

RESPONSIBILITY AND SOLIDARITY AT CLUB MED - 2021



CLUB MED PRESENTATION.....	p 3
1 - INTRODUCTION, MAIN STAKES AND GOVERNANCE CSR.....	p 5
1.1. CSR Governance	
1.2. Listening to stakeholders and defining key CSR issues	
1.3. Happy to Care strategy	
1.4. Compliance : Anticorruption program and vigilance plan	
1.5. Commitments and external recognition	
2 – SOCIAL REPORT.....	p 14
2.1. Employment	
2.2. Organization of working time	
2.3. Social dialogue	
2.4. Health and safety and well-being at work	
2.5. Training and talent development	
2.6. Equal treatment	
3 – SOCIETAL REPORT.....	p 27
3.1. Communities: respect and contribution	
3.2. Responsible purchasing and reasonable vigilance in the supply chain	
3.3. Customers: Quality and safety, the foundations of lasting trust	
3.4. Human Rights	
4 –ENVIRONMENTAL REPORT.....	p 40
4.1. General elements of the environment policy	
4.2. Pollution and waste management	
4.3. Sustainable use of resources	
4.4. Climate change	
4.5. Protecting biodiversity	
4.6. GM® awareness and GO®-GE training	
5 - ADDITIONAL INFORMATION.....	p 65
5.1. Additional information: CSR social indicators	
5.2. Additional information: CSR societal indicators	
5.3. Additional environmental information	
5.4. Cross- reference tables with GRI	
5.5. Glossary	

About this reporting document

As an unlisted joint-stock company (SAS), the company Club Med Holding is currently not subject to Decree 2017-1265 regarding the declaration of non-financial performance. However, the Hong Kong listing of Club Med's holding company, the Chinese company Fosun Tourism Group, is set to give greater visibility to Club Med's environmental results.

The method of drafting this global CSR report has not been modified since the independent third-party audit carried out for the 2014 and 2015 attestations of attendance and reasoned opinions on the sincerity of CSR information.

This reporting document refers to the 2021 financial year ended 31 December 2021.

Correspondence tables with the SDG (UN Sustainable Development Goals) and the GRI (Global Reporting Initiative standard) are presented in parts 1.3 and 5.5

For topics followed with the symbol “ ? ”, focus sheets are available upon request from the Sustainable Development Department.

Contact : developpement-durable@clubmed.com

2021 KEY FIGURES

795,000 customers, including **783,000** in 4&5 Tridents (including Villas & Chalets)

Steady rise in customer satisfaction

783 million in Resorts revenue

64 exploited resorts around the world

93.7% of capacity and **93.8%** of customers in 4&5 Tridents

A presence in over **thirty** countries

24,000 GO®-GE from **137** different nationalities



Founded in 1950 by Gérard Blitz and Gilbert Trigano, Club Med pioneered the all-inclusive vacation club with childcare concept with its Mini Club in 1967. Still guided by the same pioneering spirit, Club Med remains committed to exploring and discovering exceptional destinations.

Club Med is now the world leader in experiential and all-inclusive premium vacations with French flair for families and active couples.

Sales and marketing of holidays Resorts

As of December 31, 2021, **Club Med operates 64 resorts**. These break down into three operating structures: ownership, lease and management contract. Club Med is pursuing its Asset Right strategy which aims to establish a balanced portfolio of resorts:

- 22% of resorts are owned: Club Med both owns and manages the resort
- 59% of resorts are leased: the village is operated by Club Med, which pays rent to the owner of the premises
- 19% of resorts are managed: Club Med has been entrusted with the management of a resort by its owner, who pays it a management commission. Capital expenditure as well as operating and maintenance costs for the resort are incurred by the owner

Club Med mainly markets all-inclusive vacations in upscale holiday resorts based worldwide. Club Med also offers its customers the opportunity to go on Tours & Discovery by Club Med programmes and cruises aboard the Club Med 2 sailboat. All of these services can be individually packaged for corporate seminars with our “Meeting & Events by Club Med” offer.

Within the framework of its all-inclusive offer, Club Med provided transport for 20% of customers in 2021 (vs 34% in 2019).

Club Med Property offers its customers the opportunity to acquire freehold Villas, Apartments-Chalets or Suite-Apartments in the vicinity of its resorts of Plantation d'Albion (Mauritius), Valmorel, Grand Massif Samoëns Morillon and La Rosière (France).

The Group is present in about forty countries spread over four continents and **employs 24,398 GO® (Gentils Organisateurs) and GE (Gentils Employés) of about 137 different nationalities**. Embodying the Club Med spirit, a combination of professionalism and friendliness, GO®-GE teams are at the heart of the Club Med's HR policy.

A strategic vision focused on upscale and international business

With the support of its shareholder Fosun, Club Med maintains its ambition to be the world leader in all-inclusive premium vacations for families and active couples. This ambition is interpreted into four priority goals:

- being Glocal in a logic of more eco-responsible development, to open new resorts internationally, particularly in China, and to renovate existing resorts, while relying on local customers;
- being Premium with the Club Med spirit and an even stronger customer promise;
- being Happy Digital: continuing the digital transformation to improve the customer and employee experience in its resorts and offices;
- being Happy to Care: 100% eco-certification of new resorts under construction and day-to-day operations in all resorts. Also, accelerating local procurement, the Green Farmers programme, and the entire Happy to Care programme roll-out.



2021, a difficult and highly contrasted year

2021 remains marked by this unprecedented global crisis. Its impact, amplified in the tourism sector, has not spared Club Med.

Throughout 2021, due to the containment measures taken by the various countries in which Club Med operates, remote work and partial activity measures have been maintained in most offices to increase activity rates as soon as possible, to prepare for the coming rebound.

The first half of 2021 was heavily impacted. Due to the health context in the main markets and destinations, travel abroad was largely suspended and none of the Club Med Mountain Resorts in the Alps (apart from Saint Moritz in Switzerland) were able to open during the winter season. This resulted in a loss of €260m in revenue.

The second half of the year saw a strong recovery. Countries began to lift travel restrictions and Club Med was able to gradually reopen most of its resorts (except for those in Southeast Asia) and accelerate its "glocal" strategy by taking advantage of the rebound in tourism in America and then in Europe last summer.

Thanks to the significant measures implemented to save on fixed costs and the teams' commitment, Club Med is close to pre-pandemic profitability levels in the second half of 2021 (compared to the second half of 2019).

2020 and 2021 combined represent one year of lost revenue in 18 months (or €2.0 billion of BV Villages).

During the Winter 2020-21 season, only 23 Club Med resorts were open, and all the resorts in the French Alps had to remain closed for the entire season. In the Summer 2021 season, only 40 resorts could operate worldwide.

All support teams were impacted and had to manage in particular:

- the implementation of multiple scenarios for the resumption of activity at the sites, and the recruitment of teams without a definite date for reopening;
- managing customer relations with the rescheduling of new holidays in a context of uncertain visibility on possible future holidays, crediting of holidays or reimbursing;
- the updating throughout the year of the Health and Safety procedures required to operate the sites in a way that respects the health of all, in accordance with the
- updating throughout the year of the Health and Safety procedures that are imperative to operate the sites in a way that respects the health of all, in accordance with the directives issued by the WHO and the local authorities in each country where the resorts are located. All of the procedures and measures put in place since 2020 have been defined by the "Safe Together" health protocol (recognised by Cristal International Standards), audited and certified by POSICheck prior to each opening and then regularly during the season;
- team training regarding new procedures

An ambitious development plan

In view of the post-Covid rebound, Club Med is continuing to implement its ambitious development plan with the opening this year of four new Club Med:

- Club Med La Rosière (finalised in December 2020 and operating in summer 2021 due to the pandemic) in the Alps
- Club Med Seychelles (Exclusive Collection);
- Club Med Lijiang in China, first FOLIDAY resort
- Club Med Quebec Charlevoix, first resort in Canada.

and four renovations:

- Club Med Peisey Vallandry and Prigelato Vialattea in the Alps
- Club Med La Plantation d'Albion in Mauritius
- Club Med Marrakech Le Riad in Morocco

In 2022, seven new resorts are planned in China, Spain and France.

In total, for the period 2022-2024, the following are planned:

- 17 new Resorts, including seven in China, three of which are Mountain Resorts, to strengthen Club Med's local leadership in the mountains and meet the growing demand in the Chinese winter sports market following the Beijing Winter Olympics;
- 13 extensions/renovations of existing resorts around the world;
- other opportunities to open are under consideration.

By 2024, thanks to the new openings & renovations planned and partially offset by the closure of Resorts that no longer meet the expectations of the high-end international clientele, Club Med expects to increase capacity by approximately 20% compared to 2019.

1 • INTRODUCTION, MAIN STAKES AND CSR GOVERNANCE

1.1. CSR¹ Governance

The tourism industry has multiple environmental, social and societal impacts, both positive and negative, which give rise to considerable debate. As a historic and iconic actor in the sector, Club Med is exposed to ever higher demands for responsibility. Its upscale strategy, its presence in exceptional sites, its brand positioning associated with happiness, and its "Asset Right" policy all increase this exposure.

Nonetheless, Club Med does not view social and environmental responsibility exclusively in terms of constraints to be managed or risks to be prevented, but as principles that are intrinsically linked to its very purpose and founding values. Addressing these issues permeates every level of the Group's business: our brand, products, employer branding, and developer branding ("license to operate").

Sustainable Development and Philanthropy Department

Club Med's Sustainable Development Department was created in 2005 to liaise with the Management Committee in defining the Group's corporate social responsibility (CSR) priorities and to guide its various entities and departments in an improvement process to better grasp the impacts of their activities on the environment and society and to manage them in the best way possible.

The **Sustainable Development** and **Club Med Foundation** teams merged in 2014 to form the Sustainable Development and Philanthropy Department², reflecting the similarity of their values and their shared vision and making it possible to optimize synergies between them, whilst still retaining their individuality.

Mission Handicap also reports to this department.

The Sustainable Development and Philanthropy Department currently has five people (4.5 FTE³) located either at the Paris headquarters or at the Lyon office.

Due to the Covid crisis, the number of staff and working hours of the SD department and CSR coordinators were adjusted in line with reduced activity.

Local intermediaries and in operational business units

The SDDM teams also rely on a network of business and/or geographic correspondents, as well as on "Sustainable Development and Foundation Coordinators" within the Business Units (see § 4.1.4), who support the deployment of the "Happy to Care" roadmap, and in particular the Green Globe certification process, as well as the Club Med Corporate Foundation's programmes within resorts.

In 2021, the continuation and expansion of the "Safe Together Manager" position will support the CSR approach, since its missions include a CSR component with the monitoring of the resort's compliance with the Happy to Care and Green Globe programmes and the coordination of solidarity actions. (See chapter 3.3: Customer - quality and safety).

1.2 Listening to stakeholders and defining key CSR issues

1.2.1. Listening to stakeholders

Ever since it was created, the Sustainable Development Department (SDD) has listened carefully to stakeholders in order to identify major challenges and develop its own policy: document analysis, consultation with experts, scientists and NGOs, non-financial ratings, existing and prospective customer surveys, holiday village Life Cycle Assessment (LCAs), internal status reviews, discussions with Business Units (BUs), studying customer reviews, etc. Feedback from customers and local stakeholders is currently gathered via the on-site CSR contact form. The forms are then processed by the Sustainable Development Department in conjunction with other relevant departments and give rise to internal monitoring of the main issues addressed. These various internal and external sources are analysed and summarised (see diagram on the main methods of listening and the various stakeholder groups).

Risks are assessed via several additional maps:

- The Group risk management policy is designed to effectively protect the interests of its customers, environment and shareholders. Since 2012, the **key operational risks map** has been updated every year, with risks ranked on the basis

¹ CRS: Corporate Social Responsibility

² Sustainable Development and Philanthropy Department (SDPD)

³ FTP : Full-time equivalent - given at 31 March 2021

of their likelihood and their economic, human and image impact for the Group.

- Priority issues were formalised in 2014 and updated in 2019 as a result of in-depth analysis of the relevance of various stakeholder expectation issues.
- In 2016, **CSR risks in purchases** were mapped with the Buy Your Way organisation in order to better hierarchise the priorities in **reasonable vigilance approaches** including audits.
- In 2017, the Group drew up a corruption risk map in accordance with Law No. 2016-1691 of 9 December 2016, known as the Sapin 2 Law.
- In 2021, the Group began updating its risk management policy related to duty of care with the help of the law firm Vigo (see chapter 1.4 on compliance).

1.2.2. Key issues and materiality matrix

The formalisation of priority issues was initiated in 2014 and updated in 2018.

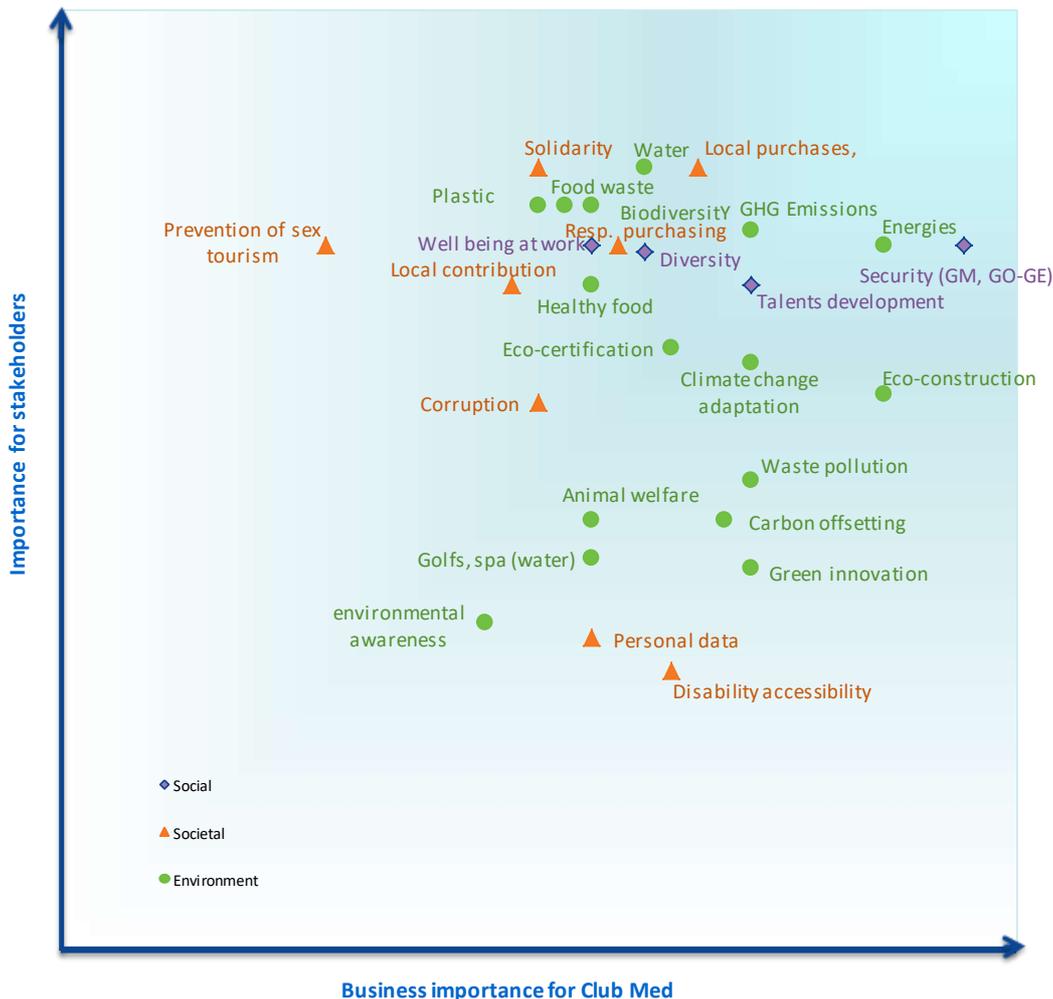
Over 200 topics broken down into fifty or so issues were identified from surveys conducted by the SDPD and from sectoral benchmarks.

These issues were "filtered" by the four key questions of the AA1000 standard (existence of an internal policy on the subject, potential financial impact, social interest of the issue, formal expression of interest by Group stakeholders in the issue). 27 priority issues were selected.

Each of the 28 issues selected was rated according to the expectations of each stakeholder (employees, communities, civil societies, customers, investors, suppliers, and sectoral benchmarks). This rating was awarded professional know-how acquired as a result of feedback from stakeholders (see below, table on ways of listening).

The 28 issues were then rated according to their impact on business (financial, image, commercial, regulatory, and operational) and according to their importance within the Group (Group's control, geographical coverage, level of internal investment in the issue).

The materiality test methodology used in 2018 is identical to that used in the 2014 independent third-party body review.



Main modes and listening channels of the different groups of stakeholders

Stakeholders	Listening methods	Sector benchmarks expressing expectations across all stakeholders
Customers	<p>Reports from operational and sales teams</p> <p>"GM Feedback", customer letters, contact forms for CSR, Foundation, Club Makers sites, Review Pro to follow comments on websites (e.g. TripAdvisor) and social networks,</p> <p>Feedback from « Sustainable Development and Foundation Coordinators » (formalized direct discussions with clients in the Village about sustainable development)</p> <p>Consumer trends survey Ad Hoc marketing studies</p>	<div style="text-align: center; font-size: 48px; color: white; margin-bottom: 20px;">↑</div> <p>Sector analyses of priority issued lead by various entities based on consultation with stakeholder groups:</p> <ul style="list-style-type: none"> - GRI Sustainability Topics for Sectors, - Global Sustainable Tourism Criteria, - BREEAM repository, - Green Globe repository, - Expert consultations on carbon strategy, - Expert consultations on biodiversity strategy, ... <p>Results and benchmarks of non-financial rating and analyses:</p> <ul style="list-style-type: none"> - Ecovadis, ... <p>Sustainable tourism intelligence:</p> <ul style="list-style-type: none"> - Monitoring of literature and media on sustainable tourism, - Ongoing relationships with CSR, Tourism, and Sustainable Tourism experts, - Information sharing with industry companies, - Involvement in industry initiatives <div style="text-align: center; font-size: 48px; color: white; margin-top: 20px;">↓</div>
Employees	<p>Team ownership of sustainability initiatives and proposals from them</p> <p>Social dialogue</p> <p>Report from HR and operational teams</p> <p>Internal employees surveys including the internal barometer GO-GE Voice</p> <p>Workplace: Facebook collaborative working tool</p> <p>Professional alert system</p>	
Communities	<p>Feedback from local operational department, the Development and Construction departments, and the offices of the chairman and the Corporate Secretary</p> <p>Local supplier relationships</p> <p>Local relations with local staff representatives</p> <p>Feedback from partner associations and NGOs of Club Med Foundation</p>	
Civil society	<p>Dialogue with scientists, academics and associations</p> <p>Environmental challenges: sector standards GRI, CDP, Water DP, WWTC Net Zero</p> <p>Consultation with local stakeholders for the establishment of new sites</p> <p>Exchanges with peers and professional associations and networks (C3D, GREEN GLOBLE, ATR, ATD, SETO, ABTA, WWTC ...)</p> <p>Contact forms on https://www.clubmedjobs.com and http://sustainability.clubmed</p>	
Investors	<p>Requests and feedback from investors and funders</p> <p>Feedback from Development and Construction teams</p>	
Suppliers	<p>Feedback from buyers and suppliers</p> <p>Suppliers agreements</p> <p>Exchanges with peers within ICS (Social Clause Initiative)</p> <p>Contact form on the website https://www.suppliers.clubmed.com</p>	



1.3 Happy to Care strategy

CSR programme "Happy to care"

Where sustainability
is part of the journey



In 2019, the CSR ambition redefined from 2017 onwards was named "Happy to Care". This name reflects the Club Med's desire to draw on its capacity to reach out to GM®, GO® and GEs, and, more broadly, to its entire sphere of influence. It is the programme of a pioneering company with a responsible vision, which seeks to combine continued development with paving the way for a more sustainable, and therefore more desirable, form of tourism. Club Med is convinced that, to be viable in the future, tourism must be more resource-efficient and low-carbon, respectful of countries and people, and should resolutely contribute to host communities and to promoting understanding and peace.

This ambition has been applied to all lines of work and aspects of the product. It is now included in BUs' strategic plans and forms the basis of an action plan ensuring that "at Club Med,

responsibility is also part of the all-inclusive vacation". It is based on the following pillars:

❖ Ensuring solid bases through certifications

- Certifying 100% of new resorts in terms of construction (BREEAM or equivalent) and ensuring that they comply with Club Med construction eco-standards
- Certifying Green Globe 100% of the operations of eligible resorts by the end of 2021 (almost reached: 94% at the end of 2021)
- Maintaining the ATR label (Acting for Responsible Tourism) for Discovery Tours (1st label obtained in 2017)

❖ Responding to changes in expectations

- Eliminating or reducing even more single-use plastic products in bars, restaurants and rooms with the "Bye-bye plastic" programme;
- deploying the "Healthy food" offer in all resorts and gradually reducing the supply of meat;
- pursuing the fight against food waste policy (by monitoring food waste production and providing support for teams);
- improving animal welfare standards in Club Med activities.

❖ Nature and solidarity are core to the offer

- Accelerating local sourcing and the Green Farmers programme to further contribute to the local economy and develop small-scale farming around Club Med resorts;
- developing activities to discover the local natural and cultural heritage;
- developing the Club Med Corporate Foundation "Friends around the world" programme.



Driving progress

Twelve KPIs relating to these commitments are monitored by the Executive Committee.

In 2019, as part of debt refinancing, four of Club Med's sustainable development performance indicators have now become credit cost adjustment variables:

- certification of the eco-construction of new Resorts,
- Green Globe sustainable tourism certification for the Resorts' operation,
- phasing out single-use plastic,
- support for local agro ecology.

Club Med CSR and UNDP Sustainable development Goals

The Sustainable Development Goals (SDG) of the United Nations Development Programme (UNDP) were signed in September 2015 by the UN. Club Med considers that these form the basis for a relevant analysis and worldwide reporting framework.

Club Med's CSR policy contributes to several Sustainable Development Goals, and more specifically to objectives 8, 12 and 14 targeted by the UNWTO.



CROSS-REFERENCE TABLE WITH SOME NOTABLE ACTIONS OF CLUBMED CSR POLICY

	Support to local producers (§ 3.2.3) Foundation Education programs (§ 3.1.3)
	Health and safety at work (§ 2.4) Support to agro-ecology (§ 3.2.3) Foundation Sports Schools (§ 3.1.3)
	Foundation Education programs, Foundation Job Links (§ 3.1.3)
	Control consumption: Water consumption, wastewater treatment (§ 4.1 & 4.3) Phytoremediation (§ 4.1.3)
	Construction eco-standards (§ 4.1.3)
	Contributing actively to local development (§ 3.1.2) Employment (§ 2.1) / Well-being at work (§ 2.4) Responsible purchasing (§ 3.2) Agrisud partnership (§ 3.2.3)
	Contributing to local development (§ 3.1.2) Foundation and Solidarity (§ 3.1.3)
	Development of the Breeam standards for resorts (§ 4.1.3)
	Food waste prevention (§ 4.2.2) "Bye bye plastic" program (§ 4.2.2) Green Globe, Breeam (§ 4.1.4) and ATR (§ 1.5) certifications
	Sciences Based Target study on scope 1 + 2 (§ 4.4)
	Responsible purchasing: Seafood charter (§ 3.2) Water: wastewater treatment and management (§ 4.3.1) "Bye bye plastic" program (§ 4.2.2) Preservation: sea turtles, coral reefs (§ 4.5.2) Awareness / Support Expedition MED (§ 4.6.2) Focus SDG 14 (§ 4.5.3)
	Protecting biodiversity with local protection associations (§ 4.5) Responsible purchasing: wood charter, Agrisud partnership (§ 3.2)
	Partnership with Agrisud (§ 3.2.3) Foundation (skill-based sponsorship) and Friends of the Foundation (fundraising) (§ 3.1.3) Local partnerships (§ 3.1.3)



1.4 Compliance: Anticorruption Programme and reasonable vigilance plan

1.4.1. Anti-corruption programme

Preventing corruption is a priority for Club Med and all of its employees. Due to the Group's internationalisation, part of the workforce are based in countries where the Transparency International corruption perception index is rated as high.

Over and above the existing internal procedures that are regularly updated within Club Med, particularly in the area of purchasing and development/construction, the anti-corruption programme effectively reasserts the commitment of the management body and implements procedures, provides more detailed information on training about high-risk situations, and provides greater support for the job functions most exposed to these risks.

In accordance with the provisions of Law n°2016-1691 relating to transparency, the fight against corruption and the modernisation of economic life, known as the "Sapin 2 Law", in 2017 the Group undertook the development of its anti-corruption programme, which was accompanied by the appointment of a Compliance Director in charge of coordinating the implementation of the measures to detect and prevent acts of corruption as set out in the Sapin 2 Law.

Corruption risk map

The mapping of corruption risks was initiated in 2017 and will be updated periodically every year from 2021, following the recommendations in force of the French Anti-Corruption Agency ("AFA"). It is developed on the basis of interviews with the various Business Units and functions concerned, such as development/construction, purchasing, HR, operations, sales, marketing and communication, and finance, on multiple issues that have been identified as potentially giving rise to acts of corruption and influence peddling.

As risk mapping is designed to identify, analyse and prioritise the Group's exposure to external corruption-related risks, risk prioritisation was based in particular on risk factors, measures in place to reduce these risks, the Transparency International Corruption Perception Index, the number of resorts in the country in question and the function's exposure to corruption.

Assessment and ranking of corruption risks

The assessment of corruption risks has made it possible to confirm, clarify and rank the risks previously identified in relation to:

- establishing a presence via partners in countries where the corruption perception index is high, and via direct operations in specific geographic regions (official permit applications and supply chain);
- construction subcontracting;
- the management of gifts, invitations and freebies.

Anti-corruption measures

❖ **Codes of conduct to prevent and fight against corruption and influence peddling ("Anti-Corruption Code")**

As part of its anti-corruption compliance programme, Club Med developed its **Anti-corruption Code** in 2018, based on the findings of the corruption risk mapping. This code was distributed in April 2019 and is regularly the subject of awareness raising for all employees as well as more specific training for those most exposed to the risk of corruption.

The Anti-Corruption Code constitutes an annex to the 2009 **Ethics Charter**. The planned overhaul of the Ethical Charter is set to widen its scope, to include a chapter on the Anti-Corruption Code and will refer to more specific internal procedures.

The **CSR clauses of standard contracts** rewritten in 2017 also explicitly include the prevention of corruption and aim to better share these expectations with suppliers.

❖ **Accounting controls procedure**

The financial and accounting information control procedures are based on:

- monthly financial controls applied to all accounting and financial information by the Business Units, at country level and at head office by all financial teams;
- legal obligations verified by the statutory auditors when reviewing the financial statements and information presented in the half-year and annual reports.

Controls have been implemented for each entity by the Finance Department in order to assess the principal risks inherent in the conduct of business that have the potential to affect the account preparation process and the financial effects of those accounts.

These controls are applied monthly by all Finance Department staff at Country, Business Unit and Group level with the aim of identifying any anomalies.

In accordance with the Sapin 2 law and the recommendations issued by the French Anti-Corruption Agency (AFA), Club Med ensures that the accounting controls applied by the Group adequately cover all the operations identified as 'at risk' by the corruption risk map. To this end, Club Med has chosen a solution called Supervisor to automate these controls and enable automatic and systematic detection of accounting anomalies and errors. This system, which has been under test since July 2021, will be deployed throughout the Group in 2022.

❖ Internal control and assessment process

In the context of the decentralization of functions and responsibilities, the Club Med internal control process is based on a set of organisational rules, policies, procedures and practices designed to ensure the implementation of the measures required to control all those risks with the potential to impose a significant negative impact on Group business activities.

To achieve these goals, the Group internal control process is applied in each Business Unit and is the responsibility of the operational and functional departments at all levels of the organizational structure.

The Club Med anti-corruption action plan sets out to:

- integrate key level-one corruption prevention and detection controls into the existing internal control process self-evaluation system (the self-checking matrix issued periodically to all villages and country offices);
- define level-two controls in accordance with a plan prepared by the Compliance Director to ensure correct implementation of level-one controls covering all parts of the corruption prevention and detection process;
- integrate an anticorruption measure implementation assessment mechanism into the Club Med internal audit plan.

❖ Training and awareness program

In terms of the action plan for the prevention and fight against corruption, Club Med implemented a training and awareness programme. This programme includes both on-site training for the positions most exposed to risk and the dissemination of awareness modules.

Prior to the preparation of the training programme itself, the corruption risk mapping interview phase provides the opportunity to raise the awareness of all BUs to those functions most exposed to corruption risks, and to designate the Compliance Director as the point of reference on such issues for these functions.

The Group has decided to train managers, executives and employees exposed to risk first. This plan has been deployed since May 2019 and has enabled a significant number of employees to be trained and made aware of the risks. This plan was slowed down in 2020 due to the Covid-19 health crisis, which had a considerable impact on the tourism industry and therefore on Club Med's business, which was forced to reduce the activity of teams due to the closure of its resorts for most of the year. The training plan continued in 2021 with the resumption of activity. It will be intensified from 2022 onwards, through the introduction of training - in the form of e-learning - with a view to global deployment.

❖ Specific disciplinary regime

In terms of the anti-corruption action plan, all sanctions and procedures existing in the various companies within the group around the world will continue to apply.

❖ Internal whistleblowing procedure

In early 2019, as part of the action plan to prevent and combat corruption, Club Med set up a system for reporting and handling alerts.

This system will allow any employee of the group (whether internal or occasionally external) to report situations in breach of the Anti-Corruption Code as well as sexual harassment to a company representative.

In 2021, 4 alerts were raised, all of which were declared admissible and justified. They have all been processed and closed.

❖ Anti-corruption measure monitoring process

In terms of the action plan for the prevention and fight against corruption, Club Med provided for the implementation of a programme to monitor measures developed together with the Internal Audit Department. This work should be concluded in 2022.

1.4.2. Reasonable vigilance plan

As a major force in the tourism industry, Club Med operates at the intersection of the expectations of national governments, local communities and a vigilant customer base. Club Med must therefore comply with standards-based requirements and increasingly high expectations in terms of environmental protection and fundamental human rights.

In addition to the internal procedures that already exist and are regularly updated within Club Med, particularly in the areas of purchasing and development/construction, the reasonable vigilance implies a process of reaffirmation of the management body's commitment, the implementation of consistent and reinforced procedures, and more detailed education on risk situations.

CSR Risk map

In 2021, as part of a continuous improvement process, Club Med has initiated the updating of the mapping of risks covered by the duty of vigilance to better understand and target the additional measures and tools needed to improve risk management and existing procedures.

This new mapping was based on interviews with the Development/Construction, Purchasing, Risk Management, Internal Audit, Risk and Insurance, Sustainable Development and Human Resources departments.

It resulted in the drafting of risk sheets that make it possible to:

- provide a detailed and individual analysis of each risk, according to several dimensions, based on internal Club Med documentation, interviews with stakeholders and public documentation
- and to draw up an action plan based on the identification of areas for improvement in risk management.

See chapter 1.2 Extra-financial risk analysis

Subcontractor and supplier assessment procedures

See chapter 3.2 Responsible purchasing and reasonable vigilance in the supply chain

Mitigation, prevention and monitoring actions

The results delivered by the policies and actions implemented in response to the above are explained in each of the sections or sub-sections concerned.

❖ **Supply-chain**

See chapter 3.2 Responsible purchasing and reasonable vigilance in the supply chain

❖ **Human rights and fundamental freedoms**

See chapter 3.4 Human Rights

❖ **Health & Safety**

Health and safety measures applying to employees are described in chapter 2.4 Health & Safety and well-being at Work.

Health and safety measures applying to customers are described in chapter 3.3 Customers: Quality and Safety, the foundations of lasting trust.

❖ **Environment**

Environmental policy is described in chapter 4 - Environmental Report.

❖ **Whistleblowing procedure**

Feedback from clients and local stakeholders can be expressed via the [CSR website contact form](#). It is processed by the Sustainable Development Department and gives rise to an internal audit of the issues raised.

1.5. External commitments and recognition

External commitments



Club Med signed:

- the Global Code of Ethics for Tourism in November 2015, becoming the first French tourism operator to do so
- the National Ethics for Tourism Charter in 2000 (the French Charter applying the principles of the Global Code of Ethics for Tourism)
- the International Tourism Plastic Pledge (2019)
- the GTPI (Global Tourism Plastic Initiative) led by UNEP and UNWTO in partnership with the Ellen McArthur Foundation, as part of the "One Planet Sustainable Tourism" programme (2020)
- the Diversity Charter: a commitment to a proactive approach to diversity beyond the legal framework of the fight against discrimination (2004)

To view the Code, go to: <http://ethics.unwto.org/en/content/global-code-ethics-tourism>

To contribute to the collective effort to promote more sustainable tourism by sharing good practices between industry stakeholders and working jointly on practical initiatives, Club Med is a member of:

- ATR (Agir pour un Tourisme Responsable), which it joined in 2017 (Discovery Tours by Club Med have been labelled ATR since November 2017) with renewals in 2018 and in 2019
- ATD (Acteurs du Tourisme Durable), since 2016

External recognition

Club Med was rated by Ecovadis in 2022 on 2021 data (evaluation of suppliers to major clients) and obtained a score of 68/100, i.e. Gold level (vs 64/100 in 2020), which was equal to or higher than 94% of the companies evaluated by Ecovadis (vs 91% in 2020). This improvement was mainly since Environmental and Purchasing scores both increased by 10 points.



At the end of 2021, the Group included 47 Green Globe eco-certified and operated resorts (for more details, see subparagraph 4.1.4 on Green Globe certification leverage) or 100% of the eligible and operated resorts;



Agrisud partnership selected by UNWTO to illustrate good practices in sustainable development



ATR label awarded to Discovery Tours by Club Med since December 2017



The Digital HR Team Award for 2017



100% Green Globe eco-certified eligible Resorts (end of 2021)



Grade B in 2016 at the CDP Climate Change



2015, 2016 & 2017 Customer Relations prize for the tourism sector, awarded by BearingPoint and TNS Sofres



2015 Worldwide Hospitality Awards in the "Best initiative in sustainable development and social responsibility" category



2014 Moroccan Responsible Tourism Award in the international social and economic development category, awarded by the Moroccan Department of Tourism.



