

INTRODUCTION

By its very nature, the Kilroy Group’s business promotes understanding and respect among people. Our ambition is to give something to the people we serve and to the societies in which we operate. We believe we can create long-term, sustainable value for our customers, employees, suppliers and all of our other stakeholders.

The Kilroy Group is committed to managing the social and environmental impact of our direct and indirect operations in a sustainable manner.

The Group will be at work defining this commitment further in 2022 as we forge our policies in sustainability and compliance into guidelines, key initiatives and internal activities at all levels. The key project this year is building competences in sustainability and travel through education and training for all employees based on their role.

Externally, we will introduce sustainable best practices for tourism in our industry and where appropriate, actively flaunt these in our customer communication and to our suppliers and partners. We will collaborate in efforts to reduce the negative effects of travel and tourism for the benefit of the ones involved: the people, the societies and the natural environment.

Additional detailed information about the Kilroy Group’s CSR approach and policies can be found on www.kilroygroup.net

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FOCUS 2022

A RESET

As a travel agency, we are aware of the effects our industry poses on the environment. We have always addressed social and environmental issues, and we now have the ambition for a shared, company-wide, strategic focus on sustainability. Now that the Covid-19 pandemic is easing and global travel can resume, it's time for a reset in our industry. In the Kilroy Group we aim to ensure that our activities are sustainable.

FOCUS 2022

The focus in 2022 is initially on internal operations and how to make the right decisions about social and environmental issues. We will conduct a baseline assessment across all brands and locations of the Kilroy Group, then work to raise awareness of sustainability issues. From there, we will identify areas for improvement and work up the relevant training for collective development.

Once we have addressed our own issues first, we will look at sustainability standards for supplier operations and customer communication.

VISION 2030

Our baseline assessment from 2022 will also be used to set measurable targets for 2030. These targets will be made in accordance with the UN Sustainable Development Goals (SDGs). We aim to conduct an annual survey to follow our progress and make sure we are on track to meet these goals. This will be published in an annual report.



SOCIAL IMPACT

HUMAN RIGHTS AND EQUALITY

The Kilroy Group is committed to practicing human rights by respecting and protecting all employees' and customers' right to remain free of discrimination, harassment or bullying related to race, gender, sexual orientation, age, religion, social status, nationality, impairment, political opinion, or any other unrelated status.

We grant all employees the freedom of employment under local laws and regulations, protecting principles, rights and social justice for all. All employees and management have easy access to all relevant information and training to conduct their work safely and in a socially sustainable manner.

We pursue gender balance at all management positions. Temporary imbalances do occur, but we then turn our attention to restoring the proper balance.

Differences in salary between individuals with the same or similar documented relevant experience, carrying out the same type of work, or similar work, is not accepted.

SOCIAL INCLUSION

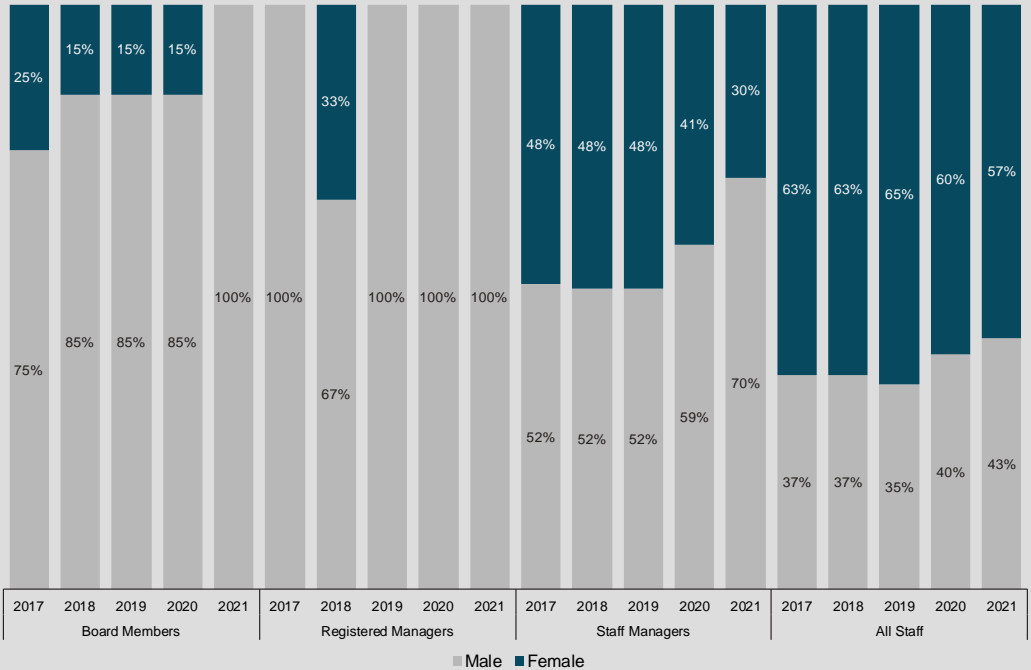
The travel industry is a people business and as such, diversity and inclusion are essential for success. The Group aims to be an attractive employer by guaranteeing equal opportunity at all levels. Thus, it is important for the Kilroy Group to embrace and foster diversity in the widest possible sense as we consider personal qualifications over gender, origin and other background factors. The company strives towards a staff composition reflecting both the audience and society in order to be relevant, while at the same time not compromise on experience.

