



ACCORINVEST GROUP S.A.

ESG Report

for the year ended December 31,

2023

ACCORINVEST 

ESG Report 2023

Message from **Gilles Clavié, AccorInvest CEO**



As we publish our 2023 ESG Report, I am proud to share with you AccorInvest's sustainability achievements and progress, which illustrate our Group's commitment to leading positive change in the hospitality industry.

While 2023 was a year of major challenges – encompassing a complex macro-economic landscape, persistent inflation and financial pressure – AccorInvest demonstrated once again its high level of adaptability and excellence. The robust operational performance we attained was made possible by our forward-looking vision, our teams' collective passion, and our successful strategic initiatives. Celebrating these accomplishments, we recognize that the true measure of our success extends beyond the realm of financial metrics.

In 2021, I decided, to provide the Group with solid foundations for sustainable ESG progress. We favored long-term results over short-term successes. The structural projects we carried out have started yielding results, which are confirming that AccorInvest is on the right track to transform its ESG performance into a competitive advantage.

Our 2023 ESG Report shows significant achievements, including outstanding results on our first GRESB assessment, the submission of our Science-Based Targets, and the Green Key certification of over 90 hotels. These milestones illustrate the collaborative efforts of our teams, partners and stakeholders, who combine their forces to integrate sustainability in all our activities. **From reducing our carbon footprint to creating a positive social impact, each initiative marks an important step towards a more sustainable and resilient AccorInvest.**

Looking forward to 2024, I am confident that AccorInvest is on solid ground to continue its progress towards long-term ESG value. Supported by the best talents, we will complete the final phase of our Strategic Plan, while addressing additional regulatory pressure and the refinancing of our debt.

With this report, I invite you to explore our ESG progress, and see how our engagement and consistency are enabling AccorInvest to contribute to building a sustainable future for all.



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1.

Presentation of AccorInvest



€4.3 Bn
revenue



736
hotels owned and leased



25
countries of operation



25,000+
AccorInvest is in charge of day-to-day operations through **25,000+ talents**

ACCORINVEST, A UNIQUE BUSINESS MODEL TO REINVENT HOSPITALITY

AccorInvest is the leading¹ hotel investor and operator in the economy and midscale segments in Europe, with an additional presence in Latin America and Asia.

The Group is present in 25 countries, with 736 hotels managed by Accor.

AccorInvest's strategy is to consolidate its leadership in terms of geographical scope – Europe – and asset range – economy and mid-scale. It aims to promote new Group dynamics to transform its hotels from transit locations into key players in their regions, able to demonstrate a strong commitment to all of their stakeholders, facilitate social cohesion, and respond to current and future environmental challenges.

(1) In terms of number of rooms, geographical presence and revenue.

 Travel in our hotel portfolio on AccorInvest's YouTube Channel: www.youtube.com/@AccorInvest

ACCORINVEST HOTEL PORTFOLIO

BY REGION AND BRAND
AT DECEMBER 31,
2023

222

SUPER ECONOMY

IBIS BUDGET..... 145
HOTEL F1..... 76
JO & JOE..... 1

34

UPSCALE

FAIRMONT..... 2
SWISSOTEL..... 1
SOFITEL..... 15
PULLMAN..... 6
MGALLERY..... 9
MAMA SHELTER..... 1

221

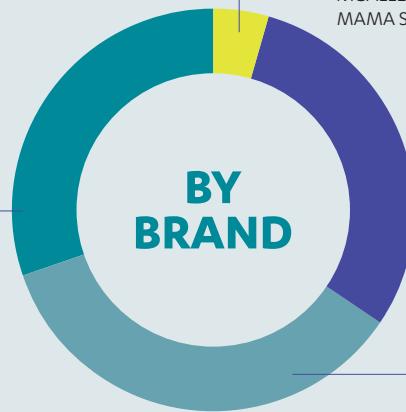
MIDSCALE

NOVOTEL..... 124
NOVOTEL SUITES..... 11
MERCURE..... 86

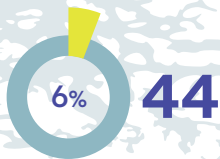
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ECONOMY

IBIS..... 240
IBIS STYLES..... 19

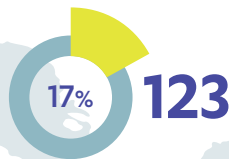


BY REGION



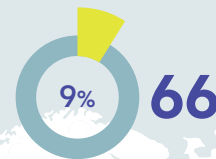
LATIN AMERICA

Brazil..... 23
Mexico..... 3
Chile..... 8
Argentina..... 5
Peru..... 3
Colombia..... 2



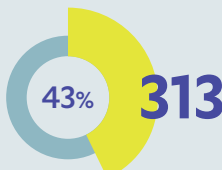
WESTERN EUROPE

United Kingdom..... 89
The Netherlands..... 14
Belgium..... 18
Luxembourg..... 2



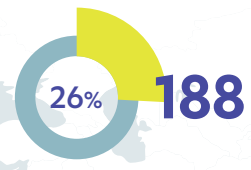
EASTERN EUROPE

Czech Republic..... 5
Hungary..... 13
Lithuania..... 2
Poland..... 44
Romania..... 2



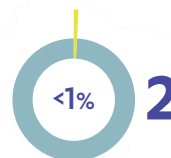
SOUTHERN EUROPE

France..... 240
Spain..... 36
Italy..... 17
Portugal..... 18
Monaco..... 1
Greece..... 1



CENTRAL EUROPE

Germany..... 151
Austria..... 16
Switzerland..... 21



ASIA-PACIFIC

Singapore..... 2

TOP RESOURCES

A UNIQUE BUSINESS MODEL

INTELLECTUAL CAPITAL

Expertise of an integrated actor (investor, owner & operator)

STRONG ENGAGEMENT FROM EMPLOYEES

900+ talents in HQs **24,000+** talents in hotels

DIVERSIFIED PORTFOLIO

736 hotels operated in 25 different countries **114,648** rooms **46%** owned assets

HOTEL MANAGEMENT

Diverse **segmentation**

14 different leading brands **Strong partnership** with hotel manager

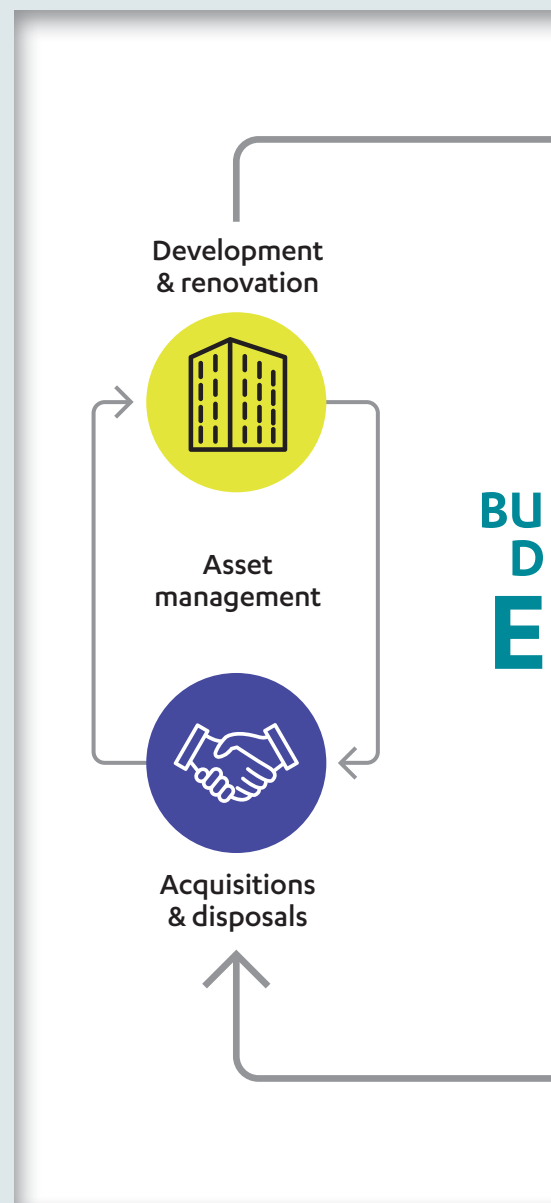
FINANCIAL RESOURCES

€3.8bn of net debt **€178m** Capex

ENVIRONMENTAL RESOURCES

21KWh of energy consumed per available room **133l** of water consumed per guest

Source: AccorInvest 2023.



**EL TO CREATE VALUE
STAKEHOLDERS**

SINESS MODEL

VALUE CREATION

**SINESS
RIVER
SG**



Hotel
operations

€4.3bn revenue **€77** RevPar **€ 8.6bn** GAV

FOR EMPLOYEES

€1,083m
in Compensation & Benefits

FOR BUSINESS PARTNERS

€569m in Rents before IFRS16 **€486m** in Management, billables & trademark fees

FOR THE ENVIRONMENT

-12% GHG¹ emissions over 2019-2023 **100+** hotels eco-certified

FOR SOCIETY

25+ local associations & projects supported **45 million** guests hosted

(1) Scopes 1 & 2.

2.



Mercure Amsterdam City
THE NETHERLANDS

Abaca Press/Barbara Zonzin

Environmental, social and governance strategy

As a hotel investor, owner and operator, AccorInvest faces major ESG challenges. The Group’s Environmental, Social and Governance (ESG) strategy aims to address these effectively. The ESG strategy is structured around 15 key issues identified through a comprehensive materiality assessment, last updated in 2021.

— AccorInvest Material topics

ENVIRONMENTAL	SOCIAL	GOVERNANCE
<ul style="list-style-type: none"> – Energy – Water – Waste – Carbon emissions – Climate Change – Biodiversity 	<ul style="list-style-type: none"> – Health & safety – Diversity & inclusion – Attractivity & retention – Training & career development 	<ul style="list-style-type: none"> – Business ethics – Human rights – Supply chain management – Corporate governance – Sustainable investing

In 2023, AccorInvest recognizes the evolving landscape of ESG, marked by the increasing expectations of our stakeholders, the shift in the financial market and the regulatory explosion. In response, AccorInvest will update its materiality assessment in 2024, and will incorporate the double materiality approach.

The Group’s ESG strategy is structured around 3 pillars, 8 key commitments and 19 challenges. All of the topics identified as material are part of this Strategy (see details page 10).

This ESG framework underlies all Group activities and determines a specific roadmap to be followed by employees and business partners alike. AccorInvest works closely with its stakeholders to ensure its strategy is deployed across all levels of the organization.

Furthermore, with 100% of AccorInvest’s hotels managed by Accor, both Groups join forces and work together to achieve ESG excellence. Therefore, some of the strategy’s 19 challenges are managed together with Accor while others are led by Accor, in which case AccorInvest’s role is to ensure the challenges are fully addressed.



Mercure Poznań Centrum
POLAND

During 2023, thanks to the involvement of all Group employees, we continued the deployment of new projects and actions related to our ESG commitments and 2026 vision, with great achievements throughout the year (see details page 11).

ACCORINVEST ESG STRATEGY 2020-2026



ACTING AS A RESPONSIBLE GROUP

We aspire to demonstrate high standards of ethical conduct and transparency, while collaborating with all our business partners.

