About the report

Der Touristik Nordic AB, part of Der Touristik, has been working dedicatedly with sustainability for many years throughout all entities included in the group. Apollo's first sustainability strategy was established in 2009 and Apollo was Travelife certified, as the first tour operator in Scandinavia, already in 2015. This sustainability report encompasses the Apollo organization in Sweden, Denmark, Norway and Finland and supports the local Nordic Annual Report for 2022.

The report covers the sustainability strategy and work of DER Touristik Nordic. Apollo belongs to an international group, and hence, all sustainability efforts have a global group dimension reflected in strategy, code of conduct, policies and goals. Data in this report has been gathered in March 2023 if nothing else is stated.





Contact US:



+46 8 673 84 00



DER Touristik Nordic www.apollo.se



Ynglingagatan 2 SE-113 47 Stockholm

2022 **SUSTAINABILITY** REPORT

A word from **our CEO**

Sustainability has always been an important part of Apollo's DNA.

Our role as a tour operator comes with great responsibility, which we take seriously and full heartedly. Our local partners, and the local communities in which we are present, mean a lot to us. Therefore, we always strive to make a positive impact, regardless how and where we operate.

Our work and dedication towards a more sustainable travel industry permeates the whole organization and our entire value chain: from our offices in the Nordics to our destinations and our hotels around the world. We take huge pride in offering over a hundred sustainability certified hotels, and in being a tour operator certified by Travelife. Through our owners, we are also a member of the DER Touristik Foundation that supports over 80 sustainability projects worldwide.

In 2022, we refined our sustainability strategy and connected our goals to United Nations sustainability agenda.

Now, after leaving the challenging years affected by the pandemic behind, we are stronger and more dedicated than ever to work towards a more sustainable future. Our company has grown with over 70 new employees and we have added over 40 new sustainable hotels to our portfolio. Most importantly, we are back in all our destinations to jointly collaborate with our local partners towards our common goal: to fulfilling sustainable travel dreams – and leaving as many sustainable footprints behind us as possible.



Sustainability is a responsibility we take seriously and full heartedly.

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About Our Company

Apollo started in 1986 as a tour operator specialized in Greece. Apollo is today one of the leading travel companies in the Nordics. Since 2015 Apollo is a part of the German group REWE with over 300 000 employees. The REWE group has a strong tradition of working systematically with corporate social responsibility.

Apollo offers a variety of travel packages, such as sun and beach, fitness trips, cruises, and city trips. Apollo also offers self-packaging where the customer is offered the opportunity to freely choose length of stay, airlines, and accommodation in thousands of different hotels around the world.

Apollo, together with the specialist agencies Golf Plaisir, Lime Travel and Xtravel, as well as the sports resorts Playitas, form the group DER Touristik Nordic. Apollo operates in four source markets Sweden, Denmark, Norway, and Finland and has approximately 1 000 000 travellers in a normal year. During 2022, still recovering from the pandemic, Ukrain war and the strained financial environment, appr. 560 000 travelled with Apollo. In 2022 Apollo had 313 full time employees across the four Nordic countries. 76 % are based at the head office in Stockholm, 10 % in Norway, 10 % in Denmark and 4 % in Finland.

Our **Vision**

Being aware of the negative sides and implications of tourism and travel, Apollo has a vision which aims at "minimizing the negative effects and maximizing the positive effects of tourism". Apollo believes in cultural and human interchange and the opportunities created by tourism





Apollo Sustainabillity strategy

Sustainable development goals

In 2015, the UN adopted 17 priority goals for sustainable development (SDGs). These have provided guidelines to assess and prioritize Apollo's sustainability initiatives. Apollo aims to contribute to the UN sustainability agenda. The Travelife certification confirms Apollo's serious approach to, and work within, the main sustainability areas; human rights, environment, animal welfare, human resources, procurement and more.

Apollo has chosen to prioritize four of the SDGs for a sustainability strategy that covers the entire customer journey. The strategy starts in the offices in Scandinavia, followed by the flight journey and ends up in the destinations – involving Apollo Staff at home and in destinations, suppliers and partners as well as customers. An annual action plan, based on the strategy, is set and agreed for all Apollo source markets. The action plan holds both a Nordic and a local dimension. It further holds activities and goals both at home and at the destinations.

