



Sustainability at Club Med A SHARED HAPPINESS



A long-standing commitment

Throughout its history Club Med has forged a strong belief: the moments of happiness that it offers to its guests are to be shared. They cannot be experienced either at the expense of others or of nature

For more than 60 years, the development of Club Med has been based on values and practices which reflect what we know today as sustainable development: building Resorts that blend in harmoniously in exceptional sites, being extremely vigilant with energy efficiency, saving, treating and recycling water, promoting renewable energy sources, controlling the water treatment and recycling techniques...

All of this combined with an ever-present desire to contribute to local development and the experience to bring together in harmony people of very different origins, religions, nationalities, and settings...

... And all along with a commitment to solidarity for over 35 years through the Club Med Foundation



A renewed approach

In 2005, Club Med decided to federate its responsible commitment by creating a Sustainable Development Department. Its priority is to understand the issues through strong bases, such as the first Life Cycle Analysis (LCA) of a vacation Resort. Its commitment: to encourage in-depth work to associate its initiatives with professional practices and to ensure their sustainability, through its "sustainable program.



In 2012, the Corporate Foundation has created* a new structure, "The Friends of the Club Med Foundation", in order to welcome financial donations from customers $(G.M^{\otimes})$, who are more and more willing to get involved in the contributive approach of Club Med Foundation.



^{*} Placed under the auspices of the King Baudouin Foundation

Club Med ∜ Sustainability

Club Med \$\psi\$ LA FONDATION ans

SPECIALIST
IN DREAM LOCATIONS,
AWARE OF THEIR FRAGILITY

WORLD PIONEER IN TOURISM,
FIRMLY BELIEVING
THAT IT MUST ACTIVELY
CONTRIBUTE TO LOCAL
DEVELOPMENT

INVENTOR OF G.O°, G.E° AND G.M°, ADVOCATING THE "HAPPINESS OF REVEALING YOURSELF"

MORE THAN 37 YEARS
OF SOLIDARITY
INVOLVING MORE THAN
2 000 COMMITTED G.0® AND G.E®









Pioneer of eco-construction

- Develop the eco-certification for the construction
- Promote green innovation

Leader of environmental management

 Obtain Green Globe Certification for 100% of Resorts

Accelerator of the transformation among G.O°. G.E ° et G.M°

- Develop Econature Resorts
- Raise the awareness of both children and grown-ups

Committed to respect its hosts

 Raise the respect for the host country and fight against the sexual exploitation of children in tourism site

Support the local production

 Encourage the local purchase and develop the local agriculture together with AGRISUD

Develop the talents

- Train to develop : Talent University
- Offer rich and diversified career paths

Committed to diversity & equal opportunities

 Mix people from different backgrounds to live and work together, only differentiated by talents

Convinced that happy G.0° & G.E° make happy G.M°

• Offer more than a job... a life experience

More than 140 projects, thousands of families supported around or Resorts and Offices thanks to the involvement of G.O.& G.E.

- Education
- Health
- Environment
- Worldwide Snack
- Sports Schools
- Gateways to Jobs
- Solidarity leaves
- Commitment of G.M with "Les Amis de la Fondation Club Med"



Eco-construction

Club Med is renowned for the landscape integration of its Resorts all over the world

PROTECTION OF BIODIVERSITY, FROM THE VERY BEGINNING

- Environmental impact assessments, conservation or reintroduction of native species
- Low artificialisation of soils, built-up surfaces cover only 7% of the total site surface (excluding snow resorts)
- Preservation of natural areas, including primary forests

DEVELOPMENT OF THE ECO-CERTIFICATION FOR THE CONSTRUCTION:

- High eco-standards
- An eco-certification sought for all new projects under construction

PROMOTION OF THE GREEN INNOVATION:

