

ESG REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2022



MESSAGE

FROM **GILLES CLAVIÉ** – ACCORINVEST CEO

At AccorInvest we aim to go beyond our walls to create sustainable value for all our stakeholders. In 2022, the Group not only dealt with numerous challenges, but it also resolutely tackled its in-depth transformation to consolidate its position as leading investor, owner and hotel operator, in Europe, in the economy and midscale segments, whilst improving its performance on its social and environmental commitments.

Thanks to our talented, innovative, enthusiastic teams, we have been able to relaunch our activity and we end this year with an outstanding rebound in occupation rates, having offered positive hospitality to over 45 million guests.

But while the global COVID pandemic seems to be behind us, uncertainty has become part of our daily activity. 2022 has been marked by the conflict in Europe, the increase in energy prices, a shortage in resources and the effects of climate change all around the world. I strongly believe that in these demanding times, companies need more than ever to reinvent the way they do business, in particular by integrating ESG in the heart of their strategies to anticipate risk, create long-term value and contribute to a more sustainable future.

In 2021 we published our first ESG report. During 2022, guided by our ambition to take the lead in setting the ESG trend, we kept developing new projects and action plans to achieve high-level targets such as reducing our GHG emissions by 50% by 2030, and fully certifying our entire hotel portfolio by 2026.

As we publish our second ESG report, I invite you to discover all of the Environmental, Social and Governance actions we have implemented. Our aim is to be transparent on our progress and on our future targets with all our stakeholders. Our engagement and consistency are key to continue improving our performance.

In 2023, we will need to cope with inflation, energy costs, interest rates. However, I'm deeply confident: we have a robust business model, we are implementing the right measures and I am surrounded by the best talents to overcome these challenges while respecting our ESG commitments.



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1

GROUP PRESENTATION



€3.6 Bn
revenue



768
hotels



27
countries



24,934
talents

ACCORINVEST, A UNIQUE BUSINESS MODEL TO REINVENT HOSPITALITY

Present in 27 countries, with 768 hotels managed by Accor, AccorInvest is the leading hotel investor, owner and operator in Europe in the economy and mid-scale segments. As investor and owner, the Group's mission is to manage and optimize its assets to create long-term value for all its stakeholders.

Our strategy is to consolidate our leadership in our geographical scope - Europe - and asset range - economy and mid-scale. We will also build on new Group dynamics to transform our hotels: far from their "transit location" role, we aim to make them key players in their regions, players which demonstrate a strong commitment to all of their stakeholders, facilitate social cohesion, and meet current and future environmental challenges - hence the high level of priority of our ESG approach within the Group strategy.

ACCORINVEST HOTEL PORTFOLIO

BY REGION AND BRAND
AT DECEMBER 31,
2022

222

**SUPER
ECONOMIC**
IBIS BUDGET..... 145
HOTEL F1..... 76
JO & JOE..... 1

36

UPSCALE
FAIRMONT..... 2
SWISSOTEL..... 2
SOFITEL..... 15
PULLMAN..... 6
MGALLERY..... 11

236

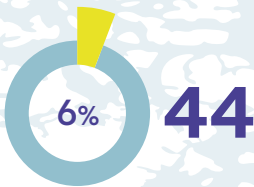
MIDSCALE
NOVOTEL..... 131
NOVOTEL SUITES..... 16
MERCURE..... 89

**BY
BRAND**

274

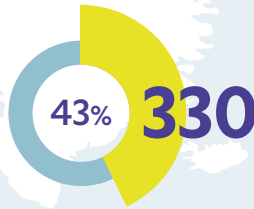
ECONOMIC
IBIS..... 255
IBIS STYLES..... 19

BY REGION



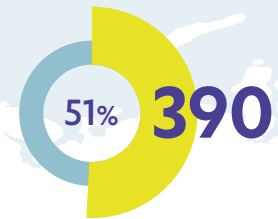
LATIN AMERICA

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



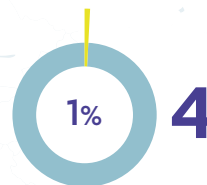
SOUTHERN EUROPE

France.....	254
Spain.....	37
Italy.....	17
Portugal.....	20
Monaco.....	1
Greece.....	1



NORTHERN EUROPE

Germany.....	157
Austria.....	17
Switzerland.....	21
United Kingdom.....	90
The Netherlands.....	14
Belgium.....	20
Luxembourg.....	2
Czech Republic.....	6
Hungary.....	14
Lithuania.....	2
Poland.....	44
Romania.....	2
Slovakia.....	1



