

Groupe
Pierre & Vacances
CenterParcs

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DOCUMENT 2019/2020

Including the Annual Financial Report



EXTRA-FINANCIAL PERFORMANCE DECLARATION

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4.1 A Group committed to responsible tourism

4.1.1 A reaffirmed role for the CSR approach

4.1.1.1 A CSR approach integrated into the new strategic plan

The year was marked by two major elements: a transformation plan announced by General Management at the end of January 2020, accompanied by the affirmation of the Group purpose, and the health crisis which severely affected the economy as a whole and the tourism sector in particular.

The "Change Up" transformation plan⁽¹⁾ rests on three pillars:

1. growth, driven by the optimisation of our existing assets (review of site performance, upgrading of the tourism offer, etc.) and by targeted development at Center Parcs and Pierre & Vacances mountain facilities;
2. efficiency, with the creation of autonomous Business Lines, integrating their own support functions, and a lean holding company focused on corporate functions, in support of the Business Lines;
3. Our values, with an emphasis on our social and environmental responsibility and the affirmation of the Group's purpose "We are the European leader in local tourism, committed to helping people get back to basics in a protected environment", demonstrating the major contribution of the CSR approach to the stated vocation of the Pierre & Vacances-Center Parcs Group.

The place of the CSR approach has been reaffirmed in this new plan. This is on two levels: on the one hand, it contributes to the Group's overall value creation in terms of its non-financial performance by addressing all of its employment and societal challenges; on the other hand, the CSR policy supports the strategic axes of this plan through specific commitments such as the systematic certification of all new real estate projects, the Green Key labelling of 100% of the Pierre & Vacances premium residences or the launch of the awareness-raising campaign for customers of the maeva.com campsites.

Moreover, in the particular context of this financial year, the CSR approach undertaken by the Group for several years has demonstrated that it contributes to its resilience. Faced with the health crisis linked to the COVID-19 epidemic, the processes in place within the teams, their commitment, and the attention paid to employees, were all assets in meeting the challenge of this exceptional situation, the consequences of which were particularly difficult in the tourism sector. See section 4.4.2.

A Group purpose

At the end of 2019, the Pierre & Vacances-Center Parcs Group launched a reflection on its Group purpose, a challenge at the heart of its strategy and its ecosystem. This reflection enabled the Group to create a strategic, structuring and engaging foundation, and initiated the change management process included in the "Change Up" transformation plan.

To achieve this, a collective approach through interviews was undertaken with our employees and stakeholders (journalists, directors, investors).

This collegial work has enabled us to define our purpose which rests on 3 pillars: local tourism, a return to basics and the preservation of the environment.

"We are the European leader in local tourism, committed to helping people get back to basics in a protected environment."

In September 2020, the integration phase was launched with the organisation of 4 "ambassador" workshops within each brand and the holding company. It consisted in establishing an evidence base and the actions to be considered for the implementation of the purpose at the brand level.

The completion of this project is scheduled for early 2021 and will be materialised by, among other things, a manifesto, a roadmap for the Holding Company and the Business Lines.

4.1.1.2 Governance and organisation of the CSR approach

The CSR policy is managed at the highest level of the company:

- ◆ at the level of General Management: the CSR Department reports directly to Group General Management;
- ◆ at the level of each Business Line: drawing up an annual roadmap with the Business Line's CSR focal point and bimonthly or quarterly monitoring of their progress in the operational committee.

Furthermore, CSR governance has been extended to the Board of Directors with the creation, on 14 December 2020, of a CSR Committee consisting of 3 members of the Board. In addition, two employees were elected employee representatives to the Board of Directors in November 2020.

(1) More information in the press release "CHANGE UP STRATEGIC PLAN", available on the Group's website: <http://www.groupepvc.com/>

Operational governance

The CSR Department, which reports to the General Management, is responsible for defining the Group's CSR strategy and actions, supporting the Business Lines in the definition and implementation of roadmaps, and overseeing non-financial reporting at Group level. The Change Up plan has made it possible to refine and formalise this organisation and to extend it to all Business Lines. Moreover, new focal points have been identified for some of them: Pierre & Vacances Spain, maeva.com, Individual Owners Department, Pierre & Vacances Développement, Développement Center Parcs BNG (Belgium/Netherlands/Germany), Construction & Maintenance Center Parcs BNG⁽¹⁾. The existing focal points within the Business Lines Pierre & Vacances France (a duo consisting of one person in marketing and the person in charge of managing water and energy consumption), Center Parcs Europe (a country director who is also responsible for the CSR approach with two dedicated employees) and the Purchasing Department (a buyer in charge of the responsible purchasing approach) remain unchanged.

4.1.1.3 A CSR approach creating shared value based on 4 axes

The aim of the CSR approach is to guide the Group towards a creation of value shared by all its stakeholders. It is based on an analysis of employment, societal and environmental issues, and aims to respond to both the CSR risks and opportunities identified for the Group (see section 4.1.4).

The Group's CSR approach is structured around four main areas, which are backed by specific commitments:

- ◆ develop a culture of responsible entrepreneurship, with a HR policy aimed at maximising employee commitment, offering them the best working conditions and professional development, and implementing a responsible purchasing approach;
- ◆ make sustainable development a lever for enriching the customer experience by leveraging the assets of the regions where the Group operates and by raising the awareness of customers of the challenges facing the planet, with the following commitments by 2022:
 - roll out a responsible catering charter with our catering partners,
 - have our sites labelled to attest to our commitment among our customers and mobilise teams,
 - offer a nature activity on 100% of our Domaines Center Parcs Europe and in all the children's clubs of Pierre & Vacances in metropolitan France;
- ◆ create value in the regions where the Group operates through a local inclusion approach aimed at contributing to the economy and social life of the regions with the following commitments:
 - monitor our purchases during the operating phase and make specific commitments for each new major project, such as a target of 70% of purchases made from the region for the work on the next Center Parcs under construction in Lot-et-Garonne, and 65% of people recruited from among job seekers,
 - provide an offering of local and authentic activities on all our Domaines and residences;

- ◆ limit our environmental and carbon footprint by taking steps to:
 - reduce our water and energy consumption with commitments made for the Pierre & Vacances and Center Parcs brands,
 - have 100% of our new real estate projects ecocertified and equipped with a renewable energy source,
 - work to reduce carbon emissions related to our activities with a view to defining a 2°C trajectory for the Group,
 - maximise the sorting of waste generated on our residences and Domaines,
 - preserve the biodiversity of our sites with specific commitments for each new site, and define a biodiversity management plan for 100% of the Domaines Center Parcs.

These commitments are taken up at each Business Line, whether it is a support business or a pillar brand of the Group, and adapted to their specificity. An operational roadmap is co-constructed by the CSR Holding Department and the Business Lines Pierre & Vacances France, Pierre & Vacances Spain, Center Parcs, the Individual Owners Department, Maeva.com, Pierre & Vacances Développement (development and construction of real estate projects in France, all brands), Construction & Maintenance Center Parcs BNG and Développement Center Parcs BNG. It is based on the Group's commitments, the "fundamentals" described above, as well as other projects specific to each Business Line.

For the Group's two pillar brands, Pierre & Vacances and Center Parcs, the initiatives are respectively called "Let's do more together" and "Naturall", and are made up of the following commitments:

"Let's do more together" – Pierre & Vacances:

- ◆ have premium residences and villages located in metropolitan France labelled Green Key 100%;
- ◆ provide a Nature activity in all the children's clubs in the villages;
- ◆ reduce water and energy consumption by 5% by 2024 (vs 2019);
- ◆ set up a responsible catering charter with catering partners;
- ◆ abolish the use of agrochemical products for the management of green spaces;
- ◆ raise customer awareness of the challenges facing the planet, in particular through on-site communication;
- ◆ engage employees to be players in the CSR approach.

The "Naturall" approach – Center Parcs proposes to combine the protection of "Nature" and "all" :

- ◆ protect and enhance the natural capital of our sites, as well as defining a biodiversity management plan;
- ◆ reduce water and energy consumption by 25% by 2022 (vs 2010);
- ◆ achieve a 60% waste sorting rate in operations by 2022;
- ◆ be a responsible employer;
- ◆ raise our customers' awareness in an entertaining and playful way;
- ◆ contribute to local socio-economic development;
- ◆ engage our teams in environmental protection.

The maeva.com approach was launched this year with a first founding project: the environmental label (see section 4.2.1.1).

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(1) The Senioriales and Adagio entities are not part of the scope of the CSR approach – see methodological note.

4.1.1.4 Recognised non-financial performance

The Group is, for the 11th year in a row, one of the companies selected for inclusion in the Gaia-Index 2019 (the Gaia-Index 2020 index had not been published at the date of publication of this document), and retains its place in the top 20 of the index, ranking 16th out of 230 companies. This ranking demonstrates the Group's non-financial performance in relation to other SMEs and intermediate-sized businesses listed on the French stock market.

The Group has been awarded a B rating by CDP Carbon 2020, a clear improvement compared to the previous year (D). The work carried out on climate change in 2020 by the Group made it possible to respond more precisely to the CDP 2020 questionnaire and to provide quantified estimates for the various items in the rating scale.

Since 2014, the Group has also been eligible for listing on the Ethibel Excellence investment register and its CSR performance was judged better than average in its sector. Moreover, the Group regularly responds to ratings agency questionnaires, giving investors access to detailed external analysis of the progress of its CSR policy and initiatives undertaken. In addition, the Group was rated AA in the MSCI index.

4.1.2 Our business model

The business model is described at the beginning of the URD, see section 1.1.4.

4.1.3 Listening to our stakeholders

The Group's sustainable development policy is designed to meet the expectations of our stakeholders, with whom we have specific channels of communication and dialogue:

- ◆ customers (nearly 8 million customers): satisfaction questionnaires, presence of teams on site, social networks and advice sites, dispute tracking service, etc.;
- ◆ employees (nearly 12,600 employees): intranet, satisfaction surveys, company agreements, individual interviews, etc.;
- ◆ shareholders: Shareholders' Meeting, roadshow, one-on-one meetings, socially-responsible investment (SRI) questionnaires, etc.;

- ◆ owners and institutional investors: website and online customer relations, co-owner meetings, follow-up of disputes;
- ◆ suppliers: individual meetings, questionnaires, call for tender, audits, etc.;
- ◆ public and local authorities: dialogue, consultations, public meetings, steering committees, etc.;
- ◆ civil society (local residents, associations, etc.): working groups/workshops, public meetings, advisory committees, website, partnerships, etc.

4.1.4 Our main non-financial risks

In 2018, the Group conducted an internal study to assess its main non-financial risks. Each risk was assessed according to its impact, likelihood of occurrence and level of management by teams. The main non-financial risks are listed below in order of priority:

- ◆ priority issues: land search, access to water resources in areas under water stress, anticipation of the consequences of climate change on the business;
- ◆ major issues: management of the risk of water pollution and deterioration of natural environments, quality of relations with owners, recruitment and development of the skills of teams, waste management;

- ◆ important issues: quality of relations with our local stakeholders and our customers, health and safety of our employees, management of energy consumption and energy fares.

The CSR strategy, based on the 4 pillars set out above, is structured to respond to these CSR risks through policies established at Group and Business Line level. The impact of these policies is monitored using Key Performance Indicators (KPIs).

4.2 Making sustainable development a lever to enrich the customer experience



For 50 years, the Group has been offering its customers stays in exceptional places in the mountains, at the sea or in the countryside with the Pierre et Vacances residences and the Domaines Center Parcs, but also in the city with the Adagio aparthotels⁽¹⁾. The 8 million customers who visit our sites are major stakeholders in

our CSR approach. We wish to involve them in our efforts to limit our environmental impact, but we also aim to make this stay a moment to make them aware of the challenges facing the planet and help them discover the richness of each region.

4.2.1 Provide a nature-oriented vacation experience

4.2.1.1 Highlighting the natural heritage of our sites and raising customer awareness of environmental preservation and eco-gestures

One aim of the Pierre & Vacances and Center Parcs brands is to increase the number of fun and educational activities focused on nature and the regions. The teams offer nature-based activities, either alone or in partnership with associations. The Group also offers activities to discover the region through the RendezVousChezNous platform for the Pierre & Vacances brand and by acting as a relay for the tourist offices at the Center Parcs.

Context

Following the example of the Hévana residence opened in December 2019 in Méribel in the heart of the Domaine des 3 Vallées, the Pierre & Vacances residences and villages are located in a wide variety of destinations, often in the heart of natural environments (mountains, seaside, countryside) while the Domaines Center Parcs are most of the time located in forest areas. The Group's ambition is to make the most of this natural capital and to help its customers discover it.

Governance

The Pierre & Vacances and Center Parcs Marketing teams are in charge of the operational implementation of the roll-out of nature activities, and activities focused on the regions.

Policy and action plan

One aim of the Pierre & Vacances and Center Parcs brands is to increase the number of fun and educational activities focused on nature. The teams offer nature-based activities, either alone or in partnership with associations.

Showcasing natural heritage and encouraging customers to preserve the environment

Center Parcs

The link with nature is an undeniable asset that the Group wishes to continue to enhance in its range of activities for families. Thus, Center Parcs continues to develop the range of Nature activities offered in these Domaines in Europe. There are more than 80 of them to date, such as: "When I grow up, I wanna be an animal keeper", an activity offered at the Domaine du Bois aux Daims, the raccoon feeding session at the Center Parcs De Huttenheugte in the Netherlands, or the discovery of a farm at the Center Parcs Hoch Sauerland in Germany.

The Domaine du Bois aux Daims, a biodiversity reserve

On this 86-hectares Domain, immersion enclosures have been designed to offer clients a privileged observation of their surroundings from their cottage. At the heart of the Domaine, a 10 hectare animal centre shelters species from our forests: from observation points or along footpaths, our guests can observe the life of deers, bucks, wild boars, etc.

In 2019, two new "Nature" activities were offered to our customers:

- ♦ "Discovering the Pond" which makes it possible to discover the fauna and flora of the wetlands and more specifically the marbled newt and the crested newt;
- ♦ "The secrets of the Sanctuary" which consists of a stroll through the 35 hectares of the Sanctuary (protected natural area) that leads to a discovery of the different environments and ecosystems that compose it, including: the forest trails with scabious flowers, the forest environment, the ponds, the clearings.

(1) Adagio is excluded from this reporting scope – see methodological note

Concerning animal welfare, an inventory of practices and recommendations was carried out in partnership with two veterinary schools over the past year. The Kid's Farm teams from all the Center Parcs France facilities have undergone training aimed at harmonising and improving practices for caring for the animals. This approach is part of a process of continuous improvement of our operational risk management system.

Pierre & Vacances

In 2019/2020, Pierre & Vacances broadened its range of activities to include raising awareness of nature protection by extending the number of activities offered in children's clubs. Thus, for children from 3 to 11, 4 activities were offered: Gardener, Farmer, Adventurer, Circus. For example, the Adventurer activity is a treasure hunt during which at least two clues take into account the richness of the village's fauna and flora (local plants, educational beehives). As for the Circus activity, it includes raising awareness of species protection.

maeva.com

In order to meet the aspirations of our customers who are increasingly concerned about the environment, maeva.com and the Ecolodges "L'Etoile d'Argens" have joined forces to develop a "sustainable outdoor hotel" offering that is unique in France. The goal is to open 20 "maeva.com – Ecolodge" establishments by 2025. This new concept of "organic and eco-designed camping" offers quality accommodation fully integrated into its environment.

maeva.com is committed to the environmental signage of its affiliated campsites

During the year, maeva.com deployed the environmental display (or "Environmental Label") on 11 affiliated campsites (100% of the range). 8 audits were conducted this year, and the next 3 will be held before the summer of 2021. This initiative, supported by ADEME and the Ministry of Ecological and Solidarity Transition, enables campsites to measure their carbon impact, their water and energy consumption and the proportion of organic and eco-labelled products used. An environmental label results from these calculations. The latter is posted on sites and communicated to clients to raise awareness. The campsites concerned are committed to a sustainable transition process to protect our ecosystems and fight against climate change.

Encouraging environmentally-responsible behaviour during stays

Pierre & Vacances has disseminated "eco-tip" stickers in all Pierre & Vacances units in France and Spain to remind customers to sort waste, close windows when the heating or air conditioning is on, save water, etc. The brand's improved CSR standards also enable these criteria to be incorporated into its service system (use of environmentally-friendly cleaning products, reusable tableware or failing this, tableware made of cardboard or other biodegradable materials for meetings, option to compost organic waste on some sites, etc.).

Results

- ◆ 100% of our Center Parcs sites offer Nature activities.
- ◆ 5,385 children registered for Nature-oriented activities (Gardener/Farmer, Adventurer and Circus themes) in the 7 Villages Pierre & Vacances having set up these activities (over the period July-August 2020).

4.2.1.2 Enhancing stays with local experiences

In order to enhance the value of the regions in which our residences are located, Pierre & Vacances relies on the RendezVousChezNous platform, which offers more than 3,200 atypical activities, to broaden its offer. A selection of "Green" activities focusing on the discovery of natural heritage, ethical and responsible practices and local know-how is available on the site. As an example, we can mention the organic cosmetics manufacturing workshop in Noisy-le-Roy, or the waterbike orienteering course in Navarrosse. The objective is to provide our clients with unique experiences in various fields (arts and crafts, gastronomy, sports, oenology, etc.).

4.2.1.3 Acting with our partners to promote sustainable and healthy diets and the fight against the use of single-use plastics

Context

The customer experience is at the heart of our CSR approach. The catering offer offered on our sites, although managed by partners, is a major part of the experience we offer our customers. These are increasingly concerned about the environmental footprint of their food. We aim for this offer to be in line with our CSR commitments: to promote the value of local expertise and products from sustainable food chains.