SOCIAL IMPACT

GENDER COMPOSITION

Management and Staff: For staff management positions, the gender mix is skewed with 30% women and 70% men. Staff managers are positions ranging from team leaders to registered directors. The gender mix among staff shows a different picture with 57% women and 43% men.

Board of Directors: The owners of the Group are individual investors who are directly represented on the Board of Directors of the parent company. There are no women among these investors, nor are there any women represented on the company boards or among the registered management.



HR

We conduct employee surveys locally and centrally to gauge our progress and implement remedies. We are also considering whether to make these standard throughout the Group. Our management principles support:

- Openness and well-being at work
- Choosing the best person for the job
- Delegation of responsibility and authority wherever possible
- Competence development
- Target-setting; goals and expectations

These principles contribute to the positive development of the whole company by providing employees on all levels with opportunities, job satisfaction and a safe, healthy work environment.

SOCIAL IMPACT

TRAINING AND AWARENESS

Training and personal development must always be in focus to ensure the proper match of skills, personal talents and competences for the customers being served.

During 2021 the company went through some organizational changes as a result of the Covid-19 pandemic. As the world slowly reopened, and we could again grow our business, we welcomed back colleagues from leave and began recruitment of new staff to meet the renewed demand. The internal need for training resources is growing. The company in 2022 will invest in a new training platform to support onboarding and development of staff. We expect to integrate health and safety, as well as other topics within sustainability, as part of competence development.

COMMUNITY SUPPORT

Participating and giving back to the communities is a companywide ambition. For now, we recognize such efforts and achievements in some of our partners internationally, where economic opportunities are provided directly to local businesses and sub-suppliers with positive ripple effects to local communities. Independently, we will look at ways to organize and provide volunteer work by our staff, raise funds for social projects through internal events or activities, and actively join organizations working to improve the life and livelihoods of people and societies we connect with.

KILROY FOUNDATION

Set up in 2013, the KILROY Foundation is a non-profit organization which aims to improve education opportunities throughout the world.



The Foundation does this through aid projects related to education as well as award grants to citizens of either Belgium, Denmark, Finland, Iceland, The Netherlands, Norway, or Sweden.

The first project supported by the KILROY Foundation was the establishment and operation of Sunshine Educare – a pre-school initiative in a township outside Cape Town, South Africa. Additional aid projects will follow, as will the student grant part of the Foundation.

The KILROY Foundation is set up and solely funded by the owners of Kilroy International, a company focused on helping students and other young people to explore life through travel and education abroad.

KILROY Foundation Grants, promotion activities and administrative costs are fully financed by funds donated by Kilroy International.

As a consequence of the Covid-19 pandemic, financial constraints have put the activities of the foundation on hold in 2021 and will remain so also in 2022.

ENVIRONMENTAL IMPACT

GREEN OFFICE POLICY

Our internal operations evolve around office life across our locations or in combination with working from home. The environmental impact of our daily activities mainly concerns consumption and waste, as well as indoor climate and surroundings. Traditionally, the company has applied different procedures locally and independently.

In 2022 we will map all current local routines and potential via our internal baseline assessment. Once identified, we aim to establish a shared green office policy with supporting guidelines to enable a consistent approach and apply prioritized, improved standards wherever possible. These will address topics including energy and water saving, proper waste management, reduction in usage of disposable goods and sustainable sourcing. Moreover, they will ensure proper directions for hosting meetings and events, and sustainable staff travel.

