to minimising safety risks through our Safety strategy which has four key objectives:

- **Navigating safe outcomes:** ensuring key safety risks are identified, and that we have confidence in safety-critical controls and their effectiveness, with consistent application across the Group
- **Healthier with us:** ensuring our people's and customers' health and wellbeing is managed throughout their journey with us
- **Safety leaders:** giving our frontline leaders tools to help them improve the workplace and increase control of the Significant 21 risks¹
- **Safety done well, consistently:** making sure that our tools, processes and systems respond to the working and operating environment, and our capability ensures efficient and compliant operations.

Navigating safe outcomes – risk reduction

Our focus is on preventing aircraft accidents and all injuries, especially our Significant 21. In managing people safety, we prioritise those activities that could cause the worst outcomes — serious injury or even a fatality — to protect our employees and contractors through the Critical Risk Enhancement program which covers all of our highest-risk work. Our aim is to strengthen critical controls; those very strong controls that could, by themselves, prevent an accident or injury.

During FY23, we prioritised activity to manage the risk of falling from height, with data indicating this risk had the highest rate of serious incidents and near misses in the Qantas Group over the last five years. The Fall from Height program is structured into six workstreams, each targeting immediate actions to reduce risk quickly, followed by initiatives to support longer-term, systemic change. The program is governed by an internal Management board with representation from across

impacted business units and includes subject matter experts. Membership is designed to change as the program moves through different risks with a transition in 2023 from fall from height to traffic management.

Fatigue Risk Management System

When Qantas started flying, there were no rules to manage the risk of fatigue impacting crew performance. When regulations were introduced, they were based on experience and historical practice. In subsequent years, the Qantas Group assessed and managed fatigue-related risks in response to the changing operational landscape (such as the arrival of new aircraft and routes that increased flying time) and iteratively implemented amendments to the flight and duty time limitations using scientific studies and other evidence as the basis.

Recently, there has been a transition from a prescriptive rules-based to a data-driven risk-based system called the Fatigue Risk Management System (FRMS). While CASA regulations exist for flight crew there are currently none for fatigue risk management (FRM) of cabin crew. Qantas is using a data-driven approach to develop a FRM program for cabin crew. Like the system for flight crew, it will provide limits around duty times and minimum rest breaks, monitoring of fatigue reports and ongoing management of fatigue risks.

An ongoing research program is underway to better understand and manage the fatigue risks associated with ultra-long-haul flying, including the secondment of a PhD student from The University of Adelaide dedicated to this program. We are also working with Monash University, which has received government research and fellowship grants, to develop an app providing personalised fatigue management guidance.

Qantas also has a program of research underway relating to customers' experience in long-haul and ultra-long-haul flying (see the case study on the following page).

1. The UK Civil Aviation Authority developed the Significant Seven – the seven most likely ways an aircraft accident could occur. Qantas has adopted that approach and added the Significant Seven Engineering Risks – risks from maintaining aircraft that could contribute to an aircraft accident and the Significant Seven People Safety Risks – risks that could result in a fatality or very severe injury.



CASE STUDY — Reducing jetlag through innovation and imagination

In June 2023, we released the entire cabin design of our Airbus A350s that will fly direct from Sydney to New York and London from late 2025, as part of Project Sunrise. Qantas will be the first airline in the world to offer a purpose-built wellbeing zone located between the premium economy and economy cabins, featuring integrated stretch handles, a guided on-screen exercise program, a hydration station and a range of refreshments.

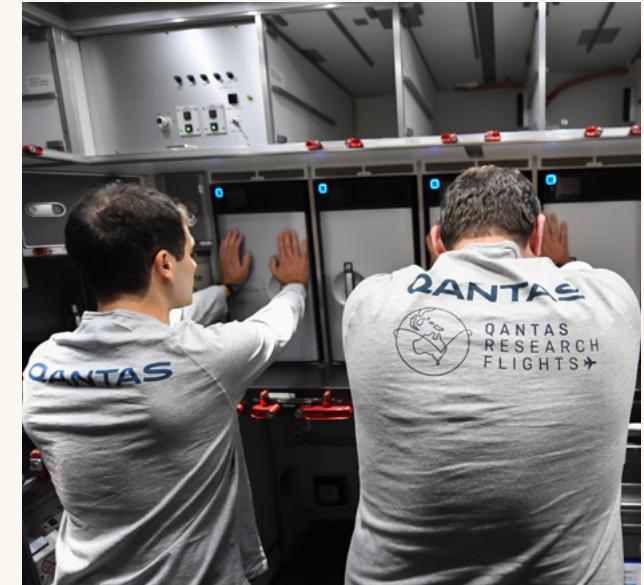
Qantas and the University of Sydney's Charles Perkins Centre also released initial research findings from world-first scientific research on reducing jet lag and improving sleep and overall wellbeing before, during and



after ultra-long-haul flights, which has informed the cabin design of the Qantas A350s.

The joint study found the impacts of jetlag can be reduced by reshaping the inflight travel experience. Qantas has been working with the University of Sydney's Charles Perkins Centre since 2015, when we first began preparing for the Perth to London direct flights.

In 2019, Australian researchers collected data from 23 volunteer passengers who were fitted with wearable device technology during the 20-hour flights as they followed a specially designed menu, lighting, sleep and movement sequences. The initial findings¹ indicate that, compared with customers on a traditional inflight sequence of eating and sleeping, those on the tailored schedule experienced less



severe jet lag (self-reported), better sleep quality inflight and better cognitive performance in the two days after the flight.

Further testing will be conducted at Airbus' Hamburg headquarters later this year when specialists will design the lighting settings for each part of the Project Sunrise flights.

We continue to look for opportunities to collect data on issues such as fatigue. A flight from Sydney to Dresden in March 2023, moving a passenger A330 for conversion to a freighter, operated with four pilots and a Fatigue Research Manager to make sure crew data was collected and monitored correctly, with crew wearing fatigue monitoring devices to observe their melatonin levels before, during and after the service.

1. The research had not been published at the time of printing the Sustainability Report.

Safety performance metrics

We use three key metrics to measure safety performance — total recordable injury frequency rate [TRIFR]¹, lost work case frequency rate [LWCFR]² and fatalities.

In FY23, our TRIFR was 18.5 compared with 14.3 in FY22 and 17 in FY21. Our LWCF was 9.8 compared with 7.7 in FY22 and 5.4 in FY21. There were no fatalities in FY23 which is consistent with FY22 and FY21.

The comparison between FY23 and FY22 injury rates is impacted by the COVID-19 pandemic. During FY22, reduced operations during the pandemic resulted in lower injury rates, lower hours worked, and some workgroups, that traditionally have high injury rates, being stood down. Injury rates in FY23 were similar to FY19 (pre-COVID-19).

Data insights reveal the top three injury drivers are body stressing, slips, trips and falls, and body hit by objects. We continue to implement targeted programs and initiatives to address these risks.

During FY23, we implemented the Group Musculoskeletal Strategy, targeting body stressing and manual handling. While the Strategy aims to prevent injuries, it also focuses on injury response, early intervention and recovery programs, supporting people who have experienced these injury types.

Supporting the Strategy, in October 2022 QantasLink Engineering trialled the use of Biosymp exoskeleton suits, which can provide a 45 per cent reduction in the muscle activity required for manual handling tasks. In June 2023, our Freight business partnered with Sparta Science to trial a

predictive analysis of movement health biomarkers which are correlated with musculoskeletal disorders.

Qantas Freight has also introduced a new program called SafeWay which has a focus on manual handling, helping employees to bend and lift safely to help prevent body-stressing injuries. Through SafeWay, the team has introduced onsite physiotherapy to provide early intervention and injury response services. They are also consulting with employees to design safer workplace practices and providing leaders with online training around supportive conversations.

Healthier with us

Healthier with us is our health and wellbeing program, designed to foster an environment that supports, enables and motivates our people to live healthier, happier and more productive lives. Its approach is to provide our employees with validated, relevant, meaningful, and timely wellbeing initiatives, information, activities, resources, and tools.

Psychosocial risk management

Qantas has long recognised the impact of psychosocial hazards on people's health and wellbeing. The Our Minds Matter program, introduced in 2016, is aimed at understanding and improving the mental health of our people. In line with evolving regulatory changes to psychosocial risk management across Australia, an additional program of work is underway to first ensure compliance with new regulatory requirements while continuing to implement leadership practices within the psychosocial risk management space.

Aligning with the approach defined in the Safety Management System, the program of work focuses on a four-pillar model of prevent, promote, intervene early and recover. Our Psychosocial Risk Management program connects the Safety and People functions to drive leadership engagement and empowerment and to manage these risks at an individual, team and organisational level.

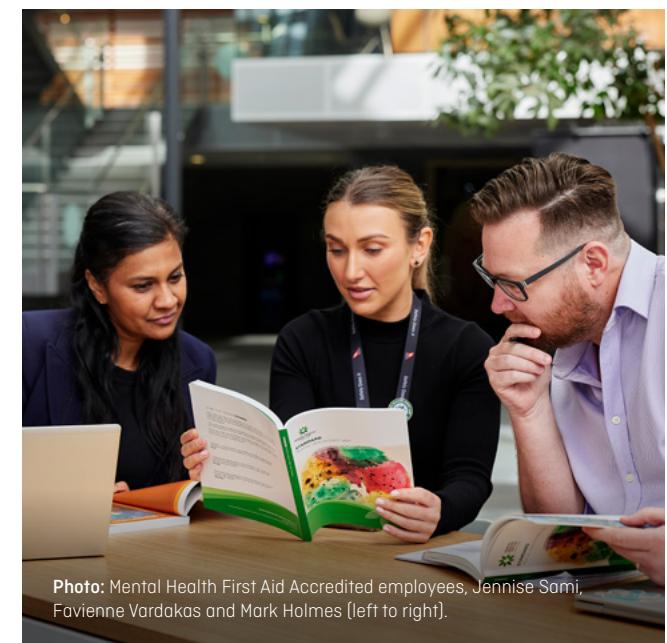


Photo: Mental Health First Aid Accredited employees, Jennise Sami, Favienne Vardakas and Mark Holmes [left to right].

1. The total number of injuries or illnesses during work hours [1 July to 30 June] with an accepted workers' compensation claim for Australia-based personnel, or equivalent in other jurisdictions, per million hours worked. Injury and illness claims caused by factors outside the organisation's control are excluded from this calculation. Examples are journey and slip port injuries and illnesses from COVID-19. This metric includes embedded contractors who work exclusively for the Qantas Group and perform work that is considered core business.
2. Described as the total number of injuries or illnesses during work hours [1 July to 30 June] with an accepted workers' compensation claim for Australian-based personnel, or equivalent in other jurisdictions, which resulted in total incapacity, per million hours worked. Total incapacity is defined as any injury or illness that results in an injured worker being unfit for work. Journey and slip port injuries are excluded from this calculation. This metric includes embedded contractors [as described above] and employees of majority-owned entities of the Qantas Group.

Building mental health and wellbeing literacy

Our employees have access to an extensive suite of wellbeing and mental health learnings, which we believe contributes not only to healthy, safe and resilient workplaces but also to healthy, safe and resilient families and communities outside of work. Mental health first aid and psychological first aid are two of the external learning programs offered.

Employee Assistance program

We partner with Converge International to provide our Employee Assistance program [EAP] which includes coaching and support for mental health and mental illness challenges, as well as financial coaching, career coaching, and nutrition and lifestyle coaching and support. The EAP gives our people and their families access to qualified professionals including psychologists, social workers and management coaches.

During FY23, we extended the EAP to employees based in the Americas, Asia, the UK, Europe and Africa. The service is available 24 hours a day, 365 days a year for employees and their immediate families.

Our wellbeing partners

We engage a network of experienced partners and providers to support our health and wellbeing program.

- The Resilience Project's Wellbeing Series with videos and information covering The Resilience Project's top 10 strategies to build resilience and happiness
- Integrity Health and Safety, a First Nations-owned and operated business, delivers the annual Flu Vaccination Campaign across our Southern Hemisphere-based business. It supports the professional development of Aboriginal and Torres Strait Islander nurses by funding scholarships to help build healthcare capability in Aboriginal and Torres Strait Islander communities

- Beyond Blue supports us in reducing the stigma and bias around mental illness through the sharing of Beyond Blue learning opportunities and resources
- Australian Red Cross is a key delivery partner in our mental health first aid and psychological first aid training, delivering accreditation courses to our people all over Australia and increasing mental health literacy in our community. Through Australian Red Cross, Qantas also participates in the Lifeblood Teams program, with Qantas Group volunteers making blood, platelet and plasma donations. We currently have close to 300 members in our Qantas Lifeblood team who made more than 1,000 donations in 2022.

Qantas is a member of the Corporate Mental Health Alliance Australia, a collective of Australia-based organisations working together to provide mentally healthy work environments through collaborative research and development of tools and resources.

