

# Statement of Non-Financial Performance

# 2020





# NON-FINANCIAL PERFORMANCE STATEMENT 2020

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Groupe Maisons De Famille  
Headquarters: 1, place Victor-Hugo, 92400 Courbevoie, France  
Share capital: €66,074,412  
Siret: 493 488 571

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## Summary

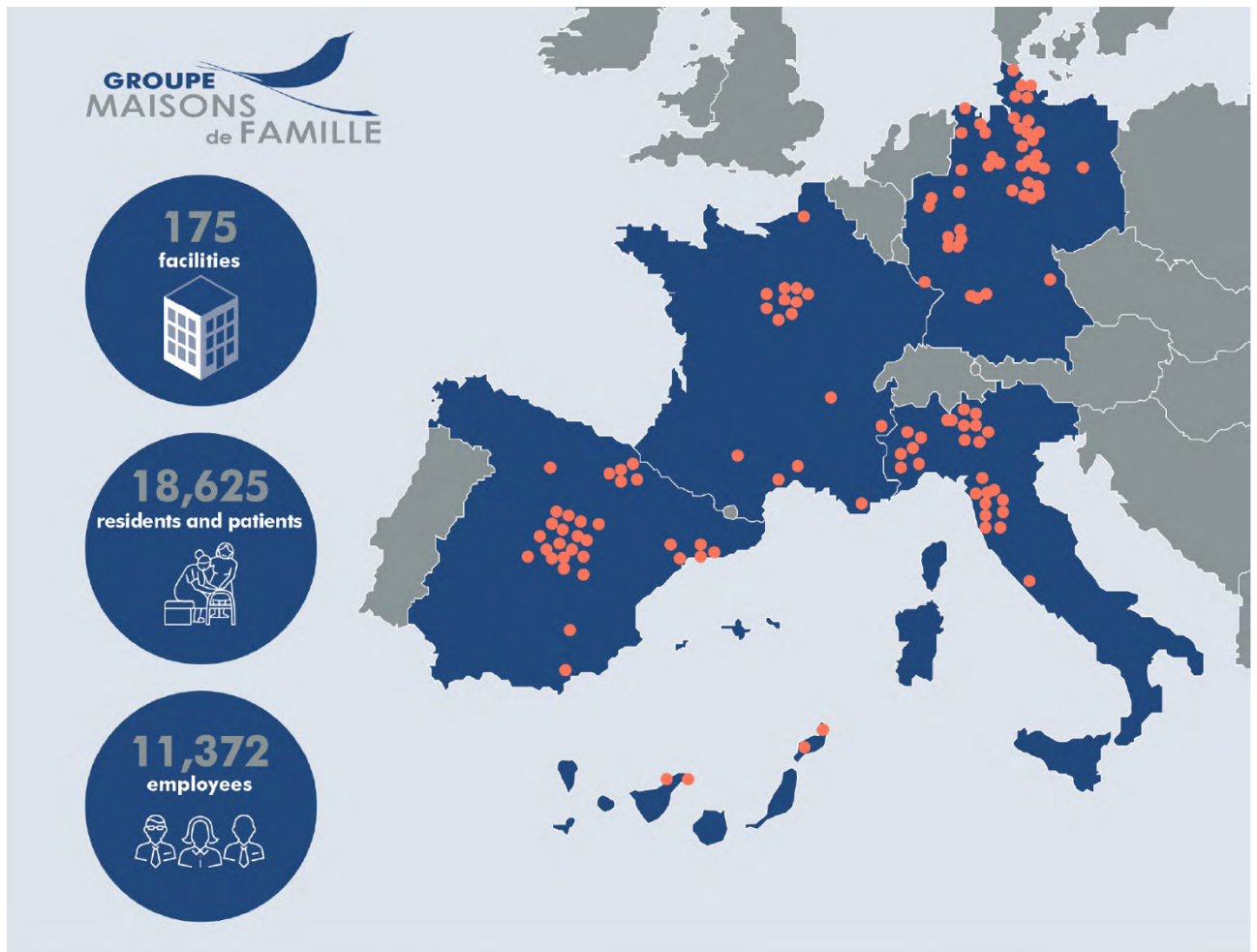
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## A MODEL THAT CREATES SUSTAINABLE VALUE

Groupe Maisons De Famille is a leading European provider of accommodation, care and support for seniors, particularly those in a dependent position.

Groupe Maisons De Famille has long-term care nursing homes, day care centres, senior citizen residences, rehabilitation centres, centres specialising in the care of disabled people and patients suffering from psychiatric illnesses, providing them with social and health care. Outpatient services are also offered in Germany.

The Group is engaged in a continuous process of improvement and transformation, in particular through the ongoing development of skills and the renewal and adaptation of the services offered to meet the expectations of residents, their families and employees. The challenge posed to our organisations by the COVID-19 health crisis has confirmed the societal role of our model, which we are committed to pursuing in a responsible manner and in line with our values.





The Group's activity responds to a social need that will become more pronounced in the years to come with the increase in the ageing population, longer life expectancy and higher levels of dependency. The share of the EU population aged 80 or over is expected to more than double between 2018 and 2070, reaching 12.6% in 2070. The proportion of people aged 65 or over is expected to increase by 9.5 percentage points to 29.2%.

The Group has developed its business in Europe through several entities:

- Maisons De Famille in France (15% of the Group's turnover) where the Group began its operations in 2003;
- La Villa in Italy (12% of the Group's turnover) since 2008;
- Amavir in Spain (26% of the Group's turnover) since 2013;
- Dorea Famille in Germany (48% of the Group's turnover) since 2018.

Despite the COVID-19 pandemic, the Group was able to continue to expand. Four new nursing homes were opened in Germany. In Italy and Spain, six and ten new nursing home projects were signed, respectively. In Spain, some projects were in the development phase at the end of 2020.

### Consolidated figures

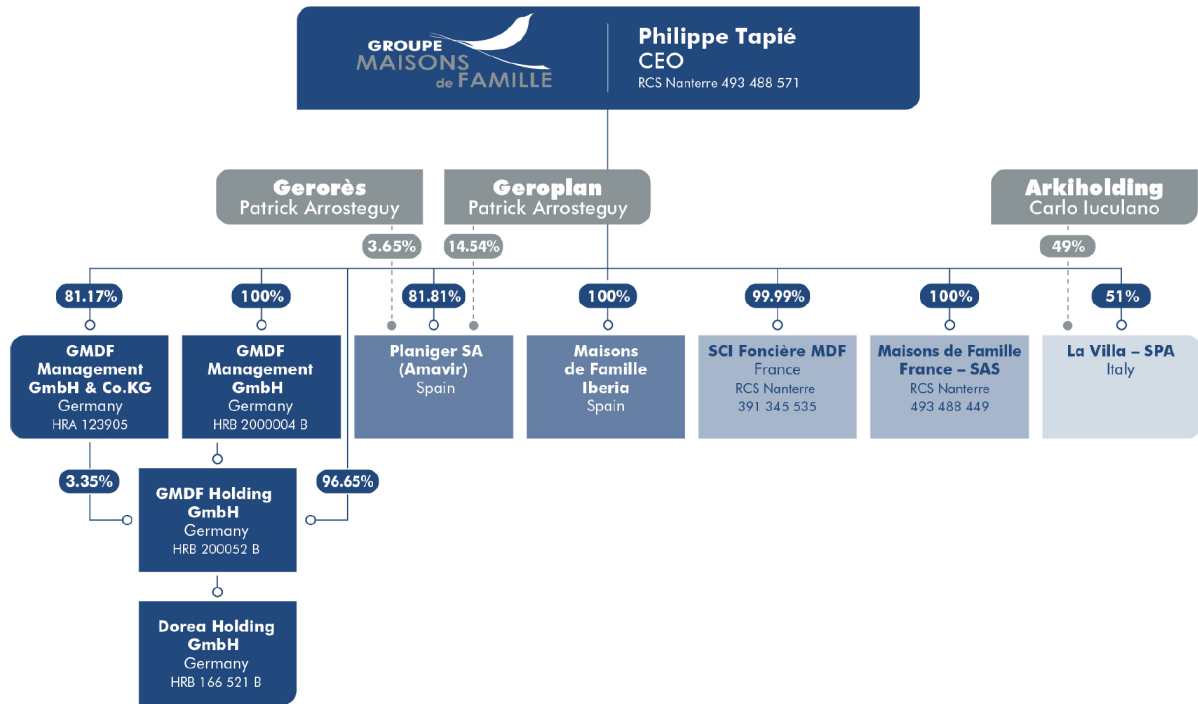
	2019	2020	Change
Number of facilities	173	175	1%
Authorised beds	15,472	15,886	3%
Used beds	14,601	15,004	3%
Day care	1,521	1,521	0%
Apartments in senior service residences	878	867	-1%
Outpatient services	1,302	1,233	-5%

