

REGISTRATION DOCUMENT 2017/2018

Including the Financial Report





EXTRA-FINANCIAL PERFORMANCE DECLARATION

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3.1 Our sustainable development policy

3.1.1 Creating shared value

The Pierre & Vacances-Center Parcs Group welcomes nearly 8 million customers every year and directly operates close to 190 residences and resorts (not including Adagio and Maeva) in 5 countries. It manages a portfolio of almost 18,000 owners.

European Leader in local tourism, the Group offers a varied range of tourist accommodation which is well integrated into the local community. Its business model, combining property development with tourism operations, is an asset that enables the Group to take a long-term strategic approach. Its CSR strategy has been rolled out across its entire value chain, fits in with the company's growth strategy, and meets the expectations of all its stakeholders.

The Group constructs its CSR strategy by listening:

- ◆ to the expectations of its 12,700 employees, to provide them with the best working conditions and enable them to grow and develop professionally in all roles;
- ◆ to the expectations of its local partners, with which it builds long-term connections in each community as a socio-economic player;
- ◆ to environmental associations and experts on issues relating to resource conservation and the protection of the natural spaces where our sites are located;
- ◆ to the expectations of its shareholders and investors for whom non-financial performance is part of the long-term value of their investment;
- ◆ to the expectations of its customers who are looking for holidays spent with family and friends, in cities, at the seaside, in the countryside or in the mountains.

The Group's business model is described in Chapter 1 of this Registration Document.

The Group was created more than 50 years ago and its longevity is the result of its capacity to innovate and to reinvent itself in the way it finances its property developments and in its new tourism concepts. The Group's sustainable development approach is increasingly part of this innovation dynamic. This includes, for example, research into optimised technical solutions to reduce the environmental footprint of its projects (e.g. the use of geothermal energy for Villages Nature® Paris and enriching the customer experience with new services and activities specifically incorporating sustainable development-related issues (digitalisation of the customer experience, development of new nature- and sustainable development-related leisure concepts, etc.).

External recognition of non-financial performance

For the tenth year running, the Group was listed in the 2018 Gaïa – Index, and kept its ranking in the index's top 20, coming 16th out of 230 companies. This ranking demonstrates the Group's non-financial performance in relation to other SMEs and intermediate-sized businesses listed on the French stock market.

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

3.1.2 Our commitments

The Group's sustainable development policy is aimed at creating long-term value for the business and for all its stakeholders so as to make a positive contribution to the Company now, and in the future. It aims not only to ensure that its activity-related risk is properly managed but also to identify and seize new growth and differentiation drivers.

The sustainable development policy is based on five pillars defined on the basis of the materiality analysis performed in 2016/2017, the CSR risk analysis updated this year (see section 3.1.4) and the expectations of our internal and external stakeholders.

◆ Implementing a responsible employer policy

As with any service industry, the quality of the service provided to our customers directly relates to the skills, commitment and well-being of our teams. The particular nature of the tourism business, which is characterized by its seasonality, as well as specific aspects of our business model which is based on several business lines (see section 3.2.1), raise recruitment, training and skills management issues.

◆ Limiting the impact of our sites on natural environments and encouraging biodiversity

The beauty of the landscapes where our sites are situated is a major attraction. Preserving this environment and valuing local natural wealth is part of our know-how. This expertise is reflected, from the design phase through to the operational phase, by concrete initiatives to protect biodiversity and the natural environment in the long term. These issues are also taken into consideration in the Group's development strategy and in the sites selected for new developments.

◆ Improving our sites' environmental performance and responding to climate issues

Our environmental performance is based on our capacity to define and monitor the implementation of relevant and ambitious standards for the construction and operation of our residences and resorts, as well as within each operating department. To do so, the Group has tools (such as BEST, an internal system for managing sustainable development for sites) and is committed to an ongoing, voluntary certification and labelling policy. In terms of environmental performance, the priorities are: energy performance, the use of renewable energies, water consumption, waste management, and raising customer awareness.

◆ Placing customer satisfaction and the customer experience at the heart of what we do

The Group's aim is to offer a variety of holiday experiences that meet its customers' expectations. Today, more than ever, the sustainable development approach is helping to enrich this experience by embodying sustainable development values. The Group is gradually developing its services and devising new nature- and community-related activities.

◆ Being a long-term partner to the regions

The Group wants its activity to boost local economies, highlighting the cultural assets of each region and building strong, long-term relationships with individual communities. This desire for community involvement is embodied in its recruitment and responsible purchasing policies and in the local partnerships it sets up for the activities and services it offers.

The Group's sustainable development policy responds to the issues identified by the CSR risk mapping carried out this year by implementing specially-designed policies and measures.

Issues identified as being "at risk" are classed in the three categories listed below, in order of priority:

- priority issues: land search, access to water resources in areas under water stress, anticipation of the consequences of climate change on the business;
- major issues: management of the risk of water pollution and deterioration of natural environments, quality of relations with owners, recruitment and development of the skills of teams; waste management;
- important issues: quality of relations with our local stakeholders and our customers, health and safety of our employees, management of energy consumption.

With a view to new non-financial performance disclosure requirements, the policies put in place to deal with the different issues raised above are stated in each section of the document. The Group's policies are defined on the basis of four criteria: the formalisation of commitments, the presence of one, or more, targets (qualitative or quantitative), the presence of a dedicated person or team and monitoring of one, or more, performance or means indicators.

3.1.3 Our organisation

At 30 September 2018, the Group's Sustainable Development (CSR) Department reports to the Deputy Chief Executive Officer. Her role is to define the Group's CSR strategy and to support and coordinate its roll-out across all operating departments via specific action plans. The CSR Department also compiles and publishes reports on the Group's sustainable development initiatives (in conjunction with communications departments). Lastly, it works with the Business

Lines before new development projects are launched, to devise new nature- and sustainable development-related experiences.

The CSR Department also relies on internal Group contacts: a Center Parcs Europe CSR department (reporting to the Management Committee), and someone charged with overseeing responsible purchasing policies within the Purchasing Department.

3.1.3.1 The policies of the brands

"Faisons plus ensemble" ("Doing more together"), the Pierre & Vacances sustainable development approach

"Through the "Faisons plus ensemble" ("Doing more together") approach, we are committed to working with our partners and customers to reduce environmental impact and promote each local region"



Naturall, the Center Parcs sustainable development programme

"Through our Naturall (nature and us) programme, we have made a commitment to nature ("Natur"), and to care for everyone ("all"): our guests, our employees, and our current and future local partners"



Our Naturall Plan

One Planet Living (OPL), the Villages Nature® Paris sustainable development approach

"Based on the One Planet Living principles, Villages Nature® Paris is committed to reducing its environmental footprint across 10 measurable targets from construction and now in the operational phase"



3.1.3.2 Our contribution to the global Sustainable Development Goals (SDGs)

	SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
	4.4 Via its Corporate Foundation, the Group is committed to the social and workplace reintegration of young people and adults.
	SDG 5: Achieve gender equality and empower all women and girls
	5.1 and 5.5 The Group fights against any form of discrimination and, in particular, promotes gender equality amongst its employees.
	SDG 6: Ensure availability and sustainable management of water and sanitation for all
	6.3 The Group ensures the adequate provision and capacity of sanitation facilities and, if necessary, helps to renovate or construct such facilities for each new project. The Group seeks to significantly reduce the use of chemicals and hazardous materials in waste water and ensures that all its waste water is treated.
	6.4 The Group implements measures to optimise water consumption (water-saving devices, optimised management of swimming pool water, etc.) and only uses drinking water where strictly necessary (minimisation of watering requirements, rain water recovery, etc.).
	6.6 When selecting sites, the Group ensures that the impact on wetlands is minimised and, if necessary, implements compensatory measures. It ensures that the hydro-geological balance of the sites is maintained and applies ecological stormwater management (drainage swales, infiltration trenches as close as possible to buildings, etc.) on all new projects.
	SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all
	7.2 The Group favours the local production of renewable energies in new projects and has increased the percentage of green energy in its contracts.
	7.3 The Group aims to achieve a high energy performance in new projects and is continually improving existing equipment.
	SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	8.4 The Group aims to pursue its economic growth in making the best use of resources and preserving the environment.
	8.5 The Group is keen to recruit locally and to employ workers with disabilities, ensures gender equality, promotes purchasing from the protected sector and seeks to employ the long-term unemployed when recruiting for new projects.
	8.7 The Group has implemented a responsible purchasing policy and introduced measures to identify and prevent human rights violations by its suppliers.
	8.8 The Group is committed to providing a safe working environment and ensures the health and well-being of its workers.
	8.9 As a tourism operator, sustainable tourism is of critical importance to the Group. This is reflected in the policy to improve the sites' environmental performance, maximise the economic benefits to local regions and promote local nature and culture.
	SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable
	11.3 As far as consultations are concerned, the Group ensures that its new projects take into account local and regional development concerns.
	11.4 Via its Corporate Foundation, the Group is committed to promoting local cultural and natural heritage.
	SDG 12: Ensure sustainable consumption and production patterns
	12.2 The Group is committed to a rational use of natural resources as part of its sustainable development policy, which focuses on improving the environmental performance of its sites. The Group also encourages the purchase of eco-label products.
	12.4 The Group monitors and ensures optimised hazardous waste management and efficient use of chemicals.
	12.5 The Group monitors the volume of the waste that it produces, takes measures to optimise waste sorting (in particular, by raising awareness amongst its customers and employees) and works with its service providers to optimise waste recycling.
	12.8 The Group is enhancing its range of activities, focusing on discovery of nature and local assets. Furthermore, via its corporate foundation, the Group supports general interest projects to raise awareness about protecting the natural world.
	12.b The Group has implemented an internal management tool (BEST) and is promoting and is involved in environmental certifications by third-party bodies (projects, buildings and at the operational phase). The Group has a responsible purchasing policy incorporating social and environmental criteria that it uses when selecting its suppliers and products.
	SDG 13: Take urgent action to combat climate change and its impacts
	13.1 The Group has implemented a development policy which takes into account concerns around the consequences of climate change.
	13.2 The Group monitors its energy consumption-related CO2 emissions, and takes measures to reduce these emissions, notably, by using renewable energies on its new projects and by specifying the use of "green" energy in its contracts.
	SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss
	15.1 For new projects, the Group favours the selection of sites that have a low level of sensitivity in terms of biodiversity, conducts impact studies on the sites selected and applies "avoid/reduce/compensate" methodology. If necessary, the Group implements compensatory measures to offset any residual impacts. In addition, the Group manages green spaces in an environmentally-friendly way and takes part in national biodiversity strategies applied locally.
	15.2 The Group ensures that compensatory measures are implemented correctly for woodland areas impacted by its projects, favours the purchase of sustainably managed wood (FSC, PEFC) and ensures that an ecological and forest management plan is put in place for the forests in which the sites are located.
	15.8 The Group bans the use of all invasive exotic plants for the internal or external landscaping of its new projects.

3.1.4 Data collection method and CSR risk mapping

3.1.4.1 Reporting scope

The reporting reference year runs from 1 October 2017 to 30 September 2018.

The Adagio brand has not been included in the reporting scope since 2015/2016, but its employment, water and energy consumption data are included in the AccorHotels Registration Document as the brand has signed up to the AccorHotels sustainable development programme.

3.1.4.2 Reported data

The annual extra-financial performance declaration is based on:

- ◆ employment, environmental, and some societal indicators devised in line with a protocol describing the indicators, in detail, together with a calculation and internal control methods and data collection responsibilities;
- ◆ data from an internal tool (BEST) which consolidates the initiatives implemented at Pierre & Vacances sites in France and Spain. Data is fed into the tool by site directors or their sustainable development officers. This information is then verified at various levels (requests for proof, site visits, quality audits etc.);
- ◆ information and indicators monitored by the departments in question and forwarded for reporting purposes.

3.1.4.3 Data collection methods

Employment data (section 3.2)

Reporting scope

For employment data, all employees paid by the Group are included, irrespective of the business (property development or tourism) or the brand (Center Parcs, Pierre & Vacances, Maeva, Les Senioriales and Villages Nature® Paris) for which they work and in all five countries where the Group operates (France, Belgium, the Netherlands, Germany and Spain). Teams based outside the EU (China) are not included in the reporting scope. They account for less than 0.3% of the workforce. Lastly, the indicators do not include temporary staff.

Data collection and tools

Control and collection of employment data is managed by Human Resources teams in each country. Various data controllers coordinate raw data collection via payroll or HRIS tools specific to each country. Indicators are then consolidated by country and on a Group-wide basis.

Environmental data (section 3.3)

Reporting scope

For environmental data, the reference scope is all of the Group's operational units at 30 September 2018, with the exception of Les Senioriales (where water and energy use is not managed by the Group) and Maeva time-share residences. With regard to Villages Nature® Paris, water, energy and waste data are incorporated in Center Parcs Europe data. Sites and residences marketed but not operated (maeva.com, franchises etc.) are not included in the reporting scope.

Data collection and tools

- ◆ Across Pierre & Vacances sites, the Group consolidates water and energy use for which joint owners under lease agreements are responsible. Volumes of use are for the Group's share of each site. Data is supplied by ICARE – the internal energy use management tool. Data is reported by the sites at the head office, a dedicated Strategic Support team monitors water and energy consumption at the sites, performs budget reconciliation and analyses differences. It also supports regional maintenance managers in producing assessments and alerts them in the event of abnormal, unexplained changes.
- ◆ The concept of shared use does not apply to Center Parcs. Water and energy use and waste production are monitored weekly and monthly by the energy coordinator for each site. Monthly data are verified by an internal expert who analyses and consolidates the data and monitors targets for all European sites. Center Parcs sites will use the Icare software from 2018/2019 to collect water, energy and waste data.
- ◆ As with Center Parcs Europe, Pierre & Vacances environmental data (in m³ or in KWh) are reported by number of overnight stays: an overnight stay corresponding to a unit rented for one night, whatever the number of occupants.

Societal data (Sections 3.4 to 3.8)

Purchasing, customer satisfaction and construction data are supplied directly by the departments in question which consolidate these indicators so that they can be managed and the scope is the same as for environmental data. It should be noted that the Purchasing department introduced a responsible purchasing policy in 2017, based on a number of quantifiable indicators and targets which are monitored and covered by specific action plans.

Find the details of the indicators in the CSR report on www.groupepvcp.com, Sustainable Development section.