Safety leaders

In FY23, we continued to roll out a leadership program with a focus on psychological safety and the importance it has in organisational and leadership effectiveness. The program leverages expertise from the Neuro Leadership Institute, as well as psychological safety and Just Culture¹ processes, and applies them to broader leadership behaviours.

Safety done well, consistently

In FY23, we continued our improvement of the Safety Management System [SMS] with updates to the Critical Risk Management System, to improve the way we manage high-consequence people safety risks, and our Group Integrated Management System that forms the backbone of our SMS.

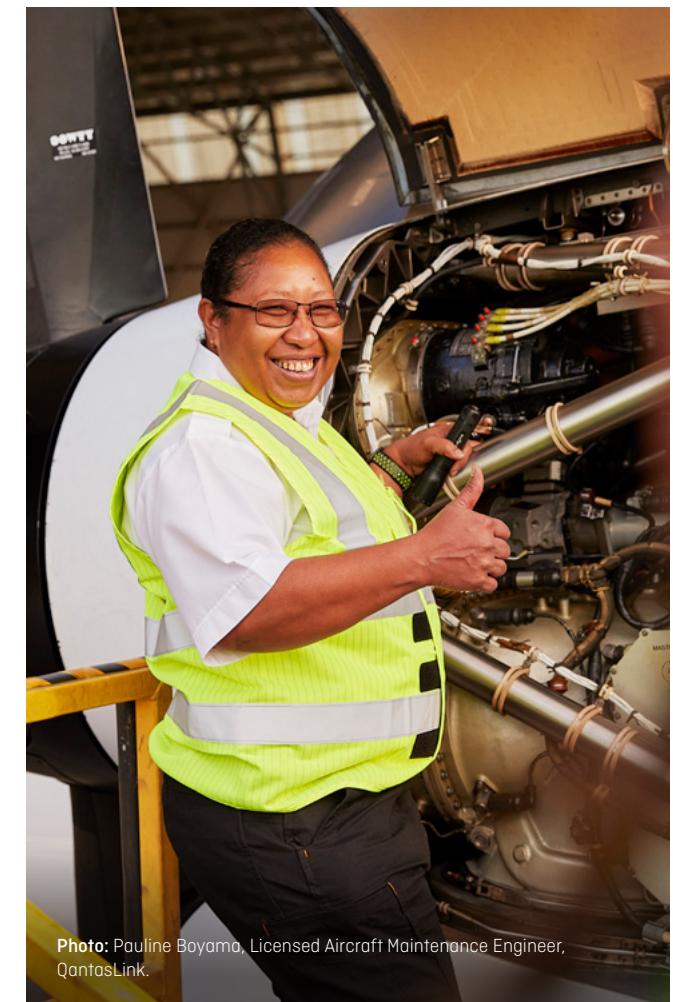


Photo: Pauline Boyamo, Licensed Aircraft Maintenance Engineer, QantasLink.

1. Just Culture refers to a system of shared accountability in which organisations are accountable for the systems they have designed and for responding to the behaviours of their employees in a fair and just manner.

Making these documents more relevant, easier to read and access, and up to date with contemporary practice and regulations supports our people to deliver safe outcomes in their day-to-day work.

Aviation operational safety

FY23 was not without challenges as we continued to bring aircraft grounded by the global COVID-19 pandemic back into service and opened or reopened flying to ports that we had not flown to recently.

Our operational safety performance was strong in FY23 as we maintained a reporting culture where people feel safe to report issues without fear of negative consequences. The safety management system is underpinned by this reporting culture.

During FY23, we also started taking delivery of new aircraft. The team choosing those aircraft considers safety in the selection of the aircraft, in the configuration of the aircraft, in the technology that the pilots will interact with, and the way people will load bags into the hold under the aircraft, or stow bags in the cabin.

We expect to return to around 100 per cent of our international network pre-COVID capacity by March 2024, up from around 85 per cent of pre-COVID levels in June 2023 and a significant increase from only 45 per cent in mid-2022.

Air returns received widespread media coverage during the year. Despite the attention, turnbacks indicate a strong safety system and, reviewing our data, there has been no change from our average rate of turnbacks before and after COVID-19, which for Qantas is approximately 60 a year or one per 2,000 flights.

Our regional arm QantasLink has more turnbacks, over 200 a year, because it operates more flights and it makes sense to return to a major city rather than fly to a remote town without the same level of technical support as our major hubs. Globally, the industry sees more than 10,000 air returns a year.

Aviation operational security

The aviation industry continues to face complex threats from individuals and organisations globally. Qantas invests significant resources to protect passengers and employees, as well as aircraft worth billions of dollars, from security risks which can vary from acts of terrorism to state-sponsored cyber attacks against critical infrastructure.

Qantas works closely with the Australian Government, airports, police, intelligence agencies, regulators, border agencies, overseas agencies, law enforcement agencies and global partners across the industry to proactively monitor and manage threats and risks. We seek to be at the forefront of improving security outcomes for customers and employees by operating within a security framework that is proportionate, agile and responsive to changing threats and risks.

FY23 continued a busy and multifaceted transition from the restart of the domestic and international networks following the COVID-19 pandemic to business-as-usual operations and a focus on strategic risk management. This included re-engagement with offshore regulators; the re-set and approval of statutory documents; port threat assessments; and the Aviation Security Identification Card and access return-to-work program.

Qantas Group Security and Facilitation (GSF) participates in several domestic and international committees to review and refine security measures, plan for and acquire enhanced security equipment and implement world best practices in aviation security.

Intensive and proactive engagement with the Australian Government and key offshore regulators has been a key priority for GSF to ensure the Group continues to be considered in aviation security and facilitation policy development.



CASE STUDY — Supporting critical medical treatments

In 2022, Qantas Freight transported more than 27,000 shipments which have special handling categories as they literally save lives. This special cargo includes live human organs such as hearts, livers, and kidneys, as well as tissues and eyes (corneas). More than 12,000 of these shipments are 'saving human life' items such as chemotherapy medication, blood diagnostic samples, specialist medical parts and equipment for operations.

These critical freight movements play an integral role in saving thousands of lives every year.

Qantas Freight handles a wide variety of items every year, from customer products and sporting equipment for major events, to rare livestock and animals.

The GSF regularly engages with the Department of Home Affairs' Cyber and Infrastructure Security Centre, the Australian Border Force, as well as with key offshore regulators, such as the USA Transportation Security Administration, the UK Civil Aviation Authority (CAA), and New Zealand (NZ) CAA.

Cyber security and privacy

The aviation sector is dependent on data, systems and networks and, like many organisations, we operate in an environment of ever-evolving cyber threats, where attackers continually adopt more sophisticated techniques. We recognise the importance of protecting data and systems from these attacks, and the potential financial and reputational implications associated with unauthorised access to the information we hold.

Across the Group, we are responsible for handling a substantial amount of personal information. We collect, share, use, store and process personal information in accordance with an ever-changing and increasingly complex landscape of international and domestic laws and regulations.

We acknowledge our responsibility to protect and maintain the privacy rights of individuals, to maintain the security and the value of their personal information, and strive to meet their expectations regarding fair, ethical and responsible data use.

We continue to invest in improving the resources, processes and technology that support the Group to address the volumes of personal information we manage. Risk assessments are conducted on relevant third-party suppliers and we work with them to address any material cyber and privacy risks identified.

The Group is committed to raising our employees' awareness of our shared privacy compliance obligations and embedding a CyberSafe culture. This includes articulating clear cyber accountabilities at all levels of the organisation. The need for shared vigilance on cyber issues is supported by formal recognition of employees who demonstrate positive CyberSafe behaviours.



During FY23, the Group Cyber team continued to train our people to increase their awareness of phishing and scams, and measured our employees' ability to spot and report suspicious emails. The team's activities include running phishing simulations (based on real phishing threats that frequently target our people, both at work and home) and providing a variety of bespoke training programs, in addition to a suite of mandatory cyber security and privacy training for our people. The bespoke programs include face-to-face executive training and role-specific training for higher-risk users such as privileged users and developers. The Group also includes cyber content in induction training for operational employees (such as pilots and cabin crew) as well as corporate employees.

In December 2022, we held our inaugural Cyber Safety Week across the Group to help equip our people with the tools and knowledge to be CyberSafe. Topics included how to spot a phish, social media dos and don'ts, as well as tips for keeping

an online identity secure. This was particularly timely as it followed shortly after a number of significant data breaches at other Australian businesses.

A Group-wide privacy awareness campaign was run in May 2023 to coincide with Privacy Awareness Week activities coordinated by the Australian privacy regulators.

In FY23, the Group also completed our first Cyber Culture Survey to measure the success of the Group's ongoing cyber culture strategy and to identify areas for enhancement, as part of the process of continuous improvement required to maintain a strong 'human firewall'.

We also worked with experts to gain a deeper understanding of several high-profile data breaches that impacted Australian and global companies during the year and incorporated learnings from those events into our approach to cyber security and privacy.

Cyber 101: Top tips to be CyberSafe

- Stay alert for suspicious emails, texts, calls and instant messages
- Activate automatic updates for all personal devices
- Activate multi-factor authentication (MFA)
- Use passphrases to secure your important accounts

How to spot a phish

- Never take the clickbait. Stay alert for suspicious emails, texts, calls and instant messages.
- Always verify the legitimacy of any email (test or simulate!) using 'Report Phish' in Outlook or PhishAlarm > 'Report Phish' in Gmail for Loyalty.

Cyber Safety Week: Be cyber savvy on social media

- Review your privacy and security settings on each account - set your accounts to 'private'
- Always verify the legitimacy of any friend, follower or connection requests that you receive
- Avoid oversharing and never post photos showing your employee ID card

Protect yourself against identity crime

- Secure personal documents at home or when travelling and shred any old documents
- Keep your employee ID card secure and never use it as a profile picture on social media sites
- Be cautious about requests for personal or work information over the phone, in person or over the internet



OUR FOCUS IN FY24 WILL INCLUDE:

- Continuing to enhance our work around managing psychosocial safety, with new Australian legislation helping us review our approach and broaden the program to consider all psychosocial risks and to enhance employee support
- Supporting key teams to reduce risk in working at heights and traffic management including data monitoring to better understand and identify these hazards, and implementing programs to protect and enhance critical controls
- Using technology to gain deeper insights into our safety data including through new tools, such as artificial intelligence and machine learning, that provide deeper performance insights into safety risk exposure and performance, and applying these across aircraft safety and people safety
- Continuing to research fatigue risks and management, with a key area being ultra-long haul flying and applying learning across works groups prone to fatigue
- Continuing to improve cyber security and privacy capabilities in an environment of dynamic threat, heightened customer expectations, rapid technological advancement and broad-reaching regulatory reform
- Leveraging the safety risk management processes and structures already in place and further embedding cyber security and privacy accountabilities into all parts of the Group
- Raising the profile of cyber security and privacy through activities such as the Cyber Safety Week, Cyber Culture Survey and as a key element of the annual Safety Conference.

INVESTING IN OUR PEOPLE

The Qantas Group People Strategic Plan supports our vision of enabling our people to be and do their best in a safe and inclusive culture with emphasis on:

- Attraction and retention
- Developing and engaging
- Inclusion and diversity.

Our workforce

Our global workforce consists of more than 27,000¹ employees across 27 countries,² of whom 95 per cent are directly employed by a Group entity, either by an individual contract or under enterprise agreements (EA) and in accordance with relevant national employment legislation.

Within Australia, 81 per cent of our employees hold operational roles, such as pilots, cabin crew, engineering and maintenance, customer service, freight operations, and safety. The remaining 19 per cent of our employees provide operational support, in areas such as aircraft load control, meteorology and flight planning services, or deliver corporate services, such as risk and compliance, finance, legal, treasury, human resources and sustainability services.

Our operations also include a proportion of indirect workers who deliver services under contracts between the Group and specialist providers, whereby we are one of many clients. These indirect workers include contractors, contingent workers and outsourced labour hire resources that support our business in areas such as cabin crew, ground handling, baggage services, catering, cleaning, security services, information technology, and payroll services.



1 Total number of employees of wholly-owned entities of the Qantas Group, as well as Jetstar Asia Airways Pte Ltd, and majority-owned entities Holiday Tours, Travel Ltd and Taylor Fry Holdings Pty Ltd and Trip A Deal Pty Ltd.

2 This number is correct as of the end of the reporting period 30 June 2023.

ATTRACTION AND RETENTION

There has been strong interest in working for the Qantas Group, with applications over the past 12 months continuing to grow and now exceeding those prior to the COVID-19 pandemic.

Retention of talent continues to be a priority, with investment focused on recognition, benefits, opportunities for internal promotion and professional development. Local-level solutions are required for some workgroups and locations to address a highly competitive talent market for technical skills. Voluntary employee turnover declined from 10.4 per cent at 30 June 2022 to 8.6 per cent at 30 June 2023.

