

SUNWEB GROUP

SUPPLY CHAIN POLICY

INTRODUCTION

Sunweb Group is a leading customer-centric digital tour operator with a trustworthy reputation in the package travel industry as a business that operates with the highest standards of integrity. Sunweb Group adopts an honest and professional attitude with a high standard of integrity and seeks to act as a role model in the travel industry. This gives Sunweb Group the trust of all of its stakeholders, particularly our customers, shareholders and employees.

The playing field in which Sunweb Group operates is characterized by increasingly complex laws and regulations. To secure compliance with these regulations, Sunweb Group has drawn up this Supply Chain Policy ('this Policy') which sets out rules of conduct for its suppliers acting in the supply chain of Sunweb Group. In this way, our reputation, risks and opportunities can be managed and identified so that Sunweb Group has a system that continuously evolves to meet new challenges every year.

This Policy firstly describes rules of conduct in relation to our suppliers on the subjects hereof and then how we will implement measures to prevent, mitigate and remediate any negative impacts.

TO WHOM DOES THE SUPPLY CHAIN POLICY APPLY?

This Policy applies to all Sunweb Group employees (whether fixed, temporary, flexible) who work with our suppliers of product-related services (including their employees and contractors). Sunweb Group employees shall communicate this Policy to partners, suppliers, third parties or agents of Sunweb Group. Sunweb Group will endeavour to apply the content of this Policy to its suppliers of product-related services via binding contractual clauses.

WHICH SUBJECTS DOES THE SUPPLY CHAIN POLICY COVER?

This Policy covers the following subjects:

- i. human rights;
- ii. child labour;
- iii. anti-bribery and corruption (ABC);
- iv. anti-money laundry (AML) and trade sanctions.

i. HUMAN RIGHTS

Sunweb Group respects human rights. This means that it wants to avoid infringing on the human rights of others and address adverse human rights impacts with which they are involved.

WHAT ARE HUMAN RIGHTS?

Human rights are the basic rights and freedoms that belong to every person simply because they are human. These rights are universal, inalienable, and indivisible — meaning they apply to all people, cannot be taken away arbitrarily, and are equally important. They include, amongst others: Non-Discrimination and Equality, Freedom from Slavery and Forced Labour, Freedom from Torture and Inhuman Treatment,

Freedom of Expression, Right to Work and Just Conditions of Employment, Right to Education, Rights of the Child and Family Protection.

Sunweb Group recognises its responsibility to respect human rights as set out in:

1. The **Universal Declaration of Human Rights**
2. The **International Covenant on Civil and Political Rights**
3. The **International Covenant on Economic, Social and Cultural Rights**
4. The **ILO Declaration on Fundamental Labour Rights**
5. The **UN Guiding Principles on Business and Human Rights**
6. The **OECD guidelines for multinational enterprises**
7. The **UK Modern Slavery Act 2015**

Sunweb Group will assess the adverse human rights impacts that its business may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships.

ii. CHILD LABOUR

Sunweb Group wishes to pursue the effective abolition of child labour and the effective elimination of the **worst forms of child labour**.

WHAT IS CHILD LABOUR?

The term **child labour** is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.

It refers to work that is mentally, physically, socially or morally dangerous and harmful to children and/or interferes with their schooling by depriving them of the opportunity to attend school.

Whether or not particular forms of **work** can be called **child labour** depends on the child's age, the type and hours of work performed, the conditions under which it is performed and the objectives pursued by individual countries. The answer varies from country to country, as well as among sectors within countries.

Not all work done by children should be classified as **child labour** that is to be targeted for elimination. The participation of children or adolescents above the minimum age for admission to employment in work that does not affect their health and personal development or interfere with their schooling, is generally regarded as being something positive.

Sunweb Group recognises its responsibility to respect human rights as set out in:

- The **ILO Conventions Nos 138 and 182**
- the **ILO-IOE Child Labour Guidance Tool for Business of 15 December 2015**
- the **OECD Due Diligence Guidance for Responsible Business of 30 May 2018**
- The **UN Guiding Principles on Business and Human Rights**

The minimum age for admission to any type of employment or work which by its nature or the circumstances in which it is carried out is likely to jeopardise the health, safety or morals of young persons shall not be less than 18 years. For other, less hazardous work, it considers 15 as the minimum age for work in general.

For the purposes of this policy, the term **the worst forms of child labour** comprises:

- (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;

(b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;

(c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;

(d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

Sunweb Group will assess the adverse child labour impacts that its business may cause or contribute to through its own activities, or which may be directly linked to its operations, products or services by its business relationships. A risk will be assumed when the company purchases services in countries listed as “enhanced risk” or “heightened risk” in the **Children’s Rights in the Workplace Index issued (and amended from time to time) by UNICEF**, which currently includes: Algeria, Bulgaria, Egypt, Greece, Morocco, Tunisia, Turkey.

iii. ANTI-BRIBERY AND CORRUPTION

Sunweb Group adopts an honest and professional attitude with a high standard of integrity. This means that it wants to refrain from unethical behaviour such as bribery, bribery of public officials and corruption in the broadest meaning and/or attempts thereto.