### By country

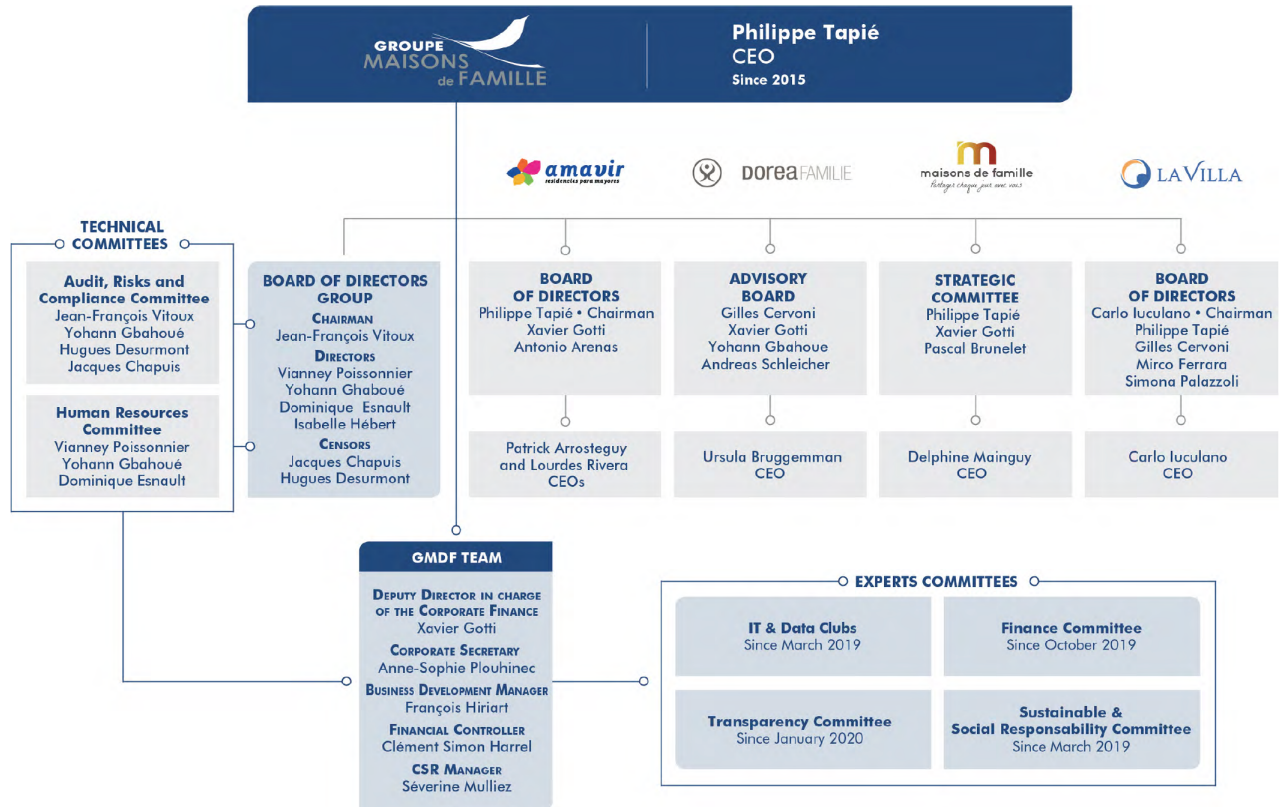
	2019				2020			
	France	Germany	Italy	Spain	France	Germany	Italy	Spain
Number of facilities	17	91	23	42	17	93	23	42
Used beds	1,224	5,281	1,873	6,223	1,224	5,559	1,998	6,223
Day care	22	74	20	1,405	22	74	20	1,405
Apartments in senior service residences	167	711	-	-	167	700	-	-
Outpatient services	53	1,249	-	-	53	1,180	-	-

## Group Governance

The Group currently operates through various entities: Maisons De Famille (France), La Villa (Italy), Amavir (Spain) and Dorea Famille (Germany).



The highest management body of Groupe Maisons De Famille SA is the Board of Directors.



As at 31 December 2020, the Board of Directors was composed of five members (three men and two women) and two non-voting members (two men).

Two technical committees report to the Board of Directors: the Audit, Risk and Compliance Committee and the Human Resources Committee.

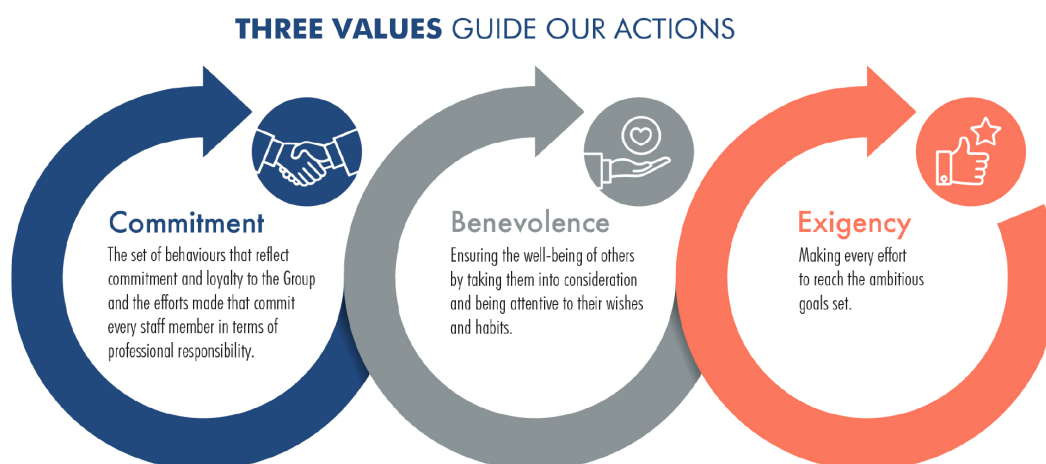
In addition, several expert committees have been set up with the participation of managers from the four countries in which the Group operates: the IT&Data Club, the Finance Committee, the Transparency Committee (Compliance Working Committee) and the S&SR Committee (CSR Working Committee).

## Our Vision and Values

Groupe Maisons De Famille strives to make life easier for the elderly and their families in a responsible, ethical and innovative way for the greatest number of people.

To do this, the Group works every day to achieve its Vision of **“Helping each individual through the creation of authentic emotional bonds”**, guided by its corporate values:

- **Commitment.** The set of behaviours that reflect commitment and loyalty to the Group and the efforts made that commit every staff member in terms of professional responsibility.
- **Benevolence.** Ensuring the well-being of others by taking them into consideration and being attentive to their wishes and habits.
- **Exigency.** Making every effort to reach the ambitious goals set.



Groupe Maisons De Famille has identified the factors and future trends that will have an impact on its business in the years to come:

- the rapidly ageing population;
- the increase in the number of dependent persons;
- the increase in life expectancy (four to five generations coexisting);
- the number of cognitive diseases or dementia problems will double in the next 10 years;
- the average accommodation capacity in Europe will increase by 30% in the next 20 years;
- home care is seen as an appropriate solution, but it has its own limitations. New family structures (smaller families, smaller houses, both family members working) make it difficult to care for older people at home;
- the digital transformation;
- the growing importance of corporate social responsibility.

In this context, the Group has the following strengths: a long-term, family-owned shareholder who is confident and forward-looking, strong local brands, a long-term strategy, committed employees, a highly-experienced management team and excellent service.

Accordingly, the Group has set itself the following strategic objectives for 2030:

- consolidate existing businesses;
- diversify activities and further expand the network;
- increase the value of the company: increase customer satisfaction, the sense of belonging to the organisation and the quality of service, achieve economies of scale, etc.;
- develop new businesses based on innovation and technology;
- strengthen human resources policies;
- strengthen the Group's social role;
- strengthen integration and corporate culture.

The strategy and results of Groupe Maisons De Famille were influenced in 2020 by the global coronavirus pandemic. The sector was particularly affected by this crisis because the elderly and dependent people are the population group most at risk from this virus. Proactive vaccination campaigns in the facilities mean that a gradual return to normality can be expected by the end of the financial year 2021.

The health crisis has highlighted the need to change the retirement home model and a wave of new regulations in the sector concerning greater medicalisation of retirement homes, hygiene processes and standards, staff training, the creation of cohabitation units within retirement homes, and salary and career path upgrades should be anticipated.

## Sustainable Development and Social Responsibility

In 2020, the Group's commitment to corporate social responsibility (CSR) was strengthened.

Since 2019, the Group has an S&SR Committee consisting of the Group's Secretary General and the CSR managers of the four countries. This committee is advised by an external consultant.

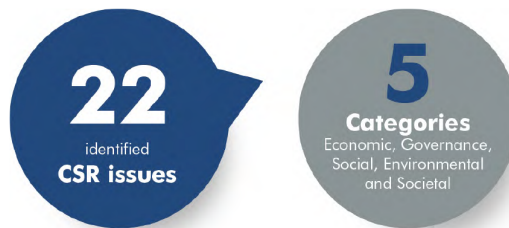
The main actions carried out within the framework of the S&SR Committee were the following:

- conducting a materiality analysis to define the relevant CSR issues for the Group and its stakeholders;
- preparing the Group's non-financial risk matrix, as described in the section "Non-financial risk management";
- establishing the roles and responsibilities of the participants in the reporting process;
- establishing an effective methodology for reporting CSR key performance indicators, ensuring reliable and consistent reporting over time, as part of the non-financial reporting.

### Materiality Analysis

The materiality analysis process conducted by the Group consisted of the following:

- **Identifying material issues**, based on a benchmarking of CSR matrices of relevant companies in the sector, an analysis of the market situation and applicable regulations, as well as an analysis of the evolution of the requirements and criteria taken into account in the most relevant sustainability standards such as SASB, GRI and other reference frameworks such as the Global Compact or the Sustainable Development Goals. During this phase, 22 issues were identified, grouped into five categories: economic, governance, social, environmental and societal.



- **Consulting internal and external stakeholders.** Each country sent a questionnaire to its key stakeholders and management listing the important issues identified in the previous phase, asking them to rank their level of importance in relation to each other.



- **Prioritising important issues.** By analysing the responses from stakeholders and management, a list of the most important issues was drawn up and prioritised from highest to lowest.
- **Developing the Group's materiality matrix.** This matrix lists the issues according to their level of relevance for the Groupe Maison De Famille and its stakeholders. These results were validated by the S&SR Committee.



## Materiality Matrix

### High influence

- 1 Quality of service and user satisfaction
- 6 Ethical management and compliance with regulations
- 2 Respect the rights and dignity of vulnerable people
- 3 The health, safety and well-being of the employee
- 10 Good governance and transparency
- 8 Training and development
- 4 Data privacy and security
- 9 Staff turnover

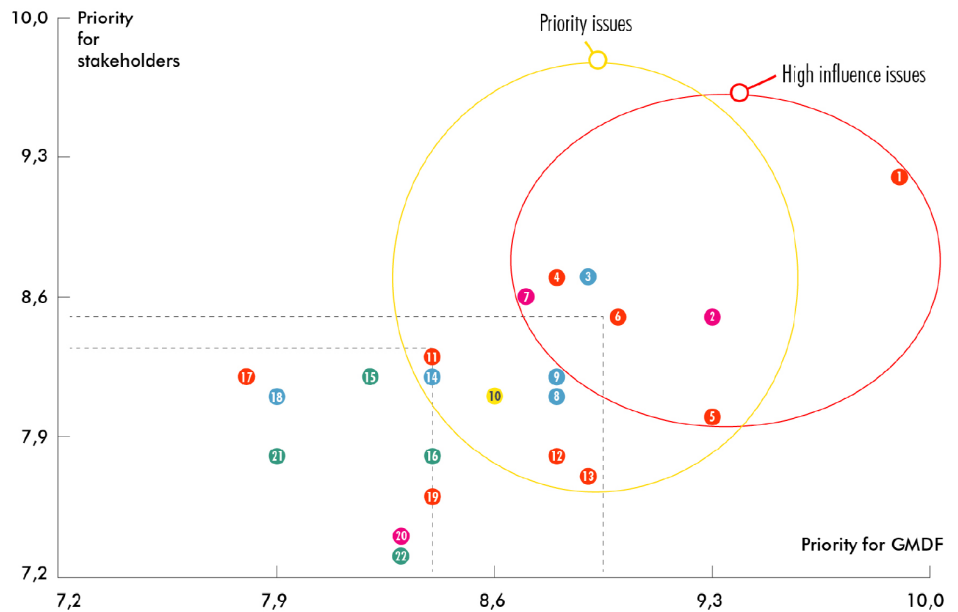
### Priority

- 17 Balance of personal and work life
- 7 Communication with key stakeholders
- 18 Equal opportunities, diversity and inclusion
- 13 Economic growth and sustainability
- 12 Innovation and digitization
- 14 Social dialogue
- 19 Management of extra-financial risks

### Relevant

- 15 Sustainable architecture and facilities
- 16 Sustainable use of natural resources and energy
- 22 Impacts of climate change
- 5 User service protocols and procedures
- 11 Responsible and sustainable supply chain
- 21 Waste management and circular economy
- 20 Contribution to the local community

- People
- Environment
- Social
- Economic
- Governance



In 2021, Groupe Maisons De Famille's teams will work on presenting the policies and actions implemented to manage the main CSR risks and on strengthening the CSR management and reporting systems.

