

Sustainability Report 2023

Etraveli Group



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group

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1. A note from the CEO

With its foundation in a superior tech platform, Etraveli Group has pursued a distinct but evolving strategy, consistently adapting to the change in the industry which has delivered a consistent outperformance of the market for a decade now. However, the one single differentiating factor ensuring this success is the strong corporate culture, inclusion and diversity, the winning mentality, the solution mindset and the engagement in the team across all departments and countries.

As a fast-growing company in a highly competitive environment, we value our employees as the strongest contributors to our long-term success. During the year, we relaunched the Etraveli Group values with a new branding and refined wording to ensure increased understanding of the values and an ongoing dialogue about our culture. In addition, we rolled out our new internal all-in-one communications platform Workvivo that combines both the functionalities of an intranet, providing easily accessible information to our employees about relevant information regarding our business, our locations, our policies and guidelines, as well as the functionalities of a social media platform allowing employees to build connections with the company and with other teams.

Directly as a consequence of the strong corporate culture we continue to enjoy high engagement scores and low attrition rates indicating a healthy sustainable work environment attracting and keeping talent to secure future success for both the individuals and the company.

As for initiatives to support our environment, Etraveli Group has since 2020 a collaboration with SkyNRG, a pioneering company at the forefront of sustainable aviation fuel (SAF) innovation. We want to give travelers the chance to experience all the wonderful destinations of the world by making flight tickets as affordable as possible. At the same time, we do acknowledge that air travel today is not sustainable and has an impact on our climate. Environmental issues pose risks to our business and therefore constitute important aspects of our risk management. Etraveli Group actively wants to contribute to the adoption of sustainable practices in the aviation sector, aiming to achieve net-zero emissions by 2050. The collaboration is one example of our effort to drive positive change and contribution to a global movement for a cleaner and more sustainable aviation industry.

The group is continuing its global expansion and entry into new developing markets. We realize such expansions pose increased risks related to business ethics, specifically concerning corruption and human rights issues, and we can see first-hand how a firm stance around these questions can limit business opportunities, but that are sacrifices we easily and happily make to support our corporate culture as we abide the law and aim to drive necessary change.

All in all, the long-term business objectives of Etraveli Group and well thought through sustainability activities go hand in hand and we look forward to extending our activities in this regard over the coming years to further build long term success for all involved stakeholders.