Analysis of CSR risks

In-depth work to identify CSR risks was carried out this year by the CSR department. Conducted with the head of the Group's risks and insurance department and incorporating work on the mapping of purchasing risks, the Sapin 2 law and the duty of care, it enabled the Group's CSR policy to be reconsidered in the light of external changes (legislative, climatic, consumer and citizen trends, etc.) and

Group strategy. The heads of each Group business line and of the entities were interviewed about their perception of the level of criticality (probability of occurrence and impact) of, and the level of control over, 15 families of environmental, employment (including Human Rights) and societal risks. It was then possible to define a hierarchy of priorities.

3.2 Implementing a responsible employer policy



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

12,700⁽¹⁾ people work for the Group. Our HR strategy combines our commitments, our governance system and our indicators, without however being formalised in documents signed at by the General Management. Our teams are an important factor of the quality of the service delivered, as happy employees play a key role in customer satisfaction. As a result, our human resources strategy aims to develop employees' day-to-day commitment. It also aims to meet the repeat recruitment requirements associated with the seasonal business of some of our sites and to guarantee our teams' performance, notably by providing adequate training.

Issues of recruitment, training and employee satisfaction are major challenges for us in terms of human resources, as confirmed by CSR risk mapping (see section 3.1).

3.2.1.1 The employment model

The tourism business now accounts for over 85% of Group jobs. Its employment model is, therefore, based on tourism business characteristics: ongoing and increasing digitalisation, customers demanding increasingly sophisticated experiences and services, seasonality, wide variety of jobs. It changes in response to the Group's various transformations, such as the introduction of what are referred to as "flexible" arrivals, the renovation of all Center Parcs sites and even the internationalisation of our brands. These transformations result in profound changes and so teams need support.

Over the last four years, our HR policy strategy has been structured around four pillars:

- ◆ supporting the transformation of the Pierre & Vacances-Center Parcs Group;
- ◆ contributing to the individual and collective performance of our employees;
- ◆ developing & challenging our managers;
- ◆ being strong, reliable and professional in our fields of expertise.

To underpin this strategy, a digital information system (HRIS) common to the entire Group has been introduced. Known as H@RIS, it is being rolled out on a gradual basis in 2017/2018 and in 2018/2019 across all modules (Core, Training, Recruitment, Evaluations, Remuneration, Talent/Careers). The HRIS is a further step in the modernisation of our human resources management. It facilitates managers and employees' access to information and makes it easier to manage individuals' skills and career development.

3.2.1.2 Group values

Group values were defined by work carried out in previous years with representatives from the managers' community (B-Community). These values, illustrated by specific actions, are an integral part of the day-to-day operations of our teams and are the absolute bedrock of our projects.

(1)

1. "We are all socially responsible entrepreneurs"

The Group's entire history is based on the value of entrepreneurship and to guarantee effective leadership over time, it is necessary for everyone to sign up to a long-term and global vision of performance that, in particular, incorporates social, societal and environmental responsibility.

2. "We enable togetherness"

Echoing the values of the two Pierre & Vacances and Center Parcs brands, "enabling togetherness" reflects our aim of creating links and occasions for sharing, for teamwork and for taking action at the local level with a commitment to service and listening.

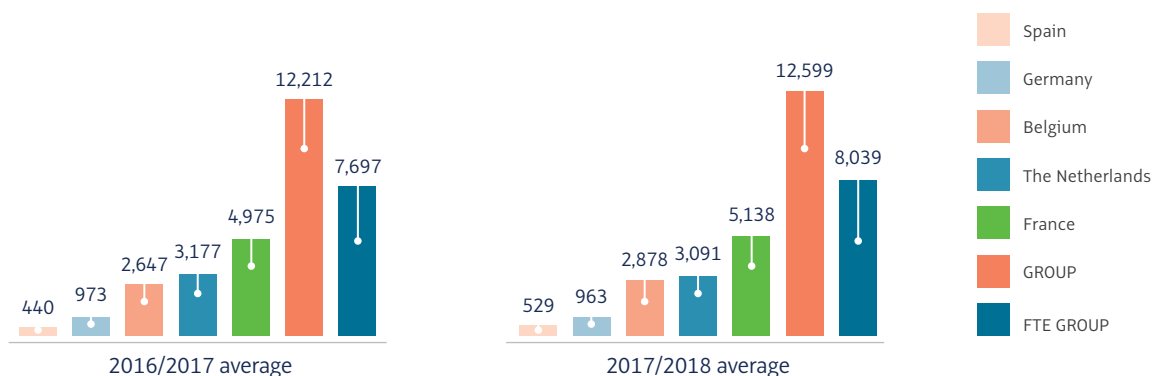
3.2.1.3 Our corporate mapping

The Group's profile

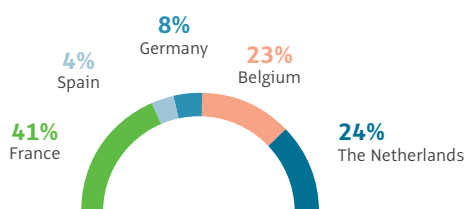
The Group's business lines are:

- ♦ tourism operations business lines: welcome, reception, technical, renovation, security, housekeeping, swimming pools, site management, operational control;
- ♦ business functions, digital, analytics and customer relations;
- ♦ support functions: marketing, finance, general services, security, sustainable development, IT, purchasing, legal, human resources, communication;
- ♦ property development business lines: property development and promotion, property marketing and management, owner relations.

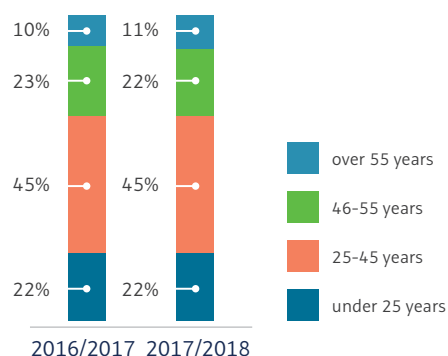
Average annual headcount by country and full time equivalent



Breakdown of employees by country



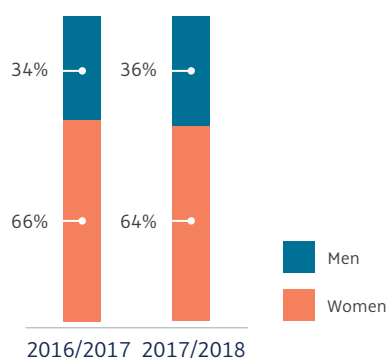
Breakdown of headcount on 30 September by age range



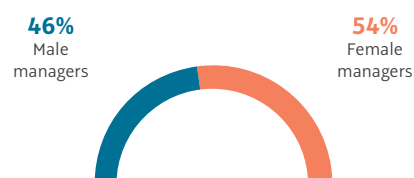
Key employment figures within the Group

The Group's workforce – see scope of labour reporting in section 3.1 – was up in terms of number of employees (+3.2%), and in full-time equivalent terms (+4.5%) over the financial year, due mainly to developments in Spain.

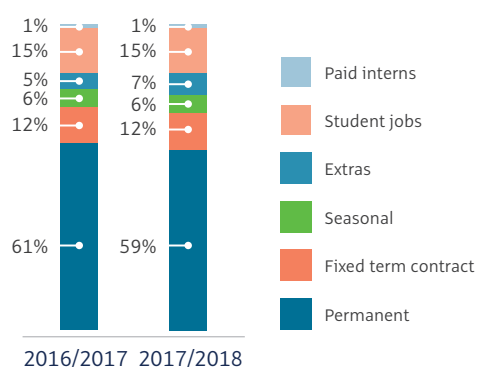
Breakdown of headcount by gender



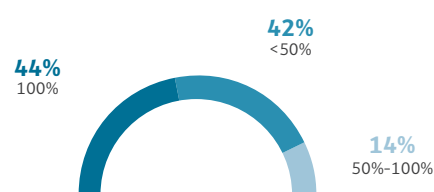
Proportion of women in management



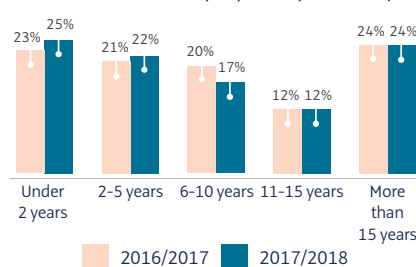
Breakdown of employees by contract type



Breakdown of contracts by rate of activity



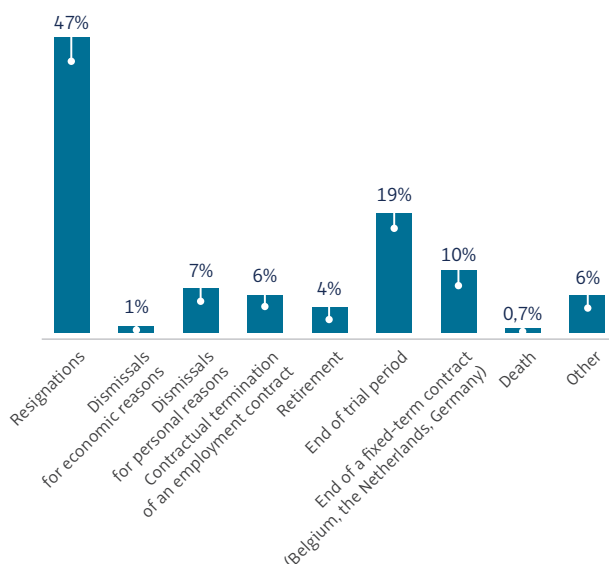
Breakdown of employees by seniority



♦ The turnover rate, 19.1% this year, was up slightly on last year (16.5%). This was mainly due to the Les Senioriales opening seven new residences over the financial year.

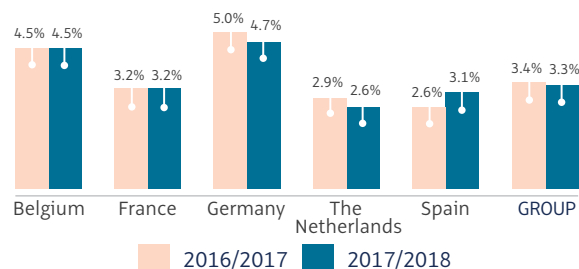
Turnover rate	2016/2017	2017/2018
Number of new staff	1,665	1,924
Number of departures	1,622	2,110
TURNOVER RATE	16.5%	19.1%

Breakdown of departures by reason in 2017/2018



◆ The absenteeism rate, 3.3%, was practically unchanged from last year (+3.4%).

Absenteeism rate



3.2.2 Making the Group more attractive

Making ourselves more attractive and recruiting are two major challenges for the Group. Our tourism operations involve "hard-to-fill" jobs such as housekeeping, security, reception and call center work and any jobs relating to new technologies (IT, digital, analytics, etc.). In addition, because some of the Pierre & Vacances sites, operate on a seasonal basis, staff are hired several times a year and for each season.

For the last two years, work on the employer brand and on structuring our recruitment campaigns, has helped to make the Group more attractive and to raise its profile on the jobs market. Our objective is to position ourselves as the leading local employer in the tourism business.

3.2.2.1 The employer brand

The background work carried out last year on the Employee Value Proposition continued in order to raise the Group's profile externally, beyond its commercial brand names. The work was carried out on a collaborative basis and resulted in the definition of four pillars, shared by the entire Group: an international playground, innovation by all, growth and career development for all, warm and friendly relationship our signature "open up a whole new world of possibilities". Last year was devoted to creating a dedicated employer brand communications platform and, in particular, to drafting joint offline and online communications tools to meet each brand's specific requirements.

3.2.2.2 Recruitment policy

On these bases, the digital recruitment strategy continued this year with consolidation of our partnerships with dedicated platforms and social networks with a view to reaching target populations for each business line. By way of example, a major advertising campaign was conducted this year, via social networks and dispalys, to recruit housekeeping staff.

The recruitment of interns was also encouraged. A specific advertising campaign for interns and apprentices was launched on social media, placing value on experience and promoting recruitment opportunities within the Group. In 2017/2018, 36.8% of graduate interns and apprentices at the head-office in France were hired on fixed-term or permanent contracts after their training and apprenticeship period.

With regard to seasonal workers, a targeted advertising campaign aimed at attracting the best candidates was launched on the topic of "What are you doing for the next few months? Pierre & Vacances is recruiting 700 smile creators". This campaign was able to target a larger number of applicants. At the same time, retention of seasonal workers is also a major work focus as retention meets a high percentage of our requirements in terms of repeat recruitment. To do so, an orientation pathway (*work@PV*) enables on-site teams to support seasonal workers throughout their working lives within the Group and to give them specific training. This year, the Group's evaluation process was applied to seasonal workers (see section 3.2.3.3). This process enabled them to receive constructive feedback on the work provided during the season and to track each individual's history with a view to working together again in future seasons. The Pierre & Vacances brand also ensures that it offers good working conditions and specific benefits under seasonal contracts: living accommodation, employment-based social protection (health and welfare), staff holidays at preferential rates, and internal job mobility. The retention rate for seasonal workers is now monitored for the Pierre & Vacances brand in France. This year it was 45%.

To continue this work to make the Group more attractive as part of a three-year strategy, specific projects will be launched next year to increase the reach and raise the profile and reputation of the Group across social networks. In addition, recruitment campaigns, particularly for "hard-to-fill" jobs, will continue.

The Group is also capitalising on in-house know-how and skills. Internal mobility and employee development is encouraged. 3,060 Group employees (excluding Spain) benefited from internal transfers and/or in-house development over the year, to meet their professional development aims in line with Group requirements.

3.2.3 Developing our employees' skills

3.2.3.1 Training – key to meeting business challenges

Our training strategy has been directly linked to the everyday realities and operational challenges faced by each entity and to changes in our various business lines.

Service quality and customer experience at our sites is a priority for the Group and is one of the main objectives of the training policy. The "service approach" is ongoing at Pierre & Vacances and a hospitality programme has been devised and rolled out at a Center Parcs pilot site (with plans for full roll-out, on a gradual basis, over the next two years). Made-to-measure training courses have been introduced to support the upscaling of some of our Pierre & Vacances and Center Parcs sites.

The focus has also been placed on sales expertise in terms of on-site teams' sales expertise at Pierre & Vacances and Center Parcs sites (development of on-site sales of products, activities and services), as well as on improving the sales performance within the Marketing & Digital Department and at Pierre et Vacances Conseil Immobilier SAS.

