

RESPONSIBILITY AND SOLIDARITY AT CLUB MED - 2022



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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 remains identical to that audited by the independent third-party body during the work for the certificates of attendance and reasoned opinions on the fairness of the CSR information for 2014 and 2015.

This reporting document refers to the 2022 financial year ended 31 December 2022.

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

2022 KEY FIGURES

1,304,000

customers, including

1,249,000 in 4&5

Tridents (including Villas & Chalets)

1,699

million in

Resorts revenue

65

exploited resorts

around the world

97%

of capacity and

95.5%

of customers in

4&5 Tridents

A commercial and operational presence in over **forty** countries

29 000

GO®-GE de

138 nationalités différentes



Founded in 1950 by Gérard Blitz and Gilbert Trigano, Club Med pioneered the all-inclusive vacation club, including a 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, 2022, **Club Med manages 70 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:

- 20% of resorts are owned: Club Med both owns and manages the resort.
- 56% of resorts are leased: the village is operated by Club Med, which pays rent to the owner of the premises.
- 24% of resorts are managed: Club Med has been entrusted with the management of a resort by its owner, who pays it a management commission. The owner incurs capital expenditure and operating and maintenance costs for the resort.

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 through Club Med programmes and cruises aboard the Club Med 2 sailboat. These services can be individually packaged for corporate seminars with our "Meeting & Events by Club Med" offer.

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 29,306 GO® (Gentils Organisateur) and GE (Gentils Employés) of about 138 nationalities**. Embodying the Club Med spirit, a combination of professionalism and friendliness, GO®-GE teams are at the heart of Club Med's "free spirit" holiday promise and at the heart of the HR policy.

Confirmation of the strategy and new priorities

To amplify its rebound and accelerate its growth, Club Med has confirmed and adapted its five strategic pillars and two strategic product lines with six priorities for 2023.

Five strategic pillars

- being Premium with the Club Med spirit and an even stronger customer promise;
- becoming the employer of choice in the tourism sector to recruit and retain more talent;
- being Glocal in a global development logic with a local focus in terms of market, products and destinations;
- being Happy Digital: continuing the digital transformation to improve the customer and employee experience in its resorts and offices;
- being Happy to Care to support local communities and preserve the environment.



The two strategic product lines

- By 2025, Club Med mountain resorts should account for a quarter of the capacity and 440,000 GM®, i.e. +50% vs 2022.
- Club Med Exclusive Collection is expected to account for more than 10% of hotel capacity and more than €400 million in business volume (excluding transport) by 2025. The support of shareholder Fosun

Fosun support

Fosun, the shareholder of Club Med, confirmed that it would remain focused on the pharmaceutical, retail, insurance and tourism sectors to "contribute to the health, prosperity and happiness of millions of families around the world".

2022, a year of recovery despite many challenges

In 2022, the borders reopened (except for Asia, where the Omicron variant was still present).

This year brought new challenges: tense international relations, high inflation with rising interest rates, and a shortage of skilled labor.

The post-Covid context has been marked by a return of customer requirements to pre-Covid levels, growing employee expectations for meaning and a better work-life balance, an overall structural rise in CSR expectations and the solid impacts of climate change.

In this complicated context, 2022 was a year of strong recovery for Club Med, with a return to a level of activity comparable to 2019 and an operating profit higher than in 2019, despite a health crisis still present in Asia.

A new year of upmarket positioning

- At the same time, significant investments were made to open seven new resorts: Club Med Changbaishan, a mountain resort in China,

- Club Med Thousand Island, a new Joyview near Shanghai
- Club Med Joyview Yanqing near Beijing
- Club Med Magna Marbella in Spain
- Club Med Tignes and Club Med Val d'Isère in the French Alps
- Club Med Hokkaido Peak in Japan.

Renovations and extensions were also carried out at three resorts:

- Club Med Peisey-Vallandry (French Alps),
- Marrakech (Morocco)
- and Phuket (Thailand)

as well as the technical renovation of the Club Med 2 boat.

At the beginning of 2023, 97% of our Resorts are Premium or Exclusive Collection. In its 72-year history, Club Med has never had such a fine portfolio of resorts. Most of them are new or recent, renovated or under renovation, and all will be profitable.

2022 result

While returning to high levels of investment in its resorts and digital projects, Club Med has reduced its debt.

The results for 2022 show a strong recovery and acceleration for Club Med. The crisis still had an impact on the business, particularly in the first quarter and in Asia, but this was managed overall.

- Business Volume doubled vs. 2021 and returned to pre-pandemic levels.
- Operating profit is ahead of 2019 with positive net income, benefiting from the profound transformation of Club Med's business model.
- Thanks to the massive generation of free cash flow, and despite CAPEX devoted to the maintenance, development & digital of the resorts, Club Med has managed to reduce its debt.

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, presence in exceptional sites, brand positioning associated with happiness, and “Asset Right” policy increase this exposure.

Nonetheless, Club Med does not view social and environmental responsibility exclusively regarding constraints to be managed or risks to be prevented but as principles intrinsically linked to its 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 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 including Mission Handicap, currently has six people (5.5 FTEs) at the end of 2022, located either at the Paris headquarters or the Lyon office.

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.

Since 2021, the continuation and expansion of the STM “Safe Together Manager” position has been supporting 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 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, competitors and peers, etc. In addition, feedback from customers and other stakeholders through various channels is processed by the departments concerned in conjunction with the Sustainable Development Department. It gives rise to ad hoc monitoring of the main issues addressed.

These various internal and external sources are analysed and summarised (see diagram on the main monitoring methods and the various stakeholder groups).

Risks are assessed via several additional maps:

- Since 2012, the **key operational risks map** has been updated every year, with risks ranked based on their likelihood and their economic, human and image impact on the Group. The Group risk management policy is designed to effectively protect the interests of its customers, environment, and shareholders.
- Priority issues were formalised in 2014 and updated in 2019 as a result of an 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 to better hierarchise the priorities in **reasonable vigilance approaches**, including audits.

¹ CRS: Corporate Social Responsibility

² Sustainable Development and Philanthropy Department (SDPD)

- 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.

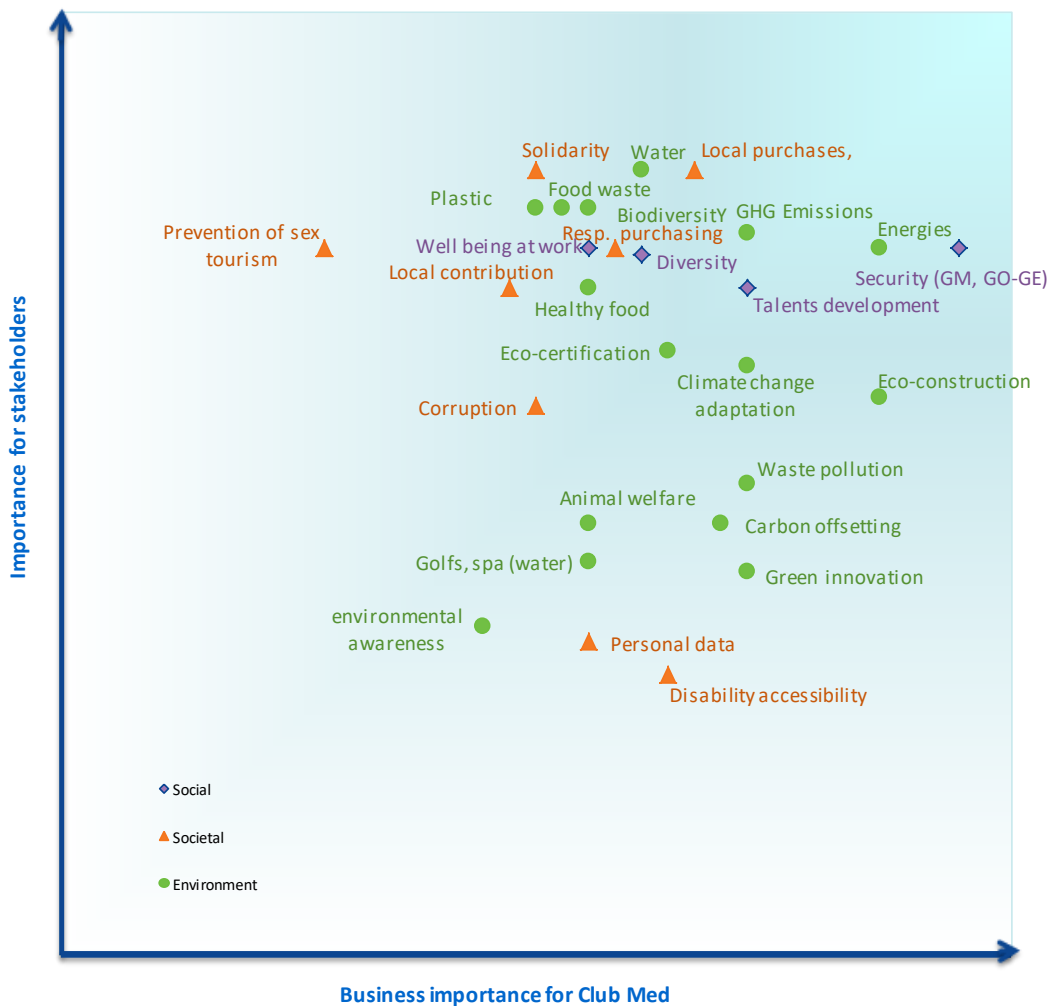
These issues were "filtered" by the four key questions of the AA1000 standard (existence of an internal policy on the subject, potential financial impact, social interest of the issue, and

formal expression of interest by Group stakeholders in the issue). Twenty-seven 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 to 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) their importance within the Group (Group's control, geographical coverage, and 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> <p>Specific internal survey on customer perceptions and expectations of the Happy To Care policy</p>	 <p>Sector analyses of priority issues 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
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> <p>Specific internal survey on the perceptions and expectations of teams with regard to the Happy To Care policy</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> <p>Dialogue with scientists, academics and associations</p> <p>Environmental challenges: sector standards GRI, CDP, Water DP, WWTC Net Zero</p>	
Civil society	<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”



The CSR programme, called "Happy to Care" in 2019, 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 company that 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".

In 2022, as Happy to Care became a strategic pillar of Club Med, its roadmap was strengthened in collaboration with the relevant departments. New commitments were introduced, and existing commitments were complemented with performance targets and deadlines to help plan and promote CSR efforts. At the end of 2022, a project-based approach was launched to include the climate axis and to accelerate the entire Happy To Care commitment.

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,
- Maintaining Green Globe certification on 100% of eligible resorts for their operations (100% achieved in 2021)
- 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)

❖ Preserving marine and terrestrial biodiversity

- Including an environmental impact assessment in 100% of construction projects from 2023;
- Managing 100% of landscaped areas without chemical pesticides by 2030;
- Partner with an environmental protection association in 100% of villages by 2030.

❖ Responding to changes in expectations

- Eliminating more single-use plastic products in bars, restaurants, and rooms by 2023, reducing plastic bottle consumption by 50% by 2024 through the "Bye-bye plastic" programme

- “Healthy Food”: deploying the existing vegetarian offer at all meals, in all restaurants; offer organic Baby Corners in 100% of villages with a Baby Welcome by 2027 and gradually reducing the supply of meat;
- Offer local products with 50% of fresh products (fruit and vegetables, seafood, meat) from local sources by 2030;
- Pursuing the fight against food waste policy with an active control process and reduction of food waste in 100% of the Resorts by 2030;
- Respecting the animal welfare standards in Club Med activities: cetaceans, elephants, charter and audits of activities involving working animals (2023), 100% cage-free egg products by 2027...

❖ **Nature and solidarity are core to the offer**

- Accelerating local sourcing and the Green Farmers programme to contribute even more to the local economy and develop small-scale farming around Club Med resorts with the launch of an average of one new programme per year;
- Offering green activities in 100% of our resorts, led by a Green GO or an expert in 50% of our resorts by 2030;
- Offering activities to learn more about the environment in 100% of our Petit and Mini Clubs by 2024;
- Implementing environmental awareness initiatives in 100% of our Resorts each season from 2024.

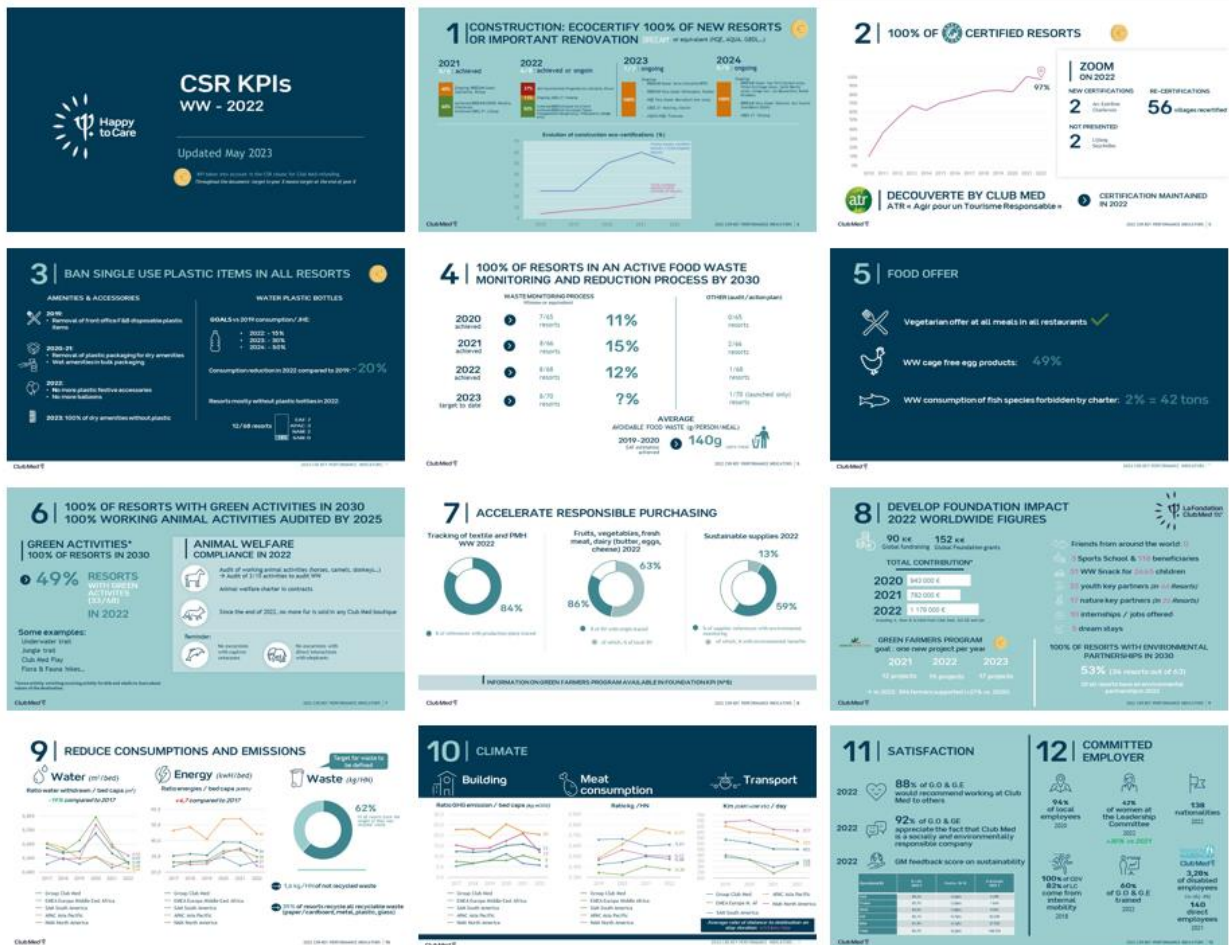
Driving progress

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

Since 2019, **as part of debt refinancing**, four of Club Med's sustainable development performance indicators have 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.

Achieving the objectives and respecting the sustainable development commitments made to Club Med's lenders in 2019 has led to a cumulative saving on the cost of debt of €1,147k over the four years from 2019 to 2022.



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

	<p>1 NO POVERTY</p> <p>Support to local producers (§ 3.2.3) Foundation Education programs (§ 3.1.3)</p>
	<p>3 GOOD HEALTH AND WELL-BEING</p> <p>Health and safety at work (§ 2.4) Support to agro-ecology (§ 3.2.3) Foundation Sports Schools (§ 3.1.3)</p>
	<p>4 QUALITY EDUCATION</p> <p>Foundation Education programs, Foundation Job Links (§ 3.1.3)</p>
	<p>6 CLEAN WATER AND SANITATION</p> <p>Control consumption: Water consumption, wastewater treatment (§ 4.1 & 4.3) Phytoremediation (§ 4.1.3)</p>
	<p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Construction eco-standards (§ 4.1.3)</p>
	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>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)</p>
	<p>10 REDUCED INEQUALITIES</p> <p>Contributing to local development (§ 3.1.2) Foundation and Solidarity (§ 3.1.3)</p>
	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Development of the Breeam standards for resorts (§ 4.1.3)</p>
	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>Food waste prevention (§ 4.2.2) "Bye bye plastic" program (§ 4.2.2) Green Globe, Breeam (§ 4.1.4) and ATR (§ 1.5) certifications</p>
	<p>13 CLIMATE ACTION</p> <p>Climate-related risks and opportunities (§ 4.4.1) Reducing greenhouse gas emissions (§ 4.4.2) Adapting to the effects of climate change (§ 4.4.3)</p>
	<p>14 LIFE BELOW WATER</p> <p>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)</p>
	<p>15 LIFE ON LAND</p> <p>Protecting biodiversity with local protection associations (§ 4.5) Responsible purchasing: Agrisud partnership (§ 3.2) Animal welfare (§ 4.5.2)</p>
	<p>17 PARTNERSHIPS FOR THE GOALS</p> <p>Partnership with Agrisud (§ 3.2.3) Foundation (skill-based sponsorship) and Friends of the Foundation (fundraising) (§ 3.1.3) Local partnerships (§ 3.1.3)</p>

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 is 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 creation of a Compliance Department responsible for 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 every two years since 2021, following the recommendations in force of the French Anti-Corruption Agency ("AFA") recommendations. 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 annexe to the 2009 **Ethics Charter**. The planned overhaul of the Ethical Charter is set to widen its scope, including a chapter on the Anti-Corruption Code and 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 share these expectations with suppliers better.

❖ **Accounting controls procedure**

The financial and accounting information control procedures are based on the following:

- 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 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 Supervizor to automate these controls and enable the automatic and systematic detection of accounting anomalies and errors. This solution is currently in the test phase; if the test phase proves conclusive, it should be progressively deployed throughout the Group.

❖ Internal control and assessment process

Club Med's internal control system is based on the decentralisation of the functions and responsibilities inherent in internal control and 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 2022 with the resumption of activity. It will be intensified from 2023 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 group employee (whether internal or occasionally external) to report situations that do not comply with Club Med's ethical principles and policies in conducting its activities to a referent.

The whistleblowing system is currently being reviewed to take account of the changes provided for in Act No. 2022-401 of 21 March 2022 aimed at improving the protection of whistleblowers.