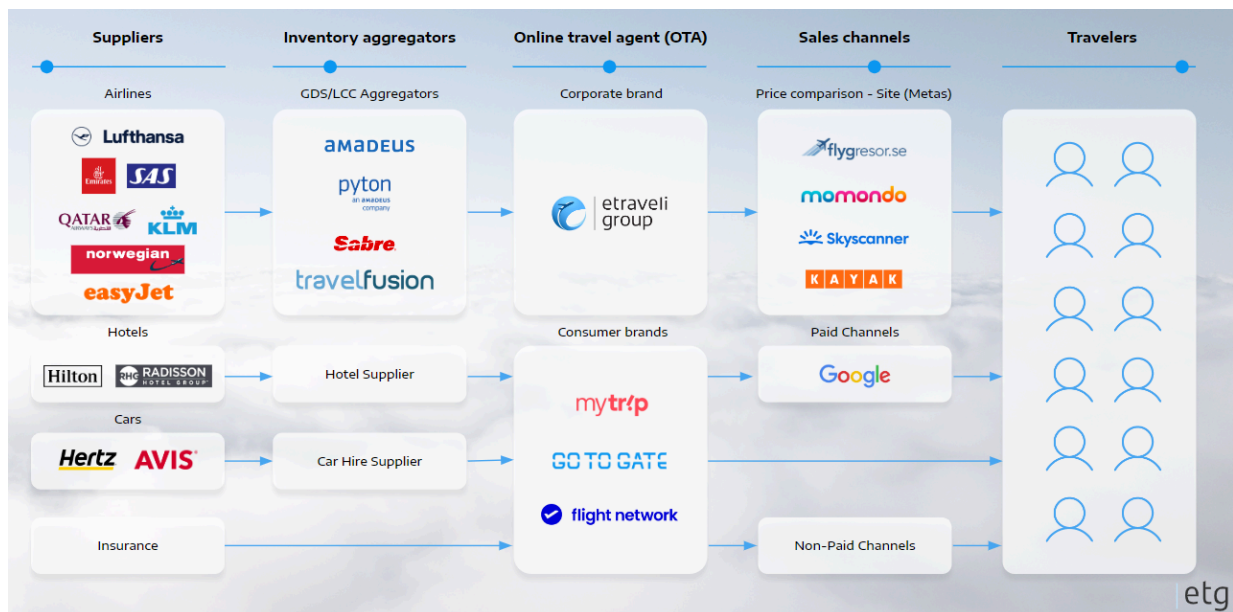
2. Sustainability report 2023

This sustainability report covers Flugo Group Holdings AB (“Etraveli Group”, “Etraveli”, “the group” or “we”) and its subsidiaries. All information provided in the report concerns the financial year ending December 31, 2023, unless otherwise specified.

Etraveli Group is the leading global technology provider for flights and one of the largest flight centric online travel agencies. We position ourselves as a leading, innovative and modern company, built on a foundation of e-commerce expertise, knowledge about travel and technology, and the drive to be the best in our industry.

Our Value Chain connects countless people, families, communities, and businesses around the world – that is what it means to be part of the global economy.

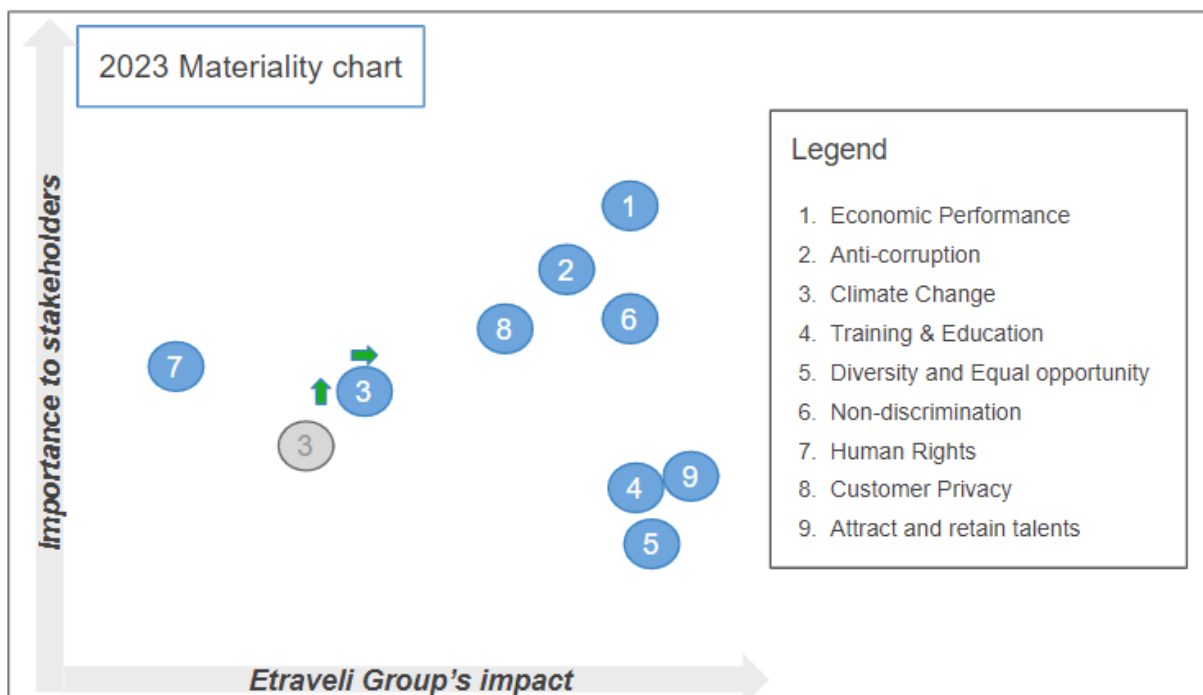
Step by step it consists of: **Suppliers**, mostly airlines, but also car rentals and hotels chains as well as insurance companies; **Inventory aggregators**, distributions systems for flights as well as aggregators of car hires and hotels; **Online travel agencies (OTAs)**, our own consumer brands for example Gotogate, Mytrip and Flight Network; **Sales Channels**, for example Skyscanner and Google Flights; And last but not least the **Travelers** who buy our services and products.



