



QANTAS CORPORATE GOVERNANCE STATEMENT 2022



# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## OVERVIEW

The Board is responsible for the overall corporate governance of Qantas Airways Limited (Qantas) and its controlled entities (Qantas Group or Group). This includes adopting appropriate policies and procedures designed to ensure the Qantas Group is properly managed, to protect and enhance the interests of its shareholders and all other stakeholder groups.

Corporate governance is core to ensuring the creation, protection and enhancement of shareholder value. The Board maintains, and requires that Qantas Group Management maintains, the highest level of ethics at all times.

The Board monitors the operational and financial position and performance of the Qantas Group and agrees its business strategy, including approving the strategic goals of the Group and considering and approving a business plan and annual budget. The Board is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of the Qantas Group.

The Board comprises a majority of Independent Non-Executive Directors who, together with the Chief Executive Officer (CEO) as Managing Director, have an appropriate balance of skills, knowledge, experience, independence and diversity. The Board has endorsed and continued to apply the ASX Corporate Governance Principles and Recommendations (ASX Principles) 4<sup>th</sup> Edition throughout 2021/22, and at the date of this Statement.







# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Board has adopted a formal Charter which is available in the Our Governance section of the Qantas website at <https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/board-charter.pdf>.




### Board Roles and Responsibilities

AREA	RESPONSIBILITIES
 <p><b>Strategy and objectives</b></p>	<p>Agreeing and reviewing the strategic direction and objectives of the Qantas Group and monitoring the implementation of that strategy by Management.</p> <p>Approving and monitoring the progress of major capital expenditure, including major acquisitions and divestitures.</p> <p>Input into and final approval of the annual operating budget (including the capital management budget).</p>
 <p><b>People</b></p>	<p>Approving the Qantas Group’s purpose and statement of values, including the Non-Negotiable Business Principles, and the Qantas Group Code of Conduct and Ethics that encourage and promote a culture of ethical and responsible decision-making, compliance with legal responsibilities, and transparency through effective and timely reporting. The Code of Conduct and Ethics is available on the Qantas website at <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-code-of-conduct.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-code-of-conduct.pdf</a>.</p> <p>Appointing and removing the Chief Executive Officer (CEO).</p> <p>Appointing and removing the Company Secretary.</p> <p>Board and Executive Management development and succession planning.</p> <p>Monitoring Executive Management’s performance and implementation of strategy and policies, including assessing whether appropriate resources are available.</p> <p>Approving the remuneration and incentive framework for Executive Management and Senior Executives and ensuring a clear relationship between performance and Executive remuneration.</p> <p>Satisfying itself that the remuneration framework is aligned with the Qantas Group’s purpose, behaviours, values, strategic objectives and risk appetite.</p>
 <p><b>Risk</b></p>	<p>Satisfying itself that an appropriate risk management framework exists, in relation to financial and non-financial risks, to review, monitor and manage risk, including through internal compliance controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies.</p> <p>Setting the risk appetite within which Management is expected to operate and, at least annually, reviewing the effectiveness of Qantas’ implementation of its risk management system and internal control framework.</p> <p>Reviewing and overseeing the risk management strategy for the Qantas Group, including that the Group is operating with due regard to the risk appetite set by the Board.</p>
 <p><b>Governance</b></p>	<p>Monitoring compliance with all relevant laws, tax obligations, regulations, applicable accounting standards and significant corporate policies, including the Qantas Group Code of Conduct and Ethics, which is available on the Qantas website at <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-code-of-conduct.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-code-of-conduct.pdf</a>.</p> <p>Ensuring the Qantas Group has an appropriate corporate governance structure.</p> <p>Overseeing the integrity of the accounting and corporate financial reporting systems, including appointment, reappointment or replacement of the external auditor, as well as closely monitoring the independence of the external auditor.</p> <p>Ensuring that the market and shareholders are fully informed of material developments.</p> <p>Approving and monitoring financial and other reporting to the market and shareholders.</p> <p>Appointing and evaluating the performance of the CEO.</p>

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022


## Board Committee Roles and Responsibilities

COMMITTEE	RESPONSIBILITIES
 <p><b>Nominations Committee</b></p>	<p>Assists the Board in fulfilling its corporate governance responsibilities with regard to:</p> <ul style="list-style-type: none"> <li>- Board appointments, re-elections and performance.</li> <li>- Inclusion and diversity objectives.</li> <li>- Directors' inductions, performance and continuing development.</li> <li>- Committee Membership; and</li> <li>- succession of the CEO.</li> </ul> <p>In consultation with Management, the Nominations Committee annually reviews and endorses the Group's inclusion and diversity objectives and progress against those objectives.</p> <p><i>Charter:</i> <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-nominations-committee-charter.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-nominations-committee-charter.pdf</a></p>
 <p><b>Remuneration Committee</b></p>	<p>Assists the Board in fulfilling its corporate governance responsibilities with regard to remuneration matters, including:</p> <ul style="list-style-type: none"> <li>- the remuneration framework for Non-Executive Directors, within the pool of Directors' fees approved by shareholders;</li> <li>- the remuneration and incentive framework, including any proposed equity incentive awards for the CEO, Executive Management and other Senior Executives;</li> <li>- recommendations and decisions (as relevant) on remuneration and all incentive awards for the CEO and Executive Management; and</li> <li>- reviewing the overarching remuneration framework to understand whether it reflects Qantas' values.</li> </ul> <p><i>Charter:</i> <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-remuneration-committee-charter.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-remuneration-committee-charter.pdf</a></p>
 <p><b>Audit Committee</b></p>	<p>Assists the Board in fulfilling its corporate governance responsibilities with regard to financial reporting, audit and risk management, including:</p> <ul style="list-style-type: none"> <li>- the integrity of the Qantas Group's financial reporting;</li> <li>- compliance with legal and regulatory obligations;</li> <li>- the effectiveness of the Qantas Group's enterprise-wide risk management and internal control framework; and</li> <li>- oversight of the independence of the external and internal auditors.</li> </ul> <p>The Audit Committee undertakes both the functions of an audit committee and the elements of a risk committee (other than those undertaken by the Safety, Health, Environment and Security Committee) as set out in the ASX Principles.</p> <p>The Audit Committee approves the Group Audit and Risk Internal Audit Charter, which provides Group Audit and Risk with full access to Qantas Group functions, records, property and personnel, and establishes independence requirements.</p> <p>The Audit Committee approves the appointment, replacement and remuneration of the internal auditor.</p> <p><i>Charter:</i> <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-audit-committee-charter.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-audit-committee-charter.pdf</a></p>

