

ACCORINVEST GROUP S.A.

ESG REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2021

MOVING FORWARD TOGETHER

MESSAGE

FROM **GILLES CLAVIÉ** – ACCORINVEST CEO

Since March 2020, the world has been going through an unprecedented situation. At the end of 2021, the Covid-19 pandemic is still having a strong impact on people, the world economies, and businesses. The tourism industry is particularly impacted and AccorInvest, as major hotel owner and operator in Europe, is facing structuring challenges.

The Group, thanks to the engagement of its 23000 employees, has been acting with incredible reactivity and agility to design and implement all possible mechanisms to ensure the Group's continuous activity. We have also seized the opportunity of this crisis to review our business model and set stronger, more sustainable fundamentals.

At the end of 2020, the Group launched a global Transformation Plan; we laid out a new organisation, focusing on our two business lines – Operational Excellence and Asset Management –, and with the ambition to become an Environmental, Social and Governance reference by reaching Carbon Neutrality in 2050, reinventing our working methods to improve employee's well-being, and setting robust processes to strengthen our governance.

ESG goes far beyond answering our stakeholders' increasing expectations, complying with more stringent regulations, or meeting the increasing social and environmental challenges that our society is facing. ESG has become a real business driver for our Group; it is our growth engine and is definitely part of the AccorInvest DNA.

To achieve the Group's ambition, we have defined a transversal ESG strategy that impacts all Group activities, as hotel investor, owner, and operator. This strategy guides the actions and decisions of all AccorInvest employees and business partners.

As we publish our first ESG report, we want to share our new ambition with all of our stakeholders, and to be transparent on our ESG performance. Our engagement and consistency are key to meet our goal, to become an ESG reference. We will make it happen thanks to our high ambitions, solid roadmap, and clear processes.

I am deeply convinced that I am surrounded by the best talents and business partners to achieve this goal.



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1

GROUP PRESENTATION



€1,7 Bn
revenue



846
hotels



27
countries



23 000
talents

ACCORINVEST, A UNIQUE BUSINESS MODEL TO REINVENT HOSPITALITY

At AccorInvest, we believe that the way we meet our business goals must also preserve the planet, support society, and follow well-thought governance rules. Our unique business model embodies this ESG approach as it supports the management of our two business lines – Operational Excellence and Asset Management - through long-term management agreements with Accor. Every day, we address two indivisible, perfectly complementary challenges: we manage the performance of our real estate portfolio, and we assist our hotel teams, in order to ensure our investors', our guests' and our employees' satisfaction.

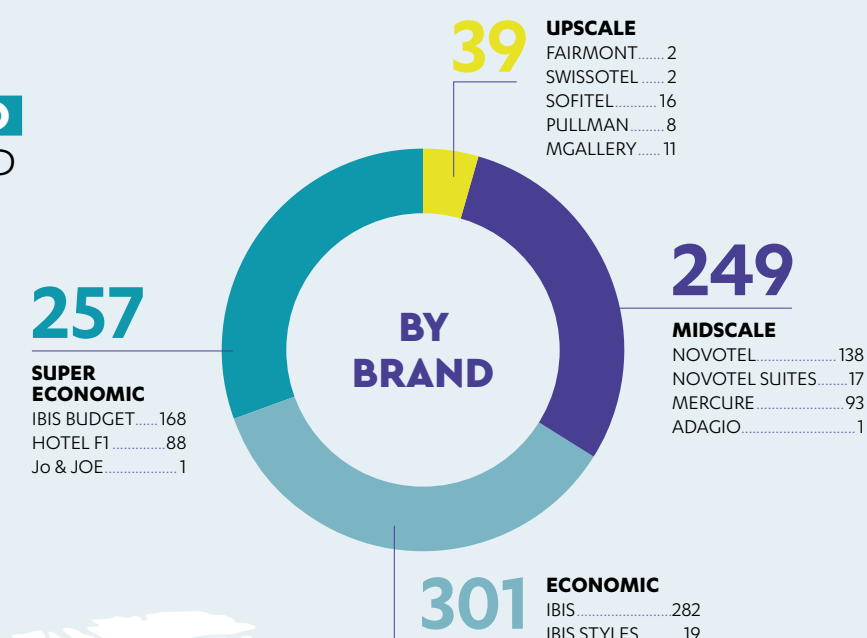
AccorInvest is present in 27 countries, with 846 hotels managed by Accor.

As a hotel investor and owner, AccorInvest's mission is to manage and optimize its assets. We have high ambitions to generate capital which will accelerate our growth: we renovate existing assets to boost their potential, we acquire property to expand our portfolio, we build new hotels to take advantage of the most dynamic locations and markets and we select the best, most experienced brands to manage our hotels and maximise the value of our properties.

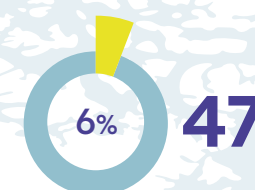
In this way, we create value for all stakeholders, from our employees and guests to our shareholders and partners. Thanks to their unfailing support, AccorInvest is increasingly becoming a strong reference on the hospitality market.

ACCORINVEST HOTEL PORTFOLIO

BY REGION AND BRAND
AT DECEMBER 31,
2021

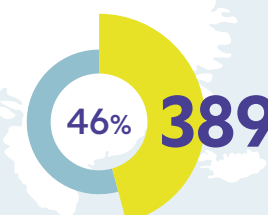


BY REGION



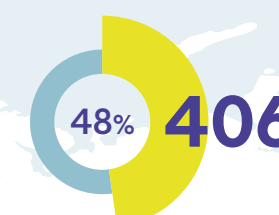
LATIN AMERICA

Brazil	23
Mexico	6
Chile	8
Argentina	5
Peru	3
Colombia	2



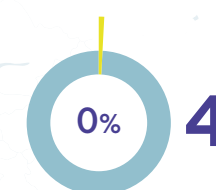
SOUTHERN EUROPE

France	310
Spain	39
Italy	18
Portugal	20
Monaco	1
Greece	1



NORTHERN EUROPE

Germany	164
Austria	19
Switzerland	21
United Kingdom	90
The Netherlands	15
Belgium	23
Luxembourg	2
Czech Republic	6
Hungary	15
Lithuania	2
Poland	45
Romania	2
Slovakia	2