Governance of sustainability issues and topics are an integral part of our business and are integrated in our day-to-day operations. The board together with the CEO have the overall responsibility for how we govern and manage sustainability. The board submits the Etraveli Group Sustainability report 2023. Particular tasks and responsibilities related to different sustainability areas are today managed on an ad hoc basis by appropriate parts of the organization. Given the group’s high growth in recent years we have identified the need to formalize our governance structures and procedures throughout our business. The Group Internal Audit function is responsible for strengthening our internal control and will be supporting the development of a more formal and structured governance model. This

includes projects to strengthen the internal control by formalizing steering documentation, policies and documentation in a management system. Our ambition, responsibilities and expectations are expressed in our Code of Conduct, which is a non-negotiable document signifying how we act and do business in an ethically, socially and environmentally sound way. The Group Internal Audit works based on the approved audit plan; the annual audit plan is approved by the Board of Directors.

During 2023 we performed an assessment of our material sustainability areas around which our efforts, initiatives and reporting will be concentrated in the coming years. The assessment was performed by an internal working group that selected nine relevant sustainability areas out of a broad universe of sustainability topics with inspiration from the Global Reporting Initiative (GRI) Standards, UN Global Compact and the Sustainable Development Goals (SDGs). Thereafter, each area was ranked based on its materiality considering the importance to stakeholders as well as Etraveli Group's ability to impact. Based on this assessment and requirements in the Swedish Annual Accounts Act, nine areas were considered material for inclusion in the group's continued sustainability efforts. The below chart offers a view of the reviewed ranking, highlighting the areas where the ranking was adjusted (area 3).



The material areas range from diversity and equal opportunity, attract and retain talents, to greenhouse gas emissions and anti-corruption - and are grouped into three sub-categories in this report to better align with the structure of the group's internal management of each area.

Employment – Includes talent, engagement, non-discrimination, diversity and our focus on wellbeing and a healthy work environment.

Environmental Impact – Covers our environmental efforts and how we are addressing climate change.

Responsible Business – Includes our efforts within customer privacy and information security, anti-corruption, respect of human rights and community support.

Information on economic performance is covered by the group's financial statements whereas the remaining eight areas are included in the scope of this sustainability report.

3. Employment

3.1 Continued Focus on an Engaging Work Environment

In line with our continued efforts to create an engaging work environment, we inaugurated our new offices in Stockholm as well as Mumbai and Pune in January 2023 and in Gothenburg in October 2023. Whilst we have kept our hybrid model that allows 3 days working from the office and 2 days from home, we focused on making work from the office engaging, fostering collaboration and team cohesion. We offer daily breakfast in the office at all our European offices and an equivalent solution of healthy snacks every day at all international offices, also factoring in different shift models in India. To ensure a safe commute from work for female employees working late hours, we have improved our transport services for female employees in India. In line with Indian law, we provide transport to female employees working later than 21.00pm. This offering now includes GPS trackers, an app to trace the service and easy booking and where needed, escort of the female employee to their doorstep. In particular in our India offices, we have made enhancements to health and safety by refurbishing our canteen facilities, providing additional lockers to employees and adding more security and entrance controls.

In line with our international expansion strategy, we have opened additional offices in new locations and from the very beginning, ensured that they meet a consistent standard of a healthy and engaging work environment also for smaller teams in new locations. These locations include Uruguay (Montevideo) with a team of 10 employees and the United States, Switzerland and Japan with one employee at each location.

In all our offices worldwide, engagement activities play a key role. We organized celebrations for various company milestones (such as sales records), local or global festive days (such as Valentine's Day, holiday season, International Women's Day) and we ensured at least every quarter a mingle event at every location to allow our diverse workforce to connect informally and build better relationships.

In addition to our general employee events, we have continued our health and wellbeing focus in 2023, not just for our employees, but also for the communities that we are part of. In Sweden, in addition to the health care allowance that we offer to all employees, we raised awareness around cancer in a campaign collaborating with the Swedish cancer society, we participated in blood donations and we offered flu vaccinations. In Greece, we also participated in blood donation events and continued offering annual health check-ups to our employees in collaboration with our insurance providers. Finally, in India we kept collaborating with our EAP partners in various sessions about physical and mental health. One example would be our awareness program for cardiac diseases on world heart day.