Sustainability risks **and opportunities**

Environment and nature

Tourism lives and benefits from an intact environment, but tourism can, at the same time, damage it.. The promotion of measures to preserve an intact environment, as travelers would like to experience it on vacation, is therefore an important part of our commitment to sustainability.

Customers and products



A sustainable journey is about responsible travel, about being open to the traveled destinations and other habitats, people and their cultures. Our goal is therefore to integrate sustainable aspects into our products and to create authentic holiday experiences. The satisfaction of our customers and their open feedback for improvements is also very important to us.

Local Partners



As a tour operator, we operate worldwide. It is therefore not sufficient to design sustainability only from the point of view of the domestic market. Local partners must also get involved. We work closely with our partners and service providers in order to take into account not only economic aspects but also ecological, social and societal issues in our supplier relationships.

Employees



Tourism is a people-to-people business. Motivated and friendly employees are in demand everywhere with their experience, their knowledge of the country and their feel for the holiday wishes of our customers. We have therefore made it our task to create conditions that promote the satisfaction and performance of all employees. Committed employees are our greatest asset!

Society



We bear responsibility for the people in the holiday countries and for their homeland. Through tourism we want to promote positive developments and create perspectives for the local people. To bundle our social commitment, we founded the non-profit association "DER Touristik Foundation e.V." in 2014, which brings donations to where they are needed. During 2022 the list of Travelife and Green Key certified hotel partners has increased significantly and we expect the

numbers to grow in 2023

- **66** We took the initial steps

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into introducing a sustainable label to relevant excursions. We relaunched new sustainable web pages and opened a 24-hrs customer call center.

The Supplier Code of Conduct has been updated and implemented in all contracting processes. A global DER Touristik project has been initiated ensuring new joint Supply Chain Management guidelines, while enhancing the sustanianble cooperation across DER Touristik Group.

- First Aid staff training in Sweden.
- New work environment managers in Denmark & Norway.
- Implementation of The Code (ECPAT).

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DER Touristik Child Safeguarding policies rolled out internally.
DER Foundation membership for all business units implemented.

Apollo Employee and Human Resources Report

Apollo has undergone huge and swift digitalization. This is mainly seen in the fields of distribution and administration. Also in 2022, comprehensive digital efforts were made to develop a new customer centric and user friendly mobile app as well as improving on-line booking flows.

Staff age ranges from 18 to 73. Women dominate and there has been a further decrease of share of men since last year. Male employees constitute 27% (34%) of Apollo work-force. The number off full time staff increased in 2022 by 33% of which 90% were women. Apollo has collective agreements in all countries, Denmark, Finland, Norway, and Sweden. Continuous information meetings are held both with staff and unions. All staff have pension plans and insurances.

Apollo traditionally employs staff within the destinations, sales, marketing, commercial production, revenue management, finance, IT, and human resources. The destination staff are continuously trained in security, health, and safety.



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- REWE Code of Conduct
- Work Environment Policy
- Equality Plan against Discrimination
 and Degrading Treatment
- Individual Development Policy
- Remote Work Policy
- IT Policy
- The Equality Plan



Policies and guidelines

Supplier Code of Conduct

At the destinations Apollo encourages all partners to work with sustainability in a structured and organized way. All partners in the destinations, hotels and destination management companies are bound to follow and respect the Code of Conduct. It is part of the commercial agreement and any breach can lead to a termination of the cooperation. The code of conduct contains clauses and rules on everything from human rights to references to international and national laws. The Code of Conduct also includes environmental requirements on all partners regarding energy and water consumption, handling and disposal of chemicals and animal welfare. Basically, all hotels are checked by the responsible Contracting Manager prior to going into cooperation and the Suppliers Code of Conduct is gone through thoroughly on spot. All suppliers must commit to comply with the binding and fundamental requirements of the SCoC regarding human rights and environmental protection.

Individual Development Policy

All staff should have 1-3 annual performance reviews and continuous 1:1 meeting with their managers are encouraged. No study trips were organized in 2022 due to Covid-19 regulations but several will take place in 2023.