Governance

The policy and action plans described below are managed by the Group CSR Department in consultation with the teams working with catering service providers (marketing teams from Pierre & Vacances France and Pierre & Vacances Spain, and the CSR team from Center Parcs) of the Business Lines.

Policy and action plan

Center Parcs

The Center Parcs sustainable catering policy is based on 7 priority areas:

- ◆ food quality;
- ◆ waste sorting and reduction;
- ◆ banning single-use plastic;
- ◆ The health of our employees through a healthy food choice ;
- ◆ raising the awareness of our employees and our customers;
- ◆ partnerships with local associations;
- ◆ the requirements of the Green Key certification.

A catering charter including these elements has been established with our catering partners. It will be applied to all items over the next year. With regard to the quality of the products served, this charter includes the following commitments: offer a vegetarian option at every meal in all restaurants; serve eggs from free-range chickens and commit to 100% of the chicken meat supplied to its sites in the Netherlands and Belgium coming from farms and slaughterhouses that meet all the criteria of the *European Chicken Commitment* by 2026; offer fish from responsible supply chains (MSC or ASC) and ban certain endangered species; promote the purchase of local products (at least one per meal, per restaurant) and fair trade products (coffee, tea or chocolate).

Regarding the use of single-use plastic, the restaurants at our Center Parcs sites no longer use plastic food straws, cups, cutlery, stirrers, bags and containers. Measures related to the health crisis led to the return to certain single-use plastics when the sites reopened in the summer. However, a major practice has been tested and extended to all Center Parcs France sites: the replacement of single-use containers with a reusable crockery system for "delivery" (dishes delivered in cottages).

Pierre & Vacances

On Pierre & Vacances sites with the Green Key label, an approach is already in place for a catering offer with fair trade products and local products at the breakfast buffet. In addition, work has been launched with the catering partner at all sites in France on subjects related to the offering (broadening the references of organic products, vegetarian menus and those responding to specific diets), and local supplies. This work will continue next year.

At the Spanish sites, the Group has banned plastic cups, cutlery and plastic food containers for alternatives based on vegetable matter.

Results

- ◆ Drafting and validation of the responsible catering charter with Center Parcs' catering partners.

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4.2.2 Putting customer satisfaction and safety at the heart of our priorities

4.2.2.1 An innovative eco-system to enhance the customer experience

The Group puts the customer at the centre of its operations to facilitate the on-site experience. To support this policy, the Group's Innovation Laboratory has identified 2 key missions:

- ◆ cooperate with start-ups to build a personalised and fluid customer pathway (by testing new services via "Proofs of concepts");
- ◆ disseminating innovation, building a community of innovators (also called ambassadors) within the Group and across all departments.

In 2019/2020 this enabled a community of innovator of around thirty Group employees from a variety of professions to develop their skills. The Group's Innovation Department has created an environment to foster innovation in several ways:

- ◆ the organisation of two Inno Day a workshop and coaching session for the ambassadors;
- ◆ the holding of two thematic Demo Day (including one on sustainable development) in order to raise awareness about startups among the community of innovators, and more generally among interested employees, which could be the subject of experimentation;
- ◆ the "Innovation Breakfasts", whose objective is to inspire employees and develop their culture of innovation by highlighting a company's best practices (Google, CDiscount) in digital matters.

In addition to its employee training activities, the Innovation Laboratory has contributed to the development of 20 "Proofs of Concepts", 9 of which have been successfully implemented. Of these, 3 have been industrialised by our teams. As an example, the Innovation Unit tested the implementation of a chatbot on the Pierre & Vacances France website to answer the 5 most recurring questions about COVID-19. The aim of this experiment was to make it easier for our customers to search online and to ease the burden of the call centre, which has been particularly busy during the health crisis.

A Proof of Concept has also been developed to test the "gobox", a 4G wifi box, which provides a stable internet connection throughout France. This product made it possible to test the teleworking offer in 23 Pierre & Vacances residences in France. It was first tested among employees who had experienced teleworking on sites, and was then extended to our customers in August 2020. The aim of this service is to adapt to the development of teleworking by encouraging a mix of time and uses.

In the field of CSR, several reflections were carried out during the year concerning food waste, micro-donations and mobility. The micro-donation project is being implemented at a pilot site.

4.2.2.2 Driving customer satisfaction

Tourism customers

Governance

The Pierre & Vacances and Center Parcs Business Lines set up a process to evaluate and manage customer satisfaction. Within these two entities, teams are dedicated to the processing of customer satisfaction questionnaires that enable the monitoring of the Net Promoter Score (NPS)⁽¹⁾, the intention to return and overall satisfaction. The "Social Room" (responsible for social media interactions with customers) analyses scores left online. Sites receive a monthly report to notify employees of the things they are doing well and areas where the service could be improved.

Policy and action plan

The Net Promoter Score of the Center Parcs and Pierre & Vacances brands deteriorated this year due to the unique conditions linked to the health crisis (barriers to reopening sites, adaptation of our customers and teams, etc.).

However, in 2020, 135 Pierre & Vacances residences were awarded the TripAdvisor Travellers' Choice 2020 prize (which replaces the former TripAdvisor Certificate of Excellence): 38 Pierre & Vacances fungible-type residences, 3 timeshare residences, 1 franchised residence and 93 partner residences. The TripAdvisor Travellers' Choice award honours a selection of accommodations that consistently demonstrate a commitment to excellence in hospitality. About 10% of companies on TripAdvisor receive a Travellers' Choice award.

Results

- ◆ Pierre & Vacances NPS (all Pierre & Vacances, premium, villages, maeva.com brands): 18.1%, down 3.2 points compared to the previous year. However, this NPS score is up 1.3 points compared to the weighted average of the last 3 years (2017 to 2019), reflecting a long-term improvement in customer satisfaction. In particular, customer satisfaction with our residences and teams remains high.
- ◆ Center Parcs Europe NPS: -2.10% (vs 3.2% in 2018/2019) due to the particular reopening context linked to the health crisis.

Owner clients

Governance

The relationship with individual owners is handled by a team based at the Head Office, which manages all requests relating to the life of their property, and by locally-based management teams, which are responsible for managing part of the co-ownerships operated by the Group. As part of the Change Up plan, these teams report to a newly created division, the Individual Owners Department, which is also in

charge of marketing real estate programmes (Pierre & Vacances Conseil Immobilier). One of the missions of this department is to establish a fluid and quality relationship with the owners, at all stages of the life of their real estate assets: collection of rents, accounting assistance, management of ownership association through to the resale of their property when they wish to do so.

Policy and action plan

Personalising relationships with our owner customers

The Group's business model is based on the use of real estate owned by private and institutional owners. It is therefore essential for the Group to establish a long-term relationship of trust with these stakeholders.

Major efforts were continued this year to improve landlords' satisfaction with the responsiveness to their requests throughout the life of the lease, the organisation of their stays, the handling of disputes, and the fluidity of the procedure when renewing a lease via the digital platform. More than 93% of our owners use the website to carry out day-to-day operations and find the information they need. Our challenge is to further improve digital tools to simplify our relations and shorten our response times.

In terms of lease renewals, the 67% rate marks a pause this year. The leases of 3 residences were not renewed. This choice of another management method by the owners is very classic in the context of these 3 residences: the advanced age of the owners and the fact that this is the third renewal of their lease does not encourage them to maintain this management method. Outside these 3 sites, the renewal rate is 73%, close to the target of 76% set for this year.

A Group Development Director was recruited in September 2019 to specifically handle relations with institutional owners. He is also responsible for prospecting and participating in the negotiations of new real estate acquisitions and the search for investors.

In the context of the health crisis and the lockdown, the health emergency led the French public authorities to decide to close all places hosting the general public which were "not essential to the life of the nation", including tourism residences. As we were unable to use our owners' assets to operate them, the Group suspended the payment of rents during closure periods. At the end of its term, the rents were again paid.

The litigation rate for the year as a whole rose sharply as a result of the exceptional circumstances of the COVID-19 crisis (4.42%). Outside this period, it marked a 30% improvement.

Results

Owner satisfaction:

- ◆ processing of owner litigations took 3.1 days on average (1.9 days in 2018/2019);
- ◆ volume of owner disputes (number of disputes compared to the total number of owners): 1.21% outside the COVID period (1.72% in 2018-2019);
- ◆ lease renewal rate: 67% (83% in 2018-2019).

(1) The Net Promoter Score is the difference between the number of "promoters" and the number of "detractors" in response to the question: "would you recommend this site to your friends and family?".

4.2.2.3 Ensuring the safety of our customers

The financial year was strongly marked by the health crisis. The measures implemented by the Group to guarantee the safety of its customers and employees are described in detail in chapter "4.4.2.7 Commitment to health and safety".

In addition, the Group continues its "Sécuri-Site" labelling process for French sites, which certifies the implementation of a complete security system, both inside the park and around the site, as well as close cooperation with local authorities, particularly the national police force (the Center Parcs and most of Villages Nature® Paris are located in gendarmerie zones). Issued by the State, this label is

mainly based on prevention, exchange of information and preparation for crisis management (through security exercises with local gendarmerie teams). The Center Parcs Trois Forêts, Lac d'Ailette, Bois aux Daims, Hauts de Bruyères and Villages Nature® Paris sites are labelled.

ISO 14001 standards have been introduced at Center Parcs sites and a safety plan is in place at Pierre & Vacances to monitor customer safety. The accident rate is 0.002% for Pierre & Vacances and 0.001% for Center Parcs.

This accident rate refers to damages as a result of personal injury involving civil liability (above the insurance franchise) in relation to the number of customers (Center Parcs) and the number of units occupied (Pierre & Vacances).

4.3 Creating value in the regions where we operate



4.3.1 Favouring a development model with reduced environmental impact

Context

Land availability is one of the non-financial risks identified by the Group in the context of its property development business. The Group therefore rolls out a strategy that integrates this constraint to ensure its development in the countries where it operates (France, the Netherlands, Belgium, Germany, Spain).

Governance

The following action plans are implemented by the teams in charge of business development and the property development and construction teams.

Policy and action plan

In the design and development phase

The Group has implemented a growth strategy with three focus areas:

- ◆ broaden the tourism offer by relying on external growth through management mandate, marketing of partner sites and franchises. In terms of marketing, the Pierre & Vacances brand focuses on the development of new partnerships in local destinations in Europe. Pierre & Vacances also inaugurated its first 3 franchises in Corsica during the year.
- In Belgium, the "Terhills Resorts by Center Parcs" premium resort project, a medium-sized Domaine, will be managed under a management mandate (opening planned for mid 2021). In Denmark, this mode of development has also been adopted, with a first project at the conceptual finalisation phase and two projects identified in Scandinavia;
- ◆ capitalise on existing real estate by renovating our holiday residence portfolio, with an investment of nearly €400 million financed by the owner-landlords, and by launching extension projects on certain sites (Villages Nature® Paris);

- ◆ reduce the environmental impact of our real estate projects by:
 - choosing already partially artificial land, as is the case for the development projects Pierre & Vacances Téléphérique in Avoriaz (+36% of the additional land surface) and Aime-la-Plagne (+6% of the additional artificial surface) or for the two Center Parcs projects under development in Germany, located on former military grounds. Efforts are also being made to reduce the artificial surface area, such as for the Center Parcs project under construction in Lot-et-Garonne, notably with two-storey cottages (artificial surface area of 12%),
 - favouring projects to renovate existing buildings, such as two of the three projects under construction this year: the Capella project, a major renovation of a building in Avoriaz, and the Bâtiment des Douanes, rehabilitation of an apartment building in Deauville (see section 4.5.1.1),
 - taking into account the environmental issues of each plot of land, in particular by adapting the mass plan to sensitive areas. An environmental pre-diagnosis is done, for projects with more than 100 housing units and located in natural or unbuilt areas, in order to consider the environmental sensitivity of the sites prior to implementation. For instance, a black corridor housing an otter has been created on the Center Parcs Lot-et-Garonne. This corridor was protected during the construction phase and made inaccessible during the operation phase. 6 projects are under development this year in France under the Pierre & Vacances and Center Parcs France brands (Pierre & Vacances Aime-La-Plagne, Pierre & Vacances Flaine, the extension of Villages Nature® Paris, Pierre & Vacances Téléphérique Avoriaz, Center Parcs Jura, Center Parcs Saône et Loire), including 5 with more than 100 homes and located in natural or unbuilt areas. 3 of these projects and the 2 projects located in Germany have been the subject of a prior environmental study. For the Avoriaz cable car project: the land in the resort has been identified by the commune of Morzine-Avoriaz for tourist development, and an environmental study has therefore been carried out by the commune as part of the modification of the Local Urban-Planning Plan. In the same way, for the Aime-la-Plagne project, an impact study was conducted as part of the touristic development of the area.

Results

- ◆ Number of new destinations offered under franchise or management mandate: 3.
- ◆ Number of new affiliated campsites including Ecolodge campsites: 20 maeva.com affiliated campsites including 3 Ecolodge.
- ◆ Environmental pre-diagnoses carried out by the Group for projects under development > 100 units and located in natural areas: 5/7.
- ◆ Number of operations delivered on partially artificial sites: 0.
- ◆ Number of operations under construction on partially artificial sites: 2/3; under development: 4/8.
- ◆ Number of renovations in progress: 5.

Policy and action plan

In the operational phase

During the operating phase, the Group deploys an environmental safety policy and standards on the Center Parcs and Pierre & Vacances sites, aiming for zero accidental pollution of the natural environment (see sections 4.5.2.1 and 4.5.3).

4.3.2 Committing to the local economy

4

Context

In addition to being a simple tourist operator, the Group wishes to contribute to boosting the local economy in the regions where it operates. Our largest Domaines Center Parcs sites, employ up to 600 people in order to provide a full range of leisure activities, catering and maintenance services. More than 290 people (including the employees of our partners) will be employed by the Domaine des Landes de Gascogne (Lot-et-Garonne) which will open its doors in 2022. Mainly located in the countryside or in rural areas, Center Parcs are mostly far from major employment centers. The Group is therefore heavily dependent on the quality and availability of the local workforce while providing work and jobs across its entire supplier chain.

Governance

The teams in charge of development and the operating teams participate in the implementation of the local anchoring policy.

Policy and action plan

The Group positions itself as a player in the development of the local economy. During the construction phase, the Group favours local businesses. Prior to opening, employees work with local economic players (Department, Region, job centre) to release job vacancies on the new site and we train future employees in the skills required to work in the tourism sector.

In the construction phase

For the Lot & Garonne Center Parcs which is currently under construction, initiatives are in place to boost the local economy, prior to project delivery. Set up in 2019, the employment committee met several times this year in order to put in place the optimum

conditions for finding employees with a view to their subsequent training and recruitment. The purpose of this committee is to guide and decide on employment and training decisions, to draw up an inventory of manpower needs, to facilitate the provision of resources and the establishment of relations with multiple partners for recruitment, to activate the levers necessary to prepare the operation of the site.

The Group encourages the use of local companies. A commitment was made to reach 75% of the purchases made in the region for the construction phase. In September 2020, 57% of the companies designated to make cottages, equipment and VRD are based in Lot-et-Garonne, and 77% of the designated companies come from the Nouvelle Aquitaine Region. In addition, specific measures have been taken to ensure that all the wood used during site preparation is sourced locally (for the manufacture of paper pulp, crates, plywood, etc.).

In the operational phase

Our sites contribute to regional vitality, providing the local population with jobs and favouring purchases from local companies. Thus, on the future Domaine Les Landes de Gascogne, the Group has committed to sourcing 65% locally for its operating purchases (maintenance, etc.) on the one hand, and for food supplies (purchases from catering partners, local markets, etc.) on the other.

Results

- ◆ Local purchases on sites in Europe (within a 150 km radius of the site): 76% local purchases in the construction phase.
- ◆ Local purchases/Operation Center Parcs France (within a 150 km radius of the site): 39% local purchases in the operation phase.

4.3.3 Engage in a sustainable relationship with local partners from the conception of new projects

Context

Ensuring an ongoing dialogue with stakeholders is a fundamental step in the development process of our projects in France and Europe. Indeed, public authorities, local residents, local associations, etc. represent key partners to carry out our development projects, make the project known locally, work on its local anchoring (local purchases and recruitment during the construction and operation phase), and integrate the life of the construction site and the future tourist site into the local socio-economic fabric. This approach contributes to the local acceptability of the project.

Governance

The consultation process is led by the development teams. For major projects such as the Domaines Center Parcs, the teams are also in early contact with consular chambers, business associations and public bodies, and work to cooperate with organisations in charge of employment, training and integration. This work continues in the operational phase, where the sites encourage their partners to use short circuits to supply restaurants, and ensure that local products and know-how are showcased.

Policy and action plans

For each development project, the Group has undertaken to set up local consultation at least 6 months before submitting applications for authorisation, thus going beyond regulatory requirements. It is adapted to the local context, the characteristics of the project and the regulatory framework, and aims to facilitate the presentation of the project to local residents, to answer their questions about the project, and to detail the phases and needs of the project to the consular chambers and local businesses.

The dialogue initiated on the Domaine des Landes de Gascogne (Lot-et-Garonne) project in the design phase (local consultation), continued this year in the construction phase, notably through dedicated committees such as the environmental committee held annually with local associations and public authorities, or through site visits organised regularly with local partners.

For projects under development, the following consultations have been set up:

- ◆ cable car project, Avoriaz (France): a consultation with the town hall, representatives of owner associations and the ski lifts and retailers; Aime-la-Plagne project: Economic feasibility study of the overall Aime 2000 mixed development zone project involving the local authority and various potential partners, consultation with local stakeholders (owners' association, etc.);

- ◆ Villages Nature® Paris extension project, Ile-de-France (France): public enquiry in summer 2019;

Two Center Parcs projects of 400 cottages are being developed in the Burgundy – Franche Comté region, one in Saône et Loire in the commune of Rousset, the other in the Jura in the commune of Poligny. For the Rousset project, the feasibility of the Domaine's development project was confirmed by the administrative courts at the stage of the town planning documents. In the case of Rousset, the PLU was cancelled once and was the subject of an appeal by the Community of Communes.

