
Policy for transactions with related parties and directors having a conflict of interest of lastminute.com

CONTENT SUMMARY

1. INTRODUCTION	3
1.1 Purpose of the document	3
1.2 Scope	3
1.3 References	3
1.4 Approval and review	3
2. DEFINITIONS	3
3. TRANSACTIONS WITH RELATED PARTIES	5
3.1 Identification	5
3.2 Mitigation	6
3.3 External Reporting	6
3.4 Disclosure in the annual report	7
4. TRANSACTIONS FOR WHICH AN INDIVIDUAL DIRECTOR MAY HAVE A CONFLICT OF INTEREST	7
4.1 Identification	7
4.2 Mitigation	8
5. REGISTRATION	8
 ANNEX 1: DEFINITION OF CLOSE FAMILY MEMBER	 9
IAS 24 – Related Party Disclosure	9
ANNEX 2: NATURAL PERSON	10
ANNEX 3: LEGAL PERSON	11

1. INTRODUCTION

1.1 Purpose of the Document

This procedure (the "**Procedure**") sets out the principles and rules which lastminute.com NV (hereinafter the "**Company**") and all the companies belonging to lastminute.com group of companies ("**lastminute.com**") must follow in order to ensure transparency and procedural fairness of transactions with related parties of lastminute.com, taking into account the purpose, inter alia, of avoiding the risk of losses of lastminute.com's assets.

1.2 Scope

This Procedure is to be applied to all lastminute.com companies, controlled by the Company, as well as to all directors, officers and employees of these companies.

The Procedure in paragraph 3, for transactions with related parties, does not apply to:

- A. transactions entered into between the Company and lastminute.com companies;
- B. transactions regarding the remuneration of directors, or certain elements of remuneration of directors, awarded or due in accordance with relevant parts of the Dutch Civil Code;
- C. transactions offered to all shareholders on the same terms where equal treatment of all shareholders and protection of the interests of the Company is ensured; or
- D. reimbursement of ordinary course business expenses in accordance with the Company's standard expense reimbursement policies as approved by the Board of Directors.

1.3 References

This Procedure complies with lastminute.com Code of Conduct, adopted by the Board of Directors of the Company on March 18, 2020, and is in line with best practices stated by the Dutch Corporate Governance Code (revised 2016 version) and the Dutch Civil Code (Book 2 art. 129 and 167-170).

1.4 Approval and Review

This Procedure is approved by the Board of Directors and will be subject to an annual review of the Board of Directors.

2. DEFINITIONS

For the purposes of this Procedure, the following definitions apply:

lastminute.com's Related Parties

A Related Party is a person or entity that is related to the entity that is preparing its financial statements (in IAS 24 referred to as the 'reporting entity').

- A. A person or a close member (see annex 1) of that person's family is related to a reporting entity if that person:
 - a. has control or joint control of the reporting entity;
 - b. has significant influence over the reporting entity; or
 - c. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- B. An entity is related to a reporting entity if any of the following conditions apply:
 - a. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - b. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - c. both entities are joint ventures of the same third party;
 - d. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - e. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
 - f. the entity is controlled or jointly controlled by a person identified in (a);
 - g. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
 - h. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
- C. One or more shareholders who alone or jointly represent at least one-tenth of the issued capital.

Directors having a conflict of interest

Directors of the Company that are in a situation where their own self-interest and the interests of lastminute.com might be in conflict.

Transactions

Means a transaction involving the transfer of resources, services or obligations between a company and a counterparty, regardless of whether a price is charged.

Related Party Transactions

Means a Transaction involving the transfer of resources, services or obligations between a company and a Related Party, regardless of whether a price is charged. A Transaction with a Related Party shall be construed to include a single transaction or a group of transactions in a contract.

lastminute.com Legal Department

Means lastminute.com Legal in-house team whose responsibility is to grant approval on the legal aspects of a contract including Related Parties issues.

Department of Internal Audit

Means the Internal Audit team whose responsibility is to provide independent assurance that the organisation's risk management, governance and internal control processes are operating effectively.

Board of Directors

Means the collective body of the directors (individually a "**Director**") including both executive directors (the "**Executive Directors**") and non-executive directors (the "**Non-Executive Directors**") of the Company.

3. TRANSACTIONS WITH RELATED PARTIES

At the beginning of any Transaction, or any modification in the terms of a Transaction already approved, lastminute.com Legal Department, within the scope of application of the [Contract Management Process Policy](#), is responsible for determining whether the Transaction falls within the scope of this Procedure.

3.1 Identification

In order to determine whether extra measures are required to ensure transparency and procedural fairness of Transactions, lastminute.com Legal Department must, prior to entering into the Transaction, determine whether the counterparty to the Transaction can be considered a Related Party of lastminute.com. If so, the Transaction shall be deemed as a Related Party Transaction.

If lastminute.com Legal Department makes such a determination, a further assessment of the Transaction is mandatory. Further assessment consists of two questions:

Identification of material Transactions

Does the Transaction have material significance? The Transaction has material significance if information about the Transaction qualifies as inside information within the scope of the MAR. In that case, the mitigation measures described in step 3.2 will be applied, unless the Transaction is agreed upon under terms that are customary to the market and falls under the ordinary course of business as set out below. If the Transaction is not material, no special measures need to be taken.

Identification of ordinary course of business and customary terms of Transactions

Is the Transaction agreed upon under terms that are customary to the market and falls under the ordinary course of business of lastminute.com? Relevant to the question whether the Transaction is agreed upon under terms that are customary to the market, among other relevant factors, if the Related Party Transaction is being entered into upon conditions equivalent to those that would prevail in a similar Transaction with a third party on arm's length market terms. It is advisable to consult an expert regarding the question of whether the Transaction is agreed on terms that are customary to the market. The Transaction also has to fall under the ordinary course of business of lastminute.com.