Recruitment drive

As we move from recovery to growth, the Qantas Group expects to create more than 8,500 new highly-skilled jobs in Australian aviation over the next decade. These additional roles include pilots, engineers, cabin crew and airport employees, and are driven by investment in new aircraft and increased flying to meet long-term demand.

Rewarding employees

Recognising the significant role of employees in contributing to our recovery from the COVID-19 pandemic, in February 2022, we introduced a Recovery and Retention program, awarding 1,000 share rights to 17,000 eligible non-executive employees and a share rights-based bonus to managers and Senior Executives.

In October 2022, we expanded the Recovery and Retention program to an additional 3,600 non-executive employees who joined after 1 July 2021. Both awards fully vested in August 2023 following performance and service conditions being met.

In addition to the 1,000 share rights awarded to non-executive employees, enterprise agreement-covered employees were given the opportunity to secure a one-off \$5,000 payment upon finalisation of their relevant new enterprise agreement within a specified time period.

Improving staff travel

We introduced changes to our Staff Travel program in FY23, to further enhance our employee value proposition. The changes included lower staff travel standby fares, a staff discount on commercial fares for a guaranteed seat, and expanding the number and categories of eligible travel beneficiaries.

Recognising our employees

There are many opportunities for recognition including through our programs ThankQ (Qantas) and Bravo (Jetstar) which

enable employees to recognise their colleagues for modelling Qantas Group behaviours.

In FY23, there were 24,721 employees recognised and a total of 168,844 recognition nominations across ThankQ and Bravo. This includes manager recognition, as well as by peers.

The annual eXcel Awards are an annual employee recognition event, celebrating the exceptional achievements of people across the Qantas Group who made a stand-out contribution in the previous calendar year.

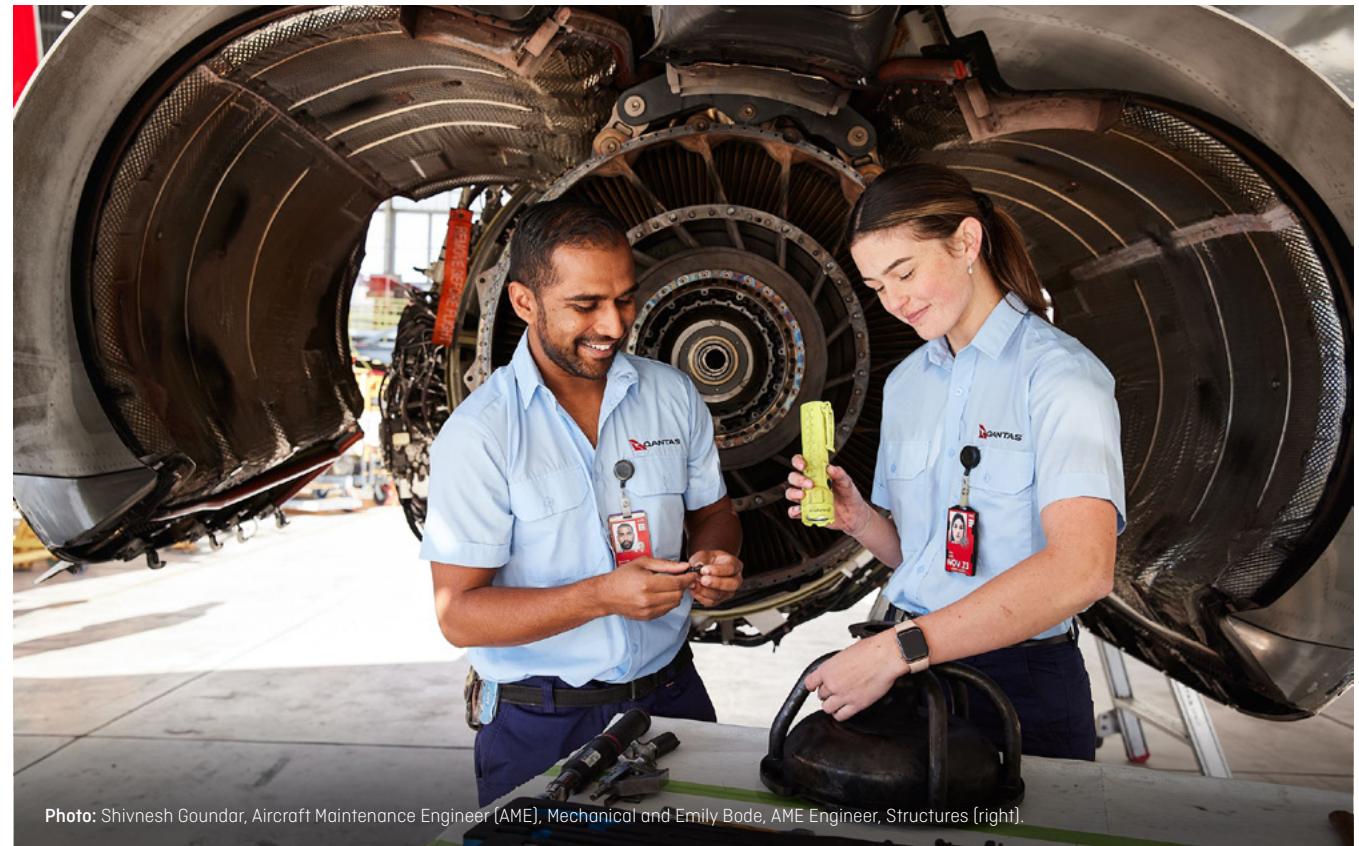


Photo: Shivnesh Goundar, Aircraft Maintenance Engineer (AME), Mechanical and Emily Bode, AME Engineer, Structures (right).

DEVELOPING AND ENGAGING

Onboarding

We run Welcome Onboard induction programs for all corporate and support employees and leaders new to the Group. These programs are aligned to the Qantas Group Strategy and include an emphasis on environmental and social sustainability.

Leadership development program

Across the Qantas Group, we are focused on providing a safe and inclusive workplace that enables our people to be and do their best every day.

Our leaders play a critical role in our people's everyday experience and across 2023 we are continuing to invest in our leaders' professional development through a range of programs focused on creating a safe and inclusive culture.

Engineering Academy

In 2023, we announced that we will establish the Qantas Group Engineering Academy in Australia, with the capacity to train up to 300 engineers annually. Trainees will be able to choose to study in Brisbane or Melbourne, with both cities selected as Academy locations.

The Academy will provide aviation engineers for the Qantas Group as well as the broader aviation industry, including defence contractors and general aviation — two areas with high demand for these skills. A particular focus will be on encouraging more women to consider a career as an aircraft engineer.

Over the next decade, the Qantas Group alone will need around 200 new engineering recruits every year to meet growth and attrition as current engineers retire. That number exceeds the current national supply of new aviation engineers each year, meaning a new training pipeline is needed.

Qantas will invest in establishing the Engineering Academy, which is expected to open its doors to the first students in 2025. Entry-level classroom training for aviation engineering takes at least 12 months. Further theory and on-the-job training is required to move through various levels of accreditation as an aircraft maintenance engineer. A fully licenced aircraft maintenance engineer typically takes a minimum of five years of practical and classroom training.

New flight training centre

In May 2023, construction began on a new flight training centre in Sydney, which will train up to 4,500 Qantas and Jetstar pilots and cabin crew each year from early 2024. This multi-million-dollar facility will house up to eight full-motion simulators including for the Airbus A350, the aircraft that will operate non-stop flights from Sydney to London and New York.

The purpose-built facility in St Peters, near Sydney Airport, will also offer flight training devices, aircraft cabin mock-ups with emergency procedures equipment, and classroom and training facilities. Senior Qantas and Jetstar training captains will train pilots from the two airlines while global training provider CAE will maintain all simulators and training equipment and manage the centre's day-to-day operations as part of a long-term agreement.

Qantas and Jetstar pilots typically complete four simulator sessions per year to remain current in their formal qualifications and up to 15 sessions when training for a new aircraft type.

Qantas relocated simulators from Sydney to Melbourne and Brisbane in 2021 to make way for the NSW Government's Sydney Gateway road project. Sydney-based pilots currently travelling interstate will be able to attend training in their home state when the new facility opens in early 2024.

QANTAS GROUP PILOT ACADEMY

- Delivering a strong pipeline of highly-skilled pilots
- 160+ students currently training to become commercial pilots
- >1,000 pilots expected to graduate from the Academy over the next five years into Qantas Group and wider aviation industry
- 50 scholarships announced over next five years for future female and First Nations pilots.



QANTAS GROUP ENGINEERING ACADEMY

- Providing aviation engineers for the Qantas Group and broader aviation industry
- Supports the ability to meet growth as well as attrition as current engineers retire
- Capacity to train up to 300 engineers/year
- Expected to open to students in 2025
- ~1,000 expressions of interest received to join the Academy since announcement.



FUTURE TALENT PROGRAMS

- Rapid growth of graduate and intern talent pipelines
- Focused on future skills including engineering, digitech and data science
- 3,000 applications for 55 graduate positions
- Establishment of intern program to support future talent pipeline across the Group
- Partnering with schools to create aviation work experience weeks.



New facility at Mascot

Our new training facility at the Mascot campus officially launched in August 2022. Known as The Longreach Centre of Service Excellence, it is used to provide training for cabin crew across the Group and includes four cabin pods (one business pod, one first class pod, two mixed – premium economy, economy), service rooms and 13 training rooms for theory-based training on the business, service and safety training.

Return of the Graduate program

The Qantas and Jetstar Graduate programs restarted in October 2022, with 46 graduates commencing across the two businesses. Qantas is forecasting an additional 55 graduates to join us in FY24, with a focus on increasing female participation within STEM streams and increasing First Nations representation. Giving graduates the chance to grow a mix of specialist and generalist skills is a key part of our talent strategy and one way we continue to build our talent pipeline.

AcademyQ

Supporting people development is AcademyQ, an online platform relaunched in FY23. It provides unlimited access

to a library of over 100,000 self-directed online courses for all Qantas Group employees, tailored to professional and personal interests.

Measuring employee experience

In FY23, we partnered with Qualtrics to evolve our approach to understanding our people's experience across the Group. We are now undertaking bi-annual surveys focused on five key areas: engagement, experience vs expectation, intent to stay, inclusion and wellbeing. Additionally, we launched a range of new surveys aligned to key moments that matter in the employee life cycle, including onboarding, starting a new role, post learning and development, work anniversaries and returning from parental leave. These enhancements provide leaders with access to data and insights more frequently and readily, and give us a holistic view of our people's experiences across different areas of our business.

LABOUR RIGHTS

The Group recognises and supports the rights of freedom of association, with more than 50 Enterprise Agreements (EAs) covering approximately 20,000 employees. Over time the

Group has endeavoured to modernise the terms and conditions of the various EAs, reflective of the prevailing operating conditions and the evolving industrial landscape.

There is an established process for negotiating new EAs, which involves our internal Industrial Relations team engaging with affected employees, predominantly via the relevant Union representatives, and includes extensive negotiation to reach agreed-upon terms. Following negotiation, our people have an opportunity to vote on the EAs, and if voted in favour by a majority of employees casting a vote, the EAs are ultimately endorsed by the Fair Work Commission.

High Court decision

Qantas acknowledges and accepts the High Court's September 2023 decision to uphold two prior rulings by the Federal Court regarding the legality of outsourcing the remainder of the airline's ground handling function in 2020. The decision to outsource the remainder of the airline's ground handling function was made in August 2020 while its operations were severely affected by the COVID-19 pandemic. Qantas deeply regrets the personal impact the outsourcing decision had on all those affected.



OUR FOCUS IN FY24 WILL INCLUDE:

- Investing in leadership and professional development for 7,500 leaders including 5,500 frontline leaders
- Building our future talent pipelines across the Pilot Academy, our graduate programs and the Engineering Academy
- Understanding our employee experience across engagement, inclusion and wellbeing.

Enhancing inclusion and diversity

The Qantas Group has long recognised the importance of inclusion and diversity in creating a better company and a better society more broadly.

Having a strong focus on inclusion and diversity is essential for us to build on our strong foundations. We value our people's diverse lived experience and believe that our inclusive culture contributes to our strength and success. Our diversity of thought and experience helps us to understand our customers, make better decisions and get things done safely.

Our three-year Inclusion and Diversity strategy was launched in 2021 to drive better business outcomes and an improved people experience through shared accountability for inclusion and diversity. In implementing the strategy, we have focused on diverse representation, fostering a safe and inclusive environment for our people and customers, and taking opportunities for external leadership.

During the year the Qantas Group made progress towards achieving our ambitions. Information about our work on First Nations engagement can be found on pages 67 to 70 of this Report.