Equality Plan against Discrimination and Degrading Treatment

Apollo emphasises the employees' equal rights and opportunities. The equal value of all individuals forms the basics of all work at Apollo. There is zero tolerance of all kinds of discrimination, harassment and degrading actions. The aim of the equality plan is to support the equal rights of all employees irrespectively of:

Age

- Gender
- Religion or other
- Transgender identity or expression
- Ethnicity
- belief systemDisability
- Sexual orientation

Work Environment Policy

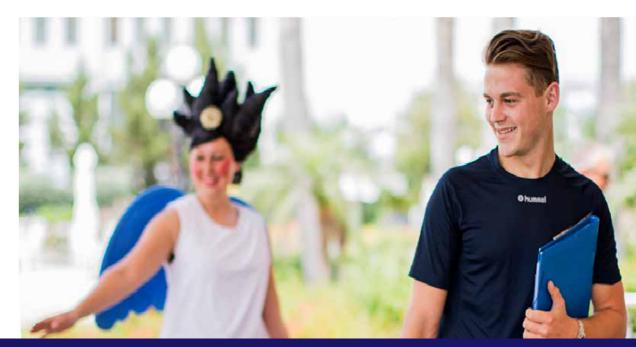
Apollo strives to create a work environment in which wellbeing is seen as natural and health risks are managed with awareness. The work is done together with the employees and the work environment is adjusted to the employees' needs in order to create and maintain a healthy and safe organization. The Policy was updated in 2021 in cooperation with an external company with expertise in work environment. Plans to re-launch the leadership trainings for managers are in place. The Remote Work Policy was produced by the union, staff members and HR as a response to a survey that was conducted after a long period of quarantine regulations and forced remote work.

Health and Safety

There were no major incidents or work accidents among Apollo staff in the Nordics in 2022. The sick leave rates have decreased from previous year, ranging from 1,2% to 5,6% in the Nordic countries. In Denmark there have been a significant decrese from 9,13% in 2021 to 1,92% in 2022. Efforts are made to encourage training, sports, and a healthy lifestyle to all Apollo employees. We conduct safety rounds of the entire office each year where potential risks are evaluated. No new risks were observed during 2022.

Communication, Employee Engagement and eNPS

Twice every year since 2015, the Nordic Management Team sends out an employee survey. During the pandemic the questions were focused around well being and remote work. During 2022 a new section of questions related to leadership was added to the survey. There is still a high belief in the company's strategy and trust for the management team but a decreese in NPS compared to previous years, which is considered to be due to the uncertainty within the industry as a whole.



Travelife

Operated by ECEAT-projects, the Travelife system provides online training and practical tools for sustainability planning, management, and reporting. Upon compliance with the Travelife standard for tour operators and travel agencies, the travel company can obtain the "Travelife Certified" status. The Travelife management requirements comply with ISO 14001 and EMAS III standards. The performance requirements include the full set of ISO 26000 and OECD Corporate Social Responsibility guidelines which include labor conditions, human rights, environment, biodiversity, and fair business practices. In 2014 a decision was taken to strive for a Travelife certificate for tour operators and in early 2015 Apollo was acknowledged for its work with the certificate. In 2017 the Travelife certificate was renewed and thus valid for another three years. In 2021 a new Travelife evaluation round has been initiated and so far in every round the criteria and requirements have increased in number and severeness. In 2022, Apollo was audited by Travelife and certificate was renewed again and thus valid for an additional three years.

Certified hotels

During 2022 and the post-pandemic period, fortunately many hotels with a sustainable approach and operation got Travelife and/or Green key (re-)certified. Apollo today offers more than 160 Travelife and Green Key certified hotels. A goal over the years has been an increase of 10 % yearly which was also the reached in 2022. We constantly focus on motivating and rewarding our hotel partners to obtain a Sustainability certificate. Strict sustainability requirements remains, to apply for Apollo's conceptualized hotels where they either already hold a certificate or are in the process of obtaining one.

Local partners and destination management companies

Local partners and destination management companies (DMCs) are also included in this work and a significant number of Apollo local DMCs managed to get the acknowledgement of a Travelife certificate or partnership. Our DMC partners Go Vacation (GV) in Asia and South Africa holds either a Travelife Certificiation or Partnership certification. Sri Lanka is in the process of re-certification. Initiatives to motivate noncertified DMC's and local partners through the Travelife Platform continues.