The importance of CSR issues	
<b>High influence</b>	Service quality and resident satisfaction
	Respect for the rights and dignity of vulnerable people
	Health, safety and well-being of employees
	Data privacy and security
	Quality protocols and procedures
	Ethical management and compliance with regulations
	Communication with key stakeholders
<b>Priority</b>	Employee training and development
	Staff turnover
	Good governance and transparency
	Responsible and sustainable supply chain
	Innovation and digitisation
	Economic and sustainable growth
	Labour-management relations
<b>Relevant</b>	Sustainable architecture and facilities
	Sustainable use of natural resources and energy
	Work-life balance
	Equal opportunities, diversity and inclusion
	Non-financial risk management
	Contribution to the local community
	Waste management and circular economy
	Impacts of climate change

## NON-FINANCIAL RISK MANAGEMENT

In 2020, Groupe Maisons De Famille developed a methodology for identifying and assessing the main non-financial risks to which it is exposed through its operations, in order to ensure the sustainability of its business model.

Within the framework of the SS&R Committee, in which all four countries are represented, work has been carried out to identify non-financial risks, draw up a risk map and assign a level of priority to each of them.

The main actions taken to obtain the Group's consolidated non-financial risk map are described below.

- **Identifying and classifying risks.** The risks were identified on the basis of the list of 22 sustainability issues obtained in the first phase of the materiality analysis <sup>(1)</sup>. Each of these issues was analysed and classified according to the type of non-financial risk that could affect the Group (strategic, operational, compliance, etc.).
- **Consolidating and prioritising risks.** For each country, the probability of occurrence and the impact that each risk could have on the business were assessed. The resulting assessment (probability x impact) for each country was consolidated to obtain an overall risk map. In accordance with the established methodology, the risks were classified as high, medium or low.
- **Managing risks.** The Group has defined a set of quantitative indicators to measure performance and monitor non-financial risks on a case-by-case basis. Indicators associated with risks classified as high have been defined.

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<sup>1</sup>See the "Materiality Analysis" section.

The following table shows the 12 non-financial risks classified as high risk from the process described above. These risks have been validated by the S&SR Committee.

Main CSR risks		Key performance indicators
<b>Data privacy and security</b>	Violation of the GDPR	<ul style="list-style-type: none"> <li>Number of complaints sent to the DPO</li> <li>Number of responses from the DPO</li> <li>Percentage of employees trained in the GDPR</li> </ul>
	Risks related to the loss of the company, residents' data and medical information. Risks related to system failures, availability of IT services and computer attacks.	<ul style="list-style-type: none"> <li>Number of data breaches</li> </ul>
	Economic penalties resulting from the protection and loss of data or data confidentiality.	<ul style="list-style-type: none"> <li>Number of data management requests</li> </ul>
<b>Ethical management and regulatory compliance</b>	Sanctions arising from compliance risks.	<ul style="list-style-type: none"> <li>Number of complaints received through the whistleblowing mechanism.</li> </ul>
<b>Communication with key stakeholders</b>	Risk of damage to the Group's image, failure to meet stakeholder expectations, lack of communication by the Group, risk of dissemination of fake news and facts, distortion of information, etc. The sensitivity of public opinion may evolve more rapidly than the Group's capacity to react, particularly on sensitive and complex issues.	<ul style="list-style-type: none"> <li>Number of press releases – Number of social networks and followers</li> <li>Number of new negative and positive articles generated in the media</li> </ul>
<b>Quality of service and resident satisfaction</b>	Risk related to poor quality of care, complaints against medical equipment or facilities, negligence or malpractice of employees, etc.	<ul style="list-style-type: none"> <li>Resident satisfaction rate</li> </ul>
<b>Training and development</b>	Risk related to lack of training which would imply poor quality and poor care service for residents.	<ul style="list-style-type: none"> <li>Average number of training hours per staff member over the year</li> <li>Rate of trained staff</li> </ul>
<b>Staff turnover</b>	Difficulties in attracting, hiring and retaining staff, especially for medical jobs, risks of staff shortages, especially for nurses/carers, inadequate hiring, lack of resources, absenteeism, demotivated staff, deterioration of the working atmosphere.	<ul style="list-style-type: none"> <li>Turnover rate</li> </ul>
<b>Health, safety and well-being of staff</b>	Risk related to illness, absenteeism, as well as the use of obsolete medical equipment and the lack of resources adapted to the activities carried out.	<ul style="list-style-type: none"> <li>Absenteeism rate</li> <li>Frequency rate of accidents at work and occupational diseases</li> <li>Severity rate of accidents at work and occupational diseases</li> </ul>
<b>Sustainable use of natural resources and energy</b>	Risk of not monitoring energy and water consumption and not identifying problems (such as high consumption, leaks, etc.) that have a negative impact on the environment.	<ul style="list-style-type: none"> <li>Energy intensity per used bed</li> <li>Water intensity per used bed</li> </ul>
<b>Impacts of climate change</b>	Risk related to changing regulations on emissions and climate change.	<ul style="list-style-type: none"> <li>CO<sub>2</sub> emissions from energy consumption</li> </ul>
<b>Waste management and circular economy</b>	Penalties for non-compliance with waste management regulations.	<ul style="list-style-type: none"> <li>Tonnes of hazardous waste</li> </ul>

## CARING FOR OUR RESIDENTS

### Quality of Care

Groupe Maisons De Famille stands out for its culture of quality, which is fully rooted in its mission, its vision and its values. The Group places particular importance on the satisfaction of residents and families, who trust us to take care of their loved ones.

The Group strives every day to provide the best possible care for its residents so that they can continue to live as actively and independently as possible, with care that is always person-centred, respectful of their dignity and individuality and adapted to each of their medical requirements and needs.

Each country has its own quality policy to ensure that the services provided comply with applicable laws and regulations, as well as high quality standards through the implementation of best practices. All this is achieved within a framework of continuous improvement and in a safe environment, with a committed, qualified team striving for excellence. Each country has a department responsible for the design, implementation, monitoring and improvement of the quality system.

In Spain, Amavir's homes are certified according to ISO 9001:2015 and UNE 158101:2015, a standard that specifies the minimum requirements for guaranteeing the quality of the services provided to the elderly and dependent people.

The company carries out annual internal and external audits to guarantee the quality of its services and to analyse compliance with the objectives established by the Group.

**Amavir** works with a process-based approach and protocols for continuous improvement and uses the SAP application in all work processes and in all nursing homes.

In 2020, the quality processes were revised to adapt them to the ISO 14001 (environmental management system) and 27001 (information security) standards, whose certification is planned for 2021.

In Italy, **La Villa** has been certified to ISO 9001 until 2020, when management decided to implement its own quality management system.

In France, **Maisons De Famille** has a quality management system based on the continuous assessment of the needs and expectations of users and their families. Furthermore, the company complies with all the evaluations established by the competent bodies.

**Maisons De Famille** continues to make progress in digitising its processes using the Blue Kango tool. The following aspects are managed by this tool: quality and personalised care (standards and processes); listening to customers (resident and family satisfaction surveys); complaint reporting; measurement and improvement (internal audits, surprise visits, self-monitoring).

In Germany, **Dorea** complies with the applicable law, which requires it to maintain, improve and constantly update its quality management system. The quality of services is continuously audited by the various competent bodies and authorities. In addition, **Dorea** carries out its own internal audits to ensure, among other things, service quality and resident health and safety.

All entities of the Group are involved in issues related to food insecurity as it is a crucial factor for our residents. As such, food insecurity is taken into account in each country's quality management systems.

Due to the health emergency throughout 2020, each of the countries had to develop and implement a series of protocols to deal with COVID-19, minimise the risk of contamination and continue to ensure the safety and care of all residents and staff.

### Resident Satisfaction

Residents are the primary focus of Groupe Maisons De Famille. This is why we have various communication channels with them and their families in order to provide them with the best possible support. The satisfaction surveys carried out by each of the Group's entities are particularly important in order to find out the opinion of residents and families on the quality of the service provided and possible ways and measures to improve the service.

Each country has its own procedure for conducting satisfaction surveys.



At Maisons De Famille France, satisfaction surveys are conducted one month after admission and at the end of temporary stays. The overall satisfaction rate of 85% in 2020 is down from 91% in 2019.

Furthermore, within the context of the pandemic, a specific survey was conducted in 2020 regarding the management of COVID-19. A total of 254 residents and 592 families responded with a satisfaction rate of 73% and 77%, respectively. Regarding the feeling of safety during this period, the figures are 86% for residents and 80% for families.

Amavir conducts annual satisfaction surveys. Due to the situation brought about by COVID-19, the usual process was changed in 2020. This year the surveys were carried out online instead of on paper. Residents and relatives were surveyed, with the exception of users and relatives of the crèches, as these were closed for a large part of the year due to the restrictions imposed.

In 2020, 89% of residents and 43% of relatives participated in the surveys, compared with 80% and 42% participation in 2019.

