
Consumer Duty Report 2025 of lastminute.com

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1. Introduction

In the context of growing consumer protection focus, particularly in the financial services and travel sectors, lastminute.com N.V. and any subsidiary belonging to the relevant lastminute.com corporate group (hereafter referred to as “**lastminute.com**” or the “**Group**”) are committed to integrating the principles of Consumer Duty across its operations. This approach ensures fair treatment for all consumers, clear information on offered products and services, and easy access to adequate protection, fostering trust and transparency. The adoption of Financial Conduct Authority (FCA) regulations, especially about the distribution of insurance policies and commercial products, is central to ensuring transparent, ethical, and customer-focused practices.

To achieve these objectives, the Group has implemented specific roles and responsibilities:

- **Approved Person:** oversees regulated activities and ensures the Group operates in compliance with FCA requirements, particularly regarding the distribution of insurance products in the UK market.
- **Consumer Duty Champion:** focuses on ensuring the organization prioritizes good outcomes for consumers, embedding the principles of the FCA's Consumer Duty across the business, and promoting a culture centered on customer needs.

This report illustrates how lastminute.com implements these principles through specific policies and practices that impact:

- The sale and management of insurance policies.
- The protection of vulnerable consumers.
- The transparency of Terms and Conditions.
- Remuneration policies and sales incentives.
- Corporate ethics and regulatory compliance.

The aim is to illustrate how our adopted policies and dedicated roles enhance the customer experience by ensuring fairness, awareness, and protection.

2. Scope of report

This report aims to examine and evaluate how lastminute.com adopts and implements the principles of Consumer Duty through various operational areas. In particular, the following aspects will be explored:

- **Insurance policy transparency management:** analysis of the sales, promotion, and communication policy of insurance policies, with particular attention to the clarity of information on risks, costs, and coverage.
- **Management of pre-existing medical conditions:** description of processes and policies for managing insurance policies related to customers with pre-existing medical conditions, in line with FCA regulations.
- **Personnel remuneration and sales incentives:** examination of practices related to personnel remuneration and the influence they can have on the promotion of insurance products, focusing on the integrity of operations.

- **Compliance with FCA regulations:** review of internal policies concerning advertising and marketing of products, specifically related to insurance and approval methods of promotional material.
- **Claims management and protection of vulnerable consumers:** analysis of complaint handling processes and measures taken to ensure the protection of vulnerable consumers.
- **Corporate ethical policies:** evaluation of policies against conflicts of interest, gifts, and hospitality, the Group's commitment to the most ethical conduct possible.

3. Accessibility and clarity of Terms and Conditions

The Group ensures a clear exposition of Terms & Conditions; lastminute.com has adopted a transparent approach in presenting Terms & Conditions on its websites and sales platforms. These are easily accessible to all customers at the point of booking products or services through lastminute.com. The clear presentation of Terms and Conditions is crucial to ensure customers fully understand the rights and responsibilities they assume using our services.

Access to Terms and Conditions is designed to be intuitive and obstacle-free. Direct links are strategically placed on digital platforms, enabling quick and easy consultation. This ease of access aims to ensure a transparent and immediate understanding of contractual information for all consumers, regardless of their familiarity with digital channels. The Terms and Conditions fully comply with the principles set forth by the Financial Conduct Authority (FCA), with particular attention to transparency, clarity, and fairness. Complete details are provided on risks, costs, and coverages, allowing consumers to make informed and conscious decisions. Moreover, a regular review is scheduled to ensure that the content is updated and in line with any regulatory changes.

4. Management of insurance products

4.1 Travel insurance: transparency and Risk Management

lastminute.com, as a distributor of travel packages, includes a variety of insurance policies that cover a range of risks. Transparency is a core value for the Group, committed to providing customers with all necessary information to make informed decisions.

A tangible example of this commitment is the continuous monitoring of insurance policy prices to ensure they are competitive and aligned with market expectations. The Ancillary team regularly evaluates price positioning, as evidenced by the live test launched in the UK. This test introduced a reduction in insurance prices to align with industry standards and applicable regulations, thereby improving accessibility and perceived value for consumers.

