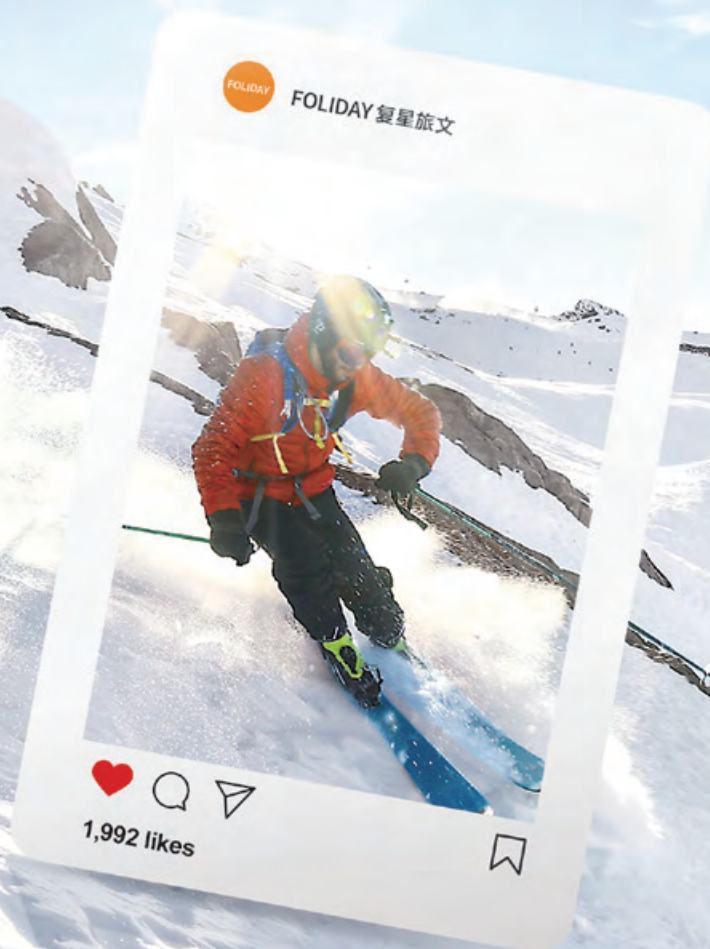


EVERYDAY IS FOLIDAY

复星旅游文化集团 FOSUN TOURISM GROUP

A company incorporated under the laws of the Cayman Islands with limited liability

(STOCK CODE: 01992)



ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT 2019

FOLIDAY 复星旅文



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About this Report

BACKGROUND

This report is the second annual environmental, social and governance (hereinafter referred to as “ESG”) report issued by Fosun Tourism Group (referred to as “Fosun Tourism”, “the Group”, “we” and “FTG” in this report), which mainly discloses the Group’s performance on ESG issues. This report covers the financial year from 1 January 2019 to 31 December 2019 (hereinafter referred to as the “Reporting Period”), with some information dating back to previous years or covering the first quarter of 2020.

SCOPE

Unless otherwise specified, the scope of this report is consistent with that of the FTG annual report, covering Fosun Tourism Group and its subsidiaries.

COMPILATION BASIS

This report has been prepared in accordance with the revised *Environmental, Social and Governance Reporting Guide* (hereinafter referred to as the “Guide”) as set out in Appendix 27 to the Listing Rules issued by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “HKEX”) in December 2015. Meanwhile, this report has been prepared with reference to the *Consultation Paper on Review of the Environmental, Social and Governance Reporting Guide and Related Listing Rules* issued by the HKEX in December 2019.

The content of this report has been determined in accordance with a set of systematic procedures. The relevant procedures include: identifying and ranking important stakeholders, identifying and ranking important ESG-related issues, determining the boundaries of ESG report, collecting relevant materials and data, preparing reports based on information, and reviewing the information in the report.

The Group has complied with the provisions of the Comply or Explain provisions set out in the *Environmental, Social and Governance Reporting Guide* in the listing rules issued by the HKEX.



INFORMATION SOURCE AND RELIABILITY WARRANTY

The materials and cases in this report mainly come from the Group’s statistical reports and related documents. The Group promises that there is no false record or misleading statement in this report, and bears responsibility for the genuineness, accuracy and integrity of its content.

CONFIRMATION AND APPROVAL

This report was approved by the Board of Directors on 17 March 2020 upon confirmation by the Management.

About this Report

REPORT ACCESS AND RESPONSE

This report is available in traditional Chinese and English for readers. The electronic version of the report is available in the “Financial Statements/Environmental, Social and Governance Information” of corporate announcements on the website of the HKEX or on the official website of Fosun Tourism.

We value the opinions from stakeholders and they are welcome to contact us in the following ways. Your opinions will help us further improve this report and enhance the Group’s overall sustainable development.

Email: foliday.esg@fosun.com

Mail: Tower S1, the Bund Finance Centre, 600 Zhongshan No.2 Road (E), Huangpu District, Shanghai, the PRC

Chairman's Statement

The tourism industry in China has been growing rapidly. The way how people travel has transformed profoundly. In such a context, Fosun Tourism Group came into being. The Group proposes a vision of "bringing greater happiness to global families", being committed to creating a new family leisure-focused lifestyle "FOLIDAY" since its establishment. Over the past three years, with the improvement of FOLIDAY global ecosystem and the enhancement of product competitiveness we have provided customers with unique and attractive resorts, tourism destinations and service products for friends from different countries and areas over the world, with various ages and backgrounds, and consistently to convey our happiness principle to the world.

Over the past year, the global tourism market, especially the Chinese market has experienced rapid development. In February 2020, the National Bureau of Statistics released the *Statistical Bulletin of the 2019 National Economic and Social Development of the People's Republic of China*, stating that the year 2019 registered 6.01 billion domestic tourists in 2019, an increase of 8.4% over the previous year; 160 million domestic residents traveled outbound, an increase of 4.6%; domestic and international tourism revenues exceeded USD800 billion and USD130 billion, respectively. Fosun Tourism has also made outstanding achievements: Club Med has opened four new four by year end of 2019 or five-trident resorts around the world, with a total of 66 resorts globally; Atlantis Sanya has recorded strong business growth; we have officially released our own tourism destination brand, "FOLIDAY Town", and acquired Thomas Cook brand series, the first travel brand in tourism industry.

Today, we have become one of the world's leading integrated tourism groups. As a company operating its business globally, we fully realise the environmental and social responsibilities that we should assume. We are committed to bringing a sustainable and happy experience to global families by balancing the opportunities and challenges in economic development, social participation and environmental management.

ESG GOVERNANCE

A three-level governance structure consists of the Board of Directors, the ESG Committee, and the ESG Working Group



Chairman's Statement

DIGITAL HAPPINESS

In 2019, we have been committed to providing safe, healthy and high-quality leisure experience for every tourist in the world through strict control and innovative technology upgrade in the process of actively promoting the strategy of comprehensive upgrade, global development and digital happiness. We have paid attention to the safety management of all processes, and established the Environment, Health, Safety and Customer Service and Product Quality Supervision and Management Department in 2019; we have also established safety precaution mechanisms and management requirements applicable to different business scenarios to provide protection for tourists' personal and food safety, thus becoming the leader of safety, environment and health in the world's family leisure industry. In order to provide customers with better services and increase customer satisfaction, our business units have also implemented digital technology programs based on their business features: Club Med launched a new mobile application "My Happy Days", which facilitates customer planning of event schedules; Atlantis Sanya applied facial recognition technology to achieve fast entry and self-service check-in, reducing tourists' time for ticket exchange at ticket windows by 10,476 hours accumulatively throughout the year.

GREEN GLOBE

While bringing a happy leisure experience to customers, we hope that the local natural environment can also benefit from our sustainable business activity model. In the investment planning and in the full-cycle of asset development and design, and business operations, environmental factors have all been taken into account. Through the independent third-party green certifications, our sustainable performance in the construction and business operations has been promoted. 85% of eligible Club Med resorts hold Green Globe certification. At present, we are implementing a plan to avoid the use of disposable plastic products in Club Med resorts around the world. We also set a goal to ban all disposable plastic products in all Club Med resorts by 2021, and plan to achieve 100% of resorts holding Green Globe certification by 2021. In addition, Atlantis Sanya was awarded the national three-star green building certification, and the Earth Check copper certification for its environmental-friendly operation capabilities.

85% of eligible resorts of Club Med have been certified by Green Globe



Chairman’s Statement



INCLUSIVE PLURALISM

Business model innovation and product power enhancement are attributed to the efforts of all employees and the support from partners. Focusing on the global talent development strategy, we respect employees’ different nationalities and cultural backgrounds. We are committed to creating an equal, diverse and inclusive working environment and providing a comprehensive training system and global work opportunities for all employees, so that employees can maximize their potential. Meanwhile, we are actively working with global partners to support local agriculture and jointly promote the sustainable development of the supply chain. Through the Green Farmer project, Club Med has accumulatively purchased more than 240 tons of agro-ecological products from local farmers in eight resorts worldwide. More than 500 farmers have benefited from our project.

SOCIETY CONTRIBUTION

We also attach importance to sharing development with the society. Through innovative and collaborative methods, we have solved economic, environmental and social problems for the countries, regions and communities in which we operate. We have united social forces to carry out various forms of public welfare activities around sustainable community development, employee volunteer activities, health poverty alleviation and educational poverty alleviation, striving to create greater social influence and allowing more people to participate in public welfare activities through our global resources and benefit from them. During the outbreak of novel coronavirus, as a responsible corporate citizen, we have immediately united our member companies to actively respond to the call of the national government by quickly organizing human and material resources to launch a plan for global allocation of medical supplies and send supplies including masks and protective suits to the anti-epidemic frontline as quickly as possible to provide support for anti-epidemic efforts.



Chairman’s Statement



At the beginning of 2020, people around the world are in the fierce battle with the epidemic. This makes us understand that co-existence and common prosperity of people and environment are especially important in today’s globalisation, and sustainable development will be an inevitable choice for enterprises. In the new year, we will continue to strive to create a new lifestyle in the era of smart technology, continuously optimize the ecosystem and synergy effects in leisure scenarios and improve the integration of the concept of sustainable development in management and business activities. Through innovative, green and responsible methods, we will develop upgraded tourism products and services to meet consumers’ demands for pursuit of higher quality of leisure life, create longer-term value for the community of shared interests, and jointly promote the upgrade, development and prosperity of the tourism and cultural industry.

Chairman
Qian Jiannong



About Fosun Tourism



EVERYDAY IS
HOLIDAY

1.1 COMPANY PROFILE

Fosun Tourism Group (also known as FOLIDAY) is one of the world’s leading leisure-focused integrated tourism groups, and the largest leisure tourism resorts group worldwide in terms of revenue in 2019 (according to Frost & Sullivan report in 2019). The Group was listed on the main board of The Stock Exchange of Hong Kong Limited in 2018. It is an integral part of Fosun’s Happiness Ecosystem, which is one of its three strategic business units – Health, Happiness, and Wealth. For the year ended 31 December 2019, the Group achieved revenue of approximately RMB17.34 billion, with profit

attributable to equity holders of the Group of approximately RMB610 million and total assets of approximately RMB37 billion.

As a global leader in family leisure and tourism, Fosun Tourism proposes the concept of “Everyday is FOLIDAY”. With a focus on the leisure and tourism needs of families around the world, the Group is engaged in the entire industry chain of tourism and leisure with integration of global resources. Fosun Tourism is dedicated to building a new lifestyle of FOLIDAY and infusing continuously evolving concepts of tourism and leisure into everyday living.

1.2 BUSINESS

The Group operates three major business segments: resorts, tourism destinations, and services and solutions in various tourism and leisure settings.



→Resorts

Club Med, headquartered in France and founded in 1950, is a world-renowned family centric all-inclusive leisure and vacation service provider. As of 31 December 2019, we have sales and marketing operations in more than 40 countries and regions and operate 66 resorts (in 22 countries and regions) across six continents. During the reporting period, we have acquired hotel brands of Casa Cook and Cook’s Club in order to further expand our business in resort and hotel around world.



→Tourism destinations

As our first tourism destination project, Atlantis Sanya has become an iconic landmark targeting travelers from all over the world, which consists of 1,314 guest rooms, a large Aqua Park and a seawater aquarium etc., providing ideal one-stop entertainment and vacation services as an integrated tourism destination. In November 2019, we have released an important self-own brand “FOLIDAY Town” as our tourism destination business. At present, “Lijinag FOLIDAY Town” and “Taicang FOLIDAY Town” are under development.

We provide design, technology, operation and management services for owners of Chinese tourism destinations and resort properties under the brand of Albion. As of December 31, 2019, Albion provided technical support and project evaluation for 29 projects, guided and supervised the operation of 10 projects, and managed accommodation facilities for owners of 715 properties.



→Services and solutions based on various resort scenarios

Entertainment and other Tourism and Culture Related Services

Fanxiu — We use the brand of Fanxiu to develop and promote cultural and entertainment activities. A performance named “Show C” was put on stage in Show C Theatre at Atlantis Sanya since February 2019, which presented outstanding theatrical staging techniques and attracted a large number of family clients.

Miniversity — Miniversity focus on parent-child activities with bilingual content and play-and-learn courses. We have officially opened three Miniversity, which are located in the shopping malls of Shanghai and Atlantis Sanya, respectively.

Foryou Ski — We have opened two indoor skiing centres with simulated ski slope, which located in Shanghai and Atlantis Sanya, respectively.

Family Oriented Tourism and Leisure Products Platform

Our FOLIDAY distribution platform provides and distributes customized tourism and vacation solutions for families. We acquired the Thomas Cook brand in 2019 and integrated the various applications and channels on the current FOLIDAY travelling distribution platform into a unified lifestyle platform under the Thomas Cook brand.

Membership loyalty program

As of 31 December 2019, we have approximately 5 million accumulated Foryou Club Members.

1.3 CORPORATE GOVERNANCE

The Group has established a diversified governance structure and clarified the rights and responsibilities at all levels and decision-making procedures to continuously improve the Group’s governance. While establishing an efficient and reasonable corporate governance mechanism and implementing strict measures for comprehensive risk governance, the Group is committed to maintaining a trustworthy and stable relationship with investors to ensure the stable operations of the Group.

For details of corporate governance, please refer to the Corporate Governance & Director’s Report of the Group’s annual report 2019.

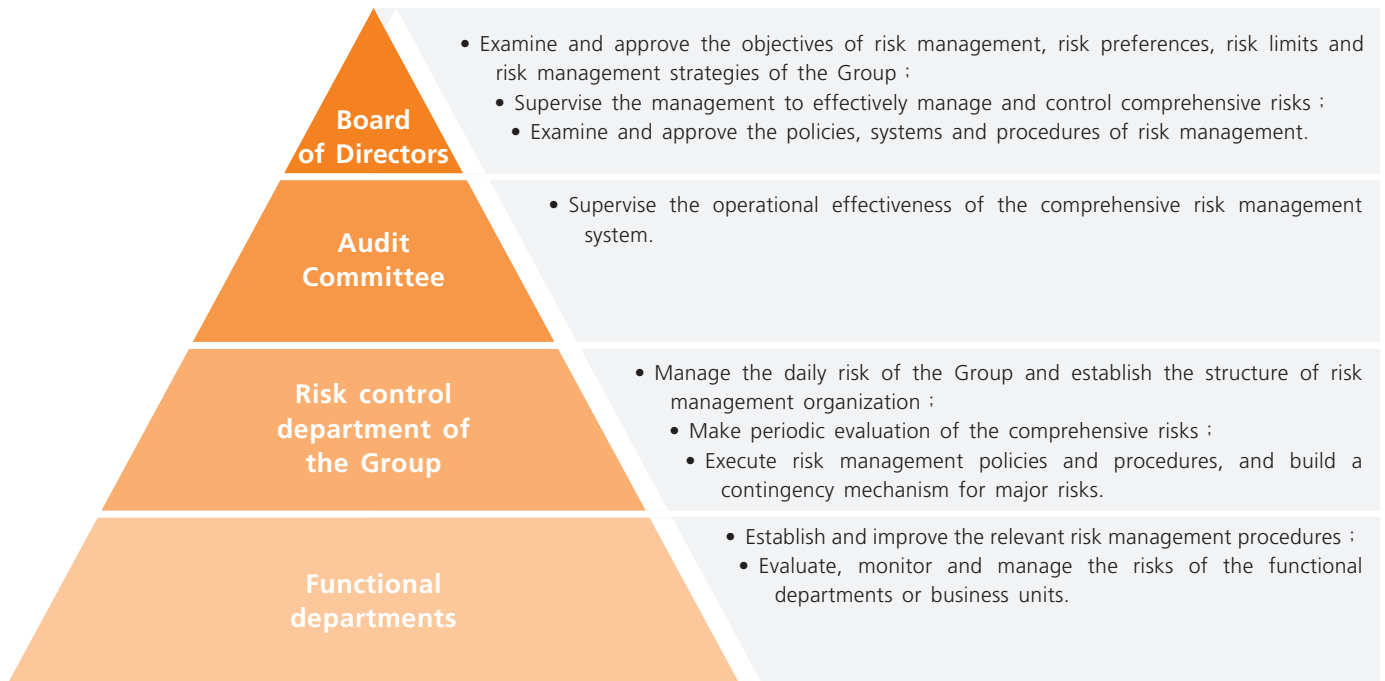
Comprehensive Risk Management

The Group strictly complies with *the Corporate Governance Code* by the HKEX and the *Articles of Association* of the Group. After years of development, we have established an effective comprehensive corporate risk control mechanism to

comprehensively monitor the risks of the Group to ensure the effective and stable operations of the Group. We have set up a risk control department at the headquarters to take charge of the Group’s audits, and report to the Group’s Chairman and the Audit. Through the Environmental, Social and Governance Committee, we have also monitored the Group’s response to non-financial risks such as water resources management, carbon emissions, and labour management.

The Group formulated the *Guidelines for Comprehensive Risk Management (Provisional)* to instruct the Group and its core subsidiaries and incubating companies to conduct six comprehensive risk management tasks, including risk identification, risk assessment, risk response, supervision and improvement of risk management, communication of risk management, and construction of risk management culture, to clarify the risk management responsibilities, improve the comprehensive risk management, and promote the healthy, stable and sustainable development of the Group.

The Group’s Organizational Structure of Risk Management



Anti-corruption

The Group attaches great importance to integrity management, strictly abides by anti-corruption laws and regulations in all operating locations, and resolutely resists all forms of bribery and corruption. In order to strengthen the companies’ standardized management and the control measures for integrity construction, the Group formulated the *Management Measures for Integrity Risk Assessment and Red, Yellow and Green Lights*, the *Integrity Management Regulations* and the *Management Measures for the Acceptance of Gifts for Business Activities*. The Group strictly required employees to consciously comply with relevant national laws and regulations, promoted the clean performance of managers and the integrity of all employees, standardized the control measures of the Group and core companies for integrity risk to create a culture of integrity and enhance the effectiveness of risk prevention and mitigation.

In 2019, the Group did not have any initiated or concluded corruption lawsuits.

Anti-money Laundering

As a responsible global corporate citizen, the Group attaches great importance to anti-money laundering and anti-terrorist financing (hereinafter referred to as “anti-money laundering”), complies with the laws and regulations on anti-money laundering in the countries or regions where it operates and the guidelines or requirements of relevant competent authorities and international organizations, and assists and cooperates with the anti-money laundering institutions in the countries or regions where it operates. The Group formulated the *Anti-money Laundering Guidelines* to instruct financial institutions and specific non-financial institutions of the Group and subsidiaries that should perform their anti-money laundering obligations in accordance with regulations to carry out anti-money laundering to promote the Group’s steady operations in accordance with laws and regulations.

Complaint Reporting Mechanism

The Group has always adhered to the values of integrity and compliance and guided our business practices with the highest standards, being committed to creating an open and honest communication environment. The Group formulated the *Anti-fraud Management Regulations* and the *Measures for the Protection and Incentives for Whistle-blower and Witnesses*, and established clear reporting channels and a systematic investigation mechanism. Whistle-blower can report to the Group’s risk control department by email, phone, letter and appointment.

We encourage all employees within the Group’s global system, suppliers and other partners to actively make good-faith report and complaint about fraud and unethical behaviour that they have discovered or been informed of. We will conduct related investigations in accordance with the principle of fairness, justice and confidentiality for related parties. Adhering to the principle of confidentiality, we implement the policy on the protection of whistle-blowers and witnesses, and strictly keep the personal information of whistle-blowers and witnesses and all reports and evidence provided by them confidential from being leaked and lost in the process of acceptance, registration, storage, investigation and assessment. The Group also formulated the anti-retaliation policy to strictly protect good-faith whistle-blowers and relevant witnesses from being treated unfairly for their provision of evidence.

Investor Communication

The Group attaches great importance to the relationship with investors and actively conducts diversified investor communication activities. By enhancing the transparency and governance capabilities of corporate governance, we continuously improve the accessibility of the Group information for the capital market. The Group upholds the four major investment highlights including well-known brands, regional operation capabilities, outstanding financial performance and the management with rich operation experience, which has won the continuous attention, support and trust of investors.

During the Reporting Period, the Group’s investor communication activities are as follows:

255 one-on-one and one-to-many conferences, covering 1,830 investors

17 analyst reports initially issued in 2019

13 conference speeches, covering 630 investors

16 on site tourism destination investigations, covering 570 investors



Investor communication activities



1.4 ESG GOVERNANCE

Our vision is to “bring greater happiness to global families.” To achieve this vision, we have continuously improved and optimized corporate governance capabilities, developed ESG strategies, better examined and managed the Group’s environmental, social and economic impact, and integrated the ESG concept into each operational level.

