

Promoting responsible tourism that cares for people and the planet

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT 2023


Nordic Leisure
Travel Group





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General notes

Our financial year runs from 1 October to 30 September – so whenever we refer to 'this year' or 2023 – we are referring to 1 October 2022 to 30 September 2023.

The overall responsibility for this report and its content rests with the Board of Directors. The Board consists of representatives from the circle of owners and the company’s Group Management.

Laying the path for responsible tourism

Nordic Leisure Travel Group is the largest leisure travel operator in the Nordic region. This gives us the opportunity to play an important role when it comes to protecting people and the planet and moving the tourist industry in a more sustainable direction.

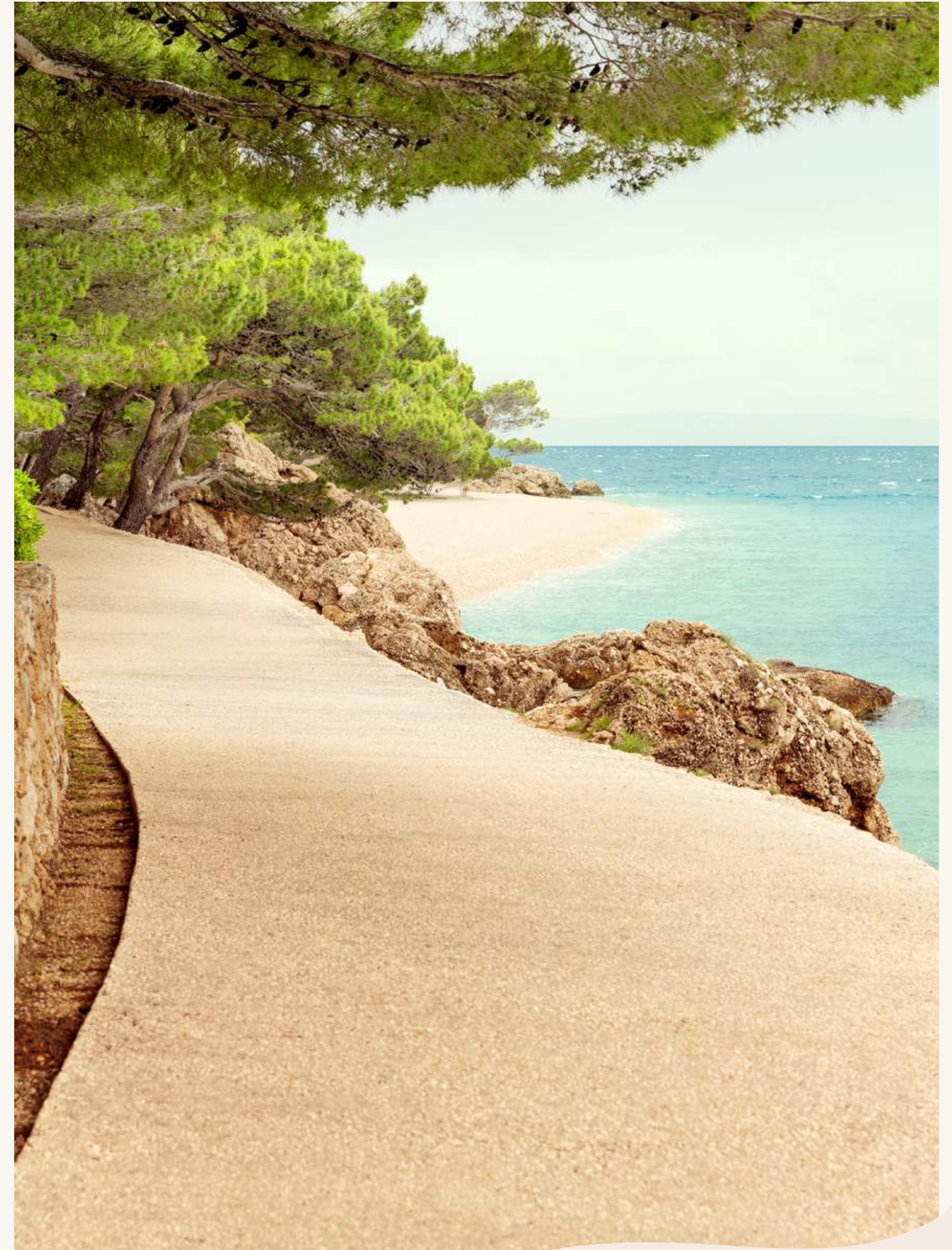
We take this role very seriously. Working closely with partners across the industry, our ambition is to lay a path for responsible tourism that we hope others will follow.

We turn our ambition into action by investing in new technologies that will drive down emissions from tourism – to help lower the impact of our industry at a global scale. We work to promote strong economic growth and responsible environmental management at our destinations – to ensure that tourism becomes a force for good in local communities.

In a similar way, we work to nurture our own community – to create an inclusive work environment where everyone feels heard, connected and engaged.

Delivering on our ambition calls for clarity, transparency and good governance. We have put frameworks in place that help to structure our environmental and social activities and deliver the data we need to document where we're making progress.

Laying the path for responsible tourism is a continuous journey. To stay on track, we will continue to integrate sustainability into the fabric of our business, focusing our efforts on where we can have the greatest impact – for the wellbeing of our customers and partners, the communities we work in, and the planet we all depend on.



A conversation with Magnus Wikner, CEO of Nordic Leisure Travel Group

→ NLTG is working to drive the industry towards more responsible travel. What does responsible travel mean for you?

For us, responsible travel means delivering the best weeks of the year in a holiday experience that takes care of people and the planet. This isn't just about the flight or hotel. We want to build sustainability into everything we do. That means everyone in the company has the chance to make a difference – from executive level right through to our hotel staff in the front line of the business.

→ Do you see NLTG as a leader in responsible travel?

In a way, yes. As the largest leisure travel operator in the Nordics, we come into contact with a lot of people and have a lot of influence. Owning our own fleet and many of our hotels, we also control the entire holiday experience. So what we do impacts the entire tourism value chain – from how people choose their holidays and the aircraft they fly on, to where they stay and the excursions they take at the destination. I think that gives us an opportunity – and a responsibility – to show the way forward.

But leadership is not a goal in itself. We don't just focus on ourselves. For us, it's about being a role model for others to follow. And it's about partnering with others and working together across the industry to really move the needle when it comes to protecting people and the planet. We're doing that through our collaboration with ClimatePoint, for example.

→ Can you tell us more about your investments in ClimatePoint?

When it comes to tourism, there's a big elephant in the room: the carbon footprint from air travel. It accounts for more than 90% of emissions from our business – and it's by far the biggest contributor to emissions in the travel industry. Unfortunately, there's no quick fix here. Electric aircraft for large commercial airlines are not on the horizon. So, I believe our best option is to invest in the solutions that are currently available and most likely to make a difference.

From what we see, e-fuels combined with carbon capture have the potential to eliminate emissions from air travel. Through ClimatePoint and other investments, we have been an early investor in these solutions. I hope our investments will pave the way for others in the industry to follow. No one company can do this alone; it takes strong commitment and solid investments from actors across the industry to develop the technologies we need to ensure more responsible travel for the future.

→ What other initiatives did you take this year to reduce your environmental impact?

One of the most impactful is our fleet renewal programme, where we're switching our aircraft for more modern and efficient models. This alone could cut carbon emissions per passenger kilometre by up to 23%, depending on the aircraft type. I'm pleased to say that this programme is ahead of schedule and is already making a difference. In 2023, our emissions per passenger kilometre fell by 2.2%. It's a huge



step to get that number moving in the right direction. We are also ahead on other important targets, including renewable electricity at our owned and operated hotels.

I'm also extremely proud of the smaller, more local initiatives that our colleagues have put into practice on the ground. Many of our hotels have replaced plastic water bottles with water fountains and refillable glass bottles, for example. We've also started recycling used linen from our own hotels to make new textile products, such as bags and hairbands. These initiatives are important because people can connect with them – our employees as well as our guests can see, in a very practical way, that they can have a real impact in the local destination.

→ **Speaking of connections. Done responsibly, tourism helps to build connections between people and places. How do you work to strengthen that at NLTG?**

Building strong connections works at several levels at NLTG. First of all, we put a lot of effort into building strong relationships at our local destinations – to ensure that our activities contribute positively to the local community, socially and economically. Our ambition is bigger than profit. We're there to make a positive difference. And I think our employees and local partners feel that, which is why we have long-standing relationships with so many of them.

We also focus on nurturing strong connections internally, between colleagues and across roles and functions. This year, we tried to work more systematically with employee voice through the introduction of Winningtemp, which allows us to do quick pulse surveys among our employees every few weeks. It's a fantastic way to better understand

how our people are feeling about their work situation, while also allowing them to bring forth ideas about how we can improve.

Connecting with all employees is hugely important to me personally. I have a tradition called 'Fika with Magnus'. 'Fika' is a Swedish term for a coffee & cake break. But for me, it's much more than that. It's a leadership mindset. I try to sit down with new colleagues for a fika in the first few months after they join the company. It's a wonderful way to meet people and get their early reflections on what it's like to work with us. And it's an opportunity to build connections and capture new, fresh ideas.

→ **Responsible travel also requires transparency. What did you do in 2023 to improve your transparency and governance structure?**

We took significant steps in this area in 2023. We began the work towards having our climate targets approved by the Science Based Targets initiative¹ – and should have that completed within the next two years. We also engaged our Risk and Compliance Committee to ensure correct governance of our overall business commitments – including ESG – and finally, we began preparing the right organisational foundation to meet the Corporate Sustainability Reporting Directive (CSRD) requirements.

These are all extremely important initiatives. But what I think is most important is that we now have a much better idea of how to work

more systematically with sustainability. It's not just a pillar in our strategy; it underpins everything we do. By strengthening our systems and frameworks, we have a clearer idea of what has an impact and what doesn't, and we know how to measure and report on our results.

This makes everything a little bit easier and faster, which is essential because new challenges arise all the time. Over the past 12-24 months, for example, many companies, our own included, have been put under pressure by economic and geopolitical instability. While this requires our focus, sustainability remains at the heart of our work. It's no longer just the responsible thing to do; it's a basic requirement for how a company like ours must operate.



MAGNUS WIKNER
CEO, NORDIC LEISURE TRAVEL GROUP

Progress and outlook

After a turbulent couple of years, we are now back at a more normal state of operation, which has allowed us to increase focus on our ESG targets and our ambitions for responsible travel. As a result, we achieved most of our targets this year and made satisfactory progress on our long-term objectives.

We are especially proud of the results we have achieved in bringing down emissions from both our airline (2.2% reduction of carbon emissions per passenger kilometre) and our hotels (increased share of renewable electricity from 57% to 91%). These are crucial steps in our journey to deliver a net-zero emissions operation in the long term.

However, two of our 2023 targets were not reached this year. We fell short of our aim to remove all single-use plastic from our hotel operations. It has proven difficult to get rid of all PET plastic bottles at our destinations, as it isn't always possible to procure recycled plastic bottles locally. To address this in the coming year, we will introduce more water fountains across our hotels and work with our suppliers to change their policies on the use of recycled materials.

We also struggled to ensure 100% renewable electricity in our Nordic offices, as some of our tenant agreements don't allow individual choices when it comes to electricity suppliers. We will keep negotiating with our landlords to get them to guarantee green electricity or, as a last resort, we will purchase green energy certificates to compensate for the non-renewable part of our electricity consumption.

This year, we were reminded of the importance of fulfilling our sustainability commitments by several natural disasters that occurred in some of our key destinations – most of which were likely caused, or made more extreme, by climate change. We experienced forest fires first hand in Rhodes and flooding in Skiathos. Both disasters had a devastating effect on the local communities and the tourism industry, and we worked closely with the local authorities to take care of the people caught in the chaos and help the local community to repair the damage.

When it comes to reducing the environmental impact of our own activities, one of the first steps we're taking is getting our data collection in place and establishing baselines around our work to reduce our environmental impact. We started this work last year, and we made great progress – but we are not done yet.

An important factor in succeeding with our ESG commitments is to get the acceptance and engagement of our entire organisation, which I am proud to say we have. All our employees are dedicated to making a difference and work daily to reach our overall targets, which all amount to progressive steps in the right direction. As a result, we are currently running 154 different ESG initiatives across the organisation.

Next year, we will dig even deeper into our data and start working on our double materiality matrix in order to ensure that we focus our efforts on issues and areas where we can make the greatest difference. This is also a step in the process of preparing our company

Progress and outlook

Our key achievements in 2023

for the new directives from the EU, which will come into effect in 2025. We will also achieve another big milestone in 2024, when we start the process of having our climate targets approved by the Science Based Targets initiative. This will give us the assurance that our targets are fully in line with reaching the targets set in the 2015 Paris Agreement, to limit global warming to a maximum of 1.5°C.

We have structured our report around the three standard pillars of Environment, Social and Governance. Each chapter presents our approach and targets in each of these areas, and how we work to achieve them across our different business units. Each section is supported by case studies that reflect how we've turned many of our commitments into action during the past year.

I am truly excited to present Nordic Leisure Travel Group's Sustainability Report for 2023. I hope it will give an insight into all the great work being done across our organisation – large as well as small initiatives – which help us live up to our commitment to ensure the wellbeing of people and the planet.

Enjoy the read.



Camilla Malmo

CAMILLA MALMOSE
HEAD OF STRATEGY & ESG



Progress and outlook

Our key achievements in 2023

Our key achievements in 2023

2.2%

reduction in carbon emissions per passenger kilometre in Sunclass Airlines

91%

renewable energy in own operated hotels



No uncertified palm oil in restaurants or minimarkets at our own operated hotels or in Airshoppen products

3

investments in new technologies through ClimatePoint

99%

reduction in plastic food packaging in Sunclass Airlines



Waste segregation systems across our operation – both in hotels and on board flights

100%

ecofriendly cleaning products in all own operated hotels

40%

of our charter guests stayed in GSTC certified hotels

1.5

billion SEK paid in salaries and to local businesses across our destinations

148

beach cleaning events across our branded hotels

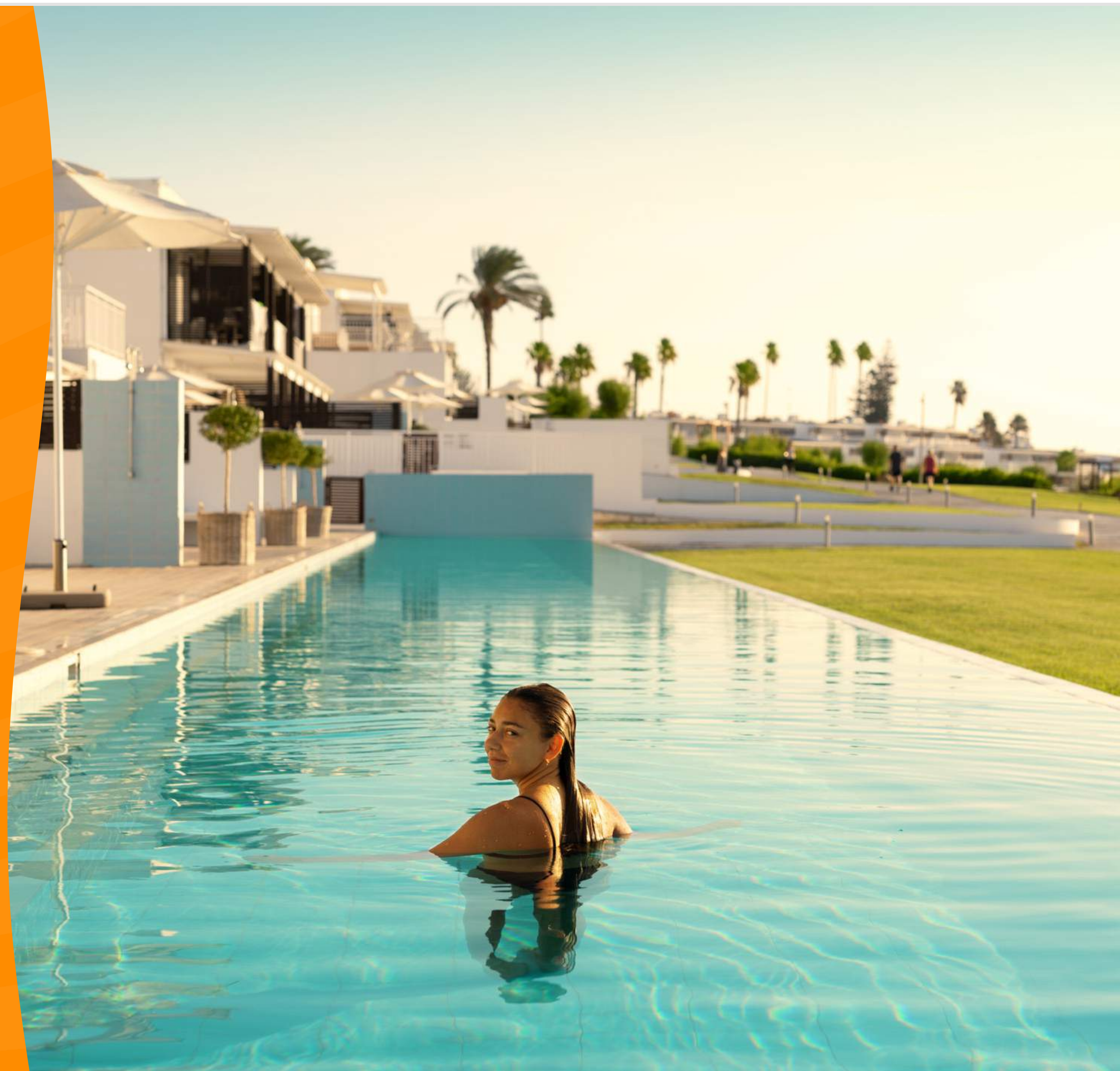


New education programme in children's rights for destination staff together with Save The Children

20%

increase in the underrepresented gender in the executive management team (from 25% to 30% women)

OUR BUSINESS



Our business

ESG milestones

Our achievements in 2023

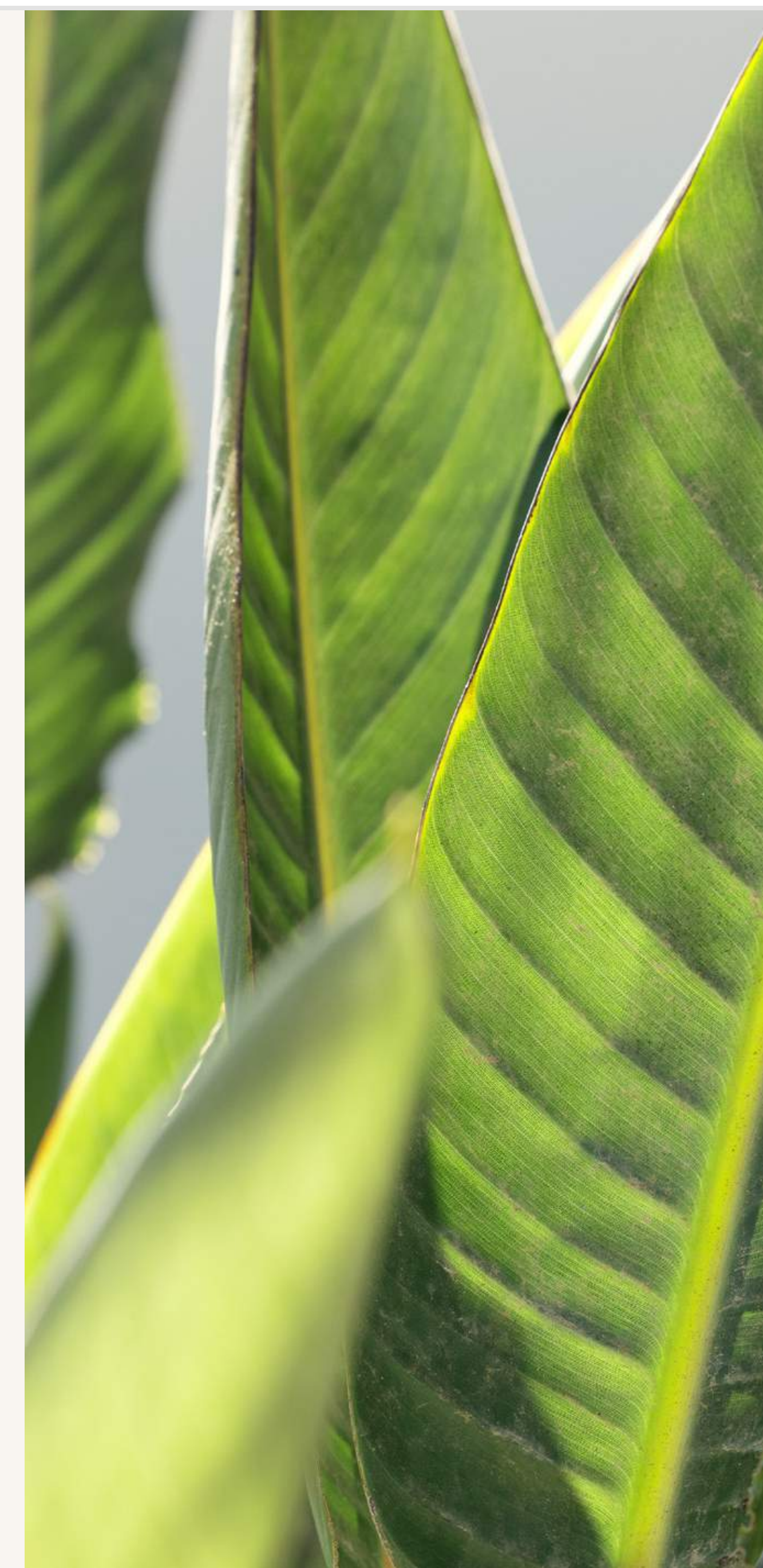
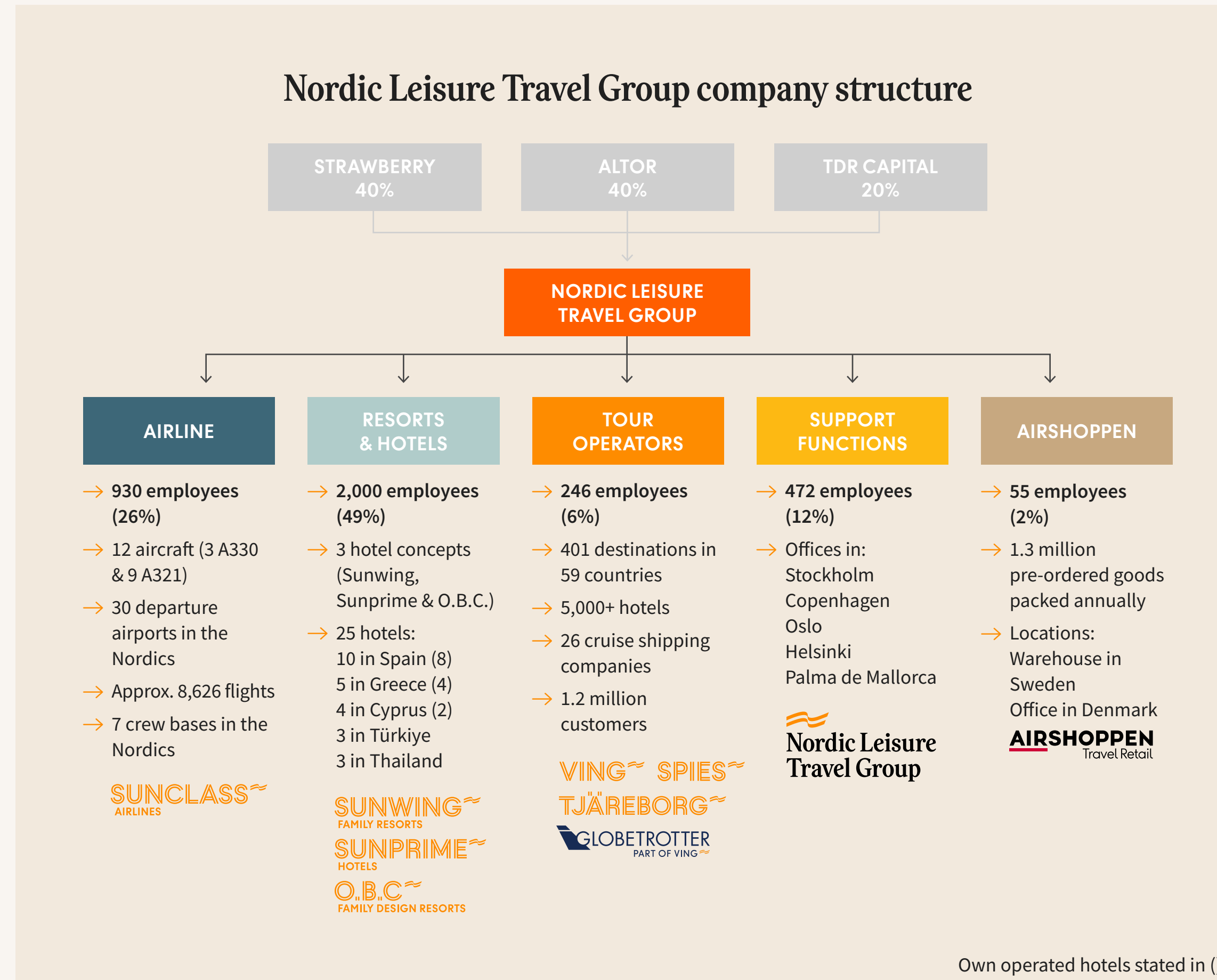
Case contribution to meet overall objectives