In 2022, 18 alerts were raised (including 1 concerning alleged corruption).

❖ 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 2023.

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 2022, as part of a continuous improvement process, Club Med updated the risk map covered by the duty of vigilance to identify 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 in which they are described.

❖ **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 was expressed via customer letters and the contact form on the CSR website. They are dealt with by the appropriate departments and services, generating internal reports on the issues.

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)

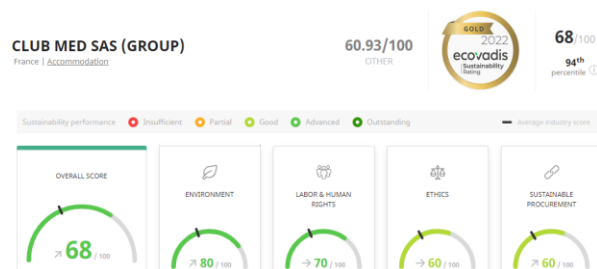
To view the Code, go to: <http://ethics.unwto.org/en/content/global-code-ethics-tourism>

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 the following:

- ATR (Agir pour un Tourisme Responsable), which it joined in 2017 (Discovery Tours by Club Med have been labelled ATR (since November 2017) and renewed every year since then
- ATD (Acteurs du Tourisme Durable), since 2016

External recognition

Club Med was rated by Ecovadis in 2023 on 2022 data (evaluation of suppliers to major clients) and maintained 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), in despite of the increase in the rating requirements.



At the end of 2022, the Group included 58 Green Globe eco-certified and operated resorts (for more details, see subparagraph 4.1.4 on Green Globe certification leverage) or 97% of the eligible and operated resorts.

	68 /100 93ème percentile	Ecovadis extra-financial rating Gold since 2021
		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)
		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 changes in local regulations and in which digitalization is profoundly changing behaviors, the relationship to work (where recruitment in the hotel and restaurant sector) is becoming more challenging, the Group's key challenge is to keep this model alive, attract and develop talent to accompany pursuing its strategy and developing new resorts.

❖ **Launching of the "Match with Us" project (Move All Together to Care for Human)**

In 2022, becoming the employer of choice in the tourism sector for recruiting and retaining talent has become one of Club Med's five strategic pillars. In this context, Club Med strives to offer an even more unique life experience at the heart of a strong employer promise: "a life-changing experience".

To this end, Club Med is conducting a project involving all HR teams with five major themes:

- **Recruitment and mobility** to improve global workforce planning, better coordinate the recruitment and mobility needs of the various BUs and their associated action plans, better identify the countries in which to step up recruitment to accelerate mobility, and develop tools to simplify the candidate experience.
- **Retention of GO®-GE** through a review of the work/life balance, to reinforce the conviviality and the unique and central role of GO® in the customer experience; through enhanced career and development paths, better

communicated packages (remuneration and benefits), and improved working and living conditions.

- **Development through training** by reinventing the Talent University to become a learning facilitator, improving training materials and tools for priority jobs, reworking skills frameworks, and development, and certifying advanced skills.
- **Employee well-being**, with the definition and deployment of values-based managerial behaviors and better management of occupational health and mental health.
- **Efficiency of HR tools** to better secure, fluidify, align and simplify HR processes.

2.1 Employment

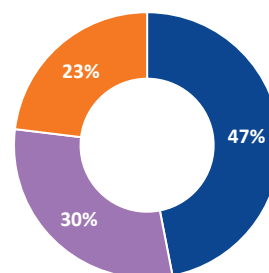
In 2022, Club Med totalled 29,306 employees corresponding to 14,885 full-time equivalents (FTE) (including 87% for Resorts) and 46,015 assignments. The number of employees is 20.1% higher than in 2021, and 7.2% higher than in 2019.



In 2022, the weight of the Americas and Asia Business Units will lose 11 pts vs. 2020 in favour of the Europe-Africa Business Unit.

Breakdown of GO®-GE staff by BU in 2022 - in FTE
(Worldwide excl. Corporate)

■ Europe Africa ■ Américas ■ Asia



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

- a high percentage of seasonal contracts (64%),
- 23% of employees are under the age of 25;

- 9,1% (HR, hiring rate) are "first³ season GO®" in resorts.

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

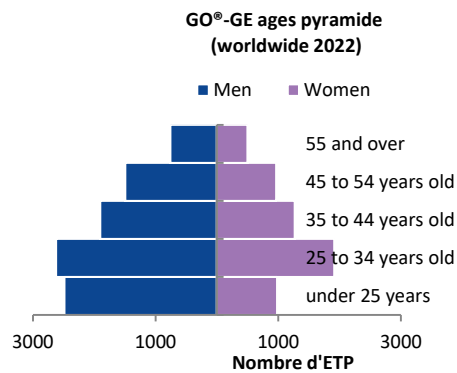
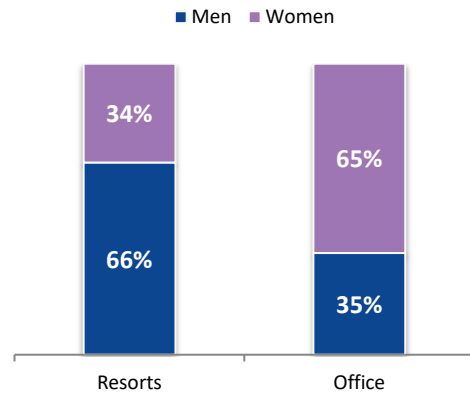
- GE positions, which are mainly traditional hotel and back office positions (accommodation, food & beverage, technical services). There is little movement in these positions, which represent 62.6% of FTEs.
- GO® positions, which focus on leading activities and direct customer contact. These positions have the most geographical mobility. The result is highly multicultural teams (8 nationalities or more in 90% of villages and, on average, 8 languages).

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

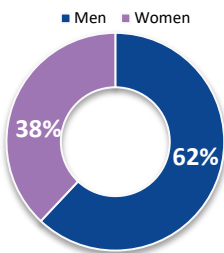
Average seniority within the Group is down to 4.9 years from 5.4 years in 2020. It is 4.87 years in villages (including seasonal workers).

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

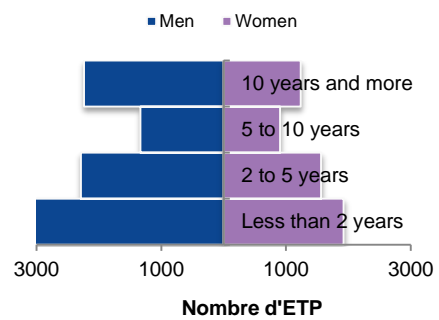
In 2022, Club Med was **once again** ranked second best employer in France in the Hotels, Tourism and Leisure category by Capital Magazine, which proves that despite such a difficult context, especially for tourism, Club Med has managed to preserve its image among its employees and those in its sector.



male / female split of GO®-GE in 2022 (worldwide)



GO®-GE senior ity pyramid (worldwide 2022)



See detailed information on headcount in appendix section 5.1

³ 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.



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 excl. China and Japan, horse riding, IT services), and others in some villages only, depending on the context and quality of local offerings.

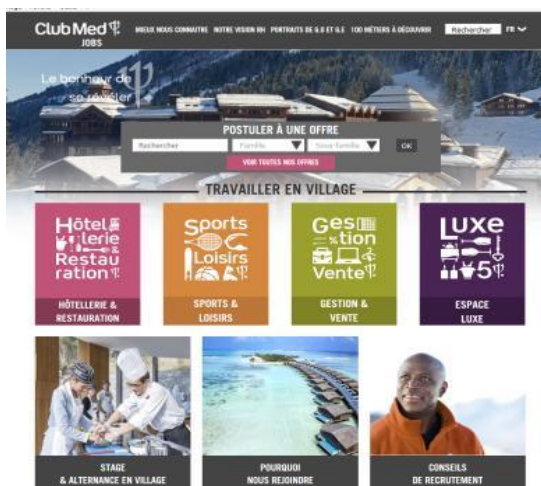
In 2022, there was no major change at world level in sub-contracted activities (nearly 20% of the salary mass, which has been stable over the last 3 years).

See detailed information on outsourced activities in appendix section 5.1.

Hiring and departures

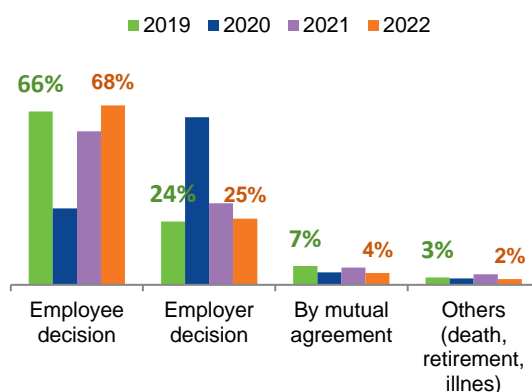
The Group wishes to position itself as an employer of reference and preference in most recruitment countries.

Although GO® retention⁴ is satisfactory (half of first-time GO® returned to Club Med in the following two years, the structurally high proportion of seasonal employment requires continuous recruitment. In 2022, despite a challenging context, Club Med recruited more than 10,000 GO®-GE, 95% of them in its villages, making it a major player in the employment market.



Average turnover (TO)⁵ was 11% in 2017, stable since 2016. Two-thirds of departures were due to resignations.

Breakdown of departure by reason (worldwide)



The average turnover rate⁶ (TO) is 11.5% in 2022. 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).

For permanent staff, there is a significant disparity between BUs, with turnover (TO) in the Americas at around 25%, Asia at 7% and EAF at 8%. Half (53%) of these departures by permanent GO®-GEs were the result of resignations. For seasonal staff, there is less difference between BUs, with an overall TO of 11%, 75% of departures due to resignations. The average length of assignment for GO®-GEs leaving the company before the end of their contract was almost two-thirds of the planned duration.

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 updated in 2022 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 2022, two operating closures (Kamarina in Italy, Sandpiper in United-States) have taken place; Discontinuing village operations is subject to negotiations in compliance with local laws.

See social indicators tables in section 5.1

⁴ Retention is expressed as the percentage of employees who returned in a given period (the average over the last 3 years).

⁵ 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.

Compensation and benefits

In 2022, Club Med has a payroll of €375.0 million, which represents 24% of the business volume. This rate is up sharply compared to 2019 due to the imbalance in activity caused by the health crisis. This rate is close to the rates known before the health crisis.

	2019	2020	2021	2022	Evol. Vs 2019
Worldwide payroll (in M€ and at constant rate)					
Population Outside Villages	(143,1)	(102,1)	(122,6)	(150,2)	5,0%
Population Villages	(215,6)	(127,3)	(142,5)	(224,8)	4,2%
Population Worldwide	(358,7)	(229,4)	(265,1)	(375,0)	4,5%
Payroll as a percentage of sales	21,0%	34,5%	35,7%	24%	-12,1 pts

Note: Several indicators for years since 2019 could not be calculated due to the impact of the Covid 19 crisis on the availability of HR teams. Work is underway to make these figures available again from Workday for 2023 onwards.

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 worldwide.

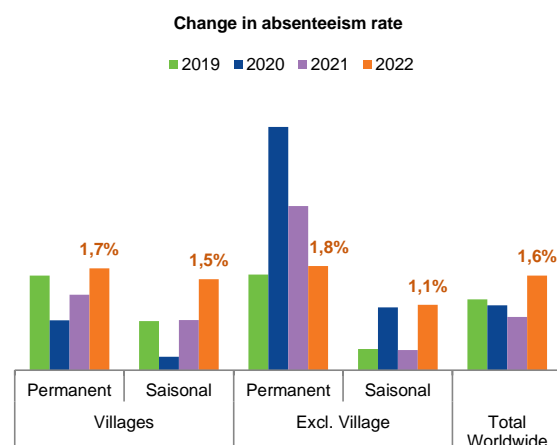
2.2. Organization of working time

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. 39 hours, since the entry into force of an amendment to GE personnel working time signed on the 29th of September 2022.

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.

Absenteeism



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 (48% 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 2022. Three 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 2021 and 2022, 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 location, 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 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 4 years duration
PROFESSIONAL EQUITY	
Agreement on Professional Equality and Quality of Life at Work	February 16, 2020 4 years 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
Amendment to the duration of staff work GE Villages	September 29, 2022 Undetermined duration
Agreement on teleworking	July 7, 2022 4 years duration, renegotiable
MANAGEMENT OF JOBS, CAREER PATHS AND JOB DIVERSITY	
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 DIALOG	
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	Décembre 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 :

- the creation of the position of Safe Together Manager as coordinator of EHS (Environment-Health-Safety) issues in the village in support of the Department Managers;
- the deployment of standard tools: SHH (Safety-Hygiene-Health) meetings, action plan ,and risk assessment;
- updating SMICE SHH self-checks to include all GM® activities and Club Med's internal processes;
- training of Safe Together Managers on EHS missions in all Bus;
- updating nursing procedures to optimise processes and patient management;
- a doctors' seminar focusing on the KARE programme (see below), crisis management and the provision of medical equipment to infirmaries in line with the challenges and local health systems.

In 2022, 15 of the 18 reports of the whistleblowing procedure concerned harassment, 3 of which were declared well-founded after investigation (moral harassment).

Health and safety conditions at work

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

All employee training stresses the safety of employees and customers as a top priority. Club Med also focuses on prevention and 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 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 determined.

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, was 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

As a reminder, the Covid-19 prevention measures for employees were as follows:

- 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 being 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).

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 the world, a tool based on the French "DUERP" (single-document occupational risk assessment) has been made available to Safe Together Managers to help them, in collaboration with HR and other department managers, to carry out a risk assessment in each village.

To date, risk assessments have been carried out using this tool and local tools (depending on local legislation requirements) in most countries.

		2022
Absenteeism		0,17%
Absenteeism rate (%)	% d'ETP	0%
Total duration	En jours	9 251
No. of absences		619
of which % Occupational illnesses		0%
of which % Work-related accidents (commuting and work)		100%
Population Outside Villages		
Total duration	En jours	407
Nb of stoppages		16
Population Villages		
Total duration	En jours	8 844
Nb of stops		603

It should be noted that the definition and recognition of work-related illnesses 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.

Well-being at work

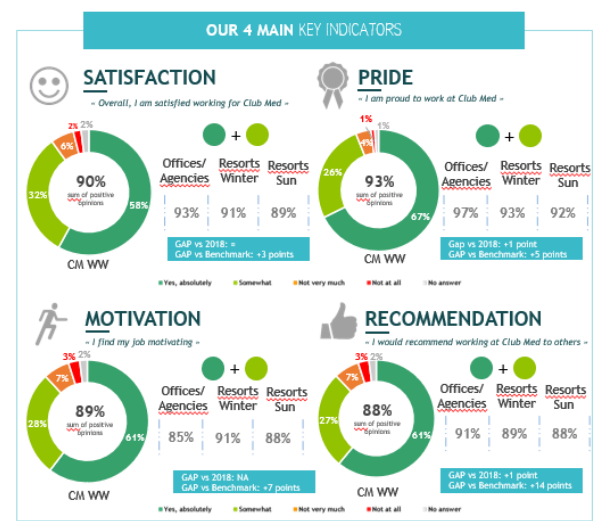
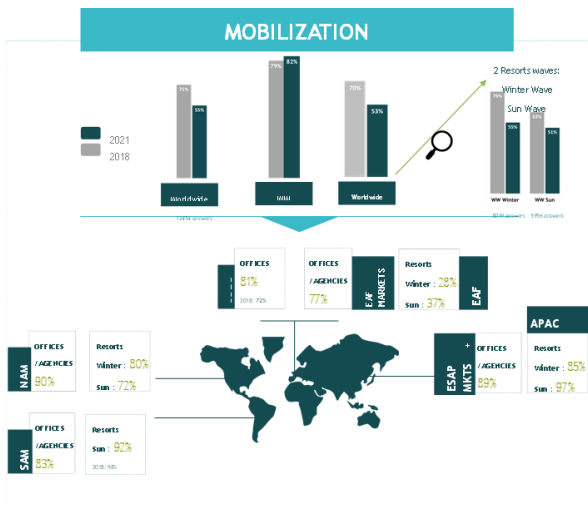


With a long-standing conviction that "happy GO®-GE make happy GM®", Club Med deeply values the welfare and fulfilment of its employees in offices, agencies and villages, where particular living and working conditions may need to be recognised and appropriate actions taken. In 2021-22, Club Med launched its forth "GO & GE Voice" internal survey campaign with Obea, an independent firm specialised in Human Resources and opinion surveys.

"GO®-GE Voice" is designed to allow all GO®-GE around the world to express themselves and share their opinion on their experience at Club Med as an employee. The study is based on an online questionnaire dealing with subjects such as pride, integration, sense of belonging, management, development, and work environment. The questionnaire on PC and smartphone is personal, anonymous and accessible to everyone; it has been translated into 20 languages and has an audio version aimed at people with a lower literacy level.

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. It was repeated in winter 2021-2022 at the Resorts and in summer 2022 with an overall participation rate of 53% (55% in winter & 51% in summer).

One of the significant findings from the study is that GO®-GE are genuine Club Med ambassadors. In fact, their satisfaction level of 90% is very high (equivalent to 2018). Highly committed to their work and to Club Med (77%, 18 points higher than the companies benchmarked by Obea), proud to work for Club Med (93%, +5 points vs. benchmark), GO®-GE appreciate the corporate values and culture, particularly its commitment to CSR, multiculturalism, autonomy and integration. Finally, the recommendation rate remains very high: 88% of GO®-GE would recommend working at Club Med (14 points above the benchmark), and 89% are confident in the future of Club Med (+7 points above the benchmark, despite the impact of the health crisis).



Considering the lessons learned and areas for improvement from this barometer, Club Med created the "Match with us" project to become the employer of choice in the tourism sector.

Four areas were identified: Recruitment & Mobility, Foster Loyalty, Learning & Development and Care Management.

In particular, Club Med worked on:

- a detailed inventory of career development opportunities by business line around the world;
- relaunching mobility to return to pre-Covid levels, i.e. 25% international mobility by 2023;

Concerning working conditions, the HR teams have also worked on:

- the development of mobility, with the proportion of international mobility restored to 25%;
- the creation of new models for work schedules to improve work-life balance, as well as training for managers;
- identifying priority renovation projects for staff accommodation and rest areas;
- improving the quality of the food provided to GE employees with the support of chefs;
- clarification of the conditions of access to leisure activities offered in resorts, for GO® and GE;

In addition, new tools and content aimed at improving the integration phase for new G.O and G.E in Resorts have been introduced via :

- the Club Med Jobs YouTube channel
- the "My Talent Box" platform for training in accommodation professions before arriving in a village,
- My first steps at Club Med", a platform dedicated to new G.O and G.E in Resorts,
- a new "Resorts platform" offering a range of tools dedicated to managers.

New managerial rituals have also been defined and deployed with the aim of installing new automatisms, particularly around feedback and the integration period.

Finally, training for HR teams in resorts, branches and offices has been introduced to prevent psycho-social risks and help detect difficulties or weak signals from employees, including mental health issues in the workplace.