Training programmes leading to professional certification have also been introduced for "hard-to-fill" jobs (swimming pool or housekeeping staff) and training courses for specific roles have been organised, on an individual and collective basis, for support function employees within the context of changes to business lines.

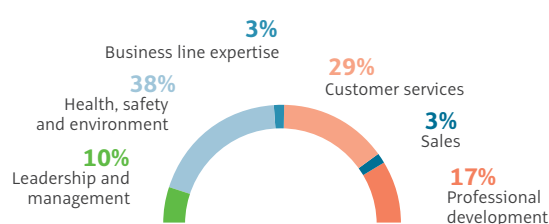
A new "e-learning" platform offering practical and fun training courses on different Group products and services was also set up for Call Center teams in France. It will be expanded next year.

In addition, B-CORE managerial growth paths, project management and annual performance appraisal training programmes (combined with training in the new HRIS H@ris) continued this year.

Lastly, the Group, being mindful of the safety, security and health of its employees and customers, continued its dedicated training programmes (on posture and body mechanics, managing unhelpful behaviours and theft prevention).

In the next year, training modules will be set up as part of other projects being conducted for each of the brands, notably the "lean management" and innovation initiatives.

Training hours distribution



Total number of training hours

	2016/2017	2017/2018
Total number of training hours	74,658	69,446
Average number of training hours per employee	12.37	9.19
Proportion of employees trained	49%	60%
Proportion of women among trained employees	63%	61%
Training budget	2,745,590 €	2,415,698 €

3.2.3.2 Managers are key to team performance

B-Core and B Community

Being convinced of the importance of the role of managers within the organisation in terms of Group performance, a common framework of managerial values focusing on customer satisfaction and teamwork was designed: B-CORE (Best in class/Client centric/Ownership/Role model/Entrepreneur). Implementing these values has made it possible for all Group managers to have a common standard that extends beyond business lines, countries and brand names and to improve their day-to-day understanding of their roles and responsibilities.

In addition, a community of “B-Community – Leaders” was created three years ago to forge links and facilitate dialogue, improve their skills and develop a common managerial culture. It also enables the Group to effectively relay its vision and strategy.

Leadership and management training

In late 2014, a global “managerial growth path” for “Group Leaders” was developed. It was improved and then extended to other managerial levels this year (i.e. “regional managers” – responsible for services). Its objective: to support managers in their role as leaders, coaches and agents of change. Since 2015, nearly 1,300 managers have followed this training programme. The consistency of the messages and practices disseminated across the Group has helped to make managers more professional. This progress was recognised by their own employees, as shown by the results of the 2017 *Happy@Work* satisfaction and commitment survey.

Performance appraisal – key to meeting business challenges

Performance evaluation is a key process of the managerial function. This process is now fully digitalised and common to the entire Group. Continuing throughout the year, the process was formalised, in particular, during annual performance appraisals and work-related interviews which were given to 81% of our employees in 2017/2018 (excluding Spain).

Identifying employees' potential, strengths and weaknesses, and career development, these appraisals are also an opportunity to look more closely at employees' individual needs and to put in place tailor-made action and training plans.

3.2.3.3 A talent management which is part of the Group's innovation and transformation initiative

As a result of managerial involvement, since 2014, the Human Resources department has piloted an initiative to identify and develop “Talent” and “Key specialists”, on a Group-wide basis. Career pathways for employees are also the focus of particular attention and 63% of our talented individuals have benefited from internal transfers over the last three years

The 5.0 project, conducted in 2017 on the occasion of the Group's 50th anniversary, to promote innovation and prepare for the future, focused on developing young talent. This project had two main priorities: “how can we give our customers an unforgettable experience?” and “how can we use our resources intelligently to improve?”. A group of fifty or so ambassadors were selected from our pool of talented individuals aged under 35. Their role was to encourage the emergence of ideas within the business and to promote innovation and entrepreneurial transformation. All employees were invited to post ideas on a dedicated digital platform. The 50 ambassadors received specific support based on collective intelligence and collaborative working processes to generate the most relevant ideas. The ambassadors presented a dozen or so projects to the General Management Committee in December 2017. Three were selected and are in the process of being rolled out. This programme led to the creation of a Group Innovation Department tasked with structuring innovation within the Group, identifying new growth drivers and increasing openness and collaboration with players in the new economy.

3.2.4 Overseeing well-being and monitoring employee satisfaction

We are convinced that employee satisfaction is an indication of individual and collective commitment and effectiveness, and that it is the cornerstone of customer satisfaction. We also consider the well-being and commitment of our teams as major issues for our HR policy.

3.2.4.1 Measuring and improving employee well-being and commitment

A Group-wide survey, designed to measure the satisfaction and commitment of all our employees, was conducted in 2017 for the second time. This survey recorded a participation rate of 72%. It confirmed employees' highly positive feedback regarding the Group in general and, more particularly, the priority given to customer orientation (approved by 80% of employees), the overall strategy on working conditions (75%) and the quality and effectiveness of management (73%). Employees appreciate the support offered to them, particularly in terms of training.

In line with these results, nearly 550 targeted action plans were compiled in 2017/2018. They cover all the items included in this survey and, more particularly, managerial initiatives, working conditions and employee development. These action plans were, or are, in the process of being rolled out by managers and their teams in 2017/2018 and 2018/2019.

A new survey will be launched in 2018/2019 along similar lines so that results can be compared and progress monitored.

specific to each brand ("Faisons plus ensemble" for Pierre & Vacances and *Naturall* for Center Parcs) makes it easier for teams to adopt specific approaches.

At Center Parcs, all staff are aware of and receive training in the environmental procedures to be implemented on their site (e.g. via regular hygiene/safety/environment questionnaires). At Pierre & Vacances, all staff working on Green Key sites are made aware of environmental issues and best practice which should be adopted at their site. The BEST tool, rolled out across all Pierre & Vacances sites in France and Spain made it possible to share training materials more smoothly this year. In addition, the workshop held by the sustainable development team at the business line's annual convention this year presented the perfect opportunity for introducing the "Faisons plus ensemble" policy and for sharing the targets and initiatives put in place with site directors and some of their managers.

It should be noted that the effort put into rolling out an internal CSR culture (special events, training, involvement of COMEX, etc.) over the last few years and the employees' seniority (over a third of employees have worked for the Group for 11 years or more) have helped raise teams' awareness of CSR issues. This maturity has enabled us to formalise sustainable development commitments specific to each brand and supporting business line. It is an invaluable driver of the strategy's progress.

3.2.4.2 Internal communication, a shared fundamental adapted to each country and each brand

The fact that our sites are spread across five countries means that internal communication has a major role to play. Internal communication is essential to circulating the Group strategy within each entity, brand, establishment, or country, to involve employees and create a link between the teams. It is also key to circulating the processes and standards consistently and giving managers the tools they need to support their teams (internal mobility, remuneration, evaluation, updates on the Happy@Work action plan, etc.).

Developing CSR culture internally

Raising employees' awareness on sustainable development issues is key to ensuring their day-to-day involvement. It is also an essential requirement for the environmental labels and certifications to which our brands have committed. The roll-out of CSR policies

3.2.4.3 Equal opportunities at work

The subject of equal opportunities for employees is important for the Group and we are convinced that diversity within teams creates value. Measures were put in place to ensure gender equality, the inclusion of people with disabilities and the fight against all forms of discrimination.

Gender equality

Women make up 64% of employees and 54% of managers are women. This figure has remained stable of the last few years. Women account for 61% of all employees trained, which reflects the proportion of women within the Group staff as a whole.

A unilateral agreement on well-being and equal opportunities at work is currently in force in France. In addition, every year in France, during the Statutory Annual Wage Negotiations, equal pay indicators are shared with labour partners; no gender pay gap was reported during the last negotiation.

A transparent and fair remuneration policy

Remuneration and employee benefits are a means of improving performance and protecting the lowest paid workers. Continuing the consistency and optimisation effort begun in previous financial years, our remuneration policy has gradually been improved and harmonised across the Group and remuneration is measured against the labour market within the different countries/regions where the Group operates.

Changes in remuneration are directly linked to employee performance in addition to collective pay rises for the lowest-paid workers. The Group's Remuneration and Employee Benefits Department is a key part of this policy, enabling us to offer remuneration levels in line with the market, performance and our employees' potential. In addition, the variable portion of remuneration is set on an annual basis in line with company's challenges and strategy.

Employee expenses stood at €355,502,000 for 2017/2018.

Fight against discrimination

The Group applies an anti-discrimination policy under internal agreements or regulations. In France, for example, the Internal Regulations have, since 2015/2016, contained a reminder of general anti-discrimination obligations. In addition, managers are educated, trained and supported during the training on the annual performance reviews and throughout the year or when individual issues arise. In

the Netherlands, a policy of fighting against "undesirable behaviour" (discrimination and intimidation) has been in place for a number of years now. Individuals have been specifically trained to this end on how to help employees deal with these types of problems. To date, no complaints have been made on the basis of these issues.

In addition, since 2005, the Group has conducted specific initiatives to promote the employment of workers with disabilities and keep them in work. A Disability Agreement for France was renewed in 2015 for three years. It was renegotiated and signed in July 2018 for the 2018-2020 period.

This means that the Group's disability taskforce implements a proactive policy based on specific information and awareness-raising initiatives which respond to the problems of the various entities.

The number of disabled workers within Pierre & Vacances France stood at 147 this year, or 2.9% of the workforce in France, slightly down on last year (3.4%).

Once again this year, awareness-raising events were held to support our employees in their attitudes to disability. Moreover, the network of disability representatives (HR managers; Health, Safety and Working Conditions Committee; and members of the Disability Commission), which was set up to better implement the policy on the sites, continued its work.

Generally speaking, this general anti-discrimination initiative has gone above and beyond the requirements of French legislation. Center Parcs implements measures to include people with disabilities across all its sites.

Employment of workers with disabilities France.

	2016/2017	2017/2018
Proportion of employees recognised as workers with disabilities	3.4%	2.9%
Number of employees with disabilities during the year	170	147
Number of employees recognised as workers with disabilities recruited during the year	29	21
Number of adaptations of the working environment for employees with disabilities	1	0

3.2.4.4 Employee relations and collective agreements

The Group respects freedom of association and the right to collective negotiation in the countries where it operates. Around 530 meetings were held with staff representatives across the Group during the 2017/2018 financial year. The Group is keen for constructive social dialogue to flourish, this being a mark of quality employee relations. 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 labour legislation

applicable in each country. A European Works Council (EWC), with representatives of each country meets at least twice a year.

Finally, the Group complies with the labour standards of the International Labour Organization (ILO). The Group has more than 99% of its operations in the European Union, where employment regulations are well-developed via democratic parliamentary systems.

List of collective agreements in force

Agreements	Scope	Year of signature	Duration of validity
Teleworking	UES Supports and PPCI	2008	Unspecified
Unspecified Gender equality	France excluding S.I.T.I. and Les Senioriales	2013	Unspecified
Disability	PPCI – UES SUPPORT – PV Résidences et Resorts France	2018	3 years
Employee profit-sharing	France	2012	Unspecified
Organisation of working time	France	2015	Unspecified
Health Insurance Agreements	PPCI –UES SUPPORT–UES TOURISME	2016	Unspecified
Agreement report for the yearly obligatory negotiation	PPCI –UES SUPPORT–UES TOURISME	2018	Annual
Guadeloupe profit-sharing	SET Pierre & Vacances Guadeloupe	2016	3 years
Method agreement on psychosocial risks	UES Tourisme	2010	Unspecified
Collective Labour Agreement concerning the tourism sector	The Netherlands	2017	2 years
Collective agreement on the organisation and structure of labour partners (trade unions and staff representatives)	Belgium	2015	4 years
Agreement on HR-Rodibus controlling	The Netherlands	2017	1 year
Mercer CZ Health Insurance	The Netherlands	2017	1 year renewable each year
Mutuelle Aegon WIA ⁽¹⁾	The Netherlands	2009	1 year renewable each year
Pension scheme	The Netherlands	2015	3 years
Digital lunch vouchers	Belgium	2013	Unspecified
Temporary unemployment	Belgium	2012	Unspecified
Additional pension scheme	The Netherlands	2015	5 years
Versatility and travel expenses	Belgium	2014	Unspecified
Harmonisation of CPSPs	Belgium	2011	Unspecified
Wage standards/Group insurance	Belgium	2016	Unspecified

(1) GPIEC: Gestion Prévisionnelle Intergénérationnelle des Emplois et des Compétences.

3.2.4.5 Ensuring a safe working environment

The safety of our employees and of our customers are closely linked. This is a major priority area for the Group and is led jointly by the Operational Risk and Human Resources departments.

For Pierre & Vacances

The Operational Risk Manager – Prevention and Security, manages risk in France and Spain. Regional prevention and security officers represent this manager on the ground and ensure the smooth roll-out of defined procedures. Each Pierre & Vacances and Maeva site has a regional security officer as an exclusive contact, for all risk areas identified: legionella, private and public pools, health and safety at work, fire safety, general safety, leisure activities and crisis management. In France and Spain, a risk prevention tool can be used to perform a risk analysis and produce a "Document Unique" (risk report) for each site. Accidents are monitored using two indicators, the severity rate and the frequency rate of workplace accidents. For Pierre et Vacances France, the target of reducing workplace accidents by 25% was set for the coming year – in line with the calendar year used by the French Department of Employment, commencing on 1 December. For Spain, the target is to keep the frequency and severity rate stable.

As in previous years, audits were organised this year for all residences in France and Spain and training was delivered to all regional, area and site directors and technical managers.

In addition, as part of the Scheduled Accessibility Agendas (*Agendas d'Accessibilité Programmée – Ad'AP*), a budget of €6 million was set aside and a plan for the roll-out of the works established up to 2021; the planned works are currently being carried out.

Beyond the tourism business, the Operational Risk Manager – Prevention and Security, supports Pierre & Vacances Développement teams to incorporate prevention and security rules in property development projects.

For Center Parcs

Risk management is organised by country. A Risk Manager is the national contact for the operational teams in each country and monitors legal and regulatory requirements and changes at local and national level. The process for managing operational risks is based on ISO standard 14001 and on an HSE (Health, Safety, Environment) management system. It focuses not only on environmental risks, but also on eight other risk areas, linked to the specific features of each brand: fire safety, drinking water hygiene, food hygiene, safety of high-risk activities for customers, prevention in terms of pool hygiene and safety, employee health and safety, general safety and legionella prevention. All sites maintained their dual ISO 14001 and ISO 50001 certification this year, attesting to the quality of the management system in place.