No donation to charity, a political party or political action committee is made by any Sunweb Group supplier on behalf of Sunweb Group or with the use of Sunweb Groups means without prior Sunweb Group director’s approval.

WHAT IS BRIBERY AND CORRUPTION?

Bribery

Bribery includes offering, proposing, executing or approving any payment, either in cash or in the form of any other source of value, to a person for his or her personal gain, or the personal gain of another person, with the intention of encouraging this person to do or not do something or provide any other form of benefit in return, which is considered inappropriate by social standards. This includes offering or providing any benefit to any person in return for being their preferred supplier or customer.

Bribery of public officials

Bribery of public officials (or any other third party closely connected) is not only forbidden but also regarded as a serious crime in most countries. This also extends to “facilitation payments” (small unofficial payments that are made to speed up or delay an administrative process).

Public Official

The term “Public Official” is broadly defined and includes any person who is:

- an officer, employee or representative of a local, regional or national governmental authority or supra-national organization (such as the European Union or its institutions, or the World Bank Group or its institutions);
- an employee or representative of an enterprise owned or controlled by a governmental authority;
- a political party and all persons who hold a position in a political party, and any candidate for political office; and
- a person who – without being employed by a governmental authority - otherwise exercises a public function or task for or on behalf of any country or public body.

Payment

This is a very broad concept. A payment does not have to take place in the form of money, and can have any value and can consist of, among other things, goods, services and information.

Corruption

This refers to the situation that results from offering, requesting, approving or accepting bribery or committing any other type of dishonesty or fraud.

Sunweb Group recognises its responsibility to respect anti-bribery and corruption as set out in UNCAC and relevant national/international legislation (such as FCPA, UK Bribery Act).

Sunweb Group may conduct, where appropriate, a due diligence investigation into or with customers, partners, suppliers and other service providers to minimize the risk of involvement in the aforementioned prohibited behaviors. In addition, bribery and corruption risks are effectively monitored and mitigated in order to maintain a strong control system. Employees may seek advice from their manager or the legal and compliance team if necessary.

iv. ANTI-MONEY LAUNDERING AND TRADE SANCTIONS

Sunweb Group adopts an honest and professional attitude with a high standard of integrity. This includes taking active steps to prevent financial crime and ensure that Sunweb Group does not unwittingly facilitate criminal behavior. This means that it wants to refrain from infringements of anti-money laundering laws and trade sanctions.

If a supplier becomes aware of (any suspicion of) money laundering, it must immediately inform Sunweb Group. It must not inform the person about whom the suspicions have arisen. This is known as “Tipping off” and in itself can constitute an offence.

Suppliers must adhere to national and international trade sanctions, such as Swiss, EU or US sanctions and sanctions imposed by the United Nations Security Council. This means that, for example, employees do not perform or facilitate (trade) activities with countries, organizations, or (groups of) persons, who from time to time fall under the sanction measures

If, at the time of the assessment of a new trade partner, there are reasonable grounds to believe that certain assets “belong to” or are “controlled by” the listed person, even if they are nominally owned by someone else (e.g. friends or family), then these assets must be frozen. It does not matter when the assets were transferred.

In a pragmatic manner, prior to entering into strategic contracts or contracts with **a value >500K EUR**, be sure to ask the following questions (and document the answers):

“Is your entity or company owned or controlled by a (legal) person on the EU, CH or US sanction list, or any (legal) person associated with them?”

And/or, are there reasonable grounds to believe that your entity or company “belongs to” or is “controlled by” a listed (legal) person, even if they are nominally owned by someone else?”

And preferably put in your contracts the following article:

“[Partner] represents and warrants that neither it, its directors nor its (indirect) owners are currently identified on any sanctions or export control list maintained by the US, EU, CH or UK, government.”

WHAT IS MONEY LAUNDERING?

Money laundering is the attempt to turn the proceeds of criminal activity into legitimate funds by obscuring their criminal origin.

Sunweb Group recognises its responsibility to respect anti-money laundering as set out in the international standard as established by the Financial Action Task Force (FATF) the FATF Recommendations.

HOW DO WE IMPLEMENT THE POLICY?

For the implementation of this policy we apply an iterative model for continuous improvement for risk management and problem-solving. It involves risk assessment, planning and changing, executing the (changed) plan, checking the results of the plan, and then acting on the learned information to start the

cycle again. The reporting of incidents and the remediation thereof will be embedded in this cycle. Sunweb Group will report the incidents on

an annual basis taking into account the confidential nature of the topic.

I. PLAN: Risk assessment and planning

1. Initial risk analyses of own activities, suppliers and other business relationships according to the likelihood of occurrence and severity of adverse impacts. Involve Sunweb group's sources (due diligence), international standards (UN / OECD), stakeholders (including suppliers and local partners).
2. Development of objectives and plan to mitigate risks. Integrate in VSME / ESG Action Plan.
3. Keep register of identified risks.

II. DO: Integration and action

1. Integration of the measures into internal processes (such as trainings, communications, speak-up).
2. Supplier engagement via due diligence, contract terms and communication.
3. Speak-up and Incident Reporting.

