1.1 ABOUT THIS REPORT

Thomas Cook Nordic Holdings AB, part of Thomas Cook Group, has been working with sustainability for many years through our leisure travel companies, brands and airline company Thomas Cook Airlines Scandinavia A/S.

We see it as our responsibility to promote sustainable tourism, where we contribute to positive economic and social development while minimizing environmental impact at home and abroad. We’re embedding sustainable practices in all parts of our business and engaging our colleagues, customers, suppliers and other stakeholders in our endeavors.

The report gives a comprehensive assessment of our sustainability strategy and approach, as well as an overview of our performance. The report covers Thomas Cook Nordic Holdings AB including affiliated companies.

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<td>Denmark</td>
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<td>Sweden</td>
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The data in this report covers the period 1 October 2017 to 30 September 2018, unless otherwise stated.

This report covers the sustainability strategy, approach and performance of the Nordic segment, as defined above. However, our sustainability impacts and work are global, and this is reflected in our policies, measures and key data.

If you have any questions related to this report, please address them to:

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SWEDEN

Phone: +46 8 5551 3200
1.2 OUR BUSINESS

Thomas Cook Nordic Holdings AB is the parent company of the Nordic segment of Thomas Cook Group. The company is a wholly owned subsidiary of Thomas Cook Group Plc, London, UK, the ultimate parent company of the Group.

Thomas Cook Group is one of the world’s leading holiday companies, with sales of £9 billion. We are a team of 22,000 colleagues and we operate from 17 countries.

- 100 Aircraft
- 190 Own brand Hotels & Resorts
- 22,000 Employees
- 20M customers

The Nordics segment of Thomas Cook Group, Thomas Cook Nordic Holdings AB includes the leisure travel companies and brands:

- Ving Sweden
- Ving Norway
- Spies Denmark
- Tjäreborg Finland
- Thomas Cook Northern Europe AB

Thomas Cook Northern Europe AB is an operating parent company for the Nordic leisure travel companies and our airlines company Thomas Cook Airlines Scandinavia A/S (sister company to the Nordic segment of Thomas Cook Nordic Holdings AB) and also our hotel company Thomas Cook - Resorts & Hotels, which operates the Sunwing and Sunprime hotel concepts.

Thomas Cook Northern Europe, including sister company Thomas Cook Airline Scandinavia comprises of:

- 12 aircraft – Thomas Cook Airline Scandinavia
- 2,300 employees
- 1.6 M customers

The package travel business is complex and wide reaching. Our vision is to be the most loved holiday company for our customers, employees and shareholders. To deliver this promise we are engaged in decisions, large and small, from sourcing airplanes and creating a world class booking journey experience to increase our fuel efficiency and reducing plastic waste in destination. Within Thomas Cook Group we are continuously working toward greater efficiency and higher quality in our product. To this end we have created a matrix organization where many business areas are handled jointly for all or several segments and source markets.

Everything we do in the Nordic segment impacts the Thomas Cook Group at large, and conversely our business is heavily impacted by other parts of the Group.
1.2.1 CLASSIC PACKAGE HOLIDAYS
The heart of our business is classic package holidays, consisting of charter flights transporting customers to our own brand and contracted hotels around the world, where we strive to deliver the best weeks of their year. To deliver this product we use a wide range of suppliers and partners, including airlines, hoteliers, tax free product suppliers, clothing suppliers, excursion providers, cleaning and laundry services, food and beverage services, and IT services.

1.2.2 DYNAMIC PACKAGING
Our complimentary offering consists of trips where the customer is in charge of where they want to go, for how long, and where they want to stay. We provide bookings with regular airlines and a large number of hotels worldwide that live up to our health and safety standards, but where we ourselves do not deliver the services in destination. For this type of travel our main suppliers are airlines and bed bank services.

1.2.3 CRUISE
We have a high-quality cruise offering in addition to our other package holidays. Cruise holidays are provided by cruise lines and booked by our customers through us. We provide additional services, such as connecting flights and hotel nights, as requested by the customer.