All procedures and the safety policy disseminated amongst teams to reduce, as far as possible, the incidence of on-site accidents, and they are monitored via workplace accident severity and frequency rates. In addition, an innovative partnership was established with the French national gendarmerie, as part of the government's "Tourism and Safety" programme. Based primarily on prevention, information exchange and crisis management preparation, this partnership was expanded this year with six joint safety drills and "Sécuri-Sites" certification for four Center Parcs sites. Under this partnership, Center Parcs France also won the gold medal for best safety department/team as well as the prize given by the general public at the 13th celebration of the security awards.

On the whole, the increase in accident frequency, which was up 8% on last year, mainly related to the housekeeping team (particularly staff bicycle use) and newly opened sites (Villages Nature Paris) or sites re-opened after being closed for works (Center Parcs Vielsalm). The roll-out of the digital version of SHE Matters should also raise all employees awareness of day-to-day risk prevention. A marked increase was also noted this year in the number of accidents recorded that were directly linked to Pierre & Vacances processes (accidents having, in the main, a low, or very low, level of severity). The increase in Group-wide severity rates related to some accidents being generated by long-term sick leave.

Frequency / severity rate of workplace accidents

	2016/2017	2017/2018
Frequency rate	27.9	32.2
Severity rate	1.15	1.38

2016/2017 severity rate corrected to include absences recorded in 2016/2017, relating to an accident that occurred the previous year.

3.3 Limiting the impact of our sites on natural environments and encouraging biodiversity



Controlling the impact of our activities on the natural environment is one of the Group's biggest challenges and measures are taken not only during the design, construction and operational phases of our sites but also in our growth and site selection strategies.

3

3.3.1 In the Group's growth strategy

The environmental dimension is something which is taken into consideration very early on, as soon as sites are selected. In France, for major property developments (over 100 accommodations), on land in natural or unbuilt spaces, the Group has a policy of assessing sites' ecological sensitivity. Before deciding on a site, environmental pre-assessments or, at the very least, issue mapping is systematically carried out on the prospective development zone. This measure may lead to land with major environmental issues being discarded. Lately, studies have been conducted for three (Center Parcs Saône-et-Loire, Jura and Lot & Garonne) of the five projects under development. With regard to the ongoing Avoriaz "Téléphérique" project, a more comprehensive environmental assessment has been launched at the request of the local authority. For its part, the next project at Aime-la-Plagne will be primarily constructed on land that has already been built on (car parks).

In addition, the issue of the use of natural space is increasingly monitored and managed by both French and European regulations, with governments seeking to limit soil erosion, the destruction of local ecosystems and hydrographic imbalances. When projects are designed, specific measures are taken to minimise the impermeable surface area, maintain the hydrographic balance and ensure ecological continuity. This issue is gradually being incorporated into

the Group's growth strategy, both in terms of new property development projects and other areas of growth. Opportunities to develop sites that have already been built on (brownfield sites, military sites, campsites, etc.) are increasingly taken into consideration. By way of example, the Center Parcs in Allgäu, Germany, which was opened in October 2018, was developed on an old military site after it had been decontaminated and some of the buildings were incorporated into the layout. Likewise, the Pierre & Vacances residence that opened in Deauville this year was built on the site of some old warehouses, which were regenerated by the City into a tourist district.

The Group's tourist developments also involve restructuring existing buildings, particularly in ski resorts. The Group carries out major restructuring work on old tourist buildings with no impact on the use of unbuilt spaces. In addition, when the Group builds new residences, the developed footprint is often much smaller than other tourism rental concepts with the same number of beds.

Lastly, the diversification of the growth model for the Group's tourism offering (notably for maeva.com and Pierre & Vacances) is based, not only on new builds, but also on developing partnerships with other operators, resulting in no increase in our direct impact on the use of unbuilt spaces (sales of holidays in partner residences).

3.3.2 During the construction and operational phases

3.3.2.1 Construction phase

When new projects are developed, protecting the biodiversity of the sites selected is of the utmost importance. An analysis of the baseline condition of the environment is automatically carried out. It is based, amongst other things, on a "four season" diagnosis which aims to list the fauna and flora-related challenges of the site. The study identifies protected species and sensitive habitats that need to be preserved as a priority. It also makes it possible to define measures to avoid, reduce and mitigate (ARM) the impact

throughout the project. The first measures relate to adapting the layout to suit the site's specific environmental constraints. Following the design phase, a "green project" charter is introduced, which outlines all of the measures to be taken to preserve current biodiversity and avoid any pollution of the water or contamination of the natural environment. The environmental certifications in place on the projects provide additional guarantees that these commitments will be adhered to.

Center Parcs Allgäu (Germany)

The Center Parcs project at Allgäu is ongoing, with a view to opening the site October 2018. Choosing a site that had already been built on – an old military site – for the development of this site is in line with the Group's strategy of reducing impacts on the natural environment. The site had to be fully decontaminated before construction work started making it possible to prevent any future ground water pollution. Lots of measures were also taken, both on-site and locally, to protect biodiversity: creation of a 1.1 hectare ecological corridor outside the site, the reforestation of 52 hectares of land, the creation of a water retention zone, and the creation of habitats for birds and bats. Measures were taken to limit the impact during the operational phase, such as keeping roads narrow, imposing a speed limit across the site and choosing to install an external lighting system with low levels of light pollution.

Center Parcs Lot-et-Garonne

With plans to open it to the public in 2020, the Center Parcs project in Lot-et-Garonne will be the first of a new generation of medium-sized sites (87 hectares, 400 cottages).

Within the context of the participatory governance implemented since the project's launch, an environment committee made up of community and institutional players was set up. It monitored "four season" environmental assessments thereby making it possible to identify sensitive areas and species of fauna and flora to be protected.

Applications for environmental authorisations under the Water Act, the land clearance regulations and the exemption to the destruction of protected species regulation, were the subject of an impact assessment as well as work on the layout and location of the buildings with the aim of limiting the project's environmental impact as much as possible. In practice, the mitigation hierarchy (avoiding, minimising, offsetting) was applied and the most sensitive areas avoided. Measures were devised for residual impacts such as creating a "dark corridor" limiting light pollution around the Papetier pond, the ecological restoration of high stakes environments and the creation of the SNS, Sensitive Natural Space. The project was approved by the National Council for the Protection of Nature (CNPN) and the Environmental Authority. The prefectural order authorising the project was issued on 11 October 2017.

3.3.2.2 Operational phase

Managing green spaces during operation

Management practices aimed at preserving biodiversity on the sites, whilst ensuring the comfort levels expected by our customers, have been implemented by our operational teams: late mowing depending on the spaces, reducing soil-enriching products to a minimum, not using any phytosanitary treatments to maintain outdoor spaces, weeding by hand where possible, etc. The Center Parcs *Natural* policy provides for the implementation of a differentiated management plan to enhance biodiversity on all sites by 2020. To date, 75% of sites have individual management plans.

The protection of the environment and biodiversity are also some of the issues monitored for the Pierre & Vacances brand. Site employees are trained in the impacts of operations, and of green space management, on biodiversity via BEST sustainable development standards and the *Faisons plus ensemble* policy.

Work with local associations to monitor biodiversity

At Center Parcs Domaine du Bois aux Daims, the monitoring of changes in biodiversity has been entrusted to two associations (LPO Vienne – the Bird Protection League and Vienne Nature) as part of the work to set-up of a biodiversity observatory. The purpose of this observatory is to guarantee the quality and transparency of the monitoring and to provide reports compiled by external species experts in line with established protocols. For five years, between 2013 and 2018, a survey was conducted every year. A comprehensive assessment of species evolution is planned during 2018/2019 financial year. After which, a survey will be conducted every three years.

Focus on Villages Nature® Paris

As part of the One Planet Living sustainable development approach at Villages Nature® Paris, work on the ecological management of the site is now continuing into the operational phase. This is being implemented by two dedicated officers with support from a specialist firm on biodiversity. The ecological management plan and work carried out by the teams aims to conserve the heritage animal and plant species existing on the site in their original state and to maintain the environment to encourage the arrival of new species. The differentiated management of green and natural spaces, as well as zero use of phytosanitary products on green spaces seems to encourage the development of on-site biodiversity. According to the latest counts in 2018, 92 protected species were present at Villages Nature® Paris.

Water pollution prevention measure

The protection of the natural environments of Pierre & Vacances and Center Parcs sites or adjacent areas is also a major challenge for the Group.

Anti-pollution measures are taken across all sites, such as using containers for storing chemicals or training housekeeping and swimming pool staff in the dosage and use of chemicals. Specific tools and processes are also used for each brand name. At Pierre & Vacances residences, the fight against water pollution accounts for eight mandatory actions included in the BEST standard. Sites must, for example, use natural or eco-labelled maintenance products.

At Center Parcs sites, for several years now, ISO 14001 certification has enabled procedures and training to be managed in line with pollution risks.

3.4 Improving our sites' environmental performance and responding to climate issues



3.4.1 Site certification

3.4.1.1 Construction phase

For new developments, the Group's sustainable development commitment is structured around building certifications. This allows us to set precise environmental performance targets for each project and to offer guidance to our teams. Certifications also constitute an additional, third party, recognition of our projects' actual environmental performance. The two projects completed this year, Pierre et Vacances Deauville and Center Parcs Allgäu in Germany, obtained environmental certification (100% of sites delivered).

Center Parcs Lot-et-Garonne

For this project, "HQE Aménagement" certification (High Quality Environment certification in building and landscaping) was selected very early on, not only to ensure the project's environmental performance, but also to support local consultation and integration.

An objectives charter was drawn up, based on three pillars: involvement in the local community and boosting the local economy; ecosystems, biodiversity and water; ecological footprint and well-being.

An initial audit was conducted and the first "HQE Aménagement" certificate was obtained for the initial phases. Various strengths were highlighted, notably, the project's contribution to developing regional and departmental tourism, local job creation and environmental measures taken to protect biodiversity (see section 3.5). In terms of low carbon strategy, the project plans to cover 80% of the village centre's heat requirements with renewable energy (wood-fired heating systems), whilst the heart of the village is open-air, and therefore unheated, thus limiting energy consumption. Lastly, the site will be fully pedestrianised.

Center Parcs Allgäu

DGNB certification was obtained this year for the Allgäu project. The strengths identified for this project included the choice of site (an old military site) and the arrangements made to take advantage of the existing infrastructure i.e. re-using existing roadways and re-using materials taken from demolished bunkers to build foundations for cottages (thereby avoiding the use of around 100,000 m³ of concrete). The architecture of the cottages was noted as having been inspired by the regional "alpine" style in terms of the timber structure, roof and facades and locations were noted as maximising exposure to the sun. In addition, innovative waste collection facilities were used. Containers at voluntary waste collection points were equipped with sensors to ensure that they were filled effectively, thus limiting the number of unnecessary operations and journeys for vehicles. Measures were also taken to protect biodiversity (see section 3.3) and a number of nature-related customer activities were offered, including in partnership with local operators (see section 3.6).

Villages Nature® Paris: the One Planet Living initiative

In addition to the One Planet Living approach and action plan implemented (see section on SD), the Aqualagon, the resort's most iconic building, received its own specific HQE certification. The last audit was conducted in late 2017, confirming its "exceptional" passport.

Pierre & Vacances residence – Presqu'île de la Touques – Deauville

The premium Presqu'île de la Touques residence, which opened in May 2018 in Deauville, obtained "HQE – Tertiary building" certification. In addition to high-performing insulation, the site is fitted with heat recovery and renewable energy production equipment (solar panels, grey water heat recovery systems, etc.). Heating and electricity requirements are controlled remotely for each individual apartment, thereby enabling energy use to be regulated as much as possible. In addition, the site has been developed in an old industrial zone which has been regenerated (see section 3.5).

3.4.1.2 Operational phase

Internal Tools – BEST

The BEST tool has two main objectives:

- ♦ to set an annual performance level target that is monitored over the year and is drawn up together with the operating management teams. Specifically, site managers must implement "standard" (obligatory) and "additional" actions. These actions focus on three areas: management (which groups together all CSR approach on-site management issues); customer experience (adding value to the sustainable development strategy for customers) and reduction of the environmental footprint;
- ♦ to make sustainable development standards part of the sites' daily lives (by action planning, a control panel not just for indicator monitoring but also for feedback and sharing best practices).

BEST was launched in 2016/2017 among Green Key certified Pierre & Vacances sites in France and was implemented across all Pierre & Vacances sites in France and Spain in 2017/2018 (159 sites).

The tool and the action reference system were presented to all site managers during e-learning or classroom-based training sessions. The implementation of action plans and sustainable development standards was monitored throughout the season. Monitoring was conducted via telephone calls, site visits and audits carried out by an independent firm as part of the quality approach in relation to the brand's rules and standards.

At the end of the 2017/2018 financial year, 80% of Pierre & Vacances sites had implemented the standard actions required (86% in France and 55% in Spain).

The objectives for 2018/2019 are, firstly, to maintain the CSR team's support to help sites with the implementation of their action plans (focusing primarily on Spain); to carry out inspections to make sure that standards are being applied at all sites; to adapt the tool so that it can be rolled out across all Center Parcs sites in Europe (incorporation of *Naturall Plan* and ISO certification requirements).

External tools

ISO 14001 and ISO 50001 – Center Parcs

Center Parcs has been committed to ISO14001 certification since 1999. This year was marked by the re-certification of all sites in accordance with ISO14001 (2015 version). An audit was conducted on one site per country, with executive management bodies and support services. ISO 50001 certification was also obtained this year, for the same scope. So as to meet the requirements of these two standards, a new version of the environmental and energy management system was prepared. Center Parcs sites have also become the first major players in the tourism business to obtain

dual ISO 14001 and ISO 50001 certification. As is the case every year, 1/3 of the parks will be audited with a view to ISO re-certification in 2018/2019.

In addition to ISO certification, the Center Parcs brand decided to extend Green Key certification across all European sites with the aim of certifying all Center Parcs by 1 January 2020. Two sites were certified this year.

One Planet Living method – Villages Nature® Paris

For Villages Nature® Paris the One Planet Living (OPL) methodology covering ten key targets (zero carbon, waste management, etc.) was followed throughout the construction phase and will be continued during the operational phase. A Sustainable Action Plan was rolled out with specific and measurable quantitative or qualitative targets. It is audited annually by an independent third party whose role is to ensure that commitments are properly managed and monitored. The annual review of action plan progress, which is published and presented to local stakeholders within the context of the Sustainable Development Consultation Committee, means that the site's actual performance can be monitored and areas for improvement can be identified.