- Ecological treatment of water through Jardins Filtrants® in Albion Plantation, Yasmina and Guilin
- Optimized leading test of equipment through presence detectors in Opio (EDF « smart energy» award)
- Swimming pools purified by plants in Guilin and Da Balaïa
- More than **1,000 ha** of primary forest are preserved (Rio das Pedras +Cherating)
- ▶ Valmorel, first hotel certified with France HQE label* Val Thorens Sensations certified with the THPE label ** in 2014
- Guilin, first natural swimming pool in China
- At Kani Finolhu Villas (Maldives) 6000m² of PV solar panels generates part of the electricity
- Creation of a BREEAM eco-certification referential specially adapted to a Club Med Resort
- * : HQE: High Environmental Quality
- **: THPE: Very High Energetical Performance





Sustainable management Objective: 100% of resorts GREEN GLOBE* certified

WATER:

- 100% of waste water is treated and in most cases recycled, 89% of Resorts have water flow reducers and 48% have drip irrigation
- **-25,5**% of water consumption reduction in hydric-stressed zones from 2010 to 2016 (in absolute term)

ENERGY AND CLIMATE:

- -3,3% of energy consumption reduction from 2010 to 2016 (in kWh / hotel capacity, Asia excluded) by renewing the equipment, conducting innovative actions and changing behaviors
- Reduction on the dependency on fossil fuels (see below)
- -14,9%: carbon emissions / hotel capacity from 2010 to 2017 in Europe, Africa and America.

• BIODIVERSITY:

- · Differentiated management of landscaped areas, choice of local and noninvasive plants, reintroduction of endemic species, elimination of chemical fertilizers and pesticide use, monitoring of biodiversity in sensitive Resorts
- Eco-responsible purchasing in sensitive products (charter for Wood since 2007, charter for Fishes since 2008, no overfished species since 2008)
- -64% reduction of paper consumption for "Trident" brochures since 2009, printed on FSC or PEFC certified paper since 2010

WASTE AND POLLUTION:

- Waste is reduced at source and selective sorting is applied in all sectors and staff is trained in the matter: 70% of Resorts monitor their waste
- Innovative recycling center at Cap Skirring (Senegal).
- Food waste: Club Med performs well in benchmarks, with 101g/meal, thanks to multiple good practices (gathered in a manual in 2014)

PROGRESS MEASURED with "Tech Care", a sustainable reporting system

▶ 77% of Resorts are « GREEN GLOBE»* certified



- Vittel, 2nd golf course with « GEO™ » eco-certification in France
- 21 Resorts already distinguished by the EcoLeaders label of TripAdvisor® for their eco-friendly management



- **57%** of resorts (excl.snow Resorts) use **recycled water** for irrigation
- 2% reduction in fuel fossil consumption since 2010
- ▶ 16% of electricity derives from renewable sources
- 43% of resorts are free of chemical fertilizers and pesticides



^{*} International sustainable tourism certification





RESORTS ECO NATURE BY CLUB MED

 Set out in exceptionally beautiful and well-preserved natural sites, fully integrated into their environment (certified by an eco-label) and offering outstanding nature experience

SENSIBILISATION OF THE CLIENTS

- G.M are encouraged to follow the eco-attitudes introduced in the welcome message, information panels, and Tv programs broadcasted in their rooms. They are invited to inform the staff if they do not need to have their towels washed everyday
- Many Resorts organize or accompany local projects to protect the environment
- "Clean-up the beach" operations are run in several Resorts
- In 7 Resorts on 3 continents, marine turtles are protected according to the guidelines provided in the "Very Important Turtles Kit"
- In Brazil and in Maldives, Club Med works on coral reef protection and invites G.M to sponsor replantation of coral plants
- Carbon offset is proposed to G.M in France since 2008 and in the US since 2009
- Awareness in the fight against food waste through a poster "Food waste: Let's review together the options ..."