2 • SOCIAL REPORT

The Group uses the WORKDAY software application for human resources reporting and social indicator management. The data reporting process is managed at the corporate office with no intermediate levels of consolidation. The social reporting protocol thoroughly details the processes and definitions used for the Group, the data computing methods and key indicators. Whenever data are unavailable or unreliable, the reporting scope is limited and specific.

See the social indicators table and methodology note in section 5.1

Club Med's employment model is based on the proposition of a life experience for all employees and on geographical mobility and internal promotion for its rising leaders.

Teams are very diverse, with strong local representation (75% of employees are nationals) which contributes to the vitality of the labour market around the villages and gives local employees the opportunity for mobility. In the villages, the uniqueness and attractiveness of this model is nurtured by multiculturalism, the special relationship between GM® and GO® and the teams' highly visible presence. Team diversity and employee well-being are particularly crucial at Club Méditerranée because these issues directly impact service delivery, which plays a key role in the GM® experience.

In a world in which the geographical mobility of workers is increasingly impacted by changing regulations, and more recently by health constraints, and in which digitalisation is profoundly changing behaviour, where voluntary redundancies are on the rise and where recruitment in the hotel and restaurant sector is becoming more challenging, keeping this model alive, attracting and developing talent to accompany the post-Covid-19 recovery, pursuing its strategy and developing new villages are key challenges for the Group.

❖ Impact of Covid-19 on HR management

Since 2020, in the exceptional context of standby, closure or non-opening affecting a large part of the Group's resorts, the Operational Support teams and the various Human Resources Managers have enabled the recovery of activity as soon as the government directives allowed it. Club Med has implemented a proactive approach to cover all seasonal workers in the Winter 20-21 season in partial activity, thereby securing their jobs.

The measures taken during the year by various governments, including the French government, resulted in the closure of certain head offices, including those in La Villette and Lyon, as well as Club Med branches in France. Telecommuting and part-time work measures were put in place with the aim of voluntarily increasing activity rates even before a real recovery in business, to prepare for the future rebound.

More than ever, Club Med's priority has been and remains to ensure the health and safety of its GM®, GO® and GE and to

protect the company. To this end, the service was adapted, and the teams were trained in these adaptations as well as in updating the new Health, Safety and Security procedures throughout the year.

In this period of great uncertainty and difficulty, a major strength of the Club Med is the ability of its teams to work together, to rise to the challenge of the post-Covid rebound and to demonstrate their sense of responsibility.

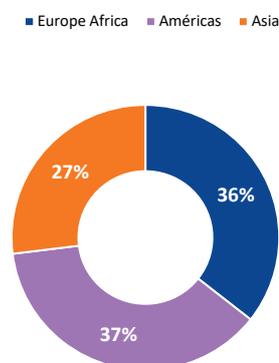
2.1 Employment

In 2021, Club Med totalled 24,398 employees corresponding to 17005 full-time equivalents (FTE) (including 86% for Resorts) and 37,260 assignments. The number of employees is 2.6% higher than in 2020 but still 14.89% lower than in 2019. This decrease is due to the health crisis which has had a strong impact on the tourism sector, and can be observed across all indicators, including the number of employees, assignments or FTEs.



In 2021, the weight of the Europe Africa and South America Business Units is down 9 points compared to 2020, to the benefit of the Asia Pacific Business Units.

Breakdown of GO®-GE staff by BU in 2021 - in FTE (Worldwide excl. Corporate)



Considering that recruits are often seeking to gain life experience, regardless of their nationality, employment in the villages is characterized by:

- a high percentage of seasonal contracts (63%), owing to the seasonality of the villages themselves;
- 28% of employees are under 25;
- 11.2% (HR, hiring rate) are "first⁴ season GO®".

Teams are generally larger at a Club Med village than at a traditional hotel (FTE per bed) owing to the wider range of amenities and activities offered. There are two categories:

⁴ The Hiring Rate (HR) is expressed as a percentage and is defined as the ratio of the number of recruitments reported to the number of positions in the period.

- GE positions, which are mainly traditional hotel and back office positions (accommodation, food & beverage, technical services). There is little movement in these positions, which represent 60,03% of FTEs;
- GO® positions, which focus on leading activities and direct customer contact. These positions have the most geographical mobility. The result is highly multicultural teams (8 nationalities or more in 90% of villages and, on average, six different languages).

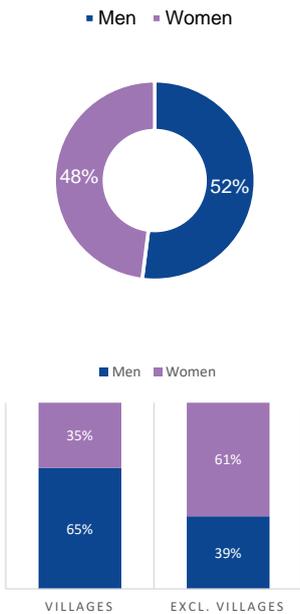
The wide range of amenities also entails very diverse job skills: a study identified some 200 trades and skill sets in 2018.

Average seniority within the Group is down to 4.69 years from 5.4 years in 2020. It is 4.87 years in villages (including seasonal workers).

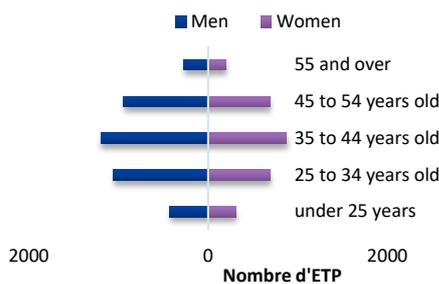
The average age is 31 in the Group, the same as in recent years.

See detailed information on headcount in appendix section 5.1

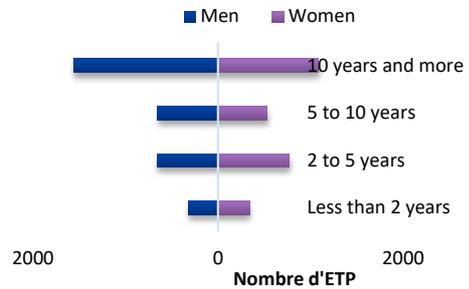
male / female split of GO®-GE in 2021 (worldwide)



GO®-GE ages pyramid (worldwide)



GO®-GE seniority pyramid (worldwide)



In 2020, Club Med was ranked second best employer in France in the Hotels, Tourism and Leisure category by Capital Magazine, which proves that despite such a difficult context, especially for tourism, Club Med has managed to preserve its image among its employees and those in its sector.

Outsourced activities

Club Med's main concern in outsourcing is to limit fixed costs while maintaining optimal service quality, whether it relates to GM® activities or the back office.

Some services are outsourced in all relevant villages (ski school, diving, horse riding, IT services), and others in some villages only, depending on the context and quality of local offerings.

In 2021, there was no major change at world level in sub-contracted activities (nearly 20% of the salary mass, which has been stable over the last 3 years).

See detailed information on outsourced activities in appendix section 5.1.

Hiring and departures

The Group wishes to position itself as an employer of reference and preference in all its countries of recruitment.

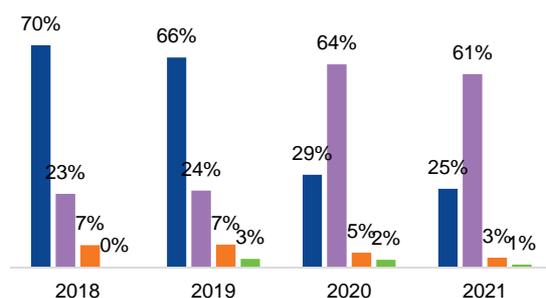
Although GO⁵ retention⁵ is satisfactory (half of first-time GO⁵ returned to Club Med in the following two years, and over 75% of these the following season), the structurally high proportion of seasonal employment requires continuous recruitment. In 2021, despite a difficult context, Club Med recruited 16,619 seasonal and 2,347 permanent workers with a hiring rate⁶ (HR) of 13% for seasonal and 15% for permanent workers respectively, making it a major player in the employment market.



Average turnover (TO)⁷ was 11% in 2017, stable since 2016. Two-thirds of departures were due to resignations.

breakdown of departure by reason (worldwide)

- Employee decision
- Employer decision
- By mutual agreement
- Others (death, retirement, illness)



The average turnover rate⁸ (TO) is 12% in 2021. While it had been declining since 2017, the turnover rate remained stable compared to 2020 and increased by 4.3 points compared to 2019. This increase is explained by all the contracts that Club Med had to suspend following the global COVID-19 pandemic (representing 42% of departures in 2020).

In the villages, hiring and departures are structurally very different between regions owing to differences in the types of contracts used (permanent/seasonal).

For permanent employees, there is a large disparity between 30% in the Americas, 9% in Asia and 2% in the Europe-Africa region. For seasonal workers, there is a great disparity this year from one BU to another, linked to health conditions. Turnover (TO) in the Americas is around 40%, in Asia 7% and in the EAF 3%.

Pressure on the employment market for certain skills and in some countries (e.g., food preparation in general; infant and childcare; sports trainers in France in particular) underlines the challenge of attracting talent.

The recruitment portal, Clubmedjobs.com, was completely redesigned in 2015 in order to adapt to evolutions in communication modes and is now available through 40 websites around the world.

Organisational changes and village closures:

Club Med is developing its village portfolio on the basis of geopolitical context; the need to adapt to an increasingly demanding customer base in the operational context and relations with investment partners. In 2021, four operating closures (Agadir in Morocco, Vittel le Parc and Tignes in France and Cervinia in Italy) have taken place and the Club Med Opio became a seasonal resort. Discontinuing village operations is subject to negotiations in compliance with local laws.

The impact of the health crisis on temporary village closures is presented in the introduction to this report "2021, a difficult and highly contrasted year". The management of staff during these periods is discussed below in the paragraph "Impact of the COVID crisis on work organisation"

See social indicators tables in section 5.1

Compensation and benefits

In 2021, Club Med has a payroll of €229.7 million, which represents 29% of the business volume. This rate is up sharply compared to 2019 due to the imbalance in activity caused by the health crisis.

	2017	2018	2019	2020	2021	Evol. Vs 2020
Worldwide payroll (in M€ and at constant rate)						
Excluding villages	(131,2)	(136,9)	(143,1)	(102,1)	(120,4)	18,0%
Villages	(197,9)	(208,9)	(215,6)	(127,3)	(109,2)	-14,2%
Global	(329,1)	(345,8)	(358,7)	(229,4)	(229,7)	0,1%
Payroll as a percentage of turnover	21,3%	21,0%	21,0%	34,5%	29%	-15,0%

Evolution of average gross monthly compensation in euros at constant exchange rates (calculated by relating the base salary to FTEs):

⁵ Retention is expressed as the percentage of employees who returned in a given period (the average over the last 3 years).

⁶ See the definition at the bottom of the previous page.

⁷ Turnover (TO) is expressed as a percentage and represents the number of employees who left Club Med before the end of their contract, over the period, relative to the number of positions during the period.

Average basic salary	2 016	2 017	2 018	18 vs 17
Excluding Villages				
Permanent GO®	(3 330)	(3 403)	(3 395)	-0,2%
Seasonal GO®	(2 157)	(2 151)	(2 064)	-4,0%
Villages				
Permanent GO®	(1 745)	(1 677)	(1 666)	-0,7%
Seasonal GO®	(1 236)	(1 256)	(1 273)	1,4%
Permanent GE	(580)	(606)	(586)	-3,2%
Seasonal E	(788)	(787)	(856)	8,7%

Note: A number of indicators for years since 2019 could not be calculated due to the impact of the Covid 19 crisis on the availability of HR teams.

See social indicators tables in section 5.1

The Group has a wide variety of employment contracts owing to the regional diversity of the villages, the many home countries of employees, their employment status (permanent or seasonal, GO® or GE, etc.) and the jobs they do. Salary levels depend on the position, the contract type and on the employment and recruitment market. The Group's compensation policy respects all local laws on minimum wages and is governed by principles of merit recognition and fairness. Compensation is based on performance, which is formally evaluated during an annual or bi-annual meeting between the GO® or GE and his or her manager.

Salaries are raised once a year: an overall budget for salary increases is set with social partners if provided for by law. During the salary review process, consolidations are made to ensure that raises are linked to performance evaluations and that no discrimination is practiced, particularly related to age or gender (CMSAS level).

Regarding social protection, Club Med enrolls its employees in basic plans and, depending on local conditions and requirements, establishes supplemental plans for important risks.

The wide variety of payroll systems, which differs from country to country, means that consolidation is not always reliable. The new Workday and Adaptive Insight tools now provide more reliable information on employee compensation.

2.2. Organisation of working time

Within the **Group's** different villages, working time is organized in line with applicable regulations and local legal working hours for both GO® and GE. The length of the work week varies between 35 and 48 hours. Working hours may be fixed or variable, depending on the period, to allow for adjustment to seasonal fluctuations in fill rates, including in the permanent French villages.

In the **French villages**, GO® working time is regulated by a CMSA collective agreement signed in 2000. GO® and GE are entitled to time off corresponding to overtime pay for time worked between 35 and 39 hours. The working time of GE personnel corresponds to the statutory working time, i.e. 35 hours, since the entry into force of an amendment to GE personnel working time signed on April 2, 2015.

The **Paris and Lyon head offices** and sales agencies have been covered by a working time agreement since 1999. These offices operate based on a work week of 37 hours and 30 minutes, supplemented by 12 days off in lieu as well as two extended weekends for public holidays per year. Very little overtime is recorded at these sites. Agencies operate based on annualized working time.

❖ Agreement on professional equality and quality of life at work (2020)

On February 6, 2020, a new agreement on professional equality and quality of life at work was signed with our social partners (CFDT, CFTC, UNSA). It concerns Club Med (offices, agencies and Villages) and is based on the five Club Med values.

This first agreement on quality of life at work is in addition to other more specific agreements, which also contribute to a better quality of life at work for GO®-GE, and which concern:

- provident fund and medical expense reimbursements for non-executives and executives signed in 2014 and amended in 2015,
- telework signed on 27 June 2016 and already renewed on 1 August 2018 for office GO®,
- the employment of disabled people was renewed in June 2019,

Through this agreement, Club Med SAS is committed to three areas

- strengthening prevention and protection measures in terms of **health, safety and working conditions** (see chapter 2.4. Health and safety at work)
- **diversity and professional equality** (see chapter 2.4. Health, safety and well-being at work)
- attention to the needs of GO®-GE on the content, **conditions and organisation of their work** with the social barometer, GO®-GE Voice with co-constructed action plans to increase sources of satisfaction and improve sources of dissatisfaction (see chapter 2.4. Health, safety and well-being at work)

❖ Telework Agreement (2021)

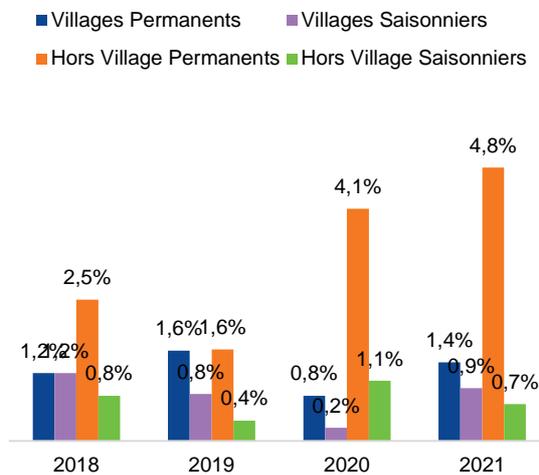
On 5 June 2021, Club Med signed a unanimous agreement with all social partners on teleworking, proposing a new work experience with the "SmartWorking@ClubMed" concept, contributing to their professional growth and development. This agreement defines the conditions and details governing employees' access to this form of work organization in a concerted way. It came into force on 1 September 2021 for one year, and must be renewed at the end of that period.

❖ Impact of the COVID crisis on work organisation

The COVID 19 health crisis continues to have a significant impact on business and team management. Club Med was once again forced to significantly reduce the operating time of its resorts during the year, with various consequences: continuation of partial activity measures in France until December 2021 for specific areas, setting up of teams in a very short timeframe, reduction in the duration of employment contracts for the company's employees.

Absenteeism

Change in absenteeism rate



The absenteeism rate for permanent non-village staff was higher than for permanent village staff. This is mainly due to a higher proportion of non-village female employees, which entails more absences related to parental leave (66% of non-village periods of absence).

2.3. Social dialogue

Club Med has continually focused on building and sustaining social dialogue at its various establishments around the world (villages and head offices). One manifestation of this is the presence of employee representatives at almost every village, including those that operate seasonally.

In Europe, the Group created a European Social Dialog Committee (ESDC) in 1996, before it was required by law. The committee brings together union representatives from the various European countries where it operates.

In 2004, the Group signed an agreement with international trade unions (EFFAT-IUF) on respect for fundamental rights at work. This agreement, which was expanded and renewed in 2009, reaffirms the trade union rights of all employees around the Group

See section below on the summary of current agreements.

Organization of social dialogue

For CMSA and French employees assigned to foreign posts, regular dialogue is established

Social and trade union dialogue was reorganised in 2018 on the occasion of the negotiation of an agreement that was signed with all representative trade union organisations on 22 May 2018. A new body was created (the Economic and Social Committee) combining the former specialised committees (Health, Safety, Working Conditions, Training, Affordable Accommodation, VSCA Commission), with which the company's economic situation, strategic orientations and any change that may impact the operation and organisation, are shared.

Staff representatives were elected in the winter of 2018. Four trade unions are represented at CMSAS level with whom the various company agreements are negotiated and signed.

At the European level, **the European Social Dialog Committee** (ESDC) has eight members: five French, one Italian, one Greek and one Portuguese member. It specifically addresses issues of employment, recruitment, development and CSR. In 2020, this body met twice.

Across the world, social dialogue is developed closest to the ground with elected employee representatives at almost all sites (villages and head offices). These teams meet regularly at each site, in facilities and with resources provided by Club Med. In most cases, the frequency of these meetings is higher than that stipulated by local law. Depending on the laws in force and the nature of the issue, agreements are negotiated at either the national level or at the establishment level with the country or regional HR managers.

Summary of collective agreements

More information about the agreements: ¶

MAJOR AGREEMENTS IN EFFECT IN CMSAS

Agreements	Date of signature
DISABILITY	
Agreement on the employment of people with disabilities	First signature : May 3, 2007 Renewed in 2010, 2013, 2016 3 years duration
PROFESSIONAL EQUITY	
Agreement on professional gender equity	June 7, 2012 3 years duration under negotiation
Agreement on Professional Equality and Quality of Life at Work	February 16, 2020 Undetermined duration
WORKING TIME	
Agreement on the reorganization and reduction of working time - Headquarters	May 19, 1999 Undetermined duration
Agreement on the reorganization and reduction of working time - Villages	November 17, 2000 Undetermined duration
An amendment to the duration of staff work GE Villages	April 2, 2015 Undetermined duration
Agreement on teleworking	June 5, 2021 1 year duration, renegotiable
Amendment to the telework agreement	August 1, 2018 28 months duration renegotiable
FORECASTING MANAGEMENT JOBS AND SKILLS	
Agreement on the conditions of implementation of the individual right to training and actions "related to changing jobs and job retention" and those for the "development skills" training plan	November 29, 2004 Undetermined duration
Collective agreement concerning the status "managers" and "supervisors"	August 4, 2006 Undetermined duration
Intergenerational agreement: Promoting the sustainable integration of young people, keeping senior employees in employment, Ensuring the transfer of knowledge and skills within the company	April 2, 2015 3 years duration
SOCIAL DIALOGUE	
Agreement on respect for fundamental rights at work and transnational mobility of GE employees in the Europe-Africa area	April 16, 2004 Renewed in 2009 Undetermined duration
Agreement revising the Agreement on the European Committee of Social Dialogue	August 1, 2018
Agreement on the establishment of a joint social dialogue body within the FBS BU (France-Belgium-Switzerland)	June 2, 2014 Undetermined duration
Agreement on accompanying measures for employees in the framework of the Redundancy Plan	July 24, 2015
Agreement on the Social and Economic Committee and the union rights within Club Med	May 22, 2018 Undetermined duration
MUTUAL HEALTH INSURANCE	
Agreements establishing a system of collective security "Death, Disability, Disability"- Managers / Non Managers	December 16, 2003 Undetermined duration
Agreements establishing a system of collective security "medical reimbursement"- Managers / Non Managers	Décember 16, 2003 Undetermined duration
Company collective agreement revising the agreements formalizing a "disability, invalidity, death" collective benefits scheme for non-managerial staff/non-managers	Novembre 07, 2014 Undetermined duration
Amendment No. 1 to the company collective agreement formalizing the "basic" system of collective "reimbursement of medical expenses" benefits for non-managerial staff/managers	Novembre 26, 2015 Undetermined duration

2.4. Health & safety and well-being at work

The year 2021 was marked by:

- a gradual resumption of activity accompanied by several measures, notably in favour of the quality of life of teams;
- the continuation of the Covid doctor position in the resorts in support of the Safe Together Manager in the management of covid cases, with Covid-19 testing of GO® -GEs and GMs according to local regulations and potential issues identified;
- the maintenance of mobility, promotions and development actions despite the crisis;
- actions in favour of the quality of life at work such as the SmartWorking agreement signed unanimously in the summer of 2021, the implementation of the "Bulles de partage" for employees, the reinforcement of the protocols "Safe together", the maintaining of the number of places in crèches, the maintaining of the full payment of the thirteenth month, and the maintaining of the proposals for GO holidays as soon as possible, with more than 3,000 people leaving in the summer of 2021.

The new agreement on professional equality and quality of life at work concluded on 6 February 2020 with the social partners (CFDT, CFTC, UNSA), concerning Club Med SAS. It includes a section on strengthening prevention and protection measures in terms of health, safety and working conditions, including:

- the policy to combat abusive behaviour and addictive behaviour, and the implementation of a warning system for abusive behaviour with a sexual connotation, whether experienced or observed
- development of occupational health policies with an assessment of psychosocial risks in order to define and implement the action plans needed to improve health, safety and working conditions
- new training for managers to help them detect and manage difficult situations (malaise, suffering, etc.)
- easier access to medicine thanks to the medical teleconsultation system.

Health and safety conditions at work

Club Med has developed a high degree of expertise in preventing risks related to the health and safety of its customers and employees.

All employee training stresses the safety of employees and customers as a top priority. Club Med also puts a special focus on prevention and on providing medical support and assistance to its teams whenever necessary. The Health Hygiene Safety (HHS) department and its networks of coordinators are vital to this effort.

This assistance is also provided more locally through a network of nurses in the Villages: all Villages (outside France and the US) have a permanent nurse on the team. Medical assistance is also based on a network of local doctors, identified and recommended by Europe-Assistance.

Based on lessons learned in the villages, the prevention policy is structured around **identifying the causes of accidents**. In France, occupational hardships were evaluated in the villages, and 28 sensitive positions were identified.

A GO®-GE awareness module covering **all priority themes** (health, lifestyle, alcohol, harassment, risk behaviour, addictions, drugs, alcohol, and impact on health and safety for oneself and others) developed in 2013 in conjunction with the UDT (Université des Talents) makes it possible to train and track trained people.

The KARE programme, which aims at **fighting abusive behaviours of a sexual nature and addictive conducts** linked to alcohol & drug consumption, has been officially launched across the Group in Arcs Panorama in December 2019. The programme is based on 3 main elements:

- KARE guidelines which specify which behaviours are tolerated and which are not, have been distributed worldwide;
- training that was provided through specific modules throughout 2020, in e-learning on the WORKDAY website for all staff in offices and villages worldwide, with a total of 34% of resort staff having received the training in 2020;
- and the central alert line (ethics.alert@clubmed.com) which allows all Group employees (whether internal or occasional external) to report situations contrary to the Anti-Bribery Code and also sexual harassment to a referent.

Covid-19 prevention for staff

Covid-19 prevention measures for staff

- Organisation of screening campaigns for all staff, on a voluntary basis: tests on arrival and then a campaign every three weeks, for staff and also for our external service providers
- Training on the risks of transmission, preventative measures and social distancing at the beginning of the season
- In France: access to vaccination offered through occupational medicine
- Partnership with local health authorities in several countries (Maldives, Seychelles, Dominican Republic, Turquoise, Mexico, US, Canada, Brazil, Senegal, Morocco ...) organisation of vaccination campaigns for all voluntary staff
- Vaccination of all Club Med 2 shipboard personnel (on a voluntary basis) at the Toulon Vaccine Centre, all nationalities included

To reduce the risk of transmission within the resorts

- Adaptation of staff accommodation, with individual or two-person maximum accommodation
- Provision of masks and disinfection kits for GO®-GE
- Possibility of being tested on request (presence of TROD tests in the resorts)
- Presence of a Covid medical officer and/or nurse in all resorts
- Isolation rooms provided in case of positive cases

In terms of **AIDS prevention**, Club Med was the first company to make condoms available free of charge to its employees (since 1985), and it naturally includes prevention rules in the training provided to all GO®-GE. If necessary, Village nurses or the HHS Direction can assist the GO® or GE to obtain a free screening. And since 2011, in the six villages of Savoie, a system of free HIV testing together with vaccine booster shots has been progressively rolled out to GO® - GE, in cooperation with the Chambéry Area Public Health authorities.

Since 2017, **a mechanism to track professional travel** of office GO® abroad using the SSF Locator tool, selected in 2015 by the Department of Human Resources, Safety-Hygiene and Health, has been deployed in all agencies that the Group calls on. This tool enables to better anticipate, react to and communicate with those travelling, if needed. It integrates reservations made by the various booking agencies and notifies travellers prior to departure about the security situation at their destination. It also enables travellers to be contacted during their trip if necessary. In 2019, this module was supplemented for Club Med Découverte with the SSF Global Solutions module, which tracks business travel and assists in crisis management during business trips.

The HHS Department implemented a module to raise awareness in Club Med Villages teams on the **risk of malevolent intrusion**. A specific version for Baby, Petit and Mini Clubs was created in the course of 2018, to meet the requirements of French Maternal and Child Welfare (Protection Maternelle et Infantile française).

For more information on the organization and HHS policy, see the factsheet 

Frequency and severity of work accidents and work-related illnesses

An accident occurring in the workplace resulting in an incapacity to work of at least one day in a given financial year is recorded as an accident at work

Accidents on the route usually taken by the employee between his or her home and place of work are recorded as travel accidents and classified as work accidents.

The unique features of village life and activities mean that some occupations have a higher risk of accidents - particularly food preparation and sports activities. Training sessions specific to each type of risk, together with ongoing accident investigation and analysis, are helping to reduce the number of accidents.

In France, the single-document occupational risk assessment (known by the acronym "DUERP") identifies problems by workplace and occupation in terms of working conditions and hardships. This assessment is used to develop corrective and/or preventive action plans. It also serves as a long-term management and tracking tool and allows for consolidation by scope (head office, agency, village, etc.).

It should be noted that the definition and recognition of work-related illnesses is dependent on country-specific regulations, making it hard to harmonise and consolidate data. The Group is currently working to standardise this information and increase

its reliability, ready for publication at an international level with increased coverage each year.

For years 2019, 2020 and 2021, the accidentology data (severity, frequency and absenteeism), although monitored locally, could not be made reliable in global consolidation given the change of HR system at the end of 2018 and the impact on HR of the health crisis. An action plan is underway to make them more reliable by 2022.

Well-being at work



With a long-standing conviction that “happy GO®-GE make happy GM®”, Club Med attaches great importance to the welfare and

fulfillment of its employees in offices, agencies and villages, where particular living and working conditions may need to be recognised and appropriate actions taken them. In 2018, Club Med launched its third “#RaiseYourVoice” internal listening campaign with Obea, an independent firm specialised in Human Resources and opinion surveys.

The purpose of “GO®-GE Voice” is to listen to the voice of all GO®-GEs around the world in order to improve their well-being at work. The study is based on an online questionnaire dealing with subjects such as pride, integration, sense of belong in, management, development and work environment. The questionnaire on PC and smartphone is personal and is accessible for everyone; it has been translated into 20 languages and has an audio version aimed at people with a lower level of literacy.

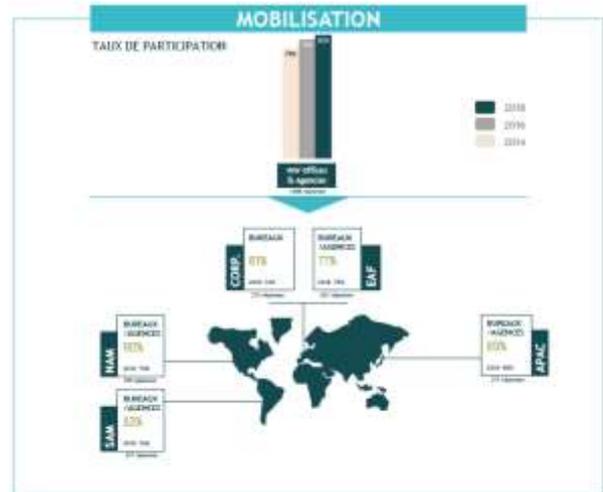
The survey has been repeated every two years since 2014; as 2020 was a particular year, it was only renewed in September 2021 in offices and agencies with a participation rate of 82% (almost 1,500 respondents) that is continually increasing; +3 points since 2018 and +9 points since 2016. Year after year, this growing participation testifies to the confidence of GO®-GE in this barometer in both offices and resorts.

One of the major findings that emerges from the study is that GO®-GE are genuine Club Med ambassadors, with a 93% level of satisfaction (+3 points vs. 2018). Deeply committed (97%) and proud to work for Club Med (97%, +3 points vs. 2018), GO®-GE appreciate the corporate values and culture, with a particular focus on CSR commitment, the multicultural dimension, autonomy, integration, and work enjoyment. Finally, the recommendation rate remains very high: 90% of GO®-GE would recommend working at Club Med and 95% are confident in the future of Club Med (+3 points vs. 2018, despite the impact of the health crisis).

Key indicators are far superior to standards observed by the Obea consultancy benchmark: *satisfaction (+10 points)*, *pride (+9 points)*, and *recommendation (+16 points)*.

Les indicateurs clés sont bien supérieurs aux standards observés par le benchmark du cabinet Obea ; *la satisfaction (+10 points)*,

la fierté (+9 points), and *confidence in the future of the company (+13 points)*.



Furthermore, responses to almost 20% of questions remained constant, while 80% showed a positive evolution in 2021 compared to 2018 and in particular the question "I manage to manage my workload satisfactorily", which had been identified as an area for improvement in the previous survey, rose by 15 points.

Finally, the survey also highlighted certain key areas for improvement in the Club Med working experience, such as information on career opportunities within Club Med, and overall remuneration.

Generally speaking, few subjects showed a significant drop, however all issues with a lower score than in 2016 will be closely examined (listening to professional problems, one-on-one interview, internal tools and procedures).

With new digital tools, new organisational structures, new practices and new generations, Club Med is committed to supporting its teams in their transformation:

- by expanding its training offer to enhance the personal and career development options of its employees;

- by redesigning the annual personal appraisal and the performance and development interview to create a more consistent and collaborative feedback culture;
- by hosting more strategy sharing events to give greater meaning to specific actions;
- by improving working conditions and resources (redesign of working and living areas, easier teleworking for GO® office staff, and increased access to company information via the in-house Club Med Workplace social media channel);
- by revising the management principles.

In 2021, a first agreement on Quality of Life at Work was signed.

See chapter 2.2. Organisation of working time

2.5. Training and talent development



Developing skill and employability is essential at Club Med because it is one of the key pillars of its attractiveness as an employer, especially when recruiting for seasonal positions and new resorts. This development takes place through professional enrichment and personal growth related to the life experience offered by Club Med. The main benefits the Group can offer are therefore training, a rich and varied career path, and professional and geographic mobility.

Skills development training with the Talent University

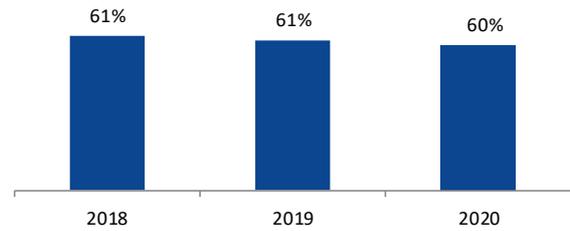
As skills development is a key lever for workplace development, professionalisation and strengthening employability, Club Med set up a Corporate University in 2006. The University of Talents by Club Med (UDT), is a vital element in the implementation of this strategy.

In 2021, 172,685 hours of training were delivered, benefiting 13,640 employees.

The impact of the health crisis remains significant. Compared to 2019, there was a 17.9% reduction in the number of GO®-GE trained and a 36.2% reduction in the number of sessions per employee.

For more details, see the tables in section 5.1

% of GO®- GE having received training (worldwide)



See subsection 3.1.2 on the contribution to local development made by the employment and training of local GO® and GE.

The University of Talents operates through a network. It is based in Paris and has relays in all Business Units: Lyon, Miami, Singapore, Shanghai, Rio. It is used to create a training structure connected to the reality of the company and carries out actions to integrate and develop employees in all types of skills.

It relies on a team of 40 permanent trainers, 30 Training Managers based in the resorts closest to the GO® and GE, and on a network of nearly 100 occasional trainers, experts in their field. The University also regularly calls on renowned external service providers to add to its training offer.

Annual events: Academy Weeks

“Academy Weeks” are major annual training meetings that bring together between 300 and 1,600 employees over a period of several weeks, depending on the size of the organising Business Unit. The themes of the training courses covered aim to strengthen the knowledge, know-how and interpersonal skills as well as the managerial and leadership skills of trainees from all sectors and contribute to reinforcing the feeling of belonging, motivation and development of employees. Thanks to the increased skills of the Talent University teams, the training provided for the 2021 editions has taken the form of “blended”, an alternation of synchronous (face-to-face or remote) and asynchronous training with numerous benefits for learners: flexibility, optimised learning pace, etc.