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## Board Committee Roles and Responsibilities (continued)

COMMITTEE	RESPONSIBILITIES
 <b>Safety, Health, Environment and Security Committee (CHES)</b>	<p>The Safety, Health, Environment and Security Committee (CHES) undertakes the functions of a risk committee (other than those undertaken by the Audit Committee) as set out in the ASX Principles, namely the operational risk of the Qantas Group comprising safety, health, environment, security and business resilience matters.</p> <p>To protect Qantas' reputation as one of the world's safest and most secure airlines, and to manage the safety, health, environment and security performance of the Qantas Group, CHES assists the Board in fulfilling its strategy, policy, systems oversight, monitoring and corporate governance responsibilities in regard to safety, health, environment, security and business resilience matters, including:</p> <ul style="list-style-type: none"> <li>- oversight and monitoring of the Group Management System Standard (GMS);</li> <li>- compliance with related legal and regulatory obligations; and</li> <li>- the adequacy and effectiveness of the Qantas Group's enterprise-wide risk management framework for operational risk.</li> </ul> <p><i>Charter:</i> <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-ches-charter.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-ches-charter.pdf</a></p>

## CEO and Key Management Roles and Responsibilities





<https://www.qantas.com/au/en/qantas-group/acting-responsibly/our-leadership.html>

ROLE	RESPONSIBILITIES
<b>Chief Executive Officer (CEO)</b>	<p>Responsible for the day-to-day management of the Qantas Group, with all powers, discretions and delegations authorised from time to time by the Board.</p> <p>Responsible for annually assessing and reporting to the Board on the performance of the Senior Executives who report to the CEO, against agreed performance criteria.</p>
<b>Group Management Committee (GMC)</b>	<p>Responsible for operating within the risk appetite set by the Board.</p> <p>Providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.</p>
<b>Company Secretary</b>	<p>Accountable directly to the Board, through the Chairman, the Company Secretary is responsible for all matters to do with the proper functioning of the Board.</p>
<b>Internal Auditor</b>	<p>The Internal Auditor has a direct reporting line to the Audit Committee and also provides reporting to CHES. The internal audit function is carried out by Group Audit and Risk and is independent of the External Auditor.</p> <p>Group Audit and Risk provides independent, objective assurance and consulting services on the Group's system of risk management, internal control, and governance, through:</p> <ul style="list-style-type: none"> <li>- maintaining and improving the risk management framework, as approved by the Audit Committee;</li> <li>- biannual risk reporting to the Audit Committee and CHES; and</li> <li>- performing audits and other advisory services to assure risk management throughout the Qantas Group.</li> </ul>

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## Board and Management Framework

	 STRATEGY	 PEOPLE	 RISK	 GOVERNANCE
Board	✓	✓	✓	✓
Nominations Committee	✓	✓		✓
Remuneration Committee	✓	✓		✓
Audit Committee	✓		✓	✓
CHESS	✓		✓	✓
Management	✓	✓	✓	✓

### Board Meetings

The Board holds several formally scheduled meetings a year; one serves to review and endorse the strategy and financial plan for the next financial year. Additional meetings and Board conference calls are held as required, and the Board also meets with Executive Management to consider matters of strategic importance.

Attendance at 2021/22 Board and Committee Meetings is contained in the Qantas Annual Report 2022.

### Australian Provisions

The Constitution of Qantas Airways Limited (Qantas Constitution) contains the following provisions required by the *Qantas Sale Act 1992* to protect the airline’s position as the Australian flag carrier:

- head office must be in Australia;
- two-thirds of the Directors must be Australian citizens;
- Chairman must be an Australian citizen;
- quorum for a Directors’ Meeting must include a majority of Directors who are Australian citizens; and
- maximum 49 per cent aggregate foreign ownership.