For these two projects, defined in 2015, it appeared necessary to integrate the latest environmental advances from the latest Center Parcs projects currently under way, in France or abroad, and current techniques, particularly in terms of energy performance.

In this respect, for the Rousset project, it is more a question of carrying out additional studies to reinforce the environmental commitments and propose adaptations to the initial project aimed at reinforcing the "low carbon" approach. This review of the project will be presented to elected officials and State departments.

For the Jura project, it is a question of revisiting the project from an environmental point of view, in the light of current techniques and requirements, but also of taking into account the evolution of customer expectations by looking for new types of accommodation, by accentuating the territorial anchorage, by strengthening the link with nature.

Finally, the Group has initiated a project to set up a Domaine Center Parcs in the town of Roybon, in Isère. This project has received constant support from all the local authorities for its environmental qualities, its benefits in terms of jobs and income and its ability to revitalise and rebalance the area. For more than 10 years, legal proceedings challenging the administrative authorisations have hindered the project's implementation. As the authorisation to clear the land, which was essential for its implementation, has lapsed and access to the site has been blocked by "zadists" who have been illegally occupying the land since 2014, Center Parcs has decided to withdraw from this project.

Results

- ◆ 6 out of 7 projects of more than 100 units under development in France and Germany, have been the subject of a consultation adapted to the local context (one of the sites under development in Germany is not yet at the stage of initiating the consultation process).

4.3.4 Supporting general interest projects that benefit local populations

4.3.4.1 Getting involved through the action of the Pierre & Vacances-Center Parcs Group Foundation

Created at the end of 2017, the Pierre & Vacances-Center Parcs Group Foundation aims to contribute to the vitality of the regions and to encourage the creation of social links in the regions where the Group is established, in France, Germany, Belgium, Spain and the Netherlands. Relying on a strong geographical proximity between the public interest projects supported and Pierre & Vacances, Center Parcs, Adagio and the Paris Head Office sites, the Foundation extends the Group's commitments to the regions.

Each project supported must work within a radius of 50 kilometres maximum and include concrete synergies between the associative partner and local employees.

The PVCP Foundation is active in 3 areas:

- ◆ leisure and nature for all: promoting access to leisure for all and/or raising awareness about the preservation of nature;
- ◆ culture and local memory: revitalising social life and local cultures;
- ◆ social and professional integration: enabling excluded or isolated people to integrate through economic activity or through activities that create social links.

During the financial year, the PVCP Foundation supported 15 projects for a total amount of €250,000. By way of illustration, the BioLit project (see below).

BioLit by the Planète Mer association

Supported financially in the amount of €25,000 in 2019/2020 by the Foundation and through manpower by the teams of the Pierre & Vacances Saint Malo residence.

This is a national programme of participatory science, created in 2010 in partnership with the National Museum of Natural History, which relies on citizen involvement to collect and transmit to researchers observations useful for coastal protection. The objective is twofold: to carry out participatory monitoring to contribute to research issues in the service of coastal protection and management, and to develop social links (intergenerational, intercultural, inter-social) between citizens through different actions around shared objectives.

The 2019-2020 financial year has unfortunately shortened many of the projects planned by the associations. Nevertheless, the link with the latter has been maintained to adapt human support in particular, despite the closure of our sites and the partial activity for most of the employees involved with the associations.

From October 2019 to March 2020, the 15 associations supported by the PVCP Group Foundation were able to carry out the first part of their local actions for their beneficiaries: awareness-raising activities for children, organisation of discovery stays and cultural activities for teenagers, as well as professional integration programmes.

During the lockdown, some associations have been able to digitise these methods and practices, such as the association Special Olympics Belgium, which normally trains and prepares people with a mental disability for the Paralympic Games. During the lockdown, the association completely digitised its approach and its support for the latter. Nevertheless, most associations will need an additional year to complete their projects with the support of the Pierre & Vacances-Center Parcs Group Foundation.

In 2020/2021, the Foundation's roadmap will focus on several areas: strengthening our support for associations, refining our positioning around a single area of intervention, and accelerating the commitment of our teams to solidarity projects.

4.3.4.2 Showing solidarity during the period of health crisis

During this period of health crisis, the Group and its employees volunteered their time, and many initiatives were launched in the various countries where the Group operates, such as the following:

- ◆ accommodation for care staff (Adagio, Villages Nature® Paris) and reception of vulnerable people (Pierre & Vacances residences);
- ◆ the donation of food reserves to food banks (Center Parcs De Eemhof - Netherlands, Center Parcs Les Bois Francs - France) with our catering partners Albron and Areas;
- ◆ the donation of protective equipment (overshoes, masks, hydro-alcoholic gel) to the health services (Center Parcs Zandvoort - The Netherlands), Villages Nature® Paris, Senioriales, French Head Office);
- ◆ the donation of sheets and fabrics to the association "Les Amis de Pont Royal" to make overblouses for hospital staff (Village Pierre & Vacances Pont Royal);
- ◆ the donation of €2,500 to the carers of Martinique, collected thanks to the solidarity race "Alone but all together" Village Pierre & Vacances Sainte Luce;
- ◆ the donation of hygiene products for the homeless (Pierre & Vacances residences).

Suit blouses

In order to thank healthcare personnel for their commitment and dedication during the health crisis, the Group has mobilised in a spirit of solidarity to offer them a holiday at one of our sites to allow them to rest. Thus Business Lines maeva.com, Pierre & Vacances and Center Parcs offered nearly 2,000 stays to caregivers. This initiative was implemented with the assistance of the Assistance Publique - Hôpitaux (AP-HP) of Paris and the University Hospitals of Strasbourg, Lille and Lyon. In total, healthcare personnel benefited from 1,074 stays offered by the Group between July and September 2020, i.e. approximately 4,000 people who have stayed in our residences thanks to this initiative.

4.4 Developing a culture of responsible entrepreneurs



4.4.1 Ethical and responsible practices

Business ethics

Context

The enforcement of Sapin II Law was a further step in the legislator's desire to increase transparency regarding specific economic activities and extend its right of control over international activities. In this context and in order to be compliant with laws and regulations, the Group established measures to ensure its reputation and integrity in the eyes of its customers, stakeholders and employees. The enforcement of the French Sapin II Law marked a new phase in the legislator's commitment to increasing transparency in various economic activities and to extending its right of scrutiny over international operations.

Governance

A Group Compliance Officer was appointed on 1 July 2020. She is responsible in particular for ethical issues, the SAPIN II law and the duty of vigilance. The Group Compliance Officer will be supported by Ethics & Compliance referents within each Business Line who are in charge of implementing the compliance program.

Policy and action plan

The Legal Department continued to implement the action plan to strengthen prevention and protection measures against the risk of corruption. It is based on six requirements: distribution of a code of conduct (or code of ethics); implementation of a warning system (charter distributed to employees, Whispli online tool guaranteeing the confidentiality of the identity of whistleblowers); training for employees exposed to significant risks; development of a risks map; accounting control; steering and evaluation of the approach.

The Legal Department has chosen to deploy these actions in France within the central functions (at headquarters) and at the Pierre & Vacances and Center Parcs sites. The system will then be rolled out to the other European countries in which the Group operates (Belgium, the Netherlands, Germany, Spain) and then to China. The implementation of this system was delayed due to the COVID 19 health crisis.

Respect for human rights

Context

The outsourcing of services in the tourism (particularly cleaning) and construction sectors could involve human rights risks linked, for example, to working conditions and health and safety.

Policy and action plan

The Group is committed to protecting human rights within its direct sphere of operations. The code of ethics is based on upholding the United Nations Universal Declaration of Human Rights and the founding texts of the International Labour Organisation. The basic principles that inform the Group's actions are: respecting laws and regulations; respecting people; respecting the environment; respecting the best interests of the Group. The code of ethics states that all employees must act with integrity, transparency, fairness and accountability in the interests of the Group. The issue of human rights is also included in the CSR questionnaires sent to our suppliers and covered in the vigilance plan.

The Group's vigilance plan is described in section 4.9.

General Data Protection Regulation (GDPR)

Context

The GDPR legal framework enforced in May 2018 with a view to protecting individuals by ensuring respectful use of their data. This was an opportunity for the Group to review its internal processes to ensure that the use of its customers' and employees' personal data remains supervised and sustainable. It meant that some of the Group's business lines had to rethink their approach to data, safety and privacy. The Group has observed a change in the nature of claims from its customers and prospects. More informed about their rights, they are now able to submit more detailed and substantiated requests. However, the level of customer complaints remains low.

Governance

Based on the principle of subsidiarity, a dedicated organisation ensures the governance of GDPR subjects: a team of 2 Data Privacy Officers (DPO) supported by 10 Deputy DPOs, who are the focal points.

Policy and action plan

The fundamentals of the Group's GDPR policy and its governance have been put in place over the past two years. Now, the challenge is to:

- ◆ ensure the long-term success of the Data Privacy structure set up, more specifically with the update of the register of processing operations, and by carrying out audits;
- ◆ contribute to the development of new processing and procedures, respecting Privacy by Design with the Business Lines;
- ◆ continue to train employees, especially new hires, on the issue of data protection. To this end, the DPOs have developed a number of training and awareness-raising materials:
 - e-learning module: Intended for all employees, it will initially be accessible to French-speaking employees. It aims to provide employees with essential information on the GDPR regulations to better understand the issues, the Company's obligations and allow employees to ask themselves the right questions when starting a project related to the collection, storage and use of data,
 - the colour chart "Everything you need to know about GDPR": Designed in a fun way, this colour chart is intended for on-site employees. It aims to answer their concrete questions about data. It addresses the principles of lawfulness, minimisation, storage, human rights and security.

Prepared for the first quarter of 2020, the transmission of these awareness-raising materials has been delayed due to the health crisis. They will be released in the fall of 2020. Similarly, on-site audits to ensure compliance with regulations will resume from the autumn of 2020.

Tax evasion

Context

The Group is not based in any low-tax jurisdictions. In accordance with the requirements of the Sapin II Law, the Group has based its tax policy on four pillars:

- ◆ tax compliance;
- ◆ tax transparency;
- ◆ tax risk management;
- ◆ assistance for operational staff.

Governance

The Group's tax policy is fully integrated into the Group's activity and development. Thus, the Tax Department is organized through a central team that works closely with the operational teams to ensure the proper implementation of its policy and compliance with the regulations.

Policy and action plan

Tax compliance

The Group's operations in Europe and China generate significant taxes of all kinds (corporate income tax, local taxes, customs duties, registration fees, payroll taxes, etc.).

The Group's Tax Department ensures that the various business lines comply with all applicable laws, regulations and international treaties in force. This involves filing the necessary tax returns, as well as timely payment of taxes due. In addition, the Group monitors changes in tax regulations.

Tax transparency

The Group complies with the national, European and international tax standards published by the OECD, as well as the country-by-country reporting (CbCR) requirement for transfer pricing under the French finance law.

Tax risk management

The Tax Department is supervised by the Group Chief Financial Officer under the responsibility of the Group Deputy Chief Executive Officer. Tax risk is handled with a view to safeguarding the Group's reputation. This means:

- ◆ complying with all applicable regulations and paying the correct amount of tax;
- ◆ mitigating tax risk by monitoring tax developments and seeking external advice where appropriate;
- ◆ closely monitoring tax audits and disputes.

In addition, the Audit Committee examines and discusses the implications of the tax policy.

4.4.2 Acting as a responsible company towards our employees

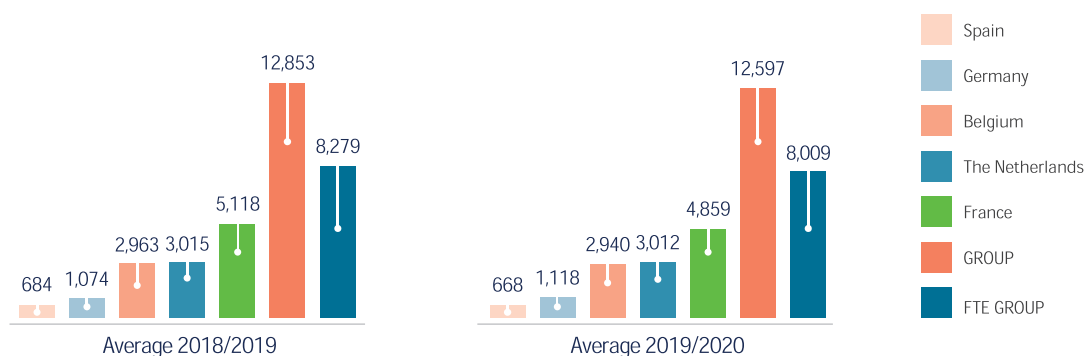
4.4.2.1 The Group's human profile

The Group's profile

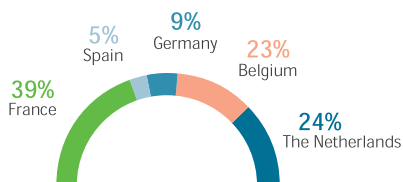
The Group's activities require the expertise of different business lines:

- ♦ tourism operations: front desk, reception, maintenance, renovation, security, housekeeping, swimming pools, events management, site management, operational control;
- ♦ property development business lines: property development and promotion, property marketing and management, and relationships with the owners;
- ♦ support functions: marketing, finance, IT services, purchasing, legal, human resources, communication, sustainable development, security;
- ♦ business functions, digital, analytics and customer relations.

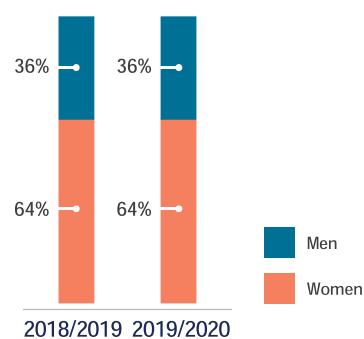
Average annual headcount by country and average annual Group headcount by full-time equivalent



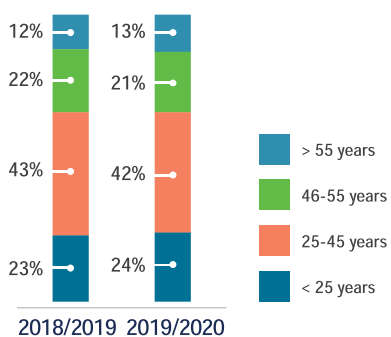
Breakdown of average headcount by country at 30 September



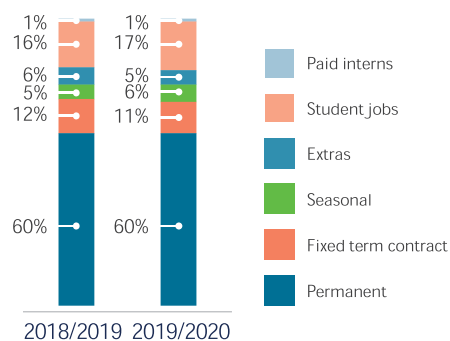
Breakdown of headcount by gender at 30 September



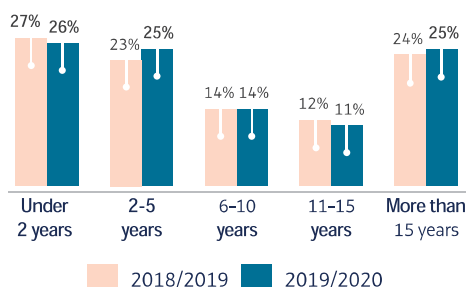
Breakdown of headcount at 30 September by age range



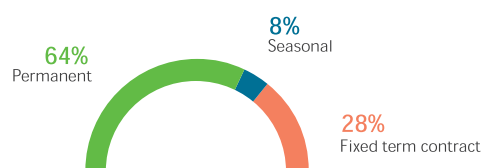
Breakdown of headcount at 30 September by type of contract



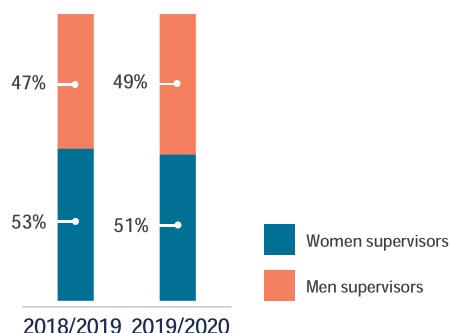
Breakdown of headcount at 30 September by seniority



Breakdown of trained employees by type of contract



Proportion of women in management at 30 September



4.4.2.2 Our HR strategy and values

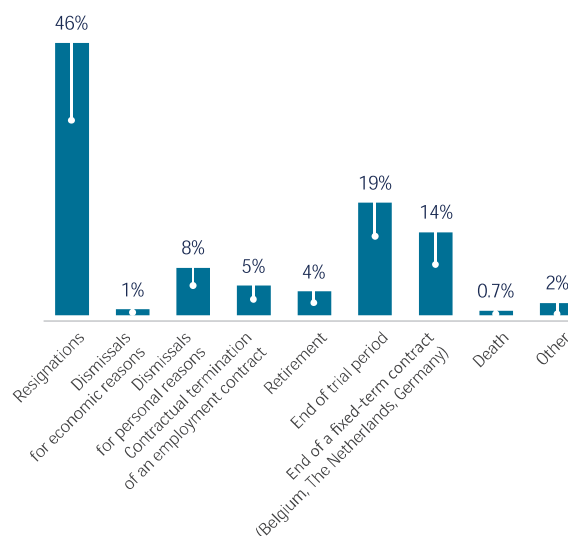
Context

As with any operator in the tourism sector, the Group's performance relies heavily on the performance of its employees and the quality of service offered to customers. The total payroll represents the Group's second largest item of expense, and employees in the tourism business account for 85% of the workforce. Furthermore, given the dynamic labour market in most of the countries where the Group operates and the specific nature of the tourism business, the attractiveness, training and retention of talent are major challenges for the Group.