Our business

NLTG Holdco AB is the parent company of Nordic Leisure Travel Group (NLTG) – the largest tour operator in the Nordics.

NLTG consists of our four Nordic tour operator companies (Ving, Spies, Tjäreborg and Globetrotter), our airline (Sunclass), our branded hotel portfolio (Sunwing, Sunprime & O.B.C.) and our independent tax-free retailer, Airshoppen. All our holiday products are package deals, sold through our tour operator brands across our four Nordic source markets.

- **Ving, Spies, Tjäreborg and Globetrotter**, our tour operator companies, offer a range of package holidays to Nordic customers.
- **Sunclass Airlines** is the largest charter airline operator in the Nordic region. 98.5% of its flights transport NLTG customers.
- **NLTG's Resorts & Hotels** portfolio consists of the well-known Sunwing and O.B.C. family hotels and the adult-only Sunprime hotels. These hotels are all located across our most popular destinations.
- **Airshoppen** offers pre-ordered tax-free goods. This service is available on board all Sunclass flights, but Airshoppen also provides services to a number of external airlines.



Our business

ESG milestones

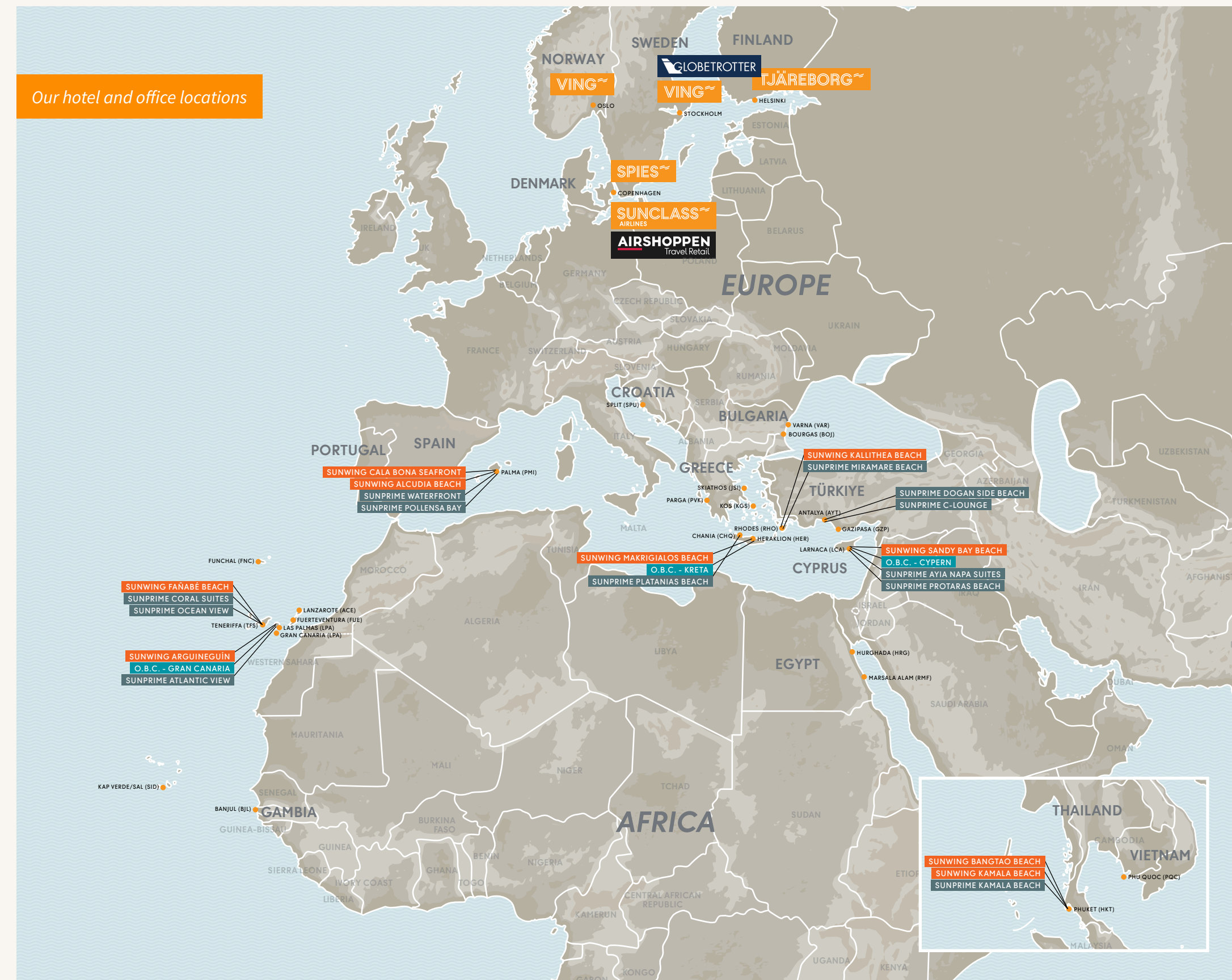
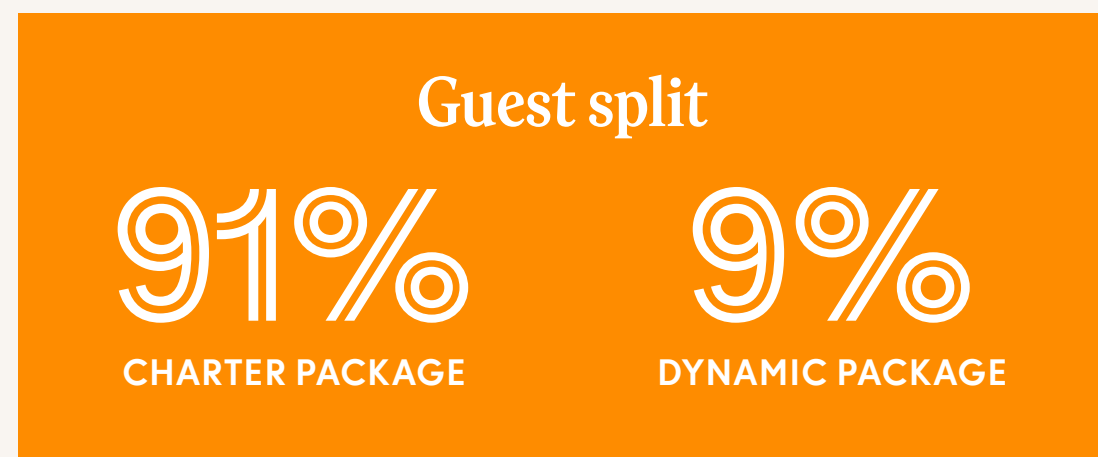
Our achievements in 2023

Case contribution to meet overall objectives

CHARTER PACKAGE HOLIDAYS

The heart of our business is charter package holidays. Offering a full holiday experience, these packages include a seat on a chartered flight, a bed in a hotel, and the services of our tour guides for 7 or 14 days. 86% of our charter guests fly with Sunclass Airlines direct to their destination. On board, they can purchase tax-free goods from Airshoppen. 26% stay in one of our concept hotels, the remaining customers stay in hotels we contract for the season. They all have the use of our Nordic tour guides in all destinations, where we also offer transport services and a wide range of excursions in collaboration with local partners.

By offering the full holiday experience, from flight to stay, we have full control over the product we offer our customers. That's how we deliver on our promise of making a holiday with NLTG *the best weeks of the year with experiences that leave long-lasting memories.*



DYNAMIC PACKAGING

The dynamic package holiday enables our customers to buy a package holiday to a destination for as long as they wish to stay. The destinations are primarily supplements to our classic package offering. We offer a broad range of destinations, flights and accommodation, sourced through external airlines, hotels, bedbanks and destination partners. These partners are all vetted to ensure that they live up to our quality and service standards. When customers book through us, they are covered by all rules and regulations that apply to our standard packages.

FINANCIAL PERFORMANCE

Even if we are still somewhat behind pre-pandemic levels, 2023 brought us significantly closer to former performance. The company delivered a turnover of approximately SEK 15 billion and serviced 1.2 million customers with a holiday abroad in the 2023 financial year.

ESG milestones on the path to responsible tourism

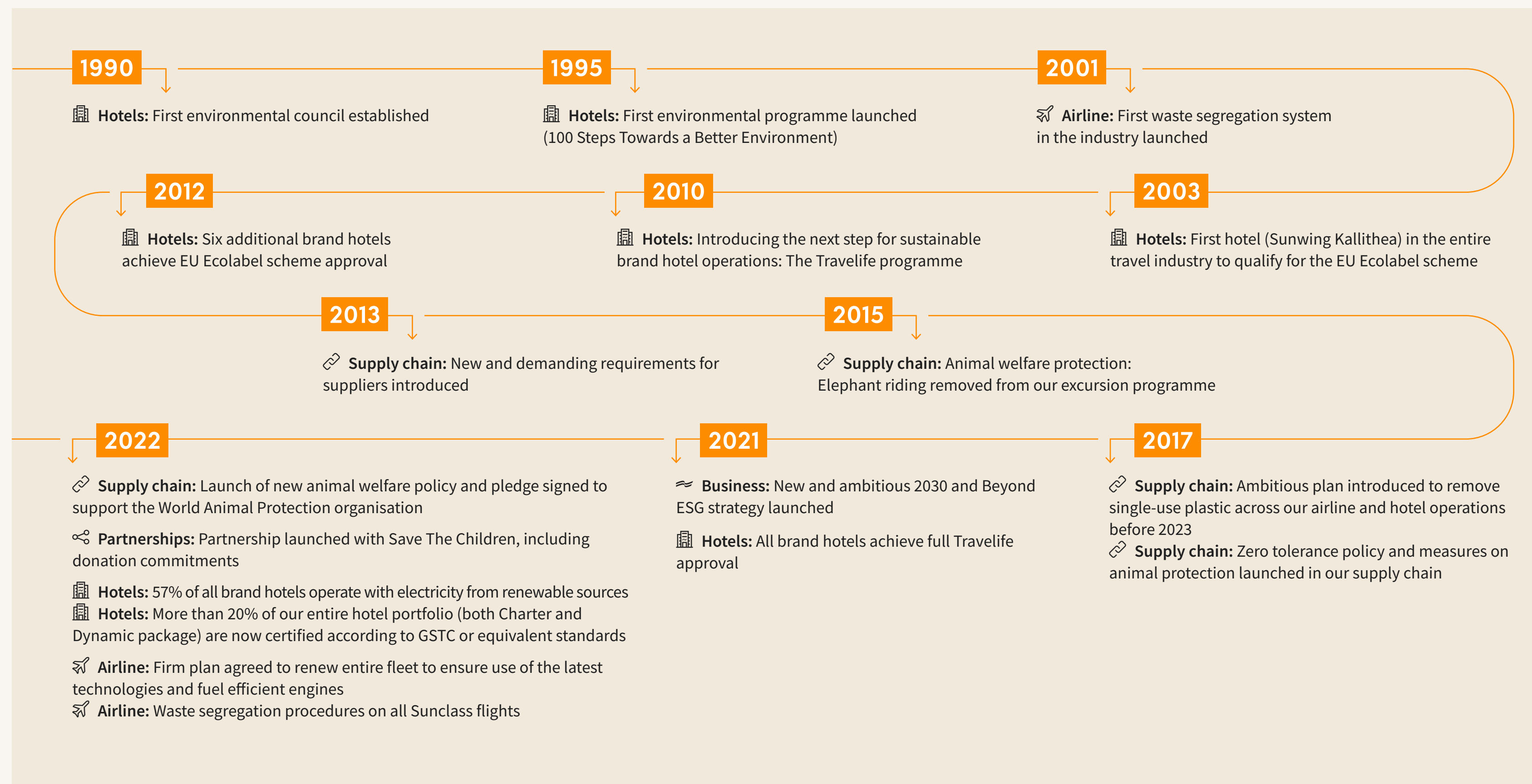
NLTG has more than 30 years' experience of working with environmental and social responsibility and has delivered many results during that time.

Since 1990, when we first established an Environmental Council for our Sunwing hotels, taking care of the environment and the societies we come into contact with has been at the heart of our strategy and operations.

In 2003, our Sunwing Kallithea Beach Hotel was the first hotel in the industry to qualify for the EU Ecolabel scheme. We have made much progress since then, and today all our hotels are Travelife certified.

In 2021, we launched our new strategy and a comprehensive target programme. We made great progress with the strategy in the first two years. This included launching important partnerships with World Animal Protection and Save The Children; increasing the number of Global Sustainable Tourism Council® (GSTC®) certified hotels in our portfolio; and increasing the share of renewable energy in our own operated hotels to 57% (in 2022).

In 2023, we continued to deliver great results across our organisation and focus areas.



Leading the way for responsible travel – our achievements in 2023

Reducing our emissions

- ✓ 2.2% reduction in carbon emissions per passenger kilometre
- ✓ 91% renewable electricity in hotels
- ✓ 50% renewable electricity in office facilities
- ✓ Installation of photovoltaic solar panels in 3 of our own operated hotels and our Airshoppen warehouse
- ✓ Investment in Nordic Electrofuel (producer of SAF)
- ✓ Investment in PI Energy (developer of flexible photovoltaic solar panels)
- ✓ Investment in Carbon Removal AS (carbon capture)
- ✓ Implementation of FlightKey (a flight efficiency system to reduce fuel consumption)

Reducing our use of resources

- ✓ All plastic bags used in tax-free sales are made from recycled plastic
- ✓ 99% reduction of single-use plastic in meal service on board Sunclass Airlines flights
- ✓ Waste segregation systems across our operations – both in hotels and on board flights
- ✓ Installation of water saving features across our hotel operation
- ✓ 100% eco-friendly cleaning products in all own operated hotels
- ✓ 100% of all branded hotels certified by Travelife
- ✓ 40% of our charter guests stayed in GSTC certified hotels
- ✓ 60% of food and beverage volume in own operated hotels is produced locally
- ✓ Launch of a responsible excursion programme
- ✓ No uncertified palm oil in hotels, minimarkets or Airshoppen

Increasing our positive destination impact

- ✓ SEK 449 million paid in wages to local employees in own operated hotels
- ✓ SEK 50 million paid in wages to overseas staff living in destinations
- ✓ SEK 337 million spent on goods from local suppliers
- ✓ SEK 5 billion spent outside the hotel in destinations by our customers
- ✓ 40 social activities in our destinations
- ✓ Only local hires for hotel operations
- ✓ 148 beach cleaning events
- ✓ Close cooperation with World Animal Protection to promote responsible experiences with animals

Acting as a responsible employer

- ✓ Employee Net Promoter Score at 38, well above the global Winningtemp average of 14
- ✓ New education programme in children's rights for destination staff together with Save The Children
- ✓ SEK 300,000 donated to Save The children (joint donation with customers)
- ✓ No gender overrepresented by more than 60% (across the organisation and at management level)
- ✓ Underrepresented gender increased by 5 percentage points in the executive management team
- ✓ Implementation of compliancy processes related to the Norwegian Transparency Act (Åpenhetsloven)

Our business

ESG milestones

Our achievements in 2023

Case contribution to meet overall objectives

Case contribution to meet overall objectives

Reducing our emissions

Funding the future of responsible travel

ClimatePoint investments

Responsible luxury at Sunprime C-Lounge

Renewable energy in Gran Canaria

Environmental benefits of VR training

Reducing our use of resources

Funding the future of responsible travel

A new life for linen

Responsible luxury at Sunprime C-Lounge

Providing food with Too Good To Go

Increasing our positive destination impact

Keeping the economic wheels turning

Animal-friendly excursions with World Animal Protection

Going local with Airshoppen

Providing food with Too Good To Go

Acting as a responsible employer

Giving employees a stronger voice

Acknowledging our heroes with NLTG Awards

Giving children the best weeks with Save the Children

Taking responsibility for the entire supply chain

ESG STRATEGY

Laying the path towards responsible tourism

Our ESG strategy underpins everything we do. Over the coming years, it will transform our business into a more sustainable, compliant and efficient operator in the travel industry. We have ambitious targets and a long-term plan – and hope our work will lay a path that others can follow.



Our vision for responsible tourism

Our sustainability focus

Material topics and priorities

Sustainable development goals

Sustainability risks

Frameworks and procedures



Our vision for responsible tourism

We are convinced that responsible tourism driven by a sustainable travel industry is the only way forward. People will continue to travel – to explore and have new experiences they can bring back home as precious memories. As a responsible tour operator, our task is to offer holidays that promote the wellbeing of the traveller, whilst also protecting and promoting the wellbeing of our planet, our employees and other stakeholders.

We take this responsibility very seriously. We make responsible choices; invest in our local destinations to create jobs and prosperity; and drive initiatives that reduce environmental impact from our hotels and air travel. We set very high standards in every aspect of

our work. But we still have more to do. So, we have now embarked on our most important journey to date – to do our part in leading our industry towards more responsible tourism.

We are still at the start of this journey, but we took great strides in 2021 when we launched a new ESG strategy, and in 2023 we started making real progress and reached important milestones. The strategy will guide us as we move forward. It will help us measure our impact and take steps to increase the positive environmental and social impacts of our work – so we can run our business in the most responsible way possible.

Our vision for responsible tourism

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Our sustainability focus

ENVIRONMENT

It’s our ambition to offer our customers holidays that deliver a positive impact on our planet. This is a long-term commitment. Therefore, we constantly analyse the impact of each step in the customer journey as we look for new ways to reduce our total environmental footprint.

This has enabled us to build a rigorous programme with clear targets in the short, medium and long term. We focus on areas where we can make the greatest – difference – for example, reducing emissions from our air travel and hotels, and we work with partners to make sure our efforts have a wider impact, both now and in the future.

This also means that we support the development of new technologies that can bring us and the entire industry closer to our long-term objective.

SOCIAL

Every holiday makes a difference to the wellbeing of our customers. We also know that our business has a positive impact on the prosperity of the small communities that our customers travel to. We will continue to focus on this by hiring local people, supporting local businesses and ensuring good working conditions and good environmental management at our local destinations.

The people who make this happen are our employees and local partners. Without them, we would have no business. The wellbeing of all our people is always top of our agenda. We believe that a diverse workforce brings wide-ranging benefits and fresh perspectives into our business. We strive for an open and inclusive work culture that puts each and every employee in focus – so they can develop, advance, be heard and contribute to our business.

GOVERNANCE

For NLTG to deliver on its vision for responsible tourism, it is crucial that we anchor and manage ESG topics from the Board and top management down to an operational level. We must also track any factors that may affect our business and the interests of our stakeholders in the short, medium, and long term, and act accordingly.

We have adopted a rigorous governance structure across our business to ensure a robust framework for all parts of the company. We have strong ESG practices and policies in place to make sure that we navigate according to regulation and best practices through the ESG landscape and deliver on legislative compliance obligations. We measure and quantify the impact of our initiatives, so we can analyse, improve and share best practice as appropriate with the rest of the industry.