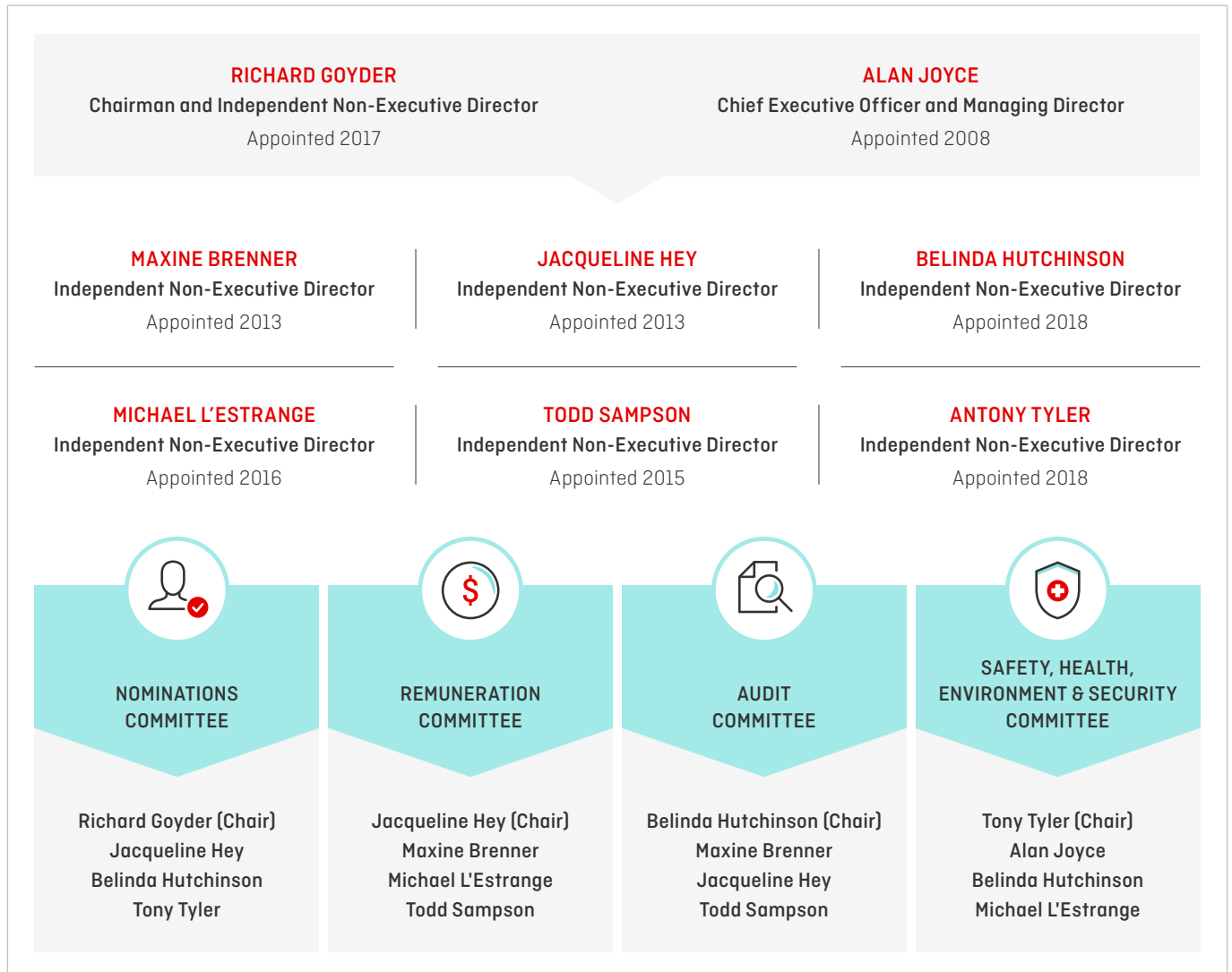
The Qantas Constitution is available on the Qantas website at: <https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-constitution.pdf>.

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

### Board and Committee Composition



Biographical details of the current Directors are contained in the Qantas Annual Report 2022. The Board considers that the current Directors have an appropriate mix of skills to enable the Board as a collective to discharge its duties and responsibilities effectively.



# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## Director Appointment and Re-election

When appointing new Directors, the Board and its Nominations Committee look to ensure that an appropriate balance of skills, knowledge, experience, independence and diversity is maintained. Appropriate background checks are conducted prior to appointing any new Director, or putting a person forward for election as a Director, and external consultants are engaged to assist with the selection process, as necessary. In addition, each Board Member has the opportunity to meet with the nominated Director.

Directors receive formal letters of appointment setting out the key terms, conditions and expectations of their appointment, including a requirement to inform the Chairman prior to accepting a new appointment to any entity’s board or any other position with a significant time commitment attached.

Directors submitting themselves for re-election at a general meeting are reviewed by the Nominations Committee. Directors are re-elected in accordance with the Qantas Constitution and the ASX Listing Rules. Qantas discloses all material information relevant to a decision on whether or not to elect or re-elect a Director in the Qantas Notice of Meeting for the Annual General Meeting (AGM).

## Director Skills and Experience

SKILL/EXPERIENCE	DIRECTORS
Finance expert	● ● ● ● ● ● ● ●
Aviation industry	● ● ● ● ● ● ● ●
FMCG / Marketing	● ● ● ● ● ● ● ●
Engineer / Scientist	● ● ● ● ● ● ● ●
Current or former CEO (or equivalent) of listed company	● ● ● ● ● ● ● ●
Current or former CEO (or equivalent) of non-listed company	● ● ● ● ● ● ● ●
International experience	● ● ● ● ● ● ● ●
Security	● ● ● ● ● ● ● ●
Technology	● ● ● ● ● ● ● ●
Large capital projects	● ● ● ● ● ● ● ●
Mergers and acquisitions	● ● ● ● ● ● ● ●
Government experience	● ● ● ● ● ● ● ●
Environmental, Social and Governance	● ● ● ● ● ● ● ●

● Number of Directors deemed to have deep expertise and/or significant experience.





# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## Independence of Directors

Independent Non-Executive Directors are free from any business or other relationship that could, or could be perceived to, materially interfere with their independent judgement and are willing to express their opinions openly at the Board table. The Board does not consider it possible to list comprehensively the criteria for independence. The approach and attitude of each Non-Executive Director is critical, in addition to other relevant factors which may include whether a Non-Executive Director:

- is a substantial shareholder of Qantas or an officer of, or otherwise associated directly with, a substantial shareholder of Qantas;
- has, within the last three years, been employed in an Executive capacity by the Qantas Group;
- has, within the last three years, been a principal of a material professional advisor or a material consultant to the Qantas Group, or an employee materially associated with the service provided;
- is a material supplier or customer of the Qantas Group, or an officer of, or otherwise associated directly or indirectly with, a material supplier or customer;
- has any material contractual relationship with the Qantas Group other than as a Director;
- has served on the Board for a period which could materially interfere with the Director's ability to act in the best interests of the Qantas Group (and it is neither possible nor appropriate to assign a fixed term to this criteria);
- is free from any interest, position, association or other relationship which could, or could be reasonably perceived to, materially interfere with the Director's ability to act in the best interests of Qantas; or
- receives performance-based remuneration (including options or performance rights) from, or participates in, an employee incentive scheme.

Each Director is required to disclose to the Board, on an immediate and ongoing basis, if he or she has an interest or relationship which is likely to impact materially on his or her independence or if a Director believes he or she may no longer be independent.

Qantas believes that the materiality thresholds set out below are relevant to assessing the independence of Non-Executive Directors:

- a relationship which accounts for more than 10 per cent of the Director's gross income (other than Directors' fees paid by Qantas); and
- when the relationship is with a firm, company or entity, in respect of which the Director (or any associate) has more than a 20 per cent shareholding in a private company or a 2 per cent shareholding in a listed company.

The following materiality thresholds are also considered relevant:

- in respect of advisors or consultants — if fees paid exceed \$2 million per annum;
- in respect of suppliers — if goods or services purchased by the Qantas Group exceed 2 per cent of Qantas' annual consolidated gross revenue (other than banks, where materiality must be determined on a case-by-case basis); and
- in respect of customers — if goods or services supplied by the Qantas Group exceed 2 per cent of Qantas' annual consolidated gross revenue.

Close family ties and cross-directorships may also be relevant in considering interests and relationships which may compromise independence.

Qantas has commercial relationships with most major entities in Australia. Any Director on the board of another entity is expected to excuse themselves during any meeting when that entity's commercial relationship with Qantas is to be discussed.

Qantas currently has one Managing Director, Alan Joyce, who is not considered to be independent.

Independent legal, financial or other professional advice at the expense of Qantas is available to the Directors, if necessary, in relation to any issues of Director independence.

At the 2000 AGM, shareholders approved Qantas entering into Director Protection Deeds with each Director.

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## Continuous Improvement, Development and Performance

The Board recognises the importance of continuously monitoring and assessing its performance and undertakes a structured annual review of its performance and that of its Committees. The Board also periodically engages the assistance of external consultants to facilitate formal Board and Committee performance reviews.

### Board and Committees

During 2021/22, the Board engaged an external service provider to facilitate the review of Board, Committee and Director performance, whereby each Director completed a detailed written performance evaluation and participated in an interview with the external party. Qantas Management also participated in the externally facilitated review. The outcomes of those evaluations were presented by the external party and the relevant Chair to the Board or Committee as a group.

A formal induction program is provided to new Directors to ensure they have a working knowledge of the Qantas Group (including its structure, operations and risk profile — as well as its behaviours and values) and of the aviation industry.

### Directors

Directors have open access to all relevant information, including discussions with Management and subject matter experts, and site visits to observe operations. Directors may meet independently with Management at any time to discuss areas of interest or concern.

Existing Directors are also encouraged to undertake ongoing professional development to maintain the skills and knowledge needed to perform their role as Directors effectively.

### Management

Senior Executives of the Qantas Group are appointed on the basis of their skills, experience, knowledge and diversity. Appropriate background checks are conducted prior to any appointment with the Group.

In 2021/22, the performance of the CEO was reviewed by the Board, with the outcomes of the review reported to the Board. Performance of Senior Management was reviewed by the CEO, with the outcomes of these reviews reported to the Remuneration Committee.







# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## INCLUSION AND DIVERSITY

The Qantas Group Inclusion and Diversity Strategic Framework 2021–2024 is focused on supporting the Group’s three-year recovery plan. Gender balance and our commitment for Reconciliation continue to be key strategic priorities, with several previously paused commitments recommencing aligned to our ongoing operational recovery.