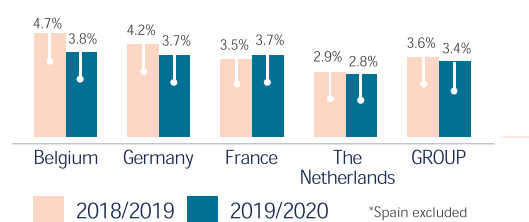
2018/2019 2019/2020

Number of new staff	2,312	1,861
Number of departures	2,293	1,897
TURNOVER RATE	21%	18%

Breakdown of departures by reason in 2019/2020



Absenteeism rate*



*Spain excluded

Governance

Human Resources management used to be organised around a Group's HR Department until the Change Up plan was implemented. This department was in charge of Group HR policy, particularly in terms of recruitment, training and development, internal communication, HRIS, etc. Operational implementations were carried out by "local" HR teams organized by zone/country. The implementation of Change up led to the alignment of the HR organization with that of the Business Lines. Each Business Line now has an HR Director or HR Manager in charge of its policy in terms of recruitment, training and development, internal communication and employer branding. With this new organization established since October 1st, the operational HR departments are thus autonomous in all activities across the HR spectrum.

Coordination is now handled by the Holding HRD, which also handles certain cross-functional operational activities such as payroll and HRIS.

Policy

For several years now, the Group's Human Resources Department has been working to support the teams in the development of professions and skills in order to respond, on the one hand, to the major changes in the tourism sector (in particular the increasing digitalization of all operators and competition in the holiday rental market) and, on the other hand, to the Group's major orientations (the internationalization of the offer and the development of contract management and franchises).

In order to meet all of these internal and external challenges, the Group's Human Resources Department is deploying a strategy based on the following axes:

- ◆ Attracting and recruiting new talents and skills within the Group;
- ◆ Developing the talents and skills of the teams;
- ◆ Engaging the teams around the company's project and the Group's two values: "to enable togetherness" and "to be responsible entrepreneurs".

The actions implemented and the results obtained this year are detailed below. These areas guided the work of the HR teams during the financial year. However two major events strongly mobilized the HR teams this year: the reorganization linked to the Change Up transformation plan and the COVID-19 health crisis.

4.4.2.3 A Group committed to supporting our employees in times of change

Supporting our employees in the framework of the Change Up transformation plan

The "Change Up" strategic plan is specifically based on the implementation of a new, more agile and entrepreneurial organization aimed to giving more autonomy to the BLs. This new organization has led to the reduction of a certain number of positions (220), mainly in France (head office) and in the Netherlands. Specific measures were implemented to support employees during this period.

The Human Resources Department steers the Human Resources component of the Change Up Transformation Plan.

In compliance with legal obligations, the various French Works Councils concerned (European Central Committee, Social and Economic Committees (SEC) and German, Belgian and Dutch Works Councils), were informed of this transformation project and the resulting organisational development plan. These bodies were regularly informed and/or consulted in accordance with the regulations specific to each country.

More specifically, in France, since the announcement of the Change Up project on 9 January 2020, various consultation and information processes with the social partners have made it possible to provide effective and personalised support to employees affected by the Employment Protection Plan (EPP):

- ◆ a process of information and negotiation with the social partners on organisational developments;
- ◆ discussions with staff representatives which led to the conclusion of three unanimous trade union agreements on the planned collective redundancies for economic reasons, including the EPP;

- ◆ the setting up of the EIC (Espace Information Conseil) to inform the employees concerned about EPP measures, to guide and support them in an efficient and personalised manner;
- ◆ negotiations to define the new employment framework resulting from this new organisation.

In the Netherlands, in agreement with the Works Council, a consultative process adapted to Dutch legislation was carried out. Specific information (called "Employment framework" in Dutch), as well as a presentation and internal notes have been sent to employees to describe all employee rights as part of the transformation process.

Aware of the potential impacts of the Change Up plan for its employees and in view of the organisational changes in France and the Netherlands, the Group made a strong commitment on 29 January 2020 to support everyone in their efforts to change. Within this framework and in addition to existing internal measures, the Group has rolled out a specific psycho-social support system through Cabinet Stimulus, for the benefit of all employees in France, to prevent the possible appearance of psycho-social risks. The aim of this system is to provide confidential support to employees who wish to share their feelings about how they feel in the light of organisational changes.

Stimulus offered individual and/or group coaching for managers and employees:

- ◆ thematic workshops: One and a half hour workshops on relational and emotional subjects such as: "Taking a step back and repositioning yourself", "Preserving yourself thanks to emotional intelligence" or "Daring to disconnect from work". Some workshops on managerial themes were reserved for managers, others were opened to all employees;
- ◆ coaching sessions:
 - via collective managerial coaching sessions: This is a one-hour confidential working session reserved for managers. The objective is to be accompanied by a certified coach to find the right approach when facing complex situations related to psychology and behaviour in times of change,
 - via individual psychological support sessions: One-hour face-to-face interviews to put words on your difficulties, find help, take a step back, make decisions or find your bearings. These interviews are conducted by a consultant psychologist;
- ◆ a free psychological counselling unit, open 24/7 allowing you to talk to a psychologist or social worker in complete confidentiality.

In September, the Group announced its decision to extend the psycho-social support offered by Stimulus – a system that a large number of employees have benefited from since the announcement of Change Up and whose renewal was approved by employees.

Accompanying our employees during the COVID-19 crisis

Against the backdrop of the health crisis, the Group made use in France of the legal mechanism for partial activity⁽¹⁾ as of 18 March 2020. A tool for preventing economic redundancies, partial activity aims to preserve employment when the company is facing cyclical economic difficulties.

(1) Hours not worked under the scheme on reduced working hours and corresponding benefits are not included in the number of hours worked (used to calculate the absenteeism rate, severity rate and accident severity rate).

During the various phases of the health crisis, the Group made sure to keep in touch with collaborators via a regular communication and to specifically support managers teams through communication, training and coaching.

Among the main measures :

- ◆ crisis management assistance during the closure of the sites in mid-March;
- ◆ coaching of managers to help them manage their teams remotely during lockdown and partial activity (newsletters from the teams maintaining the sites during their closure, managerial rituals established in a context of teleworking during the lock-down periods and partial activity);
- ◆ management of the reopening of sites: training of teams in reinforced health protocols to ensure their safety and that of our customers, and securing the working environments of our employees, re-motivation of teams. This support is detailed in chapter 4.4.2.5 "Supporting employees by developing their skills".

In particular, the Group has commissioned Stimulus, which was already involved in supporting employees during the change up plan (see above), to continue and adapt its work with the teams. (see section 4.4.2.5).

4.4.2.4 Attracting and hiring talents

Context

In the context of the Change Up transformation plan, the Group has identified the need for new expertise to support the development of our units:

- ◆ for the support functions, the major challenges are mainly centred on the digital and IT units;
- ◆ for Pierre & Vacances, the main aim is to support the seasonality of the business by strengthening our on-site teams in areas such as cleaning, reception and maintenance;
- ◆ for Center Parcs, the stakes involve the cleaning units and the aquatic area to support the customer experience on site;
- ◆ for maeva.com, which is in full development, we are counting on the reinforcement of our teams of customer advisers on our call platform as well as in the physical agencies throughout France.

Policy and action plan

Following the work carried out in 2018/2019 to structure the discourse on the employer image, the Human Resources Department has continued to deploy actions aimed at attracting and recruiting new talent, focusing on three areas:

- ◆ equip the recruitment teams of the various Business Lines so that they can easily communicate the employer promise of the Group and set the Group apart from its competitors with a clear identity:
 - more than 60 different recruitment tools are now available to our teams so that they can adapt them to local needs (information, photos, contact details, employee benefits, etc.). More than 70% of recruiters in Europe on the Center Parcs Business Line have used these tools to facilitate recruitment work,
 - the work to renew our employer identity ended with the completion of photo shoots of employees and the shooting of videos in order to gain authenticity in the recruitment campaigns launched in each country;

- ◆ improving the Group's image and reputation on job boards and social media:

- managing the Group's page on LinkedIn has doubled the community (from 30,000 followers in 2018/2019 to 60,000 during the year),
- to support the Change Up transformation plan, the Human Resources Department has created an identity and an employer brand for each Business Line/Pierre & Vacances and Center Parcs brand, and set up dedicated pages on LinkedIn, as well as targeted communications;

- ◆ boost applications through targeted recruitment campaigns.

In addition, the recruitment of teams on seasonal contracts remains an essential issue for the smooth running of the Pierre & Vacances residences in order to ensure an optimal customer experience during the peak season. During the year, 935 seasonal workers were recruited in the winter and 1,071 in the summer. All the summer seasonal workers were trained in the sanitary protocol as soon as they arrived.

Results

- ◆ Loyalty rate for seasonal workers: 53% on the Pierre & Vacances France scope.

4.4.2.5 Supporting employees by developing their skills

Context

Developing the skills of our employees is essential to support the transformation of our businesses. During the financial year, the Human Resources Department continued the work it had already started. However, considering the COVID-19 crisis, a specific focus was placed on implementing health and sanitary measures as well as the appropriate support for employees.

Policy and action plan

Skills development is largely based on a training policy that facilitates the growth of the business lines. The policy consists of five strands: health, safety and environment; business line expertise; sales; customer relations; management and leadership. These actions were carried out during the first part of the year. In the context of the health crisis that started at the beginning of the second half of the financial year, the Human Resources Department targeted its training activities around two themes:

- ◆ ensuring the safety of employees and customers through training in health measures;
- ◆ supporting employees in the pursuit of their activities and the management of teleworking.

Training in health measures

In the context of the reopening of our sites (spread out between mid-May and early July), the challenge was twofold: to guarantee the safety of our employees so they can subsequently guarantee the safety of our customers. Each Business Line has chosen the most appropriate way to train its employees.

At the Center Parcs Europe BL, an e-learning module was put online for all employees via the 360-learning platform. It addresses the following 3 axes:

- ◆ presentation of health measures to be implemented in the context of the health crisis;
- ◆ how can I make sure that the measures are applied by my employees;
- ◆ how to take care of customers? This last component was based on the Happy Family Makers approach initiated in 2018/2019 and aims to improve the customer experience at all points of interaction.

This module included a practice exercise.

At the Pierre & Vacances BL, the team in charge of the prevention of health and safety risks in the workplace has developed, jointly with the team in charge of training, the Safe@Work training protocol. A protocol has been drawn up for each family of work: Cleaning, Reception, Maintenance/Gardening, Swimming Pool, Entertainment, Catering (for the West Indies). A support guide aimed at helping managers roll out the protocol was also made available to the employees concerned.

Employee training has been rolled out in a pyramidal fashion:

- ◆ level 1: Site and area managers were trained through a 3-hour webinar. A total of 5 webinars were conducted. This webinar was mandatory prior to the reopening of the residences;
- ◆ level 2: Site and zone directors provided training to heads of services;

- ◆ level 3: Heads of department provide the training to their team members.

Support in the pursuit of activities

The Human Resources Department focused its efforts on supporting employees throughout the health crisis. An adapted support was provided via:

- ◆ "Happy@home" newsletters to share, with employees and managers alike, the first responses and best practices on remote team life or the organisation of work in lockdown, for example;
- ◆ themed webinars: led by Stimulus, these training sessions aimed to offer psychological support to employees by dealing with topics such as: "Emotional intelligence: preserving psychological and relational well-being in the workplace" or "Preparing for lockdown easing – Reference points for employees". Employees registered on a voluntary basis;
- ◆ telephone coaching for managers (members of the B-Core community, the Group's leadership and management training programme) and site managers. The objective was to support and reassure them before the reopening of sites.

Results

- ◆ 30 webinars were organised during the lockdown in France.
- ◆ Collective coaching sessions with managers and site directors.

Total number of training hours*

	2018/2019	2019/2020
Total number of training hours	92,573	61,527
Average number of training hours per employee	11.40	9.6
Proportion of employees trained	63%	51.3%
Proportion of women among trained employees	64%	61%
Training budget	€3,131,305	€2,041,909

* Spain excluded

4.4.2.6 Continuing to commit employees

Context

The Group is convinced that the commitment of its employees is a guarantee of individual and collective efficiency and that it is the basis of our customers' satisfaction. This is why the Human Resources Department has made employee commitment one of the pillars of its human resources management policy.

Policy and action plan

The Group uses the Happy@Work approach to assess employee commitment and implement improvement actions. As the Happy@Work questionnaire, which surveys employees on their feelings about their working environment, is carried out every two years, no results are available for the 2019/2020.

However, the health crisis in Europe provided an opportunity to implement a number of unifying actions for the Group's employee community.

At Center Parcs, numerous actions were implemented to develop employee commitment during the health crisis period. A newsletter was sent regularly at the level of each country. In addition, sports challenges were launched via the Fit@Work application, and regular information at each site was sent to employees via the various communication channels (e-mails, App@work application, etc.) in order to maintain a link with life at the site, colleagues and the brand's service culture DNA.

At Pierre & Vacances, video meetings were organised twice a month for site and Head Office employees to communicate on the evolution of the crisis and the health protocol, the initiatives carried out by the sites, and the economic situation. These meetings were also an opportunity to share ongoing projects and thank the teams for their strong commitment. A webinar bringing together Management Committee and the site and zone directors was also held at the end of the lockdown, in order to maintain a close link with residence directors and give them an outlook on the return to activity.

Lastly, the Business Line Pierre & Vacances has involved 5 employees in the co-construction of its teleworking offer by offering them the opportunity to test it in advance to identify areas for service improvement in order to reinforce the added value for our customers. These stays were also an opportunity for these 5 employees to spend half a day immersing themselves in a job on site (reception, etc.).

Results

- ◆ 80% of Pierre & Vacances employees are satisfied with video appointments.

4.4.2.7 Commitment to health, safety and security

Context

More than ever, ensuring the safety of our employees and customers was the Group's top priority during the year, both from a health and a business perspective. The issue of operational risk is managed jointly by the Operational Risk departments and the Human Resources Department. A dedicated team specific to each business line has been set up within Center Parcs and Pierre & Vacances.

Governance

The operational risk is managed jointly by the Operational Risk departments and the Human Resources Department. A dedicated team specific to each Business Line has been set up within Center Parcs and Pierre & Vacances.

Policy

In response to the health crisis and in line with the policy deployed in recent years, the Prevention & Safety Operational Risk departments at Pierre & Vacances and Center Parcs established a framework for action on the following themes: anticipation, analysis, training and support. 9 risk areas have been identified, in compliance with regulations: hygiene, health and safety at work; safety; fire safety; accessibility; leisure activities; swimming pool; playground; food hygiene; drinking water hygiene (legionella). They structure the action on both brands.

In the specific context of the COVID-19 sanitary crisis, a crisis unit, bringing together the management committee of each Business Line and Group Management, met several times a week to review the evolution of the crisis (health and economic assessment) in each country where the Group operates, assess the impact for the Group and plan for the reopening of sites.

The Group set up teleworking for all employees who are able to carry out their work remotely (mainly support functions).

Action plan

Pierre & Vacances

The teams' work is structured around the following axes:

- ◆ raising awareness and training: an advent calendar staged risk situations with a comical twist; training (gestures and postures, household protocol, snowmobile driving, etc.) and two e-learning modules have been created;

- ◆ prevention: audits organized in the residences;
- ◆ management and reporting: a monthly report is sent to the Pierre & Vacances Department and to employees.

Measures specific to the health crisis

"Protect yourself, your colleagues and your customers" was the ambition of the approach implemented within Pierre & Vacances France and Spain Business Lines in order to limit the spread of COVID-19. It is with this aim in mind that training tools have been developed: to enable everyone to protect themselves against the virus, and also to avoid any risk of spreading it to their colleagues and clients.

To this end, training kits dedicated to each business line have been developed (see chapter 4.4.2.5 "Supporting employees by developing their skills"). The follow-up of this training by the site and zone directors (3-hour webinar) was a prerequisite for the reopening of the residences.

In addition, Pierre & Vacances has reinforced its hygiene and protection measures to guarantee a high level of safety at all its sites. The Sécurité+ safety charter has been certified by Hygiacare Conseil, an independent body with expertise in health safety. The cleaning of our residences was the major priority to reassure our employees and customers. The cleaning protocol has been totally revised to reinforce the cleaning frequencies in the common areas, contact points (lifts, reception, etc.) and restaurants of our Caribbean residences.

A COVID cell was set up in February 2020 to monitor and implement prevention measures. The purpose of this cell is, notably, to:

- ◆ participate in the implementation of, and ensure compliance with, the actions decided upon in the context of the resumption of activity;
- ◆ participate in the implementation of health security recommendations for the continuity of activities during the COVID-19 epidemic.

Center Parcs

Risk management is the responsibility of the head of operational risk at Center Parcs Europe. He is assisted by four national managers (one in each country of operation, i.e. Germany, Belgium, the Netherlands and France). These national managers work closely with the SHE managers (Safety, Health, Environment) at each Center Parcs site.

The safety policy and procedures are communicated to staff in order to reduce accidents at the sites.

In the specific context of the COVID-19 sanitary crisis, the Operational Risk Management Europe department has drawn up an operational manual summarising the rules and barrier measures to be respected by Center Parcs Europe employees (wearing of masks, physical distancing rules, closure of certain activities that are not compatible with barrier measures, adaptation and creation of new activities, etc.). This manual was then rolled out at the country level to take into account the recommendations of national health authorities. Lastly, a manual has been drawn up within each Domaine to adapt to its specificities, particularly in terms of the activities proposed.