SUSTAINABLE ABORIGINAL AND TORRES STRAIT ISLANDER CAREERS

Sustainable, meaningful careers are critical to our vision for reconciliation. We aim to build on our long, proud history of engaging with Aboriginal and Torres Strait Islander peoples by providing First Nations representation, leadership and engagement opportunities across the Qantas Group.

By reducing barriers to employment and promotion, we are striving to empower Aboriginal and Torres Strait Islander peoples to contribute meaningfully within their communities and in the workplace. More information can be found on our website at [Reconciliation at Qantas](#) and on pages 67 to 70 of this Report.

Underpinning our commitment to reconciliation is our Cultural Learning Framework, a comprehensive and inclusive customer service training suite that will be rolled out to



Photo: Emily Bode (Aircraft Maintenance Engineer – Structures) and Kieran Connolly (First year apprentice Engineering – Mechanical Trade), one of our First Nations team members (right).

10,000 customer-facing front-line employees, leaders and people managers to foster an awareness, understanding and appreciation of First Nations knowledge, cultures, histories and rights.

Qantas is proud to be working with Johnny Briggs to deliver face-to-face cultural confidence training, alongside an ongoing partnership with Jawun to deliver secondement and immersion opportunities. Aboriginal and Torres Strait Islander

Cultural Awareness by SBS (online) is also being rolled out more broadly to the wider Qantas group workforce to develop the cultural capability of our workforce.

We also continue to work with CareerTrackers, Maxima, The Clontarf Foundation and the Australian Indigenous Education Foundation to provide education and career opportunities for Aboriginal and Torres Strait Islander students.

RELEASE OF THE QANTAS GROUP ACCESS AND INCLUSION PLAN

In 2023, the Qantas Group was proud to release our first Access and Inclusion Plan. Our vision is to increase access and inclusion for our employees and customers.

In developing the Plan, we aimed to place the lived experience of people with disability at its centre. We were guided by our partners Australian Network on Disability, Paralympics Australia, our employees and people with disability.

The Plan sets out our key goals to improve accessibility for our people, our customers and our community across four pillars:

- **Customer experience:** we work to ensure we make the customer journey as seamless as possible for people with disability
- **Sustainable careers:** we support people with disability to build their careers
- **Places and technology:** we strive for an accessible and inclusive environment for employees and customers
- **Community and partnerships:** we create more inclusive and accessible communities through our partnerships and procurement.

In releasing a foundational Access and Inclusion Plan, our aim is to continue to build disability confidence across the business. To do this, and in support of our plan, we re-released online disability awareness training in February 2023.

The rollout of the training has commenced and is initially prioritising frontline and customer-facing team members.

In July 2023, we also launched Enabled, an employee network for people with disability and allies. More information about our Access and Inclusion Plan is available at [Acting responsibly | Qantas AU](#).



CASE STUDY — Fostering inclusion

In 1997, Wayne Bell was in an accident which resulted in an above-the-knee amputation. With the help of a great support network, Wayne then represented Australia at the Sydney 2000 Paralympics in the pentathlon.

In 2012, Wayne joined Qantas as a Customer Service Agent. He wears a leg prosthesis which supports him but is not visible to others. When he first joined Qantas, Wayne remembers his colleagues being unsure how to talk about disability or ask questions.

Wayne believes Qantas' new employee network for people with disability and allies will foster inclusion and help create a safe space for people to share their experiences and learn from each other.

ENGAGING OUR PEOPLE TO ACT AS CHAMPIONS FOR INCLUSION

We aim to harness the collective efforts, ideas and energy of our employees in creating an inclusive environment for our people and customers.

Our Inclusive Leadership development program is currently being provided to those in leadership roles — approximately 7,500 leaders, including 5,500 frontline leaders in our daily operations. Partnering with the NeuroLeadership Institute, our program focuses on psychological safety, inclusion and belonging.

The training follows First Nations Cultural Awareness training, which also prioritised leadership attendance to upskill this cohort to drive cultural change.

Our employee network groups are also key to facilitating and supporting change.

CULTURAL DIVERSITY

The Qantas Group became a member of the Asian Leadership Project in 2023, offering employees the opportunity to attend key networking and awareness-raising events.

We are building the cross-cultural awareness of our people and have launched culturally inclusive service training for customer-facing frontline employees this year.

Our ongoing focus for FY24 will be on better understanding the cultural diversity in our workforce and launching an employee network group.

GENDER INCLUSION

The Qantas Group is focused on ensuring pay equity (same pay in like-for-like roles) and improving gender representation across all employee functions.

Our gender pay gap is impacted heavily by the historic under-representation of genders in varying paid vocations (pilots/cabin crew). We currently have strategies in place to address this by improving gender representation. These strategies include undertaking a pay equity analysis on like-for-like roles, and increasing representation of women in leadership and under-represented roles.

Qantas supports the IATA 25by2025 global campaign to change gender balance within the aviation industry. We have agreed to several commitments, with a focus on:

- Increasing representation of women in senior leadership
- Increasing female pilots across the Group
- Female nominations for IATA governance roles
- Participating in annual benchmarking by reporting annual key diversity metrics.

While the Group is slightly above the global average¹ in terms of the number of female pilots, we know we still have more work to do when it comes to inclusion and diversity in our workforce.

In March 2023, we relaunched our scholarship program for the Qantas Group Pilot Academy to provide 50 scholarships to female students and Aboriginal and Torres Strait Islander peoples. The \$1.5 million investment over five years is aimed at encouraging more women and First Nations people to pursue a career in aviation.

This is one way we are building a pathway for pilots from a diverse range of backgrounds to join the industry and create a long-term talent pipeline of skilled aviators for the Qantas Group.

Our relaunched Altitude employee network continues to showcase the leadership and stories of women through

days of awareness such as International Women's Day, key networking events and employee support initiatives.

We continue to advocate for enhanced gender inclusion as a Founding Member of the Champions of Change Coalition and as a sponsor of the Chief Executive Women's network.

This year we were pleased to announce that Vanessa Hudson would be the Qantas Group's first female CEO.

INCLUSION BASED ON LIFE AGES AND STAGES

In 2023, we enhanced employee support for employees transitioning to and from parental leave, through our Little Joeys program. We have:

- Streamlined our process to facilitate leave
- Enhanced our ability for employees to keep in touch
- Focused on coaching on return to work for leaders returning to work.

To support our internal carers community, we have also launched a platform providing employees with access to parenting and caring resources, and will launch a carer's employee network later in the year.

We are also increasing our support for employees who are veterans. On Anzac Day this year, we spotlighted employee stories and connection with this day.



Photo: In March 2023, we took part in the opening of the Avalon 2023 Australian International Airshow at Avalon, Victoria with a flyover featuring one of our Airbus A330s in formation with two Royal Australian Air Force [RAAF] F/A-18F Super Hornets. The display marked the centenary of the RAAF and celebrated women in aviation ahead of International Women's Day. Pictured are Qantas First Officer Sarah Baldwin, Captain Kim Murrant and Fleet Operations Manager – Day Operations Anita Murray-Jones [left to right] with members of the RAAF. **Photo credit:** Defence Australia

¹ According to the International Society of Women Airline Pilots, approximately 5.8 per cent of airline pilots globally are women.

LGBTQI+ INCLUSION

Qantas has been a long-term partner of the Sydney Gay and Lesbian Mardi Gras (SGLMG) organisation as part of our commitment to inclusion and diversity. Our partnership with the SGLMG focuses on supporting and celebrating our LGBTQI+ people, allies and the broader LGBTQI+ community and celebrating our diverse employee base.

In 2023, we extended our support to WorldPride 2023 which was held in Sydney in conjunction with the 2023 SGLMG, making it one of the largest events to come to Australia since the Sydney 2000 Olympics. As part of our sponsorship we:

- Updated our 'rainbow' logos to incorporate the colours of the progress pride flag
- Installed a special 'Pride is in the Air' livery on one of our A330-200 aircraft
- Ran a regional grants program to support LGBTQI+ individuals living in regional communities to attend Sydney WorldPride including airfares, accommodation and tickets to the SGLMG parade
- Showcased a Sydney WorldPride theme for our Qantas Magazine February 2023 edition
- Engaged employees through workshops, activation kits at our major ports and story sharing
- Released limited edition pride pyjamas
- Hosted the Official Sydney WorldPride flight from Los Angeles to Sydney
- Participated at both Fair Day and SGLMG.

Our Better Together LGBTQI+ inclusion training was updated in December 2022. The course focuses on helping to build an understanding of LGBTQI+ inclusion and why it is important to our team members, customers and the communities in which we operate. The course covers key aspects of LGBTQI+ inclusion such as communication, the role individuals can play in creating a more inclusive culture and provides resources for further support.

We also took part in the 2023 Australian Workplace Equality Index (AWEI) Employee Survey. As a member of Pride in Diversity and in line with our Qantas Group strategy to foster an inclusive culture, we wanted to hear from our employees. The results are being used to help us understand the current state of LGBTQI+ inclusion and identify opportunities for improvement.

The Illuminate Network is an employee network for LGBTQI+ employees and their allies to support a workplace inclusive of everyone. With a focus on developing a workplace free from bullying, harassment and discrimination, the Network has developed an internal framework to provide information, support and advocacy training for sexual and gender-diverse employees.



Photo: Jetstar again sponsored Victoria's Midsumma Festival in 2023 with more than 100 team members volunteering their time to support the Jetstar installation at the Carnival or marching in the Pride March.



Photo: In FY23, Qantas supported Sydney WorldPride and continued our support of the Sydney Gay and Lesbian Mardi Gras. Pictured are employees before the 2023 Parade.

TARGETS

Area	Measures	FY24 Target	FY23 Target	FY23 Actual	FY22 Actual	FY21 Actual
Gender balance	Increase females in Senior Management roles (JG4+)	42%	40%	39.1%	37.4%	38.1%
	40% intake of female cadet pilots by 2028 [incremental 3% increase year on year]	30%	27%	19%	22%	21%
Aboriginal and Torres Strait Islander	Sustainable careers					
	— Aboriginal and Torres Strait Islander participation in all business units ¹	1.5%	1.4%	1.4%	0.98%	1.01%
	Cultural inclusion and celebration					
	— Cultural competency – online learning	70%	40%	38.2%	28.5%	18.6%
IATA 25by2025 initiative	— 25% increase in female pilots by 2025 to 8%	8%	7.5%	7.3%	7.07%	6.4%



OUR FOCUS IN FY24 WILL INCLUDE:

- Launching new employee resource groups including a Carers Network and Cultural Diversity Network
- Reviewing and refreshing our recruitment process to ensure it is inclusive and accessible to all
- Implementing our Access and Inclusion Plan.

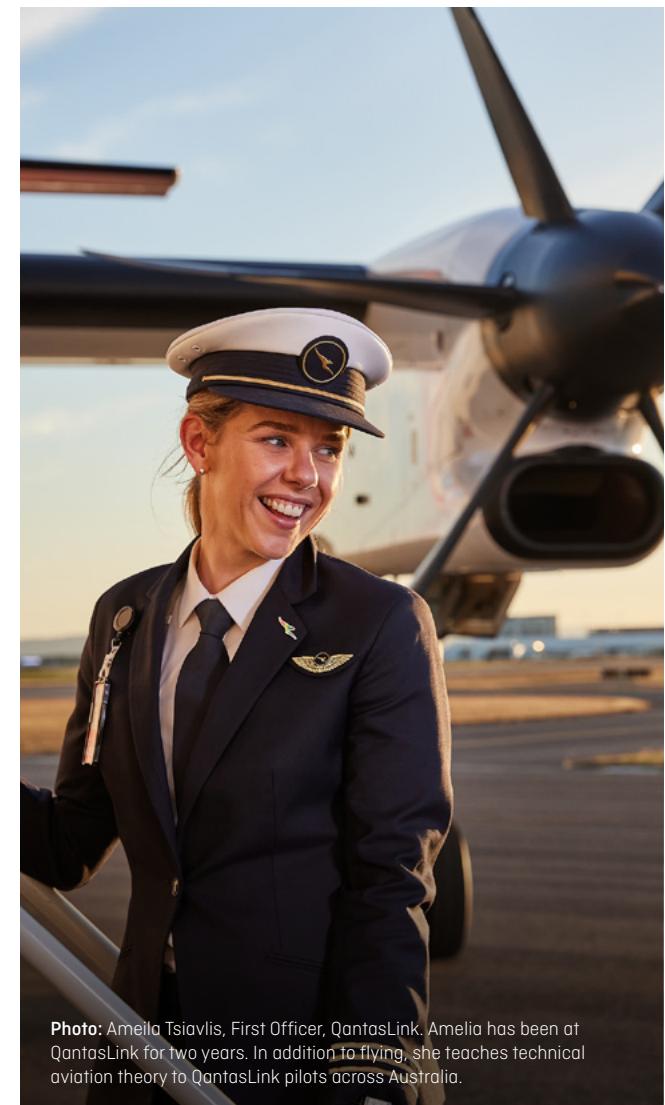


Photo: Amelia Tsiovlis, First Officer, QantasLink. Amelia has been at QantasLink for two years. In addition to flying, she teaches technical aviation theory to QantasLink pilots across Australia.