 <p><b>Strategy and objectives</b></p>	<p>Drive better business outcomes and an improved employee experience through shared accountability for inclusion and diversity.</p> <ol style="list-style-type: none"><li>1. Diversity in our organisation and ways of working;</li><li>2. an inclusive people experience; and</li><li>3. external leadership.</li></ol> <p>Further information: <a href="https://www.qantas.com/au/en/qantas-group/acting-responsibly/our-people.html">https://www.qantas.com/au/en/qantas-group/acting-responsibly/our-people.html</a></p>
 <p><b>Governance</b></p>	<p>The Inclusion and Diversity Policy outlines roles and responsibilities for implementation.</p> <p>This can be found at <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-inclusion-diversity-policy.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-inclusion-diversity-policy.pdf</a>.</p> <p>The Nominations Committee, in consultation with the GMC, is responsible for setting and reviewing the Group’s inclusion and diversity annual objectives and initiatives.</p>
 <p><b>Targets</b></p>	<p>The Group’s three-year measurable objective for gender balance, set by the Nominations Committee, is women in 42 per cent of senior management roles<sup>1</sup> by 30 June 2024.</p>
 <p><b>Compliance</b></p>	<p>The Group complied with the Australian <i>Workplace Gender Equality Act 2012</i> by submitting annual compliance reports for 2022<sup>2</sup>.</p>

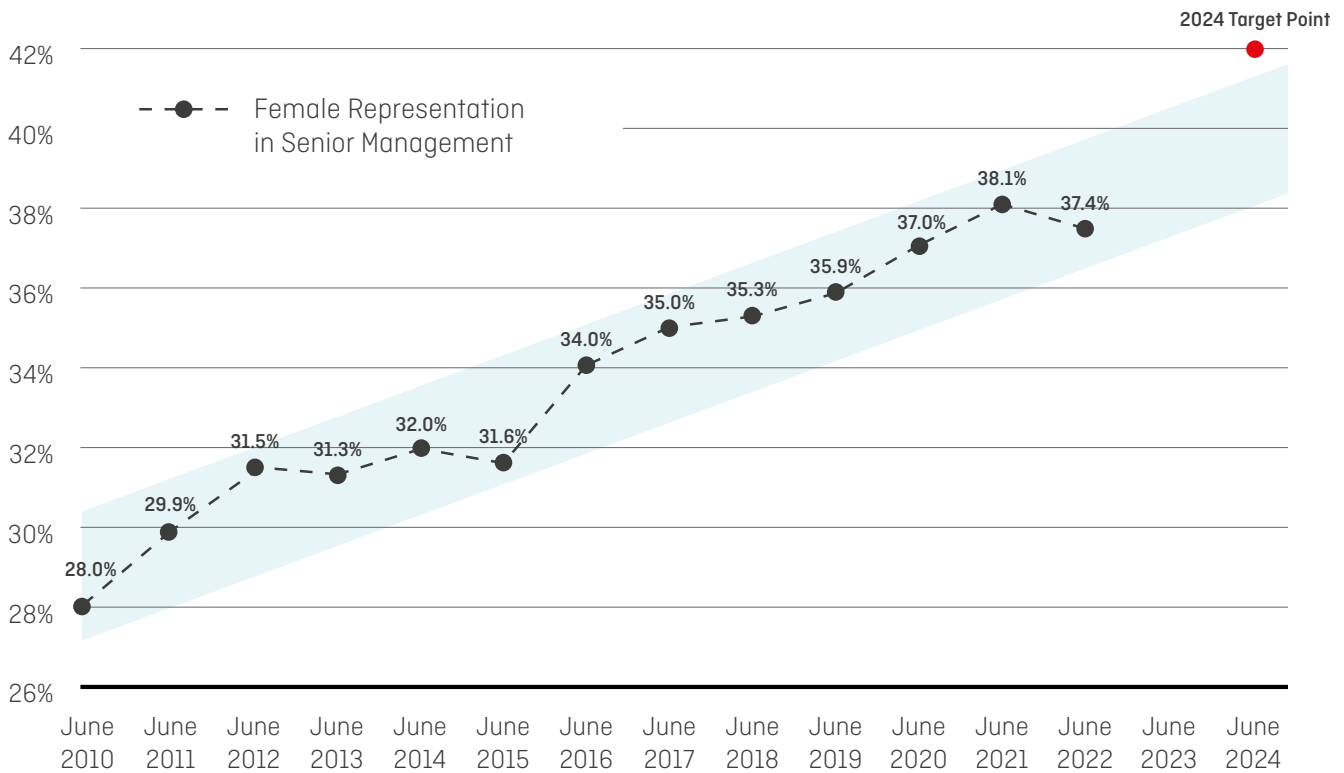
<sup>1</sup> Senior management is defined as Group Executive, Executive Manager, Heads of, and Senior Manager levels (known as Job Grade 4 and above, or JG4+) and includes majority owned entities of Qantas Airways Limited, excluding Qantas Superannuation.

<sup>2</sup> Includes Australian-based employees only.

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## Representation of Women in Senior Management (JG4+) Jun 2019-2022 with 2024 External Target 42%



## Group Gender Representation

	2022	2021	2020	2019	2018	2017	2016
Percentage of women employees in the whole organisation	44.8%	43.6%	42.5%	42.0%	42.3%	42.6%	41.7%
Percentage of female graduates recruited	N/A <sup>1</sup>	N/A <sup>1</sup>	47.5%	34.4%	51.9%	52.4%	61.0%
Percentage of women in senior management positions	37.4%	38.1%	37.0%	35.9%	35.3%	35.0%	34.0%
Percentage of women on the Board	37.5%	40.0%	40.0%	36.4%	36.4%	30.0%	30.0%

Note: includes majority owned entities of Qantas Airways Limited, excluding Qantas Superannuation.

<sup>1</sup> No graduate intake in 2021. Graduate intake for 2022 scheduled for October 2022.



# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

The Board has established a corporate governance framework, comprised of Non-Negotiable Business Principles (Principles) and Group Policies, which forms the foundation for the way in which the Qantas Group undertakes business.