All Center Parcs sites have been certified in order to ensure their compliance with the recommendations of the health authorities in terms of prevention, protection and hygiene:

- ◆ the Domaines in Belgium and the Netherlands have received the Kiwa quality label "COVID-19 Preventive Measures";
- ◆ the Fresenius Institute has examined and certified our health and safety standards in all our Domaines in Germany;
- ◆ the Safeguard label was awarded by Bureau Veritas to the Domaines Center Parcs located in France and to Villages Nature® Paris.

All current employees were trained in the health protocol via an e-learning session (see chapter 4.4.2.5 "Supporting employees by developing their skills"). Employees' knowledge is also maintained via the digitised "SHE matters" system (whose objective is to make employees aware of risk prevention on a daily basis), which now includes a COVID-19 theme, as well as via regular newsletters and communications via the management line.

Regulatory monitoring is carried out on a very regular basis in order to update the protocol and any restrictions according to the evolution of the pandemic.

We therefore regularly adapt (to each regulatory change in each country) the rules in force and health restrictions, as well as showing flexibility, responsiveness and communication towards our employees and customers. We monitor on a weekly basis the COVID-19 cases in our Domaines: contact, suspected cases and positive cases (over the summer of 2020, the CPE contamination rates were 10 to 20 times lower than the national averages, thus proving the rigour and effectiveness of the measures put in place).

The 3 levels of crisis management (CPE, country, domain) have been mobilised since the beginning of 2020 to respond and adapt to this uncertain and evolving situation, in order to preserve the health of our teams and customers as far as possible, and to limit as much as possible the economic impact on the Business Line.

Results

- ◆ 100% of active employees trained in health measures

Health and safety at work

Accident frequency and severity rate*

	2018/2019	2019/2020
Frequency rate	34.9	29.4
Severity rate	1.5	1.8

* Spain excluded

The frequency rate decreased by 5.5 points as compared to the previous year. This is mainly due to the 1/3 decrease in the number of work accidents due to partial activity and teleworking during the COVID-19 crisis. On the contrary, the severity rate increased due to the fact that work accidents from previous years were also taken into account in the number of sick leave days counted.

4.4.2.8 Acting as an inclusive company

Promoting access to work for people with disabilities

Context

Promoting access to work for everyone is an important matter for the Group. Committed to employing workers with disabilities, the Group is continuing its efforts to tackle discrimination. Our commitment is gradually adapting to the changing regulatory environment. Thus, the Law for the Freedom to Choose One's Professional Future thoroughly reforms the obligation to employ workers with disabilities by strengthening direct employment. It is with this in mind that the Group works through the action of Mission Handicap.

Gouvernance

The Group implements its actions in France through a dedicated "Mission Handicap".

Policy, action plan and results

The Group has had a disability policy in France since 2005. The last disability agreement was signed in 2018 and covered 13 entities. It is implemented via the CSR and HR policies of the Group. Negotiations have just been launched to negotiate and improve this agreement. As part of its disability initiative (Mission Handicap), the Group has a proactive policy aimed at:

- ◆ supporting workers with disabilities;
- ◆ adapting the workstations of people with disabilities wherever necessary;
- ◆ informing and educating employees about disability;
- ◆ raising awareness of disability among recruiters and improving the direct employment rate;
- ◆ adapting workstations;
- ◆ encouraging the use of the protected sector in our purchasing processes and improving the indirect employment rate.

During the year, Mission Handicap continued its communication and awareness-raising efforts among several target groups:

- ◆ among all employees to raise awareness of disabilities. For example, various communication and awareness-raising campaigns have been carried out:
 - Pink October: breast cancer awareness message. In addition, 41 employees of the Domaine Center Parcs des Trois Forêts ran the La Savernoise race for the well-being of women suffering from breast cancer,
 - Handicap Day: message to raise awareness of disability in France and highlighting diabetes as an eligible disease for the Recognition of the Status of Disabled Worker (RQTH),
 - Hearing Health in the Workplace Week, which introduced some fifty employees to French sign language;

- ◆ aimed at beneficiaries (Disabled Workers) to inform them of their rights regarding training, job accommodation and job retention, and support them in their administrative procedures related to the renewal or their first declaration as a Disabled Worker in particular;
- ◆ in Sites and Head Office in order to encourage services to use the protected sector for subcontracting.

In addition, focal points for companies with more than 250 employees were identified during the year.

There are 196 workers with disabilities at Pierre & Vacances and Center Parcs France, equivalent to 4% of the in-scope workforce. This represents a marginal increase of 3 percentage points on last year. Generally speaking, this approach to combating discrimination goes beyond the French context. Center Parcs Europe also implements actions to integrate people with disabilities on its sites and calls on the protected sector.

The European Week for the Employment of People with Disabilities (EWEPD), a highlight in raising awareness of disability

As part of the European Week for the Employment of People with Disabilities, Mission Handicap has organised several actions. At the Head Office, a different theme was addressed each day. The following are some of the highlights:

- ◆ the organisation of two exhibitions: one to raise awareness of mental illness, the second highlighting celebrities with disabilities;
- ◆ the “All on the track” game for tablets, offering employees the opportunity to learn how to talk about disability at work;
- ◆ a virtual reality experience allowing employees to experience a disability (among them autism spectrum disorder, epilepsy, etc.);
- ◆ the organisation of a challenge in favour of the Telethon. In partnership with the start-up OuiMoveUp, the challenge aimed to encourage employees to travel as much as possible on foot. A total of 185 employees walked 8,500 km. €5,000 were donated to the Telethon to fight against rare and orphan diseases.

In addition, an emailing was sent daily to all employees in France to communicate on a specific theme (testimonials from people suffering from mental illness or having returned to work after cancer, for example).

4

Employment of workers with disabilities – France

	2018/2019	2019/2020
Proportion of employees recognised as workers with disabilities	3.9%	4%
Number of employees with disabilities during the year	201	196
Number of employees recognised as workers with disabilities recruited during the year	28	24
Number of adaptations of the working environment for employees with disabilities	13	15

Promoting gender equality

Context

With 51% of women managers (against 53% last year), the Group reflects the tourism sector, which is rather feminised.

Policy, action plan and results

The proportion of women in the workforce is 64.5% (versus 64.3% in 2019) and 51% of managers are women (53.1% last year). Women represent 61% of employees trained (compared with 63% last year), which is consistent with their representativeness within the workforce. Each year, equal pay indicators are shared with labour partners during the Statutory Annual Wage Negotiations. In accordance with the French law on the freedom to choose one's professional future, the gender equality index has been calculated for seven Group entities (2019 results for 2020):

- ◆ UES tourisme (PV RESIDENCES & RESORTS France, CENTER PARCS RESORTS FRANCE and SNC DOMAINE DU LAC DE L'AILETTE): 93/100;
- ◆ Pierre & Vacances (PV RESIDENCES & RESORTS France): 92/100;
- ◆ Center Parcs (CENTER PARKS RESORTS FRANCE and SNC DOMAINE DU LAC DE L'AILETTE): 93/100;
- ◆ UES SUPPORT (GIE PV-CP Services, PV-CP Gestion exploitation, PV-CP Distribution and PV Développement): 95/100;
- ◆ Pierre & Vacances Conseil Immobilier: 60/100;
- ◆ Villages Nature Tourisme SAS: 99/100;
- ◆ S.E.T PIERRE & VACANCES MARTINIQUE: 94/100.

6 of the 7 entities have an index above the 75-point threshold, below which companies must implement corrective actions, failing which they will be financially sanctioned. Pierre & Vacances Conseil Immobilier is a real estate brokerage business in which the vast majority of remuneration is paid in the form of commissions.

As a result, the indicator does not fit the model of this company. The structure of Pierre & Vacances Conseil Immobilier has evolved in the framework of Change Up (see 4.2.2.2.). On this occasion, ways of improving the balance between men and women in this entity will be undertaken.

Promoting open labour relations

In compliance with our legal obligations, the various Works Councils (European Central Committee, various French SECs and the three German, Belgian and Dutch Works Councils) have been informed in advance about this transformation plan and the planned evolution of the organisation. The roll-out of the Change Up transformation plan required comprehensive labour relations with employee representative bodies (see 4.4.2.3).

Further details on the exchanges with staff representatives are addressed in Chapter 4.4.2.3.

Agreements	Scope	Year of signature	Duration of validity
Method agreement and unanimous trade union agreement including the Employment Protection Plan and its annexes	PVCI, UES Supports, PVRR	April 2020	-
Pre-electoral Memorandum of Understanding: Organisation of elections of SEC members	PVCI, UES Supports, PVRR	2019	4 years
Collective labour agreement concerning the tourism sector	The Netherlands	2019	2 years
Agreement on HR-Rodibus controlling	The Netherlands	2019	1 year
Willis Towers Watson Assurance santé	The Netherlands	2019	1 year renewable each year
Collective agreement on reduced working hours and corresponding benefits	Germany	2020	1 year renewable

No agreements were signed in Belgium during the year.

4.4.3 Developing responsible purchasing

Context

The law is getting more demanding regarding the responsibility of instruction parties and the reputational risk linked to any sort of failure regarding environmental and social matters is getting heavier. The Group's approach to responsible purchase sets boundaries around these subjects and is considered as a major mean of action for CSR performance.

Governance

The Group's Procurement Department managed more than 438 million euros. The cross-functional role of the purchasing department was confirmed in the new change up organization, particularly with the aim to centralize a growing proportion of Group purchases. Part of the purchases are still carried out directly by the sites or by certain departments (40%).

A specific person is in charge of developing and managing the responsible purchasing approach within the Purchasing team.

Policy and action plan

The Purchasing Department has updated its Responsible Purchasing policy. It is based on 4 pillars:

- ◆ purchasing responsible products and services for our brands;
- ◆ building a responsible supplier database;
- ◆ improving our relations with subcontractors and suppliers;
- ◆ being a long-term economic partner to the regions.

During the financial year, 94% of the Group's purchases were made from European suppliers, 50% from French suppliers (compared with 46% during the last financial year) and less than 1% (0.41%) were made in countries considered "at risk", particularly in China (compared with 0.53% last year).

Purchasing responsible products and services for our brands

CSR criteria are included in calls for tenders for certain categories of purchases in order to impact the contract concluded with the supplier or service provider. These criteria are the result of the risk mapping carried out on the Group's supply chain. Mandatory criteria are the operational translation of the Group's CSR objectives. Compliance with these criteria is a prerequisite to access the market. When a supplier does not comply with these criteria, an escalation process is implemented. This involves a meeting between the CSR Department, the contractor in charge of the call for tenders and the Purchasing Department in order to find a compromise. A CSR clause is included in the consultation regulations related to the conditions of the call for tenders and is signed by all buyers. This clause appears in all purchasing contracts and is available both in French and English.

The Purchasing Department also continued the work begun in 2018/2019 to develop CSR criteria in calls for tenders. As an example, we will cite:

- ◆ the call for tenders launched for the renewal of uniforms for Center Parcs and Sunparks Europe (all work units combined). The latter includes restrictive CSR criteria: the uniforms will be made of organic cotton;

- ◆ as part of the renewal of its television fleet, the Domaine Center Parcs Les Trois Forêts (France) donated 1,650 television sets to the Strasbourg branch of the Envie association, whose mission is to give new life to household appliances while promoting professional integration. Encouraging the re-use of old televisions was part of the CSR criteria in the call for tenders;
- ◆ the Purchasing Department is currently carrying out a test in 5 Pierre & Vacances residences on the replacement of individual shower gel and shampoo samples by a collective dispenser attached to the bathroom wall. The aim of this initiative is to reduce plastic packaging and to raise our customers' awareness of eco-gestures. Due to the closure of our sites in the spring of 2020, the test has been extended in order to have more comprehensive data;
- ◆ the proportion of eco-labelled products on the cleaning products offered for Pierre & Vacances has risen to 64% (compared to 31% in 2018/2019).

Building a responsible supplier base

Our supplier base reflects the Group's two businesses, Tourism and Property development. Thus, companies providing cleaning services (SMEs/VSE enterprises), laundry services (included in the Hospitality category) and local construction and furniture companies (linked to the Construction business) represent a significant proportion of the Group's suppliers.

Relations with subcontractors and suppliers

The Pierre & Vacances-Center Parcs Group has held the Responsible Supplier Relations Label since 2016.

Within this framework, the Purchasing Department has renewed the survey "Suppliers, your opinion counts". The purpose of this survey is to find out the satisfaction of suppliers and service providers with regard to the various aspects of their commercial relationship with the Group (payment deadlines, visibility on future projects, quality of exchanges with buyers, etc.). Major changes were made to the questionnaire: it was conducted as a semi-directive interview during a one-hour telephone exchange. This exchange, based on semi-open-ended questions, allowed the 11 suppliers interviewed to share their feedback in a more thorough manner. The companies surveyed represented a representative panel of our suppliers (in terms of categories, size, seniority). This investigation revealed that:

- ◆ CSR issues are sufficiently taken into account according to our suppliers (up from 2018/2019 when more than 30% of them felt that they were not sufficiently taken into account);
- ◆ Suppliers appreciate the inclusion of CSR in tenders. This encourages them to adopt a CSR approach.

Suppliers feel that the purchasing strategy is clear and visible. On the other hand, they feel that the Group does not communicate enough about its CSR commitments. The average payment period within the Tourism France scope is 46 days, as in the previous financial year. The work carried out through the survey of our suppliers has enabled us to highlight areas for improvement in order to reduce the average payment time, such as:

- ◆ improve the receipt and validation of invoices;
- ◆ facilitating invoicing (optimising the administrative process): an Invoices Charter is available on the Group's website. It shows suppliers best practices for drafting their invoices;
- ◆ give priority to sending invoices by e-mail and not by post. 48% of invoices were received at the Guichet Unique, 9% more than the previous year.

The COVID-19 crisis put many suppliers in an awkward economic situation. Special attention has been paid by the purchasing department to provide operational solutions to help them get through this difficult period (prepayments...).

Being a long-term economic partner to the regions

In the design and development phase

During the construction phase of new sites and renovations, the Purchasing Department favours local suppliers and service providers with equal skills and quality. During the last financial year therefore, 76% of construction purchases were made within 150 km of the construction site (compared with 84% in the previous financial year). On the construction site of the future Center Parcs "Les Landes de Gascogne", out of the 10 companies that were awarded the different lots, 8 are local companies, which represents a local contract award rate of 80%.

In the operational phase

On average, 39% of the purchases during the operating phase of the 5 Center Parcs France (excluding Villages Nature® Paris) were made within 150 km of the sites (compared with 32% during the previous year).

Results

- ◆ The amount spent with suppliers from the protected and adapted sector stood at €438 thousand excluding tax (compared with €316 thousand excluding tax in 2018/2019);
- ◆ 76% of construction purchases were made within 150 km of construction sites (compared with 84% in the previous fiscal year);
- ◆ 100% of the Group's buyers have received awareness training about CSR issues and the new responsible specifications for "risky" purchasing categories.

4.5 Limiting our Environmental and Carbon Footprint and Promoting Biodiversity



4.5.1 Committing to the fight against climate change

Context

Climate change is a major challenge for the tourism sector. Tourism businesses contribute to it by generating greenhouse gases (GHGs) through the construction of sites, their activities, transportation, accommodation and food services for vacationers. The tourism and property development sectors contribute 8% and 30%, respectively, to greenhouse gas emissions in the world. In addition, meteorological phenomena (natural disasters, reduced snow cover, etc.) themselves have an impact on tourism and construction activity.

Governance

All policies described below are steered by the CSR Department in consultation with the Business Lines.

4.5.1.1 The Group's carbon footprint

During the year, work was carried out to update the carbon assessment. It has made it possible to refine the share of each emission item in view of the Group's current activities. This work has also provided a basis for updating the response to the 2020 CDP (Carbon Disclosure Project) questionnaire. Lastly, it marked a first step in the launch of the Group's 2°C trajectory project, which will be finalised during the course of next year.

Lessons learned from the carbon assessment: a major focus on the operational phase

The carbon assessment has been updated for all of the Group's activities and its value chain. It has also been addressed separately by brand on the Tourism business in order to have a more detailed analysis ⁽¹⁾.

Within the Group's scope of consolidation, the major emission item are as follows:

- ◆ customer travel, 54%;
- ◆ energy consumption, 17% (scope 1 and 2)⁽²⁾;
- ◆ purchases of goods and services, 17%;

- ◆ partners operating on site, less than 10%;
- ◆ construction activity, 3%.

Scope 3 alone therefore represents 84% of the Group's emissions. The analysis carried out on the Tourism business by brand allows us to distinguish the specificities of each of them.

For Pierre & Vacances, the share of energy-related emissions is lower due to the use of relatively low-carbon energy in the major areas in which the sites are located (electricity in mainland France and use of urban heat).

The major issue items are distributed as follows :

- ◆ 81% for customer travel, of which 40% is the result of the air travel of the 4% of customers travelling to the West Indies;
- ◆ 13% for purchases;
- ◆ 5% for energy;
- ◆ 2% for partners.

For the Domaines Center Parcs, energy is the main source of emissions, due to the concept of the Domaines and their central facilities (swimming pools, restaurants) and their proximity to customers (250 km on average). The breakdown of the major emission items is as follows:

- ◆ 38% for customer travel;
- ◆ 35% for energy;
- ◆ 14% for purchases;
- ◆ 13% for partners.