Major development goals and achievements in 2021

- ❖ **Club Med continues its learning transformation to improve efficiency and impact**

The Workday learning platform is reaching its full potential and, combined with the internal Workplace network, offers a learner experience unmatched by Club Med.

“A life changing experience”... This is Club Med’s employer promise. It commits us as a Talent University to offer innovative, flexible training experiences that empower employees and, above all, make them active participants. The role of our Corporate University goes far beyond training. It is also about helping each GE and GO® to develop their curiosity and learning skills.

❖ **The Talent University is constantly enriching and expanding its training offer**

For example, the 2021 skills development plan has been enriched with training to strengthen cooperation, emotional intelligence and hybrid management.

The Talent University also supports the deployment of new jobs in resorts such as "Safe Together Manager" or "Leisure Experience Managers" thanks to tailor-made skills development plans.

Developing management talent consistent with the strategy and originality of the Club Med Spirit

Launched in 2011, "Manager@Club Med" is a training program for managers in resorts and offices or agencies that aims to align and standardise management practices. This 3-level managerial path aims to support the development of the managerial culture of Club Med, to put people first when considering business performance, and to define and strengthen the differentiating aspects of a "Club Med" manager.

Talent development through career and geographical mobility

Club Med enables many GO® and GE to grow within the company, and consequently to achieve a higher level of responsibility. Prior to the health crisis, 33% of GOs® and 5% of GEs changed positions from one year to the next (on average during winter/summer seasons 2019).

This year's health crisis led to the closure of villages and borders, which had a strong impact on this rate. In 2021, only 5% of GO® and 7% of GE changed function from one year to the next.

The Group offers career development pathways that give GO® and GE the opportunity to rise to managerial responsibilities: 100% of village managers and about 80% of village service managers are the product of internal promotions (2017 data).

See figures on job mobility in the appendix to section 5.1.

Several mechanisms are in place to manage these movements:

- The Village talent committee, which manages talent pools and succession planning;
- The "Key GO®-GE" programme, which offers personalised development and growth opportunities to rising leaders;

Moreover, an original agreement on transnational mobility of GE employees in the Europe-Africa region, was signed in 2004 and then expanded and renewed in 2009. It concerns GE from Turkey, Morocco, Tunisia, Mauritius, Greece, Italy and Portugal who have the necessary experience and qualifications. It allows them to take up positions at Club Med sites other than in their home country, as long as it meets the needs of the company and the desires of the person concerned and where such solutions are unlikely to threaten positions, working conditions, wage levels or other social conditions for employees in the host country.

This mobility allows us to continue building our local talent pools by offering rising leaders the opportunity to travel and to receive training. It also helps to support Club Med's upscale strategy through the assignment of the best hospitality professionals to the villages.

See summary table of agreements in section 5.1

2.6. Equal treatment

For the 2021 financial year, Club Med was elected "Company committed to diversity" by the June 2022 issue of Capital magazine, following a survey conducted in partnership with the Statista research institute. Club Med was ranked third in the 2022 ranking for all sectors combined, with a score of 8.62/10 (based on 6,000 companies) and first in the "Hotels, tourism, leisure" sector (based on 83 companies).

This ranking highlights its commitment to diversity and the prevention of discrimination (disability, gender equality, ethnicity, age, sexual orientation, etc.).

2.6.1. Diversity and preventing discrimination

As a signatory to the **Diversity Charter in 2004** (the year of its launch), Club Med has long been sensitive to issues of diversity in the workplace. By tradition and especially considering the countries where it operates, Club Med promotes pluralism of origins and seeks diversity through recruitment and career management.

The principles of diversity and non-discrimination have been reaffirmed in the ethics charter  since 2009.

Hiring diversity for GO® and GE is reflected today, for example, by the number of different nationalities represented in each village:

- 137 nationalities represented;
- 90% of Club Med villages have 9 or more nationalities among their employees;
- 1/3 of villages have 10 or more nationalities among employees;
- some villages can have up to 25 different nationalities (average of the 5 villages with the greatest spread of nationalities).

Data 2020

This diversity, this "cultural melting pot", is a central element that for many years - and now more than ever - has forged the culture and identity of Club Med. Among the elements that illustrate and help to ensure non-discrimination are the importance placed during the recruitment process on relational skills and on the objective assessment of associated skills. This results in a high degree of multiculturalism among the teams (9 or more nationalities in 90% of the villages and an average of six different languages).

2.6.2. Measures taken to promote equality between women and men

The new agreement on professional equality and quality of life at work concluded on 6 February 2020 with the social partners (CFDT, CFTC, UNSA), concerns Club Med SAS. It includes a section on diversity and professional equality with:

- the application of the principle of non-discrimination in all its forms in all acts of management and decision-making of the company or organisation, and in particular in all stages of human resources management and communication;
- quantified objectives in terms of professional equality, with actions aimed at encouraging gender diversity; improving the promotion of women to managerial positions in villages; remaining vigilant to maintain the small pay gap between men and women; facilitating the exercise of family responsibilities by fathers and the reconciliation of professional and working life (family responsibility leave, alignment of paternity leave pay with maternity leave pay, day care places, etc.)

In 2012, Club Med introduced a set of dedicated measures to promote the principle of workplace gender equality and enable all employees to fulfill their family duties more easily.

This commitment is built around three action areas:

- hiring;
- promotion;
- work/life balance.

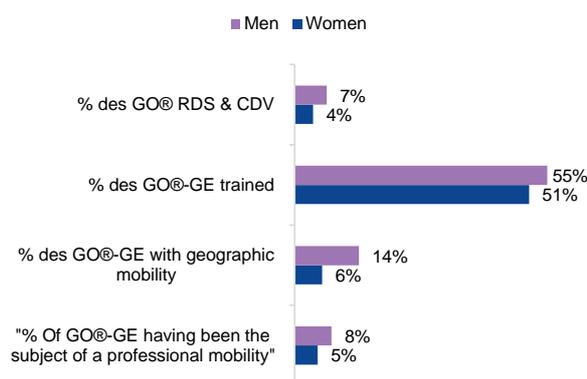
Club Med operates a gender-transparent hiring policy and offers the same salary to men and women of equivalent experience and job profile.

In the villages, women benefit somewhat more than men (in FTE) from occupational and geographical mobility, as well as from training.

The proportion of women managers compared to men among village managers and Service managers has fallen by 2021 and the proportion of women on the Club Med Leadership Committee is only 31% in 2021 (vs 46% in 2019).

In 2019, in accordance with the French legal obligation, Club Med SAS published its gender equality index. This indicator enables companies to measure their situation in terms of gender equality in the workplace through an indicator calculated each year based on elements of pay, increases, promotions, maternity leave and top management parity. In 2021, Club Med SAS scored 92/100, 4 points above the average score for companies with more than 1,000 employees. This very satisfactory overall score reflects Club Med's commitment to gender equality.

Breakdown of GO®-GE by gender in 2021
Perimeter - Villages



Agreement on Professional Gender Equality (CMSAS)

The Workplace Gender Equality agreement signed in 2012 with the trade unions applies to Club Med SAS and its French subsidiaries.

This agreement aims to advance the principle of professional equality in work relationships and to enable all workers to better attend to their family obligations. It focuses on three areas of action: hiring, promotion and work/life balance. The measures in place include:

- Monitoring the hiring process for village GO® and GE with a position-based analysis of gaps in the breakdown of men and women between applicants and those hired;
- Setting progress targets on the proportion of women promoted to Service Manager (SM) in village Mini Clubs, Events and Bars;
- Mechanisms to strengthen support during lengthy absences, such as interviews with a manager both before and after maternity, paternity or parental leave;
- Aligning the treatment of paternity leave to that of maternity leave;
- Extending the right to exceptional "sick child" leave (five days a year) to cover the period of adaptation to childcare arrangements (institutional childcare, home-based childcare, nanny, etc.) or entry into preschool;
- Considering the family and marital status of service managers and GO® in village hiring and assignment decisions.

In addition, a "comparative situation report" is prepared annually on the general conditions of employment and training for women and men in the company. It is subject to consultation with the Social and Economic Committee and is shared with the Board of Directors.

Agreement on Equality at Work and Quality of Life at Work (CMSAS)

In 2020, the commitments to gender equality in the workplace have been strengthened as part of a broader agreement on gender equality and quality of life at work based on the five Club Med values:

Responsibility with a commitment to continuous improvement of working conditions and a commitment by all to the health and safety of teams.

Pioneering spirit by facilitating access to medical care 24/7 with the implementation of teleconsultation.

Multiculturality by reinforcing our commitment to diversity.

Freedom:



- by further promoting professional equality in terms of hiring, promotion, remuneration and reconciliation of private and professional life, in particular by maintaining remuneration during paternity leave, including in the case of multiple births and in the event of hospitalisation of the newborn child, and by allowing paid leave to be carried over after the return from paternity leave;
- by improving mobility conditions for GOs at the head office and Lyon offices while encouraging alternative modes of transport to reduce CO2 emissions for home/office journeys.
- by providing a framework for the right to disconnect
- and by committing to drafting the next best practice guide adapted to each environment (Resorts & offices).

Kindness: by promoting listening to teams and taking their needs into account to encourage their development & commitment

See chapter 2.2 organisation of working time

2.6.3. Measures taken against age-based discrimination

An intergenerational agreement, concluded in 2015 with the social partners, aims, among other things, to keep senior employees aged 50 and over in employment.

This agreement is a continuation of the collective agreement on the employment of seniors signed in 2009 and defines actions in the following areas:

- Development of skills, qualifications and access to training;
- Planning ahead for changes in working life;
- Planning for end of career and the transition between work and retirement.

The intergenerational agreement also aims to promote the sustained integration of young people into the employment market and to stimulate mechanisms for the transfer of knowledge and skills (head offices and villages) existing within CMSA.

Examples of commitments made as part of the agreement:

- to offer training to at least 50% of young people;

- to increase the number of young people recruited in the villages by offering a fixed-term contract to 50% of them at the end of the work/study period;
- to offer training to at least 50% of seniors;
- to implement initiatives to promote a calm end of career for employees approaching retirement age.

2.6.4. Equal treatment related to disabilities

Club Med reiterates its commitment to integrating people with disabilities into its workforce. The company's commitments are governed by a company agreement extending until the end of 2023 (France).

The objectives defined in this agreement are to welcome new disabled employees into the company and then to respond to their specific needs during their professional career to keep them in employment.

For more details on the actions of Mission Handicap, see the factsheet

Figures are calculated between January 1 and December 31, for reporting on the calendar year to the regional labor authorities (DREETS⁹).

The figures for the calendar year 2021: 41 recruitments and 141 employees (fixed-term and permanent contracts) corresponding to 92.94 FTEs at the end of December 2021. This represents an employment rate of 3.28% according to the new standards in force.

Change since 2015

The diagram below shows the change in the **rate of employment of disabled workers** from 2015 to 2019. This rate is calculated on the basis of full-time equivalent disabled workers as a percentage of the total workforce. At the end of 2021, this rate is 3.2% (according to the new calculation methods) in the company.

The theoretical **AGEFIPH contribution**¹⁰ is linked to the employment rate: this amount decreases as the company approaches the legal employment rate of 6%.

In the framework of the agreement, this contribution funds the actions carried out in the framework of the handicap policy.

In 2021:

- The health crisis linked to COVID 19 is still having a strong impact on activity and team management. Club Med was once again forced to reduce the length of time its resorts were in operation during the year, with various consequences: continuation of partial activity measures in France, until December 2021 for specific areas, setting up of teams in a very short timeframe, reduction in the length of employment contracts for the company's employees, including disabled people.

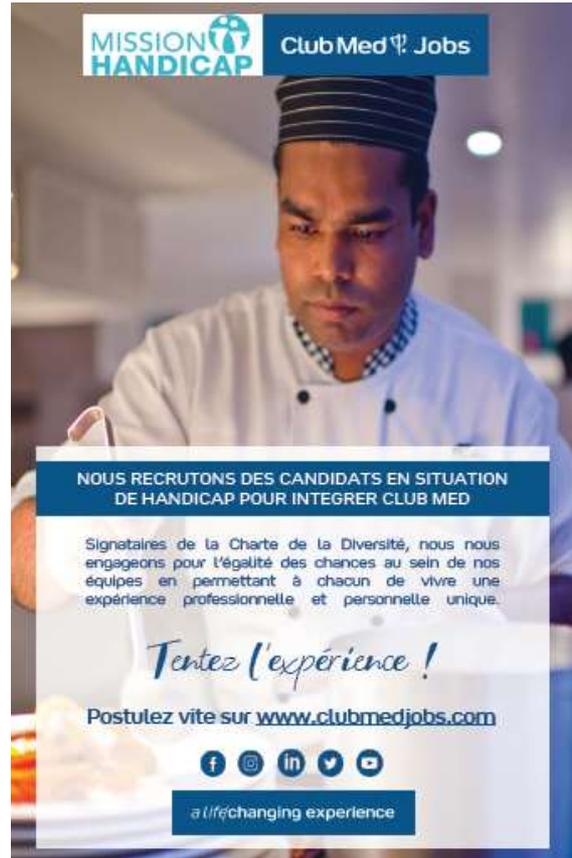
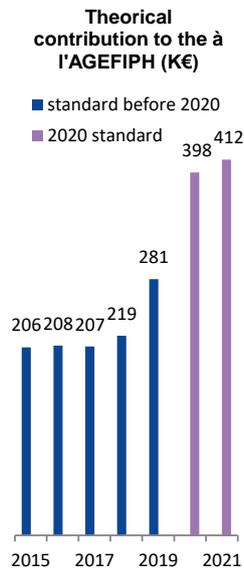
⁹ DREETS: Regional Directorate for the Economy, Employment, Labour and Solidarity

¹⁰ AGEFIPH: Disabled Persons' Occupational Integration and Training Management Association

- Despite the high tension in hotel jobs in particular, Club Med has continued to integrate people with disabilities into its teams and has even managed to increase the number of recruitments compared to 2019 and 2020.
- an employee who had previously signed a seasonal fixed-term contract with Club Med was hired on a permanent contract.
- Following the change in regulations, the mandatory annual Declaration of Employment of Disabled Workers for 2020 was made according to the new procedures.
- Mission Handicap's communication campaign was stepped up on social media.

Since 2007 and the creation of the Mission Handicap (figures to end 2021):

- 19 work placements and 50 trainees
- More than 450 recruitments
- 130 people on average each year
- Nearly 300 workstation adaptations
- More than 2,000 hours of disability awareness training since 2014



3 • SOCIETAL REPORT

See the methodology note, societal indicators and table of societal indicators in section 5.2.

As a world pioneer in tourism, Club Med is firmly convinced it must actively contribute to the development of the regions where it operates.

The main identified issues for the Group are showing respect for its hosts, boosting the local economic and social fabric and supporting local production.

3.1. Communities: respect and contribution

Introductory comment: it should be noted that beyond the actions described below, **the management of impacts on local communities is also reflected in the deployment of Green Globe certification** (see section 4.1.4) especially through criteria based on socio-economic and cultural issues.

3.1.1 Respect for host communities: an invitation to respect and discover

Respect for host countries and their inhabitants is one of the founding principles of Club Med and is an essential condition for the local acceptance of its villages.

Fighting against sexual exploitation of children in tourism

This concern for respect relates to all of the riches of the country hosting a village, starting with the most precious of them: its children.



The actions defined in the partnership agreement signed with ECPAT in 2005 have been regularly renewed since then, with the continued distribution of the joint Club Med – ECPAT leaflet  that ties in with the NGO's communication campaign. These

leaflets are sent to the homes of French, Belgian and Swiss customers heading to sensitive countries.

ECPAT is an international non-profit organization with a presence in over 70 countries worldwide. Its aim is to fight against child prostitution, child pornography, and the trafficking of children for sexual purposes. Many tourism professionals are committed with ECPAT to fight against the sexual exploitation of children in tourism.

In 2021, more than 21,600 leaflets were sent to French, Belgian and Swiss customers, bringing the total number sent since 2005 to more than 970,000.

In addition, in 2021 the flyer has been updated and is now available in 17 languages, allowing it to be sent to all our customer markets from 2022.

A procedure for Reception staff on high-risk destinations to ensure identification of underage guests was put in place in 2005, updated regularly.

An invitation to respect the host country

Since 2008, the Discovery Centers at all African and European villages have displayed a charter on respecting local hosts, their culture, environment and economy and distributed it to all GM® going on excursions. Charters at least in English and French are posted at the tour desk or at the reception.

In villages where the Green Globe certification process is deployed (see section 4.1.4), an awareness poster in the rooms of all GM® invites them to refer to the Charter.

This Charter is also included in the travel itineraries sent to clients of Discovery Tours by Club Med. In 2017, as part of ATR (Agir pour un Tourisme Responsable) certification for the Discovery Tours by Club Med, the Handbook for Guides was revised to provide even better training for our guides in terms of respect for cultures, people and environmental protection.

In addition, the Ethics Charter available to all GO® and GE, incorporates the principles and commitments that govern the company's relationship with its host countries.

An invitation to discover

❖ Villages steeped in local culture

Club Med villages have always been steeped in local culture, as can be seen from their architecture, decoration, vegetation, cuisine and so on. The activity programmes offered also reflect local practices, frequently through lessons in dance, cooking and languages, as well as lectures on the host country. Almost all Villages also organise weekly evenings, full days or events dedicated to the culture of the host country or region.

❖ Discovery tours by Club Med and excursions

In all villages, the Discovery Center is located in an area that is easily visible to the GM®; it invites them to discover the host country through a wide range of outside excursions and activities outside the villages. Services such as childcare during the excursion day make organization easier for participating parents. As a result, about a quarter of GM® in the Europe-Africa region take excursions during their stay.

In addition, since its creation, Club Med has developed experiences alongside its village activities, such as vacation tours or vacations combining tours with stays in the villages. Each year, Club Med Discovery Tours offers the exploration of

about sixty countries, in small groups, directed by guides and assistants.

3.1.2 Contributing actively to local development



The presence of a Club Med village has economic and social impacts on the host region. Club Med is committed to not contenting itself with observing the positive impacts, but rather to maximising and developing them.

Through local employment

The level of comfort and service, and the variety of activities offered in a Club Med village are reflected in the high number of positions required for a village opening. Before the health crisis, 75% of such positions were awarded to local¹¹ GO® and GE. By 2020, this had risen to 94%.

The use of local subcontractors also contributes to boosting the economic and social fabric, in the same way as indirect employment, although this is more difficult to quantify precisely. (See section 2.1)

By developing the employability of local workers

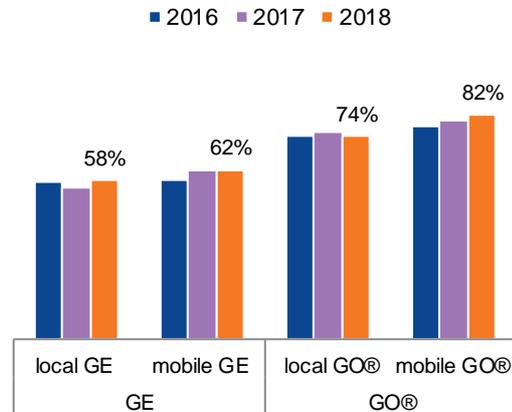
Raising the skills and employability of local workers is a priority for the Group.

Thus before the health crisis, on a World scope:

- 58% of local GE assigned to a post were trained;
- 60% of local GE were evaluated in 2018 (evaluation for 2017, stable since 2016);
- 9% of GE worked outside their home country (but only 1% in 2020).

❖ Training

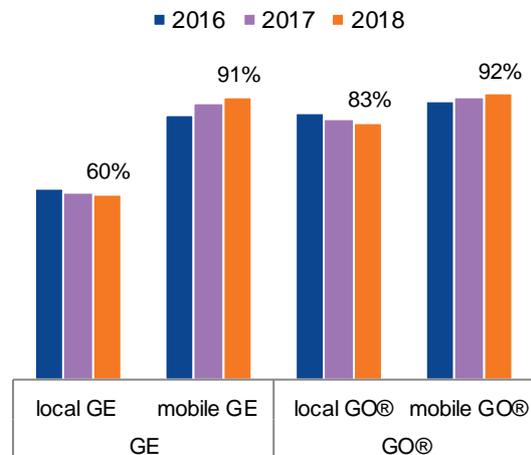
Change in % of trained GO®-GE scope Villages
périimètre Villages



Before the health crisis, the percentage of local GO® and GE receiving training had increased over a three-year period (data not calculated for 2019 and 2020).

❖ Evaluation

Change in % of evaluated GO®-GE scope Villages



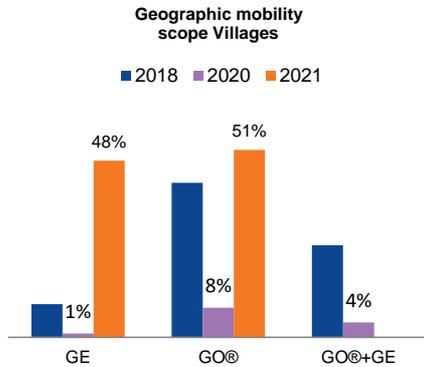
Before the health crisis, the assessment rate for local GEs was 60%, compared to a stable rate since 2015 of over 80% for mobile GO®-GEs and local GO®s (data not calculated for 2019 and 2020).

¹¹ Assignment in the employee's country of origin

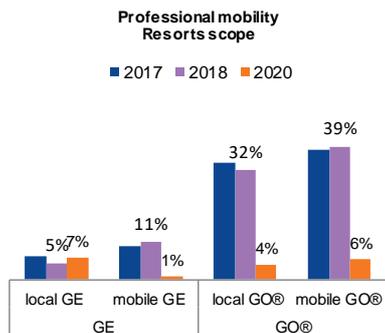


❖ **Geographical and occupational mobility**

(Assignment to posts in countries other than the employee's home country)



The geographical mobility of our GO®-GE has returned to 2019 levels.



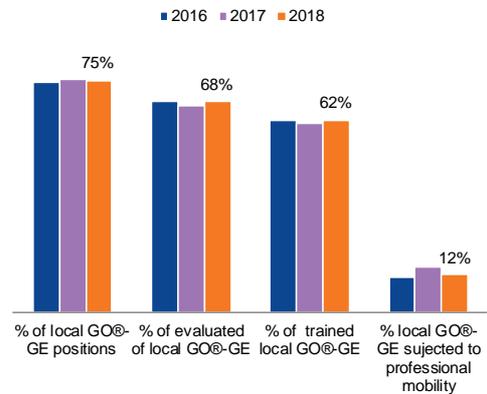
The professional mobility¹² of local and mobile GO® and GE varies significantly according to their status as a GO® or GE. However (excluding 2020) no medium-term trend is emerging, and percentages are subject to fluctuations related to village openings and closings and to the "jobs-mix".

❖ **Focus on the non-EU agreement**

In 2020, the agreement on transnational mobility of GE in Europe-Africa enabled 418 seasonal employees to be hired as hotel workers for one season at the French villages. Most of them were from Turkey, Morocco, Tunisia and Mauritius.

See section 2.3 on the summary of current agreements

Employability of local GO®-GE scope: Villages



Through local purchases

See section 3.2 on responsible purchasing

Through the prevention of counterfeiting

Counterfeiting goes against the economic development of its host countries by hindering local creation and sidestepping all social and environmental standards. The Group therefore decided to raise awareness among its teams and among GM® on this topic, particularly through Sustainable Tourism training courses for Club Med Discovery guides, and as part of the roll out of the villages' Green Globe eco-certification.

Through the transfer of know-how and innovation

Boosting the economic and social fabric of a community also involves the transfer of know-how. The Group seeks to implement innovative practices and techniques on a local level.

Examples of practices and techniques	year	sites
Biological wastewater treatment by Filter Gardens® with Phytorestore	2006	Albion (Mauritius)
	2011	Yasmina (Morocco)
	2013	Guilin (China)
Natural swimming pools with Phytorestore	2013	Guilin (China)
	2017	Da Balaia (Portugal)
	2018	Cefalu (Italy)
Waste recycling with Oasis Boucotte	2009	Cap Skirring (Senegal)
Support for the publication and promotion of the Agrisud agroecology manual	depuis 2009	Senegal, Morocco, Brazil, Tunisia, Indonésia
Fighting the red palm weevil with INRA	depuis 2011	8 resorts around the Mediterranean
Support for international guidelines for the observation of cetaceans in the wild and assistance in their deployment with our service providers	2019	Da Balaia (Portugal) Dominican Republic

¹² Professional mobility; change in function. See the details of the calculation of the rate in the methodological overview in § 4.5.1



3.1.3 Beyond contribution: Solidarity



The Club Med Corporate Foundation



Convinced that “happy GO® and GE make happy GM”, and that the company must contribute to the public interest, Gilbert Trigano, one of the founders of Club Med, created one of the very first corporate foundations in 1978 (with an “umbrella” status as the status of “company foundation” had not yet been created).

The Foundation mobilises Club Med’s teams and resources to participate in solidarity actions around its Villages and offices. It works to support vulnerable children and protect the environment, with access to education and recreation for all, as well as the protection of biodiversity as its priority areas.

In 2021, more than 300 GO® and GE were involved in 20 countries through nearly 200 projects (vs. 2000 GO®-GE and 300 projects before the health crisis).

In 2021, Club Med contributions to the Foundation stood at K€387. This included the multiannual allocation to the Foundation, costs met by Club Med, valuation of skills transfer (within working hours) and in-kind donations to local communities. In addition, the Foundation also benefited from out of working hours volunteering by GO® and GE and solidarity donations on salary. This commitment by Club Med and its teams drives customer commitment and fosters the growth of the Friends of the Club Med Foundation.

For more information,

https://www.amisfondationclubmed.com/fr/menu_item_pages/discover-the-foundation

❖ In the resorts

In the Villages, the Foundation identifies key partners selected for their competence and effectiveness. In 2021 there were 22 key youth partners in 23 sites. It supports them by mobilizing all of Club Med’s resources, including the following examples:

In 2021:

- **23 key partners** in social or educational action accompanied in the long term
- **119 children** accompanied in **3 Sports Schools**
- **13 young people welcomed** through our program Gateways to Jobs
- **2 dream** holidays for seriously ill children were organised

Donations of equipment and food

The health crisis has led to the closure of many of our villages for a long period of time in 2020 and also in 2021. All the teams continue to mobilise to come to the aid of the local populations by organising donations of food and equipment.

Operation Care Staff Stays

To thank the nursing staff for their dedication and commitment during the health crisis, 105 stays were made during the summer of 2021 with a 70% discount for a total of 253 people (APHP staff and accompanying persons). The total turnover of €69,508 was donated to the Friends of the Club Med Foundation.

Donations in kind and time

- In the **Sports Schools**, the children are welcomed on a weekly basis in the Resorts and can enjoy the facilities, under the supervision of either the GO® or local professional educators in order to learn sports. The objective is to get as many young people as possible to experience a rewarding, challenging, educational and recreational time together, while also providing a training course in tourism jobs for the more motivated young people. 2016 was noteworthy for the creation of a new Sports School in Thailand in the Phuket Village.
- In order to have more frequent meetings between GM, their children and the children of communities located around the Club Med resorts, the “**Friends from around the world**” programme offers moments of exchange in the context of creative workshops, artistic shows or sports activities. It was deployed in 10 resorts around the world and more than 3,000 children (including nearly 1,200 local children) benefited from it in 2019. This activity is expected to restart in 2022 depending on the health conditions in the countries.
- **The Foundation Job Links** seek to create job-related courses within the Club Med for the young people who are being monitored by these associations.
- The culmination of the charitable season is the **Worldwide Snack**, which invites children from the neighbouring associations and schools to each Resort: in 2019, for the 20th Worldwide Snack, 36 resorts hosted nearly 1.200 children in a very joyful and dreamlike atmosphere: bazaars, sporting and artistic activities, banquet buffets, entertainment, etc.

- A high-impact lever for the beneficiaries of partnering non-profits is **the gift of stay** which meets various needs: making the dreams of sick children come true, enabling disadvantaged young people to go on holiday, to participate in stays to discover the tourism professions, etc. In 2021, 6 stays were organised for 30 beneficiaries (4 partners).

Making facilities available:

- In several Villages, Club Med makes swimming pools, seminar rooms, auditoriums or sports facilities available to partnering non-profits.

All of these activities were heavily impacted by the closure of the villages and health restrictions. In 2021, most of the projects related to the life of the resorts could not be reactivated.

The Foundation also organises initiatives in favour of the environment and sustainable development, by facilitating ad hoc actions or by supporting long-term local projects with partner associations, such as Agrisud International in seven countries (*see § 3.2.3 Focus on local purchases and the partnership with Agrisud*), MOm in Greece and the Mauritian Wildlife Foundation on the island of Mauritius and Expedition MED association in France, or by encouraging one-off actions such as beach clean-ups.

Foundation Corners, that the GM® can join. In order to respond to the ever-increasing numbers of GM® who want to get involved in initiatives, 'Foundation Corners', associated with local Education Programmes, were created in 2006 to collect their donations of school supplies or products for very young children. Furthermore, in 2012, the 'Friends of Club Med Corporate Foundation' was created in order to collect the cash donations of GM® (see above).

❖ **At the headquarters and offices**

At the Paris headquarters or in country offices in Miami, Sydney, Lyon, Rio or Montréal, GOs offer their time and skills to the benefit of local associations close to their place of employment. Others also dedicate part of their holidays to Solidarity Leave in the field of education or health (in Senegal at Cap Skirring) or environment (eco-volunteering on a sailboat to study and prevent plastic pollution in the Mediterranean).

The Friends of the Club Med Foundation

The Friends of the Club Med Foundation, charity account operated under the aegis of the Roi Baudouin Foundation (Belgium), was opened to receive financial donations from customers. In 2021, the Friends were able to provide financial support for about twenty solidarity projects targeted by the Club Med Foundation. € 95 K were collected in 2021 and total financing of projects amounted to € 58 K.

For more information,

<https://www.amisfondationclubmed.com/en>

Overall contribution in terms of time spent

In 2021, almost 300 GO® and GE volunteers worked on solidarity or collection projects and their involvement represented 1,363 hours of volunteering or skills transfer.

Non-Foundation philanthropy (or direct patronage)

❖ **Local partnerships**

Other environmental and solidarity initiatives are carried out locally by the villages without necessarily being officially recorded. Among these, 2015 saw partnerships with the "Respecting is protecting" campaign in Switzerland, the LPO (Ligue de Protection des Oiseaux) in France, the SAD-AFAG in Turkey and MOm in Greece for the protection of Mediterranean monk seals, the Mauritian Wildlife Foundation, the Turtle Sanctuary in Malaysia, and in the Vanoise National Park. In 2017, a partnership was set up between the Écrins National Park and the three villages closest to it; and since 2019 new partners have included the World Cetacean Alliance, the Conservatoire d'espaces naturels Haute Savoie, and the Fondo Peregrino in Dominican Republic, the Florida Oceanographic Society, the ROLE Foundation in Indonesia, and Oceans for all in Thailand, Parley for the Oceans in the Maldives...



Direct patronage also includes other donations, including part of the contribution to Agrisud (see section 3.2.3).

❖ **Actions with communities to promote hygiene and health**

The Club Med Foundation supports the CASAMASANTE association, created in 2013, which facilitates access to health care and promotes assistance to children in Cap Skirring and its region. The aim is to make basic health care accessible to children and families in precarious situations, as well as to enable the detection of more serious pathologies requiring referral to a more appropriate health care structure.

In 2020 and 2021, the "Living Well with Menstruation" project opened up a dialogue with 4,000 young schoolgirls in a region where traditions are deeply rooted. Thanks to the "Menstrual Hygiene Management" solutions (reusable pads and cups), young girls can now live through their periods with much more serenity, which has a very important impact on their well-being, particularly from a social point of view, as they can continue to live normally during these few days.

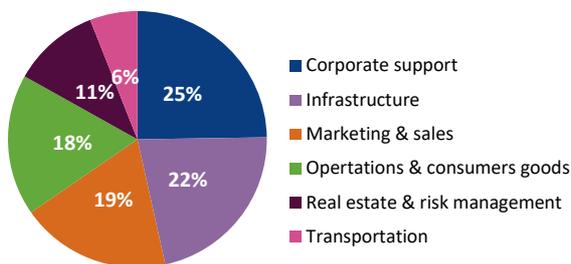
<https://www.casamasante.org/>

3.2. Responsible purchasing

Inventor of the all-inclusive vacation, Club Med has a role as an assembler of various services, in which purchasing plays an active part for more than 3/4 of the business volume. Responsible purchasing thus fits naturally into the Group's strategy of responsible performance.

The Purchasing Department works with more than 4,770 suppliers broken down into 6 broad categories:

**Breakdown of macro-family purchases
(% amount) in 2021**



Purchasing is a significant part of the Green Globe certification process for the villages: fifty criteria (out of some 350 Green Globe benchmark indicators) focus on purchasing and procurement. The aspects covered are social, local, environmental, and the issue of fairness.

3.2.1. Due vigilance in the supply chain



The Purchasing Department pursues the implementation of a reasonable vigilance policy through:

- the Group **Ethics charter**, which determines the behaviour of all Club Med employees;
- the **CSR clauses** included in supplier contracts to promote fundamental employment freedoms, environmental and health protection, corruption prevention and the implementation of action plans if any of these issues are not addressed;
- the **purchasing process** which incorporates CSR at every stage;
- a **hierarchy** of CSR risks through targeted mapping;
- a shared **audit policy** for suppliers' production units as part of ICS (Initiative Clause Sociale) membership, and follow-up monitoring of the resulting corrective measures;
- performance evaluation and audits of food suppliers as part of their membership in Check Safety First and Cristal;
- **regular dialogue with strategic suppliers.**

Ethics of the Purchasing Department

Club Med's Purchasing Department oversees supplier relations through a code of ethics applied by each buyer.

Clearly defined roles and responsibilities take into account the principles of separation of functions. Audits organised either by Purchasing Department management or by the Group's Internal Audit Department throughout the supply chain allow for greater vigilance.

Regular communication on corruption risks and their consequences is regularly addressed to all buyers.

Finally, teams have been reminded of their duty to alert as soon as they become aware of abnormal behaviour.