If lastminute.com Legal Department considers that a Transaction is agreed upon under terms that are customary to the market and falls under the ordinary course of business of lastminute.com, it will include a description of this Transaction to a list that will be provided to the Board of Directors of the Company. If the Board of Directors conclude that a Transaction is not part of the ordinary course of business and/or is not agreed upon under terms that are customary to the market, they will follow step 2 below. Otherwise, no special measures need to be taken.

3.2 Mitigation

The Related Party Transaction must be disclosed to the Board of Directors. The entering into the Related Party Transaction will be subject to a binding authorization by the Board of Directors, to be issued in written form.

If the Board of Directors does not approve a Related Party Transaction, it must indicate in its response to be addressed to lastminute.com Legal Department the reasons why the Related Party Transaction should not be approved and finalised and specifically what are the critical issues to be solved.

lastminute.com Legal Department will make all the necessary changes (whether possible and if agreed with the counterparty) and a new proposal will be sent to the Board of Directors for approval.

3.3 External Reporting

The Company discloses Related Party Transactions with material significance that were not agreed upon under terms that are customary to the market and that fall under the ordinary course of business at the time the Transaction was entered into.

The announcement contains at least information about:

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- A. the nature of the Related Party relationship;
 - B. the name of the Related Party;
 - C. the date of the Transaction;
 - D. the value of the Transaction; and
 - E. other information is necessary to assess whether or not the Transaction is fair and reasonable from the perspective of the company and of the shareholders who are not a Related Party, including minority shareholders.

3.4 Disclosure in the annual report

The Company will disclose Transactions with material significance with Related Parties that have not been entered into in accordance with terms that are customary to the market in the annual report.

4. TRANSACTIONS FOR WHICH AN INDIVIDUAL DIRECTOR MAY HAVE A CONFLICT OF INTEREST

For all Transactions with Directors having a conflict of interest, the same rules are applicable as for Related Parties, as stated in paragraph 3.

Below you will find the procedure for Directors of the Company or lastminute.com companies that may have a conflict of interest.

4.1 Identification

Directors must identify situations in which they have a conflict of interest. Before any item on the agenda of the Board meeting is considered, each Director is obliged to report any interest, directly or on behalf of third parties, which he or she may have in relation to the matters or issues under discussion, specifying the nature, terms, origin and significance of the conflict of interest.

An example of conflicts of interest could be:

the Company or a lastminute.com company intends to enter into a Transaction with a legal entity in which a member of the Board of Directors personally has a material financial interest or which has a member of the Board of Directors who is related under family law to a member of the management board or the supervisory board of the company.

4.2 Mitigation

If a Transaction is subject to a conflict of interest and is within the responsibility of a Director, the conflicted Director(s) shall leave the discussion and all deliberations on the relevant matters shall be taken without his/their participation/involvement.

If that many Directors have a conflict of interest that no decision can be taken, the decision must be escalated to the general meeting of shareholders.

5. REGISTRATION

lastminute.com Legal Department will provide Directors and disclosed shareholders (both legal persons and natural persons) with a form (see Annex 2 and 3) to be duly completed, signed and then updated when changes occur and at least once per year. lastminute.com Legal Department will keep track of the Related Parties through a register.

The Board of Directors will be informed with regards to the list of Related Parties annually.

[Annex 1: DEFINITION OF CLOSE FAMILY MEMBER](#)

[Annex 2: NATURAL PERSON](#)

[Annex 3: LEGAL PERSON](#)

ANNEX 1: DEFINITION OF CLOSE FAMILY MEMBER

IAS 24 – Related Party Disclosure

“Close members of the family of an individual are those family members who may be expected to influence or be influenced by that individual in their dealings with the entity. They may include:

- A. the individual’s domestic partner and children;
- B. children of the individual’s domestic partner; and
- C. dependants of the individual or the individual’s domestic partner.”

PARENTS (FIRST DEGREE)

CHILDREN (FIRST DEGREE)

GRANDCHILDREN (CHILDREN OF THE CHILDREN) (SECOND DEGREE) BROTHERS/SISTERS (SECOND DEGREE)

GRANDPARENTS (SECOND DEGREE)

NON-LEGALLY SEPARATED SPOUSE OR COMMON-LAW SPOUSE PARENTS (FIRST DEGREE)

CHILDREN (FIRST DEGREE)

GRANDCHILDREN (CHILDREN OF THE CHILDREN) (SECOND DEGREE) BROTHERS/SISTERS (SECOND DEGREE)

GRANDPARENTS (SECOND DEGREE)

ANNEX 2: NATURAL PERSON

Declarant

VAT/TAX Code

COMPANIES wholly owned or where the Declarant holds a position of Shareholder, director or key manager

Company	VAT Code	Registered Office	Position Held

CLOSE FAMILY MEMBERS of the Declarant who hold positions of Shareholder, Director or key Manager or that carry out business activities with a VAT number (professional activities, freelance work, etc.).

Name	Degree of kinship	Wholly owned companies, control and exercise significant influence	Position Held	Company/Person VAT Code

Date

Signature

ANNEX 3: LEGAL PERSON

Declarant

VAT/TAX Code

Registered Office

COMPANIES wholly owned or where the Declarant holds a position of Shareholder, director or key manager

Company	VAT Code	Registered Office	% of Ownership

List of Shareholders and Directors of the Declarant

Name	Position	VAT Code

Date

Signature