In 2020, a first agreement on Quality of Life at Work was signed.

❖ 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 the social partners (CFDT, CFTC, UNSA). Based on Club Med's five values, it covers offices, branches and resorts.

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: a new agreement signed on the 7th of July 2022,
- the employment of disabled people, whose agreement 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 reduce sources of dissatisfaction (see chapter 2.4. Health, safety and well-being at work)

❖ New Telework Agreement

On the 6th of July 2021, Club Med has unanimously signed an agreement with all social partners on remote work, extended to all French offices. This agreement proposes a new work

experience with the "SmartWorking@ClubMed" concept, contributing to their professional growth and development. It concertedly defines the conditions and details governing employees' access to this form of work organization. It came into force on the 1st of September 2021 for one year. On the 7th July, Club Med renewed this agreement with all the social partners 4 years, and it must be renewed at its term.

This agreement offers office GO® the possibility of teleworking up to 10 days per month and 90 days per year, including one full week per quarter, i.e. four weeks per year (including one week/year at a Resort with the pioneering Workation scheme, which enables teleworking in one of the Club Med villages located +/-2 hours from the employee's workplace). Club Med also offers an increased quota for disabled workers (+24 days/year), pregnant women (+5 days/month) and family carers (+16 days/year with flexibility in the allocation of the quota over the year).

2.5. Training and talent development



Developing skill and employability is essential at Club Med because it is one of the key pillars for delivering the customer promise, supporting the creation of new resorts and strengthening its attractiveness as an employer, particularly for seasonal jobs. 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

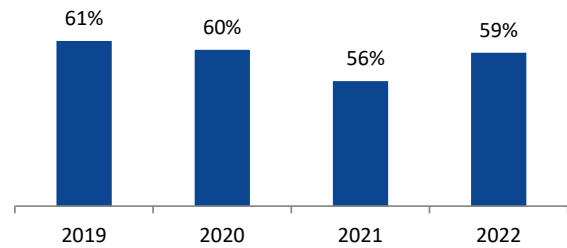
As skills development is a key lever for workplace development, professionalisation and strengthening employability, Club Med set up a Corporate University in 2006. The University of Talents by Club Med (UdT) is a vital element in the implementation of this strategy.

In 2022, 281,204 hours of training (+30 training days vs. 2021) were delivered, corresponding to 83,961 trainees (+28.7% vs. 2021) and 17,434 employees trained (+28% vs. 2021).

The year 2022 saw a return to pre-COVID levels. Compared to 2019, there was a 5% increase in the number of GOs® and EGs trained and a 34% increase 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 99 permanent trainers, based either in the resorts closest to the GOs® and GEs, or in the country offices, and on a network of more than 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 2022

❖ **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 2022 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 standardize 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. In 2022, the mobility rate returned to a level closer to that of 2019, with 20% of GO® and 9% of GE having changed function from one year to the next (vs. 33% and 5% in 2019 and 5% and 7% in 2021), and geographical mobility of 40% for GO® and 10% of for GE (vs 42% et 9% in 2018).

The Group offers career development pathways that give GO® and GE the opportunity to rise to managerial responsibilities: 100% of village managers and about 81% of village service managers are the product of internal promotions.

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 2022 financial year, Club Med was elected "Company committed to diversity" by the June 2023 issue of Capital magazine, following a survey conducted in partnership with the Statista research institute. Club Med was ranked first in the 2023 ranking for all sectors combined, with a score of 9,16/10 (based on 6,000 companies) and first in the "Hotels, tourism, leisure" sector (based on 83 companies).

This ranking recognises 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 virtue of its history and values, and 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:

- 138 nationalities represented;
- 50% of Club Med villages have 8 or more nationalities among their employees;
- 41% of villages have 10 or more nationalities among employees;
- some villages can have up to 17 different nationalities (average of the 5 villages with the greatest spread of nationalities).

Data 2022

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.

Even if the multiculturalism of the teams has not returned to its pre-COVID level, it is still important (8 or more nationalities in 50% 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.

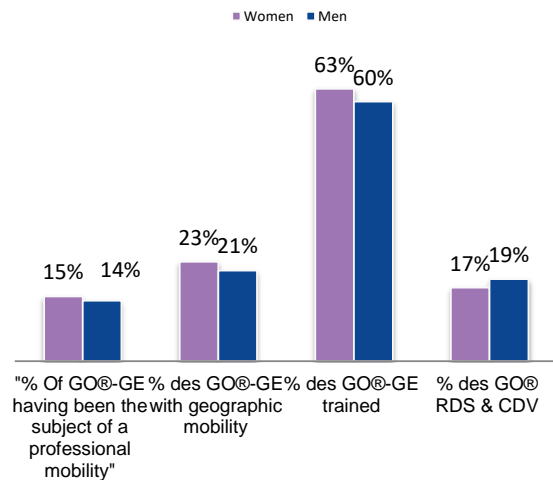
Club Med operates a gender-transparent hiring policy and offers the same salary to men and women of equivalent experience and job profile.

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 (VMC) and Service Managers (SM) is up in 2022, and the ratio of women on Club Med Leadership Committee is 42% in 2022 (vs. 31% in 2021 and 46% in 2019). The proportion of women at the General Management Committee is 33%.

In 2019, under the French legal obligation, Club Med SAS published its gender equality index. This indicator enables companies to measure gender equality in the workplace through an indicator calculated each year based on elements of pay, increases, promotions, maternity leave, and parity within top management. In 2022, Club Med SAS scored 96/100 (vs. 92 in 2021), 7 points above the average score for companies with more than 1,000 employees (vs. +4 points in 2021). This very satisfactory overall score reflects Club Med's commitment to gender equality.

Breakdown of GO®-GE by gender in 2022
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



Convinced that the diversity of its teams is an asset, Club Med wishes to integrate more people with disabilities into its teams.

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.

The amount of the theoretical **contribution to the AGEFIPH** disabled worker obligation 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.

Cumulative results since 2007

Since 2007 and the creation of Mission Handicap (figures to October 2022):

- More than 500 recruitments
- 50 internships and 20 work-study placements
- 130 people in post on average each year
- Nearly 100 employees who have obtained the status of disabled worker
- 350 workstation adaptations
- Over 100 contracts with the sheltered employment sector,
- More than 2,300 hours of disability awareness training
- An annual training course for the French disabled fencing team at Club Med...

Change since 2020

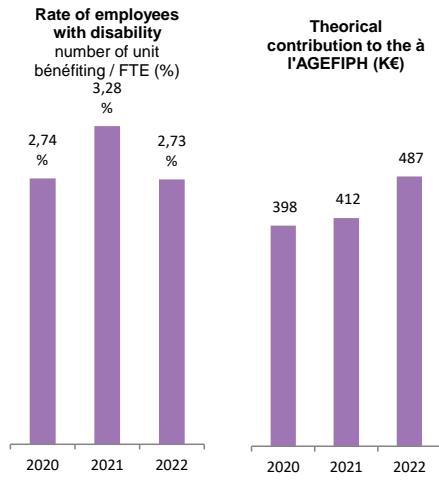
The diagram below shows the change in the **rate of employment of disabled workers** from 2020 to 2022. This rate is calculated on the basis of full-time equivalent disabled workers as a percentage of the total workforce.

Year 2022

The figures for calendar year 2022: **54** recruitments and **152** employees (fixed-term and permanent contracts) corresponding to **90,74** FTEs at the end of December 2022, representing an employment rate of **2,73%** of the workforce.

- Despite the increasingly high tension in the hotel, restaurant and tourism professions, Club Med has continued to integrate people with disabilities into its teams, and to increase the number of recruitments compared with 2019 and 2020.
- Three employees hired on permanent contracts have joined the Club Med teams.
- The new collective agreement on teleworking "Smartworking", concluded in 2022, confirms the granting of an additional quota of 24 days of teleworking to employees with disabled worker status, in addition to the annual 90-day package.
- A partnership with the MALT and Linklusion platforms was concluded to purchase intellectual services from self-employed disabled workers.

- After a two-year hiatus due to the COVID 19 crisis, Club Med was once again able to welcome the French disabled fencing team for a training session in the resort.



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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 customers heading to sensitive countries by post or e-mail. Since 2021 the flyer has been updated and translated into 17 languages, making it possible to send it to all our customer markets from 2022 onwards.

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

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.

www.ecpat-france.org

In addition, in some countries, the Club Med Foundation supports associations in the field that provide assistance to street children (social and family reintegration).

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, i.e. almost all of them (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

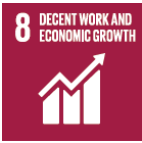
Club Med villages have always been steeped in local culture, as can be seen from their architecture, decoration, vegetation, cuisine and so on. The activity programmes offered also reflect local practices, frequently through lessons in dance, cooking and languages, as well as lectures on the host country. 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 15% of GM® 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, service, and the large array of activities offered in a Club Med village is reflected in the high number of positions required for a village opening. In 2022, the proportion of these jobs allocated local⁷ GO® or GE has returned to more or less the same level as before the health crisis: 79% in 2022 VS 75% in 2019 (in 2020, this rate 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 by 2022, on a World scop, 44% of the GE assigned to the World network will have received training.

Protourism study carried out in 2022 for the Arcs-Panorama site

Over the 2016-2019 period, investment in the creation of the site represented:

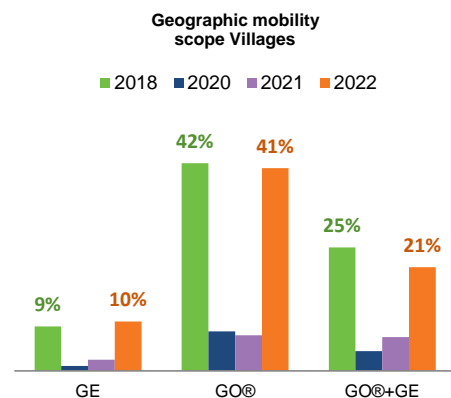
- €63 million in business volume in Savoie and Haute-Savoie
- more than €11m in the rest of the Auvergne-Rhône-Alpes region, i.e. €74m invested in the region (75% of the investment)
- 350 FTE* jobs created by the project in Savoie and Haute-Savoie
- more than 1,600 FTE jobs induced in the regional economy, i.e. an average of almost 650 jobs/year over the 3 years in the region

Operation of the resort generated €11.5 million in annual spin-offs and 600 jobs in the region each year:

- €9 million in business volume for suppliers in the Auvergne-Rhône-Alpes region
- More than €600k for local authorities (tourist tax, property tax, local taxes, etc.)
- 250 direct FTE jobs (370 GO®- GE)
- 65 FTE jobs at the resort, in Savoie and Haute-Savoie (including 20 ski instructors, i.e. 60 instructors over 4.5 months) directly linked to Club Med activity
- more than 250-300 FTE jobs induced in the regional economy.

❖ Geographical and occupational mobility

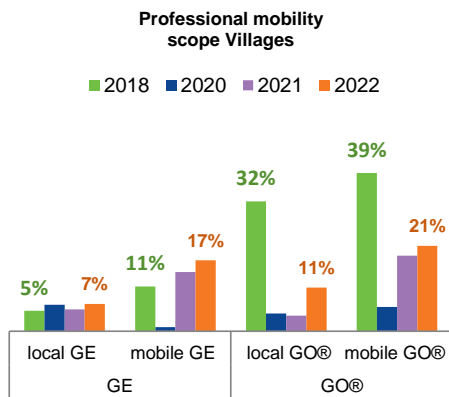
(Assignment to posts in countries other than the employee's home country)



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

⁷ Assignment in the employee's country of origin





The professional mobility⁸ 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 2022, the agreement on transnational mobility of GE in Europe-Africa enabled 889 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

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 2011	Albion (Mauritius) Yasmina (Morocco)
Natural swimming pools with Phytorestore	2013 2017 2018	Guilin (China) Da Balaia (Portugal) 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

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 2022, more than 300 GO® and GE were involved in 20 countries through nearly 250 projects (vs. 2000 GO®-GE and 300 projects before the health crisis).

⁸ Professional mobility; change in function. See the details of the calculation of the rate in the methodological overview in § 4.5.1



In 2022, Club Med contributions to the Foundation stood at K€442. 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 2022 there were 20 key youth partners in 46 sites. It supports them by mobilizing all of Club Med's resources, including the following examples:

In 2022:

- **20 key partners** in social or educational action accompanied in the long term
- **118 children** accompanied in **3 Sports Schools**
- **10 young people hired (internship or fixed-term contract)** through our program Gateways to Jobs
- **5 dream** holidays for seriously ill children were organised

Donations of food

Every week, the villages in Bali and Phuket make a food donation in partnership with Scholars of Sustenance to more than 4,000 beneficiaries. The resorts also make occasional donations to local associations and institutions in many countries, particularly during seasonal closures.

Donations in kindness 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 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 2022, two Sports Schools in Cap Skirring and one in Albion will allow 118 children to practice tennis, golf, archery, dance and swimming.
- 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 2023 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. In 2022, nine young people supported by the association Sport dans la Ville were hired to work for a whole season in our mountain villages in France and one young person supported by the association Futur au Présent did an internship in Cap Skirring.
- The culmination of the charitable season is the **Worldwide Snack**, which invites children from the neighbouring associations and schools to each Resort: in 2022, for the 21st Worldwide Snack, 31 resorts hosted nearly 2,450 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 2022, 35 stays were organized for 600 beneficiaries (13 partners).

Making facilities available:

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

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 the NGO Agrisud International in 8 countries (see § 3.2.3 *Focus on local purchases and the partnership with Agrisud*), and Expedition MED association in France, or by encouraging one-off actions such as beach clean-ups.

Foundation Corners, that the GM® can join. 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 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, Shanghai, 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. € 90 K were collected in 2022 and total financing of projects amounted to € 140 K.

For more information,

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

Overall contribution in terms of time spent

In 2022 more than 300 GO® and GE volunteers worked on solidarity or collection projects and their involvement represented 5,541 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, a partnership between the Écrins National Park and the three villages closest to it, 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 since 2022 Oceans for all in Thailand, Parley for the Oceans in the Maldives... Liquid Sunshine en Martinique, Sustainability 4 Seychelles et Terrestrial Restoration Action Society Seychelles aux Seychelles ...

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



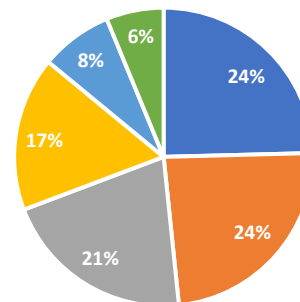
3.2. Responsible purchasing

As the inventor of the all-inclusive holiday, Club Med's role is to assemble a wide range of services, a position to which purchasing makes an active contribution, with purchases accounting for around three-quarters of Business Volume. Responsible purchasing thus fits naturally into the Group's strategy of responsible performance.

The Purchasing Department works with more than 5,000 suppliers broken down into 6 broad categories:

2022 Breakdown of purchases by macro-family (% of amount)

- Operating and consumer goods
- Infrastructure
- Transportation
- Real Estate and Risk Management
- Support Functions
- Marketing & Sales



Sustainable 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 in particular fundamental employment freedoms, environmental and health protection, corruption prevention ... (see below);

- 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 sustainable purchasing charter 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 at various points in the supply chain ensure greater vigilance.

Seamless 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 training and awareness for teams

Since 2007, frequent workshops have focused on raising buyers' proficiency in sustainable purchasing. Sustainable procurement is a concern that everyone has taken on board, although the degree of maturity still varies from one geographical area to another. In 2022, several presentations on CSR objectives and challenges were made at plenary purchasing sessions worldwide

Qualitative and quantitative CSR targets will be systematically incorporated into purchasers' objectives from 2023

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, 59% of contracts worldwide were identified as containing the CSR clause (up sharply, +13 points vs 2021). Some of these contracts were signed before the clause existed, and there are plans to strengthen the traceability of the clause for contracts signed since it was drafted.

INDICATOR	2019	2020	2021	2022	Evol. Vs 2010
% of world contracts with CSR clause	43%	46%	46%	59%	+13 pts

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 pillars of the policy;
- in anticipation of future new regulations ;
- 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 reporting on sustainable purchasing: objectives based on performance indicators have been defined. The level of information provided on these indicators needs to be further improved, 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 in particular) 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 2022. Similarly, the specific focus on targeted risks related to the food supply chain was maintained in 2022.

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.

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.



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

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 supplier production plants' addresses remains difficult, and suppliers are not always inclined to cooperate. As a result, priority is being given to factories in the most at-risk countries for high-stakes sectors (textiles 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 which are more exposed in the event of non-compliance.

In 2022, 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 adapting their operating processes.

3.2.2 Responsible purchasing

Since 2018, beyond reasonable vigilance and the fight against corruption, the main issues of responsible purchases include taking into account criteria regarding water consumption, energy efficiency, the emission of greenhouse gas, waste reduction, the preservation of biodiversity and animal welfare in calls for tenders.

Commitments

Club Med is committed to targeting **seasonal and local** products for **food** purchases with the following:

- 65% of fresh produce from local sources by 2030 (vegetables, fruit, butter - egg - cheese, meat).
- and regional food products promoted in all resorts (see § 3.2.3 Focus on local purchases and the partnership with Agrisud).

Club Med is committed to offering **environmentally friendly** products with:

- 100% Fairtrade certified coffee
- 100% FSC or PEFC certified paper for paper-based products (paper towels, etc.) and catalogues.
- the gradual elimination of single-use plastics with sustainable alternatives (paper / cardboard / wood-based products and packaging, reusable / refillable products, large packaging, etc.) (see § 4.2.2 Managing waste - bye-bye plastic).

Club Med is committed to respecting biodiversity and animal welfare in the supply chain by:

- compliance with the "Seafood Products" Charter introduced in 2007 and revised every year in line with changes in scientific recommendations
- eliminating the use of eggs from caged hens (see below) ;
- reducing meat consumption and seeking alternatives to animal proteins;
- the removal of fur items from Club Med shops since the end of 2022;
- respecting animal welfare in activities involving animals (See § 4.5.2 Contributing positively to biodiversity);
- Commitment to local purchasing: see below.

Actions and actions follow-up

❖ **Social, societal and Human Rights**

The rate of purchases with social criteria reached 56% for PMH and 60% F&B in 2022 (vs. 63% in 2020 and 26% in 2019) due to a range of measures implemented.

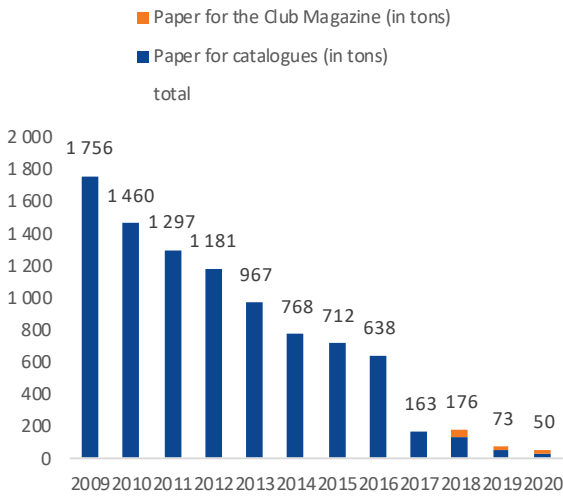
❖ **Environmental**

In 2022 accordingly, only 1.8% of global seafood purchases comes from overfished species that are not compliant with the charter.