4.2 Management of pre-existing medical conditions

The Group adopts a clear and rigorous approach towards customers with pre-existing medical conditions, which is in line with the guidelines of the Financial Conduct Authority (FCA). When a customer books an insurance policy, they are informed that pre-existing

medical conditions are excluded from coverage, as clearly indicated in the documents available before purchase.

If a customer purchases a policy despite having pre-existing medical conditions, those conditions will not be covered, but all other events specified in the policy will be guaranteed. This process has been designed to ensure clarity and transparency, preventing misunderstandings and providing a clear basis for handling claims.

The Group also ensures compliance with FCA guidelines, specifically concerning the management and indication of travel for customers with pre-existing medical conditions, to offer adequate protection and regulatory compliance.

4.3 Renewal of policies and customer awareness

Another key aspect in the management of insurance products is the renewal policy. lastminute.com does not adopt automatic renewal of insurance policies, preventing situations where consumers may be bound to products they no longer need.

4.4 Communication and transparency in insurance refunds to customers

The information about insurance policies is presented clearly and understandably, eliminating any ambiguity that could negatively influence consumer decisions. All details, including exclusions and available coverage, are communicated transparently, contributing to informed and conscious decision-making. Additionally, there is a specific procedure for agents regarding the refund of insurance policies to our customers.

This procedure **applies in the following cases:** i) a refund can be requested at any time before departure (even though the Terms and Conditions specify that the cancellation request must be made within 20 days of receiving the confirmation email); ii) there are no costs for cancellation; iii) the cancellation applies to all passengers in the booking.

The withdrawal procedure **is not applicable when:** i) the customer has used the assistance package; ii) the customer has benefited from any contract benefits (e.g., "no post-sale fee applied" for void, cancellation, change); iii) after departure.

Essentially, the Group always offers customers the opportunity to withdraw before departure, even though the Terms and Conditions indicate that the request must be made within 20 days of receiving the confirmation email, reflecting lastminute.com's commitment to its customers.

4.5 Staff remuneration and sales incentives

lastminute.com maintains a clear separation between corporate commercial agreements and the remuneration of staff involved in the distribution of insurance products.

Staff Impartiality: at an individual level, staff members do not receive any specific incentives, commissions, or bonuses related to the distribution of travel insurance. Their remuneration is independent of insurance sales, ensuring that sales practices remain

impartial and focused solely on meeting customer needs without any pressure to reach volume-based targets.

Corporate-Level Incentives: at a corporate level, lastminute.com may receive performance-linked remuneration from insurance providers. These incentives are based on the overall quality and sustainability of the insurance portfolio, specifically tied to:

- **Portfolio Volume:** Achieving overall Gross Written Premium (GWP) targets.
- **Portfolio Quality (Loss Ratio):** Maintaining a balanced ratio between claims paid and premiums received, which reflects the appropriateness and value of the insurance products offered to our customers.

Market-Specific Compliance

We strictly differentiate our approach based on local regulatory standards:

- **UK Market:** In line with UK regulatory expectations, no volume-linked bonuses or variable incentives are applied to the distribution of insurance.
- **EU Markets:** Performance-based incentives are managed at a central corporate level and are structured to ensure they do not influence individual sales behavior or create conflicts of interest at the point of sale.

5. Governance

5.1 Code of conduct and training for employees

The [Code of Conduct](#) is a fundamental element of the Consumer Duty Report, serving as the ethical and behavioral foundation upon which the Group's operations are based. This tool is designed to ensure that every employee acts in accordance with the Group's values, promoting transparency, integrity, and accountability in all activities performed.

To ensure a deep understanding and consistent application of the principles of the Code of Conduct, the Group provides an annual, mandatory training program. Each employee is required to successfully complete the training, achieving the minimum score required to validate their completion. This educational process is essential for maintaining high standards of behavior and minimizing the risks of non-compliance.

Reflecting this commitment, in 2025, more than 80% of the Group's total workforce successfully completed the mandatory Code of Conduct training course.