ASIA PACIFIC

Japan.....	2
Singapore.....	2

**OUR BUSINESS MODEL
FOR ALL OUR**

TOP RESOURCES

A UNIQUE BUSINESS MODEL

INTELLECTUAL CAPITAL

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

**STRONG ENGAGEMENT
FROM EMPLOYEES**

960 talents in HQs
23,974 talents in hotels

DIVERSIFIED PORTFOLIO

768 hotels operated in 27 different countries
119,411 rooms
45% owned assets

HOTEL MANAGEMENT

Diverse **segmentation**

13 different leading brands
Strong partnership with hotel manager

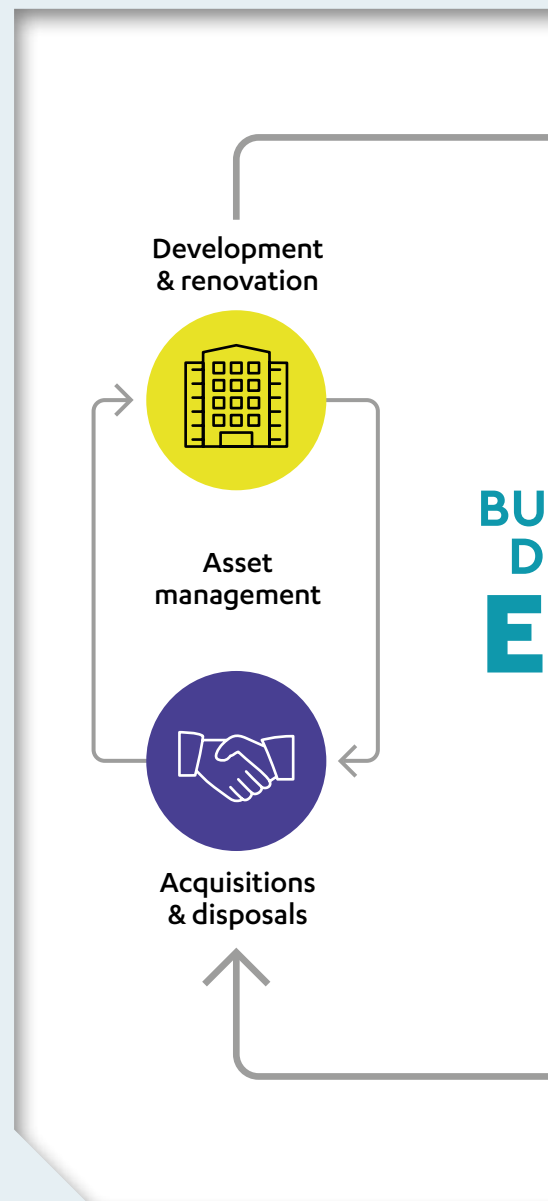
FINANCIAL RESOURCES

€3.9bn of net debt
€202m Capex

ENVIRONMENTAL RESOURCES

24KWh of energy consumed per available room
151l of water consumed per guest

Source: AccorInvest 2022.



EL TO CREATE VALUE STAKEHOLDERS

SINESS MODEL

VALUE CREATION

SINESS
RIVER
SG



Hotel
operations

€3.6bn
revenue

€62
RevPar

€ 8.4bn
GAV

FOR EMPLOYEES

€950m
in Compensation & Benefits

FOR BUSINESS PARTNERS

€514m
in Rents

€219m
in Management
& trademark fees

€1,154m
Purchases
& Billable services

FOR THE ENVIRONMENT

SBTI
commitment

44
hotels certified

FOR SOCIETY

25+
local associations & projects supported



2

ENVIRONMENTAL, SOCIAL & GOVERNANCE STRATEGY

In 2019 AccorInvest defined its Environmental, Social and Governance (ESG) strategy, a framework to guide the Group’s actions and decisions, in order to create sustainable value for all our stakeholders.

The ESG strategy is built around the issues identified through a comprehensive materiality assessment, carried out in 2019 and revised in 2021.

All of the topics identified as material are included in the Group’s ESG strategy, structured around 3 pillars, 8 key commitments and 19 challenges that we need to meet in order to achieve our commitments.

Our ESG strategy underlies all Group activities and determines a specific roadmap to be followed by all employees and business partners. AccorInvest works with strong partners to ensure the strategy is deployed at all levels of the organization.

Furthermore, with 100% of AccorInvest’s hotels managed by Accor, both Groups join forces and work together to reach 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 addressed.

*We continued
deploying new
projects to reach
our 2026 vision.*



Novotel Paris Gare Montparnasse (France).