Our vision for responsible tourism

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Frameworks and procedures

Our actions towards a more sustainable future

We have identified four essential focus areas, which our efforts and targets are based on. Climate and environmental impact from our operations is significant and a potentially business-critical driver – this requires high priority.

The impact of tourism on the global economy and wellbeing is significant, and it is our responsibility to make our impact as positive as possible for society, people and the planet.



Material topics

REDUCING OUR EMISSIONS

We are committed to reducing our carbon footprint (greenhouse gas emissions) through focus on our core businesses.

Our key priorities:

- Reduce GHG emissions from our own airline and hotel operations and ultimately achieve net-zero carbon emissions (scope 1)
- Reduce GHG emissions from office and production facilities and our own hotel operations (scope 2)
- Engage in the development and utilisation of sustainable aviation fuel (SAF)
- Invest in new technologies and solutions to contribute to the continuous reduction of the tourist industry's environmental footprint
- Focus on GHG reduction and reporting measures for our supply chain (scope 3)

REDUCING OUR USE OF RESOURCES

We are committed to reducing the use of natural resources and harmful materials in our operations.

Our key priorities:

- Improve energy resource efficiency
- Ensure efficient use of materials in our operations
- Reduce waste from our operations
- Improve water footprint per employee and guest
- Reduce single-use plastic in our operations
- Responsibly use and minimise chemicals
- Make use of official certification schemes where possible to ensure compliance by our suppliers

INCREASING OUR POSITIVE DESTINATION IMPACT

We are committed to acting with care in the communities we touch, and to taking care of people and nature in the places we and our customers visit every year.

Our key priorities:

- Contribute to positive change and economic growth
- Employ local people to improve prosperity in local communities
- Support local businesses through local purchases
- Promote and protect local culture and heritage
- Actively engage with local authorities to ensure tourism has a positive impact
- Protect animal welfare and biodiversity
- Engage and support local communities

ACTING AS A RESPONSIBLE EMPLOYER

We are committed to providing the best conditions for both existing and future employees. We also strive to engage in social causes closely connected to our business.

Our key priorities:

- Create a healthy, responsible and engaging workplace for the wellbeing of all existing and future employees
- Ensure a diverse and inclusive work environment
- Ensure all employees have the right to freely organise
- Ensure fair and equal pay across jobs and genders
- Protect children's and human rights
- Contribute to charitable causes

The United Nations Universal Programme for Sustainable Development and Global Impact

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The programme contributes to necessary changes globally for the benefit of the planet and people.

We use the programme as a framework for our ESG approach, and we support several of the goals directly via our business activities and concrete sustainability efforts. We have selected 7 out of the 17 goals as our focus areas. This doesn't mean that we will not work to contribute to the remaining 10 goals, but merely that our key focus lies with these 7 goals.

NLTG's focus areas for Sustainable Development Goals

Our social and environmental engagement will have a particularly positive effect on selected SDGs.



Gender Equality

To achieve gender equality and empower all women and girls.



Climate Action

To take urgent action to tackle climate change and its impacts.



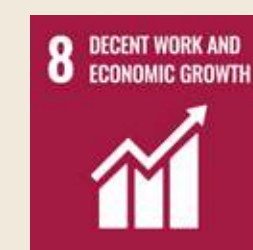
Clean Water and Sanitation

To ensure access to safe water sources and sanitation for all.



Life on Land

To sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss.



Decent Work and Economic Growth

To promote inclusive and sustainable economic growth, employment and decent work for all.



Partnerships for the Goals

To revitalize the global partnership for sustainable development.



Responsible Consumption and Production

To ensure sustainable consumption and production patterns.

Read more about all the SDGs at the official United Nations webpage: www.un.org/sustainabledevelopment/

Our approach to the UN Global Compact

We support the 10 principles of the United Nations Global Compact and align the principles with our business Code of Conduct. We believe that corporate responsibility starts with a company's value system and a principle-based approach to doing business. This means that we operate in ways where we, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, the environment and anti-corruption.

Our responsible business approach applies the same values and principles across our entire operation – in destinations, in the air and at our offices.

Read more about the UN Global Compact at: www.unglobalcompact.org



Sustainability risks

NLTG increased its focus on management of enterprise risks in 2023. Below is an extract of our most significant sustainability risks.

VIOLATION OF HUMAN RIGHTS AND DECENT WORKING CONDITIONS

The tourism industry may have a reputation of being impacted by poor working conditions and breaches of fundamental human rights. This can be at political level, such as forceful relocations from areas designated for tourism development with no provision for alternative housing, or at individual level, such as workers being prevented from joining unions, high job insecurity, exhausting working conditions and unwanted sexual attention. Knowing that responsible tourism is the way forward, NLTG takes this responsibility very seriously. We make responsible choices, invest in our local destinations to create jobs and prosperity. We are determined to reduce risks related to fundamental human rights and decent working condition by setting high standards for ourselves and our partners. There have not been any cases related to violation of human rights conditions in our value chain.

CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS

Climate change is a global challenge and a threat to all holiday travel organisers. Due to a warmer climate, rising water levels and impacts on people, there is a risk that travel in the future may not remain as we know it today. Some destinations might not be available, and new locations will have to be found to maintain the foundation for our business. Furthermore, aviation, which is a central part of our current travel product, is exposed to a significant risk of impact, and will require extensive change over time.

ENERGY COST AND ENERGY SECURITY

As a travel company, we depend on efficient energy supplies. We use large amounts of raw materials, such as fuel for our own airline, and rely on supplied electricity at our hotels around the world. For our company to continue to operate as it does today, it's crucial that these supplies are protected. Any price increases connected with new regulations/legislation would also have a significant financial impact on NLTG.

SUPPLY CHAIN MANAGEMENT

Operators in the travel industry are exposed to the risk of failure in deliveries of products or services. For our business, there's a risk that there may be a lack of key supplies for our core operations, in particular our hotel and airline operations. Such cases may result in an interruption of our activities, with associated damage to our brand and financial situation.

RECRUITMENT AND RETENTION OF TALENT

Our success is driven by our ability to attract talented people and to provide the framework they need to help put our strategy into practice and bring the business forward. If the company does not maintain a solid foundation and attractive work environment, we risk not being able to attract the skills and talent we need to ensure the long-term success of our business.

SUSTAINABILITY OF DESTINATIONS

As a holiday travel provider, we are exposed to the risk of incidents or changes at our destinations. This may include natural disasters, outbreaks of disease, such as covid-19, or interruptions for political reasons. Should such an event occur in any of our destinations, there's a potential risk of significant operational disruption and costs to our business.

CORRUPTION IN VALUE CHAIN

NLTG is aware that part of our value chain may be exposed to external pressure to participate in corruption. As stipulated in our Anti Bribery and Corruption Policy, NLTG has zero tolerance for corruption. To minimise the risk of any breach, employees are regularly trained in this policy. There have not been any cases related to corruption reported in the value chain.



Our vision for responsible tourism

Our sustainability focus

Material topics and priorities

Sustainable development goals

Sustainability risks

Frameworks and procedures

Frameworks and procedures

As a responsible travel company, we are systematically embedding ESG into our company strategy and have developed ESG objectives that are aligned with what matters most in our current journey to achieve greater sustainability adoption. We have effective procedures in place to monitor our impact and measure our progress.

Our ESG strategy is embedded in our overall strategic model. Our ESG impact is part of every aspect of our business and is, in this way, an integral part of how we work. This means that all business units work towards a shared goal, as reflected in our ESG governance model. The governance model ensures that we continuously assess risks that may arise from non-compliance with relevant ESG conditions.

The ESG framework is deeply anchored within our Group Management team, and all members have personal ESG objectives. Overall ESG targets are also integrated in our bonus model.

Each member of Group Management is responsible for their contribution to our ESG target programme. We monitor performance on a quarterly basis and conduct

follow-up meetings on progress and initiatives, first with each member of Group Management and subsequently with the Group as a whole. The CEO regularly keeps the Board of Directors updated on ESG topics.

Our sustainability performance is tracked using company reported data. We use this data for both target-performance monitoring and reporting obligations.

We are aware that evaluating ESG performance can be challenging due to the inconsistent quality of available ESG data. To ensure more reliable ESG

disclosures, we use a cloud-based ESG data platform, called Worldfavor to collect and analyse our ESG-related data. Appointed data suppliers from across our business units and functions are responsible for ongoing data deliveries. Worldfavor was implemented in 2022, and we are now working to further integrate it into our operations, so we can ensure an even higher level of data quality going forward.

The model below shows how we ensure ESG focus and data processing.



Quarterly reporting cycle



Compliance with new legislation plays a central role in the company's ESG obligations and deliverables. In this context, our approach to data capture and our understanding of performance are essential. Through our Finance and Legal team, we keep abreast of relevant legislation that requires our attention. Comprehensive requirements, such as compliance with new Corporate Sustainability Reporting Directive (CSRD) and reporting legislation in the EU, are assessed and prioritised directly in collaboration with Group Management.

ENVIRONMENT

Protecting nature everywhere we go

Climate change remains one of the most challenging global issues. As the largest leisure travel group in the Nordic region, we are part of the problem – but we're also part of the solution. We have set clear targets to reduce the environmental impact of our activities, focusing on the areas where we can have the greatest impact – locally as well as globally.



Reducing consumption

SDG targets

Targets to reduce our footprint

Reducing carbon emissions from our own airline

Case: Funding the future of responsible travel

Case: ClimatePoint investments

Case: Responsible luxury at Sunprime C-Lounge

Snap: Environmental benefits of VR training

Snap: A new life for linen

Snap: Renewable energy in Gran Canaria

Reducing carbon emissions and resource consumption

Our aircraft and hotel operation make up more than 90% of our total climate footprint. Consequently, we focus on these areas in our work to bring us closer to reaching our net-zero targets for our operation.

REDUCING OUR FOOTPRINT

Our airline is by far the biggest contributor to our carbon footprint. Therefore, renewing our fleet continuously, along with the introduction of Sustainable Aviation Fuel (SAF), is crucial to delivering on our targets of having a net-zero carbon emission operation by 2050.

An efficient utilisation of our fleet is also important, and any flight with empty seats negatively impacts our overall performance. However, sometimes these situations cannot be avoided. In 2023, for example, we operated flights with empty seats in order to bring customers safely back from Rhodes when the island was experiencing severe forest fires.

We report the climate impact from our airline using a key figure calculated by dividing our total fuel consumption during the specified period by the

number of actual passenger kilometres flown. The calculation also includes fuel from any empty flights carried out during the period. This year's result was 66.5 grams of carbon emission per passenger kilometre, which puts us back at the same level as before the covid-19 pandemic. You can find more details on this later in this chapter.

Our branded hotels are operated according to the comprehensive sustainability requirements of the Travelife scheme. We also encourage our other hotel partners to increase their sustainability commitments. In 2023, 40% of our charter customers stayed in a hotel with a Global Sustainable Tourism Council® (GSTC®) sustainability programme accreditation.



Our mascots, Lollo & Bernie, teaching children how to recycle waste.

We seek any opportunity to reduce the carbon footprint from our branded hotels via our renovation programme. This year, for example, we renovated three hotels and the renovations included installing photovoltaic solar panels.

We want to only use sustainable sources of energy. At the end of 2023, 91% of the electricity used in our own operated hotels came from renewable energy sources. At the same time, we are working in close cooperation with our franchise partners to achieve similar results in our remaining brand hotel portfolio. You can read more about this in one of the case studies in this chapter.

We are also working closely with our franchise partners to achieve the same for our remaining brand portfolio.



Sunwing Makrigialos Beach, one of our GSTC-certified hotels.

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Farmer in Pissouri, Cyprus, harvesting wine leaf.

REDUCING CONSUMPTION AND WASTE

Our goal is to remove all single-use plastic from our operations by 2025. We continue to work across the organisation to identify new ways of replacing single-use plastic with more sustainable alternatives, ideally with biodegradable materials or, if necessary, recycled plastic. One good example of this is our new meal concept on Sunclass Airlines, which reduces the amount of single-use plastic packaging by 99%. Over the coming years, we will continue to eliminate the use of single-use plastic across our operations.

Water consumption remains high in our hotels. Therefore, we are implementing as many water-saving measures as possible. We recycle bathwater to irrigate our gardens and have installed a number of water-saving filters and pumps in our pools and bathrooms during recent hotel renovations. We also use desalinated water where possible to reduce pressure on natural freshwater resources.

We have worked with waste segregation since 2003 and have efficient waste segregation systems in place on board our aircraft. This year, we finalised our plan to implement waste segregation across all our own operated hotels, which will include waste segregation in every room going forward. We also work with our service partners to try to ensure that the waste we sort is handled in a sustainable way.

INVESTING FOR FUTURE GENERATIONS

Climate change is real, and there is a need to take action now in order to ensure that we can look forward to a sustainable way of life in the future. As a responsible tourism company, we are doing as much as we can to implement more sustainable solutions across all our business units. But we will not be able to reach our net-zero targets without new creative thinking and innovative technologies.

That’s why we have pledged to invest in start-ups with specific objectives to reduce the environmental footprint of our industry, together with our partner ClimatePoint. In this chapter, you can read about three very promising companies that we invested in this year, which all have the potential to significantly reduce carbon emissions from our industry in the future.

ClimatePoint is an investment fund dedicated to sustainable investments. Read more about ClimatePoint at: www.climatepoint.com

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SDG targets covered in our ESG strategy – Environmental

SDG	DEFINITION	SUPPORTED TARGETS	NLTG APPROACH
 <p>6 CLEAN WATER AND SANITATION</p>	<p>Ensure availability and sustainable management of water and sanitation for all</p>	<p>6.3 6.5 6.6</p>	<ul style="list-style-type: none"> • Reduce freshwater consumption with clear targets for hotels and office facilities • Improve wastewater quality by eliminating or reducing use of hazardous chemicals and materials in our operations • Support local destination communities to improve water management
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns</p>	<p>12.2 12.3 12.4 12.5</p>	<ul style="list-style-type: none"> • Use resources efficiently, with clear reduction targets • Reduce food waste and improve food waste management in our hotel operations • Reduce use of chemicals, with clear reduction targets • Implement waste reduction and segregation measures across our business • Recycle and reuse materials and products in our operations where possible • Implement sustainability awareness and strong behavioural practices in our operations • Upgrade our operations with innovative sustainable technologies to enhance efficiency and productivity • Link our strategic plans and production to environmental improvement
 <p>13 CLIMATE ACTION</p>	<p>Take urgent action to combat climate change and its impacts</p>	<p>13.2 13.3</p>	<ul style="list-style-type: none"> • Make short and long-term investments that provide a reduction in our climate impact • Integrate climate change reduction measures and mitigation plans for all parts of the business • Raise awareness and involvement among company stakeholders
 <p>15 LIFE ON LAND</p>	<p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>	<p>15.2 15.3 15.4 15.5 15.7</p>	<ul style="list-style-type: none"> • Considerate and protective operation of hotels in destinations • Support and engage in projects in support of reforestation in relevant destinations • Contribute to the preservation of biodiversity in areas at our destinations and around our hotels • Take actions to protect endangered species of wildlife

Reducing consumption

SDG targets

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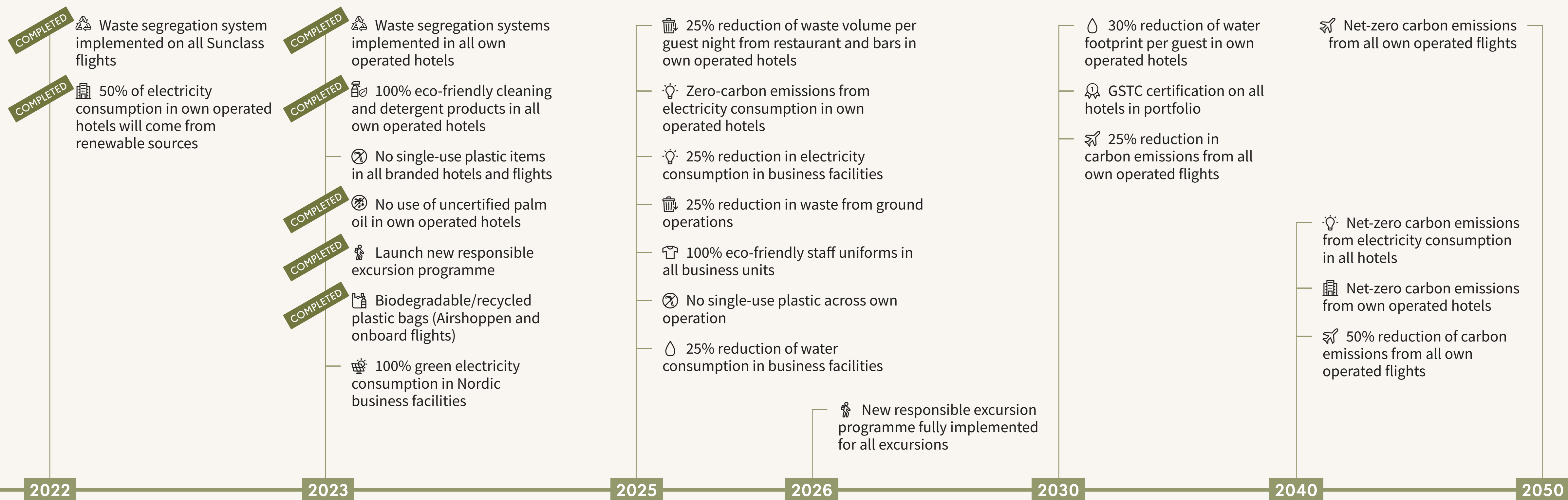
Case: Responsible luxury at Sunprime C-Lounge

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Our targets to reduce our footprint on the environment



Annual targets

- COMPLETED Travelife certification for all branded hotels
- COMPLETED Yearly beach cleaning events at every branded hotel near a beach

Reducing consumption	SDG targets	Targets to reduce our footprint	Reducing carbon emissions from our own airline	Case: Funding the future of responsible travel	Case: ClimatePoint investments	Case: Responsible luxury at Sunprime C-Lounge	Snap: Environmental benefits of VR training	Snap: A new life for linen	Snap: Renewable energy in Gran Canaria
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Reducing carbon emissions from our airline

Our airline is responsible for 99% of our scope 1 emissions and is therefore at the top of our emissions reduction agenda.

We have built a three-point plan, with the ambition of delivering a net-zero result by 2050. In order to reach this target, we work with three key elements: renewing our entire fleet, introducing Sustainable Aviation Fuel (SAF) and developing more efficient ways of flying.

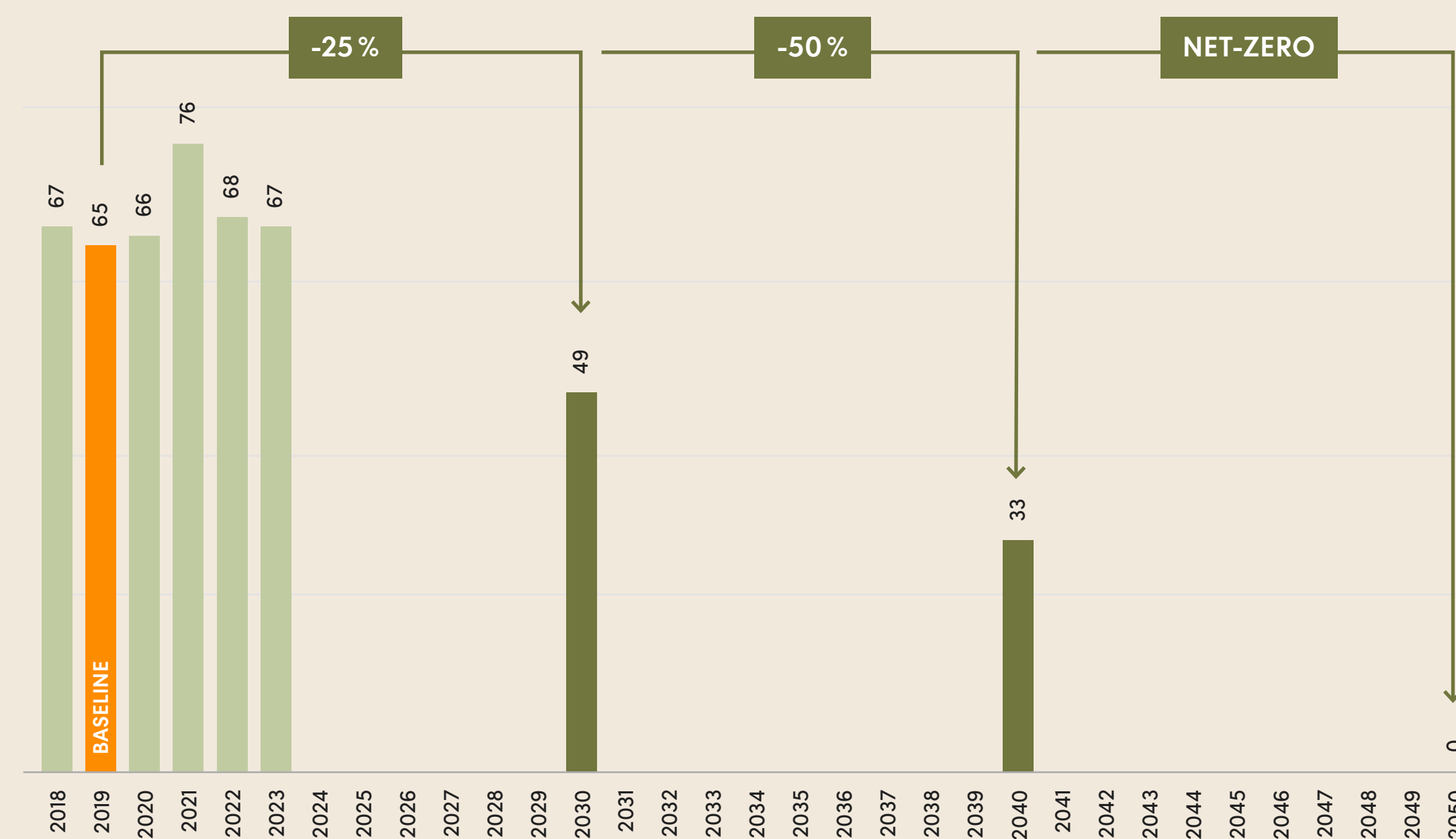
This year, as a result of fleet renewal, a stabilised traffic pattern and an increased allocation of resources to fuel saving, Sunclass Airlines delivered an improvement in our carbon emissions: **66.5 grams carbon emissions per passenger kilometre** – a 2.2% reduction compared to last year.