ESG Governance Structure

In order to ensure the effectiveness of ESG management and promote the long-term, stable and sustainable development of the Group, we set up the Environmental, Social and Governance Committee in November 2019 and established a three-level ESG management structure, which consists of the Board of Directors, the ESG Committee, and the ESG Working

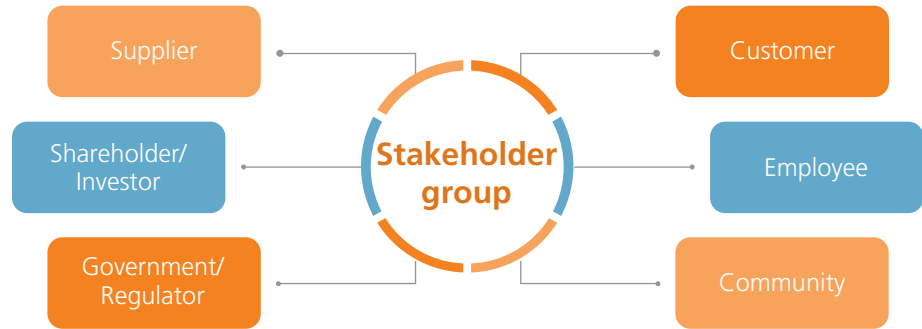
Group. The Environmental, Social and Governance Committee and its Chairman are appointed by the Group’s Board of Directors to review and develop environmental, social and governance vision, goals and strategies. The organization and authority of the Committee are in compliance with the requirements of the securities listing rules issued by the HKEX, which are updated on an irregular basis. The Committee holds meetings at least once a year. Under the ESG Committee, there is an Environmental, Social and Governance Working Group composed of functional departments of the Group’s headquarters and major subsidiaries, which is responsible for implementing the Group’s environmental, social and governance strategies and related actions.

The Group’s ESG Governance Structure



Stakeholder Identification and Communication

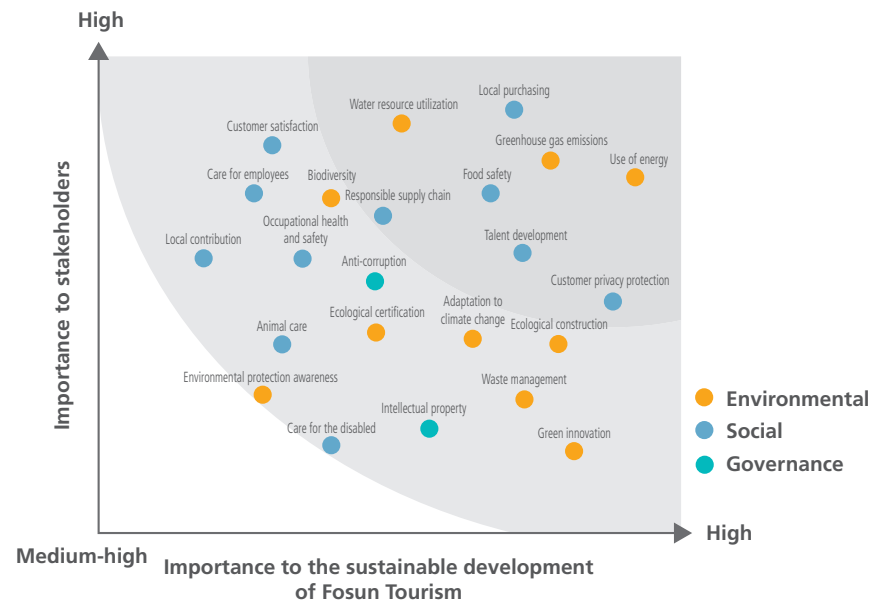
We fully respect and value the suggestions and opinions of stakeholders, and believe that the coordination between business interests and stakeholder needs is very important for the sustainable development and management of companies. During the Reporting Period, we identified major stakeholder groups that have decision-making power and influence on the Group and are closely related to the Group, established and continuously improved the effective and diversified communication channels for stakeholders, and actively listened to the opinions and suggestions of all stakeholders. The stakeholders that we identified are as follows:



Through online activities, social media and face-to-face interviews, we carried out multi-style communication with stakeholders, which enables stakeholders to fully understand our decisions, and promotes us to establish efficient and transparent cooperation and mutual trust with stakeholders.

Identification and Assessment of Materiality Issues

During the Reporting Period, we conducted 27 in-depth interviews with internal stakeholders (covering 20 departments of the Group’s headquarters, Club Med and Atlantis Sanya), peer benchmarking, streamlining of regulatory requirements, and analysis of capital market concerns based on the strategic operations and development of the Group in 2019 and the major ESG issues identified and determined by Club Med, the Group’s subsidiary, in accordance with the AccountAbility 1000 in 2018. We finally identified a total of 23 environmental, social and governance issues (as shown in the following figure) in terms of the importance to Fosun Tourism’s sustainable development and the importance to related stakeholders. The highly important issues are key part of this report. We will disclose the relevant content in detail in this Report.



Materiality Matrix

1.5 AWARDS AND HONOURS

Award/Recognition	Award Issuing Authority	Brand/Resort/Entity/Tourism Destination Receiving Award
#1 Family Resort in China and #1 All-inclusive Resort	TripAdvisor Traveler’s choice	Club Med Sanya Resort
#1 Family Resort in Japan	TripAdvisor Traveler’s choice	Club Med Sahoro
#2 Family Resort in Japan	TripAdvisor Traveler’s choice	Club Med Kabira
Best Child Friendly Hotel – 2018 Hainan and Best International Reception Hotel Award – 2018, Hainan	Hainan Award	Club Med Sanya Resort
Best Ski Product	Belgium Travel Awards	Club Med
Best family resorts	Expatriates’ Magazine Singapore	Club Med Bintan
Best hotel & tourism resort	MIPIM	Club Med Cefalu
Best Digital Happiness Index	1 to 1 Monaco	Club Med B2C websites
Best Customer Relation	Customer Relation Award	Club Med
Best holiday destination	2019 KOL Credibility Gold list	Club Med Joyview Anji
#26 Attractive Employer in France	Universum’s ranking	Club Med
Premium Family Fun Resort of the year	Media Zaker	Club Med Sanya
The Public Prize of “Disrupt”	Tech European Award	Club Med Digital Transformation
Best Digital Transformation (Gold) & Best Global Transformation (Silver)	G20 Management Summit	Club Med
TOP 50 of top employer in all sectors from young graduate	Le Figaro (French newspaper)	Club Med
Platinum for Miches Resort 3D video, Gold award for their Trident Brochure	Hermes Creative Awards (USA)	Club Med Miches Resort
Best hotel above 200 rooms	International Hotel and Property awards	Club Med Arcs Panorama
“Trusted Family Brand” of the Year 2019	Time Out Family China	Club Med
Best Resort & Hotel Group	National Travel Industry Award, Australia	Club Med
#1 Best Hotel in Japan	International Travelers (APAC)	Club Med Tomamu
#1 Best family resort in Japan	Kids Australia Readers’s Choice	Club Med Tomamu
#2 Best Family Resort in Bali	Kids Australia Readers’s Choice	Club Med Bali
#3 Best Family resort for babies in APAC Best “Client Experience”	AFRC (France)	Club Med
“Best ski operator” for the 2nd year	Travel Awards Belgium	Club Med
Business Impact Award	NICE Costumer Contact Solution (France)	Club Med
Best Digital transformation for my Club Med APP	World Wide Hospitality Award	Club Med
Gold award for my Club Med APP	“Strategies” (French eco magazine)	Club Med
Best Partner in Travel Award	Tou Tiao Ecosystem Conference	Club Med
Excellent Partner in Travel Award	Mafengwo World Explorers	Club Med
The Best Holiday Hotel of the Year	China Tourism Industry Awards (by Travel Weekly China)	Club Med Sanya Resort

Award/Recognition	Award Issuing Authority	Brand/Resort/Entity/Tourism Destination Receiving Award
Top 3 destinations for Groups & Events in Brazil	Premio Caio Brazil	Club Med Lake Paradise
Top 3 destinations for Groups & Events in Brazil	Premio Caio Brazil	Club Med Rio Das Pedras
Top 3 destinations for Groups & Events in Brazil	Premio Caio Brazil	Club Med Trancoso
The Best Parenting Hotel of the Year	Life Element’s “2019 Element’s Choice Life”	Club Med Sanya Resort
The Best Resort and Most Popular Resort of the Year	Life Element’s “2019 Element’s Choice Life”	Club Med Joyview Golden Coast
The Best Resort of the Year	The 9th China Hotel Awards	Club Med Joyview Golden Coast
The Resort of Choice Award	Pinchain’s 2019 China Travel Awards	Club Med Joyview Beijing Yanqing
Top 30 Most Popular Family Hotels 2018	HOTELWEEKEND	Atlantis Sanya
The Most Characteristic Suite	Travelling Scope	Atlantis Sanya
2018 Most Recognized New Hotel Awards	Ctrip	Atlantis Sanya
The Dining WOW-Tang	My Vacation	Atlantis Sanya
2018 Most Popular Comprehensive Tourism Destination of China	HOTELWEEKEND	Atlantis Sanya
2018 Most Influential Theme Park of Chinese Tourism	China tourism news	Atlantis Sanya
The Best Luxury Hotel in 2018	Tuniu	Atlantis Sanya
The Best Resort in China	TTG China Travel Awards	Atlantis Sanya
The Best Resort Destination in Year 2019	Credibility Golden List by China KOL	Atlantis Sanya
The Best Family Hotel Awards	Meituan	Atlantis Sanya
Annual Reader’s Choice	China Feast Restaurants Award	Bread Street Kitchen & Bar, Atlantis Sanya
The Best Western Restaurant	China Feast Restaurants Award	Ossiano Underwater Restaurant & Bar, Atlantis Sanya
The Most Recommended Themed Restaurant	China Feast Restaurants Award	Crab Kitchen, Atlantis Sanya
Sanya Must-see Scenic Spot	Dianping	Atlantis Sanya
The Best Cooperative Partner in Ctrip Hotel	Ctrip	Atlantis Sanya
The Best Strategic Partner	China Travelers Forum	Atlantis Sanya
2018 Best Culture & Tourism Marketing Case Award – Atlantis Sanya Collaboration with Warner Film Aquaman to deliver Cross-border Marketing	2018 China Culture & Tourism Top Ten Business Leaders Award	Atlantis Sanya
The Most Popular Culture & Tourism Project Award	2018 China Culture & Tourism Top Ten Business Leaders Award	Atlantis Sanya
Ctrip Gourmet List	Ctrip	Ossiano Underwater Restaurant & Bar, Atlantis Sanya
Team Award	The 8th National Cooking Skills Competition (Hainan Division)	Atlantis Sanya
Guest Review Awards 2018	Booking.com	Atlantis Sanya
The sliver A’Design Award – Engineering, Construction And Infrastructure Design	A’ Design Award 2018–2019	Atlantis Sanya
2018 Best Wedding Hotels of China	Starlight Awards	Atlantis Sanya
Top 10 Hainan Cooperative Partners	Meituan	Atlantis Sanya
2019 Green Island Award	Hainan Construction Industry Association	Atlantis Sanya
Best Wedding Hotel – Hotel Awards 2019	Metropolitan	Atlantis Sanya

Award/Recognition	Award Issuing Authority	Brand/Resort/Entity/Tourism Destination Receiving Award
Best Hotel SPA – Hotel Awards 2019	Metropolitan	AHAVA SPA, Atlantis Sanya
The Best Family Hotels No.4 in Asia on Worldwide Reader Poll – Best in Travel 2019	Smart Travel Asia	Atlantis Sanya
Annual Cultural Tourism Complex Project	Continental Diamond Award	Atlantis Sanya
The Best Employer of Tourism & Hospitality Industry	Ver yeast.cn	Atlantis Sanya
The Best Marketing Award	MICE China	Atlantis Sanya
2019 Double11 Millions Award	Fliggy	Atlantis Sanya
Double 11, The Best Partner Award 2019	Fliggy	Atlantis Sanya
The Most Popular Wedding Resort in Sanya	2019 The 23rd TIANYA HAIJIAO International Wedding Festival	Atlantis Sanya
2019 International Hospitality Industry Outstanding Conference Service Hotel	China Hospitality Association	Atlantis Sanya
Outstanding Enterprises in the Hotel, Food and Beverage Industry of Hainan Province in commemorating the 70th Anniversary of the People’s Republic of China	Hainan Hotel & Catering Association	Atlantis Sanya
Luban award of China construction Engineering 2018–2019 (National Quality project)	China construction industry association	Atlantis Sanya
2019 Chinese Outstanding Outdoor Water Parks	Asia Attractions Gold Crown	Aquaventure Waterpark, Atlantis Sanya
2019 China’s Top 50 Hotels/Resorts	Voyage	Atlantis Sanya
The Best Specialty Restaurant of the Year	TARGET TASTE	Atlantis Sanya – Ossiano Underwater Restaurant & Bar
The Best Lounge of the Year	TARGET TASTE	Atlantis Sanya – Tikki Lounge Tikki
Top 10 Landmark Hotel in China	Weekend Hotel	Atlantis Sanya
The Wedding Hotel of the year in Greater China	Premium Traveler	Atlantis Sanya
The 2019 Best Destination Wedding Hotel Award	Wedding Vogue	Atlantis Sanya
The Best Parent-Child Hotel	Travelling scope	Atlantis Sanya
The Best Catering Hotel	Travelling scope	Atlantis Sanya
The Top 10 Most Popular Travel Accommodation Brand	Tik Tok	Atlantis Sanya
Top 50 Xinrui New Firm	Chinese listed companies by brand value in 2019	Fosun Tourism Group
Best Family Leisure Holiday Service Provider	National Tourism Fashion Awards in 2018	Fosun Tourism Group
2019 Red Coral Award of Asia Tourism – Best Cultural Tourism Industry Group	2019 Asia Tourism Industry Annual Conference	Fosun Tourism Group
Most Valuable Consumer and Service Companies	ZhiTongCaiJing – 4th Golden HK Stock Award	Fosun Tourism Group
Top 20 Chinese Tourism Groups	China Tourism Development Forum	Fosun Tourism Group
Travel Industry Preferred Island Destination Investment Group	International Islands Tourism Conference	Fosun Tourism Group
Outstanding Operator Of China Cultural & Tourism Industry	2019 China Tourism Investment Value Summit	Fosun Tourism Group
Public Welfare Excellence Award	Hong Kong Public Welfare	Fosun Tourism Group
Best Investment Value Award For Listed Companies	Ta Kung Pao China Securities Golden Bauhinia Award	Fosun Tourism Group
Outstanding Innovation Model Enterprises of 2019	The Golden Jubilee Award	Fosun Tourism Group

Happiness •
Global Holiday Life ✈️



2.1 HAPPY HOLIDAY

Through our lifestyle proposition, “Everyday is Holiday”, we aim to infuse the concepts of tourism and leisure into daily life, and provide innovative and friendly leisure and tourism solutions. Our ecosystem covers all aspects of tourism and leisure experience. At Club Med, we are committed to providing customers with perfect and carefree experience of happiness. Bearing in mind this mission, we have been working to promote our peculiar G.O¹ culture, so that customers can, in our resorts worldwide, explore more than 20 types of sports and activities, taste global cuisines, and enjoy unique services in interesting party activities full of French characteristics.



BABY CARE

From Mini Club Med to youth activities, children of all ages will receive the most intimate care. Be it the childcare for 4-month-old babies or sports activities for 4-year-olds, kids will discover a whole new world here: friendly interaction and entertainment accompanied by professional and **senior G.Os**; daily communication and amusement with kids from different countries and the establishment of a rare international friendship.

Art studios, game academy, music workshops, kids clubs, cooking classes, aquatics experience classes, novel sports classes, language courses, folk shows...

SPORTS AND LEISURE ACTIVITIES

From common popular sports to unpopular special-interest ones, each sport is led and guided by a **professional G.O**, and both beginners and professionals can find their own fun.

Tennis, trapeze, golf, Crossfit fitness training, snowboarding, Nordic walking, beach riding, sailing to the sea, windsurfing, Muay Thai, yoga, meditation, diving, rock climbing...

EVENING ENTERTAINMENT

Every night, our **international G.Os** carefully design and perform shows and parties on different topics.

Circus performances, evening parties, dance, live music bands, characteristic folk customs performances...

In Atlantis Sanya, we have built a tourism destination themed by marine culture that integrates lost chamber aquarium, thrilling water adventure park, exquisite shopping avenue, C Show theatre, resort hotel and other business forms, which can enable customers to enjoy a unique marine trip while appreciating the beautiful sceneries of Haitang Bay.

¹ Gentil Organisateur (G.O®): a Club Med employee in direct contact with customers. A G.O is above all a link creator within the village.



■ Club Med Phuket Island Resort



■ Club Med Guilin Resort



■ Aquaventure Waterpark in Atlantis Sanya



■ C Show in Atlantis Sanya

2.2 SAFETY GUARANTEE

The Group always puts safety first and is committed to ensuring the health and safety of tourists. We focus on the safety management in all phases involved, and hope to provide safe, healthy and high-quality leisure tourism experience for tourists worldwide.

Operation Safety

In May 2019, the Group established the Environment, Health, Safety & Customer Service and Product Quality Supervision and Management Department (hereinafter referred to as the “EHSQ Department”) to take charge of EHSQ management. In addition, it also developed its own EHSQ management system, formulated and implemented such EHSQ management systems as the *FTG Environment, Health and Safety Policy*, *FTG EHS Responsibility Program*, *FTG EHSQ Performance Indicator Management Program*. The Group aims to ensure the safety of employees and tourists through establishing an employee EHS training system; gradually improves its emergency mechanism and strengthens its emergency response capacity

through regularly carrying out emergency drills; ensures the implementation and continuous improvement of management systems and the safety of operation through EHS review on regular basis.

On the premise of satisfying the Group’s EHSQ management requirements, the subsidiaries of the Group have established their respective safety management systems according to their business characteristics and EHSQ risks. At Club Med, an already existing established Safety, Hygiene and Health (SHH) Department, designs and implements the procedures intended to anticipate and deal appropriately with risks related to SHH to which Club Med is exposed. The Department is also responsible for defining the action plans required to improve the prevention against those risks and plan for the appropriate emergency measures that would be required in a crisis situation. Those procedures and action plans are then supervised, and adapted if needed, at Business Units level by the Business Unit Security Director, and implemented at resort level by the Chief of Village. Atlantis Sanya has established its Security Supervision Department

and Equipment & Facilities Department to respectively take charge of personnel protection and technical protection, implemented an all-around safety responsibility program with clear division of responsibilities of all dimensions, and also established a police-joint safety control system while adopting a “seamless management system” in fire and safety patrols to achieve full coverage of daily anti-terrorism prevention and control and safety hazard management.

Safety Risk Prevention

In order to reduce operation safety risks and eliminate potential hazards, the Group has established hazard source identification and incident prevention, safety hazard investigation and examine and other mechanisms to ensure effective identification and control of safety risks. The EHSQ Department of the Group regularly carries out hazard identification and review for the Group’s subsidiaries, involving all such aspects as fire safety, operation safety, sports safety, environmental protection, food safety, public health and customer service, followed by the formation of corresponding written reports. And in case of any rectification, the department will ask such subsidiaries to report the rectification progress within the specified time. During the Reporting Period, the EHSQ Department of the Group carried out a total of 24 inspections on the Group’s subsidiaries.

All subsidiaries actively work on the prevention against safety incidents in response to the Group’s strict requirements. Based on an all-around risk assessment, Club Med resorts have formulated a risk mapping, established special incident prevention mechanisms for such sport events as swimming, skiing, rock climbing and sailing, been equipped with emergency communication tools, and carried out emergency drills on regular basis. A Safety, Hygiene and Health meeting led by the Chief of Village is held in each resort to list the problems encountered by each service manager as part of their bi-monthly self-checks, and set up the appropriate corrective and/or preventative action plans. Specifically, hygiene and safety rules for Bars, Housekeeping, Kitchen, spa, etc. clarify the frequency of the various safety checks that must be performed in the resorts, the responsible individuals, as well as prohibited and mandatory actions. Each manager must assess the compliance of its service against such rules on a monthly basis, and if any SHH issues are identified, the Technical and Service Manager of the resort along with the Chief of Village are responsible to follow-up that action plans are implemented to mitigate these issues.

In addition, incidents tables are kept in each resort and we provide our guests with insurance service. Each incident is reported via a dedicated software, then the main claims handler of Marsh is informed and handles claims. A monthly summary of world accidents and thefts and costs by village is maintained.

Some of the Group’s businesses are vulnerable to extreme weather. The worldwide geographical distribution of Club Med resorts means they are subject to a variety of climate conditions. The impact of extreme weather (such as rainfall, high temperatures, and hurricanes) on the attractiveness of the resort environment is taken into account in risk management by means of extreme weather emergency plans. With special focus on strong wind and typhoon weather, we have formulated countermeasures against strong wind and typhoon at all levels for Club Med located at the seaside and Atlantis Sanya.

Safety Management and Supervision

The Group has established strict safety operation procedures during daily operation to ensure the safety of employees and tourists. In terms of tourist safety, safety warning signs and safety inspection to ensure the compliance of tourists with the safety requirements of various activities. For swimming pools and water recreations, both Club Med and Atlantis Sanya have formulated strict safety specification requirements, including restrictions on tourists’ health conditions, clothing and belongings, body shapes and behaviours.

Club Med resorts provide a variety of sports, such as skiing, rock climbing, trapeze, sailing, canoeing, archery, horseback riding and etc. In order to ensure safety of these activities, each of such sports is equipped with safety protection facilities and emergency First Aid equipment, and professional third-party testing companies are regularly invited to evaluate and test the safety of sport fields. We typically adopt such measures as loop playback of sports safety videos, setup of safety notice boards and signing of safety notice cards to inform tourists of sports safety risks and emphasize the requirements for safe playing. Meanwhile, professionally certified coaches and lifeguards onsite guide the tourists to play safely, and also provide emergency services to ensure their safe playing.



