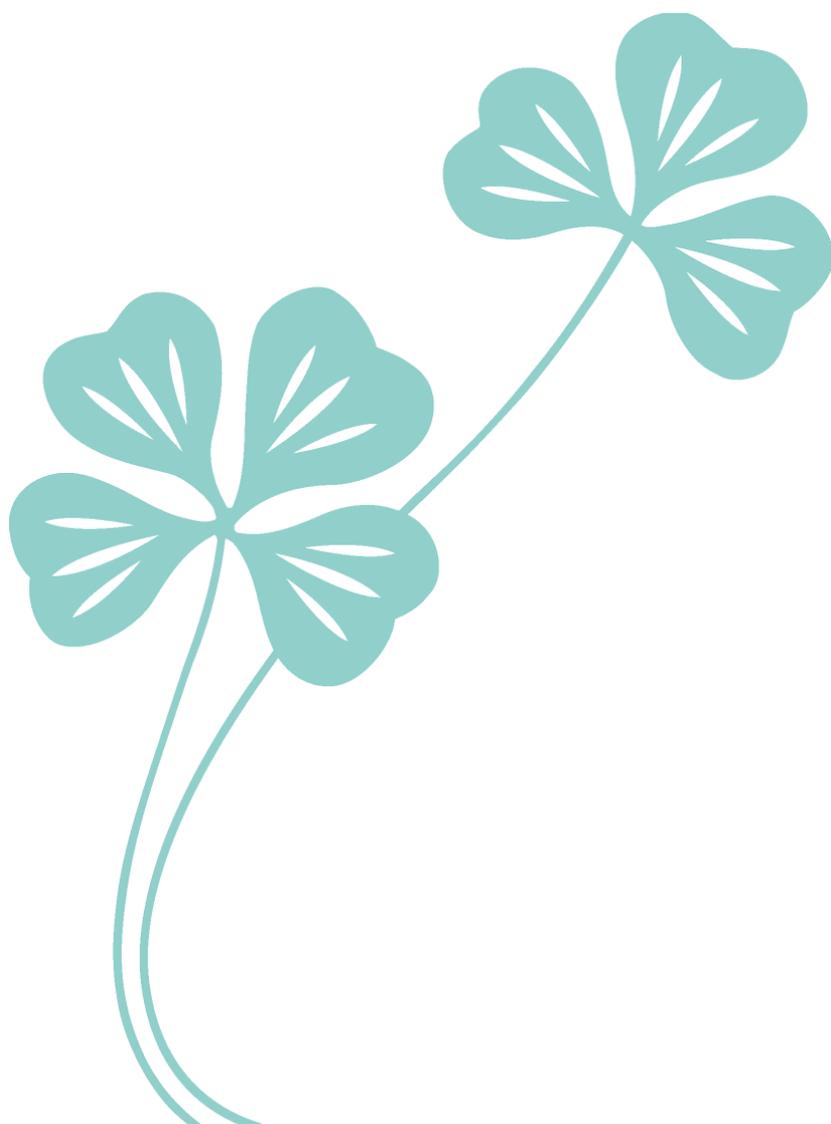


# Code of ethics

2009, January





## Foreword by the Chairman

Since 1950, we have used our history, our values and our culture to build and carry forward a strong conviction: the moments of happiness we propose to our clients must be shared; they cannot be enjoyed at the expense of others or of nature.

In our development in countries of various cultures, with economic, social and environmental issues, we have always demonstrated a sense of responsibility and respect. More than ever, this way of being and working is a topical issue.

In a few pages, this Code of ethics sets forth our commitments and responsibilities. In this respect, it is a reference we share.

During the practice of our respective professions, we must have lines of conduct. This Code provides guidelines and sets directions. It is a mirror of who we are.

I invite you to read carefully the following principles and to think about them in light of your daily activities and of the values you all bear.

**Henri Giscard d'Estaing**



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## Preliminary word

Club Méditerranée wishes to reassess the importance of its 5 values and has therefore decided to acquire a code of ethics. The purpose of this text is to promote a multicultural spirit and friendliness as a source to enrich our working relations, to support freedom and a pioneering spirit as operating tools for the company, while valuing the sense of responsibility of each of us.

In this respect, Club Méditerranée has decided to state its commitments towards outside actors, and to remind the principles of behaviour which govern internal relations.

This code is fully in line with international texts from which Club Méditerranée draws. It aims at reminding how important diversity and the prevention of discriminations are to Club Méditerranée, the inventor of a new way of "being together".