1. ROBUST GOVERNANCE

- Setting standards for robust governance, serving investors relations

2. COMPLIANCE & ETHICS

- Ensuring compliance and demonstrating transparent and ethical conduct in all our operations

3. RESPONSIBLE INVESTMENTS

- Investing in a socially responsible manner, by integrating ESG criteria in the investment process

4. SUSTAINABLE SUPPLY CHAIN

- **Managing AccorInvest's supply chain by monitoring ESG risks and disseminating good practices throughout the value chain**



RESPECTING PEOPLE AND THE ENVIRONMENT

We strive to foster employees' development and welfare, and constantly reduce our environmental footprint.

5. RESPECT TO OUR EMPLOYEES

- **Attracting & retaining engaged talent, fostering employability**
- **Respecting diversity & promoting an inclusive environment**
- **Ensuring health and safety for all our employees & promoting well-being at work**
- **Raising employees' ESG engagement**

6. RESPECT TO THE ENVIRONMENT

- **Reducing our carbon footprint and fostering adaptation to climate change**
- Implementing a global environmental management system to systemize hotel certification
- **Promoting circular economy practices**
- **Protecting and enhancing biodiversity near our hotels**



DELIVERING POSITIVE HOSPITALITY

We commit to delivering an outstanding client experience, all the while being an actor of tomorrow's sustainable city, by connecting with the communities and enhancing their wellbeing.

7. SUSTAINABLE CLIENT EXPERIENCE

- **Ensuring guest care and comfort**
- **Fostering innovation for improving guest well-being**
- **Improving hotel accessibility**
- **Guaranteeing sustainable food**

8. LOCAL SOCIAL IMPACT

- **Providing local employment**
- **Engaging with local communities and supporting local projects and associations**
- **Promoting flexibility and innovation to create multi-functional hotel spaces which benefit both guests and local populations**

■ Challenge lead by AccorInvest

■ Challenge lead by AccorInvest & Manager (Accor)

■ Challenge lead by Manager

ESG KEY ACHIEVEMENTS 2023

During 2023, **thanks to the involvement of all the Group employees**, we continued deploying new projects and actions related to our ESG commitments and 2026 vision, with great achievements throughout the year.



ACTING AS A RESPONSIBLE GROUP



G R E S B

81/100

GRESB Score
(+17% pts vs 2022)

54/100

av. SRI² Score
(+6% pts vs 2022)



RESPECTING PEOPLE AND THE ENVIRONMENT



-12%

GHG emissions³
since 2019

766

Impact hours
generated

20

hotels being certified
Bream-In-Use Very Good

BREAM[®]
In Use



DELIVERING POSITIVE HOSPITALITY



Green Key

90+

hotels Green Key
certified

97%

of hotels have removed
single used plastic



Food waste pilot
accomplished

(2) Socially Responsible Investment.

(3) Scope 1 & 2.

2.1. ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

As hotel investor and operator, AccorInvest faces a wide range of risks that could adversely affect its operations, performance, financials, or property value.

AccorInvest defines a risk as a factor of uncertainty that may affect the Group’s ability to reach its goals, causing its actual performance to differ materially from that forecast. Through its risk management process, AccorInvest aims to maintain a clear view of the main threats it faces and anticipate emerging risk trends. It is therefore of the greatest importance for the Group to be able to identify and assess risk factors, and to manage them as attentively and efficiently as possible.

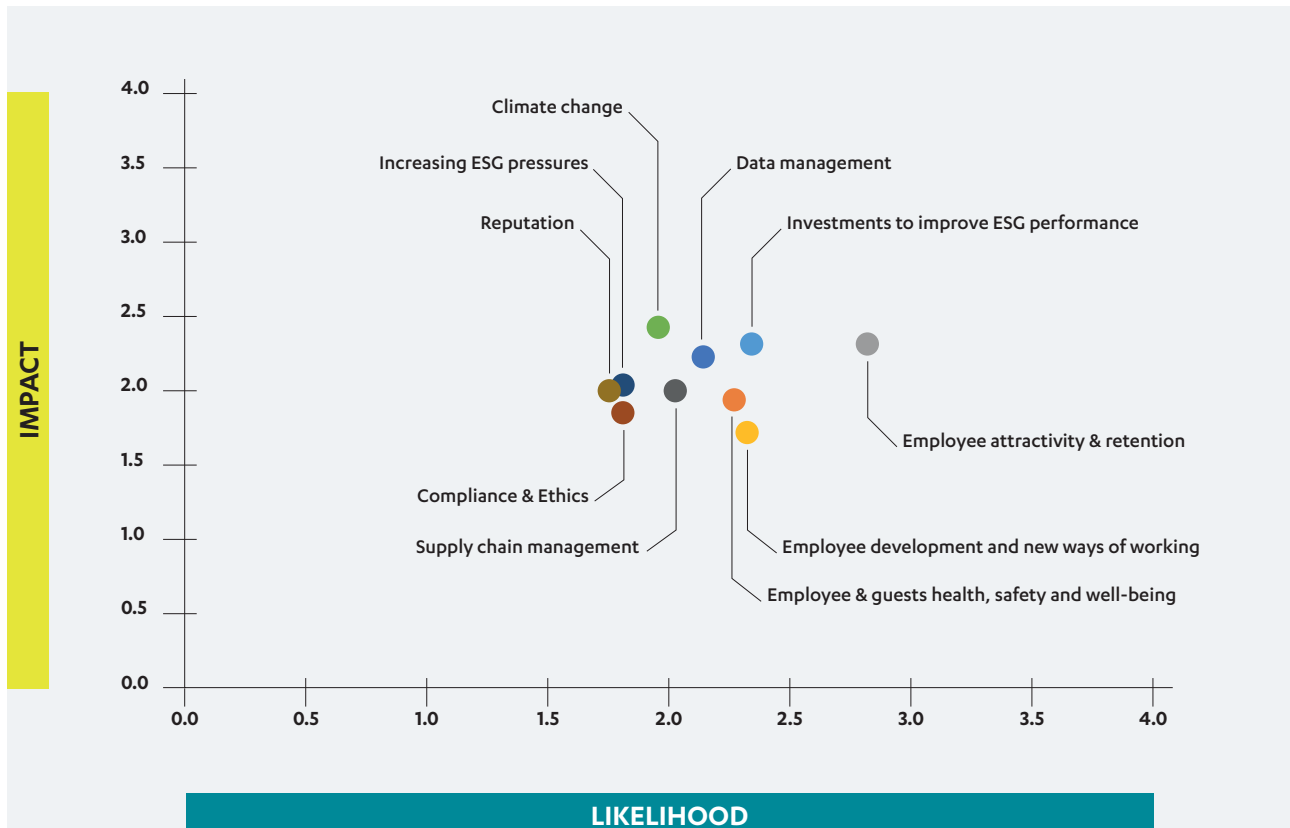
AccorInvest carries out an annual risk assessment covering financial and extra-financial risks, in which all identified risks are assessed from both a financial and an impact perspective. During the 2023 assessment, the Group registered over 300 risks, of which 80+ are considered as ESG risks. All these risks have been grouped in 11 main categories.

The Group is progressively developing various policies and actions and setting KPIs to manage and monitor these risks. All these actions are detailed in Chapter 3.

— ESG risks list

STRATEGY PILLARS	ASSOCIATED RISKS
1. Acting as a responsible group	Compliance & Ethics
	Data management & cybersecurity
	Reputation
	Increasing ESG pressures
	Supply chain management
2. Respect our employees	Employee attractivity and retention
	Employee development & new ways of working
	Health, safety & well-being
2. Respect the environment and protect our climate	Climate change attenuation and adaptation
	Investments to reduce environmental impact
3. Delivering positive hospitality	Client health and well-being

— ESG risks matrix





Ibis Budapest Centrum
HUNGARY

Tamas Pal

3.

“

In the progression of our ESG trajectory, 2023 is a pivotal moment in our roadmap. We have deployed our certification plan, developed our GHG reduction targets, and our employees have generated over 750 hours of impact through their corporate volunteering and engagement initiatives.

”



Novotel London Paddington
UNITED KINGDOM

Abaca Pressy/Peter Jackson

Environmental, social and governance performance

At AccorInvest, ESG is embedded in the Group strategy and the success of our ESG initiatives plays a crucial role in driving the overall performance of the entire Group. By prioritizing excellence in ESG areas, we aim to create lasting value for all our stakeholders.

We see ESG as a continuous journey that must permeate all Group activities and guide our global strategy. To achieve these objectives, we have established specific targets aligned with identified priorities. These targets are supported by detailed action plans and medium-term milestones, as outlined below.

In the progression of our ESG trajectory, 2023 is a pivotal moment in our roadmap. We have deployed our certification plan, developed our GHG reduction targets, and our employees have generated over 750 hours of impact through their corporate volunteering and engagement initiatives.

3.1. ACTING AS A RESPONSIBLE GROUP

AccorInvest is firmly committed to conducting its business in a responsible manner and is actively developing robust processes to uphold business ethics and compliance, mitigate risks in the supply chain, incorporate ESG criteria in the investment process, and integrate ESG practices across the organization.

3.1.1. Setting a robust ESG Governance

AccorInvest has an ESG governance model integrated in all areas of the company. Sustainability is a core business issue, for which the Board of Directors and Executive Committee assign specific responsibilities to Operations. In addition, AccorInvest has a dedicated ESG team to ensure that everyone is making efforts in the same direction.

AccorInvest ESG Governance Bodies closely follow up the Group's progress on strategic ESG topics, such as climate change matters, and ensure the integration of ESG in the Group strategy. In addition, ESG objectives contribute to the variable remuneration of top management members, in order to ensure that business decisions are aligned with the Group's ESG commitments.

The ESG Committee is composed of three members of the Board of Directors. Its purpose is to assist the Board in supervising environmental, social and governance issues. The ESG committee, established in October 2021, underwent a transition in Q3 2023, influencing the organization of the second annual meeting. In 2023, two comprehensive sessions were convened, involving all Committee members, and two supplementary meetings were specifically dedicated to onboarding new members.

The ESG Steering Committee is composed of the Group CEO and four members of the Executive Committee. Its main objective is to supervise the implementation of the Group's ESG strategy and ensure alignment with the Group's global strategy. The ESG Steering committee held three meetings in 2023.

In 2023, AccorInvest modified its Group governance to take into account the prevailing global volatility and enhance organizational flexibility. Four Hubs – Northern, Southern, Eastern and Western Europe – were created; this was a pivotal move to improve regional performance. To facilitate coordination across all Hubs, an Operational Committee was set up, incorporating representatives from strategic areas. It is to be noted that the ESG function holds a position within this Committee.

— AccorInvest Governance Structure and Committees



In addition, the Group relies on a panel of 25+ volunteer hotels, from nine different countries - representative of the AccorInvest portfolio - with whom the ESG core team exchanges three to four times per year. The main objectives are to ensure the ESG strategy is aligned with the hotel context, to work on concrete topics which are priorities for the hotels, and to launch innovative pilots.