Green Key – Pierre & Vacances and Center Parcs

Green Key certification was renewed for 2018 across all sites already certified. Only the Restanques village in Saint Tropez was not put forward for the award and will no longer be certified from late 2017 due to the fact that not enough of its apartments are managed by Pierre & Vacances. By 1 January 2018, four additional sites had obtained certification, bringing the number of certified Pierre & Vacances sites in 2017/2018 to 52, compared with 50 the previous year, and increasing the percentage of certified premium residences to 87% from 73% in 2016/2017. Over the year, 40% of Pierre & Vacances sites in France were Green Key certified and 32% in France and Spain (of the sites operated by the Group).

Furthermore, the three Pierre & Vacances premium residences not yet certified (Courchevel 1850, Biarritz et Deauville) were audited by the Green Key teams in 2018 and are due to obtain their certification on 1 January 2019. The target of 100% certification of Pierre & Vacances premium sites in mainland France is likely to be reached by 1 January 2019 (targets initially set for 2018).

With regard to residences in Spain, an internal study is currently being carried out on the advisability of certifying certain residences with the aim of raising the profile of the sustainable development approach. Pre-audits were conducted internally on two pilot sites and a budget was set aside to meet crucial energy management and waste treatment criteria with a view to applying for certification the following year.

To date, 41%⁽¹⁾ of Center Parcs and Pierre & Vacances sites are certified (ISO14001 or Green Key).

(1) Sites for which data are consolidated - excluding Maeva and Adagio

3.4.2 Limiting our energy and water consumption

The amount of water and energy consumed by tourism operations is an environmental, as well as an economic issue, as it is one of the sites' main expenditures. *Naturall* policies for Center Parcs sites and *Faisons plus ensemble* ("doing more together") policies for Pierre & Vacances residences and villages were formalised by

measurable targets for reducing water and energy consumption by 2022 (~25% reduction for Center Parcs between 2010 and 2022 and 15% reduction in water consumption and 20% reduction in energy consumption for Pierre & Vacances between 2014 and 2022).

Total volume of water and energy used by the sites, managed by the Group	2016/2017			2017/2018		
	CP	PV	Group	CP	PV	Group
Number of sites included in the scope:	24	159	183 ⁽²⁾	25	159	183
TOTAL WATER (M³)	3,330,743	1,864,989	5,195,732	3,592,045	1,854,936	5,446,981
Volume of water (m³)/night ⁽¹⁾	0.85	0.59	0.73	0.86	0.59	0.74
TOTAL ENERGY (MWh)	682,506	144,082	826,588	705,963	146,948	852,911
Volume of energy (kWh)/night ⁽¹⁾	173.22	46	116	169.67	47	117
Electricity (in MWh)	153,949	111,142	265,091	167,767	112,965	280,732
Gas (in MWh)	508,418	11,687	520,105	493,782	12,176	505,958
Wood heating systems (in MWh)	13,841	0	13,841	44,414	0	44,414
Fuel oil (in MWh)	6,298	6,637	12,935	0	7,187	7,187
Urban heat (in MWh)	0	14,616	14,616	0	14,620	14,620

(1) Nights: An accommodation rented for one night represents one night, irrespective of the number of occupants.

(2) Sites for which data are consolidated - excluding Maeva and Adagio

3.4.2.1 Monitoring usage data

To manage water and energy use on Pierre & Vacances sites, the Group consolidates use for which it is directly responsible (i.e. use for which joint owners under management contract with the Group are responsible for). Therefore, volumes of use (see table above) include the share owned by the Group for each site. Data for Pierre & Vacances is supplied by ICARE – the internal energy use management tool. The concept of shared use does not apply to Center Parcs. Data are consolidated by the energy expert on the basis of the tracking files kept by each site. ICARE is in the process of being rolled out across Center Parcs sites.

Usage per night is expressed per overnight stay, irrespective of the number of occupants.

3.4.2.2 For Pierre & Vacances

At the head office, a dedicated Strategic Support team monitors water and energy consumption at the sites, performs budget reconciliation and analyses differences. It also supports regional maintenance managers in producing assessments and alerts them

in the event of abnormal, unexplained changes. On site, technical managers are responsible for reading meters, and monitoring energy usage, with their regional officer. Since 2015/2016, usage data has been analysed on the basis of unified degree days (DJU).

Energy use

Overall energy use for residences in France and Spain were up 2% due to the opening of five new sites in Spain and the Presqu'île de la Touques site in Deauville. Energy use per overnight stay, however, remained almost unchanged at 47 kWh per overnight stay.

As part of the work to monitor and optimise energy use, a number of major initiatives were conducted this year. The relamping programme was extended, with over 30,000 light bulbs changed to LED or low energy bulbs in 2017/2018. In addition, an owners' guide was developed to encourage owners to upgrade their energy efficiency and to promote alternative financing solutions. Lastly, energy efficiency solutions were launched at several pilot sites.

In addition, a customer communications campaign is planned for Pierre & Vacances France and Spain with stickers in accommodations urging customers to be mindful of their water use and to use lights, heating and air conditioning appropriately.

Water use

Total consumption was practically unchanged from the previous year (-0.5%) for France and Spain. Major efforts to detect leaks and repair them quickly have made it possible to limit use at sites.

Two reductions targets were set for 2022: a 15% drop in water and 20% reduction in energy use per overnight stay compared with 2014 – currently down 12% for water and 16% for energy.

3.4.2.3 For Center Parcs

The *Naturall* Plan sets specific water and energy use targets: cut energy and water use by 25% between 2010 and 2022 (based on use per overnight stay per person – standardised to unified degree days – excluding Villages Nature® Paris).

Energy use

The targets, staggered over the coming years, are in the environmental programme of each site and incorporated in the ISO 14001 and ISO 50001 certifications.

Usage is monitored weekly and monthly by the energy coordinator for each site. Monthly data is checked by an in-house expert who monitors usage and targets, performs analyses and consolidates data across all sites in Europe. Depending on the performances observed, the expert will suggest action plans and investment plans to continuously improve sites' energy performance.

In 2017/2018, there was a 9% increase in the total volume of electricity used and a 3% drop in the total volume of gas used. The total energy consumption rate per overnight stay was down 12%, the total volume having dropped by 3%. The drop in use per overnight stay was due to greater control and better use of equipment by users. Major investments have been made this year to improve the energy efficiency of the facilities. Switching over 70,000 bulbs to LED at sites in Europe made it possible to save electricity. Lastly, the oil-fired boilers at the Vielsalm Park were replaced by gas boilers which emit less CO₂ and are more efficient.

Water use

Water use per overnight stay was up slightly on last year (+1%) and the total volume was up 8%. This was due not only to the high occupancy levels at the sites, but also to leaks from water systems which have since been located and addressed. The opening of Villages Nature® Paris led to an over-use of water early in the year for filling tanks and for teams' hands-on use of equipment.

These initiatives are part of the *Naturall* policy and are helping to achieve the target of reducing energy and water use by 25% between 2010 and 2022 per overnight stay per person – to date, there has been a 12% drop in water use and an 11% drop in energy use (excluding Villages Nature® Paris). Targets for reducing water and energy use also apply to Villages Nature® Paris from 1 October 2018.

3.4.3 Responding to climate change issues

Climate change is a real challenge for the tourism business which accounts for 8% of all greenhouse gas emissions⁽¹⁾. The Group takes this issue into consideration via the *Naturall* and *Faisons plus ensemble* policies. Through energy use reduction targets, the use of renewable energies and site labelling and certification, these policies help to respond to climate change issues. The question of

adapting to the consequences of climate change is taken into consideration for new property development projects. Research will be carried out over the next few months to propose relevant indicators to measure the effects, particularly the physical effects, of climate change on the Group's business.

3.4.3.1 Limiting Greenhouse Gas (GHG) emissions

Monitoring GHG emissions

To better understand and limit items with the greatest impact in terms of greenhouse gas emissions, every four years, the Group publishes an updated carbon footprint of all its scope 1, 2 and 3 activities (in accordance with Ademe's "Bilan Carbone V7.5" emission factors, using the "location based" method). The latest update, published in 2016, confirmed that the Group's main greenhouse gas emissions are: customer transport, energy use, purchasing, renovation and construction; and enabled us to work on these specific areas by entity and by brand.

Reducing customers' travel-related CO₂ emissions

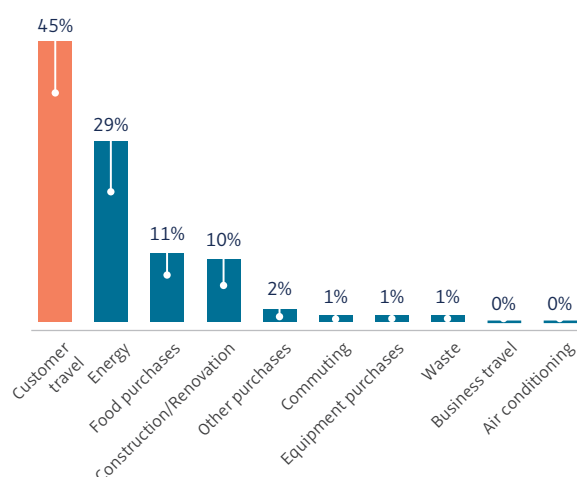
The fact that holidays are offered on a regional basis helps to limit the transport-related CO₂ impact (the average distance travelled by our customers is 400 km), and the means of transport used (mainly by train and car) produce less carbon emissions (than an aeroplane, for example). Certain measures are proposed to encourage customers to limit their car use (even though this form of transport remains our customers' preferred mode of transport) : shuttles to the nearest train stations are offered with partners for some destinations and information on how to access our sites by train is provided for each of our sites.

(1) According to a study published in the journal « Nature – climate change – May 2018 ».

Reducing energy use-related CO₂ emissions

Volume of CO ₂ emissions from energy consumption managed by the Group	CP		PV		Group	
	2016/2017	2017/2018	2016/2017	2017/2018	2016/2017	2017/2018
Number of sites included in the scope	24	25	158	159	182	184
GHG emissions (in tonnes of CO ₂ equiv.)	165,000	161,005	16,192	17,124	181,192	178,129

Scope: same as energy volumes.
Usage by heating networks is not included.



The Group uses over 800GWh a year and so CO₂ emissions relating to energy use are the Group's second-biggest source of CO₂ emissions. In 2017/2018, energy use-related CO₂ emissions were down slightly (-1.6%). This was due mainly to the use of geothermal energy at Villages Nature Paris® and the replacement of oil-fired boilers at Center Parcs Vielsalm with gas-fired boilers. These measures save over 7,500 tonnes of CO₂ equiv. a year. GHG emissions per overnight stay were down 3%.

Initiatives are being conducted in each business line to manage energy use and promote renewable energies to reduce our global "energy" carbon footprint.

On the one hand, for each site operated, tools and processes are rolled out to monitor and optimise energy use and targets set (see section 3.4.2).

In addition, when developing new projects, the installation of renewable energy equipment is systematically considered. To date,

a number of sites have been fitted with renewable energy equipment: a wood-fired heating system as part of the expansion of the Avoriaz resort in 2012 covers the heating and domestic hot water requirements of all the new Pierre & Vacances residences and aquatic facilities; the new Deauville site is fitted with solar (thermal) panels; since 2008, a wood-fired heating system has covered nearly all of the heating requirements of the communal areas (dome and Aqualagon) at Center Parcs Domaine des Trois Forêts; a geothermal unit provides all the heating and domestic hot water requirements (central facilities and accommodation) at Villages Nature Paris®; photovoltaic panels have been installed on parking shelters at Center Parcs Bois aux Daims (the electricity produced is reintroduced into the grid) and the heating system for the cottages and central buildings has been designed to run on biogas should a biomass facility be developed locally.

In addition to equipment designed when new sites are built, renewable energy equipment is considered for sites that are already operating (e.g. photovoltaic panels to heat swimming pools at some Spanish Pierre & Vacances sites). The fact that the Group does not own the buildings is the main brake on developing these types of installations. Purchasing green electricity does, however, make it possible to increase the share of renewable energy in overall operational energy use. Center Parcs aims to cover all the electricity required by its European sites with green electricity contracts from January 2020. 100% of consumption in the Netherlands and Belgium is now covered by "Green" contracts and, more specifically, at the Villages Nature® Paris site, geothermal energy and a green electricity contract cover over 99% of the site's energy requirements. This contributes to the overall target set by Center Parcs (including Villages Nature Paris®) of using 60% "green" energy (from renewable sources or under a green electricity contract) by 2025 – currently 18%.

Lastly, low-carbon materials are prioritised for construction projects (e.g. use of wood for accommodation). With regard to Pierre & Vacances and Center Parcs site renovations, work is in progress with owner relations teams to raise awareness and inform owners of how they can upgrade their energy efficiency (via guidelines and newsletters).

3.4.3.2 Adapting to climate change

Climate change has direct consequences on the tourism business (heavy rainfall, very high temperatures in the summer, problems with snowfall etc.). States and international bodies have been mobilised, resulting in regulatory changes and causing citizens to have higher expectations of businesses.

The Group's development strategy takes this issue into consideration. The risk of low snowfall in ski resorts has been on the cards for several years now. The Group favors high-altitude ski resorts to ensure minimum snow cover. This is in addition to the snow guarantee given to customers at some sites to cover the costs incurred in the event of insufficient snowfall.

Issues relating to water stress or exposure to certain geographical regions with the potential to experience extreme climatic conditions

(flooding, etc.) are also some of the issues identified by the Group. These issues are taken into consideration when selecting new developments. They also concern sites which are already operational. Thus, the mapping of sites in sensitive areas was updated this year with the aid of the Aqueduct tool designed by the World Resources Institute (WRI). This study identified 36 sites in "very vulnerable" and "vulnerable" areas. These were residences in Spain, overseas villages and some Center Parcs sites in Belgium. For these sites, as well as for all residences and resorts, water-saving measures have been implemented such as the installation of water savers on taps, watering adapted to rainfall and water recycling systems (e.g. reverse osmosis at some Center Parcs sites). Lastly, prefectural or local authority decrees (ban on watering gardens, etc.) are obviously respected by the residences concerned.