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

ESG KEY ACHIEVEMENTS 2022

During 2022, **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

ESG criteria are now part of Top Management **variable remuneration**

We adopted the **AccorInvest Ethics Charter** to inspire & guide our actions

All AccorInvest hotels ESG performance evaluated with the Socially Responsible Investment (SRI) grid

Together with Accor we launched a project to reinforce requirements for **housekeeping contractors**



RESPECTING PEOPLE AND THE ENVIRONMENT

We launched 3 new innovative programs to contribute to **employees' professional development** : Drive & Influence; Convince & Engage; Topline Reboost

We launched our **partnership with Vendredi** thanks to which **52% of HQ employees** have been made **aware on ESG topics**

We **committed to setting SBTIs** to contribute to carbon neutrality

We partnered with Electra & Green Yellow to deploy **electric charging stations** in AccorInvest hotels

We started renovating our Ibis hotels with the brand's **new circular and sustainable concept Ibis KAI**



DELIVERING POSITIVE HOSPITALITY

A food waste pilot has been deployed including **innovative solutions**

Our partner Dao productions launched **La Belle Ville documentary** and we attended the preview

We defined a new ESG program for hotels defined – target to reach **Green key label** in 2026 for whole portfolio

10+ HQ Solidarity team buildings organised thanks to our partnership with Vendredi



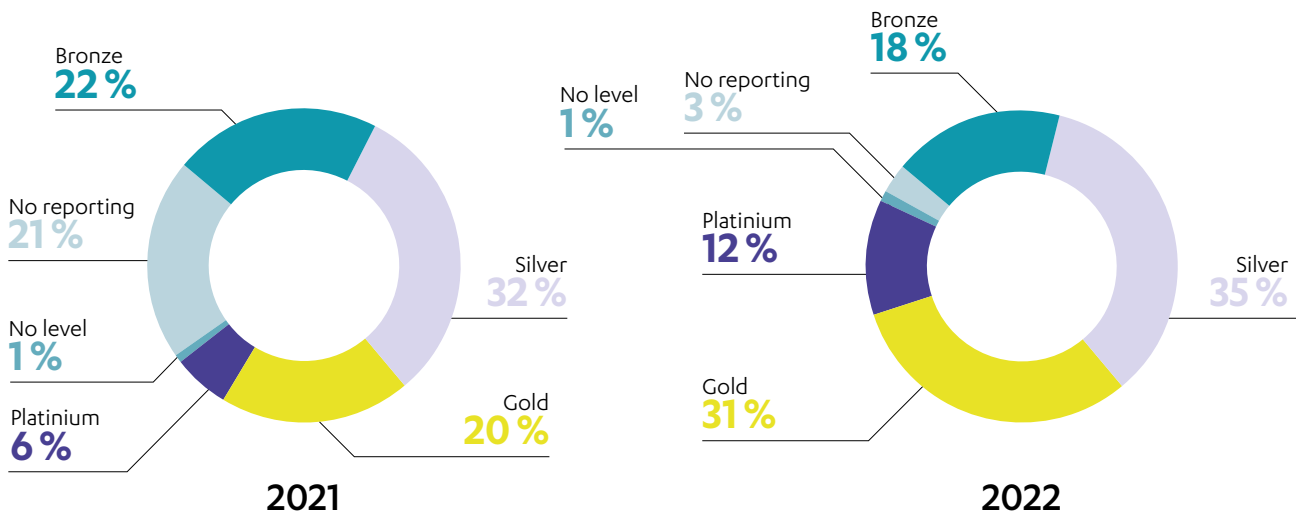
Important progress has also been achieved on Planet 21, Accor CSR's program.

Every year, all AccorInvest hotels are required to reach at least the bronze level, which corresponds to implementing 10 priority actions. In 2022, most AccorInvest hotels obtained at least the silver level, and important progress has been made since 2021. For instance, the number of hotels in the platinum category has significantly increased and the number of hotels not reporting has significantly decreased.

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.

Levels achieved by AccorInvest hotels in the Planet21 program



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 intends 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 such risk factors and to manage them as attentively and efficiently as possible.