Amavir Retirement homes	Recommendation		Overall assessment	
	2019	2020	2019	2020
Residents	89.50%	89.40%	8.35%	8.55%
Family members	85.50%	88.60%	7.37	8.06

When asked whether they would recommend **Amavir** retirement homes, the good results of the previous year were maintained in the assessment provided by the residents, while the response of their relatives increased by 3.1%.

In the survey conducted in 2020, two questions were added. One question concerned the management of the pandemic in the nursing homes, with a score of 8.74 and 8.37 out of 10, respectively from residents and their relatives.

The other question was about the awareness of CSR measures and commitment at Amavir. The results show that 52% of the residents and 50% of the family members are not aware of the measures, initiatives and commitments taken. Amavir will improve awareness of the different CSR measures developed. Despite this, the average score is 8.55 out of 10 (residents) and 8.06 out of 10 (family members).

In Italy, La Villa measures resident satisfaction every year by means of a questionnaire available on the company's website and designed around the various services provided by the retirement homes.

According to the established procedure, residents and their families access the Survey Monkey platform where they fill in the questionnaire. The data is analysed, and the results are sent to each centre, where management convenes a meeting with residents and family members to share the results and initiatives to be implemented in areas where progress has been identified.

In 2020, 570 residents and/or family members participated (638 in 2019): 49.74% were very satisfied and 44.26% satisfied (compared to 44% and 46% in 2019, respectively).

In Germany, **Dorea** manages the satisfaction survey through an external consultant, who designs the questionnaires, analyses the data and presents the results to the company. In 2020, as a result of the pandemic, it was decided not to carry out this survey.

## Attention to Complaints and Suggestions

In general, the most common methods used by facilities are suggestion boxes, e-mail, post, telephone calls and suggestion forms. Each country has its own protocols for responding to and handling complaints and suggestions from residents and families.

## COMMITMENT TO OUR EMPLOYEES

The main pillar of our business is our employees. Because the aspiration of Groupe Maisons De Famille is to offer an excellent service, the various companies in the Group strive to create the best possible working conditions so that employees can develop and grow professionally in a stable, safe and healthy working environment, where the values of the organisation guide their behaviour and their relationships with stakeholders.

Each country has its own human resources policy. This is also the case for the recruitment, training, development and remuneration, health and safety of its employees.

The year 2020 has had a particular impact on our business sector. The consequences of the COVID-19 pandemic were mainly visible in the increase in absenteeism, the difficulty of recruiting qualified personnel for replacements, the departure of some medical personnel to join hospitals (especially nurses), the cessation of face-to-face training, or the physical and emotional fatigue of some of the staff.

In this context, the priorities of the human resources department in each country were to ensure the health and safety of their staff, to improve communication and to guarantee the continuity of activities by recruiting the necessary staff.

Faced with this new situation, each country implemented the measures it deemed most appropriate in the circumstances, in order to minimise the effects of the pandemic, while continuing to work on improving its human resources management.

### Quality of Employment

#### Employees

At the end of the 2020 financial year, Groupe Maisons De Famille had 11,372 employees compared to 11,300 in the previous financial year, spread between Germany (48%), Spain (35%), France (10%) and Italy (8%). Due to the nature of the business, the majority of the workforce belongs to the category of nursing staff. As with the sector, women make up the majority of the workforce (83%).

In order to maintain the quality of service to residents and the stability of the workforce, the Group's various facilities favour permanent hiring over temporary hiring, the latter being used to cover sick leave, holidays, maternity leave, etc. In general, the Group avoids subcontracting, using its own staff for cleaning, cooking, and so on, with some exceptions.

Schedule management is particularly important within Groupe Maisons De Famille because residents must receive the highest quality of service at all times (24/7). In each country, the human resources department is responsible for the planning and organisation of working hours, in accordance with the laws in force. In this respect, there are different types of working hours, depending on the means and needs, but always with the aim of guaranteeing the permanent care of our residents. Thus, in the retirement homes, some work split shifts, some part-time/full-time, some at the beginning/end of the day or at night.

In addition, all the Groupe Maisons De Famille facilities are concerned with providing an excellent working environment for their staff. For this reason, we measure the quality of the working environment by means of surveys in order to ascertain the level of satisfaction of our employees, their opinions and to identify areas for improvement in accordance with the internal procedure of each country.

Italy conducts these surveys twice a year, Germany once a year, France every 18 months and Spain every two years. Due to the COVID-19 outbreak, Italy, Germany and Spain have decided to postpone the launch of their surveys until 2020.

In France, 1,188 employees of Maisons de Famille (centres and headquarters) took part in 2020 with an overall satisfaction rate of 95%. In response to the needs expressed, the main area of improvement was the support of psychologists for employees who wanted it, to help them manage the stress and grief resulting from the pandemic.

Instead of launching the satisfaction survey, **Amavir's** management considered it more appropriate to offer measures to help manage the psychological impact of the pandemic on employees through a free psychological support service "Emotional Management of COVID-19", facilitated by an expert in

grief and crisis management. A helpline was set up for all employees who needed to reduce their stress level, to be informed about their reactions (sleep difficulties, grief reactions, anxiety, etc.), to feel listened to and to learn how to apply simple strategies to improve their condition, with the aim of minimising the emotional impact caused by COVID-19.

Here are the main data concerning the Group's workforce for the last two years.

	2019	2020	Change
<b>Percentage of employees with a permanent contract</b>	<b>85%</b>	<b>87%</b>	<b>2.2%</b>
<b>Percentage of part-time employees</b>	<b>49%</b>	<b>53%</b>	<b>7.9%</b>
<b>Percentage of women</b>	<b>83%</b>	<b>83%</b>	<b>-0.5%</b>
Headcount at end of period (31/12) – Total headcount	11,300	11,372	1%
Number of permanent employees	9,614	9,890	3%
Number of non-permanent employees	1,667	1,482	-11%
Number of full-time employees	5,733	5,328	-7%
Number of part-time employees	5,567	6,044	9%
Under 26 years old	N/A <sup>(1)</sup>	1,075	N/A
26 to 35 years old	N/A <sup>(1)</sup>	2,287	N/A
36 to 45 years old	N/A <sup>(1)</sup>	2,674	N/A
45 to 49 years old	N/A <sup>(1)</sup>	1,133	N/A
50 to 54 years old	N/A <sup>(1)</sup>	1,490	N/A
55 to 60 years old	N/A <sup>(1)</sup>	1,760	N/A
Over 61 years old	N/A <sup>(1)</sup>	953	N/A
Number of men in the total workforce	1,875	1,936	3%
Number of women in the total workforce	9,425	9,436	0%
Scope: 100%.			
(1) No comparable data between 2019 and 2020 as the calculation method has changed according to the new KPI established in the CSR reporting protocol.			

## Turnover

One of the primary goals of Groupe Maisons De Famille is to ensure the stability of the teams, to motivate and raise awareness of the Group's mission among its employees. To this end, each entity strives to identify, attract and retain the best profiles.

In 2020, COVID-19 had an impact on staff turnover levels in the entities, mainly due to the number of sick leaves and the need to reinforce resources to meet needs at any given time.

	2019				2020			
Permanent contracts	France	Italy	Spain	Total	France	Italy	Spain	Total
<b>Employer-initiated turnover (permanent)</b>	<b>16%</b>	<b>20%</b>	<b>4%</b>	<b>8%</b>	<b>17%</b>	<b>8%</b>	<b>12%</b>	<b>7%</b>
<b>Employee-initiated turnover (permanent)</b>	<b>20%</b>	<b>23%</b>	<b>4%</b>	<b>10%</b>	<b>20%</b>	<b>14%</b>	<b>16%</b>	<b>9%</b>
Scope: 52% (no data available for Germany).								

## Compensation

The following table shows the compensation in euros broken down by country. There is no comparable data between 2019 and 2020 as this is a new KPI for 2020.

2020	France	Germany	Italy	Spain	Total
Amount of IFRS wage costs for the year (in € thousands)	46,127	154,026	24,837	81,279	306,269

## Labour-management relations

For Groupe Maisons De Famille, social dialogue is facilitated at country level according to the specific characteristics of each zone.

During the pandemic, **La Villa** encouraged social dialogue by organising meetings every two months via Zoom, which brought together the unions and employees from each of the centres. In addition, it published notices of new procedures or staff changes on its human resources portal.

At **Maisons De Famille France**, agreements were reached with the staff representative bodies on profit-sharing, participation, quality of life at work and professional equality. The highlight of the year was the signing of an agreement for the creation of a Group Committee at central level. In addition, there is a Social and Economic Committee (CSE) in each company, where information on organisational changes in the company, new regulations, etc. is updated.

At **Amavir**, social dialogue between the company and its employees is based on direct dialogue with the trade unions and representative bodies at each workplace, as required by the applicable legislation. The company guarantees its employees the right to join trade unions, as well as the right to elect their representatives. At the end of fiscal year 2020, the company had 272 employee representatives. Furthermore, 100% of the workforce is covered by collective labour agreements: 88.64% by the State agreement and the remaining 11.36% by the agreement applicable in Navarra.

## Equality and Diversity

As stated in the Code of Ethics, Groupe Maisons De Famille is an inclusive and non-discriminatory employer that facilitates the professional integration of people with difficulties in accessing employment and under-represented social and/or ethnic groups. We support and promote the Group's commitment to diversity, namely with regard to its Human Resources and Marketing policies; We also ensure that our suppliers, customers and business partners are aware of the Group's diversity policy.

In addition, countries develop internal policies, regulations and mechanisms or adhere to national regulations governing these aspects.

**Amavir** has an Equality Plan that sets out the company's various commitments in this regard, including recruitment, training and development, work-life balance and remuneration. It also has a specific protocol for preventing, detecting and acting on situations of sexual harassment or harassment based on gender, which is part of the Equality Plan.

**Maisons De Famille France** has also designed its Gender Equality Plan, which includes measures relating to recruitment, work-life balance, effective remuneration and closing the gender pay gap, as well as training and career development.

## People with Disabilities

People with disabilities account for 2.9% of Groupe Maisons De Famille's total workforce. France, Italy and Spain are required by law to hire a certain number of people with disabilities.

Given the nature of the Group's activities, all facilities are accessible to people with disabilities.

	2019	2020	Change
<b>Percentage of employees considered to have a disability</b>	<b>3.5%</b>	<b>2.9%</b>	<b>-15.3%</b>
Number of employees considered to have a disability	392	332	-15.8%
Scope: 100%			

## Training and Career Development of Employees

Training is one of the strategic levers for developing skills within the Group. As such, the various facilities encourage the improvement and development of the knowledge and skills of their employees in order to offer the best quality of service in terms of resident care and to be able to respond to the advances made by the sector.