3.4.4 Optimising waste management

3.4.3.1 Optimising waste sorting during the operational phase

Managing the waste generated by operating our sites is one of the Group's major concerns. Firstly, it is necessary to monitor – on-site where it is possible – the volume of waste produced and to use appropriate recycling channels for each type of waste. Our aim is to optimise waste sorting so that we can work together with our waste management providers to recycle a high proportion of our waste. Prompting employees by means of clear communication and operating standards, and raising customers' awareness of best practices to be adopted are just some of the Group's levers for action.

Pierre & Vacances

Non-hazardous waste is collected by local council services, which do not weigh the containers before emptying them and so the volumes of waste produced cannot be provided. Pierre & Vacances does, however, conduct initiatives to encourage sorting via the *Faisons plus ensemble* policy and the BEST standards. Certain sites, which have large enough kitchens, have waste sorting bins and 100% of

Green Key certified sites provide customers with recycling solutions in kitchens. All sites have specific sorting containers, in accordance with local council sorting regulations. Operational teams are also in touch with local council services to ensure that services and facilities are in place, particularly in high seasons. At 30 September 2018, over 80% of Pierre & Vacances residences and villages in France and Spain had recycling bins within 50 metres of the residence.

For Center Parcs

On Center Parcs sites, cooperation with private waste management service providers means that waste can be accurately monitored at each site. A recycling commitment was undertaken under the *Natural* policy: 60% of waste to be recycled by 2022. This target is staggered over the next few years and is included in the environmental programme of each site and in ISO 14001 certification.

Volumes and types of waste are monitored and managed at site level and coordinated by an expert at Group level. The role of the expert is to raise the teams' awareness on site, to act as an intermediary for the different service providers and to find innovative ways to improve waste management. The expert also ensures that brand targets are met and that data are gathered and monitored.

Volume and waste sorting rate – Center Parcs	2015/2016	2016/2017	2017/2018
Number of sites	24	24	25
Total (in tons)	17,514	17,190	19,129
Recycling rate	30.93%	33.54%	39.70%
Ratio volume of waste produced per overnight stay (kg/night/person)	1.07	0.99	1.11

Breakdown by waste type – Center Parcs	2015/2016	2016/2017	2017/2018
Non-hazardous industrial waste – unsorted	71.0%	66.5%	60.2%
Glass	10.1%	9.1%	11.1%
Cardboard / paper	10.0%	10.2%	10.3%
Biodegradable waste	9.5%	12.0%	8.9%
Other non-hazardous waste – sorted	2.0%	2.0%	9.5%
Hazardous waste	0.1%	0.2%	0.03%

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

Note: the breakdown of waste has been reworked this year based on all waste for which the sites are responsible, and based on the European classification.

In 2017/2018, the recycling rate across all the Center Parcs in Europe reached 39.7% (up 6 points on the previous year). This progress was due to the inclusion this year of all green waste (grass cutting, pruning, trimming, etc.) at sites in Belgium and the Netherlands and the implementation of various recycling awareness-raising initiatives (employees and customers).

The total volume of waste, as well as the volume of waste per overnight stay, was up 11% and 12% respectively, compared with 2016/2017. This was due to more accurate monitoring of new waste flows which are now included in the indicator calculation (green waste, packaging, etc.). One of the projects planned for the 2018-2019 financial year is to continue to refine the reporting of these flows.

Waste management at Villages Nature® Paris

The Villages Nature Paris® site aims to offer innovative waste sorting and recycling solutions. As with Center Parcs, the objective for the site is to sort 60% of waste by 2022. In 2017/2018, 35% of waste produced on the site was sorted. In order to take this initiative a step further, various pilot schemes will be launched over the next few months : the collection of organic customer waste (leftover food) across an entire village, zero non-recycled waste seminars as well as the collection of special waste such as aluminium coffee pods. Lastly, almost three tonnes of unsold food was donated to charities.

3.4.4.2 Fighting food waste

On Center Parcs sites and, to a lesser extent, in Pierre & Vacances villages, catering is supplied by external providers (catering is only under direct management at two Center Parcs sites). The food waste issue has to be tackled in conjunction with these service providers. Some practical measures have already been taken with buffets, such as adapting menus so that they are better suited to the eating habits of different types of customers (particularly in terms of their nationality), and adjusting the choice or presentation of dishes as the service gets under way to limit losses.

3.4.4.3 Ensuring proper waste management at construction sites

The Group is developing waste sorting and recycling at our various construction sites. Indicators have been introduced for each operation. In 2017/2018, 60% of construction site waste in France was recycled (the Pierre & Vacances Deauville project and the expansion of Center Parcs Trois Forêts).

Managing renovations is also one of the teams' main concerns. Items of furniture are recycled via specialist networks based around eco-organisations which are approached by the Group for each individual renovation project. In 2017/2018, 131 tonnes of furniture was collected via these organisations.

Work is due to begin in 2019 to more accurately measure the waste generated on renovation projects in France.

3.5 Building together with our partners



3.5.1 Working with local players

The Group's aim is to create value in the communities where its sites are located. When developing new projects, this desire to be part of the local community involves close cooperation with private partners and the general public well ahead of the start date.

For major property developments (over 100 accommodations) where there are significant environmental challenges, a local consultation process, which goes further than required by regulations, is systematically put in place at least six months before any application for planning permission is filed. The consultation method depends on the context and size of the project. It may take the form of public information meetings, working groups with local partners and even collaboration with French local authorities on specific issues. An external third party ensures that the consultation process is conducted correctly. The consultation process enables the local community to be kept informed of the project, to promote its acceptance and to prepare for its integration including on economic issues (meeting with businesses that may respond to calls for tenders and with employment agencies to pave the way for recruiting employees) and to make changes to the project if necessary. This cooperation with local players carries on throughout the operational phase when sites prioritise local purchasing as far as possible and encourage their partners to prioritise local procurement and favor local products. Four of the five projects being developed this year (the Center Parcs in Saône-et-Loire, in Jura, in Lot & Garonne and Aime-La-Plagne) were subject to a local consultation process (i.e. 80%).

Center Parcs, Lot-et-Garonne: ongoing consultation

After the public inquiry in the summer of 2017, and approval from the investigating commissioner, in September 2017, the project obtained building permits for the Pindères and Beauziac communes and obtained the single environmental authorisation in October 2017. 2018 was spent organising financing for the project in partnership with local authorities. In particular, a semi-public company, bringing together local authorities from the Nouvelle Aquitaine region, the Lot-et-Garonne department, the Coteaux-et-Landes de Gascogne community of communes and combining the Caisse des Dépôts and the Pierre & Vacances-Center Parcs Group, was created to acquire recreational facilities and services.

Participatory governance continued this year via dedicated committees:

- ◆ an environment committee made up of community and institutional players;
- ◆ an economic committee conducted in partnership with chambers of commerce. This committee aims to identify local businesses and to encourage them to band together to increase their capacity to respond to the Group's calls for site construction tenders (with an estimated value of €200 million).

An employment committee will be set up during the next financial year with requirements having been assessed at between 250 and 500 jobs during the project phase and around 300 direct permanent positions created to operate the site.

The Group decided to apply for *HQE Aménagement* certification to highlight the consultation policy implemented with a view to local integration of the project environmental performance.

Center Parcs projects in Saône-et-Loire, Jura and Isère

Following on from the public debates held in 2015 and the additional technical and environmental studies conducted in 2016 (water resources, sanitation, site access), the Group faced complaints filed against the urban development plans (PLU) of the Rousset-Marizy (Saône-et-Loire) and Poligny (Jura) communes and therefore had to suspend the development of both projects. The Group will resume its studies once these PLUs have been finalised and approved. The Group remains convinced that these regions have strong tourism appeal and that they are able to respond to the expectations of local councils in terms of the social, economic and tax impacts and to environmental requirements.

As for the development of a Center Parcs in Isère, at Roybon, the Group has been working since the start of the project in liaison with local partners. In December 2016, the administrative court of appeal of Lyon upheld the prefectural order authorising the project under the protected species derogation. Only the "water law" order, annulled by the administrative court, than the administrative court of appeal of Lyon (on compensatory measures in respect of impacted wetlands which were deemed non-compliant) is subject of ongoing legal proceedings. On 21 November 2018, the French Council of State validated the Pierre & Vacances-Center Parcs appeal by quashing the ruling under which the Lyon Appeals Court had cancelled the water law authorisation. The case is to be sent back to the same Court of Appeal, which will have to take into account the decision.

Pierre & Vacances, La Plagne – Aime 2000

In September 2016, the Group was selected by the Aime-la-Plagne commune, under a public consultation process, to develop a Designated Development Area (regeneration and construction) in the Aime 2000 district, located just down from a twentieth century listed building. The key project planning components were established over the year, in consultation with the local authority that approved the development. At the same time, a consultation was undertaken with representatives of neighbouring buildings and the project was adapted in consideration of their comments.

The first development will be a hotel based on a new tourist accommodation concept known as "*Lifestyle*", incorporating a range of services and catering.

Pierre & Vacances, Deauville

The Pierre et Vacances premium residence which opened this year in Deauville, on the La Touques peninsula, is part of the plan to regenerate this superbly located landmark, between the river Touques and the Yachting marina, until now occupied by warehouses and industrial wasteland. Through this project, which matches the local architectures and is being carried out in conjunction with regional partners, the Group is helping to drive the area's new dynamic, by building a new tourist residence. This tourist project will be complemented by the renovation of the customs building, at the end of the peninsula, which is due to open in the second quarter of 2021.

Expansion of Center Parcs, Domaine de Bois Francs

An ambitious plan to renovate and expand the Bois Francs site in Normandy, one of the oldest Center Parcs in France, has been launched to respond to customers' new expectations and new brand standards. Talks were held with local authorities (inter-communal bodies and communes) and government departments throughout the year regarding this expansion plan so that a consultation process could be set up prior to seeking permits

for future works. An adapted consultation process will be held in the first half of 2019 and meetings with local associations will be organised to explain the changes.

Renovation work also started on half the site, i.e. around 500 cottages, completing the initial phase of renovation work (nearly 200 cottages).

Consultation on other European projects

For European projects, the consultation method is defined according to the local context and procedures. For the sixth Center Parcs in Allgäu, a committee was set up at the start of the project. Made up of environmental associations, representatives of the various local authorities and independent experts, the committee works on the impact of customers travelling to the site on the surrounding areas and ensures that local cultural and natural attractions and local and regional produce are promoted. This year, the focus has been on informing local residents and inhabitants of the region about the progress of the project.

In addition, systems were put in place to enable inhabitants of the region to apply for jobs during recruitment campaigns rolled out throughout the year.

3.5.2 Implementing a responsible purchasing policy

The Purchasing Department contributes to the Group's CSR approach by encouraging close relationships with suppliers whose CSR performance is closely aligned with that of the Group. The responsible purchasing policy was finalised this year and four priorities were defined: being a long-term economic partner to the regions; making buyers and internal customers more responsible; building a responsible supplier database and purchasing responsible products and services.

The Group made 92% of its purchase from European suppliers, 41% were from French suppliers and less than 1% from suppliers in countries considered to be "at risk", notably China.

consideration when selecting new suppliers. This limits, as possible, any serious violations in terms of working practices, health and safety, environmental protection, business integrity, according to the geographical location as well as the supplier's business activity.

"At risk" purchasing categories were identified as a result of CSR supply chain risk mapping in 2017, which was updated this year. This updated mapping made changes to the list of purchases considered to be "at risk". Some categories were added (maintenance and renovation work, water purification, maintenance of drinking water, uniforms and protective clothing) and others were removed.

3.5.2.1 Relations with subcontractors and suppliers

In line with Group strategy, and the French Duty of Care law of 2017, the Purchasing Department has implemented a vigilance plan.

This plan includes measures to identify and prevent risks of violations of human rights and fundamental freedoms, serious personal injury, environmental damage or health and safety risks resulting indirectly from the operations of suppliers and subcontractors with which the Group has an established business relationship, where such operations are the result of this relationship.

100% of the purchasing categories considered to be "at risk" are covered by responsible specifications which are taken into

3.5.2.2 Building a responsible supplier database

The vigilance plan involves setting up an internal process for identifying and managing supplier risks to be applied during calls to tender. This process is called "supplier CSR pre-Qualification". In 2018/2019, every new supplier selected by the Purchasing Department must be qualified before any contracts are signed. This process applies to all calls to tender, whatever the purchasing categories in question. Suppliers are informed, in advance, that their CSR pre-qualification, i.e. the overall social and environmental performance of their tender, will be taken into consideration when the selection is made.

The CSR pre-qualification process involves sending out a questionnaire to identify applicants' compliance with regard to:

- ◆ current regulations: UN Universal Declaration of Human Rights, the International Labour Organisation's (ILO) Fundamental Conventions, the recommendations of the Organisation for Economic Co-operation and Development (OECD) and the United Nations guiding principles on business and human rights (UNGPs), the REACH and RoHS regulations;
- ◆ specific agreements for Group brands: Responsible Supplier Relations certification, Green Key certification, ISO14001 and ISO50001 certifications;
- ◆ due to their specific nature: additional questions are raised depending on the country the supplier is based in (to better understand the specific risks relating to each country) and/or the nature of their business (particularly for "at risk" purchasing categories).

When contracts are awarded, if a supplier is selected despite discrepancies being noted between CSR pre-qualification requirements and the supplier's practices, an action plan must be proposed by the supplier. This action plan will be built into the contract. In this event, buyers are instructed to monitor the correct implementation of the action plan.

All of the nine Chinese suppliers were audited. An action plan was compiled after each audit and was monitored by the Purchasing Department.

3.5.2.3 Purchasing responsible products and services for our brands

The Group is committed to developing the range of environmentally-friendly products on offer in the catalogues available at sites.

In 2017/2018, the percentage of products with environmental added value (e.g. eco-label, chemical-free) purchased in the category of cleaning products, toilet paper, disposable cleaning products and individual protection equipment (IPE) was 30% of the total purchased the previous year.

3.5.2.4 Making buyers and internal customers more responsible

A training campaign for buyers was held in 2018. To date, all Group buyers have received this training. The target for 2018-2019 is to raise the awareness of operating staff in frequent contact with suppliers and working on projects responsibilities involving significant CSR issues and new responsible specifications (for purchase categories said to be "at risk").