AccorInvest also relies on an Ethics Committee exclusively dedicated to Ethics and Compliance topics; it comprises ESG governance representatives to ensure alignment of the decisions taken.

2023	Steering Committee	ESG Committee
NUMBER OF MEETING HELD	3	2
ATTENDANCE	100%	83%

3.1.2. Ensuring Compliance and Ethics

Ensuring that the Group's activities align with applicable laws and regulations as well as with AccorInvest's ethical standards, is crucial to protect our assets, people, and reputation.

AccorInvest relies on the Group Ethics Charter, which outlines the ethical commitments of the organisation, ensuring that these fundamental principles and values are fully understood and respected by all employees and business partners. The Charter is available on the [AccorInvest website](#).

In 2023

The Group has deployed an E-learning presenting the Ethics Charter, which is mandatory for head offices employees. It is already completed by 712 employees.

The Ethics Charter is complemented by a set of essential policies which serve to reinforce specific aspects including the Gift Policy, the Data Breach Procedure, and the Competition Law Compliance guide. The Ethics Charter and these policies collectively form a comprehensive framework to guide and reinforce ethical conduct throughout the organization.

Employees are required to take part in regular trainings to better understand the principles outlined in the policies.

For example, in the end of 2023, over 8,000 hotel employees had completed the e-learning on data protection rules, available on the *Hotel Compliance Portal for GDPR*, which is implemented in all AccorInvest hotels in Europe.

Compliance at AccorInvest is built upon four fundamental elements:

- A strong compliance culture, from hotels operations to head office functions;
- Policies setting forth the principles to be followed, together with the necessary procedures and tools;
- Controls;
- Governance rules.



With its **Compliance program**, the Group puts in place the necessary procedures and actions to ensure compliance and respect of our ethical standards. The Compliance program includes respect of human rights, the fight against corruption, and respect of data privacy. Roll-out is done through:

- Mapping compliance and ethics risks, identifying priorities, designing and implementing action plans;
- Policies and procedures highlighting AccorInvest's commitments and the rules to be followed by employees or, if applicable, third parties such as services providers;
- Training and awareness initiatives, adapted to each employee category, and primarily directed to the most exposed functions. Certain initiatives are also designed for individual employees, in order to continuously develop the Group's compliance culture;
- Third party assessment and controls;
- Internal controls and sanctions in the event of non-compliance, to ensure program effectiveness;
- An effective whistleblowing system at hotel and head office levels, for employees to flag any ethics and compliance issues they are aware of;
- Specific data protection compliance measures, such as establishing data processing logs for the hotels and the central headquarters functions;
- The use of platforms and other information systems to support the Compliance program across the Group's entities and activities.

Main 2023 highlights of the Compliance program

In 2023, the priorities of the Compliance program were:

- Compliance with the EU General Data Protection Regulation (“GDPR”) and other data protection regulations;
- Combating corruption and influence peddling, with the program designed in accordance with the anti-corruption laws applicable to AccorInvest’s activities in the countries where the Group has operations (e.g., Sapin II Law in France, and the United Kingdom Bribery Act);
- Compliance with competition rules.

Main results

0
corruption and bribery cases reported in 2023

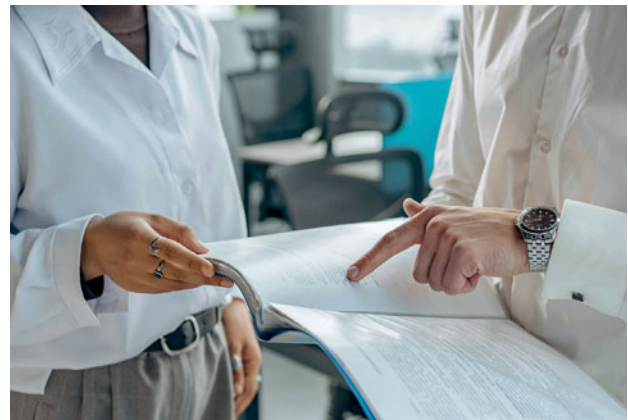
63
Number of cases reported leading to investigation in 2023

In 2023, AccorInvest did not receive any report of a corruption or bribery case. Regarding ethics and compliance, 63 cases, reported through the whistleblowing system, led to an investigation. Most cases were solved and there are five remaining ones, currently being solved.

Governance and involved parties

A robust compliance governance structure is essential to achieve the objectives of the compliance program. It ensures that the Group’s commitments and actions are taken forward, understood and respected throughout the organization, from hotels to top management.

The Compliance governance structure is composed of the following governing bodies:



Pexels/Mikhail Nilov

The role of the Ethics Committee:

The Ethics Committee meets two to three times a year, and comprises the Chief Executive Officer, the General Secretary, the Chief Compliance Officer, the Chief HR Officer, a representative of the Operational business line and a representative of the ESG functions.

Its role is to ensure that the Group respects its compliance and ethics commitments and implements its Compliance program. The Committee’s main objectives are:

- Monitor the Compliance program, activities and roadmap
- Read and approve the main compliance and ethics policies
- Read the reports on ethics whistleblowing claims and ensure they are effectively and consistently handled within the Group’s different entities
- Provide advice on all projects and issues related to compliance and ethics, and resolve them whenever necessary

The Ethics Committee shares the results of its work with the Group Executive Committee.



3.1.3. Investing in a responsible manner

Investing in a responsible manner is not only a commitment of our ESG strategy; it is also a key driver of the Group’s asset management plan. Overseen by the Asset Management business line, our ambition is to integrate ESG in the full investment life cycle, in order to deliver long-term value creation and guarantee the resilience of our assets.

Responsible investment practices directly contribute to AccorInvest’s ambitions through our “3C” approach: **Certification** to give evidence to our stakeholders, **Circularity** to extend life cycle, and **Carbon reduction** to reach our collective objectives.

In practice, this commitment is illustrated by the Responsible Investment Policy, which indicates our five key principles and the related imperative actions. These principles are shared an-

nually with all internal stakeholders involved in the investment process, via a Memorandum to ensure alignment and identify the priorities of the year.

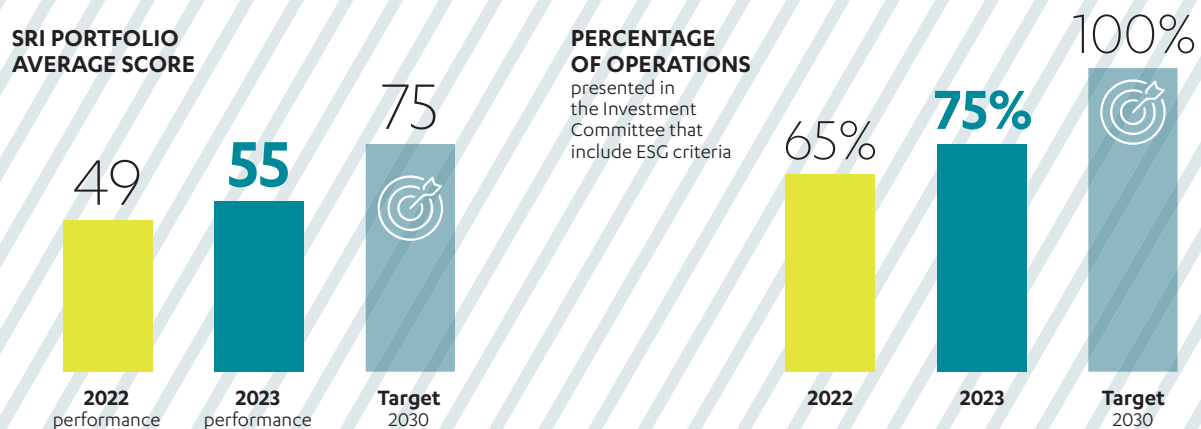
While our responsible investment approach focuses on ESG integration in every new investment, our commitment extends to divestments by ensuring that the new stakeholders align with ESG criteria, assessing their equity, project responsibility, and social reputation.

In 2023, 26 projects related to major renovation programs were approved by AccorInvest’s internal Investment Committee. These projects, which focus on guest and employee well-being, will improve the environmental performance of our buildings and support our hotels’ role as positive community actors.

AccorInvest’s Responsible Investment Policy relies on five key principles:

1. Every new major renovation or development must be certified with the highest level of recognition (for example, BREEAM level “Excellent”).
2. Every major operation approved by the Investment Committee must include an ESG score (calculated with the AccorInvest Socially Responsible Investment tool).
3. Major Capex Investment projects (MCI) must improve the global asset ESG score.
4. All renovation programs or major replacements of energy and/or water systems should aim to reduce energy and water consumption.
5. Circular room concepts, whenever available, must be given priority, and circularity principles should be adopted in all rooms.

— The SRI Grid: an assessment of the ESG performance of our buildings



Beyond the ambitions embodied by our major renovation and construction projects, we evaluate the ESG performance of our buildings every year, using our in-house ESG rating tool.

The tool, first rolled out in 2022, provides AccorInvest’s assets with an ESG score, based on 100 points; 80+ indicators are rated, covering 7 main categories: compliance, safety,

health & well-being, energy, water, transport and resilience. In 2023, AccorInvest conducted the second assessment of its European assets, which showed that the Group’s average score had gained 6 points. This improvement shows positive ESG dynamics, in line with our ambitious target to increase the average score of our portfolio by 50% by 2030.

Highlights of key Asset Management projects



Stone: Designs

ESG in action at Novotel Zurich City West

In 2023, Novotel Zurich City West completed its full renovation! Located in the heart of Zurich's vibrant "District 5", the hotel showcases AccorInvest's ESG standards – from delivering positive hospitality through an exceptional guest experience to respecting the highest environmental standards – and included actions to improve air quality, optimize accessibility, and preserve biodiversity. As a result, **the Novotel Zurich City West was certified with the Green Key eco-label.**

Hands-on workshops to facilitate socially responsible investing

In 2023, AccorInvest organized several workshops on Socially Responsible Investing (SRI) in its European headquarters. Members of the Asset Management and Operational Excellence business lines, as well as several volunteer General Managers in Poland, explored the practical application of SRI principles through business cases and collaborative exercises. The workshop sessions were also an opportunity to share best practices amongst the teams involved in the investment process and to discuss various ESG initiatives to inspire each other.



AccorInvest

**Novotel Paris
Porte de Versailles**
FRANCE



Nicolas Arnetson

3.1.4. Managing risks in the Supply chain

AccorInvest is committed to promoting ethical, social and environmental standards throughout its entire value chain. The Group expects its suppliers to comply with all applicable laws and regulations, in particular those related to human rights, labour, health and safety, the environment and business ethics.

More than 75% of the Group purchases are made through the Accor Procurement Center, as stated in our management contract, Accor is responsible for our daily procurement operations, and we rely on Accor’s Responsible Procurement Process to ensure that our ESG principles are respected by suppliers.

In this respect, AccorInvest works together with Accor’s Procurement department to improve the sustainability of the supply chain. Furthermore, a governance is in place to regularly monitor compliance with the ESG principles and review progress on key performance indicators.

Reducing Scope 3 emissions in the supply chain is indispensable for AccorInvest to achieve its carbon reduction targets. In this respect, Accor has assessed the carbon maturity of its large suppliers, and has put in place an action plan to support them in their reduction efforts.