ASIA PACIFIC

Japan	2
Singapore	2

OUR BUSINESS MODEL TO CREATE VALUE FOR ALL OUR STAKEHOLDERS

TOP RESOURCES

INTELLECTUAL CAPITAL

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

STRONG ENGAGEMENT FROM EMPLOYEES

1 000 talents in HQs
22 000 talents in hotels

DIVERSIFIED PORTFOLIO

846 hotels operated
in 27 different countries
127 564 rooms
40% owned assets

HOTEL MANAGEMENT

Diverse **segmentation**

14 different leading brands
Strong partnership
with hotel manager

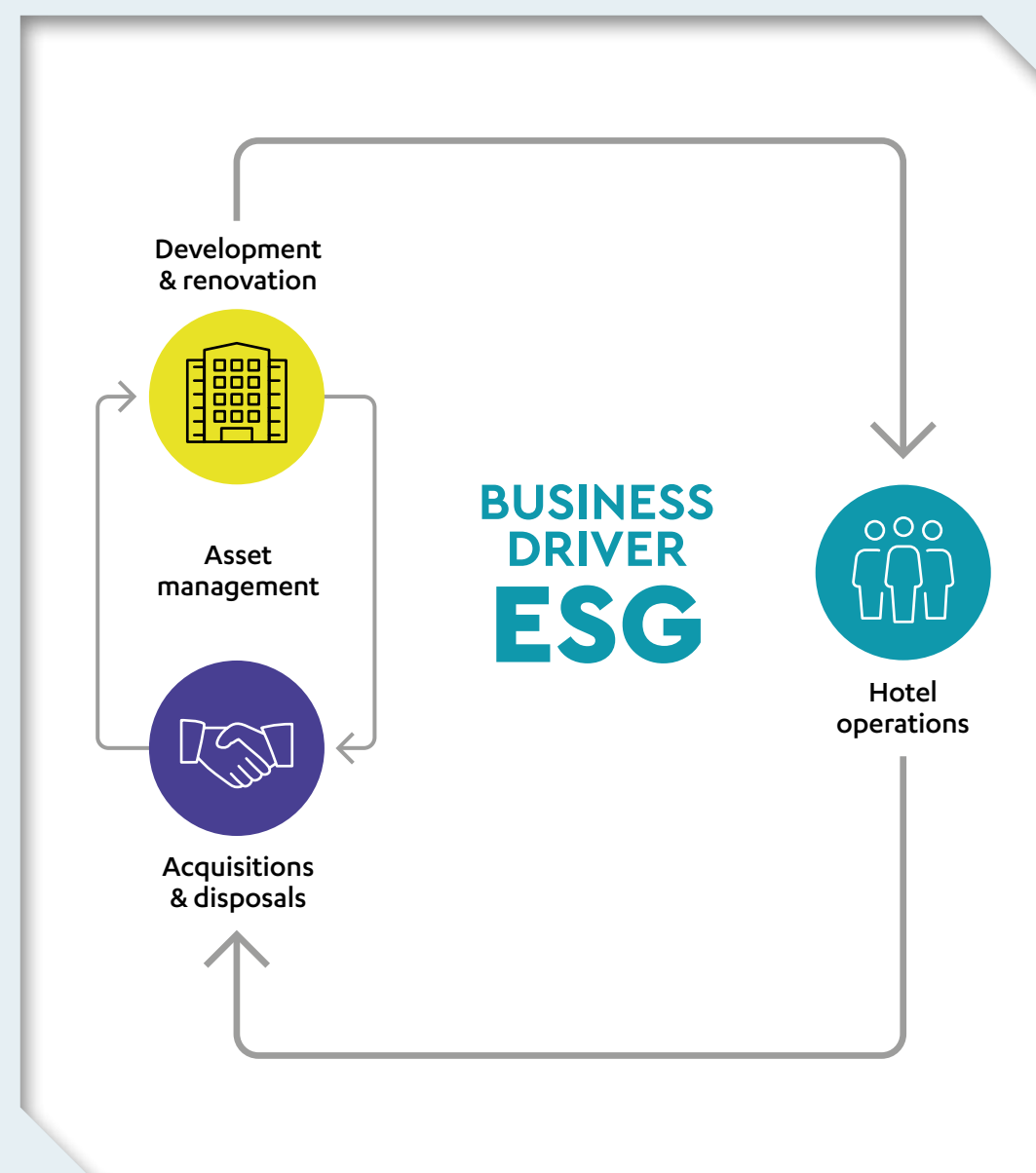
FINANCIAL RESOURCES

€4,4bn of net debt
€86m Capex

ENVIRONMENTAL RESOURCES

20KWh of energy consumed per available room
185l of water consumed per guest

A UNIQUE BUSINESS MODEL



VALUE CREATION

€1,7bn revenue
€27 RevPar
€ 8,3bn GAV

FOR EMPLOYEES

€706m
in Compensation & Benefits

FOR BUSINESS PARTNERS

€370m in Rents
€76m in Management & trademark fees
€655m Purchases & Billable services

FOR THE ENVIRONMENT

17,2% energy reduction since 2010 (in France)
250 urban gardens in our hotels

FOR SOCIETY

+20 local associations & projects supported

Source: AccorInvest 2021.



2

ENVIRONMENTAL,
SOCIAL & GOVERNANCE
STRATEGY

With climate change accelerating at an unprecedented rate, inequalities and poverty becoming critical due to the COVID-19 crisis and global governance issues at the front page of our society, sustainability is becoming more important than ever. Individuals, governments, and companies have become aware of the challenges that our society is facing, and the world is changing. Consumers are changing their consumption patterns, extra-financial regulation is strengthening and ESG performance in the private sector is considered as a key strategic driver.

AccorInvest wants to be part of this new, more responsible world. The Group is therefore taking advantage of its Transformation plan to manage its business in a more responsible manner.

2.1. ESG STRATEGY

The Group has defined its Environmental, Social and Governance (ESG) strategy with a clear ambition: to be recognized as a benchmark player in ESG topics.

To define this strategy, the Group developed its first materiality analysis in 2019. The analysis included the material topics identified by extra-financial rating agencies, investors, industry

AccorInvest will be part of this new, more responsible world.

benchmarks and peers as well as employees and executive committee members' insights. The materiality was updated in 2021 to adapt the strategy to the new context.

All of the topics identified as material are included in the Group's ESG strategy that is structure around 3 pillars, 8 key commitments and 19 challenges that we need to overcome to reach our commitments.

The ESG strategy underlies all Group activities and determines a specific roadmap to be followed by all employees and business partners. Since its definition, AccorInvest is working with its employees and business partners to ensure the strategy is deployed at all levels of the organization. During 2021, we put in place a

16 topics were identified as material for AccorInvest

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– Attraction & retention– Training & career development	<ul style="list-style-type: none">– Business ethics– Human rights– Supply chain management– Corporate governance– Cybersecurity & data protection– Sustainable investing

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 AI'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 AI ■ Challenge lead by AI & Manager (Accor) ■ Challenge lead by Manager

robust ESG governance to reach our vision for 2026, to become a reference in terms of ESG.

Furthermore, since 100% of AccorInvest hotels are managed by Accor, both Groups work together to reach the ESG ambitions. Some of the 19 challenges of the strategy are managed together with Accor while others are led by Accor, in which case AccorInvest ensures actions are implemented.

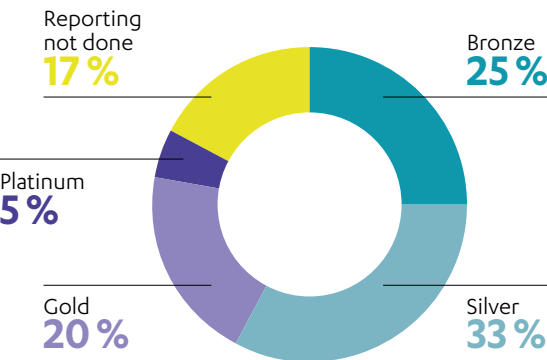
In addition, all AccorInvest hotels participate in Accor's CSR Program Planet 21. The implementation of this program contributes directly to the AccorInvest ESG strategy.

PLANET 21

A tool designed for hoteliers which can be easily implemented in any hotel or resort operating under Accor brands. The program is focused around 6 major areas of a hotel's daily life: guests, partners, local communities, low carbon buildings, healthy and sustainable food, and people. And it is composed of 76 actions that can be deployed in hotels to improve their sustainability. Depending on the number of actions deployed, hotels can obtain a bronze, silver, gold or platinum certificate.

All AccorInvest hotels are required to reach annually the bronze level, which corresponds to implementing 10 priority actions. In 2021 most AccorInvest hotels obtained at least the silver level, by implementing 40 actions:

**Level achieved by AccorInvest hotels
in the Planet 21 Program**



**2.2. ENVIRONMENTAL,
SOCIAL AND GOVERNANCE RISKS**

As hotel investor, owner, 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 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.

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.

During 2021, AccorInvest carried out a specific analysis on extra-financial risks. The analysis was conducted in two phases. As a first step, we compiled a list of risks identified by our peers. Risks identified by at least two peers were then selected. This first list of risks was then compared with the results of the materiality analysis. The result of this analysis provided the Group with a list of 12 risks. These risks were included in the Group's global risk assessment.

ESG risks list/mapping

STRATEGY PILLARS	ASSOCIATED RISKS	SCORE
1. Acting as a responsible group	Cybersecurity and personal data protection	3
	Compliance	4
	Business ethics	5
	Human rights	4
	Supply chain management	5
2. Respect our employees	Employee attraction and retention	3
	Occupational H&S	3
	Diversity and inclusion	2
2. Respect the environment and protect our climate	Carbon/climate change attenuation and adaptation	5
	Investments to reduce environmental impact	2
3. Delivering positive hospitality	Client health and well-being	2

Scale 0 - 5: 0 - No risk; 5 - High risk.

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

To ensure long term performance, AccorInvest ESG strategy is being deployed progressively, different key actions are identified to reach our commitments and different KPIs have been set to monitor progress. 2021 marks an important milestone in our ESG roadmap, the publication of AccorInvest first ESG report, published on a voluntary base; this report allows us to share our performance on ESG, but it is also the first step in our process of setting quantitative short-, medium- and long-term targets that will be shared in 2022 report.

3.1. ACTING AS A RESPONSIBLE GROUP

Present in 27 countries and with a workforce of more than 23000 employees, AccorInvest is engaged to drive its business in a responsible manner. Robust processes are implemented to ensure compliance and business ethics, manage risks in the supply chain, include ESG criteria in the investment process and ensure ESG is deployed throughout the organization.