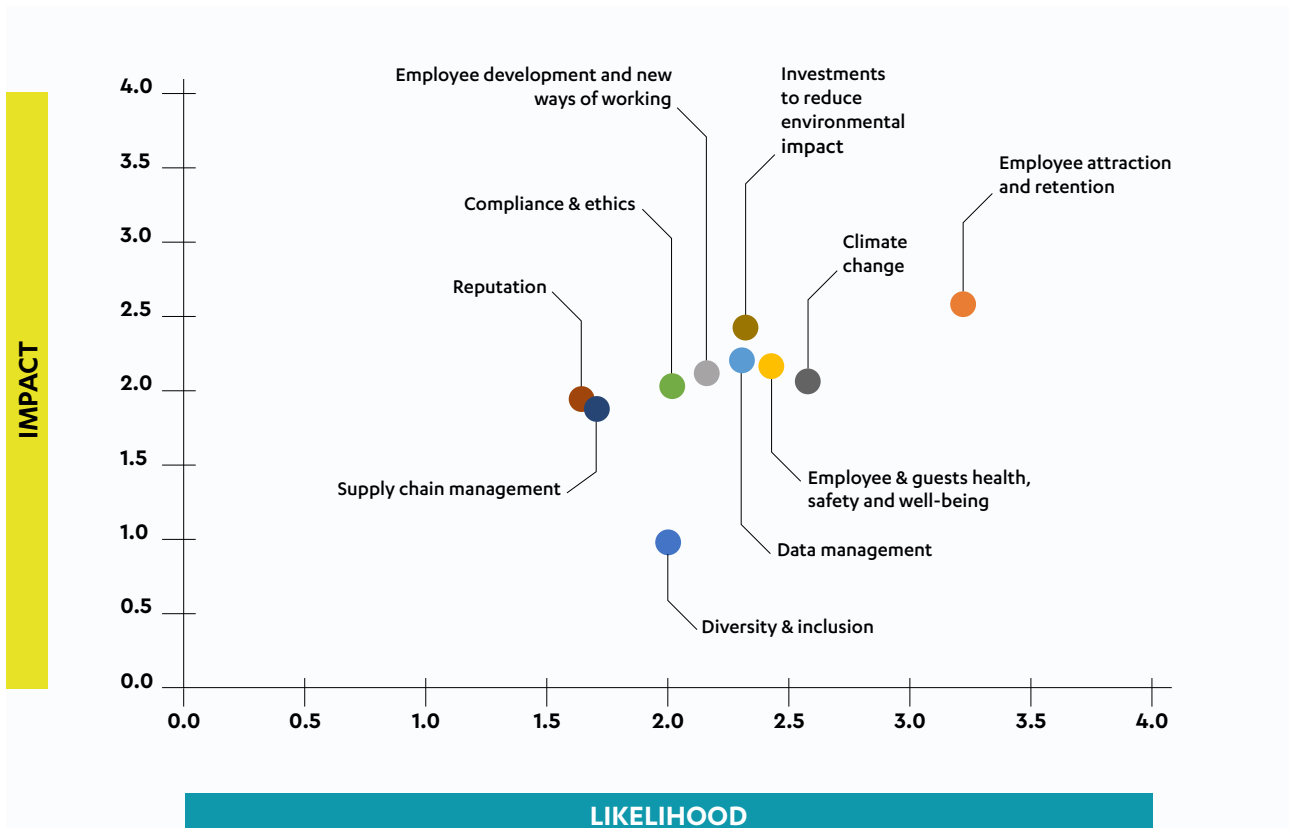
AccorInvest carries out an annual risk assessment covering financial and extra-financial risks, in which all identified risks are assessed from both a financial and an impact perspective. During the 2022 assessment, the Group registered over 300 risks from which 80+ are considered as ESG risks. All these risks have been grouped in 10 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
	Reputation
2. Respect our employees	Employee attraction and retention
	Employee development & new ways of working
	Health, safety & well-being
	Diversity and inclusion
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



3

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

To ensure long term performance, AccorInvest’s ESG strategy is being deployed progressively; various key actions are identified to reach our commitments, and targets have been set to monitor progress, as detailed below.

2022 marks an important milestone in our ESG roadmap as AccorInvest has committed to setting science-based targets to contribute to carbon neutrality and ensure alignment with the Paris Agreements; this commitment aims to publicly share our engagement on ESG topics and it is also the first step in our process to set scientifically validated targets to reduce the Group’s carbon footprint.

3.1. ACTING AS A RESPONSIBLE GROUP

Present in 27 countries and with a workforce of 24,934 employees, AccorInvest is determined to drive its business in a responsible manner. Robust processes are implemented to ensure business ethics and compliance, 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

Throughout 2022, AccorInvest ESG Governance Bodies followed up closely the Group’s progress on ESG strategic topics,

— AccorInvest Governance Structure and Committees



thus ensuring the integration of ESG in the Group strategy. In addition, ESG objectives are now part of the variable remuneration of all 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 was formed in October 2021, and it held 3 meetings in 2022.

The ESG Steering Committee is composed of the Group CEO and 5 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 3 meetings in 2022.

An ESG taskforce comprising representatives of AccorInvest’s main business lines and regions was in place during 2020 and 2021, to support the roll-out of the ESG strategy. In 2022 this taskforce was ended, since its main goal was achieved. A new taskforce will be formed in 2023 to boost the ESG performance throughout the Group.

In addition, **the Group relies on a panel of 25+ volunteer hotels, from 9 different countries**, representative of the AccorInvest portfolio, with whom the ESG core team exchanges 4 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 new pilots. The aim is to ensure the ESG projects launch are co-created with hotels.

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.

2022	Steering Committee	ESG committee
NUMBER OF MEETING HELD	3	3
ATTENDANCE	100%	78%

3.1.2. Ensuring Compliance and Ethics

It is essential that AccorInvest protect its assets, people, and reputation by ensuring that the Group’s activities comply 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.