1.2.4 STAKEHOLDERS AND PARTNERSHIPS
We work with a variety of sustainability and industry organizations as we understand that collaboration is essential to bring about large-scale change. We are particularly committed to working with our supply chain, competitors and other stakeholders within the travel industry to create positive change.

We define stakeholders as any group with potential or actual influence on our business, including customers, employees, investors, suppliers, governments & regulators, NGOs & charities, academia and industry associations. To ensure we focus on the most material issues and those most relevant to our key audiences, we undertake a wide variety of stakeholder engagement including meetings, questionnaires, newsletters with feedback channels and participation in projects and conferences.

Our stakeholders include:
- Customers
- Employees
- Investors
- Suppliers
- NGOs and charities
- Governments and Regulators
- Academia and industry associations

“WE UNDERSTAND THAT COLLABORATION IS ESSENTIAL TO BRING ABOUT LARGE-SCALED CHANGE.”
1.2.5 MANAGEMENT OF SUSTAINABILITY

The Board retains responsibility for the long-term success of the Thomas Cook Group and the Health, Safety and Environmental Committee (HSE Committee) has oversight of the policy for managing health, safety and environmental risks to the Group’s business. We know that a strong governance structure, accountability and leadership are key to drive change. HSE Committee has broadened the scope and approach of sustainability at Thomas Cook, providing leadership, direction and oversight to the activities of the Sustainability Working Group (SWG) and maintaining close stakeholder group links.

Thomas Cook Group operates across 17 different source markets with each facing different challenges. This means that sustainability risks and opportunities are dealt with in different ways across the business depending on specific priorities. Alongside this local focus, strategic direction is provided at a group level by the Sustainability Working Group and the Health and Safety Committee.

Thomas Cook Group operate in a dynamic and rapidly evolving environment. This requires a flexible and responsive risk management process. Risks are evaluated using a risk register approach which assesses the likelihood and impact of each risk, including the financial impact, alongside existing control measures. Risk registers are continually updated through a program of workshops and risk is formally assessed as an agenda item at all monthly segment level board meetings, with key risks escalated and discussed within the Risk Matters Group.

Significant sustainability risks include:

- Brand reputation
- Climate Change and greenhouse gas emissions
- Energy cost and energy security
- Supply chain management
- Recruitment and retention of talent
- Sustainability of destinations and communities
In order to build a more sustainable business we need to have a strategy in place which is closely aligned with the business model.

Our sustainability strategy, ‘Making a Difference with Every Holiday’ reflects three key stages of the customer journey – At Home, The Journey, and On Holiday. The three-year time horizon allows us to set challenging, but urgent and relevant goals, to focus the attention of our business and our supply chain. The United Nations Sustainable Development Goals (SDGs) have helped to frame our strategy. We have demonstrated where our strategy helps to positively influence the SDGs, to play our part in ending poverty, protecting the planet and ensuring prosperity for all.

### OUR VISION FOR SUSTAINABLE TOURISM

The millions of customers that choose Thomas Cook for their holiday have high expectations of us and the services we provide. We understand that sustainability is extremely important for our customers and critical to the long-term success of our business.

### AT HOME

We will create positive change within our source markets and destination communities for our customers, employees and the places where we live and work.

**2020 TARGET**

100,000 people reached through our social, charitable and community programmes.

### THE JOURNEY

We will strive to deliver resource efficiencies throughout the business to run our operations in the most responsible way possible.

**2020 TARGET**

12 percent increase in fuel efficiency for Group Airlines, from a 2008/09 baseline.

### ON HOLIDAY

We will embed sustainability into our business to deliver world class quality products and service. We will collaborate and innovate with our customers, partners and suppliers.

**2020 TARGET**

100 percent of our own brand hotels to obtain a Travellife award.

AT HOME is connected to the following SDGs:

1. No poverty
2. Good health and well-being
3. Quality education
4. Gender equality

THE JOURNEY is connected to the following SDGs:

6. Clean water and sanitation
7. Affordable and clean energy
12. Responsible consumption and production

ON HOLIDAY is connected to the following SDGs:

11. Sustainable cities and communities
14. Life below water
15. Life on land
3 | POLICIES AND GUIDELINES

Our sustainability work is guided by a number of policies and guidelines, both on a Group level and on a Nordic level.