3.2 Engagement and Internal Communication

2023 was the year to bring our internal communication and engagement efforts to the next level. In June, we rolled out our new internal all-in-one communications platform Workvivo that combines both the functionalities of an intranet, providing easily accessible information to our employees about relevant information regarding our business, our locations, our policies and guidelines, as well as the functionalities of a social media platform allowing employees to build connections with the company and with other teams. From September 2023 onwards, Workvivo has been the platform for any company-wide announcement, for the weekly blog written by our CEO, relevant news features, newsletters by various departments and local updates from Office Management. A first analysis has shown that more than 90% of our employees regularly visit the platform. In addition to communication via our Workvivo platform, we have continued to provide information consistently at all locations via our all-employee events and our office screens in line with our global communication strategy. Acknowledging the important role of senior leaders in cascading information and driving employee engagement, we organized two in-person leadership conferences in 2023 for the top 70 leaders in the company, where our company strategy, our company culture and our engagement strategies were discussed in detail.

In mid-2023, we relaunched the Etraveli Group values with a new branding and refined wording to ensure increased understanding of the values and an ongoing dialogue about our culture. Training on the company values has been included into the onboarding curriculum and we have continued our annual nominations for the value awards, recognizing and celebrating employees who are role models and ambassadors for our values.

In addition to our annual engagement survey in October 2023, we carried out a pulse survey in May 2023 and we have embedded engagement surveys into our onboarding and offboarding processes. From 2023, we will track engagement more regularly at all relevant 'moments that matter' in an employee life cycle.

Daring to be yourself and daring to ask for help are among the behaviors that we included in our leadership model, and our engagement survey results demonstrate that we are successful in this approach. Notably, for a global organization enriched by diverse talent, our Diversity & Inclusion Index standing at 86% – indicating that employees feel at ease being themselves in the workplace – is a testament to the significant and positive impact of inclusivity in our organization. Despite our team's growth, we maintain an impressive engagement level of 83%, reflecting our employees' strong connection to their work. Furthermore, our robust company culture, evidenced by 86% of our staff affirming that they embody our company values daily, underscores our commitment to a cohesive and principled work environment. In our journey towards excellence, we have also discovered areas where we can further improve, such as recognition (70%), personal balance (70%) and change communication (68%). As we can see through the onboarding pulses conducted, 97% of new hires report feeling engaged after 30 days, and this figure stands at 83% after 90 days.

3.3 Learning & Development, Inclusion & Diversity

As a fast-growing company in a highly competitive environment, we value our employees as the strongest contributors to our long-term success. In this context, we actively address the risk of not

being able to attract and efficiently onboard new employees needed to support our fast and international growth. In 2023, we issued a new hiring policy with a focus on increasing diversity and addressing unconscious bias in the selection process. In addition, Hiring Manager training has become part of our newly launched 'People Manager Essentials' course.

With over 900 recruitments worldwide in 2023, we continued revamping the onboarding program to ensure that all employees understand the business we operate in, learn about our values and culture and conclude important compliance training such as GDPR and the Code of Conduct. After completing the training in our Learning Management System (LMS), employees have the opportunity to join a question & answer session with our CEO to raise any question they may have. This approach is also in line with our philosophy to have accessible leaders.

More precisely, in 2023 4 112 man-hours of training were delivered to all newly hired employees, including 3 338 hours of onboarding videos and courses through self-paced e-learning on our LMS, and 774 hours of mandatory compliance training (GDPR, Code of Conduct and IT security).

The onboarding program also includes a 30-60-90 day checklist for new joiners to complete together with their line manager in order to set learning objectives and milestones as they immerse into their roles at Etraveli Group. In September 2023, we made some dynamic updates in our onboarding journey for new hires, which were crucial for successfully integrating, retaining, and empowering our talents (e.g. introduced a 6 weeks buddy program). By doing so, we are investing not only in our employees' immediate success but also in our organization's sustainable growth and resilience.

In Q4 2023 we also launched classroom Leadership Training sessions. Already 117 people managers across Greece, India and Sweden have completed the first part of this program (People Managers Essentials) which has a 9 hours duration.