STAFF TRAVEL

Staff travel was limited in 2021 due to the ongoing Covid-19 pandemic. Commuting to the office was reduced as staff worked from home, and air travel for business purposes was minimal. Though we expect staff travel will rise again in 2022, it is likely that a combination of working from home as well as digitalization of internal meetings will result in less emissions from our own travel activities, compared to before the pandemic.

The company offsets 100% of our staff air travel emissions and offers our staff on their private travels and customers the option to do the same, voluntarily. In 2022, we expect to report on internal as well as customers offsetting rates.

DIGITALIZATION

A natural, positive consequence of the change in the way we work has been the reduction of printed documents. The company has adopted to accept and distribute digital documentation as the new norm – this includes customer travel documents. The company has a very limited use of printed promotional material.

The Covid-19 virus limited our possibilities to gather customers for events or for physical meetings given the health restrictions. This fast-tracked our online activities and use of technology as we transitioned into video meetings, streaming, webinars and digital customer travel events.

GOVERNANCE

AUDIT AND REPORTING

The Kilroy Group is committed to being a good corporate citizen by working in a fair and lawful manner. The company is prepared for full transparency, accountability, stewardship and integrity towards the commitments in our policies as well as the attainment of objectives. Moving forward, we expect to make these measurable and will monitor and report on the progress via annual internal assessments and public reporting.

The company recognizes the importance and pursues the continued development of best practices within sustainability and compliance.

COMPLIANCE

To ensure compliance the Group has a Code of Conduct (CoC) that defines common principles and guidelines for daily business operations. The CoC describes some of the fundamental expectations towards all staff in order to maintain the good name and reputation of the Kilroy Group as a professional and trustworthy company. It serves to prevent corruption, bribery or other violations of accepted industry principles.

All managers in the Group are central in the continued adherence to the CoC. It is a collective duty among all employees and stakeholders to report any observed or suspected misconduct or breach of the CoC either through standard reporting lines or as whistleblowing.

WHISTLEBLOWER

In accordance with the new EU Directive requirements concerning whistleblowing, the Group will in 2022 establish a 24/7 accessible whistle blower portal. This will allow for reporting any information or activity that is deemed illegal, unethical or non-compliant within the organization, or in breach with the Code of Conduct. This portal shall serve as part of our protection and safety of our people, assets and goodwill, as well as internal compliance follow-up and management.

ASSETS AND DATA PROTECTION

We shall continue to use all company assets responsibly and legally, according to their intended purposes. The company maps and manages business-critical systems and processes systematically. Protecting company information and data, as well as the personal data of our employees and customers, is a priority. The Kilroy Group commits to safeguarding the confidentiality, integrity, and availability of all physical and electronic information assets of the company and ensure fulfilment of regulatory requirements. We collect, process, transfer and retain personal data only for the fulfilment of contracts and with legal purposes without compromise

RISK MANAGEMENT

The risks related to human and physical assets as well as the risk of data abuse, theft, breach, fraud or cyber-attacks are ever present. In 2022 the company will review and continue to identify areas of risk and elaborate on relevant emergency and contingency plans. This will include internal training and testing.

PARTNER AND SUPPLIER SOURCING

SUSTAINABLE SOURCING

To ensure a large and varied offering to our customers, The Kilroy Group sources products and services from hundreds of suppliers worldwide. We try to be selective in our choice of suppliers and only work with companies we deem hold a high standard when it comes to activities as well as social and environmental aspects of sustainability. However, having suppliers operating in destinations all over the world can lead to challenges. Due to differences in culture, history and economy, for example, suppliers may sometimes perceive values, rights and other conditions differently than we do. Moreover, very often, a supplier may be best-in-class in one territory but less progressive in others. It is seldom that the best of all choices comes in “one package.”

AIR TRAVEL

A key environmental issue in tourism is CO2 emissions from air transport, and the Kilroy Group's business involves air travel almost exclusively. The innovation required to reduce airplanes' emissions is obviously beyond our influence, yet there are several investments towards carbon neutrality in the industry, and the Kilroy Group will favour airlines that excel in such development (see Supplier Rating Scheme).