It is important to mention that Accor only nominates suppliers which successfully validate all the controls in place and that 76% of AccorInvest’s procurements in 2023 corresponded to nominated suppliers.

Main 2023 results of the Risk Management Plan 2022 – 2025⁴:

76%
of purchases made with suppliers selected on ESG criteria

43%
of referenced risk 2/3 suppliers have completed an ESG self-evaluation

62%
of referenced risk 3 suppliers have undergone an external audit

100%
of monitored action plans for suppliers with a score below threshold

Accor Responsible Procurement Process⁵

The Accor Procurement Department has implemented a strong risk management plan, comprising controls and actions tailored to the risk profile of each procurement

category. Controls are carried out at each stage: during tendering, selection, contracting, and throughout the full contract lifecycle.

STANDARD CATEGORIES & RISK 1 SUPPLIERS

- Signature of Accor Procurement Charter
- Contracts including CSR clauses

RISK 2 SUPPLIERS

- Previous actions +
- CSR assessment (Ecovadis) with external verification
 - If low score: action plan & follow-up

RISK 3 SUPPLIERS

- Previous actions +
- On-site third-party social and/ or environmental audits if Ecovadis scoring not high

(4) The supplier control plan has been deployed for 65% of nominated suppliers.

(5) For further details refer to Accor URD: <https://group.accor.com/en/finance/results-and-publications/universal-registration-document>

3.2. CARING ABOUT OUR EMPLOYEES

Our employees aren't just a part of the business; they are the crucial drivers of the business. In 2023, over 44 million guests immersed themselves in the experiences crafted by our hotels, thanks to the hospitality and dedication of our exceptional employees.

Distribution of employees in Europe



AccorInvest comprises 19,491 permanent contract employees. In Europe, 826 work in the Group headquarters, and 18,665 in the Group hotels operating under Accor Brands. All the AccorInvest policies and principles explained below apply directly to all employees. However, the hotel manager (Accor) may establish specific human resources policies that apply to hotel employees, as per our Hotel Management Agreement (HMA); AccorInvest monitors these policies to ensure that they are aligned and comply with AccorInvest's overall principles.



Social Dialogue at AccorInvest

Social dialogue at AccorInvest is facilitated by the European Work council, and by local works councils. With recurring meetings and negotiations between members and representatives, it is a channel to ensure alignment with policies, actions, and the expectations of AccorInvest employees.

The quality of the social dialogue is key for AccorInvest.

In 2023, a Memorandum of understanding for union rights has been signed with international unions. This shows AccorInvest commitment for the social dialogue and unions rights.

A social agreement has also been signed in 2023 with the international unions concerning the support to employees in case of hotel disposal. This agreement provides a number of assurances to transferred employees regarding their new employer's social responsibility, their rights and benefits after the transfer, as well as a transfer compensation.

77% employees are represented by a local work council

Attracting, retaining and ensuring the well-being of our 19,000+ employees are integral aspects of our strategy. The Group strongly believes that achieving its sustainability goals is only possible through the full involvement of all employees.

The Group ESG policy highlights four key topics which support our ambition and role as an employer:

- Attractivity, retention and evolution;
- Diversity and inclusion;
- Health, safety and well-being;
- ESG engagement.

3.2.1. Attracting and retaining engaged talent and fostering employability

One of the main specificities of the hospitality industry is its continuous nature: our hotels operate 24 hours a day, 7 days per week – and our employees are the key drivers of this activity. Each employee's engagement and dedication, as well as his or her continuous availability for our hotel guests throughout their stay, are essential to AccorInvest's success. Therefore, adopting a proactive approach to attract and retain talent is key to both tackling this important challenge, and ensuring the Group's resilience.

At AccorInvest, together with our hotel manager Accor, we work on developing new projects and policies based on a three-fold approach.

1. Attractivity

In partnership with hospitality schools and universities, as well as job and media platforms, AccorInvest strives to attract the best talents to our head offices and our hotels. Through our actions, we demonstrate that it is a priority, important for our success:

- **AccorInvest launched its company page on JobTeaser**, a platform dedicated to students; this enables the Group to build relationships with specific schools and universities in Europe, and to propose internship/apprenticeship opportunities in head offices.

- With several volunteer hotels, we have started a pilot program to **foster alternative recruitment**, in order to provide opportunities to profiles which might not match traditional hospitality career paths. The project aims to streamline the recruitment process and focus on the candidates' talents and skills, rather than their professional or socio-economic backgrounds. In practice, the pilot hotels identify local associations proposing candidates, and host events to promote practices such as recruitment without CV.

- Additionally, in 2023, AccorInvest boosted its external employer brand through an increased presence on relevant platforms, such as LinkedIn. **Attracting more than 37,000 followers on the dedicated Group page**, our actions included showcasing the company commitment through dedicated posts, facilitating the application process by enabling candidates to apply for open positions directly, and spotlighting relevant ESG projects.

in Want to know more? Follow AccorInvest on LinkedIn



AccorInvest

2. Retention

Beyond attracting top talent, retaining engaged employees is essential for our long-term success. From creating a positive working environment to reducing turnover, our talent retention priorities strive to valorise and recognize the daily work accomplished by our teams:

– For the second year in a row, **Pulse surveys** were continued to be implemented for headquarter employees and hotel General Managers in order to **regularly measure employee satisfaction and better understand our employees’ needs**. After each Pulse Survey, the teams got together to analyse the results and put in place action plans to improve the points identified in the surveys.

– To increase proximity and transparency, AccorInvest deployed **complementary internal communication channels** which keep headquarter employees and General Managers informed and engaged. Every month, they received the We Are AccorInvest – Newsletter, and the We Are AccorInvest – Radio Live enabled project leaders or ExCom members to answer their questions. To promote team spirit even further, **We Are AccorInvest – Local Talks**, organized quarterly in the regions, provided extra focus on local and regional aspects, offering a candid glimpse into the daily life of AccorInvest, and create dynamic

exchanges. Headquarter employees and General Managers were able to join remotely or at local gatherings in our offices.

3. Employability

Regarding our talents’ employability, up-skilling opportunities play a large role in internal evolution and adaptation to new realities driven by external factors. Several training programs were offered in 2023, covering a diverse range of hard and soft skills:

– With the **“Lead & Care” program**, 120+ HQ managers were equipped with the skills and tools necessary for engaging leadership and navigating uncertainty. Beyond dedicated training sessions, the participants were supported by qualified coaches and their peer-to-peer community, enabling them to better tackle various concerns and achieve their development goals.

– In order to develop and foster a change management culture in AccorInvest, the **“Shift: Project Management”** program was deployed as part of our Transformation journey. The 650-hour training, which targeted 82 HQ employees involved in projects at different levels, was organized in three different pathways adapted to each participant’s capacities and interests :

- > Communication and influence;
- > Project management deep-dive;
- > Change plan and network management.

– Languages help us break barriers and promote inclusivity: AccorInvest has partnered with **GoFluent**, a language training platform which offers content and learning paths adapted to the needs and goals of each employee. Dedicated to our HQ employees, it is an opportunity for all to improve their professional English skills and explore other languages. The solution was launched in July 2023, and 10% of our HQ employees are active on the platform.

Concerning our hotels, our partner Accor proposes a large offer of training programs.

– In exclusive partnership with AccorInvest, Accor has developed the **Horizon Learning Journey**, to stimulate the entrepreneurial spirit within our General Managers Community. For the first year, 15 General Managers followed the program and benefited from 875 hours of training.



AccorInvest

“Most attractive employer” Award: over 7,000 people chose AccorInvest!

At the 10th Randstad Employer Brand Research Awards, Accor-Pannonia Hotels Zrt. (part of AccorInvest) received the Most Attractive Employer Award in the HoReCa (Hotel, Restaurant, Catering) sector in Hungary. The Award was based on the feedback of 7,342 respondents to a survey on topics ranging from selection criteria to employee motivation.



Fizkes — Getty Images

– Supporting our managers or future managers in their development journey is a priority for AccorInvest. In 2023, 186 managers participated in a **leadership program** (Bloom, Step Up, Emerging or professional leaders programs), representing nearly 4,000 hours of training.

3.2.2. Respecting diversity & promoting an inclusive environment

The hospitality industry is diverse by nature: guests from all parts of the world gather in our hotels, while our employees’ various backgrounds, age groups, and nationalities drive our eagerness to innovate. Diversity is clearly a major success factor for AccorInvest.

With our double role as an owner and operator, it is our priority to promote a diverse working environment while respecting the highest standards of non-discrimination and inclusivity.

3,100+

training modules, from gender-based violence prevention to multicultural management, were provided to our employees in 2023.

On an institutional level, the AccorInvest Social Charter embodies the priority of respecting diversity and non-discrimination – based on origin, sex, physical ability, skin colour, religion or sexual orientation. In addition, our 700+ hotels are directly covered by Accor’s diversity, inclusion, and anti-discrimination policy⁵.

Gender equality

For AccorInvest, achieving equality between women and men is fundamental to our ambitions and roadmap. From representation to career development, we strive to promote gender balance by understanding the related challenges, working towards gender pay equality, and fostering inclusive work spaces.

In 2023, the AccorInvest workforce comprised of 55% of women, distributed as follows:

	Number of permanent employees ⁶	Number of fixed-term employees and Extras
MEN	8,745	650
WOMEN	10,744	931
NO GENDER DEFINITION	2	2
TOTAL	19,491	1,583

Source: AccorInvest payroll extracts 31/12/2023.



55%

women in total workforce 2023

36%

women among General Managers (GMs) 2023

50%

women in Management positions in headquarters

In March, all on board for equality, diversity and inclusion

Every year, March is an important milestone in the international strive for equal rights and opportunities for women and men. At AccorInvest, to honour this commitment, we have organized:

- **1,500 training modules in all our hotels** to combat gender-based violence and sexual harassment;
- **An awareness course on the role of gender equality** in the hospitality industry, together with our corporate volunteering platform Vendredi. To support this action, AccorInvest made a donation equivalent to the sum of actions completed on the platform: thanks to 100+ HQ employees mobilized in March, the company donated 2,000 € to the Malala Foundation, an international non-profit organization advocating for girls’ education.
- **A workshop in partnership with the JUMP network** to promote gender balance. As part of it, participants were equipped with tools to adopt inclusive language, break gender-related stereotypes, and foster a welcoming workplace.

(5) For further information please refer to Accor 2022 Universal Registration Document.

(6) The number of employees concerns only the Group’s European scope.

3.2.3. Ensuring health and safety for all employees and promoting well-being at work

With more than 19,000 employees, it is AccorInvest's responsibility to take care of the health and safety of our team members. In our head offices and hotels, we are committed to delivering comfortable and accessible working environments. In addition, in our hotels, we strive to mitigate the health and safety risks resulting from difficult working hours and the physical demands often entailed by the hospitality industry.

Together with our manager Accor, we address four main areas of health and safety with both global and local initiatives:

- Preventing work-related risks;
- Preventing musculo-skeletal disorders;
- Preventing psycho-social risks;
- Preventing Harassment (sexual and mental).