3.1 THOMAS COOK GROUP CODE OF CONDUCT

The Group Code of Conduct is our main policy document for sustainability and ethics, acting as an umbrella document for all other policies and guideline. It applies to all employees and all areas of business within the Thomas Cook Group. The policy covers our values: our customer promises; behavior towards customers; behavior within the company; health and safety at work; media and social media use; sustainability; community engagement and volunteering; child protection; business risks; supplier relationships; bribery, gifts and entertainment; conflicts of interest and benefits; data protection and confidentiality; speaking out; competition law; trade restrictions and sanctions; information security; share dealing; fraud; theft and false accounting; and political donations and support. Within all these areas the policy sets out the standard to which all employees and the business is expected to adhere, 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 deviations found either to a manager or by using the confidential trust line and speaking out functions. Every employee is also required to participate in a yearly training on the Code of Conduct, including the duty to report deviations.

Every year Thomas Cook conducts a Group-wide employee survey, called Every Voice. which measures, among other things, awareness of the code of conduct and whether employees believe the code of conduct is adhered to across the business.

3.2 THOMAS COOK GROUP SUPPLIER CODE OF ETHICS AND CONDUCT

The Supplier Code of Ethics and Conduct sets out the minimum standards of business behavior expected of Suppliers, who must have processes in place to monitor and maintain these standards, including within their own supply chains. The policy applies to everyone across the Group, in whichever jurisdiction they are located including employees, managers and directors, temporary workers and all third parties associated and doing business, with us including agents, suppliers, advisors and other business partners and their employees.

Any new supplier is required to commit to the Supplier Code of Ethics and Conduct, which gives Thomas Cook the right to audit Suppliers to ensure compliance with the Code. For any identified non-compliance with the Code or law, the Supplier must provide a corrective action plan for Thomas Cook’s approval. If the non-compliance is unlawful, Thomas Cook has the right to end any contract with the Supplier without any financial or other liability. Suppliers must also make the TC Supplier Speaking Out Policy available to all their employees and contractors who provide services to Thomas Cook or who are in contact with Thomas Cook employees on a regular basis.


3.3 THOMAS COOK GROUP CHILD PROTECTION POLICY

At Thomas Cook Group, we are fully committed to respecting children’s rights as set out by the United Nations Convention on the Rights of the Child. The Child Protection policy outlines the company’s standards which are in place to safeguard children both customers and local in destinations. The policy outlines Thomas Cook’s commitment to provide adequate training, information and support to customers and employees, reporting processes and investigation procedures in order to protect children from harm.

We operate a zero-tolerance policy against any form of abuse, neglect or exploitation.

3.4 THOMAS COOK NORTHERN EUROPE POLICY AGAINST COMMERCIAL SEXUAL EXPLOITATION OF CHILDREN

Thomas Cook Northern Europe condemns all forms of sexual exploitation of children and supports all acts of law made to prevent and punish such crimes. Thomas Cook Northern Europe demands that guests, partners and all members of staff refuse to take part in sexual
exploitation of children, and that they report all cases of sexual exploitation of children of which they become aware. Breaching this policy may result in dismissal, reporting to the police and the end of ongoing collaboration.

3.5 THOMAS COOK NORTHERN EUROPE CHARITABLE GIVING POLICY

Thomas Cook Northern Europe has a policy for charitable giving which focuses our charitable contributions towards the focus areas of working conditions, child labor, environmental sustainability, sexual exploitation of children in tourism and child welfare.

3.6 THOMAS COOK AIRLINES SCANDINAVIA ENVIRONMENTAL POLICY

TCAS has a dedicated environmental policy, which sets out goals for the business in reducing the consumption of fossil fuels; efficient application of resources, such as waste reduction, energy consumption and heating; reduced consumption of environmentally harmful chemicals; noise pollution, and conscious purchasing.