Compliance is built upon four fundamental elements:

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



AccorInvest’s Ethics Charter lists 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 on the AccorInvest website.](#)

The Group relies on several policies to make sure all employees understand the Group compliance and ethics commitments, such as AccorInvest’s Ethics Charter, the Gift Policy, the Data Breach Procedure, and the Competition Law Compliance guide.

Through the **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 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 AccorInvest’s principles and commitments, as well as the rules to be respected by the employees.
- Awareness/trainings sessions, adapted by employee category; the most exposed functions are prioritized.
- 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.
- Specific General Data Protection Regulation (GDPR) compliance measures, such as 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 2022 highlights of the Compliance program

In 2022, the priorities of the Compliance program were:

- Compliance with the EU General Data Protection Regulation (“GDPR”) and the other data protection regulations.
- Fight against corruption and influence peddling – the program has been designed in accordance with 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).
- Compliance with competition rules.
- Raise awareness among employees about AccorInvest’s Ethics Charter, released in 2022.

Main results

0
corruption and bribery cases reported in 2022

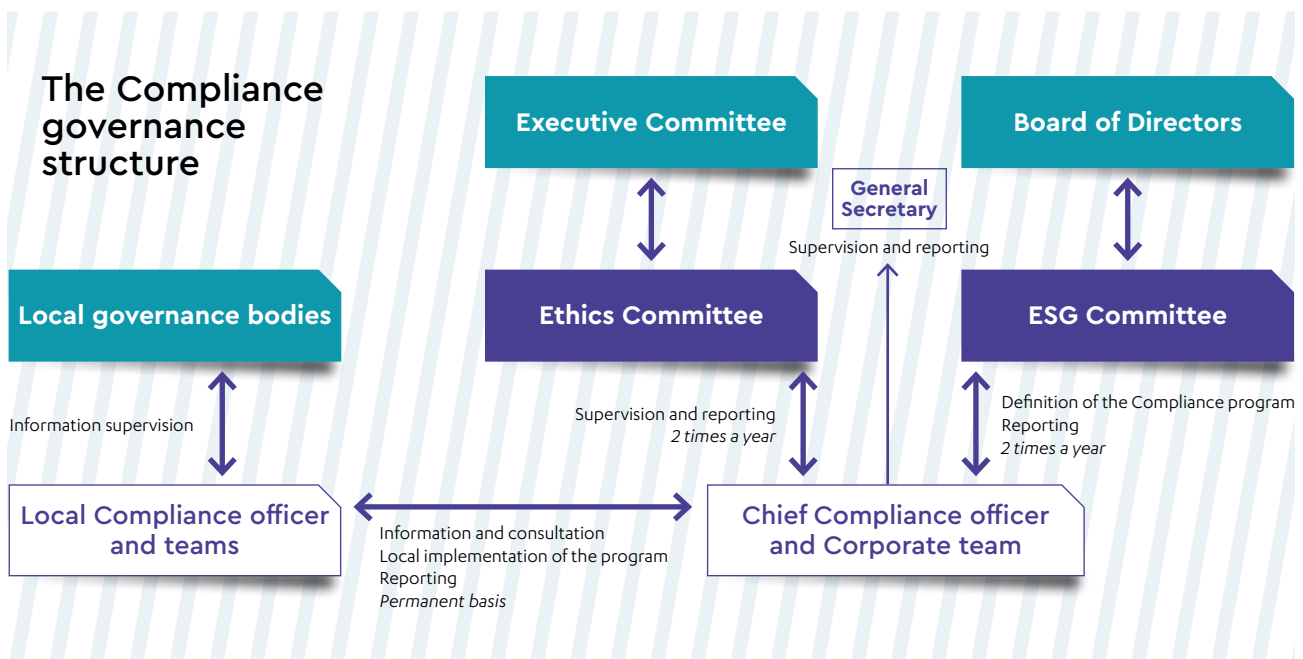
34
Nb of cases reported leading to investigation in 2022

In 2022 AccorInvest did not receive any report of a corruption or bribery case. Regarding ethics and compliance, 34 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

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:



The role of the Ethics Committee:

The Ethics Committee meets 2 or 3 times a year, and comprises the Chief Executive Officer, the General Secretary, the Chief Compliance officer, the Chief HR officer, a representative of the ESG functions and the Chief Operations officer.

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 linked to compliance and ethics, resolving them where necessary

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

3.1.3. Investing in a responsible manner

As hotel owner and investor, with 45% 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 that the Group’s asset management plan creates long-term value for all stakeholders.

AccorInvest’s Responsible Investment Policy 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 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 plant replacements with energy and/or water improvements, should aim to reduce energy and water consumption.
5. If circular room concepts are available, they must be given priority.

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.

In 2022, 16 AccorInvest hotels were part of major renovation programs and we launched a new development. All these projects are carried out following the Group’s Responsible Investment Policy principles, in order to create more attractive spaces for our guests whilst increasing our buildings’ environmental performance and our employees’ well-being.