Policy and action plan

In the operational phase

Various actions carried out by the Group are helping to reduce its GHG emissions by:

- ◆ limiting energy consumption at our sites with targets for reducing energy (and water) consumption established for each brand (see chapter 4.5.1.3 below) and certified processes (ISO 14001 and ISO 50001 – see chapter 4.5.2.1);
- ◆ favouring the use of renewable energy sources at operating sites; 23.9% of Center Parcs Europe's total energy consumption comes from green electricity or on-site production contracts (see chapter 4.5.1.3);

(1) Scopes 1 and 2 were established on the basis of data from the 2019/2020 financial year and scope 3 was calculated on the basis of data from the 2018/2019 financial year.

(2) Scope 1 (direct greenhouse gas emissions related to energy consumption such as heating and domestic hot water); Scope 2 (indirect greenhouse gas emissions related to energy consumption such as electricity).

- ◆ promoting local tourism (see chapter 4.3.1);
- ◆ offering mobility alternatives to our customers, such as the plan to roll out charging stations for electric vehicles in the Domaines Center Parcs, with the goal of equipping 100% sites by early 2021. At Pierre & Vacances France, 10 sites are equipped with recharging stations, the Eguisheim site will be equipped by the end of 2020, and a call for tenders is underway to select a service provider for the installation of the stations on all the sites (the decision being subject to the choices of the co-owners).

The 2°C trajectory roadmap was launched this year, and will be finalised next year – in view of the health crisis. It will make it possible to establish reduction targets for each of the items.

In the development phase

The measures taken for site development have an impact on GHG emissions during the operating phase. The certification of new buildings makes it possible to undertake an energy-saving approach and to consider the carbon footprint of the real estate project over its entire life cycle. The commitment to having 100% of new projects certified was made and formalised last year.

Two projects delivered

Two projects were delivered during the financial year both located in the mountains, in Méribel and Avoriaz. These two projects were not awarded an environmental certification, since they were launched before the official commitment to have all real estate projects certified. However, they rely on renewable energy and have major strengths:

- ◆ the Pierre & Vacances premium l'Hévana residence in Méribel (95 units) has an energy performance 20% higher than the RT2012 requirements, thanks to heat losses limited by a compact architecture, mineral wool exterior insulation, high-performance glazing and reduced energy needs through bioclimatic architecture (orientation of the building to limit heating needs). A wood boiler room installed in the building covers 100% of its heating and domestic hot water needs;
- ◆ at the Pierre & Vacances premium Crozat residence in Avoriaz (39 units), 100% of heating and hot water needs will be provided by renewable energy (connection to the Avoriaz wood heating system).

Three projects under construction

Environmental certification is targeted for all three projects under construction:

The Bâtiment des Douanes in Deauville: this project involves the renovation of the "Caserne des douanes", one of the oldest buildings in the seaside resort built in 1866 (which had been converted into a residential building in the 20th century), to turn it into a tourism residence. The renovation includes a major restructuring of the building's interior and an identical renovation of the façade to respect the historical appearance of this emblematic building. NF HABITAT HQE⁽¹⁾ "Applicatif Rénovation" certification is targeted for this project. It aims for an HQE level higher than the standard entry level thanks to the commitments made in terms of quality of life for future users. A review of this project was carried out at the beginning of the year; the design phase is currently being evaluated and will be the subject of a certificate by the end of 2020.

In addition, in view of the potential for reusing existing elements, work has been carried out to identify materials that could be reused

(1) High Environmental Quality

(2) Low Carbon Building label

(3) Information about the E+/C- label on www.batiment-energiecarbone.fr

(joists, railings, windows, doors, floors, cast iron or steel radiators, basins, sanitary facilities, etc.) and offer them to local buyers. Ultimately, only a few materials (wooden beams, cast iron posts) could be reused. This work on the second life of existing materials provides instructive feedback on the circular economy.

The Capella project, in Avoriaz: this is a major renovation of a building over 50 years old. The BBKA⁽²⁾ Rénovation label is targeted for this project. This label frames and fosters efforts to limit carbon impact (emissions and storage) and promote the environmental opportunities linked to renovation work: choice of wood as a new low-carbon material (facade, wooden framework, interior and exterior joinery, framing and roofing), conservation of the existing structure and replacement of elements largely "amortised" from a carbon point of view, 50% improvement of energy performance and attainment of an RT level of -25% by work on the building's exterior. The label also encourages the project to be part of a circular economy approach by identifying elements that can be reused via a resource diagnosis (e.g. lighting, bathtubs, door frames, furniture, etc.).

E+C-⁽³⁾ label obtained for the cottages of Center Parcs Lot-et-Garonne and HQE Aménagement certification renewed

For Center Parcs Lot-et-Garonne, which has been under construction for over a year and is due to open in spring 2022, two areas have been particularly worked on: limiting its environmental footprint and working towards the inclusion of the site in its region. This was notably framed by the HQE Aménagement certification, the implementation phase of which was validated this year during an on-site audit with all the teams. It recognises the environmental performance of the project with flagship measures such as the use of renewable energy on site: 80% of the heat needs of the village centre covered by renewable energy (wood-fired boiler room), no use of air conditioning either for the aqua-play area or for the cottages, and optimised water management thanks to an innovative system of purifying marshes.

In addition, the E+ C- label has been awarded to the cottages. The E2C1 level is attained for cottages on the Energy section thanks to measures taken to guarantee energy performance and the reduction of energy needs (RT2012 – 10%): forced ventilation system and absence of air conditioning, bioclimatic design, etc. and efforts to reduce GHG emissions through the choice of bio-sourced materials (wood structure and cladding, cellulose wadding and rock wool), optimised water and energy consumption (e.g. heat recovery from extracted air).

Results

- ◆ % of delivered projects with environmental construction certification: 0% (0/2).
- ◆ % of projects under construction with environmental construction certification: 100% (3/3).
- ◆ % of delivered projects with renewable energy: 100% (2/2).
- ◆ % of projects under construction (excluding rehabilitation) with renewable energy: 100% (1/1).

4.5.1.2 Anticipating climatic hazards

The property development and tourism sectors are known to be particularly exposed to climate change risks (see the 2018 Fédération Française de l'Assurance study). The Group's activities are, therefore, impacted by changing climate conditions, over the short, medium and long term.

A study was carried out this year with a specialised firm to provide a more detailed analysis of the climate risks to which the Group is exposed. The objective was to identify the climatic hazards likely to impact each of the Group's activities, by considering primary climatic hazards (storms, wind and hurricanes; increase in average temperature; heat waves; drought; heavy rainfall) and secondary hazards due to a combination of primary hazards (rising sea levels; avalanches, unstable terrain, landslides; floods; snow cover).

This study made it possible to list the main physical risks likely to affect the Group's sites, to select the risks with the greatest potential financial impact (scale from 1 to 3) across the Group's entire value chain, to map their intensity by region and to estimate their temporality (according to the IPCC's most extreme scenario).

The main high-stakes physical risks identified in the tourism business are: storms, which can lead to heavy renovation costs, increased insurance costs and delays in construction; heat waves, which can lead to increased management costs, and even temporary closures and a decline in the attractiveness of sites (risk of discomfort, lack of snow); unstable terrain and flooding, which can make sites potentially inaccessible; drought, which can make buildings more fragile; all of these risks can lead to a potential long-term loss in the value of the properties managed by the Group.

An identification campaign on water-stressed areas was also carried out (see section 4.5.2.2).

Measures taken

See the Risk Management section of the Universal Registration Document.

4.5.1.3 Reducing our energy consumption and developing renewable energies

Policy and action plan

Consumption reduction commitments are established for each brand:

- ◆ -25% in energy consumption by 2022 (2010 baseline) in the Domaines Center Parcs, as part of the Naturall approach;
- ◆ -5% in energy consumption by 2024 (2019 baseline) in Pierre & Vacances residences, as part of the "Let's do more together" initiative. The target of reducing energy consumption by 20% between 2014 and 2022 was exceeded during the 2018/2019 financial year (-21%) and this new objective was set for 2024.

The 2019/2020 financial year was greatly disrupted by the COVID-19 health crisis, forcing the Group to close its sites in mid-March 2020 for at least 10 weeks. This had repercussions on the consumption of each brand (see below).

Nevertheless, measures were taken this year at the Pierre & Vacances residences to improve their energy efficiency, such as equipment replacement and preventive maintenance of the facilities. For example, at the Val Thorens site (France), a system for controlling the energy efficiency of buildings has been set up. It is based on presence indicators and window opening sensors, a remote control system for heating allowing the temperature to be adjusted according to the presence of occupants, and the integration of site reservation information into the daily flow. This system is currently installed in two buildings and will eventually be rolled out in all the residences in Val Thorens.

At Center Parcs Europe, the energy management approach is rolled out jointly with the ISO 14001 (environmental management system) and ISO 50001 (energy management) certification processes (see chapter 4.5.2.1). Several projects aimed at improving the energy efficiency of Domaines or at increasing the share of renewable energies were continued this year:

- ◆ installation of a cogeneration system in De Haan (July 2020), Kempense Meren in Belgium (under construction), Eifel (work in progress), Bispingen Heide, Bostalsee in Germany (March 2020), Erperheide (in preparation);
- ◆ installation of solar panels at Bostalsee in Germany (work in progress), Kempense Meren and Vossemeren in Belgium (July 2021), preparation in Eemhof in Belgium, and being explored at Vielsalm in the Netherlands.

In addition, renovation works such as the new "Wild Water Rivers" have already led to a change in the consumption curve in various parks, as have the cogeneration units installed at Bostalsee and De Haan and the renovation works at the Zandvoort, Eemhof, De Haan, Bois Francs and Vielsalm Domaines. Due to the closure of sites during the COVID-19 health crisis, however, some programmes and projects have been delayed.

Results

Total volume of energy consumed by the sites, managed by the Group	2018/2019			2019/2020		
	CP	PV	Group	CP	PV	Group
Number of sites included in the scope	26	153	179	26	153	179
TOTAL ENERGY (in MWh)	765,253	139,836	905,089	686,138	105,944	792,082
Volume of energy (kWh)/overnight stay ⁽¹⁾	171	44	119	200.5	48	140
Electricity (in MWh)	163,071	106,690	269,760	140,586	82,863	223,449
Gas (in MWh)	544,597	14,635	559,232	486,860	10,013	496,873
Wood boiler room & Geothermal energy (in MWh)	57,585	-	57,585	58,692	-	58,692
Fuel oil (in MWh)	-	6,548	6,548	-	4,075	4,075
Urban heat (in MWh)					8,994	8,994

(1) Overnight stay: an accommodation rented for one night represents one overnight stay, irrespective of the number of occupants.

(2) Scope excluding Adagio, maeva.com and headquarters, for which water and energy consumption data are consolidated.

Pierre & Vacances scope

The year was marked by the closure of the residences for at least 10 weeks starting in mid-March. The collection of energy consumption data and the optimisation of technical installations were greatly disrupted during this period and at reopening. In addition, total energy consumption decreased by approximately 24% compared to last year, but to a lesser extent than the decrease in the occupancy rate of 30.4%. While on some sites the technical installations were completely shut down, on others they operated at lower capacity or continued to operate normally due to the presence of co-owners.

Center Parcs scope

The same phenomenon can be observed for the Domaines Center Parcs, also closed in mid-March for about 12 weeks. Most of the central equipment had to continue to operate at a minimum level in order to preserve and maintain it, even though significant efforts were made to reduce minimum consumption to the lowest possible level, up to about 40% of the normal situation. Despite the site closures, consumption only fell by around 10%, thus remaining high overall in comparison with the 24% drop in the number of overnight stays.

In this exercise, the key indicators and targets for reduction per night of accommodation were upset due to the significant drop in

the number of overnight stays (due to the closure of the Domains in spring).

Due to the COVID 19 health crisis, the domains will be closed again at the beginning of the following financial year (November/December 2020). Therefore, the objectives regarding consumption reduction as well as the method of calculation per night stay will be reviewed and adapted for the upcoming financial years.

Using renewable energy sources is one of Center Parcs' strong commitments. Their share in the energy consumption of the domains has increased this year. As of today, 100% of the French (except Villages Nature Paris), Belgian and Dutch domains and almost all German sites use green electricity contracts for all their electricity needs.

Center Parcs set the target to achieve a 35% share of avoided CO2 emissions (in comparison with the European energy mix) by 2022. It represents 28.7% this year. This means that the use of renewable energies (by purchasing green electricity and on-site production) has made it possible to avoid 28.7% of CO2 emissions, i.e. 43,697 tons of CO2 eq. (in comparison with the European energy mix).

When considering the total energy volume in kWh, renewable energies now account for 23.9% of Center Parcs Europe's total energy consumption (compared with 16.1% in the last year).

Share of renewable Energy (based on gross consumption) – In kWh	2018/2019	2019/2020
Share of renewable energies produced on sites	7.5%	8.6%
Share of renewable energies purchased (as part of renewable energy contract)	8.5%	15.3%
Share of renewable energies (over Center Parcs Europe's total energy consumption)	16.1%	23.9%

Volume of CO ₂ emissions from energy consumption managed by the Group	CP		PV		Group	
	2018/2019	2019/2020	2018/2019	2019/2020	2018/2019	2019/2020
Number of sites included in the scope	26	26	153	153	179	179
GHG emissions (in tonnes of CO ₂ equiv.)	172,808	155,865	17,274	17,175	190,082	173,040

Scope: same as energy volumes. Usage by heating networks is not included.
Calculation based on the ADEME Carbon Assessment tool (version 7.5 of 15 January 2016).

4.5.2 Sustainable operation of our sites

Context

Among the changes affecting tourism, increasing collective awareness of environmental and social impacts are major issues that need to be tackled. Customer appetite for information enabling the selection of environmentally-responsible tourist destinations is growing.

4.5.2.1 Have our sites labelled

Governance

Pierre & Vacances and Center Parcs teams are in charge of the labeling of the sites in accordance with the commitments of the Group.

Policy and action plan

In order to improve the environmental quality of our sites, the Group is using the leading international environmental label for tourist lodging and restaurants: Green Key certification. It guarantees respect for the environment and for people via the implementation of environmental, social and societal criteria. This labelling process also encourages the labelled residences to be in a position to improve continuously.

For the 2019/2020 financial year, the Group is on track to meet the objectives set for 2022:

- ◆ Green Key certification for all of its Premium and Villages residences in mainland France as part of its "Let's do more together" environmental policy;
- ◆ certification of all of its Domaines Center Parcs (including Sunparks and Villages Nature®) as part of the Naturall programme.

In addition, within Center Parcs, the energy management approach is being rolled out in conjunction with the processes linked to ISO 14001 (environmental management system) and ISO 50001 (energy management) certifications, and the objective of certifying 100% of the Domaines has been set. The certification process continued this year and 81% of the Center Parcs European sites are now ISO 14001 and ISO 50001 certified (compared to 77% the previous year), attesting to the efficiency of the energy and environmental management system.

Results

- ◆ Pierre & Vacances: 96% of premium residences and 100% of Villages certified Green Key in metropolitan France⁽¹⁾.
- ◆ Center Parcs Europe: 77% of Domaines awarded Green Key label.
- ◆ 37% of Group sites awarded the Green Key label.
- ◆ 81% of Center Parcs sites are certified ISO 50001.
- ◆ 81% of Center Parcs sites are certified ISO 14001.

4.5.2.2 Reducing our water consumption

Governance

The policy described below is managed by the dedicated personnel in charge of water and energy consumption management, and waste management, for each of the Center Parcs, Pierre & Vacances France and Pierre & Vacances Spain brands.

Policy and action plan

As with energy, commitments to reduce water consumption are established for each brand:

- ◆ -25% in water consumption by 2022 (2010 baseline) in Domaines Center Parcs, as part of the Naturall approach;
- ◆ -5% in water consumption by 2024 (2019 baseline) in Pierre & Vacances residences, as part of the "Let's do more together" initiative. The water consumption reduction target set for the 2014-2022 period was almost achieved in the 2018/2019 financial year (target of -15% between 2014 and 2022; -13% reached in 2018/2019).

During the previous financial year, the Group carried out a study regarding water stress using the Aqueduct tool from the World Resources Institute (WRI). This study was conducted on the Center Parcs, Pierre & Vacances and maeva.com perimeter. This study identified that 29% of the sites are located in "very vulnerable" or "vulnerable" zones. These are residences located in Spain, on the Mediterranean basin and some Center Parcs domains in Belgium, Germany, the Netherlands and France. The Pierre & Vacances Management Committee was asked to review the analysis in order to raise the awareness of the operational teams on the subject.

In addition to this study, a communication campaign was carried out this year aimed at the maintenance teams present in areas identified as "vulnerable". The purpose was to raise their awareness of the risk and to implement good counting practice.

The 2019/2020 financial year was greatly disrupted by the COVID-19 health crisis, forcing the Group to close its sites in mid-March 2020 for at least 10 weeks. This had repercussions on the consumption of each brand (see below).

However, actions have been undertaken this year to control and reduce consumption. On the **Pierre & Vacances** site in Saint-Anne, Guadeloupe, a project to control water leaks through threshold exceedance alerts was implemented. This monitoring is carried out remotely (remote metering) at the level of meters and sub-meters. In addition, preventive measures are carried out throughout the year.

Center Parcs Europe also works to reduce losses by detecting and resolving leaks, replacing taps, valves and other installations. Water saving equipment installation is also continuously planned.

(1) Green Key labelling is not available for sites located in French overseas departments and territories.

Results

Total volume of water consumed by the sites, managed by the Group	2018/2019			2019/2020		
	CP	PV	Group	CP	PV	Group
Number of sites included in the scope	26	153	179	26	153	179
TOTAL WATER (M³)	4,103,211	1,836,705	5,939,916	3,512,368	1,283,692	4,796,060
Volume of water (m ³)/overnight stay ⁽¹⁾	0.92	0.58	0.78	1.03	0.58	0.85
Percentage reduction (m ³)/overnight stay ⁽³⁾	-1.3%	0%	-	+10.5%	+0.4%	-

(1) Overnight stay: an accommodation rented for one night represents one overnight stay, irrespective of the number of occupants.