Environmental **Sustainability**

Climate Neutral Group and the brand Green Seat is a partner with whom Apollo works since 2010 for the carbon offsetting of own business trips. Green Seat is also one of the players presented on the Apollo web site as a possible choice for customers for their carbon offsetting when travelling abroad. All possibilities are exposed on the Apollo web sites. During 2019 major analyses were carried out on the effects of carbon offsetting referring to flight travels. Apollo then concluded not to proceed with mandatory offsetting for clients but to continue to offer the opportunity if desired. As a result, Apollo decided to identify and evaluate another form of sustainability activity with more direct impact on emissions. As a first step, from October 2023 Apollo will offer travelers to buy biofuel upgrades when flying with our new airline partner BRA.



It is a fact that flying has a negative impact on the environment, but the charter model with very high cabin factors and with most of the flights being direct flights without intermediate landings, must be considered as an utmost efficient way of flying. During a normal year, Apollo's flights are usually performed with 96-98% cabin factor.

During 2022, Apollos load factor was around 92%, due to challenging marketing conditions and enduring effects of a pandemic, a nearby war and an immense airline strike.

Airline partners are continuously selected with care and Apollo mostly works with large, established airlines with a modern and fuel-efficient fleet such as SAS, Finnair, Emirates. In 2022, SAS replaced their last Boeing 737NG aircraft with Airbus A320-NEO aircraft, with 18% less CO2 emissions.

During the pandemic, the Apollo founded airline, Novair, was divested to an external airline group and a separation process initiated. Apollo continues to operate part of its program with Novair until October 2023.

Apollo Offices

Strict procurement guidelines are set, and the environmental and sustainable aspect is a compulsory part of the procurement policy. Areas that have been covered: office material, cleaning material, coffee and fruits, printing and copying, service agreements etc. All corporate agreements have compulsory clauses on the necessity of having a functioning sustainability work. All cans and tins are recycled as well as paper and plastics. Batteries and bulbs are collected separately. Low energy lamps are a must. Unnecessary traveling is avoided, and online meetings are used instead. Paper reduction is key in a digital environment and goes well with the Apollo sustainability strategy.

The Copenhagen office moved to new premises in November 2021. Energy saving procedures and materials are in place. Solar panels were installed in 2022 and remote cooling is used contrary to air conditioning.

The number of full time staff increased by 33% in 2022, while community heat increased by 39%. The total consumption increased more than the total staff mainly due to a new and bigger office space in Denmark, whilst heating decreased substantially in both Norway and Finland.



Partners

Apollo has during the last years created several strategic partnerships, selected to cover the different areas of the company sustainability work, such as human rights, sexual exploitation of children, animal welfare etc. These partnerships are valid on a Nordic level and in addition to this every local source market can choose local partners and projects. The partnerships include a lot of dimensions such as training, seminars, donations, lectures, and customer activities.

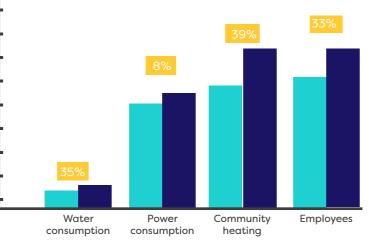




Community heating Increased from 238 248 the previous year due to a move to a bigger office in Denmark.

Employees

The number of full time staff increased by 33% in 2022.



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Since 2004, Apollo has a cooperation with SOS Children's Villages in the Swedish market. As part of the company's CSR strategy, the protection of children and children's right is prioritized and the commitment to give children the opportunity to a safe childhood and education is strong. 2015 Apollo became a partner company for SOS Children's Villages on a Nordic level. Every year money is donated directly to the work for children's right to a safe upbringing. Apollo's travellers can also donate money in connection with their travel booking. 2022 customers donated 250 000 SEK which is an increase of 200% compared to 2021. Both donations and collecting funds from customers are parts of the agreement and Apollo gives the freedom to SOS to decide how to allocate the donations thin their villages. During 2022 Apollo collected and donaed across its offices more than double the amount compared to the previous year, more than 346 000 SEK to SOS Children's Villages as well as close to 23 000 SEK to Rädda Barnen for the benefit of the children in Ukraine.



