

A STRATEGIC PLAN IN AN ACCELERATED OPERATIONAL PHASE

Over the last two financial years, the Group has improved its operational organisation, by improving its processes and operating methods and by developing a marketing and communication strategy focused on the customer and digital methods.

The WIN strategic plan is now entering its accelerated operational phase.

To boost the growth of the tourism business, Martine Balouka-Vallette, who joined the Group in 2002 and is renowned for her expertise in the sector and in management, was appointed Pierre & Vacances and Center Parcs Chief Executive officer for Tourism.

In 2014/2015, the improvement of the tourism offering, the development of a distinctive, personalised digital customer relationship and efficient distribution modes will be the main drivers of revenue growth. The Group will also step up its lease renewal policy with, for some residences, the activation of the three-year maturities and management agreement proposals. The rent expense should therefore be cut by €67 million over the period 2012/2013 to 2018/2019.

All of these initiatives should ensure a return to operational profit for the tourism business from 2014/2015, and an operating margin of 5% in 2016/2017.

At the same time, the Group is continuing its property development activity, with large-scale projects on the contributing brands to secure property margins and for tourism management: Center Parcs, Villages Nature, Adagio, Pierre & Vacances premium. One of its major focuses on development is international, mainly in the Netherlands, Belgium and Germany, by split sales of renovated Center Parcs sites, and Spain.

The potential of the inventoried property development business is almost €2 billion.

In a European economic environment without significant change, the Group should reach its **target of an operating profit from ordinary activities as a percentage of revenue of 5% to 6% by 2017.**

INFORMATION ON SOCIAL, SOCIETAL AND ENVIRONMENTAL ISSUES

CSR POLICY

In 1967, Gérard Bremond developed a completely innovative concept at Avoriaz: a car-free ski resort and an imitative architecture that reflected the natural décor of the mountains.

Now, more than ever, designing sites which fit in as much as possible with their natural and cultural environment both when they are built and throughout their operational life is an essential and determining component of the Pierre & Vacances-Center Parcs Group strategy. In a shared value-creation vision, the Group is not only working to reduce its environmental impact and be a long-term economic partner for local areas, but also to act as a responsible employer. It also seeks to develop meaningful projects which offer new experiences close to nature, providing a gateway to the local area. Sustainable development values are now at the heart of the work on the Group's two key projects, the Center Parcs at Domaine du Bois aux Daims in Vienne and Villages Nature, which are due to open in 2015 and 2016 respectively.

Priority areas for the financial year 2013/2014 were as follows:

- ◆ continue developing an offering of innovative tourist products respectful of ecosystems, focusing on the interaction between customers and nature;
- ◆ build on the policy of securing eco labels for the sites;

- ◆ meet the targets of the various operational departments, notably in terms of energy, water and waste management (as stipulated for the implementation of the BEST! action plan);
- ◆ improve the management of non-financial indicators (social and environmental).

Organisation

All Group business lines are helping to improve the corporate social responsibility approach within the company, both in the tourism business by involving all employees on the ground and by the work of the Support Departments (Maintenance, Renovations, Quality, Marketing, Purchasing, etc.) and the property development teams.

The Group's CSR strategy is defined by the CSR Department in cooperation with the Operational Departments. The CSR Department follows the implementation of action plans, supports the Departments when necessary and coordinates non-financial reporting. It also takes part in the thought-process for new products and services. The CSR Department reports to the Deputy Chief Executive Officer, a member of the Group's Executive Management Committee.

SOCIAL RESPONSIBILITY

Vision and ambition

Human Resources at the heart of the Group's a performance

Since it was founded in 1967, the Group has presented a specific business model: finance and market tourism property developments, some of them on a large scale (almost 1,000 beds in some Center Parcs), then oversee their operation. This unique know-how, acquired and transferred over the years within the Group, is a key part of its value and ensures the successful pursuit of its development.

The Group's diverse business lines have a shared objective: the satisfaction of customers – both internal and external. This satisfaction is one of the cornerstones of the human resources management policy.

To manage all of the human capital (employees represent the Group's second-largest item of expenditure), the Human Resources (HR) function has occupied a new place within the Group since September 2013: it is represented on the Executive Committee and the General Management Committee of each brand. This new positioning enables the Group to meet operational needs while being involved in discussions on business issues and future challenges.

After a period of restructuring and a transformation plan being rolled out in 2012/2013, the Human Resources Department (HRD) focused on two main areas in the 2013/2014 financial year: management of wage costs and the implementation of processes at Group level to support individual performance. The year also saw the reworking and strengthening of the HR team, to form a pan European department with the implementation of new expertise (remuneration and social benefits, legal), and the adoption of redefined working methods, for better joint effectiveness.

The efforts of the HR teams are focused on four priorities, which are directly connected to the Group's strategic vision: performance management, talent management, employment model and Group culture. Through these efforts, HR has defined and rolled out coordinated Group policies, reflecting the specific nature of each country and brand name.

About the company report

For the 2013/2014 financial year, unless specifically mentioned⁽⁶⁾, the scope of the indicators includes all employees paid by the Group, for all businesses (property development or tourism) and brand names (Center Parcs, Sunparks, Pierre & Vacances, Maeva, Adagio, Les Senioriales). The data concerning Adagio employees outside France being collected and disclosed by the Accor Group (Adagio is a shared joint venture); they are excluded from the scope of the Group indicators. The same applies for employees of Pierre et Vacances Morocco. These exclusions only represent 1.7% of the total workforce. Social indicators also do not include temporary staff.

To make the Group's reporting processes more reliable, a pan European project team has been set up at Group level within the HR department. One of its tasks has been to coordinate the HR pilot projects in the countries where the Group is operating (France, Belgium, Germany, the Netherlands, Spain).

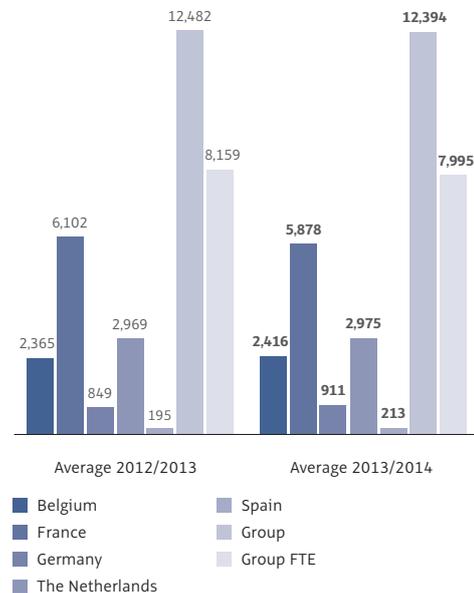
All social indicators in the Protocol have been reviewed in detail, improved if necessary and shared so that they can be implemented jointly. Improvements were made to the level of precision in the calculation methods used and in the definitions, particularly in terms of staff levels and absenteeism. New indicators have been included (annual headcount average and full time equivalent, number of employees recruited internally and externally, number of performance interviews, number of social dialogue meetings). Each stage (collection, consolidation, checking, qualitative analysis) has been optimised to make it more reliable. This improvement is pursued mainly via half-yearly reporting.

The various reporting stages have also been made more reliable: harmonisation of social data collection, simplification of their consolidation, checking and comparison with N-1 data.

Jobs

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

(New indicator)



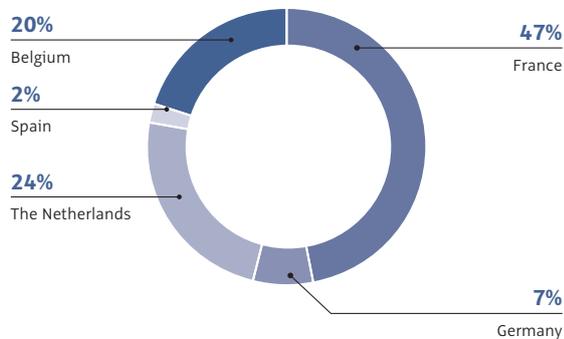
NB: In order to compare one financial year with another, employees from the 2012/2013 period have been recalculated using the same method as the employees for the 2013/2014 period.

Also, the data have been extrapolated over the last quarter of 2012 for Adagio and throughout the 2012/2013 financial year for Les Senioriales, due to the change in payment software for these two entities: increase in employees in January 2013 for the last quarter of 2012 for Adagio and increase in employees in September 2013 for the 2012/2013 financial year for Les Senioriales.

(6) When the data are not available or reliable according to the definition of the Group's reporting protocol, the scope may be restricted and the latter is then specified.

Breakdown of average employees by country

(New indicator)

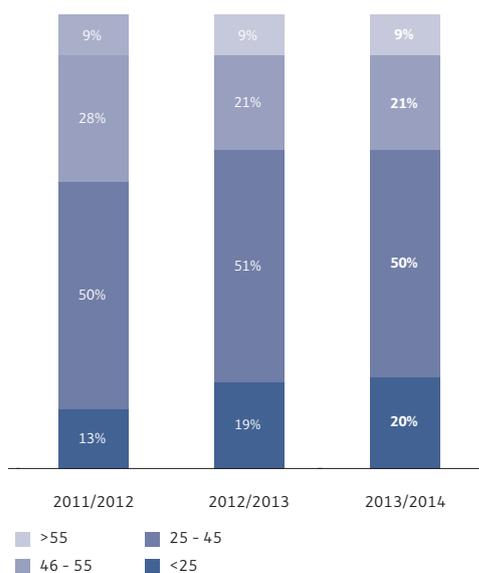


Employees at 30/09

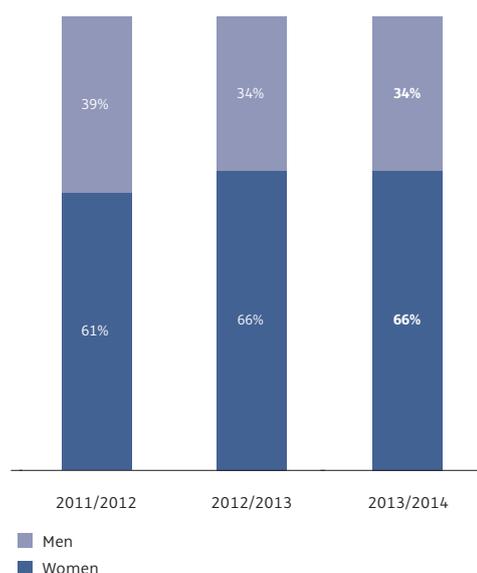
	2011/2012	2012/2013	2013/2014 ⁽¹⁾
France	5,158	4,962	5,449
Belgium	2,490	2,535	2,522
Netherlands	2,994	2,963	3,004
Germany	822	926	936
Spain	231	223	272
TOTAL HEADCOUNT	11,695	11,609	12,183
TOTAL FULL TIME EQUIVALENT	7,465	6,994	7,703

(1) The increase is mainly due to the change in the method of consolidating employees in France. In 2012/2013, the extraction from the pay tool on 30/09/2013 as a "photograph" of the employee status did not include most of the "extras", which were processed in the following month's pay run. From the 2013/2014 financial year and in order to improve the accounting methods, the history of the changes that could have been made after 30/09 has been included. Further, as the tourism business is less strong at the end of September than in August for example, introducing from this financial year the annual average employees presented above aims to better reflect their presence over the course of the year. Therefore Group employees present on 30/09/2014 are recognised.