3.7 EXTERNAL AUDITING

3.7.1 TRAVELIFE

Through our collaboration with Travelife, our work on the environment and social responsibility is followed up by Travelife independent auditors every second year. Travelife is a sustainability accreditation scheme, provides guidelines and measurement systems aimed at contributing to improvement 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 business. They must also work against child labor and child sex tourism.

By 2020 we aim to have all our own branded hotels accredited by Travelife.

3.7.2 EU ECOLABEL

EU Ecolabel is the most stringent and reliable eco-certification currently existing for hotels. Thomas Cook Northern Europe’s own Sunwing Resorts work in accordance with the EU Ecolabel. At present no other tour operator in the Nordic countries can offer hotels with the EU Ecolabel.

3.7.3 ISO 14001 CERTIFICATION

Thomas Cook Airlines Scandinavia (TCAS) is ISO 14001 certified since 2010. ISO 14001 requires renewal of the certification every three years and in December 2018 TCAS achieved a new certification for the next three-year period.

3.7.4 STRONGER TOGETHER

Stronger Together is a multi-stakeholder business-led initiative aiming to reduce modern slavery, particularly forced labor, labor trafficking and other hidden third party exploitation of workers. They provide guidance, training, resources and a network for employers, labor providers, workers and their representatives to work together to reduce exploitation.

Stronger Together conducted an independent wide-ranging review of our policies, procedures, implementation and governance concerning human rights in 2018. The organization brings many learnings and insights from other sectors and have applied them to Thomas Cook in the travel sector.

They visited a number of our destinations to examine our work first hand. Their recommendations included better tracking of the implementation of our policies and expanding our training programmes. These have been reviewed by the board and we are rolling out a program of policies to address these issues over the next years.
4 ENVIRONMENTAL SUSTAINABILITY

Our environmental work focuses primarily on our airline and hotel’s environmental impact. Our airline, Thomas Cook Airlines Scandinavia, has been certified according to ISO 14001 since 2010. Our modern aircraft fleet, environmentally-friendly investments and very high occupancy rates have resulted in low emissions per passenger.

In 2015, the airline received 8 new Airbus A321s replacing older models, and with these new aircrafts, which are much more fuel-efficient, they have contributed to further CO2 reduction. Our fuel consumption is recorded and evaluated continuously and has been reduced.

Thomas Cook Airlines Scandinavia was also the first airline in Europe to start with waste separation onboard in 2001. Today we sort all waste on all our flights and by this investment and initiative we have managed to reduce waste by 70 percent since 2001.

During the last 15 years Thomas Cook Airlines Scandinavia has also been working with so-called “green flights”. This means that every part of the flight is optimized to be as environmentally friendly as possible. The process is divided into several stages: planning of route before start, departure, journey, approach and landing. The benefits of “green flights” it to reduce fuel consumption, less noise and increased comfort for the guests.

Our environmental work impacts all parts of our company. In our home organization, in offices and in stores we work towards reducing energy consumption and waste.

In 2016 (Denmark) and 2017 (Sweden), energy mapping was conducted by auditor for Swedish and Danish entities based on the EU Energy Directive (EED) to use energy more efficiently at all stages of the energy chain. New audits to take place every fourth year.

4.1 CO2 EMISSIONS

Climate change is a real and significant risk facing people and planet. The World Economic Forum lists climate change and extreme weather events in the top 5 global risks, both in terms of likelihood and severity. Travel and tourism not only contributes to climate change but will be increasingly affected by climate change, according to the Intergovernmental Panel on Climate Change (IPCC) special report on the impacts of a global warming of 1.5 °C highlighting the increased risk to coastal tourism. Airlines will also suffer negative consequences as a result of climate change, such as increased disruption to routes, increased turbulence, reduced aircraft performance and loss of critical infrastructure.

Air transport accounts for 2% of global man-made CO2 emissions. With passenger numbers and emissions predicted to rise in the future,
International Civil Aviation Organization (ICAO) has taken action across the industry in the form of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). This scheme aims to aid the air transport industry in achieving carbon neutral growth from 2020.

The risks presented by climate change directly impact our business, both now and in the future. As such we take our climate change impacts seriously and are acting to improve our environmental performance and limit our impacts across all areas of our business.