Whenever possible, certified purchases are preferred: organic cotton for around 15% of GO® clothing (in Europa-Africa), use of "green" energy.

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).

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 decided to phase out eggs from battery hens. The roll-out was completed in Europe in 2021. Still, a temporary reintroduction of cage eggs in Europe was necessary from December 2022, in the context of the shortage due to avian flu. This commitment is being rolled out elsewhere



« 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

KPI : Accelerating sustainable procurement

(Data excluding China, USA)

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 - In 2022, the place of production could be traced for 86% of textile and small hotel equipment references (vs. 80% in 2021 and 41% in 2019).

KPI - In 2022, for 82% of Business Volume (butter - eggs - cheese, fruit and vegetables, and fresh meat), the origin of production could be traced; 46% is local (vs. 49% in 2021 and 35% in 2019).

KPI - In 2022, 59% of PMH (small hotel equipment) products included environmental criteria in their purchasing catalogues, and 13% had an environmental benefit.

KPI - By 2022, only 1.8% of global seafood purchases will come from overfished species outside the charter

3.2.3 Focus on local purchases and partnership with Agrisud

Local purchases

In 2022, 56% of fresh food purchases will be made locally.

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. Since 2019, Club Med has committed to developing one new programme per year on average.

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

- helping farmers to escape poverty by training them towards a market economy and sustainable use of their lands (SDG1 , SDG8, SDG4, SDG10 and 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);
- 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:

- 396 VSBs⁹ supported in 2022 and more than 2,000 beneficiaries in seven countries, and eleven programmes from 2008 to the end of 2022, €1392,000 of cumulative financial support, 7,154 cumulative tonnes cultivated in agroecology and 416 cumulative tonnes of products delivered to Club Med
- nearly 222 ha of land was used for agroecology with an average of 20 varieties grown per programme supported in 2022, in 5 product categories (vegetables, herbs, fruit, eggs and processed products),

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

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.

⁹ To access the complete presentation of the Agrisud-Club Med partnership



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

⁹ Very Small Business

Assessment of the various projects in 2021

The partnership between Club Med and Agrisud is now in place in 7 countries and 11 resorts: Cap Skirring (Senegal), Marrakech (Morocco), Rio das Pedras, Lake Paradise and Trancoso (Brazil), Bali (Indonesia), La Pointe aux Canonniers and Albion (Mauritius), Seychelles (Seychelles), Punta Cana and Miches (Dominican Republic).

The year 2022 saw the following:

- the return to normal of the Club Med business and corresponding purchases from producers
- in Senegal, an agroecology upgrade for the Jamoral group in Kaout, which is close to the other GIEC groups and has 40 women members;
- diagnosis of two new projects in the Dominican Republic (Punta Cana and Miches), with support for producers due to start in December 2022.
- the first deliveries to the Seychelles and Trancoso
- closure of the project in Guilin at the end of June 2022.

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

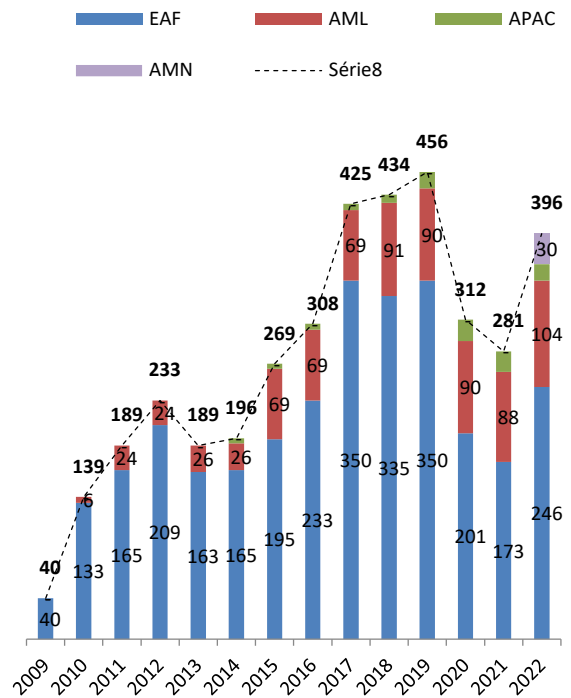
To limit the loss of income for the supported farmers, who usually sell a large part of their produce to Club Med, during the periods of closure linked to the health crisis, the Club Med Foundation decided in 2020 to buy part of their production and redistribute it to families made vulnerable by the crisis, in the form of fruit and vegetable baskets, through local associations.

In 2021 and 2022, 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 to the tune of €43,000 for the benefit of nearly 17,000 beneficiaries:

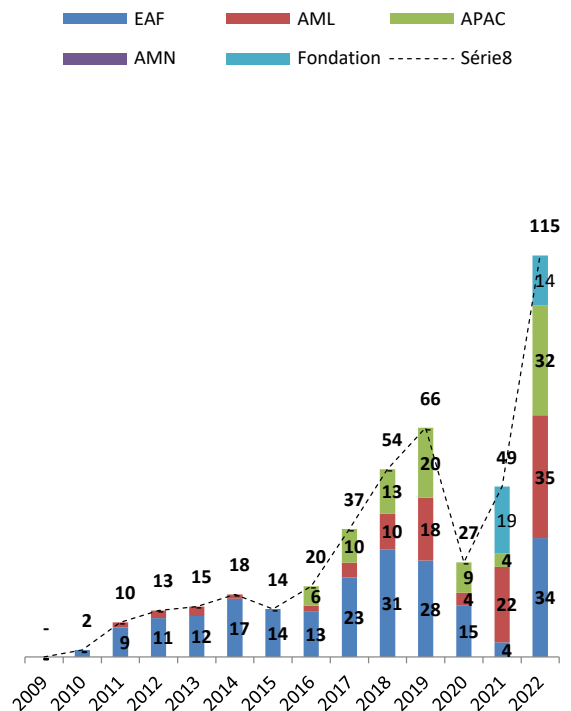
- in Cap Skirring (Senegal), with the help of the Casamasanté association, solidarity baskets have been purchased and distributed to 700 vulnerable families in 2021 and 300 families in 2022, i.e. more than 9,000 people;
- in Bali with the association Scholars of Sustenance (Indonesia) for the benefit of 7000 people;
- in Mauritius with the association Terre de Paix for the benefit of 600 children;
- in Marrakech with the Dar Tifl association (Morocco) for the benefit of 360 children.



Agrisud - Number of garden farmers accompanied



Agrisud - tonnage purchased from assisted VSBS



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.

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 regarding marketing communication. As far as the Company is aware, there were no significant complaints based on failure to comply with said regulations in 2022.

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 analyse 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 2022, 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 2022 (winter + summer) is down on average for the last three years, which can be explained by customers’ demands returning to the standards of the pre-Covid period, particularly for loyal customers. Customer satisfaction remains very high at the top end of the market (“Exclusion Collection”), but some new villages experienced difficulties during the opening, which impacted satisfaction.

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, which allowed "special Covid-19" self-monitoring, could be stopped depending on the BUs, the pandemic's state and the level of health control or local regulations.

The year 2022 was marked by :

- the re-establishment of operations in all the BUs that have reopened normally (Americas, Europe-Africa and partially South-East Asia-Pacific) with the management of a very strong recovery in these markets,
- training requirements for new teams (due to a high turnover following the health crisis),
- the deployment of a professional risk assessment tool in the villages, which makes it possible to map and prioritise risks
- the introduction of Safe Together Managers (STM) in their new role.

❖ Continuation of the Safe Together Manager

In 2022, the "Safe Together Managers" were installed as EHS (Environment Health Hygiene) coordinators in the villages. They received training in their new roles. Tools have been implemented: monthly EHS meetings with the leading indicators, issues to be addressed, and a village action plan for planning and monitoring achievements

The Safe Together Manager is now a Service Manager (RDS) 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.

❖ Health and food safety

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

In 2019, 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 completed out in Europe-Africa since 2019.

In addition, in terms of **food hygiene**, since 2021, the SHS 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.

In addition, in 2022, in coordination with the purchasing department, some hygienists took part in supplier audits to reinforce our measures to control food safety throughout the chain.

❖ Rooms hygiene and cleanliness

Since 2021, the room check is operational. 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

Club Med has adapted its product and process in detail around the world in the context of Covid-19, with the safety of its customers and teams the top priority. The aim was to enable customers to travel, enjoy themselves and their families, with the assurance that Club Med was aligned with local regulations and clear on health and safety.

"The operational procedures for the reopening of the villages had been:

- prepared by the Global Products and Services Department, in coordination with the Safety/Health team and the operational departments of all BUs, including network experts
- reviewed by Club Med's Scientific Committee, which is made up of eight medical experts,
- made available in several languages.

In 2022, their applications and adaptations evolved with the Covid-19 context and according to local regulations under the responsibility of the product/operations managers of each BU. The health situation in the Americas and Europe-Africa allowed a formal resumption of activities. Still, the fundamentals were maintained in certain activities or processes: hydroalcoholic gels on buffets, increased frequency of cleaning plans in high-traffic areas (buffets, mini clubs, communal areas, testing of ozone generators in certain restaurants to disinfect rooms and air, etc.).

The worldwide certification (POSI Check) set up with Cristal International Standards to verify the conformity of anti-Covid measures has been maintained

- only at the opening of the season in the Americas and Europe-Africa or twice a year for permanent villages.
- with a higher frequency depending on the pandemic situation in the Asia-Pacific region.

❖ 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 2022 was focused on a return to normal after two years strongly marked by Covid, the resumption of operational reporting and the relaunch of priority prevention actions. Close coordination on the ground was facilitated with the Safe Together Managers reporting to the Village Manager on health and safety issues.

In 2022, reporting with Marsh was re-established. A diagnosis of skiing is underway in Asia (China and Japan) to identify the causes of accidents and implement an action plan if necessary.

Incidentology, which covers all reports of accidents, theft or loss, whether or not a claim is subsequently formalised, has returned to its pre-Covid level, even though a new Covid wave marked the start of 2022

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 94% of villages (vs 82% in 2018) and are scheduled in 2023 for 6% of the villages and, on communal areas, compliance upgrades have been completed in 88%, and scheduled in 12% 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 2022, 32% 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 jobs website <https://www.clubmedjobs.com/en-us/pages/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.

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. Checks are included in the resorts' internal audit programme.

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 2022, the reporting scope was modified compared to 2021 with the opening of four new resorts (the new village of Marbella Magna in Spain, Charlevoix in Canada, Changbaishan and Joyview Thousand Island in China), the permanent closure in 2021 of Agadir in Morocco, Cervinia in Italy, Vittel le Parc and Sant'Ambroggio in France and the non-operation of two resorts (Kemer in Turkey and Sahoro in Japan) as well as some punctual closures in Asia 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 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

For the financial year 2022, 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 General Management Committee and 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 ». Regional Technical departments unify the work carried out by Technical Managers in each village.

Regarding 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.

BREEA¹⁰ -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. An update was initiated in 2022 and is expected to be completed in 2023.

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).

KPI – Construction: ecocertify 100% of new resorts and large-scale renovation: 15/23 (63%) of the resorts built or renovated since 2018 have been certified (or are in the process of being certified).

Since 2018, following the commitment made in 2017, across all certifications, 43% of the 23 major constructions and renovations carried out have been certified and 20% are in the process of being certified.

This means that 18% of all resorts have obtained construction or design certification (and 25% if resorts in the process of obtaining certification are included):

- Valmorel, the first mountain hotel in France to be awarded the "NF Démarche HQE®" label (2012)
- BREEAM "New Construction" certification level: "Pass": Grand Massif Samoens) (2017)
- BREEAM "New Construction" certification level: "Good": Arcs Panorama (2018), Alpe d'Huez (2019), Charlevoix and La Rosière (2021)
- BREEAM "New Construction" certification level: "Very Good": Tignes (2022 - obtained in 2023)

¹⁰ BREEAM: Building Research Establishment Environmental Assessment Method

- BREEAM Design certification at the "very Good" level: Changbaishan and Thousand Island (Joyview) (2022)
- AQUA-HQE certification: Trancoso extension (2020)
- GBDL certification in design (2 stars): Lijiang (2021) and Yanqing (Joyview) (2022)

The BREEAM New Construction certifications of the extensions of Val d'Isère (2022) and Peisey Vallandry (2021) are ongoing, as well as the BREEAM Resort certification of the Seychelles (2021), and the BREEAM Refurbishment and Fit-Out certification of the renovated section of Val d'Isère.

In addition, in 2012, Val Thorens Sensations was awarded the "THPE" (Very High Energy Performance) label.

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 encourage 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 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 – Green innovation: 1 per new resort or large-scale renovation: level 40% (3/8) reached in 2022

For the opening in 2022 of the new villages of Tignes and Val d'Isère, altitude heat pumps coupled with ventilation waste have been installed; at Marbella, a double water network allowing the use of recycled water in the toilets has been installed.

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	Opio (France) Kamarina (Italy) Gregolimano (Greece)
Hotel-specific thermostat from Aemec	2018	Pointe aux Canonniers (Mauritius)
High-tech paint containing microspheres for increased reflection of solar radiation	2013 2014	Gregolimano (Greece) 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, climate-related regulations, and mounting pressure on water usage mean villages must be operated with increasingly complex constraints.

The certification process has proven 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 [📄](#)

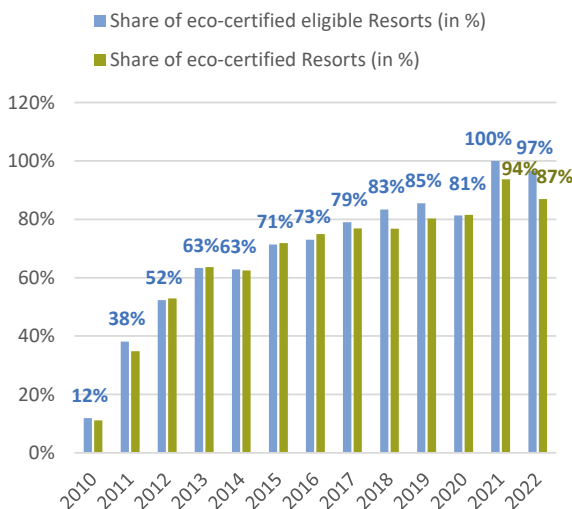
In **environmental terms**, this benchmark validates the existence and efficacy of policies to reduce water and energy consumption, policies on waste management, pollution risk control, biodiversity protection and eco-purchasing.

Objective: maintain all Villages certified

The Green Globe certification process was launched in 2010 and reached the level of 100% of the eligible fleet certified in 2021 continued. In 2022, two villages were newly certified Green Globe: Charlevoix (Canada) and Arcs Extreme (France), and the new resorts in the Seychelles and Lijiang (China) are in the process of being certified. By the end of 2022, the certification rate of eligible resorts is 97% (vs. 100% by the end of 2021).

KP2 - certify Green Globe 100% of eligible resorts ^(*) in 2022: 97% (vs 100% achieved by 2021)

^(*) after a year's opening



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. In 2022, twenty-three operated resorts, certified for more than 10 years, are now "Platinum" and eighteen, certified for more than 5 years, are "Gold".

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 Health, Safety and Environment Manager per Village who 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, in charge of coordinating the process.

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.

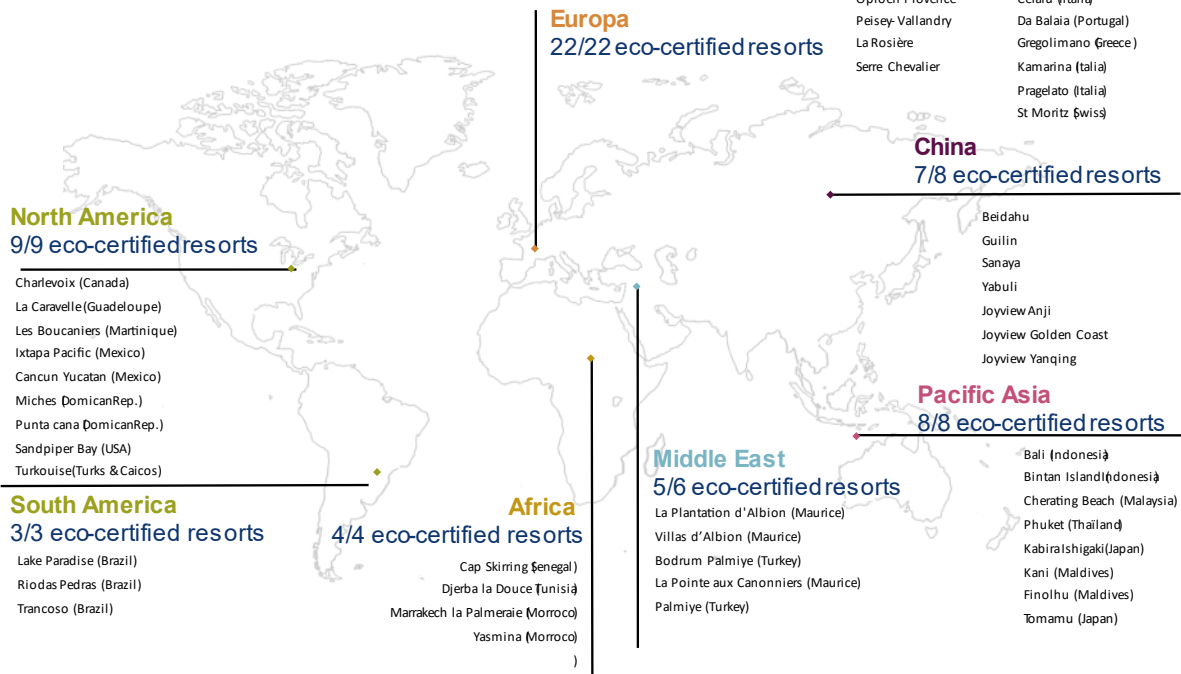
This approach, which is **highly structuring for the sustainable development action** in the Village but also in the offices and support functions, significantly feeds the responsible approaches of the various departments: Purchasing, Services, Construction, etc.

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.



Eco-certified resorts– Dec. 2022

58/60 Eligible eco-certified resorts (97%)



- France :**
- Aime la Plagne
 - Alped'Huez
 - Arcs Panorama
 - Arcs Extremes
 - Grand Massif-Samoens
 - La PalmyreAtlantique
 - La Plagne 2100
 - Opioen-Provence
 - Peisey-Vallandry
 - La Rosière
 - Serre Chevalier
 - Val d'Isère
 - Valmorel
 - Chalets de Valmorel
 - Val Thorens Sensations
 - Vittel Ermitage
 - and..
 - Cefalu (Italia)
 - Da Balaia (Portugal)
 - Gregolimano Greece)
 - Kamarina (Italia)
 - Pragelato (Italia)
 - St Moritz (Swiss)

- China**
- Beidahu
 - Guilin
 - Sanaya
 - Yabuli
 - Joyview Anji
 - Joyview Golden Coast
 - Joyview Yanqing

- Pacific Asia**
- Bali (Indonesia)
 - Bintan Island (Indonesia)
 - Cherating Beach (Malaysia)
 - Phuket (Thailand)
 - Kabiraishigaki (Japan)
 - Kani (Maldives)
 - Finolhu (Maldives)
 - Tomamu (Japan)



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 16% in 2021 (vs. 36% in 2018). This equipment is being progressively eliminated in villages where it is still used.