Three-point plan to deliver a net-zero result by 2050:

- Renewal of the entire fleet
- Introducing Sustainable Aviation Fuels (SAF)
- Developing more efficient ways of flying

Sunclass Airlines' average carbon emissions per passenger kilometre (gram) and our carbon emission reduction targets

Measured against 2019 baseline. Calculations include empty flights.

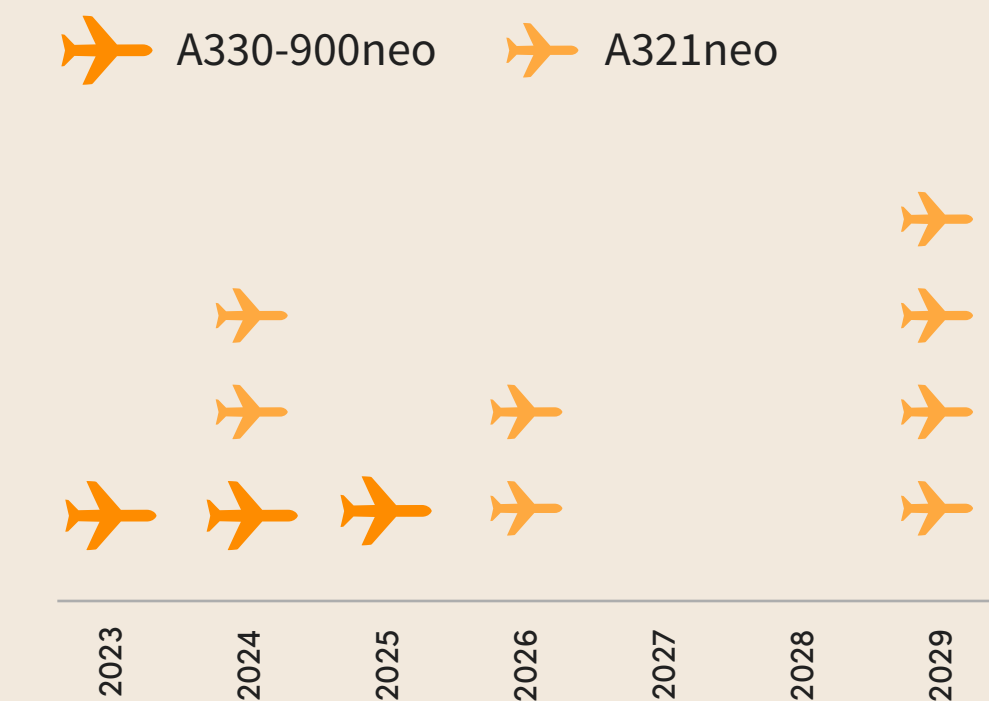


RENEWAL OF THE ENTIRE FLEET

In 2023, we added one A330neo to our fleet. This aircraft uses 12% less fuel than the previous generation aircraft (A330) it replaced, and it has the potential to exceed these reduction figures, depending on utilisation (short or long haul).

Expected fleet renewal timeline

Our aircraft fleet is gradually being replaced to reduce carbon emissions.



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In Sunclass Airlines, one A330neo reduces carbon emissions by around 6,500 tonnes a year compared to a A330neo following the same traffic pattern. We are now accelerating our fleet renewal programme and expect to have more aircraft delivered ahead of the original schedule.

INTRODUCING SUSTAINABLE AVIATION FUELS (SAF)

We have signed partnership agreements with two future e-fuel producers: Nordic Electrofuel in Norway and Arcadia in Denmark. Through these partnerships, we are committed to supporting the production of e-fuel. With demand for SAF set to increase, it is absolutely crucial that we kickstart e-fuel production in the very near future – and we are using our position within the aviation and tourism industries to push this agenda forward.

Through our cooperation with ClimatePoint, we have invested funds in Nordic Electrofuel to contribute to contribute to the successful start up of e-fuel production in 2026.

Discussions are ongoing with our current fuel suppliers to encourage them to become involved in the SAF agenda and to ensure that our Sunclass Airlines has the SAF necessary to deliver on our ambitious targets.

DEVELOPING MORE EFFICIENT WAYS OF FLYING

Systematic fuel data collection enables our flight operation department to make data-driven decisions on fuel initiatives and evaluate sustainability performance.

Implementation of a new fuel policy and creating ‘fuel awareness’ contributes to emissions reduction. This includes training our pilots in fuel best practices, and ensuring we fully roll out our aircraft efficiency operations.

One of our most important initiatives this year was the implementation of new flight planning software, Flight Keys. This state-of-the-art software creates the foundation for more precise flight planning, which enables our pilots to make better fuel decisions (i.e. less carriage of extra fuel).

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These initiatives were implemented halfway through the year. We estimate that, over the course of a full year, the initiatives will result in a combined reduction in carbon emissions of around 3,150 tonnes.



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E-CASE

Funding the future of responsible travel

From carbon-neutral air fuel to solar-powered electric cars, the future of travel must be sustainable. Through our investment in ClimatePoint, we're helping fund innovative green-tech companies that are shaping a more responsible travel industry – for everyone.

“At Nordic Leisure Travel Group, we are aware of our impact on the environment and take our responsibility to improve seriously,” says NLTG CEO Magnus Wikner. “This means much more than just looking after our own environmental performance. It requires that we actively work to drive the future of responsible travel for all.”

That’s why NLTG was one of the first investors in ClimatePoint, an investment fund that helps companies like NLTG support start-ups developing early-stage green-tech solutions. The result of this funding could impact every facet of the tourist industry – from how we travel to our destination to how we take care of the environment when we get there.

INVESTMENTS TO DRIVE THE GREEN TRANSITION

As an investment fund, ClimatePoint has a specific point of difference: It uses a special methodology to assess and measure businesses and innovations. This enables it to calculate the future impact of each investment on the environment.

ClimatePoint funnels capital from corporate investors into a variety of young-growth ventures via funds with specific industry focus, as well as Green River, a fund that aims to boost smaller start-ups with minor investments.

Currently, Green River is supporting over 100 different young-growth ventures. These cover a huge variety of areas – from meat-free burgers to super-slim solar panels – but one thing links them all together. They all have the potential to help decarbonize the future, as Nito Simonsen, Chair of ClimatePoint’s Green River fund, explains.

“To achieve the green transition, we need new solutions that will enable us to decarbonize every industry, from transportation and food production to construction and energy. Many of these solutions already exist, but they require more funding to

become a reality. That's where ClimatePoint comes in, serving as a bridge between companies that wish to invest in a greener future and the low-carbon solutions that will make that future possible,” he says.



Nito Simonsen, CEO & Chair of ClimatePoint's Green River fund



117

ClimatePoint investments is supporting the development of 117 solutions and young-growth ventures.



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THE PATHWAY TO SUSTAINABLE TRAVEL

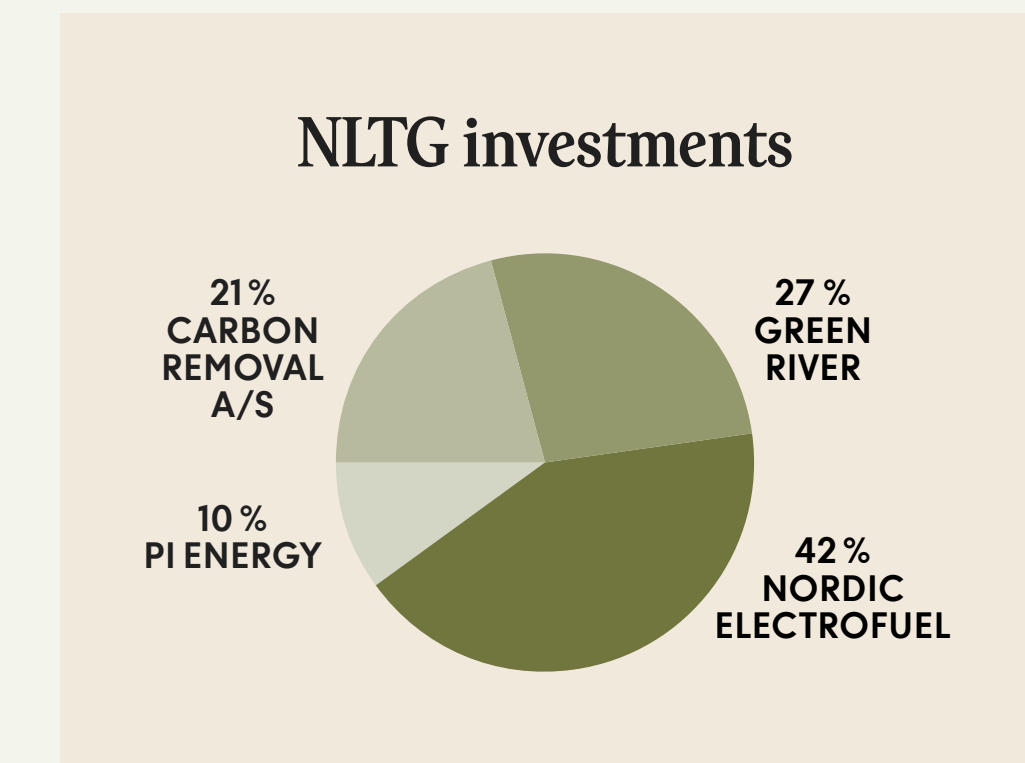
At the end of 2023, NLTG had invested EUR 665,000 into different ClimatePoint funds. But everyone needs to contribute in order to succeed with the transition to a more sustainable use of our planet’s resources, and we hope more companies will follow our lead in the future.

In line with our mission to work towards more responsible tourism, our largest investment is in the Travel & Mobility fund, of which we were the first investor. The innovations supported by this fund have the potential to significantly reduce emissions in the travel industry. For example, one company in the portfolio, called Nordic Electrofuel, is developing carbon-neutral Sustainable Aviation Fuel. Another - PI Energy - is developing extremely thin and light solar panels that can be mounted on a huge variety of surfaces, including vehicles.

“People will continue to travel” says Magnus Wikner. “The key is to make those journeys and holidays more sustainable. This is not something one company or technology can achieve alone. Everyone in the industry has to pull together to make it happen. As one of the largest travel companies in the Nordic region, we have a responsibility to be at the forefront of this work. Our investments in new innovations are a key part of this. We are proud to be one of the

first investors in ClimatePoint and will continue to look for other investment areas where we can make a difference. At the same time, we will continue to encourage our peers to work in the same direction.”

You can read about some of the innovative solutions that we are funding on the following pages.



About ClimatePoint

ClimatePoint Investments is the world's first climate investment platform for businesses. It uses a specially developed methodology to assess and measure businesses and innovations that can have positive social and environmental impact – and helps drive capital to these solutions through corporate investment.

Read more about ClimatePoint at: www.climatepoint.com



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E-CASE

ClimatePoint investments

Driving the carbon-neutral air travel revolution with Nordic Electrofuel

There is no doubt. Sustainable Aviation Fuel – also known as SAF – is one of the most important requirements for a carbon-neutral tourist industry. Today, air travel accounts for the vast majority of emissions from tourism. Reducing that is the only way to ensure a fully sustainable travel industry for the future.

We have taken great interest in supporting the development of SAF in the Nordic region and, in 2022, we signed a letter of intention with Norwegian-based Nordic Electrofuel to promote this together. In 2023, we took the cooperation one step further by investing funds in Nordic Electrofuel as part of our ClimatePoint portfolio.

There are two types of SAF – e-fuel and biofuel. Nordic Electrofuel has developed an innovative process to produce e-fuel from a combination of renewable energy, water and CO/CO₂. This gives the fuel a significant benefit: When the fuel is burnt by an aircraft, it produces CO₂; but as CO₂ is used in the production of the fuel, it results in a CO₂-neutral circular process when combined with Direct Air Capture technology. It can also be used in existing aircraft engines without any modifications.

Nordic Electrofuel is now planning to build a small-scale production plant in Norway with a capacity to produce 10 million litres of e-fuel per year. In phase 2, that could be scaled up to 200 million litres.

At NLTG, our goal is to reduce carbon emissions from our Sunclass Airlines by 25% by 2030. But our long-term goal is much more ambitious. We want to see net-zero carbon emissions from air travel altogether. Our support of Nordic Electrofuel is a crucial part of this, but we are also supporting other e-fuel developers including Arcadia in Denmark. Together, we believe a carbon-free travel industry is already on the horizon.

“Nordic Electrofuel wants to contribute to making aviation carbon neutral. We are pleased to have entered into an agreement with Sunclass Airlines on the promotion of e-fuel and the future sale of such fuel.”



Gunnar Holen, CEO of Nordic Electrofuel

Sucking carbon out of the air with Carbon Removal AS

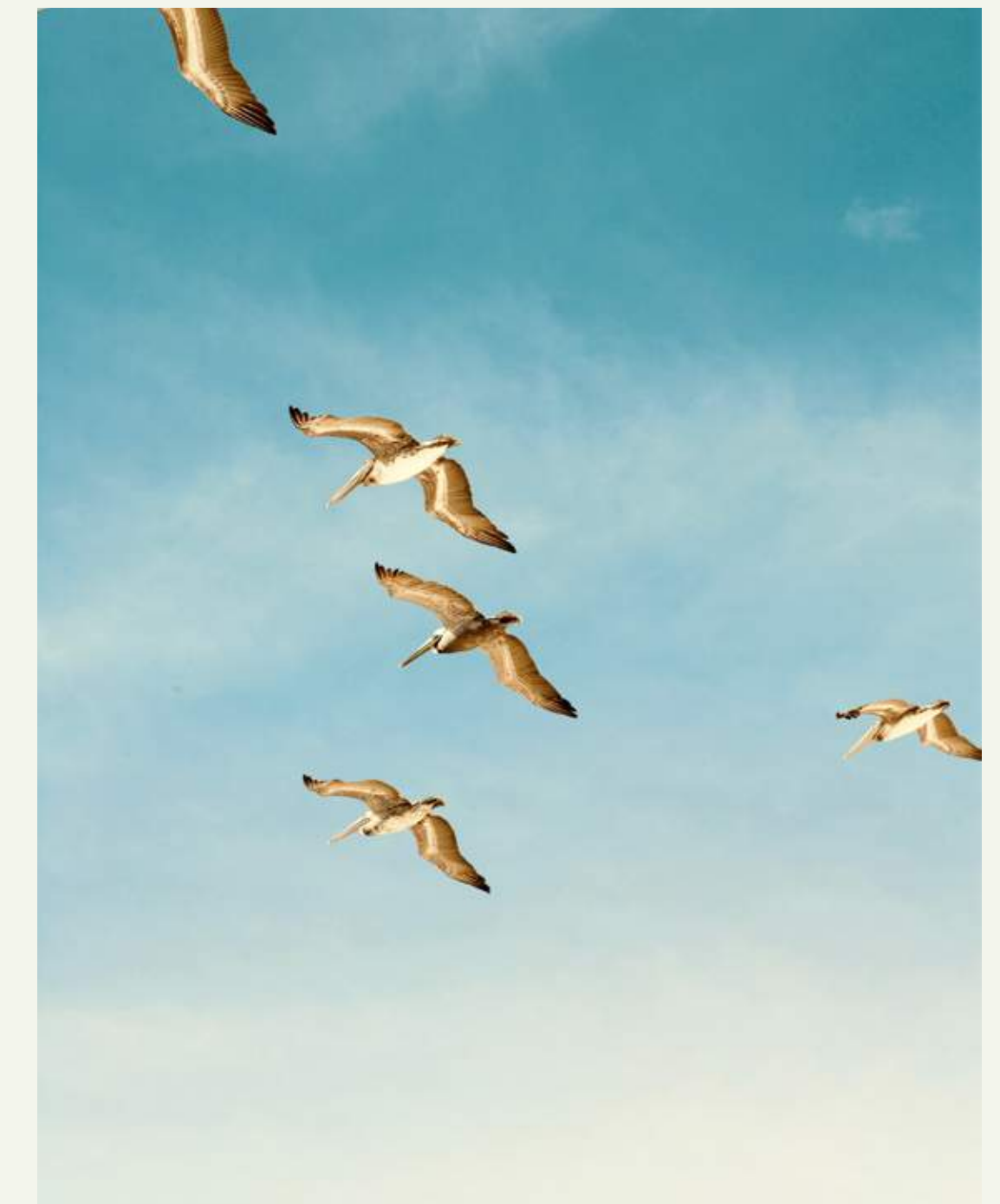
According to the UN’s Intergovernmental Panel on Climate Change (IPCC), reducing carbon emissions alone will not be enough for the world to reach net zero by 2050. Different thinking is required – like sucking carbon dioxide out of the air.

Direct Air Capture (DAC) may sound fanciful, but it’s already being developed. Still, further funding is needed to develop it on a larger scale. That’s why we’re investing in the DAC company Carbon Removal AS.

The basic principles of DAC are simple. Large fans suck in air from the atmosphere. This air is then brought into contact with a water solution that captures the carbon dioxide. Through a combination of heating and chemical reactions, the carbon dioxide can be extracted, and either stored (usually below ground) or sold for use in industrial processes, such as the production of e-fuel.

The impact of DAC can be significant. Carbon Removal AS’s NorDAC project in Norway has the capacity to capture 500,000 tonnes of carbon

annually – that’s roughly equivalent to the emissions caused by flying 1.3 million passengers from the Nordics to Mallorca. In phase 2, this could be extended to 1 million tonnes.



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Travelling on the power of the sun with PI Energy

Solar is by far the most abundant source of clean energy on the Earth. However, solar power currently provides less than 1% of the world’s consumed energy. Why? The main challenge is that traditional photovoltaic (solar) panels are expensive, heavy and inflexible, making them difficult to install.

US company PI Energy has developed a solution that could make these challenges a thing of the past. We’re supporting PI Energy through ClimatePoint in a joint investment with Strawberry Group.

Light, flexible and extremely thin, PI Energy’s solar nanofilms can be mounted on almost any surface, from buildings to cars and mobile phones. They are fast and simple to install and have a significantly lower manufacturing carbon footprint than traditional solar panels. This opens many previously untapped opportunities to harvest clean energy from the sun.

The technology has huge potential for the tourist industry. It could change the way we generate electricity at our hotels, for example, or even be used to power hire cars and transfer buses. But its impact could be far wider: It has the potential to revolutionise energy production everywhere on Earth.

“Traditional PV solar installations can take anywhere from 5 to 10 years of operation just to make up for their own manufacturing carbon footprint.

The results of our climate impact analysis reveal that the PI Energy solution reaches this climate point within the first year. The implications of this for the low-carbon transition are absolutely staggering.”



Nick Catania, Head of Methodology at ClimatePoint



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E-CASE

Responsible luxury at the Sunprime C-Lounge

Nestled just behind the golden sands of Alanya in Türkiye, the Sunprime C-Lounge Beach & Spa is not just an ocean of calm and relaxation. It's a leading five-star hotel and shining light in responsible tourism.

The Sunprime C-Lounge Beach & Spa is a beautiful combination of modern and traditional Turkish design, with a stunning atrium, sweeping hallways, balconies overlooking the ocean and a clean, yet cosy, feel. As an adult-only hotel, the Sunprime C-Lounge Beach & Spa offers luxury stays to a variety of guests from across the world – who come to enjoy the private beach, unwind in the bar and pamper themselves in the spa.

But there's more to the Sunprime C-Lounge Beach & Spa than just luxury. The family-run hotel is a leading light in responsible tourism – and the first hotel in Türkiye to meet all requirements in the Global Sustainable Tourism Council® (GSTC®) Accreditation programme.

POWERED BY THE SUN

When you arrive at the Sunprime C-Lounge Beach & Spa, you can charge your electric car in one of the hotel's many electric charging stations. By 2024, all electricity at the hotel will be supplied by the hotel's own solar park, which will deliver enough renewable energy to not only power the hotel, but also supply to the national grid.

In the panoramic sea view restaurant, you can enjoy delicious locally sourced food, some of which is grown in the hotel's own garden.

Innovations like these are not just good for the environment. They also make the hotel the preferred choice for many guests, as Sukru Cimrin, who runs the hotel with his cousin, explains.

“For our guests, especially those from the Nordics, sustainability is hugely important. Our outlook fits their lifestyle, and they like to know what we are doing to be more sustainable. We follow the guidelines from the GSTC and Turkish government, but we also add our own flavour to it – because it is important for our team to develop solutions unique to our hotel and region.”



A view of the rooms at Sunprime C-Lounge Beach & Spa.

The Sunprime C-Lounge Beach & Spa

Built following NTLG's strict guidelines for franchise hotels, the 5-star Sunprime C-Lounge Hotel in Alanya opened in 2015. It is an adult-only luxury hotel with a beach area, outdoor pool, onsite restaurant, and spa with treatment area, indoor pool, sauna and traditional hammam. It has 164 ensuite rooms and a fitness centre.



A view of Sunprime C-Lounge Beach & Spa's own solar park. By 2024, all electricity to the hotel will be supplied by the park.

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THE TURKISH SUSTAINABLE TOURISM CERTIFICATE

Sukru Cimrin has worked in tourism his whole life. He is a member of the Alanya Tourism and Promotion Foundation – and last year, he was elected to the Board of the Tourism Promotion and Development Agency in the Turkish Tourism Ministry. He is convinced that sustainable travel will be a key driver for tourism in the future – in Alanya and Türkiye as a whole.

“The Turkish Tourism Ministry introduced its own Sustainable Tourism Certificate in 2023,” he says. “The certification programme applies to the entire circle of tourism – from airports and transfer companies to hotels and tourist excursions. Every company

must follow the guidelines in order to operate. It’s something everyone in the industry here takes very seriously – because we know it is crucial for the future of our business, our planet and entire way of life.”