The Principles and Group Policies are detailed in the Qantas Group Business Practices Document, which is available in the Our Governance section of the Qantas website at <https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-business-practices-document.pdf>.

<p><b>Qantas Group Code of Conduct and Ethics</b></p>	<p>The Qantas Group Code of Conduct and Ethics (Code) governs conduct for Directors, employees, contractors and agents of the Qantas Group and any person or organisation that acts for it. The Board and Audit Committee are informed of any material breaches of the Code.</p> <p>The Code sets out the minimum requirements and responsibilities in a number of areas, including:</p> <ul style="list-style-type: none"> <li>- compliance with laws, regulations and ethical standards;</li> <li>- government engagement and political donations;</li> <li>- Anti-bribery and Corruption Policy;</li> <li>- giving or receiving gifts, entertainment and hospitality;</li> <li>- conflicts of interest;</li> <li>- accounting records, retention and storage of data, and use of confidential information;</li> <li>- dealing with auditors and investigators;</li> <li>- making public statements about the Qantas Group;</li> <li>- continuous disclosure;</li> <li>- employee share trading;</li> <li>- competition and consumer law compliance;</li> <li>- Qantas' Whistleblower Policy;</li> <li>- privacy;</li> <li>- inclusion and diversity;</li> <li>- human rights; and</li> <li>- equal employment opportunity.</li> </ul> <p>The Qantas Group Code of Conduct and Ethics is available in the Our Governance section of the Qantas website at <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-code-of-conduct.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-code-of-conduct.pdf</a>.</p>
<p><b>Employee Share Trading Policy</b></p>	<p>Contained in the Qantas Group Code of Conduct and Ethics, this Policy sets out guidelines designed to protect the Qantas Group and its employees from intentionally or unintentionally breaching the law.</p> <p>The Policy prohibits employees from dealing in the securities of any Qantas Group entity while in possession of material non-public information. In addition, certain nominated Qantas Group employees (including Key Management Personnel) are required to follow specified procedures and are prohibited from dealing in Qantas shares (with some exceptions, as mentioned in ASX Guidance Note 27) between:</p> <ul style="list-style-type: none"> <li>- 31 December and 24 hours after the release to the ASX of Qantas' half year results; and</li> <li>- 30 June and 24 hours after the release to the ASX of Qantas' full year results.</li> </ul> <p>Nominated Qantas Group employees are also prohibited from entering into any hedging or margin lending arrangement or otherwise granting a charge over the securities of any Qantas Group listed entity where control of any sale process relating to those securities may be lost.</p>
<p><b>Anti-bribery and Corruption Policy</b></p>	<p>Also contained in the Qantas Group Code of Conduct and Ethics, this Policy sets out that our people and every person representing the Qantas Group must, regardless of their position or location, comply with all applicable anti-bribery laws.</p> <p>All material breaches of the Code (including this Policy) are reported to the Board and Audit Committee.</p>

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

<p><b>Whistleblower Policy</b></p>	<p>The Qantas Group encourages all Disclosing Persons (as defined in the Policy) to raise matters that are of legitimate concern, including in relation to a potential breach of any legal or regulatory requirement, or a Qantas Group Policy.</p> <p>Qantas has a well-established Whistleblower Committee that reports to the Audit Committee on Qantas' Whistleblower Program. The Whistleblower Committee oversees investigations and ensures that the Board and Audit Committee are appropriately informed of any material incidents reported under the Policy.</p> <p>The Whistleblower Policy applies to all current and former Qantas Group employees, as well as a range of other stakeholders, and is available in the Our Governance section of the Qantas website at <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/whistleblower-policy.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/whistleblower-policy.pdf</a>.</p>
<p><b>Other policies</b></p>	<p>The Qantas Group has formal policies and statements relating to its legal and other obligations. These include areas such as safety and health, environment, security, cyber, finance, privacy, risk management, employment practices, modern slavery and human trafficking, and fair trading.</p> <p>Policies are supported by procedures for compliance and monitoring effectiveness.</p> <p>A summary of our core business principles, behaviours, values and practices can be found in the Qantas Group Business Practices Document, which is available in the Our Governance section of the Qantas website at <a href="https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-business-practices-document.pdf">https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-business-practices-document.pdf</a>.</p>

## Our Behaviours

Our Behaviours are how we do things every day; they are built on what makes us unique and sets us apart and provide common language to guide expectations of ourselves and others.

<p><b>OUR PURPOSE</b></p>	<p><b>WE TAKE THE SPIRIT OF AUSTRALIA FURTHER</b></p>			
<p><b>OUR BEHAVIOURS</b></p>	 <p><b>RESPONSIBLE</b></p> <p>Always care and be responsible</p>	 <p><b>RESPECTFUL</b></p> <p>Working together; being respectful and inclusive</p>	 <p><b>RESILIENT</b></p> <p>A positive attitude to everyday challenge</p>	 <p><b>EXCELLENCE</b></p> <p>Striving for excellence in all we do</p>

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

### Verification of Corporate Reporting

Qantas' half-year and annual financial reports are each respectively audited by Qantas' independent external auditor, KPMG. Prior to Board approval of both financial reports, the Board receives the following from KPMG:

- An independence declaration confirming that there were no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* (Cth) [Corporations Act], and that there were no contraventions of any applicable code of professional conduct in relation to the review; and
- the independent external auditor's review report to the shareholders of Qantas.