Sanya Atlantis Swimming and Water Project Lifeguards Conduct Safety Supervision



Safety Notices regarding Public Waters in Atlantis Sanya



Lift Guard at the Club Med Resort



Safety Precautions for Swimmers in Atlantis Sanya

Safety Management for Skiing in Club Med Villages

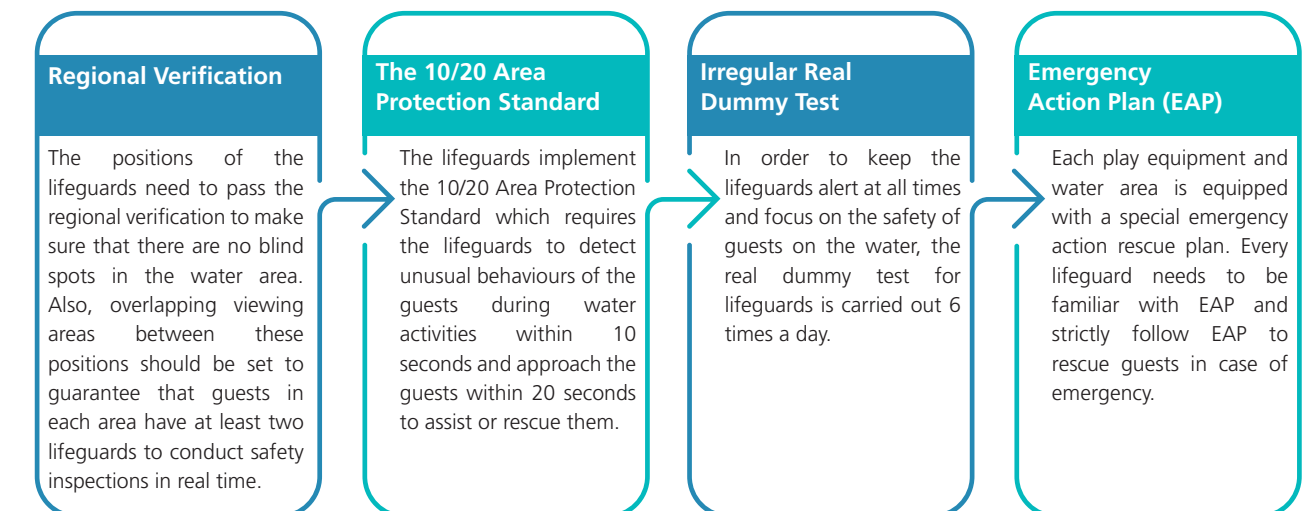


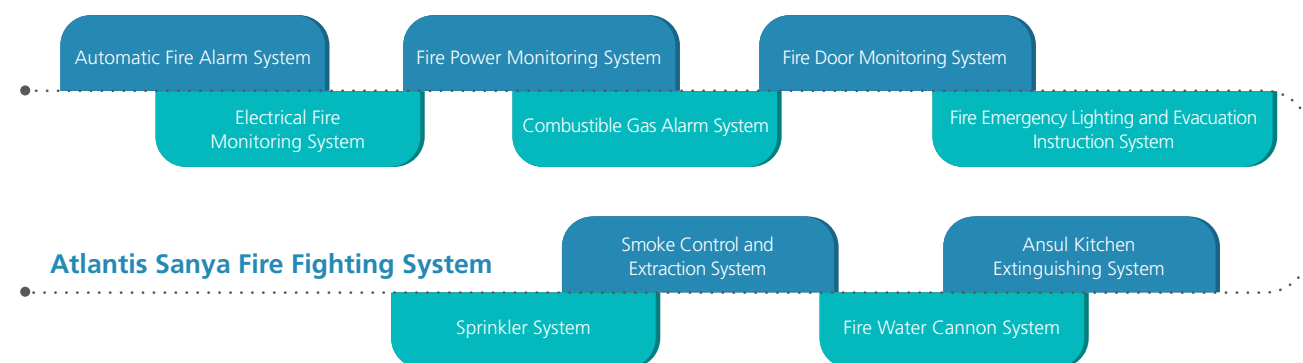
Club Med Skiing Leaflets

Club Med has always listed ski safety as a key project of safety management, and has carried out ski safety awareness promotion activities “To make sure you have Fun on the slopes” in ski resorts for three consecutive years. These activities include ski flyers for visitors and ski safety videos at the ski reception and in the guest rooms.

For children skiing, the Mini Club Med in our villages provides professional skiing courses and training for children, According to the skiing skills mastered by each child, they are graded and matched to the ski area with the corresponding safety level to ensure the maximum safety of children’s skiing.

Atlantis Sanya is fully staffed with lifeguards holding Ellis & Associates lifeguard certificates and equipped with a sufficient amount of lifeguards according to regional verification and protection standards, in hope of ensuring prompt rescue through irregular real dummy tests and emergency action plans.





Safety Technology Guarantee

In addition to daily manual management and supervision, the Group has also established a perfect safety system to ensure operation safety. Both Club Med and Atlantis Sanya are provided with a safety monitoring system, and Atlantis Sanya is also equipped with a perfect firefighting system in view of its super high-rise buildings, thus maximizing its ability to protect the safety of customers and employees.

At Club Med villages, a SHH intranet accessible by all Resorts centralises all existing procedures. Updates are regularly posted online and immediately available in the Resorts. We have also adopted the SMICE programme, a digital self-checking tool, for all our activities in the Resort, from a process/equipment/structures/human resources in our Resorts worldwide to ensure timely monitoring. This tool is currently tested and for implementing a digital version of the safety self-checks.

Safety Training and Emergency Drills

In order to ensure the implementation and compliance of safety policies, management programs and safety procedures, the Group has carried out safety training, competition and emergency drills to improve employees' awareness and capabilities. The FTG EHSQ Department has developed a series of training materials, and formulated a training matrix

based on the work contents and risks of each posts. The training materials cover the basic EHS culture training for new employees, fire safety training and specific safety training.

Meanwhile, the subsidiaries regularly carry out a variety of activities according to their actual demands: at Cub Med villages, a regularly updated crisis management handbook for managing sensitive situations and crises is available in each village in the Chef de Village office, the Finance Manager office (or Room division manager where the Finance Manager is assigned to multiple resorts) and the Technical Manager office. It serves as a support for all internal training on management and communication crises. The book contains many standard situation fact sheets (health or medical crises, conflicts, natural disasters, etc.) likely to occur in all countries where Club Med is present. In addition, any activity managed by an external service provider is framed by a signed safety charter, listing its obligations in terms of safety and/or hygiene. Also, an educational module is in place for G.O and G.E² combining all priority issues including health, lifestyle, alcohol, harassment, risky behaviours, addictions, drugs, and impact on health and safety of self and others. In particular, we ask all G.Os to participate in cardiopulmonary resuscitation (CPR) training to ensure timely assistance and rescue for tourists in face of emergencies in the resorts. Atlantis Sanya focuses on fire drills and the safety drills for water recreations to enhance employees' fire safety skills and knowledge. Atlantis Sanya total carried out 7 fire safety drills in 2019.

² Gentil Employé (GE): a Club Med employee, originating in the country where the village is located. Their job is in a fixed location and they have a status different from that of a G.O.

Safety-oriented Activities in Atlantis Sanya



Emergency Drills



Fire Fighting Skills Competition during the Safety Production Month



Practical Training of Fire Extinguisher and Fire Blanket



Drowning Emergency Drills

Food Safety

Food safety has always been the group's top priority. As the Group's management specification and standard for food safety, the *FTG Food Safety Management Program* requires all subsidiaries of the Group to formulate more detailed safety standards according to the requirements thereof. We have formulated six training courses on food safety, covering all such important food safety links as goods receiving, rough processing, special room operation, tableware washing and disinfection, food reheating and personal hygiene of catering staff. All subsidiaries

are required to carry out on board training and regular refresh training for all catering staff. Each resort have established acute gastroenteritis symptom monitoring mechanisms, foodborne illness complaint management mechanisms and food safety emergency procedures to ensure real-time monitoring of food safety issues and timely treatment of suspected incidents of foodborne illness. The EHSQ Department of the Group regularly carries out food safety audit against all subsidiaries to ensure the implementation of food safety management systems.



Food Hygiene and Safety Training in Atlantis Sanya



Emergency Drills against Suspected Foodborne Intoxication in Atlantis Sanya



HACCP System Certificate for Atlantis Sanya

In terms of food hygiene and safety, corresponding managers at Club Med are responsible for monitoring that good practices are followed in the resorts and that appropriate safety measures are complied within the resorts. Club Med also entrusts to third party service provider and world-renowned company Cristal (China Certification & Inspection (Group) Co., Ltd. for China) the mission of providing food hygiene and water safety audits of all resorts once every two months, including sample analysis (at the rate of four surface samples per audit and one water sampling every six months). Audit results, impact analysis and associated recommendations are communicated within 48 hours after the audit so that the resorts can implement action plans if needed. As an integral part of HACCP (Hazard Analysis Critical Control Point) standards, a food traceability system is also being deployed worldwide with the E-pack solution³ in Club Med Resorts.

In addition, Club Med pursues a policy of reasonable vigilance, in particular through performance evaluation and audits of food suppliers as part of its membership of Check Safety First⁴. In 2019, in order to reinforce the safety and healthiness of the provided food and beverages, Club Med set up a risk mapping on sensitive countries and products such as the supply of fresh meat and fish and frozen products. This mapping is followed by a supplier self-assessment addressed and analysed by Check Safety, which will be followed by on-site controls depending on the supplier results and their relevance.

To reinforce the allergen declaration obligations, we have automatically and regularly updated information in our databases through the collaboration with partner company, in order to better study food intolerance issues. To reduce relevant risk, an extension of the elimination of sweetened drink fountains, particularly in restaurants and bars, has been carried out in Europe-Africa in 2019.

In October 2019, Atlantis Sanya successfully passed the HACCP re-examination, the first re-examination since Atlantis Sanya received the HACCP certification in 2018. In order to further improve food safety management, Atlantis Sanya, in addition to completing the six food safety training courses customized by the Group, has also carried out the food safety training for all employees, 2-6 special food safety trainings every month, emergency drills against suspected foodborne illness and spot check of food safety knowledge, in hope of continuously improving the food safety understanding and awareness of each employee, ensuring the guarantee of all critical control points regarding food safety, and providing all tourists and employees with safe and healthy cuisines.

³ For more information about E-pack solution, please refer to <https://www.epack-hygiene.fr>

⁴ Check Safety First Group implements risk management systems and software in hotels, globally, in order to keep guests safe. Only when a hotel reaches a consistently high level of risk management do it will be invited to be a member.

2.3 CONSIDERATE SERVICES

FTG, as a customer-oriented Group, has carefully listen to the needs of customer, adhere to the provision of high-quality customer services in a sincere and warm way, thus endow all customers worldwide with happy leisure experience and eternal beautiful memories.

Customer Relation

The Group has formulated the *Fosun Tourism Group Customer Service and Product Supervision Management Program* and *Fosun Tourism Group Customer Service Etiquette Guideline*. We also carry out regular inspection on the customer service quality of subsidiaries, and provides customer service awareness training for every employees. Our customer loyalty program includes the global Club Med premium membership program and the Foryou Club membership program, which brings together members from various brands under the FOLIDAY ecosystem, including but not limited to members of Atlantis Sanya, premium members of Club Med China, FOLIDAY mobile apps, and other members from our various activities and services. Foryou Club has interacted with other strategic partnerships including members from Alipay, Fliggy and Tencent wealth management. As at 31 December 2019, the Foryou Club had accumulated about 5 million members.



Fosun Tourism Global Foryou Club Annual Appreciation Banquet

At Atlantis Sanya, we also make the following privacy protection measures based on customers' consumption habits:

- Confidentiality agreements will be signed with cooperative suppliers involving dealing with customers' sensitive information;
- Customers' credit card information security will be protected in accordance with requirement of the Payment Card Industry Data Security Standard (PCI DSS) applicable to third parties.

During the Reporting Period, no significant violation of customer privacy or loss of customer data happened in the Group.

While maintaining friendly customer relations, the Group pays close attention to the management of all personal data provided to us by our customers while staying at our resorts or tourism destinations or during their visits to our website. We have formulated institutional document specifications such as *Fosun Tourism Information Security Management Regulations* and *Foryou Club Management Regulations* to standardize the management of customers' personal information. Our subsidiaries Club Med and Atlantis Sanya comply with the *EU General Data Protection Regulation (GDPR)* standard and specific local regulations of where the business is operated, which are applicable to the personal data protection, as well as adopt different management measures according to the actual needs to ensure the security, confidentiality and integrity of personal data.

At Club Med, the information security compliance process focused in particular on the definition of a governance model that oversees the data protection process with the implementation of policies and procedures, the compliance of information and the management of individual consent, the implementation of processing registers, the definition of security measures, training and awareness of employees on the personal data and the challenges of safety on personal data. Its client privacy protection measures are as below:

- Client database purge and implementation of automatic data deletion mechanisms;
- Password syntax update;
- Deployment of Office 365 monitoring tool Cloud Access Security Broker (CASB);
- Implementation of a security governance in case of data breach;
- Implementation of Governance, Risk and Compliance (GRC) programme;
- Quarterly IT security report.

Customer Experience

Club Med resorts make all customers feel at home through its unique international G.O culture. G.Os, short for the French phrase GENTIL ORGANISATEUR (“gentle organizer” or “gentle host”), are a group of people who specialize in minor details, warmth, freedom, intimacy, and happiness. Our incessantly smiling G.Os are the embodiment of the unique vacation of Club Med, and the important foundation for the long-lasting trust of our customers. We believe our G.Os are vital to creating the warm, friendly, inclusive and international atmosphere for which is the spirit of Club Med. Our G.Os include activity leaders, customer service receptionists, as well as managerial and administrative staff at the resort who have responsibility for engaging with guests and making them feel at home. G.Os greet our guests, learn their names, dine and chat with them, help them plan their stay, play games and put on an evening show. G.Os work at the direction of the Chief or Head of Village, and are typically rotated around different resorts. Our team of G.Os include various nationalities and offer our customers an unrivalled experience, combining a high level of comfort in order to build a multi-cultural environment.

Club Med places great emphasis on providing professional and tailored services for visitors with disabilities. Club Med has introduced accessibility registers and trained all the hospitality staff working in its French vacation villages and offices how to welcome disabled customers and employees. A project spanning all the villages around the world started in 2018 to make accessibility information regarding Club Med premises and activities available to all customers through the website of our partner, Picto Access.



In addition, we actively listen to and adopt customer suggestions and opinions. Through diversified customer complaint channels and systematic customer satisfaction survey analysis, we understand customer feedback and improve it in a timely manner to continuously improve the customer experience. In 2019, the Group formulated a customer service channel coverage project, and clarified the layered complaint handling mechanism in the management regulations, and opened different online customer complaint feedback portals such as email, official website, Foliday App, and social media at the headquarter level. Subsidiary companies, Club Med and Atlantis Sanya, also set up online and offline customer complaint channels to ensure that every guest's suggestions and opinions can be properly handled. Club Med also sets up customer service teams in each country and uses Microsoft Dynamics⁵ to handle customer complaints uniformly.

During the Reporting Period, official channels such as Club Med, Atlantis and the Group's travel agencies received 1,839 recordable customer feedbacks in total.

⁵ Microsoft Dynamics: a line of enterprise resource planning and customer relationship management software applications developed by Microsoft.

Customer Satisfaction

FTG always put customer satisfaction as top priority in order to continuously improve the service quality. Club Med has an internal survey program (GM⁶ Feedback) which actively invites guests feedback their comments. Also, Club Med is using “Review Pro+” professional system to collect scores and guest comments from hundreds of global OTAs (such as Tripadvisor, Google, Ctrip, Fliqyy etc.). In order to better integrate those two data sources, Club Med established and launched digital “Client Voice Report” platform in 2019. This tool can automatically summarize guest feedbacks and OTA comments into the smart system, from where management team can easily review and output a summary report with details. By such means, each level of management team is assisted in identifying our services strengths and improvement areas from clients’ view.



Club Med Client Voice Report Winter

Atlantis Sanya has applied the one-stop customer reputation management platform, Brand Wisdom, to monitor domestic mainstream network comments timely and summarize the information to formulate customer satisfaction survey report in monthly basis. Until 31 December 2019, Atlantis Sanya had reached 4.8 points (5.0 points in total) on the domestic mainstream OTA website, Ctrip, with 25,990 pieces of Brand Wisdom annual analysis views and a complimentary rate of 90.5%.

⁶ Gentil Membre (GM®): a customer of Club Med.

From client voice report of Summer 2019 (from 1st of May to 31st October 2019):

- Around 59,000 GM feedbacks data was collected with an 86% satisfaction rate.
- GRI (Global review pro indicator) has reached to 91% out of which 72% is positive based on semantic analysis module.
- By the end of October 2019, there are 19,385 reviews listed on Trip Advisor of which 72% shows satisfaction with experience in Club Med.
- With global NPS (Net Promoter Score) 52.4% also proves Club Med has worldwide competitive reputation among customers.



Club Med Client Voice Report Summer

2.4 INTELLIGENT SCIENCE & INNOVATION

The Group continues to accelerate the development of digital solutions that meet the needs of customers, and is committed to establishing an open, convenient and brand new ecology that adapts to the digital wave, so as to meet the emotional value of customers and achieve happy digitalization.

During the Reporting Period, in order to improve the operational efficiency of destination management, we launched a plan to establish an integrated mid-office, integrating marketing, brand, pricing, revenue management, payment and order, sales, customer relationship management (CRM) of different regions and business and call centre operations in different regions and business lines. As at the end of December 2019, 197 distributors had entered the integrated mid-office, and the success rate of direct connection and orders increased significantly. In addition, we are building a resort and destination digital centre to provide a variety of digital solutions and management systems, including our hotel (resort) operation management system FOTEL, to upgrade from a single hotel management system to a one-stop operation management platform. The implementation of intelligent mid-office as well as self-service express check-in, activity reservation, catering ticket purchase, face recognition quick entry, image recognition and other member services enables customers to enjoy more convenient and interesting leisure experience.



C-end matrix

- Foliday life mall
- Foliday good life
- Foryou photography
- Amusement in Atlantis
- Appointment in Foliday
- Foliday mini programs
- The Foryou Club's Alipay mini programs
-

Platforms

- Butt joint of Alipay mini programs, Tencent wealth management, Fliggy and Alipay membership system
- Youle membership system getting through in both directions
- Retail business
- Video and content business
- Distribution business of travel agencies
- Support to a series of new business such as the opening of Club Med Joyview Yanqing and the opening of the Miniversity.

In terms of the c-end matrix,

- A three-dimensional c-end matrix platform is constructed based on the online and offline scenario advantages, and seven major process portals are launched with member services as the bond.
- Face recognition technology is applied to provide member services such as quick entry, self-service check-in and image recognition.
- We operate with the support of streams, achieve the mutual traffic diversion among brands, and improve the sales conversion.

In terms of the platform,

- Through the construction of a brand new Foliday life and technology platform composed of business mid-office, technology mid-office and management mid-office, we can leverage the empowerment advantages of the mid-offices to support the rapid construction of new businesses.
- Fotel platform has been successively adopted in Hainan Albion Residence Haitang Bay project and Club Med Joyview Yanqing Beijing project. Fotel platform has achieved the direct connection between the sales end and the business information of the hotel end, which helps the hotel to manage businesses such as the daily reception, room control, sales strategy, catering and entertainment more efficiently. Meanwhile, data visualization tools are provided to help the hotel to grasp the operation status more clearly and effectively improve the operation and marketing efficiency of the hotel.



During the Reporting Period, we have optimized 35 websites in 18 languages globally in Club Med, expanded new online sales channels and platforms, redesigned and innovated the mobile applications of Club Med, which have made the “before” and “after” experiences of Club Med resort customers more intelligent and convenient, and also increased the conversion rate of mobile ends by 20%.

- The launch of new mobile application “My Happy Days” has the resort and event guides, online check-in, event booking and social functions.
- A unique parent-child interaction experience in the village – “Amazing Family” which is internally developed is launched. Its O2O product can be used in 22 resorts worldwide.
- Digital bracelets, cashless payments, convenient mobile app clients for easy check-in/check-out and other innovative solutions are widely used in the resorts.

Through face recognition technology, the efficiency of Atlantis Sanya guests entering the Aquarium and waterpark entrance gate was significantly improved, with a total of 314,296 people registered for face recognition in the whole year, and the time of visitors changing tickets at the ticket window was reduced by 10,476.53 hours.

Protection of Intellectual Property Rights

In the innovative process of digital happiness, the Group strictly complies with the relevant intellectual property laws and regulations such as the *Patent Law of the People’s Republic of China* and the *Trademark Law of the People’s Republic of China*, clarifies the management regulations of intellectual property protection in the *Fosun Tourism Information Security Management Regulations*, and we place great emphasis on software copyright protection. Our intellectual property is mainly about trademarks. During the Reporting Period, we had 32 trademarks licensed. As at 31 December 2019, we had 80 licensed trademarks in total. In addition, we acquired intellectual property from Thomas Cook Group plc and its subsidiaries on November 2019. As of the end of the reporting period, 45 trademarks under Thomas Cook Group were registered under over 10 trademark categories in 92 countries/regions.