III. CHECK: Monitoring and evaluation

1. Incidental evaluation and remediation due to incident reports.
2. Periodic evaluation as part of the VSME / ESG Action Plan, considering the effectiveness of the policy and measures and changing laws and social expectations.
3. Consider to adjustments & lessons learned.

IV. ACT: Adjust

1. Implement adjustments.

V. REPORT

1. Publication of annual (non-financial) reports (eg. in sustainability report).

SUPPLY CHAIN DUE DILIGENCE

Supply Chain due diligence will be initiated as early as possible in the development of a new activity or relationship, given that breaches of this policy can be increased or mitigated already at the stage of structuring contracts or other agreements.

Prior to concluding a (cooperation) agreement with a (new) trade partner, Sunweb Group must conduct an appropriate due diligence investigation to determine whether the new partner acts in line with this policy. The Sunweb Group employee may apply, based on his/her assessment of the risks and the circumstances, in its own discretion determine the method of the due diligence, e.g. on-site checks, requesting a self-assessment or by engaging external experts or governmental bodies. The Sunweb Group employee or agent should properly record the outcome of the due diligence investigation. In cases where the due diligence investigation shows that there is (possibly) an infringement of this policy or other risk, he or she should inform the Sunweb Group legal and/or compliance team.

STANDARD CONTRACTUAL PROVISIONS

Sunweb Group has included provisions in its standard terms and conditions (for the purchase of product related services) that are relevant to this Policy, including the Speak up. Changing these standard provisions is not permitted without prior approval from the Sunweb Group legal and compliance team. Employees contracting suppliers that do not use our standard templates, should bring up the topic during the negotiations and endeavor to have it customized in the contract.

SPEAK UP POLICY

Employees and suppliers are required to report cases of (suspected) violation of this Policy in accordance with the reporting procedures described in the [Speak-up policy](#). These reporting procedures should also be used by third parties such as customers, suppliers, business partners and competitors.

(Suspected) breaches can be formally reported to the reporting committee (composed of Joeri van Andel and Pascal Beerens, Legal Counsel, and Karin Boone, Compliance Officer) via speakup@sunwebgroup.com.

For questions about this Policy, please contact one of the members of our legal and compliance team, consisting of:

- Legal Counsel: Joeri van Andel and Pascal Beerens
- Compliance Officer: Karin Boone

When a person reports any suspicions of breach of this Policy, measures are taken to guarantee the privacy of any person concerned. The identity of any such person who has made a report is not disclosed without his or her prior permission. If disclosure of the identity is required on the basis of a legal obligation, the person concerned will be notified in advance.

The person who has made the report will receive an acknowledgement of receipt by the complaints committee.

After a report of (potential) infringement is made, the reporting committee will discuss the notifications made as soon as possible with the Management Board. If a material or significant concern or risk is identified, the Chairman of the Board will be informed by the Management Board, who shall act accordingly. In case members of the Management Board are involved in the violation, the Chairman of the Board will be notified directly. Where required by law, the Management Board shall report the matter to the relevant authority and / or auditors of Sunweb Group.

Management will after the investigation and report, ensure that clear remedial measures are identified and implemented, with regard to the detected fraud or abuse – any such decisions will be recorded in writing.

TRACEABILITY & RISK MANAGEMENT

The “enhanced or heightened risks” identified in the Children’s Rights in the Workplace Index (issued by UNICEF) - which currently includes: Algeria, Bulgaria, Egypt, Greece, Morocco, Tunisia, Turkey – will be considered areas of risk. In these area’s employees who are responsible for purchasing will weigh this in their due diligence activities. In the event there are reasonable grounds to suspect child labour, Sunweb Group will register the supplier and service and document the investigation and take appropriate measures to avert or mitigate negative effects. Sunweb Group will evaluate the results of the measures and communicate these results.

The recurring risks management will be done by including it in the annual VSME review and subsequent ESG Action Plan. The ESG Action Plan will be reviewed regularly which review may lead to adjustment of the policy and/or measures. The register will serve as source for the annual reporting on the incidents and/or risks regarding this Policy.

REPORTING

The legal and/or compliance team draws up an annual report setting out violations of this Policy that have been reported to them. This report will be submitted to the board and the works council.

Communication can take a variety of forms, including in-person meetings, online dialogues, consultation with affected stakeholders, and formal public reports. Formal reporting is itself evolving, from traditional annual reports and corporate responsibility/sustainability reports, to include online updates and integrated financial and non-financial reports.

PENALTIES

In the event of a violation of this Policy, Sunweb Group management may take disciplinary action regarding the employee or supplier concerned.

In case of any (reasonable suspicion of) breach of this Policy by an employee or supplier, Sunweb Group reserves the right at any time to terminate the contract with the employee or supplier, notwithstanding its right to demand compensation.

Further if the matter involves any illegality Sunweb Group may pass the matter onto the relevant government authorities such as regulators or the police.

If an employee is fined by any regulator or has to pay compensation to a third party for a violation of the rules, Sunweb Group will not compensate the employee and the employee cannot get recourse from Sunweb Group.