

## Chair's Message

# This time last year, I assured shareholders that we were acutely aware of the need to rebuild confidence in Qantas after the Group fell short in important areas of our business.

We immediately moved to introduce changes to reset relationships with our stakeholders, particularly customers and employees, and improve our operational performance.

While there is much work still to be done, 12 months later I am pleased to report that we have seen material improvement in our operational reliability and customer satisfaction.

### Delivering for all stakeholders

Over the course of the year, the Group has made a series of investments in customer experience, our loyalty program, and our operations to ensure we consistently deliver the level of service our customers expect from the national carrier.

These initiatives have resulted in customer satisfaction improving for both Qantas and Jetstar.

Along with continued demand for travel, this helped the Group deliver a strong financial result, with an Underlying Profit Before Tax of \$2.08 billion and a Statutory Profit After Tax of \$1.25 billion.

The Qantas Group's 2023/24 financial performance also demonstrates the strength of the Group's integrated portfolio, including our dual-brand airline strategy and Frequent Flyer program.

We know that continuing to generate sustainable profits remains central to our ability to invest in our people, our customers and our new fleet at the same time as delivering returns to our shareholders.

### Accountability

In October 2023 the Qantas Board commenced a process of independently reviewing key governance matters over the previous 12 months. The review considered the decision-making and governance processes that led to loss of trust amongst stakeholders and, in August this year, we shared the findings.

While the review revealed no findings of deliberate wrongdoing, it confirmed that mistakes were made by the Board and Management that contributed to the Group's significant reputational and customer service issues.

The Board and Management team are committed to implementing the 32 recommendations of the review in full, and many of these are underway or already completed.

This includes making changes so that the Board receives more detailed reporting on customer metrics, employee engagement and key stakeholder relations. We have also strengthened Board consultation and approval required for involvement in significant stakeholder and community issues.

Informed by these findings, the impact of the Australian Competition and Consumer Commission legal proceedings and the High Court finding in relation to breaches of the *Fair Work Act* when Qantas outsourced ground handling work, the Board applied its discretion to reduce relevant bonuses for current and former Executives. Details of this and further changes to the Executive Remuneration Framework are outlined in our Remuneration Report on page 32.

## Chair's Message continued

### Renewal

The past year has seen an accelerated pace of renewal at both the Board and Senior Management level.

New CEO Vanessa Hudson has brought to the role a thoughtful, open-minded approach and is resetting the leadership culture of the business. I am confident that she has the right experience, personal qualities and vision to lead the Group through its next exciting chapter.

Supporting her is a largely refreshed leadership team, with a mix of external and internal talent appointed to lead key business units.

Maxine Brenner and Jacqueline Hey retired from the Board in February 2024, and I thank them for their dedication after serving as directors for more than a decade. Experienced company director Dr Nora Scheinkestel joined the Board in March and assumed the role of Chair of the Remuneration Committee.

After six years in the role, I will also complete my tenure as Chair of Qantas in September 2024. I would like to thank my fellow Board members, past and present, for their support and friendship.

Having worked with Chair-Elect John Mullen over recent months, I know he is an exceptional leader who is deeply motivated to restore Qantas to its rightful place as the trusted national carrier. I wish him calm skies and all

the best for the period ahead. Both John and Nora's appointments are subject to shareholder approval at the AGM.

It has been a privilege to lead the Group over this period. Despite the unprecedented challenges of the past four years, the airline's foundations are strong and its future remains bright.

### On the horizon

While there will be challenges ahead, I firmly believe that Qantas is putting the right pieces in place to succeed for the long term.

With two world-class brands in Qantas and Jetstar, an airline loyalty scheme that is second-to-none, a growing freight business, a strong balance sheet, a passionate workforce, and a pipeline of investment that will ultimately change the way Australians connect with each other and the world, the foundations are strong.

I look forward to watching the Group deliver for customers, employees, shareholders and the wider community for decades to come.



Richard Goyder AO