If the Code of Conduct is violated, lastminute.com adopts a rigorous but flexible approach, with actions proportionate to the severity of the violation. Corrective measures may range from verbal warnings to the dismissal of the responsible employee. Each procedure is managed locally, in compliance with the relevant regulations and legal practices in the country of reference. Depending on the nature of the violation, different corporate departments may be involved, including Human Resources and Internal Audit.

Furthermore, the Group provides dedicated channels for reporting unethical behavior or Code violations, such as whistleblowing and the Integrity Helpline. These tools, which are

potentially accessible to all, ensure that reports can be made anonymously and securely, promoting a corporate culture based on responsibility.

5.2 Management of “vulnerable customers”: strategies and best practices

lastminute.com deeply cares about all its customers, and is therefore committed to ensuring fair and respectful treatment of all its clients, with particular attention to those who are vulnerable. The Group recognizes that these individuals may face specific barriers that make them more susceptible to potential harm, especially in the complex context of travel decisions and related services.

For this reason, lastminute.com has implemented a comprehensive and detailed Vulnerable Customers Policy aimed at identifying, understanding, and supporting vulnerable consumers. This commitment reflects not only a moral responsibility, but also a concrete effort to align with international regulations and standards for fair customer treatment.

The Group has also invested in specialized training programs for its employees so that they can manage situations involving customer vulnerability with empathy, professionalism, and competence.

Identification of Vulnerable Customers: a vulnerable customer, according to the definition provided by the Financial Conduct Authority (FCA), is an individual who, due to their personal circumstances, may be particularly exposed to risks and/or difficulties. lastminute.com has identified several key criteria for recognizing such customers, which include:

- **Cognitive or linguistic difficulties:** limitations in understanding information, including language barriers or cognitive issues.
- **Personal circumstances:** chronic illnesses, disabilities, bereavement, or financial difficulties that may affect decision-making.
- **Behavioral indicators:** signs of confusion, hesitation in responding, or difficulty maintaining focus in decision-making.

Thanks to dedicated tools and continuous monitoring, staff can promptly identify customers who need support.

Actions Implemented by the Group for Vulnerable Customers: lastminute.com has implemented a series of concrete actions to ensure that vulnerable customers receive fair and adequate treatment:

Personalized communication:

- Use simple and clear language.
- Slowing down the pace of conversations to aid understanding.
- Active checking of customer understanding, with repetitions or clarifications as needed.

Alternative support options:

- Availability of a dedicated phone channel as an alternative to digital services for customers who have difficulty using online platforms.
- Pause or resume functionality in live chat services to ensure maximum comfort in interaction.

Documentation of specific needs:

- Every significant interaction with a vulnerable customer is documented with sensitivity and respect to ensure continuity in support from all employees.

5.3 Gifts and Hospitality and management of Conflicts of Interest

The Group adopts a strict approach to ensure transparency and integrity in its relationships with customers by implementing an anti-corruption policy that prevents any form of unethical behavior. This policy establishes clear rules for managing gifts and hospitality, ensuring that every interaction adheres to the highest standards of ethics and corruption prevention.

Gifts and hospitality can only be offered or accepted under precise conditions:

- They must not unduly influence decisions or business relationships.
- They must be transparent, justifiable, and in compliance with local regulations.
- They cannot include cash or equivalents and must be appropriate for the context.
- Only low-value promotional gifts, such as customized stationery items, are allowed.
- Reimbursements for hospitality must only cover actual and reasonable expenses, without exceeding necessary commercial limits.
- It is not allowed to offer or accept gifts during commercial negotiations to avoid any perception of undue influence.
- Luxurious or inappropriate forms of hospitality are excluded.

These principles reflect lastminute.com's commitment to ensuring transparent and respectful interactions, reinforcing customer and partner trust, and promoting a corporate ethic consistent with the values of integrity and fairness.