Happiness •
Integration of
Diversified Cultures

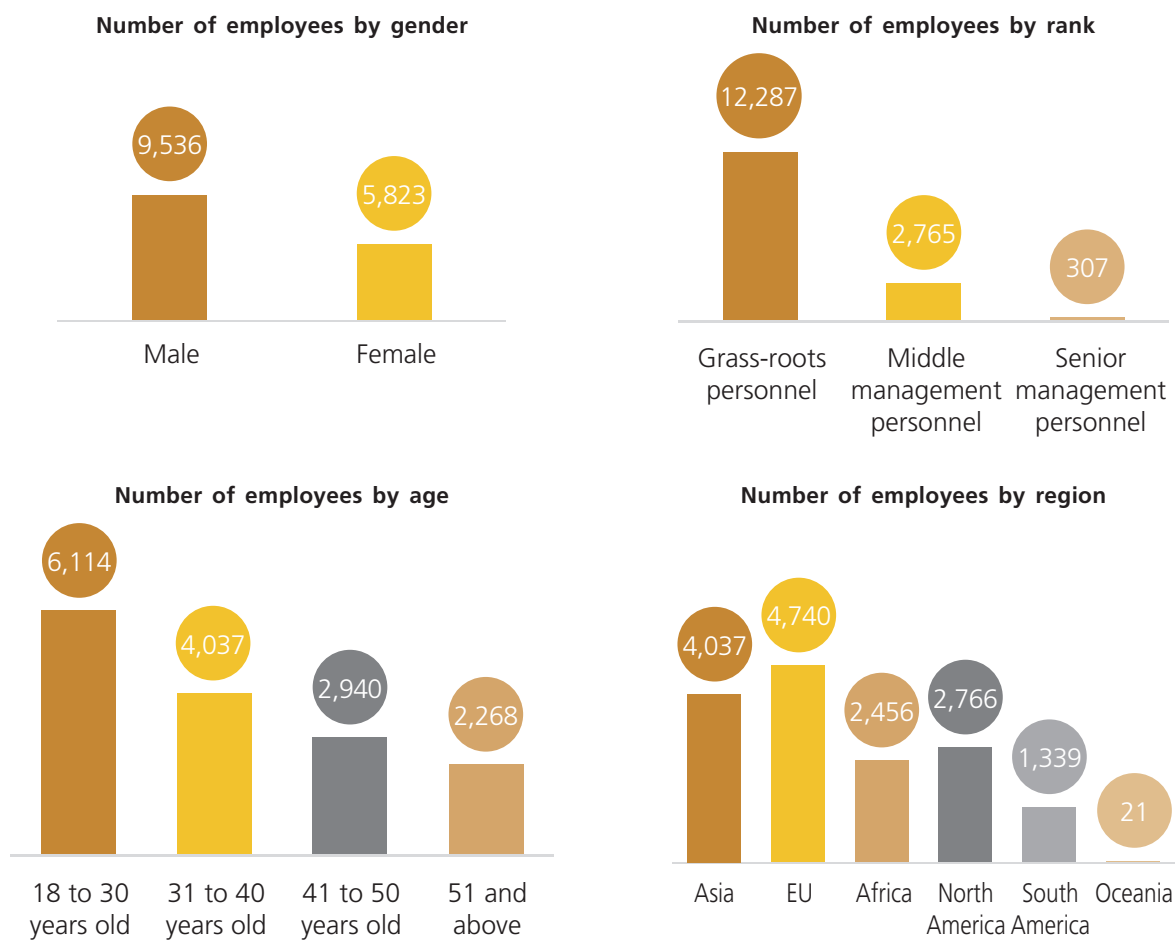


3.1 DIVERSIFIED EMPLOYMENT

We regard the employees as valuable assets of the Group. We respect and protect the legitimate rights and interests of all employees in areas such as recruitment, salary and welfare, training and development, and occupational health. We abide by the *ILO Conventions*, the *Universal Declaration of Human Rights* and other international labour agreement principles and various national and regional laws and regulations in the operation locations, and formulate multiple regulatory documents including the *Fosun Tourism Group Employee Handbook* and the *Fosun Tourism Group Interview and Recruitment Regulations*, to comprehensively implement diversified employment policies from the employee’s nationality, gender, age, race, religion, etc. We also respect human rights, explicitly prohibit the use of child labour and forced labour, actively uphold women’s rights, provide employment opportunities for people with disabilities, and strive to create an equal and inclusive working environment.

In the globalisation layout, we actively promote the localisation process of employees in different regions. The localisation of employees provides useful help for us to better integrate into different cultures and understand the needs and living habits of consumers. In the meantime, we also hope to solve the local employment problem using global resources. At Club Med, we are committed to promoting the employability of local workers, and 75% of positions which required for a village opening were awarded to local G.O and G.E. Club Med also operates a gender-transparent hiring policy, and offers the same salary to men and women of equivalent experience and job profile. Moreover, Club Med reiterates its commitment to integrating people with disabilities into its workforce and has set new recruitment targets and wishes in 2019 to welcome at least 35 disabled employees each year in its villages, subsidiaries and offices.

As at 31 December 2019, the Group has a total of 15,359 employees from 6 continents, of which, over 30% of management at the headquarter is composed of female. The employee structures by gender, rank, age and region are as below:



3.2 REMUNERATION AND BENEFITS

We hold the opinion that only by caring and loving the employees with concrete actions, providing competitive salaries and welfare, opportunities and platform for personal development, can the enterprise be full of energy and achieve sustainable development in a harmonious way. To further improve its remuneration and benefit system, the Group developed *Fosun Tourism Provisions on Remuneration and Benefits*, *Fosun Tourism Group Provisions on Attendance and Leave Management (Provisional)* to make it more incentive

and flexible. We have formulated and adopted 2019 Share Option Scheme and 2019 Share Award Plan framework in reporting period, with a view to provide incentives to eligible employees in recognition of their contribution to the Group.

Besides the benefits in accordance with Chinese Labour Law, Atlantis Sanya also provides the employees with the following diversified benefits and security to meet their needs in their life.

Mandated benefits	Fringe benefits, including but not limited to
<ul style="list-style-type: none"> Social insurance 	<ul style="list-style-type: none"> We provide employer’s liability insurance for all the staff and provide high-end medical insurance and premium group accident insurance for the senior managers.
<ul style="list-style-type: none"> Housing fund 	<ul style="list-style-type: none"> We provide dormitory for all staff, with gyms, recreation rooms, dining hall, libraries, laundries, etc. Each room is equipped with a TV set, air conditioners and other facilities.
<ul style="list-style-type: none"> National statutory holidays 	<ul style="list-style-type: none"> We have comfortable shuttle buses for all staff to travel between the dormitories, the hotel and the downtown area in the city.
<ul style="list-style-type: none"> Paid leave 	<ul style="list-style-type: none"> We provide four meals a day for all staff (breakfast, lunch, supper and midnight snacks) prepared by professional cooks, to ensure that the staff have quality and nourishing food. For the staff, we have consulting rooms with professional doctors and nurses, providing diagnosis and treatment for free and can be reimbursable with medical benefits. We provide free uniforms and laundry services for the staff.

In addition, in Atlantis Sanya, we set up an infant room. And on every Women’s Day, we prepare gifts and organize activities for female staff. We set up platforms for them to support each other and grow together. For staff with certain levels from other regions, we provide round trip air tickets for them to visit their family once a year.



■ Dashain Celebration for the Interns from Nepal in Atlantis Sanya



■ “Romantic Women’s Day and Warm March” Women Caring Activity

3.3 CAREER DEVELOPMENT

Cultivating the sound communication skills and sustainable creativity of the staff is crucial for the global development of the Group. We adhere to the development strategy of international talents and provide clearly defined career development path and well-established training systems for all staff. We are committed to supporting the staff to give full play to their potential and share the value of sustainable development with them.

Training System

Every year, in accordance with the development strategy of and human resources planning of the Group, based on their development features, we set up and innovate various talent development and training programs, to establish a sharing and learning platform. To accelerate the establishment of a global talent system, we set up Fosun Tourism Academy. During the Reporting Period, we developed six categories of online courses, covering 31 subjects such as leadership, general skills, new employee orientation training, compliance training, EHSQ training and product knowledge.

In addition to the training systems at the Group level, Club Med and Atlantis Sanya, two of our subsidiaries, also developed training patterns with their own characteristics.

In order to continuously improve the training and development system that covers all the employees, Club Med has set up a Talent University, which is a vital element in the

implementation of its strategy on talent development, so as to help employees to embrace the culture of the Company and achieve personal development. Every October and November, Club Med organises an annual training event, the “Academy weeks”, to bring together more than 1,200 employees from around the world. The team of trainers are responsible for leading and delivering more than 110 training sessions during the event. The training content concentrates on building the technical, conduct and managerial skills of trainees from all parts of the Group.

Moreover, we provide language courses for village G.O and G.E and develop their employability through certification and diploma programmes. In this program, all G.O and G.E with work/study contracts follow a Club Med course for five or six days that allows them to better understand the potential for career progression within Club Med. This program allowed 194 G.O and 10 G.E to learn a new job skill while obtaining a recognised diploma as at the end of 2019.

Atlantis Sanya developed its own annual programs for specialized and differentiated trainings. We aim to improve and upgrade the training by establishing competitive force models and developing training programs for staff at different levels, and summarizing the results in the form of questionnaires. To better carry out the training courses and help the staff to turn the professional knowledge into work skills and ability to provide high-quality services, Atlantis Sanya grants certifications on a monthly basis and the certified trainers are qualified to provide relevant courses.

Atlantis Sanya Competitive Force Model

Training	Training course	Level of trainee
Series of leadership courses	Presentation Skills Harvard Management Mentor Online Course	Staff at the level of resort manager and above
Courses for effective management	Performance Management How to Set Goals Effective Communication Training the Trainer Coaching Technology	Staff at the level of resort supervisor and above
Series of core courses	Service Skills Service Remedy Telephone Etiquette Ability Overview How to Comprehend the Customer Feedbacks	All staff in the resort



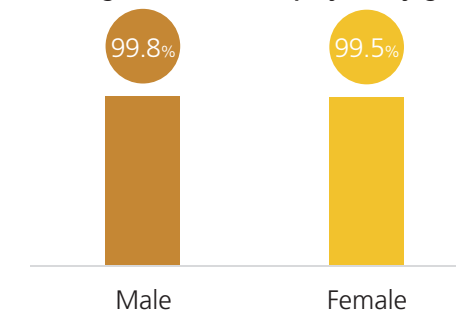
Granting Certifications for Course Trainers in Atlantis Sanya



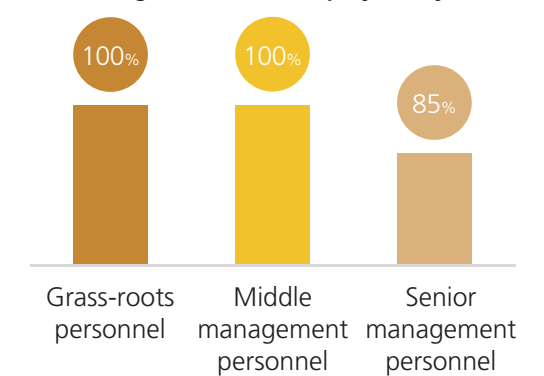
Training Trainers in Atlantis Sanya

The graphs below show the percentage of trained staff/average training hours by gender and rank of the Group during the Reporting Period:

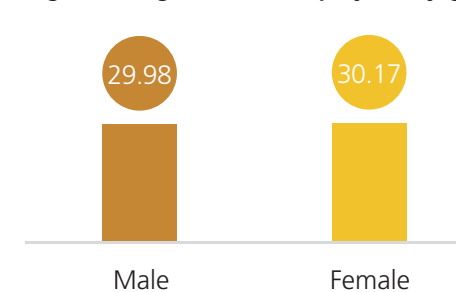
Percentage of trained employees by gender



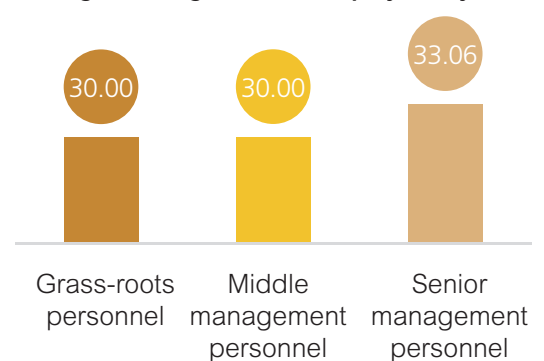
Percentage of trained employees by rank



Average training hours of employees by gender



Average training hours of employees by rank



Channel of Promotion

The Group is committed to establishing a market mechanism for talent flow inside the Group. On the one hand, global linkage and sharing helps build the ability of the talents from multiple dimensions. On the other hand, the Group strengthens the “soft power” for global development by building a talent echelon.

At Club Med, we enable many G.Os and G.Es to grow within the company, and thus to increase their level of responsibility. Nearly 35% of G.Os and 6% of G.Es change their position from one year to the next (on average during winter/summer seasons). Club Med also offers career development pathways that give G.Os and G.Es the opportunity to rise to managerial responsibilities: 100% of village managers and about 80% of village service managers are the product of internal promotions. Moreover, an original agreement on transnational mobility of G.Es was signed in the Europe-Africa region. It concerns G.Es from Turkey, Morocco, Tunisia, Mauritius, Greece, Italy and Portugal who have the necessary experience and qualifications. It allows them to have opportunity to take positions at Club Med sites other than in their home country. This mobility allows us to continue building our local talent pools by offering rising leaders the opportunity to travel and to receive training, as well as support Club Med’s strategy to assign the best hospitality professionals in its villages.

Incentive Scheme of “Value Star”

In the Reporting Period, we launched the Incentive Scheme of “Value Star” to award those who stood out in the five core values of Fosun Tourism Group: entrepreneurship, pursuit of excellence, collaboration, continuous learning, innovation and tolerance to people and dedication to detail every two months. For the staff who are awarded, we offer spiritual and material rewards and popularize and report their deeds in the Group, to call upon more staff to learn from them and promote the values of the Group. Since the Scheme was launched, we have awarded 28 staff the “Value Star”, including 3 for innovation, 10 for pursuit of excellence, 12 for collaboration and 3 for entrepreneurship.

Atlantis Sanya regularly posts internal vacancies for the staff to apply for based on their interests and career goals, so that they may have a broader channel for career development. At the same time, we also share global job opportunities in e-mails regularly sent to the staff, to support the sustainable growth of the staff and develop leaders with global visions in diversified and inclusive culture.

Employee Incentives

The Group is exploring the incentive combination in accordance with its global development strategy. The focus is shifting from salary to personal development and growth, working environment, decision-making participation, etc., to ensure that the incentives are fair, effective and sustainable. During the Reporting Period, we developed *Fosun Tourism Group Recognition Scheme*, *Provisions of Fosun Tourism Group for Performance Management* · *Provisions of Fosun Tourism Group Rewards and Punishments Management* and *2019 Fosun Tourism Group Annual Evaluation Method*. We launched various staff motivation schemes and group-wide assessment policies for outstanding staff. By awarding outstanding/excellent entrepreneurs, outstanding managers, best product managers, Fosun Craftsman, etc., we commended those who adhered to the entrepreneurship, made outstanding organizational performance, created excellent product results and made outstanding contributions at the front line, to encourage the staff to achieve self-value at their posts.

Atlantis Sanya Recognition Scheme for Frontline Staff

Atlantis Sanya has various award and recognition schemes for frontline staff, including A-star reward, commissions for value-added sales for front office and room service staff, sales commissions in the food and beverage department, sales commissions for selling buffet coupons, etc. With A-star reward, we instantly recognize and reward the staff who provide high-quality services for and get Ctrip 5-star reviews. In addition, we select and commend the excellent interns, trainers, staff, supervisors, managers and directors quarterly in accordance with the recognition scheme. So far, hundreds of outstanding staff have got certificates of honour and awards.



Recognition Scheme Award Ceremony



3.4 OCCUPATIONAL HEALTH

We consider it as our foundation for every engagement to protect employees’ security. We strictly follow the laws and regulations of China as well as those of the countries and regions where the operating activities involve. By formulating and following the EHSQ policy of the Group and the *EHSQ Performance Indicator Management System of Fosun Tourism*, we continuously improve and implement our commitments to protecting employees’ occupational health and security. No work-related death has happened during the Reporting Period.

Occupational Health Guarantee

At Club Med, we have developed a high degree of expertise in preventing risks related to the health and safety of our employees. All employee training stresses safety as a top priority. Club Med also puts a special focus on prevention and on providing medical support and assistance to its teams whenever necessary. This assistance is conducted through the network of local nurses in the villages: most of the villages have a permanent nurse on the team, except France and America. The assistance is also based on a network of local doctors, identified and recommended by Europ Assistance.

Based on lessons learned in the villages, the prevention policy is structured around identifying the causes of accidents. Occupational hardships were evaluated in the villages, and 28 sensitive positions were identified in France. Training sessions specific to each example and ongoing accident investigation and analysis are helping to reduce the occurrence of accidents.

By developing a systematic system for occupational health protection in Atlantis Sanya and adopting the relevant protection measures, we continuously control and reduce the risks threatening occupational health and security.



Travelling Safety

Due to business demands, our employees frequently travel domestically and internationally. Club Med has implemented an information and tracking programme, Scutum Security First (SSF) Locator, for our employees on business trips to better protect them. The SSF Locator, accessible 24/7 via an online portal in both French and English, helps Club Med provide prevention and information and travelers tracking solutions that meet our safety requirement to business travellers, and communication with travellers in the event of a major security incident. It provides Club Med with a global view of the employees’ movements and allows employees to communicate with each other via email and/or text message.

It also allows for example to directly approve the travel plans of employees, via the device itself and by email, depending on the risk level attributed by Club Med to the destination country. As for the travellers, as soon as their reservation is made they receive a security memo, which can be personalised in its entirety by the Group, giving them access to all necessary information to ensure their trip goes smoothly.

In addition, a “white list” of admissible air travel companies is made available to all transport teams to ensure GMs safety when travelling. Only airlines whose names are included in the list of selected airlines authorized by Club Med can be used worldwide for any individual or collective travel arrangements intended for our GMs, customers, G.Os and G.Es, and for the staff members of our subsidiaries or for our service providers, whether on international or domestic flights.



■ Sharing meetings for senior management

Performance Safety

During the Reporting Period, Fanxiu under the Group successfully launched the first large and original resident *show C*, which adopted the 3D air-sea-land water stage. In order to ensure the safe operation of dark areas at the theatre and stage devices, we continuously improve the effective device management policies, operational procedures and security prevention measures. In the *Operation Manual for Air Devices*, we specified the standard requirements and management of system design, personnel safety, electricity safety, routine inspection, repair and maintenance, training and appraisal, operational security and emergency assessment. Through daily inspection, weekly inspection, monthly inspection and annual inspection, we truly ensure the safety of theatre performance and operations, so that the performers and audience can feel assured as they enjoy the cultural and artistic charms.

3.5 EMPLOYEE COMMUNICATION

The Group endeavours to create an easy and happy atmosphere for communication, develops and continuously improves the communication system and channels, and encourages every employee to cultivate a sense of “ownership” through carrying our multi-tiered communication and communication activities. It not only ensures staff keep abreast of the Group’s latest development, but also provides employees with a platform for their free exchange of ideas, which continuously enhances the employees’ sense of belonging, recognition and happiness.

During the Reporting Period, Fosun Tourism College held sharing meetings for senior management, which provided employees and senior management with opportunities to closely communicate with each other, and provided live video broadcasting of the sharing meetings towards all employees through the online learning platform so as to engage more employees to participate in the communication.



■ Staff Meeting for 2019



■ Themed Birthday Gathering



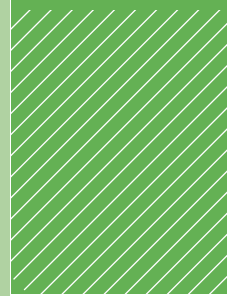
■ Team Building Activity



■ “Communicating with the General Manager” Symposium

At Club Med, we have run the Raise Your Voice internal listening campaign since 2018. Through listening to the voices of all G.Os and G.Es around the world, their wellbeing at work have been improved. The study is based on an online questionnaire dealing with subjects such as integration, their sense of pride in being a member, management, development and work environment.

At Atlantis Sanya, we learn about the comments from employees on ten dimensions including work/life balance, diversity and tolerance, occupational development opportunity, talent and staffing, and rewards and approval, through conducting CES (Current Employment Statistics) on an annual basis. In view of the research results, we continuously follow up the relevant departments and makes improvements. In addition, we set up a module of The Voice in WeChat at Work. Employees may submit their suggestions and appeals concerning their work and life through mobile phones, and we will cope with the difficulties faced by our employees immediately. During the Reporting Period, by virtue of activities such as the staff meeting, “Communicating with the General Manager” symposium, themed birthday gathering and team building, we closely communicate with our employees and deepen out communication with employees on the issues which actually concern them.

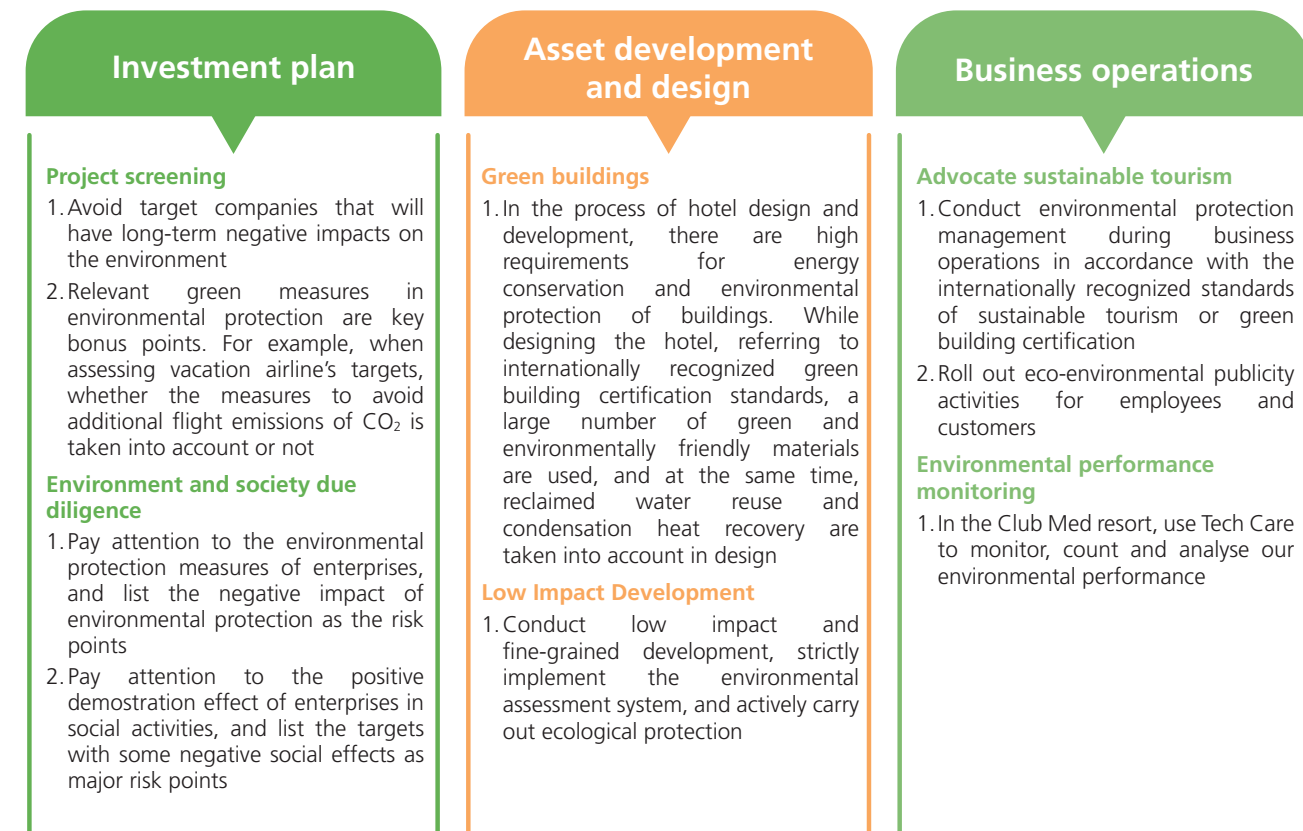


Happiness •
Thumbs-up for
Green Globe



4.1 ENVIRONMENTAL MANAGEMENT

The Group pays constant attention to protecting the limited resources on earth, and closely follows up on the influence on the ecological environment from the tourism industry. We attach great importance to the environment management, strictly follow the *Environmental Protection Law of the People's Republic of China*, *Law of the People's Republic of China on Environmental Impact Assessment*, *Environmental Protection Tax Law of the People's Republic of China* as well as the laws and regulations for environmental protection of the places where the operations involve, and formulated the *FTG EHS Policy*, *FTG EHS Responsibility Program* and other systematic documents. We regard environmental factors as a necessity for consideration in the investment plan making and in the full-cycle process of asset development and design, and business operations.