To actively mitigate emissions, we continue our partnership with myclimate – offering carbon offsetting of air travel and other activities. The company offsets 100% of our staff air travel and grants our customers the option to do the same, voluntarily. The company reports close to no business travel during 2021 due to the operational disruptions from the Covid-19 pandemic. In 2022, we expect to report on internal as well as customers' offsetting rates.

SUPPLIER RATING SCHEME

From 2022 onwards, we will take a more systematic approach to evaluating our existing and new suppliers, and their level of sustainability. We will build a rating scheme based on industry standards and best practice, which will consider factors such as labour conditions and human rights, risk management, environmental considerations, customer satisfaction and preservation of cultural heritage. This will give us as a company a good overview of how sustainable our diverse suppliers are, and a baseline to build upon, towards a shared understanding with our partners.

We will strive to avoid terminating a supplier that is not meeting the defined criteria, as this may potentially have other negative effects on the local community and dependencies. Instead, we aim to advise and support the supplier in the process of change.

We realise getting this supplier rating scheme up and running will be a comprehensive undertaking and that it is a process which will continue over the coming years.

CUSTOMER COMMUNICATION AND PROTECTION

ETHICAL CUSTOMER COMMUNICATION

The Kilroy Group strives to provide complete and up-to-date information to customers about types of travel, programs and activities. This may also include risks and precautions, the impacts on natural surroundings, local culture and cultural heritage, and sustainability claims. For this to succeed we rely greatly on our suppliers. In light of the Covid-19 pandemic, customers travel decisions are increasingly influenced by safety and health concerns, which makes communication essential to tackle travellers' fears or concerns.

We aspire to be transparent in our communication and never make promises we cannot keep towards our customer. Our marketing and promotional messaging will always comply with relevant legislations, standards and codes of conduct.

SUSTAINABLE TRAVEL ALTERNATIVES

Whenever possible, and to the appropriate extent, we aim to advise our customers about available sustainable travel alternatives as part of our customer communication. We will make every effort to recommend, highlight and encourage sustainable modes of transport, low-impact activities and comparable packaged solutions where this is viable and available, allowing customers choice. We aim to do so by being transparent and ultimately giving our customers enough information about their environmental footprint to make informed decisions.

CARBON OFFSETTING

In 2019, we partnered with the carbon-offsetting company myclimate. In addition to offsetting 100% of staff flights, our aim with this cooperation is to get more customers to offset their flights. Due to the Covid-19 pandemic, our partnership with myclimate has not been receiving the intended level of attention so far. However, in 2022, we will focus on raising awareness of this partnership among staff and customers. While actively encouraging customers to purchase carbon offsets for flights, we are following the development on best practices for calculating carbon offsetting on other means of transportation and travel activities.

CUSTOMER SATISFACTION

Gauging customer satisfaction is part of the Kilroy Group's accountability towards our customers and stakeholders, and a measure of performance and conduct. We measure customer satisfaction through various channels, and the results of these are monitored for service and product improvements. Equally so, cases of customer complaints are handled via clear procedures, fairly and objectively and providing rightful remedies. The company adheres to the local legislations deriving from the EU Package Travel Directive where- and whenever applicable.

RISKS AND EMERGENCIES

Given the number of travellers and activities throughout the year, the risk of incidents or accidents that can involve injury or harm to customers are a natural part our preparedness, contingency plan crisis management. The Covid-19 pandemic taught us about resilience and our ability to handle an all-encompassing, lasting disruption.

APPENDIX

POLICIES

All approved policies for the Kilroy Group are available on kilroygroup.net/CSR-1

SCOPE

The policies listed on the webpage above are applicable to companies that are fully controlled by Kilroy International A/S and shall be known by all staff. Compliance with the policies is the responsibility of all managers. We try to involve all relevant stakeholders when identifying and developing new policies via informal dialogue, surveys and strategic partnerships.

REPORTING AND MONITORING

In connection with the Group's annual reports, we report on progress in our selected focus areas and on any substantial changes to the policies. Monitoring and reporting are based on data available in the companies of the Kilroy Group. Data related to the Group policies and contained in the annual report is not subject to external audit.

ADOPTION

The Policies are adopted by the Board of Directors in Kilroy International A/S and are revised annually, as required. Feedback and other input should be conveyed to the Group's CFO. This document is prepared in accordance with the Danish Financial Statements Act §99a and §99b.