❖ 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:

51% of Villages have a decibel meter and 43% 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 gradually eliminate single-use plastic products from bars, restaurants and rooms (straws, dishware, amenities in the rooms, etc.) in all Club Med resorts.

KPI - Zero single-use disposable plastic

Achievement of previous objectives

- Since the end of 2019, all single-use straws, cups, plates, cutlery and plastic containers have been removed from all our Resorts around the world (excluding Brazil for cutlery).
- Since the end of 2021, removal of the plastic packaging for accessories made available in the rooms in all resorts.
- Since the end of 2022, individually wrapped shower gels and shampoos as well as single-use plastic accessories for festive events (such as balloons, LEP glow sticks, wristbands and flags) have been eliminated from all resorts.

Additional new targets for 2023

- 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 at least 10% in 2022, 25% in 2023, and 50% in 2024. Depending on the context, four options are gradually being implemented: in-house bottling facilities, use of returnable bottles, elimination of bottles in rooms + access to fountains, provision of plastic-free bottles in rooms + access to fountains. Water bottles are also available in our shops.

In terms of results: by the end of 2022, excluding managed villages, bottle consumption will have been reduced by 20% per Hotel Day. Since the summer 2019 season in the Europe-Africa

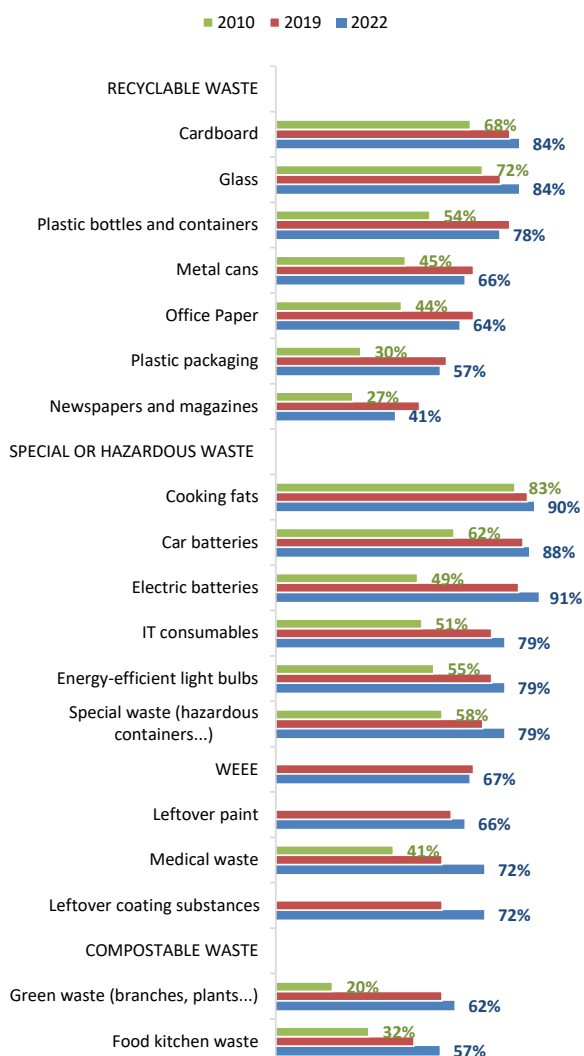
Mountain Villages, plastic water bottles are no longer available for hiking departures. Water fountains, available in the resort, are used to fill the bottles provided in the rooms when the guests arrive. Reusable water bottles are also available in resort shops.

❖ Waste sorting – circular economy

In 2022, 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.

Percentage of Villages using recycling or treatment channels - Worldwide



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.

Club Med has a second life partnership with Ski and Surf (for 15 years) and with Rossignol (for 25 years). Since 2021, the partnership with Ski and Surf has been enriched by a circular economy and eco-responsible programme with SKI'R run by Tri-Vallées, a recycler in Auvergne-Rhone-Alpes, 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 process. In addition to helmets, these two partnerships enable Club Med to recycle an average of almost 10,000 skis and snowboards, 4,500 ski boots and snowboard boots and 1,000 poles every year.

❖ Quantitative waste monitoring

Club Med has **chosen one 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 2022, **62% of the villages operated report residual waste quantities by weight or volume** (vs 65% in 2021).

Among resorts reporting residual waste by weight, the average quantity of residual waste is 1.6 kg per HN night (calculated on a perimeter representing 38% of the number of nights). The average quantity of waste recycled or sent to treatment facilities is 1.9 kg/HN (calculated on a perimeter representing 74% of the number of nights for waste to be recycled). This represents a recycling rate of 56%.

39% of resorts use recycling channels for the five most common types of waste (paper, cardboard, plastic, metal and glass).

❖ Monitoring and combatting food waste

Pressure on food resources is a major operational and image issue for Club Med. Responsible purchasing, contributing to the development of local subsistence farming, banning over-fished products, (see section 3.2 on Purchasing), **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.

In 2014, the Group conducted a study quantifying waste per meal and compiling best practices to raise awareness among kitchen teams. Since 2015, customer awareness has increased (see §4.6).

KPI – 12% of resorts have an automated food waste monitoring process in 2022**2/3 Resorts monitor their waste.**

Since 2017, Club Med has been deploying the Winnow solution, whose smart, connected bin technology enables teams to measure and limit food waste.

As part of Act44Nature, Club Med has committed to bringing all Club Med resorts up to the level of waste at its best sites (i.e. 100g/meal) by 2030. To achieve this, by 2025, 50% of resorts will be actively measuring and reducing waste (Winnow-type measures, audits, training and support), and 100% by 2030

By 2022, 12% of resorts will have an automated food waste monitoring process.

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.

KPI - Average amount of avoidable food waste (g/person/meal): 140 g/person and meal (updated 2020 for Europe-Africa on 3 sites) vs 101 g/person and meal (2012-15 study on a sample of almost 20% of villages).

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 59% of the resorts (vs. 58% in 2019) and 89% of resorts in France recycle their food waste (stable vs. 2019).

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 2022:

- 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 2022 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 Water



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;
- 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 stress¹¹

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

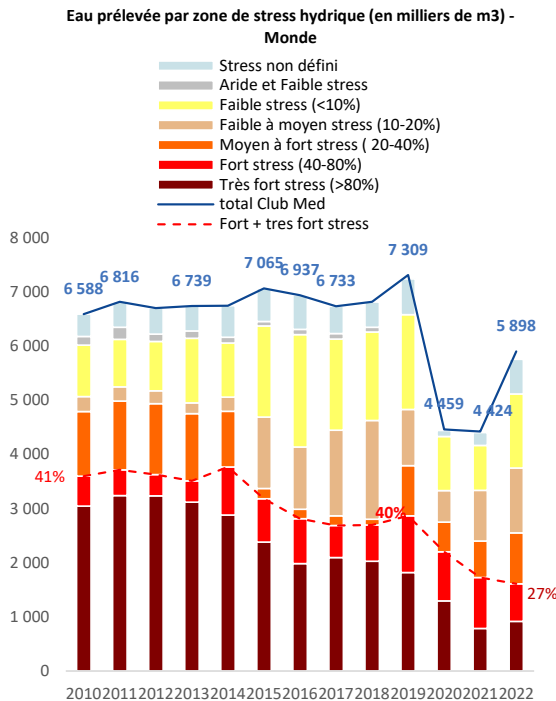
¹¹ Hydric stress zone = indicator of water pressure compared to its availability (source: Aqueduct WRI).

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.

According to World Resources Institute (WRI) Aqueduct tool:

- 32% of sites have a high or very high overall water risk
- 26% of the sites are in areas of high to very high-water stress
- 3% of sites (Bali and Marrakech) are in regions with a high risk of drought
- 3% of sites (Marbella in Spain and Da Balaia in Portugal) are in areas with a high risk of water depletion

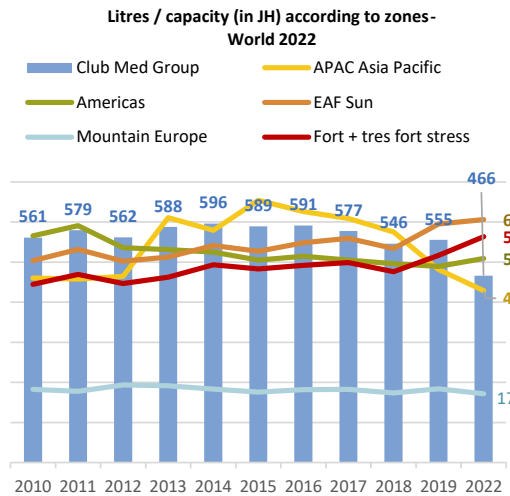


Average consumption trends depend on the mix of village locations and categories, their irrigated surface area, equipment used, type of vegetation, as well as on visitor numbers and weather conditions.

In absolute terms, from 2019 to 2022, water withdrawals are down by 19.3% for the Group as a whole and down by 21.0% for the Group excluding Asia.

This change is explained by :

- a 13.6% impact from the sale of the Agadir golf course
- a 2.5% increase due to the evolution of the park,
- a 6.8% reduction linked to the existing park,
- and a decrease of 1.3% due to one-off closures.



In 2022, the ratio of water withdrawn per hotel capacity will be 466 litres. This corresponds to

- a 16.0% reduction vs. 2019 for the Group as a whole
- a 13.9% reduction outside Asia
- a 5.3% reduction on a stand-alone basis.

In 2022, the water intensity per night sold is not significant of the global scope due to the health crisis still present in Asia.

Mediterranean villages in areas of high or very high-water stress are penalised by greater needs.

Actions to control water consumption

❖ **Reusing recycled water, curbing watering needs**

Because 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, etc. Water recycling is standard in the villages, especially those with green spaces where virtually all treated water is reused for irrigation.

- 45% of resorts with green areas recycle their water for irrigation.
- 53% of resorts with green areas use their own or purchased recycled water for irrigation.

For example, in 2022, the following were set up :

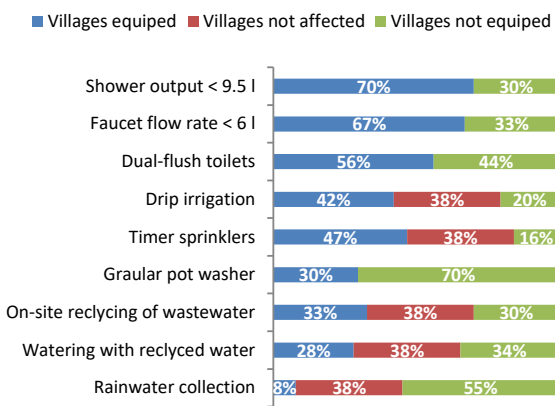
- a water retention basin in Opio in Provence,
- recycling rainwater for irrigation at Joyview Thousand Island (China),
- an efficient watering system with pumps controlled by a PLC according to water needs for the Cap Skirring golf course (Senegal),
- recycling of grey water for water feature and irrigation in Guilin (China) another is being installed in Lijiang (China)
- a double water system allowing the use of recycled water in toilets in Marbella (Spain).



❖ **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, irrigation programmers, 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 (Asia) and optimised automatic watering systems to replace manual watering (Europe and Africa) were installed.

**Equipment in water saving systems
2022 - Worldwide**



❖ **Leak detection**

Daily monitoring of consumption allows the detection and repair of network leaks.

For example, in 2022, this allowed :

- the repair of leaks in the main swimming pool by lining the pipes of the entire filtration chain at La Palmyre Atlantique (France)
- renovation of the fire water network at Da Balaia (Portugal)

❖ **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 rainwater (Mauritius since 2015, Cefalu in Sicilia since 2018, Marbella in Spain and Opio-en-Provence in France in 2022).

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.

For the new village of Marbella Magna in Spain, opening in 2022:

- water from the showers and sinks in the rooms is retreated and reused for toilets,
- rainwater from roofs is collected and stored to be reused for irrigation
- and drip irrigation and sprinklers with automated management have been installed for 70% of the site.

At Club Med in Kemer (Turkey), for the same weather and the same number of visitors, water consumption has been halved by stopping watering in August, monitoring water sub-meters on a daily basis and renovating old valves.

❖ **Changing users' behaviour**

Changing people's behaviour is a key factor in controlling consumption. Raising awareness among our teams and customers of the need to preserve water resources is a crucial theme of our 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 addition, in 2022, training in water-saving cleaning processes continued to be 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.

Historically, treatment plants were built when water treatment facilities were unavailable locally, particularly for Villages in remote areas or those lacking infrastructures. Club Med now tries, whenever local regulations allow, to recover grey water for watering or to purchase it when it is available and of good quality.

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.

Monitoring is carried out locally in the villages, with entries made in the "water logbook" which brings together technical data, administrative authorisations, physiochemical and bacteriological analyses, treatment protocols and monitoring, network changes. This data is managed locally but is not consolidated.

4.3.2 Energy



Reducing energy use and CO₂ emissions is a major concern for the Group, given the current and future pressures on energy resources, the threat of future repercussions on energy prices and the quality and reliability of supplies, and the eventual increase in the

cost of carbon impacts. The issue of sobriety has become particularly important in 2022, with the new tensions on the energy market that have arisen in connection with the conflict in Ukraine.

In 2022, audits and support by EDF (Électricité de France) made it possible to begin defining the methods for bringing French villages into compliance with the tertiary sector decree (-30% energy by 2030, -40% by 2040 and -50% by 2050). These studies will also feed into refining a decarbonisation trajectory (scope 1+2) for the entire Group, which was initiated in 2022 and will be continued in 2023.

In addition, all French sites (offices and villages) have submitted their plans to reduce energy consumption for the winter of 2022-23, in accordance with the target set for companies by the French government.

In China, operational energy standards established in 2021 for all resorts allow for the monitoring and comparability of energy consumption. In 2022, a building refurbishment programme to be completed by the end of 2023 will reduce total energy consumption by 15% and carbon emissions by 20%.

Energy purchases in 2022 were held to 4.3% of the Group's overall procurement spending (vs 3.3% in 2017)¹² to be compared to the 6% average for the hotel industry (source: EnergyStar).

Consumption ratios and levels

In absolute terms, from 2019 to 2022, energy consumption in buildings increases by 0.7% for the Group.

This change is explained by:

- an increase of 9.0% due to changes in the building stock
- a reduction of 6.5% linked to the constant park,
- and a 1.8% decrease due to one-off closures.

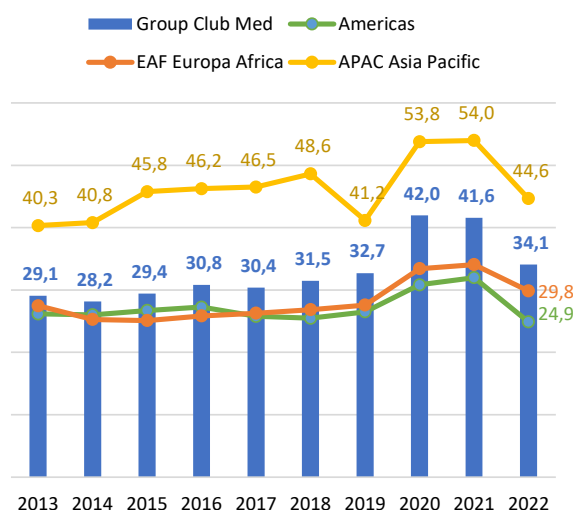
In 2022, the ratio of energy consumed per hotel capacity will be 34.1 kWh. This corresponds to:

- an increase of 4.2% vs. 2019 on the group perimeter
- a reduction of 4.0% at the portfolio basis vs. 2019

Energy intensity per hotel capacity is increasing overall due to the shift in the portfolio towards more upmarket resorts.

In 2022, the energy intensity per night sold is not representative for the global scope due to the health crisis still present in Asia.

Building energies / physical bed capacity (kWh)



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

Reducing energy needs: 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 2022, for example, the insulation of the domestic hot water network was redone entirely in Opio, as well as the insulation of slabs and crawl spaces.

In new buildings, Club Med aims for energy efficiency through bioclimatic design of new buildings and the renovation of old

¹² Excluding China

buildings with a focus on high levels of insulation, dual-flow ventilation, heat pumps and heat recovery systems wherever possible as well as the introduction of advanced building management systems

For example, for the opening of the Marbella Magna village in Spain in 2022, a complete and total rehabilitation of the existing site was carried out, in which only the existing concrete structure was maintained and brought up to current seismic standards. High-performance thermal insulation systems and high-performance double-glazed windows have been installed, achieving very high levels of thermal insulation.

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); and in 2022 in Tignes (France) ;
- 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 2022, for example, the following have been put in place:

- heat pumps, 652 m² of solar thermal panels for domestic water heating, a building management system (BMS) to supervise and control the mechanical, electrical and plumbing installations for the new village of Marbella Magna (Spain),
- a building management system (BMS) in the Seychelles
- LEDs to replace lamps (in villages not yet equipped),
- a wood-fired boiler for the Marbella Magna swimming pool (Spain).
- heat pumps for water heating in Guilin (China),
- solar thermal water heating in the new part of the Yanqing resort (China)

Vehicles used in the villages are, to the extent where possible, electric vehicles, which now represent 46% of the villages' fleet (stable vs 2021) .

❖ Research and testing of innovative solutions

Club Med experiments innovative energy solutions to rationalise its energy use and reduce its carbon footprint. For example in 2021, bio-disc purification plants and systems for recovering "fatal" energy in the Seychelles....

In 2022, for example:

- a test of energy recovery from shower trays to preheat cold water was implemented in the new village of Tignes (France),
- thermo-fridge-pumps, more flexible heat pumps providing simultaneous heating and cooling, were installed in Albion (Mauritius) and Marrakech (Morocco),
- heat pumps coupled with warm air from ventilation have been installed in mountain resorts.

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

Improving the energy mix

See section 4.4 on climate change.

For example, in 2022, the following were installed

- 284 m² of photovoltaic panels on the new village of Tignes (France),
- heat pumps to replace oil-fired boilers in Yabuli (China),
- solar motion detector floodlights in Djerba la Douce (Tunisia),
- a wood-fired boiler for the swimming pool in Marbella Magna (Spain).

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;
- the monthly "energy reviews" for Villages in Europe-Africa since 2014,
- and temperature guidelines lowered by one to three degrees depending on the area of the village and whether or not customers are present, as well as better compliance with these guidelines from the winter 2022-23 season.

GM® are educated as part of the Green Globe process, for example more than 18,000 posters (in 2022) "Together, let's take care of our environment" are put up in the client rooms.

4.4. Climate change

Governance and strategy

Aware that its entire holiday offer has an impact on the environment, Club Med strives to manage and reduce its greenhouse gas (GHG) emissions.