See www.suppliers.clubmed.com under the "Our values" tab

CSR clauses

A CSR clause incorporated into model contracts since 2006 requires Club Med suppliers to comply with ethical principles and practices. This clause commits suppliers and service providers on key points: freedom from harassment; no use of child labour; no discrimination; no use of forced labour; existence of a minimum wage; freedom of association and trade union rights.

In 2017, these clauses were rewritten to include more explicit environmental and health protection, the prevention of corruption and the implementation of an action plan in case of breach.

In 2021, 46% of contracts worldwide were identified as containing the CSR clause (stable vs 2020). Some were signed before the clause came into force and it cannot always be systematically traced with regard to more recent contracts.

INDICATOR	2019	2020	2021
% of world contracts with CSR clause	43%	46%	46%

Stages of the purchasing process

Sustainable development commitments are included at each stage of the purchasing process:

- in defining the purchasing policy in line with Club Med's strategy: managing risks and developing responsible purchasing is one of the four pillars of the policy;
- in anticipation of future new regulations such as the elimination of single-use plastic;
- in sourcing criteria: obtaining certifications and implementing good environmental and social practices are among the questions asked of any potential new supplier on the supplier website;
- in the main operational specifications;
- in the criteria for selecting bids and contracts;
- in sustainable purchasing reporting: objectives driven by performance indicators. The rate of adherence to their use

must still increase and a special effort is being made with our suppliers to obtain accurate data from them;

- in the process of requesting progress plans from suppliers.

The commitment to eco-friendly purchasing has been clearly communicated and the sustainable purchasing charter can be downloaded from the website: www.suppliers.clubmed.com

Subcontractor and supplier assessment procedures

Club Med identifies the Group's risk areas throughout its supply chain to better prioritise reasonable vigilance initiatives (audits, etc.) based on the CSR **purchasing risk map** conducted in 2016 with the firm Buy Your Way, supplemented with annual data from the Transparency International report.

The campaign to identify areas and suppliers of high-risk purchasing families, and the proposal for a progress plan and alternative suppliers if necessary, continued in 2021, despite the closure of villages due to the health crisis. Similarly, the specific focus on targeted risks related to the food supply chain was maintained in 2021.

ICS membership and pooled audits

Since 2015, Club Med is a member of ICS (Initiative Clause Sociale) to complement its supply chain employment and human rights policies, to learn from the sharing of experience with other Initiative members and to share supplier audits.



Launched in 1998, the goal of Initiative Clause Sociale (ICS) is to act together to sustainably improve working conditions and responsibly help suppliers take charge of their own progress.

For more information: www.ics-asso.org

Belonging to ICS has allowed the Group to gain increased competence in risks relating to Human Rights in the supply chain, to envisage common positions on specific achievements (Syrian, Thailand, Turkey, etc.), to be alerted to evolutions in regulations and to benefit from the ICS reference and ICS experience in auditing.

Wherever possible, audits are based on the Buy Your Way map prepared in 2016 and conducted by Asia Inspection in accordance with ICS recommendations.

Gathering the addresses of supplier production plants remains a challenging exercise with which suppliers are still disinclined to cooperate. This task prioritises production plants in the most high-risk countries and the most challenging sectors of the

economy (clothing, entertainment, hotel consumables and small-scale equipment, spa/bathing products and sports equipment), excluding in a first time those major consumer brands that are directly exposed in the event of shortcomings.

In 2021, Club Med renewed its membership of ICS and participated in the governance committees organized by ICS. Club Med is part of the strategy of deregistering suppliers when control audits are unsatisfactory according to ICS criteria.

ICS has decided to involve Elevate in the supply chain CSR training program. Club Med encourages those suppliers whose production plants have been identified as requiring further progress to ensure that their senior managers complete these e-learning courses to facilitate progress on CSR issues in their production plants. For example, a number of senior managers in the plant producing amenities products in China have obtained certifications following completion of these training modules, thereby demonstrating their willingness to address the requirements of their customers by training themselves in the appropriate regulations and values and adapting their operating processes.

In 2020-21, three audits were carried out in Peru and Brazil in our suppliers' factories and ten others were also audited, at the initiative of other ICS partner companies. The results are generally good, and corrective actions have been transmitted to Club Med area managers and factory managers.

3.2.2 Responsible purchasing

Purchase of responsible products

Since 2018, beyond reasonable vigilance and the fight against corruption, the main issues of responsible purchases concern:

- eliminating all single-use plastics by 2021;
- including criteria regarding water consumption, energy efficiency, the emission of greenhouse gas, waste reduction, the preservation of biodiversity and animal welfare in calls for tenders;
- targeting seasonal and local products for food purchasing (see § 3.2.3, the focus on the partnership with Agrisud) ;
- developing, as much as possible, of purchases of eco-certified or fair-trade products (Max Havelaar, Fairtrade, Ecocert équitable, Cosmebio, Rainforest Alliance, etc.).

Since 2007, raising buyers' proficiency in sustainable purchasing has been the focus of regular workshops. In particular, annual international seminars are the occasion to share the CSR issues and priorities of the year. Sustainable purchasing concerns everyone and is addressed according the degree of maturity of the geographical regions.

Actions and actions follow-up

- ❖ **Social, societal and Human Rights**

The rate of purchases with social criteria reached 63% in 2021 (vs. 26% in 2019) due to a range of measures implemented (data not usable for 2021).

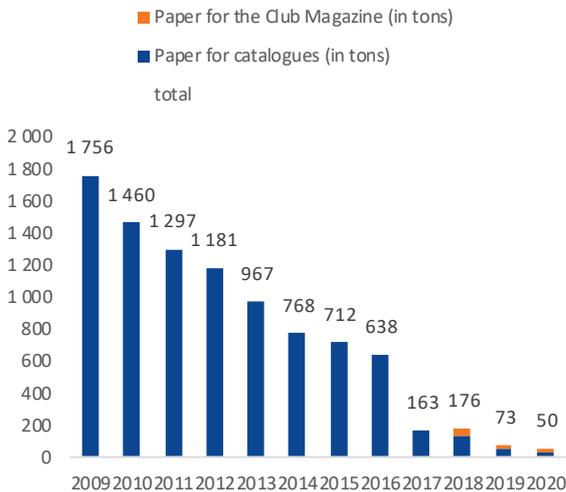
❖ **Environmental**

Charters have been drawn up for purchasing wood (Wood Charter, 2006) and seafood (Seafood Charter, 2007 and revised each year according to scientific recommendations). In 2019 accordingly, only 0.5% (vs. 0.2% in 2017) of global seafood purchases comes from overfished species that are not compliant with the charter, and 30% (vs 21% in 2017) from restricted species (not available for 2020 and 2021).

Where possible, certified purchases are prioritized: organic cotton for around 18% of GO® clothing (in Europa-Africa), use of “green” energy, 100% FSC or PEFC certified paper for paper-based products (paper towels, etc.) and for catalogues (100% since 2010 on the European markets), vegetable-based inks for catalogue printing, etc.

At the same time, the **tonnage of catalogues** in the France-Europe-Africa New Markets (FEAM) with the exception of those that print their brochures on site (South Africa, Spain, Israel and Portugal, for which the data is not known) has been slashed by 31% vs. 2019 and divided by 36 since 2009 (50 tonnes in 2020). No brochures for the promotion of resorts were printed in 2019, and only brochures for the promotion of tours and cruises were published in small quantities (consolidated data not available for 2021).

Tonnage of catalogues in the France-Europe-Africa market *



* this excludes countries that print their catalogues on-site (South Africa, Spain, Israel and Portugal for which data is not available)

Finally, at the end of 2019, Club Med made a strong commitment phase out eggs from battery hens. The roll-out was completed in Europe in 2021 and is expected to be finalised in 2025 for South America, also being defined for Asia and North America.



« We are pleased to join other companies in our sector to commit to source 100% of our eggs (shell, liquid and egg products) from cage-free sources for all resorts in our portfolio by the end of 2025 in Europe, Brazil and the United States, and 2027 in the other markets.

We will also make our cage-free egg policy available in all major languages in which we report and will continue to publish annual information our progress and any potential issues we face.

At the end of 2019 we already buy 100% of our shell eggs from cage free sources in Europe and Mauritius, and we look forward to continuing our partnership with suppliers, civil society and industry to drive positive and sustainable change in responsible sourcing.

This commitment is part of Club Med's purchasing policy, which stipulates that all products purchased must meet the company's hygiene and health and safety requirements. »

❖ **Key indicators**

The three responsible purchasing indicators that have been selected to form part of the key CSR indicators monitored regularly by the GDC (General Management Committee) are described below:

KPI 7.1 - In 2021, the place of production could be traced for 80% of textile and small hotel equipment references (vs. 66% in 2020, 41% in 2019 and 29% in 2018)

KPI 7.2 -- In 2021, for 85% of the Business Volume of fruit and vegetables, meat, fresh fish, the origin of production could be traced; 49% is local¹³ (vs 35% in 2019, 13% in 2018).

(Data excluding China, USA, Brazil, Mexico, Switzerland and Turkey)

KPI 7.3 - In 2020 (data not usable in 2021), of products listed in purchasing catalogues have environmental or social criteria indicated and 11% of the products are effectively responsible on these criteria.

¹³ Produced in the country of consumption



3.2.3 Focus on local purchases and partnership with Agrisud

Local purchases

Throughout the year, the vast majority of purchases of goods and materials for the villages is from local suppliers in their countries of operation (86% on average in 2019).

Supporting and developing local farming: a unique partnership with Agrisud

Finding that in some cases local supply was inadequate to meet its villages' demand for fresh produce, Club Med decided to help strengthen this network, thereby playing an active role in the economic development of the regions where it operates.

This decision led to a partnership with the NGO Agrisud, signed in late 2008, to enable local producers to supply Club Med villages, and to guide them towards more sustainable land use, based on the principles of agro-ecology.

The benefits of the partnership relate to most of the Sustainable Development Goals (SDG):

- helping farmers to escape poverty (SDG 1 & SDG8) by training them (SDG 4) towards a market economy (SDG 10) and sustainable use of their lands (SDG 15);
- contributing to the relocation of subsistence farming (SDG8);
- buffets offering customers fresh produce that is local, eco-friendly and meaningful (SDG 3);
- securing supplies of fresh produce (SDG 3) and increasing the share of local purchases in Club Med's procurement process (SDG 9);
- securing water supply for farms with solar energy (SDG6 & SDG 13);

- equal access to economic resources for women on the project in Senegal which concerns exclusively women market gardeners (SDG 5);
- about 53 tons of carbon sequestered by market gardening and arboriculture and reducing the CO₂ impact of transporting such produces (SDG13);
- more firmly rooting the villages in their host communities (SDG11)
- involving diversified actors everywhere: customers ... (SDG 17).



The partnership represents:

- 281 VSBs 14 supported in 2021 and more than 1,500 beneficiaries in six countries,
- from 2008 to the end of 2021, €1243,000 of cumulative financial support, 6,037 cumulative tonnes cultivated in agroecology and 302 cumulative tonnes of products delivered to Club Med
- nearly 200 ha of land was used for agroecology with an average of 21 varieties grown per programme supported in 2021.

All these factors contributed to making Club Med Agrisud's largest partner in the tourism sector and its second private partner.



Depuis près de trente ans, l'ONG Agrisud est engagée dans la lutte contre la pauvreté et pour la sécurité alimentaire de populations démunies dans de nombreux pays du Sud. Sa réponse est d'accompagner ces populations dans la création de très petites exploitations agricoles familiales durables, ancrées sur le marché local. Sa démarche est aussi écologique, et privilégie les pratiques qui permettent de concilier développement local et faible pression sur l'environnement.

Agrisud, avec l'aide de partenaires locaux qu'il forme, intervient auprès de très petites exploitations agricoles à proximité des villages pour :

- renforcer les producteurs au plan technique (diffusion des pratiques agro-écologiques), au plan de la gestion économique (appui à l'élaboration et à l'analyse des comptes d'exploitation) et au plan organisationnel (achat groupé de semences, entretien des dispositifs d'irrigation...);
- mettre en place un système d'approvisionnement de proximité qui soit durable (élaboration participative d'un protocole d'achat ; positionnement du partenaire local ou des groupements comme intermédiaire entre les producteurs et le village Club Med).

www.agrisud.org

¹⁴ Very Small Business

In addition, the generosity of customers has made it possible to participate in the financing of the Agrisud programme to the tune of €102,000 since 2014.

The partnership with Agrisud was rewarded:

- by procurement professionals obtaining the Golden award for responsible supply at “Trophées Décision Achats” in 2013;
- by the actors of sustainable tourism in Morocco being the winner of the Moroccan Sustainable Tourism award in the "economic and social development" category in 2014;
- by personalities from the international hotel industry obtaining the Worldwide Hospitality Awards “Best initiative in sustainable development & social responsibility (deployed concept)” in 2015;
- by the World Tourism Organisation (UNWTO) that used the partnership in 2017 to illustrate the good practices efficiently contributing to the Sustainable Development Programme at the 2030 horizon ([link to the site](#));
- and in 2021, by the world of social entrepreneurship with the selection of Club Med’s Director of Sustainable Development to the "Unusual Pioneers" programme led by Yunus Social Business and the Schwab Foundation for Social Entrepreneurship.

To access the complete presentation of the Agrisud-Club Med partnership

Assessment of the various projects in 2021

The partnership between Club Med and Agrisud is now in place in 6 countries and 8 villages: Cap Skirring (Senegal), Marrakech (Morocco), Rio das Pedras and Lake Paradise (Brazil), Bali (Indonesia), Guilin (China), La Pointe aux Canonniers and Albion (Mauritius).

The year 2021 allowed:

- the diagnosis of two new projects in Trancoso (Brazil) and the Seychelles and the development of intervention plans. Support for producers should start in 2022
- In Lake Paradise (Brazil), the establishment of the commercial relationship between the new cooperative "Cooperativa Dos Prod. Agric. Solidarios Do Alto Tiete" and the Village;
- in Rio das Pedras (Brazil), the securing of the commercial relationship with the contractualization between COMISFLU (Cooperativa Mista Sul Fluminense Ltda) and Club Med;

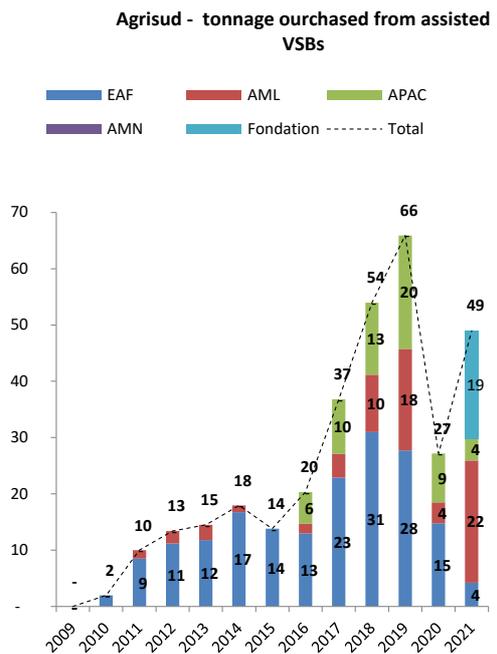
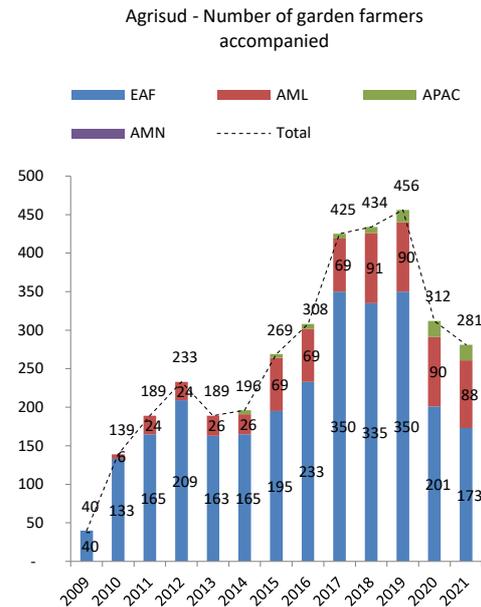
Solidarity action decided in response to the health crisis and the subsequent site closures

To limit the loss of income of the farmers supported by Club Med, who usually sell a large part of their production to Club Med, the Club Med Foundation decided in 2020 to buy part of their production and redistribute it in the form of fruit and vegetable baskets through local associations. This programme has been implemented in Senegal and Indonesia since 2020.

In 2021, with the support of the Foundation and its local partners, solidarity distribution channels have been created or strengthened to continue buying products from the supported

producers in the context of the closure of hotels and resorts due to the health crisis:

- in Cap Skirring (Senegal), with the help of the Casamasanté association, solidarity baskets representing 11.5 tons were purchased and sold to 700 vulnerable families, i.e. more than 5,900 people;
- in Bali with the association Scholars of Sustainance (Indonesia) 4 tons, i.e. more than 40,000 meals were served in 68 communities;
- in Mauritius with the association Terre de Paix, the distribution was more limited due to the closure of schools and children’s centres
- and more recently in Marrakech with the Dar Tifl association (Morocco).



3.3. Customers: Quality and safety, the foundations of lasting trust

Club Med has grown alongside its members: they are the ones who, starting in 1950, called the activity leaders “Gentils Organisateurs” (GO®), and were in return called “Gentils Membres” (GM®). The close relationship of trust, and even complicity, that has existed between Club Med and its GM® for 70 years is one of its most valuable assets. If it is especially obvious in the relationship between the GO® and GM® in the Villages, it is also the reflection of the entire organization’s core commitments towards its customers.

This special customer relation had led Club Med to win, from 2014 to 2018, **the French Customer Relation Prize for the tourism segment**. This prize, awarded by BearingPoint and TNS Sofres, rewards the Company for its ability to create and maintain an innovative and personalised customer relationship before, during, and after the vacation.

3.3.1 Responsible communication to customers

The quality and reliability of sales information is the *sine qua non* of a relationship of trust between a company and its customers, especially when it comes to products with a strong emotional charge, such as vacations.

In light of this, and of its strong brand awareness and reputation, Club Med relies on a specific process managed by the Marketing Department, and on various departments, including the Legal Department, to ensure that promotional materials are reliable and do not contain exaggerated promises. This includes making sure that the terms and conditions of sale provided for products and services are clear, complete, reliable and comply fully with all applicable tourism legislation.

Club Med is an associate member of SETO, the French trade union for tour operators, and adheres to its travel charter, which aims to inform the consumer about the commitments made by professional tour operators and the guarantees that they offer to their customers.

Club Med attaches a great deal of importance to compliance with regulations with regard to marketing communication. As far as the Company is aware, there were no significant complaints based on failure to comply with said regulations in 2021.

Information Security – GDPR

Club Med also attaches a great deal of importance to the protection, security and confidentiality of its customers' and employees' personal data. It pays close attention to ensuring full implementation of the provisions governing privacy and personal data processing, and full compliance with CNIL recommendations. In order to comply fully with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of personal data, which

became effective on May 25, 2018, Club Med worked with a specialist external service provider during 2017 and 2018 to analyze its existing practices at Group level to ensure compliance with the provisions set out in the Regulation as part of extending the existing commitments of Club Med to customer consideration and employee protection.

In January 2018, the Company appointed a Personal Data Protection Officer (DPO) to coordinate this compliance.

In 2021, to the Company's knowledge, there were no significant complaints based on an invasion of privacy or loss of data.

3.3.2 Quality and customer satisfaction

Club Med's quality approach is based on a historical culture of customer satisfaction, and on tools that are embedded in the practices of each profession.

Listening to the GM® begins in the Village through the GM® - GO® relationship. After their vacation, the listening continues through the “GM Feedback” satisfaction survey, an analysis of GM compliant letters and, increasingly, of feedback on specialist websites and social networks. France Customer Relations Department handles customer feedback via these various channels, monitors and manages quality, and provides operations staff with monthly feedback reports.

Concerning the “GM® Feedback”, the rate of “very satisfied” GM® for 2021 (winter + summer) is stable compared to the average of the last three years but up by one point compared to 2020 (at constant scope).

The rate of very satisfied GMs for 2021 (winter + summer) is stable compared to the average of the last three years (+opt) but up by one point compared to 2020 (at constant scope).

On the whole, the higher the category of village is, the higher the level of satisfaction is.

Furthermore, there are quality standards in all Villages and compliance with these standards is managed through staff training and various forms of monitoring.

3.3.3 Customer health and safety: Aiming for total peace of mind

The number one priority communicated to all GO® and GE is personal safety.

The health and safety policy relies on the expertise and coordination of a dedicated Safety, Hygiene and Health (SHH) department available 24 hours a day, which reports to the Group's General Secretariat.

It defines the **priorities in terms of prevention, safety, hygiene and health policy**, both for GM® and GO® and GE. It designs awareness and training tools and actions in collaboration with the UDT (University of Talents), and it organizes their deployment, all with an adaptation by BU according to specificities (cultural, geographical, political, etc.).

The SHH Department manages the **crisis management system** through dedicated training and the dissemination and updating of the Sensitive Situations and Crises Management Manual.

In the Villages, Health and Safety meetings review problems encountered and implement **corrective or preventive action plans**. At the same time, self-checks by department (digitalised since January 2020) are regularly carried out by department managers and can be requested at any time.

An HHS intranet accessible by all Villages centralises all existing **procedures**. Updates are regularly posted online and are immediately available in each Village. Training and prevention courses on safety issues are organised on a regular basis and are followed by audits and ad hoc investigations.

The SMICE programme for the Safe Together part (which deals with covid issues) has been fully deployed in all villages in 2021, the SHS part will be deployed in the villages in 2022. This programme consists, via an application, in **performing safety self-checks** of all on-site activities (people / processes / structures) every two months. If necessary, SHH audits can be carried out. Since the end of 2020, the tool has enabled a "special Covid 19" self-check to verify compliance with the "Safe Together" protocols in each village.

❖ Continuation of the Safe Together Manager

In 2021, the position of "Safe Together Manager" in resort created temporarily in 2020 to manage Covid-19 problems in the resorts and to implement the "Safe Together" operational standards was made permanent in the long term. Its scope of responsibilities and missions has been extended.

The Safe Together Manager becomes a Service Manager (SDM) who reports to the Resort Manager (CDV) and is part of the Village Management Committee.

The key tasks of this position are as follows

- internal coordination of health and safety and CSR with all the SDRs,
- external relations with local SHS authorities and CSR partners,
- crisis management: support to the CDV
- monitoring of food H&S action plans
- safety: monitoring compliance with standards
- CSR: resort compliance with Happy to Care programme, Green Globe and coordination of solidarity actions.

This new position will be filled in stages for the Winter 2021-22 and Summer 2022 season. Depending on the type of profile recruited, training will be developed and adapted to the needs.

❖ Health and food safety

The Purchasing Department pursues a policy of reasonable vigilance, in particular through **performance evaluation and audits of food suppliers** as part of its membership of Check Safety First and Cristal.

In 2019, in order to reinforce the safety and healthiness of the provided food and beverages, the Purchasing Department set up a **risk mapping on sensitive countries and on high-risk categories** such as the supply of fresh meat and fish and frozen products. This mapping is followed by a supplier self-

assessment addressed and analysed by Check Safety, which is followed by on-site controls depending on the supplier results and their relevance. More than 130 sensitive suppliers have been contacted.

In terms of dietetics and improving health by limiting sugary drinks, an extension of the **elimination of sweetened drink fountains**, particularly in restaurants and bars, has been carried out in Europe-Africa in 2019.

A joint operation with a partner company for **the reinforcement of allergen declaration** obligations has been initiated in order to better consider food intolerance issues and to automatically have regularly updated information in our databases.

In addition, in terms of **food hygiene**, the SHH Department has implemented **an audit policy** in all Club Med Villages, in partnership with a world-renowned company that monitors compliance with HACCP (Hazard Analysis Critical Control Points) standards every two months, according to harmonised standards. As an integral part of HACCP standards, a food traceability system is being deployed worldwide with the E-pack solution.

❖ Room hygiene and cleanliness

In 20121 the room check was introduced. This is a surveillance audit carried out by an external organisation and based on international standards regarding of hygiene and cleanliness of rooms. This audit includes a documentary part (process, disinfection protocol and products used), a visual part in the room (review of the execution and implementation of the protocols) and tests on the contact surfaces to verify the level of cleanliness.

❖ Product and process adaptation in the context of Covid-19

In 2020, Club Med has made extensive modifications to its product and processes worldwide to address the Covid-19 health crisis, with the safety of its clients and teams as an absolute priority.

These procedures have been prepared by the Global Products and Services Department, in coordination with the Safety, Hygiene and Health team and the operational departments of all BUs, including network experts. The complete operational guidelines have been reviewed by Club Med's Scientific Committee composed of eight medical experts.

The aim is to allow customers to travel, to spend time with their families, and to have fun safe in the knowledge that Club Med is aligned with local regulations and has a clear policy on health and safety issues. A worldwide certification (POSI Check) has been set up with our partner Cristal International Standards in order to verify the conformity of our anti-Covid measures. This certification is checked every 2 months in each village via an audit.

"Operational procedures for the reopening of villages" have been made available in several languages and will be updated in line with any new developments in the Covid-19 context. Adaptations to local regulations may apply where deemed

essential and are the responsibility of the product/operations managers of each BU.

When the villages were reopened, POSI Check audits were carried out in all the villages to ensure that procedures and operating methods for managing the risk of Covid-19 were in place. This audit measures the implementation and effectiveness of the Covid-19 infection risk prevention protocols and compares them to world standards in this area. This guarantees that GM® and GO®-GE are working in a safe environment while benefiting from the highest risk prevention standards.

❖ GM® indicators and incidents

Club Med's active approach to accident and theft prevention was given concrete form in 2019 with the creation of two safety director positions within the APAC and AMN/AML BUs. These directors are responsible for ensuring the safety of all Club Med activities in their BUs and managing any accidents/thefts that occur.

The specific ski accident prevention campaign, established in conjunction with the Safety Department, the Insurance Department and the ESF (French Ski School), continued.

An identical approach to reducing water-related accidents also continued in 2019, with a particular focus on Asia.

The year 2020 has mainly focused on the prevention of Covid-19.

In 2021, the number of incidents fell again compared to 2020, a year already impacted by the COVID, due to the closure of Club Med villages during almost the entire winter season. Fewer than ten reports (8) are linked to Covid-19 in 2021.

For more information on the organization and HHS policy, see the factsheet 

3.3.4 Disabled access in Villages

Accessibility agendas were filed by the statutory deadline of January 1, 2015. Work on compliance upgrades was launched in successive phases. To date, rooms have been made compliant in 95% of villages (vs 82% in 2018) and are scheduled in 2022 for 5% of the villages and, on communal areas, compliance upgrades have been completed in 79%, and scheduled in 21% of the resorts.

In accordance with French legislation, Club Med has introduced accessibility registers and trained all its hospitality staff working in its French vacation villages and offices in how to welcome disabled customers and employees.

In addition, a project was launched in 2018 to provide better information on the accessibility of Club Med premises and activities, in partnership with [Picto Access](#). By the end of 2021, 30% of Club Med villages and 90% of villages in France shared information on accessibility on the clubmed.fr website

3.4. Respecting human rights

Human rights and fundamental freedoms of local communities

Club Med is committed to the respect of human rights in particular through:

- Fighting against the sexual exploitation of children in tourism (see section 3.1.1.);
- Distributing the principles of its Ethics Charter to all employees, and making this document available to all stakeholders: on the corporate website <http://www.clubmed-corporate.com/?cat=266> and the jobs website <http://www.clubmedjobs.co.uk/knowning-us-better/our-strategy/our-commitments> ;

Moreover, Club Med ensures the respect of local populations and the **non-monopolisation of resources** through:

- Compliance with land acquisition and use regulations, protected areas and heritage sites;
- vigilance to ensure that resorts' activities do not impact the water or energy supplies of local communities or compromise the sanitation or delivery of other essential services in neighbouring communities. These are mandatory points for obtaining Green Globe certification and are reviewed at each audit.

Lastly, since 2000, Club Med has **been a signatory to the National Charter of Ethics for Tourism**. This is the French version of the Global Code of Ethics for Tourism. In November 2015, Chairman Henri Giscard d'Estaing signed the **Global Code of Ethics for Tourism** at the 16th meeting of the World Committee on Tourism Ethics in Paris.

For more details see <http://ethics.unwto.org/content/global-code-ethics-tourism>

Human rights and fundamental freedoms of employees

In addition to applying and promoting the **freedom of association and the right to collective bargaining** (see section 2.3 "Social relations") and as part of **fight against discrimination** (see section 2;6 "Equal treatment") in all countries where it operates, **Club Med only hires employees who are over the age of 18 and prohibits all forms of forced or compulsory labour**. This requirement is specifically met during hiring sessions in employment areas, and subsequently by the village HR Manager.

It promotes fundamental rights at work through its Ethics Charter (see section 3.4 in the Societal report), specific contractual clauses with suppliers (see section 3.2.1 in the Societal report), as well as the collective agreement on the **respect for fundamental rights at work** (mentioned in section 2.3), which refers directly to ILO (International Labour Organization) principles and describes in detail Club Med's commitments to respect them.

4 • ENVIRONMENTAL REPORT

Notes on environmental data:

- The reporting period runs from January 1 to December 31 since 2019 (history has been recalculated for this period).
- The scope covers villages operated for at least one season (winter and/or summer) over the year, for all activities, whether or not these are directly managed by Club Med (Spas, Shops etc.). It includes periods of seasonal closure and is based on actual consumption.
- In 2021, the reporting scope was modified compared to 2020 with the opening of three new resorts (Les Seychelles, La Rosières in France, Lijiang in China), the permanent closure in 2020 of Aime la Plagne and Sant 'Ambroggio in France and in 2021 of Agadir in Morocco, Cervinia in Italy and Tignes in France and the non-operation of five resorts (Kemer in Turkey, Columbus in the Bahamas, Bintan and Bali in Indonesia, Phuket in Thailand) as well as numerous punctual closures linked to the COVID crisis.
- In addition, the Club Med 2 boat is now included in the reporting with the history from 2019.
- Data comparability from one year to the next is ensured by Bed Capacity in hotel days (bed capacity x number of days open), or by Hotel Night (HN), or by Total Hotel Day (THD) ratios which take into consideration customers and personnel living on-site, including during periods of closure or by sold room ratio (for sector comparability reasons). However, for 2020 and 2021, variation in activity is too strong to allow for a reliable interpretation of these developments.

For further details, see the note on environmental reporting methodology and the indicators table in section 5.3.2

4.1. General elements of the environment policy

4.1.1 Key issues and commitments

Encouraging the appreciation for nature and its benefits is one of the founding principles of Club Med, whose very name reflects this vocation. Located in exceptional settings, Club Med is aware of their fragility and their vital need for protection. Being recognized as a tour operator with high standards as well as a pioneer in environmental management is a determining factor when it comes to enjoying the legitimacy to operate in some of the most beautiful sites in the world and also of meeting the increasing expectations of GO® and GE and customers.

Environmental issues are addressed at three major levels:

- resort construction;
- resort operations;
- and outreach to customers, suppliers and GO®/GE.

In the context of its “Asset Right” strategy, Club Med’s ability to drive progress within its sphere of influence (i.e., its investment partners) is becoming a key element in the success of its environmental policy both during Village construction and operation. **Promoting eco-certifications as being Club Med standards** is a major source of leverage in terms of achieving such success.

Provision for contingencies and losses relating to the environment

Pursuant to the decision of the Court of Appeal of Chambéry of 25 September 2019, which became final on 8 September 2020, which had, in the context of an environmental offence, pronounced a fine of €200,000 and a measure of publication of the decision, Club Med has, upon receipt of an order to pay on 21 April 2021, paid the fine of €200,000 to the Public Treasury.

No provision for environmental risks, nor any expense or indemnity related to the application of a final legal decision in environmental matters, was recognised during the year.

4.1.2 Organization

Organization of teams

See section 1.1 for the organization of the Sustainable Development department.

See section 1.2 for the inclusion of stakeholder views.

Environmental issues are addressed in each Business Unit and at each stage of product delivery under the leadership of the Sustainable Development. It defines the group's CSR strategy in conjunction with the group's main support and operational departments, which are then responsible for implementing this strategy in their respective areas (Development and Construction, Products and Services, Purchasing, Technical Department, Operations, etc.).

The Development and Construction department relies on eco-construction expertise and consultants, in conjunction with our real estate partners.

In the villages, Technical Managers are key players in the environmental policy. Coordinated by the regional Technical departments, they work closely with all services, and particularly with the Green Globe Coordinators or the « Safe Together Manager » in certified villages or those seeking certification (see section 4.1.3.). Regional Technical departments unify the work carried out by Technical Managers in each village.

With regard to compliance upgrades, energy efficiency as well as other topics (disabled access, elevators etc.), actions are

placed in order of priority by the EAF Technical department across the village network, whatever the operating structure (owner, renter or "being managed").

Tech Care: the environmental reporting tool

Since 2007, environmental data have been drawn from **the Tech Care reporting tool which covers all Group villages (World scope)**. In 2019, Tech Care migrated to a new, more user-friendly tool.

This tool enables the consolidation of quantitative data (water, energy, waste, GHG emissions, etc.), as well as the collection of qualitative contextual information on equipment, practices, and so forth. It serves a threefold objective:

- As an operating tool to manage Village performance, to serve as a village "memory" regardless of technical team changes, and measure progress against targets and return on investment;
- As a baseline for management control of resource consumption (water, energy etc.) in villages;
- As a reporting and consolidation tool for the Group's non-financial communication and management of the environmental policy roll out.

It uses data on **actual consumption**, which is recorded by the Technical Manager of each Village.

A dual control is performed:

- On the completeness of monthly data by the Tech Care administrator in the Sustainable Development department;
- On the consistency of data on a quarterly and/or monthly basis by the Technical departments.

Tech Care leads an annual project in September–October that covers nearly 350 qualitative and contextual indicators, which puts these analyses into perspective and provides a better understanding of all the villages' environmental impacts.

4.1.3 Becoming an eco-construction pioneer: guidelines, promotion of certification and green innovation

Routinely incorporating an eco-friendly approach and standards into construction projects is a key aim of Club Med's environmental policy.