In addition to being externally audited, Qantas' half-year and annual financial reports are also subject to the internal verification process referred to further below for Other Periodic Corporate Reports.

### CEO and CFO Declaration

Prior to Board approval of Qantas' half-year and annual financial reports, the CEO and CFO provide the Board with the declarations required under section 295A of the Corporations Act and Recommendation 4.2 of the ASX Principles.

For the financial year ended 30 June 2022, the CEO and CFO made a declaration in accordance with section 295A of the Corporations Act. The declaration was formed on the basis of a sound system of risk management and internal control which is operating effectively. An equivalent declaration was made for the half year ended 31 December 2021.

### Other Periodic Corporate Reports

Qantas is committed to providing transparent, concise and effective disclosure in all its corporate reporting, which includes verifying the integrity of all periodic corporate reports released to the market that are not audited or reviewed by its external auditor.

The verification process undertaken involves internal review and approval by Senior Executives and the Board prior to release to the ASX. Reports are prepared by, or under the supervision of, subject matter experts, and material disclosures are allocated to designated areas of the business to substantiate by reference to company source documents or, if no source documents are available, by persons with the knowledge and expertise to confirm the accuracy and completeness of the disclosures. Once the reports have gone through an appropriate, layered Management review and sign-off process, they are subject to final review and approval by Senior Executives, the relevant Board Committee, or the Board as a whole, as appropriate.

### Independence of External Auditor

Qantas rotates its lead audit partner every five years and imposes restrictions on the employment of personnel previously employed by the external auditor. Qantas rotated its lead external audit partner during 2021/22. The next rotation of audit signing partner for KPMG will take place following the finalisation of the audit for the 2025/26 financial year. Notwithstanding there are no service, quality or independence issues with the current auditor, in consideration of best practice, the Qantas Group has decided to undertake a competitive external audit tender process during the 2024/25 financial year for appointment in relation to the 2026/27 financial year.

The Board and Audit Committee conduct regular reviews of the independence safeguards put in place by the external auditor. Policies and procedures are in place to restrict the type of non-audit services which can be provided by the external auditor and a detailed review of non-audit fees paid to the external auditor is undertaken on a quarterly basis.

At each meeting, the Audit Committee meets privately with Executive Management without the external auditor, and with the internal and external auditors without Executive Management. The external auditor attends each AGM.

As required by section 300(11D)(a) of the Corporations Act and the Audit Committee Charter, the Audit Committee has advised the Board that it is appropriate for the following statement to be included in the 2022 Directors' Report under the heading 'Non-Audit Services':

'The Directors are satisfied that:

1. the non-audit services provided during 2021/22 by KPMG as the external auditor were compatible with the general standard of independence for auditors imposed by the Corporations Act; and
2. any non-audit services provided during 2021/22 by KPMG as the external auditor did not compromise the independence requirements of the Corporations Act for the following reasons:
  - i. KPMG services have not involved partners or staff acting in a managerial or decision-making capacity within the Qantas Group or being involved in the processing or originating of transactions;
  - ii. KPMG non-audit services have only been provided where Qantas is satisfied that the related function or process will not have a material bearing on the audit procedures;
  - iii. KPMG partners and staff involved in the provision of non-audit services have not participated in associated approval or authorisation processes;
  - iv. a description of all non-audit services undertaken by KPMG and the related fees have been reported to the Board to ensure complete transparency in relation to the services provided; and
  - v. the declaration required by section 307C of the Corporations Act, confirming independence has been received from KPMG.'

# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## MAKE TIMELY AND BALANCED DISCLOSURES

Qantas proactively communicates with its shareholders via the ASX and its web-based Newsroom. The Board receives copies of all material market announcements for review and approval of release to the market, as well as a final copy promptly after they have been released. Additionally, Qantas actively conveys its publicly-disclosed information and seeks the views of its shareholders, large and small, in a number of forums, including at the AGM, Qantas Investor Days and, as is common practice among its major listed peers, through periodic meetings with current and potential institutional shareholders.

Qantas is committed to ensuring that trading in its shares takes place in an orderly and informed market, with transparent and consistent communication with all shareholders. Qantas has an established process to ensure that it complies with its continuous disclosure obligations at all times, including a biannual confirmation by all Executive Management that the areas for which they are responsible have complied with the Qantas Group Continuous Disclosure Policy, contained in the Qantas Group Code of Conduct and Ethics, which is available in the Our Governance section of the Qantas website at <https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-code-of-conduct.pdf>.

## RESPECT THE RIGHTS OF SECURITY HOLDERS

Qantas has a Shareholder Communications Policy which promotes effective two-way communication with shareholders and the wider investment community and encourages participation at general meetings. The Policy is available in the Our Reporting Approach section of the Qantas website at <https://www.qantas.com/images/qantas/pdfs/about-us/corporate-governance/qantas-shareholder-communications-policy.pdf>.

Information about the Qantas Group, our governance and all company announcements lodged by Qantas with the ASX are available on the Qantas Investor website. This includes the Annual Report, notices of meeting and payment statements. In addition, materials presented at significant investor and analyst briefings are made available on the Qantas Investor website and are lodged with the ASX ahead of the presentation, where required. The Qantas Investor website is at <https://investor.qantas.com>.

Qantas is focused on reducing our carbon footprint while providing timely corporate updates and disclosures. Recent legislative changes to the Corporations Act mean there are new options for how Qantas shareholders receive communications. Qantas will no longer send physical meeting documents unless a shareholder requests a copy to be mailed. For more information, see the Qantas Investor website at <https://investor.qantas.com>.