Breakdown of employees at 30/09 by age group



Breakdown of employees at 30/09 by gender



Group jobs

Group business lines are fully focused on customer satisfaction, in both the property development business and the tourism business.

The Group business lines are as follows:

- ◆ business lines relating to Tourism: reception, technical and safety, cleanliness, pool maintenance, management of control and operational sites, catering (although little represented, as most of this business is subcontracted);
- ◆ business functions and customer relations;
- ◆ the support business lines connected to safety, finance, sustainable development, purchasing, legal, human resources, IT, etc.;
- ◆ the business lines associated with property development: property development, marketing, property development management and owner relations.

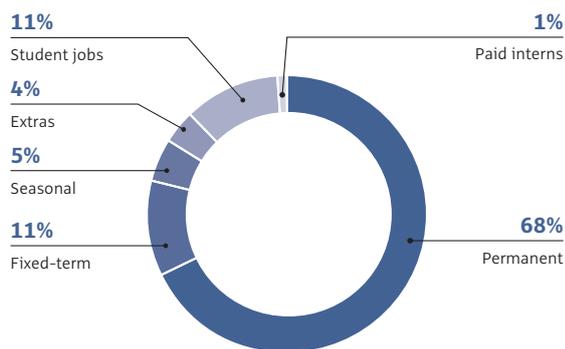
The Group's employment model

The specific nature of the tourism business (by nature seasonal and affected by school holidays), rapid changes in customer behaviour and expectations (growing proportion of Internet sales, last minute purchasing, of short stays, and arrivals on any day of the week) and the generally difficult European economic context necessarily requires our employment policy to be more flexible.

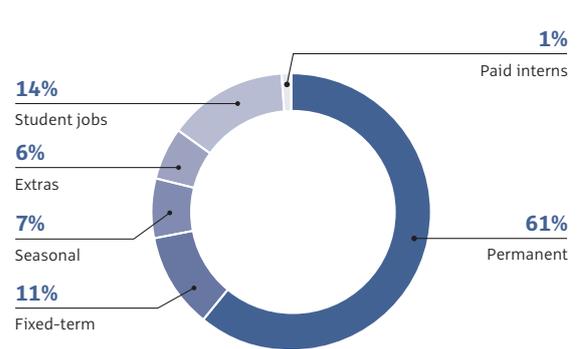
The use of certain adapted contracts (seasonal, extra, fixed-term, work-study contracts) reinforces permanent employees and provides the necessary flexibility to provide a quality service to customers. Seasonal contracts and extras are used for a limited period (summer/winter peaks) and in line with the statutory provisions in force in each country. Currently 39% of employees are on fixed-term, seasonal, extra and student job contracts (professional training contracts, apprenticeship contracts, or any other student contract according to the specific features of the country) and placements. The Group's tourism business allows it to provide access to young people looking for student jobs to work-study contracts or placements, by offering them adapted, interesting roles to boost their employability.

Breakdown of employees as at 30/09 by contract type

2012/2013⁽¹⁾



2013/2014

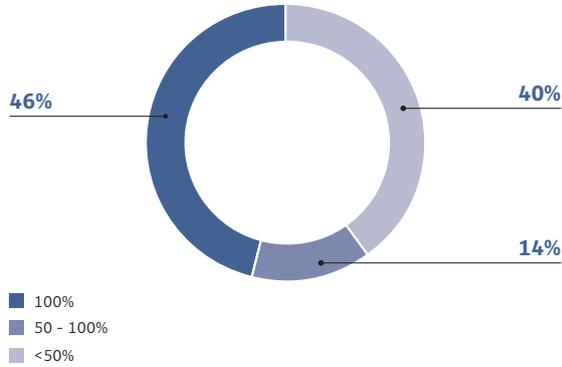


(1) The breakdown of contracts in 2012/2013 has been recalculated using the 2013/2014 method, so that the two financial years can be compared.

The organisation of working hours also enables us to meet the specific needs of tourism operations. Therefore, among the employees on permanent contracts, some of the positions are occupied on a part-time basis to meet departmental needs (cleaning for example). These employees have all of the same benefits granted to other Group employees. Also, most of them have other employers (individuals or legal entities), allowing them to supplement their working hours.

Compliance to the legal working times is a major concern for the Group. To ensure this, internal HR audits on the Pierre & Vacances site take place regularly and the timetables are produced and monitored by a HR specialist on the Center Parcs sites. Information on statutory rest periods is regularly sent to French managers to keep them informed of the statutory working time obligations.

Breakdown of employees at 30/09/2014 by rate of activity



In terms of recruitment, an Employment Committee (at Group and local level) has been set up to consistently examine all permanent

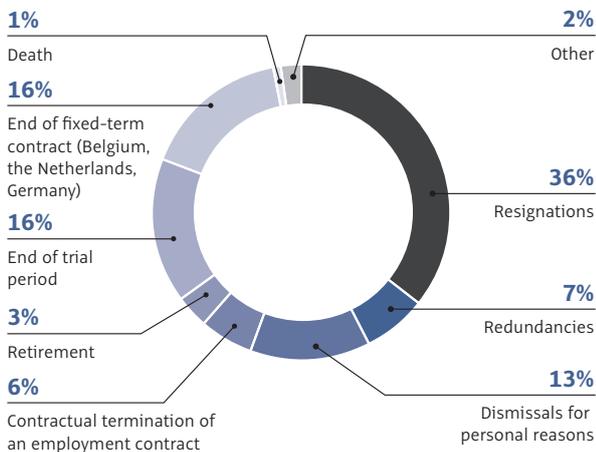
and fixed-term recruitment requests of over six months. Chaired by the Group's HR Director, this Committee meets every week (to meet operational needs) and examines these requests. This process has made all employees aware of the importance of proactive resource management, limiting automatic rehiring following the departure of employees on permanent contracts, and has given priority to internal candidates when recruiting. Therefore, in the year ended 30 September 2014, of 778 new hirings approved by the Group's employment committee, 31% were recruited internally, favouring the capitalisation of know-how, skills and mobility within the Group. For new employees, the Group's induction programme has been reviewed. Completing existing local processes, this onboarding programme is designed to better welcome new employees, provide them with all useful information on the Group, their team, working environment, daily life in the company and their HR contact person.

The Group's recruitment policy has resulted in a significant drop in turnover as a result of the reduction in departures and newcomers (linked directly to the growing proportion of internal recruitment).

Turnover	2011/2012	2012/2013	2013/2014
Number of new staff	2,624	1,911	1,383
Number of departures	2,579	1,906	1,748
Turnover	27%	18%	16%

*Indicator calculated based on stable employees: Permanent (France and Spain), permanent and fixed-term (Belgium, the Netherlands, Germany), representing 81% of total employees over the year. Turnover: ((Number of departures of people + number of new arrivals)/2)/Workforce in stable positions over the period *100*

Breakdown of departures by reason (financial year 2013/2014)



Future projects which will create jobs

The Group has invested in new projects, the most important of which are the openings of Center Parcs at Domaine du Bois aux Daims in the Vienne departement (2015) and Villages Nature in Marne-la-Vallée (2016) in partnership with Euro Disney.

The Center Parcs at Domaine du Bois aux Daims will create 600 jobs when it opens. A dedicated team has been working on specific recruitment for this project for over a year. We have met 3,500 people at public meetings designed to explain, develop the project and attract new employees. The recruitment process will take place as part of a constructive partnership between public and private stakeholders. The recruitment campaign was launched in September 2014 for opening scheduled in June 2015. 5,000 applications, including 80 internal candidates, have already been interviewed.

Villages Nature will create 4,500 direct and indirect jobs at the end of the first project launch phase.

Developing employees for collective performance

The required flexibility of resources linked to the employment model generates a greater responsibility towards employee treatment, notably to limit job insecurity. Therefore, one of the HR Department's priorities is to proactively manage the career development of its employees within the Group.

A single performance evaluation interview process for the whole Group

The 2013/2014 financial year was an opportunity to rethink the whole employee performance evaluation process. A new single system for the whole Group has been rolled out. The approach aims to measure performance, analyse shortcomings and find solutions to overcome them, identify training needs and find out how employees want their careers to develop. Specific training sessions have been organised for managers so that they can familiarise themselves with this new process and use a shared language.

During the 2013/2014 financial year, 94% of target employees (permanent for France and Spain, permanent and fixed-term for Belgium, Germany and the Netherlands with a one year seniority requirement) had this performance interview. Coordinated and formal action plans have been implemented between HR and the various Departments to best meet employee needs.

Training

During the 2013/2014 financial year, the training policy was also reworked at Group level and will be fully rolled out during the 2014/2015 financial year.

It gives priority to the following training areas:

- ◆ Leadership and management: as ambassadors for the customer-oriented cultures, managers are at the heart of the success and the collective performance (150 trained during the 2013/2014 financial year);
- ◆ Safety and environment;
- ◆ Job-related techniques including sales techniques;
- ◆ Service approach in line with service quality.

Training	2011/2012 ⁽¹⁾⁽²⁾	2012/2013 ⁽²⁾	2013/2014 ⁽³⁾
Total number of training hours	134,807	111,762	91,941
Average number of training hours per employee	Undisclosed	Undisclosed	14.5
Proportion of employees trained	56%	Undisclosed	51%
Share of women among trained employees	Undisclosed	Undisclosed	66%
Training budget	Undisclosed	Undisclosed	€3,186,669

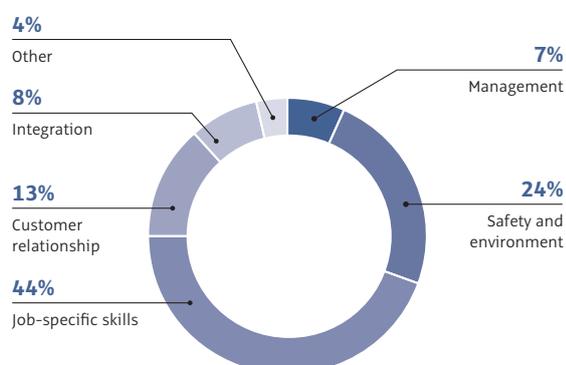
(1) Not including Spain.

(2) For France: only applies to training as part of the training plan which must last for at least seven hours for PV and Adagio, and four hours for Les Senioriales. For the other countries, all training sessions were counted irrespective of their duration.