THE FUTURE OF RESPONSIBLE TOURISM

At Nordic Leisure Travel Group, we want to lead the way in responsible tourism, so others can follow. We’re proud to work with the Sunprime C-Lounge Beach & Spa as a partner, and we require similar commitments to sustainability from all other hotels in our Group.

All our branded concept hotels are fully Travelife certified, a certification recognised by GSTC. Our goal is for all our third-party hotels to have equivalent certification by 2030. In 2023, the number of our third-

party hotels with GSTC Accreditation rose from 385 to 657, meaning 40% of our charter guests stay in hotels with a certification recognised by the GSTC.

We continue to work closely with our hotels and partners to support sustainability initiatives – because the sustainable future of the travel industry is in all our hands.



A view of the pool at Sunprime Dogan Side Beach Hotel.

Using waste from olive oil production to heat the pool at Sunprime Dogan Side Beach Hotel

Many of our hotels in Türkiye go far beyond the requirements of GSTC Accreditation in their pursuit of a sustainable future. At the Sunprime Dogan Side Beach Hotel, for example, the owners use waste oil from their own olive oil production to heat the swimming pool, and they serve fruit at the hotel grown in their own orchards.



Sukru Cimrin

As well as owning the Sunprime C-Lounge Beach & Spa, Sukru Cimrin has been a member of the Alanya Tourism and Promotion Foundation for 23 years and Vice Chair of the Alanya Hoteliers Association for four years. In 2022, he was elected to the Board of the Tourism Promotion and Development Agency in the Turkish Tourism Ministry.

GSTC®

The GSTC Criteria serve as the global standards for sustainability in travel and tourism. They are set and managed by the Global Sustainable Tourism Council.

Read more about Travelife at: www.gstcouncil.org

Reducing consumption

SDG targets

Targets to reduce our footprint

Reducing carbon emissions from our own airline

Case: Funding the future of responsible travel

Case: ClimatePoint investments

Case: Responsible luxury at Sunprime C-Lounge

Snap: Environmental benefits of VR training

Snap: A new life for linen

Snap: Renewable energy in Gran Canaria

E-SNAP

The surprising environmental benefits of VR training

Our airline, Sunclass Airlines, was the first in the world to use advanced VR (Virtual Reality) technology to simulate training for cabin crews. Now, it's using the same technology to give pilots recurrent and proficiency training – to improve safety and lower emissions.

Imagine a pilot is sitting in a training room in Copenhagen wearing VR goggles and gloves. While she may be sitting in Copenhagen, through the VR she can see and feel the cockpit of an A330-900neo Airbus. Her co-pilot in Finland is logged into the same VR environment, and together they are running the procedures with a VR trainer. This may sound like a futuristic scenario, but it's already happening at Sunclass Airlines.

"We have crews at seven bases around the Nordics, and we wanted to create a high-quality training environment that is available to all our crew members," explains Nicolai Bondo Rasmussen, Director of Flight Operations. "With VR, we can create a faithful copy of our own aircraft, including all emergency equipment. It's a fantastic solution that enables our crew to practice procedures together or alone more often."

Sunclass was the first airline in the world to introduce VR cabin crew safety training in 2019. In 2023, it became the first airline to introduce it for pilots. While VR training is not intended to replace essential face-to-face or simulator training, the solution has a number of benefits for pilots and crew who want to refresh certain procedures.

"Training typically takes place in full flight simulators. These are a fantastic tool and the backbone of a pilot's training. They are essential for the high level of safety we have. But full flight simulators are expensive, and pilots have to be there physically. VR training is something they can use whenever they want – so they are as prepared as possible before they enter the simulator," says Nicolai Bondo Rasmussen.

He continues, "VR can enhance a pilot's skills in several areas, including familiarity with procedures, situational awareness and teamwork, without the use of a simulator. These are all crucial for safety onboard an aircraft. At the same time, data from the VR training enables us to better understand how crew members handle procedures, allowing for more tailored training when they get to a simulator."

The VR training has one other important benefit. It lowers carbon emissions. As pilots, crew and trainers don't have to travel to a simulator, it reduces emissions, time and costs around travel – benefitting both Sunclass Airlines and the environment.



Nicolai Bondo Rasmussen, Director of Flight Operations Sunclass Airlines



90

tonnes (approximately) of carbon emissions were saved in 2023 with Sunclass Airlines' VR Training by reducing travel requirements for pilots, crew and trainers.



Virtual simulation view of the cockpit.



A virtual firefighting exercise.

Reducing consumption

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E-SNAP

A new life for linen with Reused & Remade

We collaborate with the recycling company Reused & Remade to give our used linen and terrycloth a new life by making new bags, headbands, facemasks and reusable beauty cloths. As well as reducing waste, the scheme lowers water and energy consumption. Recycled fabrics are less resource-heavy to produce, lowering environmental and climate impact by around 64% compared to producing new fabric.

The collaboration with Reused & Remade began at the end of 2023, when we sent 11 tonnes of fabric from hotels in Spain, Greece and Cyprus to Reused & Remade so it can be given a new life. The new products will be delivered to our hotels during the summer of 2024.



E-SNAP

Renewable energy in Gran Canaria

Our goal is to reach net-zero carbon emissions from our branded hotel operations by 2040. The installation of photovoltaic (solar) panels is a cornerstone in this strategy. As our hotels are normally located in sunny regions, they are ideal for this kind of energy generation.

We installed new solar panels at our Sunwing Arguineguín Hotel in Gran Canaria in 2023. With an average of 8-9 hours sunshine a day in Gran Canaria, the panels should produce around 900 kwh electricity daily, covering around 15% of total electricity consumption at the hotel.



SOCIAL

Caring for people and communities

People and communities are at the heart of our work. Through clearly defined policies and programmes on the ground, we protect and promote the wellbeing of our employees, customers, partners and the local communities at our destinations. As part of these efforts, we also work actively to protect vulnerable children and animals.



Making a positive difference through responsible tourism

We uphold the highest standards in social responsibility to drive positive changes for all our stakeholders and for the communities that we touch with our operations.

People are important to us. We conduct responsible business operations with a focus on creating the best conditions for the people we come into contact with, and the companies that choose to invest in us.

We set high standards for labour conditions, inclusion and diversity, and we work for fair conditions for everyone, regardless of gender, age, culture, ethnicity, physical and mental abilities, religious beliefs or sexual orientation.

Our objective is to ensure a fair representation of gender at all levels of our business, with no one gender represented by more than 60% by 2025.

Tourism is an important contributor to the global economy and of great importance to the millions of people who are directly dependent on it. In 2023, it is predicted that the travel & tourism sector will contribute 9.2% to global GDP; only 5% from reaching the 2019 level. This accounts for 10% of all jobs in the

world – approximately 320 million*.

We know that our activities make a positive difference to the communities and people in many of the destinations that we and our customers travel to every year. The impact is especially significant in destinations where we run our own hotels, as we directly contribute through increased local employment, procurement of local products and hotel investments.

In 2023 alone, **our operations resulted in over SEK 1.5 billion being injected into the local communities** where we operate our concept hotels.

Hiring locally is an important part of our strategy and success. The vast majority of our 2,000 employees in our hotels are locally employed. This connects our company and our customers with the local population and has created relationships across several generations.

Our hotels are a part of local communities, which makes them more than just a place to stay. They are a base from which to explore the local area, a meeting place, employer and a purchaser of local services and products. They also generate income for the government, municipality, and local society.

We primarily purchase food and materials locally, and as far as possible use locally produced products for, among other things, our bar and restaurant operations.

Additionally, our hotels seek to support local organisations and communities. These include food donations, blood donations and other social contributions.

We support responsible animal experiences in tourism. For the past two years, we have worked closely with World Animal Protection to guide customers to holiday experiences that are conducted in a responsible manner and with respect for animals and their natural habitat.

We engage in charitable causes. We continue to broaden our partnership with Save The Children to support their fight for the right to a safe childhood for all children around the world. This year, we worked to increase awareness about children’s rights and, together with our customers, we donated SEK 300,000 to Save The Children. Our ambition for next year is to increase this to SEK 1 million.



Making a positive difference

SDG targets

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Case: Keeping the economic wheels turning

Case: Giving employees a stronger voice

Snap: Animal-friendly excursions with WAP


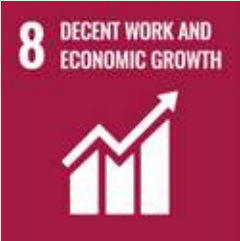

Snap: Going local with Airshoppen

Snap: Providing food with Too Good To Go

Snap: Giving children the best weeks

Snap: Acknowledging our heroes

SDG targets covered in our ESG strategy – Social

SDG	DEFINITION	SUPPORTED TARGETS	NLTG APPROACH
	Achieve gender equality and empower all women and girls	5.1 5.2 5.5	<ul style="list-style-type: none"> • Have frameworks in place to promote, enforce and monitor equality and non-discrimination of everyone regardless of gender • Promote and engage underrepresented genders in managerial positions based on competences • Commit to having a fair representation of genders at management level
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.2 8.3 8.4 8.5 8.7 8.8 8.9	<ul style="list-style-type: none"> • Promote responsible tourism and a culture of corporate social responsibility at the destinations we operate in • Employ local people and businesses to promote economic prosperity in our destinations • Create job opportunities and space for creativity, development and progress • Ensure good working conditions, equal opportunities and equal pay for all • Stand against forced labour, slavery, human trafficking and child labour of any kind • Protect labour rights and promote safe and secure working environments for all employees
	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	17.1 17.8 17.14 17.15 17.17	<ul style="list-style-type: none"> • Develop travel destinations and product opportunities in developing countries and make direct financial contributions to local societies through taxes and social contributions • Respectfully use our influence to encourage decision-makers to engage in sustainable and responsible community development • Use technology in hotels as a tool to create better conditions for our stakeholders at our destinations • Encourage and promote effective public, public-private and civil society partnerships

Our people

Our vision ‘Enriching Life’ is present in everything we do, also for our employees. As a responsible business, we want to make a positive difference in our employees’ lives by always following our People Promise: ‘It should be fun, developing and rewarding doing a good job’.

OUR PEOPLE PROMISE

In 2022 and 2023, we focused on ramping up to pre-pandemic levels. With an almost dormant operation during covid-19, we had to reestablish our entire workforce, which had been furloughed during the pandemic. We introduced a new HR system in 2022 that has had a huge impact on how we are able to work with employee data and HR processes. We also worked hard to strengthen our foundation of processes and data to support to this ramp up.

In 2023, we introduced new employee pulse surveys that give us timely data and insight into our employees’ engagement and wellbeing. Through the surveys, we now ask our employees to give us feedback regularly during the year, so that we can track changes and trends in real time. The surveys also allow us to gauge

how well we are delivering on our People Promise.

- It should be **fun**: 87% of employees say that they have fun at work.
- It should be **developing**: 87% of employees tell us that they get the learning and development they need to do a good job.
- It should be **rewarding**: 86% of employees feel that their immediate manager shows appreciation for their efforts.

In order to drive continuous improvement at the hotels we operate ourselves, we started a very successful project in 2023 in which our Lean Coaches also act as People Ambassadors. The People Ambassadors support and maintain a culture of continuous improvement in their hotel or area and help our global HR team ensure that our NLTG culture and trainings are implemented locally, in the local language.

INCLUSION AND DIVERSITY

Our company is by default diverse – we have local staff working in offices, at hotels, in our airline, in warehouses and in resorts in eight countries around the world. We believe that a diverse workforce and

an inclusive work environment where everyone is accepted and can be themselves is the foundation for creating an attractive workplace for all. This can only be achieved if our workforce is diverse; our workplace is inclusive; and there is no unfair or unlawful discrimination or harassment in any of our decisions or behaviours. We have internal policies and procedures in place to ensure this is the case.

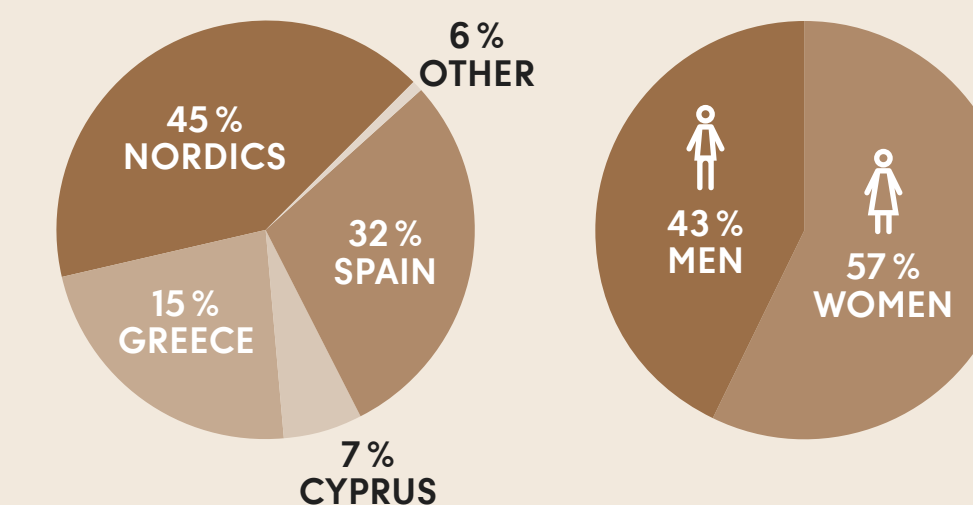
We take great care to ensure there is no discrimination in our recruitment and selection process, our learning and development activities or career progression opportunities. We have an active appraisal and goal-setting process, as well as a development plan for each employee. This is currently implemented for the majority of our employees, and we are continuing to roll out these standards across our entire organisation. This ensures that our business objectives and strategy are cascaded to every level of our business; that our employees are engaged and focused; and that they receive relevant training and career development opportunities.

In 2023, we focused on activities that further strengthened unbiased recruitment throughout the organisation. We implemented an AI-screening tool



Our people promise:
It should be fun, developing and rewarding to do a good job

2,939 employees*



*Number of full-time employees at the end of the financial year.

Making a positive difference

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Snap: Animal-friendly excursions with WAP

Snap: Going local with Airshoppen

Snap: Providing food with Too Good To Go

Snap: Giving children the best weeks

Snap: Acknowledging our heroes

in our processes for volume recruitment and, in 2024, we will implement a new test system for recruiting.

In addition, we refined our different recruitment processes to make it easier for our leaders to recruit people based on competence and without bias. This is an important step for us to ensure we find the right person for each job, while also expanding diversity in the workplace.

GENDER EQUALITY

As a responsible company, we strive for fair representation of genders at all levels of the company. We have chosen to create targets for the overrepresented gender, in order to include all genders and not just men and women. Our goal for the total workforce is to have no gender represented by more than 60%. However, even if we reach our target for the entire workforce, we may still have an unbalanced gender representation in some roles, teams and management groups. This is something we aim to address in the coming years. We will focus on areas where there is an imbalance and initiate activities to increase the underrepresented gender.

We were within our targets for the total workforce again in 2023, and we reached our targets for all management levels. In our C-suite, for example, we managed to increase the share of the

underrepresented gender by 5 percentage points to 30%. The goals that we have set are ambitious, and we will continue to work hard to reach them and maintain a good gender balance going forward.

As well as gender representation, equal pay is an important goal in our equality agenda. We are now mapping pay across our organisation to identify any gaps and will take actions where needed in 2024.

Achieved targets for gender equality within NLTG workforce and on management level

Representation of any one gender

	Target	2023
In total NLTG workforce	Max 60%	58%
In executive management	Max 70%	70%
In C-level +1 management	Max 60%	56%
All managers with direct reports	Max 60%	51%



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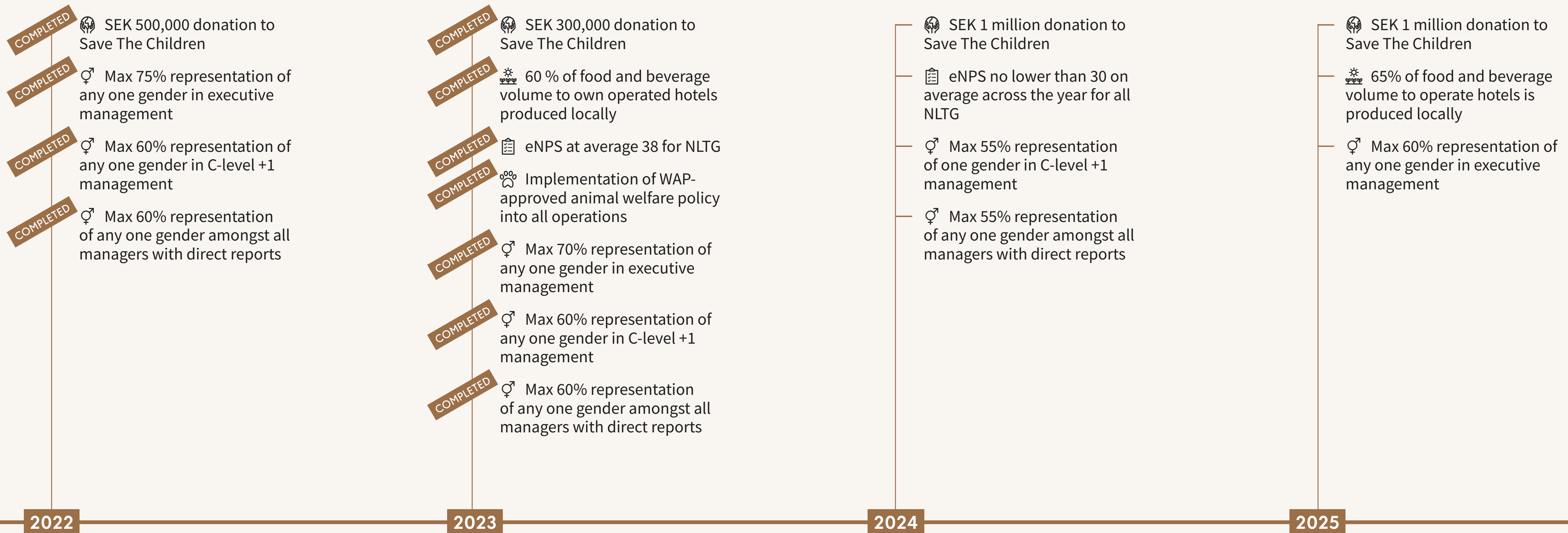
Snap: Going local with Airshoppen

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Snap: Acknowledging our heroes

Our social and people targets



Annual targets

- COMPLETED Max 60% representation of one gender in total NLTG workforce
- COMPLETED Local hires prioritised in own operated hotels
- COMPLETED Participation in social activities in own operated hotels – min. two per hotel

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S-CASE

Keeping the economic wheels turning in the Canary Islands

Beautiful, welcoming and vibrant, with wonderful weather all year round – it’s easy to see why the Canary Islands are one of our most popular destinations. But for the local population, tourism is more than just a way to showcase the islands. It’s the main driver of the economy and underpins all other economic growth.

When the covid-19 pandemic shut down tourism in the Canary Islands in 2020, the effect was devastating. The tourist industry is responsible for 40% of employment in the isolated archipelago. Without income from these jobs, the entire economy ground to a halt.

For everyone on the islands, the pandemic showed just how important tourism is to maintain the fabric of a vibrant society, as Yaiza Castilla Herrera, former Minister of Tourism, Industry and Commerce for the Canary Islands, explains.

“Tourism is the main economic activity of the archipelago, directly generating 35% of GDP,” she says. “From there, we can talk about indirect, induced effect. Tourism has an effect on our industry,

commerce, fishing and agriculture. When we experienced zero tourism during the pandemic, we saw how our entire economy came to a halt. We have had to rebuild it, together with companies like NLTG – and we hope this union of forces continues.”

FROM LOCAL SALARIES TO LOCAL CALORIES

Nordic Leisure Travel Group offers 160 hotels in the Canary Islands, and we take more than 400,000 visitors there each year, making it one of our largest and most popular destinations. As one of the main tour operators in the archipelago, we understand the importance of the tourist industry to the economy.

As in our other destinations, we want to ensure our presence has a direct economic benefit. That’s why we purchase local goods and services whenever possible and offer local food and drink in our hotels. The cheeses served in our hotels in the Canary Islands, for example, are mainly produced using traditional processes, and many hotels bake their own bread, using local wheat, olive oil and seeds. This has the double benefit of enabling our customers to experience authentic local flavours, while supporting the archipelago’s community of farmers at the same time.

We also employ locally, with almost all our employees at our local destinations living in the area. In the Canary Islands, all our full-time employees live on the



Yaiza Castilla Herrera

Yaiza Castilla Herrera is a former Spanish senator. She was Minister of Tourism, Industry and Commerce for the Canary Islands 2019-2023.



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archipelago, which means that the salaries, taxes and pensions we pay all feed into the local economy.

THE FUEL THAT DRIVES THE ECONOMIC ENGINE

It's not just our hotels that have an impact in destinations like the Canary Islands. For many of our customers, enjoying local culture and food is part of the holiday experience – and the money they spend on local products and activities is additional fuel to the islands' economic engine.

According to an internal survey carried out in October 2023, over 50% of our customers feel it's important to choose local products over imported ones when they travel, and nearly 70% eat outside of the resort at least once a day. This is extremely valuable income for the restaurants, cafes and shops near our hotels. According to the survey, over 60% of our customers spend between EUR 100-500 outside the hotel during a one-week stay.

As a large travel company, we take over 1.2 million guests to different locations around the world each year – and we estimate that combined they spend around 5 billion SEK outside the hotel. For destinations like the Canary Islands, this income underpins the economy and helps drive many other aspects of local life.



At NLTG we host several excursions to discover the local nature and business offerings. By promoting local businesses we can contribute to the economic growth.



Presa De Las Niñas, Tejeda, on the Canary Islands.

The Canary Islands

Located in the Atlantic Ocean 100 kilometres off the north-west coast of Africa, the Canary Islands are the southern-most islands in Spain. The seven islands have a combined population of 2.2 million people, and tourism is by far the largest industry.