BREEAM¹⁵-Club Med sustainable construction standards for resorts



In 2017, the first Club Med - BREEAM "**Resort**" **eco-construction standard**, the first standard specifically for Resorts whose specificity is to be composed of several buildings spread over large areas, was finalised. It combines the characteristics (that are best adapted to the context of resort construction) of the two BREEAM standards, "New Construction" and "Communities" with the requirements of this recognised international standard, certifiable by a third-party organisation and covering Club Med's environmental know-how

The "construction eco-standards" were also drafted in 2017. They were based on existing Club Med know-how (former environmental construction guidelines) as well as criteria taken from BREEAM, Green Globe and Green Building Design Label (China) certifications, to be applied on a systematic basis. Eco-standards also focus on the obtainment of an eco-certification (BREEAM Good minimum or equivalent in mountain resorts and Very Good minimum or equivalent elsewhere) and green innovation.

See also section 4.5.1. "Protecting biodiversity during construction"

Obtaining a recognised environmental certification for any new project

For villages built as well as for large-scale renovation, the Group aims to obtain an eco-certification (BREEAM Good minimum or equivalent in mountain resorts and Very Good minimum or equivalent elsewhere).

Inaugurated in 2019, the extension of La Caravelle (Guadeloupe) and the construction of Miches Playa Esmeralda (Dominican Republic) are still in the process of BREEAM Good certification. The extension of Trancoso (Brazil) opened in 2020 has been certified AQUA (very good level).

The construction of La Rosière, which opened in 2021, has been certified BREEAM Good, and the construction of Charlevoix (Canada), the Seychelles and Peisey are in the process of being certified BREEAM Good.

The Changbaishan resort has obtained BREEAM Very Good for its design and the resort in Lijiang, has obtained 2 stars (out of 3) Green Building Design Label (GBDL) for its design.

As a result, 100% of the villages that opened in 2021 are now eco-certified (although not all are yet certified).

These certifications follow on from the "NF HQE® Methods" certification awarded by Club Med de Valmorel for design, programming and construction phases; the "THPE" (Very High Energy Performance) energy label awarded by Club Med Val Thorens Sensations; and the "new construction" BREEAM certification awarded by Grand Massif Samoëns Morillon (pass level) and Arcs Panorama and Alpes d'Huez (good level).

KPI 1.1 – Construction: ecocertify 100% of new resorts and large-scale renovation: 2/5 (40%) achieved in 2021 (the other 3 sites are in the process of being certified)

¹⁵ BREEAM: Building Research Establishment Environmental Assessment Method

Promoting certification to our partners

Club Med's objective is now to convince its partners of the merits of a certification process. The Group's objective is to formally propose and defend the construction eco-certification principle to its partners.

To this end, this principle has been enshrined in the Eco-standards of the Development and Construction Department and in specific clauses incorporated in contracts.

Promote green innovation

In addition to certification, Club Med's construction Eco-Standards require the systematic integration of "green" innovations into construction projects, in order to test new technologies and promising processes.

Club Med also seizes the opportunity to communicate widely to its sphere of influence to raise the profile of innovative green technologies and share them with its customers (often decision-makers, influencers or investors).

More generally, innovative technologies are continuously being monitored by the technical teams and promising methods are tested.

For the 2021 opening, in the Seychelles (St Anne's Island), an energy recovery system supplies 100% of domestic hot water; and a bio-disc treatment plant (biological treatment of wastewater by aerobic and anaerobic means) provides irrigation water. And for the opening in 2021 of the Village de Charlevoix (Canada), an innovative storage system for the recovery of organic waste in liquefied form has been set up.

KPI 1.2 – Green innovation: 1 per new resort or large-scale renovation: 2/5 (40%) achieved in 2021

See also section 4.3.2 on innovative energy equipment.

Green innovations put into practice since 2008

Biological wastewater treatment via Jardins Filtrants® with Phytorestore	2006 2011 2013	Albion (Mauritius) Yasmina (Morocco) Guilin (China)
Natural swimming pools with Phytorestore	2013 2017 2018	Guilin (China) Da Balaia (Portugal) Cefalu (Italia)
Automatic management of room amenities with wireless communication technology, or stack.	2012 2014 2014 2018	Opio (France) Kamarina (Italy) Gregolimano (Greece) Pointe aux Canonniers (Mauritius)
Hotel-specific thermostat from Aemec	2013	Gregolimano (Greece)
High-tech paint containing microspheres for increased reflection of solar radiation	2013 2014	Punta Cana (Dominican Rep.) Marrakech (Morocco)
"Self-learning" energy optimizer	2011 2014 2018 2019 2020	Valmorel (France) Val Thorens (Fr) Grand Massif (Fr) Arcs Panorama (Fr) La Rosière (Fr)
"Smartgrid" and "load control switch" electricity load management in conjunction with EDF	2014	Alpes d'Huez, Serre-Chevalier, La Plagne 2100 et Val d'Isère (France)
LED to replace high-powered halogen lighting	2014	Da Balaia (Portugal)
Biomass urban heating	2014	Vittel le Parc (France)
Solar LED for autonomous external lighting	2014	Opio (France)
SiteControl software for centralized irrigation management connected to a weather station	2015	Albion (Mauritius)
Photovoltaic biaxial tracking systems with Helioslite and CEA-INES	2015	Cap Skirring (Senegal)
Ice water unit with high efficiency electro-magnetic compressors without oil	2016	Pointe aux Canonniers (Mauritius)
Installation combining thermic solar, heating and A/C heat pump, and recovery of calories in the sanitary hot water network	2016	Gregolimano (Greece)
CO2 heat pump	2017	Da Balaia (Portugal)
Tw eener® LED lighting suitable for outdoor tennis courts	2018 2021	Opio (France) Seychelles
High temperature heat pump for DHW preparation	2018	Pointe aux Canonniers (Maurice)
Structure ossature bois	2018	Cefalu (Italia)
Production of domestic hot water by wood pellets ("solid bio fuel")	2019	Rio das Pedras (Brazil)
Thermo fridge pump to simultaneously produce heat and cold by heat exchange (hot water and air conditioning)	2019 2021	Marrakech (Morocco) Albion (Mauritius)
Recovery of waste energy for sanitary water heating	2021	Seychelles
Bio-disc treatment plant (ecological treatment) for reuse of waste water for irrigation	2021	Seychelles
Innovative liquefied storage and recovery system for organic waste	2021	Charlevoix (Canada)

4.1.4 Becoming a leader in environmental management: Green Globe certification leverage



Increasingly demanding regulatory and company requirements on environmental and biodiversity protection, rising energy costs due to CO2 regulations, mounting pressure on water usage mean that villages have to be operated with increasingly complex constraints.

The certification process has proven to be effective and relevant for ramping up team commitment and instilling a continuous improvement mindset in each village.

The Green Globe benchmark indicators cover the entire CSR process for sustainable tourism. For more details see also [P](#)

In **environmental terms**, this benchmark validates the existence and efficacy of policies to reduce water and energy consumption, policies on waste management, pollution risk control, biodiversity protection and eco-purchasing.

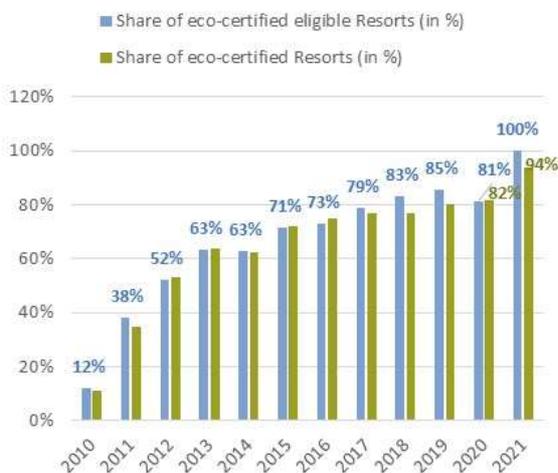
Objective: all Villages certified by 2021

The Green Globe certification process launched in 2010 was continued in 2019 **with the ongoing evolution** of tools (e.g., village diagnostics, Green Globe self-assessments, configurable action plans, training modules, etc.) and with guidance, monitoring and support for the villages involved.

In 2021, six villages were newly certified Green Globe: Alpes d’Huez, Chalets Grand Massif and La Rosières in France, Miches in the Dominican Republic, Yabuli and BeiDaHu in China and three Joyview in China (Anji, Yanqing and Golden Coast). By the end of 2021, 100% of eligible villages will be certified.

KP2 - certify Green Globe 100% of eligible resorts (*) in 2021: 100% achieved by 2021

(*) between one year after opening and two years before closing)



See details of eco-certified villages on the map below.

In 2019, the village of Cherating (Malaysia) was the first Club Med resort to become a "Platinum" for its 10 years of certification. Fifteen resorts, certified for more than 10 years, are now "Platinum" and four, certified for more than 5 years, are "Gold" in 2021.

A dedicated organization supports the deployment process:

- a "Sustainable Development and Foundation Coordinator" in each BU to support local management and the resorts in maintaining responsible operations within the scope of their BU;
- an operational reporting structure with "Green Globe Coordinators", i.e., GO® and GE working in the villages who are trained by the « Safe Together Manager » or by the "Sustainable Development and Foundation Coordinator" and spend a portion of their time ensuring coordination of the action plan and ownership of the process by the village teams. In the Southern Europe zone, the Administrative and Environment Managers (RAEs) are, naturally, also Green Globe Coordinators.

To ensure lasting progress in the company's practices, tools and processes, a "CSR Manager", reporting to the Sustainable Development department at Group level, coordinates the effort and provides necessary support to the "SD and Foundation Coordinators" in BU.

This approach, which is **highly structuring for the sustainable development action** in the Village but also in the offices and support functions, significantly feeds the responsible approaches of the various departments: Purchasing, Services, etc.

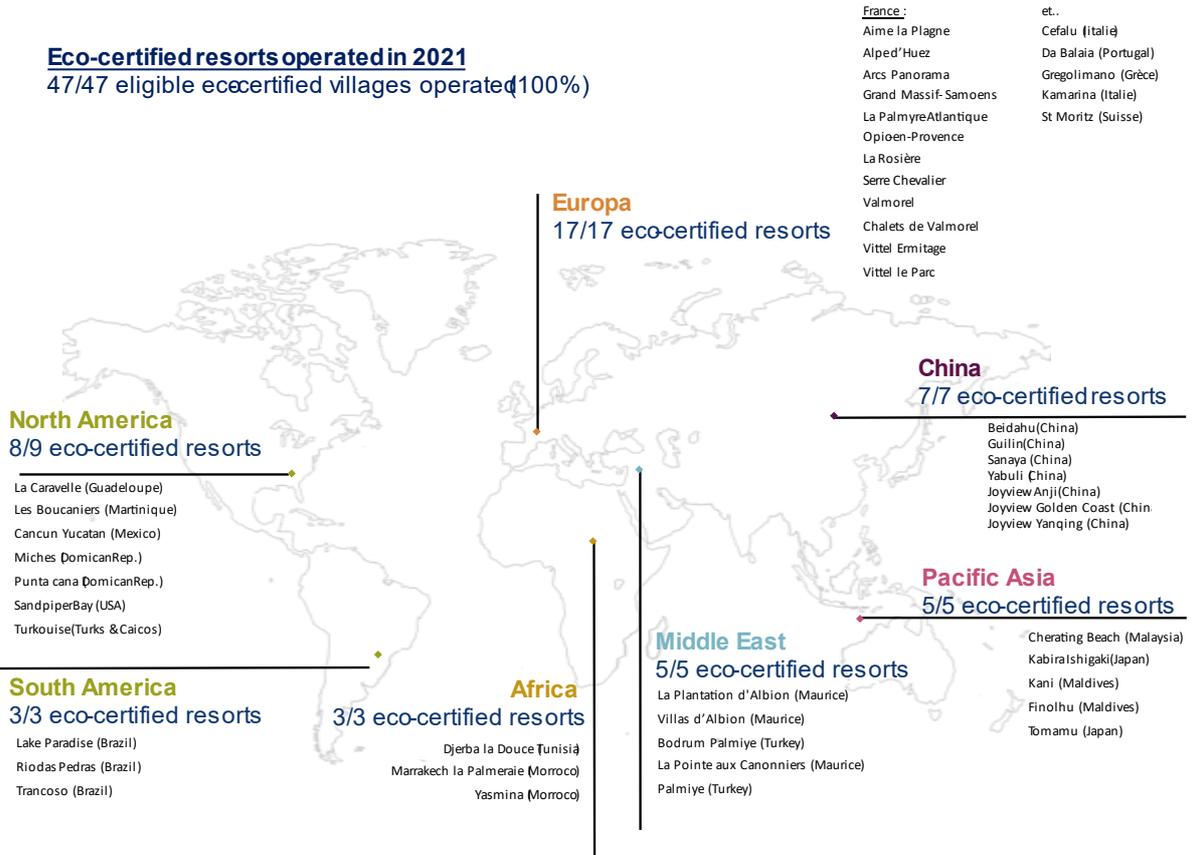
It enables better understanding and consideration of sustainable tourism issues in each Business Unit and by everyone concerned. All GO® and GE at Villages involved in the Green Globe certification or renewal process are trained in sustainable development issues and their day-to-day impact on what they do.

A process rewarded by other eco-certifications

- The **Vittel golf courses are GEO™ ecocertified** since 2013 (see section 4.5.2 on biodiversity)

Eco-certified resorts operated in 2021

47/47 eligible eco-certified villages operated (100%)



Green Globe international certification for sustainable tourism was launched in 1993. **Based on the commitments made by the tourism industry at the Earth Summit in Rio de Janeiro in 1992**, it applies to all tourism sectors. This demanding certification attests to an establishment's commitment to an active approach to sustainable tourism and ensures that it achieves a high level of performance and instills good practices concerning environmental, social and societal issues.

The Green Globe standard, based on international standards, is recognized by the Global Sustainable Tourism Council (GSTC) and Green Globe is an affiliate member of the World Tourism Organization (UNWTO).

These standard indicators cover the **three pillars of sustainable development** and are based on some **forty themes, broken down into more than 350 compliance indicators**, some of which are mandatory and others optional. Certification is awarded (audit by independent third-party audit) when the mandatory requirements are met and when the compliance rate with the indicators is over 50% for each theme. A new audit is conducted on an annual basis for each resort and ongoing improvement is required in order to retain the certification.

To learn more: www.greenglobe.com/france/



4.2. Pollution and waste management

4.2.1 Preventing pollution

Managing wastewater

See section 4.3.1 on water conservation

Managing the storage and use of harmful substances

Club Med uses harmful substances such as paints, swimming pool and kitchen maintenance products, cleaning agents and, to a far lesser degree, pesticides. Misuse or improper storage of these products would pose a threat to the environment and to human health.

Implementing the Green Globe certification process for all its villages has led Club Med to monitor even more closely the proper use and safe storage of these products. The Group aims to reduce their use or to replacing them with ecolabel products as soon as possible. The villages are routinely audited by an independent and officially accredited auditor of Green Globe on this topic made compulsory by Club Med.

The replacement of traditional dishwashing and rinse-aid products (this is the largest maintenance item, accounting for one-third of all cleaning products, by value) with ecolabel products was completed in Winter 2012 in France.

Other potential sources of pollution

❖ Refrigerant gases and CFCs

A plan to gradually phase out refrigeration or air conditioning units running on CFC (chlorofluorocarbon) gases and replace them with more energy efficient equipment had been established in 2013 after the 2012 inventory. The percentage of Villages with equipment using CFC gases dropped from 68% in 2012 to 17% in 2021 (vs. 36% in 2018). This equipment is being progressively eliminated in villages where it is still used (excluding China).

❖ ICPE Sites (facilities that pose an environmental risk)

As a result of the transposition into French law of the European directive on medium combustion installations, installations with a capacity of more than 1 MW are now subject to the ICPE reporting regime. Four Club Med sites (Serre Chevalier, Grand Massif, Arcs Panorama and Opio) with oil or gas-fired boilers were declared and registered as ICPE in 2019, and compliance diagnostics were carried out in 2020 and 2021.

❖ Noise and specific actions to curb excessive noise:

54% of Villages have a decibel meter and 42% have been evaluated for noise by an outside expert (vs. 48% / 43% in 2020).

❖ Light pollution

Steps have been taken to prevent light emitted by the company from having an impact on wildlife (especially in the context of marine turtle protection). This is a Green Globe criterion for respecting biodiversity that is generally met.

4.2.2 Waste management

Reducing and recycling waste

The waste management improvement process has been strengthened and accelerated by the Green Globe rollout and consists of:



- reducing waste at the source via purchasing (minimizing packaging) and changes in services (eliminating some individual packaging);
- increasing the reuse of resources and decreasing the use of disposable products;
- generalising quantitative monitoring of waste; and
- setting targets for reducing waste that is not recycled with the aim of moving toward zero waste.

❖ “Bye-Bye Plastic”

The "Bye-Bye Plastic" program, launched in 2018, aims to eliminate single-use plastic products from bars, restaurants and rooms by 2021 (straws, dishware, amenities in the rooms, etc.) in all Club Med resorts.

Achievement of previous objectives

- Single-use plastic for catering (straws, cups, mugs, as well as plates, cutlery and trays) has been phased out in all our Resorts around the world from 2019. This target is 100% achieved.
- The shower gels, shampoos and body creams available in our bathrooms are offered in large reusable containers in all our resorts (excluding the Exclusive Collection range and Brazil). This target is 100% achieved (vs 95% in 2020).
- Accessories packaging in the rooms are also being phased out in all resorts. This target is 81% achieved.

Additional new targets for 2022 and 2023

- From 2022, shower gels and shampoos in individual packs will also be phased out in the remaining perimeter (Brazil, the Exclusive Collection and the Suites);
- and single-use plastic accessories for festive events (such as balloons, LEP glow sticks, wristbands and flags) will be phased out.
- From 2023, single-use plastic accessories in rooms will be replaced by accessories made primarily of alternative material.
- The consumption of plastic water bottles will be reduced compared to 2019: by 10% in 2022, 25% in 2023, 50% in 2024.

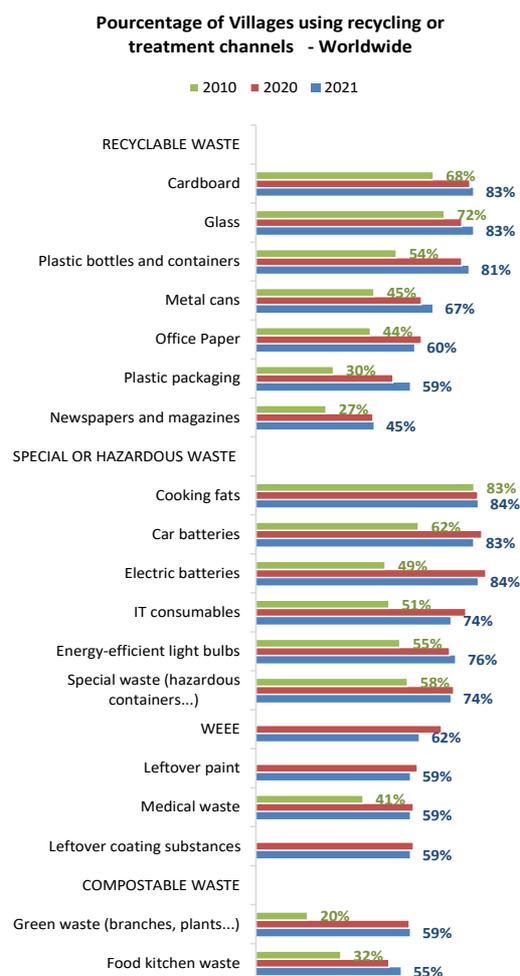
By the end of 2021, this target has been achieved for the 7 resorts with the highest quantity and local impact, representing more than 10% of the park. Since the summer 2019 season in the Europe-Africa Mountain Villages, plastic water bottles are no longer available for hiking departures. Water fountains, available in the resort, are used to fill the bottles provided in the rooms when the guests arrive. Reusable water bottles are also available in resort shops.

The programme has resulted in an estimated 118 tonnes of disposable plastic being removed from bars and restaurants by 2020.

❖ Waste sorting – circular economy

In 2019, commitments made under the Green Globe certification continued to be implemented with:

- systematic sorting carried out in all departments;
- a more proactive search for waste channels,
- and signing of a food waste collection contract in France since 2017.



Lastly, villages continue to work with their suppliers and carriers on the recovery and reuse of packaging (containers, pallets, plastic crates for fish to replace polystyrene bins, etc.).

Over and above the villages involved in the eco-certification process, all villages now systematically recycle where the appropriate channels are available, as shown by the growth of sorting since 2010. Nonetheless, development in countries where these channels do not exist explains the stagnation in some sorting rates.

In 2021, Club Med signed a circular economy and eco-responsible partnership with SKI'R, a programme led by Tri-Vallées, a recycler in the Auvergne-Rhone-Alpes region, Ski'N Surf, a ski equipment recycler, and Cycla, a circular economy consultant in the Savoie-Mont-Blanc region, so that at the end of the season, all helmets and skis that have reached the end of their life cycle in the rental fleet will be recycled in a new eco-design cycle.

❖ Quantitative waste monitoring

Club Med has **chosen a single indicator for monitoring waste: the quantity of residual waste** (instead of recycled, reprocessed or recovered). This indicator reflects the end result of all waste reduction, sorting and recovery actions, and is the only one that can reasonably be consolidated on a world scope.

In early 2013, a new, standardised waste monitoring procedure for all sites came into effect and Inventory and Supply managers were tasked with monitoring waste. In the Southern Europe zone, processing waste is the number one mission assigned to the new Administrative and Environment Managers.

In 2021, 65% of the villages operated report residual waste quantities by weight or volume (vs 69% in 2020).

Among the resorts reporting residual waste by weight, **the average amount of residual waste is 2.2 kg/Hotel Night** (50% coverage rate of the overnights) or, to consider the Club Med specificity of GOs® living with clients, **1.4 kg/THD¹⁶** (48% coverage rate of the total hotel days). The average quantity of recycled waste is 0.476 kg/HN (75% coverage rate of the overnights) or 0.265 kg/THD (70% coverage rate of the total hotel days).

40% of resorts use recycling channels for the five most common types of waste (paper, cardboard, plastic, metal and glass).

Monitoring and combatting food waste

The **strain on food resources** due to food shortages in some destinations is an operational issue as well as a compelling image issue for Club Med, as an "all inclusive" operator with a reputation built, in part, on its buffets. Responsible purchasing, contributing to the development of local subsistence farming, banning over-fished products, (*see section 3.2 on Purchasing*),

¹⁶ The ratio per JHT takes into account all the people living on the site (including staff GO® living with customers)

reducing food waste to a minimum and so on -these are the issues on which the Group places the greatest importance.

The vast experience of Club Med villages in buffet management (knowing exactly how many meals to serve, and practices such as assisted service, on-demand preparation, frequent refilling of small containers on the buffet line, etc.) helps it to control the production of food waste per hotel day. Being highly vigilant about food waste, in 2014, the Group conducted a study quantifying waste per meal and bringing best practices together in an awareness raising/training tool for kitchen teams ¹⁷. Since 2015, an initiative for raising customer awareness has been implemented (see §4.6).

KPI 4.1 – 13/66 of resorts have an automated food waste monitoring process in 2021

Since 2017, Club Med has been deploying the Winnow solution, whose smart, connected bin technology enables teams to measure and limit food waste. According to Winnow, this makes it possible to reduce the value of food waste by nearly 50% and the food cost by 1.5% in the sites that have set up these scales. Winnow systems are now equipping villages in the Asia-Pacific region excluding Japan. They are already in use in villages in the Asia-Pacific region (excluding Japan) as well as in two villages in China. A test of the Winnow solution is also underway in the Dominican Republic.

For the Europe-Africa zone, a support approach that places greater emphasis on the method through audits, action plans and training has been launched in two resorts (Cefalu in Italy and La Palmyre in France).

KPI 4.2 - Average amount of avoidable food waste (g/person/meal): 101 g/person and meal (2012-15 study on a sample of almost 20% of villages). An update started in 2020 on Europe-Africa on 3 sites gives 140 g / person and meal.

Finally, in mainland France, the **recycling of food waste** has become widespread since 2018 with the signing of a contract with an industrialist for the collection and recovery of organic waste. A total of 63% of the resorts (vs. 58% in 2020) and 85% of villages in France recycle their food waste.

Managing special or hazardous waste

Club Med deals with a range of hazardous waste such as cooking oils, batteries, WEEE (waste electrical and electronic equipment) and computer consumables, energy-saving light bulbs, medical waste (infectious clinical waste) and empty containers of hazardous products (paints, solvents, etc.).

Club Med's commitment is to use the appropriate channels for all its waste and, as part of the Green Globe deployment, to proactively seek out solutions where they do not currently exist.

In 2019-2021:

- Regular outreach in all villages on sorting, tracking and maintaining records of this type of waste;
- A proactive search for hazardous waste solutions, as needed, in new villages involved in the Green Globe process, and customer guidance on the proper handling of potentially infectious waste;
- The recycling rates for hazardous waste, where channels exist (World scope), have risen steadily (see chart on the previous page for change in 2020 vs. 2019 and 2010). The sites are however frequently faced with the lack of such channels.

See chart on the previous page on "Percentage of villages using recycling or treatment channels".

4.3. Sustainable use of resources

Notes on the organisation of this chapter:

Sensitive sectors (wood, fishing, food) are addressed in the "Environmental" subhead of section 3.2. on responsible purchasing and in the "Focus on food waste" subhead of section 4.2. on Waste.

Land use is discussed in section 4.5. Protecting biodiversity.

Detailed quantitative data are provided in the table of CSR indicators in section 5.3.2

4.3.1 Water¹⁷



Often operating in regions under water stress, tourism is faced with the issue of **drinking water shortages**. This is:

- an issue of local acceptability, especially since the strain on water resources frequently coincides with periods of water shortage and local authorities' capacity to treat wastewater is sometimes insufficient;

¹⁷ Notes: Water consumption data for Belek (Turkey, in 2013), Guilin in China (2014) and Beidhau in China (from 2017 to November 2019) are excluded from the scope of analysis in the absence of a meter.

- an operational issue with supply risks in regions under water stress which could lead to challenges to the rights over wells or conflicts over water use.

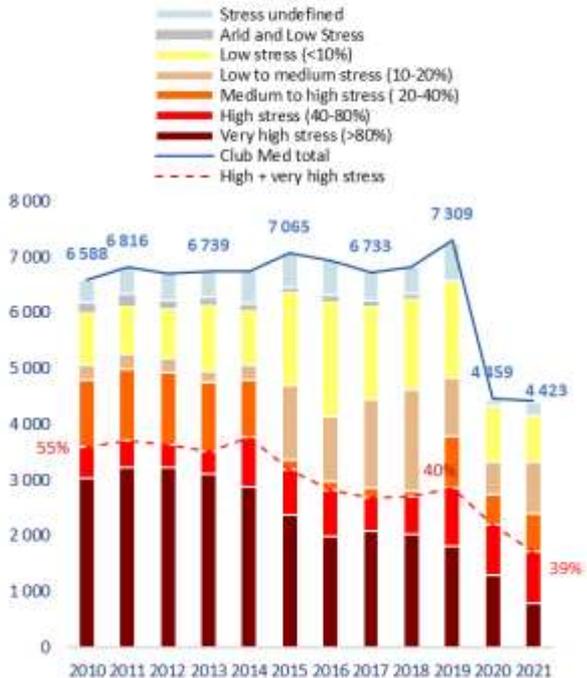
Consumption and issues by area of water stress¹⁸

Risks and opportunities related to water management are mainly local issues, unlike those involving greenhouse gas emissions.

The mapping of water consumption by country is based on the use of the World Resources Institute (WRI) Aqueduct tool. This tool enables an analysis of water stress for each village based on its location, by watershed.

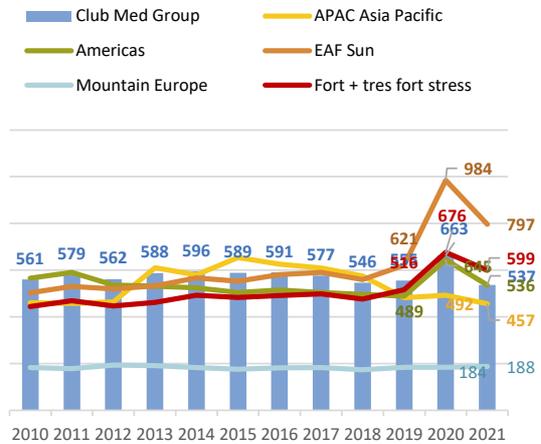
Club Med frequently operates in seaside locations in warm weather regions, which explains the high percentage of water drawn by its villages in areas of high or very high-water stress. The 2020 update of the WRI's water risk atlas Aqueduct™ accounts for the 10 -point increase in the share of water taken from risk areas. The three resorts in Mauritius as well as the village of Sant'Ambroggio (France Corsica) are now considered to be in highly water-stressed areas. In 2021, the drop in consumption in areas of very high-water stress is explained by the cessation of operations of the Agadir site.

Withdrawal water by water stress zone (in thousand of m3) - Worldwide



Average consumption trends depend on the mix of village locations and categories, their irrigated surface area, equipment used, type of vegetation, as well as on visitor numbers and weather conditions.

Litres / capacity (in JH) according to zones - World 2021



In absolute terms, from 2019 to 2021, water consumption has fallen by 39% for the Group as a whole (for a total fall in capacity of 38% and in nights sold of 52%).

In 2021, water intensity reaches be 537 litres per hotel capacity (-3.2% vs. 2019) and 1127 litres per night sold (+27% vs. 2019) due to the sharp drop in nights sold in 2021 vs. 2019.

Mediterranean villages in areas of high or very high-water stress are penalised by greater needs, particularly for watering (less rainfall, more evapotranspiration). This is addressed by more technical management with drip and watering programmers.

Actions to control water consumption

It should be noted that the year 2021 was still very affected by the pandemic, many resorts were closed, and investment budgets were extremely limited.

❖ Reusing recycled water, curbing watering needs

Due to the fact that its operations are often in far-flung locations, from very early on Club Med has frequently had to “produce” its own water by drilling wells or through desalination (seawater or brackish groundwater). Hence its ingrained conservation habits in these areas, such as night-time watering, reusing treated wastewater, and so forth. Water recycling is a common practice in the villages, especially those with green spaces where virtually all treated water is reused for irrigation.

- 40% of resorts with green areas recycle their water for irrigation.
- 47% of resorts with green areas use their own or purchased recycled water for irrigation.

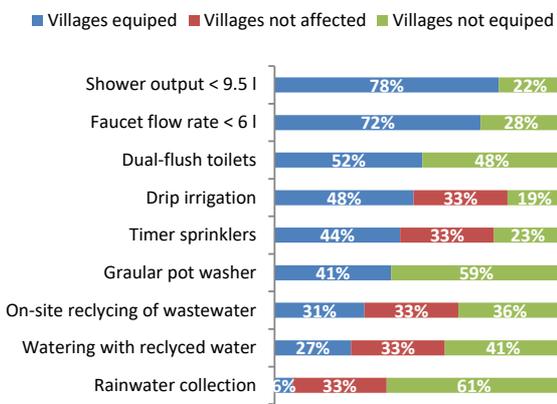
¹⁸ Hydric stress zone = indicator of water pressure compared to its availability (source: Aqueduct WRI).



❖ **Efficient equipment**

Village facilities and equipment have been designed to control water consumption (flow regulators on taps, pressure reducers, water-saving flushing, centralised irrigation management systems, drip irrigation, etc.). In addition, maintenance work is performed regularly at all Villages, such as repairing leaks in the water supply etc. For example, in 2021, water flow reducers in rooms (Asia, Americas), water meters (Trancoso, Brazil) and optimised automatic watering systems to replace manual watering (Europe and Africa) were installed.

**Equipment in water saving systems
2021 - Worldwide**



❖ **Leak detection**

Daily monitoring of consumption makes it easier to detect leaks in the water supply network.

❖ **Special efforts in areas of water stress**

Generally speaking, and even more in water stressed regions, management of water resources in green spaces relies on water frugality (by choosing drought-tolerant vegetation), efficiency (efficiently supplying only what plants need), and on recycling water resources, where authorised, and more recently on the recovery of rain water (Mauritius since 2015 and Cefalu in Sicilia since 2018).

Mulching is mandatory, and every possible solution for reducing consumption of water for garden maintenance is systematically investigated. Contracts with service providers necessarily include both obligations. The consumption of water for garden maintenance is monitored to measure the effectiveness of those measures implemented.

❖ **Changing users' behaviour**

To control consumption, behavioural change is just as vital as technical progress. It is therefore natural that outreach to the teams and customers about conserving water resources is a key theme of the environmental policy.

For more than 20 years now, all customers of Club Med around the world have been invited to reuse their bath towels if they wish. This procedure was revised as part of the Green Globe

deployment to make it more efficient, and was extended to bed linens in the suites, given the more demanding hotel standards in this category of accommodation.

In 2021, for example, training in water-saving cleaning processes was provided at resorts in France.

Wastewater treatment and management



❖ **Wastewater sanitation**

Club Med has always tried to avoid discharging untreated wastewater into the natural environment.

Treatment plants are built when water treatment facilities are not available locally, particularly for Villages in remote areas or in those lacking infrastructures. In the rare cases where there are doubts about the performance of existing treatment facilities, Club Med pursues an active policy with local authorities to resolve difficulties as quickly as possible.

See also the above section on water recycling.

❖ **Preventing contamination of soil and groundwater**

Concerned with avoiding contamination of soil and groundwater, and with protecting its surrounding ecosystems, Club Med's policy is to prevent pollution through systematic wastewater treatment, run-off management, elimination of pesticides (see section 4.5.2 on protecting biodiversity) and switching to eco-certified maintenance and cleaning products.

Club Med is unable to provide consolidated measurements of wastewater discharge, as suggested by the Global Reporting Initiative's (GRI) Sustainability Reporting Standards. The only water discharged by Club Med is domestic wastewater. Water management is handled locally in the villages, with entries made in the "water logbook" which brings together technical data, administrative authorisations, physical, chemical and bacteriological analyses, treatment protocols and monitoring, network changes, etc., but does not allow for consolidation.