Highlights of key Asset Management projects

IBIS STYLES SZCZECIN STARE MIASTO – POLAND

2022 marked the end of the construction of the Ibis Styles Szczecin. Part of the revitalization plan of the Old Town in Szczecin, the hotel respects the local architecture of the oldest part of Szczecin. The hotel was built to meet higher environmental requirements in accordance with the green BREEAM certification.

Each Ibis Styles hotel has its own unique theme that lends character to the entire property. Our Ibis Styles Szczecin Stare Miasto is an invitation to the magical and festive world of the circus.

For Helena Pinkowska, General Manager of the hotel, and her team, there is no doubt:

"We believe that our unconventional proposal will win the heart of every guest coming to Szczecin. Our hotel stands out with its creativity, casualness, adventurous design and excellent service, which create an atmosphere that can hardly be found anywhere else!"



IBIS SACRÉ CŒUR – FRANCE

In 2022 we started the renovation of the Ibis Sacré Cœur, located at the heart of Paris, to enhance the guest experience whilst respecting higher ESG standards and increasing the building's ESG performance. The focus was three-fold:

1. Circularity: The demolition of the building was done to reduce the quantity of waste produced as much as possible,

by giving a second life to the equipment and materials due to be replaced. 180+ tonnes of material were valorised and 6+ tonnes directly reused.

2. Carbon: The renovation program was designed to reduce the building's current energy consumption by 52%, following the EU taxonomy requirements.

3. Certification: The renovation will follow the HQE standards to achieve an HQE Excellent certificate once the project is completed.

Furthermore, during 2022, we completed the roll-out of the Group's Socially Responsible Investment evaluation, an in-house ESG rating tool based on 81 indicators, addressing 7 main categories: compliance, safety, health & well-being, energy, water, transport and resilience. This provides an ESG score out of 100 per asset.

Following this evaluation, the Group set an ambitious target to increase the portfolio's average score by 50% by 2030, mainly by ensuring that each Group investment takes into consideration the improvement of the asset's SRI score.

**RESPONSIBLE INVESTMENT
PERFORMANCE INDICATORS**

49

SRI portfolio average score in 2022

75

Target SRI portfolio average score in 2030

44

Hotels certified in 2022 (BREEAM, HQE, DGNB, BBKA)

150+

Target nb of hotels certified in 2030 (Breeam In-Use)

37%

of the operations presented in the Investment Committee in 2022 included ESG criteria

65%

of the operations presented to the Investment Committee in 2022 included ESG criteria

During 2022, we completed the roll-out of the Group's Socially Responsible Investment evaluation tool.

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, in particular those related to labour, 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 that 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 and progress on key performance indicators.

ACCOR RESPONSIBLE PROCUREMENT PROCESS

The Accor Procurement Department put in place a strong risk management plan in 2017 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.

The process and risk levels were updated in 2022 to reinforce the requirements and a new plan has been put in place for 2022 – 2025.

In addition, in order to reduce the scope 3 emissions linked to the supply chain, Accor's larger suppliers have been requested to complete CDP questionnaires.

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

It is important to mention that Accor only nominates suppliers which successfully validate all the controls in place and that 77% of AccorInvest procurements in 2022 correspond to nominated suppliers.

Main 2022 results of the Risk Management Plan 2022 – 2025¹:

77%
of purchases made with suppliers selected on ESG criteria

41%
of referenced risk 2/3 suppliers have made an ESG self-evaluation

25%
of referenced risk 3 suppliers have undergone an external audit

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

(1) The differences in the KPIs presented in 2021 are due to new Accor Control plan 2022 - 2025, in which more suppliers are required to complete the Ecovadis assessment.

3.2. CARING ABOUT OUR EMPLOYEES

In 2022, over 45 million guests enjoyed the Group’s hotels and services thanks to the high level of engagement of AccorInvest’s talented, enthusiastic teams. Our employees are the strength of our Group, it is therefore essential for AccorInvest to attract, retain, and contribute to our people’s well-being. Furthermore, the Group believes that achieving its sustainability goals is only possible through the full involvement of all employees.



AccorInvest comprises nearly 25,000 talents: 960 work in the Group headquarters and 23,974 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; AccorInvest monitors these policies to ensure that they are aligned and comply with AccorInvest’s overall principles.

A renewed People Strategy

AccorInvest aims to reinforce its corporate culture and strengthen its People strategy by putting its employees at the center of the Group’s priorities.

In 2022, we completed the development of our Group Human Resources Information System “People In”, which aims to:

- Increase our knowledge and understanding of the Accor-Invest teams,
- Better pilot the HR strategy and monitor people policies and processes,
- Offer a unique employee experience to our teams, managers, and human resources departments.