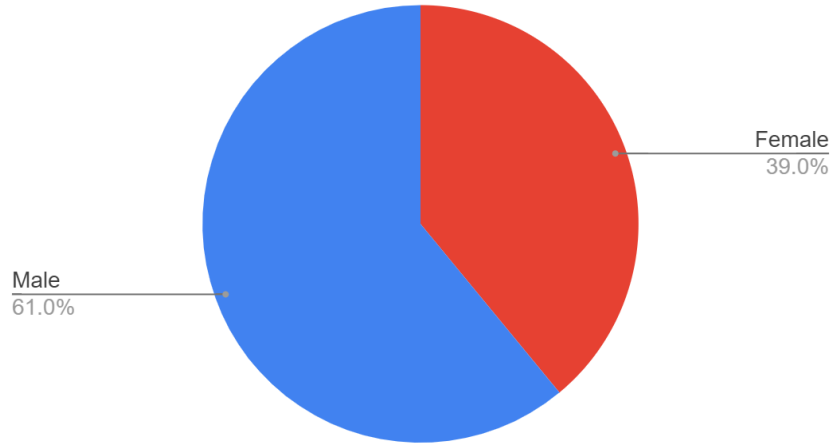
On top of the above, as our Customer Services department is growing with a rapid pace, a lot of effort is consistently invested in technical training to introduce new hires to internal systems, processes and operational tasks as well as to refresh knowledge and support the upskilling of more senior employees, both through trainer led and self-paced training. During 2023, 171 510 man-hours of training were delivered to new joiners and 542 089 man-hours were delivered for refresher and upskilling training.

As an equal opportunity employer, we seek to prevent any acts of discrimination. All our employees and prospective employees shall have equal opportunities and employment free from any form of discrimination based on gender identity or expression, ethnicity, religious, political or other belief, sexual orientation, disability or age. As an Equal Opportunity Employer, this zero tolerance to discrimination is stated both in the Code of Conduct as well as in the Group Hiring Policy, which we renewed and relaunched in 2023. Our people are mastering 18 languages and we have websites translated into more than 35 languages. At year-end 2023 gender representation of the group's total workforce was 39% (37¹) female and 61% (63%) male. Our top management team is formed by ten (nine) individuals with gender representation corresponding to 30% (22%) female and 70% (78%) male. The focus has been to put together an internationally diverse management team that currently includes five nationalities. Amongst our middle and senior management teams, reporting directly to

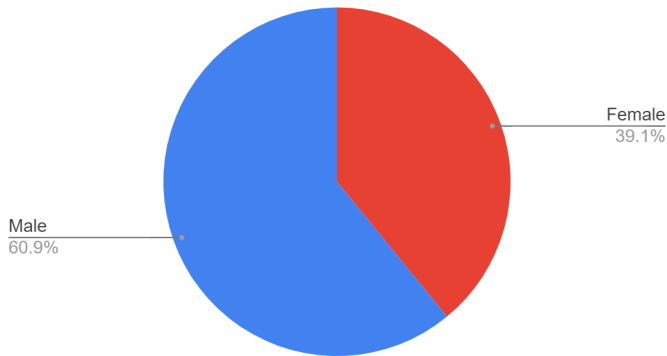
¹ Figures in brackets indicate the respective figure in the 2022 report.

top management, female and male representation is 39.07% (38.88%) and 60.93% (61.11%) respectively.

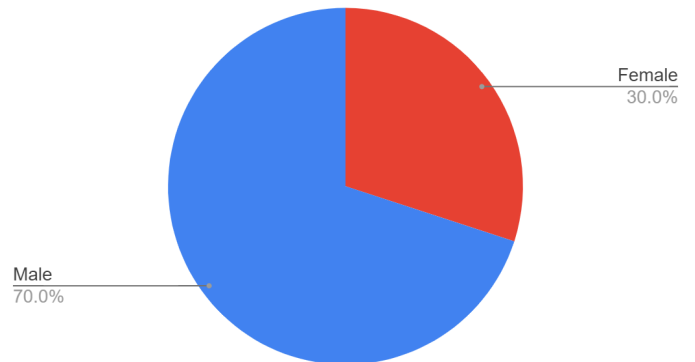
All Group



Senior Management (CEO +2)



Top Management



4. Environmental Impact

Our overall ambition, stated in our group wide Code of Conduct, is to minimize the impact of our business on the environment – While still making travel accessible to everyone. We want to give travelers the chance to experience all the wonderful destinations of the world by making flight tickets as affordable as possible.