S-CASE

Giving employees a stronger voice with new employee pulse surveys

At Nordic Leisure Travel Group, we want to create the best possible working environment – one where all our employees enjoy their work and have opportunities to develop. That means listening to our employee and using their insights to spot issues and opportunities to improve. But how can a large organisation like ours – with around 3,500 employees in more than 20 countries – make sure all our colleagues can express their opinions and be heard?

It should be fun, developing and rewarding to do a good job. This is our people promise and something we strive for every day. Our employees are our most important asset – we are a people business, and we rely on everyone in our team to deliver our brand promise to customers. As a company, therefore, we have a high focus on communication, engagement and performance, and we constantly work to create an environment where everyone feels welcome, inspired and valued.

But we understand that every person and team is different, and things change over time. That’s why

we, in 2023, launched a new way of working using pulse surveys. A new employee listening tool, called Winningtemp, enables our colleagues to express their opinion on a range of topics through short pulse surveys throughout the year.

“The new way of working with pulse surveys marks a big change for us,” says Jenny Håkanson, Head of People Development at NLTG. “Previously, we only sent out employee surveys once a year. With Winningtemp, our employees can make their voices heard much more often, and the insights can be used by teams, managers and management to adjust our work processes, address issues and grasp new opportunities on an ongoing basis.”

EMPLOYEE LISTENING AT THE HEART OF NLTG

The concept of Winningtemp is simple. The AI-driven platform enables NLTG to send employees short surveys on topics chosen by the AI programme and NLTG’s HR team. The surveys are sent out roughly every two weeks, but the frequency varies depending on the employee’s location and department. All surveys are anonymous and should take just a few minutes to answer.



"Employee pulse surveys are a great basis for discussions about improving wellbeing and engagement within our teams."



Jenny Håkanson, Head of People Development at NLTG

Winningtemp

Winningtemp is an AI-powered platform that enables companies to visualise employee sentiment and obtain actionable insights that enhance wellbeing and minimise turnover. It’s used by a wide range of organisations, from vehicle manufacturers to telecommunication companies.

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“The surveys give our employees a chance to have a say on what’s happening within their team right now, which really puts their wellbeing and work situation on the agenda,” says Jenny. “If there’s a particular issue that they feel should be addressed, they can leave a comment anonymously. This means they can flag issues to their manager before they become a problem, and also highlight what is working well.”

TEMPERATURE CHECKS GUIDE MANAGERS

The tool has proven extremely popular with managers. Every manager has a simple dashboard that reflects the ‘temperature’ of their team in real-time and allows them to compare it with the organisation as a whole. They can also see the results from a specific survey or question, and any comments that were left.

“The dashboard helps our managers identify things that are working well, or things that need to be improved,” says Jenny. “And, as the surveys are sent out often, we can measure progress over time. This means we can see if an action has made a difference and adjust it if needed. Our managers are working with regular follow ups and team discussions about the results and trends to highlight what is going well and to work with improvements.”

BEST PRACTICE SHARING

The tool used for the surveys, Winningtemp, was rolled out across NLTG in 2023. In high season, surveys are sent out to 3,733 individuals, and there is a response rate of 74%, which is considered to be a good response rate for this kind of survey.

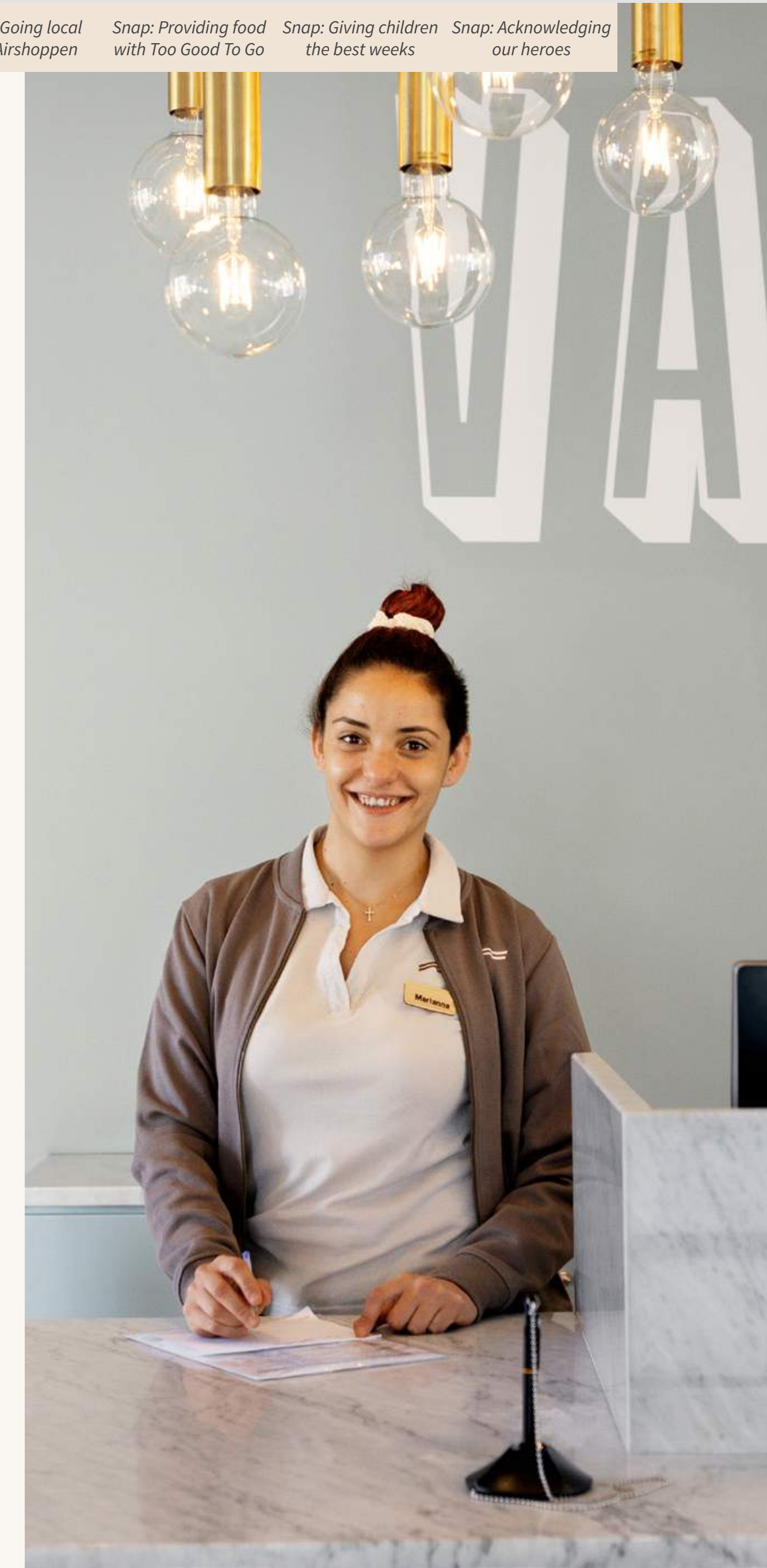
Overall, the system has been very well received, but it is still early days, and there is ongoing work to support our managers to help them use the tool most effectively. This includes arranging a series of workshops where managers from across the organisation will be able to share best practices and learn from each other.

“Employee pulse surveys are a really important tool for us, as they enable our employees to tell us what is important to them and where we can improve,” says Jenny. “Anyone can go to their manager at any time to express a concern. This is part of our culture, and most employees feel very comfortable doing it – but not everyone. Winningtemp ensures all our employees have a platform where they can express concerns – or say what’s going well – at pretty much any time.”



Jenny Håkanson

Jenny Håkanson joined NLTG in 2016, where she is now Head of People Development. She has a master’s degree in leadership development and quality management and is passionate about creating a workplace where employees are empowered, motivated and having fun.



S-SNAP

Animal-friendly excursions with World Animal Protection – and journalists

Whales are a truly magnificent sight – especially when frolicking together in the open ocean. So it’s no surprise that whale safaris are one of the most popular tourist excursions at our destinations in the Canary Islands.

We believe it’s extremely important that any tourist activity that involves animals is conducted in a way that doesn’t harm the animals or cause them stress. That’s why we signed a cooperation agreement with World Animal Protection in 2022. As part of this agreement, we’re committed to only guiding our guests towards animal-friendly excursions that follow World Animal Protection’s guidelines and our own strict animal welfare policy.

We took the agreement one step further in 2023 when our Head of Communications, Sofie Folden Lund, took a group of journalists on a whale safari off the coast of Tenerife to highlight the best way for travellers to experience wild animals responsibly – out in the wild, in conditions where the animals are not disturbed. The trip was a huge success and gave our approach to animal-friendly excursions good publicity. Following the trip, 35 articles appeared in various newspapers, magazines and websites, including Politiken, a newspaper in Denmark with 225,000 readers.



"We have been very enthusiastic about our collaboration with Nordic Leisure Travel Group from the start. Their commitment is simply indispensable to our global work to create a new direction for contemporary tourism that respects wildlife and nature in the destinations where NLTG works year-round.

The fact that the Nordics' largest travel agency has entered the work so openly and actively will undoubtedly make a positive difference – locally and globally."



Gitte Buchhave, CEO
World Animal Protection Denmark

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S-SNAP

Going local in Gran Canaria with Airshoppen

Many passengers who travel with our Sunclass Airlines buy drinks and other products when they are in the air from Airshoppen, our inflight café and duty-free shop. In 2023, Airshoppen introduced Local Purchase Agreements with suppliers in Gran Canaria that make those purchases both more sustainable and more beneficial to the local economy.

Through the agreements, Airshoppen now buys several well-known high-selling products locally, significantly reducing the carbon footprint of the products it sells. In 2023, this resulted in 47 pallets of goods being sourced locally, which would otherwise have been transported to the islands by sea. As well as reducing carbon footprint, this also brings money and work to the local economy and gives our passengers more opportunities to try local produce.



S-SNAP

Providing low-cost, high-quality food in Spain with Too Good To Go

In summer 2023, our Sunprime Waterfront Hotel in Spain joined Too Good To Go – a service run in 17 countries that uses a mobile app to connect people with restaurants, stores and hotels that have surplus unsold food. Through the app, we sell ‘surprise bags’ of high-quality lunch and dinner each day at a reduced price – food that would otherwise have been wasted. The consumer orders the surprise bag in the app and picks it up from the hotel.

As well as providing low-cost, high-quality food for employees and people near the hotel, the scheme also reduces food waste. Globally, almost 40% of all food goes to waste, with much of it thrown away

– uneaten and unused – by hotels, restaurants and cafes. At NLTG, we want to help bring this percentage down and reducing food waste is an important target for our branded hotels.

In 2023, the Sunprime Waterfront Hotel saved 1,700 kg of food through the scheme – resulting in a saving of around 4.25 kg of CO₂e. Following this success, our Sunprime Pollenca and Sunwing Alcudia Hotels in Spain have also joined Too Good To Go.

Read more about Too Good To Go at: www.toogoodtogo.com



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S-SNAP

Giving children their best weeks of the year with Save The Children

As a holiday company, we give thousands of children and families the best week of their year – every year. However, we also understand that, for many children, life outside of vacation can be tough. For these children, participating in fun activities – like those we organise in our hotels – can have great healing power.

In 2023, we invited Save The Children to run a ‘train the trainer’ workshop with our HR Overseas team in Stockholm. The workshop focused on how to act in situations of crisis or when children are hurt, and mixed useful insights with practice exercises. At the end of the day, our team worked with Save The Children to record training videos that can be used when our HR Overseas team runs similar workshops with our overseas staff.



S-SNAP

Acknowledging our heroes with the NLTG Awards

For the eighth year running, we held the Annual NLTG Awards in December to acknowledge the great work of our teams across the world. The awards recognise work in eight categories, including Customer Hero of the Year, Best Destination of the Year and Culture Ambassador of the Year. The entrants are nominated by their colleagues – and the final winners are chosen by a committee consisting of executive managers and specialists.

In 2023, the Best ESG Initiative of the Year was a particularly hard-fought category with some amazing initiatives driven by our colleagues. These include our hotels in Rhodes who donated food, shelter and

assistance to firefighters and people affected by forest fires in the summer; and our Airshoppen team, who have worked diligently to reduce the climate footprint of the products they sell on our airplanes. The eventual winner was a hotel team in Spain, who are reducing food waste through the Too Good To Go scheme.



The winning team for Best ESG Initiative 2023.

GOVERNANCE

Steering a clear course and measuring our progress

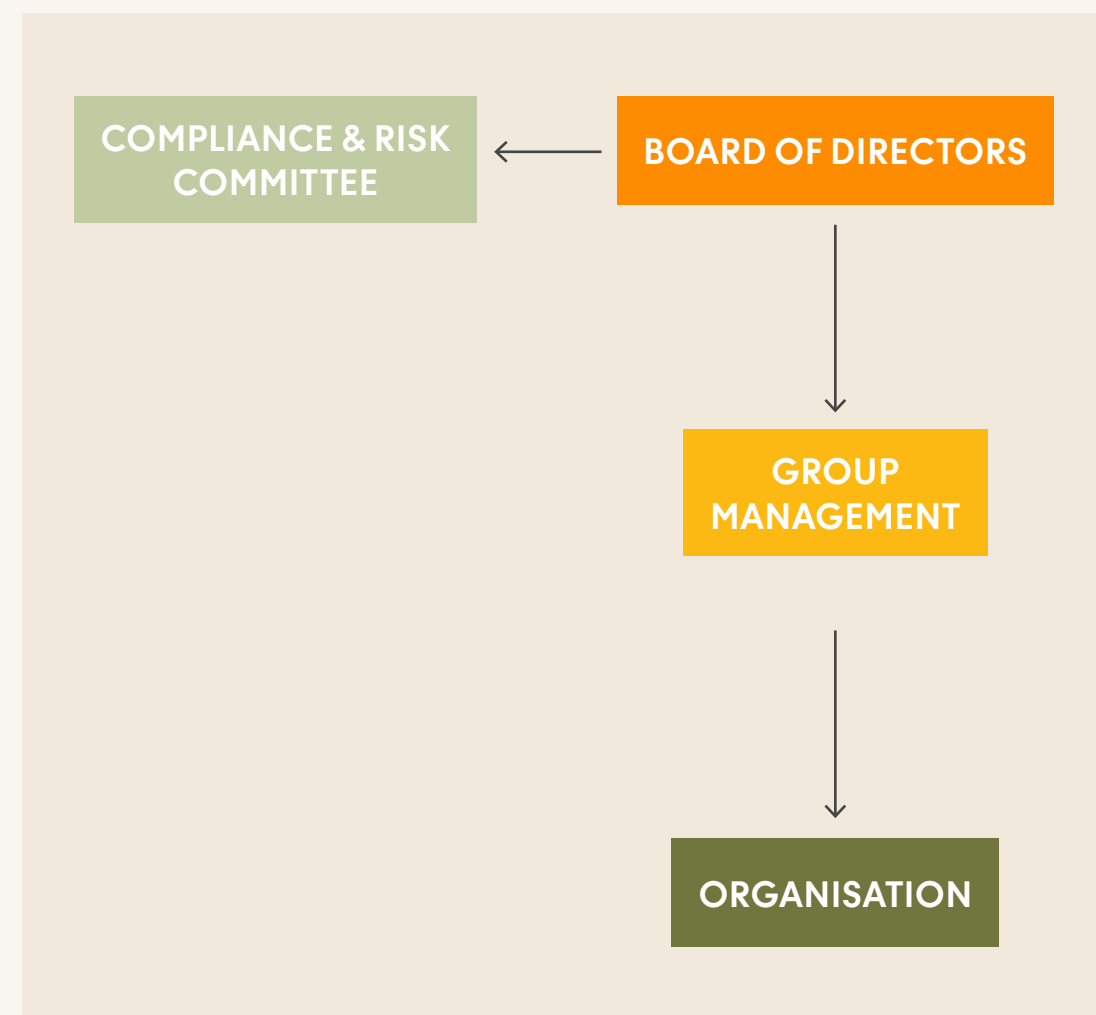
Our governance framework is the backbone of all our activities. It is carefully designed to ensure we conduct our business responsibly at all times and operate with transparency in everything we do. It's also there to make sure we track progress on our commitments, so we can document our impact and act to improve.



Governance at Nordic Leisure Travel Group

Our governance framework aims to ensure value creation, safeguard active and transparent management across NLTG and control risks.

NLTG operates a two-tier governance structure ensuring a separation between Group Management and the Board of Directors.



COMPLIANCE & RISK COMMITTEE

The Compliance & Risk Committee comprises members of the Board of Directors. The Compliance & Risk Committee is, and among other things, responsible for:

- quality assuring the company’s financial reporting, financial and legal compliance
- the adequacy and efficiency of the company’s risk management structure and risk register
- the structure of the company’s internal control
- review and approval of the company's compliance policies

BOARD OF DIRECTORS

The Board of Directors has overall responsibility for the company’s organisation and for ensuring that the company’s affairs are administered in the company’s and all shareholders’ interests. This includes:

- setting the overall strategy and business orientation, policies and goals for the operation of the group
- supervision of Group Management's management of company activities
- approval of an annual business plan with a budget
- approval of business propositions and business cases in accordance with agreed governance levels
- appointing the Chief Executive Officer and deciding the Chief Executive Officer’s terms of employment
- regularly reviewing the financial position and capital resources of NLTG to ensure that these are adequate
- setting terms for incentive programmes for management and employees

The work of the Board is performed in accordance with the Swedish Companies Act, Aktiebolagslagen (2005:551).

GROUP MANAGEMENT

Group Management is responsible for the day-to-day management of NLTG, including:

- recommending proposals for NLTG’s overall strategy, objectives and policies to the Board of Directors and their implementation
- defining an annual business plan with a budget
- management of the company's daily operations, including preparation of business development, business propositions and business case decisions within agreed governance levels
- monitoring the performance of NLTG
- the organisation of the company and allocation of resources

ESG governance

Responsible business requires transparency and good governance. Our environmental and social responsibility work is governed by a number of policies and guidelines. All policies are continuously adapted to suit relevant and substantial changes to external circumstances. All ESG policies are anchored in our corporate governance structure and are reviewed and endorsed annually – or in special circumstances – by the Compliance & Risk Committee.

We manage and fulfill our ESG obligations towards stakeholders and our own strategic objectives through policies and established management processes. We use relevant and current data as a basis for tracking our deliveries and improving our performance. Much of this is managed through Worldfavor, a Group ESG data tool that helps us gain deeper knowledge of our impacts, challenges and results.

Group Management is responsible for delivering on our ESG strategy and targets. Our ESG team is responsible for developing our ESG strategy and target programme as well as supporting the organisation in meeting the targets we set. On a quarterly basis, progress is reviewed and discussed with the Group Management team, and the CEO presents the overall results to the Board of Directors.

Our risk assessments for ESG-related matters follow the company's overall governance framework, which is managed from the organisation's legal unit.

Crisis and emergency management is organised centrally in the company through our 24-hour Duty Office function. Crisis and Emergency Management comprises Sunclass Airlines' Emergency Response Plans, as well as our tour operating and hotel activities' crisis function. The latter primarily focuses on handling and managing emergency situations for individual guests or groups of guests. It is in our DNA to take care of our customers in all situations, especially critical ones, when they are on holiday with us.

During 2023, there were several severe wildfires across the globe, including on the island of Rhodes in Greece. Our Crisis organisation responded swiftly to assist and protect our staff and customers. In wake of the fires, we began several ESG initiatives to help with reforestation and support the local communities.

During the year, we also connected and trained our crisis management and customer functions to comply with policies such as animal welfare, child protection and General Data Protection Regulation (GDPR). Our Crisis Management team is currently working to enhance our Business Continuity Management processes.



Special compliance conditions



EXTERNAL AUDITING (ALL BRANDED HOTELS) - TRAVELIFE

Travelife is a sustainability accreditation scheme, providing guidelines and measurement systems that contribute to improvements in environmental and social responsibility in the travel industry. Companies associated with Travelife must contribute to society by employing locally, using local suppliers and by marketing local businesses. They must also work against child labour and child sex tourism. Our work with environment and social responsibility is followed up by the independent auditors from Travelife every two years.



GLOBAL CERTIFICATION STANDARDS – GSTC

The Global Sustainable Tourism Council® (GSTC®) manages the GSTC Criteria, which are the global standards for sustainable travel and tourism. It also provides international accreditation for sustainable tourism certification bodies. The framework is used as a basis for sustainability compliance in the hotels that NLTG offers to many of its customers. GSTC currently recognises over 30 different certification programmes.



EU-EED COMPLIANCE (TOUR OPERATOR BUSINESS)

The EU Energy Efficiency Directive (EED) requires all major companies in the EU to map energy consumption and set goals for optimising energy systems going forward. The responsibility for ensuring compliance lies with the individual national authorities. The relevant entities in NLTG all comply with the requirements of EU EED.



EU-ETS COMPLIANCE (SUNCLASS AIRLINES)

The EU Emissions Trading System (ETS) is a cornerstone of the EU’s policy to combat climate change and is a key tool for reducing greenhouse gas emissions cost effectively. The ETS works on the ‘cap and trade’ principle. The system also covers reportable carbon emissions from the aviation sector. NLTG operates its own airline, Sunclass Airlines, which is compliant with ETS requirements. Since the inception of ETS, our airline has conducted independent assessments of its fuel use and emissions for each year. The next process will be completed in the spring of 2024. The responsibility for data management and compliance lies with the airline’s flight operations department located in Copenhagen Airport, Denmark.



THE NORWEGIAN TRANSPARENCY ACT (ÅPENHETSLOVEN)

On 1 July 2022, the Norwegian Transparency Act came into effect. NLTG published its due diligence assessment on 30 June 2023. The law aims to ensure companies comply with their social responsibilities, including human rights and decent working conditions in their own organisation and in their supply chain.



THE DANISH ANNUAL ACCOUNTS REQUIREMENT FOR DIVERSITY REPORTING

The Danish authorities require companies to report on diversity matters and objectives. All our Danish subsidiaries are covered by this requirement. Reporting of these matters is included in our annual financial reports. For other ESG reporting requirements imposed by Danish law, relevant details are reported in the parent ESG report.