ACTIVITIES FOR CHILDREN RELATED TO NATURE:

- Happy Nature Box animation kits and Clean Art Planet workshops (artworks for children with the plastic waste materials washed up from the sea) offered in all 4 and 5-Tridents family Resorts
- "Super Radish" programs sensitize children to healthy and responsible **nutrition**
- Pedagogical Gardens (in Bali, Marrakech, Opio, La Palmyre, Guilin,...)
- Smartphone Application « Club Med Play » to discover Resort's natural and cultural heritage

G.0® & G.E® TRAINING

- More than **10,000 G.O**® **& G.E**® **trained** to global issues and environmentally friendly practices in their profession as part of the Green Globe process
- **2 eco-nature Resorts:** Cherating Beach (Malaysia) and Rio Das Pedras (Brazil)
- 19 Resorts have partnerships with local environmental protection associations
- Partnership with "Expedition MED", a scientific expedition on plastic pollution in the Mediterranean, since 2010
- Clean Art Planet activities for children in most Mini Club Med http://www.cleanartplanet.org/





Committed to respect its hosts

The respect of the host country and its population is one of the founding principles and traces of Club Med. It can be found as far back as in the 1952 Club Med Trident brochure: "Whether it be in Italy, Yugoslavia or Greece, Club Med must represent good manners, politeness, sociability and impeccable behavior"...

PREVENTION OF CHILD SEXUAL EXPLOITATION BY WORKING WITH THE ECPAT ASSOCIATION, SINCE 2005:

- Using internet and mails to raise awareness among G.M[®] travelling to sensitive countries
- Supporting **in situ** associations helping homeless children (social and family reinsertion)

SENSITIZATION OF THE G.M:

- Information about eco-attitudes
- Responsible Traveler's Charter since 2008 (inviting guests to discover and respect the people, the nature and the culture of the region, and contribute to the local economy)...
- Campaign against fake goods shopping



RAISING AWARENESS OF SUPPLIERS AS WELL:

- Since 2006, suppliers of Club Med are invited to share the values of the group by accepting a new ethical clause in their contract. This includes: respecting Human Rights, discouraging all degrading actions (moral and sexual harassment), preventing child labor, refusing all forms of discrimination (sex, race, religion and politics), contributing to the environmental protection
- Membership since 2015 in the Social Clause Initiative group (ICS) to increase skills on topic concerning human rights in the supply chain and to pool supplier audits benefiting from the repository and the ICS experience

THE ETHIC CHARTER:

- Displayed to all G.O[®] and G.E, to emphasize the Club Med values and the importance of respect given to the communities hosting our Resorts
- More than 800 000 ECPAT flyers sent to French, Belgian and Swiss G.M[®] with their travel documents (since 2005)
- ecpa†
- Responsible Traveler's Charter proposed in more than 75% of the resorts
- Signatory in 2015 of the Global Code of Ethics for Tourism (the first French actor of tourism who signed it)
- The Discovery Circuits by Club Med labeled ATR (Agir pour un Tourisme Responsible / Acting for Responsible Tourism) in 2017









Supporter of local development

The mere presence of a Club Med Resort on its territory automatically brings economic and social benefits to a region, in particular through local employment, know-how transfers, purchases,... It is the Club's aim to go further, and to strive to maximize and extend these benefits

HELP THE LOCAL SMALL-SCALE SUPPLIERS, WITH AGRISUD

- This partnership aims to support the TPE (as very small enterprises in French) to develop in a viable and sustainable way nearby Club Med sites. The projects embodied in Brazil, Senegal, Morocco, Tunisia and Indonesia related to agricultural activities present many advantages: reinforcing local purchase, agro-ecological practices, fresh and local quality products, consolidating the growers' economic independence, reducing the carbon footprint, promoting human exchanges between producers and clients
- In Cap Skirring (Senegal), this partnership offered 24% of vegetable supplies for the Resort, in 2016
- Worldwide, 37 tons (2017) of agro-ecological products are purchased from local farmers thanks to the project and 407 growers were empowered in the technical, agro ecological, and commercial domains

SENSITIZATION OF THE CLIENTS

 to relocalisation of agriculture, through sales of books including recipes and portraits of farmers-suppliers