Based on a complete and measured carbon footprint, Club Med is actively studying solutions to reduce greenhouse gas emissions in the three scope

At the end of 2022, a project was launched to support Club Med teams and management in transforming the offering to take greater account of climate transition challenges and develop emission reduction trajectories for the three scopes.

Climate risk management

Several studies have been carried out to assess the risks associated with climate change:

- by the Development and Construction Department on current and future projects
- by the Risks and Insurance Department on existing facilities.

The work begun in 2022 is designed to ensure that these risks are better considered throughout the company.

4.4.1 Climate change-related risks and opportunities

Physical risks

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

❖ **Acute physical risks**

It is already affecting destinations by increasing the frequency and severity of extreme weather events, such as cyclones, hurricanes and floods.

❖ **Chronic physical risks**

Climate change is affecting destinations by increasing the frequency of adverse weather conditions such as low snowfall, rising sea levels, wet summers, and chronic heat waves.

It may impact the attractiveness of destinations through beach erosion, the disappearance of coral reefs, the development of jellyfish, the resurgence of tropical diseases, landslides, the reappearance of tropical diseases, higher temperatures and more unpredictable weather, etc.

In addition, the frequency and intensity of extreme weather events, the risk of supply shortages and conflicts of use, particularly for water and food resources, the risk of transport disruption, shorter operating periods and more difficult working conditions all could impact on the conditions in which the business is carried out.

KPI - According to a study carried out by AXA, 28 of the existing resorts present a high physical risk, due in particular to the risk of landslides and winter storms in the mountains, and geophysical and heat-related risks elsewhere (according to the SP5-8.5 scenario for 2030).

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.**

Transition risks

❖ **Political and legal risks**

Club Med operates in a context of tightening construction standards and technical regulations on existing buildings, and of increasing regulatory requirements on transparency and climate policy.

❖ **Technological risk**

Reducing emissions from air transport is a responsibility shared by several players: manufacturers, who act on and depend on technological developments; airlines, which depend on the availability of new, less carbon-intensive fuels to achieve their reduction targets; and tourism operators, who can reduce the weight of air transport in their packages.

❖ **Market risk**

There is a risk that tourists will turn away from air travel as sensitivities will 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).

❖ **Reputation risk**

Club Med also faces a reputational challenge with growing expectations from civil society, customers, and employees regarding the social commitment of companies and with players in the tourism industry making climate commitments (WTO recommendations, Glasgow Declaration, etc.).

Opportunities

❖ **Resource efficiency and conservation**

❖ **Energy source**

Club Med is generally located in sunny areas where solar energy is or should be readily available.

❖ **Markets**

In modifying tourists' behaviour, climate change also creates **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 health crisis has complicated the activity but paradoxically has accelerated 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").

❖ **Resilience**

The commitment to develop new 100% BREEAM projects with a focus on energy, as well as the development of a costed action plan on the carbon emissions reduction trajectory of existing and planned buildings, should contribute to the resilience of the Club Med model.

Financial impacts

❖ **Income statement: Revenues and expenses**

Climate change already presents risks of increased operational costs (energy, water, food, freight, etc.).

In the medium term, compliance with regulations, the introduction of a cost of carbon, higher insurance costs and even the non-insurance of excessively exposed assets could impact the business model.

❖ **Balance Sheet: Assets and Liabilities. & Capital and Financing**

In the medium term, certain assets could become inoperable: buildings could suffer physical damage or no longer comply with regulatory energy and carbon performance criteria ('stranding' of buildings).

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

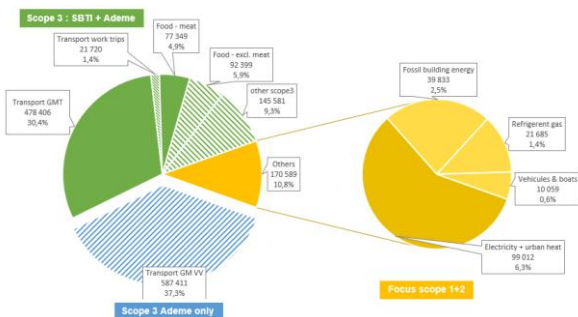
Detailed quantitative data are provided in the table of CSR indicators in section 5.3.

Club Med evaluated the feasibility of a long-term trajectory compatible with the Paris Agreement, by using the SBT (Science Based Target) methodology. This implies:



- reducing direct and indirect greenhouse gas emissions from our activities through the development, construction, renovation, and operation of our resorts
- designing appropriate offers and encouraging our customers in order to favour longer stays when they go far away, to opt for more local stays and softer modes of transport.

In 2018, initial work has been focused on scopes 1 and 2¹³. In 2019, it was completed with scope 3¹⁴ and the definition of trajectory compatible with the Paris Agreement. In 2021-22, a trajectory simulation tool was developed in-house and the updating of the trajectory has been initiated end of 2022. A project to accelerate the “Happy to Care” approach has been launched, including a section aimed at defining a policy for reducing CO2 emissions.



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

- For **stays**, the main levers are reducing the amount of energy used directly by buildings, by changing the energy mix, and by decarbonising 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 more 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

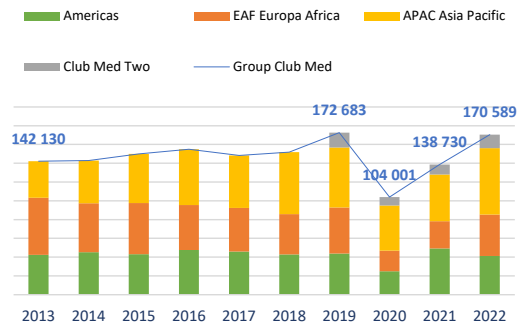
areas that generate customers (as it is the case in the Alps, or in China with Joyview, or even in Canada).

In absolute terms, from 2019 to 2022, Scope 1 and 2 emissions are decreasing by 1.2% for the Group as a whole and down by 8.0% for the Group excluding Asia.

In 2022, the ratio per hotel capacity will be 13.4 kg eCO2. This represents an increase of 2.2% on 2019, corresponding to:

- a reduction of 9.4% linked to the existing stock,
- and a decrease of 1.8% due to one-off closures.

Emissions - scope 1+2 (tons eCO2)



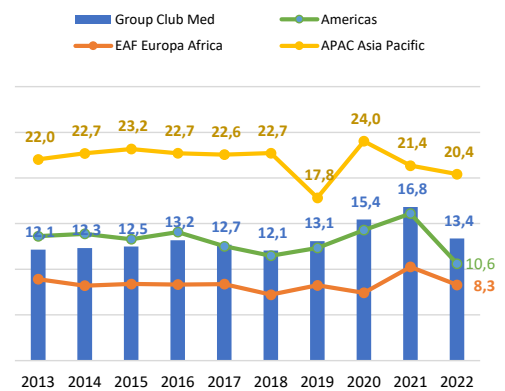
In 2022, the carbon intensity stands at 13.4 kg eCO2 per hotel capacity, which corresponds to:

- an increase of 2.2% vs. 2019 on the Group's scope of consolidation
- a 8.1% reduction excluding Asia,
- a reduction of 7.2% at iso park

Carbon intensity per hotel capacity increases overall due to the shift in the portfolio towards Asia, where energy is more carbon intensive (0.414 kg eCO2 / kWh in Asia compared with 0.335 for the Group as a whole) – (see graph below).

In 2022, the carbon intensity per night sold is not representative for the global scope due to the health crisis still present in Asia.

kg eCO2 (scope 1+2)/ physical bed capacity



¹³ Scopes 1+2: direct greenhouse gas emissions (1) and emissions from indirect energy production such as electricity and urban heat

¹⁴ Scope 3: other indirect emissions (purchases, transport, etc.)



Reducing GHG emissions linked to energy consumption

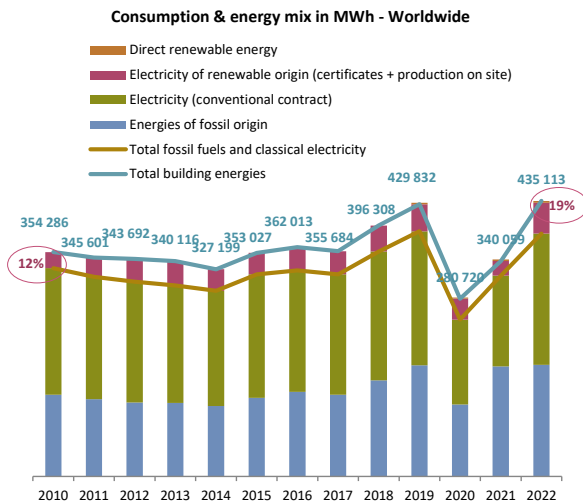
Actions to reduce direct and indirect greenhouse gas emissions from buildings are based in particular on:

- construction ecostandards and BREEAM and equivalent certifications during the development, construction and renovation phases;
- technical management of buildings and Green Globe certification during the resorts' operating phase;
- the development of renewable energy supplies wherever possible.

See also section 4.3. on energy

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

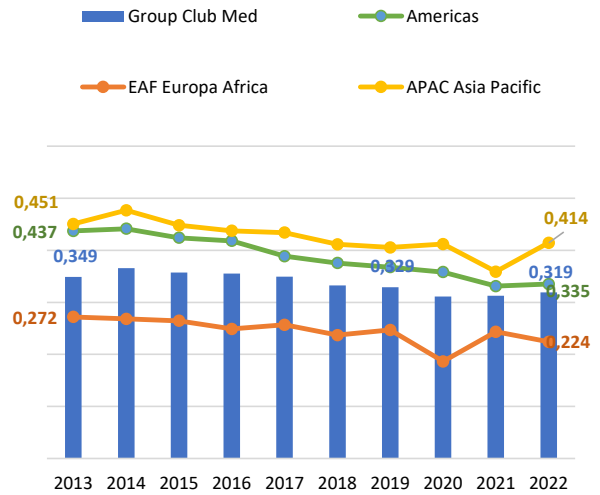
❖ **Changing the energy mix**



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

There has been a decrease in the carbon intensity of energy - 3,7% for the group compared to 2019 (-10,8% outside Asia)

carbon intensity of building energy (kg eCO2/ kWh)



In 2022, 19% 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.

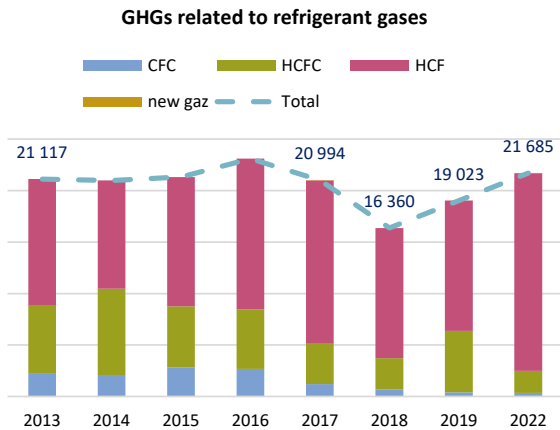
- Currently **12% (vs 11% in 2021) of villages are equipped with photovoltaic panels** (nearly 16,700 sq m including 15,000 sq m in Punta Cana since 2021 and 284 sq m of photovoltaic panels in Tignes installed in 2022)
- **24% (vs 22% in 2021) of villages are equipped with solar thermal panels** (4,180 sq) meeting an average of 25% of resorts' hot water requirements.
- **Wood energy is used in 5% of villages in 2022** (vs. less than 2% in 2019)
- **32% of villages have refrigeration heat recovery units** (vs 28% in 2021).
- **Heat pumps are installed in 24% of villages as of 2022** (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

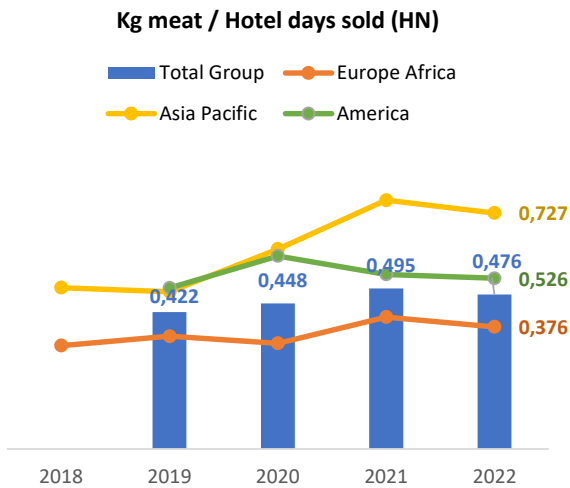
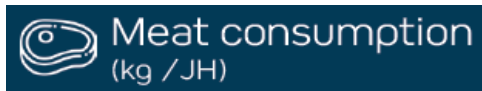
Club Med is seeking to reduce refrigerant gas emissions with the introduction of a new generation of HFO gas (Hydro Fluoro-Olefins) that not only has similar performance and safety characteristics to HFC, but most importantly good environmental properties and a low GWP ("Global Warming Potential»). In 2022, 26% of villages use this type of refrigerant gas (vs 11% in 2019). Gas leaks in few 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 - 476 g of meat per Hotel Day Sold (HDS) in 2021 on a perimeter of 96% of HDS, a decrease of 4% vs. 2021 (at iso perimeter since 2019, the quantity is stable 424 gr vs 422 gr in 2019).

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,
- Grouping village deliveries from one logistics hub per operating 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.

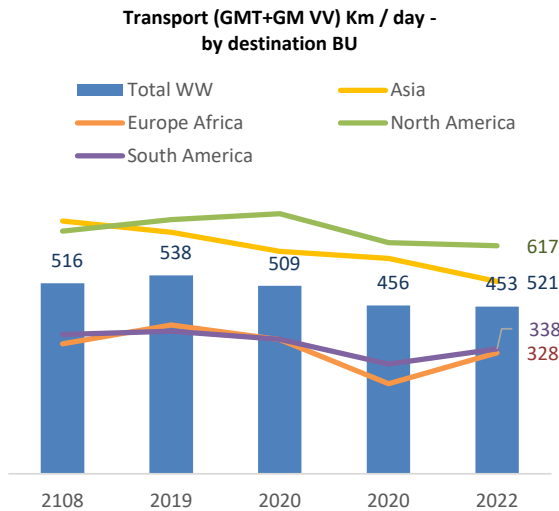
GM® and GO® transportation policy

Within the framework of its all-inclusive offer, Club Med provided transport for 27% of customers in 2022 (vs 34% in 2019).

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 68% of the Group's overall emissions (Scopes 1, 2 and 3).

In the short term, Club Med's ability to curb the environmental impact of transporting people may seem limited. 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's consideration is to:

- to boost its range of destinations accessible by train and promote it as an alternative to air and road travel. Club Med has long been one of the SNCF's leading tourism customers, and now wishes to strengthen its ability to offer train packages whenever a suitable service is available;
- reduce distances by continuing to develop new resorts closer to where most of its customers live (Alps, Joy View, Canada);
- encourage longer stays by offering combined holidays, enriched experiences and special offers on long stays, etc. The further away the holiday, the more attractive it is.
- to work with environmentally efficient airlines and to maximise optimal occupancy on its charter flights.



KPI - Average ratio of distance to destination as a function of length of stay: 453 km/day per customer transported in 2022 (vs 539 km in 2019)

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

Aware that the elimination of emissions linked to its activity can neither be immediate nor total and because the climate challenge requires action throughout the world, Club Med has been raising awareness among its customers since 2008 by promoting emissions offsetting: the aim is to finance the deployment of emissions reduction or sequestration actions, at least equivalent in quantity to the emissions generated by the stays and transport purchased by the customer, through the purchase of certified carbon credits.

In parallel to its policy of curbing greenhouse gas emissions, and as part of its outreach to key actors in this effort, 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 and this since 2008. This is now more and more highlighted in the customer path.

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 consider and anticipate potential impacts of climate change on its business.

Club Med increasingly relies on scientific sources, surveys and tools to assess and monitor the physical risks linked to climate change. Seven specific indicators have been defined to be taken into account in the development phase:

- Number of days per year with temperatures above 35°C,
- Number of days per year with a combination of high heat and high humidity,
- Number of days per year with rainfall above the 99th percentile,
- Exposure to river and/or rainfall flooding,
- Water stress index,
- Cyclones (frequency & intensity),
- Exposure to coastal flooding and coastal erosion,
- Fire index,
- And trend analysis for disease vectors

Coastal erosion and vulnerability

The risk of loss of attractiveness of "sea" destinations due to the coastal erosion is assessed right from the design stage of the Villages, which are built on the basis of appropriate studies, always set back from the coastline.



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. Some villages benefited in this way from a diagnosis with a proposal for technical solutions for flexible treatment of erosion.

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 and is reflected in the choice of 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 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 or heavy rain) is taken into account in risk management in the same way as natural disasters in general.

4.5. Protecting biodiversity



A major advantage of Club Med's villages is the access they provide to protected natural areas. Indeed, in 2022, 28% of the villages' total surface area is located next to a protected site, with another 25% 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).

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 the UNWTO (World Tourism Organisation) 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.

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

Since 2018, 65% of new resorts and major renovations have been certified or are in the process of being certified BREEAM or equivalent.

By 2022, 97% 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

From 2020 to 2022, 67% of eligible resorts (construction on greenfield land) have undergone an EIA, and 50% of new greenfield projects have benefited from support from an expert such as an ecologist.

❖ 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 regions¹⁵.

In 2021, an indicator of artificial surfaces has been created and the census of the data is in progress for all the villages, but the information provided is not yet reliable enough to be of use.

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.

Around 180 large, trained trees were replanted on the village site: existing and local species, classic spruces, various species of maple, many rowan trees that flower in early summer; around 300 shrubs and bushes; more than 2,000 forest seedlings that will develop while being protected by the larger ones; and 2,500 to 3,000 perennials, 2,000 grasses, around 100 old rosebushes, as well as around 300 herbs and medicinal plants. [For more information](#)

For the Marbella Magna village in Spain, which will open in 2022, the footprint was reduced by demolishing part of the building, obtaining more free space on the plot.

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.

Over the period 2020-2022, 50% of greenfield projects have been monitored by an expert ecologist.

¹⁵ The surface area percentages provided in this chapter are world percentages excluding Sanya (China), the surface area data for which are not available.

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 system measurement, audit, training and support approaches) (100% in 2030)

❖ **Agroecology**

By the end of 2022, the Green Farmers programme is deployed in 14 resorts, i.e. five new projects over the period 2020-22 (2-3 per year).

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.

Based on the 2022 consumption data, it was established that 1.76% of purchases (by weight) corresponded to species prohibited for consumption under the charter for responsible fishing.

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

❖ **Food waste**

By 2022, 12% of resorts have an automated food waste monitoring process.

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 recommends 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 near its natural state** (apart from a few one-off operations: safety pruning or felling, pathway 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 management, equipment, fertilisers, pesticides, interventions and energy.

❖ **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 to remove any use of synthetic 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.