Lijiang FOLIDAY Town took environmental factors into consideration in the process of asset development and design

Lijiang FOLIDAY Town is located at the north of Baisha Old Town of the Old Town of Lijiang, a world cultural heritage, and is situated at the water conservation area of the upper stream of Qinglong River and the source of Yanggong River. During the design of the project, we adhered to the principle of trying our best not to destroy the original vegetation and natural environment, designed the Club Med hotel among the project lots in accordance with the one-star standards of green building. In addition, we also attached great importance to the protection water ecology and environment across the project area. In addition to entrusting a third party to carry out water resources argumentation, we invested approximately RMB70 million to implement the municipal water supply and discharge engineering. Particularly, the project of sewage discharge network solved the problem of sewage discharge across the surrounding areas of the project. Regarding Qinglong River running across the project, we build landscape green belts and carried out protection based on the requirements of receding boundaries of planning and design conditions. The green belts and other diversified ecological lots including the grassland on the slopes, fields and gardens, stretching hills and wetlands jointly formed the internal landscape of the project. Upon the commencement of construction, we carried out project construction in strict accordance with the report on water resources argumentation and the approval requirements, monitored the water quality and water flows, and ensured the hydrogeology conditions the same or even better than the conditions before exploitation.

Green Certification

The group is committed to promoting sustainable tourism through internationally recognized green certification, driven by a rigorous green certification evaluation system, the group continues to carry out technological innovation and management upgrades to improve our overall green certification performance. As of December 31, 2019, both Club Med resort and Sanya Atlantis have obtained several internationally recognized sustainable tourism or green building certifications, including Building Research Establishment Environmental Assessment Method (BREEAM), Green Globe, EarthCheck and national green buildings. Please refer to Appendix 3 for a complete list of Green Globe Certifications of FTG.

Construction Process – BREEAM

BREEAM is one of the most recognised international and independent eco-construction certifications in the world. Club Med aims to obtain an eco-certification (BREEAM Good minimum or equivalent) for villages newly built as well as for deep renovations.

Club Med's Construction and Sustainable Development teams worked with BREEAM to create the first Club Med-BREEAM Resort eco-construction standard and started to adopt the standard from 2017. In early 2019, Arcs Panorama and Alpes d'Huez obtained "New Construction" certification



■ Certificate of Three-star Green Building Label for Atlantis Sanya

(Good level) of BREEAM. The extension of La Caravelle (Guadeloupe, France) and the construction of Miches Playa Esmeralda (Dominican Republic) are in the process of BREEAM certification.

Operation Process – Green Globe

The Green Globe certification is one of the most demanding international and independent sustainable tourism certifications. Our objective is to have 100 per cent of resorts certified by 2021. In 2019, five new villages were certified by Green Globe and 85% of the eligible Club Med resorts already hold the certification. While the village of Cherating (Malaysia) as promoted into Platinum status for its 10 years of certification and became the first Club Med resort to be awarded Platinum status.

National Certification of Green Building

The National Certificate of Three-star Green Building Label represents the highest rank of the green building certification in China. Atlantis Sanya uses a comprehensive intelligent system, and through combining the local climate, environment, resources and other characteristics, the natural lighting and natural ventilation area reaches to 90%. According to the *Standards on Green Building Assessment (GB/T 50378-2014)*, the Atlantis Sanya project reached the standard scores and satisfied the requirements for three-star green buildings.



■ EarthCheck Certificate for Atlantis Sanya

Enhancement of Environmental Protection Awareness

Enhancement of environmental protection awareness of staff and customers is also an important measure for the promotion of sustainable tourism. We insist on integrating promotional activities in diversified formats under the theme of ecological protection into the travelling experience of customers and the employees’ routine work, and hope to cooperate with customers and employees in protecting the local natural resources and ecological environment.



Team building Activities of Cleaning at Atlantis Sanya

For customers

In the Club Med villages, customers are continuously informed about water and energy savings and nature protection through notices at welcome meetings, on information boards and displayed in the rooms. A poster hung in all rooms of eco-certified villages (approximately 15,500 rooms by the end of 2019) summarizes the village’s actions in areas including water, energy use and waste management and biodiversity preservation and invites customers to participate in the

For Employees

In Club med, all G.Os and G.Es in the relevant Club Med villages that recognized by Green Global are required to be trained on environmental issues and eco-friendly behaviour related to their position and their life in the village. Many of our committed G.Os and G.Es support local projects for the protection of the natural environment, for instance, clean beach operations, turtle preservation, coral reef preservation. We also provide new employees of Atlantis Sanya with training sessions under the themes of environmental protection and energy conservation on a weekly basis, and organise the hotel management and employees from each department to take part in team building activities of cleaning.



environmentally friendly practices during their stay, such as sorting plastic bottles, turning off lights, heaters or air conditioners, reusing their bath towels, etc. In the concerned resort, our Discovery Centre displays and distributes a charter to G.M informing them about respecting the host country. Significant space is given over to recommendations on the behaviours to adopt to best preserve the resources and the ecosystem of the country visited. In addition, in the hotel rooms of Atlantis Sanya, we post reminders to suggest reusing towels and other washing products.

Club Med Play: Playful Smartphone Application to Discover Resort’s Natural and Cultural Heritage

Club Med launched its brand-new smartphone App to discover the natural landscape and cultural heritage of the resorts of Opio en Provence (France), Guilin (China), Cherating (Malaysia), Bali (Indonesia) and Punta Cana (Dominican Republic). It enables G.Ms to explore the natural and cultural heritage and to discover what our G.O and G.E teams are doing to protect it.

Nature Guide of resorts at Cherating (Malaysia) and Kani (Maldives)

A Nature Guide post has been created at the resorts of Cherating (Malaysia) in 2017. The Nature Guide is tasked with offering G.Ms interactive experiences of local nature and natural diversities, developing and promoting the natural heritage of the resort, including visits to the tortoise sanctuary and nature walks. In 2018, this experience was duplicated in Kani (Maldives) with the creation of a “Marine Biologist” Nature Guide position to promote the rich marine heritage through two activities:

- a snorkelling route visiting various micro-habitats, each attracting a specific variety of marine life, allowing G.M to raise the awareness of environment and marine life protection;
- raise the awareness of G.Ms through the re-implantation of coral on a metal structure in order to repopulate the coral reef.

Creation of an Educational Kitchen Garden in Bali (Indonesia)

Since 2014, a new Garden Nature activity has been introduced at the village of Bali (Indonesia), in line with the Mini Club Med Fun with Nature Day of resorts at Agrisud. Educational posters, manual activities in the kitchen garden, help children to understand the life cycle of plants and how to care for them while still respecting the ecosystem.

Clean Art Planet

Our “Clean Art Planet/Happy Nature” artistic workshops are led by G.Os. They focus on the creation of works of art from plastic objects rejected by the sea as a continuous way of raising awareness on this marine issue. These workshops appeal to children’s curiosity and creativity by triggering awareness and commitment to relevant actions. The collection of objects and their cleaning are jointly carried out by our G.Os, G.Es, the local community and GMs.

4.2 USE OF RESOURCES

The Group is fully aware of the shortage of resources in the globe and continues to implement the plan of energy conservation and water resources management to promote the sustainable use of resources.

Energy Management

In accordance with the *Energy Conservation Law of the People’s Republic of China* and other laws, regulations and industrial standards for energy use of places where the operations involve, the Group insists on conducting resources management during operations in a standard and effective manner, reasonably makes use of resources, diversifies the energy utilization structure, reduces the requirement for energy utilization and enhances the energy utilization efficiency. By upgrading devices, carrying out research and development and testing innovative energy solutions on a regular basis as well as improving the energy consumption habits of employees and customers, we continuously optimize the energy management mode.

Enhancement of Energy Efficiency of Buildings

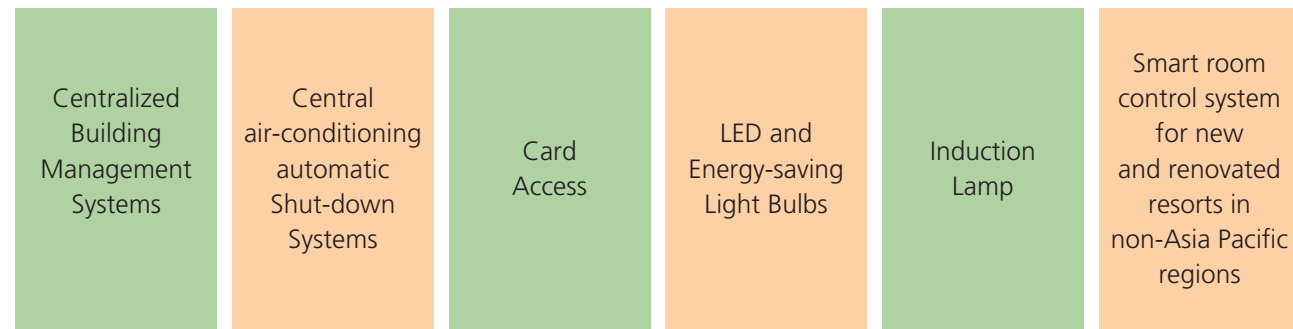
Increasing the energy efficiency of buildings is an important measure to reduce energy consumption. We adopted various measures for new buildings and existing properties for all Club Med resorts to increase energy efficiency. For new buildings, Club Med routinely incorporates “eco-friendly” approaches and standards into projects construction. For existing properties, we continued to promote and explore the improvement of the energy usage efficiency during the repair and maintenance of its buildings. In addition, regular thermal imaging and analysis of properties underpin decisions regarding investment, and in fluid purchasing.

Regular Facilities Upgrade

We upgrade and renovate the energy facilities at Club Med resorts and Atlantis Sanya on a regular basis to reduce the utilization and consumption of energy.

Each Club Med village benefits from regular upgrades to facilities and we use this opportunity to implement sustainability initiatives where possible. Vehicles used in the Club Med villages are advocating to use electric vehicles, which now represent 46% of the villages’ fleet.

Club Med Facilities Upgrade





Building Management System (BMS)
VALMOREL (France) · VAL THORENS (France) and GRAND MASSIF SAMOENS MORILLON CHALETS (France)

Using CO₂ air source heat pumps to heat clean water
DA BALAIA (Portugal)

Turbo electromagnetic cooling system without oil
LA POINTE AUX CANONNIERS (Mauritius)

Replacing halogen spotlights in all resorts with LED lights
L'ALPE D'HUEZ (France)

Attempting to use dynamic energy monitoring software
OPIO EN PROVENCE (France) · VALMOREL (France) and MARRAKECH LA PALMERIE (Morocco)

Room heating energy recovery system
ARCS PANORAMA (France)

Wood pellet ("Solid biofuel") boiler to produce domestic hot water instead of gas boiler
RIO DAS PEDRAS (Brazil)

Photovoltaic power generation device
RIO DAS PEDRAS (Brazil) and Phuket Resort (Thailand)

The Fuel Cells
CLUB MED JOYVIEW in Yanqing, China

The new heat pumps
RIA BINTAN (Indonesia), CEFALU (Italy) and LA POINTE AUX CANONNIERS (Mauritius)

Innovative Energy Resolution

We believe innovative technology provides new ideas and new thinking for the use and management of resources, and continuously try innovative energy solutions in resorts. Club Med continuously researches and tests innovative energy solutions to rationalise its energy use and reduce its carbon footprint, such as LED lighting specifically adapted to outdoor tennis courts in Opio en Provence (France), and high-temperature heat pumps for the preparation of sanitary hot water (in replacement of fuel systems at La Pointe aux Canonniers in Mauritius). During the Reporting Period, Atlantis Sanya also carried out lighting renovation projects in each channel to the computer rooms as well as the garages of the waterpark.

Improvement of Energy Consumption Habits

As an enterprise with international operations, our guests are from every corner of the world. Therefore, we believe that changing customers' habits is another key step of energy management. We continue to publicize the ways of saving energy to our guests and staff, and are committed to optimize the habits of energy use.

Energy facilities upgrade of Atlantis Sanya in 2019



Installed air source heat pumps to reduce the consumption of natural gas. The devices heat water when cooling the air-conditioning rooms, aisles and greenhouses.



The solar water heating pipelines were renovated, which maximize the heating capacity of solar energy instead of heated by natural gas.

Club Med's Behaviour Change Measures

Daily recording of actual consumption by the technical managers, as well as regular analyses based on the Tech Care system to alert the villages of the abnormal situation and develop action plans	Training the G.O and G.E teams on best practices
A procedure to rationalize use during off-peak seasons	Monthly "energy reviews" for Villages in Europe – Africa since 2014

During the Reporting Period, the energy use of the Group is as follows:

Energy Consumption ⁷		
Category	Amount	Unit
Indirect Energy		
Purchased Electricity	350,846,702	kWh
<i>Purchased Electricity (new energy power generation)</i>	41,637,178	kWh
Photovoltaic Power	954,385	kWh
Purchased Heating Power	3,793,444	kWh
Direct Energy		
Natural Gas	4,328,533	m ³
Liquefied Petroleum Gas	3,061,040	kg
Liquefied Natural Gas	1,416,863	kg
Domestic Fuel Oil	5,619,484	Litre
Heavy Fuel Oil	20	kg
Diesel	51,132	kg
Gasoline	15,924	kg
Comprehensive Energy Consumption of the Direct energy	168,659	MWh
Comprehensive Energy Consumption of the Indirect energy	354,640	MWh
Comprehensive Energy Consumption of the Direct Energy + the Indirect Energy	523,299	MWh
Comprehensive Energy Consumption Intensity of the Direct Energy + the Indirect Energy (by occupied rooms)	133.35	kWh/room
Comprehensive Energy Consumption Intensity of the Direct Energy + the Indirect Energy (by bed capacity)	39.61	kWh/bed
Comprehensive Energy Consumption Intensity of the Direct Energy + the Indirect Energy (by revenue)	301.84	kWh/RMB10,000 revenue

⁷ Comprehensive energy consumption volume includes the consumption volume of all the Club Med resorts under Fosun Tourism Group and Atlantis Sanya (Aquaventure Waterpark, resident show C, the hotel, the shopping street, the Aquarium), but excludes that of the office building of the headquarters of Fosun Tourism Group in Shanghai. The aforementioned consumption volume will be disclosed in the 2019 ESG report of Fosun International.

Water Resources Management

We insist on controlling water consumption through water recycling, adopting the technology and equipment that can improve water utilization efficiency, and improving customers’ water usage habits.

Water Recycling

Recycling water is our most common way to save water. Atlantis Sanya set up two rainwater collection pools to water the hotel’s greening area with the rainwater collected. Due to the fact that its operations are often in far-flung locations, from very early on, Club Med has had to “produce” its own water by drilling wells or through desalination (of seawater or brackish groundwater). In addition, our culture has ingrained conservation habits in these areas, such as night-time watering, reusing treated wastewater, and so forth. Water recycling is a common practice in the villages that we advocated, especially those with green spaces where virtually all treated water is reused for irrigation: 39% of villages (excluding ski villages⁸) recycle their treated water for irrigation, while 50% of villages (excluding ski villages) use their own or purchased recycled water for irrigation. Atlantis Sanya possesses the Water Intake Permit of seawater issued by the local government. Hence, we also intake seawater and use it in every water area after pre-treatment and purification.

Water-saving Equipment and Technology

We utilise advanced equipment and technologies to achieve water-saving management and leakage detection. Facilities and equipment of resorts at Club Med have been designed to control water consumption by flow regulators on taps, pressure reducers, water-saving flushing, centralised irrigation management systems, drip irrigation, etc.. In addition, maintenance work, such as repairing leaks in the water supply, is performed regularly at all villages. In 2019, waterless toilets have been installed in Rio das Pedras (Brazil). Besides this, the Tech Care environmental reporting module, developed specifically for Club Med, enables daily monitoring of consumption and makes it easier to detect leaks in the

water supply network. Meanwhile, we have installed the water pipe regular leakage detection (including secondary water supply) system in the Waterpark of Atlantis Sanya, realizing the timely water leakage detection and handling. From August 2019, by installation of the system, Atlantis Sanya can save 500 cubic meters of water per day.

Improvement of Water Usage Habits

To control water consumption, behavioural change is just as vital as technical progress. Therefore, outreach to the employees and customers about the general knowledge conserving water is a key theme of our environmental policy. For more than 15 years now, all customers of Club Med around the world have been invited to reuse their bath towels if they so wish. This initiative was updated and optimised as part of the Green Globe deployment to make it more efficient, and was extended to bed linens reuse in the suites.

Special Measures in Regions under Water Stress Zone

We frequently operate Club Med villages in seaside locations in warm weather regions. Therefore, resorts located in areas with high or very high-water stress have the high proportion of water drawn⁹. As at 31 December 2019, our percentage of total water withdrawn from water stress areas was 20 per cent.

Our management of water resources in water stressed regions mainly relies on water frugality (by choosing drought-tolerant vegetation), efficiency (supplying only what plants need), and on recycling water resources, where authorised, and more recently on the recovery of rain water (Mauritius since 2015 and Cefalu in Sicily since 2018). Contracts with service providers necessarily include both obligations. Mulching¹⁰ is mandatory, and every possible solution for reducing consumption of water for garden maintenance is systematically investigated in order to determine the feasibility solutions to the reduction of water resource consumption during the maintenance of the garden. The consumption of water for garden maintenance is also monitored to determine the effectiveness of those measures implemented.

⁸ Excluding ski resorts: exclusion of 21 mountain villages.
⁹ Water drawn refers to obtain water resources directly from rivers, lakes or underground channels by using water intake projects or facilities.
¹⁰ Mulching : cover the soil surrounding the plants with mulch (dead leaves, twigs and manure) that helps them to grow.

During the Reporting Period, the water usage of the Group is as follows:

Water Resources Consumption		
Category	Amount	Unit
Municipal Water	5,507,865	m³
Groundwater	2,865,494	m³
Surface Water	435,990	m³
Purchased Recycled Water	74,960	m³
Drinking Water ¹¹	293,918	m³
Total Water Resources Consumption ¹²	14,434,227	m³
Water Consumption Intensity (by occupied rooms)	2.34	m³/room
Water Consumption Intensity (by bed capacity)	0.69	m³/bed
Water Consumption Intensity (by revenue)	5.29	m³/RMB10,000 revenue
Withdrawn seawater	5,256,000	m³

4.3 LOW CARBON AND EMISSIONS REDUCTION

The Group not only focuses on reducing resource consumption in its operations, but also pays close attention to the possible impact on the global natural environment. By using our resources and skills, we strictly manage the emissions of greenhouse gases, waste water and waste in order to minimise the impact on the environment as much as possible.

Greenhouse Gas Management

We reduce our carbon footprint by increasing our use of renewable energy, adopting diversified energy sources, and controlling every detail of our operations including carbon emissions from refrigeration, food, and transportation.

Diversified Energy Structure

Our Club Med resorts span 22 countries and regions in 6 continents, so we take full advantage of the appropriate

geological and climatic conditions in different locations to develop and utilise renewable energy. Club Med has adopted the objective of reducing its dependency on fossil fuels by increasing its employment of renewable energy. We not only purchased guaranteed renewable energy, but also equipped the villages with photovoltaic panels and solar thermal panels. In choosing its renewable energy equipment, Club Med focused on already mature and high-yield technologies.

- Currently 9% of the villages are equipped with photovoltaic panels (800m² in 2019) and 25% of villages are equipped with solar thermal panels (about 3000 m²) corresponding on average to about 20% of needs in sanitary hot water.
- 29% of villages have refrigeration heat recovery units (vs. 26% in 2017).
- Heat pumps have been installed in 25% of villages (vs. 15% in 2017).

Measures for the Reduction of Greenhouse Gas Emission

In addition to the greenhouse gases produced during using energy, we are also very concerned about other processes of our operations that produce greenhouse gases. We roll out greenhouse gas emission reduction management for the following operations of the global Club Med resorts:

Logistics and goods transportation



- ☐ We have a policy of preferring local purchases: 86% goods and equipment are purchased in the countries where the villages are located
- ☐ We group village deliveries from one logistics hub per operating region
- ☐ Criteria related to the reduction of GHG emissions (newer-generation vehicles, intermodal freight transportation, and the ratio of air to sea freight) were added in 2012 to key transportation indicators
- ☐ We regularly survey its transportation providers to test compliance with these criteria
- ☐ We work with suppliers on the concentration of products and the reduction of packaging

GM and G.O transportation policy



The Group does not have the operational control over transportation that it does over its core business of operating its villages. But acting on these means, however limited, remains a responsibility. Club Med strives to curb the environmental impact by working with environmentally responsible companies and by proposing alternatives to road transportation for all its villages accessible by train, and by seeking to maximize occupancy on its charter flights and encouraging longer stays.