At the same time, we do acknowledge that air travel today is not sustainable and has an impact on our climate. Environmental issues pose risks to our business and therefore constitute important aspects of our risk management. With increasing environmental awareness, especially regarding climate change, in society and among our consumers, we need to work proactively to ensure continued demand for our services in the future. Therefore, we are constantly working hard trying to lessen the impact of our business. Our efforts are mainly concentrated around the following two pillars:

- Support technological development of sustainable fuel
- Enable customers to climate compensate and help spread awareness

By supporting the development of sustainable fuel, new technologies and making it possible for our travelers to offset their emissions, we support the transition towards a sustainable aviation industry and the industry goal of a 50% reduction in greenhouse gas emissions by 2050 compared to 2005 levels.

New technologies will need time to replace the current environmentally unsound variants. However, industry sustainability can be more easily achieved if all industry stakeholders work together toward this common objective. That is why we have chosen to partner and sponsor several initiatives that we believe will have a significant positive effect in the long run.

One of these is our 5-year partnership with SkyNRG's Board Now program, initiated in late 2019 and officially communicated in early 2020, to support the development of Sustainable Aviation Fuel (SAF) made from waste oil and fats. Because of the break-out of Covid-19 and other technical and legislation related issues, there have been delays in the overall deployment of the program. Etraveli Group has been supporting the launch of the construction of SkyNRG's plant with financial contributions as per the signed agreement with SkyNRG. Those contributions cover the years 2020-2022, while no contribution was planned for 2023. Further financial support has been agreed as part of this partnership once the deployment has progressed. Based on the latest available timeline, the factory is currently in FEED phase and expected to start operations in 2027. We will report annually on our contribution and the implication this initiative has on our environmental footprint.

Our belief is that supporting the development of new technologies will enable travelers to continue to explore our planet while protecting it for future generations. Since airplanes are not able to switch to alternative energy sources such as hydrogen or electricity immediately, fuel made from biomass offers a possibility to significantly reduce carbon emissions from the industry while reducing the dependency on fossil kerosene. Through the development of SAF, emission abatement is possible in the short run while providing support to the sustainable growth of air travel.

We are also, since mid-2019, offering our customers the possibility to offset carbon emissions associated with their travel through our partners GoClimateNeutral. In the first half of 2024 we will also incorporate our partner SkyNRG as an alternative for our customers to offset carbon emissions. We also offer users a feature that enables filtering results by climate compensated flights or associated carbon emissions and offer travelers the option to offset their emissions in retrospect to ticket purchase. We are ready to introduce these features on all our websites during the first half of 2024.

Even though the environmental impact of our business mainly originates from the service we provide, we also try to limit the impact from our own daily operations. For powering, heating and cooling our locations we try to only select providers offering these services from renewable sources. Out of our seven main offices, three are powered by renewable sources. For the remaining four offices Etraveli Group is not the contract holder for these services. Instead, they are included in the lease agreements. We seek to eliminate the use of products and consumables from non-regenerative natural resources, reduce waste as far as possible, maximize reuse and recycling and we are considering environmental criteria in our procurement and sourcing practices. In fact, the buildings

where two of our offices are located (Uppsala office and Stockholm) are LEED certified and one of the criteria taken into account in view of the recent moves to new offices in several locations was the access to more recent and eco-efficient premises. This is the case for the building where are located our new offices in Mumbai (Green Building Features), as well as the building of our new offices in Gothenburg (already using *Bioheat* labeled heating and electricity 100% generated with wind power and about to be certified according to BREEAM In-Use).

5. Responsible Business

5.1 Business ethics and anti-corruption

Close and consistent relationships with a variety of stakeholders are fundamental to the success of the Etraveli Group. We strive to maintain professionalism and good business ethics throughout all operations. We take an active stance against all forms of corruption, fraud, bribery and anticompetitive behavior.

Our Code of Conduct, which also applies to our consultants and their subcontractors, is our leading and guiding document for what is expected from our employees and partners regarding business ethics. The code is regularly reviewed and emphasizes especially on legal and regulatory compliance, the condemnation of any use of child or forced labor while stresses the importance to not engage in any corruption, fraud or bribery practices. Further, the Etraveli Group prohibits any form of harassment, discrimination and violence in the workplace. As a responsible employer it is important for us that everybody can speak their mind. We want everyone to contribute to making the company better and we wish to maintain a safe working environment where all can be the best version of themselves. First and foremost, we want everyone to feel comfortable to talk to their colleagues and managers, propose improvements, bring up potential issues etc., but if for some reason somebody would like to bring up something anonymously that opportunity should also be there. Etraveli Group is therefore partnering with Convercent to provide a confidential and secure space for all employees to bring up concerns or issues in the workplace. Our Ethics line is thus available through an online platform and through phone on a 24/7 basis.