Along with other activities not in line with the requirements of the DER Touristik Group Animal Welfare



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In 2001 Apollo signed the Code. This means that Apollo is committed to have a policy against exual exploitation of children, that all staff are trained and that customers are informed on safeguarding of children and how to prevent it. A united approach and cooperation with ECPAT across all DER Touristik business units have been put in place.

Strategic

Partners

Customer donations

2022 customers donated 250 000 SEK which is an increase of 200% compared to 2021.

Employee donations

2022 employees donated 346 000 SEK to SOS Children's Villages



Local Initiatives

Apollo has committed to support local initiatives at the destinations. Appropriate local initiatives were identified in 2021 to be launched during 2022 and 2023. For example; a cooperation with an organization in Zakynthos preserving sea turtles and kennels in Rhodes and Skiathos. Apollo takes an active role in sustainability lobbying in local markets and education of local partners.

Anti bribery and corruption

Apollo Code of Conduct for employees contains guidelines of how to behave and act in relation to business partners, suppliers, and customers. Apollo expects all its suppliers to comply with all international, national, and local laws, regulations and codes relating to anti-bribery and anti-corruption. This is stated in the DER Code of Conduct for employees and the Supplier Code of Conduct that all partners must sign. A group wide mandatory course regarding anti-bribery and anti-corruption was conducted at the end of the year. Apollo had no reported cases of corruption in 2022.

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Guideline



Sustainability within **DER Touristik Group**

The tourism industry thrives on the cultural and ecological variety that can be found in the destination countries. DER Touristik Nordic is a part of the The DER Touristik Group. The DER Touristik Group is aware of this responsibility and is committed to its "DER Welt verp-flichtet" ("Dedicated to DER World") sustainability program.

DER Touristik Group promotes sustainable tourism through specific measures, in its own business operations but also regarding its products. For many projects, DER Touristik Group cooperates with partners or is engaged in industry initiatives, with the aim of implementing specific projects in the destination countries and making holiday offers more sustainable.

By the end of 2025, 25% of DER Touristik's core portfolio will consist of certified hotels. We have also defined requirements for responsible excursion programs and will continuously expand the range of products. We present particularly responsible travel experiences under our "Conscious Travel" product line. Responsible excursions are to be increased. As a test, the CO2 footprint for



selected trips has been calculated and reported. With Klimalik e.V. DTG is engaged in a program to establish industry-wider standardized calculation methods and a directory allowing to calculate footprints for all elements of complex package tours.

With the help of climate balancing, we want to inform our guests transparently about the climate impact of the various travel offers and at the same time specifically promote



climate-friendly travel alternatives - this applies to travel, local transport and the selection of climate-friendly accommodations. In the German market, we will begin to further increase transparency regarding the climate impact of travel. As a founding member of the KlimaLink e.V. association, we are committed to an industry-wide calculation basis and labeling of CO2 travel emissions in German-speaking countries."

In order to reduce travel emissions, we offer our customers the opportunity to calculate their travel's CO2 emissions and contribute to climate protection by investing in certified climate protection projects from myclimate." The DER Touristik Group's own hotel brands, DER Touristik Hotels & Resorts (DTHR) with its brands such as Sentido, Calimera, PrimaSol and Cooee, play a significant role in implementing the company-wide sustainability strategy. One focus is to certify all DER Touristik Hotels & Resorts to the Travelife Standard by 2023, remove 100% of single-use plastic from hotels, and continue to significantly reduce food waste.