3.1.1. Setting a robust ESG Governance

During 2021 AccorInvest put in place a robust governance to ensure ESG is present at all levels of the organization.

Three ESG Committees have been created to facilitate the deployment and follow-up of the strategy:



An **ESG Committee** formed by three members of the Board of Directors. Its purpose is to assist the Board in supervising environmental, social and governance issues. The ESG committee was formed in October 2021 and held its first meeting in November 2021.

An **ESG Steering Committee** formed by the Group CEO and 4 members of the Executive Committee. Its main objective is to supervise the implementation of the Group's ESG strategy and ensure alignment with the global Group strategy.

An **ESG taskforce** comprising representatives of AccorInvest's main business lines and regions. Its main purpose is to ensure ESG issues are integrated in all of the activities developed by the Group.

The ESG taskforce is coordinated by a dedicated team, the ESG Core team.

In addition, two instances were formed in 2021 to gather employee feedback on the deployment of the strategy and ideas, and to understand the obstacles they are facing when implementing the actions.

- An ESG digital community, open to all head office employees
- A panel of hotels, representative of the AccorInvest portfolio

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.

2021	Steering Committee	Taskforce
NUMBER OF MEETING HELD	3	4
ATTENDANCE	100%	100%

Furthermore, from 2022, all Executive Committee members will have ESG objectives integrated in their variable remuneration.

3.1.2. Ensuring Compliance and Ethics

It is essential that AccorInvest protect its assets, people, and reputation by ensuring that the activities of the Group are compliant with the applicable laws and regulations, as well as with the Group's commitments and the international standards in terms of ethics, including the respect of human rights.

To make sure these commitments are respected, AccorInvest relies on several policies such as the Ethics Charter, the Anti-Corruption Code of Conduct, the AccorInvest Gift Policy, the Data Breach Procedure, and the Competition Law Compliance guide.

AccorInvest Ethics Charter gathers the Group's Ethical Commitments and aims to ensure our principles and values are respected by all employees and business partners. The Charter is available in [AccorInvest website](#).

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

- The mapping of the compliance and ethics risks, to identify the priorities and define an associated action plan.
- The development of policies and procedures, which define the principles and the commitments of AccorInvest, as well as the rules to be respected by the employees.
- Awareness/trainings sessions.
- Third party assessments and controls.
- Internal controls and sanctions in case of breach, to ensure the effectiveness of the program.
- A whistleblowing system, effective in hotels and HQs, to receive alerts from the employees regarding Ethics and Compliance issues.
- General Data Protection Regulation (GDPR) specific compliance measures, such as the establishment of records of data processing activities for the hotels and for the headquarters.
- The implementation of tools to support the effective application and monitoring of the Compliance program throughout all Group entities and activities.

Main highlights of the Compliance program in 2021

The priorities of the Compliance program in 2021 were:

- Guarantee compliance with GDPR and other data privacy regulations. A GDPR module was designed, built, and opened to each hotel of the Group located in the European Union. It is part of the Hotels Compliance Platform, and it enables hotels to access the applicable policies and procedures, to be trained through e-learning programs, and to maintain their record of data processing activities.

- Fight against corruption and influence peddling – the program has been designed to reflect the anti-corruption laws applicable to AccorInvest's activities in the countries where the group is present, such as the French Loi Sapin 2 and the United Kingdom Bribery Act (UKBA).

- Raise awareness among employees about the competition rules applicable to AccorInvest activities.

Main results

0
corruption and bribery cases reported in 2021

26
Nb of cases reported leading to investigation in 2021

In 2021 AccorInvest did not receive any report of a corruption or bribery case. Regarding ethics and compliance, 26 cases, which were reported through the whistleblowing system, led to an investigation. Most of them were solved and the remaining ones are currently being solved.

Governance and involved parties

The program is led by the Corporate Compliance team composed of the Chief Compliance officer and two other lawyers.

It involves the contribution of the local Compliance officers as well as of several other departments such as ESG, Human Resources, Communication, and the Internal Audit and Risks departments.

The 9 local Compliance officers ensure the implementation of the compliance program worldwide and the compliance of AccorInvest's activities with the legal rules applicable to their area.

With regards to data protection, the Compliance program is supported through a network of Data protection Referents from the European Legal departments.

The external Group Data Protection Officer ("DPO"), whose main role is to advise the Group with regards to data protection matters, is responsible for monitoring compliance with the GDPR at Group level; the DPO is the contact point for supervisory authorities, answers data-related requests and complaints, and informs the Group about sensitive data protection issues.

In addition, external local Data Protection Officers have been designated in certain European countries, in which they supervise specific local compliance matters, in coordination with the Group DPO.

Ethics Committee

The Ethics Committee, composed of Executive Committee members as well as the Chief Compliance officer and representatives of the ESG functions, follows the implementation of the Compliance program. It also:

- Is made aware of the reports on ethical whistleblowing claims, and ensures that they are effectively handled, in a consistent manner, within the Group’s different entities.
- Monitors the activities and the roadmap of the Compliance program.
- Discusses and approves the main compliance and ethics policies.
- Gives its opinion on all projects and issues related to compliance and ethics, and, whenever necessary, settles them.

The Ethics Committee shares the results of its work with the Executive Committee. The Ethics Committee meets at least twice a year.

3.1.3. Investing in a responsible manner

As hotel owner and investor, with 40% of our operated hotels under ownership, AccorInvest is committed to investing in a responsible manner and relies on its Asset Management business line to ensure the Group asset management plan creates long-term value for all stakeholders.

From 2018 to 2020, 22% of our portfolio was renovated, leading to more attractive spaces for our guests whilst increasing the environmental performance of the buildings and the well-being of our employees.

In 2021 AccorInvest put in place a Responsible Investment Policy that relies on five key principles:

1. Every new major renovation or development must be **certified** (HQE, BREEAM).
2. Every major operation approved by the investment committee must include an **ESG score** (calculated through AccorInvest Socially Responsible Investment tool).
3. Major Capex Investment projects (MCI) must **improve the global asset ESG score**.
4. All renovation programs or major plant replacements with energy and/or water improvements, should **target energy consumption reduction**.
5. If **circular room concepts** are available, they must be privileged.

ACCORINVEST SOCIALLY RESPONSIBLE INVESTMENT TOOL

To evaluate the assets’ ESG performance in asset management transactions, AccorInvest has developed an in-house ESG rating tool based on 35 indicators, addressing 7 main categories: Compliance, safety, health & well-being, energy, water, transport and resilience. The evaluation started to be rolled out in 2021 to assess the ESG score of our portfolio and build-up a score-improvement strategy on short, mid and long-term basis.

In addition, an investment memorandum is shared annually with all teams involved in the investment process. This memorandum provides a reminder of the five key Socially Responsible Investment (SRI) principles and highlights the priorities of the year.



Highlights of key Asset Management projects

NOVOTEL PARIS VAUGIRARD MONTPARNASSE



2021 marked the end of most of the renovation of the Novotel Paris Vaugirard Montparnasse, the building’s large-scale renovation started in 2018. The hotel renovation has totally improved the hotel environment and has become a must-see place in which neighbours, guests and employees feel good. “The employees tell me that they feel different”, says Sandrine Leblan, GM. “And it’s true that some of them seem to have been transformed by the renovation, which has boosted their motivation. There is a strong desire to do things right and to make everyone feel good at Novotel Paris Vaugirard Montparnasse. For me, this result goes beyond my expectations.”

ACCORINVEST HAS DEVELOPED THE FIRST BBKA HOTEL

The Jo&Joe Gentilly is AccorInvest’s most innovative construction project, which took 3 years of development and 18 months of construction works. The hotel has 9 floors including 7 with a solid wooden CLT (Cross Laminated Timber) structure, 6500m² built area and 400m² garden. The Jo&Joe received the BBKA label in 2017 for the conception phase respecting 4 requirements: reasoned construction, controlled exploitation, carbon storage and circular economy, as well as the HQE certification.



3.1.4. Managing risks in the Supply chain

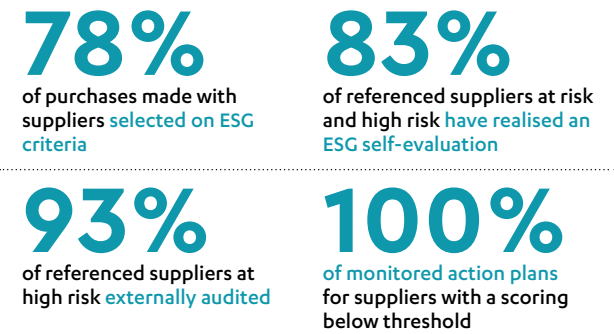
Managing risks in our supply chain and ensuring ESG principles are also respected by our suppliers are key to ensure a global ESG approach is in place.