Refrigerant gases



We introduced a new generation of HFO gas (HydroFluoro-Olefins) in EuropeAfrica and North America. It not only has similar performance and safety characteristics similar to HFC (hydrofluorocarbons), but most importantly has good environmental properties characterised by low GWP (Global Warming Potential). In 2019, 23% of villages use this type of refrigerant gas.

Food



In 2006, a Life Cycle Assessment (LCA) of a village made by Bio Intelligence Service showed that food represented a significant share of vacation-related CO₂ emissions. Actions taken in the resorts by promoting vegetarian foods and agro-ecology, or limiting food waste, are helping to reduce carbon emissions.

Sorting waste



The sorting of waste for recycling contributes to avoiding tons of CO₂ emissions that would otherwise be generated in the absence of recycling. The major types of waste we recycle include cardboard, glass, cooking fats, plastic and batteries.

¹¹ Club Med villages use drinking water transported by trucks.

¹² Water consumption in cubic meters is consolidated and includes all water used by the Villages and Atlantis Sanya, whether paid or free of charge (except for the village of Beidahu (China)).

Information about Carbon Emissions Offsetting and an Invitation to Take Part in the Scheme

Since 2008 Club Med has invited its GMs to learn about and offset the emissions linked to their travel through information in its marketing materials and on the website.

Since 2013, Club Med has met the French regulatory requirement to inform customers of the quantities of greenhouse gas emissions related to transportation. Where information is not forthcoming from the airlines used to transport customers, Club Med refers its customers to the French civil aviation authority (DGAC), and “eco-calculator” was used for aviation-related greenhouse gas emissions.

During the Reporting Period, the greenhouse gas emissions are as follows:

Greenhouse Gas Emissions ¹³		
Category	Amount	Unit
Scope 1 Greenhouse Gas Emissions	62,349	Tons of carbon dioxide equivalent
Scope 2 Greenhouse Gas Emissions	170,585	Tons of carbon dioxide equivalent
Total Greenhouse Gas Emissions	232,934	Tons of carbon dioxide equivalent
Greenhouse Gas Emission Intensity (by occupied rooms)	59.36	kg carbon dioxide equivalent/room
Greenhouse Gas Emission Intensity (by bed capacity)	17.63	kg carbon dioxide equivalent/bed
Greenhouse Gas Emission Intensity (by revenue)	134.36	kg carbon dioxide equivalent/RMB10,000 revenue

Waste Management

The Group strictly abides by *Law of the People’s Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes* and relevant laws, regulations and standards about waste in its business locations, conducting systematic classification, disposal and monitoring of the general waste, waste cooking oil and a small amount of hazardous waste generated in operation, and reducing waste emissions through recycling.

¹³ The calculation of greenhouse gas emission of externally purchased power is in accordance with International Energy Agency (IEA) 2017 Database. Greenhouse gas emission of other sources is in accordance with *Accounting Method and Reporting Guide of Greenhouse Gas Emission for Industrial Enterprises and Enterprises of Other Industries (Provisional)* issued by the National Development and Reform Commission of the People’s Republic of China. Total greenhouse gas emission volume includes the emission volume of all the Club Med resorts under Fosun Tourism Group and Atlantis Sanya (Aquaventure Waterpark, resident show C, the hotel, the shopping street, the Aquarium), but excludes that of the office building of the headquarters of Fosun Tourism Group in Shanghai. The aforementioned emission volume will be disclosed in the 2019 ESG report of Fosun International.

General Waste

The general waste generated by the Group mainly include dry waste, cardboards, papers, glass, ceramics, wood, biodegradable waste and other waste from incineration and landfill. At Atlantis Sanya, we classify all the waste. At Club Med, the waste management improvement process has been strengthened and accelerated by the Green Globe rollout and consists of:

- reducing waste at the source via purchasing (minimising packaging) and changes in services (eliminating some individual packaging);
- increasing the reuse of resources and decreasing the use of disposable products;
- waste sorting;
- generalising quantitative monitoring of waste; and
- setting targets for reducing waste that is not recycled with the aim of moving toward zero waste.



Club Med Bye-Bye Plastics Programme

The “Bye-Bye Plastic” program, launched in 2018, aims to eliminate single-use plastic products from bars, restaurants and rooms by 2021 (including straws, dishware, amenities in the rooms, etc.) in all Club Med resorts.

- By the end of 2019, single-use straws, cups, mugs, plates, cutlery and plastic trays will be eliminated in all our Resorts around the world (except Brazil for cutlery). 66% of our resorts realised this target by the end of 2019.
- By the end of 2019, the shower gel, shampoo and body cream made available in our bathrooms will be offered in large reusable containers in all our villages (excluding the Exclusive Collection range and Brazil).
- By the end of 2020, single-use plastic accessories and their packaging made available in the rooms will also be phased out in all Villages. In APAC resorts, in-room accessories will be provided on demand for superior and deluxe rooms, starting May 2020 (for open resorts).
- From 2021 onwards, plastic water bottles made available in restaurants and rooms will gradually be replaced. More particularly in the Mountain Europe-Africa villages, plastic water bottles are no longer available for hiking departures since the Summer 2019 season. Water fountains, available in the village, allow to fill the bottles made available in the rooms when the guests arrive. Reusable water bottles are also available in village shops.

In addition, both Club Med and Atlantis Sanya conduct daily management and apply innovative technologies to reduce food waste in the buffet service. At Atlantis Sanya, we estimate the amount of food we should prepare according to the rate of room occupancy every day, and remind guests to get the right amount of food to reduce the waste.

“Vision” to combat food waste at Club Med

Food is inevitably one of the waste generators. Club Med have managed to limit food waste to 101g per meal and per person at villages, thanks to more than 60 years of experience in generous and judicious buffets.

Since 2017, Club Med has been deploying the Winnow solution, which allows teams to measure and limit food waste thanks to an intelligent and connected waste bin. Winnow systems are now used in many APAC (Asia Pacific) resorts. In 2019, Club Med and Winnow scaled up the deployment of “Vision” technology: this system uses artificial intelligence that gradually learns to recognise food and cooked meals in order to reduce food waste to the largest extent.

During the Reporting Period, the waste generated by the Group are as follows in which total amount of general waste collected by Club Med is 18,803 metric tons, of which 58% is recycled.

General Waste of Club Med			
Category	Weight (metric ton)	Coverage ¹⁴	Intensity (kg/per HDF) ¹⁵
Dry Waste (packaging, plastic, metal)	4,177	60%	0.599
Cardboard	2,967	55%	0.459
Paper	919	22%	0.359
Glass	1,171	93%	0.108
Porcelain	118	8%	0.122
Wood	1,629	17%	0.8
Biodegradable	1,441	41%	0.302
Unsorted Waste	6,381	46%	1.200

General Waste of Atlantis Sanya		
Category	Weight	Unit
Dry waste	59	Metric ton
Cardboards	70	Metric ton
Papers	0.0021	Metric ton
Glass	4.5	Metric ton
Ceramics	2.7	Metric ton
Biodegradable waste	126	Metric ton
Other Waste from Incineration and Landfill	81	Metric ton

¹⁴ Coverage rate: refers to the proportion of the Club Med resorts whose corresponding data has been collected to all Club Med resorts. There are leased and self-run Club Med resorts. Some leased resorts cannot be included into the Tech Care data collection system. We will continuously communicate with owners, promote the usage and popularity of data collection system and improve the coverage rate of waste matter management.

¹⁵ Waste Intensity = total volume of waste / total hotel days (HDF). Total hotel days refers to all days including days of guests living in the hotel, days of staff of the hotel living in the hotel and slack seasons of the hotel.

Waste cooking oil and hazardous waste

Club Med’s commitment is to use the appropriate channels for all its waste and, as part of the Green Globe deployment, to proactively seek out new solutions:

- Regular outreach in all villages on sorting, tracking and maintaining records of waste;
- A proactive search for hazardous waste solutions, as needed, in new villages involved in the Green Globe process, and customer guidance on the proper handling of potentially infectious waste;
- The recycling rates for hazardous waste, where channels exist (all villages), have risen steadily.

In Atlantis Sanya, we strictly abide by the HACCP policy and implement the standard of waste cooking oil disposal: the waste oil should be stored specially, collected and cleaned by the management department, and recycled by the government department.

During the Reporting Period, the emissions of the waste cooking oil and hazardous waste are as follows:

Waste Cooking Oil and Hazardous Waste of Club Med			
Category	Weight (metric ton)	Coverage	Intensity (kg/per HDF)
Cooking oil	3,799	53%	0.609
Hazardous waste	933	14%	0.556

The Waste Cooking Oil of Atlantis Sanya		
Category	Weight	Unit
Waste Cooking Oil	7.36	Metric ton

Waste water Management

The Group abides by *Water Pollution Prevention and Control Law of the People’s Republic of China* and the relevant laws, regulations and standards about the waste water in its business locations, strictly implementing sewage treatment and discharging it after meeting the sewage discharge standard of the local government where the business is located. At Club Med, treatment plants are routinely built when satisfactory water treatment facilities are not available locally, particularly for Villages in remote areas or in those lacking infrastructure. Besides, concerned with avoiding contamination of soil and groundwater, and with protecting its surrounding ecosystems, we prevent pollution through systematic wastewater treatment, run-off management, elimination of pesticides and switching to eco-certified maintenance and cleaning products at the resorts.

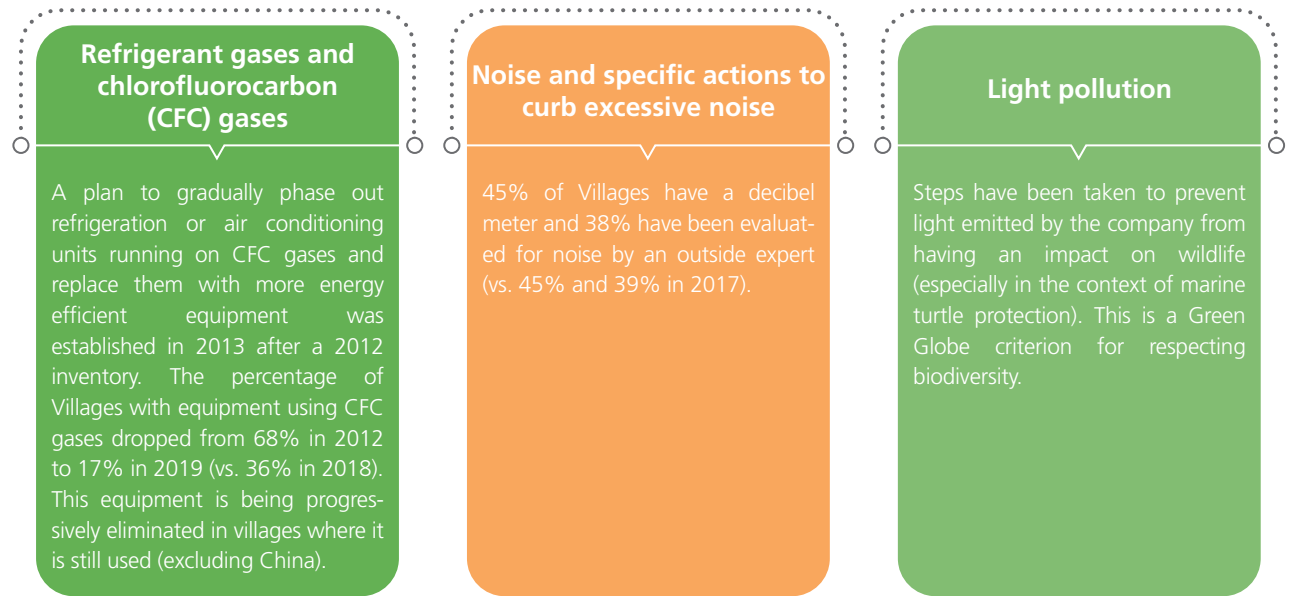
At Atlantis Sanya, we implement a strict seawater treatment process, ceasing the use of any chemicals so as to ensure the quality of seawater. There are three kinds of discharge water quality: the overflow water quality of the system is the qualified treated water quality, which is directly discharged into the discharge tank of the seawater pre-treatment station. The backwash discharge water is discharged into the backwash collection tank of the seawater pre-treatment station and moves to the next step of water treatment. The water discharged by the protein skimmer are discharged into the municipal sewage pipe network to the municipal sewage station for treatment. Among them, the backwash discharge water is collected and precipitated in the backwash collection tank of the seawater pre-treatment station, and then sterilized and purified. After sedimentation in the sedimentation tank, the backwash discharge water is raised from the water treatment circulating pump to the filter sand cylinder for treatment, and then processed by the carbon cylinder, and finally discharged into the discharge collection tank. Finally, we transport the qualified seawater to the drain of the sea and check the water quality of the discharge tank every week to make sure it is within the standard scope.

During the Reporting Period, the wastewater discharge of the Group are as follows:

Wastewater Discharge ¹⁶		
Category	Amount	Unit
Wastewater Discharge Volume	6,616,217	m ³
Wastewater Discharge Intensity (by occupied rooms)	1.69	m ³ /room
Wastewater Discharge Intensity (by bed capacity)	0.50	m ³ /bed
Wastewater Discharge Intensity (by revenue)	3.82	m ³ /RMB10,000 revenue

Management of Other Pollution Sources

We adopt different control methods for different potential pollution sources of subsidiaries. At Club Med, we pay great attention to the following pollutions sources:



At Atlantis Sanya, we install the kitchen fume purifier to deal with kitchen fumes, carry out quarterly cleaning of fume pipes. Meanwhile, we install the fume remote monitoring system of the Internet of Things of the government department. All the fume emissions have reached the standard since the installation.

4.4 CARE FOR NATURE

We attach importance to protecting the biodiversity of nature and the physical and mental health of animals. We not only combine the construction and operation of hotels and resorts with the local ecological construction, but also try to spread these knowledge and ideas to every guest.

¹⁶ Waste water was calculated in accordance with 90% of the water volume obtained, but excludes the sea water of Atlantis Sanya. Club Med is unable to provide consolidated measurements of wastewater discharge. The only water discharged by Club Med is domestic wastewater. Water management is handled locally in the villages, with entries made in the “water logbook” which brings together technical data, administrative authorizations, physical, chemical and bacteriological analyses, treatment protocols and monitoring, network changes, etc., but does not allow for consolidation.

Biodiversity Protection

According to different situations in the construction stage and operation stage, we carry out the biodiversity protection work, being committed to creating an environment where humans and nature can live in harmony.

The Biodiversity Protection in the Construction Stage

At Club Med, sensitive habitats have to be identified during the environmental impact study. The impact mitigation measures mentioned in the study (revision of the carbon footprint plan, etc.) are taken into account during the project. The eco-standard construction aims to systematise these practices. It contains a specific section on biodiversity that deals with the following topics:

- Environmental impact and biodiversity strategy study
- Vegetation alteration and restoration
- Differentiated management of green areas
- Habitats for the local fauna

New Village of Miches (Dominican Republic)

In 2019, the new village of Miches (Dominican Republic) obtained BREEAM certification for construction. During its construction, local plants recovered from the site were put in a nursery to be reproduced and replanted. Coconut trees located on the constructed areas were moved and replanted. Grassed areas were reduced. A natural swimming pool has been created.


The Biodiversity Protection during Operation

During operations, protecting biodiversity at Club Med is based on:

- The purchasing policy: the wood purchasing charter since 2007, the fish purchasing charter since 2008, increasing the purchase of organic food and eco-certified products
- Raising customer awareness of the exploration and protection of nature
- The policy on green space management and the protection of endangered species in the villages, especially the differentiated management of green spaces
- Focus on biodiversity at the most sensitive sites, including invasive species, destabilising species and pest organisms

Promotional Activities of “Protect the Marine Environment and Reduce Plastic Waste” on World Ocean Day at Atlantis Sanya

On World Ocean Day 2019, divers of the Aquarium at Atlantis Sanya used a huge banner to launch a campaign to “Protect the marine environment and reduce plastic waste”, calling on people to reduce the use of plastic products and protect our marine home.



Care for Animals

We pay attention to the physical and mental health of animals, use our own resources and technical advantages to provide them welfare and care. We meet their natural needs, take care of them and help them adapt to the environment.

In 2018–2019, Club Med participated and funded the drafting by the World Cetacean Alliance (WCA) of the first international guidelines for “the supervision of cetacean-watching and interaction activities in the wild”. In all resorts located in a turtle nesting site, partnering with local experts, Club Med commits to protecting turtles by securing the nests, ensuring non disturbance, and raising awareness. Club Med will keep the turtle protection guide available to its staff and follow its right application.

Club Med has also carried out themed educational activities of caring for animals for our customers, including “Clean-up the beach”, Turtle protection, Exploring the marine world from the MobiReef base, underwater trail and Flora&Fauna mountain hikes, guiding the public to actively participate in animal protection activities.

Animal Care Activities in Club Med Resort

"Clean up the beach" operations are run in several Club Med resorts. In seven Resorts, on three continents, we act for the protection of marine turtles through the publication of guidelines provided in the activity called "Very Important Turtles". In Brazil and the Maldives, Club Med works on coral reefs protection and invites GMs to sponsor replantation of corals plants.

Exploring the marine world from the MobiReef base at Club Med Kani

Since 2017, the partnership between Club Med Kani and MobiReef has been contributing to the process of restoring coral reefs, and has given GMs the opportunity to explore the beauties of the marine world. MobiReef is an underwater snorkel trail developed by SM Solutions Marines and approved by the French Environment Ministry. It stimulates marine wildlife by providing artificial habitats for certain species and improves the conservation of marine creatures, at the same time as offering an enjoyable way of exploring and understanding the subsea world for our GMs. A similar "Biohut" artificial refuge facility on the Caravelle site (Guadeloupe) has also been used to protect juvenile marine species since 2018.

Turtle protection

We provide GMs with opportunities of watching the birth of baby turtles and observe their courageous journey to the ocean, so as to enhance their awareness about turtle protection.

Underwater trail (Kani)

Flora & Fauna mountain hikes (Alpes resorts)

At Atlantis Sanya, we pay special focus on marine animals in the Aquarium and Dolphin Cay, conduct real-time monitoring and make efforts to improve the feeding water quality. A professional marine mammal medical team is equipped and One Earth Research and Conservation App (OERCA) marine animal training and management system is adopted to ensure the physical and mental health of marine animals.

As one of the first marine animal rescue centres in Hainan province, we treat and take care of the injured and stranded marine animals (such as whales, dolphins, sharks, rays, turtles, etc.) from time to time in the Aquarium and Dolphin Cay of Atlantis Sanya. The marine animals were eventually released back into the sea after rehabilitation and training by professional veterinarians and breeding specialists.

Strictly monitor water quality and improve feed water quality

- The Dolphin Cay veterinary services team conducts real-time analysis and collation of water quality monitoring data, analysing data fluctuations and anomalies, and making a daily or weekly report on water quality. Each day's data is entered into the OERCA system as soon as possible, and then the statement is formed. If there is any change in the water quality index, the Engineering Water Quality Department will be notified immediately and make prompt countermeasures.

Professional marine mammal medical team

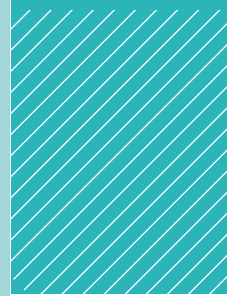
- The dolphin medical team has two full-time veterinarians and a veterinary consultant. A full-time veterinarian checks the temperature of all the dolphins every morning, and regularly tests their blood, stomach juices, urine, breathing holes and faeces to timely deal with the abnormalities detected. The veterinary consultant will come to the site for work guidance every quarter, and occasionally send relevant treatment cases of dolphins' diseases to the full-time veterinarians for learning and reference.

OERCA marine animal training and management system

- OERCA system is a management system specially designed for the training and management of Marine animals. It automatically analyses the actual situation of animals through the trainer's daily uploading records of various indicators of animals, so as to provide the most objective data for managers and trainers.

Ensure the physical and mental health of marine animals

- We provide high quality seawater and food, and the standard operating procedures for food selection is established. We pay attention to nutrition and calories, and use the stainless steel fish tank of 316L food grade.
- Every day, we carry out strict cleaning and disinfection to the animal environment area. The trainer will dive twice a day to check the pool and check for hidden dangers to ensure safety.
- The operation conditioning is used to guide sea animals to reduce their psychological stress, and a variety of recreational and social programs are prepared to restore the natural environment.



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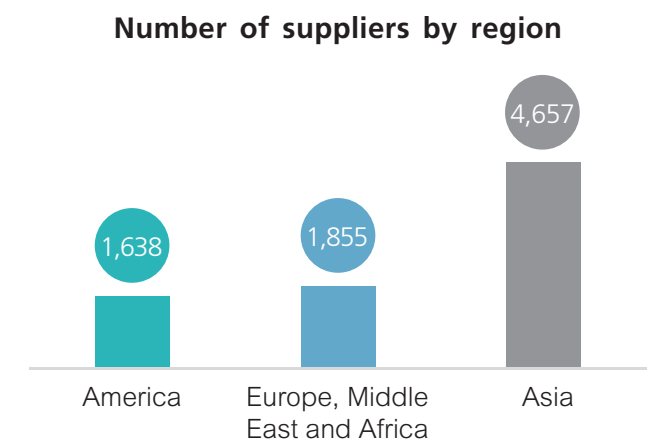
EVERYDAY IS
HOLIDAY

5.1 RESPONSIBLE PURCHASE

The Group endeavours to create a global ecology system and an international brand to satisfy the requirements of each family for service and experience. By continuously improving the supplier management level and cooperating with suppliers in jointly exploring sustainable commercial modes, it makes every effort to realise the mutual benefit of the whole industrial chain and provide consumers with better one-stop tourism solutions featuring environmental friendliness and responsibility.