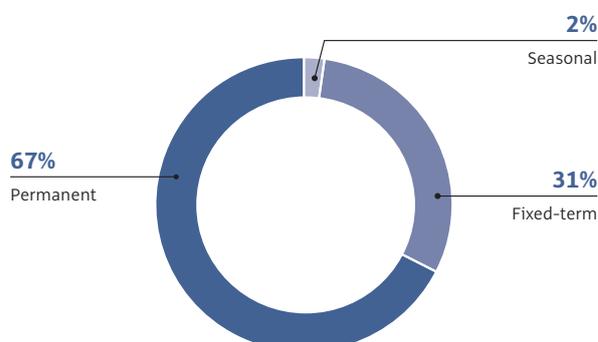
(3) Recognition of all hours over all brands, irrespective of financing and roll-out procedures.

The 18% fall in the total number of training hours is due to the difficulty of rolling out training programmes during restructuring period and the necessary overhaul of the training programmes.

Breakdown of training hours by training area (2013/2014)



Breakdown of employees trained by contract type (2013/2014)



The management of talents to prepare for the future

In 2013/2014 the Group reflected upon a joint talent management policy.

Priority was placed on how to attract and integrate new employees with potential into the Group. As a result, a digital recruitment strategy was implemented, via social media. At the end of the 2013/2014 financial year, the Group had 16,367 followers on open recruitment sites (LinkedIn, Viadeo, Facebook and Twitter).

Many initiatives have also been launched and will be rolled out during the 2014/2015 financial year: development of relations with “target” higher education institutions, encouragement of internal mobility, succession plans at management level and for key positions, personal development programme with performance interview, etc.

Listen, communicate, open dialogue

Monitor employees’ well-being

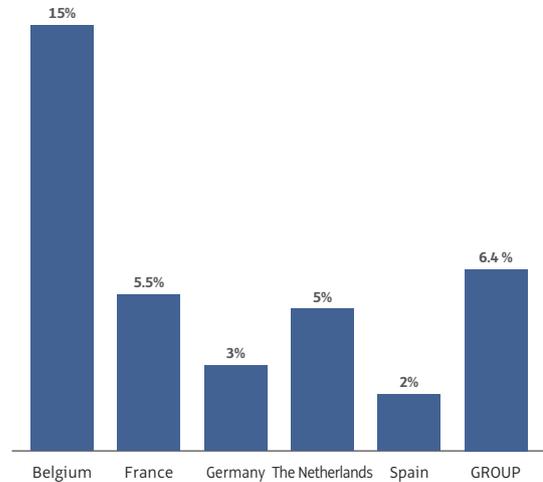
Employee well-being and commitment are of prime importance to the Pierre & Vacances-Center Parcs Group. The Group is convinced that customer satisfaction depends on employee satisfaction. Therefore, HR has been working to improve employees’ well-being and increase their daily commitment in order to give optimum service quality to customers.

HR has updated an anonymous online survey, which is open to all employees who want to respond, to measure their well-being and commitment at work. These surveys cover general satisfaction and commitment, as well as customer service focus, integration, working conditions, training and development, internal communication and management. This survey, called Happy@work, offers a complete overview of employee satisfaction, and will be rolled out across the Group at the start of the 2014/2015 financial year.

Measuring absenteeism

Measuring absenteeism is also a key component in evaluating well-being. Major work has been done: an audit of absenteeism monitoring practices, the creation of a position dedicated to monitoring this indicator and a new definition of the shared calculation mode for all brands. Absenteeism therefore falls within the internal management strategic indicators.

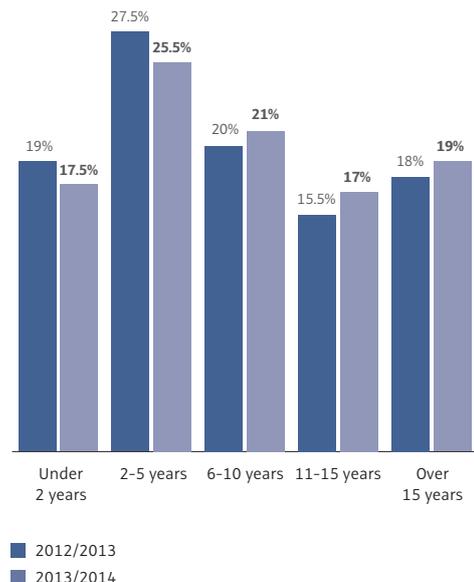
Rate of absenteeism (2013/2014)



NB: The rate of absenteeism is calculated based on calendar days of absence of employees in stable positions: Permanent (France and Spain), permanent and fixed-term (Belgium, the Netherlands, Germany), i.e. 81% of average total employees over the reporting period. It is obtained from the start and end dates of the absence period recorded in the pay tools and does not include the rate of employment (= number of days of absence/365 x number of stable positions over the period). Therefore, for Belgium, where 85% of employees work part-time, the calendar method leads to a high absenteeism rate, which does not correlate to actual working conditions.

Finally, an action plan proposal to prevent psycho-social risks (PSR) and improve quality of life at work for the head office in Paris has been finalised and will be rolled out in 2014/2015 in partnership with occupational medicine and the trade unions and employers’ organisations.

Breakdown of the employees present at 30/09/2014 by years of service



Indicator calculated based on stable employees: Permanent (France and Spain), Permanent and fixed-term (Belgium, the Netherlands, Germany), i.e. 71% of total employees at 30 September 2014.

Another indicator of well-being within the company is years of seniority: it reveals a certain loyalty, as just over a quarter of employees have been with the Group for at least 11 years, a stable rate compared with the previous financial year.

Recognition for the HR management strategy

For the 3rd consecutive year, Center Parcs in the Netherlands has received the national Top Employer award. Its initiatives and results in terms of training, development and business culture received particular praise. Working conditions and career management were also rated as very good. This recognition has come thanks to continuous effort by the teams, who are focused on excellence and innovation.

Internal communication which creates links

The Group's intranet has been overhauled. Now available in five languages, it allows employees to access strategic Group information at any time, facilitates understanding of each employee's business lines and makes communication between teams more fluid.

Also, several initiatives have been implemented on a local scale to encourage sharing and exchange: presentation of new products at the head office, Job Rotation on Center Parcs sites, Staff Day, Cleaning Day and Seniors Day at the Center Parcs sites, Innovation Days at Pierre & Vacances, etc. At the European level, several sporting competitions have been organised: European online football tournament to mark the World Cup and Sports Day.

Employee relations and collective agreements

The Group respects freedom of association and the right to collective negotiation. Almost 700 meetings have been organised with staff representatives via the Group during the 2013/2014 financial year. The Group encourages constant social dialogue and constructive exchange, to ensure quality relations. The staff representatives are regularly informed, consulted and involved in the main decisions taken.

The Group works with staff representatives in every European country where it is present and adheres to national labour legislation. A European Enterprise Committee (CEE) has been implemented at Group level for the last few years. It meets at least twice a year. Each European country where the Group is operating is represented within this committee.

List of agreements and action plans

Agreements	Scope	Year of signature	Duration of validity
Hardship at work ⁽¹⁾	PV France and Adagio France	2012	3 years as of 01/01/2012
Psychosocial risks ⁽¹⁾	France (excluding Les Senioriales)	2010	Method agreement
Employee profit-sharing	France (excluding Les Senioriales)	2012	Unspecified
Teleworking	Support services	2008	Unspecified
GPEC (including the intergenerational aspect)	France (excluding Les Senioriales)	Currently being negotiated	
Organisation of working time	France (excluding Les Senioriales)	2000	Unspecified
Gender equality	France (excluding Les Senioriales)	2011	Unspecified
Disability	France	2010	3 years as of 01/01/2012

(1) Action plan.

Finally, the Group complies with the International Labour Organization (ILO) standards on employment (including the ban on forced labour and child labour). With the exception of Morocco (nine employees), the Group – excluding Adagio – only operates within the European Union, where employment regulations are well developed, via democratic

parliamentary systems. Also, social audits are performed on "direct" suppliers in countries identified as high risk, such as China for example, to ensure that they adhere to international employment law standards (cf. "Responsible purchasing policy" section).

Provide a safe working environment

Safety is a major concern for the Group, and it is managed jointly by the Human Resources and Operational Risk Departments. The appointment of a dedicated employee to monitor workplace accidents and update workplace accident monitoring processes in France has made indicators on the frequency and severity of workplace accidents more reliable.

Safety ⁽¹⁾	2011/2012	2012/2013	2013/2014
Frequency rate of workplace accidents ⁽²⁾	37 ⁽⁴⁾	37 ⁽⁴⁾	34
Severity rate of accidents ⁽³⁾	2.4 ⁽⁴⁾	1.2 ⁽⁴⁾	1.1

(1) All contract types excluding "extras"

(2) Number of accidents resulting in inability to work for at least 24 hours, counted on average by our employees over the reporting period, per million working hours.

(3) Number of days of temporary incapacity per 1,000 hours of work, for accidents followed by lost time of at least 24 hours.

(4) Not including Spain.

The work of the Operational Risks Department concentrated on the following over the 2013/2014 financial year:

- ◆ for Center Parcs and Sunparks: Audit on bowling facilities to reduce employee accidents in maintenance areas, and implementation of preventive and corrective actions;
- ◆ for Pierre & Vacances: training of all site managers, area managers and technical managers on fire extinguishers, defibrillators and work station evaluation.

The Operational Risk Department, which is responsible for preventing risks, has been working to roll out a new risk analysis tool in partnership with the HR department. Completion is due in 2015.

Another project has also been started with HR about work hardship factors in France: an analysis has been performed, in partnership with an outside company, to identify situations and positions with hardship factors on the various sites. An action plan is being implemented and will continue in the 2014/2015 financial year.

Monitoring of work-related illnesses has been in place since September 2014 with the initial aim of securing an overview of the situation in France, and then at Group level.

Diversity and equal opportunity

Working towards a transparent and fair remuneration policy

As part of the reorganisation of the HR function, the Remuneration and Employee Benefits function was created to optimise remuneration policy across the whole Group. Remuneration and employee benefits are thus considered as essential business drivers, helping to attract employees and boosting employee career development.

During the 2013/2014 financial year, the Group's employee expenses were €313,232 thousand, an increase of €2,573 thousand over the 2012/2013 financial year. This amount included the recognition of accrued income of €4,799 thousand corresponding to the competitiveness and employment tax credit (CICE), compared with €2,856 thousand in the past financial year.

Diversity and equal opportunity at work

The Group is committed to diversity and equal opportunities.

Recruitment methods which give everyone a chance

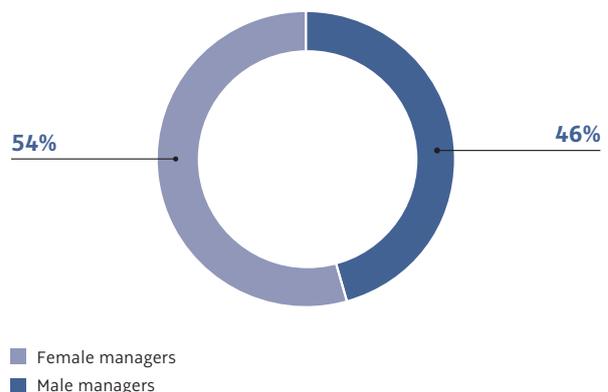
To fight discrimination and improve fairness among candidates, job simulation recruitment methods have been implemented in partnership with job centres to recruit the vast majority of future employees (housekeeping, reception and catering) for the Center Parcs in Vienne. This method evaluates the suitability for a position using specific roleplay situations instead of professional experience and diplomas.