CO-FINANCING AN AGRO-ECOLOGY MANUAL

- Under the partnership with Agrisud, this tool targets families and co-operatives structures in Southern countries and aims to contribute to the up skilling of local producers in sustainable agriculture
- **90%** of goods purchased by the Resorts come from local (national) suppliers
- **75%** of resorts' jobs are occupied by local employees
- More than 400 Very Small Enterprises supported by Agrisud
- ▶ Golden award for responsible supply at « Trophées Décision Achats 2013 »
- Winner of the «Moroccan Sustainable Tourism Award in 2014» in the economic and social develoment category
- Winner of the Worldwide Hospitality Awards 2015 in the category "Best initiative in social responsibility and sustainable development"





Developer of talents, offer a life experience

DEVELOPPING SKILLS

- 25 "Village Training Coordinators" and 130 permanent or occasional trainers
- Talent Campus in France and Asia bring together 1 200 trainees all over the world every year
- The "Manager by Club Med" program develops and consolidates managerial practices, as well as the ability to increase the motivation and well-being of teams: around 200 managers per year received a 4 days' training since 2011
- More than 200 degree training and graduation curricula available for G.O and G.E
- More than 150 G.Os from all offices and agencies around the world, trained on leadership and personal development topics

RICH AND DIVERSIFIED CAREER PATHS:

For example, in 2017:

- 20% of G.O changed position from one year to the next
- 26% of G.O & G.E changed country of work
- In Europe, an original mobility program enables the non-EU G.O and G.E to link up a summer season in the South resorts with a winter season in French Alps resorts



LIFE EXPERIENCE AND EMPLOYABILITY:

 93% of respondent G.O & G.E consider that they "benefited of a rich professional experience", 97% that they "benefited of a rich personal experience", 63% found a job within 3 months after Club Med *

IN DEPTH LISTENING OF TEAMS

- Since 2014, an **internal barometer** called "Voice" is proposed to G.O and G.E. It is translated into **20 languages** (including an innovative **audio version** for those with reading problem)
- Around **50 questions**, dealing with what triggers well-being at work
- Response rate of 69% for the 2016 Resorts campaign (+14 pts vs 2014) and 73% for the Offices.
- **15 300** G.O & G.E trained in 2017 83% of G.O & G.E working in resorts received training sessions within two years
- 90% of ex G.O & G.E would recommend Club Med, for the professional and life experience*
- ▶ 89% of G.O & G.E are satisfied or very satisfied with working at Club Med**
- ▶ 92% of G.O & G.E say they are **proud** to work at Club Med **
- 92% of G.O & G.E feel involved in their work**

*Survey conducted in 2016 with 1 078 G.O & G.E who had left Club Med between 2012 and 2015.



^{**}Internal Voice Barometer 2016



Diversity and non-discrimination

PREVENTING DISCRIMINATION:

- 100% of Resort Managers and around 80% of the Service Manager and come from internal promotion
- In the resorts, **higher rates** of training and mobility for **women** than for men
- Club Med signed the Diversity Charter since 2004
- Objective hiring methods, training/raising awareness about diversity and nondiscrimination
- · Agreement on the employment of seniors and on professional gender equality

DIVERSITY:

- 55% of Resorts have **15 or more nationalities** among employees.
- Up to 25 nationalities in some resorts
- Specific trainings about management in multicultural environment



In France, 2017:

- 4.7%: employment rate of disabled people (subcontract included)
- 42 persons hired in 2017 and 133 disabled workers employed
- ▶ 93% of G.O & G.E consider Club Med knows how to make people from different cultures and backgrounds live and work together*
- ▶ 105 different nationalities in the 67 Resorts More than 8 nationalities in 90% of them
- 100% of resorts managers come from internal promotion, for 60 years
- **44%** of the leadership committee members are women (2017)
- Employment and insertion of disabled workers: the number of beneficiary units has more than doubled since 2008



^{*} Internal Voice Barometer 2014 - 9617 respondents



ClubMed 华 LA FONDATION

40 ans

G.O & G.E commited in solidarity

The Club Med Corporate Foundation, which was founded in 1978 by Gilbert Trigano, aims to facilitate the volunteer work of its employees in favor of solidarity initiatives as well as the recycling of Club Med's equipment that can be of use to the associations. As a pioneering foundation in skills-based sponsorship, it now exclusively supports projects in which employees can get involved.