Supplier Management

For the Group’s headquarters, tourism destinations, and the project development process, we made the *Cost Contract Management System of Fosun Tourism Group* and the *Guidelines for Bidding and Procurement of the Development Management Centre of Fosun Tourism Group*, continuing to strengthen the access management of new suppliers and dedicating to choose good potential suppliers to our supply system. We have set up strict supplier warehousing management standards, and strictly control the risk of suppliers’ entry through inspection, approval and other processes. As at 31 December 2019, we have a total of 8,150 suppliers worldwide, divided by region as follows:



The Group always adheres to open purchasing, paying attention to the supervision of the whole process of bidding (procurement). We stick to prevention in advance, listing the supervision and complaints channels in the tendering announcement. In the bidding process, we improve the supervision efficiency by means of data analysis and document review. At the same time, we guarantee the long-term mechanism of post-inspection through internal control audit and multi-channel information collection, ensuring the integrity and transparency of the Group’s supply chain. We also conduct evaluation of the process of agreement performance of suppliers every half a year. End of each year, we will conduct rating for suppliers, taking the evaluation results of current year and last year into account. We will divide suppliers into strategic suppliers, excellent suppliers, good suppliers, qualified suppliers, unqualified suppliers and suppliers in the black list in accordance with the level of cooperation of suppliers and evaluation results. The aspects of evaluation include cost, service, quality and schedule. As for the problems identified in the evaluation, we will conduct targeted correction and prevention measures and continuously follow the subsequent rectification of suppliers. A supplier evaluated as unqualified for two consecutive years or lacking good faith during purchasing and cooperation or breaching relevant terms and conditions of the letter of agreement on good faith will be included in the black list and forbidden in any bidding of the Group in two years.

At Club Med, we are committed to working with our global partners to create a sustainable supply chain. Driven by Green Globe certification, We have published a sustainable purchasing charter that can be downloaded from the website: www.suppliers.clubmed.com, and our approach to responsible purchasing focuses on three pillars of sustainable development: environmental, social and societal. Charters have also been written for purchasing wood (*Wood Charter* in 2006) and for seafood (*Seafood Charter* since 2007, revised each year according to scientists’ recommendations). Certified purchases are prioritised: organic cotton for 17 per cent of G.O clothing (in Europe-Africa), certified cleaning products, use of “green” energy, FSC (Forest Stewardship Council) or PEFC (The Pan-Euro Forest Certification Council) certified paper for catalogues (100% since 2010 on the FBS¹⁷ and NMEA¹⁸ market), vegetable-based inks for catalogue printing, etc.

¹⁷ FBS: mature European markets (including France, Benelux and Switzerland)
¹⁸ NMEA: developing markets including Europe (UK, Germany, Russia, Italy, etc.), Africa (South Africa, etc.) and the Middle-East (Israel, Turkey, etc.)

A strong commitment to cage-free eggs

At Club Med, we are pleased to join other companies in our sector to commit to source 100% of our eggs (shell, liquid and eggs products) from cage-free sources for all resorts of our portfolio by the end of 2025 in Europe, Brazil and the United States, and 2027 in the other markets.

We will also make our cage-free egg policy available in all major languages in which we report and continue to publish annually our progresses and the potential issues we will face.

At the end of 2019, we already buy 100% of our shell eggs from cage free sources in Europe and Mauritius, and we look forward to continuing our partnership with suppliers, civil society and the industries to drive positive and sustainable change in this responsible sourcing.



Communication with Suppliers

We are committed to improving the transparency of supply chain and establishing relationship of full respect and deep communication with suppliers. We communicate with suppliers on daily affairs through emails and phones and organize annual high-level communication with suppliers to ensure the adequate communication with suppliers during the cooperation and continuously improve the cooperation modes. We also help suppliers to better progress in such ways as trainings. Together with suppliers, we provide products and services of higher quality for customers.

Share our Corporate Social Responsibility (CSR) experience with suppliers

Club Med is a member of ICS (Initiative Clause Sociale) that continuously complement employment and human rights policies in its supply chain, to learn from the sharing of experience with other Initiative members and to share supplier audits.

Club Med encourages those suppliers whose production plants have been identified as requiring further progress to ensure that their senior managers complete e-learning courses to facilitate progress on CSR issues in facilities. For example, a number of senior managers working for our Chinese suppliers have obtained certifications following completion of these training modules. This demonstrates their willingness to address our requirements by training themselves in the appropriate regulations and values, and adapting their operating processes accordingly.

Localisation Strategy

We have been committed to promoting the localisation strategy. We support and promote the progress and development of the supply chain of where our operations sites are in through enhancing the local design, production and purchasing of businesses while continuously implementing “local elements”. During the Reporting Period, in order to continuously cultivate its localisation mode, Club Med is committed to local development: local players in the region are given priority at equivalent quality/price for the production and supply of products, for services, and for the creation of cultural events and shows in all Club Med villages.

Supporting and developing local farming: The Green Farmers programme

Finding that in some cases local supply was inadequate to meet its villages’ demand for fresh produce, Club Med decided to help strengthen this network, thereby playing an active role in the economic development of the regions where it operates. Since 2008, Club Med, in partnership with the NGO Agrisud, promotes local extensive agriculture and agro-ecology near several of its resorts. At the end of 2019, Club Med had supported more than 2,100 beneficiaries in four countries, accumulated financial support of €853,000 and over 240 tons of produce had been delivered. It has also supported nearly 500 producers near to eight of its resorts: Morocco (Marrakech La Palmeraie), Senegal (Cap Skirring), Mauritius (La Pointe aux Canonnières and Albion), Brazil (Rio das Pedras and Lake Paradise), Indonesia (Bali) and China (Guilin).

During 2019:

- ✓ For the resorts of Albion and La Pointe aux Canonniers (Mauritius), planters have been identified and have been trained to gradually upgrade their offer of agro-ecological products;
- ✓ A supply chain has created accordingly in the Lake Paradise resort (Brazil) and Guilin (China) for family farms;
- ✓ A further doubling of produce sold in the Marrakech la Palmeraie resort from the Asni (Morocco) operation compared with 2018;
- ✓ Work began with CGEP (The Clinton Giustra Enterprise Partnership)-Acesso to explore ways of supporting small local producers in the Dominican Republic through local sourcing;
- ✓ Club Med Green Farmers, our agro-ecological programme managed with the Agrisud NGO in favour of local family farming, is one of the 16 selected case studies that have been presented during the One Planet Sustainable Tourism Summit of United Nations in 2019.

5.2 STRATEGIC COOPERATION

The Group is committed to developing FOLIDAY into the name of leisure holiday experiences of families and incorporating the concept of happy and diverse tourism and leisure into families around the world. Meanwhile, we hope to jointly improve the international competitiveness of Chinese culture and tourism industry with our partners through such ways as government-enterprise cooperation and college enterprise cooperation.

We support the development of Chinese ice sports together with the State Sports General Administration of China

Many of our Club Med resorts lie in world-class sites for skiing with excellent conditions for skiing. In recent years, they have become important sites where the alpine ski team of China, Chinese speed skating national team and Chinese luge team train. During the Reporting Period, with the comprehensive system and professional support of Club Med in such aspects as training venues, application for residential permission, transportation and base support, Chinese speed skating national team and Chinese luge team live and train at Club Med VALMOREL CHALETS and Club Med VITTEL ERMITAGE. As an important partner of China Ski Association, Club Med has been proactively cooperating with the training of snow games of Chinese teams in Europe. It spares no effort to support the trainings of Chinese skiing athletes at Club Med in the Alps region in France by integrating the valid resources in more than 20 resorts in the Alps region. In addition, we assist the State Sports General Administration of China in promoting the construction of European bases and development of team of talent and providing rich talent for the preparation of Beijing Winter Olympic Games to further promote the development of Chinese ice sports.

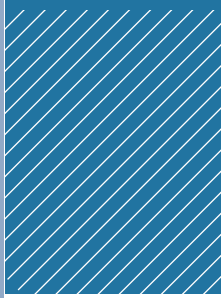


Strengthen the college-enterprise cooperation and promote the combination of production and education

During the Reporting Period, Atlantis Sanya and Hainan College of Economics and Business cooperate to open classes based in Atlantis Sanya. Students of the classes sign official labour contracts with Atlantis Sanya and enjoy the same benefits as official staff such as trainings, salaries and annual holidays. The classes adopt the characteristic educational mode of “basing education in the resorts, combining the college and the enterprise, working and learning in turn”, conduct theoretical education and working practice at the same time and precisely implement the principle of deep cooperation of schools and enterprises. In this cooperation, the classes based in the resorts are approved by the Education Department of Hainan Province for the first time, which is a milestone in the cooperation between colleges and enterprises.

Give full play to demonstration role and improve employability

In accordance with the notice of *On Issuing Provisional Measures for Employment and Internship Management of Hainan Province* issued by Human Resources and Social Security Department of Hainan Province in 2019, Atlantis Sanya was awarded a demonstration base of employment and internship. As at 31 December 2019, nearly 300 interns have graduated from Atlantis Sanya. We will play the leading role and set a good example as a demonstration base for internship and plan for and manage the college graduates to ensure the effect of education. We will also continuously help the college graduates to improve their employment capabilities and create better conditions and provide more support for the employment of college graduates.



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Contributing to
Fine Society



6.1 SOCIAL WELFARE

The Group is committed to sharing the fruit of development with the society. It solves economic, environmental and social problems for countries, regions and communities where its operations sites are in by ways of innovation and cooperation to unite more social power, create more social influence and enable more people to enjoy global happiness through global welfare. During the Reporting Period, the Group invests RMB3.18 million in global welfare projects. The total hours devoted to welfare activities reaches 13,229.

Business Unit	Total Hours of Human Devotion into Welfare Activities (Hour)
Club Med	11,473
Atlantis Sanya	285
FOLIDAY Town, Fanxiu, Thomas Cook, Miniversity and Foryou Travel under FOLIDAY	1,471

On the basis of responding to the public welfare concept of Fosun Tourism, our Atlantis Sanya and Club Med strive to realise the transformation from the public welfare practitioner to the leader. Various forms of public welfare activities are carried out around the sustainable development of the community, voluntary activities of employees, poverty alleviation in healthcare and education, etc., so as to give back to the society and create a happy life for more people.

Education Programmes: Long-term Initiatives to Support Local Schools

At Club Med, we have implemented education programmes supporting long-term initiatives in local schools and associations: renovating buildings, providing facilities and school kits, and sometimes supplying replacement educational staff as part of a one or two-week solidarity leave scheme.

- In Sports Schools, the children are welcomed on a weekly basis in the resorts and make the most of the facilities and learn sports under the leadership of the G.O or local professional educators.
- For children of GM and the children of communities located around the Club Med resorts, the programme “Friends from around the world” promotes cultural exchange in the context of creative workshops, artistic shows or sports activities. It was deployed in 11 villages around the world and more than 3,000 children (including nearly 1,200 local children) participated in 2019.



“Star Public Welfare” Growth Experience Camp of Rural Public Welfare

The project of “Star Public Welfare” for youth growth experience is a public welfare growth experience activity jointly created by Fosun Tourism and Shanghai Fosun Foundation, aiming to lead urban students to really go deep into the vast remote areas. During the Reporting Period, we collaborated with Shanghai TOONMAX TV and “Haha Public Special Fund” to roll out two batches of activity of “Star Public Welfare – Ha Xuan”. Also, we combined with the large-scale health poverty alleviation project “Rural Doctors” to carry out an activity of “Star Public Welfare – Poverty Alleviation”. We brought the youth an extraordinary journey of growth through charity donation activities, investigation of rural hygiene habits, preparation of the dinner for the village doctors, learning of survival skills and STEAM courses, experience of original ecological culture, etc. We hope to surround the family with love, with “happiness” as the fence, paying more attention to the growth of children in Chinese families, and making efforts to cultivate Chinese children’s loving heart and love quotient.



“With Love” Resident Show C’s Boosting to Children’s Public Welfare

During the Reporting Period, the Group’s resident show C carried out many public welfare activities around disabled children and left-behind children. During the Children’s Day, under the support of Hainan Disabled Persons’ Federation, resident show C invited nearly 100 Russian children with hearing disorder to enjoy the show, and by collaborating with the public welfare activity of “Care for the Blue Homeland and Protect the Marine Environment”, it realised a perfect combination of entertainment and public welfare, letting the children with hearing disorder fully feel the warmth of the society. In addition, resident show C also implemented public welfare activities for left-behind children together with Sanya rescue station, providing an opportunity for parents and children to have in-depth communication. We hope that through such public welfare activities, every child can feel the power of love in the process of forming values and spread the spirit of public welfare.



“Rural Doctors” Health Poverty Alleviation Project

Participation in poverty alleviation is a kind of charity and also the assumption of responsibility. As a benchmark project in the 3.0 era of Sanya’s tourism, Atlantis Sanya not only gained applause and honours, but also fulfilled its social responsibilities and helped the development of the local community. During the Reporting Period, Atlantis Sanya, together with Fosun Foundation and China Population Welfare Foundation, officially launched the “Rural Doctors” Health Poverty Alleviation Project. Since 28 April 2019, the visitors and guests to Atlantis Sanya can voluntarily donate RMB5.17 (which has the same sound of “count me in” in Chinese) during the visit. This fund will be used to support the “Rural Doctors” Health Poverty Alleviation Project. By training and retaining qualified rural doctors for poor areas, national capacity and accessibility of ground-level health care services can be improved, thereby reducing poverty caused by illness and the returning to poverty due to illness, and contributing to the national poverty alleviation and “China’s 2020 health” strategy.



The annual exhibition of the “Rural Doctors” Health Poverty Alleviation Project was held in Atlantis Sanya.



Atlantis Sanya Helped a Child with Myasthenia Gravis Realise His Wish to See the Sea



Showing Kangkang the aquarium



Celebrating birthday for Kangkang

On 19 August 2019, Atlantis Sanya joined hands with Make-A-Wish Shanghai to plan for Kangkang, a child suffering from myasthenia gravis, to realise his wish to see the sea on his coming birthday. After fully communicated with volunteers and medical staff to ensure the safety of Kangkang, Atlantis Sanya designed a series of activities to maximize the realization of Kangkang’s birthday wish, such as visiting the Aquarium, walking on the beach, digging crabs, taking photos of sea lions, attending the ocean-themed birthday dinner arranged at the Osciano Underwater Restaurant & Bar and so on.

“This is my first time to see the sea. I feel the sea is very wide and blue that cannot see its edge. The wind is cool. I also like the devil fish and beluga whale in the Aquarium very much. They are so cute!” Kangkang said excitedly. In the future, Atlantis Sanya will continue to release public welfare enthusiasm and earnestly fulfil social responsibilities, to bring more happiness to the society and everyone!

6.2 CULTURAL PROTECTION

The Group regards cultural essence and cultural heritage as the root and source of nurturing cultural characteristics. Thus, we constantly put effort in cultural ecology protection and improvement as globalisation progresses. We not only provide high-quality vacation experience, but also dig deep into the stories where local culture roots, perceive the memories of traditional culture, and seek a fusion of FOLIDAY culture and local culture. In doing so, we open our arms to embrace culture, and share culture in a happier way.

Culture Export via the “Belt and Road”

The Group is committed to greater globalisation. To this end, we need to have a global vision and, more importantly, bring excellent traditional Chinese culture to the world. We pay close attention to investment opportunities in the tourism industry in the countries along the “Belt and Road”, including such European countries as Italy, Portugal, Greece and Turkey, and such South-eastern Asian countries as Thailand, Vietnam, Malaysia and Indonesia. We attract more foreign tourists via the existing Fosun Tourism platforms. Meanwhile, we introduce more high-quality tourism destinations with vacation products and services across the globe to all Chinese consumers. Seizing this great historical opportunity, we once again shoulder the significant responsibility for cultural exports.

National Culture Protection

In the process of asset development, the Group upholds the basic principle of local culture protection and adheres to a sustainable development path. We introduced a “protection & development” coexistence mode for the project in the Old Town of Lijiang, a world heritage, where we built an international leisure resort with diversified areas that was based on aquatic ecology protection, oriented by cultural heritage and under the philosophy of new ecology. With respect to the architecture in the early phase, we used finely selected materials to build enclosed-courtyard buildings, whose architectural forms were local Naxi style. We also introduced Naxi people’s cuisines and handicrafts in running the resort, and brought the folk art and craftsmanship of Naxi people with their cultural symbols to the world.

Local Culture Development

We highly respect the root of local culture development, water it to let innovation sprout, and harvest the fruit of local cultural traits and characteristics. All people in the world can share the local cultural memories and stories. In the Reporting Period, our subsidiary Albion deep dives into the local culture value, and integrate tangible culture, constitutional culture and spiritual culture that form in history with the development trends of the times. At the same time, it prevents the assimilation of aggressive cultures, pollution of vulgar cultures and dilution of pop cultures, so as to maintain the ecological balance of “cultural vegetation” in the cities.

Performance of “Studious Scholar Ma” with a Local Cultural Background



Research & Study Tour (Intangible Heritage of Local Handicraft)



Cheongsam show in old mansions



Thanksgiving feast on Father’s Day (intangible heritage of local foods)



6.3 PUBLIC HEALTH

Improve the public health incident response capabilities

The Group pays continuous attention to public health and conforms strictly to local laws and regulations on public health to every business. It has formulated and implemented a number of regulations, including *Fosun Tourism Group Regulations on Sanitation in Public Places*, *Fosun Tourism Group Procedures for Pandemic Prevention and Control*, and *Fosun Tourism Group Regulations on Emergency Response and Reporting*, with corresponding training materials having been developed. The Group has also conducted on-site inspections at its companies, in a bid to improve sanitation management constantly, enhance emergency response capability in a global picture, and safeguard tourists' health practically.



■ Training of sanitation in public places



■ Training of pandemic prevention and Control

Club Med also puts a special focus on prevention of public health incidents. We provide 24-hour travel emergency assistance and evacuation assistance services for serious accidents and incidents in the resorts. To practice our health strategy, Club Med has also established a scientific committee, which brings together experts in the fields in which Club Med may be confronted. Fields include: infectious and tropical pathologies, paediatrics, sports and trauma, food hygiene, international medical assistance, medico-psychological emergency, and health crisis management.

Club Med monitoring Acute Gastroenteritis since 2000 which Protecting Our Guest Health

Club Med Action Plan

An action plan is in place to mitigate the risk that acute gastroenteritis (GE) infection spreads within Club Med resorts. This plan includes conducting preventive actions (washing hands using soap and distribution of hydroalcoholic gel in the resort, at the entrance of the restaurant, etc.), displaying information on GE cases in France, disinfecting carpets and other frequent passing areas and increasing the frequency of cleaning of commonly used facilities (table sets, etc.).

Hygiène, Sécurité et Santé / Hygiene, Safety and Health

Pensez à nettoyer vos mains fréquemment
Don't forget to wash your hands frequently

Lavez-vous les mains régulièrement à l'eau et au savon
à l'eau et au savon
rictionnez vos mains
(entre les doigts, sur la paume et sur le dos de la main)
Séchez-les

Regularly wash your hand with soap and water
Rub your hands together
(between fingers, on the palm and back of your hands)
Dry them

Hygiène, Sécurité et Santé / Hygiene, Safety and Health

Pensez à nettoyer vos mains
Don't forget to clean your hands

1 seule pression suffit !
Frictionnez vos mains jusqu'à ce qu'elles soient sèches
(entre les doigts, sur la paume et sur le dos de la main)

Only press once!
Rub your hands together until they are dry
(between fingers, on the palm and back of your hands)

Club Med "Washing hands" Poster

Club Med Doctors Seminar organised in 2019: focus on Digestive Disorders Management

In the Reporting Period, a norovirus incident occurred in the Yabuli resort village of Cub Med under the Group. After the incident, the headquarters of Fosun Tourism set up the EHSQ department responsible for the safety, health and sanitation of the Group’s subsidiaries and projects, as well as customer service supervision and management. Meanwhile, Club Med adjusted the management structure of the Asian-Pacific regional headquarters, and set up a dedicated safety and sanitation department reporting directly to the co-CEO of the Asian-Pacific region. It also appointed a Manager of Health to manage specifically food safety and public health in the resort village. Besides, Club Med engaged a third-party company regularly inspecting and auditing food safety and public health, specially, to further guarantee the safe operations of the resort village.

Resistance to COVID-19

After the breakout of COVID-19, the Group has been with the fighters at the front lines and giving constant support to win this “critical battle against COVID-19”.

Launching the global project of medical material allocation

Club Med purchased medical materials for COVID-19 resistance via its global procurement channels. 31,000 face masks and 28,000 pieces of protective clothing were supplied



Fosun Tourism supplying pandemic control materials to COVID-19 stricken areas via global channels

to Wuhan. Club Med, Fosun Foundation and other enterprises and foundations jointly donated and delivered 45,500 pieces of materials to Italy. Atlantis Sanya has donated 4 batches of medical supplies to Sanya through Fosun Foundation. A cargo charter flight was arranged for the delivery to Sanya. 1,400 pieces of medical protective suits, 3,800 pieces of waterproof protective suits and 6,800 pieces of N95 masks were donated in total to support Sanya battling the epidemic. Atlantis Sanya has helped gather a batch of protective equipment and distributed to the landlords and tenants of Tang Residence, the responsible persons of which have distributed masks and anti-bacterial hand wash to over 70 units of residents in person. The project company of Taicang FOLIDAY Town has deployed 100 pieces of medical protective suits, 200 pieces of waterproof protective suits, 5,000 medical masks and 4,000 pairs of medical surgical gloves to support the prevention and control of the pandemic in Taicang and delivered them to the Taicang Municipal People’s Government. The project company of Lijiang FOLIDAY Town has donated 5 batches of medical supplies to Lijiang through Fosun Foundation. 2,400 pieces of medical protective suits and 3,800 medical masks were donated in total and delivered to the related departments of Lijiang government at full speed to support Lijiang battling the epidemic. As at 11 March 2020, Fosun Tourism has gathered more than 200,000 pieces of medical supplies through the channels in France, Italy and Greece and shipped to aid the front-line epidemic battle.



Launching pandemic control measures in resort villages

After the outbreak of COVID-19, we paid very much attention to the safety and health of our staff members and customers, so we launched a special plan for pandemic prevention and control at the very beginning in the hotels and resort villages of Club Med, Atlantis Sanya and Albion. We took prompt and upgrading measures, including temperature measurement, ventilation, disinfection, and ensuring food safety. Besides, we quickly implemented the customer caring plan with travel

suspension or tourist service cancellation. Some vacation facilities of a part of our resorts and travel destinations were temporarily closed to guarantee the health and safety, as well as service experience, of both customers and the staff.