AccorInvest expects its suppliers to comply with the applicable laws and regulations in conducting their business with the Group, notably those related to labor, health and safety, environment and business ethics.

Our management contract with Accor states that Accor is responsible for our daily procurement operations, and we rely on Accor’s Responsible Procurement Process to ensure our ESG principles are respected by suppliers.

In this regard, AccorInvest works together with Accor’s Procurement department to improve the sustainability of the supply chain, and regularly monitors compliance with the ESG principles as well as the progress on key performance indicators.

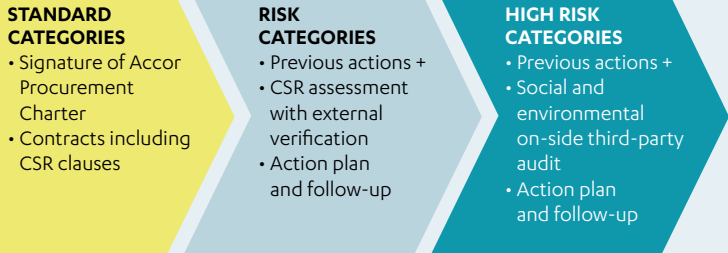
It is important to mention that Accor only nominates suppliers that successfully validate all the controls in place and that 76,6% of AccorInvest procurements in 2021 correspond to nominated suppliers. This means that in 2021:



Furthermore, AccorInvest has started working on its own Responsible Procurement Policy to enlarge the scope and ensure that the ESG risks of the Group Supply Chain are 100% managed.

ACCOR RESPONSIBLE PROCUREMENT PROCESS

The Accor Procurement Department has put in place a strong risk management process⁽¹⁾ that includes different controls and actions plan depending on the level of risk of the procurement category. Controls are to be integrated at each stage of the purchasing process: tendering, selection, contracting, full life of the contract.



(1) For further information please refer to Accor 2021 Universal Registration Document.

3.2. RESPECTING OUR EMPLOYEES

AccorInvest considers that people are the strength of the Group, and understands the importance of attracting, retaining, and contributing to the well-being of all of its employees. Furthermore, the Group is aware that to achieve its sustainability ambitions, the engagement of all employees is key.



AccorInvest counts with 23,000+ talents. 971 work in the Group headquarters and 22,177 in the Group hotels, operating under Accor Brands. For all its employees, AccorInvest exercises its responsibilities as an employer and therefore all the policies and principles explained below apply directly to them. Nevertheless, as provided in the management agreement with our hotel manager (Accor), the hotel manager establishes certain human resources policies that apply to employees in the hotels. AccorInvest monitors those policies to ensure that they are aligned and comply with AccorInvest principles.

THE COVID CRISIS

The Covid Crisis and the sanitary restrictions have had a major impact on the hotel industry. Our activity has been strongly reduced and this has impacted all AccorInvest team members. A constant social dialogue has been maintained with our employees’ representatives, and regular visio conferences were organised with the management of the Company. The objective was to keep all employees informed of the situation and explain the measures taken to ensure the Group’s sustainability.

Putting people at the core of the Group strategy

The Group wants to reinforce its corporate culture and strengthen its People strategy by putting people at the core of the Group strategy. In this regard:

- A new Chief Human Resources Officer was recruited at the end of 2021 (starting early 2022) to define and lead this strategy.
- During 2021, the Group has launched the HR digital transformation. The objective is to deploy a new People ambition powered by a digital solution reinventing the way we work. Based on a stronger employee experience and leaders fully empowered, all the HR processes will be digitalized over the three coming years. The journey will start by the implementation of the Core RH with a Go live 1st of January 2023.

The ESG policy highlights 4 material topics of the People strategy:

- Attractivity & retention
- Diversity & inclusion
- Health, safety & well-being
- ESG engagement

3.2.1. Attracting & retaining engaged talent

Attracting and retaining engaged talents is today more important than ever for AccorInvest. The hospitality industry is facing a deficit of attractivity and suffers from a lack of resources. AccorInvest, together with its hotel manager Accor, worked on short-term solutions during this year, and started a long-term reflexion on how to improve the attractivity of the hotel industry.

Dedicated workforces have been created with different key actors to carry out an in-depth analysis of the situation, identify pain points and define a specific roadmap for the years to come. In this regard, different actions were implemented in 2021:

- Various roundtables were organised with the hotel General Managers, to share best practices and identify pragmatic solutions.
- A working group was also created, as part of the European Works Council dialogue, gathering members of the Works Council, managers, and human resources representatives, to also make suggestions in terms of recruitments, and improve working conditions that have an impact on retention.
- Local actions were deployed in countries to meet the cultural needs.

EXAMPLES OF LOCAL ACTIONS

“Mobility”: creation and launch of the MOBILITY tool, an online platform accessible to all employees in France. It gathers all the job offers of AccorInvest hotels in France. Each employee can register by flashing a QR Code and receive notifications when job offers matching his or her profile are published.

Referral programs have been implemented in several countries to encourage our employees to be our ambassadors and our 1st recruiters.

Collective Accor Job fairs have been organised in major cities in the UK, bringing together several hotels and several brands, to meet a large panel of candidates and present all the opportunities available in the city.

In addition, to retain our talents in the support offices, several actions have been put in place:

- Leadership development programs were developed during 2021 (“Drive and Inspire” for leaders, and “Convince and Engage” for our managers). The objective is to provide our managers with the necessary skills to face the uncertainty, to better communicate, and to re-engage our teams.
- A new engagement platform was implemented to facilitate dialogue with employees and measure employee satisfaction:
 - In 2021, we launched two surveys, one to gather employee opinions about the progress of our transformation and another one about hybrid work.
 - We will use this platform to monitor our employees’ engagement via regular pulse surveys, starting in 2022.
- We announced our first AccorInvest volunteering program,

AccorInvest believes that diversity is a factor of success for the Group.

with which all HQ employees can benefit from one day off per year to volunteer for a social or environmental cause, aligned with the Group’s ESG ambitions; this represents over 1000 days offered to associations. We will be supported in our actions by the Vendredi platform¹.

3.2.2. Respecting diversity & promoting an inclusive environment

AccorInvest believes that diversity is a factor of success for the Group and as such, ensuring its respect, preventing discrimination, and promoting an inclusive working environment are a Group priority.

Our dual and international activity is diverse by nature, and our workforce is constituted of a wide range of expertise, with employees of all age groups and nationalities. This diversity enriches our Group and is a key driver for innovation.

AccorInvest’s commitment towards the respect of diversity and non-discrimination based on origin, sex, disability, skin colour, religion or sexual orientation is formalized in the Group’s Social Charter. Moreover, Accor’s diversity, inclusion, and anti-discrimination policy² applies directly to our 850 hotels.

EXAMPLES OF LOCAL ACTIONS

Welcoming diversity also implies providing support to favour inclusion. **“Invest en français”** is a French language program to fight illiteracy among the company’s employees. In 2021, 14 employees and 10 tutors participated in this program. The program is composed of individualized training sessions according to the needs and level of each employee.

“Mets tes baskets” challenge: As part of the European Week for the Employment of People with Disabilities (November 15th to 21st) and the International Day of Disabled Persons on December 3rd, AccorInvest made a commitment to the ELA association. Employees were challenged to collect points for the children of ELA by practicing a physical activity.

(1) Please refer to section 3.2.4 for further information.
(2) For further information please refer to Accor 2021 Universal Registration Document.

Gender equality

Achieving equality among women and men is part of the Group’s ambitions. AccorInvest understands that to reach such equality, the Group must ensure that men and women have the same opportunities during their whole professional path, from recruitment to career development and equal pay.

Proof of our engagement is that the AccorInvest CEO, Gilles Clavié, co-leads RiisE, an international network promoting diversity, together with Maud Bailly, Accor SE CEO.

The AccorInvest workforce is comprises 54% of women, distributed as follows:

	NB OF PERMANENT EMPLOYEES	NB OF FIXED-TERM EMPLOYEES
Men	9 765	755
Women	11 673	954
Total	21 439	1 709

Source: AccorInvest 2021.