Our HQs are on the move for employee wellbeing

Mental Health First Aiders (MHFAiders) to support our employees: In the UK, as a result of the feedback given during the Pulse Survey, 32 AccorInvest HQ employees and General Managers became certified MHFAiders®. The growing community of 45+ MHFAiders® plays an instrumental role in promoting a positive work environment and increasing awareness regarding mental health issues.

Ergonomics assessed to improve workstation comfort: In Belgium, the HQ Health and Safety department assessed the ergonomics of various workstations to make adjustments, provide recommendations, and help employees adopt proper workplace posture. The assessment was subsequently extended to the employees' home offices.

New well-being areas: In France, the renovation of our HQ located in Evry integrated our employees' needs and expectations by creating improved spaces and areas dedicated to well-being practices. For instance, the office now accesses a gym, a massage space, and a relaxation room available for online reservation.

Our first ESG Innovation Awards: a great success



54
projects
from 14 countries
submitted

12
finalists
pitched their idea to
the Jury

3 hotels
were praised for outstanding achievements

3.2.4. Raising our employees' ESG engagement

The engagement of all our employees is essential to fulfil the ESG targets and commitments AccorInvest has made to its stakeholders, guests, and communities. It is to be noted that our employees are among our main stakeholders; they ensure the accountability and transparency of our operations, and foster innovation through collective intelligence.

In 2023, AccorInvest carried out two major initiatives to boost the level of engagement of its headquarter employees and hotel teams:

- The third edition of **the annual ESG Challenge** took place during the European Sustainable Development Week. Open to AccorInvest's head office employees, the Challenge leveraged our corporate volunteering platform Vendredi to propose activities around the "S" of ESG. During the two-week challenge, various local activities - such as NGO donations, solidarity actions, and team building initiatives - were proposed to enhance engagement among our headquarter teams. **With 300+ participants, six lucky winners went beyond all mandatory criteria and won the chance to attend the ChangeNOW Summit held in Paris in March 2024.**

- In 2023 AccorInvest launched its first **ESG Innovation Awards** to acknowledge and celebrate creativity in our hotels and give them a platform to share their most innovative solutions to pressing ESG subjects. Regardless of brand, size, or location, all our hotels were invited to submit their ideas in three main categories: respect of the environment, care for people, and positive hospitality. The shortlisted projects gave their pitch to a dedicated Jury composed of the AccorInvest Executive Committee members, the Accor Chief Sustainability Officer, and the Energy and Environment Alliance CEO.



Accorinvest

And the ESG Innovation Award winner is... Novotel Athens!

The Novotel Athens won the first AccorInvest ESG Innovation Award with its “One person, One meal, One year” project. It aims to help one person in a challenging living situation providing them with one hot meal, in a proper environment, per day for one year. The project has been launched in partnership with the Emfasis Foundation. In addition to its immediate positive impact, the project was selected for its high scalability across other hotels.

Georgios Kritikopoulos, the hotel General Manager, explains: “We believe that small actions can have a big impact. Rather than let uneaten food go to waste, we help ONE homeless person with ONE meal per day for ONE year. It’s an easy way of supporting the community and preserving the environment. It is a win-win situation.”

In 2024

To continue fostering engagement, training modules related to climate change will be deployed for Head office employees via the AccorInvest Climate school. Additionally, Accor has deployed the School for Change training to all AccorInvest General Managers, aiming to provide a comprehensive, yet ludic, training on the key topics related to ESG.

3.3. RESPECTING THE ENVIRONMENT AND PROTECTING OUR CLIMATE

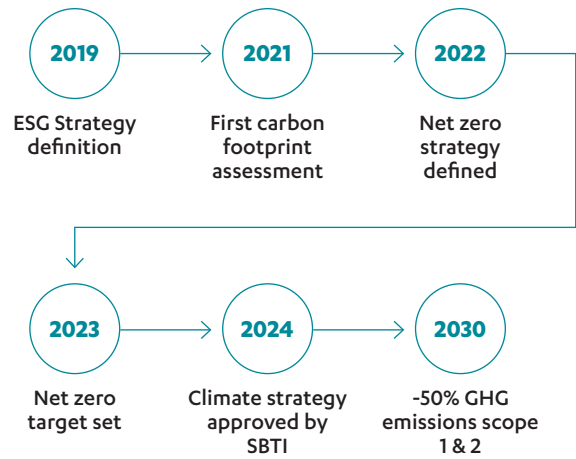
As owner and operator of a portfolio of 700+ hotels, AccorInvest acknowledges the environmental challenges inherent in our industry. To contribute to a more sustainable, resilient and fair society, we are committed to proactively address these challenges. Our targeted initiatives, alliances and innovative projects seek to minimise our environmental footprint and contribute to a shift in the industry.

The Group’s environmental policy is structured around on four major axes:

- Reducing the carbon footprint and fostering adaptation to climate change;
- Implementing an environmental management system and systemizing certification;
- Promoting circular economy practices;
- Protecting biodiversity.

3.3.1. Reducing the carbon footprint and fostering adaptation to climate change

— AccorInvest GHG reduction pathway



2023 marks an important milestone in our journey towards carbon neutrality. We take of set and submitted our Science-Based Targets and we’ve started the deployment of our carbon reduction action plan.

— AccorInvest’s ambitious targets to reduce its GHG emissions by 2030 (from 2019 base year)

-50% on the absolute amount of scopes 1 and 2

-27,5% on the absolute amount of scope 3

Our carbon neutrality action plan 2023 – 2050, defined in 2022, is based on four main pillars:

1. Up-skill and train our teams, and measure results to ensure the most efficient operational procedures are implemented and followed;
2. Improve the energy performance of our buildings continuously, by equipping them with innovative technologies and ensuring that every renovation contributes to more energy-efficient buildings;
3. Increase progressively the amount of renewable energy consumed;
4. Decarbonize the Group's supply chain, working together with our manager Accor, by reinforcing the carbon reduction requirements for referenced suppliers and increasing the amount of local products.

Concerning scopes 1 and 2, the carbon reduction roadmap comprises three phases:

– **2023-2025: No and Low CAPEX actions.** The best investment we can make is to invest on our teams; the first two years of the plan therefore focus on up-skilling them in operational efficiency and providing them with smart technologies to best manage consumptions.

– **2026-2030: Medium CAPEX actions.** As constant operational efficiency is imperative, as of 2026 we will initiate the replacement of end-of-life equipment with more efficient alternatives and focus on the electrification of our hotels.

– **As of 2030: Upon completion of all prescribed actions and to reach Net Zero, we will start investing in the infrastructure of our buildings.**

Yearly progress follow-up is essential to ensure the success of our Carbon Strategy (see table below).



Dragonimages

Progressing steadily towards carbon neutrality: main 2023 achievements

- We organized training on monitoring of the AccorInvest Sufficiency Plan.
- We follow-up closely environmental data and share it monthly with key internal stakeholders to enhance performance and highlight good practices.
- A specific carbon reduction training was developed for the AccorInvest teams, and will be deployed in 2024.
- Energy audits were conducted in assets reporting high energy consumption.
- Connected devices (including alert systems) were installed in 300+ hotels, to help teams manage the assets' energy and water consumptions in real time.
- Specific energy targets were set for each hotel, in line with our carbon reduction trajectory.

3.3.2. Implementing an environment management system and systemizing hotel certification

AccorInvest is convinced that to achieve its environmental ambitions, it is important to put in place an environment management system and seek excellence through third-party verification.

AccorInvest GHG emissions⁷

	TOTAL EMISSIONS (t CO ₂ eq)		L / L Var (%)
	2022	2023	
Scope 1	42,050	41,543*	-0.86%
Scope 2	130,522	129,511*	-1.30%
Total	172,572	171,054	-1.19%
Kg CO ₂ /Av. Room	4.4	4.4	+0.31%
Kg CO ₂ /sqm	41.3	40.9	-1.5%

(7) GHG emissions figures include only hotels located in Europe. The data disclosed covers 99% of the total data under the reporting scope.

In 2023, the total GHG emissions (scopes 1 and 2) were reported as 171 kt CO₂ eq, split into 24% for scope 1 (direct emissions) and 76% for scope 2 (indirect emissions related to electricity and urban networks). Despite a higher occupancy rate in 2023 (70% vs. 64%) the Group total emissions, in a like-for-like perimeter, decreased by 1.2% in 2023.

AccorInvest has reduced by 12% its GHG emissions scopes

1 & 2 (compared to 2019, the baseline of our GHG emission reduction targets).

Following its carbon footprint analysis (conducted per the Bilan Carbone method), AccorInvest estimated its total GHG emissions scope 3 at 509 ktCO₂ eq (kilo-tons of CO₂ equivalent) in 2019, which accounted for more than 60% of the Group's total emissions. A new methodology for calculating scope 3 is under development.

RECAP: to better manage our energy and water consumptions

In 2023, the Group completed its shift to RECAP, an internal tool developed together with our maintenance teams, to better manage our energy and water consumptions. As a result, in Q4/2023, our entire operational teams obtained monthly benchmarks enabling them to quickly identify issues and better prepare for 2024.

The RECAP tool also provides a module to measure consumptions in real time thanks to connected devices (IoT). This innovative functionality enables our hotel technical managers to follow-up their daily consumptions, monitor their reduction targets, identify peaks, leaks and misuses, and implement a specific action plan for their hotel. In 2023, 320 hotels were equipped with IoTs to enhance the functionalities of the solution. Our target is to have 100% of our European hotels equipped in 2025.

[Discover RECAP on AccorInvest's YouTube Channel](#)

Hotel certifications

Obtaining an environmental certification for building management is part of AccorInvest's ESG roadmap and efforts towards implementing an environment management system. After analysing different certifications and conducting several pilots, AccorInvest decided to have 80% of its portfolio (in value) BREEAM-In-Use certified by 2026. The choice was made after considering the international recognition of the label, as well as its demanding requirements. 2023 marked the roll-out of our plan.

Energy and water consumptions

Reducing energy and water consumptions in our hotels is a major commitment for AccorInvest. In addition to its RECAP tool and certification efforts, the Group continuously works on reducing its consumptions.

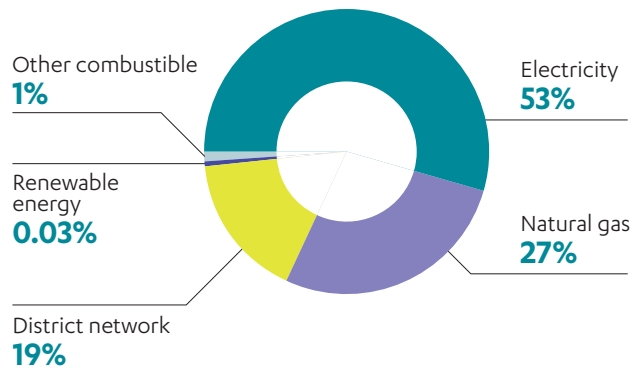
In 2023, AccorInvest set up a new energy, water and carbon governance. Responsibilities were delegated from top management to operations, and a specific person was assigned to oversee initiatives and ensure the Group consumption targets are met. This new governance implemented several actions:

- Monthly energy and water monitoring, and benchmarking, accompanied by efforts to raise awareness about the results.
- Installation of innovative low-water-flow showerheads and tap aerators.
- Introduction of the BOOST project, to help hotels optimize their operations. BOOST is a lean method of work adapted to hospitality, to “retro-commission” a hotel in two to three working days.