Electronic communication has the added advantage of being timelier and more cost-effective, and is available for items such as meeting documents, dividend statements and annual reports. Shareholders should contact Link Market Services if they want to elect to receive electronic communications.

The 2022 Qantas Notice of Meeting for the AGM is available on the Qantas Investor website at <https://investor.qantas.com>.

The 2022 AGM proceedings will be presented in a hybrid format — offering both in-person and online attendance and voting, as well as a live and archived webcast. For shareholders unable to attend, an AGM Voting and Question Form will accompany the Qantas Notice of Meeting 2022, giving shareholders the opportunity to lodge a direct or proxy vote and submit questions and comments to Qantas or the external auditor prior to the AGM. All resolutions considered at the AGM are decided by a poll.

Qantas' contact details are available on the Qantas Investor website at <https://investor.qantas.com> and shareholders can email Qantas from this page or contact its share registry, Link Market Services Limited, at [registry@qantas.com](mailto:registry@qantas.com).





# Corporate Governance Statement continued

FOR THE YEAR ENDED 30 JUNE 2022

## RECOGNISE AND MANAGE RISK

Qantas is committed to embedding risk management practices to support the achievement of business objectives and fulfil corporate governance obligations. Within the Board-approved risk management strategy, Management has designed and implemented a risk management and internal control system to manage Qantas' material business risks.

Qantas is a complex business and is exposed to a range of strategic, financial, operational, socially responsible and sustainability-related risks that are inherent in operating in the aviation industry. Risks that could affect results and performance include:

- general economic and business conditions post-COVID 19 in Australia and overseas, including geopolitical tensions, creating considerable uncertainty and volatility surrounding macroeconomic factors;
- fluctuations in the price of aviation fuel and foreign exchange rates;
- increased competition due to the expansion of existing airlines, the consolidation of existing airlines and/or the creation of alliances between airlines, new airlines entering the market, or aggressive pricing by competitors;
- key suppliers not fulfilling their service obligations potentially impacting operations;
- performance of key business partners and alliances or termination of a significant airline alliance;
- employee relations and risks of industrial action associated with enterprise bargaining disputes;
- the effects of climate change or natural disasters that result in restrictions or limitations on aviation operations;
- cyber security incidents and data protection, including privacy; and
- customer risk — diminution in customer satisfaction and loyalty due to operational challenges, cancellation, credit and refund policies impacting the Qantas's brand and reputation.

The Qantas Group Risk Management Framework (Framework) supports the proactive management of these and other risks facing Qantas. The Qantas Group Risk Management Policy (Policy) sets out the minimum requirements, roles and responsibilities for managing risk across the Qantas Group. This Policy is summarised in the Qantas Group Business Practices Document, which is available in the Our Governance section of the Qantas website at <https://www.qantas.com/content/dam/qantas/pdfs/about-us/corporate-governance/qantas-business-practices-document.pdf>.

The Framework is aligned to the International Standard on Risk Management (ISO 31000:2018) and the Committee of Sponsoring Organisations of the Treadway Commission (COSO) framework for evaluating internal controls. The Framework was reviewed by the Audit Committee during 2021/22 and an independent review of the Framework is performed periodically to assure effectiveness and drive continuous improvement.

The GMS provides a common standard for identifying, assessing and managing material business risks across the Qantas Group. The GMS provides guidance for business units, regarding leadership, commitment and planning, process management, risk management, assurance and training and promotion.

Material risks and Management's responses to managing these risks are escalated to Executive Management, Board Committees and the Board, as appropriate, and are reported as part of the risk reporting process. Risk management is also integrated into key business decision-making and activities, including strategy development, projects and change initiatives.

Management undertakes self-assessments, audits and risk management reviews to confirm that risks are being effectively managed and reported to the Board through the Audit Committee and CHES, as appropriate. On a biannual basis, Executive Management certifies that there is an effective risk management process in place within their respective areas of responsibility.

During 2021/22, the Audit Committee undertook its annual review of the effectiveness of Qantas' implementation of its risk management system and internal control framework.

## Internal Audit

Group Audit and Risk adopts a risk-based approach in formulating its audit plan, to align audit activities to the key risks across the Qantas Group. The audit plan is approved by the Audit Committee biannually and submitted to the CHES for information.

In addition to Group Audit and Risk, operationally focused business units within the Qantas Group have their own internal audit functions to provide assurance to accountable managers on the effectiveness of operational risk management and compliance. The findings from these audit activities, along with the status of audit management actions, are reported through operational safety governance structures and to the CHES.

## REMUNERATE FAIRLY AND RESPONSIBLY

The Qantas Executive remuneration objectives and approach are set out in full in the Directors' Report, which is contained in the Qantas Annual Report 2022.

Information about the remuneration of Executive Management is disclosed to the extent required in the Remuneration Report, which is part of the Directors' Report contained in the Qantas Annual Report 2022.

Qantas Directors are entitled to statutory superannuation and certain travel entitlements (accrued during service) which are reasonable and standard practice in the aviation industry. Non-Executive Directors do not receive any performance-based remuneration. Details of Directors' remuneration are disclosed to the extent required in the Remuneration Report, which is part of the Directors' Report contained in the Qantas Annual Report 2022.



QANTAS AIRWAYS LIMITED  
ABN 16 009 661 901