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

As a major employer, AccorInvest must ensure the health and safety of all of its employees at work and promote their well-being.

Because the hospitality business entails unusual working hours and some positions are physically demanding, hotel employees are more exposed to health and safety risks than head office employees. Therefore, AccorInvest works together with Accor to deploy the necessary measures at local level to prevent these risks, in four main areas:

- Preventing work-related risks
- Preventing musculo-skeletal disorders
- Preventing psycho-social risks
- Combating violence against women

AccorInvest dialogues regularly with its employees through local working councils, to ensure alignment on the policies.



Hotel employees’ implication in the health and safety policy is essential. Therefore, five of the 76 actions of the Planet 21 program concern health, safety, and well-being. The following table shows AccorInvest’s scores on these actions:

Action¹	Hotel scores
Set up an employee committee on 'Health, Safety and Well-Being'	43%
Implement collective planning for work schedulless	47%
Raise employee awareness on health and well-being at work	60%
Raise employee awareness of correct workplace postures and practices	64%
Facilitate the employees' commutes between home and work	45%

THE COVID CRISIS

The Covid-19 Crisis still has impacts in terms of Health and Safety all over the world. AccorInvest has implemented all the necessary measures to preserve the health of its employees and guests, while ensuring the continuity of the business.

For the hotel teams, the ALLSAFE health protocol is deployed since 2020. This protocol sets 16 international commitments regarding cleaning and hygiene standards, and it is verified by third-party organizations.

For head offices, the “Home Office” continued to be highly encouraged in 2021. We took into consideration the psycho-social risk for isolated people, and whenever the sanitary situation allowed it, hybrid work was authorized to avoid employees losing social links. Our offices were also reorganized to ensure the respect of local sanitary measures, such as social distancing.

3.2.4. Raising our employees’ ESG engagement

Embarking all employees in the ESG strategy is key to achieve the Group ambitions. In this regard, different initiatives have been launched since the announcement of the strategy, in order to raise awareness and engage all employees.

During the European Sustainable Development week, Accor-Invest launched a worldwide ESG Challenge for its Headquarters employees. Employees were invited to act at their own individual level on 13 environmental and social actions, aligned with our strategy. This was a great opportunity to understand the challenges we are facing as a company.

(1) This reporting is based on declarations of the hotels, which can lead to a certain level of uncertainty in spite of the controls carried out by Accor.

THE ESG CHALLENGE: “LIVING” THE GROUP’S ESG STRATEGY

In September-October 2021, over 300 employees from all AccorInvest offices participated in the Group’s 1st ESG Challenge: a contest to integrate sustainable actions in day-to-day activities.

The employees took up the challenges listed on 13 scorecards and shared pictures of themselves “living” the Group’s ESG strategy: reducing our carbon footprint, limiting waste, eliminating digital pollution, taking social and circular economy initiatives, promoting biodiversity, etc.

A closing ceremony rewarded 10 winners as well as the two countries with a +60% participation rate: Italy and the UK. With this demonstration of best practices, our people – as employees and citizens – are our strongest ESG players.

AccorInvest’s corporate volunteering project, in partnership with *Vendredi*, also aims to contribute to our employees’ ESG engagement.

ACCORINVEST’S CORPORATE VOLUNTEERING PROGRAM

While AccorInvest’s ESG strategy includes supporting environmental or social initiatives, many of our employees are eager to take action themselves through direct, meaningful, hands-on actions. The Group acknowledges this generous approach by providing a proper framework for such initiatives.

During the 2nd semester of 2021, the Group set up a partnership with *Vendredi*, a Social Engagement platform which connects people who want to help with organizations which need help; over the past 6 years, *Vendredi* has already enabled over 200,000 employees to contribute to a good cause. AccorInvest has also created a community of Social Impact Ambassadors – one per country; it provides information via our ESG communication. Finally, as of 2022, the Group will give one day off per year to HQ employees, to volunteer in the project or association of their choice, with their remuneration maintained.

Finally, at hotel level, our employees’ engagement is fostered through the Planet 21 Program.

3.3. RESPECTING THE ENVIRONMENT AND PROTECTING OUR CLIMATE

Fighting climate change, promoting circular economy, protecting biodiversity - from hotel design to the guest experience: AccorInvest is committed to respecting the environment in all activities developed by the Group. The Group also explores new, innovative methods to reduce its environmental footprint and to involve employees and business partners in achieving these ambitions.

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

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

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

As a first step to reduce the Group’s carbon footprint and put in place the right mechanisms to promote adaptation to climate change, AccorInvest carried out its first full carbon footprint calculation¹ in 2021.

The analysis, which included scope 1, 2 and 3 emissions, took into account all activities developed by the Group’s hotels and all countries in which we operate, in order to provide the most precise picture possible of all of our greenhouse gas (GHG) emissions.

The results of this calculation were the starting point for the second phase of the project: to set ambitious reduction targets, in line with the Paris Agreement to achieve, net zero commitments and define the best action plan to meet them. During 2022, AccorInvest aims to scientifically have its reduction targets validated by the Science Based Targets initiative (SBTi).

— Total GHG emissions² (t eq CO₂)

	2019	2020	2021
SCOPE 1			
Southern Europe	19 612	13 451	16 322
Northern Europe	37 831	28 246	32 990
Latin America	3 977	2 026	2 927
Asia	1 008	478	752
Total	62 428	44 201	52 991*
SCOPE 2			
Southern Europe	30 513	20 311	24 797
Northern Europe	105 700	72 833	82 270
Latin America	9 343	5 918	7 124
Asia	22 860	21 631	19 773
Total	168 416	120 692	133 964*
SCOPES 1+2			
Southern Europe	50 125	33 762	41 119
Northern Europe	143 531	101 079	115 260
Latin America	13 320	7 943	10 051
Asia	23 868	22 109	20 525
Total	230 844	164 893	186 955*
AVERAGE RATIO OF SCOPE 1 & 2 GHG EMISSIONS PER AVAILABLE ROOM (AR)			
Kg CO₂ pAR	5,2	3,7	4,2

(1) The calculation was based in 2019 data since the activity was strongly reduced in 2020.
(2) GHG emissions and reporting scope are calculated according AccorInvest Reporting Protocol, available in AccorInvest website.

In 2021 total GHG emissions (scope 1 and 2) were reported as 187 kt CO₂ eq, split as 28% for scope 1 (direct emissions) and 72% for scope 2 (indirect emissions related to electricity and urban networks). Since 2019 the Group made progress in GHG emissions: the ratio kgCO₂e decreased by 19%. This change is mainly due to the impact of Covid-19 in the occupancy rate of our hotels, which decreased from 76% in 2019 to 36% in 2021.

Through its carbon footprint analysis, following the *Bilan Carbone* method, AccorInvest has estimated, total scope 3 emissions of 509 ktCO₂ eq (kilo-tons of equivalent CO₂) in 2019, which accounted for more than 60% of the total emissions of the Group.

3.3.2. Implementing an environment management system and systemizing hotel certification

AccorInvest is convinced that to achieve its environmental ambitions, it is essential to put in place an environment management system and seek excellency through a third-party verification. In this regard, the Group has been working since 2018 on the development and deployment of an innovative solution that will enable AccorInvest hotels to measure and manage their energy and water consumptions in real time, ReCAP.

ReCAP PILOT RESULTS

The solution was tested during 14 months in 70 hotels. These hotels were equipped with approximately 40 connected devices (IoT) and the first results show that after 14 months the hotels achieved a 10% of reduction in energy consumption and a 5% reduction in water consumption.

Energy consumption decreased by 17% between 2019 and 2021, The ratio energy per available room by 20%.

The software solution will be fully deployed in 2022 and the hotels will be equipped progressively with connected devices to enhance the functionalities of the solution. Our ambition is to have 100% of our hotels (except F1 hotels) equipped in 2024.