1. Australian-based employees of wholly-owned subsidiaries.

Respect for human rights

OUR APPROACH

The Group is committed to respecting all internationally recognised human rights as set out in the United Nations [Universal Declaration on Human Rights](#). At a minimum, we comply with all applicable national and international laws and where national laws conflict with international standards, we seek opportunities to adopt the higher standard. We also uphold the [International Labour Organisation Core Labour Standards](#) and voluntarily commit to conduct our business in line with the standards of the [United Nations \[UN\] Guiding Principles on Business and Human Rights \(UNGPs\)](#).

Since 2017, we have been a signatory to the [UN Global Compact \(UNGC\)](#), whereby we have committed to incorporating the Ten Principles of the UNGC on human rights, labour, environment and anti-corruption, in our strategies, policies and procedures, supporting us to uphold our corporate responsibilities to safeguard people and planet.

Our commitments to the respect of human rights are outlined across a range of policy documents including our [Code of Conduct and Ethics](#) and [Business Practices Document](#), and are also disclosed in corporate publications such as our [Modern Slavery Statement](#) and our [Human Rights Policy Statement](#).

We recognise that our corporate responsibility to respect human rights goes beyond public statements of commitment and extends to the actions we take to demonstrate our respect for human rights. For the Qantas Group, this means seeking to act in a way that avoids harm, or infringing on the rights of other people, whether they are employees, customers, workers in our supply chain, or the broader community. It includes taking action consistent with the UNGPs to address any adverse impacts in which we may be involved, or connected, and to proactively look for ways to advance the respect of human rights through our business activities.

SALIENT HUMAN RIGHTS ISSUES

At Qantas, we are committed to respecting all internationally recognised human rights. As part of this commitment, we work to identify and address any involvement we may have in actual and potential adverse human rights impacts across our operations and value chain.

As an international airline group, we have a diverse global footprint. We recognise the importance of undertaking effective human rights due diligence, including for our operations, business partners and suppliers in higher-risk environments.

We also understand that at-risk and vulnerable groups may be particularly affected by adverse human rights impacts.

We completed our first salient human rights assessment in 2018, and across FY22 and FY23 we engaged Pillar Two, an independent business and human rights advisory firm to undertake a review of our salient human rights issues. Our salient human rights issues are the areas where we consider the most severe adverse human rights impacts could occur across our business activities and relationships.

The review involved a Group-wide, cross-functional workshop to identify potential examples of relevant adverse human rights impacts, the themes of which were subsequently validated in a series of internal stakeholder consultation sessions. We then worked with Pillar Two to assess the indicative severity of these potential adverse human rights impacts by evaluating their scale, scope and remediability in line with international standards and frameworks.

This work informed the identification of five salient human rights issues for Qantas, which we aim to use to help us focus our human rights risk management.

MODERN SLAVERY STATEMENT

In December 2022, we published our third [Modern Slavery Statement](#) under the [Commonwealth Modern Slavery Act 2018](#), our seventh in line with the requirements of the UK's [Modern Slavery Act 2015](#). The Statement sets out our approach to modern slavery risk management in our operations and value chains, including the actions taken by the Group to mitigate and prevent potential violations of forms of modern slavery. It provides examples, in the form of case studies, demonstrating our engagement with suppliers, to address issues of potential concern and advance respect for human rights in line with international standards and our expectations.

We continue to enhance the level of disclosure in our annual Statement, reflective of the maturation and continuous improvement of our policies and processes supporting the effective management of modern slavery risks in our operations and value chains. Our improvement is evidenced

Five key focus areas



through the various independent benchmarking reviews undertaken of the quality of disclosures in the Modern Slavery Statements by reporting entities.

In October 2022, Monash University's Modern Slavery Research program assessed the Statements submitted by ASX100 companies in FY21. The Qantas Group's Statement received an 'A' rating, improving on our rating from the previous year.¹ Additionally, in June 2023, the Australian Council of Superannuation Investors (ACSI)² released the outcomes of its review of the FY22 Modern Slavery Statements submitted by reporting entities in the ASX200. Qantas scored in the top quartile.

KEY ACTIONS IN FY23

We continue to advance the respect for and safeguard of human rights and strengthen our processes for managing modern slavery risks in our operations and supply chain. While our annual Statement details our modern slavery response and actions to address modern slavery risk, some key actions undertaken in FY23 included:

- Finalising our refreshed human rights salience assessment to help us continue to prioritise our response to the potential impacts on human rights across our operations and value chain
- Working with human rights specialists to undertake a deep dive review of potential adverse human rights impacts involved in both the conventional and sustainable fuel value chain and applying the UNGPs to understand how we may be involved through our sourcing activity
- Developing a modern slavery response plan to guide our response to a potential modern slavery case where identified
- Designed and commenced a pilot of an alternate approach for anti-slavery and human trafficking due diligence with a potential new airline partner

- Strengthening labour and human rights-related obligations and our expectations of suppliers in our Supplier Requirements and Supplier Code of Conduct
- Enhancing our third-party modern slavery due diligence questionnaire to include additional modern slavery indicators, as well as translating the questionnaire together with our Supplier Code of Conduct to a key alternate language to ensure understanding
- Establishing a cross-functional project team to assess risks (including modern slavery) of our existing unassessed supplier base
- Site visits of tier two suppliers located in Thailand and direct suppliers in Europe to verify conformance and support continuous learning on labour rights and standards.

MEASURING OUR PERFORMANCE

We are committed to establishing a credible framework for measuring our company's broader human rights performance, but recognise this can be complex and context-specific. In some cases too, stakeholders may have differing views about appropriate approaches, including on how to implement core external standards and measure their implementation. We also appreciate that high-level key performance indicators and metrics may not always provide a meaningful representation of companies' effectiveness. In light of these challenges, we are continuing to work to refine our approach to assessing effectiveness, including through engagement and collaboration with key industry peers and external human rights experts.

For the Group, being effective in managing modern slavery risks means that we can affect positive change through our processes and actions, and demonstrate and communicate how we do so. Our Statement describes in more detail the actions we take to identify and address modern slavery risk and how we measure the effectiveness of those actions.

Our governance framework underpins our response to modern slavery and broader human rights risks, including providing a clear structure for accountability. Sustainability, which includes respect for human rights, is now one of the four key foundations for the Qantas Group, and one of the seven focus areas of our Corporate Strategy. Our internal audit and risk function, and business assurance processes, help track our performance with respect to our Supply Chain Assurance program, with oversight from the Qantas Board Audit Committee.

Further information relating to the risk management framework can be found in the Our Governance section of the Group's Corporate website.



OUR FOCUS IN FY24 WILL INCLUDE:

- Continuing to develop the actions that underpin each focus area (as detailed on the previous page) to support our management of these issues
- Maintaining our focus on transparently disclosing the Group's potential modern slavery risks in our global operations and value chains, and continuing to look for ways to further improve.

More information on our actions can be found in our Modern Slavery Statement.

¹ The report of the Monash University Modern Slavery Research Program can be read [here](#). Citation information: Pham, N., Cui, B., & Ruthbah, U. (2022) Modern Slavery Disclosure Quality Ratings: ASX100 Companies Update 2022 [Research brief]. Monash Centre for Financial Studies, Monash Business School. DOI: 10.26180/20224614.

² The report commissioned by ACSI assessed the quality of ASX200 companies' modern slavery statements under the *Australian Modern Slavery Act 2018*. The report can be found [here](#).

Connecting customers and communities

We are committed to connecting customers and creating value to strengthen the communities in which we operate.



This section of the Report highlights how we are taking actions in line with the UN SDGs through our focus on supporting communities and economic development. More information can be found in the Report appendix.



Photo: Somerset Storyfest was a 2023 Qantas Regional Grant Winner. Students, teachers and authors are pictured gathered around the fireplace of the Storyfest Out West Young Writers' Dinner, as Outback Pioneers' founder, Richard Kinnon, shares stories with the group.

Connecting the regions

OUR APPROACH

From assisting in times of natural disaster to providing an international platform to showcase the best our country has to offer, our aim is to positively contribute to communities across Australia.

SUPPORTING REGIONAL CUSTOMERS AND COMMUNITY

Qantas Residents Fares¹

Qantas Residents Fares is a regional program that supports local residents living in selected regional postcodes in Queensland, Western Australia and the Northern Territory by offering them discounted fares. Eligible residents can access year-round discounts, from 20 per cent off the Qantas-controlled component of all-inclusive return fares, from regional airports to their eligible city/cities. Qantas invested more than \$35 million in the program in FY23, with over 65,000 return trips taken.

In December 2022, further discounts were announced for Alice Springs residents for return flights to Adelaide. It is the first interstate route included in the program.

Qantas Regional Grants program

In December 2022, we re-launched the Qantas Regional Grants program (originally launched in 2019 but paused during the pandemic) to support not-for-profit groups and projects directly benefitting regional Australia.

The Qantas Regional Grants program provides \$10 million in grants over five years – \$2 million each year. The grants include a combination of flights, cash and marketing support.

We received 1,600 applications across every state and territory and, as announced in July 2023, thirty-two community groups from around Australia will receive grants for this



Photo: Good360 Australia will use its Regional Grant to source, refurbish and redistribute laptops to residents of the Northern Rivers in New South Wales who were impacted by the 2022 floods.

round of applications. These organisations are supporting employment and economic opportunities, boosting community engagement, enhancing access to key services, and improving health and environmental outcomes.

The judging panel was chaired by the QantasLink Chief Operating Officer and included two independent community panellists and two QantasLink pilots.

A full list of recipients can be found on our website at [Regional Grant Recipients | Qantas](#).

1. Details about our regional residents fares program can be found on our website [Discounted fares for residents | Qantas AU](#)



SUPPORTING REGIONAL COMMUNITIES AND CUSTOMERS IN TIMES OF NEED

In response to the devastating floods that impacted parts of regional Australia in October 2022, QantasLink increased support to regional communities by capping fares to destinations across New South Wales (including Moree, Dubbo and Ballina) and Victoria (including Mildura and Bendigo).

We also provided access to Qantas lounges for State Emergency Service volunteers travelling to flood-affected areas.

In addition to supporting Australia, we also provide international relief. Following the devastating earthquakes that hit southern Turkiye and northern Syria in February 2023, Qantas and Jetstar flew 12 pallets of humanitarian supplies to Singapore to support recovery efforts. Our aircraft carried blankets, quilts, sleeping bags, tents, air mattresses and pillows out of Melbourne, connecting with Turkish Airlines who took the supplies to their destination.



OUR FOCUS IN FY24 WILL INCLUDE:

- Continuing to amplify the Qantas Regional Grants program, honouring our commitment to invest \$10 million across five years into regional Australia
- Promoting regional domestic tourism to support both regional tourism businesses and regional towns
- Raising awareness of the regional residents fares program.

Photos: In December 2022, Qantas employees supported flood-affected families in the Northern Rivers region by loading up a QantasLink Dash-8 aircraft with gifts for Red Cross Australia to distribute to the community.

Photo credit: James D Morgan, Getty Images

Supporting communities

OUR APPROACH

As the national carrier, Qantas plays a key role in supporting Australian communities and having a voice on social issues. We partner with organisations that share similar values and champion the spirit of Australia.

Following a strategic review of our partnerships in 2021, our focus is on those that support:

- Inclusion and diversity priorities, including our First Nations Engagement Strategy
- Regional Australia
- Environmental and social sustainability
- Showcasing the best of Australian culture
- Building national pride through sport.

WORKING WITH OUR PARTNERS

Community

Since 1991, Qantas customers have raised more than \$37.7 million for UNICEF through the Change for Good initiative, with funds supporting the world's most disadvantaged children in over 190 countries. Most funds raised for the program are from inflight passengers travelling to Australia from international destinations.

Between 2007 and 2023, the StarKids partnership between World Vision and Jetstar has raised more than \$12 million for children and families. StarKids raises funds through customer donations while booking flights on our Jetstar website, collections on board our flights and public donations via the StarKids page on our website. We also raise funds via Workplace Giving and fundraising activities that we conduct at Jetstar Head Office and across our ports in Australia, Singapore, Denpasar and Bangkok.

StarKids is currently supporting humanitarian relief and community-based development projects in Australia (with a focus on First Nations children and youth) as well as Cambodia, Thailand, Myanmar, Indonesia and Vietnam.

CASE STUDY — StarKids partnership between World Vision and Jetstar

Money raised through StarKids supports World Vision's Unlock Literacy program which has been implemented in remote communities in the Northern Territory and Western Australia.

Unlock Literacy supports and encourages parents and community members to create a culture of reading in school, at home and in the community.