(2) Scope excluding Adagio, maeva.com and headquarters, for which water and energy consumption data are consolidated.

(3) For CP, the calculation is based on 2010 = 0.932 m³/overnight stay and for PV, the calculation is based on 2018/19 = 0.582 m³/overnight stay.

Pierre & Vacances scope

Water consumption has fallen by as much as the number of overnight stays, i.e. by about 30%. Despite the closure of the sites during the health crisis, some facilities had to continue to operate for maintenance reasons.

Center Parcs scope

The minor decrease in water consumption (-14.4% compared to last year), despite the closure of the sites during the health crisis, is notably linked to significant water leaks at the Villages Nature® Paris site (which has the largest outdoor swimming pool in the Center Parcs Business Line) observed during the period of closure. A dedicated action plan has been put in place and a project to improve the Building Management System has been launched.

As in the case of energy consumption and the Pierre & Vacances sites, this relative decrease is also explained by the necessary maintenance and upkeep of buildings (notably swimming pools), which forces the sites' technical teams to keep most of the installations in operation.

As sites will be closed again due to the COVID 19 health crisis at the beginning of the following financial year (November/December 2020), objectives regarding consumption reduction as well as calculation method per night stay will be reviewed and adapted for the upcoming financial years.

4.5.2.3 Reducing waste and promoting the circular economy

Context

Construction waste is a major source of waste in Europe. Furthermore, the volume of waste generated by the Tourism activity is directly linked to the number of customers staying at our residences and Domaines. The collection and treatment of waste generated by our sites is therefore an important issue for the Group. Moreover, it appears to be a growing concern among our customers who, in the Pierre & Vacances satisfaction survey, told us about their expectations in terms of waste sorting at our residences.

In the construction and renovation phase: ensuring proper management of construction site waste

Policy and action plan

The Group implements waste sorting and recycling at its various construction sites.

As no construction certification was targeted at the Méribel and Crozats Avoriaz real estate project, no construction data could be traced. At the Deauville site, 96.5% of waste is recycled, and 95% for the Center Parcs Lot-et-Garonne. As for the significant renovation construction site in Capella, the works started this year did not generate any waste flow (removal of lift, etc.); monitoring will be set up next year.

The renovation projects account for a significant share of the business activity and the Group is implementing a policy to promote the reuse of materials and circular economy. For the moment, this only applies to the Pierre & Vacances construction site. An enlargement of the scope is planned for next year. All waste is listed and sorted on the construction sites, and the furniture elements and waste electrical and electronic equipment (WEEE) are recycled through specialised channels that rely on eco-organisations which are called upon for each renovation operation.

Results

In 2019/2020, for the renovation of 1,562 Pierre & Vacances apartments (vs 1,172 in 2018/2019), 626 tonnes (vs 254 tonnes the previous year) were generated and collected through these organisations in France, i.e. an average of 401 kg of renovation waste per apartment. The volume of waste increased by 52% compared to last year. This increase can be explained by a more refined monitoring system put in place this year by the teams and the companies.

The sorting rate is 23.4%, while the furniture items are 96% sorted. Due to the COVID-19 health crisis, and particularly because of the lack of availability of the teams and our partners linked to the partial activity, we were unable to report the tonnes of waste electrical and electronic equipment (WEEE) recycled during the year (they represented approximately 9% of the total renovation waste last year).

The sorting rate of 85% on all renovation projects in the previous year was largely related to the high proportion of WEEE among the waste treated. While it is important to monitor this indicator of the overall sorting rate, it should be noted that the data are difficult to compare given the variety of work carried out from one year to the next and the still limited scope.

4

In the operational phase

Policy and action plan

Center Parcs

Our aim is to optimise waste sorting so that we can work together with our waste management providers to recycle a high proportion of our waste. Prompting employees by means of clear communication and operating standards, and raising customers' awareness of best practices to be adopted are just some of the Group's levers for action.

A recycling commitment has been made as part of the Naturall policy: 40% of waste sorted in 2018-2019, and 60% of waste sorted and 0.9 kg of waste per customer per night by 2022.

In the Domaines Center Parcs, cooperation with private waste management service providers enables the volume and sorting rate at each site to be monitored. However, the Group is dependent on the reports provided by each service provider to calculate the KPI published. Discrepancies in reporting reliability were observed according to the service providers. Works to improve data reliability are underway. This target is staggered over the next few years and is included in the environmental programme of each site and in ISO 14001 certification.

Improvement of waste sorting processes on site:

Already present at Villages Nature® Paris, the Eemhof, Erperheide and Heiderbos Domaines have in turn set up collection sites near the cottages and more suitable sorting facilities. This approach is currently being rolled out for all Center Parcs sites.

Pierre & Vacances

All Pierre & Vacances residences are equipped to enable customers to sort their waste (household waste, cardboard and plastic packaging, glass). The waste is collected by local authority services; Pierre & Vacances does not have any information about quantities.

A study was carried out on Pierre & Vacances by a specialist firm in order to gain a better understanding of waste flows and identify areas for improvement to reduce their volume at source and improve sorting. This study revealed that: 96% of residences offer a sorting solution in homes and that our customers generate a volume of waste lower than the national average (2.61 kg/day/home versus 2.81 for the national average in 2019).

Two axes of work were established as a result of this study:

- ♦ reduce waste at source by completely eliminating disposable cups, reducing and/or eliminating the hospitality products and paper media given to customers;
- ♦ better sorting of waste by clarifying sorting instructions for our customers, raising awareness, extending the sorting of bio-waste, and systematising the sorting of paper at reception.

Some actions are already in place across part of the network, so it is a matter of maintaining and rolling out the good practices observed on the sites.

Results

Volume and waste sorting rate – Center Parcs	2016/2017	2017/2018	2018/2019	2019/2020
Number of sites	24	25	26	26
Total (in tons)	17,190	19,129	19,495	18,184
Recycling rate	33.5%	39.8%	43%	50.4%
Volume of waste produced per overnight stay (kg/night/person)	0.99	1.11	1.02	1.25

Scope: Center Parcs and Sunparks in France, Belgium, the Netherlands and Germany and Villages Nature® Paris.

Breakdown by waste type – Center Parcs	2017/2018 ⁽¹⁾	2018/2019 ⁽¹⁾	2019/2020
Non-hazardous industrial waste – unsorted	60.3%	57.0%	49.6%
Glass	11.1%	8.7%	7.3%
Cardboard/paper	6.9%	7.4%	5.6%
Biodegradable waste	5.8%	13.6%	28.5%
Other non-hazardous waste – sorted	15.6%	13.2%	8.8%
Hazardous waste	0.3%	0.2%	0.2%

Scope: Center Parcs and Sunparks in France, Belgium, the Netherlands and Germany and Villages Nature® Paris.

(1) The distribution of waste types for 2017/2018 and 2019/2020 has been readjusted (edible oil, plastics and metal wastes are now included in the typology "other sorted non-hazardous waste").

4.5.3 Preserving biodiversity on our sites

Policy and action plan

In order to encourage the development of biodiversity on its sites, Center Parcs has set itself the goal of having a biodiversity management plan on 100% of the Domaines by 2022, with measures adapted for each site (late mowing, choice of species, maintenance methods adapted to the use of each area, elimination of phytosanitary products).

The Domaines in De Kempervennen and De Eemhof in the Netherlands conducted a biodiversity assessment on their Domaine in partnership with the University of Den Bosch (in the Netherlands). This assessment established a methodology for calculating a biodiversity score based on the following criteria: the number of species present on site and the biodiversity index (calculated according to species diversity, the presence of reference species in the region, rare, endangered or protected species, and biodiversity management). This standardised methodology was reused in seven Center Parcs in Europe in 2019/2020, in order to have a clear vision of the biodiversity of each site and put in place the appropriate protection measures. The goal is to roll out this approach in all Center Parcs by 2022.

The Domaine Center Parcs named Terhills will open its doors in Belgium in the spring of 2021. This site, consisting of 250 cottages, will be operated under a management mandate. It is located on a former coal mining site. Before the Domaine was established, work was carried out to enrich the soil on the hills resulting from the former industrial activity (terhills) using a new fertilisation system called "hydroseeding" (a system invented by our biologist Jean Henkens and used throughout the world).

Results

- ◆ 58% of Center Parcs have a comprehensive biodiversity management plan.
- ◆ The two Domaines analysed and mentioned above obtained a biodiversity score of 6.2/10.

4

4.6 Methodological note

4.6.1 CSR scope

The reference scope covers all the Business Lines held at more than 50% by the Group as of 30 September of year N. Employment and environmental reporting for the Adagio brand is included in Accor Groups' universal registration document, as the brand joined the Group's sustainable development programme as of the 2015/2016 financial year.

The reference year is the Group's financial year: from 1 October of year N-1 to 30 September of year N.

Reported data

The annual non-financial performance statement declaration is based on:

- ◆ employment, environmental, and some societal indicators devised in line with a protocol describing the indicators, in detail, together with a calculation and internal control methods and data collection responsibilities;
- ◆ information and indicators monitored by the departments in question and forwarded for reporting purposes.

Responsibilities

The CSR Department, which is responsible for carrying out the NFPS and the Group's CSR reporting consolidation, ensures the application of the protocol, and compliance with the reporting parameters and data collection methodologies.

It must therefore ensure the launch of data collection, the reliability of the data transmitted by the operational managers, the consolidation of certain indicators and the transmission of quantitative and qualitative CSR data for publication (structuring of data and transmission to the teams in charge of publication).

In order to ensure the consolidation of the Group's CSR reporting indicators, several levels of responsibility are identified within the organisation:

- ◆ for employment data: the HRIS teams are in charge of consolidation and verification at Group level;
- ◆ for environmental and societal data: each operational department is in charge of collecting environmental data and ensuring the reliability of the data at its level.

All employment, environmental and societal data are then consolidated by the CSR Department, which ensures that the indicators are consistent across the Group, in line with the CSR strategy.

Scope of publication

There are differences in scope (data excluded or included) within the same theme (environmental, employment, societal, responsible purchasing policy, customer approach). In this case, the scope selected and the associated criteria are explained directly in the data tables as well as in each indicator sheet of the Reporting protocol.

The scopes associated with environmental, employment and societal issues are described in chapter 4.6.2 "Data collection method" below.

4.6.2 Data collection methods

Employment data

Reporting scope

For employment data, all employees paid by the Group are included, irrespective of the business (Property development or Tourism) or the brand (Center Parcs, Pierre & Vacances, maeva.com, Senioriales and Villages Nature® Paris) for which they work and in all five countries where the Group operates (France, Belgium, the Netherlands, Germany and Spain). Teams based outside the EU (China) are not included in the reporting scope. They account for less than 0.4% of the workforce. Lastly, the indicators do not include temporary staff.

Over the 2019/2020 financial year, due to the COVID-19 health crisis and the reduced activity of employees, the teams in Spain were unable to provide data for the calculation of several indicators. Thus, for the indicators on recruitment, training, absenteeism, labour relations and accidentology, Spain has been removed from the Group's reporting scope.

Data collection and tools

Control and collection of employment data is managed by Human Resources teams in each country. The different pilots coordinate the collection of raw data via payroll tools, HRIS or country-specific monitoring tools. Indicators are then consolidated by country and on a Group-wide basis.

Environmental data

Reporting scope

For environmental data, the reference scope consists of all of the Group's operational units marketed for over a year as at 30 September 2019, with the exception of Senioriales (where water and energy use is not managed by the Group) and maeva.com time-share residences. With regard to Villages Nature® Paris, water, energy and waste data are incorporated in Center Parcs Europe data. Sites and residences marketed but not operated (maeva.com, franchises, etc.) are not included in the reporting scope.

Data collection and tools

- ◆ Across Pierre & Vacances sites, the Group consolidates water and energy use for which joint owners under lease agreements are responsible. Volumes of water and energy consumption are for the Group's share of each site. Data is supplied by ICARE – the internal energy use management tool. Data is reported by the sites. The strategic support team at Head Office monitors water and energy consumption at the sites, performs budget reconciliation and analyses differences. It also supports regional maintenance managers in producing assessments and alerts them in the event of abnormal, unexplained changes.
- ◆ The concept of shared use does not apply to Center Parcs. Water and energy use and waste production are monitored weekly and monthly by the energy coordinator for each site. Monthly data are verified by an internal expert who analyses and consolidates the data and monitors targets for all European sites. The Domaines Center Parcs will use the ICARE software from 2019/2020 to collect water, energy and waste data.
- ◆ As with Center Parcs Europe, Pierre & Vacances environmental data (in m³ or in kWh) are reported by number of overnight stays: an overnight stay corresponding to a unit rented for one night, regardless of the number of occupants.
- ◆ Concerning the Green Key label, the calculation of indicators is based on the classifications as listed in the commercial catalogue and not on the energy consumption classification. The scope described excludes sites located in the French overseas departments and regions because the labelling is only possible in Metropolitan France.

Societal data

Purchasing, customer satisfaction and construction data are supplied directly by the departments in question which consolidate these indicators so that they can be managed, and the scope is the same as for environmental data. It should be noted that the Purchasing Department introduced a responsible purchasing policy based on a number of quantifiable indicators and targets which are monitored and implemented through specific action plans.

Find the details of the summary protocol of the CSR report on www.groupepvcp.com, Sustainable Development section.

4.6.3 Our contribution to the SDGs

The table below describes the correspondence between the SDGs and the chapters of this document.

Our contribution		See chapter
Using sustainable development to enhance the customer experience		
	<ul style="list-style-type: none"> Developing offers and activities that reflect local heritage and nature Circular economy: sorting and management of waste through specific channels Selecting and promoting eco-labelled products in the Group's purchasing policy Green Key labelling and eco-certification of the construction process 	4.2.1
	<ul style="list-style-type: none"> Educating and raising awareness of customers about nature conservation and environmental protection Reducing waste 	4.2.1.1
	<ul style="list-style-type: none"> Drafting and signing of the charter for responsible catering which lists protected species Elimination of single-use plastics 	4.2.1.3
	<ul style="list-style-type: none"> Customer satisfaction and safety 	4.2.2
Creating value for the regions		
	<ul style="list-style-type: none"> Reducing the environmental impact of property development projects Consulting local stakeholders to ensure that developments are in harmony with the regions Showcasing natural and cultural heritage through the Company Foundation 	4.3.1 and 4.3.3
	<ul style="list-style-type: none"> Boosting local employment and supporting the local economy Responsible and inclusive purchasing Group commitment to human rights Social and professional reintegration via the Company Foundation 	4.3.2 and 4.3.4
Developing a culture of responsible entrepreneurs		
	<ul style="list-style-type: none"> Drafting and validating of the Group's ethics charter Compliance with applicable regulations 	4.4.1
	<ul style="list-style-type: none"> Employer branding and related policies Supporting employability and developing employee skills 	4.4.2
	<ul style="list-style-type: none"> Supporting employees within the framework of the Change Up transformation plan and in the context of the COVID-19 crisis Ensuring the health and wellbeing of employees and respecting all forms of diversity 	4.4.2.3 and 4.4.2.7
	<ul style="list-style-type: none"> Employee training 	4.4.2.5
	<ul style="list-style-type: none"> Fight against all forms of discrimination and promotion of diversity 	4.4.2.8
	<ul style="list-style-type: none"> Promotion of gender balance within teams 	4.4.2.8
Limiting our environmental and carbon footprint and promoting biodiversity		
	<ul style="list-style-type: none"> Taking climate change into account when choosing new sites Reducing CO₂ emissions; purchasing green energy Identification of sites located in water-stressed areas 	4.5.1
	<ul style="list-style-type: none"> Production of renewable energy (geothermal, solar panels, wood boiler room) Purchase of green energy 	4.5.1.1 and 4.5.1.3
	<ul style="list-style-type: none"> Conducting impact assessments and protecting biodiversity during site construction and operation Biodiversity management plan for green spaces and woodland areas and monitoring of protected species on sites Buying timber sourced from sustainably managed forests (FSC/PEFC) 	4.5.3
	<ul style="list-style-type: none"> Wastewater treatment; reduction in the use of chemicals and hazardous substances for wastewater Measures to optimise water consumption (hydro-efficient equipment, optimised pool water management) Ecological management of rainwater in new projects 	4.5.2.2

4.7 Independent Third-Party Body report

Report of the independent verifier on the consolidated non-financial performance statement

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders' Meeting,

In our quality as an independent verifier, accredited by the COFRAC under the number 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the Statutory Auditors of your entity Pierre et Vacances, we present our report on the consolidated non-financial performance statement established for the year ended on 30 September 2020 (hereafter referred to as the "Statement"), presented in the management report pursuant to the provisions of the Article L. 225-102-1, R. 225-105 et R. 225-105-1 of the French Commercial Code (Code de Commerce).

Responsibility of the entity

It is the responsibility of the Board of Directors to establish the statement in compliance with the legal and regulatory provisions including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied regarding these risks as well as the results of these policies, including key performance indicators.

The Statement has been established by applying the procedures of the entity (hereinafter referred to as the "Criteria"), the significant elements of which are presented in the Statement and available on its website⁽¹⁾.

Independence and quality control

Our independence is defined by regulatory requirements pursuant to the provisions of the Article L. 822-11-3 of the French Commercial Code and the Code of Ethics of our profession. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work, to express a limited assurance conclusion on:

- ◆ the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- ◆ the fairness of the information provided pursuant to paragraph 3 of I and II of Article R. 225-105 of the French Commercial Code, namely the results of the policies, including key performance indicators, and the actions related to the main risks, hereinafter the "Information".