At the country level, management policies and tools are developed according to local priorities.

**Maisons De Famille France** has a training policy linked to the Group's strategic challenges, as well as a specific process in which new objectives are defined each year. Each nursing home develops its own training plan annually based on the individual needs of employees, which are identified as part of the performance appraisal. In addition, in 2020, the company launched its own e-learning platform.

Using a digital platform, **Amavir** has designed a new training offer "Amavir School: Training Catalogue" based on the facilities' needs. This programme puts employees at the centre of the process, giving them the opportunity to decide on their own training path. It should be noted that all training activities are voluntary, with the exception of those related to occupational risk prevention and legionnaires' disease. During this year, the training was almost entirely online, in particular the courses on "Measure to prevent the transmission of COVID-19".

In 2020, **Dorea** designed its training policy and had an annual training plan consisting of different programmes, some of which are integrated in a digital platform (e-learning programme). Among these programmes, the Leadership Academy 2.0 stands out, offering an individual training plan for nursing home managers and nursing executives. Throughout the year, the mandatory e-learning courses were successfully completed.

In Italy, **La Villa** launched the training plan, designed in 2019, which will end in 2021. In 2020, it was only possible to provide mandatory training due to the pandemic situation.

	2019	2020	Change
Average number of training hours per employee over the year	3.7 <sup>(1)</sup>	2.8	-25%
Rate of employees trained (%)	63%	35.5%	-44%
Scope: 52% (no data available for Germany).			
(1) The number of training hours for France in 2019 has been recalculated.			
The figures for Italy only include training hours entered in the payroll system and do not take into account all in-house training.			

During the year 2020, 32,255 hours of training were provided and attended by 4,100 employees, representing an average of 2.8 hours of training per employee.

In 2020, training was one of the aspects most impacted by the COVID-19 pandemic, as face-to-face training had to be stopped and postponed. Wherever possible in each country, part of the training was conducted online.

## Development Programmes

In February 2020, **Amavir** launched the 'Amavir Succession Plan: selecting in-house talent', the aim of which was to identify and assess professionals who wished to develop as future directors of retirement homes. This programme had to be temporarily suspended due to COVID-19 and is being resumed in 2021.

**Maisons De Famille France** offers external and internal training programmes with specific certifications. In addition, it is involved in an official procedure (VAE – *validation des acquis de l'expérience*) by which any French educational institution is authorised to issue diplomas based on professional experience.

**Dorea** has a Leadership 2.0 academy which consists of an individual training plan for directors of retirement homes and nursing executives.

## Performance Appraisal

At **Maisons De Famille France**, employees benefit from an annual appraisal during which, together with their manager, the career path, development and training of the person are reviewed. This process is coordinated via an online platform.



**Dorea** has implemented the evaluation of all facility managers, who are rated by their regional managers using a point system in a skills and performance matrix to assess the potential for development of social, leadership, economic and marketing skills. As a result, 63 managers were assessed and of these, 27 scored average and 17 were identified as high performers.

## Health and Safety at Work

The health and safety at work of its employees, particularly the staff of retirement homes who are most exposed to risks linked to physical activity, is a priority responsibility of Groupe Maisons De Famille.

In order to reduce the incidence of occupational illnesses and accidents, sick leave and absenteeism, each Group company ensures that its employees carry out their work in optimal safety conditions and invests in providing appropriate training and equipment adapted to the tasks and activities in order to limit the risks of injury and trauma.

Each Group company develops its own internal policies, procedures and protocols to manage health and safety issues. In this way, each company identifies its main occupational hazards and plans the corresponding preventive measures.

The coronavirus pandemic has made our commitment to protecting the safety and health of all our employees and residents a priority. The main activities carried out by the different countries focused on:

- ensuring compliance with regulations and guidelines from national health agencies;
- assessing and updating COVID-19 risks;
- developing protocols, procedures and instructions: visits, social climate control, access to facilities, cleaning, prevention and control guidelines, etc;
- procuring personal protective equipment;
- providing specific training on COVID-19 (hygiene measures);
- providing psychological support to deal with physical and emotional stress and fatigue;
- Introducing teleworking for employees in support and cross-functional services;
- providing a frequent flow of information on the situation in the retirement homes and the measures implemented.

	2019	2020	Change
Frequency rate of occupational accidents or diseases	40.8	39.2	-19%
Severity rate of occupational accidents or diseases	N/A	1.8	N/A
Scope: 52% (no data available for Germany).			

2020	France	Italy	Spain	Total
Frequency rate of occupational accidents or diseases	76.0	94.3	20.7	39.2
Severity rate of occupational accidents or diseases	7.5	2.9	0.7	2.0
Scope: 52% (no data available for Germany).				

2020	France	Italy	Spain	Total
Rate of absenteeism due to illness (%)	1.5%	6.7%	7.1%	6.2%
Rate of absenteeism due to occupational accidents (%)	0.7%	1.4%	0.5%	0.6%
Scope: 52% (no data available for Germany).				
(1) Absenteeism is calculated on permanent contracts for France and Italy. Spain endeavours to report absenteeism using the same methodology; in 2020, data was reported including both permanent and non-permanent contracts. There is no comparable data between 2019 and 2020 as the calculation method has changed according to the new KPI established in the SIR reporting protocol.				

## REQUIREMENTS, ETHICS AND COMPLIANCE

The Code of Ethics is an essential reference element concerning respect for ethics and compliance within Groupe Maisons De Famille. The Code, applicable to all Group companies, came into force in December 2017 and will be updated during the 2021 financial year.

The Code of Ethics is based on the Group's values (commitment, high standards and benevolence) and helps to guarantee the achievement of our ambition "to be the benchmark in providing support for our seniors to live well and age gracefully". This ambition requires us to have strong values, an assertive identity and rigorous ethics.

This Code of Ethics applies to all employees and managers in each country where the Group operates, in accordance with international standards and new legislative requirements. It also specifies the principles and operating methods in which everyone can identify and flourish, regardless of their culture or country.

The Code is available on the Maisons De Famille website <http://www.maisonsdefamille.com>.

### Content of the Code of Ethics

<b>Fulfilling our commitments as a company</b> <ul style="list-style-type: none"> <li>• Selection and fair treatment of suppliers</li> <li>• Competition</li> <li>• Conflicts of interest</li> <li>• Political activities and lobbying</li> <li>• Gifts and invitations in relations with partners and Group business relationships</li> <li>• Corruption and facilitation payments</li> <li>• Confidentiality</li> <li>• Representation of the Group</li> <li>• Privacy and personal data protection</li> <li>• Financial and business records and the fight against money laundering</li> </ul>	<b>Fulfilling our commitments as an employer</b> <ul style="list-style-type: none"> <li>• Health, hygiene and safety</li> <li>• Diversity</li> <li>• Bullying</li> <li>• Sexual harassment</li> </ul>
	<b>Fulfilling our commitments as a responsible group</b> <ul style="list-style-type: none"> <li>• Environmental responsibility</li> <li>• Contribution to the community</li> </ul>
	<b>Monitoring rules and procedures</b> <ul style="list-style-type: none"> <li>• Scope of application and Employee obligations</li> <li>• Reporting</li> <li>• Circulation</li> <li>• Specific duties of supervisors</li> <li>• Control</li> <li>• Sanctions</li> <li>• Professional whistleblowing mechanism</li> <li>• Processing of personal data</li> </ul>

Non-compliance with the rules of behaviour set out in this Code of Ethics may result in disciplinary sanctions up to and including dismissal, in accordance with applicable national standards, with the exception of the possible adoption of different sanctions linked to responsibilities of a different nature.

## Compliance Governance

During the 2020 financial year, the Group's compliance governance was consolidated with the creation of a Transparency Committee whose objective is to support the Audit, Risk and Compliance Committee reporting to the Board of Directors, in its function of supervising the effectiveness of the Group's compliance system.

The Transparency Committee is composed of the Compliance Officer (representing the Group) and the Compliance Officers of each of the Maisons De Famille France, La Villa, Amavir and Dorea companies, whose appointments were formalised in 2020.

The Transparency Committee is tasked with sharing processes and projects, establishing tools, defining and suggesting KPIs and identifying strategies and synergies to help improve the Group's Compliance system. The Transparency Committee drafts an annual report which is submitted to the Audit, Risk and Compliance Committee and the Board of Directors.

The Committee met four times during 2020.

Work was carried out in 2020 to update the anti-corruption risk map for the Group and for each of the four countries that make up the Group. Each country will periodically assess the compliance risks inherent in the business, maintaining the corresponding risk map.

In addition, the Group has carried out a due diligence process which has highlighted the need to strengthen certain processes. In this respect, an internal audit of the procurement process was also carried out, the results of which will be used in the next financial year.

The implementation of a training programme is essential in order to spread the culture of integrity throughout the Group. As such, a training programme has been put in place and is described in the following section.

## Internal Whistleblowing Platform

Groupe Maisons De Famille has a whistleblowing mechanism whereby any employee of the Group can report any conduct or situation that violates the Code of Ethics or the law.

This service is provided by an external service provider in order to guarantee anonymity. The whistleblowing process is encrypted and password protected; the identity of the whistle-blower, the persons named and the information collected are all treated confidentially.

No complaints were received via this platform in 2020.

Employees can also contact their immediate supervisor or, failing that, the Human Resources department to report any information regarding possible violations of the Code or applicable laws.

## Anticorruption

The Code of Ethics sets out a **zero-tolerance policy on corruption**.

It strongly condemns all forms of corruption in dealings with business partners and institutions by employees, suppliers and customers, as well as all forms of corruption with the public administration, and lists the following practices as wrong:

- offering, promising or giving money, including facilitation payment or anything else of value (gifts, invitations, etc.):
  - to a representative of public authorities, a political party or political player, a trade union or trade union player,
  - to a charity or similar organisation with the aim of obtaining any undue advantage for the Group from a representative of public authorities, a political party or a trade union,
  - to an employee or representative of another company that may cause them to breach their duty of loyalty to their company;
- anything that might cause us to breach our duty of loyalty to the Group or be perceived as influencing a business relationship;
- using third parties to do something we are not allowed to do or do not allow ourselves to do directly. This requires us to exercise great care in the selection and monitoring of our suppliers.