Caring for our employees is the motto of our People Strategy, and the Group ESG policy highlights 4 key topics of this strategy:

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

3.2.1. Attract & retain engaged talent and foster employability

Since 2021, attracting and retaining engaged talents has become a challenge: the hospitality sector attractivity is low, resulting in a lack of resources. In 2022, AccorInvest, together with its hotel manager Accor, worked on developing new projects and policies to become more attractive:



New partnerships with hospitality schools and universities were signed to increase the number of internship programs and promote AccorInvest among the younger generations.

Several **recruitment sessions without CV** were organised in the Group hotels to simplify the recruitment process and provide new opportunities to profiles which, although they differ from the traditional hospitality career path, have the talent and skills required to guarantee the excellence of our activities.

Pulse surveys were implemented for headquarters employees and hotel general managers, in order to regularly measure employee satisfaction and better understand our employees’ needs. After each Pulse Survey, the teams get together to analyze the results and put in place action plans to improve the points identified in the surveys.

We organised the **first AccorInvest Global Convention** to increase employee engagement and foster proximity among teams.



The 800+ participants gathered in five different locations to reduce travel distances. The locations were connected during the whole event thanks to the leading-edge technology deployed in our meeting spaces.

Additional actions were deployed by local teams, to respond to the specifics of each country:

EXAMPLES OF LOCAL ACTIONS

"MyVoucher": Working in hospitality, we are all passionate travellers. The German team launched an initiative to increase employee benefits and engagement by proposing additional vouchers to explore and stay in AccorInvest properties.

CFA for Chefs: Together with other French Groups such as Accor, Korian and Adecco, we launched the first training center for inter-business apprentices, dedicated to cooking and catering professions, with the aim to train and provide opportunities to young talents. 500 apprenticeship offers are available on the website of each Group and on the CFA website www.cfadeschefs.com

Employee referral program: In Poland, to overcome an increasingly difficult labor market and rapidly growing recruitment costs, the Polish team rewards AccorInvest employees who encourage their families and friends to work for our company. The Employee Referral Programme has been running for almost 2 years now. In 2022, 38% of all recommended candidates were hired.

Our ambition also goes further than attracting and engaging: we aim to support the personal and professional development of our Group employees, to foster their internal evolution and increase their employability. In 2022, we organized several trainings and programs:

- The **"Drive & Influence"** program for leaders, and **"Convince & Engage"** for managers, were followed by over 80 participants in 2022. The objective of these programs is to provide the skills required to face uncertainty, better communicate, and re-engage our teams.

- Our first **Topline Reboost** training was a success: this is a **tailored-made program** which provides our Portfolio Managers with a solid skillset for long-term development and growth – both for themselves and for AccorInvest - while having fun and getting to know their colleagues all around Europe.
- The AccorInvest hotel staff in Italy had the opportunity to participate in Talent'Up, an innovative program to contribute to the professional development of young talents with potential to become General Managers.
- Present in over 25 countries, we are convinced that it is essential to connect our employees all around the Europe and provide them with the opportunity to work across countries: headquarters employees therefore have the opportunity to take English courses granted by the Group.

3.2.2. Respecting diversity & promoting an inclusive environment

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

Our dual, international activity is diverse by nature, and our workforce covers 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. Accor's diversity, inclusion, and anti-discrimination policy² applies directly to our 750+ hotels.

In 2022, the Group created a created HR position "Engagement and Culture" to coordinate all diversity and inclusion actions in the company and ensure the respect of our commitments.

INVEST EN FRANÇAIS



Welcoming diversity also implies providing support to favor inclusion. **"Invest en français"** is a French language program to fight illiteracy among our employees.

The program is composed of individualized training sessions to match each employee's needs and level. In 2022 we completed the 2nd edition of the program: 12 employees followed 150 hours of training.

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

Gender equality

Achieving equality among women and men is also one 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 entire career path, from recruitment to career development and equal pay.

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

	NB OF PERMANENT EMPLOYEES	NB OF FIXED-TERM EMPLOYEES
MEN	10,064	829
WOMEN	12,453	1,030
TOTAL	23,057	1,859

Source: AccorInvest 2022.

54%

women in total workforce 2022

35%

women among GMs 2022

Various actions were launched during 2022 to raise awareness about diversity and specifically gender equality.

In March, all headquarters employees were invited to participate in a dedicated challenge to understand how to better respect gender equality in the workplace. To value the involvement of employees, the number of points gained in the challenge was converted into a donation of 6 000 € for an association that fights for human rights all around the world: the "Monde selon les Femmes" (the "World according to Women").

Actions were also organised to raise awareness about violence against women and provide employees with the right tools to act, should they face such situations. Furthermore, during the month of October, AccorInvest employees shared their commitment to this cause by joining the Sine Qua Non run organised by our partner Accor.