However, it is not our responsibility to express an opinion on the entity's compliance with other applicable legal and regulatory provisions, in particular with regard to the due diligence plan and the fight against corruption and tax evasion, or on the compliance of products and services with applicable regulations.

Nature and scope of the work

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, the professional standards of the Compagnie Nationale des Commissaires aux Comptes relating to this mission and the international standard ISAE 3000⁽²⁾:

- ◆ we have reviewed the entity's business and the presentation of the main risks;

(1) <http://www.groupepvc.com/section/sustainable-development/then/publications>.

(2) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.

- ◆ we assessed the suitability of the Criteria in terms of its relevance, comprehensiveness, reliability, neutrality and understandability by taking into consideration, if relevant, the best practices of the industry;
- ◆ we verified that the Statement covers each category of information provided in III of Article L. 225-102-1 of the French Commercial Code regarding social and environmental matters, as well as respect of human rights and the fight against corruption and tax evasion;
- ◆ we have verified that the Statement presents the information required under section II of Article R. 225-105 when it is relevant with regard to the main risks and includes, where applicable, an explanation of the reasons for the absence of the information required under the second paragraph of section III of Article L. 225-102-1;
- ◆ we verified that the Statement presents the business model and a description of the main risks related to the activity of all the entities included in the scope of consolidation; including if relevant and proportionate, the risks created through its business relationships, products or services, policies, actions and results, including key performance indicators relating to the main risks;
- ◆ we consulted documentary sources and conducted interviews to:
 - assess the process for selecting and validating the main risks as well as the consistency of the results, including the key performance indicators selected, with respect to the main risks and policies presented, and
 - corroborate the qualitative information (actions and results) that we considered the most important presented in Appendix 1. For the risk related to land research, our work was carried out at the level of the consolidating entity; for the other risks, work was carried out at the level of the consolidating entity and in a selection of entities listed below: Pierre & Vacances France, in particular the Mountain operating division and the Val Thorens site, and Center Parcs France, in particular the Villages Nature® site;
- ◆ we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code, with the limits specified in the Statement;
- ◆ we have reviewed the internal control and risk management procedures implemented by the entity and have assessed the process for collecting information to ensure that it is complete and accurate;
- ◆ for the key performance indicators and other quantitative results that we considered the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the correct consolidation of the collected data as well as the consistency of their evolutions,
 - detailed tests based on samples, consisting of checking the correct application of the definitions and procedures and reconciling the data with the supporting documents. This work was carried out with a selection of the contributing entities listed above and covers 29% of the workforce and 41% of energy consumption;
- ◆ we assessed the overall consistency of the Statement with our knowledge of the entity.

We consider that the work we have done by exercising our professional judgment allows us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work.

Means and resources

Our verification work mobilised the skills of six people and took place between September and December 2020 on a total duration of intervention of about seven weeks.

We conducted around ten interviews with the people responsible for preparing the Statement, representing in particular the CSR, Environment, Human Resources, Health and Safety, and Operational Risks departments.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us not to believe that the consolidated non-financial performance statement complies with the applicable regulatory provisions and that the Information, taken together, is fairly presented, in compliance with the Criteria.

Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comment: internal controls on environmental and employment indicators remain limited.

Paris-La Défense, 16 December 2020

The Independent Verifier
EY & ASSOCIÉS

Jean-François BÉLORGEY
Partner

Philippe AUBAIN
Associate Director, sustainable development

Appendix 1: Most important information

SOCIAL INFORMATION

Quantitative Information (including key performance indicators)

Average yearly headcounts, turnover, return rate of seasonal workers.
Frequency rate, accident severity rate.
Average number of training hours per employee trained.

Qualitative Information (actions or results)

Employment (attractiveness and retention).
Health and safety.
Training.

ENVIRONMENTAL INFORMATION

Quantitative Information (including key performance indicators)

Energy consumption per overnight stay.
Percentage of renewable energy in the global consumptions of Center Parcs (in kWh).
Greenhouse gas emissions in tonnes of CO₂ equivalent linked to energy consumption managed by the Group.
Water consumption per overnight stay.
Waste sorting rate at Center Parcs.

Qualitative Information (actions or results)

Center Parcs "Naturall" and Pierre & Vacances "Faisons plus ensemble" policies.
The monitoring of energies, including green energies.
The progress of the carbon strategy.
Waste Management during renovation and exploitation phase.
The protection of water resources.
The protection of natural environments (water pollution and ecosystems).

SOCIETAL INFORMATION

Quantitative Information (including key performance indicators)

Qualitative Information (actions or results)

Management of the impact of new developments (local acceptance, energy efficiency, environmental certification, available surfaces).

4.8 NFPS concordance table

Table of Concordance of the Elements Required by the Non-Financial Statement

Information	Chapter
Business model description	Chapter 1 of the URD
Description of the major risks related to the group's activity	Chapter 2 of the URD
Human rights Fight against corruption	4.4
General Data Protection Regulation	4.4.1
Climate change	4.5
Circular economy	4.5.2
Food waste	4.2.1.3
Collective agreements in force	4.4.2.8
Fight against discrimination	4.4.2.8
Societal commitments	4.3.4
Tax evasion	4.4.1
Fight against food insecurity; respect for animal welfare; responsible, fair and sustainable food	4.2.1.1 and 4.5.3

4.9 Vigilance plan

4.9.1 Regulatory Framework

The Pierre & Vacances-Center Parcs Group has implemented a vigilance plan in line with the French duty of care law for parent and subcontracting companies.

The plan contains reasonable vigilance measures to identify risks and prevent violations of:

- ◆ human rights and fundamental liberties;
- ◆ personal health and safety;
- ◆ the environment.

It targets the major risks resulting from the business activities of the Group and of the companies controlled by the Group as well as the activities of subcontractors and suppliers with which there is an ongoing commercial relationship.

Governance

The plan and its components are applicable to all Pierre & Vacances-Center Parcs Group brands. It is designed in cooperation with the representatives and managers of the Group departments: Purchasing, Legal, Sustainable Development, Human Resources and Risk Management.

4.9.2 Group risk mapping

Methodology

Mapping of risks linked to the duty of care has been developed using the following sources:

- ◆ a materiality analysis of the Group's sustainable development challenges (2016);
- ◆ business risk mapping;
- ◆ CSR risk mapping (updated in 2019);
- ◆ the ethical alert system (2019).

Work will be carried out by the Chief Compliance Officer next year on risk mapping.

4.9.3 Procedures to assess the situation of brands, subcontractors and suppliers

4.9.3.1 Pierre & Vacances-Center Parcs Group

Organisation of the internal controls for business and labour law risks

The Group's activities are subject to the risks related to its type of business. Internal controls are organised as follows to prevent the risks:

- ◆ the Legal Department intervenes upstream to secure the Group's legal commitments and monitors disputes involving all of the operational subsidiaries;
- ◆ the Group Internal Audit, in partnership with the Legal Department, monitors the Group's risk mapping and works with the different business units to prepare the annual audit plan and via missions requested by General Management. The missions and topics dealt with may affect all of the Group's businesses and subsidiaries;

- ♦ together with the Group Internal Audit and the Operational Control team, the Operational Finance Department takes an active role in financial audits as well as in social and regulatory audits related to the tourism operations of the residences in order to protect human capital and ensure compliance with the laws and regulations in effect. These audits are mainly carried out on the operating sites (residences or villages from all the brands). The choice of sites audited is decided by the Group Internal Audit based on the type of site and on specific criteria.

Operational risks organisation

Group assessment procedures

The Group has included procedures and action plans in its CSR roadmap to assess and prevent the risks related to duty of care. The system is described in the following sections of the Universal Registration Document:

Risks related to the duty of care	Sections in the Universal Registration Document
Human rights	4.1.3 Listening to our stakeholders 4.4.1 Ethical and responsible practices 4.3.4 Supporting general interest projects that benefit local populations
Health and safety of employees and customers	4.4.2 Being committed to the health and safety of our employees 4.4.2 Continuing to commit employees
The environment	4.5.2 Limiting our environmental and Carbon Footprint and promoting biodiversity

The Operational Department of Center Parcs Europe and Pierre & Vacances Tourisme is made up of operational security experts (water quality, fire prevention, etc.) who coordinate the health and safety policy on the sites for all customers and employees and take all necessary steps (training, operational audits, crisis management).

Center Parcs and Villages Nature®

Risk management is organised by country. A Risk Manager is the national focal point for the operational teams in each country and monitors legal and regulatory requirements and changes at local and national level. The operational risk management process is based on the ISO 14001 standard and on an HSE (Health, Safety, Environment) management system.

Pierre & Vacances France and Spain and maeva.com

The Prevention & Security Operational Risk Manager is in charge of managing the risk in France and Spain. Regional prevention and security officers represent this manager on the ground and ensure the smooth roll-out of defined procedures. Each Pierre & Vacances and maeva.com site has a single regional contact person, i.e. a prevention and safety officer, for all risk areas identified.

In Spain, a risk prevention tool enables each site to perform a risk analysis and produce a "Document Unique des Risques".

4.9.3.2 Suppliers and subcontractors

The Pierre & Vacances-Center Parcs Group has implemented a Responsible Purchasing policy which consists of:

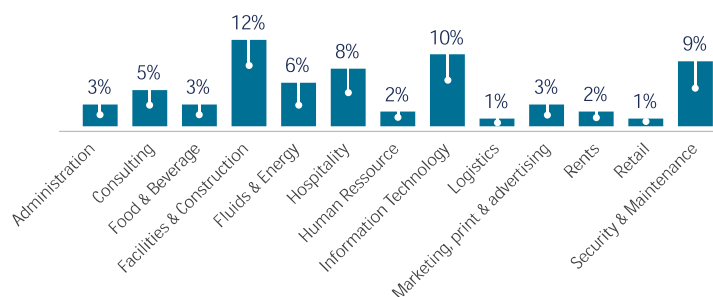
- ♦ alignment of the responsible purchasing policy and strategy with the CSR objectives set by the Group;
- ♦ risk management and opportunities to define priorities and action plans;
- ♦ the implementation of an approach to prevent corruption, notably via the signature of an ethics code by all Group purchasers.

The objective of the policy is to secure the supply chain to reduce risks (reputation, licence to operate), promote local purchasing (development of channels and contribution to local employment) and to commit to a sustainable and balanced relationship with partners and subcontractors.

Assessment of the CSR performance of suppliers

Local companies account for a significant share of Group suppliers: cleaning (SME/VSE), laundry, construction and furniture (related to the Construction business).

The Group's expenditures break down as follows:



When a supplier is selected by the Purchasing Department, the supplier or sub-contractor must answer one or more questionnaires evaluating its CSR performance. These questionnaires address themes around environment, social, ethics and human rights and responsible purchasing matters. They are adapted to the companies size :

- ♦ the SME/VSE questionnaire is based on ISO 26000: the questionnaire consists of 10 questions which assess the maturity level of the smallest suppliers without penalising them when compared to larger companies;
- ♦ the ISEs and large companies questionnaire, based on ISO 26000: questionnaire of 16 questions, requiring from them to document all their actions.

191 suppliers answered a CSR questionnaire during the year. In addition, an Anti-Corruption Questionnaire, based on the Sapin II

Law, is sent to mid-size companies (ISEs) and Large Enterprises. It has 17 questions and it assesses suppliers' compliance with the Sapin II Law.

The questionnaires are sent via the self-assessment platform (ACESIA). The results do not condition the selection of a supplier or service provider. On the other hand, this step is required to establish a contract with the supplier. In addition, the results obtained are valid for the duration of the contract.

Supplier audits

Pierre & Vacances-Center Parcs carries out checks via independent auditors. This is notably the case for Chinese suppliers. 100% of Chinese suppliers have been audited over the last 3 years, a new Chinese supplier has been selected and will be audited in December 2020.

4.9.4 Risk mitigation and serious harm prevention actions

4.9.4.1 Pierre & Vacances-Center Parcs Group

Crisis management

The Group has implemented a specific crisis management organisation to ensure the handling of any situation with the potential to endanger its employees, its customers, its interests and/or its reputation. This specific crisis management system consists of a dedicated, multi-disciplinary team headed by the Operational Risks Department.

4.9.4.2 Suppliers and subcontractors

Training

- ♦ In 2018, 100% of all Group purchasers received awareness training about CSR issues and new responsible specifications for purchase categories said to be "at risk".
- ♦ The code of ethics and the charter of best purchasing practices were signed by all purchasers.

Inclusion of CSR criteria in calls for tender

CSR criteria are included in calls for tenders for certain categories of purchases in order to impact the contract agreed with the supplier or service provider. The criteria are the result of the risk mapping of the Group's supply chain. The compulsory criteria reflect the operational implementation of the Group's CSR objectives. Compliance with the criteria is a prerequisite for access to the tender. An escalation procedure is initiated when a supplier does not meet the criteria. It provides for a meeting between the CSR

Department, the person in charge of the call for tenders and the Purchasing Department to find a compromise.

CSR clause in contracts

A CSR clause is included in the consultation rules covering the terms and conditions of calls for tender and is signed by all buyers. The clause is included in all purchasing contracts and is available in French and English.

4.9.5 Alert and whistleblowing mechanism

The Group has implemented an internal alert system available to all employees with access to the intranet. The Group provides its employees with a mechanism to report any occurrences of fraud or corruption via this system.

The alert system has been active since March 2019. It will be extended to the countries in which the Group operates (Belgium, the Netherlands, Germany, Spain) and, at a later time, to all Group stakeholders.

4.10 Table of key indicators

Scope	Policy/Objectives	KPI	2018/2019	2019/2020
Using sustainable development to enhance the customer offering and experience				
CP	1 Nature activity at 100% of sites by 2020	% sites offering an activity	92%	100%
PV	1 Nature activity at 100% of sites	Number of children who took part in a nature activity (children's club)	5,169 ⁽¹⁾	5,385
Creating economic/social value in the communities where our sites are located				
Group	Incorporate CSR criteria for high-risk purchasing categories	% of high-risk purchasing categories covered by responsible specifications	100%	100%
Construction Europe	Monitor and optimise our construction purchases and set targets for our flagship projects	% of local purchases during construction phase	84%	76% ⁽²⁾
CP France	Monitor and optimise our local operational purchases	% of local purchases during operational phase	32%	39%
Responsible entrepreneur				
Group	Monitor and manage employee safety	Frequency rate of workplace accidents	34.9	29.4*
		Severity rate of workplace accidents	1.47	1.8*
		Average number of training hours per employee	11.4	9.6*
Group	Develop our employees' skills	% of employees trained	63%	51.3%*
Group	Satisfaction Survey			
	"Happy@Work": % of satisfied employees		82%	-
PV	Rate of retention of seasonal workers		49.8%	53.4%
Group	Monitor and improve employee satisfaction	Turnover	20.8%	18%
Group	Guarantee equal opportunities	Percentage of women managers	53%	51%

* Excluding Spain

(1) 2018/2019 amended data

(2) Construction site of Center Parcs Lot-et-Garonne

Scope	Policy/Objectives	KPI	2018/2019	2019/2020
Limiting environmental and carbon impact and promoting biodiversity				
PVD	Obtain eco-certification for 100% of new property developments	% of projects delivered with an environmental building certification	NC	0%
		% of projects under construction carrying environmental certification of construction	NC	100%
CP	100% of CP sites awarded the Green Key label	% of CP sites awarded Green Key label	19%	77%
PV		% of PV Premium sites awarded the Green Key label	100%	96%
		% of PV Villages sites awarded the Green Key label	90%	100%
	100% of PVP and Villages sites awarded the Green Key label (France excluding overseas departments)	% of PV France sites awarded the Green Key label	-	38%
		% of Group sites awarded the Green Key label	33%	37%
CP and PV	Obtain an eco-label for sites in operation	% of Group sites awarded the Green Key label or ISO 14001 certified	42%	38%
CP	Reduce energy consumption by 25% by 2022 (2010 baseline = 172.3 kWh/overnight stay)	Energy use per overnight stay (in kWh/overnight stay)	171	200.5
		Percentage change	-1.2%	+16.4%
PV	Reduce energy consumption by 5% by 2024 (2019 baseline = 44 kWh/overnight stay)	Energy use per overnight stay (in kWh/overnight stay)	44	48
		Percentage change	-21%	+9%
CP	Reduce water consumption by 25% by 2022 (2010 baseline) PV France = 0.932 m ³ /overnight stay)	Energy use per overnight stay (in kWh/overnight stay)	0.92	1.03
		Percentage change	-1.3%	+10.5%
PV	Reduce water consumption by 5% by 2024 (2019 baseline = 0.582 m ³ /overnight stay)	Ratio (m ³ /overnight stay)	0.582 ⁽¹⁾	0.584
		Percentage change	-10.4%	+0.4%
CP	Ensure that 60% of operational waste is recycled by 2022	% of waste sorted	43%	50.4%
Group	Assessing the Group's carbon footprint	Group's carbon footprint on energy in CO ₂ eq.	190,092	173,040
CP	Achieve -35% CO ₂ emissions avoided by 2022	Share of CO ₂ emissions avoided (compared to the European energy mix)	-	28.7%
CP	100% of domains with a biodiversity management plan by 2022	Share of sites with a biodiversity management plan	58%	58%
Satisfaction of our Customers and Owners stakeholders				
CP	Monitor the satisfaction rate	Net Promoter Score	3.2%	-2.1%
PV	Monitor the satisfaction rate	Net Promoter Score	21.3%	18.1%
Group	Monitor the lease renewal rate	Lease renewal rate	76%	67%
Construction France	Adopt a consultative approach commensurate with the scale of the development and the local context (> 100 housing units with significant environmental issues at stake)	% of developments for which a local the appropriate consultation was conducted	77%	85%

(1) 2018/2019 amended data