4.3.2 Energy



Reducing energy use and CO2 emissions is a major concern for the Group given the pressures on energy resources, both present and future, and the threat of future repercussions on energy prices and the quality and reliability of supplies, as well as the eventual increase in the cost of carbon impacts.

The Group is seeking to reduce its energy consumption and emissions:

- during renovations, with a search for energy optimisation of 10 to 20%;

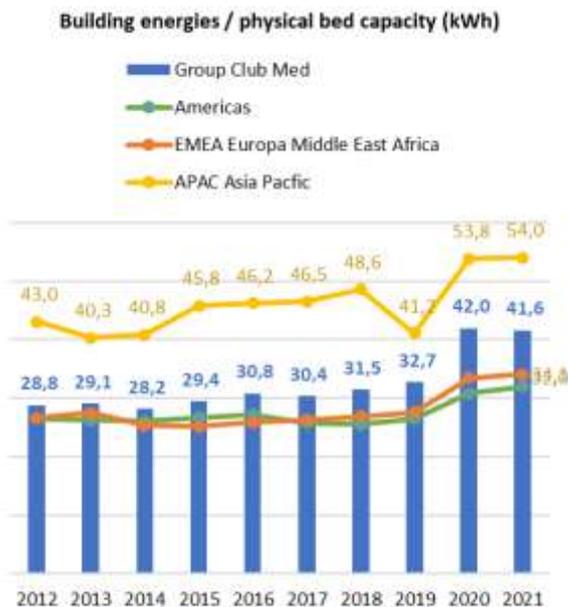
- on new projects, with the desire to comply at least with European regulations, while trying to go beyond them;
- on managed resorts, with the involvement of Club Med operating teams in energy management.

Energy purchases in 2021 were held to 4.6% of the Group's overall procurement spending (vs 3.3% in 2017)¹⁹ to be compared to the 6% average for the hotel industry (source: EnergyStar).

Consumption ratios and levels

In absolute terms, from 2019 to 2021, energy consumption in buildings is down 21% for the Group as a whole (for a total decrease in capacity of 38% and nights sold of 52%).

In 2021, energy intensity is 90.0 kWh per room night sold (+67% vs. 2019) and 41.6 kWh per hotel capacity (+27% vs. 2019). The deterioration of the ratios is explained by the health crisis and the sharp drop-in activity, while the buildings had to be kept frost-free in the mountains and air-conditioned in humid regions.



Detailed quantitative data are provided in the table of CSR indicators in section 5.3.2

Reducing energy needs: bioclimatic design for new buildings and retrofitting for old ones

The first step in reducing energy needs is to increase the energy efficiency of buildings.

For new buildings, see section 4.1.4 on sustainable construction.

For existing properties, Club Med invests each year to make strides in energy efficiency during the repair and maintenance

of its buildings. Regular thermal imaging and analysis of buildings underpins decisions regarding investment in existing or new buildings, and in fluid supply networks. In 2021, for example, window insulation (frame and double glazing) was installed in Da Balaia (Portugal) and anti-heating paint in Sanya (Japan).

In new buildings, Club Med aims for energy efficiency through bioclimatic design of new buildings and the renovation of old buildings with a focus on high levels of insulation, dual-flow ventilation, heat pumps and heat recovery systems wherever possible and the implementation of advanced building management systems.

Improving yields: Efficient facilities

❖ Regularly upgraded facilities

Energy use is closely monitored in the villages. Each village benefits from regular upgrades to facilities, including:

- Building Energy Management Systems (BEMS) room control via a "smart-room" system (in the extensions and new EAF villages)
- heat pumps with CO₂ for the production of sanitary hot water
- an oil-free turbocor® electromagnetic refrigeration system (in the sun villages)
- dynamic energy monitoring software for the resorts in Europe and Africa,
- systems recovering unavoidable energy in cold rooms (on new sites)
- replacement of the gas boiler for domestic hot water production by a wood pellet boiler ("solid biofuel") in Rio das Pedras (Brazil),
- photovoltaic energy installations in Rio das Pedras (Brazil) and Phuket (Thailand), Punta Cana (Dominican Republic),
- fuel cells in Yanquig (China);
- the installation of high-performance heat pumps (on new sites or during renovations);
- thermo-fridge pumps that produce heat and cold at the same time
- energy recovery systems for air treatment to preheat domestic hot water (mountain villages).

And in 2021, for example, the following have been put in place:

- the installation in 23 EAF resorts of a dynamic monitoring system that allows for faster diagnosis and intervention on problems encountered,
- the replacement of the air conditioning system with a more efficient design (thermo-fridge pumps) in Albion (Mauritius),
- the installation of heat pumps running on CO₂ (i.e. without refrigerant gas) in 3 resorts (France),
- the optimisation of the energy distribution network when changing the boiler in Opio (France),
- the installation of a Building Energy Management Systems (BEMS) in Da Balaia (Portugal) for better control of the buildings,

¹⁹ Excluding China

- the replacement of halogen lamps with LEDs (in villages not yet equipped).

Vehicles used in the villages are, to the extent where possible, electric vehicles, which now represent 47% of the villages' fleet (+4pts vs 2018).

❖ Research and testing of innovative solutions

Club Med experiments innovative energy solutions to rationalise its energy use and reduce its carbon footprint, like, high-temperature heat pumps for domestic hot water, bio-disc purification plants and systems for recovering "fatal" energy in the Seychelles....

See the list in section 4.1.4. on green innovation in construction.

Improving the energy mix

See section 4.4 on climate change.

To change the behaviour of users

As with water consumption, behavioural change is a vital factor in controlling energy consumption.

Outreach efforts to the teams include:

- Daily recording of actual consumption by the Technical Managers, as well as regular analyses based on the Tech Care system to alert and develop action plans for Villages that risk nonconformity;
- Training the GO® and GE teams on best practices;
- A procedure to rationalise use during off-peak seasons;
- And the monthly "energy reviews" for Villages in Europe-Africa since 2014.

GM® are educated as part of the Green Globe process, for example more than 17,600 posters (in 2021) "Together, let's take care of our environment" are put up in the client rooms.

4.4. Climate change

4.4.1 Climate change-related risks and opportunities

Climate change **impacts tourist destinations and operating conditions in many different ways.**

In the short term, destinations are affected by the increased frequency of adverse weather conditions such as too little snow in winter or too much rain in summer, as well as by extreme weather events (hurricanes or cyclones in North America and the Caribbean etc.).

In the medium term, climate change impacts on the attraction of destinations for tourists: beach erosion, drying up of palm

groves, disappearance of coral reefs, proliferation of jellyfish, return to a rise in tropical diseases etc.

In the long term, climate change impacts on the business's operating conditions: contribution to reducing water resources and risks associated with conflicts with local communities and other business sectors over water use, growing tensions over food resources, supply shortages.

There is a risk that tourists will turn away from air travel as sensitivities change, and as costs begin to reflect external factors (price increases in the event of carbon tax on flights in Europe and in other parts of the world, possible introduction of greenhouse gas quotas).

In modifying tourists' behaviour, climate change also opens up **opportunities to develop** summer season tourism in mountain regions with diverse activities and to develop business between seasons in more northern destinations. It may favour local destinations as well as longer stays, which will be stronger the further away the destinations are.

The Group is seeking to **plan ahead in order to adapt** to all these changes in its water (see section 4.3.1 on water) and energy (see section 4.3.2 on energy) management, and in its research into **reducing its direct and indirect greenhouse gas emissions.**

4.4.2 Reducing greenhouse gas emissions

Detailed quantitative data are provided in the table of CSR indicators in section 5.3.

Club Med has long been convinced that the tourism of tomorrow, the one that will remain, will need to be low-carbon, resource-efficient, respectful of countries and people and largely beneficial to host communities.



In 2006, Club Med carried out the first LCA (Life Cycle Assessment) of a resort; in 2019, it updated and completed the calculation of its carbon footprint in order to continue its search for a path to reduce its GHG emissions.

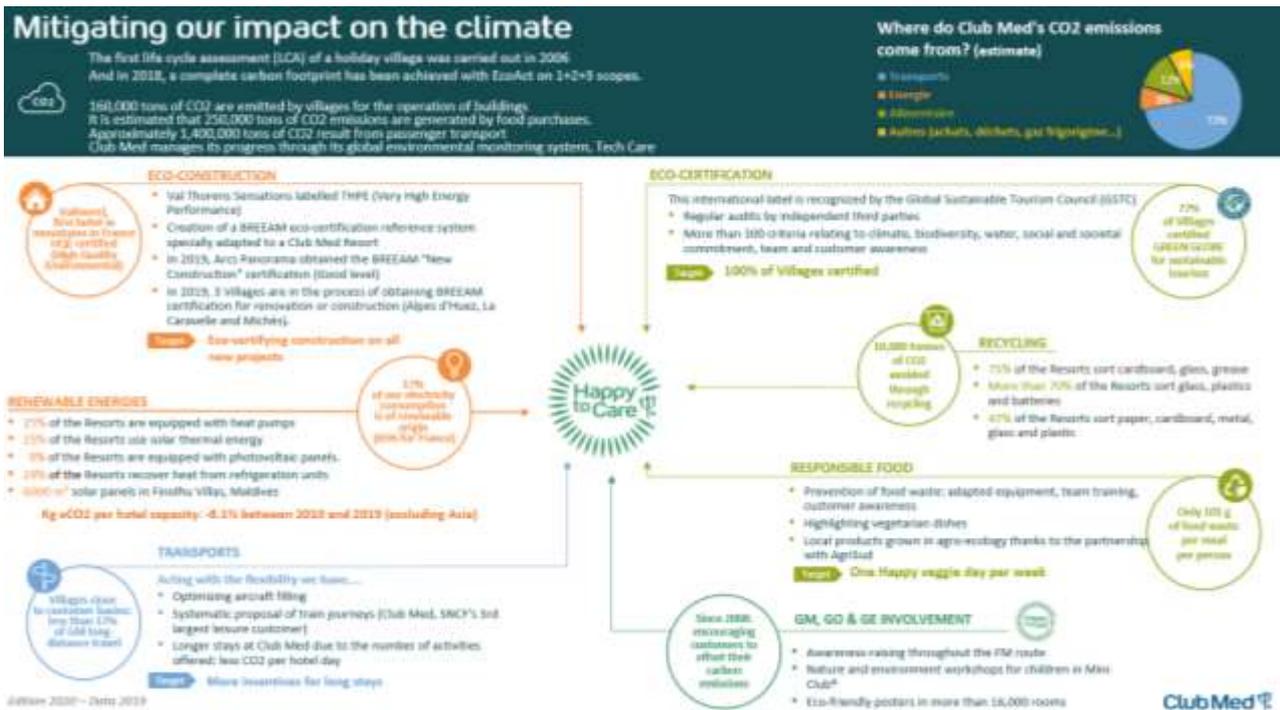
A "Science-Based Target" approach has been initiated to estimate what reduction targets would be in line with scientific recommendations in order to limit warming to 2°C. In 2018,

initial work focused on scopes 1 and 2²⁰. In 2019, it was completed with scope 3²¹ and the definition of a +2°C trajectory compatible with the Paris Agreement. In 2021, a trajectory simulation tool has been developed in-house and the updating of the trajectory has been initiated.

In concrete terms, this reduction is achieved by reducing CO2 emissions through the location, construction and operation of resorts.

²⁰ Scopes 1+2: direct greenhouse gas emissions (1) and emissions from indirect energy production such as electricity

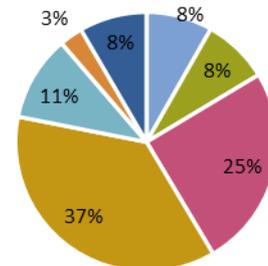
²¹ Scope 3: other indirect emissions (purchases, transport, etc.)



- For stays, the main levers are the reduction in the quantity and decarbonisation of the energy used directly by the buildings, as well as food.
- For transport, the number of kilometres travelled to reach the destination divided by the length of stay gives a good estimate of the "carbon intensity" of a given holiday. It is therefore a question of encouraging customers to favour local stays or stays that are longer the further away they are, of encouraging them to prefer gentler modes of transport, of continuing to develop new resorts close to the areas that generate customers (as in the Alps, or in China with Joyview, or even in Canada in the near future.)

The health crisis complicates activity but paradoxically accelerates certain developments: the idea of travelling less but better, of (re)discovering closer destinations has thus become even more promising. Moreover, the profound changes it is bringing about in ways of working will lead to lasting changes: it is likely, for example, that the boundary between time worked, time teleworked and time spent relaxing will be less clear, which will open the way to longer stays because they are hybrids (telework and holidays, "workation").

world GHG emissions in 2021



- Total direct emissions (Scope 1)
- Total indirect emissions (Scope 2)
- GHG Travel of GM carried by Club Med (scope 3)
- GHG Travel of non-transported GM (excl. from GHG protocol)
- Food purchases (scope 3)
- GHG staff transport (scope 3)
- Other GHG (scope 3)

Reducing GHG emissions linked to energy consumption

In absolute value, from 2010 to 2019, energy-related emissions from buildings have been down 19% across the Group (for a total decrease in capacity of 38% and nights sold of 52%).

In 2020 and 2021, the drop in emissions is due to the reduction in activity stemming from the health crisis.



In 2021, the carbon intensity is 37.1 kg eCO₂ per night sold (+67% vs. 2019) and 17.1 kg eCO₂ per hotel capacity (+30% vs. 2019). The deterioration in the ratios can be explained by the health crisis and the sharp drop in activity, while the buildings had to be kept frost-free in the mountains and air-conditioned in humid regions.

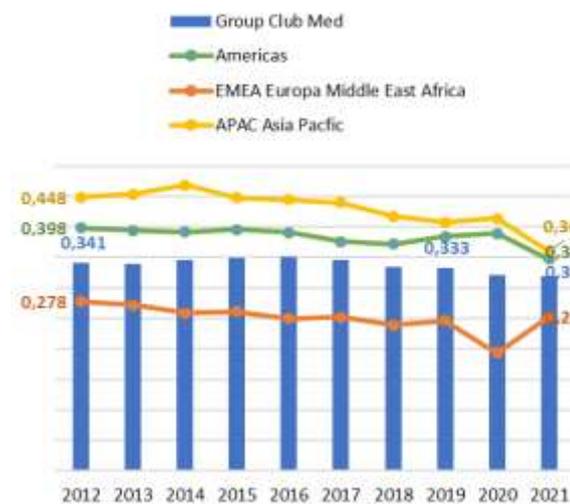
(See also the section on "Increasing renewable energy" below).

As shown in the diagram below, there has been a decrease in the carbon intensity of energy -6% for the group compared to 2012 (-11% outside Asia, -2% in Asia).

CO₂ from building (kg CO₂/JH)



carbone intensity by building (kg eCO₂/ kWh)



See also section 4.3. on energy

Energy substitution: towards progressively lower carbon energy on a case-by-case basis

❖ Changing the energy mix

Club Med is moving away from fossil fuels in Europe-Africa. However, between 2016 and 2109, there was an overall 12% increase in fossil fuel consumption due to a larger fleet of vehicles in Asia.

In 2021, 13% of all electricity consumed will come from renewable sources (EDF green certificates and photovoltaic electricity either produced in villages or purchased).

In choosing its renewable energy equipment, the Group opts for tried and tested, high-yield technologies.

- Currently **11% of villages are equipped with photovoltaic panels** (13,300 sq m + 12,000 sq m in 2020 on Punta Cana – Dominican Republic) and **22% of villages are equipped with solar thermal panels** (2,500 sq) meeting an average of 25% of resorts' hot water requirements.
- **28% of villages have refrigeration heat recovery units** (vs 27% in 2020).
- **Heat pumps are installed in 25% of villages as of 2021** (vs. 23% in 2020).



Geothermal and wind power are generally not yet cost-effective solutions, given the seasonal operation of the villages. However, the Joyview Yanqing Beijing resort (China) already uses geothermal energy.

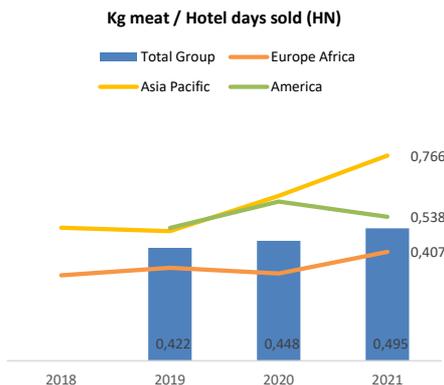
Reduction of GHG related to refrigerant gases

Club Med is seeking to reduce refrigerant gas emissions with the introduction of a new generation of HFO gas (Hydro Fluoro-Olefins) that not only has similar performance and safety characteristics to HFC, but most importantly good environmental properties and a low GWP (“Global Warming Potential»). In 2020, 15% of villages use this type of refrigerant gas (vs 11% in 2019). Gas leaks in 3 villages explain the increase in HCF gas refills.



Reducing GHGs related to food

The Life Cycle Assessment (LCA) of a village, conducted in 2006 by Bio Intelligence Service, showed that food accounted for a significant part of the CO2 emissions generated by an average vacation. This data has been updated and clarified in the carbon impact study conducted with Ecoact in 2019. A range of actions in resorts aimed at promoting vegetarian food and agroecology, and at limiting food waste, are contributing to reducing these emissions, even if they are still difficult to monitor in a very precise and regular way.



KPI 9.2: 499 g of meat per Hotel Day Sold (HDS) in 2021 on a perimeter of 83% of HDS (vs. 422 g of meat per HDS in 2019 on a perimeter of 78% of HDS)

See section 4.6. on GM® awareness and promoting organic and vegetarian foods.

Logistics and goods transportation

The main ways of reducing greenhouse gas emissions in **goods transportation** include:

- Preferring local purchases (86% of goods and equipment are purchased in the countries where the Villages are located);
- Grouping village deliveries from one logistics hub per operating region (for example, Arnas, in the Rhône-Alpes region outside of Lyon, for the Europe-Africa region).

Criteria related to the reduction of greenhouse gases (age of vehicles, pre-carriage by sea or by piggyback, proportion of air transport / sea transport) were added in 2012 to key transportation indicators. The Global Purchasing and Logistics Department raises awareness on the need to reduce emissions by regularly surveying its transportation providers to test compliance with these criteria.

Finally, working with suppliers on the concentration of products and the reduction of packaging is another lever.

Sorting waste

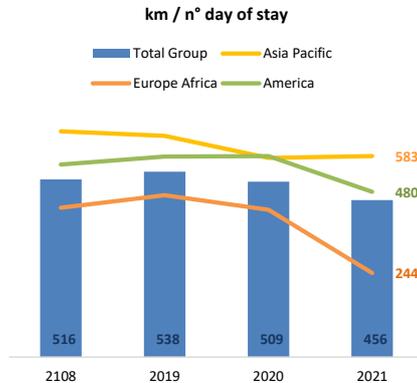
Waste sorting and recycling contributes to avoiding tons of CO2 emissions that would otherwise be generated. The CO2 tonnage is, however, difficult to measure reliably and is not therefore the object of precise monitoring.

GM® and GO® transportation policy

Air transport accounts for almost 5% of greenhouse gas emissions globally and this percentage may increase with the continuing expansion of tourism worldwide. Club Med depends on air transport for a significant proportion of its destinations; the weight of emissions linked to customer air transport is estimated at almost three quarters of the Group's overall emissions (Scopes 1, 2 and 3).

In the short term, Club Med has few means to curb the environmental impacts of transporting people. The Group does not have the same operational control over transportation that it does over its core business of operating its villages. However, acting on all available means, even if they are limited, remains a responsibility. Club Med strives to curb its environmental impact by working with environmentally responsible companies and by proposing alternatives to road transportation for all villages with a rail link, seeking to maximise occupancy on its charter flights, and encouraging longer stays.





KPI 9.1 - Average ratio of distance to destination as a function of length of stay: 456 km/day per customer transported in 2021 (vs 539 km in 2019)

Information about carbon offsetting and an invitation to take part in the scheme

In parallel to its policy of curbing greenhouse gas emissions, and as part of its outreach to key actors in this effort, since 2008 Club Med has invited its GM® to learn about and offset the emissions linked to their travel through information in its marketing materials and on the website www.clubmed.co.uk/offsetting

Since 2013, Club Med has met the French regulatory requirement to inform customers of the quantities of greenhouse gas emissions related to transportation. Where information is not forthcoming from all the airlines used to transport customers, Club Med refers its customers to the French civil aviation authority (DGAC) "eco-calculator" for aviation-related GHG emissions.

4.4.3 Adapting to climate change

Club Med seeks to take into account and anticipate potential impacts of climate change on its business.

Coastal erosion and vulnerability

The risk of loss of attractiveness of "sea" destinations due to the coastal erosion is taken into account right from the design stage of the Villages, which are built on the basis of appropriate studies, set back from the coastline, and are sometimes on stilts, as in the case of the Kani Village in the Maldives.



Furthermore, in light of increased coastal vulnerability due to climate change, in 2012 Club Med commissioned an expert report on beach erosion and sustainable coastal development. In fact, sometimes tourism fights this type of erosion with significant beach development which just exacerbates the

existing problems. Developing and managing beaches in consideration of the complex systems governing their dynamics is an efficiency and sustainability issue. Five villages benefited in this way from a diagnosis with a proposal for technical solutions for flexible treatment of erosion.

Following the drafting in 2012 of the "beaches" chapter of the Environmental Construction Guidelines (see § 4.1.3.), a protocol for monitoring beaches over time (monitoring annual variations and the impacts of storms) for the Technical Managers was drafted in 2013 for the sites concerned.

Other expert analyses have been requested during the upstream study phases for locating new villages.

Mountains: reduced snowfall and renewed summer season interest

The risk of winter sports resorts losing their attractiveness due to reduced snowfall is taken into account when choosing the location of resorts at altitude or with excellent access to the summits.

The new mountain villages are adjoined to major ski areas and have been designed to open over two seasons (Valmorel in 2011-12, Pragelato in 2012-13, Grand Massif Samoëns-Morillon, Tomamu in 2017-18 and La Rosiere in Winter 2020-21). Activities in the villages are diversified (activities to supplement skiing in winter; summer activities).

Change in tourists' behaviour

Climate change also opens up opportunities to develop summer season tourism in mountain regions with diverse activities and to develop interseason business in more northerly destinations.

These opportunities are bound up with anticipating customers' behaviours and expectations in order to implement strategic changes to the facilities and activities on offer.

Likewise, refurbishments or plans for new Mediterranean villages are researched with a view to opening all year round or opening beyond the summer season.

Changes in comfort, health and safety requirements

The risk of loss of attractiveness due to climate change (rainfall, high temperatures, extreme weather such as hurricanes and typhoons) is taken into account in risk management in the same way as natural disasters.

4.5. Protecting biodiversity



A major advantage of Club Med's villages is the access they provide to protected natural areas. Indeed, in 2021, 45% of the villages' total surface area is located next to a protected site, with another 20% located at less than 3 km from a protected site. Around one-third of the coasts and maritime environments around Club Med resorts are protected areas (2019 data).

Therefore, since Club Med welcomes its employees and customers to natural sites that are often exceptional, we consider that we have a responsibility to raise awareness of both their beauty and fragility, and of the various environmental issues associated with these ecosystems, in line with UNWTO recommendations.

This proximity to remarkable areas is both a risk of damage and an opportunity to preserve by embracing our biodiversity conservation responsibility in tourist areas while raising awareness among different audiences.

Preserving biodiversity requires taking steps during the development and operation phases of sites to protect ecosystems and endemic species, control the risks of pollution, avoid overexploiting natural resources through our supply chains, and to fight against global heating.

All the various aspects of biodiversity are taken into consideration and managed at all levels, including at General Management Committee level, through the monitoring of appropriate indicators. This covers the entire value chain: from construction standards, operations and service providers to marketing, customer communication, and so on.



In 2021, Club Med wanted to reinforce the commitments to biodiversity conservation made in 2018 to Act4Nature. Act4Nature's NGOs and scientists have recognised the SMART nature of the new commitments.

In parallel, [work has started with BL Evolution](#) to define indicators and targets for biodiversity targets in line with science and global limits.

To better reflect the commitments made, the structure of the biodiversity reporting has been revised in line with the structure of the commitments

4.5.1 Reducing the drivers of biodiversity loss

Cross-cutting commitments to the 5 erosion factors

❖ Transversal commitments



* In 2025, all new constructions and significant extensions to be Breeam eco-certified with at least one biodiversity criterion of the label validated

* In 2021, 100% of eligible resorts will be [Green Globe](#) certified and meet the label's mandatory criteria for the protection of biodiversity and ecosystems. Monitoring will be implemented to ensure this target is maintained in future years

By 2021, 40% of projects have been eco-certified at construction and 60% are still in the process of certification, and 100% of eligible villages are Green Globe certified

(see § 4.1.3 on building certification and § 4.1.4 on operating certification).

Reducing land and sea use change

❖ Commitments



* From 2022 onwards, for 100% of new projects launched (apart from certain documented exceptions) an **Environmental Impact Assessment (EIA)** will be carried out, even in countries where it is not required by regulations; the projects will then ensure that sensitive points identified in the EIA are protected, degradation is kept to a minimum, and any disruption to vegetation and wildlife caused by the building process is made good. A person will be assigned to be responsible for this at the project design phase.

* The **percentage of ground covered by construction** (building footprint) will be maintained at less than 10% on average. The monitoring of **artificialization** (in the European sense) measures is currently being implemented. Levers to limit artificialization include large overall surfaces for resorts, reuse of previously artificialized spaces, and a relative densification of buildings (while continuing to blend in with the landscape).

* The two **primary forests** of Rio das Pedras (Brazil) and Cherating (Malaysia) respectively covering 1,000 and 60 ha are and will continue to be unexploited and only used in the context of awareness visits by small groups.

❖ Environmental Impact Assessment on new projects

Sensitive habitats have to be identified during the environmental impact study. The impact mitigation measures mentioned in the study (revision of the footprint plan, etc.) are taken into account during the project. The eco-standard construction aims to systematise these practices. The construction eco-standard (*presented in section 4.1.4.*) contains a specific section on biodiversity which deals with the following topics:

- Environmental impact and biodiversity strategy study
- Vegetation alteration and restoration
- Differentiated management of green areas
- Habitats for the local fauna

For example, in the case of the **Rosières village, which will open in 2021**, the site was built on a former altiport on the edge of a woodland. The project did not result in any clearing and the project area does not contain any wooded areas. The unbuilt areas of the wasteland (4000m², 40% of the surface) have been cleared and revegetated. Club Med worked with the mountain pasture experts (GAEC des Biais), the Commune and the ski lifts for the areas of soil deposits near the village and in the surrounding area. The latter are sown with a seed that preserves the Beaufort AOC.

❖ Artificialization of soils

Inside the villages, natural spaces and landscapes are preferred, with constructed areas occupying just 8% of the total surface area. Mountain villages often have a role to play in conserving biodiversity within tourist regions²².

In 2021, an indicator of artificial surfaces has been created and the census of the data is in progress for all the villages.

Controlling invasive alien species

❖ Commitments

Club Med is committed to maintaining a strict policy to control invasive species:

- * Plants are chosen from non-invasive and local varieties; endemic species are systematically preserved and often re-implanted.
- * Extreme care is given to the choice of species to avoid the spread of diseases (e.g.: proliferation of red weevil, or deadly olive tree bacteria). In 2025, 100% of projects will call on independent external expertise (such as ecologists) to approve planting plans, in addition to our existing internal expertise.

❖ Selection of plant species

Plants are selected from the appropriate varieties (primarily local and non-invasive) and endemic species are always maintained and often replanted. The choice of vegetation depends on their natural local presence, sensitivity to the local weather conditions, water needs, ease of maintenance and, as the case may be, the environmental benefit the plants provide (stabilisation of soil/beaches, soil drainage, protection against sea spray, etc.).

The Group is extremely vigilant on the choice of species to prevent the propagation of diseases. For example, importing and planting *Phoenix canariensis* palm trees has been prohibited since 2013 to fight against the proliferation of red palm weevil. Regarding the *Xylella fastidiosa* bacteria killing olive trees, extreme care must be taken for the entire Mediterranean basin: no planting of vegetation not produced locally is authorised.

Tackling overexploitation of resources in the supply chain

❖ Commitments

- * **Agroecology:** by 2025, an average of 1 new Green Farmer program per year to be set up to support producers in situations of vulnerability to use their lands more sustainably and adopt agroecological practices (so that they can supply Club Med).
- * **Overfishing:** 0% purchase of overfished species in accordance with the Seafood Purchasing Charter (regularly updated based on recommendations from scientists and NGOs)
- * **Food waste:** by 2030, level up all Club Meds in line with the level of waste at our best-performing sites (i.e., around 100 gr / meal). From 2025, 50% of resorts will have a proactive approach to measuring and reducing waste (Winnow-type approach, audit, training and support) (100% in 2030)

❖ Agroecology

See § 3.2.3. Focus on local purchases: the Agrisud partnership

❖ Overfishing

Club Med has had a purchasing charter for responsible fishing since 2008. This charter has been revised several times. The latest revision was issued in 2021.

²² The surface area percentages provided in this chapter are world percentages excluding Sanya (China), the surface area data for which are not available.

See § 3.2.2. *Responsible purchasing / actions and monitoring of actions*

❖ **Food waste**

See § 4.2.2. *Managing waste / monitoring and combating food waste*

❖ **Other actions against overexploitation of resources**

Protecting biodiversity during operations is also based on the purchasing policy: the wood purchasing charter since 2007, the fish purchasing charter since 2008, increasing the purchase of organic food and eco-certified products: *see section 3.2.2. on Responsible purchasing.*

Reducing pollutions

❖ **Commitments**

- * In 2025, 80% of maintenance service contracts for new or renewal of green spaces will involve the **elimination of synthetic phytosanitary products** (100% in 2030)
- * In 2025, 100% of designs to feature **differentiated management of green spaces** with a view to keeping maintenance to a minimum
- * **Phasing out of single-use disposable plastic** in restaurants and bedrooms by the end of 2021 (in line with the [bye-bye plastics program](#))

❖ **Phasing out of single-use disposable plastic**

See § 4.2.2. *Managing Waste– « bye-bye plastic » programme*

❖ **Differentiated management of green spaces**

Differentiated management of green spaces is a more environmentally friendly method that advocates treating all green spaces differently according to their use, location and nature (lawns, planted or flowering spaces). Accordingly, village centers are carefully landscaped, while in their surroundings maintenance is more limited and the more remote areas are kept as natural spaces. **In this way, an average of 30% of the total surface area occupied by the villages (World scope) remains in its natural state** (except for some interventions, as needed: safety pruning, felling of dangerous trees, walkway maintenance, etc.).

Management of green spaces in each village is the responsibility of the Green Space and Environment Manager of the Business Unit.

Many villages have already committed to this approach through actions such as: higher and less-frequent mowing in time (delayed mowing) and in space (continuity of rich environments and preservation of breeding areas), mulching of garden beds (which limits the use of weed killers, enriches the soil, provides shelter and cover for invertebrates, limits drought sensitivity), moderate trimming, use of local flora, etc. Such actions can generate savings in many areas including irrigation water, waste, equipment, fertilisers, pesticides, interventions and energy.

❖ **Environmentally friendly treatment of green spaces towards "zero phytosanitary".**

The Group is committed to eliminating pesticides for green spaces (trees, shrubs and lawns), and is turning its efforts towards gradually reducing pesticide use on golf courses.

The phytosanitary treatment policy for green areas follows a prophylaxis rationale in order to remove any use of phytosanitary products:

- identifying the diseases, the species that are the most sensitive to these diseases and the conditions favouring their appearance;
- knowing the attacker and its development cycle as best as possible in order to develop the most suitable strategy, by favouring mechanical and/or biological response techniques;
- removing the species that are impacted too strongly or too often;
- anticipating the appearance of these diseases and increasing of the level of vigilance at critical periods.

More specifically, this practice is for example reflected by the following actions:

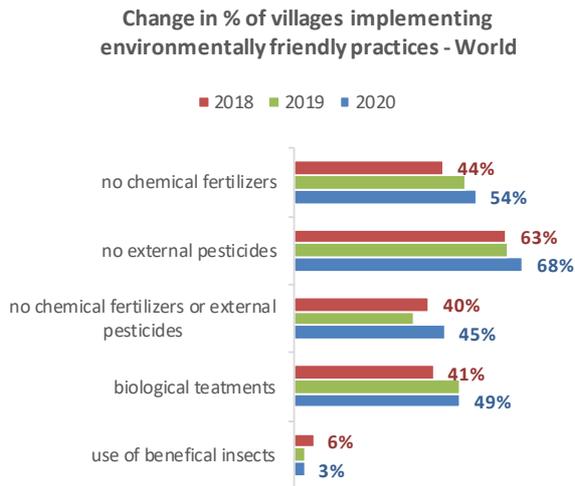
- Eliminate preventive pesticide treatments, using them for pest remedies at last resort only;
- Eliminate chemical fertilisers by substituting organic matter inputs by spreading leaves on planting beds and increasing the use of mulching²³;
- Prohibit chemical weed killers in favor of thermal weed control or mechanical weeding;
- Replace pesticides by natural means that can be used without affecting the environment, such as specific predators for each type of invasion, beneficial insects (selected with scientists to avoid invasive species), pheromone traps²⁴, natural products, etc.

Differentiated management of green spaces and recycling of green waste by shredding was incorporated into all maintenance contract renewals. Since 2016, 85% of all EAF service contracts have included shredding and mulching (vs 50% in 2014).

²³ *Mulching: when grass is cut, the lawn mower cuts the grass finely enough for this waste (mulch) to be directly degradable and absorbable by the soil.*

²⁴ *Pheromones: substances emitted by most animals and some plants that play in particular a role in sexual attraction between individuals of the same species.*

As a result, in 2020, 45% of villages (vs 43% in 2017) used no nitrogen fertilizers or external pesticides, 49% (stable vs 2018) were using biological treatments and 3% (vs 6% in 2018) were using beneficial insects in lieu of pesticides. The fight against the red palm weevil and the mealy bug gives rise to a marginal use of pesticides. Nitrogen fertilisers are used in low doses in certain cases.