Policies

CODE OF CONDUCT

Our Code of Conduct is our main policy document, acting as an umbrella document for all other policies and guidelines. It applies to all employees and all areas of the business within NLTG. The policy covers a range of topics including our business values, behaviour within the company, health and safety at work, child protection, bribery, gifts and entertainment, and more. Within all areas, the policy sets out standards that all employees across the business are expected to adhere to, and what process to follow if any deviation from the code is discovered. Every employee within the Group is required by the Code of Conduct to be vigilant against breaches of the policy, and to report any suspected deviations from the code.

SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct sets out the minimum standards of business behaviour expected of our suppliers. Suppliers must have processes in place to monitor and maintain these standards, including in their own supply chains. The policy applies to everyone across the supplier’s organisation – employees, managers and directors, temporary workers and all third parties associated, and doing business with us – in whichever jurisdiction they are located. The code covers many

areas, including human rights, child labour, child protection from sexual abuse, forced labour, wages and benefits, fair treatment and equal opportunities, health and safety, anti-bribery and corruption, gifts and hospitality, and conflicts of interest.

ANTI-BRIBERY AND CORRUPTION

Our Anti-Bribery and Corruption Policy includes a list of actions and circumstances that constitute warnings of potential corruption. It also clarifies our zero tolerance towards all forms of bribery and corruption, both internally and externally. To ensure that our policies are complied with, we have a whistleblower function for the reporting of wrongdoing (illegal or unethical conduct) or malpractice.

WHISTLEBLOWING

We want to do what is right. It is of great importance to us to protect our business, employees, partners, customers, the environment and society against serious irregularities that may be conducted by any company within NLTG or our employees. If serious irregularities are found at an early stage, we are better able to prevent risks and limit damage – to the benefit of our business, employees and other stakeholders. Whistleblowing provides an opportunity to report

suspicions of serious misconduct. NLTG enables anonymous reporting through a reporting channel managed by a third party, WhistleB. The reporting channel can be reached on internet-enabled device, and we recommend that employees access the channel from a device not connected to our intranet.

GDPR POLICIES

At NLTG, we recognise that we all have a responsibility to look after the personal data of both our customers and employees. Access to this information is essential to our business, and we want our customers and employees to have confidence that we handle their data with care. Our Data Protection Policy is an internal document for use within NLTG and applies to all colleagues in the Group.

The policy explains how and why we manage personal data across the Group and helps ensure that all employees abide by the same rules and are aware of our legal obligations according to the General Data Protection Regulation (GDPR). The policy contains a short summary of what constitutes personal data, data protection principles and information on the individual rights of employees and customers. The policy also contains information on what to do if there is a security breach.

HUMAN RIGHTS

NLTG recognises the UN Guiding Principles on Business and Human Rights and supports the UN Convention on Rights of the Child. We are also aligned with the UN Global Compact. These globally agreed principles and programmes enable us to take a structured approach to these issues across our global business. Following implementation of the Norwegian Transparency Act (Åpenhetsloven) in 2023, we increased focus on risks related to human rights issues in our supply chain and are now developing a Human Rights Policy.

ENVIRONMENTAL POLICY

NLTG has a dedicated Environmental Policy that sets out goals for the business regarding the reduction of fossil fuel consumption within our own airline operations; measures to help us reduce resources, such as materials and products used in the supply chain; waste, energy and heating reduction; reduced consumption of environmentally harmful chemicals; noise pollution; and sustainably conscious purchasing.

♥ **CHARITY AND SOCIAL ENGAGEMENT POLICY**

Our approach to charity and social engagement aligns with our Group sustainability strategy, which aims to deliver positive impact at home, on the journey and on holiday. We focus our contributions on areas within human working conditions; health support in local and destination communities; climate and environmental care; and child welfare and education.

👤 **CHILD PROTECTION POLICY**

At NLTG, we are fully committed to respecting children’s rights as set out by the UN Convention on the Rights of the Child. Our Child Protection Policy outlines our company standards, which have been put in place to safeguard children, including our customers' children and children at local destinations. The policy outlines our commitment to provide adequate training, information, and support to customers and employees, as well as reporting processes and investigation procedures to protect children from harm.

We condemn all forms of sexual exploitation of children and support all acts of law made to prevent and punish such crimes. We demand that guests,

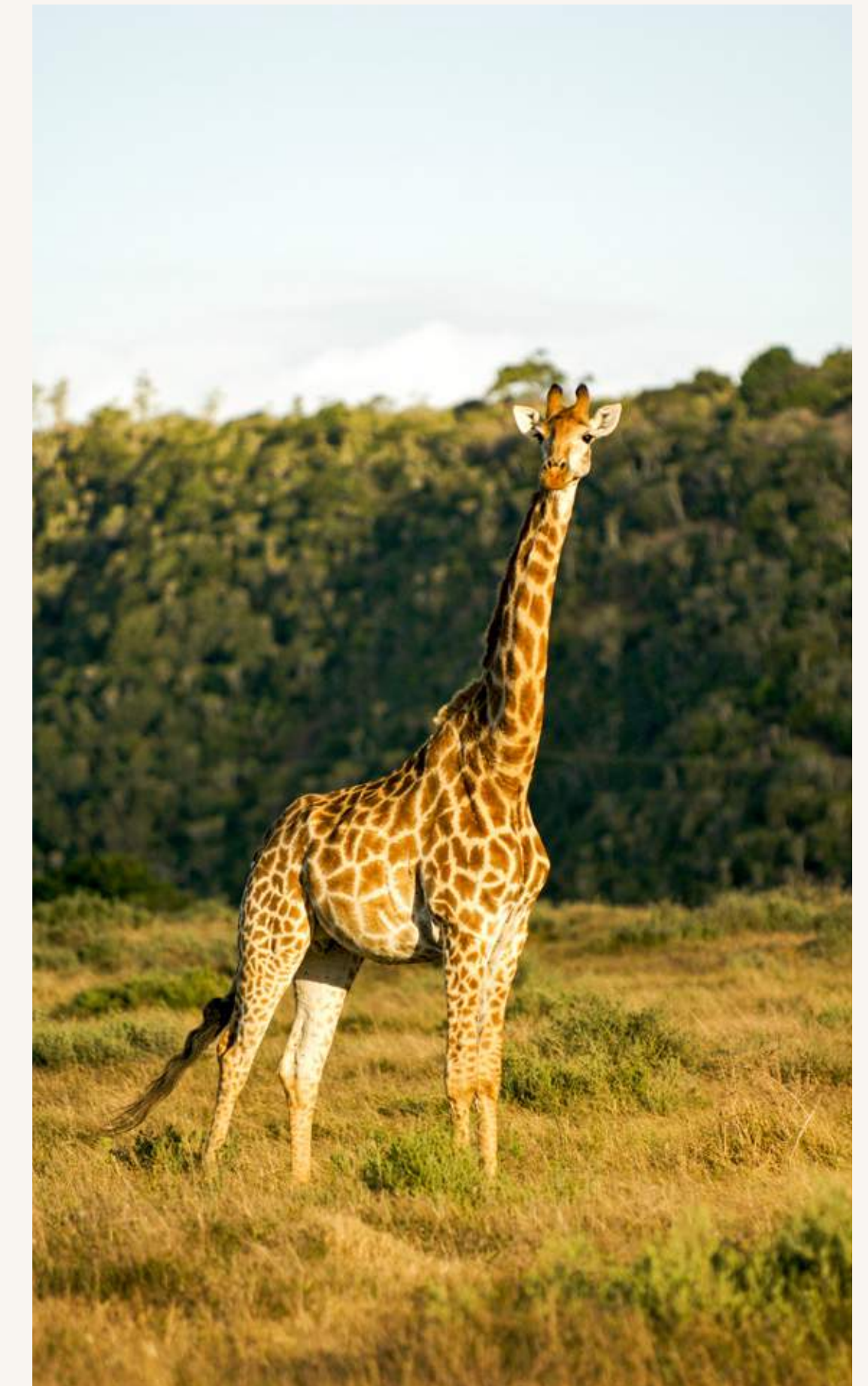
partners and all members of staff refuse to take part in sexual exploitation of children, and that they report any cases of child sexual exploitation that they become aware of.

🦁 **ANIMAL WELFARE POLICY**

At NLTG, we care about the welfare and protection of captive and wild animals, including animals that form part of tourist attractions or are impacted by tourism in another way. In 2022, we adopted a new Animal Welfare Policy with a special focus on the exploitation of wild animals in captivity. In addition, we signed a partnership agreement with World Animal Protection to strengthen our focus and commitment to this important area. The partnership includes a pledge to distance ourselves from all forms of exploitation of wild animals in captivity, including when the purpose is entertainment for tourists. This includes swimming with dolphins; watching shows with wild animals in captivity; riding or bathing with elephants; and participating in photo opportunities with wild animals. We are also committed to guiding our guests to animal-friendly excursions that are pre-approved by World Animal Protection and follow our own Animal Welfare Policy.

📄 **TAX POLICY**

NLTG recognises that the Group has a clear obligation to comply with tax laws and to pay the right amount of taxes at the right time in all the countries where the Group operates. The overall aim of our Tax Policy is to ensure that NLTG is a responsible corporate citizen in regards to tax. NLTG is fully aware and respects that taxes constitute important contributions to society and to the development of the countries in which NLTG operates. NLTG acknowledges the changing landscape around tax from both regulators and society and puts strong efforts into securing compliance with applicable tax laws and regulations.



Risk management in Nordic Leisure Travel Group

At NLTG, risk management is a mindset that we practice continuously and with vigilance.

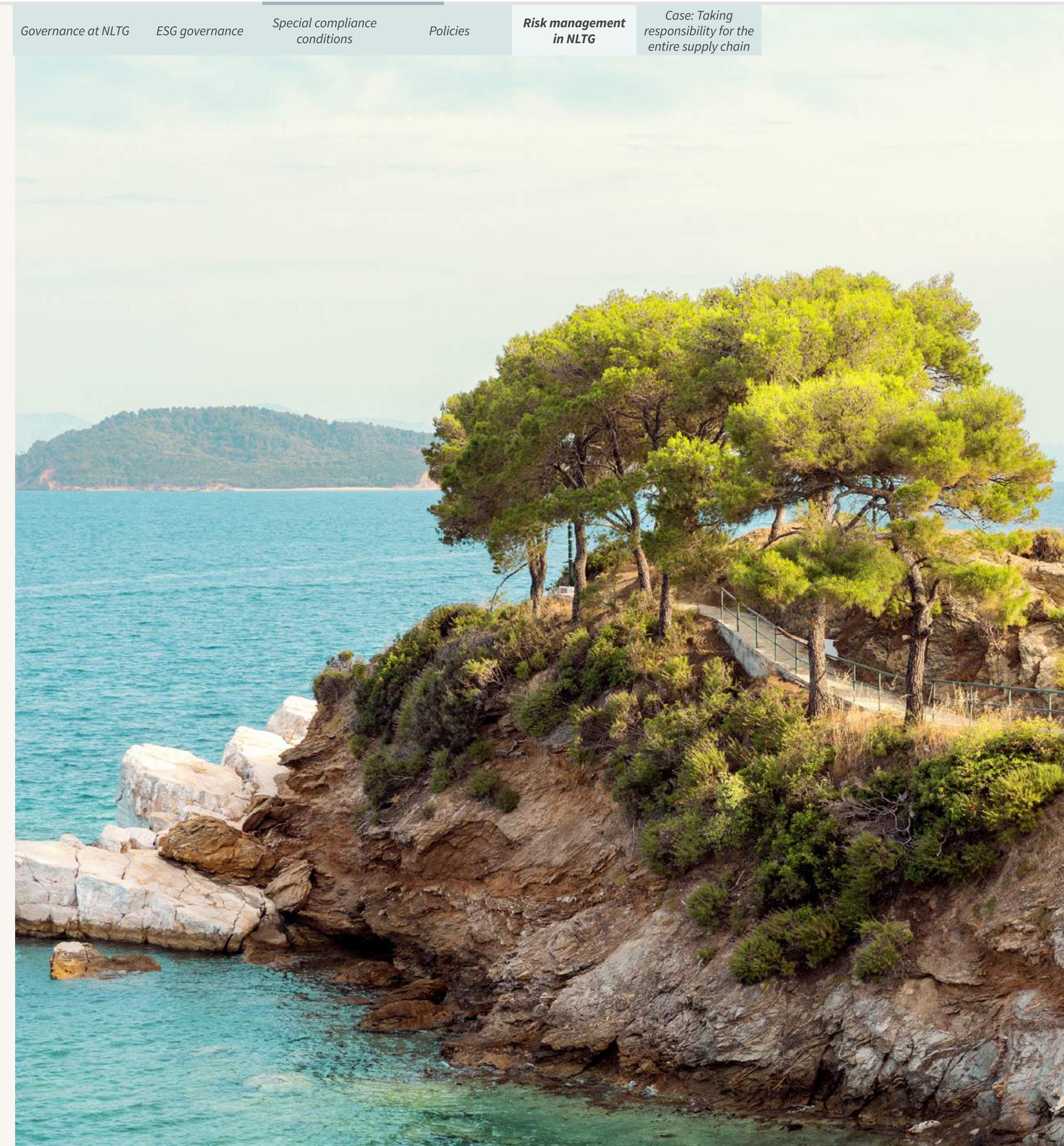
Achieving our long-term purpose and business strategy requires a shared understanding of uncertainties, key risks and the level of general risk exposure throughout the company.

Like any other company, NLTG is exposed to constant challenges that need to be analysed and addressed effectively to ensure that we fulfil our defined business objectives. Therefore, in 2024, we worked to re-establish an enterprise risk management (ERM) framework, with a view to laying a solid foundation for managing risks across the organisation. Our ERM governance structure ensures that our organisation and management focus continually on the most significant risks, through active involvement and regular risk reviews.

The ERM framework is built on the philosophy of simplicity, inclusion and effectiveness. To ensure value creation, all identified enterprise risks are analysed by adopting a holistic approach, which ensures participation from teams across the organisation.

The revised governance framework for ERM includes our Risk Policy and risk matrix, which were developed to ensure a link with our pre-existing structure for emergency and crisis management. The ERM governance framework has been approved by Group Management and the Compliance & Risk Committee.

The objective of risk management is to support strategic business objectives, while appropriately managing risks.



G-CASE

Taking responsibility for the entire supply chain

When the Norwegian Transparency Act (Åpenhetsloven) came into force in July 2022, we saw it not only as a requirement, but as an opportunity to increase knowledge and transparency across the organisation. Our due diligence report for the act encompasses Ving Norge AS and the entire supply chain – and the work we undertook to complete the report lays the foundation for much of our sustainability work in the future.

The Norwegian Transparency Act requires companies to evaluate human rights and decent working conditions throughout the companies’ own business and their entire supply chain, as well as their business partners. For a well-established leisure travel company like Nordic Leisure Travel Group, with thousands of suppliers across the world – from airport baggage handling services to local excursion companies and food producers at our destinations – this is a significant task. But it’s also an opportunity to ensure even greater responsibility throughout our own business and our supply chain, as Emelie Aronsson, Legal Counsel at NLTG, explains.

“As a responsible travel company, it’s important for us to choose suppliers and business partners that meet our ESG obligations, which include requirements relating to human rights and decent working conditions, as well as making sure we address issues relating to these aspects within our own business. By conducting the due diligence report inhouse instead through a third-party auditor, we were able to share knowledge across the organisation and, most importantly, identify realistic ways to improve.”

ENGAGING THE ORGANISATION TO CREATE VALUE

Emelie ran the project with Thomas Lau Christensen, Head of Risk and Insurance at NLTG. They began by analysing all compliance policies in relation to human rights and decent working conditions and ran sessions with colleagues from across the organisation to get a full understanding of how well the policies were understood and followed.

“Overall, we spoke to 30-40 people who work with suppliers and contractors – from Sunclass Airlines and Airshoppen through to our commercial organisation, hotels and HR team. These conversations were very honest and open, giving us a clear idea of what we do today and where we need to improve,” Thomas explains.



Using this input, Emelie and Thomas compiled a report containing a 360-degree assessment of our company, suppliers and partners with reference to human rights and decent working conditions. The report was published in June 2023, but this is by no means the end of the story.

The process has been integrated into the company’s overall enterprise risk management programme to ensure that any risks arising from the due diligence are treated as any other corporate risks. As part of our enterprise risk management programme, the risks identified will be followed up continuously, with a new due diligence report carried out and published each year.

REFINING OUR POLICIES AROUND HUMAN RIGHTS AND DECENT WORKING CONDITIONS

In general, the project found that we work diligently to address human rights and decent working conditions across our organisation. However, it was also clear that follow-up on our suppliers’ adherence to our Supplier Code of Ethics and Conduct is not consistent. Therefore, we are now beginning a new project to address this issue.

We are also launching a specific Human Rights Policy covering both the internal organisation and how

our procurement teams work with suppliers. The implementation of the policy will be supported by mandatory e-learning for all employees to ensure it is understood and followed.

DEVELOPING A CONSISTENT APPROACH TO SUSTAINABILITY DUE DILIGENCE

The internal impact of our Norwegian Transparency Act project will stretch far beyond our work with human rights and working conditions. It has given us a systematic approach to all due diligence work in the future – one that not just ensures compliance, but also builds knowledge, expertise and transparency throughout the organisation.

“Sustainability requirements will only get stricter in the future. As a responsible company, this is something we welcome,” says Emelie. “But we don’t just want to meet the requirements, we want to use the process to increase our positive impact and promote change. We now have a proven process that enables us to do exactly this – one we can use for all due diligence tasks, risk assessments and similar initiatives in the future.”

Meet the team



Thomas Lau Christensen became Head of Risk and Insurance at NLTG in 2022 and is currently implementing a full enterprise risk management programme at NLTG. He was responsible for risk analysis in the project.

Emelie Aaronsson joined NLTG in 2022. As Legal Counsel, she was responsible for the legal aspects of the Norwegian Transparency Act project.

The Norwegian Transparency Act

The Norwegian Transparency Act (Åpenhetsloven) came into effect in July 2022, with the purpose of promoting companies' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services. Companies within the scope of the act must carry out a due diligence assessment each year of how fundamental human rights and decent working conditions are implemented and prioritised throughout their own business as well as their supply chain, and identify any potential risks.

Nordic Leisure Travel Group falls under the scope of the Norwegian Transparency Act due to its ownership of Ving Norway. You can read our finished report at www.ving.no

STAKEHOLDERS



Our stakeholders

We nurture a close relationship with our customers and employees, which is essential for us to deliver on our business targets. We also understand that a close working relationship with our business suppliers and investors, as well as a variety of industry organisations, is essential to bring about large-scale change. We define stakeholders as any group with potential or actual influence on our business. To ensure that we focus on the most material issues and those most relevant to our key audiences, we undertake a wide variety of stakeholder engagement activities, including meetings, questionnaires, newsletters with feedback channels and participation in projects and conferences.

OUR STAKEHOLDERS INCLUDE:

- Customers
- Employees
- Investors
- Suppliers and partners
- Governments and regulators – national and at EU level
- Travel and airline related industry associations

NLTG AB, or Nordic subsidiaries of the company, is a member of the following industry organisations and associations:

- **SRF** - The industry association for Swedish travel agencies and tour operators.
- **AIRE** - Airlines International Representation in Europe represents European airlines. The association aims to make the operating framework for its members as efficient and cost-effective as possible, including consumer policies, taxation and social affairs.
- **A4E Airlines for Europe** - Represents the united voice of European airlines in the EU, with 70% of European air traffic represented. Sunclass Airlines is a member.
- **Dansk Industri (DI)** - A privately funded business and employer organisation representing 10,000 member companies. Sunclass Airlines is a member.
- **BDL** - The industry association Dansk Luftfart (BDL - part of DI) is an industry policy funding point for companies in the Danish aviation sector.
- **Virke** - Virke is the main organisation for the trade and service industry and is the link between employers and the authorities.
- **SMAL** - Tjäreborg Finland is a member of the industry organisation SMAL, which looks after interests in the labour market.
- **Dansk Erhverv** - The Danish Chamber of Commerce is the network for Trade, IT, Industry and Service in Denmark.
- **RID** - The industry association for Danish tour operators.



ESG DATA TABLES



[ESG development tracking](#)[Data table - general](#)[Data table - environment](#)[Data table - social](#)[Supporting graphs: GHG emissions](#)

ESG development tracking

Collecting and analysing relevant data helps us understand the impact of our operations, and how we can develop and improve accordingly. Data is also crucial for us in order to comply with legislative requirements and keep our investors and other stakeholders updated on the progress of our ESG strategies and projects. It provides valuable insight and understanding of vulnerabilities in certain situations and helps us navigate through potential crises.

We are currently in the transition phase between mapping and a fully-developed systematisation of our data processes. We have collected sustainability data for many years and in 2022, we initiated a comprehensive data optimisation project.

This included introducing Worldfavor, which is now our central ESG data platform. To further strengthen the understanding of our Green House Gas (GHG) impacts and to prepare ourselves for approval by the Science Based Targets initiative of our climate targets, we signed up with Normative in 2023. Normative is a carbon accounting platform, offering scientific, comprehensive and actionable emissions insights across the entire value chain.

We present our data in a table format in the following categories, **General**, **Environment** and **Social**, and have added relevant Global Reporting Initiative (GRI) indicators as guidelines.