Professional equality between men and women

In February 2013, an agreement on gender equality in the work place was signed for all entities in France.

The proportion of female employees has remained stable in recent years, at 66%.

Proportion of women in management positions at 30/09/2014



The proportion of part-time positions occupied by women is 79%, stable compared with the previous financial year, when it was 80% (2012/2013 figure recalculated using the model from 2013/2014).

52% of women received at least one training course during the 2013/2014 financial year, completely equal to the percentage of male employees trained. Also, women account for 66% of all employees trained (in proportion to their representation among Group employees).

Integration of employees with disabilities

Since 2005, the Group has been actively committed to implementing specific actions to promote the employment and long-term workplace integration of workers with disabilities. This social approach, initially manifested in collective agreements, has been even more strongly consolidated in 2012 with the implementation in France of a three-year Group disability agreement. The Disability taskforce has since then developed a voluntary and ambitious policy to streamline its practices. Covering the different scopes and brands in France, a dedicated team has rolled out its information and awareness-raising initiatives, but has also found solutions to the problems encountered by the various entities.

The results for the 2013/2014 financial year reveal an 11% increase compared with the previous financial year in the number of employees with disabilities in France. These actions to help keep disabled employees in work (e.g. by adapting the working environment, etc.) and recruitment initiatives have enabled the results achieved in previous years to remain at the same level, despite a difficult economic environment. In addition, the development of the partnership with an handiskier athlete and the successful theatre play "Un tout petit handicap" performed on a Pierre & Vacances site, are examples of the successful awareness-raising actions implemented during this financial year. The results were thanks to the involvement of employees from various departments, centralised management and the complete backing of the Group's Executive Management.

Disability ⁽¹⁾	2012/2013	2013/2014
Proportion of employees recognised as disabled	1%	2%
Number of employees with disabilities during the year	164	183
Number of employees recognised as disabled workers recruited during the year	36	34
Number of adaptations of the working environment for employees with disabilities	8 ⁽²⁾	11

(1) France only.

(2) The figure published in 2012/2013 has been recalculated to take into account the new definition of the indicator.

ENVIRONMENTAL RESPONSIBILITY

Property development business

Challenges facing construction

In recent years, the Group has developed real know-how in the design and building of development projects which have a smaller environmental impact (optimising soil artificialisation, preliminary biodiversity surveys, energy performance of the buildings, choice of construction methods with a focus on wood, etc.). This expertise applies to all stages of a project: choice of site, pre-development survey, definition of ground plans, architectural design, technical choices, selection of suppliers and companies to build and manage the project.

For all the Group's projects, specific environmental performance commitments are made under an agreement with French local authorities and form an integral part of the specifications. They are rolled out via steering tools, such as the "Green building" charter, which is in place for all new projects. This ensures that soil pollution, water pollution and water and energy use are limited, as well as disturbances and risks to workers and locals (such as noise), optimised waste management.

Further, obtaining High Environmental Quality (*Haute Qualité Environnementale* – HQE) certification or equivalent is a mark of quality and helps the projects to be accepted locally and in securing finance.

Center Parcs Domaine du Bois aux Daims

The Center Parcs Domaine du Bois aux Daims in Vienne has been designed and built according to a specific environmental action plan subject not only to the HQE certification requirements, but also to

the commitments taken to maintain the site's hydrographic balance, preserve wetlands and protected species. As far as the environment is concerned, the priority areas are the energy performance of the buildings, renewable energy, water management, biodiversity preservation and the "Green building" initiative.

The main measurements used are as follows:

- ◆ attainment of energy performance level BBC-RT2005 for the main structures (cottages, seminar areas, leisure areas, farm, employee offices); integration of bioclimatic design principles when designing collective buildings which, for example, use natural ventilation and reduce the need for mechanical systems; measures to significantly reduce energy waste such as storing bathing water from external pools at night;
- ◆ installation of 3,000 m² of solar panels covering the car park roof, with an annual production potential of around 420 MWh of electricity. Further, the heat requirements of the central facilities and accommodation will be eventually covered by gas from a methanisation unit. This project, which is to be installed near the Site, is managed by the French local authorities and has the Group's backing;
- ◆ the hydrographic balance will be maintained via the fitting of landscaped structures and ditches to help the infiltration of rainwater; consumption of drinking water will be reduced by using water-saving systems in all kitchens and toilets and also by using an inverse osmosis system for Aquamundo (33% reduction in the amount of water needed to renew bathing water);

- ◆ the waste management policy applied to the project from the initial stages: implementation of a "Green building" charter, one of the objectives of which is to sort and recover waste. The overall reuse rate since the start of the work was 97.5% for non-dangerous central-building construction waste, and 92.7% for cottages;
- ◆ the preservation of ecosystems, included from the initial development phases: survey of protected species, adaptation of the ground plan according to the site's environmental sensitivity, minimisation of forest clearance and compensation, preservation of a sanctuary area of 60 hectares to the south, allowing the watercourse which flows through the site to follow its natural course, creation of ponds and diversification of natural habitats, fitting nesting boxes, design of a landscaping project which encourages biodiversity, implementation of a forestry and ecological management plan, etc. This in-depth work has been conducted with the help of a company specialised in ecological engineering and in partnership with local nature protection associations (Vienne Nature and the LPO Vienne).

This overall environmental approach has been awarded the "NF Tertiary Buildings – HQE certification" – at "HQE very good" level, obtained last March for the programme and design phases of the Centre Village, Cottages and the children's farm.

In addition to the specific actions to reduce the Site's environmental footprint during the building phase, the Bois aux Daims site will give visitors a new experience, being completely immersed in the animal world during their stay, and having the opportunity to discover forest wildlife and the importance of preserving it.

Villages Nature

2014 was a transition year for the Villages Nature project, developed in partnership with Euro Disney. The signature of financing agreements for the first tranche of phase 1 in May (916 accommodation units and

most of the leisure facilities, including the Aqualagon) has enabled the first calls for tender to be launched (in November 2014: around 85% of the contract works having been allocated) and the site development work to be started. The site is due to open in 2016.

The sustainable development work follows the One Plan Living methodology with an action plan (defined around ten targets) approved by the Bioregional cabinet. Villages Nature was also one of the first private projects to be accredited by the United Nations Environment Programme as part of the Global Partnership for Sustainable Tourism.

The result of the first audit for the HQE certification of the programme and design phases conducted during summer 2014 is very encouraging. The strong points of the operation include the involvement of the design team, made up of many specialists, and the inclusion of sustainable development objectives in the architectural project. This has the following key features: integration of the project into the surrounding environment and access to daylight, optimisation of water resources (recycling of water from ponds, processing of some used water via filtering gardens, retrieval of rainwater to cover certain uses such as toilets), use of wood for the structure, frame and roofing and the screen. Also, energy performance optimisation by advanced modelling during the survey phase has made it possible to exactly determine the energy use of buildings to optimise them.

Renewable energy sources have been favoured: geothermal energy covers 100% of the Site's heat requirements (under normal circumstances) and photovoltaic panels will be installed on the façade of the "Pavillon de l'Air" building.

The Group's CSR approach, in the building phase, also seeks to maximise the economic effects in the local area by using local companies and labour for the projects (see Chapter "Local economic growth").

Certifications

As outlined previously, large-scale projects aim for exemplary environmental and energy performance. But this also applies to smaller projects, as shown in the table below.

Projects delivered in 2013/2014	Brand name	Number of units	Certification awarded or pending
Roquebrune	Pierre & Vacances	70	BBC
Trois Forêts (hamlet N, O and P)	Center Parcs	59	HQE and HPE (BBC 2005)
Paris/Reuilly	Adagio access	113	BBC
La Celle	Les Senioriales	47	THPE
Marseille St Loup	Les Senioriales	89	BBC
Pringy	Les Senioriales	68	BBC
Bracieux	Les Senioriales	48	none
Charleval	Les Senioriales	65	THPE
Mions	Les Senioriales	78	BBC
Izon	Les Senioriales	55	BBC

Scope: operations delivered in France for which project management can be internal or external.

93% of accommodation units delivered during the 2013/2014 period have been certified or are pending BBC certification (low consumption building), THPE (very high energy performance) or HQE.

Operating activity

Tourism challenges

The Group is constantly increasing its efforts to reduce its impact on the environment during the operational phase of its sites. Ensuring optimum monitoring and management of energy and water use and waste production, and implementing measures to preserve biodiversity are priority areas.

According to its business model, the Group manages all or some of the accommodation of the residences or sites it operates, totalling 47,801 apartments and cottages at 30/09/2014 over all brand names. Unlike a property portfolio in which each accommodation unit is held by individual owners, on sites managed by the Group, water and energy use are monitored centrally: for each site, for each region and for each brand. This vision, which is both detailed and general, makes it possible to identify for each scope the actions to be implemented to optimise consumption (awareness-raising among teams, roll-out of management tools, proposal of investments to submit to co-owner assemblies, etc.).

Management

Internal BEST! management system

To manage the environmental performance of the sites operated by the Group, the CSR department implemented the BEST!, Be Environmentally and Socially Tremendous!, system in 2010, based on the "PDCA" principles (Plan, Do, Control, Act). It is a yearly self evaluation performed by site Managers on 16 priority areas of the tourism business (management of water and energy use, waste recycling and reduction, separate management of green spaces, sourcing of environmentally responsible products, communication, etc). For each area, the site's performance is rated on a scale of 0 to 5, allowing to compare from one year to another within the scope. This evaluation questionnaire also allows site Managers and their teams to set their yearly action plan. Best! also acts as an environmental management tool for the ISO 14001 certification of Center Parcs: the self-evaluation responses and the monitoring of the action plan are checked by the Group's "ISO coordinator". Best! gives the CSR department and the Operations management a yearly overview of the site performances to manage the priorities for each brand name and an overview of good practice on the sites.

Result and objectives of the 2013/2014 campaign

The BEST! campaign 2013/2014 had a response rate of 78% (255 sites out of 325, across all brand names, including Maeva Multi), lower compared to the previous campaign (95%), mostly due to the reorganisation of the management of Pierre & Vacances sites. Discussions on simplifying the questionnaire have begun and will continue in the 2014/2015 financial year.

There was an improvement in the average score for each of the 16 priority areas at constant scope (i.e. 241 sites).

- ◆ **For Pierre & Vacances France (PV France) – 54% of respondents:** the objectives set over the four priority areas for the financial year (energy and water management, waste recycling and reduction and raising awareness among customers) were reached for the first two priority areas.
- ◆ **For Pierre & Vacances Spain – 7% of respondents:** the objectives – identical to those of PV France with a less demanding performance

level – have been reached for all the priority areas except awareness raising among customers.