Reducing emissions is a priority across the Thomas Cook Group. Carbon emissions from our airline is our single biggest environmental impact and as such we have a specific focus on the Group Airlines emissions intensity. This work is common to all the group airlines companies, including Thomas Cook Airline Scandinavia's (TCAS).

**2020 TARGET: ON THE JOURNEY**

Thomas Cook Group has set an ambitious target to improve fuel efficiency by 12% across the Group Airlines by 2020, against a 2008 baseline.

In 2018 Thomas Cook Airline Scandinavia (TCAS) emissions per passenger km were 67.26 gCO2. Measured against the Group target TCAS has an 11.2% improvement in efficiency.

Although Thomas Cook Airlines Scandinavia is very close to achieving the Group target, as a Group have we not made the progress we would like due to a number of external factors. Delays in implementing Single European Sky designed to increase the efficiency of air traffic management, has hindered airline efficiency over a number of years. and one-off issues such as European air traffic controllers staging a series of strikes this year has also impacted on our fuel efficiency.

Internally work has begun to review and agree future fuel efficiency initiatives, with successful initiatives rolled out across the Thomas Cook Group Airlines continuing our reductions in g CO2/PKM.

We work hard to reduce our impact, from running our operations more efficiently to generating our own energy - TCAS generates 20% of its own power following the installation of the largest solar power system in Copenhagen Airport on the engineering hangar roof.

**4.2 TRAVELIFE**

Thomas Cook Group work extensively with our hotel brands to enable our customers to experience local products and services, giving them an authentic taste of the local culture and helping the local economies thrive.

Hotels are key to sustainable destinations. They play an important role in protecting the local environment and improving the lives of local communities. Hotels must demonstrate they are managing these impacts.

By 2020 Thomas Cook Group aim to have all our own branded hotels accredited by Travelife, the internationally recognized scheme which
helps hotels and accommodations to manage and improve their social and environmental performance. This is a significant challenge. With different types of hotels in many regions of the world, influencing our partners and supply chains and is not always easy and not all hotels fall within our direct control.

**2020 TARGET – ON HOLIDAY**

In 2018 a total of 56 (30%) of Thomas Cook Group’s own branded hotels were Travelife certified.

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**THOMAS COOK GROUP PLASTICS PLEDGE**

We will remove 70 million disposable articles in plastic

Thomas Cook Group will reduce the use of plastic and the pollution in the oceans. The amount of plastic waste that ends up in the Mediterranean is increasing by 40 per cent in the summer months*, which shows a direct link between tourism and plastic dumping. In view of the environmental impact of plastic waste, Thomas Cook Group has initiated long term efforts to reduce the use of plastic. In the summer of 2018, a campaign was conducted at ten of Thomas Cook’s concept hotels as an effort to make guests abandon straws. It reduced the use of straws by almost 50 percent, equivalent to over a million straws. The plastic drink stirrers used on our airplanes are also a volume product that is now removed on board all flights with Thomas Cook Airlines.

Our goal is to remove 70 tons of plastic by the end of 2019, as a first step in the long-term initiative #noplaceforplastic.

*2018 WWF report ‘The Holiday Plastic Choking Our Oceans’

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**OUR OBJECTIVES UNTIL 2020 IS TO:**

- Remove 70 million plastic disposable items at our offices, own concept hotels and air crafts (Thomas Cook Airlines). This corresponds to 70 tons of plastic, or 3 500 packed suitcases, most of which will be removed by the end of 2019. On our air crafts, for example, whole nine million straws and stirrers.
- Where possible, replace disposable items from recycled plastic, biodegradable or compostable options
- Ensure that plastic objects are disposed of at recycling stations where facilities are available. We will work together with suppliers, government and travel industry to improve waste management and recycling opportunities at our destinations.
- Use our size as a business to influence customers, employees, suppliers and travel industry to spread knowledge about this issue.
5.1 SUPPORTING AND ENGAGING IN LOCAL COMMUNITIES

By supporting and engaging in social project at our destinations, we want to support the local communities, people and surroundings we meet in our destinations.