World Vision is working with the Warlpiri Youth Development Aboriginal Corporation [WYDAC], which has championed Warlpiri youth in Central Australia since 1993. The partnership continues to grow, building on WYDAC's strong understanding of Warlpiri communities and people.



Photo credit: World Vision Australia

In addition to being the official airline of Sydney WorldPride, we also supported regional LGBTQI+ communities by providing an opportunity for people in each state and territory to attend the 2023 Sydney WorldPride Festival and Mardi Gras Parade. Applicants were asked to demonstrate how they foster LGBTQI+ inclusion in their communities, with one winner and their guest from each state and territory receiving flights, accommodation and event entry.

Qantas also commenced a partnership with Pride Cup in early 2023. Pride Cup is a not-for-profit organisation that consults with communities and local sporting clubs to run pride games. It aims to use the power and reach of sport to support inclusion of all people.

Qantas Loyalty Green Tier provides a platform for Qantas' customers to support organisations such as the Great Barrier Reef Foundation, OzHarvest, Kimberley Land Council and UNICEF Australia. Since the program's launch in March 2022, these partners have all seen an increase in support.

In May 2023, Jetstar donated 100 iPads formerly used by Engineering to the Merriang Special Developmental School [SDS] in Lalor, Victoria. The iPads are used as part of a program to facilitate communication among students who are predominantly non-verbal. This donation takes our tally up to more than 300 iPads donated to Merriang SDS from JetStar Customer Experience and Engineering.

EMPLOYEE VOLUNTEERING

In FY23, our employees again supported a wide range of causes, including our workplace giving program.

More than 50 years ago, Qantas employees established Pathfinders, a volunteer fundraising committee made up of past and present Qantas crew members. Since formed, and through fundraising events and support from sponsors and donations, it has raised more than eight million dollars. Qantas is proud to continue to support Pathfinders in its fundraising efforts for NextSense (formerly the Royal Institute for Deaf and Blind Children).

The Joey Joy Flight has been operating since 1975 and returned in November 2022. The flight is supported by Qantas Pathfinders and Turramurra Rotary and offers children with a disability or from a disadvantaged background a flight onboard one of our A330 aircraft. Children and their carers were welcomed to Sydney Airport by face painters, SpongeBob SquarePants and Matilda the Kangaroo. Once onboard



CASE STUDY — Jawun Secondment Program

Qantas employees Tracey Hobl, People Safety, (photo right) and Glen Driver, Sales and Development, took part in the program from October to December 2022. They were based in North-East Arnhem Land for six weeks, with 11 other secondees from different companies around Australia.

Glen said "Each day was an amazing opportunity to meet new people, learn about a different culture and see firsthand the success of projects led by Yolngu people in the self-determination of their own community. It was an inspiring six weeks and I left with so many new perspectives on life. Some days you can feel like you're really helping out; the next day the challenges of your work will seem insurmountable."

QF1300, the passengers took in the sights of Sydney Harbour, Newcastle and Wollongong. Qantas Pathfinders President and Captain Craig Lambert piloted the special flight.

At the end of 2022, Qantas restarted our Jawun secondee program with three Qantas employees spending six weeks working in and supporting First Nations leaders, organisations and communities to achieve their own development goals. This in turn leads to lasting, material and measurable improvements in the lives of the Indigenous people in those communities.

The QantasLink Airports team raised money to support the Black Dog Institute's mental health research by walking, running, riding or swimming.

Perth Cabin Crew supported the annual Perth Telethon by answering phones and taking donations in its call centre. Perth-based 737 Pilot, Captain Marnie Shields talked live on air about Qantas' partnership with the Telethon.

November each year marks Movember, raising money for men's health. Employees across the Group took part in raising money to support men's health projects in mental health, suicide prevention, prostate cancer and testicular cancer.

In April 2023, some Jetstar Bali crew visited a local foundation for children with vision impairments. The visit was organised by one of our crew members who regularly visits the school in her spare time to read books to the children and donate items, including food and toys.

Jetstar employees also took part in a clean up of Bali beaches in April 2023.

Qantas staff have also volunteered their time to assist Paralympics Australia in its preparation for the Paris 2024 Games with staff supporting the team, including meeting and greeting athletes, and assisting with outfitting.

But the reward is contributing to something meaningful, experiencing life in what is likely a vastly different environment to your regular home, and forming relationships with people you'll never forget."

Tracey said "My Jawun secondment was an incredibly impactful and transformative experience. I found the immersion in culture and perspective to be life-changing. Often, experiences like these can broaden our horizons, challenge our preconceptions, and foster a deep sense of personal growth. Participating in the program I feel that I've gained more than I was able to contribute. This realisation speaks to the profound impact of cross-cultural exchange and the value of learning from and connecting with others who have different lived experiences."

National sporting and arts partnerships

Our sports and arts sponsorships are focused on supporting elite Australian talent, helping our national teams excel in global competitions and fostering tourism opportunities.



Football Australia

In FY23 we announced the renewal of our long-standing partnership with Football Australia which sees us continue as the official airline of Football Australia's two senior national teams, the Subway Socceroos and the CommBank Matildas for the next three years. The partnership helps raise the profile of Australian football locally and abroad, and champions gender on an even playing field. Qantas is proud to be supporting and flying the Matildas as they take on the world in 2023 engaging Qantas employees, customers and fans throughout the country to cheer on the national team and support women's sport.



Opera Australia

Opera Australia performs operas, musicals and concerts across Australia. As the official airline and hero partner of Opera Australia, Qantas is proud to help deliver an annual schools' and Auslan program, supporting many of these performances to be delivered virtually during the COVID-19 pandemic.



The Australian Ballet

The Australian Ballet is one of Australia's flagship arts companies. As the official airline and lead partner of The Australian Ballet, our support enables dancers, crew, and artists to travel domestically and internationally.



The Arts

Qantas is proud to be the official airline and major partner of the National Gallery of Australia and a major partner of the National Gallery of Victoria. Qantas is also a proud supporter of the Museum of Old and New Art, in Hobart, Tasmania. Qantas is the official Aboriginal and Torres Strait Islander exhibition and program partner of the Museum of Contemporary Art.



Australian Olympic Committee

For more than 60 years, Qantas has proudly supported the Australian Olympic team, having flown our athletes to and from every Olympic Games since 1948. The Australian Olympic Committee and Qantas are working to implement programs to offset carbon emissions from the travel requirements of the team in the lead up to Paris 2024.



Cricket Australia

Our partnership with Cricket Australia has seen us carry the men's and women's Australian cricket teams around Australia and the globe since 2011.



Photo: Qantas supported and flew the Matildas as they took on the world in 2023.



OUR FOCUS IN FY24 WILL INCLUDE:

- Refreshing the Qantas Group Workplace Giving program and employee community grants program
- Relaunching the UNICEF Change for Good and staff ambassador program
- Elevating national sporting organisations that further societal causes.

Aboriginal and Torres Strait Islander partnerships

OUR APPROACH

During FY23, we released an updated First Nations Strategy for the Qantas Group. Its vision is to create a shared national identity that celebrates the knowledge and cultures of First Nations people.

This vision will be accomplished through the social, economic and cultural inclusion of First Nations people across the Qantas Group, and realised through four key focus areas:

- Providing meaningful careers
- Diversifying our supplier base and spend
- Amplifying First Nations experiences and culture through our customer journey
- Strengthening our reconciliation journey through community engagements.

We engaged the services of specialist First Nations consultancy, 15 Times Better, to complete a comprehensive review of the Qantas Group's First Nations engagement activity. This resulted in the development of an overarching Qantas Group First Nations Engagement Strategy that will guide our First Nations-focused activities across Qantas, Jetstar, Qantas Freight and Qantas Loyalty businesses.

During FY23, we established the Qantas Internal First Nations Advisory Council which is chaired by the CEO of Jetstar, Stephanie Tully. It is made up of representatives from across the Group with representation from Qantas' First Nations employees.

We also relaunched our First Nations employee network, Daramu, in FY23. Its vision is to create a safe community for First Nations people and allies to grow, connect, yarn, learn and celebrate First Nations culture across the Qantas Group.

During the year, employee Fran Grant was appointed Chair of the Daramu Committee. Fran is a Yuin woman and her Aboriginal family comes from the New South Wales South Coast. She is the child of a Stolen Child, which carries great responsibility amongst her family and community.

Fran also works as a Customer Service Agent at Sydney International Terminal.

Reconciliation Action Plan

Through our partnership with Reconciliation Australia, we seek to honour knowledge and celebrate Aboriginal and Torres Strait Islander culture and develop programs that work towards Closing the Gap.

We launched our first Reconciliation Action Plan (RAP) in 2007. During the COVID-19 pandemic, we released an interim RAP

to show our ongoing commitment to reconciliation. It was an expansion of previous RAPs, in that it includes actions for all parts of the Qantas Group, including Jetstar. We are currently developing our next RAP. We had intended to launch this in FY23 but now aim to release it in FY24.

SUSTAINABLE CAREERS

Sustainable, meaningful careers are critical to our vision for reconciliation. More information can be found on page 54 of this Report.



Photo: In July 2023, the Minister for Indigenous Australians, The Hon Linda Burney MP, [right] attended a special NAIDOC Week event at Qantas in Sydney to discuss reconciliation and the Voice to Parliament. Fran Grant, Chair of our First Nations employee network, Daramu, led Qantas employees in the discussion with the Minister.



SUPPLIER DIVERSITY PARTNERSHIP OF THE YEAR

Proudly sponsored by **ANZ** Supply Nation

2023 WINNERS | YARU WATER AND QANTAS

YARU
NATIONAL INDIGENOUS WATER

QANTAS

SUPPLIER DIVERSITY

A key part of our vision for reconciliation is the economic inclusion of Aboriginal and Torres Strait Islander peoples. We recognise the mutual benefit of doing business with Aboriginal and Torres Strait Islander suppliers and our objective is to support First Nations' economic inclusion by increasing the diversity of our supplier base.

To improve cash flow and business outcomes for Aboriginal and Torres Strait Islander-owned businesses, during FY23 we implemented a reduction in payment times for Aboriginal and Torres Strait Islander suppliers, which is also available to Australia-based small businesses who meet eligibility requirements.

Qantas is a founding member of Supply Nation, a not-for-profit organisation connecting Australian companies and government with Aboriginal and Torres Strait Islander businesses. We continue to be a gold sponsor of the annual Supply Nation Connect tradeshow and gala dinner.

In FY23, we announced a partnership with Indigenous water company Yaru Water Australia to supply water to first and business class customers, and in our Australian lounges. Yaru Water is sourced and bottled from Mount Warning-Wollumbin in Bundjalung country in Northern New South Wales. Our partnership has enabled the Yaru Water team to expand its operations and its support for the Yaru Foundation which aims to create better health outcomes for First Nations communities. In August 2023, Qantas won Supply Nation's Supplier Diversity Partner of the Year award for our partnership with Yaru Water.

CUSTOMER EXPERIENCE

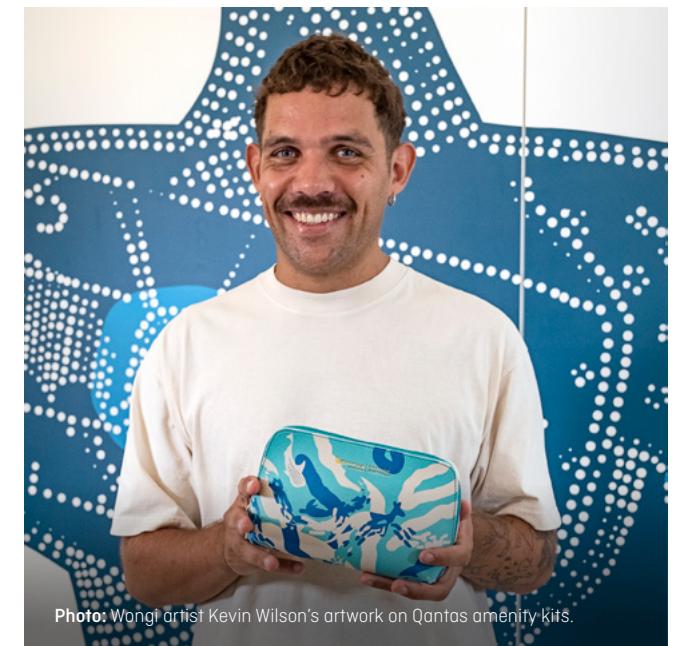
Aboriginal and Torres Strait Islander cultures are integral to the spirit of Australia and we seek to amplify this throughout our customers' journeys. As the national carrier, we are uniquely positioned to connect people to the world's oldest living cultures through our domestic and international networks.

We include Acknowledgement of Country across all Qantas and Jetstar services, with a specific acknowledgement for

incoming Qantas international flights, Qantas domestic flights to certain ports and some Jetstar flights. The Acknowledgement of Country is aimed at raising awareness among our employees and customers of the history of our country and making this recognition a part of our everyday language.