In relation to conflict of interest management, the same policy establishes that any situation potentially leading to a conflict of interest must be promptly communicated to the immediate managerial superior. The person involved must also refrain from participating in operational or decision-making processes until the issue is resolved. It is the responsibility of the managerial superior to address such situations promptly, employing operational strategies that ensure transparency and correctness in the conduct of activities. In this way, the integrity of the Group is protected and its ethical standards are reinforced.

5.4 Diversity & Inclusion

Inclusivity within the Group: Inclusivity is a cornerstone of our corporate culture. We promote a work environment where every individual is free to be themselves, regardless

of their cultural, ethnic, religious, sexual orientation, or gender background. The value "Be Yourself" perfectly reflects our commitment to celebrating diversity and ensuring that all team members feel respected and included.

To monitor the actual impact of our inclusivity policies, we conduct an annual employee engagement survey, specifically focused on how we perceive and live diversity and inclusion within the Group. These feedbacks help us identify areas for improvement and ensure that our personnel management practices respond to the diverse needs of our employees.

In our Code of Conduct, we reaffirm our commitment to diversity and inclusion in Chapter 3 - Employees, section 3.4 Diversity & Inclusion. This chapter provides clear guidelines on how to value differences among our team members, promoting equity and treating everyone with the utmost respect.

External inclusivity: In our commitment to diversity and inclusion, we also focus on external outreach, responding to the diversity of customers with varied needs and backgrounds. Our social media campaigns are designed to be inclusive and open to everyone, regardless of their culture or language. This approach allows us to reach a wide range of potential customers, ensuring that everyone can understand and appreciate our offerings.

To guarantee that all our customers receive fair treatment, we have implemented specific policies for vulnerable customers, as described in section 5.2 of this document.

Furthermore, our commitment to diversity and inclusion is also visible in the design of our products, where we consider the specific needs of vulnerable customers. We collect data and metrics to monitor performance in this area, enabling us to continuously adapt and improve our services. This approach reflects our willingness to meet a wide variety of customers, respecting and valuing each individual's differences.

6. Our next steps

This chapter outlines lastminute.com's commitment to enhancing its implementation of the Consumer Duty principles. Our strategy for 2026 emphasizes continuity, fairness, transparency, and consumer protection to ensure that our customers receive the highest level of service and care.

6.1 Implementation of *Best Practices*

- **Continuous Monitoring and Updating:** lastminute.com is committed to continuously monitoring its policies to ensure they meet the evolving needs of consumers and regulatory changes. This will include periodic reviews of sales conditions, Terms and Conditions, and customer communications.
- **Simplification of Processes:** enhancing the accessibility and clarity of product and service information through improvements in user interfaces and digital platforms.

6.2 Focus on Protecting Vulnerable Consumers

- **Vulnerable client policy updates:** continue to strengthen policies and processes for identifying and supporting vulnerable clients, implementing new technologies to improve personalized assistance and facilitate communication.
- **Ongoing staff training:** maintain an annual mandatory training program for staff, focusing on empathy and sensitivity when interacting with vulnerable clients.

6.3 Transparency and Communication

- **Updates to Vulnerable Customer Policy:** continue to improve the visibility of our flexible refund procedures, ensuring customers are fully aware of their right to withdraw before departure, exceeding standard regulatory minimums.
- **Continuous Staff Training:** maintain an annual mandatory training program for staff, focusing on empathy and sensitivity in interactions with vulnerable customers.

6.4 Compliance with regulatory requirements

- **Conscious Policy Renewal:** continue to promote the non-automatic renewal policy, offering customers control over their choices and ensuring a transparent and informed renewal process.
- **Adapting Policies to Regulatory Guidelines:** maintain strict adherence to the Financial Conduct Authority (FCA) guidelines through regular reviews and staff training on these regulations.

6.5 Governance and Compliance

- **Updated Code of Conduct:** ensure that the Code of Conduct is continually updated to reflect best practices and new regulations, with an annual mandatory training session for employees.
- **Diversity & Inclusion Policy:** develop a Group-wide D&I policy aimed at further strengthening the Group's values and ethical direction, currently emphasized only within the Code of Conduct.