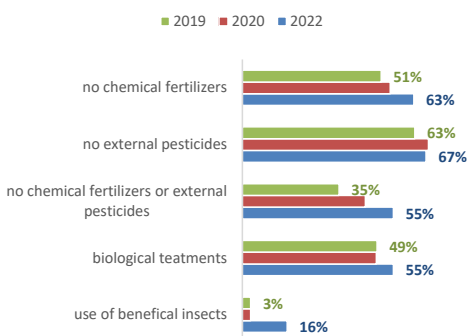
More specifically, this practice is for example reflected by the following actions:

- 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 mulching¹⁶;
- 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 traps¹⁷, natural products, etc.

Differentiated management of green spaces and recycling of green waste by shredding was incorporated into all maintenance contract renewals.


As a result, in 2022, 55% of resorts (vs 50% in 2021) used no nitrogen fertilizers or external pesticides, 55% were using biological treatments (vs 49% in 2021) and 16% were using beneficial insects in lieu of pesticides (vs 6% in 2018). 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.

Change in % of villages implementing environmentally friendly practices - World



¹⁶ *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.*

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)

❖ **Specialized NGOs solicited**

In 2020- 2021-2022, 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*).

¹⁷ *Pheromones: substances emitted by most animals and some plants that play in particular a role in sexual attraction between individuals of the same species.*



❖ 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 53 partnerships in place (vs. 25 in 2021) covering 34 Villages (vs. 22 in 2021) and covering, for example, the protection of palms, turtles, birds, corals, cetaceans, the whole of the local ecosystems or agro-ecology ...

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

❖ Sharing best practices between Villages

In 2013, the "Very Important Turtles" Kit was rolled out to share best practices among Club Med resorts in areas where sea turtles have their spawning grounds.

In all these villages located in a nesting area, Club Med works in partnership with local experts to protect the turtles by securing the nests, ensuring non-disturbance, and raising public awareness. 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 2022, 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% of the resorts (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

Since 2021, Club Med has banned circus activities, elephant rides and swimming with elephants and only offers elephant watching activities or an elephant sanctuary visit.

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".

Since 2021, Club Med has banned activities involving captive cetaceans and offers only wild cetacean-watching activities. Since 2019, it has supported its service providers on best practices related to this activity with the WCA (World Cetacean Alliance).

As such, Club Med is listed on the [PETA](#) as one of the companies most committed to the protection of whales and dolphins.

Working animals

From 2023, Club Med will begin to audit its activities involving working animals (horses, donkeys, etc.) and to include an animal welfare charter in its contracts with service providers.

KPI – animal compliance by 2021

KPI: 100% of resorts have stopped offering excursions with captive 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 has initiated on drafting an "Animal Welfare Charter". This is based on the ABTA recommendations on animal welfare. It is intended to serve as a basis for audits of providers of excursions involving animals. In the event of non-compliance, they will have to take corrective action. 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 2023 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

Finally, at the beginning of 2020, Club Med made a strong commitment to eliminating 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 at the heart of Club Med's origins and are still today major assets of its sites. Naturally, it is committed to preserving them and has adopted SDG14, one of the three targets put forward by the World Tourism Organisation.

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 (*see 4.4.2*);
- 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; (*see 4.5.1*);
- Raise awareness of staff and clients on these subjects (37% of coastal resorts have local partnerships with non-profits working on marine environment protection) (*see 4.6*).

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 – In 2022, 49% of the Villages offer nature activities (educational gardens, treasure hunts and the Club Med Play application, jungle trails, underwater trails, sea turtles and baby sharks releases, wildlife walks, local arts and 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.



Similarly, an educational farm in China at the Joyview resort in Anji allows GMs to discover these animals.

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 points¹⁸ 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 has gone hand in hand with Green Globe certification, one criterion of which involves offering customers the opportunity to discover biodiversity with for example:

- the protection of turtles and the observation of the birth of baby turtles and their journey to the ocean, in Cherating (Malaysia),
- a shark nursery in Phuket (Thailand)
- jungle trails in the Seychelles, Cherating (Malaysia),
- mountain hikes to discover the flora and fauna in the Alps,
- educational diving and snorkelling at Kani and Finolhu (Maldives).

❖ 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.

¹⁸ Examples taken in Albion (Mauritius), Guilin (China), Cherating (Malaysia), Kabira (Japan), Kani (Maldives), Marrakech (Morocco), Val

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

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, Marbella Magna (Spain) in 2022.

❖ 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 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.

❖ 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 or 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 biodiversity 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 an environmentally-friendly "treasure hunt" on the theme of local plants and animals.

In 2021, a "Nature Guide" post has also been created in the Seychelles.

❖ Informing customers about eco-friendly behaviours in the villages and on excursions

In the resorts, customers are encouraged to follow eco-friendly practices throughout their stay. They 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 resorts (more than 18,000 rooms by the end of 2022) summarizes what is being done in the village to manage water, energy and waste 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. Since 2000, GMs in all the villages worldwide have been able to indicate if they do not want their towels washed daily. Since 2008, they have been made aware of the possibility of offsetting their CO2 emissions.

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 permanent offer of vegetarian options

After rolling out its Healthy programme, Club Med has committed to offering vegetarian options at all meals and restaurants.

For example, in 2022, Club Med launched new plant-based menus in its eight resorts in the Caribbean and Mexico. These menus were developed in collaboration with renowned vegan chef Chloe Coscarelli

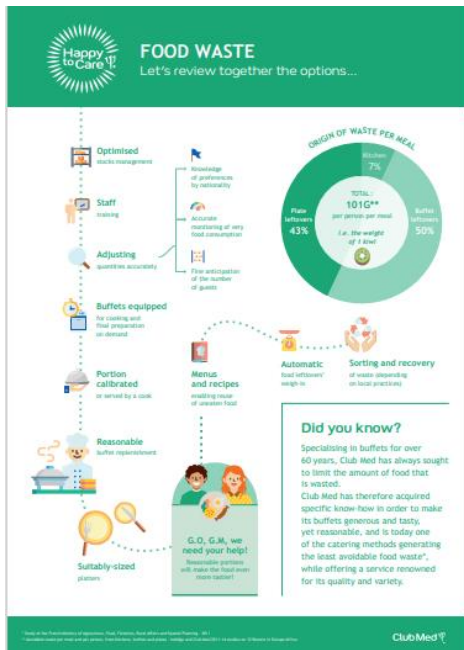
Club Med strives to develop organic products. In 2022, Products from producers backed by Agrisud (Green Framers programme) are featured in the villages of Rio das Pedras, Lake Paradise and Trancoso (Brazil), Cap Skirring (Senegal), and Bali (Indonesia), Marrakech (Morocco), La Pointe aux Canoniers and Les Jardins d'Albion (Mauritius), Guilin (China) and Seychelles (See section 3.2.3. on the Agrisud partnership).

❖ **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..." is displayed

in main restaurant in the resorts. This was to raise the awareness of our GM® regarding food waste by presenting what is already being done to reduce it at all stages upstream and downstream.



Scientific partnerships

❖ **Partnership with Expédition Med**



Since its first campaign in 2010, Club Med has supported Expédition Med, a scientific expedition that studies pollution caused by plastic in the Mediterranean Sea.

In 2016, along with Expédition Med, Club Med took part in the production of 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. Due to special circumstances linked to the covid, it has not been possible to carry out these solidarity holidays over the last three years.

❖ **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.

(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 Workday Human Capital Management 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 Workday Human Capital Management 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, this indicator covers a rolling 12-month period between September 1, year N-1 and August 31, year N.
- Training considers 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"¹⁹ 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 SOCIALDATA

Reporting on fiscal year Jan. 1, N to Dec. 31, N

	note	Unit	2019	2020	2021	2022	Evol. Vs 2021
EMPLOYMENT - Worldwide							
Total Group employees							
Employees	1	No. of employees	27 343	23 788	24 398	29 306	20,1%
Posts		no. of post	43 637	35 499	37 260	46 015	23,5%
FTE		In FTE	14 549	11 633	17 005	14 885	-12,5%
of which women (%)		In FTE	40%	39%	42%	39%	-3,3 pts
of which men (%)		In FTE	60%	61%	58%	61%	+3,3 pts
of which employees with permanent contract (%)		In FTE	46%	52%	40%	44%	+4,0 pts
Average age		In FTE	34,4	31,9	30,6	31,0	1,4%
Average seniority		In FTE	5,8	5,4	5,3	4,9	-7,4%
Average seniority (permanent staff)		In FTE	10,8	10,9	10,3	9,5	-7,9%
Employees excluding villages							
Employees		no. of employees	2 504	2 356	2 266	2 365	-9,5%
Posts		no. of post	3 115	2 527	3 110	2 620	-0,2%
FTE		In FTE	2 082	2 037	2 400	1 936	-19,3%
of which women (%)		In FTE	64%	63%	61%	65%	+4,0 pts
of which men (%)		In FTE	36%	37%	39%	35%	-4,0 pts
of which employees with permanent contract (%)		In FTE	95%	94%	75%	97%	+22,0 pts
Average age		In FTE	39,4	39,3	39,4	38,4	-2,5%
Average seniority		In FTE	9,9	11,0	10,8	10,3	-4,6%
Average seniority (permanent staff)		In FTE	10,8	11,7	11,8	10,8	-8,5%
Employees Villages							
Employees		no. of employees	24 839	21 432	22 132	26 941	21,7%
Posts		no. of post	40 522	32 972	34 150	43 395	27,1%
FTE		In FTE	12 467	9 596	14 605	12 949	-11,3%
of which during winter season (%)		In FTE	50%	50%	50%	50%	+0,0 pts
of which during summer season (%)		In FTE	50%	50%	50%	50%	+0,0 pts
of which women (%)		In FTE	35%	34%	39%	35%	-4,2 pts
of which men (%)		In FTE	65%	66%	61%	65%	+4,2 pts
of which GO@ (%)		In FTE	39%	36%	40%	37%	-3,0 pts
of which GE (%)		In FTE	61%	64%	60%	63%	+3,0 pts
of which GO@ with permanent contract (%)		In FTE	17%	19%	7%	6%	-1,0 pts
of which GE with permanent contract (%)		In FTE	50%	57%	26%	29%	+3,0 pts
Average age		In FTE	34,0	31,4	29,9	30,5	2,0%
Average seniority		In FTE	5,5	5,0	4,8	4,6	-4,2%
Average seniority (permanent staff)		In FTE	10,8	10,6	10,4	9,2	-11,3%

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).

CSR SOCIALDATA

Reporting on fiscal year Jan. 1, N to Dec. 31, N

	note	Unité	2019	2020	2021	2022	Evol. Vs 2021
ENTRES AND DEPARTURES - Worldwide							
NEW HIRES							
Permanent		No. of employees	840	476	2 347	1 010	-57,0%
Seasonal		No. of employees	7 589	2 218	16 619	2 946	-82,3%
Made permanent		No. of employees	503	403	487	677	39,0%
Rate of permanent hires		% of posts	8%	5%	19%	9%	-9,9 pts
Rate of seasonal hires		% of posts	23%	9%	12%	8%	-3,1 pts
Rate of global hires		% of posts	19%	8%	14%	9%	-5,4 pts
GO® excluding Village							
Permanent		No. of employees	260	139	232	359	54,7%
Seasonal		No. of employees	108	6	113	60	-46,9%
Made permanent		No. of employees	48	17	32	35	9,4%
Rate of permanent hires		% of posts	9%	6%	12%	15%	+3,1 pts
Rate of seasonal hires		% of posts	31%	3%	35%	27%	-8,2 pts
Rate of global hires		% of posts	12%	6%	15%	16%	+0,8 pts
GO®-GE Villages							
Permanent		No. of employees	580	337	2 115	651	-69,2%
Seasonal (1st season)		No. of employees	7 481	2 212	2 775	2 886	4,0%
Made permanent		No. of employees	455	248	455	642	41,1%
Rate of permanent hires		% of posts	8%	4%	21%	8%	-13,6 pts
Rate of seasonal hires		% of posts	23%	9%	11%	8%	-3,0 pts
Rate of global hires		% of posts	20%	8%	13%	8%	-5,2 pts
LEAVERS							
Employee decision		No. of employees	3 030	3 768	1 692	4 860	187,2%
Employer decision		% of employees	66%	29%	53%	68%	+15,2 pts
By mutual agreement		% of employees	24%	64%	25%	25%	+0,2 pts
Others (death, retirement, illness)		% of employees	7%	5%	11%	4%	-6,5 pts
Turnover		% of posts	7%	12%	12%	12%	-0,6 pts
GO® excluding Village							
Employee decision		No. of employees	331	299	278	315	13,3%
Employer decision		% of employees	61%	47%	60%	67%	+7,0 pts
By mutual agreement		% of employees	20%	30%	14%	18%	+3,8 pts
Others (death, retirement, illness)		% of employees	15%	16%	11%	10%	-1,2 pts
Turnover		% of posts	11%	13%	16%	13%	-3,5 pts
Permanents GO®-GE Villages							
Employee decision		No. of employees	834	1 197	1 033	1 122	8,6%
Employer decision		% of employees	60%	20%	49%	49%	-0,2 pts
By mutual agreement		% of employees	30%	72%	33%	40%	+7,3 pts
Others (death, retirement, illness)		% of employees	3%	2%	13%	5%	-8,2 pts
Turnover		% d'affectations	12%	17%	14%	14%	+0,4 pts
Seasonal GO®-GE Villages							
Employee decision		No. of employees	1 865	2 272	1 751	3 423	95,5%
Employer decision		% of employees	75%	32%	64%	75%	+10,5 pts
By mutual agreement		% of employees	22%	64%	30%	21%	-9,6 pts
Others (death, retirement, illness)		% of employees	2%	4%	5%	4%	-1,1 pts
Turnover		% of posts	1%	0%	0%	1%	+0,2 pts
Global		% of posts	6%	10%	1%	11%	+9,5 pts
Payroll (worldwide)							
Excluding villages		In M€ constant rate	(140,4)	(102,1)	(122,6)	(150,2)	22,5%
Villages		In M€ constant rate	(207,6)	(127,3)	(142,5)	(224,8)	57,8%
Global		In M€ constant rate	(348,0)	(229,4)	(265,1)	(375,0)	41,5%
Average basic salary							
Excluding Villages							
Permanent GO®		In M€ constant rate	(3 395)				
Seasonal GO®		In M€ constant rate	(2 064)				
Villages							
Permanent GO®		In M€ constant rate	(1 666)				
Seasonal GO®		In M€ constant rate	(1 273)				
Permanent GE		In M€ constant rate	(586)				
Seasonal GE		In M€ constant rate	(856)				

CSR SOCIALDATA

Reporting on fiscal year Jan. 1, N to Dec. 31, N

	note	Unit	2019	2020	2021	2022	Evol. Vs 2021
GO@-GE Absenteeism							
Taux Absenteeism rate (%)		% of FTE	1,5%	1,1%	0,9%	1,6%	+0,7 pts
Total length		in days	62 839	46 631	55 897	88 157	178,9%
of which % illness			38%	37%	92%	81%	-11,1 pts
of which % workplace accident (commute or work)			3%	5%	5%	6%	+1,0 pts
of which % others	2		59%	58%	3%	13%	+10,1 pts
Permanent GO@-GE Villages							
Taux Absenteeism rate (%)		% of FTE	1,6%	0,8%	1,3%	1,7%	+0,4 pts
Total length		in days	27 507	12 871	19 503	28 951	48,4%
of which % illness			57%	54%	97%	89%	-8,3 pts
of which % workplace accident (commute or work)			7%	5%	1%	4%	+2,7 pts
of which % others	2		36%	41%	2%	8%	+5,6 pts
Seasonal GO@-GE Villages							
Taux Absenteeism rate (%)		% of FTE	0,8%	0,2%	0,9%	1,5%	+0,7 pts
Total length		in days	23 549	4 538	16 819	46 903	178,9%
of which % illness			58%	63%	86%	72%	-13,5 pts
of which % workplace accident (commute or work)			23%	22%	10%	8%	-1,8 pts
of which % others	2		19%	15%	4%	19%	+15,3 pts
Permanent GO@-GE excluding Village							
Taux Absenteeism rate (%)		% of FTE	1,6%	4,1%	2,8%	1,8%	-1,0 pts
Total length		in days	11 634	28 750	19 425	12 059	-37,9%
of which % illness			50%	26%	53%	95%	+41,7 pts
of which % workplace accident (commute or work)			4%	3%	5%	3%	-1,7 pts
of which % others	2		46%	71%	42%	2%	-39,8 pts
Seasonal GO@-GE excluding Village							
Taux Absenteeism rate (%)		% of FTE	0,4%	1,1%	0,3%	1,1%	+0,8 pts
Total length		in days	149	469	150	245	63,0%
of which % illness			3%	0%	77%	81%	+3,6 pts
of which % workplace accident (commute or work)			0%	0%	0%	0%	+0,0 pts
of which % others	2		97%	100%	23%	19%	-4,0 pts
GO@-GE Accidentology							
Severity		in no. of days	0,06	0,09		0,16	
Frequency rate		in periods of sickness	3,3	4,3		10,54	
Taux Absenteeism rate (%)		% of FTE	0,04%	0,05%		0,17%	
Total length		in days	1 917	2 180	3 451	9 251	
of which % illness			97	101		619	
of which % workplace accident (commute or work)			0%	0%	0%	0%	
of which % others			100%	100%		100%	
Excluding Villages							
Total length		in days	445	688	141	407	
nb periods od sickness			4	3		16	
Villages							
Total length		in days	1 472	1 492	3 310	8 844	
no. periods od sickness			93	98		603	
SKILLS DEVELOPMENT- Worldwide							
Number of employees having received training			16 604	14 245	13 640	17 434	27,8%
Number of trainees		nb sessions x employees	62 651	51 673	65 234	83 961	28,7%
Number of training hours	3	No. of theoretical hours	340 018	172 685	216 800	281 204	29,7%
of which % Europe Africa			65%	38%	65%	61%	-3,9 pts
of which % Américas			16%	31%	26%	28%	+2,0 pts
of which % Asia			10%	30%	8%	11%	+2,5 pts
% of GO@-GE having received training							
Shared of trained GO@-GE	4	% of no. of employees	60%	60%	56%	60%	+3,4 pts
Shared of trained GO@ excluding villages		% of no. of employees	45%	27%	26%	38%	+11,5 pts
Shared of trained GO@ villages		% of no. of employees	65%	65%	65%	77%	+11,9 pts
Shared of trained GE villages		% of no. of employees	45%	63%	55%	44%	-11,5 pts
Shared of trained GO@-GE villages		% of no. of employees	54%	60%	54%	59%	+5,4 pts
EGAL OPPORTUNITY (Villages scope)							
Professional mobility							
% of female GO@-GE subject to professional mobility		% of no. of employees	17%	6%	5%	15%	+9,7 pts
% of male GO@-GE subject to professional mobility		% of no. of employees	15%	5%	8%	14%	+5,6 pts
Geographic mobility							
% of female GO@-GE subject to geographical mobility		% of no. of posts	29%	4%	6%	23%	+16,9 pts
% of male GO@-GE subject to geographical mobility		% of no. of posts	24%	3%	14%	21%	+7,1 pts
Training							
% trained female GO@-GE		% of no. of employees	62%	51%	57%	63%	+5,9 pts
% trained male GO@-GE		% of no. of employees	64%	55%	59%	60%	+1,0 pts
Managers							
% of female GO@ SM-VM & CDV	5	% of FTE	11%	12%	4%	17%	+13,0 pts
% of male GO@ SM-VM		% of FTE	12%	12%	7%	19%	+12,0 pts
Shared of female GO@-GE in the LC (worldwide)	6	% of FTE	46%	42%	31%	42%	+11,0 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	2019	2020	2021	2022	Evol. Vs 2019
LOCAL CONTRIBUTION BY LOCAL EMPLOYEES (Villages worldwide)							
Share of local jobs among GO®-GE		% of employees	nd	nd	0%	0%	
Local development (Villages scope)							
Training							
Share of local GO® trained		% of employees	74%				
Share of mobile GO® trained		% of employees	82%				
Share of local GE trained		% of employees	58%				
Share of mobile GE mobiles trained		% of employees	62%				
Share of local GO®-GE trained		% of employees	62%				
Evaluation							
Share of local GO® evaluated		% of employees	83%				
Share of mobile GO® evaluated		% of employees	92%				
Share of local GE evaluated		% of employees	60%				
Share of mobile GE mobiles evaluated		% of employees	91%				
Share of local GO®-GE evaluated		% of employees	68%				
Geographic mobility							
Share of international GO®	1	% of posts	na	8%	7%	41%	+33,8 pts
Share of international GE	1	% of posts	na	1%	2%	10%	+7,7 pts
Share of international GO®-GE	1	% of posts	na	4%	7%	21%	+14,2 pts
Professional mobility							
% of local GO® who benefited from professional mobility		% of employees	na	4%	4%	11%	+6,9 pts
% of mobile GO® who benefited from professional mobility		% of employees	na	6%	19%	21%	+2,5 pts
% of GO® who benefited from professional mobility		% of employees	33%	5%	7%	20%	+13,1 pts
% of local GE who benefited from professional mobility		% of employees	na	7%	5%	7%	+1,3 pts
% of mobile GE who benefited from professional mobility		% of employees	na	1%	15%	17%	+2,9 pts
% of GE who benefited from professional mobility		% of employees	5%	7%	6%	9%	+3,3 pts
% of local GO®-GE who benefited from professional mobility		% of employees	na	6%	9%	7%	-2,3 pts
% of mobile GO®-GE who benefited from professional mobility		% of employees	na	6%	33%	20%	-13,0 pts
LOCAL CONTRIBUTION (Worldwide)							
VSB supported -Agrisud partnership		nb of VSBs	369	312	281	396	
Tonnage purchased from VSB supported		tons	66	27	49	115	135%
CLUB MED CONTRIBUTION TO CHARITABLE ACTIVITIES (Worldwide)							
Direct patronage	2	€ thousands	258	182	232	220	
Foundation (including skill development devoted)		€ thousands	584	564	387	427	
Friends of the Fondation (excluding GM® donations)		€ thousands	160	65	82	94	
RESPONSIBLE PURCHASING (worldwide)							
Part des achats auprès de fourn. régionaux	x	% K€			42%	56%	
Standard contracts with sustainability clause (France)		% no. of contrats	100%	100%	100%	100%	
Current contracts with SD clause (monde)		% no. of contrats	43%	46%	46%	59%	28%
Paper for Club Med catalogs	4	tons	73	50	nd	nd	
Share of PEFC/FSC papers in catalogs	4	%	100%	100%	100%	100%	
Fishing : compliance with responsible purchasing policy	5	% kg	nd	nd	nd	98,2%	
RESPONSIBILITY TOWARDS CUSTOMERS (worldwide)							
Share of ecocertified Villages		% no. of Villages	85%	81%	100%	97%	
Customer incidents		No. of claims	3 996	1 734	1 494	3 470	