The Code of Ethics also details other sections relating to conflicts of interest, political activities and lobbying, gifts and entertainment in relationships with the Group's partners and business associates, financial and business records and anti-money laundering. In this context, the Group makes the following recommendations:

- We must ensure that our direct and/or indirect personal interests and activities do not conflict with the interests of the Group.
- The Group does not make any contributions to political parties or politicians. The Group respects the right of each employee to participate in political activities in a personal capacity, while making it clear that in doing so they do not represent the Group.
- Gifts may not be accepted if they interfere with our independence of judgement in the performance of our duties.
- Each employee or department of the Group is responsible for the truthfulness, authenticity and originality of the documentation and information processed. Appropriate supporting documentation, easily accessible and recorded according to appropriate criteria that allow easy consultation, must be kept for any accounting statement that reflects a Company transaction.

In addition, Groupe Maisons De Famille is a member of Transparency International, a non-governmental organisation that works in over 100 countries to combat corruption, bringing together civil society, the private sector and governments in a broad global coalition. To increase its commitment to transparency and the fight against corruption, the Group participates with other major French companies in meetings where best practices in compliance, ethics and transparency are shared and promoted.

In collaboration with Transparency International France, two training sessions were organised (two and a half hours and two hours respectively) on the theme of "Combating corruption: Issues for the company and its employees". A total of 17 Group and country managers attended these sessions.

In addition, **Amavir** has been a signatory partner of the UN Global Compact since 2017, including the commitment to integrate the 10 principles related to human rights, labour, environment and anti-corruption into its business strategy, as well as to promote the Sustainable Development Goals (SDGs).

## REQUIREMENT ON DATA AND INFORMATION SYSTEMS SECURITY

### Data Privacy and Data Security Management

Groupe Maisons De Famille is committed to protecting the security of the personal data of all its stakeholders, particularly its employees, residents and business partners. The Group only collects and retains the data necessary for its business in accordance with its data policy.

The Group has established a specific governance structure for the management of issues arising from the General Data Protection Regulation (GDPR). As part of this, the DPO (Data Protection Officer) committee was set up in 2019. It is composed of a DPO committee leader and the contact persons for each country, in charge of ensuring compliance with the GDPR;

The DPO Committee was created to ensure compliance with data protection regulations across all Group companies. Some of its functions are to monitor security data, design action plans, create a consolidated reporting system, share GDPR best practices, create synergies, etc., all of which will improve the Group's data policy.

Four meetings of the DPO Committee took place during the year.

In 2020, the main actions carried out focused on:

- defining the functions and governance of the DPO Committee;
- assessing the situation in each country with regard to GDPR compliance;
- defining the key performance indicators (KPIs) to be included in the Group's non-financial report;
- preparing the annual report to be submitted to the Audit, Risk and Compliance Committee and the Strategy Committee.

In addition, each country has its own internal regulations and protocols regarding security and data protection. It should be noted that **Amavir** has an information security breach action protocol and is in the process of certification to the ISO 27001 information security standard.

Each of the countries ensures information security management by implementing corresponding controls such as anti-virus systems, VPN control systems, user login systems, web restriction via a proxy server, hosting on highly secure data centre servers, etc. It should be noted that **Maisons De Famille France** carries out an annual intrusion test with an external third party.

In 2021, Groupe Maisons De Famille has planned to carry out a penetration test in each of the countries.

In 2020, no cyber security attacks were detected. However, a few malicious emails – phishing – were received, which were duly managed by measures such as blacklisting and reporting to Google servers or using anti-virus software and spam filters to eradicate them and reduce the risks. For example, in Italy, if a stream of malicious e-mails is detected, an alert is sent and users are encouraged to be particularly careful when reading the e-mail.

In addition, at country level, training on the GDPR and internal regulations is provided, and awareness of phishing is raised, among other things.

Groupe Maisons De Famille received 63 requests for rights of access, rectification, data portability, etc., 100% of which were satisfied. In addition, no personal data security breaches were recorded during the year and no complaints were received from the data protection agency in any country.

During 2020, no incidents and no data breaches were reported.



No comparable data between 2019 and 2020 as this is a new key performance indicator established in the CSR reporting protocol.

2020	France	Germany	Italy	Spain	Total
<b>Percentage of employees aware of the GDPR and its implications (%)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Percentage of permanent employees (&gt;6 months) trained by e-learning (%)</b>	<b>0%</b>	<b>8%</b>	<b>18%</b>	<b>0%</b>	<b>5%</b>
<b>Percentage of Executive Committee members at headquarters and facility managers trained on site (%)</b>	<b>95%</b>	<b>N/A <sup>(1)</sup></b>	<b><u>47%</u></b>	<b>2%</b>	<b><u>39%</u></b>
Number of requests sent to the DPO	0	1	0	63 <sup>(2)</sup>	64
Number of responses from the DPO	0	1	0	63	64
Number of requests	0	0	0	0	0
Number of data breaches	0	0	0	0	0
Scope: 100%.					
(1) No data available for Executive Committee members trained in Germany.					
(2) In 2020, due to the management of the Covid-19 crisis, many relatives requested access to medical records. All of them received the requested information via the Logalty delivery platform (which ensures security and confidentiality).					

## Information System

At the level of Groupe Maisons De Famille, there is an IT & Data Club committee where the IT managers of the four countries are represented. The committee can pool projects and share synergies.

Each country is working on implementing its own IT digital transformation projects, with the aim of adapting to technological advances and making equipment, processes and tools more efficient. To this end, in 2020, measures were developed such as renewing IT equipment, digitising invoices, bank statements, payroll, and so on, and setting up infrastructures and solutions to promote videoconferencing.

In 2020, managing the COVID-19 pandemic also posed a major challenge for the Group's IT departments, which had to ensure the continuity of work for certain remote employees by providing the appropriate resources and resolving IT incidents, while ensuring IT security. In this context, the following actions are worth mentioning:

- distributing IT equipment to employees (laptops, monitors, tablets, smartphones);
- implementing the use of VPN, Team Viewer, etc. for remote connection;
- equipping nursing homes with appropriate technologies for secure connection;
- collaborating with third-party companies that have proposed innovative services or devices;
- setting up a technical support service.

## COMMITMENT TO STAKEHOLDER COMMUNICATION

Groupe Maisons De Famille maintains a smooth, transparent and constant dialogue with its main stakeholders through various communication channels, through which it seeks to understand and respond to their needs and expectations.

The sector in which we operate is highly exposed to image and reputation risks, so managing communication with the various stakeholders is particularly important.

At a time so marked by the pandemic, communication has become particularly sensitive when it comes to informing employees, residents, family members and the Company in general of the various situations that the retirement homes have had to face, as well as the measures and protocols implemented to contain and guarantee maximum protection and safety for all, taking into account the particular circumstances of each country.

Accordingly, and within the framework of the S&SR Committee, an initial review was carried out on the identity of the Group's main stakeholders, their importance to the company and the main existing communication channels. Each country has established its own stakeholder map. Work is currently underway to establish the Group's consolidated map.

The main stakeholders identified are: employees, residents and their families, shareholders, public administrations, suppliers, the social environment, opinion makers and financial partners.

Aware of the diversity of interests and lifestyles in each country, the Group maintains a decentralised management of communication, so that each company can find the best way to communicate transparently and responsibly with its environment, through the channels it deems most appropriate to foster relationships of mutual trust.

Each country has a website, which has become one of the essential communication tools to provide information about who we are, our catalogue of services and news, among other aspects:

- Maisons De Famille France: <https://www.maisonsdefamille.com>
- La Villa: <https://www.lavillaspa.it>
- Amavir: <https://www.amavir.es>
- Dorea: <https://doreafamille.de/>

2020	France	Spain	Italy	Germany	Total
Number of user web visits	81,920	317,097	193,116	340,888	933,021
Number of page views	354,910	691,846	547,914	1,001,139	2,595,809
Scope: 100%.					

Today, traditional media have given way to the digital world in which **social media** stand out.

2020	France	Spain	Italy	Germany	Total
Social media	3	6	3	4	6
Number of followers	2,329	68,629	14,056	2,368	87,382
Scope: 100%.					

The Group has a total of 87,382 followers on social media, with Spain accounting for 78.5% of the total, followed by Italy with 16.1% and France and Germany with 2.7%. The aim is to continue generating interesting and quality content with maximum transparency, depending on the type of social media and the audience we want to target.

2020	France	Spain	Italy	Germany <sup>(2)</sup>	Total
Number of press releases	NR <sup>(1)</sup>	25	358	15	398
Number of positive media stories generated	313	1,037	231	98	1,679
Number of negative media stories generated	44	1,030	127	2	1,203
Scope: 100%.					
(1) A decision was made not to issue press releases due to the situation with COVID.					
(2) Press activities were professionalised in August, no data was completed before that.					

## COMMITMENT TO THE ENVIRONMENT

Groupe Maisons De Famille has not identified any activity that has a significantly negative impact on health and the environment. However, we are committed to reducing the footprint of our operations by reducing the number of resources used while ensuring that their use is more efficient, without affecting our high standards of quality and comfort for users.

Although there is no Group environmental policy, each company strives to monitor and reduce energy and water consumption, greenhouse gas emissions and sanitary waste management.



Energy  
consumption

**99,779**  
kW/h



Water  
consumption

**883,533**  
m<sup>3</sup>



Greenhouse  
gas emissions

**18,483**  
tonnes of CO<sub>2</sub>



Infectious  
medical waste\*

**194**  
tonnes

\* Infectious medical waste come from healthcare activities with risk of infection.

**Amavir** is currently the Group company that has made the most progress in controlling and managing its environmental footprint. The main elements of its environmental management are the integrated policy, the environmental commitment and the identification of the significant environmental aspects of its activity, which are available in a specific section of the company's website. In order to highlight its commitment, a logo and a specific image have been designed to help raise awareness of the importance of the environment among employees, residents, residents' families and society in general.

**Amavir** plans to start the certification process according to the ISO 14001 standard in 2021.

### Sustainable Use of Resources

Every country aims to control and monitor energy and water consumption in nursing homes because of the economic and environmental impact.

#### Responsible Energy Consumption Management

Groupe Maisons De Famille is committed to implementing energy saving and energy efficiency initiatives, as well as using renewable energy sources, such as biomass or solar energy, to replace conventional energy sources.

Generally speaking, the nursing homes implement measures such as: monitoring consumption to detect discrepancies and breakdowns, installing LED technology in corridors and communal areas, installing motion detectors, good practices in energy use, frequent vehicle maintenance, awareness campaigns, etc.