It replaces the former "Code of Ethics and best practices" previously distributed by Club Méditerranée.

# 1. The commitments of Club Méditerranée and of all of its G.Os/G.Es

## a. Towards clients

Club Méditerranée values the very special relation it has with its clients, its "Gentils Membres" (G.Ms). More than a mere commercial bond, it has always sought to establish a relationship of long-lasting trust.

### PRINCIPLE OF PROTECTION

The first priority for all the "Gentils Organisateurs" and "Gentils Employés" (G.Os/G.Es) is the safety of persons. Without ever wanting to suggest to its G.Ms that there is "zero risk", Club Méditerranée undertakes to always develop a state-of-the-art Safety & Security policy, based on strict standards and procedures which meet and often exceed local regulations. In particular, these standards and procedures are included in the professional standards (*Quali Signs and Pro Signs*) and in the *Serious Situation and Crisis Management Manual*.

Club Méditerranée also undertakes to treat as confidential any information on its G.Ms that might be brought to its knowledge, unless it has a legal obligation to disclose it, and requests that its G.Os/G.Es apply the rules to protect individual freedom, in compliance with the law and with tact.



## PRINCIPLE OF QUALITY DEMAND

Seeking to improve the quality of service provided to the G.Ms is a permanent concern of Club Méditerranée, based on methods and a culture deeply rooted in the company's history:

- active listening in the villages, first of all thanks to the special relationship, unequalled elsewhere, which develops and goes on between the G.Ms and the G.Os/G.Es all along the stay and which encourages quick reporting of G.M reactions ... And "dispassionate" listening, upon return by means of a satisfaction survey conducted by Club Méditerranée among all its G.Ms since 1950;
- compliance with standards designed to ensure consistent services and their easy implementation. These standards are regularly updated and their application is controlled. They represent a corpus of knowledge which the G.Os/G.Es must apply, bring to life and enrich with their own attitude.

### b. Towards suppliers and subcontractors

The objective of Club Méditerranée is to create, in conditions of strict transparency and compliance with competition laws, long-term partnership relations with its local and global suppliers and subcontractors. These aspects are developed in the Purchasing Guidelines.

## PRINCIPLE OF INDEPENDENCE

As a rule, G.Os/G.Es may accept gifts or entertainment (business gifts, payments, fees, services, special privileges, holidays, pleasure trips or other advantages) offered by potential or existing suppliers / subcontractors of Club Méditerranée or any other physical or moral entity, only on the condition that the gifts or entertainment are legal, unsolicited, modest in value, given openly and directly, customary in the business and in the country, and does not or is unlikely to result in any feeling or expectation of personal obligation on either party. All gifts or entertainment must be disclosed to GOs/GEs' supervisor.

G.Os/G.Es must forbid themselves to behave in such a way as to engage active or passive corruption from all third parties connected with Club Méditerranée, including but not limited to offering improper gifts and entertainment (i.e. gifts that are not otherwise legal, unsolicited, modest in value, given openly and directly, customary in the business and in the country, and does not or is unlikely to result in any feeling or expectation of personal obligation on either party).

## PRINCIPLE OF TRANSPARENCY

Club Méditerranée undertakes to use only methods and means acknowledged by all as being indisputable with respect to the treatment of business relations and to denounce any irregular commercial practice. Any illegal or unfair behaviour in order to collect information about a supplier / subcontractor, as well as denigrating the behaviour or the quality of the products or services of a supplier / subcontractor before third parties are forbidden. Club Méditerranée also undertakes to treat information received as confidential, both within and outside the company, or unless it has a legal obligation to do so.

Fair competition must always be maintained. All the suppliers / subcontractors involved in a



call for tender must therefore receive the same level of necessary information and intelligence. They must be selected fairly, based on objective criteria. The results of the calls for tenders must always be communicated and, when required by law or otherwise desirable, the reasons for the choice must be explained to the people concerned.

#### PRINCIPLE OF RESPONSIBILITY AND SUSTAINABILITY

Club Méditerranée expects and encourages its suppliers and subcontractors to share its code of ethics, including and not limited to the promotion of decent work conditions and environment protection.

#### c. As regards local communities

##### PRINCIPLE OF PROTECTION

Protecting host countries is fully part of the founding principles of Club Méditerranée; it has more than a mere environmental dimension and encompasses all the treasures of countries where villages are erected, starting with their most precious one: their children. Therefore Club Méditerranée, alongside ECPAT (“End Child Prostitution, Child Pornography and Trafficking in Children for Sexual Purpose”) is fighting against the sexual exploitation of children in tourism.