We have also introduced maps of Indigenous Australia from the Australian Institute of Aboriginal and Torres Strait Islander Studies and curated music and books from First Nations artists and authors in our lounges.

During FY23, Qantas and Tourism Western Australia teamed up with Western Australian Wongi artist Kevin Wilson to feature his artwork on limited-edition Qantas amenity kits for business class customers. The partnership was part of Western Australia's new tourism brand Walking On A Dream, with the artwork showcasing iconic destinations in the State including Ningaloo Reef, the Margaret River Region and the Kimberley.



COMMUNITY ENGAGEMENT

We are focused on engaging Australian communities by:

- Leveraging our voice to influence public understanding of issues that impact First Nations people
- Promoting stories of reconciliation in action to increase public and employee engagement
- Strengthening partnerships that directly contribute to Closing the Gap, such as partnerships that provide education pathways and employment opportunities for First Nations people or support the growth of First Nations businesses
- Expanding our support of the Aboriginal and Torres Strait Islander tourism industry
- Developing and implementing a new Qantas First Nations governance model, including engaging with our First Nations employees via our Daramu employee network and establishing an External Advisory Council
- Collaborating with other organisations on their reconciliation journey.

The Voice

In 2019, Qantas joined other organisations to publicly support the Uluru Statement from the Heart which calls for Voice, Treaty and Truth. We also took action by responding to the Interim Voice Co-design Process Report, in support of the many Aboriginal and Torres Strait Islander communities and leaders who have worked for reconciliation.

As the National carrier, we have a long history of championing reconciliation and have committed our support for the Yes campaigns for the Voice to Parliament. On 2 July 2023, on the first day of NAIDOC Week, we reaffirmed our support for a Voice to Parliament and a Yes vote in the upcoming referendum, through a joint statement with Reconciliation Australia and more than 70 organisations and businesses.

In August 2023, we unveiled special livery, featuring the Yes23 campaign logo, on three Qantas Group aircraft: a Qantas Boeing 737, a QantasLink Dash 8 Turboprop and a Jetstar Airbus A320.



NAIDOC Week and National Reconciliation Week

Qantas continues to commit to multi-channel campaigns for both NAIDOC Week and National Reconciliation Week to promote positive relationships between Aboriginal and Torres Strait Islander peoples and non-First Nations people.

The theme of 2022 NAIDOC Week (July 2022) was Get Up! Stand Up! Show Up! We supported the Week with messages to our customers on our marketing channels and special events for our employees including a ceremony from Turrbal woman and internationally renowned opera singer, Songwoman Maroochy. Songwoman Maroochy was joined by Shannon Ruska, a proud Yuggera Toorabel and Quandamooka man from South East Queensland, who gave a dance and didgeridoo performance.

Adam Goodes read his children's books to children of Qantas employees, we welcomed the Gamay Dancers to perform at our Mascot Campus in Sydney and showcased products from South Australian Indigenous supplier, Edible Reconciliation, in our Sydney Qantas Club.

During 2023 National Reconciliation Week (27 May to 3 June 2023), we held an information session with Bridget Calma, an Associate of the Indigenous Law Centre at the University of NSW. Bridget talked about the importance of The Uluru Statement from the Heart and answered questions in the lead-up to the Referendum.

Sorry Day

In 2023, we marked National Sorry Day with a presentation from Daramu Chair, Fran Grant, in which she shared her family's story. National Sorry Day remembers the First Nations people forcibly removed from their families and communities, now known as The Stolen Generations.

Garma Festival

We are proud to be long-term partners of the Garma Festival, an Indigenous event that celebrates the traditions of the Yolngu people of East Arnhem Land across culture, art and ceremony.

Garma returned in August 2022 after two years of cancellations due to the COVID-19 pandemic, and a group of Qantas frontline and corporate employees attended to listen, learn and experience Yolngu culture.

The Festival was also attended by Prime Minister of Australia, Anthony Albanese, who reconfirmed the Australian Government's commitment to a referendum which will determine whether the Australian Constitution will include an Indigenous Voice to Parliament, in line with the Uluru Statement from the Heart.



Photo: Qantas employees attending Garma [left to right]: Renee Wootton, Haydn Miller, Bree Knopp, Lauren Halliburton, Alyce Brooke, Stacy Farrar, David van Dieren, Reed Tanger

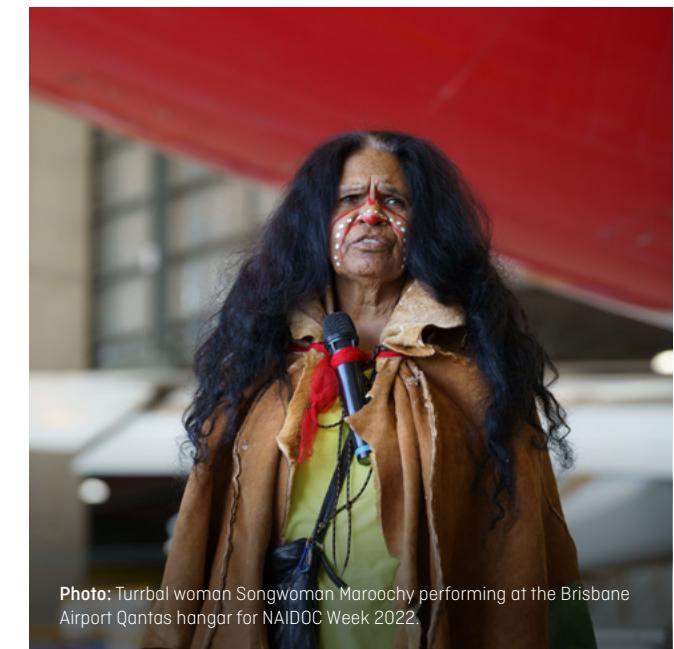


Photo: Turrbal woman Songwoman Maroochy performing at the Brisbane Airport Qantas hangar for NAIDOC Week 2022.



OUR FOCUS IN FY24 WILL INCLUDE:

- Supporting the Yes campaign and providing resources for Qantas Group employees to make an informed decision
- Developing the next Qantas Group RAP
- Strengthening the First Nations Governance Structure including the development of a First Nations External Advisory Council
- Continuing to roll out the Cultural Learning framework throughout the business including front-line employees.

Non-financial metrics

The Qantas Group is committed to transparency of key performance indicators, including environmental and social metrics. Financial performance can be found in the FY23 Annual Report. KPMG provided Limited Assurance over selected sustainability metrics. The assurance statement can be found on page 75.

CUSTOMER

Metric	Unit	FY23	FY22	FY21	FY20
On-time performance ¹	%	67.7	73.9	85.5	76.6

COMMUNITY

Metric	Unit	FY23	FY22	FY21	FY20
Total supplier spend ²	\$M	12,300	6,500	4,227	9,790
Australian supplier spend ³	\$M	8,087	4,503	2,782	5,820
Aboriginal and Torres Strait Islander supplier spend ⁴	\$M	13.1	6.44	4.32	3.7
Aboriginal and Torres Strait Islander suppliers ⁴	#	30	21	22	23
Total community partnerships investment ⁵	\$M	3.6	2.6	0.2	4.4
Proportion of Aboriginal and Torres Strait Islander community partnership investment ⁶	%	36.7	49	31.2	19.1
Total Change for Good UNICEF donations ⁷	\$M	0.4	0.07	0.05	1.2
Total StarKids World Vision donations ⁸	\$M	0.4	0.3	0.3	0.8

Scope includes Qantas Airways Limited and its wholly-owned entities unless stated otherwise. These form the Group's respective business segments, including Qantas International [including Qantas Freight], Qantas Domestic [including QantasLink and Network Aviation], Qantas Loyalty and Jetstar Group [including Jetstar International and Jetstar Domestic].

1. On-time performance as measured by the percentage of flights departing within 15 minutes of scheduled departure for Total Group operations, including Qantas International, Qantas Domestic, QantasLink, Jetstar International and Jetstar Domestic, including Jetstar Domestic New Zealand.
2. Total supplier spend excluding payments processed through IATA clearing account and direct bank deposits for the purposes of aircraft lease payments.
3. Australian supplier spend where supplier headquarters are located in Australia.
4. Aboriginal and Torres Strait Islander supplier spend includes suppliers that are Supply Nation registered or certified, as well as known Aboriginal and Torres Strait Islander suppliers. An Aboriginal and Torres Strait Islander supplier is an entity that is at least 50 per cent owned or controlled by Aboriginal or Torres Strait Islander person(s). The FY21 and FY22 Aboriginal and Torres Strait Islander supplier spend data has been restated to include a supplier following change of ownership, and the Aboriginal and Torres Strait Islander FY20 supplier spend data has been restated to correct an error. Aboriginal and Torres Strait Islander Supplier spend does not include indirect offsets purchases [e.g. those made by a broker].
5. Total Qantas community investment is based on cash and flight contra payments made to registered charities that appear in the [ACNC Charity Register](#) as well as to fund any community initiatives, donations or programs. It excludes voluntary logistical support provided to organisations in times of crisis and any payments made by Jetstar.
6. Proportion of total community investment directed to Aboriginal and Torres Strait Islander programs, promotion and partnerships.
7. Total UNICEF donations facilitated through Qantas' Change for Good program. The majority of the UNICEF collection is through our international services which were largely suspended in FY21. The program resumed in December 2021.
8. Total World Vision donations facilitated through Jetstar's StarKids program.

SAFETY

Metric	Unit	FY23	FY22	FY21	FY20
Total Recordable Injury Frequency Rate ⁹	TRIFR	18.5	14.3	17.0	16.7
Lost Work Case Frequency Rate ¹⁰	LWCFR	9.8	7.7	5.4	7.5
Fatalities	#	0	0	0	0

EMPLOYEES

Metric	Unit	FY23	FY22	FY21	FY20
Number of full-time equivalent employees ¹¹	#	25,426	21,847	20,640	28,957
Percentage of employees under a collective bargaining agreement ¹²	%	84.5	85.8	85.8	83.3
Voluntary employee turnover ¹²	%	8.6	10.4	11.2	4.3
Percentage of women ¹²	%	46.4	44.8	43.6	42.5
Percentage of women in senior positions ¹²	%	39.1	37.4	38.1	37.0
Percentage of women on the Qantas Board ¹²	%	40	37.5	40.0	40.0
Number of women on the Qantas Board ¹²	#	4	3	4	4
Percentage of women recruited into the graduate program ¹²	%	46.8	N/A	N/A	47.5
Number of Aboriginal and Torres Strait Islander employees ¹²	#	330	203	198	329

9. Total Recordable Injury Frequency Rate [TRIFR]: The total number of injuries or illnesses during work hours [1 July to 30 June] with an accepted workers' compensation claim for Australian-based personnel, or equivalent in other jurisdictions, per million hours worked. Journey and slip port injuries and illnesses from COVID-19 are excluded from this calculation. This metric includes embedded contractors who work exclusively for the Qantas Group and perform work that is considered core business. Scope: TRIFR for both domestic and international operations: Qantas [International, Domestic], Qantas Freight, Jetstar Australia and New Zealand, QantasLink, Network Aviation, National Jet Systems, and Non-Flying Businesses [all corporate areas including Loyalty]. The FY22 data has been restated to take into account matured data. The FY23 and FY22 restatement was conducted on 18 July 2023.

10. Lost Work Case Frequency Rate [LWCFR]: Described as the total number of injuries or illnesses during work hours [1 July to 30 June] with an accepted workers' compensation claim for Australian-based personnel, or equivalent in other jurisdictions, which resulted in total incapacity, per million hours worked. Total incapacity is defined as any injury or illness that results in an injured worker being unfit for work. Journey and slip port injuries and illnesses from COVID-19 are excluded from this calculation. This metric includes embedded contractors [as described above] and employees of majority-owned entities of the Qantas Group. Scope: LWCFR for both domestic and international operations: Qantas [International, Domestic], Qantas Freight, Jetstar Australia and New Zealand, QantasLink, Network Aviation, National Jet Systems, and Non-Flying Businesses [all corporate areas including Loyalty]. The FY22 data has been restated to take into account matured data. The FY23 and FY22 restatement was conducted on 18 July 2023.

11. Total number of employees of wholly-owned entities of the Qantas Group, as well as Jetstar Asia Airways Pte Ltd, and majority-owned entities Holiday Tours and Travel Ltd, Taylor Fry Holdings Pty Ltd and Trip A Deal Pty Ltd, by employment type, full-time or part-time. Full-time equivalent figure excludes employees on leave without pay, and employees terminated up to and including 30 June 2023.

12. Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity is limited to the total workforce of wholly-owned entities of Qantas Airways Limited broken down by gender, age group and Aboriginal and Torres Strait Islander employees as well as women in the following positions: Non-Executive Directors and Senior Management. Gender diversity indicators are consistent with diversity policy and targets, measured as at 30 June. Full-time equivalent figure excludes employees on leave without pay, and employees terminated up to and including 30 June 2023. Aboriginal and Torres Strait Islander employees includes employees on LWOP, but excludes employees terminated up to and including 30 June 2023. Percentage of women in senior positions includes employees on LWOP, but excludes employees terminated up to and including 30 June 2023. The N/A is due to there being no intake of any graduates during FY21 and FY22.

ENVIRONMENT

Metric	Unit	FY23	FY22	FY21	FY20
CO ₂ -e emissions – Total [Scope 1 and 2] ¹³	Tonnes	9,783,149	4,799,301	3,301,736	9,424,641
CO ₂ -e emissions – Scope 1 ¹⁴	Tonnes	9,720,687	4,734,407	3,236,753	9,340,721
CO ₂ -e emissions – Scope 2 ¹⁵	Tonnes	62,462	64,894	64,983	83,920
CO ₂ -e emissions – Scope 3 ¹⁶	Tonnes	3,182,594	490,214	272,022	906,298
CO ₂ -e emissions – Total ¹⁷	Tonnes	12,965,743	5,289,515	3,573,758	10,330,939
CO ₂ -e emissions – Domestic ¹⁸	Tonnes	4,448,158	3,128,910	2,530,174	3,438,403
CO ₂ -e emissions – International ¹⁹	Tonnes	5,334,991	1,670,391	771,562	5,986,238
CO ₂ -e per 100 RTKs ²⁰	Kg	87.9	96.0	102.2	88.6
Aviation fuel consumption ²¹	'000 L	3,847,941	1,874,258	1,277,126	3,689,670
Fuel per 100 RTKs ²²	L	34.6	37.5	39.6	34.7
SAF uptake ²³	L	8,508,616	3,168,332	–	–
SAF derived CO ₂ -e emission abatement ²³	Tonnes	20,134	7,218	–	–
Electricity consumption [Australia] ²⁴	MWh	85,098	82,030	82,428	101,941
Onshore waste to landfill (including quarantine) [Australia] ²⁵	Tonnes	18,941	9,190	4,318	15,166
Onshore waste recycled ²⁵	Tonnes	2,841	1,567	NA	NA
Water consumption [Australia] ²⁶	'000 L	346,100	380,671	363,965	477,856
Natural gas consumption [Australia] ²⁴	GJ	85,930	104,688	94,190	109,424
Diesel [Australia] ²⁴	L	3,896,119	3,272,869	4,029,659	4,215,738
Av. aircraft age – scheduled passenger fleet ²⁷	Years	14.2	13.8	12.8	11.9

13. Total Scope 1 and Scope 2 greenhouse gas emissions are measured in tonnes for the period 1 July to 30 June. Refer to relevant footnotes for Scope 1 and Scope 2.

14. Total direct greenhouse gas emissions (Scope 1) measured in tonnes for the period 1 July to 30 June. Scope 1 emissions include aviation fuel and other fuels and gases from both domestic and international operations. For domestic emissions, the Qantas Group applies the National Greenhouse and Energy Reporting (NGER) Measurement Determination factors and methodology. For international emissions, the Qantas Group applies International CORSIA factors and methodology. The Qantas Group is a CORSIA participant and aligns international emissions disclosure with the CORSIA regulatory framework. All emissions are reported as CO₂ equivalent [CO₂-e]. CH₄ and N₂O have been applied to all emissions per their NGER Measurement Determination factors. Scope: All activities under operational control of the Qantas Group. FY23 data excludes SAF derived CO₂-e emission abatement.

15. Total indirect greenhouse gas emissions (Scope 2) measured in tonnes for the period 1 July to 30 June. Scope 2 emissions include indirect emissions from the consumption of purchased electricity. The Qantas Group applies the National Greenhouse and Energy Reporting (Measurement) Determination factors for the calculation of CO₂-e, except for Tri-Generation associated emissions where the Qantas Group applies a facility-specific emission factor. Emission factors for the consumption of purchased electricity from the grid are updated annually to reflect changes in energy mix. Scope: All activities under operational control of the Qantas Group.

16. Total indirect greenhouse gas emissions resulting from value chain activities (Scope 3) measured in tonnes for the period 1 July to 30 June. Scope 3 emissions inclusions are informed by the GHG Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard and Australian Climate Active Carbon Neutral Standard. Upstream fuel-related activities (e.g. extraction and refining) and food and beverage-related purchased goods make up the majority of total scope 3 emissions. The Qantas Group reports on Scope 3 indirect emissions of material relevance. The Qantas Group also offsets all employee and contractor business travel under our Fly Carbon Neutral program, therefore all business travel emissions are excluded from our emissions profile to prevent double counting. Where possible, the Qantas Group is informed by the Australian Government's Climate Active Carbon Neutral Standard for Products and Services to determine our Scope 3 emissions using National Greenhouse Accounts (NGA) emissions factors for the calculation of CO₂-e. The increase in Scope 3 emissions for FY22 is a result of an increase in fuel consumption and a change in the Scope 3 emissions factor relating to transport fuels. Scope 3 emissions have been restated for FY20 to FY22 to include emissions from jet fuel attributed to the Group's Freight operations.

17. Total Scope 1, Scope 2 and Scope 3 greenhouse gas emissions measured in tonnes for the period 1 July to 30 June. The data has been restated for FY20 to FY22 to include the restated Scope 3 emissions from jet fuel attributed to the Group's Freight operations.
18. Total direct and indirect greenhouse gas emissions from domestic operations. Domestic operations include all emissions from activities reported under the National Greenhouse and Energy Reporting (Measurement) Determination.
19. Total direct and indirect greenhouse gas emissions from international operations. International operations include all emissions from international aviation fuel consumption.
20. Greenhouse gas emissions (Scope 1 and 2 only) intensity measured in kilograms of CO₂-e per 100 revenue-tonne-kilometres (RTKs) converted to CO₂-e tonnes by the National Greenhouse and Energy Reporting (Measurement) Determination factors. The previously reported figures have been restated. The restatement applies an improved L/100RTK calculation methodology consistently across all financial years back to FY20. Scope: All flights operated solely for the purpose of the Qantas Group, and all activities under the control of the Qantas Group.
21. The total volume of aviation kerosene consumed by the Qantas Group's flying businesses from 1 July to 30 June. Scope: Aviation fuel consumption where the flight is operated solely for the purpose of the Qantas Group. This includes both domestic and international operations: Qantas Airways, Jetstar Australia and New Zealand, QantasLink, Network Aviation and Qantas Freight. This does not include aviation fuel consumed by Jetstar Asia, Jetstar Japan or codeshare partners.
22. Fuel per 100 revenue-tonne-kilometres (RTKs). The amount of revenue-generating payload carried for the distance flown. The total number of tonnes of paying passengers, freight and mail carried, multiplied by the number of kilometres flown. The previously reported figures have been restated. The restatement applies an improved L/100RTK calculation methodology consistently across all financial years back to FY20. Scope: Fuel per 100 RTKs includes domestic and international passenger/freight operations (Qantas Airways, Jetstar Australia and New Zealand, QantasLink, Network Aviation and Qantas Freight including Jets trucking).
23. SAF uptake represents how much SAF was purchased by the Qantas Group and delivered to the relevant airport fuelling infrastructure utilising a book and claim methodology.
24. The total amount of electricity consumed as measured in megawatt hours (MWh), natural gas measured in gigajoules (GJ) and diesel measured in litres (L) were separately billed to Qantas wholly-owned entities within Australia for the period 1 July to 30 June. The figure reported for FY22 has been restated to take into account accruals for the period.
25. Total onshore waste to landfill (including quarantine waste) or recycled measured in tonnes for the period 1 July to 30 June. This includes all waste collected onshore and delivered from Qantas Group premises directly to landfill or recycling facilities where the Qantas Group is responsible for the collection and management of waste and is separately billed to Qantas wholly-owned enterprises by a waste service provider or third party, or where data directly attributed to Qantas is provided. Where Qantas Group has not been separately billed and can reasonably influence waste management procedures, as in the case of inflight waste, an estimated process was applied based on prorated waste generated. Scope: All activities under operational control of the Qantas Group (excludes Jetstar Asia, Jetstar Japan and Jetstar Pacific).
26. Water consumption is measured in kilolitres ('000 L) for the period 1 July to 30 June, separately billed to Qantas wholly-owned onshore entities. Scope: All activities under operational control of the Qantas Group (excludes Jetstar Asia, Jetstar Japan and Jetstar Pacific). The figure reported for FY22 was restated to take into account actual accruals for the period.
27. Average fleet age: The Group's scheduled passenger fleet including both owned and leased aircraft. The Qantas Group's scheduled passenger fleet does not include dedicated freighters, wet-lease aircraft and Network Aviation F100 fleet. The average fleet age in the FY22 report included the Network Aviation F100 fleet in error, and so has been restated here to remain consistent with the long term approach to calculating this figure. As a result, the previously stated figure of 14.7 for FY22 (which included the F100s) has been adjusted to 13.8 (which excludes the F100s).



Independent Limited Assurance Report to the Directors of Qantas Airways Limited

Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Selected Sustainability Information, which has been prepared by Qantas Airways Limited in accordance with the Criteria for the year ended 30 June 2023.

Information subject to assurance

We reviewed the following, as presented in the Qantas Airways Ltd (Qantas) 2023 Sustainability Report (the Sustainability Report), for the year ended 30 June 2023 (collectively, the Selected Sustainability Information):

- Materiality assessment, set out in 'About this Report', including the application and presentation of the materiality process and the material topic selection; and
- The following sustainability metrics, which are on a Group basis unless otherwise indicated:

SUSTAINABILITY

Metric	Unit	FY23
Scope 1 emissions	tCO ₂ -e	9,720,687
Scope 2 emissions	tCO ₂ -e	62,462
Scope 3 emissions	tCO ₂ -e	3,182,594
Onshore waste to landfill including quarantine) (Australia)	tonnes	18,941
Onshore waste recycled (Australia)	tonnes	2,841
Sustainable Aviation Fuel (SAF) uptake	litres	8,508,616
Full-time equivalent employees	#	25,426
Women in senior positions	%	39.1
Aboriginal and Torres Strait Islander employees	#	330
Total community partnership investment	\$M	3.6
Aboriginal and Torres Strait Islander suppliers	#	30
Aboriginal and Torres Strait Islander suppliers spend	\$M	13.1

Criteria Used as the Basis of Reporting

The criteria used in relation to the Selected Sustainability Information are Qantas' management measurement methodologies, which reference industry standards including the Global Reporting Initiative (GRI) Standards and the National Greenhouse and Energy Reporting Act 2007. A summary is provided in the footnotes in the 2023 Sustainability Report (the Criteria).

Basis for Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 and ASAE 3410 Assurance Engagements on Greenhouse Gas Statements (the Standards). In accordance with the Standards, we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Selected Sustainability Information, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

Summary of Procedures Performed

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- interviews with senior management and relevant employees;
- reviewing the materiality assessment methodology and agreeing to material topics disclosed;

- understanding the key systems, processes, and controls for collecting, managing, and reporting of the Selected Sustainability Information;
- reviews of relevant documentation including Qantas' policies and procedures;
- walkthroughs of key data sets and detailed analytical procedures;
- agreeing the Selected Sustainability Information to underlying sources;
- assessing the suitability of the Criteria, including key assumptions; and
- reviewed the 2023 Sustainability Report in its entirety to ensure it is consistent with our assurance work.

How the Standard Defines Limited Assurance and Material Misstatement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of Qantas.

Inherent Limitations

There are inherent limitations in performing assurance — for example, assurance engagements are based on selective testing of the information being examined — and because of this, it is possible that fraud, error, or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all misstatements, as an assurance

engagement is not performed continuously throughout the period that is the subject of the engagement and the procedures performed on a test basis. The conclusion expressed in this report has been formed on the above basis. Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating, and sampling or estimating such data. We specifically note that Qantas has used estimates or extrapolated underlying information to calculate certain amounts included within the Selected Sustainability Information.

Use of this Assurance Report

This report has been prepared for the Directors of Qantas for the purpose of providing an assurance conclusion on the Selected Sustainability Information and may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of Qantas, or for any other purpose than that for which it was prepared.

Management's responsibility

Management are responsible for:

- determining that the criteria is appropriate to meet their needs;
- preparing and presenting the Selected Sustainability Information in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Selected Sustainability Information that is free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to perform a limited assurance engagement in relation to the Selected Sustainability Information for the year ended 30 June 2023, and to issue an assurance report that includes our conclusion.

Our Independence and Quality Management

We have complied with our independence and other relevant ethical requirements of the Code of Ethics for Professional Accountants (including Independence Standards) issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Management 1 to design, implement and operate a system of quality management.

KPMG

KPMG

20 September 2023