3.5.2.5 Being a long-term economic partner to the regions

In particular, the Purchasing Department monitors the following indicators which are markers of the Group's policy of promoting positive local environmental impact, SMEs, and the Adapted and Protected Sector (STPA):

- ◆ in France, for the Pierre & Vacances residence construction sites at Méribel and the Center Parcs des Bois Francs renovations, 73% of purchases were made locally (within 150 km of the construction site), 33% of Center Parcs Allgäu purchases were locally sourced;
- ◆ with regard to the percentage of local purchases made during the operational phase, across all five Center Parcs in France, 24% of purchases were locally sourced, within 150 km of the sites;
- ◆ the amount spent with suppliers from the Protected and Adapted Sector stood at €259,000 in 2017/2018. This figure was down 47% on the previous financial year. This drop is temporary and was mainly due to purchasing portfolios being reallocated;
- ◆ the Group kept to an average payment time of 41 days for these suppliers, a nine-day improvement on the previous year. This payment time is less than that specified by the Law on the Modernisation of the economy (LME) and supports the ongoing financial soundness of the Group's suppliers.

3.6 Placing customer satisfaction and the customer experience at the heart of what we do



3.6.1 Improving our services and using customer and owner feedback to drive innovation

3.6.1.1 Our customers

Customer satisfaction is a priority for the Group. The shared strategy for each department is to build personal, unique and ongoing relationships with our customers. It also focuses on listening to customers in order to improve the quality of our services and ensure that they have an unforgettable stay. A dedicated team monitors customer satisfaction and indicators (e.g. satisfaction levels, NPS and feedback levels).

Clear and consolidated indicators to manage the quality approach

Customer satisfaction levels are monitored and analysed by means of questionnaires sent out after each stay. Two main indicators have been identified to monitor customer satisfaction: overall satisfaction and the NPS (Net Promoter Score), 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?”. In 2017/2018, 217,076 Center Parcs customer satisfaction questionnaires were processed, and over 97,500 for Pierre & Vacances customers. Overall satisfaction rates stood at 80.4% for Center Parcs and 85.4% for Pierre & Vacances, a slight drop for both brands (1.5 points for Center Parcs, and 0.8 points for Pierre & Vacances compared to the previous year, but after a rise over several years). With 15.1 for Pierre & Vacances and 1.8 for Center Parcs, the NPS remained positive for both brands, although Center Parcs recorded a 2-point drop, and the rate fell very slightly (0.6 points) for Pierre & Vacances compared to the previous financial year. However, these decreases should be viewed in the context of strong growth over several years: +15.7 points between 2012/2013 and 2016/2017. These slight decreases are due to the very difficult weather conditions that year (strong correlation between satisfaction and weather conditions). Many customers planned to return to our sites: 89% for Pierre & Vacances (stable compared to the previous year) and 89.3% for Center Parcs (a drop of 0.9 points compared to the previous financial year).

To enrich this customer feedback with crucial on-the-ground input from employees who are in direct contact with customers, a platform has been introduced so that on-site teams can provide feedback on new products, services and renovations. Decisions about investment spending and improvements to on-site services can also be made on the basis of customer and employee feedback so as to deal with the main areas of dissatisfaction. This feedback also contributes to the work on rules and standards.

Rules and standards

Work continued on brand rules and standards at Pierre & Vacances, which had begun in 2016 with the aim of guaranteeing consistent quality and enhancing the customer experience. These rules and standards are in place at various stages of the customer experience from the time customers arrive at our sites (reception areas, accommodation, infrastructure and service approach) and incorporate specific sustainable development initiatives. Starting from the 3rd quarter of 2017, all sites have been able to assess themselves against the rules and standards, and external audits have been in place since January 2018.

Mobilising the teams

As is the case every year, training our employees in the service approach was fundamental to our strategy, to give our customers the best possible service (see section 3.2).

Furthermore, the Lean Management approach continued in Pierre & Vacances France, and was introduced in Spain. This project, which is called “Bee Lean” at Pierre & Vacances, was set up at the end of 2016 and introduced in March 2017. It will be rolled out at Center Parcs next year. Lean Management provides all the Group’s teams (on the sites and at the head office) with working methods and tools to improve their efficiency. The aim is three-fold: to ensure customer satisfaction, improve working conditions and boost employee involvement, and drive management practices forward.

In addition to the Lean initiative, the Group is convinced that customer satisfaction is in the hands of its employees. That is why initiatives such as Happy@Work have been introduced to boost employee well-being and commitment (see section 3.2).

Multiply the contacts with our customers on review sites and social media

In this digital era, and given the ever-increasing importance of review sites and growing use of social networks, online reputation is critical for the Group. The aim is to use these new channels to deepen the Group's relations with its customers. To do so, a dedicated team, the "Social Room", was set up in July 2016. It is responsible for responding to customer requests on social media and review sites before, during and after their stay at all brand sites. The "Social Room" team is active on TripAdvisor, HolidayCheck, Zoover, Google and Booking.com, as well as on Facebook, Instagram and Twitter. The "Social Room" teams have specific targets to meet in terms of the number of customer reviews they respond to.

Furthermore, the ratings given to residences and domains on review sites mean that the teams' customer satisfaction work can be recognised, underscoring the perceived quality of our services. In 2018, 100 Pierre & Vacances, Center Parcs and Maeva residences were awarded the TripAdvisor certificate of excellence (2 Center Parcs, 39 Pierre & Vacances sites, 56 Pierre & Vacances partner sites/sites at the marketing stage and 3 Multi sites). One Pierre & Vacances residence received the Travellers' Choice award.

3.6.1.2 Our owners

For almost 50 years, thousands of individual owners have put their trust in Pierre & Vacances-Center Parcs by choosing to purchase a property and entrusting the management to the Group. Over and above the financial profitability of these properties, owners can access a range of services and benefits (complete property management, support with resale, exclusive promotional offers, etc.) and are supported throughout the lease period by dedicated teams.

These teams operate within a defined policy: ensure a long-term relationship of trust between the Group and owners. The target of renewing 76% of leases (for the 2017/2018 campaign) was achieved.

Moreover, we use three other indicators to monitor the quality of relations with owners: the owner satisfaction rate – calculated in the same way as the customer satisfaction rate – which stood at 88.5% this year, a slight drop on last year (89.3%); and the number of disputes, which fell 15%. This slight drop in the number of batch of apartments (down 6% on 2016/2017) was mainly due to the drop in the number of apartments managed by the Group and the diversification of management services with the development of maeva.com.

Developing a personal relationship with owners

The Group constantly strives to offer owners solutions which closely meet their expectations. To do this, the Pierre & Vacances-Center Parcs Group is committed to building special relationships. Our actions are driven by a set of values which make the owner relationship a personal one. Firstly, a proactive attitude, by regularly keeping owners up-to-date and anticipating their needs, via dedicated communication tools such as an online magazine, the "Webzine", which comes out once a month and contains news from the Group or the industry.

A responsive approach; we have made life easier for owners via the website. Messages sent via the dedicated website were replied to within 24.4 hours on average in 2017/2018. This figure has increased very slightly compared with the previous financial year (+0.4 points), but it is difficult to break down given the complexity of some of the queries, which have required input from other internal or external teams. Center Parcs owners can now benefit from new features, such as the option to view their occupied reservations directly on the website. A new Villages Nature Paris owners' site (in French and English) was launched at the end of the financial year, enabling owners to reserve their breaks at their properties and view their rental income accounts. Owners also benefit from practical information over the term of their lease and can book stays at reduced rates in the Group's residences.

Finally, knowing owners is also a key component. All communications are enhanced via an owner relationship management tool. This approach enables those involved in portfolio management to know their customers better, and better meet their expectations.

Other initiatives are in the pipeline to improve our relations with owners, such as a mobile app called "Thetramoov". This app will enable a direct link between owners and co-ownership syndicate representatives (for the purposes of reporting incidents or viewing responses made by the syndicate for example) but also between the jointly-owned property and its suppliers. This will save time, and improve responsiveness and traceability, resulting in fewer phone calls and less paper being used.

3.6.2 Enriching the customer experience

3.6.2.1 Giving our customers a responsible holiday experience

Our customers are increasingly looking for a holiday experience which combines fun and togetherness with respect for the environment and local populations. Therefore, the Group must continue to improve its practices and make these improvements visible to customers. This means for example, providing products which are respectful of the environment (eco-label welcome products and maintenance kits) and waste sorting solutions in the accommodation.

This policy also applies to our on-site partners. We have started working with our catering partner at the Villages to improve the quality and diversity of the product range, promote organic and fair-trade produce, and cater to different diets. This initiative also applies to certain residences that provide breakfast.

3.6.2.2 Making customers aware of our responsible approach

In order to highlight and to encourage its customers to follow best practices, the Group wants to improve communication. Work began this year on creating stickers to raise awareness of environmentally-friendly behaviours. These stickers will be introduced in 2018/2019 at all Pierre & Vacances accommodation in France. At Villages Nature Paris, similar work has been carried out, and a range of tools will be rolled out in 2019 to raise customer awareness of biodiversity and geothermal energy. Also at Villages Nature Paris, intelligent shower heads are being piloted to make customers more aware of water consumption.

3.6.2.3 Offering a holiday experience close to nature...

The Group has a unique network stretching across France, Germany, Holland, Belgium and Spain. Moreover, Pierre & Vacances residences and villages are located in a wide range of destinations, often at the very heart of the natural environment (mountains, coast, countryside), and Center Parcs sites are located in forests. All offer privileged access to each region's tourist and nature sites. This local nature tourism offering, a gateway to local regions, is the starting point of our work to enrich our customers' experience.

The "nature" aspect is an indisputable asset that the Group wants to continue to showcase. Firstly, in its range of activities for families and children. Center Parcs and most of the Pierre & Vacances villages have small farms where children can approach, and learn about, animals. Furthermore, activities aimed at raising awareness

of global environmental issues are also on offer: "Wanna be a farmer/ranger...", "Center Parcs Academy" at Center Parcs, and the Eco'holidays activities in Pierre & Vacances villages, which use fun activities to introduce topics such as renewable energies, the role of bees and the importance of recycling. In total, 75% of Center Parcs sites offer one or more nature activity. At Center Parcs Allgäu a partnership has been signed with WWF Germany to devise the content of a specific activity and train the events teams. At Villages Nature® Paris, the idea of harmony between humans and nature has inspired not only the architecture of the buildings, but also the atmosphere and the activities available in the five recreational worlds. Nine nature- and craft-focused activities are on offer at the site. They accounted for 66% of the sales of all of the activities (in addition to the Kids' club sustainable development events) in the 2017/2018 financial year.

3.6.2.4 ... and to local regions

The Group also wants to make its sites gateways to the local regions. A first step is to promote local produce to customers. Work is under way to highlight local dishes in the restaurants, and regional produce is offered for sale at dedicated stands at reception, mini markets, local farmers' markets and in dedicated shops, such as the one at Center Parcs Bois aux Daims.

Activities at the sites are another way to create links with the local regions. At Center Parcs Allgäu, some children's activities are staged in conjunction with local partners (involving honey, cheese, etc.). As regards activities on offer in the vicinity of the sites, all Pierre & Vacances villages and Center Parcs sites have a branch or representative from the local tourism office, and we work with local bodies to provide holiday excursions and packages tailored to our customers. At Pierre & Vacances residences and villages, information on local activities is provided inside all establishments (recommended walks, cultural visits, excursions to discover the region and local tips), and a partnership is in place with RendezvousCheznous (offering 1,400 local activities across France). Furthermore, 28 Pierre & Vacances "Découvertes Locales" (Local Discovery) residences host a free weekly activity (excluding in school holidays) led by local experts (tastings, guided visits, etc.). Finally, the "Planet P&V" mobile app tells customers about activities available near the sites, providing practical regional information (food, concerts, exhibitions, walks, etc.).

In Deauville, where supplies are directly managed by the site, most of the breakfast products is organic and/or local and/or seasonal. All coffee, milk (dairy and non-dairy), some teas, yoghurt and butter are organic. Seasonal fruit is used as much as possible, and a spread made in France without palm oil is used. There is also local produce such as AOP- or AOC-certified cheese from Normandy, and additive-free produce.

3.7 Our corporate sponsorship initiatives



3.7.1 The Corporate Foundation

The corporate Foundation was set up at the end of 2017 to contribute to regional vitality and to help create social links in the regions where the Group operates.

Regional activity is a key facet of the Foundation's identity: it is reflected in a strong geographical proximity between the general interest projects supported and the sites enabling synergies to be built between the community project and the employees. Furthermore, the Foundation wants to promote a wide range of projects in various fields while remaining very attentive to the overall consistency of its work in view of regional concerns.

The Foundation also reflects the Group's strong values : "togetherness" and "responsible entrepreneurship". It enables employees to put forward general interest projects, come up with specific synergies on the ground and become involved in its decision-making bodies.

The Foundation supports general interest projects in the following fields:

- ◆ access to leisure and discovery of nature;
- ◆ revitalizing places of local culture and heritage;
- ◆ social and professional reintegration.

Key figures

Over the 2017/2018 financial year, the Foundation has:

- ◆ contributed €250,000 in support of 15 general interest projects over 2017/2018. 5 of these projects were conducted outside France. Eight of these 15 projects were renewed for 2018/2019;
- ◆ mobilised almost 71 employees around local initiatives: project sponsorship, involvement in locally-organised synergies (e.g.: "Do it Yourself" and "community team building" workshops, biodiversity-themed outings in the local community, community lunches, etc.);
- ◆ involved 13 Group sites, including the head office in Paris, in building links with the local community.

3.7.2 The Group's other sponsorship initiatives

The Group has implemented other sponsorship initiatives, directly via the business lines or sites.

In 2017/2018, Pierre & Vacances France, through its "Je pars, Tu pars, Il part" foundation, donated a one-week stay to 40 families, and 476 bookings were offered to the *Bourse Solidarité Vacances*.

Almost 300 cut-price Center Parcs bookings were made available to Vakantie Participatie beneficiaries. At Center Parcs De Eemhof, 30 days, in which 60 employees were involved, were donated to Stichting de Opkikker foundation beneficiaries.

Kids Climate Conference and the Nature Campus

Held annually, the Kids Climate Conference, organised by the Missing Chapter Foundation and NGOs such as the WWF and private partners, was held this year at Center Parcs Erperheide in Belgium and at Center Parcs Hochsauerland in Germany. For the seventh year in a row, Center Parcs has been a proactive partner in this event which aims to raise children's awareness of climate change issues over three days of workshops. Children aged 8 to 14 reflected on the theme "A world in motion".