Thomas Cook Northern Europe and Thomas Cook Airlines Scandinavia has a long standing social engagement in Mexico, The Gambia and Thailand with contributions to hospitals, schools, and people in need in the community.

Thomas Cook Northern Europe also support the nongovernmental organization ECPAT Sweden. ECPAT collaborates with other NGOs, authorities and part of the industry to fight commercial sexual exploitation of children. The organization was established in 1996 and is a member of ECPAT International’s global network with representation in over 70 countries.

Ving Sweden is committed to My Special Day (Min Stora Dag), a nongovernmental organization, granting wishes for Swedish children and teenagers 4-18 years old, with serious illnesses and diagnoses.

2020 TARGET: AT HOME
To reach 100 000 people – Thomas Cook Group

Within Thomas Cook Northern Europe we reached approximately 4 000 people through our charitable programs and supporting project in communities during 2018.

SUPPORTING THE COMMUNITY OF THE GAMBIA:

For 12 years, Thomas Cook Northern Europe annually sends a container filled with furniture and healthcare equipment that goes to different hospitals in The Gambia. The project is being carried out in cooperation with Swedish hospitals and medical centers. We have also collected clothes, bicycles, toys and other things that are needed in the local society. Thomas Cook also handles all shipments, and one of the company’s employees is in place to ensure that everything reaches the right recipients. During 2018 we sent two containers of equipment - 30 tones per container.

This year, Victoria Hospital and Bansang Hospital received medical equipment and supplies. Hart House, a school for disabled children, has received money to build a washing station. Clothes, bikes and other supplies has reached the local community.
Our aim is to be the most loved travel company. This can only be achieved by ensuring we have a truly engaged and diverse workforce.

We take great care to make sure our recruitment and selection process, learning and development activities and career progression opportunities do not allow for discrimination.

Active recruitment ensures a variety of men and women of different ages, backgrounds and experiences. We have a very active process of goal setting and development plans for each employee, to ensure that our business objectives and strategy are carried out at every level of the business and that employees are engaged, focused and receive training and career development opportunities.

Our annual Group-wide employee engagement survey “Every Voice” provides our people with the opportunity to provide detailed feedback about how they feel about working at Thomas Cook. Results from the survey are shared with each team so they can build detailed action plans to ensure continuous improvement.
7 | ANTI-BRIBERY AND CORRUPTION

7.1 CODE OF CONDUCT AND POLICIES

Our Code of Conduct contains established guidelines on how we as employees are expected to act in relation to business partners, colleagues and customers. We require our suppliers to sign our Code of Conduct for Suppliers, Supplier Code of Ethics and Conduct, which sets out minimum standards for the business behavior we expect from our suppliers.

Our Anti-Bribery and Corruption Policy includes a list of actions and circumstances that constitute warnings for corruptions. It also clarifies our zero tolerance with all forms of bribery and corruption, both internally and externally.

If suppliers violate our policies, we are entitled to cancel contracts immediately and without penalty.

To ensure that our policies are complied with, there is a whistleblowing function for reporting wrongdoing (illegal or unethical conduct) or malpractice. Our Supplier Speaking Out Policy specifically describes how suppliers and their employees should proceed to confidentially report violations to our established standards, such as health and safety risks, unethical behavior, suspected crime or corruption.

Our Inclusion and Diversity Policy is about that we across Thomas Cook are committed to embracing Inclusion and Diversity. The framework of the policy sets out our commitment to our customers and to each other, and what we are doing to support this.

“IT CLARIFIES OUR ZERO TOLERANCE WITH ALL FORMS OF BRIBERY AND CORRUPTION.”
THOMAS COOK NORDIC HOLDINGS AB,
STOCKHOLM
Organizational number: 556459-7689

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WWW.THOMASCOOKGROUP.COM
The Thomas Cook Group website provides news and details of the Group’s activities, plus links to our customer sites and up-to-date information, including:

- Corporate news
- Presentations
- Share price data
- Historic Annual and Sustainability Reports
- Half-year results and interim management statements + news alerts
- Career opportunities