In Spain, **Amavir** has an air-conditioning protocol that incorporates specific energy saving and efficiency measures, awareness raising and management to optimise the performance of heating, cooling and ventilation installations in offices and care homes.

In France, the **Maisons De Famille** nursing homes have a contract to supply green electricity and biomethane with renewable energy guarantees.

In Italy, **La Villa** designs and builds new facilities with energy efficiency in mind for heating and cooling consumption. For the production of domestic hot water, a thermal solar panel system is used together with a high efficiency heat pump boiler. In case of high demand, a condensing boiler is activated.

In Germany, **Dorea** has replaced some of its heating installations with more efficient ones. In two of its retirement homes, the heating systems were replaced by combined heat and power plants. In addition, one of its centres uses biogas for heating.

In 2020, total energy consumption was 99,779, while in 2019 it was 83,796. The difference in the changes in electricity consumption is due to the fact that Germany is included in the 2020 scope.

	2019	2020	Change
<b>Total amount of energy consumed (MWh)</b>	<b>83,796 <sup>(1)</sup></b>	<b>99,779</b>	<b>19%</b>
<b>Energy intensity (MWh/used bed)</b>	<b>6.8 <sup>(2)</sup></b>	<b>6.1</b>	<b>-10%</b>
Electricity consumption (MWh)	31,835	46,724	47%
Gas consumption (MWh)	49,325	50,407	2%
Fuel oil consumption (MWh)	1,298	1,165	-10%
Biomass consumption (MWh)	1,029	1,094	6%
Thermal solar energy consumption (MWh)	309	389	26%
2020 scope: 100% electricity (electricity data for 14 residences in Germany is calculated on an average of the consumption of the other residences within the scope). 52% of the remaining energy consumption (excluding Germany).			
(1) The total energy consumption for 2019 has been recalculated to include Italy and to correct a minor error in the sum of Amavir's total energy consumption.			
(2) Italy was excluded for the calculation of the ratio in 2019.			

2019	France	Italy	Spain	Total
<b>Total amount of energy consumed</b>	<b>12,847</b>	<b>16,678</b>	<b>54,261</b>	<b>83,796 <sup>(1)</sup></b>
<b>Energy intensity per used bed</b>	<b>8.8</b>	<b>8.8</b>	<b>7.2</b>	<b>6.8 <sup>(2)</sup></b>
Electricity consumption (MWh)	5,966	4,603	21,266	31,835
Gas consumption (MWh)	6,795	11,629	30,901	49,325
Fuel oil consumption (MWh)	86	446	766	1,298
Biomass consumption (MWh)	0	0	1,029	1,029
Thermal solar energy consumption (MWh)	0	38	269	307
(1) The total energy consumption for 2019 has been recalculated to include Italy and to correct a minor error in the sum of Amavir's total energy consumption.				
(2) Italy was excluded for the calculation of the ratio in 2019.				

2020	France	Germany	Italy	Spain	Total
<b>Total amount of energy consumed</b>	<b>11,758</b>	<b>17,508</b>	<b>18,492</b>	<b>52,021</b>	<b>99,779</b>
<b>Energy intensity per used bed</b>	<b>9.5</b>	<b>2.8</b>	<b>9.2</b>	<b>7.5</b>	<b>6.1</b>
Electricity consumption (MWh)	5,332	17,507	4,263	19,622	46,724
Gas consumption (MWh)	6,333	-	14,191	29,883	50,407
Fuel oil consumption (MWh)	93	-	-	1,072	1,165
Biomass consumption (MWh)	-	-	-	1,094	1,094
Thermal solar energy consumption (MWh)	-	-	38	350	389
2020 scope: 100% electricity (The electricity data for 14 residences in Germany is calculated on an average of the consumption of the other residences within the scope). 52% for the rest of the energy consumption (outside Germany).					

## Water Consumption Management

Water consumption is managed with the awareness that it is a limited resource. Some reduction initiatives were carried out in 2020.

In Germany, **Dorea** conducted a pilot project in one of its care homes which consisted of installing a flushing system in the toilets that saves 2 litres of water per flush, as well as using shower heads with a flow reducer that limits water consumption.

**Maisons De Famille France** has replaced the taps in the residents' rooms with water-saving mixer taps while limiting the risk of scalding.

**Amavir** is monitoring water on a daily basis using the SAP tool to strictly control water consumption.

At **La Villa**, new projects include a water consumption monitoring system, as well as a rainwater storage system for the garden or laundry.

This year, the water consumption of the supply network was 883,533 m<sup>3</sup>. The following table shows the consumption for each country. The variations are due to the fact that Germany is included in the scope in 2020 as opposed to 2019:

	2019	2020	Change
<b>Water intensity per used bed</b>	<b>59.0 <sup>(1)</sup></b>	<b>53.6</b>	<b>-9%</b>
Water consumption of the facilities during the year (m <sup>3</sup> )	642,705	883,533	37%
2020 scope: 100%.			
(1) Italy has been excluded for the calculation of water intensity in 2019.			

2019	France	Italy	Spain	Total
<b>Water intensity per used bed</b>	<b>70.8</b>	<b>74.9</b>	<b>52.2</b>	<b>59.0 <sup>(1)</sup></b>
Water consumption of the facilities during the year (m <sup>3</sup> )	103,037	141,707	397,961	642,705
(1) Italy has been excluded for the calculation of water intensity in 2019 and Germany has not been included in the scope.				

2020	France	Germany	Italy	Spain	Total
<b>Water intensity per used bed</b>	<b>76.4</b>	<b>47.5</b>	<b>68.1</b>	<b>50.9</b>	<b>53.6</b>
Water consumption of the facilities during the year (m <sup>3</sup> )	94,295	300,127	136,735	352,376	883,533
Scope: 100%.					

## Greenhouse Gas Emissions

Climate change is one of the priority issues on the agenda of all the countries in which we operate. As such, the Group is also sensitive to this issue and, although it does not yet have a global strategy or policy, it is contributing through specific actions to a low carbon society through the use of renewable energy, the implementation of energy saving measures or the commitment to more energy efficient buildings.

With regard to climate change resilience, measures such as the 'Blue Plan' have been in place for some years to address extreme weather events, such as heat waves, to which the Group's residents are particularly vulnerable.

In the financial year 2020, our total greenhouse gas (GHG) emissions amounted to 18,483 tonnes of CO<sub>2</sub>.

	2019	2020	Change
Total CO <sub>2</sub> emissions from energy consumption (tonnes of CO <sub>2</sub> e)	20,762 <sup>(1)</sup>	18,483	-11%
(1) The total energy-related CO <sub>2</sub> emissions (tonnes of CO <sub>2</sub> ) for 2019 have been recalculated to correct a minor error in the sum of the total amount.			

2019	France	Italy	Spain	Total
CO <sub>2</sub> emissions from energy consumption	2,022	4,828	13,912	20,762 <sup>(1)</sup>
(1) The total energy-related CO <sub>2</sub> emissions (tonnes of CO <sub>2</sub> e) for 2019 have been recalculated to correct a minor error in the sum of the total amount.				

2020	France	Germany	Italy	Spain	Total
CO <sub>2</sub> emissions from energy consumption	1,636	4,289	3,886	<u>8,672</u>	18,483
Scope: 100% of the emissions related to electricity; 52% of the emissions related to the rest of the energy consumption (excluding Germany).					

## Waste Management

Groupe Maisons De Famille focuses on the management of medical waste, the collection and disposal of which is subject to specific requirements in order to prevent infections. In all countries, we work with approved managers who are responsible for managing this waste in accordance with the legislation of each country.

Total sanitary waste generated in 2020 was 194 tonnes. No comparable data between 2019 and 2020 as this is a new KPI for 2020.

2020	France	Germany	Italy	Spain	Total
Ratio of infectious medical waste ( <i>tonnes of infectious medical waste/number of facilities involved in infectious medical waste collection</i> )	0.69	1.55	1.47	<u>0.03</u>	1.10
<i>Scope: 100%.</i> <i>Note: Three residences in Germany do not report infectious medical waste information.</i> <i>Infectious medical waste: waste coming from healthcare activities with risk of infection.</i>					

In addition, the Group is committed both to responsible and sustainable food (by favouring local suppliers, as is the case with Amavir) and to the fight against **food waste**. To this end, the various entities work to adjust the quantity of food to the nutritional needs of residents and employees and to constantly monitor expiry dates.

**Maisons De Famille France** participated with seven of its retirement homes in the “*Maisons Gourmandes et Responsables*” initiative, the objective of which is to support 500 retirement homes over two years to reduce food waste by 30 to 50%, improve resident satisfaction and reduce the number of elderly people suffering from malnutrition.

The circular economy can also become an opportunity for the Group to reduce waste. To this end, some of the Group’s entities are working on better classification and sorting of their waste while promoting its recovery.



## REPORTING METHODOLOGY

### Scope of Consolidation

The scope of consolidation for social, human resources (HR) and environmental CSR reporting is equivalent to that used for financial information. It includes all companies controlled by the Group:

- Maisons De Famille (France);
- La Villa (Italy);
- Amavir (Spain);
- Dorea Famille (Germany).

This year, Dorea Famille is included in the scope of the non-financial report.

The scope of the HR and environmental KPIs is included as noted in the relevant tables. The number of employees and turnover are used to calculate the scope of the HR and environmental indicators, respectively.

The 2020 HR, Social and Environmental CSR report covers data for the financial year 2020, from 1 January 2020 to 31 December 2020.

### Reporting Guidelines

In order to ensure consistency and standardisation of non-financial indicators for all entities, work has been carried out at Group level and a new methodology has been defined. It constitutes the Group's CSR reporting protocol and meets three main objectives

- manage the Group's corporate social responsibility (CSR) approach by measuring its performance and calculating HR, social and environmental indicators;
- meet the regulatory requirements of the French Commercial Code concerning the disclosure of Groupe Maisons De Famille's CSR performance through the Non-Financial Performance Statement;
- communicate transparent information to internal and external stakeholders such as non-financial rating agencies, investors and NGOs.

This methodology includes the CSR KPI Handbook which compiles the list of indicators to be reported in 2020 with its definitions, calculation method and calculation unit.

### Reporting Tools

The main reporting tool used for the CSR reporting campaign is Google Drive. Through a shared Google Drive folder, each country uploads its KPI files and supporting documents.