Climate change

❖ Commitments

- * Reduction of **Scope 1 + 2 GHG** / hotel capacity rate by at least 20% by 2025 vs 2019
- * **Transport:** reduction of average distance / length of stay by at least 10% by 2025 vs 2019
- * Reduction in weight of **meat** / hotel days of at least 10% by 2025 vs 2019

See §4.4.2. Reducing greenhouse gas emissions

4.5.2 Making a positive contribution to biodiversity

Protecting biodiversity

❖ Commitments

- * In 2022, 50% of resorts to have an **active partnership** (financial and / or for raising awareness in our GO®-GE and GM® stakeholders) with local non-profits and organizations working on biodiversity (100% in 2030).
- * At least three **specialized NGOs to be consulted** annually to improve our biodiversity-related procedures (the same several years in a row and / or new ones)

❖ Specialised NGOs solicited

In 2020- 2021, Club Med called on ;

- ABTA to draft the "animal welfare" charter (*see § below on animal welfare*);
- WCA to draw up joint WCA & Club Med guidelines for the observation of wild cetaceans (*see § below on animal welfare*):
- Open Wing Alliance to define its commitment to the elimination of eggs from cage farms (*see § 3.2.2. Responsible purchasing / actions and monitoring of actions*):
- as well as various local associations in the framework of partnerships with the villages (*see § 3.1.3 Beyond contribution, solidarity / local partnerships*).

❖ Local partnerships

Protecting biodiversity also takes the shape of partnerships at village level with local environmental non-profits. These groups apprise the teams of local issues, share their best practices and communications tools, and occasionally lead joint activities. There are already 25 such partnerships (vs. 19 in 2017) covering 22 villages (vs. 19 in 2017) and addressing issues such as the protection of palm trees, turtles, birds, coral reefs and all local ecosystems.

The existence of such partnerships is one of the criteria evaluated and monitored by the Green Globe label.

❖ Sharing best practices between Villages

After the "Very Important Turtles" kit was rolled out in 2013 to share best practices among Club Med villages in areas where sea turtles have their spawning grounds, a kit named "Mosquitoes - A most unwelcome guest" has been rolled out since 2014 to

share good practices on healthy and environmentally friendly ways of controlling mosquitoes.

In all resorts located at a turtle nesting site, in partnership with local experts, Club Med ensures that turtle nests are protected, and prevents them from being disturbed, as well as raising awareness on turtle conservation. The Club Med turtle conservation guide is available to all staff on demand and its application is monitored with the Green Globe deployment tool.

❖ **Protecting endangered species**

Protecting biodiversity during operations is also based on focusing on biodiversity at the most sensitive sites, including invasive species and destabilising species and pest organisms (eg red weevil).

For the new Rosière village, measures to preserve tetralyres were put in place during the works and the lighting was adapted to reduce light pollution on the fauna (notably thanks to the building management system BMS).

Maintaining the fight against the red palm weevil

In order to cope with the rapid spread of the red palm weevil, Technical Managers and green space service managers in the Mediterranean basin continue to take measures to detect, prevent and eradicate this pest that wreaks destruction on palm trees.

This initiative which has been in place since 2011 has achieved exceptional results: except for the loss of six palm trees in Greece and one palm tree on the Opio site in 2018, no other palm loss was observed in 2018 for the entire Europe-Africa area.

Since 2014, treatment has been administered via "endotherapy" by injection, which is more effective, less polluting, and less expensive (only requires two interventions a year, instead of nine). In 2021, these treatments have been maintained as a preventive measure.

See also section 3.1.2 on *Transferring innovation*.

The fight against the bacteria *Xylella fastidiosa*

Likewise, monitoring the bacteria *Xylella fastidiosa*, responsible for major damage to olive trees, is specifically monitored in the villages located in sensitive areas. No village was affected; monitoring continues to be in effect for all of the Mediterranean basin.

Raising GM® awareness



❖ **Commitments**

* In 2025, 50% of resorts to offer "green activities" to **educate** customers and employees (100% in 2030)

* Respect for **animal welfare** in activities involving animals: in 2021, Club Med will:

- Only offer elephant observation activities and no longer those involving interaction with the animals
- Only offer cetacean observation activities in the wild (all activities involving cetaceans in captivity are banned); excursion providers involving animals will be audited on the basis of an ABTA-validated charter

❖ **raising customer and colleague's awareness**

KPI: 42% (vs 22% in 2020) offer « green activities »

See actions in this area in section 4.6.2. on *Raising customer awareness*

❖ **Animal welfare: respect for animal welfare in activities involving animals**

Animals are an important element in tourism and enhance the attractiveness of destinations, both in terms of natural and cultural heritage. Club Med is aware of both the strong interest in animals and the fact that some tourist activities are not conducive to the well-being of the animals concerned. It has therefore worked alongside specialists for several years to identify acceptable practices, select suppliers and support them to adopt best practices.

Activities involving elephants

The reopening of the villages in 2021 was as promised, with only elephant observation activities without interaction with the animals. Circus shows, riding and bathing²⁵ with elephants activities have been stopped, as well as activities involving direct interaction.

Cetaceans in captivity

In 2018-2019, Club Med participated and funded the drafting by the World Cetacean Alliance (WCA) of the first international guidelines for "the supervision of cetacean-watching and interaction activities in the wild". An inventory and training programme for suppliers on the WCA & Club Med guidelines for the observation of wild cetaceans has been launched.

²⁵ At the exception of genuine elephant sanctuaries if found, based on ABTA's definition of animal sanctuaries

In 2021, the elimination of the last activity with captive cetaceans in Punta Cana puts a complete end to such activities. From now on, Club Med will only sell activities to observe cetaceans in the wild. As such, Club Med is listed on the [Peta website](#) as one of the companies most committed to the protection of whales and dolphins.

KPI 6.2 – animal compliance by 2021

KPI: 100% of resorts have stopped excursions with cetaceans

KPI: 100% of resorts comply with Club Med's elephant welfare guidelines

Animal welfare charter for working animals in the process of being finalised

In 2019, Club Med worked on drafting an "Animal Welfare Charter". This was validated in 2020 and is based on ABTA's "5 Freedoms and will provide a framework for the concept of animal welfare. It is intended to serve as a basis for audits of providers of excursions involving animals. In the event of non-compliance, providers will have to take appropriate steps to achieve compliance. Club Med will monitor suppliers' practices and follow up on GM feedback on excursions. The launch of the animal welfare charter for excursions is planned for 2022 and will be accompanied by an audit of service providers.

In the context of ATR (Agir pour un Tourisme Responsable) certification, in 2017, the revision of clauses in conjunction with hospitality operators has made it possible to include detailed references to animal welfare.

Animal welfare in the supply chain

In addition, Club Med is committed to removing fur items from Club Med boutiques by the end of 2022 (time to clear the remaining stocks due to Covid, as any stock renewal is already prohibited)

At the beginning of 2020, Club Med made a strong commitment to eliminate the use of eggs from battery-farmed hens (see § purchases 3.2.2)

4.5.3 Focus on SGD 14 - Conserve and sustainably use oceans, seas and marine resources

The oceans and the sea are Club Med's major assets, and it is only natural that it is concerned about preserving them and that it has adopted SGD14, one of the three UNWTO targets.

This focus is based on the work of the Fondation de la Mer, the Minister for Ecological and Solidarity Transition and the Boston Consulting Group, which shed light on possible levers and actions to reduce pollution, acidification and global changes in the marine environment.

These levers are recalled below by referring to the paragraphs dealing with this subject in the report:

- Reduce the quantity of waste generated, increase the proportion of waste collected and recycled, reduce the quantity of plastic used and increase its recycling in order to limit the physical pollution of marine aquatic environments (*see 4.2.2 on waste*);
- Limit the chemical pollution of aquatic and marine environments by treating the wastewater discharged (*see 4.3.1 water / sanitation and waste management*) and by reducing the use of phytosanitary products (*see 4.5.2 Management of green spaces*);
- Reducing GHG emissions to limit ocean acidification (*see 4.4.2*);
- Limiting the intensity, frequency and scope of noise pollution in the marine environment and reducing the intensity, frequency and scope of light disturbance in aquatic and marine environments (particularly in the context of marine turtle protection) to limit disturbance to marine ecosystems;
- Increase the share of extraction or purchase of sustainably exploited marine products (*see 3.2.2 on responsible purchasing*);
- Reduce the impact of operations on coastal and marine natural habitats and increase the share of projects taking into account the interest of local coastal communities to limit disturbance and artificialization of coastal and marine natural habitats;
- Raise awareness of staff and clients on these subjects (31% of coastal resorts have local partnerships with non-profits working on marine environment protection).

4.6. Raise GM[®] awareness and train GO[®]/GE

4.6.1 GO[®] and GE training

❖ Team training

As part of Green Globe certification, all GO[®] and GE in relevant villages are trained on environmental issues and eco-friendly behaviour related to their professional activities and life in the village.



❖ Committed GO[®] and GE

Many committed GOGEs support local projects for the protection of the natural environment: clean beach operations, turtle preservation, coral reef preservation, ...

4.6.2 Raising GM[®] awareness

Just like the World Tourism Organization, Club Med believes that it also has a responsibility to raise its customers' awareness of the fragility and beauty of nature and of the environmental issues faced by its destinations and, at the same time, to encourage them to get involved in environmental preservation.

The exceptional sites in which the villages are located, in fact, the perfect place to raise GM[®] awareness and Club Med's credo is therefore to celebrate nature in order to create a desire to protect it.

KPI 6.1 - 45% (30/66) of the Villages offer nature activities (Pedagogical garden, "Club Med Play" application, Jungle Trail, Underwater trail, Flora & Fauna hikes, Arts & crafts, etc.).

Eco-nature activities for children

❖ Creation of educational vegetable gardens

Since 2014, several resorts have set up educational vegetable gardens accessible to children and parents as part of various activities. In the resorts of Bali (Indonesia), Kani (Maldives), Cherating (Malaysia), Guilin (China), and since 2021 Miches (Dominican Republic), Seychelles, specific activities have been developed with the Mini-Club Med[®], either on the discovery of the life cycle of plants, or of local products.



Raising GM[®] awareness throughout their journey

❖ Offering transport carbon offsetting

See section 4.4 on climate change

❖ Discovering nature: educational paths and walking tours

Instructive signs, nature trails, botanical booklets, aromatic gardens, themed walking tours, educational films, biodiversity information points²⁶ etc.: these and many more activities and tools allow GM[®] to better discover the natural wealth of the local surroundings. The deployment of these actions is accelerating with Green Globe certification, one criteria of which involves offering customers the opportunity to discover biodiversity.

❖ Discovering the natural and cultural wealth of a Village with a "Club Med Play" smartphone application

The Opio-en-Provence Village has offered an open-air environmental discovery game since summer 2016. The aim is to discover the natural treasures of the village and the proofs of its commitment through a smartphone application, "Club Med Play", designed on the principle of a treasure hunt.

"Club Med Play" represents an innovative way to inform customer and to sensitize and train teams.

Since then, this activity has also been deployed in Cherating (Malaysia), Guilin (China), as well as in Bali (Indonesia), Punta Cana (Dominican Republic) in 2019, and in Seychelles in 2021.

❖ Exploring the marine world from the MobiReef base at Club Med Kani

Since 2017, the partnership between Club Med Kani and MobiReef has been contributing to the process of restoring marine biodiversity and has given GMs the opportunity to explore the beauties of the marine world.

MobiReef is an underwater snorkel trail developed by SM Solutions Marines and approved by the French Environment Ministry. It stimulates marine wildlife by adapting artificial

²⁶ Examples taken in Albion (Mauritius), Guilin (China), Cherating (Malaysia), Kabira (Japan), Kani (Maldives), Marrakech (Morocco), Val

d'Iserre, Vittel and Opio (France), Columbus (Bahamas), Turquoise (Turks & Caicos)

habitats specific to certain species and improves the conservation of marine creatures, at the same time as offering an enjoyable way of exploring and understanding the subsea world for our GM®s. A similar "Biohut" artificial refuge facility on the Caravelle site (Guadeloupe) has also been used to protect juvenile marine species since 2018.

❖ **Nature Guide at Cherating (Malaysia), Kani (Maldives) and Seychelles**

A "Nature Guide" (or "Green Go") post has been created at Cherating in 2017. The Nature Guide is tasked with developing and promoting the natural heritage of the resort by offering GM®s experiences that interact with nature and the natural biodiversity of the location, including visits to the tortoise sanctuary, awareness-raising activities on marine turtles and nature walks.

In 2018, this experience was duplicated in Kani (Mauritius) with the creation of a "Marine Biologist" Nature Guide position to promote the rich marine heritage through various activities:

- a snorkelling route visiting various micro-habitats, each attracting a specific variety of marine life, allowing to raise the awareness of GM® and revitalise marine life around the resort;
- the awareness of GM® through the reimplantation of coral on a metal structure in order to repopulate the coral reef;
- a "snorkeling clean up" activity to snorkel and collect rubbish encountered on the course;
- a "Nature Walk" with the Mini Club® in the format of a respectful "treasure hunt" on the theme of local plants and animals.

In 2021, the experiment was repeated in the Seychelles with the creation of the post of "Nature Guide" to promote the protection of giant turtles and propose activities to discover the natural heritage.

❖ **Informing customers about eco-friendly behaviours in the villages and on excursions**

In the villages, customers are informed about water and energy savings and protecting nature through messages at welcome meetings, on information boards and displayed in the rooms.

A poster hung in all rooms of eco-certified villages (more than 17,600 rooms by the end of 2021) summarizes the village's actions in areas of water, energy and waste management and biodiversity preservation and invites customers to adopt environmentally friendly practices during their stay. These include sorting plastic bottles, turning off lights, heaters or air conditioners, reusing their bath towels, etc.

In the concerned resort, the Discovery Center displays and distributes a charter to GM® informing them about respecting the host country. Significant space is given over to recommendations on the behaviors to adopt to best preserve the resources and the ecosystem of the country visited. (See also section 3.1.1).



For example, since 2015, a new poster to raise customer awareness on the importance of not feeding wild animals and underwater wildlife has been put in place in all of the Green Globe villages concerned.

❖ **A Healthy food offer**



Since 2018, Club Med has been offering a range of products that meet "Healthy" criteria (gluten-free, vegetarian, vegan, low-calorie, etc.).

KPI 5 – Deploy Healthy Food offer

- 66% of villages have a full Healthy offer
- 34% have a light offer

Children are also the target of this approach so that they can discover and enjoy new products. In conjunction with the

elimination of soda fountains, which responds to this need, Club Med offers detox drinks, green juices and fresh juices.

Club Med strives to develop organic products. Products from producers backed by Agrisud are featured in the villages of Rio das Pedras (Brazil), Cap Skirring (Senegal), and Bali (Indonesia), Marrakech (Morocco), Guilin (China). *See section 3.2.3. on the Agrisud partnership*

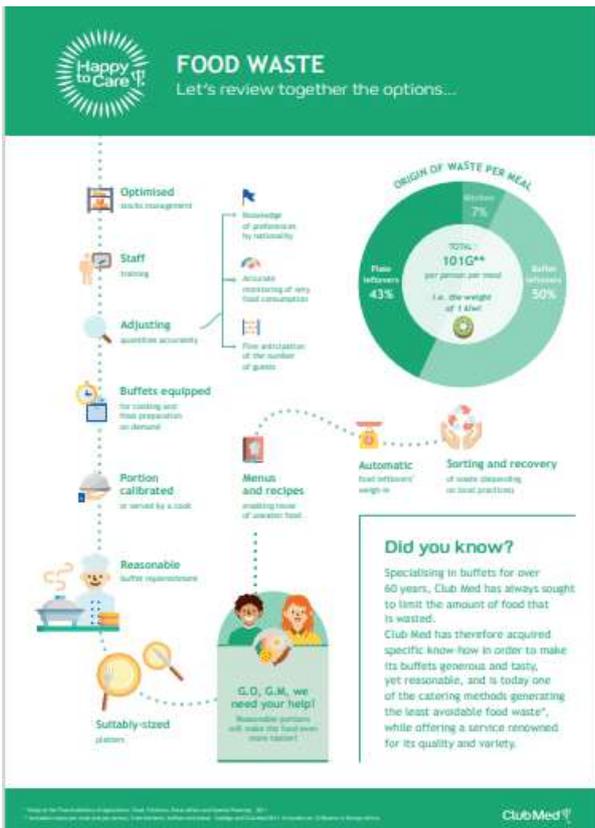
At the same time, the Club's various services meet this need for healthy living (spa, fitness, various sports activities, etc.).

❖ **The fight against food waste**



In addition to the actions taken to reduce food waste (see Chapter 4.2.2. Managing waste § Monitoring and combating food waste), a poster for raising customer awareness "Food waste: what are our solutions..." has been put

in place at main restaurant entrances in Green Globe certified villages. This was to raise the awareness of our GM® regarding food waste, by presenting what is already being done to fight waste at all stages of catering.



Scientific partnerships

❖ **Partnership with Expédition Med**



Since 2010, Club Med has supported Expédition Med, a scientific expedition that studies pollution caused by plastic in the Mediterranean Sea. ⁹

In 2016, along with Expédition Med, Club Med developed an exhibition called "there's a little problem with plastic" to sensitize the public to plastic waste in the ocean, as well as a set of teaching cards for Mini Club GO®s to know how to talk to children about this.

Since 2015, solidarity leave has been offered to GO®s. Several GO®s went on the ship of the scientific expedition, Expédition Med, on an ecology volunteer service; for them, it was the chance to have a week's holiday and to discover the sea bottom in the context of combatting plastic waste in the Mediterranean Sea. The year 2020 did not allow for the continuation of these solidarity leaves.

❖ **Other outreach actions in the Villages with scientists**

Other outreach actions are carried out occasionally or regularly. For example, in Rio das Pedras (Brazil), public awareness campaigns as well as work with the local university are focused on the biodiversity of the primary forest Mata Atlantica, which contains protected species, including cedars, breadfruit and jackfruit. In Malaysia, GM® are taught about the protection of turtles on the site through explanatory maps. In the Maldives, a marine biologist invites GM® to participate in the coral re-planting activity around the resort.

(see associated partnerships in appendix 5.4)



5 • ADDITIONAL INFORMATION

5.1. Additional information: CSR social indicators

Summary of reporting methodology

The Group uses the WORKDAY software application for its reporting and social indicators management. The tool, which is used for global HR reporting, collects and consolidates social indicators simply upon request.

A Group reporting process has been created and is defined in the "social reporting protocol". The data reporting process is managed centrally with no intermediate levels of consolidation. All requests for HELIOS tools are made to the head office. An organization has been set up with the aim of formalizing contributors' responsibilities and making the Social Studies department responsible for centralizing and validating information for external publication. This document applies to all key participants in the reporting process. It thoroughly details the processes and definitions used for the Group, the data computing methods and the key indicators.

Unless stated otherwise, the sphere of influence of social reporting includes:

- village employees
- headquarters and country office employees

The Group's social reporting does not include interns, external and temporary service providers

The reporting scope is currently worldwide, with the exception of some data for which the level of demand concerning the information to be produced in HELIOS by HR managers has been raised so that it can be published over the next few years. When information required on a global scale is not reliable or complete, we specify the fact that the scope is limited in our social reporting.

Reporting period: the period covered by the indicators corresponds to the Group's fiscal year, from November 1 (N-1) to October 31, (N) with no specific details for some indicators such as training.

Employee movements and changes in the scope of consolidation

Changes in consolidation scope result from changes in our village portfolio (new, re-opened or closed). Some villages are also subject to changes in their hotel capacity in terms of days of opening and number of beds.

Definitions of indicators

❖ **Workforce indicators**

- Number of employees: number of employees who worked at least once for Club Med during the period.
- Number of job assignments: number of contracts/positions assigned to employees during the period.
- Number of FTE: theoretical annual full-time positions corresponding to the number of employees during the period.
- Number of hires: number of employees given job assignments for the first time at Club Med during the period.
- Number of departures: number of employees who left Club Med during the period.
- Number of permanisation: number of employees whose employment contracts were changed from fixed term to open term, or from seasonal to permanent during the period.

❖ **Training indicators**

- Because of delays in receiving supporting documentation, and in order to ensure the reliability of data by avoiding estimates, starting in FY 2013 this indicator covers a rolling 12-month period between September 1, year N-1 and August 31, year N.
- Training takes into account complete and incomplete sessions without deducting those who were absent. This absenteeism rate is estimated to be 2.7% (2013 sources).
- To avoid skewing the date, the training rate is calculated excluding employees assigned to any village for a period of less than 30 days and/or assigned to "filler" ²⁷ posts.

❖ **Job mobility indicators**

- The job mobility rate is calculated as the number of employees who changed jobs in the year N versus year N-1 in the Winter season divided by the total number of workers in the Winter season. The same calculation is performed for the Summer season before being weighted to obtain an annual figure. To avoid skewing the data, it excludes employees assigned to any village for a period of less than 30 days and/or assigned to "filler" posts.

❖ **Geographical mobility indicators**

- Geographical mobility is expressed as the number of employee job assignments to villages in a country other than their home country divided by the total number of village job assignments.

❖ **Evaluation indicators**

- To avoid skewing the data, the evaluation rate is calculated excluding employees assigned to any village for a period of less than 30 days and/or assigned to “filler” posts and/or who have left the Group during the period.

❖ **Absenteeism indicators**

- The absenteeism rate is defined as the percentage of the total number of days absent, converted to FTE, divided by the total number of FTEs over the period.
- The scope of the 2013 coverage did not include the Americas. Group-wide mapping work has made it possible to refine data collection by village and by status (GO/GE). This work has increased the reliability of data with 77% coverage on a like-for-like basis between 2015 and 2016.
- Absences due to accidents include work and commuting accidents resulting in sick leave.
- Absences for “other” reasons include family events, therapeutic part-time, partial disabilities, unjustified

absences, Solidarity Day, maternity and paternity leave, administrative formalities (tests, identity papers).

- Note: Some HR 2019 data (accidentology, absenteeism and local development) could not be calculated due to the impact of the Covid 19 crisis on the availability of HR teams.

❖ **Health and Safety indicators**

- Theoretical hours worked were taken into consideration when calculating frequency and severity rates.
- The frequency rate of work accidents takes into consideration the number of accidents resulting in sick leave occurring during the year in question. The calculation formula is as follows: $FR = (\text{number accidents resulting in sick leave} * 1,000,000) / \text{No. theoretical hours worked}$.
- The severity rate of work accidents takes into consideration the number of days of sick leave in the year resulting from work accidents occurring during the year in question. The calculation formula is as follows: $SR = (\text{No. of days lost as N} * 1,000) / \text{No. of theoretical hours worked}$.

CSR SOCIAL DATA

Prior to 2019, reporting on the fiscal year from 1 Nov N-1 to 31 Oct N
 Since 2019, reporting on the calendar year, from 1 Jan N to 31 Dec N

	note	Unit	2017	2018	2019	2020	2021	Evol. Vs 2019
EMPLOYMENT - Worldwide								
Total Group employees								
Employees	1	No. of employees	25 086	25 662	27 343	23 788	24 398	-10,8%
Posts		no. of post	39 497	41 422	43 637	35 499	37 260	-14,6%
FTE		In FTE	14 056	14 744	14 549	11 633	17 005	16,9%
of which women (%)		In FTE	41%	40%	40%	39%	42%	+2,3 pts
of which men (%)		In FTE	59%	60%	60%	61%	58%	-2,3 pts
of which employees with permanent contract (%)		In FTE	48%	47%	46%	52%	40%	-6,0 pts
Average age		In FTE	36,2	34,9	34,4	31,9	30,6	-11,1%
Average seniority		In FTE	7,4	6,2	5,8	5,4	5,3	-8,8%
Average seniority (permanent staff)		In FTE	10,8	10,7	10,8	10,9	10,3	-4,5%
Employees excluding villages								
Employees		no. of employees	2 424	2 554	2 504	2 356	2 266	-9,5%
Posts		no. of post	2 807	3 421	3 115	2 527	3 110	-0,2%
FTE		In FTE	2 004	2 183	2 082	2 037	2 400	15,3%
of which women (%)		In FTE	67%	65%	64%	63%	61%	-3,0 pts
of which men (%)		In FTE	33%	35%	36%	37%	39%	+3,0 pts
of which employees with permanent contract (%)		In FTE	94%	94%	95%	94%	75%	-20,0 pts
Average age		In FTE	40,2	39,2	39,4	39,3	39,4	0,0%
Average seniority		In FTE	11,0	9,9	9,9	11,0	10,8	9,1%
Average seniority (permanent staff)		In FTE	11,6	10,8	10,8	11,7	11,8	9,3%
Employees Villages								
Employees		no. of employees	22 662	23 108	24 839	21 432	22 132	-10,9%
Posts		no. of post	36 690	38 001	40 522	32 972	34 150	-15,7%
FTE		In FTE	12 052	12 561	12 467	9 596	14 605	17,1%
of which during winter season (%)		In FTE	50%	50%	50%	50%	50%	+0,0 pts
of which during summer season (%)		In FTE	50%	50%	50%	50%	50%	+0,0 pts
of which women (%)		In FTE	37%	36%	35%	34%	39%	+4,2 pts
of which men (%)		In FTE	63%	64%	65%	66%	61%	-4,2 pts
of which GO® (%)		In FTE	36%	37%	39%	36%	40%	+1,0 pts
of which GE (%)		In FTE	64%	63%	61%	64%	60%	-1,0 pts
of which GO® with permanent contract (%)		In FTE	18%	18%	17%	19%	7%	-10,0 pts
of which GE with permanent contract (%)		In FTE	54%	52%	50%	57%	26%	-24,0 pts
Average age		In FTE	35,5	34,5	34,0	31,4	29,9	-12,1%
Average seniority		In FTE	6,8	5,9	5,5	5,0	4,8	-12,7%
Average seniority (permanent staff)		In FTE	10,5	10,7	10,8	10,6	10,4	-4,0%

Note:

- Consolidated data are compiled in mid-November.
- Absenteeism and incidents of accidents are treated following the same logic. In order to present comparable data in the table above, the absenteeism and accident figures for fiscal years 2015 and 2016 have had to be restated to cover strictly the same scope as the 83% scope previously covered.

Absences for "other" reasons include family events, therapeutic part-time, partial disability, unjustified absences, Solidarity Day, maternity and paternity leave, administrative formalities (tests, identity papers).
- Rate calculation methods are specified in the note on methodology – see section 5.1. below.
- The theoretical length (in hours) is the number of hours set aside for the training.
- The increase in this rate is related to both the increase in the number of employees trained and to the new protocol which has enabled more training sessions to be recorded.
- SM-VM: Service/Activity Managers and village Managers.
- Employee members of the Leadership Committee (LC): employee members of Club Med Business Unit management committees or major corporate functions (Finance, Marketing, HR and Development).

CORPORATE SOCIAL RESPONSIBILITY

CSR SOCIALDATA

Prior to 2019, reporting on the fiscal year from 1 Nov N-1 to 31 Oct N

Since 2019, reporting on the calendar year, from 1 Jan N to 31 Dec N

	note	Unité	2017	2018	2019	2020	2021	Evol. Vs 2019
ENTRES AND DEPARTURES - Worldwide								
NEW HIRES								
Permanent		No. of employees	1 492	1 323	840	476	2 347	179,4%
Seasonal		No. of employees	6 626	6 924	7 589	2 218	16 619	119,0%
Made permanent		No. of employees	365	406	503	403	487	-3,2%
Rate of permanent hires		% of posts	12%	7%	8%	5%	19%	+11,2 pts
Rate of seasonal hires		% of posts	28%	27%	23%	9%	12%	-11,5 pts
Rate of global hires		% of posts	23%	20%	19%	8%	14%	-5,0 pts
GO® excluding Village								
Permanent		No. of employees	248	306	260	139	232	-10,8%
Seasonal		No. of employees	90	101	108	6	113	4,6%
Made permanent		No. of employees	39	34	48	17	32	-33,3%
Rate of permanent hires		% of posts	12%	12%	9%	6%	12%	+2,9 pts
Rate of seasonal hires		% of posts	26%	38%	31%	3%	35,09%	+4,1 pts
Rate of global hires		% of posts	14%	15%	12%	6%	15%	+3,2 pts
GO®-GE Villages								
Permanent		No. of employees	1 244	1 017	580	337	2 115	264,7%
Seasonal (1st season)		No. of employees	6 536	6 823	7 481	2 212	2 775	-62,9%
Made permanent		No. of employees	326	372	455	248	455	0,0%
Rate of permanent hires		% of posts	12%	6%	8%	4%	21%	+13,2 pts
Rate of seasonal hires		% of posts	28%	27%	23%	9%	11%	-11,8 pts
Rate of global hires		% of posts	23%	21%	20%	8%	13%	-6,6 pts
LEAVERS								
Employee decision		% of employees	68%	70%	66%	29%	53%	-12,9 pts
Employer decision		% of employees	24%	23%	24%	64%	25%	+0,9 pts
By mutual agreement		% of employees	7%	7%	7%	5%	11%	+3,8 pts
Others (death, retirement, illness)		% of employees	2%	0%	3%	2%	11%	+8,2 pts
Turnover		% of posts	11%	9%	7%	12%	12%	+4,9 pts
GO® excluding Village								
Employee decision		% of employees	64%	74%	61%	47%	60%	-1,3 pts
Employer decision		% of employees	28%	16%	20%	30%	14%	-5,9 pts
By mutual agreement		% of employees	6%	8%	15%	16%	11%	-3,8 pts
Others (death, retirement, illness)		% of employees	3%	1%	4%	7%	15%	+11,1 pts
Turnover		% of posts	13%	12%	11%	13%	16%	+5,0 pts
Permanents GO®-GE Villages								
Employee decision		% of employees	57%	63%	60%	20%	49%	-10,7 pts
Employer decision		% of employees	36%	36%	30%	72%	33%	+3,3 pts
By mutual agreement		% of employees	1%	2%	3%	2%	13%	+9,7 pts
Others (death, retirement, illness)		% of employees	6%	0%	7%	5%	5%	-2,3 pts
Turnover		% d'affectations	10%	7%	12%	17%	14%	+2,1 pts
Seasonal GO®-GE Villages								
Employee decision		% of employees	72%	71%	75%	32%	64%	-10,7 pts
Employer decision		% of employees	19%	21%	22%	64%	30%	+8,1 pts
By mutual agreement		% of employees	9%	8%	2%	4%	5%	+2,8 pts
Others (death, retirement, illness)		% of employees	0%	0%	1%	0%	0%	-0,2 pts
Turnover		% of posts	11%	10%	6%	10%	1%	-4,6 pts
Payroll (worldwide)								
Excluding villages		In M€ constant rate	(131,2)	(136,9)	(143,1)	(102,1)	(120,4)	-16%
Villages		In M€ constant rate	(197,9)	(208,9)	(215,6)	(127,3)	(109,2)	-49,3%
Global		In M€ constant rate	(329,1)	(345,8)	(358,7)	(229,4)	(229,7)	-36,0%
Average basic salary								
Excluding Villages								
Permanent GO®		In M€ constant rate	(3 403)	(3 395)	nd	nd		
Seasonal GO®		In M€ constant rate	(2 151)	(2 064)	nd	nd		
Villages								
Permanent GO®		In M€ constant rate	(1 677)	(1 666)	nd	nd		
Seasonal GO®		In M€ constant rate	(1 256)	(1 273)	nd	nd		
Permanent GE		In M€ constant rate	(606)	(586)	nd	nd		
Seasonal GE		In M€ constant rate	(787)	(856)	nd	nd		



CORPORATE SOCIAL RESPONSIBILITY

CSR SOCIALDATA

Prior to 2019, reporting on the fiscal year from 1 Nov N-1 to 31 Oct N
 Since 2019, reporting on the calendar year, from 1 Jan N to 31 Dec N

	note	Unit	2017	2018	2019	2020	2021	Evol. Vs 2019
GO@-GE Absenteeism - worldwide (coverage 81%*)								
Taux Absenteeism rate (%)		% of FTE	1,9%	1,4%	1,2%	1,1%	0,9%	-0,3 pts
Total lenght		in days	74 893	75 227	62 839	46 631	55 897	-11,0%
of w hich % illness			51%	51%	38%	37%	92%	+54,4 pts
of w hich % workplace accident (commute or w ork)			14%	17%	3%	5%	5%	+1,8 pts
of w hich % others	2		34%	33%	59%	58%	3%	-56,2 pts
Permanent GO@-GE Villages								
Taux Absenteeism rate (%)		% of FTE	1,8%	1,2%	1,6%	0,8%	1,3%	-0,3 pts
Total lenght		in days	20 167	21 629	27 507	12 871	19 503	-29,1%
of w hich % illness			67%	68%	57%	54%	97%	+40,0 pts
of w hich % workplace accident (commute or w ork)			15%	19%	7%	5%	1%	-6,0 pts
of w hich % others	2		18%	13%	36%	41%	2%	-34,0 pts
Seasonal GO@-GE Villages								
Taux Absenteeism rate (%)		% of FTE	1,5%	1,2%	0,8%	0,2%	0,9%	+0,0 pts
Total lenght		in days	31 387	34 807	23 549	4 538	16 819	-28,6%
of w hich % illness			41%	41%	58%	63%	86,0%	+28,0 pts
of w hich % workplace accident (commute or w ork)			19%	23%	23%	22%	10%	-13,0 pts
of w hich % others	2		39%	36%	19%	15%	4%	-15,0 pts
Permanent GO@-GE excluding Village								
Taux Absenteeism rate (%)		% of FTE	3,3%	2,5%	1,6%	4,1%	2,8%	+1,2 pts
Total lenght		in days	22 531	18 426	11 634	28 750	19 425	67,0%
of w hich % illness			52%	48%	50%	26%	53%	+2,8 pts
of w hich % workplace accident (commute or w ork)			6%	4%	4%	3%	5%	+1,0 pts
of w hich % others	2		42%	49%	46%	71%	42%	-4,0 pts
Seasonal GO@-GE excluding Village								
Taux Absenteeism rate (%)		% of FTE	1,7%	0,8%	0,4%	1,1%	0,3%	-0,0 pts
Total lenght		in days	808	365	149	469	150	0,7%
of w hich % illness			52%	38%	3%	0%	77%	+74,0 pts
of w hich % workplace accident (commute or w ork)			0%	18%	0%	0%	0%	+0,0 pts
of w hich % others	2		48%	44%	97%	100%	23%	-74,0 pts
GO@-GE Accidentology - worldwide (coverage 81%*)								
Severity		in no. of days	0,48	0,54	na	na		
Frequency (all accidents at w ork)		in periods of sickness	21,4	24,0	na	na		
Frequency LTIFR (w ork-related accidents)		in periods of sickness			na	na		
Taux Absenteeism rate (%)		% of FTE	0,27%	0,30%	0,0	0,0		+0,00 pts
Total lenght		in days	10 568	12 622	2 035	2 342	3 451	69,6%
of w hich % illness			474	561	118	118	0	0,0%
of w hich % workplace accident (commute or w ork)			0%	0%	0%	0%	0%	+0,0 pts
of w hich % others			100%	100%	100%	100%	100%	+0,0 pts
Excluding Villages								
Total lenght		in days	1 420	736	447	724	141	-68,5%
nb periods od sickness			14	14	104	9		0,0%
Villages								
Total lenght		in days	9 148	11 886	1 588	1 618	3 310	108,4%
no. periods od sickness			460	460	2	109		0,0%
SKILLS DEVELOPMENT- Worldwide								
Number of employees having received training			15 313	15 736	16 604	14 245	13 640	-17,9%
Number of trainees		ins x employees	56 938	68 701	62 651	51 673	65 234	4,1%
Number of training hours	3	No. of theorical hours	335 410	359 764	340 018	172 685	216 800	-36,2%
of w hich % Europe Africa			57%	65%	65%	38%	65%	+0,1 pts
of w hich % Américas			30%	26%	16%	31%	26%	+10,3 pts
of w hich % Asia			13%	9%	10%	30%	8%	-2,4 pts
% of GO@-GE having received training	4							
Shared of trained GO@-GE		% of no. of employees	63%	61%	60%	60%	56%	-3,9 pts
Shared of trained GO@ excluding villages		% of no. of employees	53%	50%	45%	27%	26%	-19,0 pts
Shared of trained GO@ villages		% of no. of employees	78%	77%	65%	65%	65%	+0,0 pts
Shared of trained GE villages		% of no. of employees	56%	59%	45%	63%	55%	+10,0 pts
Shared of trained GO@-GE villages		% of no. of employees	65%	64%	54%	60%	54%	+0,0 pts
EGAL OPPORTUNITY (Villages scope)								
Professional mobility								
% of female GO@-GE subject to professional mobility		% of no. of employees	20%	18%	17%	6%	5%	-11,7 pts
% of male GO@-GE subject to professional mobility		% of no. of employees	18%	16%	15%	5%	8%	-6,6 pts
Geographic mobility								
% of female GO@-GE subject to geografical mobility		% of no. of posts	26%	28%	29%	4%	6%	-22,9 pts
% of male GO@-GE subject to geografical mobility		% of no. of posts	24%	26%	24%	3%	14%	-10,1 pts
Training								
% trained female GO@-GE		% of no. of employees	69%	67%	62%	51%	57%	-4,8 pts
% trained male GO@-GE		% of no. of employees	62%	63%	64%	55%	59%	-5,5 pts
Managers								
% of female GO@ SM-VM & CDV	5	% of FTE	11%	12%	11%	12%	4%	-7,0 pts
% of male GO@ SM-VM		% of FTE	13%	13%	12%	12%	7%	-5,0 pts
Shared of female GO@-GE in the LC (w orldw ide)	6	% of FTE	44%	45%	46%	42%	31%	-15,0 pts



5.2 Additional information: CSR societal indicators

Summary of reporting methodology

Societal data come from several sources.