Our employees across the globe joined hands to procure medical equipment from every area of the world to help fight COVID-19. By practical action, they contrite their strength to the battle against the pandemic in hope of achieving victory as soon as possible.



Club Med Tomamu resort village in Hokkaido Cheering “JIAYOU CHINA”

APPENDIX 1 LIST OF APPLICABLE LAWS AND REGULATIONS AND INTERNAL POLICIES OF FOSUN TOURISM

Local laws and regulations applicable to the main operating businesses of the Group

Company Law of the People’s Republic of China
Audit Law of the People’s Republic of China
Corporate Governance Code
Patent Law of the People’s Republic of China
Trademark Law of the People’s Republic of China
Cybersecurity Law of the People’s Republic of China
Fire Protection Law of the People’s Republic of China
Food Safety Law of the People’s Republic of China
Law of the People’s Republic of China on the Protection of Consumer Rights and Interests
Environmental Protection Law of the People’s Republic of China
Law of the People’s Republic of China on Environmental Impact Assessment
Environmental Protection Tax Law of the People’s Republic of China
Energy Conservation Law of the People’s Republic of China
Water Pollution Prevention and Control Law of the People’s Republic of China
Law of the People’s Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes
Law of the People’s Republic of China on Prevention and Control of Pollution from Environmental Noise
Urban Real Estate Administration Law
Regulations on the Administration of Construction Project Environmental Protection
Regulations on Environmental Protection Inspection upon Construction Project Completion
Regulations of the People’s Republic of China on the Protection of Aquatic Wild Animals
Regulation on the Administration of Commercial Performances
Regulation on Travel Agencies (Revised in 2017)
Measures for the Control of Security in the Hotel Industry
Regulations on the Administration of Sanitation at Public Places
EU General Data Protection Regulation
French Penal Code
French Tourism Code
EU General Food Law
French Consumer Code
French Rural and Maritime Fisheries Code
French Public Health Code
French Environmental Code
French Environmental Charter
Federal Law No. 9,782/1999 of Brazil
Federal Law No. 6,437/1977 of Brazil
Federal Law No. 8,080/1990 of Brazil
Brazilian Consumer Protection Law (Law No. 8.078/90)
Brazilian Internet Law and Decree (Law No. 12.965/14 and Decree No. 8.771/16)
Constitution of the Federative Republic of Brazil
Brazilian Labour Code

Brazilian Clean Company Act
Maldives Tourism Act (Law No. 2/99)
Maldives Tourist Resort Fire Regulations and Safety Standards (Law No. 2015/R-43)
Environment Protection and Preservation Act of Maldives (Law No. 4/93)
Maldives Prevention and Prohibition of Corruption Act (Act No. 2/2000)
Maldives Business Registration Act (Act No. 18/2014)
Companies Act of Republic of Maldives (Act No. 10/96)
Maldives Employment Act
Maldives Business Profit Tax Act (Act No. 5/2011)
Maldives Goods and Services Tax Act (Act No. 10/2011)
U.S.C. § 41712 of Chapter 49
CFR § 399.80 of Chapter 14
CFR § 399.83 of Chapter 14
CFR § 399.84 of Chapter 14
CFR Part 380 of Chapter 14
CFR § 399.85 of Chapter 14
CFR § 399.88 of Chapter 14
CFR § 399.89 of Chapter 14
CFR Part 257 of Chapter 14
CFR 382.9 of Chapter 14

Main internal policies of the Group

Articles of Association
Guidelines for Comprehensive Risk Management (Provisional)
Management Measures for Integrity Risk Assessment and Red, Yellow and Green Lights
Integrity Management Regulations
Management Measures for the Acceptance of gifts for Business Activities
Anti-money Laundering Guidelines
Anti-fraud Management Regulations
Measures for the Protection and Incentives for Whistle-blower and Witnesses
FTG Environment, Health and Safety Policy
EHSQ Performance Indicator Management System of Fosun Tourism
FTG EHS Responsibility Program
FTG Food Safety Management Program
Fosun Tourism Group Customer Service and Product Supervision Management Program

Fosun Tourism Group Customer Service Etiquette Guideline
Fosun Tourism Information Security Management Regulations
Foryou Club Management Regulations
Fosun Tourism Group Employee Handbook
Fosun Tourism Group Interview and Recruitment Regulations
Fosun Tourism Provisions on Remuneration And Benefits
Fosun Tourism Group Provisions on Attendance and Leave Management (Provisional)
Fosun Tourism Group Recognition Scheme
Provisions of Fosun Tourism Group for Performance Management
Fosun Tourism Group Rewards and Punishments Management
2019 Fosun Tourism Group Annual Evaluation Method
Operation Manual for Air Devices
Cost Contract Management System of Fosun Tourism Group
Guidelines for Bidding and Procurement of the Development Management Centre of Fosun Tourism Group
Fosun Tourism Group Regulations on Sanitation in Public Places
Fosun Tourism Group Procedures for Pandemic Prevention and Control
Fosun Tourism Group Regulations on Emergency Response and Reporting

APPENDIX 2 LIST OF GLOBAL OPERATING SITES OF CLUB MED RESORTS OF FOSUN TOURISM

The resorts that we operated as of 31 December 2019 were as follows:

No.	Name of Resort	Number of Beds	Duration ⁽¹⁾	Number of Rooms	Trident ⁽²⁾	Location	Year of opening ⁽³⁾	Type	Operating Model ⁽⁴⁾
EMEA									
1	AGADIR	843	Permanent	374	3	Morocco	1967	Sun	Leased
2	AIME LA PLAGNE	528	Seasonal	240	3	France	1989	Mountain	Leased
3	ALBION	618	Permanent	260	5	Mauritius	2007	Sun	Leased
4	ALBION VILLAS	186	Permanent	27	5	Mauritius	2010	Sun	Leased
5	ARCS EXTREME	590	Seasonal	284	3	France	1980	Mountain	Leased
6	ARCS PANORAMA	968	Bi-seasonal	433	4+5	France	2018	Mountain	Leased
7	BODRUM	502	Seasonal	242	4	Turkey	1995	Sun	Managed
8	CAP SKIRRING	415	Seasonal	205	4	Senegal	1973	Sun	Owned
9	GRAND MASSIF SAMOENS MORILLON CHALETs	59	Bi-seasonal	11	5	France	2019	Mountain	Leased
10	CEFALU	645	Permanent	322	5	Italy	2018	Sun	Leased
11	CERVINIA	464	Seasonal	199	4	Italy	2001	Mountain	Leased
12	CLUB MED 2	377	Permanent	184	5	CM2	1992	Sun	Owned
13	DA BALAIA	798	Seasonal	389	4	Portugal	1986	Sun	Leased
14	DJERBA LA DOUCE	1,070	Seasonal	520	3	Tunisia	1975	Sun	Leased
15	GRAND MASSIF SAMOENS MORILLON	941	Bi-seasonal	420	4	France	2017	Mountain	Leased
16	GREGOLIMANO	974	Seasonal	460	4	Greece	1978	Sun	Owned
17	KAMARINA	1,632	Seasonal	686	3	Italy	1981	Sun	Leased
18	KEMER	939	Seasonal	463	3	Turkey	1977	Sun	Owned
19	LA PALMYRE ATLANTIQUE	1,169	Seasonal	404	3	France	2003	Sun	Leased
20	LA PLAGNE 2100	590	Seasonal	339	4	France	1990	Mountain	Leased
21	LA POINTE AUX CANONNIERS	873	Permanent	393	4	Mauritius	1973	Sun	Leased
22	L'ALPE D'HUEZ	996	Bi-seasonal	450	4	France	2019	Mountain	Leased
23	MARRAKECH LA PALMERAIE	870	Permanent	356	4+5	Morocco	2004	Sun	Leased
24	OPIO EN PROVENCE	910	Permanent	429	4	France	1989	Sun	Leased
25	PALMIYE	1,777	Seasonal	722	4	Turkey	1988	Sun	Managed
26	PEISEY-VALLANDRY	730	Bi-seasonal	281	4	France	2005	Mountain	Leased
27	PRAGELATO	720	Bi-seasonal	273	4	Italy	2012	Mountain	Leased
28	SAINT-MORITZ ROI SOLEIL	599	Seasonal	304	4	Switzerland	1963	Mountain	Leased
29	SANT'AMBROGGIO	729	Seasonal	290	3	France	1971	Sun	Leased
30	SERRE-CHEVALIER	991	Bi-seasonal	349	3	France	2001	Mountain	Leased
31	TIGNES VAL CLARET	498	Seasonal	228	4	France	1975	Mountain	Leased
32	VAL D'ISERE	557	Seasonal	275	4+5	France	1978	Mountain	Leased
33	VAL THORENS	776	Seasonal	384	4	France	2014	Mountain	Leased
34	VALMOREL	905	Bi-seasonal	416	4+5	France	2011	Mountain	Leased
35	VALMOREL CHALETs	311	Bi-seasonal	59	5	France	2011	Mountain	Leased
36	VITTEL ERMITAGE	194	Seasonal	104	4	France	1973	Sun	Leased
37	VITTEL LE PARC	827	Seasonal	363	3	France	1973	Sun	Leased
38	YASMINA	812	Seasonal	343	4	Morocco	1969	Sun	Leased

No.	Name of Resort	Number of Beds	Duration ⁽¹⁾	Number of Rooms	Trident ⁽²⁾	Location	Year of opening ⁽³⁾	Type	Operating Model ⁽⁴⁾
Americas									
1	CANCUN YUCATAN	1,316	Permanent	502	4+5	Mexico	1976	Sun	Owned
2	COLUMBUS ISLE	536	Permanent	236	4	Bahamas	1992	Sun	Owned
3	MICHES	725	Permanent	270	5	Dominican Republic	2019	Sun	Leased
4	IXTAPA PACIFIC	793	Permanent	296	4	Mexico	1981	Sun	Owned
5	LA CARAVELLE	701	Permanent	328	4	France (Guadeloupe)	1974	Sun	Leased
6	LAKE PARADISE	968	Permanent	377	4	Brazil	2016	Sun	Leased
7	LES BOUCANIER	646	Permanent	291	4	France (Martinique)	1969	Sun	Owned
8	PUNTA CANA	1,739	Permanent	631	4+5	Dominican Republic	1981	Sun	Owned
9	RIO DAS PEDRAS	823	Permanent	379	4+5	Brazil	1988	Sun	Owned
10	SANDPIPER	1,001	Permanent	307	4	United States of America	1987	Sun	Owned
11	TRANCOSO	595	Permanent	250	4	Brazil	2002	Sun	Owned
12	TURQUOISE, TURCS & CAICOS	582	Permanent	291	4	Turks and Caicos	1985	Sun	Leased
Asia Pacific									
1	BALI	902	Permanent	393	4	Indonesia	1986	Sun	Owned
2	BEIDAHU	458	Seasonal	176	4	China	2016	Mountain	Managed
3	BINTAN ISLAND	656	Permanent	308	4	Indonesia	1996	Sun	Leased
4	CHERATING BEACH	679	Permanent	297	4	Malaysia	1979	Sun	Owned
5	CLUB MED JOYVIEW ANJI	810	Permanent	300	4	China	2018	JoyView	Managed
6	CLUB MED JOYVIEW GOLDEN COAST	780	Permanent	298	4	China	2018	JoyView	Managed
7	GUIJIN	847	Permanent	350	4	China	2013	Sun	Managed
8	KABIRA	585	Permanent	181	4	Japan	1999	Sun	Leased
9	KANI	584	Permanent	272	4+5	Maldiv Islands	2000	Sun	Leased
10	KANI FINHOLU VILLAS	104	Permanent	52	5	Maldiv Islands	2015	Sun	Leased
11	PHUKET	799	Permanent	340	4	Thailand	1985	Sun	Owned
12	SAHORO HOKKAIDO	659	Seasonal	208	4	Japan	1988	Mountain	Leased
13	SANYA	957	Permanent	384	4	China	2016	Sun	Managed
14	TOMAMU HOKKAIDO	964	Bi-seasonal	341	4	Japan	2018	Mountain	Managed
15	YABULI	697	Seasonal	279	4	China	2010	Mountain	Managed
16	CLUB MED JOYVIEW YANQING PEKING	772	Permanent	307	4	China	2019	JoyView	Managed

Notes:

- (1)

Permanent resorts open all year long. Seasonal resorts open in either the summer season or the winter season of each year. Bi-seasonal resorts open in the summer season and the winter season of each year.
- (2)

“3”：Three Trident Resort

“4”：Premium Four Trident Resort

“4+5”：Four Trident Resort with Five Trident Space

“5”：Five Trident Resort, Villas and Chalets, and Club Med 2 cruise ship, now called Exclusive Collection collectively
- (3)

This includes year of re-opening.
- (4)

Unless otherwise stated, we wholly own the property holding companies of the resorts below under the ownership operating model.

APPENDIX 3 LIST OF GREEN GLOBE CERTIFICATION OF FOSUN TOURISM¹⁹

No. Europe		No. Pacific Asia	No. North America
1	Aime la Plagne (France)	22 Guilin (China)	41 La Caravelle (Guadeloupe)
2	Arcs Panorama (France)	23 Bali (Indonesia)	42 Les Boucaniers (Martinique)
3	Grand Massif-Samoens (France)	24 Bintan Island (Indonesia)	43 Ixtapa Pacific (Mexico)
4	La Palmyre-Atlantique (France)	25 Cherating Beach (Malaysia)	44 Cancun Yucatan (Mexico)
5	La Plagne 2100 (France)	26 Phuket (Thailand)	45 Punta cana (Domican Rep.)
6	Opio-en-Provence (France)	27 Kabira Ishigaki (Japan)	46 Sandpiper Bay (USA)
7	Peisey-Vallandry (France)	28 Hokkaido Sahoro (Japan)	47 Turkouise (Turke & Caicos)
8	Serre Chevalier (France)	29 Kani (Maldives)	Africa
9	Tignes Val Claret (France)	30 Finolhu (Maldives)	48 Agadir (Morroco)
10	Val d’Isère (France)	31 Tomamu (Japan)	49 Cap Skirring (Senegal)
11	Valmorel (France)	Middle East	50 Djerba la Douce (Tunisia)
12	Chalets de Valmorel (France)	32 La Plantation d’Albion (Maurice)	51 Marrakech la Palmeraie (Morroco)
13	Val Thorens Sensations (France)	33 Villas d’Albion (Maurice)	52 Yasmina (Morroco)
14	Vittel Ermitage (France)	34 Bodrum Palmiye (Turkey)	
15	Vittel Le Parc (France)	35 Kemer (Turkey)	
16	Cefalu (Iitalia)	36 La Pointe aux Canonniers (Maurice)	
17	Da Balaia (Portugal)	37 Palmiye (Turkey)	
18	Gregolimano (Greece)	South America	
19	Kamarina (Italia)	38 Lake Paradise (Brazil)	
20	Pragelato (Italia)	39 Rio das Pedras (Brazil)	
21	St Moritz (Swiss)	40 Trancoso (Brazil)	

¹⁹ The four resorts newly opened under the Group in 2019 are not included in the Green Globe certified calculation scope. The cruise ships run by the Group are also excluded in the certified calculation scope.

APPENDIX 4 INDEX OF GUIDELINES OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT OF THE STOCK EXCHANGE OF HONG KONG LIMITED

General Disclosure and Key Performance Indicators		Environmental, Social and Governance Report of 2019
A. Environmental		
Aspect A1:	Emissions	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4. Happiness-Thumbs-up for Green Globe
KPI A1.1	The types of emissions and respective emissions data.	4.3 Low Carbon and Emissions Reduction
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.3 Low Carbon and Emissions Reduction
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.3 Low Carbon and Emissions Reduction
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.3 Low Carbon and Emissions Reduction
KPI A1.5	Description of measures to mitigate emissions and results achieved.	4.3 Low Carbon and Emissions Reduction
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	4.3 Low Carbon and Emissions Reduction
Aspect A2:	Use of Resources	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	4.2 Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	4.2 Use of Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.2 Use of Resources
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	4.2 Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	4.2 Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The business of the Group does not involve package materials.
Aspect A3:	The Environment and Natural Resources	
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	4.1 Environmental Management 4.4 Care for Nature
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4.1 Environmental Management 4.4 Care for Nature

General Disclosure and Key Performance Indicators		Environmental, Social and Governance Report of 2019
B. Social		
Aspect B1:	Employment	
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	3. Happiness-Integration of Diversified Cultures
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	3.1 Diversified Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	During the Reporting Period, the Group's total employee turnover rate was 18.18%. Employee turnover rate by gender: Male: 19.58%; Female: 15.78% Employee turnover rate by age group: 18-30 years old: 22.82%; 31-40 years old: 17.02%; 41-50 years old: 12.45%; 51 years old and older: 13.67% Employee turnover rate by region: Asia: 19.41%; Europe: 14.55%; Africa: 11.08%; North America: 21.62%; South America: 29.53%; Oceania: 16.00%

General Disclosure and Key Performance Indicators		Environmental, Social and Governance Report of 2019
Aspect B2:	Health and Safety	
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3.4 Occupational Health
KPI B2.1	Number and rate of work-related fatalities.	3.4 Occupational Health
KPI B2.2	Lost days due to work injury.	During the Reporting Period, the number of lost days due to work injury of the Group's employees was 444.12.
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	3.4 Occupational Health
Aspect B3:	Development and Training	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	3.3 Career Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	3.3 Career Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	3.3 Career Development
Aspect B4:	Labour Standards	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	3.1 Diversified Employment
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	3.1 Diversified Employment
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	3.1 Diversified Employment
Aspect B5:	Supply Chain Management	
General Disclosure	Policies on managing environmental and social risks of the supply chain.	5.1 Responsible Purchase
KPI B5.1	Number of suppliers by geographical region.	5.1 Responsible Purchase
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	5.1 Responsible Purchase

General Disclosure and Key Performance Indicators		Environmental, Social and Governance Report of 2019
Aspect B6:	Product Responsibility	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	2. Happiness-Global Holiday Life
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group does not involve in the procedure of product recall.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	2.3 Considerate Services
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.4 Intelligent Science and Innovation
KPI B6.4	Description of quality assurance process and recall procedures.	2.2 Safety Guarantee
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	2.3 Considerate services
Aspect B7:	Anti-corruption	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	1.3 Corporate Governance
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.3 Corporate Governance
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	1.3 Corporate Governance
Aspect B8:	Community Investment	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	6. Happiness-Contributing to Fine Society
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6.1 Social Welfare 6.2 Cultural Protection 6.3 Public Health
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	6.1 Social Welfare 6.2 Cultural Protection 6.3 Public Health

APPENDIX 5 GLOSSARY

Aquarium	the Lost Chambers Aquarium in Atlantis Sanya
areas with water resource stress or extreme water resource stress	areas that lack freshwater resource available for free use
Atlantis Sanya	our tourism destination on the Haitang Bay National Coast of Sanya, Hainan province, PRC
Audit Committee	Audit committee of the Board
bed capacity	the number of beds available during the operational period of the hotel (without regard of the actual number of rooms occupied). Beds capacity = number of beds of the hotel * number of days of operation.
Board	the board of directors of the Company
Casa Cook	a boutique hotel brand that received a series of awards under Thomas Cook, focusing on design aesthetics, high-quality dining and providing its customers with comfortable and happy experience
Check Safety First	Check Safety First Group has applied risk management systems and softwares for its hotels across the world to ensure customers'safety; only hotels remaining high level of risk management could be invited to join as its members
Club Med	Club Med SAS (formally known as Club Méditerranée SA), a simple joint stork company(société par actions simplifiée) incorporated in France on 12 November 1957, and a non wholly-owned subsidiary of the Company
Cook's Club	a beach hotel brand under Thomas Cook. Hotels under such series feature a modern and stylish design and create a lively and interesting holiday atmosphere to the travelers of new generation
Digital happiness	digital measures taken by Club Med, we promote the experience of customers and employess with digital solutions, and we also make the technique easy to master and closely follow the needs of the customers
Director(s)	the director(s) of the Company
EMEA	Europe, Middle East and Africa, for the purpose of this report includes Turkey
Europ Assistance	Europ Assistance, a travel assistance business service provider that headquartered in France
FBS	the developed European markets (including France, Benelux and Switzerland)
FOLIDAY	our global ecosystem, including the business-corelated operations that offer a series of travelling and leisure related services
Foryou Club	our member management system in China, the management and operation of the system is aimed to provide the members and customers registered under the FOLIDAY ecosystem with services and activities

Fosun International	Fosun International Limited, a limited liability company incorporated in Hong Kong, the shares of which are listed on the main board with stock code 0656, and is one of our controlling shareholders
Frost & Sullivan report	an independent market research report that made by Frost & Sullivan (Beijing) Consulting Co., Ltd. Shanghai Branch, which is a global market research and consulting company, and is also an independent third party
Gentil Employé (G.E)	Club Med employees from the country where the resorts are located, they work in fixed locations, differ from G.O in terms of its nature
Gentil Membre (GM®)	the customers of Club Med
Gentil Organisateur (GO®)	Club Med employees who have direct contact with customers. G.O is the most important contact creator
Microsoft Dynamics	a series of software applications developed by Microsoft for enterprise resource planning and customer relationship management
Miniversity	a brand on children study and play club
Mulching	cover the soil surrounding the plants with mulch (dead leaves, twigs and manure) that helps them to grow
NMEA	the developing markets including Europe (UK, Germany, Russia, Italy, etc.), Africa (South Africa, etc.) and the Middle-East (Israel, Turkey, etc.)
occupied rooms	the rooms which are currently occupied by guests
PRC	the People's Republic of China, but for the purpose of this report only and for the regional reference, "PRC" mentioned in this report excludes Hong Kong, Macau and Taiwan
Premium membership	members from Club Med premium membership loyalty program
RMB	the lawful currency of the PRC
subsidiary(ies)	has the meaning ascribed to it under the section 15 of Company Ordinance (Chapter 622 of the Laws of Hong Kong)
Tang Residence	the holiday residence units available for sale in Atlantis Sanya
Thomas Cook	Thomas Cook Group plc, a company incorporated in England and Wales, the shares od which are listed on the London Stock Exchange (stock code: TCG), the company applied for liquidation on 23 September 2019
Waterpark	the Aquaventure Waterpark in Atlantis Sanya