### Consolidation and Internal Checks

All data reported by the countries is consolidated by an external consultant and supervised by the CSR manager. Consistency checks are performed during consolidation. These checks include a comparison of data from the previous reporting period, and deviations that are considered significant are analysed in detail.

### Indicators

#### Social Indicators

The reporting of social indicators is produced by the systems of the payroll and human resources department. The data is mainly collected through the payroll software used in each country or recorded by each facility and reported to the country's headquarters.

#### **Employees**

The workforce of Groupe Maisons De Famille is included in the figures for Maisons De Famille France for reporting purposes. For information, this represents less than 1% of the values for France.

- The headcount is calculated on the basis of the total number of employees with an active employment contract on the payroll on 31 December of the year.
- Temporary employees, unpaid interns, international volunteers on placement and service providers are excluded.

## Turnover

- The turnover formula is as follows: (number of new hires + number of departures) / 2 \* average workforce.
- The average number of employees is calculated as follows: sum of the number of employees at the end of each month during the year / 12 months.

## Absenteeism

- Absenteeism is calculated on permanent contracts for France and Italy. Spain is working on reporting absenteeism according to the same methodology, however for 2020, data has been reported including permanent and non-permanent contracts.
- The absenteeism rate includes both the number of hours of absence due to illness (occupational and non-occupational) and the number of hours of absence due to accidents at work (at work and/or during the journey).

## Accidents

Commuting accidents (accidents occurring on working days during a normal journey between home and work) and accidents that do not result in time off work are not counted as accidents at work in the calculation of the following rates.

- Frequency rate: the calculation formula is as follows: Number of accidents with time off work \* 1,000,000 / Number of effective hours worked in the year.
- Severity rate: the calculation formula is as follows: Number of days lost due to occupational accidents / Number of effective hours worked in the year \* 1,000.

## Environmental Indicators

These data can be calculated on an annual basis (CO<sub>2</sub> emissions) or reported monthly (bill consumption). The environmental indicators are collected by each facility and transmitted to the head office where the data is consolidated.

The denominator of the energy and water intensity ratios includes full-time beds and half of the day resident beds.

## CO<sub>2</sub> Emissions in the Form of Energy

The emission factors used are taken from:

- Electricity:
  - France: ADEME's carbon database,
  - Spain: Red Eléctrica de España, 2020 edition,
  - Germany: Energy supplier, year 2020,
  - Italy: DEFRA 2020;
- Natural gas, LPG, propane and fuel oil:
  - France: DEFRA 2020,
  - Spain: Ministry of Ecological Transition, June 2020,
  - Italy: DEFRA 2020.

## Medical Waste

- The data is calculated on the basis of invoices received from the service providers who treat the waste. For France, the data is based on tonnage estimates from a calculation rule used by two of the suppliers.

## Water

- In Germany, a ratio based on the average price of water is used to obtain the cubic metres.

## External Checks

This document is reviewed and validated by an independent auditor to assess the adequacy of the Group's reporting in terms of its relevance, completeness, reliability, fairness and understandability.

### **Exclusions and Further Explanations Regarding the Methodology**

Among the regulatory topics to be included in non-financial performance statements, animal welfare is not currently covered. However, this issue may be included in the future in relation to the quality of our catering service.

# INDEPENDENT VERIFIER'S REPORT ON THE STATEMENT OF NON-FINANCIAL PERFORMANCE INCLUDED IN THE MANAGEMENT REPORT

**Year ended December 31, 2020**

To the shareholders,

In our capacity as an independent third-party organisation, member of the Mazars network, Statutory Auditor of Maisons de Famille, accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on the website [www.cofrac.fr](http://www.cofrac.fr)), we hereby present our report on the consolidated statement of non-financial performance for the financial year ending 31 December 2020 (hereinafter the "Statement"), presented in the management report, in accordance with the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

## Responsibility of the Company

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

The Statement has been prepared by applying the Company's procedures (hereinafter the "Reporting Criteria"), the significant elements of which are presented in the Statement.

## Independence and Quality Control

Our independence is defined by the provisions set out in Article L. 822-11-3 of the French Commercial Code and the Code of Ethics governing our profession. In addition, we have implemented a quality control system that includes documented policies and procedures to ensure compliance with applicable laws and regulations, ethical rules and professional doctrine.

## Responsibility of the Independent Verifier

On the basis of our work, it is our responsibility to express a conclusion of limited assurance on:

- the conformity of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the sincerity of the information provided in application of 3° of I and II of Article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions, relating to the main risks, hereinafter the "Information".

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

## Nature and Scope of Our Work

Our work described below was carried out in accordance with the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code, the professional doctrine of the *Compagnie nationale des commissaires aux comptes* (CNCC) relating to this intervention and the international standard ISAE 3000 <sup>(2)</sup>:

- we became familiar with the activities of all entities within the consolidation scope and the description of the main risks;
- we assessed the suitability of the Guidelines on the basis of their relevance, completeness, reliability, impartiality and comprehensibility, taking good industry practice into consideration when necessary;
- we verified that the Statement covers each category of information provided for in Article L. 225-102-1 on social and environmental issues;
- we verified that the Statement contains the information required under II of Article R. 225-105 when they are relevant to the main risks and includes, where appropriate, an explanation of the reasons for the absence of information required by the second paragraph of III of Article L. 225-102-1;
- we verified that the Statement presents the business model and a description of the main risks related to the activity of all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services as well as the policies, actions and results, including key performance indicators relating to the main risks;
- we consulted documentary sources and conducted interviews to:
  - assess the process for selecting and validating the main risks and the consistency of the results, including the key performance indicators selected, with regard to the main risks and policies presented, and
  - corroborate the qualitative information (actions and results) that we considered most important presented in Annex 1. For some risks (poor management of data confidentiality or security, sanctions arising from compliance risks, anti-corruption), our work was carried out at the level of the consolidating entity; for other risks, work was carried out at the level of the consolidating entity and in selected entities;
- we verified that the Statement covers the consolidated perimeter, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16 with the limits specified in the Statement;
- we reviewed the internal control and risk management procedures implemented by the entity and assessed the process for collecting information to ensure that it is complete and accurate;
- for the key performance indicators and other quantitative results that we considered most important presented in Annex 1, we implemented:
  - analytical procedures involving verifying that the collected data was consolidated correctly and that the trends were consistent;
  - detailed tests on a sample basis, consisting in checking the proper application of definitions and procedures and reconciling the data with supporting documents. This work was performed on a selection of contributing entities <sup>(3)</sup> and covers between 28% and 100% of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement with our knowledge of all entities included in the consolidation scope.

We believe that the work we carried out based on our professional judgment allow us to form a conclusion of limited assurance; a higher level of assurance would have required a more extensive audit.

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

(3) Maisons de Famille in France, Dorea Famille in Germany.

## Means and Resources

Our work involved the skills of four people and took place between February 2021 and April 2021 over a total intervention period of six weeks.

We conducted about ten interviews with the persons responsible for preparing the Statement, representing, in particular, the General Services, Human Resources, Health and Safety and Environment departments.

## Conclusion

On the basis of our work, we have not identified any significant anomaly likely to call into question the fact that the non-financial performance statement complies with the applicable regulatory provisions and that the Information, taken as a whole, is presented fairly, in accordance with the Reporting Criteria.

## Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comment:

For Germany, which accounts for 48% of the Group's turnover, information on employee turnover (entries and exits), absenteeism (theoretical working hours and hours of absence) and accidentology (frequency rate and severity rate), as well as the resident satisfaction rate, is not available and is reported in the Statement. Furthermore, the entity does not report data other than electricity on the energy part.

The employee satisfaction rate, a KPI that responds to the risk of poorly managed social tensions and a degraded quality of dialogue with employee representatives, is only available for the France and Italy perimeter (representing 27% of the turnover of the publication perimeter) given the "COVID-2019" coronavirus epidemic and the strict measures implemented to manage the health impacts of the crisis, making the use of response media more complex.

Although commitments are mentioned in the Group's Code of Ethics, the Group does not have a formalised social and environmental policy. Nevertheless, actions have been taken in this area in each country to reduce the environmental impact of activities and to prevent and mitigate the main social risks.

Paris-La Défense, 11 May 2021

The independent verifier  
Mazars SAS

Edwige Rey  
CSR & Sustainable Development Partner



## Appendix Information Deemed Most Significant

### Qualitative Information (Actions and Results) on the Main Risks

- Violation of the GDPR;
- Risks related to the loss of the company, residents' data and medical information;
- Risks related to system failures, availability of IT services and computer attacks;
- Economic penalties resulting from the protection of data loss or data confidentiality;
- Sanctions arising from compliance risks;
- Risk of damage to the Group's image, failure to meet stakeholder expectations, lack of communication by the Group, risk of dissemination of fake news and facts, distortion of information, etc. The sensitivity of public opinion may evolve more rapidly than the Group's capacity to react, particularly on sensitive and complex issues;
- Risk related to poor quality of care, complaints against medical equipment or facilities, negligence or malpractice of employees, etc;
- Risk related to lack of training which would imply poor quality and poor care service for residents;
- Difficulties in attracting, hiring and retaining staff, especially for medical jobs, risks of staff shortages, especially for nurses/carers, inadequate hiring, lack of resources, absenteeism, demotivated staff, deterioration of the working atmosphere;
- Risk related to illness, absenteeism, as well as the use of obsolete medical equipment and the lack of resources adapted to the activities carried out;
- Risk of not monitoring energy and water consumption and not identifying problems (such as high consumption, leaks, etc.) that have a negative impact on the environment;
- Risk related to changing regulations on emissions and climate change;
- Penalties for non-compliance with waste management regulations.

### Quantitative Indicators Including Key Performance Indicators

- Workforce as of 31 December 2020;
- Turnover;
- Frequency rate;
- Severity rate;
- Percentage of employees trained;
- Employee satisfaction rate;
- Resident satisfaction rate;
- Energy intensity/bed;
- CO<sub>2</sub> emissions from energy consumption;
- Water intensity;
- Tonnes of waste from care and treatment activities with infectious medical waste per facility;
- Personal data protection: total number of requests vs. responses as of 31 December 2020 by country regarding rights of access, rectification, erasure of imitation, data portability, opposition; percentage of employees trained in the GDPR; number of complaints received by the national data protection authority; total number of personal data breaches;
- Number of complaints received through the whistleblowing mechanism;
- Communications audience results.