- ◆ **For Adagio – 30% of respondents:** the objectives set for the two ranges of Aparthotels Adagio and Access on energy and water management, waste recycling and reduction and raising awareness among employees and customers were reached.
- ◆ **For CP Europe – 9% of respondents:** out of customer awareness, waste management, management of refrigeration equipment and saving water, the targets for the first three were met.

A link between BEST! performance and external certification has been proven. The scores of Pierre & Vacances sites with the Green key certification are equal to or better in 15 areas than the average scores of all Pierre & Vacances sites. Adagio Aparthotels with the European Ecolabel scored the same or better in 14 areas compared with the average scores of all Adagio sites.

Informing teams and awareness-raising

Five newsletters on priority areas for the year (energy management, waste management, etc.) have been sent this year to the site managers to raise awareness and help them to make progress in these areas.

Employees also have access to a dedicated BEST! area on the Group's intranet which brings together the questionnaire, explanatory support sheets and procedures.

Eco-labels and environmental certifications

Since 1999, the Group has been committed to ISO 14001 certification for its Center Parcs sites and since 2010 it has been working towards Green key certification for some Maeva and Pierre & Vacances residences, and towards the European Ecolabel for the Adagio Aparthotels. To date, 23% of the holiday residence portfolio has an environmental certification or eco label, i.e. 25% at constant scope compared with 24% in 2012/2013.

These labels and certifications bear witness to the actions implemented by the sites to limit their environmental impact. Accreditation by an external third party is a clear and credible tool for communicating with customers. Although some labels are not yet well-known among customers (31% of Adagio customers questioned were familiar with the European Ecolabel), the sustainable development approach is a criteria of choice for 30% of them and a sign of quality for 79% (source: customer satisfaction questionnaire, 2013/2014).

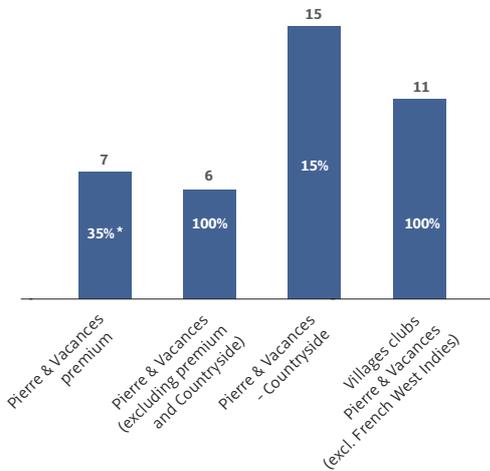
Labels and certifications are also a good way of involving teams in a strategy to improve environmental performance on their site.

In 2013/2014, the certification approach progressed on each of the brands:

◆ **the Green key certification:**

A brand strategy has been adopted to improve the readability of the certification: certification of all premium Pierre & Vacances residences by 2018, maintain certification on 100% of the Pierre & Vacances villages clubs in mainland France, of Pierre & Vacances residences which already have certification (100% of "countryside" residences), and on 100% of the Center Parcs France sites. Three sites also left the certification scheme. In 2014, the Green key certification was renewed by the Green key jury for 2015, bringing the number of certified Pierre & Vacances, Maeva and Center Parcs France residences to 46.

Residences awarded the Green key label in 2014



■ Number of residences
* 2018 objectives: 100%

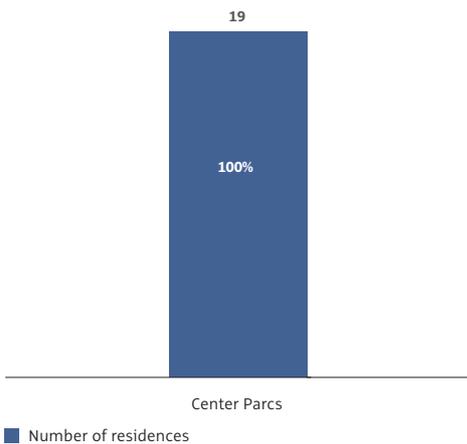
European Ecolabel:

17 Adagio brand sites are European Ecolabel certified – Tourist accommodation services. Four new sites will apply for the certification, bringing the proportion of certified Adagio France Aparthotels to 60% by 2015.

◆ **ISO 14001 certification:**

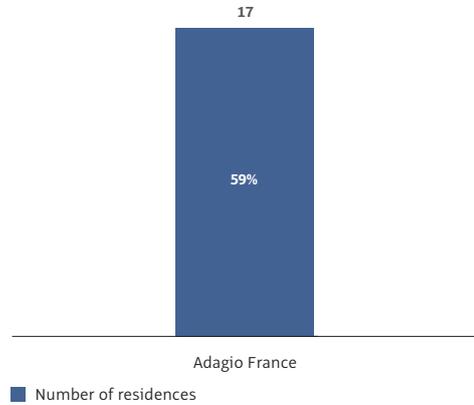
19 Center Parcs, i.e. 100% of the sites, are certified. This financial year saw the certification of the Bostalsee site (Germany) after its opening in July 2013 and the renewal audit for the other 18 properties. ISO 14001 certification for all sites has been renewed until July 2017. Further, control audits for a third of the sites are performed every year.

ISO 14001 sites in 2014



■ Number of residences

Sites having the European Ecolabel certification in 2014



■ Number of residences

In 2014, Trip Advisor awarded “Green Partner” status to 11 sites and “Green Leader” status to 23 sites (one gold and the other platinum).

Sustainable use of water and energy resources

Management

Water and energy use is managed within the Maintenance departments of each brand.

For PV France and Adagio (233 sites)

Work to improve the ICARE tool (internal resource consumption management tool) was carried out during the 2013/2014 financial year. A dedicated team was assembled to manage this tool. It performs budgetary reconciliation, matches the data reported against the data on the invoices when major discrepancies are noted, sends alerts every month to regional maintenance managers in the event of abnormal changes, analyses comments from sites explaining changes in resource use and organises awareness-raising meetings with the technical departments.

For the heaviest users of electricity, a contract was signed with EDF to obtain automatic readings and alerts when the capacities subscribed to are exceeded.

Close management of water consumption for PV France

To obtain a clear idea of the real cost of water based on the volumes used, in-depth work has been taking place to survey all general water meters (with the addition of many sub-meters) and match them to their suppliers and rates. This resulted in 72% of the base rate being updated (compared with 12% in 2013), with the rest of the meters being managed by external syndicates. The ICARE tool now makes it possible to automatically generate the real cost of water depending on the volumes used, improving the level of control jointly by the maintenance team and the financial controller.

Therefore, it was possible to conduct a study on the actual proportion of use due to the Group’s activity.

Out of 834 meters:

- ◆ 148 meters are directly managed by the Group (18%);
- ◆ 548 meters are managed by jointly-owned entities internal to the Group (such as Sogire) (66%);

- ◆ 138 meters are managed by external jointly-owned entities (16%).

Further, all internal procedures and awareness-raising resources on energy management have been uploaded to the intranet, for the attention of on-site teams.

For PV Spain (25 sites)

Each site monitors its monthly resource use. The manager of the Maintenance department Manager for Spain consolidates the volumes for each site in an Excel spreadsheet, calculates the volume per week of occupancy and makes comparisons with data from the previous financial year. Also, the management has been supported with actions to raise awareness among operational teams on optimising the use of air conditioning, and technical choices to encourage lower energy use (window films, LED bulbs, etc.).

For CP Europe (23 sites)

Monitoring takes place via an Excel spreadsheet which combines budgets with a calculation of year N data according to occupancy and

the weather compared with year N-1. The Eview tele statement tool can be used with some meters, to give automatic meter reading data.

Summary of water and energy use

As a result of the work done this year to fine-tune the management of water and energy use within PV Europe, the Group is now able to separate water and energy consumption for which it is responsible, and that over which it has no influence (i.e. consumption for which co-owners without a management contract with the Group are responsible). As a result, from this financial year 2013/2014 onwards, the concept of "volume managed by the Group" is included, calculated according to the shares held by the Group for each site. For this period of transition, to facilitate comparisons with previous financial years, the overall volume (figure 1) is given, as well as the volume managed exclusively by the Group (figure 2).

For the whole scope, the volumes of water and energy consumed come from monthly meter readings or records of the amounts delivered.

Figure 1

	CP Europe			PV Europe			Group ⁽¹⁾	Group ⁽²⁾	Group ⁽³⁾
	2011/ 2012	2012/ 2013	2013/ 2014	2011/ 2012	2012/ 2013	2013/ 2014	2011/ 2012	2012/ 2013	2013/ 2014
Total volume of water and energy used by the sites									
Number of sites included in the scope:	21	23	23	218	263	258	239	286	281
TOTAL WATER (M³)	3,067,646	3,117,446	3,076,464	3,468,467	3,203,854⁽⁵⁾	3,216,787	6,536,113	6,321,300	6,293,252
Volume of water (m ³)/week of occupancy ⁽⁴⁾	6.55	6.22	5.85	5.03	3.87	3.85	5.50	4.75	4.62
TOTAL ENERGY (IN MWH)	634,592	670,326	586,342	228,509	257,316	249,587	863,101	927,642	835,929
Volume of energy (kWh)/week of occupancy ⁽⁴⁾	1,354	1,337	1,115	332	311	299	726	698	614

Figure 2

	CP Europe	PV Europe	Group ⁽³⁾
Total volume of water and energy used by the sites, managed by the Group	2013/2014	2013/2014	2013/2014
Number of sites included in the scope:	23	258	281
TOTAL WATER (M³)	3,076,464	2,673,581	5,750,045
Volume of water (m ³)/week of occupancy ⁽⁴⁾	5.85	3.20	4.22
TOTAL ENERGY (IN MWH)	586,342	211,146	797,488
Volume of energy (kWh)/week of occupancy ⁽⁴⁾	1,115	253	586

(1) In 2011/2012, the following were not included: the Nordseeküste Center Parcs, the Adagio access sites and some Adagio sites, i.e. 3% of the Group's total accommodation.

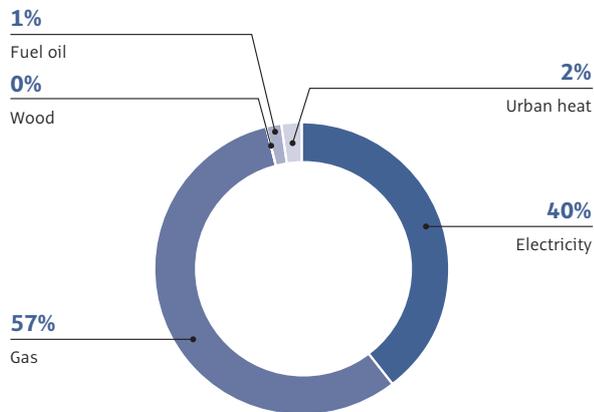
(2) In 2012/2013 some Adagio sites were not included, mainly those outside France, i.e. 2.2% of the Group's total accommodation capacity (compared with the less than 1% published in 2012/2013 but corrected).