Beyond these measures, AccorInvest believes that achieving its targets requires a more environmentally conscious and sustain-

able approach to hospitality. In 2022, in collaboration with Accor, we formulated Sufficiency plans covering Energy sufficiency in winter / in summer, and Water sufficiency all year long. The plans aim to provide our operational teams with a comprehensive catalogue of actions which can be implemented, with no significant impact on the guest experience. During 2023, AccorInvest hotels implemented numerous sufficiency measures, both in summer and winter. Our ambition for 2024 is to optimize the outcomes of these actions.

Energy consumption distribution in 2023



	ENERGY CONSUMPTION ⁸ (MWh)		L / L Var (%)
	2022	2023 ⁹	
Total	835,609	801,630*	-3.15%
kWh/pAr	21.1	20.8	-1.81%

In a like-for-like perimeter, the total energy consumption decreased by 3% between 2022 and 2023, despite the increase in occupancy rates and number of clients, reflecting the first benefits of the implementation of the Sufficiency and Carbon Reduction plans.

	WATER CONSUMPTION (MILLION OF m ³)		L / L Var (%)
	2022	2023 ¹⁰	
Total	5.57	5.72*	+7.24%
l/guest nights	134.8	132.9	-1.19%

In 2023, the total water consumption was reported at 5.72 million m³*. The ratio of liters of water per guest decreased from 135 in 2022 to 133 in 2023. With the deployment of innovative low-water-flow showerheads and tap aerators, AccorInvest aims to accelerate its commitment to reduce water consumption.

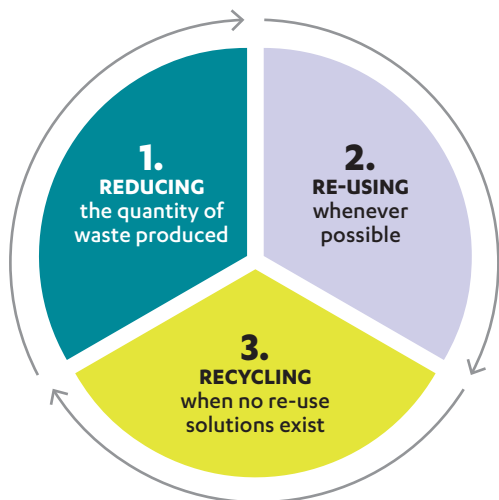
(8) For energy and water figures include only hotels located in Europe. 46 hotels located in Latin America and Singapore are excluded from the reporting.

(9) The data disclosed covers 98% of the total data under the reporting scope.

(10) The data disclosed covers 96% of the total data under the reporting scope.

3.3.3. Promoting circular economy practices

As hotel owner and operator, we face substantial challenges in terms of waste production and management. Beyond reducing waste, AccorInvest aspires to provide a more sustainable hospitality by gradually transitioning to a circular model. Our approach to waste management therefore consists in:



To manage properly, we need to measure: in 2023, we launched a project to enlarge the scope of our environmental management tool, RECAP, to include a waste management module. Its development will be completed in 2024. This module will enable us to measure, identify key levers, and develop dedicated action plans.

In addition, to better support our teams in their waste management progress, dedicated projects are launched by the waste streams. In 2023, they focused on:

- Single-use plastic
- Food waste
- Construction and renovation waste

Single-use plastic reduction

In 2023, 97% of AccorInvest hotels continued to contribute to the single-use plastic elimination project, which aims to substitute or eliminate the main single-use plastic items in the guest journey.

Under the direction of the Hotel Manager, Accor, several AccorInvest hotels participated in a pilot to eliminate single-use plastic in the Back Of House (BOH). This objective of this pilot was to identify alternatives to the main single-use plastic items used in the BOH, the aim being to propose a global deployment in 2024.

Food waste reduction

Fighting food waste is a major ambition for AccorInvest. In 2023, and as part of AccorInvest's transformation actions, we completed an innovative pilot to define a new food waste reduction strategy for all our hotels.

In 2024

Impressive results on food waste reduction supported by ADEME

AccorInvest's pilot on food waste reduction was highly successful, with up to 50% of food waste reduction in g/cover in six months. This pilot enabled us to better shape our methodology around operational needs. We will deploy the full-scale Food Waste Reduction project at portfolio level over 3 years starting with 45+ new hotels in 2024, supported and sponsored by ADEME (a major French Environmental Agency).

The 45+ hotels joining the project in 2024 will be equipped with innovative solutions using artificial intelligence to monitor their food waste in real time. Thanks to these systems installed in the kitchen, Chefs and F&B managers will be able to have better knowledge of the categorization of wasted food and their origin in order to take the most appropriate action plans to reduce.



Discover our food waste pilotes on AccorInvest's YouTube Channel

Besides, hotels have at their disposal communication supports and e-learnings to help them to better communicate with their team on food waste issues, whether environmental, ethical or economic. Experts in food waste reduction are also at their side to help them build and implement their dedicated action plan and use the connected tools to their full potential.

Fostering circularity in construction and renovation projects

Circularity is central to our construction and renovation initiatives; it requires a comprehensive, holistic approach, right from the design phase. Circular principles are to be integrated at every stage of the process.

In 2023, we continued promoting circularity in our renovation projects to give a second life to equipment, furniture and materials, by implementing our internal waste management guidelines in a number of pilot hotels. Examples of the pilot outcomes are presented below:

Novotel Lisbon: ready for a second life!

With the current rooms renovation nearing completion, a part of the discarded materials and equipment are heading for their second life:

– The beds will be reused in the hotel itself, after the renovation. This is possible because the beds are designed free-standing.

– The materials and furniture which are not yet at the end of their lifecycle will be reused in other AccorInvest hotels.

An internal "give-away" event has been organized, for the employees to benefit from free furniture, and other elements were donated to Entrejuda, a local NGO which fights poverty and social exclusion.



Think Circular: an innovative & awarded concept

The AccorInvest Design teams have created an innovative “Think Circular” concept for our ibis or Novotel hotels (50% of our portfolio). The ibis K_AI and Novotel Sundukovy Alternative have a Cradle-to-Cradle approach for materials, ensure that non-toxic products are used, and rely on easily removable furniture and equipment with high re-use potential. Our ambition is to progressively equip all our ibis and Novotel properties with these room concepts.

In 2023, AccorInvest’s “Think Circular” concept was finalist in the prestigious Hospitality Awards, in the Sustainable Development category.

The “Think Circular” design approach replaces traditional renovations – long, costly, and producing a lot of waste – with regular “room staging” based on modular, sustainable furniture which makes trendy, healthy rooms for guests and



AccorInvest

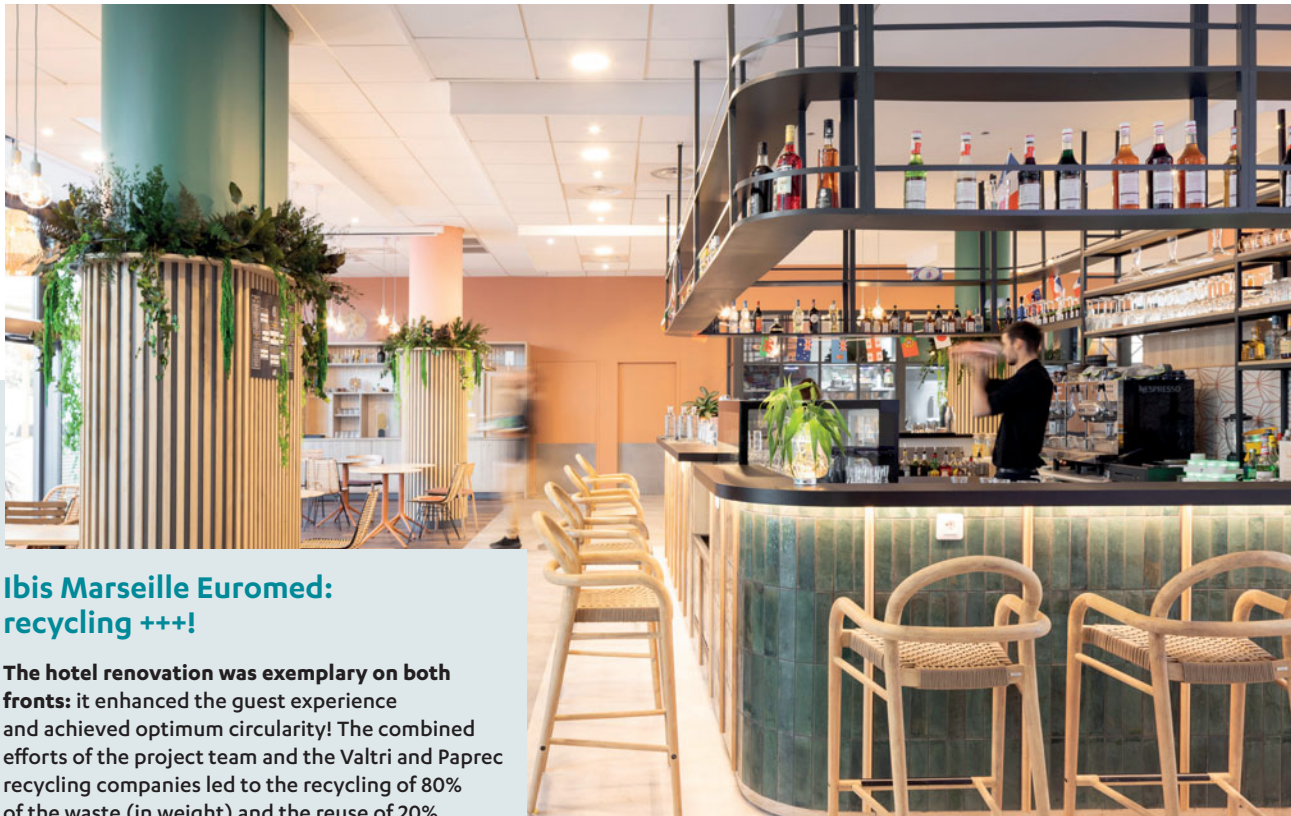
staff, easy to clean, fix, and stage over time. A cost-efficient, planet-friendly way of optimizing the whole renovation process and renewing the guest experience.

The large-scale visibility provided by the Hospitality Award recognition enables us to “spread the word” about circularity and inspire all, companies and individuals alike, to adopt circularity practices in their professional and personal activities.

1,162

AccorInvest rooms have the N_AI_SS or K_AI Eco-design rooms

[Discover Think Circular on AccorInvest’s YouTube Channel](#)



Xavier Ferrand

Ibis Marseille Euromed: recycling +++!

The hotel renovation was exemplary on both fronts: it enhanced the guest experience and achieved optimum circularity! The combined efforts of the project team and the Valtri and Paprec recycling companies led to the recycling of 80% of the waste (in weight) and the reuse of 20%.