ESG development tracking

Data table - general

Data table - environment

Data table - social

Supporting graphs: GHG emissions

NLTG ESG | DATA TABLE - GENERAL GRI indicators are used as guidelines for reporting of ESG data

RELEVANT GRI STANDARD / TITLE	GRI DISCLOSURE INDICATOR	BUSINESS THEME	2023	2022	2021	2019
GENERAL						
Name of organisation	102-1	Nordic Leisure Travel Group AB (NLTG)	Read more in section: Our business			
Activities, brands, products and service	102-2	A description of the organization's activities: primary brands, products, and services	Read more in section: Our business			
Location of headquarters	102-3	Stockholm, Sweden	Read more in section: Our business			
Location of operations	102-4	Names of countries where the organization has significant operations	Read more in section: Our business			
Ownership and legal form	102-5	Nature of the company ownership and legal form	Read more in section: Our business			
Market served	102-6.i	Geographic locations where products and services are offered	Read more in section: Our business			
Scale of organisation	102-7.i	Total number of employees (FTEs) at the end of the reporting year	2,939	3,327	1,110	1,969
Scale of organisation	102-7.iii	Net revenue (SEK)	14,996,432	10,495,114	1,779,867	1,340,968
Memberships of associations	102-13.a	List of memberships in industry and other associations	Read more in section: Our stakeholders			
Statement from the senior decision-makers	102-14.a	A statement from the CEO / the Group Compliance & Risk Committee	Read more in section: A conversation with the CEO / Statements			
Key impacts, risk and opportunities	102-15.a	A description of key impacts, risks and opportunities	Read more in section: Our strategy			
Values, principles, standards and norms of behaviour	102-16.a	A description of the organisation's values, principles, standards and norms of behaviour	Read more in section: Governance / Social			
Mechanism for advice and concerns about ethics	102-17.a	A description of internal and external mechanisms for integrity and ethical matters	Read more in section: Governance			
Governance structure	102-18.a	Governance structure of the organisation, including committees of the highest governance body	Read more in section: Governance			
Governance structure	102-18.b	Committees responsible for decision-making on economic, environmental and social topics	Read more in section: Governance			
Governance structure	102-20.a	An appointed executive-level position or positions with responsibility for economic, environmental and social topics	Read more in section: Governance			
Governance structure	102-20.b	Post holders report directly to the highest governance body	Read more in section: Governance			
Composition of the highest governance body and its committees	102-22.i	Total number of board members at the end of the reporting year*	8	8	See note	See note
Composition of the highest governance body and its committees	102-22.i	Total members of Group Management (C-level) at the end of the reporting year*	10	8	See note	See note
Composition of the highest governance body and its committees	102-22.v	Total number of Board members who identify as female at the end of the reporting year*	2	2	See note	See note
Composition of the highest governance body and its committees	102-22.v	Total members of Group Management (C-level) who identify as female at the end of the reporting year*	3	2	See note	See note
Highest governance body's role in sustainability reporting	102-32.a	The highest committee or position formally reviews and approves the organisation's sustainability report and ensures that all material topics are covered	Read more in section: Stakeholders			
List of stakeholder groups	102-40.a	A list of stakeholder groups engaged by the organisation	Read more in section: Governance / Statements			
List of material topics	102-47.a	A list of the material topics identified in the process for defining report content	Read more in section: Our strategy - focus & material topics			
Reporting period	102-50.a	Reporting period for the information provided	Read more in section: About this report			
Date of most recent report	102-51.a	The date and reference of the most recent previous report	Read more in section: About this report			
Contact point for questions regarding the report	102-53.a	The contact point for questions regarding the report and its contents	Read more in section: Report references and contact			
Communication and training: Anti-corruption	205-2	Policies and procedures in place	100%	100%	NA	NA
Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	206-1	Number of legal actions pending or completed	0	0	0	0

Data remarks: *Including alternate members

Note: Certain data in previous accounting periods are not fully available. This is due to the collapse of the former parent company, Thomas Cook Group, in autumn 2019. Data was previously registered centrally and was lost in connection with the bankruptcy. The data has not been possible to recreate. Additionally, there are further changes to previously reported data as new reporting units in the organisation were added in 2023.

NLTG ESG | DATA TABLE - ENVIRONMENT

GRI indicators are used as guidelines for reporting of ESG data

RELEVANT GRI STANDARD / TITLE	GRI DISCLOSURE INDICATOR	BUSINESS THEME	2023	2022	2021	2019
ENERGY						
Energy consumption within the organisation	302-1.a	Non-renewable electricity (kWh)*	11,208,622	10,946,569	10,867,181	30,948,154
Energy consumption within the organisation	302-1.b	Renewable electricity (kWh)*	26,510,391	22,804,511	8,515,939	10,066,101
Heating consumption within the organisation	302-c.ii	Heating or cooling from use of natural gas (kWh)*	2,990,700	3,372,244	1,839,560	2,628,839
WATER AND EFFLUENT						
Interactions with water as a shared resource	303-1	Water consumption in m ³ *	933,789	748,688	413,855	704,533
BIODIVERSITY						
Significant impacts of activities, products, and services on biodiversity	304-2	Number of recorded negative impacts from business activities	0	0	0	0
EMISSIONS						
Direct (GHG) scope 1 emissions	305-1	Total business GHG emissions scope 1 (tCO ₂ e)	407,821	344,875	80,210	522,733
Energy indirect (GHG) scope 2 emissions	305-2	Total business GHG emissions scope 2 (tCO ₂ e)	7,194	3,534	5,619	11,682
Other indirect (GHG) scope 3 emissions	305-3	Total business GHG emissions scope 3 (tCO ₂ e)	Data quality is currently unsatisfactory. New data process in 2024.			
WASTE						
Waste generated	306.3	Total amount of registred general waste (tonnes)*	5,221	4,979	2,170	2,974
ENVIRONMENTAL COMPLIANCE						
Non-compliance with environmental laws and regulations	307.1.i	Total monetary value of significant fines (SEK)	0	0	0	0
Non-compliance with environmental laws and regulations	307.1.ii	Total number of non-monetary sanctions	0	0	0	0
Non-compliance with environmental laws and regulations	307.1.iii	Cases brought through dispute resolution mechanism	0	0	0	0

Data remarks: *Including alternate members

Note: Certain data in previous accounting periods are not fully available. This is due to the collapse of the former parent company, Thomas Cook Group, in autumn 2019. Data was previously registered centrally and was lost in connection with the bankruptcy. The data has not been possible to recreate. Additionally, there are further changes to previously reported data as new reporting units in the organisation were added in 2023.

ESG development
trackingData table -
generalData table -
environment**Data table -
social**Supporting graphs:
GHG emissions**NLTG ESG | DATA TABLE - SOCIAL**

GRI indicators are used as guidelines for reporting of ESG data

RELEVANT GRI STANDARD / TITLE	GRI DISCLOSURE INDICATOR	BUSINESS THEME	2023	2022	2021	2019
EMPLOYMENT						
Total number and rate of new employee hires during the reporting period	401-1.a	Total new hires (in FTEs) in the reporting year	740	905	See note	See note
Total number and rate of employee turnover during the reporting period	401.b	Employee turnover/attrition in the reporting year	26	312	See note	See note
OCCUPATIONAL HEALTH AND SAFETY						
Employee work-related injuries	403-9.i	The number of fatalities as a result of work-related injury	0	0	See note	See note
Employee work-related injuries	403-9.ii	The number of high-consequence work-related injuries (excluding fatalities)	1	1	See note	See note
Employee work-related injuries	403-9.iii	The number of recordable work-related injuries or work-related ill health (e.g. accidents)	152	136	See note	See note
Employee work-related ill health	403-10.i	The number of fatalities as a result of work-related ill health	0	0	See note	See note
DIVERSITY AND EQUAL OPPORTUNITIES						
Percentage of employee gender	405-1.i	Number of employees who identify as female (at the end of the reporting year)	1,265	1,998	See note	See note
Percentage of employee gender	405-1.i	Number of employees who identify as male (at the end of the reporting year)	1,674	1,329	See note	See note
NON DISCRIMINATION						
Employee discrimination incidents	406-1.a	Total number of incidents of discrimination during the reporting period	0	0	See note	See note
SOCIOECONOMIC COMPLIANCE						
Non-compliance with laws and regulations in the social and economic area	419-1.i	Total monetary value of significant fines	0	0	See note	See note
Non-compliance with laws and regulations in the social and economic area	419-1.ii	Total number of non-monetary sanctions	0	0	See note	See note
Non-compliance with laws and regulations in the social and economic area	419-1.iii	Cases brought through dispute resolution mechanisms	0	0	See note	See note

Data remarks: *Including alternate members

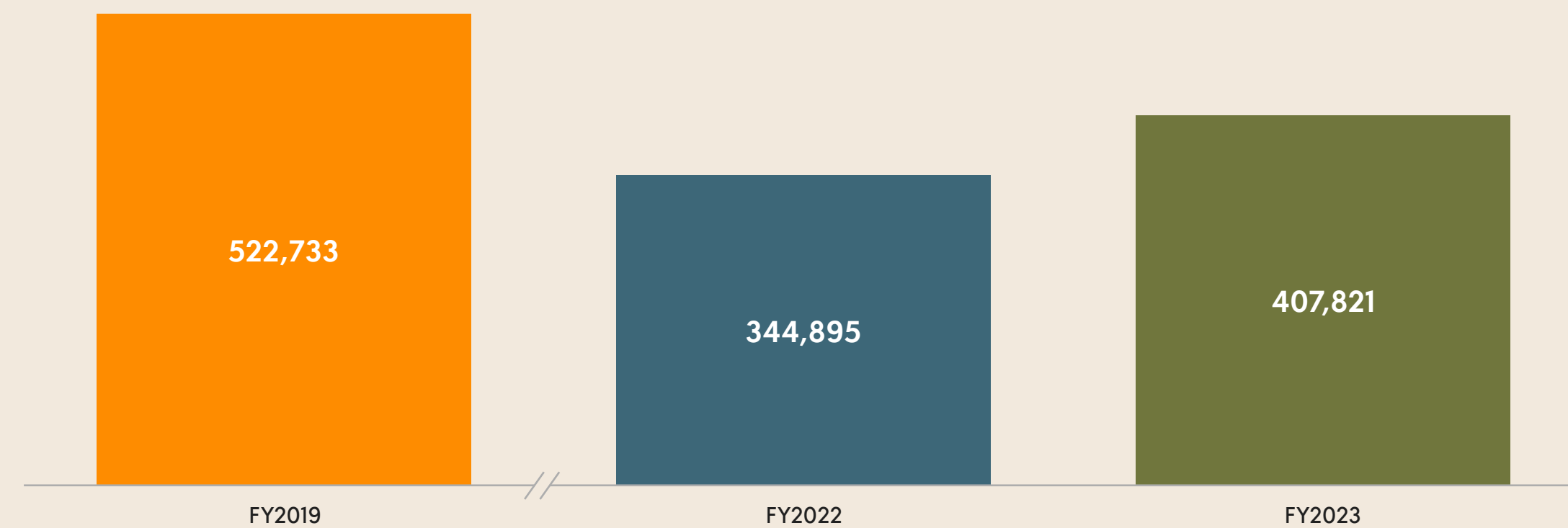
Note: Certain data in previous accounting periods are not fully available. This is due to the collapse of the former parent company, Thomas Cook Group, in autumn 2019. Data was previously registered centrally and was lost in connection with the bankruptcy. The data has not been possible to recreate. Additionally, there are further changes to previously reported data as new reporting units in the organisation were added in 2023.

Supporting graphs: Green House Gas (GHG) emissions

Our business is still recovering from the covid-19 pandemic, so we are not yet at our pre-pandemic activity level. While the reduction in total scope 1 and 2 emissions is partly a result of a more efficient operation and climate investments, it is mainly due to a reduced activity level compared to 2019.

Total GHG emissions (tonnes) – Scope 1

These are GHG emissions that our company generate directly – for example from operating our airline, running company vehicles and using fossil fuel to operate equipment in our hotels.

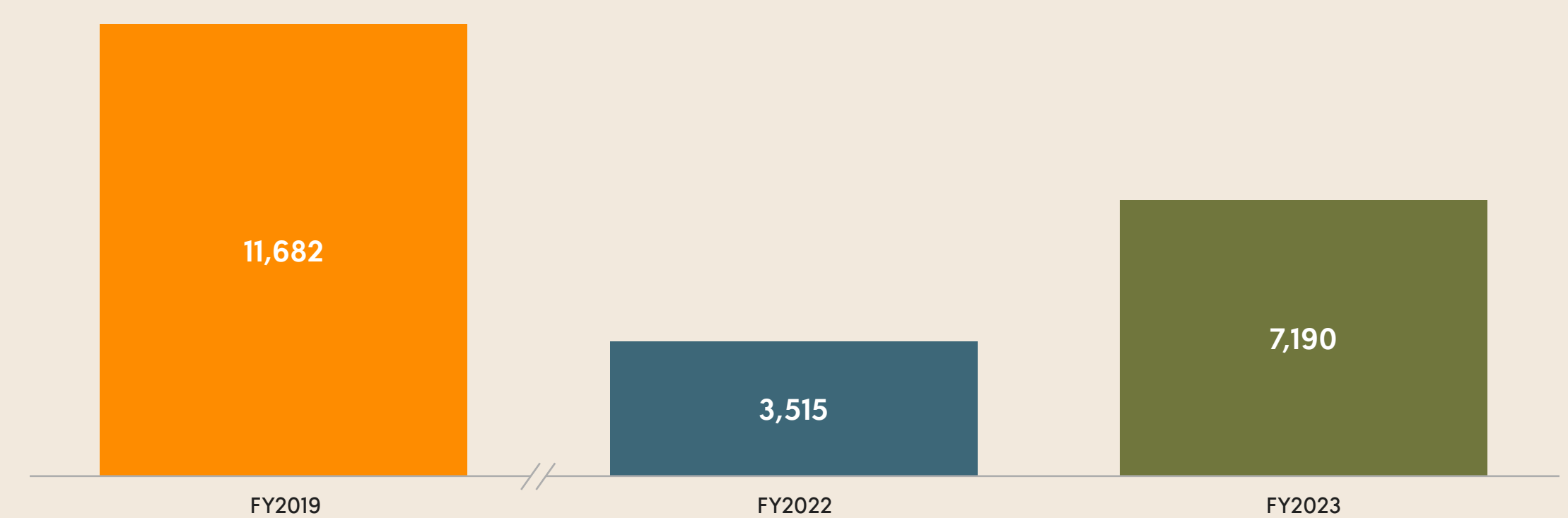


99%
Sunclass Airlines

1%
Resorts & Hotels

Total GHG emissions (tonnes) – Scope 2

These are GHG emissions from the use of electricity or energy we buy for the heating and cooling of our hotels and in administrative buildings.



94%
Resorts & Hotels

6%
Offices

STATEMENTS, REFERENCES AND CONTACT



Internal sign-off statements

NORDIC LEISURE TRAVEL GROUP HOLDINGS AB

— GROUP MANAGEMENT

The Group Management of NLTG is responsible for the information in this ESG report. The Group Management team have reviewed the content and has concluded that the information presented in this report is in full accordance with the company's guidelines for good corporate governance, the applicable accounting rules, and obligations for ESG conditions, the overall strategic framework, and all other conditions defined for the company and its underlying products and activities.

Stockholm, 20 December 2023



Magnus Wikner
CEO, Nordic Leisure Travel Group

NORDIC LEISURE TRAVEL GROUP HOLDINGS AB

— COMPLIANCE & RISK COMMITTEE

The Compliance & Risk Committee works to ensure that the Group Management and the company complies with relevant applicable legislation; that the company is run in the most considerate way and under conditions set by the Board of Directors; and that the interests of the investors and other stakeholder groups are safeguarded. The members of the Committee have, on behalf of the Board of Directors, reviewed the content and concluded that the information in this report is presented in full accordance with the above mentioned conditions.

Stockholm, 20 December 2023



Clara Zverina
Director, Altor

The report covers NLTG Holdco AB including the following affiliated companies (registered at the end of the financial year):

Country	Company name
Sweden	Nordic Leisure Travel Group Holdings AB
Sweden	Nordic Leisure Travel Group AB
Sweden	Ving SVE AB
Sweden	Sunwing Hellas AB
Sweden	NLTG HH Holdco AB
Sweden	NLTG HH Spain AB
Sweden	NLTG HH Greece AB
Denmark	Nordic Leisure Travel Group Denmark A/S
Denmark	Spies A/S
Denmark	Sunclass Airlines ApS
Denmark	Airshoppen Travel Retail A/S
Finland	Oy Tjäreborg Ab
Norway	Ving Norge AS
Greece	NLTG Hotels Hellas Single Member Private Company
Greece	Astral Hellas S.A.
Spain	V.R. España SA
Spain	Resorts Mallorca Hotels International SL (RMHI)
Spain	Airtours Resorts Ownership España SL (AROE)
Spain	Hoteles Sunwing S.A.
Spain	Movables Inversiones 2014, SLU
Cyprus	Sunwing Hotels Ltd

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in NLTG Holdco AB, corporate identity number 559222-2789.

ENGAGEMENT AND RESPONSIBILITY

It is the board of directors who is responsible for the statutory sustainability report for the year 1 October 2022 to 30 September 2023 and that it has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

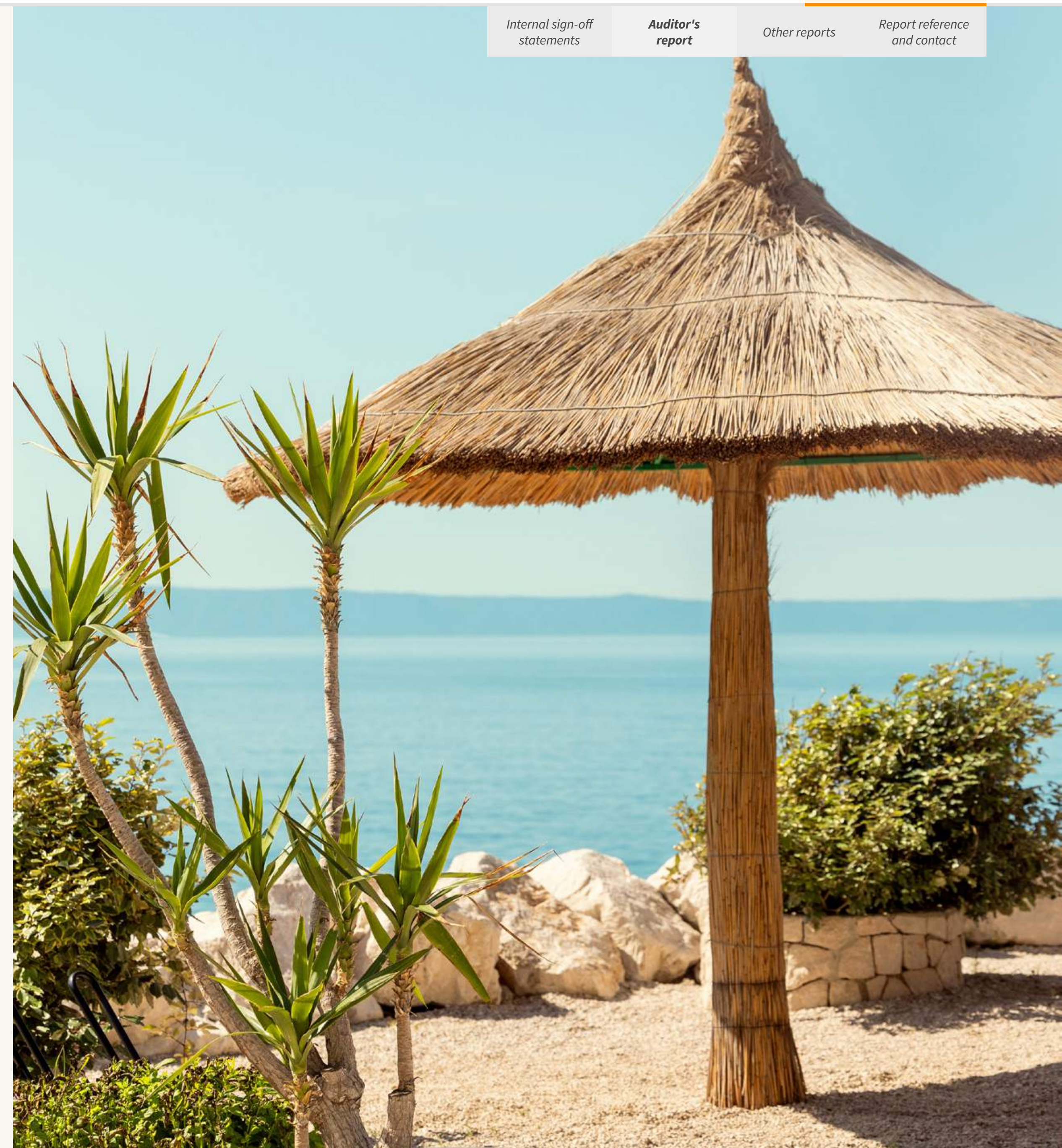
OPINION

A statutory sustainability report has been prepared.

Stockholm, 22 December 2023



Bo Lagerström
Authorised Public Accountant,
Öhrlings PricewaterhouseCoopers AB



Other reports

We offer all brand hotel customers the opportunity to stay updated on the sustainability work at our branded hotels while they are enjoying their holiday with us. Customers can find information about our general ESG work and local initiatives around the resort on the MyHotel websites, either on their own devices or on computers made available to guests in hotel reception areas.

Currently 21 out of our 24 brand hotels publish sustainability reports at intervals following requirements in the Travelife sustainability programme. All our branded hotels are fully certified according to the Travelife scheme.

For an example of such reports, see the report published by our Sunwing hotel in Alcudia, Mallorca: alcudia.sunwing.net/travel-with-care



Report references and contact

More information about our ESG work

If you want to know more about our business and ESG work, we recommend that you visit our brand websites, where you can find the latest updated information.

- www.ving.se
- www.ving.no
- www.spies.dk
- www.tjareborg.fi
- www.sunclassairlines.dk/fi/no/se
- www.sunclass.airshoppen.com

CONTACT US

Claes Pellvik, Head of Communications
claes.pellvik@ving.se
 +46 709 51 30 32

NORDIC TRADE AND ASSOCIATION MEMBERSHIPS

- [AIRE | Airlines International](#) (expiring)
- [A4E | Airlines for Europe](#) (as of December 2023)
- [Rejsearrangører i Danmark | RID](#)
- [Brancheforeningen Dansk Luftfart](#)
- [Branschföreningen för landets resebyråer och researrangörer - SRF](#)
- [Virke](#)
- [Suomen matkailualan liitto ry – SMAL](#)
- [Dansk Erhverv](#)
- [Dansk Industri](#)

ESG RELEVANT PARTNERSHIPS

- [Nordic Electrofuel – Clean at scale](#)
- [ClimatePoint - Funding the future](#)
- [Arcadia eFuels](#)

OTHER

- [United Nations Sustainable Development Goals – SDG](#)
- [Global Reporting Initiative – GRI](#)



Nordic Leisure
Travel Group