For **information on GO/GE premises**: See social data.

Purchasing data are reported at Corporate level based on invoicing data from the Oracle/AP database, and the contracts database (for the percentage of contracts containing the CSR

clause). All indicators are calculated once a year for the reporting period except for the rate of application of the “Seafood Charter”. This rate is calculated based on the Summer of year N-1 and Winter of year N.

Agrisud data are drawn from Agrisud annual project summary reports.

CSR SOCIETAL INDICATORS

INDICATORS	note	Unit	2018	2019	2020	2021
LOCAL CONTRIBUTION BY LOCAL EMPLOYEES (Villages worldwide)						
Share of local jobs among GO®-GE		% of employees	75%	na	nd	0%
Local development (Villages scope)						
Training						
Shared of local GO® trained		% of employees	74%	na	nd	nd
shared of mobile GO® trained		% of employees	82%	na	nd	nd
Share of local GE trained		% of employees	58%	na	nd	nd
Share of mobile GE mobiles trained		% of employees	62%	na	nd	nd
Share of local GO®-GE trained		% of employees	62%	na	nd	nd
Evaluation						
Shared of local GO® evaluated		% of employees	83%	na	nd	nd
shared of mobile GO® evaluated		% of employees	92%	na	nd	nd
Share of local GE evaluated		% of employees	60%	na	nd	nd
Share of mobile GE mobiles evaluated		% of employees	91%	na	nd	nd
Share of local GO®-GE evaluated		% of employees	68%	na	nd	nd
Geographic mobility						
Share of international GO®	1	% of posts	42%	na	8%	7%
Share of international GE	1	% of posts	9%	na	1%	2%
Share of international GO®-GE	1	% of posts	25%	na	4%	7%
Professional mobility						
% of local GO® w ho benefited from professional mobility		% of employees	32%	na	4%	4%
% of mobile GO® w ho benefited from professional mobility		% of employees	39%	na	6%	19%
% of GO® w ho benefited from professional mobility		% of employees	35%	33%	5%	7%
% of local GE w ho benefited from professional mobility		% of employees	5%	na	7%	5%
% of mobile GE w ho benefited from professional mobility		% of employees	11%	na	1%	15%
% of GEw ho benefited from professional mobility		% of employees	6%	5%	7%	6%
% of local GO®-GE w ho benefited from professional mobility		% of employees	12%	na	6%	9%
% of mobile GO®-GE w ho benefited from professional mobility		% of employees	33%	na	6%	33%
LOCAL CONTRIBUTION (Worldwide)						
VSB supported -Agrisud partnership		nb of VSBs	336	369	312	281
Tonnage purchased from VSB supported		tons	54	66	27	49
CLUB MED CONTRIBUTION TO CHARITABLE ACTIVITIES (Worldwide)						
Direct patronage	2	€ thousands	155	258	182	232
Foundation (including skill development devoted)		€ thousands	526	584	564	387
Friends of the Fondation (excluding GM® donations)		€ thousands	155	160	65	82
RESPONSIBLE PURCHASING (worldwide)						
Share of purchases from host country suppliers	3	% € thousands	90%	86%	84%	78%
Standard contracts w ith sustainability clause (France)		% no. of contrats	100%	100%	100%	100%
Current contracts w ith SD clause (monde)		% no. of contrats	48%	43%	46%	46%
Paper for Club Med catalogs	4	tons	125	73	50	nd
Share of PEFC/FSC papers in catalogs	4	%	100%	100%	100%	100%
Fishing : compliance w ith responsible purchasing policy	5	% kg		nd	nd	nd
RESPONSABILITY TOWARDS CUSTOMERS (worldwide)						
Share of ecocertified Villages		% no. of Villages	77%	85%	81%	100%
Customer incidents		No. of claims	3 274	3 996	1 734	1 494
ACTIONSTO PROMOTE HUMAN RIGHT (Worldwide)						
Aggregated number of ECPAT flyers		Number	850 000	932 552	948 422	970 037

Notes:

1. Number of job assignments in which employees work in a country other than their home country (mobile vs. local).
2. Other donations are made locally (not listed exhaustively)
3. World scope (excluding China) all purchasing categories excluding distribution fees, royalties, VAT and duties.
4. All FBS countries (France, Benelux and Switzerland) + all NMEA countries (New Markets Europe Africa) with the exception of countries that print their brochures on site (South Africa, Spain, Israel and Portugal).
5. World scope for seafood purchases, Summer N-1 + Winter N.



5.3 Additional environmental information

5.3.1 Eco-certification of villages

Obtained eco-certifications

Since	Europe	Africa	Middle East	Americas	Asia
2008	Opio (*)				
2009				Ixtapa (2009-13) (**)	
2010	no more operated : Chamonix Mont-Blanc			Cancun (2010-13) (**) Colombus (2010 -13) (**) Turquoise (2010-11) (***) Punta Cana (2010-11) (***)	Cherating Beach
2011	La Palmyre-Atlantique Tignes Val Claret Val d'Isère Serre Chevalier Vittel Ermitage Gregolimano and no more operated : Napitia Vittel Le Parc	Marrakech Palmeraie Djerba la Douce and no more operated : Marrakech Medina Djerba la Fidèle	La Plantation d'Albion Les Villas d'Albion La Pointe aux Cannoniers Palmye	Rio das Pedras (2011-13)(**)	
2012	Peisey-Vallandry Aime la Plagne La Plagne 2100 Valmorel Les Chalets de Valmorel St Moritz Wengen	Cap Skirring and no more operated: Hammamet	Kemer Bodrum Palmye	La Caravelle Les Boucaniers	
2013	Da Balaia no more operated: Avoriaz Villars	Yasmina and no more operated: Sinai Bay			Sahoro Phuket Bali Kabira Beach Bintan Island
2014					Guilin
2015	Opio Val Thorens Sensation Pragelato			Rio das Pedras Ixtapa Cancun	Yabuli Dong'Ao
2016		no more operated: Agadir			
2017	Alpes d'Huez			Punta Cana	Kani Finolhu
2018	Grand Massif Samoens Kamarina Cefalu			Sandpiper	
2019	Arcs Panorama			Lake Paradise Trancoso Turkoise	Tomamu
2021	La Rosière Alpes d'Huez (renovated)	Seychelles		Miches	Beidahu Yabuli

5.3.2 CSR environmental indicators

Summary of reporting methodology

Environmental data are drawn from the Tech Care reporting tool (see section 4.12.).

❖ Reporting period

Since 2019, the reporting period runs from 1 January to 31 December, corresponding to the company's new fiscal year. The history has been recalculated on this basis.

❖ Scope of reporting

For each fiscal year, the environmental reporting **takes into account all Club Med Villages worldwide, operated for at least one season during the year in question.**

Since 2012, **100% of the Villages** have been reporting in the tool and the **Club Med 2 boat** is now reporting to the tool (with a recovery of the history since 2019), but remain excluded:

- headquarters, offices, agencies
- Closed Villages that are not operated but remain in the Club Med portfolio and are therefore maintained,
- periods when a village is not operated by Club Med but by a third party.

However, **consumption during off-season periods** (including those related to Village maintenance or renovation work) **is included in the reporting scope.**

The reporting scope includes all businesses operated directly or indirectly by Club Med (spas, shops, etc.).

❖ Actual consumption

This involves monitoring **actual consumption** supplied by the Technical Manager of each site based on the indexes of water, electricity and natural gas meters, and calculating monthly consumption by reading the gauges of other energy sources (fuel oil, LPG, LNG).

Water consumption includes all water used by the sites, whether paid or free of charge (except for the village of Belek in Turkey in 2013 and in Beidahu (China) in 2017 and 2018 that have no water meter.

❖ carbon footprint

Since 2013, Club Med has been calculating its annual carbon footprint using the **GHG Protocol methodology** based on the quantities of energy expressed in operating units and using **emissions factors from the ADEME** (French Environment and Energy Management Agency) Carbon Base. **The approach chosen for emissions accounting is "operational control".**

Reviewed in 2019 (for the year 2018) and 2022 (for the year 2019) with EcoAct, the calculations of the main categories contributing to the carbon footprint are based on the following data and assumptions:

Scope 1+2

- **Energy:** Actual annual energy consumption recorded in the operating units (in kWh, m³, or kg) consolidated into kWh of final energy consumed and then converted into GHG emissions using the emission factors from ADEME and the IEA database (2019).
- **Refrigerant gases:** Monitoring of annual refills (kg) per type of refrigerant fluid carried out in village air conditioning systems, then conversion into GHG emissions using the GWP_s of the various gases provided by the ADEME Carbon Base.

Scope 3

- **Customers transported by Club Med:** Tracking the annual number of train tickets by class and air tickets by class and by type of long, medium and short-haul flights of visitors transported, converted into GHG emissions using the emissions factors in the DEFRA database. Estimated round trip distances (km) travelled by GM using the departure city and arrival village.
- **Customers not transported by Club Med:** Estimated round-trip distance travelled (km) by non-transported customers based on their country of departure and village of arrival, converted into GHG emissions using emissions factors from the DEFRA database.
- **Food:** Collection of the quantities of food consumed in a sample of villages (Sun and Mountain) then extrapolated to the entire perimeter using the number of hotel days sold. The emission factors used are those of the ADEME Carbon Base.
- **Non-food purchases:** Amount of purchases of goods and services (€) categorized then converted into GHG emissions using the emission factors of the ADEME Carbon Base.
- **Construction and renovations:** Emissions were calculated on the basis of the volume of steel, concrete and glass used for the "Arcs Panorama" site and then extrapolated on the basis of the total surface area of the sites constructed/renovated in 2018. The emission factors used come from the INIES database. The volume of emissions in this category is variable and depends on the number of clubs built/renovated during the year.

❖ Management ratio

Most representative business ratios are primarily expressed

- as **per Total Hotel Days (THD)**, which comprises customers and employees living on-site, including during off-season.
- as **per Hotel Day Capacity** (number of beds x numbers of opening days) less disturbed by attendance variations.
- and ratios based on rooms sold (for sector comparability).

The ratio of kWh per sq.m. is unsuitable for Club Med's business because there is too great a disparity and variation from one year to the next in the number of opening days

CSR ENVIRONMENTAL DATA

Reporting on the fiscal year from January 1, N to december 31, N. - Consumptions recorded as January 31, 2020

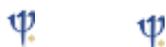
	note	Unit	2018	2019	2020	2021	2020 vs 2010
SCOPE OF ENVIRONMENTAL REPORTING							
World resorts operated (excl. boats)	1	number of resorts	65	63	59	49	
World resorts included in the reporting	2	number of resorts	65	63	59	49	
resort coverage of report		% of resorts	100%	100%	100%	100%	
Club Med 2 boat included in reporting			nd	yes	yes	yes	
Total Hotel Nights (HN) of the reporting scope			7 870	7 986	3 379	3 805	
Total Hotel Days (THD) of the reporting scope	3	thousands	11 457	11 772	5 796	6 399	-45,6%
Hotel Day Capacity (HDC) of the reporting scope		thousands	12 598	13 211	6 733	8 243	-37,6%
Occupied Rooms (OC) of the reporting scope		thousands	3 626	3 671	1 465	1 632	
ECO-CERTIFICATION							
New resorts & main renovations eco-certified in construction		% of resorts	25%	75%	75%	0%	
Share of the eligible resorts Green Globe eco-certified		% of resorts	83%	85%	81%	100%	+15 pts
WASTE							
resorts tracking of quantities (coverage)		% of resorts	67%	72%	72%	65%	
Waste incinerated, buried or landfilled per THD	3 & 7	kg / THD	1,9	1,2	1,2	1,4	
Coverage of waste reporting in weight		% of THD	31%	45%	45%	48%	
total weight of residual waste (WW extrapolation)		tons		13 617	6 289	11 710	
Waste sent to a recycling chain by THD		kg / THD	0,8	1,4	1,6	0,3	
Rate of resorts providing the data		% of THD	60%	70%	73%	72%	
total weight of waste recycled (WW extrapolation)		tons		19 225	9 484	2 300	
recycled waste rate		% de tonnes		59%	60%	16%	
WATER							
	6						
Surface water		thousands of m3	156	171	119	242	
Fresh groundw ater			2 741	2 870	1 986	1 349	
Osmosis groundw ater		thousands of m3	-	5	5	11	
Sea w ater		thousands of m3	231	293	134	272	
third-party w ater		thousands of m3	3 601	3 895	2 182	2 499	
Recycled w ater purchased			88	75	33	50	
Total water withdrawn		thousands of m3	6 818	7 309	4 459	4 424	-39,5%
Water withdrawn by Hotel Night		m3	0,872	0,919	1,320	1,163	
Water withdrawn by Hotel Day Capacity		m3	0,546	0,555	0,663	0,537	-3,3%
Water withdrawn by Occupied Room		m3	1,893	1,997	3,045	2,711	
Water withdrawn in w ater stress regions	4	thousands of m3	2 697	2 863	2 203	1 728	-39,7%
Water stress: golf (Agadir) : m3/ ha watered		m3	11 816	14 210	9 542	-	0,0%
Water stress: water withdrawn per HDC (excl. golf)	3	m3	0,476	0,516	0,676	0,599	16,1%
Water stress: water withdrawn per OC (excl. golf)		m3	1,091	1,994	3,648	2,799	
Water recycled and reused in resorts		thousands of m3	724	742	400	472	
% of water recycled and reused		%	11%	10%	9%	11%	+1 pts
<i>Share of villages with water saving systems: see chart in section 4.3.1</i>							
BIODIVERSITY							
Surface area of resorts in or next to protected area		% ha	67%	63%	60%	0%	
Surface area of resorts < 3 km from a protected area		% ha	10%	10%	10%	0%	
Interior footprint of resorts		% ha	7%	8%	9%	0%	
Natural space maintained within the resorts		% ha	59%	60%	60%	0%	
resorts using no nitrogen fertilizers or outdoor pesticides		% of resorts	45%	35%	45%	0%	
resorts using biological treatment		% of resorts	39%	49%	49%	0%	

CORPORATE SOCIAL RESPONSIBILITY

	note	Unit	2018	2019	2020	2021	2020 vs 2010
ENERGY							
Gas		MWh	90 623	86 060	53 897	88 634	
Fuel Oil		MWh	57 274	85 472	56 063	81 279	
Total direct energy consumed		MWh	147 897	171 531	109 960	169 914	-0,9%
Wood pellet				2 269	1 745	2 732	
Total direct renewable energy consumed				2 269	1 745	2 732	
Electricity purchased		Mw hef	243 635	253 553	165 929	163 414	
<i>which certified renewable energy electricity (France))</i>		MWhef	40 225	41 667	31 821	20 247	
Urban heat purchased	10	MWh	3 926	3 793	3 438	3 870	
Total indirect energy consumed		MWh	247 561	257 346	169 367	167 284	-35,0%
Hydropower generated in resort		MWh	-	-	-	-	
PV electricity produced in resort		MWh	849	954	870	828	
Total renewable energy produced in resorts		MWh	849	954	870	828	
Total energy sold (Vittel)		MWh	-	-	-	-	
Total direct + indirect energy consumed		MWh	396 308	432 101	282 465	342 791	-20,7%
Total direct + indirect energy consumed per HN		kWh	50,4	54,1	83,6	90,1	
... per THD	3	kWh	34,6	36,7	48,7	53,6	45,9%
... per hotel day capacity		kWh	31,5	32,7	42,0	41,6	27,1%
... per occupied rooms			109,3	117,7	192,9	210,0	
Share of electricity from renewable sources		% of MWh	17%	17%	20%	13%	-4 pts
Surface area of solar panels		m ²	8 986	-	16 000	16 000	0,0%
Share of energy in the total purchases (Group)		% of €	3,3%	3,3%	4,0%	4,0%	+1 pts
<i>Share of resort with saving systems : see chart in section 4.3.2</i>							
GREENHOUSE GAS EMISSIONS (GHG Protocol)							
5							
Direct emissions from building combustion system		t eCO ₂	32 223	38 994	24 891	38 967	-0,1%
Direct emissions related to vehicle and boat fuel		t eCO ₂	3 726	11 572	4 415	6 173	
<i>coverage of fuel reporting</i>		% of resorts	0%	0%	0%	0%	
Direct fugitive emissions (refrigerant gas)		t eCO ₂	16 360	19 431	11 647	25 391	
<i>coverage of refrigerant gas reporting</i>		% of resorts	0%	0%	0%	0%	
Total direct emissions (scope 1)		t eCO₂	52 309	69 997	40 953	70 531	
Indirect emissions related to purchased electricity		t eCO ₂	99 622	103 961	64 801	69 904	
<i>of which avoided emission deducted (RE emissions certificates - Fra</i>		t eCO ₂	1 589	1 742	1 330	846	
Indirect emissions related to urban heat	13	t eCO ₂	718	784	777	835	
Total indirect emissions (scope 2)		t eCO₂	100 340	104 745	65 578	70 740	-32,5%
Total emissions (scopes 1+2)		t eCO₂	152 649	174 741	106 531	141 270	
Carbon intensity (building energy) per THD	3	kg eCO₂	11,6	12,2	15,6	17,1	
... per Hotel Day Capacity		kg eCO₂	10,5	10,9	13,4	13,3	
Carbon intensity (scope 1+2) per HN		kg eCO₂	19,4	21,9	31,5	37,1	
... per THD		kg eCO ₂	13,3	14,8	18,4	22,1	0,0%
... per Hotel Day Capacity		kg eCO ₂	12,1	13,2	15,8	17,1	48,7%
... per occupied rooms			20,5	23,2	34,5	41,4	
SCOPE 3 emissions (GHG Protocol)							
Travel of GM carried by Club Med (upstream 1.)		t eCO ₂	647 806	669 573	197 308	217 751	
Travel of non-transported GM (excluded from GHG protocol)		t eCO ₂	761 939	820 389	301 325	316 696	
Food purchases (upstream 1.)		t eCO ₂	246 692	175 860	73 357	91 907	
<i>of which meat</i>		t eCO ₂	86 591	73 267	31 213	41 602	
Purchase of water from the network (upstream 1.)		t eCO ₂	-	483	262	305	
Other purchases of goods and services (upstream 1.)		t eCO ₂	70 086	77 499	37 093	33 739	
Fuel and energy related emissions (upstream 3.)		t eCO ₂	23 095	39 316	24 962	30 354	
Freight and purchasing logistics (upstream 4.)		t eCO ₂	nd	5 660	nd	nd	
Waste generated in operations (upstream 5.)		t eCO ₂	9 700	19 985	10 510	7 756	
Business travel (upstream 6.)		t eCO ₂	13 550	13 016	4 576	6 913	
Commuting (upstream 7.)		t eCO ₂	nd	20 200	17 534	18 017	
Total indirect emissions (scope 3)			1 859 459	1 915 248	698 140	765 040	

Notes:

- Resorts (excluding boat) operated at least one season during the whether or not the activity is managed directly by Club Med (spa, boutiques, etc.).
- Two villages not included until 2011: Coral Beach and Buccaneer's Creek (Les Boucaniers)
- THD: Total hotel days (customers + employees living on site, including during village off-seasons)
- Areas of high or very high water stress according to the definition of the WRI (World Resources Institute's) Aqueduct tool. See details and mapping in subsection 4.3.1
- GHG Protocol, emission factors from the Ademe/Bilan Carbone, DEFRA (for transport) and IEA (for electricity by country) databases.
- Water reporting scope: excluding Belek (Turkey, in 2013), and excluding Beidahu (China, in 2017) - no water meter on village
- Monitoring is limited to Villages with a weight-based monitoring system provided by the service provider.
- Scope 3 = result of the carbon footprint calculation carried out with EcoAct (year 2018)



5.5. CSR cross-reference table

CSR Reporting**Cross table with GRI Standards (Global Reporting Initiative)**

2021 GRI CSR disclosures	chapter of the CSR Report 2021
GRI 2: General disclosure	
THE ORGANIZATION AND ITS REPORTING PRACTICES	
2-1 Organizational details	• Club Med • (p 3)
2-2 Entities included in the organization's sustainability reporting	• Club Med • (p 3)
2-3 Reporting period, frequency and contact point	About this report (p 2)
ACTIVITIES AND WORKERS	
2-7 Employees	2.1 Employment + Annexes 5.1
2-8 Workers who are not employees	2.1 Employment - Outsourced activities
GOVERNANCE	
2-9 Governance structure and composition	1.1. CSR Governance
2-15 Conflicts of interest	1.4. Compliance: anti-corruption programme and due diligence plan
2-16 Communication of critical concerns	1.2 Listening to stakeholders and defining key CSR issues
STRATEGY, POLICIES AND PRACTICES	
2-22 Statement on sustainable development strategy	3.4. Respecting human rights
2-23 Policy commitments	1.3. Happy to Care strategy
	1.5. External commitments and recognition
2-24 Embedding policy commitments	3.4. Respecting human rights
	4.1. General elements of the environment policy
2-25 Processes to remediate negative impacts	1.4.1 Anti-corruption programme
2-26 Mechanisms for seeking advice and raising concerns	1.4.2. Reasonable vigilance plan
	1.4.1. Anti-corruption programme - Internal alert procedure
2-27 Compliance with laws and regulations	1.4.1. Anti-corruption programme - Monitoring system
	3.3.1 Responsible communication to customers
2-28 Membership associations	4.1.1 Key issues and commitments - Provisions and charges for environmental risks
	1.5. External commitments and recognitions
STAKEHOLDER ENGAGEMENT	
2-29 Approach to stakeholder engagement	1.2 Listening to stakeholders and defining key CSR issues
2-30 Collective bargaining agreements	2.3. Social dialogue
GRI 3: Material Topics	
3-1 Process to determine material topics	
3-2 List of material topics	1.2 Listening to stakeholders and defining key CSR issues
3-3 Management of material topics	
GRI 203: Indirect Economic Impacts	
203-1 Infrastructure investments and services supported	3.1. Communities: respect and contribution
203-2 Significant indirect economic impacts	
GRI 204: Procurement Practices	
204-1 Proportion of spending on local suppliers	3.2.3 Focus on local purchases and partnership with Agrisud
GRI 205: Anti-corruption	
205-1 Operations assessed for risks related to corruption	
205-2 Communication and training about anti-corruption policies and procedures	1.4.1. Anti-corruption programme
205-3 Confirmed incidents of corruption and actions taken	
GRI 302: Energy	
302-1 Energy consumption within the organization	
302-3 Energy intensity	4.3.2 Energy
302-4 Reduction of energy consumption	5.3.2 Environmental CSR indicators
302-5 Reductions in energy requirements of products and services	

2021 GRI CSR disclosures

chapter of the CSR Report 2021

GRI 303: Water and Effluents

303-1 Interactions with water as a shared resource	
303-2 Management of water discharge-related impacts	4.3.1 Water (Consumption and issues by area of water stress, Actions to control water consumption, Wastewater treatment and management)
303-3 Water withdrawal	
303-4 Water discharge	5.3.2 Environmental CSR indicators
303-5 Water consumption	

GRI 304: Biodiversity

304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.5. Protecting biodiversity
	4.2 Pollution and waste management
	4.3.1 Water - Preventing contamination of soil and groundwater
304-2 Significant impacts of activities, products and services on biodiversity	4.5.1 Reducing the drivers of biodiversity loss 4.5.3 Focus on MDG 14 - Conserve and sustainably use the oceans, seas and marine resources
304-3 Habitats protected or restored	

GRI 305: GHG Emissions

305-1 Direct (Scope 1) GHG emissions	
305-2 Energy indirect (Scope 2) GHG emissions	4.4.2 Reducing greenhouse gas emissions
305-3 Other indirect (Scope 3) GHG emissions	5.3.2 Environmental CSR indicators
305-4 GHG emissions intensity	
305-5 Reduction of GHG emissions	4.4.2 Reducing greenhouse gas emissions
305-6 Emissions of ozone-depleting substances (ODS)	4.2.1 Preventing pollution - Refrigerants and CFCs

GRI 306: Waste

306-1 Waste generation and significant waste-related impacts	
306-2 Management of significant waste-related impacts	4.2.2 Waste management (Reducing and recycling waste, Managing special or hazardous waste)
306-3 Waste generated	5.3.2 Environmental CSR indicators
306-4 Waste diverted from disposal	
306-5 Waste directed to disposal	

GRI 308: Supplier Environmental Assessment

308-2 Negative environmental impacts in the supply chain and actions taken	3.2.1. Due diligence in the supply chain 3.2.2 Responsible purchasing
----------------------------------------------------------------------------	--------------------------------------------------------------------------

GRI 401: Employment

401-1 New employee hires and employee turnover	2.1 Employment 5.1 Additional information: social CSR indicators
401-3 Parental leave	2.2 Organisation of working time - Absenteeism

GRI 403: Occupational Health and Safety

403-1 Occupational health and safety management system	
403-2 Hazard identification, risk assessment, and incident investigation	
403-3 Occupational health services	
403-4 Worker participation, consultation, and communication on occupational health and safety	2.4. Health, safety and well-being at work (Health and safety conditions at work, Well-being at work, Frequency and severity of accidents at work and occupational diseases)
403-5 Worker training on occupational health and safety	5.1 Additional information: CSR social indicators
403-6 Promotion of worker health	2.3. Social dialogue (Summary of collective agreements)
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
403-8 Workers covered by an occupational health and safety management system	
403-9 Work-related injuries	
403-10 Work-related ill health	

2021 GRI CSR disclosures

chapter of the CSR Report 2021

GRI 404: Training and Education	
404-1 Average hours of training per year per employee	2.5. 2.5. Training and talent development (Skills development training with the Talent University, Talent development through career and geographical mobility)
404-2 Programs for upgrading employee skills and transition assistance programs	5.1 Additional information: Social CSR indicators
404-3 Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity	
405-1 Diversity of governance bodies and employees	2.6. Equal treatment (Diversity and preventing discrimination, Measures taken to promote equality between women and men, Measures taken against age-based discrimination, Equal treatment related to disabilities)
405-2 Ratio of basic salary and remuneration of women to men	5.1 Additional information: Social CSR indicators
GRI 406: Non-discrimination	
406-1 Incidents of discrimination and corrective actions taken	idem GRI 405
GRI 407: Freedom of Association and Collective Bargaining	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3.4. Respecting human rights
GRI 408: Child Labor	
408-1 Operations and suppliers at significant risk for incidents of child labor	3.4. Respecting human rights 3.2.1. Due vigilance in the supply chain
GRI 409: Forced or Compulsory Labor	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
GRI 410: Security Practices	
410-1 Security personnel trained in human rights policies or procedures	3.1.1 Respect for host communities (Fighting against sexual exploitation of children in tourism)
GRI 413: Local Communities	
413-1 Operations with local community engagement, impact assessments, and development programs	3.1. Communities: respect and contribution 3.1.2 Contributing actively to local development 3.2.3 Focus on local purchases and partnership with Agrisud
413-2 Operations with significant actual and potential negative impacts on local communities	3.4. Respecting human rights
GRI 414: Supplier Social Assessment	
414-1 New suppliers that were screened using social criteria	3.2.1. Due vigilance in the supply chain
414-2 Negative social impacts in the supply chain and actions taken	3.2.2 Responsible purchasing
GRI 416: Customer Health and Safety	
416-1 Assessment of the health and safety impacts of product and service categories	3.3. Customers: Quality and safety, the foundations of lasting trust (Quality and customer satisfaction, Customer health and safety: Aiming for total peace of mind)
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.3.3 Customer health and safety: Aiming for total peace of mind (GM® indicators and incidents)
GRI 417: Marketing and Labeling	
417-1 Requirements for product and service information and labeling	
417-2 Incidents of non-compliance concerning product and service information and labeling	3.3.1 Responsible communication to customers
417-3 Incidents of non-compliance concerning marketing communications	
GRI 418: Customer Privacy	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3.1 Responsible communication to customers (Information Security – GDPR)

5.6. Glossary

Activity	<p>The activity is divided into three BUs:</p> <ul style="list-style-type: none"> - <u>Europe-Africa</u>: <ul style="list-style-type: none"> ▪ FBS: commercial BU comprising the mature European markets (France, Benelux and Switzerland), ▪ NMEA: commercial BU comprising the developing markets in Europe (UK, Germany, Russia, Italy, etc.), Africa (South Africa, etc.) and the Middle-East (Israel, Turkey, etc.), ▪ Europe-Africa operations BU; - <u>Americas</u>: <ul style="list-style-type: none"> ▪ AMN: commercial BU and villages in North America, ▪ AML: commercial BU and villages in South America; - <u>Asia</u>: <ul style="list-style-type: none"> ▪ ESAP: commercial BU and villages in Southeast Asia and the Pacific (Japan, Australia, New Zealand, Singapore, South Korea, Malaysia, Thailand, India, Indonesia), ▪ Greater China: commercial BU and villages in China, Taiwan and Hong Kong.
Other operating income and expenses	This includes costs related to restructuring operations, claims and litigation, and the impact of natural disasters.
Business Unit (BU)	Level of activity consolidation in a geographical area.
Capacity	<p>Hotel day capacity for sale over a season or year</p> <p>Calculation: hotel capacity x days the village is open.</p>
CMSAS	Club Med SAS
FTE	<p>Full Time Equivalent.</p> <p>Employee accounting measure (different to Manpower which corresponds to the number of registered employees).</p>
GE	A <i>Gentil Employé</i> is a Club Méditerranée employee, originating in the country where the village is located. Their job is in a fixed location and they have a status different from that of a GO.
GM®	<i>Gentil Membre</i> : Club Med customer.
GMT	<i>GM Transporté</i> : Club Med customer having purchased a holiday package including transport.
GO®	<i>Gentil Organisateur</i> : a Club Med employee in direct contact with customers. A GO is above all a link creator within the village.
HD	Total Hotel Days
THD	Total hotel days.
Villages Managed	Operation wherein Club Med and the owner have signed a management contract. Club Med receives a commission which compensates the sales entities.

CLUB MED

11, rue de Cambrai 75957 Paris Cedex 19 – France Tel: +33.1.53.35.35.53 - Fax: +33.1.53.35.36.16 - www.clubmed.com

Société par Actions Simplifiée (simplified joint stock corporation) with share capital of 149,704,804 €

572 185 684 RCS Paris -Licence IM075100307 - N° TVA intracom: FR56 572185684

RCP n° AA.992.497 Générali Assurances IARD 2 rue Pillet-Will, F-75009

Garantie Financière APS, 15 avenue Carnot - F-75017 Paris