3.3.4. Protecting biodiversity

While most AccorInvest hotels are located in urban settings, preserving the nature and biodiversity around our hotels is a major goal for the Group. Several initiatives illustrate our commitment:

- Green areas around our hotel are integrated right from the design phase.
- Our hotels are encouraged to develop urban gardens in these green areas. Currently, 200+ AccorInvest hotels have such gardens, from small herb plots to fully planted areas exceeding 1000 sqm.
- Our hotels are encouraged to take initiatives to protect and support local biodiversity. Over 100 hotels have already taken meaningful local initiatives.

In Marseille, our hotel teams join the fight against waste

In April 2023, about 60 collaborators from AccorInvest hotels located in Marseille participated in a waste collection activity on the banks of the Huveaune.

All together they collected: 900+ kg of metals and cans, 300+ kg of residual waste, 150+ kg plastic bottles, 60+ kg of cardboard, 50+ kg of glass bottles, 30+ kg of textile 36kg and 40 tires!



AccorInvest



AccorInvest

3.4. DELIVERING POSITIVE HOSPITALITY

As hotel owner and operator, AccorInvest’s approach is clear: the role of our hotels, beyond providing accommodation and services, is to play an active role in shaping the communities around them. **Our vision for the positive hospitality of tomorrow is centered around our hotels as hubs for both guests and local stakeholders, creating strong community relationships and positive synergies with our partners and neighbors.**

3.4.1. Proposing a sustainable guest experience

For AccorInvest, the guest experience in our hotels should be positive and sustainable throughout and beyond the guests’ stay. **Our Sustainable Guest Experience policy is structured around four main axes⁽¹⁾:**

1

ENSURE GUEST CARE AND COMFORT

Our hotels have an average guest satisfaction score of 79%

2

FOSTER INNOVATION TO IMPROVE OUR GUESTS’ WELL-BEING

330+ hotels have implemented non-chemical disinfection practices by using sustainable alternatives.

3

IMPROVE HOTEL ACCESSIBILITY

245+ hotels have put in place additional best practices, beyond legal standards, to improve accessibility.

4

GUARANTEE SUSTAINABLE FOOD

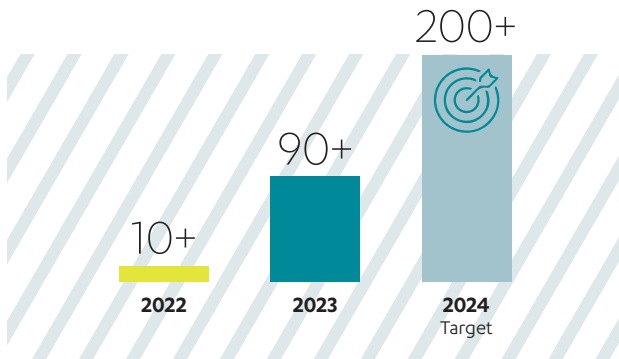
230+ hotels have included in their F&B offer at least five types of organic, eco-labelled, fair-trade, and/or locally produced products.

(1) This reporting is based on declarations of the hotels, which can lead to a certain level of uncertainty despite the checks carried out by AccorInvest.

Green Key certification

2023 marked the official starting point for our ambitious Certification Plan in **partnership with Green Key, our target being to certify 100% of our hotels with this prestigious eco-label by 2026.**

The Green Key certification is widely recognized throughout the hospitality industry. It requires candidate hotels to provide outstanding results in 13 areas to demonstrate their holistic approach to sustainability, from reducing their carbon footprint to adopting a responsible behaviour.



In 2023, 90+ AccorInvest hotels obtained Green Key certification. This achievement is a high-level recognition of the ESG engagement and commitment of our hotel teams, who integrate this certification plan daily. These results confirm AccorInvest is on the right track to have 100% of its hotels Green Key certified by 2026.

It is to be noted that once a hotel is Green Key certified, it must continue its efforts. Green Key certification fosters continuous improvement, as the hotels need to improve their performance every year on a given volume of additional criteria. As our sustainability challenges continue to evolve, alongside innovative solutions, Green Key certification ensures flexibility and confirms our commitment to ongoing improvement in our hotels.

Our sustainability self-assessment: giving our hotels a head start

In June 2023, we deployed a self-assessment campaign in line with the Green Key certification standards throughout our hotels to help us achieve of our ambitious certification targets. This assessment gives our hotels a detailed understanding of their readiness and related opportunities. This way, it gives teams a real head start for when the certification year arrives, meaning they do not start from zero when it comes to their certification journey.

3.4.2. Creating local social impact

Among the eight commitments of the AccorInvest ESG policy, promoting a positive local impact and strengthening local relationships help us go beyond delivering positive hospitality to our guests; it identifies us as active players in our communities. This ambition, and our active role, can be summarized around three main axes:

- Contributing to local economic growth by promoting local employment,
- Engaging with local communities by supporting local projects and associations,
- Promoting flexibility and innovation to create multi-functional hotel spaces which benefit both guests and local populations.

AccorInvest promotes participation in local social actions by offering all its HQ employees one day per year to volunteer, and the Group encourages its managers to organize solidarity team buildings in partnership with Vendredi, the innovative platform which centralizes AccorInvest’s philanthropic actions and “connects” our engaged employees and local associations.

In 2023 (the 2nd year of our partnership with Vendredi) our employees generated 766 hours of impact and collaborated with 26 associations.

Our hotels also generated positive local social impact through numerous, innovative projects, which illustrate our hotel teams’ creativity and dedication, and inspire others to do the same! Below are some examples.



AccorInvest local impact highlights: initiatives everywhere!

WESTERN EUROPE UNITED KINGDOM

London HQ

Our London HQ, located in Hammersmith, is a very dynamic player in its Business Improvement District – the BID is an association of local business which aim to improve the neighbourhood through collaboration and initiatives. In 2023, our employees participated in various BID activities, such as:

- Sourcing women’s hygiene and toiletry kits.
- Donating to the new homeless centre in the area.
- Promoting “fun and games” for the sick children in the local hospital.
- Volunteering and donating to the Fulham foodbank.



AccorInvest



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INK Hotel Amsterdam



WESTERN EUROPE THE NETHERLANDS

INK Hotel Amsterdam – MGallery

Every July in Amsterdam, during the Pride Week, our INK hotel turns PINK to promote INKlusivity! The hotel organizes entertainment and pink events open to guests and outside visitors, with a strong claim: here you are welcome and safe, you can be yourselves, and there is power in diversity!



Oliver Samyde

SOUTHERN EUROPE FRANCE

ibis Marseille Gare Saint Charles

Art exhibitions and live music are in this hotel’s DNA! A vernissage event is organized every month in partnership with Emmaus, a charity which restores and sells second-hand goods to combat poverty and homelessness, and for which a point of sales has been set up in part of the lobby – because, as General Manager Régis Koch says, “Proper business conduct also means doing the right thing!”

CENTRAL EUROPE
GERMANY

Munich HQ

Our Munich HQ has an active partnership with Pfenningparade, a local association which promotes inclusive education and integrates people with disabilities. During three “social days” organised via our corporate volunteering platform Vendredi, 30+ participants donated their time to:

- Clean up the “Die Insel” sports arena.
- Accompany people with disabilities to visit the Allianz Arena, where the local football champion Bayern München plays!
- Decorate and organize the Christmas market at the Pfenningparade centre, together with the residents.



Christoph Weis

EASTERN EUROPE
CZECH REPUBLIC

Novotel & ibis Praha Wenceslas Square

Once a week, the hotel welcomes students from Rytmus, a non-governmental non-profit organization which supports people with disabilities, to provide them with hands-on experience in the hotel kitchen. In addition to creating local relationships and facilitating professional integration, this collaboration enables the hotel to foster talent and employability through apprenticeship opportunities proposed to the students.



Lukas Pelech

CENTRAL EUROPE
GERMANY

Mer cure Berlin City

The hotel has been working closely with the nearby Natural History Museum of Berlin since the hotel opened in 2002. Nature themes are widely illustrated in all hotel areas, and the collaboration extends to inviting the hotel guests to visit the Museum as part of their stay – a way of raising awareness about the importance of Nature, in big cities and elsewhere...

EASTERN EUROPE
POLAND

Novotel Krakow Centrum

For the year-end holiday, the Novotel Krakow Centrum partnered with the “Santa Claus for Seniors” Foundation: the elderly people of a nursing home wrote letters with their wishes, and a volunteer from each hotel department put together the corresponding gift packages. This year, four large packages were donated and the gifts were distributed during the Christmas dinner: a simple way of making people happy!



Novotel Krakow Centrum

SOUTHERN EUROPE
ITALY

Milan HQ

After winning this year’s internal ESG Challenge, our Milan HQ demonstrated its engagement by making donations to two local associations, to help people on several fronts:

- Fondazione Libellula, to combat violence against women and gender discrimination,
- Pane Quotidiano, to provide food and clothing to disadvantaged populations.



Pane Quotidiano

[in](#) Discover more Positive Hospitality stories on LinkedIn

4.

Note regarding the methodology

The scope of the ESG report is based on the scope of the hotels consolidated in the Group's financial reporting, as defined in the management report.

The scope covered by the reporting process varies according to the indicators. Some of the indicators presented cover only the European scope; whenever it is the case, this is indicated. The targeted coverage is 100% for the four European Hubs (Northern, Southern, Western and Eastern) for both the hotels and the headquarters.

Certain exclusions are made to reflect relevance, representativity and comparability. The reporting scope therefore comprises all hotels operated by AccorInvest with the following exclusions:

- Hotels that joined the AccorInvest portfolio after September 15th of the current year.
- Hotels which are closed (for renovations) or which were impacted by an exceptional event that disrupted the hotel's activity during the reporting year (flooding, earthquake...).
- The first two months of hotels newly integrated in the portfolio.
- Hotels that are not under AccorInvest's operational responsibility.

Additional note regarding energy, water and GHG emissions

The total energy and water consumptions and the direct and indirect GHG emissions for FY2023 and mentioned with an «*» have been audited according to the ISAE3000 procedure. These KPIs have been calculated following the AccorInvest Reporting Protocol, available in AccorInvest website:

- **Total Hotel energy consumption in kwh:** total amount of energy consumed on-site for all sources of energy (electricity, heating and cooling, city gas, other combustibles) and for all on-site usage (heating, lighting, cooking, etc.) – Perimeter: A selection of hotels in the scope of the AccorInvest ESG Reporting Protocol.
- **Total Hotel activities for the direct Greenhouse Gas Emissions** (Scope 1) expressed in CO₂ equivalent – Perimeter: A selection of hotels in the scope of the AccorInvest ESG Reporting Protocol.
- **Total Hotel activities for the indirect Greenhouse Gas Emissions** (Scope 2) expressed in CO₂ equivalent – Perimeter: A selection of hotels in the scope of the AccorInvest ESG Reporting Protocol.
- **Total Hotel Water consumption:** total amount of water consumed, whatever the use (cooking, watering of green spaces, etc.) in m³ – Perimeter: A selection of hotels in the scope of the AccorInvest ESG Reporting Protocol.

5.