Energy and water consumption

In addition to the RECAP tool, the Group, thanks to the involvement of its hotels' technical teams, has been working on reducing its energy and water consumption for many years. Various actions have already been implemented, such as:

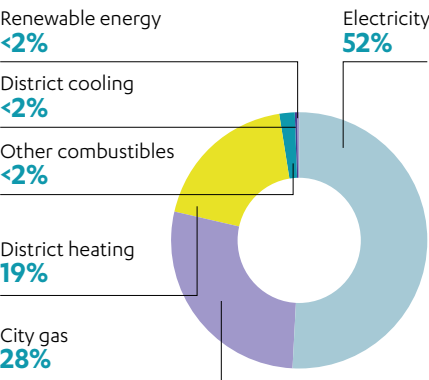
- Monthly monitoring of consumptions with the OPEN tool
- Temperature management of vacancies in meeting rooms and guests' rooms
- Installation of sun tracker timers to control external signages
- Installation of LED lighting
- Installation of water flow regulators
- Setting 3-6l for new/recent toilet cisterns

Energy consumption & ratio

	ENERGY CONSUMPTION (MWH)			ENERGY RATIO (KWH / PAR)		
	2019	2020	2021	2019	2020	2021
Southern Europe	368 354	252 052	305 347	21,9	14,6	17,7
Northern Europe	580 509	413 327	476 369	24,5	17,4	20,0
Latin America	65 116	41 846	50 771	24,1	15,1	18,1
Asia	64 640	58 875	56 550	69,2	57,8	55,6
Total	1 078 619	766 100	889 037*	24,4	17,1	19,8

Energy consumption decreased by 18% between 2019 and 2021, due to the impact of the health crisis on occupancy rates and hotel closures worldwide. The ratio energy per available room decreased by 19%.

Energy consumption distribution in 2021



Energy consumption by source

	ENERGY CONSUMPTION BY SOURCE (MWH)		
	2019	2020	2021
Electricity	589 745	407 065	460 950
City gas	285 779	204 643	246 150
District heating	180 648	141 654	166 258
District cooling	4 429	2 326	3 953
Renewable energy	329	208	223
Other combustibles (including fuel, propane, etc.)	17 689	10 204	11 503
Total	1 078 619	766 100	889 037*

Water consumption & ratio

	WATER CONSUMPTION (MILLIONS OF M³)			WATER RATIO (LITRES/GUEST)		
	2019	2020	2021	2019	2020	2021
Southern Europe	2,86	1,27	1,68	141	185	158
Northern Europe	3,97	1,83	2,12	140	214	175
Latin America	0,65	0,30	0,41	243	335	260
Asia	0,60	0,51	0,44	502	589	527
Total	8,08	3,91	4,65*	154	228	185

In 2021 total water consumption was reported as 4.65 million of m³. Since 2019, total water consumption decreased by 42% due to the impact of the Covid-19 crisis on the occupancy rates. The rising trend in the ratio of water per guest is due to the significant drop in the number of customers, due to the health crisis, which is not reflected in a reduction in water consumption. Maintaining pipe hygiene standards requires circulation regular hot water, even when there are no guests.

Hotel certifications

Achieving a certification for the management of its hotels is part of AccorInvest's ESG roadmap. During 2019 AccorInvest launched its first BREEAM in Use certification pilot with the ambition of certifying all of its owned hotels by 2021. Unfortunately, the project was stopped due to Covid crisis, but it will be relaunched between 2022 and 2023.

20
hotels certified BREEAM In Use

3.3.3. Promoting circular economy practices

As hotel owner and operator, the Group faces huge challenges in terms of waste production and management. In this regard, AccorInvest's approach to waste management consists in:

1. Reducing the quantity of waste produced
2. Re-using whenever possible
3. Recycling when there are no re-use solutions to be implemented

Different actions have been implemented in 2021 following this approach:

Single-use plastic reduction

Tackling single-use plastic has become a priority, not only for business but also at European level. In this regard, European regu-

lations on single-use plastic are becoming increasingly stringent, in order to make sure all stakeholders take action.

AccorInvest hotels are strongly committed to eliminating single-use plastic and through the direction of the Hotel Manager Accor, an action plan has been in place since 2019 to progressively substitute single-use plastic items. The plan is focused on three major phases:

1. Removal of all plastic straws, stirrers, and cotton swabs. 89% of AI hotels are already compliant.
2. Elimination of individual toiletry bottles and plastic cups: 42% of AI hotels
3. Elimination of all other single-use plastic items in the bedrooms, meeting rooms, restaurants, and all relaxation areas (spas, fitness rooms, etc.)

Food waste reduction

Fighting food waste is a major challenge for AccorInvest. One third of the world's food production is lost or wasted every year¹. This has great impacts, not only on the environment but also on society. Together with our Hotel Manager, we implement several actions to constantly reduce food waste in our hotels:

- Measuring food waste:

It is essential to be able to identify the quantity, origin and type of food wasted in order to define a reduction action plan. In this regard, AccorInvest has developed its own internal tool to facilitate measuring; a first system has been in place since November 2021 in one of our hotels. We also work with external companies that already provide a measuring solution such as

(1) Source: Food and Agriculture Organization of the United Nations (FAO).

Winnow, and in October 2021 we launched a partnership with Accor to test the Orbisk solution, for which 15 systems will be installed in 2022.

- Reducing food waste:

AccorInvest trains its Chefs and staff on the best practices to put in place, such as weekly planning, inventory management, food processing. The Group also communicates with its guests to raise awareness on the subject, particularly on buffets offers.

- Re-selling or donating:

Whenever, despite these efforts, there is still an unsold food surplus at the end of the service (i.e., end of breakfast), the hotels partner with associations such as Too Good to Go or Phoenix, which transfer unsold food back into the consumption circuit at very low prices.

Fostering circularity in design and renovation projects

Regarding our design, construction and renovations activities, our commitment towards waste management is part of a more global circular economy approach, which considers materials as a future resource whether than a future waste.

AccorInvest aims to promote circularity in every renovation project. A first pilot was launched in 2019 on the full renovation project of the Ibis hotel in Strasbourg (98 rooms). A resource diagnosis was established to draw up an inventory and characterize the various materials to identify their potential re-use. Furthermore, the furniture in the rooms was donated to local associations.

Our final objective is to systemize the audit of furniture and materials before every renovation via an internal platform, with an inventory of technical data on materials, equipment, and furniture by hotel, according to brands and renovation dates.

In 2021, AccorInvest launched its first pilot circular platform to facilitate the re-use of materials, equipment, and furniture. The platform is functional and currently accessible to AccorInvest hotels in Northern France, UK, and Benelux.

AIMAT EXCHANGE HUB – ACCORINVEST CIRCULAR PLATFORM

This internal virtual hub facilitates the exchange of materials and equipment among AccorInvest hotels, adds value to dormant stocks and gives a second life to materials when we renovate our spaces.

A pilot was developed during 2020 and 2021 on a dormant stock in a warehouse in Dunkirk. All the materials and equipment available at the warehouse were uploaded to our virtual platform and every item in the platform has found a second life:

- Some items were recuperated by nearby hotels
- Materials and equipment were also made available on external marketplaces: Articonnex, Strockpro and Backacia
- Remaining items were donated to local associations: AFEJI Dunkerque and Face Valo Dunkerque

A real upcycling initiative!

Our commitment towards waste management is part of a more global circular economy approach.

To facilitate the re-use of materials, circularity criteria need to be included from the start, in the design phase. AccorInvest Design teams, together with Accor, have eco-design concept rooms for the Ibis & Novotel brands. The KAI concept for Ibis or Sundukovy Alternative for Novotel include materials inspired by the Cradle-to-Cradle approach, guarantee that non-toxic products are included and that every material is easily removable to increase its re-use potential. These new room concepts are also based on modular furniture to facilitate future rearrangements and anticipate faster, easier and less nuisance renovations.

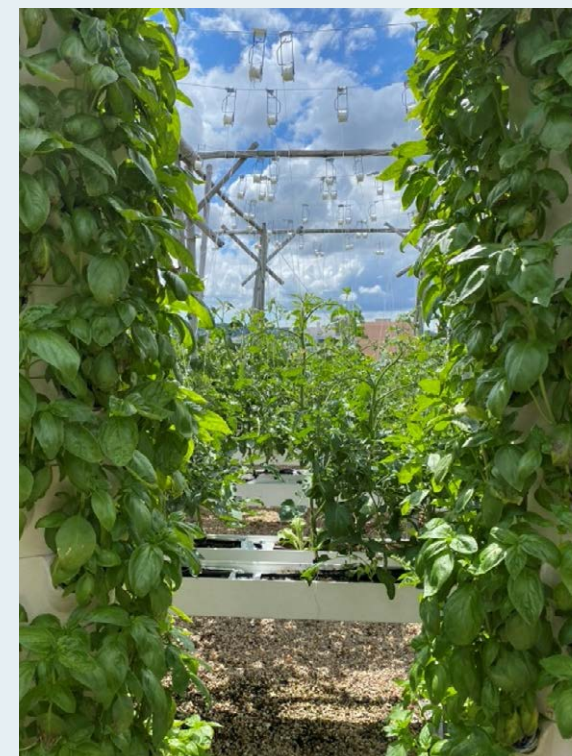
3.3.4. Protecting biodiversity

With 846 hotels located mostly in city centres, enhancing nature and protecting the biodiversity around our hotels are a major challenge for AccorInvest's ESG performance.