Thus, every year, more than 2,000 voluntary G.O and G.E take action, under the supervision of the foundation, in the areas of childhood, social welfare, education and integration through sport, or even sustainable development, in the vicinity of the resorts or the offices, throughout the world

IN THE OFFICES:

Actions are being taken in dozens of offices and headquarters, over 3 continents:

- Lasting actions: such as paying visit to sick children in hospitals, providing school support and assisting young students or graduates from disadvantaged neighborhoods...
- One-shot actions: charity sales, toys picking initiatives...
- Solidarity leaves: teaching French and English, computing...

Priority is given to **improvement of education and living conditions of children** from disadvantaged neighborhoods:

- 54 Education Programs: long-term support initiatives in local schools and orphanages in 19 countries
- 8 Sports Schools in 6 countries: children are welcomed on a regular basis in the resorts to receive sports lessons
- Gateways to Jobs: seek to create job-related courses within the Club Med for the young people who are being monitored by the neighboring partner associations.
- In 2017, for the 18th Worldwide Snack, 37 resorts received more that 2 700 children for joyful and dreamlike moments (shows, games, fairs, ...)
- Since 2013, the Foundation also support projects related to the environment to secure, for instance, access to water with Agrisud in Morocco and Senegal

More than 140 projects and thousands of families supported

- ▶ Almost 1,660 volunteer G.O and G.E in 2017, i.e. around 12 000 hours, 64% of them during working hours
- 2,700 children involved in 2017 at the 18th worldwide snack
- ▶ 8 Sports Schools
- **83%** of the Foundation's endowment goes directly into the projects
- Projects in 19 countries



LES AMIS DE LA FONDATION Club Med [‡]

Géré par la fondation Roi Baudouin (Belgique)

Inspiring G.Ms to take action in solidarity

"Les Amis de la Fondation Club Med" ("Friends of the Club Med Foundation") has been created in order to receive financial donations from Club Med clients. It is operating under the aegis of the King Baudouin Foundation, in Belgium, which is a guarantee of professionalism and reliability. This structure allows donators to benefit from tax deductions in France and in most of the European countries.

In addition, the "Foundation Corners" are available in the resorts to collect from the G.Ms equipment and material donations they wish to give to the institutions and schools supported by the Club Med Foundation in the vicinity

SOME ASSOCIATIONS SUPPORTED BY « LES AMIS DE LA FONDATION »:

- Agrisud International
- Association Petits Princes (France)
- Make-A-Wish France (France)
- Association Club 41 (Maroc, Marrakech)
- Orphelinat Dar Ettalib (Maroc, Agadir)
- World Vision (République Dominicaine, Punta Cana)
- Association Casamasanté (Sénégal, Cap Skirring)
- Association Futur au Présent (Sénégal, Cap Skirring)
- Aide et Action (Sénégal, Cap Skirring)
- Terre de Paix (Ile Maurice, La Plantation d'Albion)
- 19 projects in 12 countries in 2017
- 151 000€ collected in 2017 by "Les Amis de la Fondation"
- 98% of the donation collected by "Les Amis de la Fondation Club Med" go directly into the projects

www.ClubMedFoundationFriends.com





Sustainable Development at Club Med

A SHARED HAPPNIESS

Agnès WEIL Sustainability and Sponsorship Director agnes.weil@clubmed.com +33 1 53 35 33 13

Laetitia LAURENT
Sustainability and Sponsorship Communication Manager
laetitia.laurent@clubmed.com
+ 33 1 53 35 39 39

Florian DUPRAT
Certification & Sustainability Projects Manager
florian.duprat@clubmed.com
+ 33 1 53 35 35 47

Bénédicte VALLAT
Sustainability Monitoring and Projects Manager
benedicte.vallat@clubmed.com
+33 1 53 35 31 53

Florence QUESSON
Mission Handicap Manager
florence.quesson@clubmed.com
+ 33 4 72 83 28 87

Nathalie PROST Corporate Foundation Operations Manager nathalie.prost@clubmed.com + 33 4 72 83 28 76