Concordance table

ESG COMMITMENT	KEY PERFORMANCE INDICATOR	PAGE
Robust governance	Number of meetings held by the ESG committees	16
	% of attendance	16
Ethics & compliance	Number of substantiated corruption and bribery cases	17
	Number of cases reported leading to investigation	17
Responsible Investment	% of the operations presented in the investment committee including an ESG score	18
	Average ESG score of AccorInvest hotels	18
Supply chain	% of purchases made with suppliers selected on ESG criteria	20
	% of "at risks" and "at high risks" referenced suppliers having realised an ESG self-evaluation	20
	% of "at high risks" referenced suppliers audited externally	20
	% of monitored action plans	20
Employees	Total workforce by type of employment contract, broken down by gender	23
	% of women in the workforce	23
	% of women amongst General Managers	23
	% of women in Management positions	23
	% of employees with employee representatives	23
Environment	ESG actions developed to raise awareness among employees	24
	GHG emissions	26
	Energy consumption and distribution	27
	Water consumption	27
Client experience	Number of eco-designed rooms	29
	Number of hotels labelled Green Key	31
Local impact	Number of charities supported	31
	Volunteering missions completed	31

Concordance table - Articles L.225-102-1 and L.22-10-36 of the French commercial code

THEME	RELEVANT SECTION
The way in which the Company takes into account the social and environmental consequences of its activity	2
The effects of the Company's activity on respect for human rights	3.1.2
The effects of the Company's activity on the fight against corruption	3.1.2
The effects of the Company's activity with respect to tax evasion	3.1.2
Information on the climate change impact of the Company's activity and the use of the goods and services it produces	3.3.
Societal commitments in favour of sustainable development	3.4.
The circular economy	3.3.3
Combating food waste	3.3.3
Combating food insecurity	3.3.3 & 3.4.1
Respect for animal well-being	3.4.1
Collective agreements within the Company and their impacts on the Company's economic performance	3.2.3
Employee working conditions	3.2.
Actions against discrimination and to promote diversity	3.2.2
Measures taken in favour of people with disabilities	3.4.1

6.

Concordance

table with the UN Sustainable Development Goals

ESG COMMITMENT	UN SDGs
ETHICS & COMPLIANCE	
RESPONSIBLE INVESTMENT	   
SUPPLY CHAIN	 
EMPLOYEES	    
ENVIRONMENT	 
CLIENT EXPERIENCE	 
LOCAL IMPACT	 

7.

**Independent
third-party's report**
on consolidated environmental
KPIs mentioned with an «*»
in the ESG report

8.

AccorInvest recommendations

of the task force on climate-related financial disclosures

1. GOVERNANCE

1. Describe the organization's governance of climate-related risks and opportunities

RECOMMENDATION

- 1.a) Describe the organization's governance of climate-related risks and opportunities
- 1.b) Describe the role of management in assessing and managing climate-related risks and opportunities

ACCORINVEST

AccorInvest has an ESG governance model integrated into all areas of the company. Sustainability is a core business issue and not something tangential, so there are assigned responsibilities from the Board of Directors through the Executive Committee to Operations. In addition, AccorInvest has a dedicated ESG team to ensure that everyone is pulling in the same direction, and a specific committee dedicated to ethics and compliance issues.

Cross-reference: ESG Report – 3.1.1. Setting a robust ESG governance

2. STRATEGY

2. Describe the existing and potential impacts of climate-related risks and opportunities on the organization's operations, strategy and financial planning, to the extent that the information is relevant

RECOMMENDATION

- 2.a) Describe the climate-related risks and opportunities that the organization has identified for the short, medium and long term

ACCORINVEST

With the support of a third-party expert, we have conducted a portfolio-level assessment based on the TCFD recommendations as well as the EFRAG ESRS E1 and the new IFRS S2 standards to identify AccorInvest physical and transition risks and opportunities from climate change. Different time horizons and alternative climate pathways have been taken into consideration (SSP2-4.5 and SSP5-8.5). The top risks and opportunities identified are :

Physical risks : Most significant risks are expected to be the same in the middle and long-term but their impact and likelihood will be more pronounced by 2050:

- Flood (pluvial, fluvial & coastal flood)
- Extreme heat (heatwaves)
- Water stress
- Windstorms (extratropical storms)

Transitional risks:

Middle term:

- Increased energy prices leading to higher OPEX
- Loss of asset value
- Cost to transitioning to low-carbon buildings, energy use and technologies
- Compliance to current & emerging climate-related regulation

In the long-term, the middle term risks will be intensified and new risks will arise such as:

- Carbon/energy taxes/ Cap and trade schemes
- Lower capacity to generate debt and access credit due to insufficient climate performance

Main opportunities identified:

Middle term:

- Higher energy/climate-related performance of buildings to better control of buildings and the portfolio, leading to lower OPEX
- Higher asset value due to high climate performance

Long-term:

- Climate performance leading to access to new diversified (green) financing
- Positive brand image leading to higher demand and revenues (via improving climate performance)

RECOMMENDATION

2.b) Describe the impacts of climate-related risks and opportunities on the organization's operations, strategy and financial planning

ACCORINVEST

AccorInvest considers climate change to be a central issue for the business because it will bring changes both in the environment in which it operates and in its stakeholders expectations. Thus, transition and physical risks will be materialized to the business through aspects such as:

- Capital Markets: ESG issues being an increasing concern for analysts and investors, with new ESG requirements and sustainable financing opportunities arising.
- Regulation: New frameworks such as the EU Taxonomy, the CSRD or the EPBD are setting the future regulatory horizon of the company, which will imply new investments in the assets and an increase in energy efficiency.
- Stakeholders expectations: Consumers, investors, business partners and employees concerns are shifting and sustainability is now part of its expectations.
- Operations: To respond to the new context, upskilling from teams and technological development will be required.

RECOMMENDATION

2.b) Describe the resilience of the organization's strategy, taking into consideration different climate scenarios, including a scenario at 2°C or less

ACCORINVEST

The climate risks and opportunities identified, highlight the need of having a climate neutrality strategy to ensure alignment with regulations, answer to stakeholder demands and exploit the opportunities.

AccorInvest developed its Carbon neutrality strategy during the year 2022 and has been deploying it ever since. This strategy aims to align the Group emissions reduction pathway with 1.5 trajectory and to ensure its achievement, Science-Based Targets are being set.

Cross-reference: ESG Report - 3.3.1. Carbon Footprint and climate change

3. RISK MANAGEMENT

3. Describe how the organization identifies, assesses and manages climate-related risks

RECOMMENDATION

- 3.a) Describe the organization's processes for identifying and assessing climate-related risks
- 3.b) Describe the organization's processes for managing climate-related risks
- 3.c) Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the organization's risk management

ACCORINVEST

AccorInvest defines a risk as a factor of uncertainty that may affect the ability of the company to reach its goals, which would cause the actual performance to differ materially from the one indicated in the Group's forecasts. It is therefore crucial for AccorInvest to be able to identify and assess such factors, and to manage them as consciously and efficiently as possible. Climate and ESG risks are integrated on the general description of risks, so they are part of the risk management model. In particular, AccorInvest carries out an annual risk assessment covering financial and extra-financial risks. The risk assessment methodology and the results are detailed in the Group's Annual Management Report. The risk model goes beyond internalities and dependencies, as it also measures the potential impact of risk events on other stakeholders.

Besides, during 2023, AccorInvest carried out a specific analysis on climate risks and opportunities as an important tool to guide the neutrality strategy.

4. METRICS AND TARGETS

4. Describe the indicators and targets used to assess and manage climate-related risks and opportunities, to the extent that the information is relevant

RECOMMENDATION

- 4.a) Describe the indicators used by the organization to assess climate-related risks and opportunities in relation to its strategy and risk management process

ACCORINVEST

The Group tracks a range of metrics to assess its exposure to climate-related risks and opportunities:

- Energy consumption in MWh, in both absolute and intensity terms
- Scopes 1, 2 and 3 carbon emissions
- Water consumption and intensity
- Green building certifications

Furthermore, since 2022, all Executive Committee members have ESG objectives integrated in their variable remuneration and from 2024 hotel General Managers will have specific energy related targets integrated in their variable remuneration

Cross-reference: ESG Report - 3.3. Respecting the environment

RECOMMENDATION

4.b) Publish greenhouse gas (GHG) emissions from Scope 1, Scope 2, and, where relevant, Scope 3, and the corresponding risks

ACCORINVEST

The carbon footprint is calculated in accordance with the Greenhouse Gas Protocol. The results are available in the ESG report. Section 3.3.1.

Cross-reference: *ESG Report - 3.3.1. Carbon Footprint and climate change*

RECOMMENDATION

4.c) Describe the objectives used by the organization to manage climate-related risks and opportunities, and its performance against these objectives

ACCORINVEST

AccorInvest has set carbon neutrality targets currently being reviewed by the SBTi (Science-based target initiative). The reduction targets set are related to 2019 as the base year.

With respect to Scope 1 and 2 emissions, AccorInvest aims to reduce emissions by 50% by 2030 and achieve carbon neutrality by 2050, covering a scope of 90% of emissions in these categories.

With respect to Scope 3, the company will work to reduce its supplier-related emissions by 27.5% by 2030, covering 67% of total emissions in this category. By 2050, the goal will be to expand the scope within the target to 90% of all Scope 3 emissions and achieve carbon neutrality. To monitor its progress against the targets, AccorInvest will take into account that SBTi proposes an annual reduction of 4.2% for Scope 1 and 2 emissions and 2.3% for Scope 3 emissions, which will serve as a guideline.

Cross-reference: *ESG Report - 3.3.1. Carbon Footprint and climate change*

9.

Appendix

List of abbreviations

bn	Billion
BREEAM	Building Research Establishment Environmental Assessment Methodology
Capex	Capital Expenditure
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
EFRAG	European Financial Reporting Advisory Group
EPBD	Energy Performance of Buildings Directive
ESG	Environmental, Social, and Governance
ESRS	European Sustainability Reporting Standards
EU	European Union
ExCom	Executive Committee
F&B	Food and Beverage
GAV	Gross Asset Value
GHG	Greenhouse gases
GM	Hotel General Manager
GRMS	Guest Room Management Systems
HMA	Hotel Management Agreement
HQ	Headquarters
IFRS	International Financial Reporting Standards
IoT	Internet of Things
kg	Kilogram
ktCO₂ eq	Kilo-tons of CO ₂ equivalent
kWh	Kilowatt-hour
L / L Var	Like-for-like variation
m	Million
m³	Cubic metre
MCI	Major Capex Investment
MHFAiders®	Mental Health First Aiders
MWh	Megawatt hour
NGO	Non-governmental organization
OPEX	Operating expense
pAr	Per available room
RevPar	Revenue per available room
SBTIs	Science Based Targets Initiative
SRI	Socially Responsible Investment
SSP	Shared Socioeconomic Pathway
t CO₂ eq	Tons of CO ₂ equivalent
TCFD	Task Force on Climate-Related Financial Disclosures
UK	United Kingdom
UN	United Nations
UN SDGs	United Nations Sustainable Development Goals

ACCOR**INVEST** 