Promoting green spaces in our hotels, as well as developing urban vegetable gardens, contribute not only to preserving biodiversity in cities, but also to our commitment to propose local and sustainable food at our restaurants.

In 2021, AccorInvest already had 226 urban vegetable gardens on its hotels worldwide. These gardens go from small herb gardens to major innovative projects, such as the aeroponic urban farm set up on the 400m2 rooftop of the Mercure Boulogne, which produces over 1.5 tons/year of fresh fruit & vegetables directly used in the hotel kitchen. A similar system is currently being installed on the Mercure Orly – a farm covering over 1500m² of hydroponic roofing. The first production season is scheduled for the summer of 2022 and will be used partly to supply the hotel kitchen, the rest of the production being distributed locally to other hotels in the area.

In addition, during 2021 AccorInvest developed a partnership with the association DAO Production which advocates to bring nature back into cities. DAO production is currently producing a documentary-film to share innovative initiatives that contribute to restoring and respecting nature in cities. During the filming tour, DAO production stayed at AccorInvest hotels and shared the teams' ideas or initiatives that could be implemented to foster nature in our hotels.



MERCURE BOULOGNE URBAN FARM

Active since 2018 and thanks to our partnership with Agropolis, the innovative aeroponic urban farm of the Mercure Boulogne produces annually more than 1.5 tons of fresh fruit and vegetables that are directly used in the hotel's restaurant.

The vegetable garden consists of 216 PVC columns suspended from a bamboo structure. Each column is two meters high and can be used to support plants along its entire height, meaning that the production area is much larger than in a standard garden.

Zucchini, bell peppers, young shoots, squash, carrots, strawberries, between 25 and 30 different varieties flourish on the roof of the Mercure Paris Boulogne. They are all collected for use by the hotel restaurant and for this reason, the production is planned in tandem with the hotel's Chef.

3.4. DELIVERING A POSITIVE HOSPITALITY

Our ambition is to develop and operate hotels that are much more than a place to sleep for travellers. Our hotels aim to enhance our guests' stay through a wide offer of services which meet their requests and needs; hotels which connect with their communities, provide a living area for their neighbours, and are a real partner for local businesses and associations.

3.4.1. Proposing a sustainable client experience

Our sustainable client experience policy is structured around four main axes:

- Ensuring guest care and comfort
- Fostering innovation and nature to improve our guests' well-being
- Improving hotel accessibility
- Guaranteeing sustainable food

To ensure our hotels meet our guests' expectations, we promote dialogue with guests in every hotel through a final stay survey: the "Guest Satisfaction Survey" (GSS). These surveys enable guests to share their feedback, the axes of improvement, or the quality of the services proposed – among other topics – and enable hotel staff to identify improvement areas.

Due to the COVID-19 crisis, the last two years have brought on new, huge challenges in terms of guest care and comfort, to ensure a safe stay for our guests and preserve the health of our employees. To this end, all AccorInvest hotels have obtained the ALL-Safe cleanliness and prevention label. This label guarantees that the most stringent hotel cleaning standards and operational protocols are in place. The standards have been vetted by Bureau Veritas, a world leader in hygiene and cleanliness inspection.

It is to be mentioned that through the Planet 21 program, AccorInvest hotels are progressively including eco-responsible product families that contribute to the well-being of our guests; almost 100% of our hotels propose shampoos, soaps and shower gels that are ecolabel or that do not contain controversial substances, and use eco-certified products for cleaning.

In terms of accessibility, AccorInvest hotels and central offices are adapted so that everybody feels not only safe but also welcome. Local regulations in this regard are respected and diverse local plans have been deployed to go beyond regulations and ensure accessibility. Some examples of the measures taken include:

- Accessible rooms and adapted toilets
- Lifts connecting all floors
- Barrier-free access by the main entrance
- Reception desk adapted
- Dedicated parking spaces

Guaranteeing sustainable food

In order to meet expectations regarding local, healthy food, through the Planet 21 program, AccorInvest hotels are encouraged to follow Accor’s Healthy and Sustainable food charter. This charter includes eight key commitments and is strongly supported by AccorInvest hotels.

Offering food that is sustainable contributes to our commitment, not only towards our guests’ well-being but also towards the environment.

AccorInvest deployment of the 8 commitments of Accor Healthy and Sustainable food charter

			% OF HOTELS FROM THE TOTAL NB OF CONCERNED HOTELS¹
1	To cut food waste by an average of 30%	Roll out a programme to fight food waste	40%
		Donate or sell on unused food products	38%
2	To favour local food suppliers and seasonal produce	Offer at least 10 regional products and ensure ¾ of the fruit and vegetables on offer are seasonal	35%
3	To increase our selection of organic products and support agroecology	Offer two major food products that are organic or certified agro-ecology produce	52%
4	To prefer suppliers committed to animal welfare	Offer only free range or non-caged eggs (eggs in their shells and egg products)	45%
5	To ban endangered fish species and promote responsible fishing	Ban the use of threatened fish species	87%
		Offer wild fish or fish farmed using responsible methods	28%
6	To remove controversial food additives and reduce fat and sugar	Ban controversial additives in 5 products and reduce fats and sugars	36%
		Stop using palm oil or use sustainable palm oil	31%
7	To serve responsible coffee or tea	Offer responsibly produced tea or coffee at breakfast	55%
8	To cater for a range of dietary needs	Cater for different dietary requirements (vegetarian, etc.)	66%

(1) This reporting is based on declarations of the hotels, which can lead to a certain level of uncertainty in spite of the controls carried out by Accor.

PLANT FOR THE PLANET

Accor launched the Plant for the Planet program in 2009 with the aim to encourage guests to re-use their towels when they stay for more than one night in the hotel, in return for which the hotel undertakes to finance tree planting with part of the generated laundry savings (water, energy, detergent savings). In order to enhance the benefits and meaning offered by the program, Plant for the Planet became an agro-forestry program with the aim to speed up the transition of agricultural practices towards agro-ecology; this ambition includes many innovations in terms of agricultural techniques, cooperation mechanisms and funding sources dedicated to tree planting. AccorInvest’s contribution to the Plant for the Planet Program amounted to 250 k€ in 2021.

3.4.2. Creating local social impact

Promoting a positive local impact and strengthening local roots is one of the 8 commitments of the ESG policy. Beyond delivering a positive hospitality to guests, our ambition is to become an active agent in every community in which we are established. Our local impact commitment is demonstrated over 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.

During 2021 AccorInvest supported over 20 local associations and projects in the countries in which the Group is present. In addition, AccorInvest’s partnership with Vendredi, the social engagement platform, reinforces the Group’s commitment with regards to local impact by proposing a unique platform to centralise and simplify AccorInvest’s philanthropic actions.



LA BELLE VILLE

AccorInvest actively supports “La Belle Ville” – in English, “The Beautiful City” – an initiative carried out by Manon (a former AccorInvest team member) and François, two young people who travel the world to film inspiring initiatives which bring nature into city life.

This initiative is totally aligned with AccorInvest’s ESG strategy. This partnership is all about sharing. Manon and Francois discover and promote AccorInvest’s initiatives in favor of positive hospitality, and the initiatives they discover in other places inspire us to develop new projects. In addition, as Manon and Francois share with us their expertise and best practices of circular economy, urban agriculture and innovation, they provide us with a better understanding of future needs. A true win-win! In 2022, we should discover the film bringing together all the initiatives that Manon and François encountered during their trip.

PFENNIGPARADE – FROM A VOLUNTARY ASSOCIATION TO A SUCCESSFUL SOCIAL ENTERPRISE

At the beginning of the 50s, the Pfennigparade Foundation was established as a voluntary association to help the victims of the polio epidemic that was raging at that time in Munich. Originally set up to call for donations, the association has now developed into one of the largest German rehabilitation centres for people with disabilities. Today, Pfennigparade and its 16 subsidiaries operate childcare centres, schools, daycare and stationary residential facilities, a multi-generation house, nursing services with special support programmes as well as workshops and an integration company.