More generally, Club Méditerranée undertakes to encourage responsible behaviour among its G.Os/G.Es and to raise the awareness of the G.Ms as regards traveler ethics and compliance with the ways and customs, the traditions and the various cultures of the World.

##### PRINCIPLE OF CONTRIBUTION TO LOCAL DEVELOPMENT

Club Méditerranée undertakes to promote the natural outcome of its activity and to boost host regions in the long term through the proactive professionalization of employees and local purchases. It also wishes to multiply the transfer of knowledge towards populations living near its sites.

Through its Foundation and local initiatives, Club Méditerranée supports solidarity projects driven by G.Os/G.Es, gives equipment to associations which need it and proposes to G.Ms to be involved in its action.

##### PRINCIPLE OF HIGHLIGHTING

The added value of Club Méditerranée is its will to develop the G.Ms' liking for the cultural diversity of the country in which they are staying by organizing information conferences about the country and by advising the G.Ms on their choice of one or several excursions, which are carefully prepared in terms of respect of local populations and environment.

#### d. With respect to environment

Access to protected nature is at the very heart of the creation of Club Méditerranée. The respect of nature is therefore inscribed in the company's purpose.



Club Méditerranée's policy aims at:

#### DEVELOPING POSITIVE ENVIRONMENTAL IMPACTS

- By means of transfers of skills and the introduction of innovative techniques in terms of environment management in the host countries.
- By raising the awareness of local actors regarding the management of environment and its highlighting
- By striving to have the G.Ms discover and develop a liking for the beauty and quality of this natural environment and even by involving them very concretely in its protection.

#### LIMITING NEGATIVE ENVIRONMENTAL EFFECTS

- When designing the villages: landscape integration, bioclimatic architecture, purification and recycling of wastewater are a few examples.
- Through strict environment management: control of the consumption of natural resources (water, energy), recycling of waste.
- By training G.Os/G.Es and by raising the awareness of the GMs regarding a reasonable use of resources.
- By asking each staff member to be exemplary by having a saving (water, energy), participative (waste sorting) and respectful (biodiversity) personal attitude.

## 2. Principles of action and behaviour within Club Méditerranée

### a. Club Méditerranée towards its G.Os/G.Es

#### PRINCIPLE OF PROTECTION

In addition to its compliance with legal standards in terms of hygiene and safety, Club Méditerranée is particularly careful to implement a number of informative and preventive measures for its G.Os and G.Es: visits of hygienist doctors in the villages, systematic information on S.T.D. and on potential local pathologies (malaria, yellow fever, etc.), prevention of alcohol-related risks, warnings to the G.Os and G.Es as regards their health and fitness and excesses to which they may be exposed.

Club Méditerranée undertakes to respect the private life of the G.Os/G.Es by not disclosing personal information about them, unless it has a legal obligation to do it.

Club Méditerranée undertakes to provide to its G.Os/G.Es a quiet working environment by preventing any action (physical or oral) aiming at or resulting in:

- the deterioration of their working conditions,
- being detrimental to their rights and dignity,
- harassment, in particular sexual,
- the creation of an intimidating, hostile, degrading, humiliating or offending environment.



## PRINCIPLE OF DIVERSITY AND NON DISCRIMINATION

Life at Club Méditerranée is multicultural. It is based on the diversity of men and women – from all religions, nationalities, colours of skin, social origins and cultures- who work together. The multiculturalism of its teams and its clientele is a source of wealth for Club Méditerranée. Club Méditerranée uses this mix of various cultures to build its "Club Med Spirit".

Club Méditerranée proscribes all discriminations against its G.Os/G.Es, in particular based on their origin, sex, sexual orientation, age, religion, physical appearance, health or disability, labour-union or political membership.

## PRINCIPLE OF COMMUNICATION INTERNAL TO THE COMPANY

Club Méditerranée respects social dialogue. It encourages the right of employees to be informed by regularly presenting its financial results and its strategy through its internal communication channels at the headquarters and in the business units (intranet, dissemination of information by the managers, internal magazine, etc.).

Furthermore, Club Méditerranée encourages its G.Os/G.Es to propose and to share their ideas, in particular through their involvement in the major company projects.

## PRINCIPLE OF TALENT DEVELOPMENT

Talent development is a means of acquiring skills and personalities necessary to the growth of Club Méditerranée. The missions of the Talent University consist in:

- managing the upskill move of the G.Os/G.Es;
- mobilising the managers in the daily development of talents within their teams;
- building professional development programmes for the G.Os/G.Es;
- ensuring their employability both internally and externally.