(3) In 2013/2014, some Adagio sites were still excluded, especially those outside France, i.e., 1.2% of the Group's total accommodation capacity (in number of beds).

(4) Week of occupancy: one week's stay, irrespective of the number of people and the type of apartment or cottage.

(5) Corrected since the 2012/2013 version.

Breakdown of the volume of energy managed by the Group by energy type (2013/2014)



The consolidated data show that, although the Group's total accommodation capacity has decreased (both in terms of the number of sites managed and the number of beds), energy and water use are not decreasing in the same proportions. This is because the Group is still responsible for running communal facilities, such as lighting in communal areas, the watering of green spaces and the management of swimming pools, even though the number of apartments being managed is decreasing.

The ratio of water and energy volumes is calculated per occupancy week for CP Europe (Figures 1 & 2) in order to consolidate the Group data. However, the ratio used for the management within this scope is the volume of water or energy per overnight stay. During the 2013/2014 financial year, there has been a 17% drop in the amount of energy used per overnight stay (i.e. 36.82 kWh per overnight stay in 2013/2014 compared with 44.24 kWh per overnight stay in 2012/2013), partly due to the mild winter and 6% of the water volume used per overnight stay (i.e. 193 litres per overnight stay in 2013/2014 compared with 206 litres per overnight stay in 2012/2013).

A study on the Center Parcs Trois Forêts site in Moselle showed the optimisation of water management on the site. Water consumption on this site is 90 litres on average per overnight stay⁽⁷⁾, lower than the consumption of French people at home (137 litres per person per day⁽⁸⁾). It amounts to 180 litres on average per overnight stay⁽⁹⁾ including consumption by all site facilities (restaurant, watering, waterparks, sauna, etc.). Water consumption by all waterpark pools is 50 litres per day per bather on the same site⁽⁹⁾, which is also below the average municipal pool consumption of 100 litres (source: EDF – ANDES

Guide, June 2012) to 200 litres (source: *Conseil Général de Gironde*). This good performance was achieved thanks to optimum water use management and the use of facilities which allows water to be recycled (using the reverse osmosis method).

Local constraints

Work to identify water risks was carried out in June 2014 using the World Resources Institute (WRI) Aqueduct tool. The Group's operational areas were mapped out in relation to physical risks in terms of quantity. It identified those sites located in the most vulnerable areas (the level of vulnerability is measured on a scale from 1 to 5). One site is located in a level 5 vulnerability area, and 17 sites (located in Spain, Belgium, Martinique and mainland France) are located in a level 4 vulnerability area. Further, if only water stress is taken into account, 14 sites (10 of which are in Spain) are located in level 5 areas. An inventory of on-site water-saving facilities has been implemented in the first instance with a view to forming a specific action plan for sites located in the most sensitive areas.

Use of renewable energy

When building new sites, the Group favours the use of renewable energy sources. At the Trois Forêts Center Parcs in Moselle, a combined wood-gas heating system covers over 80% of the heating needs of the communal facilities. In Avoriaz, during the extension in 2012, the Group supported the introduction of wood into the resort's energy mix, opting for a combined wood-electricity heating system for all new buildings and the Aquariaz water park.

As for the Bois aux Daims Center Parcs in Vienne, a methanisation unit project led by the local authorities and backed by the Group is being developed. Biogas would cover 100% of the site's heating requirements.

Waste management

Waste is generated by the activity of the operational teams and by customers. So that waste can be recovered, efforts are made to implement facilities allowing customers to separate their rubbish during their stay: 97% of the sites which responded (source BEST! – i.e. 227 sites out of 234) said that they encouraged their customers to sort their rubbish by providing the relevant containers and via communication initiatives.

Waste volumes are monitored and managed only for Center Parcs Europe sites (representing 48% of the Group's Tourism revenue), which work with private service providers for the removal and processing of their operational waste.

Waste production	2012/2013	2013/2014
Number of sites included in the scope	23	23
Total volume of waste produced (tonnes)	14,410	15,597
Ratio volume of waste produced per overnight stay (kg/night)	0.95	0.98
Total volume of waste sorted (glass, paper, green waste, etc.)	4,222	4,448
Recycling rate	29.30%	28.50%

Scope: all Center Parcs and Sunparks in France, Belgium, the Netherlands and Germany.

(7) Data from total use on a representative sample of cottages, since the site opened in 2010.

(8) C.I.E water survey 2006 – source – *l'eau du robinet dans notre quotidien* – Eau France/General public water information service.

(9) Data from the 2013/2014 financial year.

The increase in the total amount of waste is proportional to the number of overnight stays during the 2013/2014 financial year, the ratio of waste generated per overnight stay remaining stable. However, the average recycling rate has fallen over the financial year. This drop is mainly due to two German sites, in which a specific action plan will be rolled out in 2014/2015. Furthermore, a third of the sites – over all countries – have a recycling rate of over 30%.

For the Pierre & Vacances and Adagio sites, non-dangerous waste is removed by local council services, which do not weigh the containers before emptying them. Sites take specific waste to collection points or use dedicated environmental organisations. In France, the framework agreement signed in July 2013 with Eco-systèmes has enabled 29.5 tonnes (sites and head office) of electronic waste to be collected during the 2013/2014 financial year, compared with 2 tonnes during the previous financial year (in the final quarter only). Further, 18.5 tonnes of used furniture has been collected (sites and head office) by Valdelia. A Group framework agreement will be drawn up in 2015 to make it easier for each residence to use the services provided by this environmental body. Also, customers have the option to have their used batteries collected at the reception areas in 85% of the Group's sites (source Best! 2013/2014). Finally, 1,067 kg of used ink cartridges were collected at head office over the 2013/2014 financial year (compared with 781 kg in 2012/2013).

Climate change

According to the survey of greenhouse gas emissions generated by the tourism business in 2008 using the carbon footprint® methodology, transport (customers and employees) is the largest source of emissions, followed by purchasing (90% for food) and fossil fuels consumption. Customer transport accounts for almost three quarters

of the company's emissions; but by virtue of the Group's concept, which is based on local tourism, all sites are located close to European cities (two to three hours). The Group's action mainly focuses on travel at the time of the stay (excursions, shuttles to the beach, etc.). In 2013/2014, 36% of sites (source BEST! – 93 sites) say that they offer a car-sharing scheme to their customers for excursions and 26% (67 sites) offer a bicycle hire service.

As regards employee journeys, the Group has a business travel policy, led by the General Services Department. For the 2013/2014 financial year, CO₂ emissions from train journeys increased by 23% and those from plane journeys increased by 7%, due to new projects in France and internationally. Emissions caused by car hire fell by 12% (Group scope, excluding PV Spain, CP Europe and Les Senioriales).

To reduce the food impact, efforts have been made to source local, organically-farmed produce for inclusion on menus and at breakfast, and to ensure that customers are aware of this. According to the BEST! campaign for 2013/2014, 40% and 53% (out of 132 sites with catering services which responded) said that they offered this type of product.

Finally, the management of fossil fuel consumption is directly linked to the Group's efforts to drive down its CO₂ emissions. As described in the "Sustainable use of water and energy resources" section, dedicated bodies support on-site teams, helping them to manage energy use: management of key indicators, feasibility study for projects aimed at improving energy efficiency, etc.

Also, the Group has a voluntary approach to source electricity from suppliers ensuring 100% renewable sources for the Netherlands and Belgium and 40% for Germany.

The Adagio Aparthotels with the European Ecolabel compensate 50% of their consumptions by purchasing Green Certificates.

	CP Europe			PV Europe			Group		
	2011/ 2012	2012/ 2013	2013/ 2014	2011/ 2012	2012/ 2013	2013/ 2014	2011/ 2012	2012/ 2013	2013/ 2014
Volume of CO ₂ emissions caused by Group energy use									
Number of sites included in the scope	21	23	23	218	263	258	239	286	281
GHG emissions (in tonnes of CO ₂ e)	149,298	157,744	143,318	25,940	33,954	34,281	175,238	191,698	177,600

Scope identical to the energy use scope.

As the Group's total energy use fell during the 2013/2014 financial year compared with the previous financial year, greenhouse gas emissions also fell.

Biodiversity management

The natural capital of the sites is a major asset for the Group, as it contributes to their attractiveness. 81% of sites have green spaces – of all sizes (i.e. 183 sites out of 225 which responded to BEST! 2013/2014). The main priorities in terms of biodiversity are to adapt to the ecological context and changes in the regulatory environment of the sites (presence of protected species, ecological corridors, etc.); and to balance the tourism business with the preservation of existing flora and fauna. In-depth work to minimise the impact (according to the "avoid, reduce, compensate" approach) is also implemented for new projects.

For operational sites, a separate management approach for green spaces and nature was begun in 2008 to promote good practice: sensible use of phytosanitary products, watering in line with climatic conditions, late cutting and mowing, planting of a diverse range of plant species, dead wood left in-situ, etc. 93% of sites (source BEST! – 94 sites affected by this area) say that their green spaces team (internal or external) uses alternative methods to chemical products to tackle weeds and pests (no chemical weedkiller used other than on roads).

To gain feedback on the definition and implementation of their specific management plan (limitations, good practice, etc.), five sites representative of the Group were consulted during the financial year. Specific management is seen as having a positive impact on the general appearance of green spaces and biodiversity. It would also appear that external service providers are more familiar with and proactive in the implementation of these approaches and the customer communication effort (via explanatory notices for example) is key to better acceptance of this kind of approach.

Developing the CSR culture internally

Several employee types were made aware of the Group's CSR priorities in 2013/2014: awareness-raising support was sent to Green key sites which underwent the renewal audit. It will be sent to all Green key sites during the 2014/2015 financial year. The teams of Adagio sites with the European Ecolabel have also received information explaining the brand's CSR priorities, and how certification works. Further, the Group's CSR priorities and the Eco'lidays sessions have been presented to the entertainments and kid's club teams at the six largest villages.

For operational teams at head office, a presentation of the Group's CSR approach is also included in the training modules for new call centre staff and in the IOP (International Orientation Program) integration seminar.

Finally, the annual sustainable development week was an opportunity to communicate with the employees. An adaptation of the entertainment offered at Center Parcs and Pierre & Vacances club villages has been organised for the children of head office employees.

A green lease was also signed for the head office with ICADE in 2009. A three-member management committee made up of Eurogem (manager), ICADE (lessor) and the Pierre & Vacances-Center Parcs Group manages water and energy use, and waste generation. There has been a drop in the amounts of water and energy used during the 2013/2014 financial year.

SOCIETAL RESPONSIBILITY

Dialogue with stakeholders

Dialogue with stakeholders is essential to the Group's CSR approach. Employee relations are discussed in the "Social" part, while customer relations are dealt with in "Customer Satisfaction", and supplier relations are outlined in "Responsible purchasing" opposite.