Notes:

- Number of job assignments in which employees work in a country other than their home country (mobile vs. local).
- Other donations are made locally (not listed exhaustively)
- World scope (excluding China) all purchasing categories excluding distribution fees, royalties, VAT and duties.
- All FBS countries (France, Benelux and Switzerland) + all commercial countries Europe Africa except with the exception of countries that print their brochures on site (South Africa, Spain, Israel and Portugal).
- 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	<i>no more operated :</i> 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 <i>and no more operated :</i> Napitia Vittel Le Parc	Marrakech Palmeraie Djerba la Douce <i>and no more operated :</i> 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 <i>and no more operated:</i> Hammamet	Bodrum Palmye <i>not operated in 2022 :</i> Kemer	La Caravelle Les Boucaniers	
2013	Da Balaia <i>no more operated:</i> Avoriaz Villars	Yasmina <i>and no more operated:</i> Sinai Bay			Phuket Bali Kabira Beach Bintan Island <i>not operated in 2022:</i> Sahoro
2014					Guilin
2015	Opio Val Thorens Sensation Pragelato			Rio das Pedras Ixtapa Cancun	Yabuli <i>no more operated:</i> Dong'Ao
2016		<i>no more operated: Agadir</i>			
2017	Alpes d'Huez			Punta Cana	Kani Finolhu
2018	Grand Massif Samoens Kamarina Cefalu			Sandpiper	
2019	Arcs Panorama			Lake Paradise Trancoso Turquoise	Tomamu
2021	La Rosière Alpes d'Huez (renovated)	Seychelles		Miches	Beidahu Yabuli
2022	Arcs Extremes			Charlevoix	

All the villages are Certified Green Globe except the villages mentioned with (*) or (**)

(*) Village having obtained the European Ecolabel

(**) Villages have achieved the EarthCheck certification until 2011, 2012 or 2013 (not renewed then)

(***) Villages having achieved Green Globe Certification until 2011 (not renewed then)

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 from 2019 the **Club Med 2 boat** is reporting to the tool, 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.

❖ 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 (using updated emission factors for each year).
- **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 GWPs 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 (using updated emission factors for each year). 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 (using updated emission factors for each year).
- **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:** Number 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

CORPORATE SOCIAL RESPONSIBILITY

CSR ENVIRONMENTAL DATA

Reporting on the fiscal year from January 1, N to december 31, N. - Consumptions recorded as January 31, 2023

	note	Unit	2019	2020	2021	2022	2022 vs 2021
SCOPE OF ENVIRONMENTAL REPORTING							
World resorts operated (excl. boats)	1	number of resorts	63	59	49	62	
World resorts included in the reporting	2	number of resorts	63	59	49	62	
resort coverage of report		% of resorts	100%	100%	100%	100%	
Club Med 2 boat included in reporting			yes	yes	yes	yes	
Total Hotel Nights(HN) of the reporting scope	2		7 986	3 379	3 805	6 794	-14,9%
Hotel Day Capacity (HDC) of the reporting scope	3	thousands	13 211	6 733	8 243	12 765	-3,4%
Occupied Rooms (OR) of the reporting scope		thousands	3 671	1 465	1 632	3 095	-15,7%
ECO-CERTIFICATION							
New resorts & main renovations eco-certified in construction		% of resorts	75%	75%			
Share of the eligible resorts Green Globe eco-certified		% of resorts	85%	81%	100%	97%	+11 pts
WASTE							
resorts tracking of quantities (coverage)		% of resorts	65%	65%	65%	62%	
Waste directed to disposal per HN	2 & 6	kg / HN	1,925	2,090	2,361	1,647	
Coverage of waste reporting in weight		% of HN	47%	49%	50%	39%	
Hazardous waste for treatment per HN	2 & 6		0,412	1,538	0,545	0,134	
Biowaste per HN	2 & 6		0,466	1,084	0,969	1,120	
Waste sent to a recycling chain by HN	2 & 6	kg / HN	1,186	2,186	0,505	0,616	
Coverage of waste reporting in weight		% of HN	70%	77%	70%	74%	
Rate of waste recycled and treated		% de tonnes	52%	70%	46%	53%	
Share of resorts using recycling or treatment channels: see chart in section 2.3							
WATER							
Surface water		thousands of m3	171	119	242	320	
Fresh groundwater			2 870	1 986	1 349	1 551	
Osmosis groundwater		thousands of m3	5	5	11	35	
Sea water		thousands of m3	293	134	272	282	
third-party water		thousands of m3	3 895	2 182	2 499	3 650	
Recycled water purchased			75	33	50	61	
Total water withdrawn		thousands of m3	7 309	4 459	4 424	5 898	-19,3%
Water withdrawn by Hotel Night	2	m3	0,919	1,320	1,163	0,880	
Water withdrawn by Hotel Day Capacity	3	m3	0,555	0,663	0,537	0,466	-16,0%
Water withdrawn by Occupied Room		m3	1,997	3,045	2,711	1,930	-3,3%
Water withdrawn by M€ of net revenue		Km3 / M€	4,503	6,665	6,044	3,625	-19,5%
Water withdrawn in water stress regions	4	thousands of m3	2 863	2 203	1 728	1 609	-43,8%
Water stress: golf (Agadir) : m3/ ha watered		m3	14 210	9 542			
Water stress: water withdrawn per HDC (excl. golf)	3	m3	0,516	0,676	0,599	0,563	9,1%
Water stress: water withdrawn per OR (excl. golf)		m3	1,994	3,648	2,799	2,236	
Water recycled and reused in resorts		thousands of m3	742	400	472	714	
% of water recycled and reused		%	10%	9%	11%	12%	+2 pts
Share of villages with water saving systems: see chart in section 4.3.1							
BIODIVERSITY							
Surface area of resorts in or next to protected area		% ha	63%	60%		28%	
Surface area of resorts < 3 km from a protected area		% ha	10%	10%		25%	
Interior footprint of resorts		% ha	8%	9%		8%	
Natural space maintained within the resorts		% ha	60%	60%		44%	
resorts using no nitrogen fertilizers or outdoor pesticides		% of resorts	35%	45%		55%	
resorts using biological treatment		% of resorts	49%	49%		55%	

	note	Unit	2019	2020	2021	2022	2022 vs. 2019
ENERGY							
Gas		MWh	86 060	53 897	88 634	80 950	
Fuel Oil		MWh	85 472	56 063	81 279	93 893	
Total direct energy consumed		MWh	171 531	109 960	169 914	174 843	1,9%
Wood pellet			2 269	1 745	2 732	2 760	
Hydropower generated in resort		MWh	-	-	-	0	
PV electricity produced in resort		MWh	954	870	828	962	
Total direct renewable energy consumed			3 224	2 615	3 560	3 722	
Electricity purchased		Mwhef	253 553	165 929	163 414	253 332	
<i>which certified renewable energy electricity (Europa)</i>		MWhef	41 667	31 821	20 247	45 885	10,1%
Photovoltaic electricity purchased		MWhef	-	522	2 033	1 983	
Urban heat purchased		MWh	3 793	3 438	3 870	1 233	
Total indirect energy consumed		MWh	257 346	169 889	169 317	256 548	-0,3%
Total direct + indirect energy consumed		MWh	432 101	282 465	342 791	435 113	0,7%
Total direct + indirect energy consumed per HN		kWh	54,1	83,6	90,1	64,0	
... per hotel day capacity		kWh	32,7	42,0	41,6	34,1	4,2%
... per occupied rooms			117,7	192,9	210,0	140,6	
... M€ of net revenue		MWh / M€	0,073	0,288	0,287	0,086	
Share of electricity from renewable sources		% of MWh	17%	20%	14%	19%	+2 pts
Surface area of solar panels		m2	-	16 000	16 000	19 677	
Share of energy in the total purchases (Group)		% of €	3,3%	4,0%	4,6%	4,3%	+1 pts
<i>Share of resort with saving systems : see chart in section 4.3.2</i>							
GREENHOUSE GAS EMISSIONS (GHG Protocol)							
5							
SCOPES 1+2 emissions (GHG Protocol)							
Direct emissions from building combustion system		t eCO2	38 994	24 891	38 967	39 833	2,2%
Direct emissions related to vehicle and boat fuel		t eCO2	11 572	4 415	6 173	10 059	
Direct fugitive emissions (refrigerant gas)		t eCO2	19 023	11 647	25 391	21 685	
Total direct emissions (scope 1)		t eCO2	69 588	40 953	70 531	71 577	
Indirect emissions related to purchased electricity		t eCO2	102 311	62 271	67 364	98 550	
<i>of which avoided emission deducted (RE emissions certificates - France)</i>		t eCO2	2 529	1 906	1 213	4 085	
Indirect emissions related to urban heat		t eCO2	784	777	835	461	
Total indirect emissions (scope 2)		t eCO2	103 094	63 048	68 199	99 012	-4,0%
Total emissions (scopes 1+2)		t eCO2	172 683	104 001	138 730	170 589	-1,2%
Carbon intensity (building energy)							
... per HN	2		17,8	26,0	28,2	20,4	
... per Hotel Day Capacity	3	kg eCO2	10,8	13,1	13,0	10,9	
Carbon intensity (scope 1+2)							
... per Hotel Day Capacity	3	kg eCO2	13,1	15,4	16,8	13,4	2,2%
... per HN	2		21,6	30,8	36,5	25,1	16,1%
... per occupied rooms			47,0	71,0	85,0	55,1	17,2%
SCOPE 3 emissions (GHG Protocol)							
7							
Travel of GM carried by Club Med (upstream 1.)		t eCO2	654 649	195 585	212 762	478 406	-26,9%
Travel of non-transported GM (excluded from GHG protocol)		t eCO2	817 232	307 041	314 820	587 411	-28,1%
Food purchases (upstream 1.)		t eCO2	175 860	73 357	91 907	169 748	-3,5%
<i>of which meat</i>		t eCO2	73 267	31 213	41 602	77 349	5,6%
Purchase of water from the network (upstream 1.)		t eCO2	483	262	305	460	-4,9%
Other purchases of goods and services (upstream 1.)		t eCO2	77 499	37 093	33 739	69 924	-9,8%
Fuel and energy related emissions (upstream 3.)		t eCO2	31 418	18 317	27 534	36 389	15,8%
Freight and purchasing logistics (upstream 4.)		t eCO2	5 660	nd	nd	nd	0,0%
Waste generated in operations (upstream 5.)	8	t eCO2	18 158	14 963	8 172	10 431	-42,6%
Business travel (upstream 6.)		t eCO2	13 016	4 576	6 913	17 304	32,9%
Commuting (upstream 7.)		t eCO2	20 200	17 534	18 017	21 720	7,5%
Total indirect emissions (scope 3)		t eCO2	1 814 175	668 729	714 168	1 391 793	-23,3%
scope 1+2+3 GHG Intensity based on net revenue		teq CO2 / M€	1 224	1 155	1 165	960	-21,6%

Notes:

- Villages (excluding boats) operated for at least one season during the financial year, whether or not the activity is managed directly by Club Med (Spa, shops, etc.).
- HN: Hotel Nights Sold
- Hotel capacity (capacity in number of people x number of days open)
- High and very high-water stress areas according to the WRI (World Resources Institute) Aqueduct definition. See details and mapping in § 4.3.1
- GHG Protocol, emission factors from the Ademe/Carbon Footprint, DEFRA (for transport) and IEA (for electricity by country) databases.
- Monitoring restricted to villages with monitoring by weight provided by the service provider.
- Scope 3 = carbon footprint calculation methodology reviewed with EcoAct in 2019 and 2020
- Based on extrapolation of waste according to coverage rate

5.5. CSR cross-reference table

CSR Reporting Cross table with GRI Standards (Global Reporting Initiative)

GRI CSR disclosures chapter of the CSR Report 2022

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 1.3. Happy to Care strategy
2-23 Policy commitments	1.5. External commitments and recognition 3.4. Respecting human rights 4.1. General elements of the environment policy
2-24 Embedding policy commitments	1.4.1 Anti-corruption programme
2-25 Processes to remediate negative impacts	1.4.2. Reasonable vigilance plan
2-26 Mechanisms for seeking advice and raising concerns	1.4.1. Anti-corruption programme - Internal alert procedure 1.4.1. Anti-corruption programme - Monitoring system
2-27 Compliance with laws and regulations	3.3.1 Responsible communication to customers 4.1.1 Key issues and commitments - Provisions and charges for environmental risks
2-28 Membership associations	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	
203-2 Significant indirect economic impacts	3.1. Communities: respect and contribution

GRI 204: Procurement Practices

204-1 Proportion of spending on local suppliers	3.2.3 Focus on local purchases and partnership with Agrisud
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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	

GRI CSR disclosures

chapter of the CSR Report 2022

GRI 303: Water and Effluents

303-1 Interactions with water as a shared resource

303-2 Management of water discharge-related impacts

303-3 Water withdrawal

303-4 Water discharge

303-5 Water consumption

4.3.1 Water (Consumption and issues by area of water stress, Actions to control water consumption, Wastewater treatment and management)
5.3.2 Environmental CSR indicators**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

304-2 Significant impacts of activities, products and services on biodiversity

304-3 Habitats protected or restored

4.5. Protecting biodiversity

4.2 Pollution and waste management
4.3.1 Water - Preventing contamination of soil and groundwater
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**GRI 305: GHG Emissions**

305-1 Direct (Scope 1) GHG emissions

305-2 Energy indirect (Scope 2) GHG emissions

305-3 Other indirect (Scope 3) GHG emissions

305-4 GHG emissions intensity

305-5 Reduction of GHG emissions

305-6 Emissions of ozone-depleting substances (ODS)

4.4.2 Reducing greenhouse gas emissions
5.3.2 Environmental CSR indicators

4.4.2 Reducing greenhouse gas emissions

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

306-3 Waste generated

306-4 Waste diverted from disposal

306-5 Waste directed to disposal

4.2.2 Waste management (Reducing and recycling waste, Managing special or hazardous waste)
5.3.2 Environmental CSR indicators**GRI 308: Supplier Environmental Assessment**

308-2 Negative environmental impacts in the supply chain and actions taken

3.2.1. Due vigilance in the supply chain
3.2.2 Responsible purchasing**GRI 401: Employment**

401-1 New employee hires and employee turnover

401-3 Parental leave

2.1 Employment
5.1 Additional information: social CSR indicators

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

403-5 Worker training on occupational health and safety

403-6 Promotion of worker health

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

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)
5.1 Additional information: CSR social indicators
2.3. Social dialogue (Summary of collective agreements)

GRI CSR disclosures

chapter of the CSR Report 2022

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	
404-3 Percentage of employees receiving regular performance and career development reviews	5.1 Additional information: Social CSR indicators

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
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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
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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
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GRI 409: Forced or Compulsory Labor

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
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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)
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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)
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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"> ▪ EAF market ▪ EAF opérations - <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	Hotel Day capacity for sale over a season or year Calculation: hotel capacity x days the village is open.
CMSAS	Club Med SAS
DEFRA	Department for Environment, Food & Rural Affairs (UK)
FTE	Full Time Equivalent. Employee accounting measure (different to Manpower which corresponds to the number of registered employees).
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
IEA	The International Energy Agency
SBTI	Science Based Targets
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.
WTO	World Tourism Organization (United Nations)

CLUB MED

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Société par Actions Simplifiée (simplified joint stock corporation) with share capital of 149,704,804 €

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