In addition to these events, a nature campus was held in September 2018 at the Bispinger Heide Center Parcs in Germany, in partnership with the Nature Park Lüneburg Heath association. Over 90 children attended this awareness-raising event focusing on regional environmental issues (protecting natural spaces, important animals in the region and sustainable living). The association's experts led workshops on the following: wolves, heather, bees and climate change.

3.8 Other matters

3.8.1 Tackling corruption – duty of care

The Group has introduced a number of measures to fulfill the requirements of the Sapin 2 Law and the duty of care. In particular, it has drawn up a Code of Ethics and introduced a confidential whistleblowing system. This system is complemented by an awareness-raising and training programme for Group employees, and a supplier evaluation programme.

In view of the late publication of the legal text, we are unable to include this in our risk analysis and provide information regarding the fight against tax evasion this year. However, the matter will be dealt with in the next financial year..

3.8.2 Animal welfare

The Center Parcs operational risks department has begun looking into animal welfare, embarking upon a thesis in partnership with the

Toulouse veterinary school. This has resulted in recommendations being issued on optimum animal health and husbandry conditions.

3.8.3 Personal data protection

As part of its CSR approach, and in light of the new personal data protection regulations, the Group has brought in technical and organisational measures in all countries in which it operates. A DPO has been appointed and a steering committee has been set up to

ensure that the necessary steps are taken to comply with European regulations and maintain a relationship of trust with prospects, customers and all Group employees.

3.8.4 Other information

- ◆ The “impacts of the business on the respect for human rights” and matters relating to the “duty of care” are covered in the purchases and customer and employee health and safety section.
- ◆ Matters relating to the circular economy are covered in the “optimising waste” section. Furthermore, as catering is carried out by external providers, the Group is unable to take direct action in this area but sets out clear requirements for its partners regarding the reduction and sorting of food waste.
- ◆ Measures relating to “employee safety” also apply to customers.
- ◆ The fight against food insecurity is covered in section 3.4.4 “Waste management at Villages Nature Paris”.

3.8.5 Key indicators

Key indicators	Brand scope	Country scope	Section	2015/2016	2016/2017	2017/2018	Change 2017/2018 VS 2016/2017
SECTION 3.1 Our sustainable development policy							
SECTION 3.2 Implementing a responsible employer policy							
Issues: recruitment, developing teams' skills and employee satisfaction.							
Number of training hours	Group ⁽¹⁾⁽²⁾	Europe	3.2.3.1	88,906	74,658	69,446	↓
By employees trained	Group ⁽¹⁾⁽²⁾	Europe	3.2.3.1	56%	49%	60%	↑
"Happy@work" satisfaction survey	Group ⁽¹⁾	Europe	3.2.4.1	-	Completed	⁽⁴⁾	
Rate of return by seasonal workers	PV	France	3.2.2.2	-	-	43%	New
Turnover	Group ⁽¹⁾⁽²⁾	Europe	3.2.1.3	14,9%	16,5%	19%	↑
% of female managers	Group ⁽²⁾	Europe	3.2.1.3	51%	53%	53%	→
Health and Safety							
Rate of workplace accidents	Group ⁽²⁾	Europe	3.2.4.5	27%	30%	32%	↑
Severity rate of workplace accidents	Group ⁽²⁾	Europe	3.2.4.5	0,68 % ⁽³⁾	1,15 %	1,38 %	↑
SECTION 3.3 Limiting the impact of our sites on natural environments and encouraging biodiversity							
Issues: land search; water pollution; deterioration of natural environments (biodiversity)							
% of projects for which an environmental pre-assessment or mapping was carried out prior to selecting the land	CP and PV	Europe	3.3.1	-	-	60%	New
% of sites which have a dedicated plan to manage green spaces	CP (excluding VN)	Europe	3.3.2.2	-	-	75%	New
"Naturall" target: a dedicated plan for the management of green spaces for all sites by 2020							
SECTION 3.4 Improving our sites' environmental performance and responding to climate issues							
Issues: climate change on business; waste management; management of water and energy use							
% of projects delivered with an environmental building certification	CP and PV	Europe	3.4.1.1	-	-	100%	New
% green key sites	CP and PV		3.4.1.2	25%	27%	29%	↑
% of certified Pierre & Vacances sites		France and					
Including % of Pierre & Vacances Premium sites	PV	Spain	3.4.1.2	29%	31%	33%	↑
	PVP	France	3.4.1.2	54%	73%	87%	↑
"Faisons Plus Ensemble" target: 100% by 2018 (carried forward to 2019)							
% of certified Center Parcs sites							
"Naturall" target: 100% by 2019	CP	Europe	3.4.1.2	-	-	8%	New
% of ISO 14001-certified sites							
"Naturall" target: 100% of sites certified	CP	Europe	3.4.1.2	100%	100%	100%	→
% of sites certified (ISO 14001 /Green Key)	CP and PV	Europe	3.4.1.2	38%	40%	41%	↑

Key indicators	Brand scope	Country scope	Section	2015/2016	2016/2017	2017/2018	Change 2017/2018 VS 2016/2017
Water use per overnight stay (in m³)	CP and PV	Europe	3.4.2	0,72	0,73	0,74	↑
"Naturall" target: a 25% reduction by 2022 (2010 basis – per overnight stay per person)	CP (excluding VN)	Europe	3.4.2	-	-13%	-11%	↓
"Faisons plus ensemble" 2022 target for Pierre & Vacances: a 15% reduction (2014 basis – per overnight stay per accommodation)	PV	France and Spain	3.4.2	-	-	-12%	New
Energy use per overnight stay (in kWh)	CP and PV	Europe	3.4.2	111	116	117	↑
"Naturall" target: a 25% reduction by 2022 (2010 basis – per overnight stay per person)	CP (excluding VN)	Europe	3.4.2	-	-11%	-12%	↓
"Faisons plus ensemble" target: a 20% reduction by 2022 (2014 basis – per overnight stay per accommodation)	PV	France and Spain	3.4.2	-	-	-16%	New
% of renewable energy (including purchases of green electricity)	CP	Europe	3.4.3.1	-	12%	18%	↑
% of operational waste sorted							
"Naturall" target: 60% by 2022	CP	Europe	3.4.4	30,9%	33,5%	39,7%	↑
Number of sites which have implemented sustainable development standards (BEST)							
"Faisons plus ensemble" target: 100%	PV	France and Spain	3.4.1.2	-	-	80%	New
SECTION 3.5 Building together with our partners and being a regional partner and actor over the long term							
Issues: relations with our local stakeholders and partners; local involvement							
% of projects for which a local consultation took place	CP and PV	France	3.5.1	-	-	80%	New
% of high-risk purchasing categories covered by responsible specifications	CP and PV	Europe	3.5.2	-	-	100%	New
% of buyers trained	CP and PV	Europe	3.5.2	-	-	100%	New
SECTION 3.6 Placing customer satisfaction and the customer experience at the heart of what we do							
Issues: relationship with owners and our customers; nature dimension of the customer experience							
Proportion of center parcs sites offering a nature activity							
"Naturall" target for 2020: offer one nature activity at each site	CP	Europe	3.6.2	-	-	75%	New
Satisfaction des clients		France and Spain					
Net Promoter Score PV Customers	PV	Spain	3.6.1	14,1%	15,7%	15,1%	↓
Net Promoter Score CP Customers	CP	Europe	3.6.1	4,4%	3,8%	1,8%	↓
Lease renewal rate							
Group target: 76% of leases renewed	CP and PV	Europe	3.6.1	-	-	76%	New

(1) Employee data includes employees of Les Senioriales (see reporting methodology section 3.1).

(2) Excluding Spain.

(3) Including sick leaves due to work accidents occurred in 2016/2017

(4) Next study in 2018/2019

3.9 Report from the Independent Third-Party Body on the Consolidated Non Financial Performance Statement in the Management Report

To the Shareholders,

As an independent third-party body accredited by the COFRAC under the number 3-1050 (scope of accreditation available on the website www.cofrac.fr), and member of the network of auditors for Pierre et Vacances, we herein present our report on the consolidated non financial performance statement for the financial year ended 30 September 2018 (hereinafter the "Statement"), presented in the Management Report pursuant to the legal and regulatory provisions of articles L. 225-102-1, R.225-105 and R. 225-105-1 of the French Commercial Code.

The Company's responsibility

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

The Statement was drawn up applying the company's procedures (hereinafter the "Guidelines"), the significant elements of which are presented in the Statement and available on its website⁽¹⁾.

Independence and quality control

Our independence is defined by the provisions provided for under article L. 822-11-3 of the French Commercial Code and the Code of Conduct for the profession. In addition, we have introduced a quality control system, which comprises documented policies and procedures to ensure respect for 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 deliver a reasoned opinion providing moderate assurance as to:

- ◆ the Statement's compliance with the provisions of article R. 225-105 of the French Commercial Code;
- ◆ the sincerity of the information provided pursuant to the 3rd item of I and II of the article R. 225-105 of the French Commercial Code, i.e. the results of policies including key performance indicators and actions relating to the main risks, hereinafter the "Information".

However, it is not our responsibility to make any declaration as to:

- ◆ the company's abidance by other applicable legal and regulatory provisions, most notably in terms of duty of care, the fight against corruption and taxation;
- ◆ the compliance of products and services with applicable regulations.

Nature and scope of the work

Our work, as described hereinafter, was conducted in compliance with the provisions of articles A.225-1 et seq. of the French Commercial Code, which sets out the methods used by the independent third-party body to conduct its mission according to professional standards, and with the international standard ISAE 3000 - *Assurance engagements other than audits or reviews of historical financial information*.

(1) <http://www.groupepvcp.com/section/publications>.

We conducted our work in such a way as to be able to appreciate the Statement's compliance with regulatory provisions, and the sincerity of Information:

- ◆ We ascertained the business activity of all the companies included within the scope of consolidation, the statement of the main social and environmental risks related to this activity, and the effects thereof as to respect for human rights and the fight against corruption and tax evasion, together with subsequent policies and their results.
- ◆ We appreciated the appropriate nature of the Guidelines with regard to their relevance, completeness, reliability, neutrality and clarity, taking into account, where necessary, best practices within the sector.
- ◆ We verified that the Statement covers each category of information as given under item III of article L. 225-102-1 of the French Commercial Code governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion.
- ◆ We verified that the Statement includes an explanation justifying the absence of information required by the 2nd paragraph of item III of article L. 225-102-1 of the French Commercial Code.
- ◆ We verified that the Statement presents the business model and the main risks related to the activity of all the entities included within the scope of consolidation, including, whenever relevant and proportionate, the risks engendered by business relations, products OR services, along with policies, actions and results, including key performance indicators.
- ◆ We verified, when relevant to the given main risks or policies, that the Statement presents the information provided for in item II of Article R. 225-105 of the French Commercial Code.
- ◆ We appreciated the selection and validation process for the main risks.
- ◆ We enquired as to the existence of procedures for internal auditing and for risk management implemented by the company.
- ◆ We appreciated the consistency of the results and key performance indicators used with the main risks and the given policies.
- ◆ We verified that the Statement includes a clear and reasoned explanation for the motives justifying the absence of policy with regard one or more of these risks.
- ◆ We verified that the Statement covers the consolidated scope, i.e. all the companies included in the scope of consolidation in compliance with article L. 233-16 of the French Commercial Code, with the limits specified in the Statement.
- ◆ We appreciated the collection process implemented by the company aimed at ensuring the completeness and sincerity of Information.
- ◆ For the key performance indicators and the other quantitative results that we considered to be the most significant given in Appendix 1, we implemented:
 - analytical procedures that consist in verifying the appropriate consolidation of collected data along with the consistency of changes thereto;
 - detailed tests based on soundings, consisting in verifying the proper application of definitions and procedures, and in reconciling data with the supporting documents. This work was conducted with a selection of contributing entities listed hereinafter: Pierre et Vacances France, particularly the Mediterranean operational division management and the Pierre et Vacances Port Royal site, Center Parcs Netherlands, particularly the Center Parcs Eemhof site, which accounts for 40% of headcount and energy consumption, the size of which was considered to be representative of key performance indicators and the results selected for these tests.
- ◆ We consulted documentary sources and conducted interviews to corroborate the qualitative information (actions and results) that we considered to be the most significant, given in Appendix 1.
- ◆ We appreciated the overall consistency of the Statement in relation to our knowledge of the company.

We consider that the work we conducted, exercising our professional judgement, allows us to deliver a conclusion of reasonable assurance; assurance of a higher grade would have required more extensive verification work.

Means and resources

Our work engaged the skills of five people and was conducted between the months of September and November 2018 over a total operating period of around seven weeks.

We conducted nearly a dozen interviews with people responsible for the preparation of the Statement, covering in particular managers from the sustainable development, environment, human resources, health & safety, risks, operations, development and marketing departments.

Conclusion

Based on our work, we have not found any material misstatement of a nature to call into question the compliance of the non-financial performance Statement with applicable regulatory provisions, or to question the sincerity of presentation and compliance with the Guidelines of all Information, taken in its entirety.

Comments

Without questioning the conclusion delivered hereinabove and in compliance with the provisions of article A.225-3 of the French Commercial Code, we should like to make the following comment: non-financial reporting required a number of manual corrections and restatements (in particular for information relating to health and safety, turnover and energy consumption); the consolidation and validation of this information lies with a small number of people.

Paris-La Défense, 13 December 2018

Independent Third Party Body
ERNST & YOUNG et Associés

Philippe AUBAIN
Associate Director of Sustainable Development

Jean-François BELORGEY
Associate

Appendix 1: Information considered to be the most significant

SOCIAL INFORMATION

Quantitative information (of which performance indicators)

Headcount, turnover, rate of return of seasonal workers
Frequency rate and level of gravity of workplace accidents

Qualitative information (actions or results)

Hiring, employment of seasonal workers, employment of cleaning personnel
Employee satisfaction
Health and Safety

ENVIRONMENTAL INFORMATION

Quantitative information (of which performance indicators)

Energy consumption per overnight stay
Water consumption per overnight stay
Waste recycling rate at Center Parcs, share of sites operating sorting facilities for Pierre et Vacances guests

Qualitative information (actions or results)

The "Naturall" processes at Center Parcs
"Faisons plus ensemble" at Pierre et Vacances Monitoring of energies, including green energies Waste management
Protection of biodiversity

SOCIETAL INFORMATION

Quantitative information (of which performance indicators)

Qualitative information (actions or results)

Management of impact of new sites (local acceptance, environment, available land area)
Relations with owners (satisfaction, alerting to renovation)
Customer satisfaction, particularly the "responsible stay" offer