Dialogue with French local authorities and local residents

For any new development project, the Group adheres to all administrative procedures of the country or region in question. In France, the regulatory files to which each project is subject depending on the nature of its impacts (building permit, impact study, water act, protected species, etc.) are processed by the relevant experts of the government departments and are also subject to a consultation process with the local population and the most representative associations. As such, all observations and reservations which arise during the processing of the files can be taken into account, resulting in specific enhancements at project level. Dialogue with local stakeholders also takes place at public meetings and in working groups set up to optimise the local economic benefits of projects (mainly in terms of employment and shortened procedures for operations and buildings). In other legislative contexts, in Germany for example, a referendum may be held on a project, such as the proposed Center Parcs in Allgäu.

As part of its CSR commitment, the Group strives to go beyond its legal obligations, particularly in terms of consultation. Therefore, for the two new mid-size Center Parcs projects in the Jura and Saône-et-Loire, the Group called upon the National Public Debate Commission to submit these projects to the opinion of all stakeholders before any administrative procedures were launched.

Specific communication with owners

Special channels for communicating with owners: a website, including a "bookings/stay rights" section, and the "Chez Vous" magazine (about property development). During the lease renewal campaigns, working meetings with owners' associations are an opportunity to talk to owners.

Helping investors see the value of CSR

For the 5th consecutive year, the Pierre & Vacances – Center Parcs Group has been part of the Gaïa 2014 index, which is made up of the 70 companies deemed to be the most transparent and advanced in terms of CSR, based on the analysis of a panel of 230 French listed mid-sized companies.

Also, the Group has been assessed by the VIGEO ratings agency, for the second consecutive year, allowing investors to access a detailed external analysis of the Group's CSR performance. This has allowed it to be selected, as of November 2014, for inclusion on the Ethibel EXCELLENCE investment register, as its CSR performance has been judged better than average in its sector (Note C).

Finally, every year, a delegation from Pierre & Vacances-Center Parcs attends the Oddo Midcap forum to answer the questions of financial analysts on CSR matters, to develop a loyal shareholder base which is well-informed on CSR matters.

Involving local associations

Local environmental associations are involved in actions to preserve biodiversity, prior to the project and during the operational phase. For example, a protocol was signed with the Vienne Nature association and the LPO (bird protection league) Vienne for a bird observatory at the Center Parcs in Vienne. This study and consultation work ensure that environmental concerns are properly taken into account throughout the projects.

Acting within sector-based working groups

For two years, the CSR Department has participated in the working group on the environmental advertising for tourist accommodation, which is managed by the ADEME/AFNOR platform. This joint work with the other participants in the sector aims to produce a national environmental advertising reference.

Contributing to local economic dynamism

Contributing to local dynamism is a key part of the Group's CSR approach. The building of a site and its operation generate wealth in the long term (see the study conducted by Utopies on the Trois Forêts Center Parcs in Moselle on the Group's website).

During the construction phase of large projects, specific measures are taken to involve the local economic base. Specifically, for the major project of the future Center Parcs at Bois aux Daims in Vienne, measures to support local businesses were implemented with the relevant local bodies. From 2011, i.e. three years before the construction of the site, project presentations were organised with the Poitou-Charentes CCI to allow local SMEs to better understand the project, its phasing and future needs, and how to prepare to participate in the calls for tenders.

During the construction phase, locally-sourced supplies are specifically monitored. In the year ended 30 September 2014, 66.5% of the Purchasing Department's expenses for all the Group's building projects in France – apart from Les Senioriales – came from purchases made with local businesses. A business is considered "local" if it is in the same département as the project or if the distance between the two towns-departmental prefectures where the property development project and the business are situated is 100 km or less.

More specifically, for the future Center Parcs in Vienne, 71% of construction purchasing was allocated from the start of the construction work to companies in the Poitou-Charentes region (including the départements of Vienne, Charente Maritime, Charente and Deux-Sèvres).

For Les Senioriales, 67% of the companies involved in the construction of the seven residences delivered during 2013/2014 are local (monitoring indicator on that brand).

In the operational phase, the jobs created (see social section), local purchasing and the expenses generated by customers outside the site help to create wealth locally. Specific actions aimed at highlighting the assets and areas of interest for tourism in each territory have been developed: presence of tourist information representatives for visitors at Center Parcs sites, local produce shop, etc.

A responsible purchasing policy

Objectives and organisation

Purchases by Pierre & Vacances-Center Parcs amount to around €650 million per year (apart from Les Senioriales). Group framework agreements with referenced suppliers allow the Purchasing Department to manage around 75% of this, a figure which is constantly growing. The

rest is purchased directly by the sites from suppliers referred locally. Furthermore, 99% of purchases are made from European suppliers, 72% of which are located in France.

The aims of the responsible purchasing policy by 2016 are as follows:

- ◆ promote dialogue with suppliers on the Group's CSR approach and encourage them to support it;
- ◆ take into account the environmental and social features of the Group's major suppliers, such as service providers, to develop and improve them;
- ◆ detect and manage risks linked to suppliers or products purchased;
- ◆ identify market opportunities in terms of innovation.

This approach, which is applied as a priority for suppliers managed at Group level, is gradually being rolled out to include all suppliers.

It is based on the following documents: Charter of Inter-company Relations, Rules of conduct with suppliers/service providers, Ethical purchasing charter, Clause Article III.3 of the General provisions of the referencing agreement, Letter of service provider commitment, etc.

Taking into account environmental, social and societal aspects in supplier relations

During the 2013/2014 financial year, the method and tool for evaluating suppliers have been simplified and adapted to make them more operational.

The questionnaire sent in advance to suppliers during consultations has been reviewed to make it, in addition to an evaluation tool, a real driver of dialogue. It aims to identify suppliers which have developed a CSR approach and to detect their potential to become a partner in the Group's CSR approach. 2014 was a transition period, with the questionnaire being rolled out over some of the purchasing by the teams in France. It will be fully implemented during the 2014/2015 financial year for all purchasing in all countries.

Also, for each call for tenders, an evaluation of the level of "sensitivity" of the product or service in terms of CSR is performed by the Purchasing and CSR Departments according to its environmental impact (use of natural resources, waste production, etc.) and on health and criteria such as proximity, customer visibility, adherence to environmental and social regulations, compliance with certification guidelines, etc.

If the product has strong CSR credentials, target specifications are added to the technical requirements to be included in the scoring and the bids comparison table.

Purchasing products and services with added social or environmental value

Work has been done to improve the reliability of the "green products" criterion, which appears in the internal catalogues: proof of eco-certification for products identified as "green" according to the Group's criteria have been collected from each supplier (recognised labels or certifications, composition of recycled materials of over 80% and environmental performance of some equipment as A+ and A++ for electrical appliances, etc.). The initial figures have thus

been consolidated. They will be used as reference data for future financial years.

During the 2013/2014 financial year, 125 references have been made in the internal catalogues and the value of "green" product purchases amounts to €1.35 million. This mostly applies to welcome products, cleaning products and office equipment. In the next financial year, information will be sent to internal users, with the distribution of a specific catalogue making it easier to identify "green" products and explaining the content of the labels, and with a presentation of the "green" filter in the Group's purchasing system.

Audits on suppliers located in high-risk countries

Direct supplies from suppliers located in countries deemed to be "high risk" – according to The Business Social Compliance Initiative – accounted for under 1% of the Group's purchases in the 2013/2014 financial year. For these purchases, the Group applies the precautionary principle and ensures that the suppliers with which it works are audited by a third party based on the SA 8000 certification standard and complete an environmental questionnaire developed by the Group. The purpose of these audits is to check, amongst other things, whether the supplier adheres to the main rules on employment law (prohibition on child labour and forced labour, respect for freedom of association, remuneration and working conditions, etc.). During the 2013/2014 financial year, all expenditure in high-risk countries by the Group took place with audited suppliers with the exception of one, which had been able to supply certification based on the BSCI frame of reference.

More purchasing from suppliers employing people in adapted and protected work environments

Expenditure with suppliers employing people in adapted and protected work environments reached 253,585 euros before tax in 2013/2014, up 14% compared with the previous financial year. These were mainly Center Parcs expenditure, notably for the secondment of employees and service provision (maintenance of green spaces, bicycles, the children's farm, etc.).

Supplier relations

To improve relations with its suppliers, the Group has committed, by signing the Code of Responsible Purchasing in June 2012, to implementing good practices particularly in terms of financial adequacy, prevention of dependency risks, evaluation of the overall cost, integration of environmental issues and respect for the territoriality principle. Some suppliers, particularly SMEs, have already been given special support to avoid default.

Working towards the satisfaction of customers and owners

Customer satisfaction, the driving force behind the Group's quality approach

Customer satisfaction is at the heart of the Group's priorities and is the cornerstone of its quality approach. It is measured by analysing customer surveys, monitoring opinion sites and social networks, close

collaboration with the customer relations department and finally constant dialogue with site teams.

Listening to customers via daily satisfaction surveys

Center Parcs and Pierre & Vacances have a single management tool and some of the satisfaction survey questions are the same. Adagio shares a tool with the Accor Group. During the 2013/2014 financial year, 124,000 questionnaires were gathered for Pierre & Vacances, 274,774 for Center Parcs and 35,693 for Adagio, representing a return rate of 40%, 44% and 17% respectively.

Managing the quality process through clear and consolidated indicators

Two major indicators are consolidated on each of the brand names Pierre & Vacances and Center Parcs to measure and compare customer satisfaction: the NPS (Net Promoter Score) and the overall satisfaction. The NPS 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?" During the 2013/2014 financial year, the NPS was positive for Pierre & Vacances and Center Parcs. It has increased by over 4 points on Pierre & Vacances particularly in terms of professionalism of the teams (90% satisfaction), and fell by scarcely 1 point for Center Parcs. The overall satisfaction rate for Pierre & Vacances and Center Parcs and Sunparks is 84%, and 87% for Adagio. These results are confirmed by a high degree of planned return trips: over 89% for Pierre & Vacances, and 91% for Center Parcs and Sunparks.

The priority for the 2013/2014 financial year was to involve all teams (head office and sites) in customer satisfaction and encourage customers to leave their opinions on websites (ex. Tripadvisor, Zoover, Holiday Check, etc.). Weekly satisfaction barometers were sent to each site and monthly and annual summaries were shared with the teams. These are relevant tools to implement corrective actions in each site and identify areas for improvement for each brand name.

Since June 2014, when completing the satisfaction questionnaire, customers have been able to leave a report on Trip Advisor, published without restrictions (excluding the usual moderation rules).

In 2014, 49 properties were also awarded a Tripadvisor Certificate of Excellence for Pierre & Vacances (compared with 21 in 2013). The aim for the 2014/2015 financial year is to continue this work with an even more fine-grained, crossover approach to customer opinion.

Increased owner satisfaction

Managed by the Owner Customer Relations Department, owner satisfaction is mostly measured by the number of disputes (i.e. the ratio between the number of disputes and the number of owners) which has fallen by 19% compared with the previous financial year. The number of disputes received during the 2013/2014 financial year has fallen by 18% (513 disputes compared with 627 in 2012/2013) while the number of owners rose by 1% (22,600 compared with 22,400 in 2012/2013).