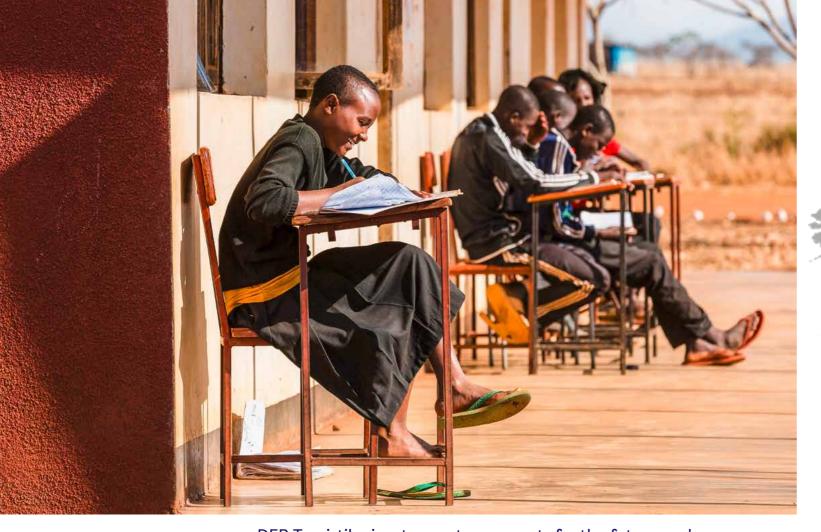
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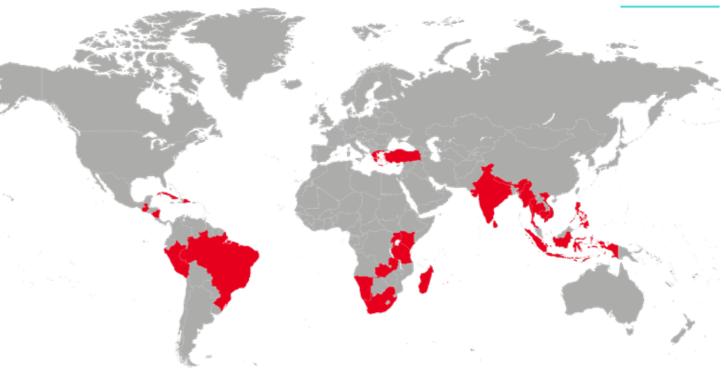




-wide from exploitation and neglect. To implement this endeavor within our means, DER Touristik has formulated an Animal Welfare Policy, in line with which the product portfolio will be gradually adapted to established animal welfare standards by 2025. The aim is to protect animals and yet enable vacationers to experience animals in vacation countries in a conscious and responsible manner. Through educational measures,







Another example is Pimali in Thailand, a practical hotel training center for young Thais from disadvantaged backgrounds and orphans. The training allows them to acquire skills in various areas of the hospitality industry and put them into practice during a six-month internship. DER Touristik also supports nature protection and animal welfare in travel destinations through projects that benefit the local population and contribute to global sustainability goals:

DER Touristik funds refresher training so that the women can maintain their status as wildlife experts. In addition to animal welfare projects, DER Touristik also supports environmental education programs like the "Bush Babies Program" at schools in proximity to Kruger National Park. The program sensitizes young people for the issue of nature conservation, animal welfare and food security. In 2022, a project in southern Sri Lanka was newly included in the funding. There the DER Touristik Foundation supports the restoration of a destroyed mangrove forest through a project of the organization Wildlife & Ocean Resource Conservation. The lagoon community is involved in the project activities to save the ecosystem and can tap into new sources of income through the development of eco-tourism.

DER Touristik aims to create prospects for the future and empower local people to reduce poverty and inequality and improve opportunities for a self-determined life. The DER Touristik Foundation demonstrates how such resolutions can be put into practice with many successful initiatives.

The DER Touristik Foundation was founded in 2014 as a non-profit association. Since then, it has been committed to promoting the education of children and young people, the preservation of ecological habitats and biodiversity, and sustainable development aid. Through the DER Touristik Foundation, DER Touristik promotes social projects around the world. The supported projects are carried out in close cooperation with other charitable groups, foundations, and relief organizations. Every cent

of donations flows into relief projects via the foundation. The aim is to create long-term and sustainable benefits. Since the foundation was established, a total of 86 projects in

21 countries have been supported.

One project example is the hospitality project Smiling Gecko in Cambodia. It provides young and socially disadvantaged Cambodians with theoretical and practical training at the farm-house lodge to qualify themselves for a job in the tourism industry.

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Since the foundation was established, a total of 83 projects in 21 countries have been supported.



Sustainability at **DER Touristik Group**