AccorInvest has been working intensively with the Pfennigparade Foundation for over ten years now. Colleagues from the Pfennigparade Foundation are delegated to a wide range of assignments, from major projects in the IT sector to diverse activities in selected departments. A new project has been in place since last year: to digitize personnel files. The files are scanned in by the Penny Parade.

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. The targeted coverage is 100% for the four regions (Northern Europe, Southern Europe, Asia and Latin America) for both hotels and 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 that left the portfolio before December 31st of the current year.
- Hotels that are closed (e.g., renovation) or which were impacted by an exceptional event that disrupted the hotel's activity during the reporting year (e.g., 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:

– Total energy and water consumptions and Green House Gas emissions for the direct and indirect emissions for FY2021 and mentioned with an «*» have been audited according to the ISAE3000 procedure. These KPIs have been calculated following AccorInvest Reporting Protocol, available in AccorInvest website.

– **Total Hotel's 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: Selection of hotels in the scope of the AccorInvest's ESG Reporting Protocol.

– **Total Hotel's activities Greenhouse Gas Emissions for the direct emissions** (Scope 1) expressed in CO₂ equivalent – Perimeter: Selection of hotels in the scope of the AccorInvest's ESG Reporting Protocol.

– **Total Hotel's activities Greenhouse Gas Emissions for the indirect emissions** (Scope 2) expressed in CO₂ equivalent – Perimeter: Selection of hotels in the scope of the AccorInvest's ESG Reporting Protocol.

– **Total Hotel's Water consumption:** total amount of water consumed and whatever the use (cooking, watering of green spaces, etc.) in m³ – Perimeter: Selection of hotels in the scope of the AccorInvest's ESG Reporting Protocol.

5

CONCORDANCE TABLES

ESG COMMITMENT	KEY PERFORMANCE INDICATOR	PAGE
Robust governance	Number of meetings held by the ESG committees	12
	% of attendance	12
Ethics & compliance	Number of substantiated corruption and bribery cases	13
	Number of solicitations of compliance officers	13
Responsible Investment	% of the operations presented in the investment committee including an ESG score	14
	Number of hotels certified	14
Supply chain	% of purchases made with suppliers selected on ESG criteria	15
	% of "at risks" and "at high risks" referenced suppliers having realised an ESG self-evaluation	15
	% of "at high risks" referenced suppliers externally audited	15
	% of monitored action plans	15
Employees	Total workforce by type of employment contract, broken down by gender	16 & 17
	% of women in the workforce	17
	% of women amongst General Managers	17
	% of employees with employee representatives	17
	Progress on P21 Health & Safety actions	18
Environment	GHG emissions	19
	Energy consumption and distribution	20
	Water consumption	20
	Number of urban gardens	22
Client experience	Progress on Accor Healthy and Sustainable food charter	24
Local impact	Number of charities supported	24

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	2.1.
The effects of the Company's activity on respect for human rights	2.1. & 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



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INDEPENDENT LIMITED ASSURANCE REPORT (ISAE 3000 (Revised))

To the Board of Directors of
AccorInvest Group S.A.

We have been requested to conduct a limited assurance engagement on the key environmental performance indicators (hereafter “environmental KPIs” or “Indicators”) included in the 2021 ESG Report of the Company with respect to the year ended December 31, 2021 ("2021 ESG report" or the "ESG Report") (the "Subject Matter Information") and calculated and disclosed in accordance with the AccorInvest ESG Reporting Protocol (the "Criteria" or the “PROTOCOL”):

We designed, planned and performed our procedures we considered necessary for obtaining evidence to support our independent limited assurance conclusion on whether disclosures on each of the following Indicators marked with a “*”¹ in the ESG Report are free from material misstatement in accordance with the AccorInvest’s PROTOCOL:

- **Total Hotel’s energy consumption (ENV06A):** 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: Selection of hotels in the scope of the AccorInvest’s PROTOCOL [p.21]
- **Total Hotel’s activities Greenhouse Gas Emissions for the direct emissions** (Scope 1) expressed in CO₂ equivalent - Perimeter: Selection of hotels in the scope of the AccorInvest’s PROTOCOL [p.19]
- **Total Hotel’s activities Greenhouse Gas Emissions for the indirect emissions** (Scope 2) expressed in CO₂ equivalent - Perimeter: Selection of hotels in the scope of the AccorInvest’s PROTOCOL [p.19]
- **Total Hotel’s Water consumption (ENV10A):** total amount of water consumed and whatever the use (cooking, watering of green spaces, etc.) in m³ - Perimeter: Selection of hotels in the scope of the AccorInvest’s PROTOCOL [p.21]

It is to be noted that the Criteria are not embodied in laws or regulations, or issued by authorized or recognized bodies of experts that follow a transparent due process; and are only for the use of the specific users of the assurance report, namely the Board of Directors of AccorInvest Group S.A. and AccorInvest S.A. (“the Engaging party”) and the stakeholders of AccorInvest S.A. (the “Intended Users”).

¹ The “*” corresponds to the reference in the ESG Report for each selected indicators that was within the scope of limited assurance. The definition and references of the selected indicators on the corresponding page of the ESG Report are respectively presented above.



Limited assurance is a lower level of assurance and it is not a guarantee that an assurance engagement conducted in accordance with International Standard on Assurance Engagements (ISAEs) will always detect a material misstatement when it exists.

The accuracy and completeness of the information disclosed in the Report are subject to inherent limitations given their nature and the methods for determining, calculating or estimating such information. Our independent assurance report should therefore be read in connection with AccorInvest’s PROTOCOL, as well as with the Company’s definitions and basis of reporting of the indicators as described in the Report which is only available on https://d1550xk4f2usak.cloudfront.net/wp-content/uploads/2022/04/18120717/Reporting-Protocole-AccorInvest_2022.pdf.

RESPONSIBILITIES OF THE ENGAGING PARTY

The Engaging Party is responsible for the preparation of the ESG Report and information and statements contained within it, in accordance with the AccorInvest’s PROTOCOL. The Management is responsible for determining the Company’s sustainability objectives and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

RESPONSIBILITIES OF THE REVISEUR D’ENTREPRISES AGREE

Our engagement has been conducted in accordance with the International Standard on Assurance Engagements 3000 (Revised) applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)) established by the International Auditing and Assurance Standards Board (“IAASB”). In accordance with this standard we have planned and performed our engagement to obtain a limited assurance regarding the subject matter of the engagement.

We applied International Standard on Quality Control 1, Quality control for firms that perform audits and review of historical financial information, and other assurance and related services engagements (“ISQC1”), as adopted for the audit profession in Luxembourg by the Commission de Surveillance du Secteur Financier, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We complied with the applicable independence and other ethical requirements of the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for the audit profession in Luxembourg by the “Commission de Surveillance du Secteur Financier” (“the Code”). The Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.



SUMMARY OF WORK PERFORMED

As part of our assurance procedures, we performed the following work:

- Assessing the appropriateness of the principles of the AccorInvest’s PROTOCOL;
- Interviewing Management, corporate sustainability team, data owners and those with operational responsibility at the Company’s head office;
- Assessing the suitability of the reporting criteria and their consistent application;
- Performing analytical procedures to verify the proper consolidation of the data collected and the consistency of those data ;
- Performing tests of details, using sampling techniques based on professional judgment;
- Assessing the overall consistency of the qualitative and quantitative information included in the ESG Report in relation to the Indicators based on the AccorInvest’s PROTOCOL.

In a limited assurance engagement, the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

The procedures performed do not constitute an audit according to the International Standards on Auditing as adopted by the Luxembourg by the “*Commission de Surveillance du Secteur Financier*”, nor an examination of the effectiveness of the Company’s internal control systems, or an examination of compliance with laws, regulations, or other matters. Accordingly, our performance of the procedures does not result in the expression of an opinion, or any other form of assurance on the Company’s internal control systems or its compliance with laws, regulations, or other matters.

The assurance provided by our procedures should therefore be considered at the light of these limitations on the nature and extent of evidence-gathering procedures performed.

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.



CONCLUSION

Based on the procedures performed and the evidence obtained, nothing came to our attention that causes us to believe that Indicators marked with a “*” in the ESG Report of the Company with respect to the year ended December 31, 2021 have not been presented, in all material respects, based on the AccorInvest’s PROTOCOL.

For Deloitte Audit, *Cabinet de révision agréé*

Marco Crosetto, *Réviseur d’entreprises agréé*
Partner

May 30, 2022

ACCOR**INVEST** 