### b. G.Os/G.Es towards Club Méditerranée

## PRINCIPLE OF LOYALTY

The G.Os/G.Es undertake to demonstrate utmost professionalism and loyalty in the practice of their profession.

In this respect, they must act in the interest of Club Méditerranée and avoid putting themselves voluntarily in conflicts of interest situations where their personal activities or interests may interfere or appear to interfere with the interest of Club Méditerranée.

In particular, they must make sure that they do not have any personal activity or interest that may or may appear to influence or affect their judgment or objectivity when acting on behalf of Club Méditerranée or performing their duties, to result in their receiving improper personal benefits, to be in competition with the activity of Club Méditerranée, (directly or indirectly, for themselves or on behalf of third parties), or to otherwise harm or impair Club Méditerranée's goodwill and reputation.



Conflicts of interest may arise from various situations, such as:

- the G.O/G.E holds a directorship or a delegate position in a company having professional relations with the Group or in competition with it;
- the G.O/G.E or one of his/her relatives holds, directly or indirectly, a stake (other than the possession of less than 5% of the shares of a listed company) in a company having or seeking to have commercial relations with Club Méditerranée, or in a competing company;
- The G.O/G.E holds a position or carry out an independent activity which interferes with the activities of Club Méditerranée or which forms an obstacle to the normal practice of his/her employee functions.

Furthermore, its brand is one of Club Méditerranée's main assets. Therefore, the loyalty of the G.Os/G.Es binds them not to do or say anything that might denigrate Club Méditerranée or be harmful to its reputation and, in particular, to its brand image, its services, its products or its G.Os/G.Es.

Likewise, all G.Os/G.Es are responsible for the good use, the protection and the maintenance of the property, the assets and goods belonging to Club Méditerranée. Therefore, they must use the resources, materials and equipment that are handed over to them exclusively for professional reasons.

#### PRINCIPLE OF CONFIDENTIALITY

All G.Os/G.Es must protect the privileged information that might be in their possession during the practice of their daily functions, whatever their level of responsibility.

Privileged information includes, without limitations, all information which may have an impact (positive or negative) on the stock exchange value of the Company, which has not yet been made public, such as financial information (revenue, results, etc.), commercial contracts concluded by the Company, financial operations (capital increase, merger-acquisition, etc.), the launch of new products, new Company projects, etc.

G.Os/G.Es holding privileged information of this type are therefore forbidden to exploit it, whether for themselves or on behalf of any other person or through a third party, for example by selling or buying, directly or through a third party, shares of the Company while they are in possession of the privileged information. Non compliance to these rules may lead to prosecution for insider trading.

More generally, each G.O/G.E must act in order to avoid trespassing, theft, loss, deterioration, hijack, disclosure, reproduction, forgery, non professional use, illegal or non transparent use of privileged information.

G.Os/G.Es must restrict the dissemination of such information to authorised persons.

Lastly, they must be particularly vigilant as regards electronic communication means, such as mail boxes, Intranet and Internet (e.g., interception, routing mistake, risks of intrusion, viruses, etc.).



### c. Club Méditerranée towards its shareholders

Club Méditerranée complies with applicable rules in terms of corporate governance and, in particular, ensures that the rules defined by the Financial Markets Regulatory Authority ("*Autorité des Marchés Financiers*") are applied. It makes sure that its shareholders are provided accurate, transparent and exhaustive financial information.

In all its public communications, it undertakes to act in good faith, in a responsible manner, with due care, skills and diligence, making sure to give an accurate account of the situations and significant facts about it.

In this respect, Club Méditerranée has set up a system of internal control aiming at ensuring that the financial information communicated complies with laws and regulations.

## 3. Primacy of values and commitments

Anyone who might be given an order obviously contrary to the values and commitments of Club Méditerranée set forth in this code of ethics is entitled not to comply with such order and to report it to the Management or to the Human Resources which will ascertain it.

Any person who in good faith raises concerns or makes a report about a possible violation of the code of ethics will not be subject to any sanctions.

## 4. Modes of dissemination and revision of this document

The code of ethics is displayed at the headquarters and in all the villages and offices of Club Méditerranée. It is also handed out to each new G.O/G.E and available on the intranet in the "Group" section.

## 5. Effective date

The present code of ethics will enter into effect as from 18<sup>th</sup> January 2009.