Further, the average processing time for owner disputes fell from five days in 2012/2013 to three days in 2013/2014. The drop in disputes is mainly linked to the more attentive attitude to owners: specific services offered during their stays (e.g. upgrade, late check out subject to availability, express check in with a dedicated queue), privileges offered outside stay times (private sales, special rental price, etc.).

Communication has also been improved (e.g. a Welcome Pack is sent to new owners, a dedicated website in French, English and German including a new "owner benefits" guide).

The aim for the 2014/2015 financial year is to offer owners even more benefits in terms of reductions and service and to keep the processing time at three days maximum.

Consumer health and safety: a priority

The Group aims to offer unique experiences to its customers in attractive natural settings where they are attended by professional staff and in a safe environment. The safety of customers and employees at the sites is thus a priority and an integral part of the risk management process. A team has been assigned to the management of each brand to include the specific features of each one.

The following actions were implemented during the 2013/2014 financial year:

- ◆ for Pierre & Vacances: six training days bringing together 204 participants (i.e. 1,428 training hours); the installation of smoke detectors and the overhaul of the Group's crisis management manual, which will be fully operational in 2015. Scheduled Accessibility Agendas for people with disabilities have been scheduled for September 2015;
- ◆ for Center Parcs Europe: internal safety procedures (customers and employees) during the organisation of major events, upholding of the quarterly evaluation of all managers and onboard training for each new employee.

Increase customer awareness on sustainable development issues

Make children aware that environmental matters are a priority for the Group's CSR approach from the beginning.

The aim is to grasp the opportunity of a stay at Pierre & Vacances and Center Parcs to make children aware, through games, of nature and its secrets, and to make them aware of our fragile planet.

At the Pierre & Vacances club villages and Maeva club residences, the Eco'lidays entertainments, led by our mascot Happyz, are offered for the kid's clubs, and many initiatives led by the sites outside the kid's clubs.

At the start of each season, the Group's CSR priorities and a range of Eco'lidays activities were presented to the entertainment teams, enabling them to design their summer entertainment programmes. Specific entertainment and shows were also offered to all customers, such as "the last spring" at the Moliets club village, an interactive exhibition on endangered species (quiz, etc.) on the Cap Esterel club village square.

At Center Parcs, children have been made aware about the protection of nature and the animal world via the "When I grow up..." activities at sites in France, Belgium, The Netherlands and Germany in the form of: "When I grow up, I will be a groundskeeper", "...farmer" and "...gardener".

During the 2013/2014 financial year, 19,553 children in total participated in awareness-raising programmes across all Group sites, an increase of 5% at constant scope (data from three sites were not collected, not taken into account).

Exploring nature as a family

A new activity, «Exploring Nature» has been launched as a pilot in partnership with the French league for the Protection of birds (LPO – the French representative of *BirdLife international*) at the Trois Forêts Center Parcs in Moselle. Led by two nature enthusiasts, customers have been able to discover as a family in an interactive way the forest at the site and the animals which live there, from insects to mammals. Special attention was paid to observing birds, and a summary of the species found was made at each session according to the participatory science protocol developed by the LPO at www.oiseauxdesjardins.fr.

A decentralised approach to sponsorship and support for associations

In terms of sponsorship, the Group has no centralised policy or budget and its sites are free to choose the projects and causes that they support. The initiatives are varied and depend on the local environment. By way of example, donations have been made or actions taken to support ill children at the Bispinger Heide, Nordseeküste and Bostalsee Center Parcs, and advocacy initiatives to protect the environment have been organised at Pierre & Vacances Eguzki (cleanup of beaches with Surfriider foundation).

For the third year, special support has been given to the Missing Chapter foundation (chaired by the Dutch princess Laurentien van Oranje) with the organisation of the Kids Climate Conference event at the Het Heijderbos Center Parcs.

ADDITIONAL INFORMATION AND CROSS-REFERENCE TABLE

The amount of provisions and guarantees for environmental risks is not material and therefore has not been included in this document.

Likewise, as the Group's activities (Property development and tourism business) do not include manufacturing processes, the use of raw materials is indirectly dealt with in "Construction", "Use of resources" and "Responsible purchasing policy".

As almost all Group sites are located in the European Union, unfair practice (corruption, etc.) is not really an issue, and as such, there is no section on it.

The cross-reference table for social, environmental and societal information relative to decree No.2012-557 of 24 April 2012 can be found on page 244.

REPORT BY THE INDEPENDENT THIRD PARTY BODY ON THE CONSOLIDATED SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION IN THE MANAGEMENT REPORT

(This is a free translation of the original report issued in French language for the sake convenience on English speaking reader)

Year ended 30 September 2014

To the Shareholders,

In our capacity as Independent Third Party Body accredited by the COFRAC under No.3-1050 and member of the network of Statutory Auditors of Pierre et Vacances, we present our report on the consolidated social, environmental and societal information for the year ending 30 September 2014, presented in the Chapter "Information on social, environmental and societal matters" and in the Appendix "Cross-reference table for social and environmental information" of the management report, hereafter the "CSR Information", pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

The company's responsibility

It is the Board of Directors' responsibility to produce a management report including the CSR Information outlined in Article R. 225-105-1 of the French Commercial Code, in accordance with the standards used by the Company, mainly consisting of the Protocol for the non-financial reporting of environmental, social and governance data in its version dated September 2014 (hereafter the "Guidelines") a summary of which is available on the Group's website⁽¹⁰⁾.

Independence and quality control

Our independence is defined by the regulatory provisions, the Code of Conduct for the profession and the provisions set out in Article L. 822-11 of the French Commercial Code. In addition, we have created a quality control system which comprises the policies and procedures documented to ensure compliance with the rules of conduct, professional standards and the applicable legal and regulatory texts.

Responsibility of the independent third party body

Based on our work, it is our responsibility to:

- ◆ ensure that the required CSR information is included in the management report or, if this is not the case, that justification has been provided in accordance with the third paragraph of Article R. 225-105 of the French Commercial Code (Certification of the presence of CSR information);
- ◆ provide moderate assurance that the CSR information, as a whole, accurately includes all the most significant aspects, in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR information).

Our work was done by a team of five people between the months of September 2014 and January 2015 over a period of five weeks.

We have conducted the following work in accordance with the professional standards applicable in France and the order of 13 May 2013, which sets out the methods used by the independent third party body when performing its duties and, concerning the reasoned opinion on the fairness of the CSR information, International standard ISAE 3000⁽¹¹⁾.

1. Certification of the presence of CSR information

We have taken account of the guidelines on sustainable development based on interviews with the persons responsible for sustainable development, according to the social and environmental consequences linked to the Company's business and its commitments to sustainable development and, where necessary, any measures or programmes resulting from this.

We have compared the CSR information included in the management report with the list set out in Article R. 225-105-1 of the French Commercial Code;

In the event of the absence of certain consolidated information, we have checked that explanations have been provided in accordance with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code.

(10) http://www.groupepvc.com/EN/130/developpement_durable, "publications" section.

(11) ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

We have checked that the CSR information covered the consolidated scope, i.e. the Company as well as its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies it controls within the meaning of Article L. 233-3 of the same Code, with the limits stated in the introduction to the corresponding chapters and notably Chapter 1.2 "About the company report" of the management report.

On the basis of this work, and subject to the limits established above, we certify that the required CSR information has been included in the management report.

2. Reasoned opinion on the fairness of the CSR information

Nature and scope of the work

We conducted ten interviews with the individuals responsible for preparing the CSR Information from the Sustainable Development, Human Resources, Maintenance and Purchasing departments responsible for collecting the information and, if applicable, responsible for the internal control and risk management procedures, in order to:

- ◆ assess the appropriateness of the Guidelines with regard to their relevance, completeness, reliability, neutrality and clarity, taking into account, where necessary, best practices within the sector;
- ◆ check the implementation of a process to collect, compile, process and check the completeness and consistency of the CSR information and analyse the internal control and risk management procedures used to produce the CSR information.

We have determined the nature and scope of the tests and controls according to the nature and importance of the CSR information with regard to the features of the Company, the social and environmental priorities of its business, its sustainable development orientations and good practice in the sector.

For the CSR information that we considered the most important⁽¹²⁾:

- for the Company's head office, we have consulted documentary sources and held interviews to corroborate the qualitative information (organisation, policies, actions, etc.); we have used analytical procedures on quantitative information and checked their consistency with the other information in the management report.
- for the representative sample of the entities and sites we selected⁽¹³⁾ based on their business, their contribution to the consolidated indicators, their implantation and a risk analysis, we conducted interviews to check that the procedures were correctly implemented, and we performed detailed tests, based on samples, to check the calculations made and reconcile the data with the supporting documents. The sample of sites and entities selected in this way represented 6% of the workforce and 7% of energy use (sites) and 71% of employees and 52% of energy use (entities).

For the other consolidated CSR information, we have assessed its consistency in line with our knowledge of the Company.

Finally, we evaluated the relevance of the explanations provided, where applicable, when information was missing either entirely or partially.

We believe that the sampling methods and sizes used when applying our professional judgement allow us to make a conclusion of reasonable assurance; a higher level of assurance would require more thorough verification work. The reliance on sampling techniques and other limitations inherent to any internal control and information system make it impossible to wholly eliminate the risk of a material misstatement in the CSR information.

(12) **Environmental and societal information:** the general environmental policy (BEST! system), pollution and waste management (recycling rate for Center Parcs), sustainable use of resources and climate change (energy use, water consumption and supply subject to local constraints); territorial, economic and social impact (employment, regional development, impact on local populations), responsible purchasing approach. **Social information:** employment (total workforce, turnover), absenteeism, health and safety conditions at work, workplace accidents, training policies.

(13) The Pierre & Vacances Cannes Villa Francia site (Mediterranean operations management) and Center Parcs in Kempervennen (The Netherlands); Center Parcs The Netherlands and the French companies (excluding Les Senioriales).

Conclusion

Based on our work and aside from the above reservations, we have not found any material misstatement that would call into question the fact that the CSR information, taken in its entirety, is presented in a fair manner and in accordance with the Guidelines.

Comments

Without calling into question the conclusion provided above, we would like to draw your attention to the following items:

- ◆ notable changes in definition and scope have made the reporting of the information reliable. Where available, historical information has been provided in a comparable manner;
- ◆ the consolidation of the environmental and social information still requires more manual interventions and processing, which is the responsibility of those in charge of reporting;
- ◆ as mentioned in the "Waste management" chapter, the volumes of waste generated or sorted have been reported only for Center Parcs Europe. Discrepancies were noted on several sites, but these are compensated for at the consolidated level.

Paris and Paris-La Défense, 19 January 2015

Independent Third Party Body

ERNST & YOUNG et Associés

Éric Duvau
Sustainable Development associate

Bruno Perrin
Associate