All employees are educated on the Code of Conduct and need to certify adherence to it upon hiring. The Board has the overall responsibility for the Code of Conduct and making sure that it is being followed throughout our operations.

The group is continuing its global expansion and entry to new developing markets in 2023 (e.g. Latin America and the Middle East). We realize such expansions pose increased risks related to business ethics, specifically concerning corruption and human rights issues, and manage these by consulting with third party experts in risk assessment and mitigating procedures.

In order to improve our policy framework at Etraveli Group, the communication of such policies and the follow up with managers and employees, we initiated a 'Governance and Compliance Task Force' in 2023, consisting of the Chief Finance Officer, the Chief Legal Officer, the Chief HR Officer and the Director of Internal Controls. The mission of the task force was to prevent compliance issues in remote locations, to ensure proper governance and to address the broader question of "What kind of

controls, governance, policies, processes, training, leadership and organization will help us manage remote locations in the spirit of the Etraveli Group culture and values?". The task force released policies needed to complete our policy framework, in particular a Vendor Selection policy, a Gift and Entertainment policy and a new Global Travel policy as well as an Internal Fraud policy and a new version of our Legal Review and Approval policy. Furthermore, the entire policy framework was put onto the new communication platform Workvivo to be easily accessible for all employees in a structured and systematic way. The task force also initiated some e-learning courses for better policy awareness. These efforts will be continued and further enhanced in 2024.

In addition to the efforts of the task force, Etraveli Group ran several campaigns in 2023 to remind employees of our speak-up culture and of the opportunity to use the Ethics Helpline or the Whistleblowing platform. Any allegation raised through these channels or through emails to our CEO or any of the members of the leadership team has been thoroughly investigated. External support as well as involvement of internal committees was solicited as relevant, in order to ensure timely and appropriate actions. Following the completion of the individual investigations, none of the allegations was substantiated. Etraveli Group is continuously encouraging employees to report any concern through our Ethics Helpline or any channel they feel more comfortable with.

5.2 Customer integrity

Being an online travel platform company, we continuously process personal data in our daily operations. Consequently, the business is exposed to risks for incidents related to cybersecurity and data breaches. For us it is of the greatest importance that we ensure processing of personal data is in accordance with the General Data Protection Regulation (GDPR) and local legislation outside of Europe with respect to the personal integrity of the registered individuals. Cardholder data from our customers is also a top priority to protect. We are PCI DSS (Payment Card Industry Data Security Standard) certified as a service provider and audited yearly by an external Qualified Security Assessor (QSA).

Processes to protect our customers' integrities in compliance with legal obligations, such as GDPR, are primarily guided and supported by the following policies and documents:

- *IT & Information Security Policy* – A guideline regarding IT related questions and clarification of employee responsibilities.
- *Personal Data Privacy Policy* – Sets out general requirements on processing of personal data within the group in compliance with legal obligations (with a dedicated section on Personal Data Breaches).
- *Data Breach Policy* – Provides instructions on how to act in the event of a data breach.

All employees must be aware of and adhere to these policies. Our Legal and IT security teams inform and educate employees on the practical implications of these policies and how we as a company need to act to protect our customers' integrity (through the implementation of technical and organizational measures to prevent accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data) – making sure we comply with applicable laws and regulations.

In addition to our legal department, which includes dedicated Privacy and Data Protection Legal Counsel, we also have a designated Privacy Manager who, together with the former, are responsible for management, development and promotion of personal data protection standards within the group. Further, this team is also responsible for monitoring and analyzing performance and any new developments in the field.

NO breaches related to loss of personal data have been identified during 2023. A data breach register is used in this regard.



This is a literal translation of the Swedish original report

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Flugo Group Holdings AB, corporate identity number 559113-9570.

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 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.

Uppsala 2024-04-26

Öhrlings PricewaterhouseCoopers AB

Leonard Daun
Authorised Public Accountant