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

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

The hospitality business entails difficult working hours and certain activities are physically demanding; hotel employees are therefore more exposed to health and safety risks than head office employees. 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 regularly dialogues with its employees through local work councils, to ensure alignment with the policies.

+70%

employees have employee representatives

It is essential that hotel employees be involved in the health and safety policy. Therefore, five of the 76 actions of the Planet 21 program concern health, safety, and well-being. The following table shows AccorInvest's scores³ on these actions:

AccorInvest hotels progress on Planet 21 Actions on Health & Safety

Action	Hotel scores
Set up an employee committee on 'Health, Safety and Well-Being'	74%
Implement collective planning for work schedules	78%
Raise employee awareness on health and well-being at work	86%
Raise employee awareness of correct workplace postures and practices	90%
Facilitate the employees' commutes between home and work	78%

At AccorInvest we believe that our employees' well-being also goes through proper conditions to better balance their work and personal life. After two years working from home due to the COVID restrictions, we sent a dedicated survey to all our headquarter employees to analyse and build together the best way to proceed once the restrictions were over. Over 700 employees participated in this survey, which enabled us to develop a global teleworking agreement, not only to provide employees with the opportunity to work from home 10 days a month, but also to ensure that they have the best conditions to do so and to develop a dedicated training for all managers.

(3) 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.

3.2.4. Raising our employees' ESG engagement

The involvement of our employees in our ESG strategy is essential to reach our targets. Our ESG strategy is part of our DNA and all employees have a role to play. In 2022 we developed several initiatives to raise ESG awareness and provide our employees with a better understanding of ESG priorities.

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

Our ESG strategy is part of our DNA and all employees have a role to play.

— ESG actions developed to raise awareness among employees

<p>+30 presentations to share the ESG strategy and priorities of the year</p>	<p>The ESG team participated in over 30 department-specific meetings worldwide to explain the ESG priorities for 2022, in order to increase the ESG compliance of every business line.</p>
<p>770 Impact hours generated thanks to the employees which used their day off to volunteer</p>	<p>We launched AccorInvest's first corporate volunteering program thanks to our partnership with Vendredi, an employee engagement platform, was rolled out for all headquarters employees. The platform proposes a wide range of volunteer missions and challenges around ESG topics - which increases employee awareness. Our employees benefit from 1 day off every year to participate in a volunteer action of their choice.</p>
<p>300 participants in our 2nd ESG Challenge</p>	<p>After the success of the AccorInvest's first ESG challenge in 2021, we launched the 2nd edition during the 2022 European Sustainable Development Week, to increase our employees' awareness of ESG topics. This year's challenge focused on the Group's ESG priorities, including carbon footprint, diversity, social impact, well-being, waste, hotels & nature and water. Among the 300 participants, the first 24 were rewarded with a voucher to spend at AccorInvest hotels.</p>
<p>100 employees attended the preview</p>	<p>Our partner DAO productions completed its 1st project, the production of La Belle Ville: a thrilling documentary-travel film which met, on all continents, people who reconnect our cities to nature through circular economy, urban agriculture and innovation. AccorInvest organised a preview of the film, to share the innovations discovered by Manon and François with the employees, and inspire them to replicate these actions in the Group hotels.</p>

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 engage 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 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

In 2022 we continued the deployment of our roadmap to-

wards Carbon Neutrality. Amongst the different steps which we have taken, AccorInvest formally committed through the Science-Based Target Initiative (SBTi) to set its carbon neutrality targets in line with the 1.5°C trajectory.

To ensure the targets will be met, AccorInvest developed in 2022 an ambitious carbon neutrality strategy 2023 – 2050, based on four main pillars:

1. Up-skill and train hotel teams 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 supply chain, working together with our manager Accor, by reinforcing the carbon requirements for referenced suppliers and increasing the amount of local products.

Yearly progress follow-up is essential to ensure the success of our Carbon Strategy:

AccorInvest GHG emissions

	TOTAL EMISSIONS ⁽⁴⁾ (t eq CO ₂)		L / L Var (%)
	2021	2022	
Scope 1	52,991	50,548*	-3.1 %
Scope 2	133,964	136,763*	2.9%
Total	186,955	187,311	1.2%
Kg CO₂ pAR	4.2	4.2	

(4) GHG emissions and reporting scope are calculated according to the AccorInvest Reporting Protocol, available on the AccorInvest website

In 2022, the total GHG emissions (scope 1 and 2) were reported as 187 kt CO₂ eq, split into 27% for scope 1 (direct emissions) and 73% for scope 2 (indirect emissions related to electricity and urban networks). AccorInvest' occupancy rate increased from 36% in 2021 to 64% in 2022; despite this increase, the Group's CO₂ ratio remained stable.

Following its carbon footprint analysis (conducted per the Bilan Carbone method), AccorInvest estimated a total scope 3 emissions of 509 ktCO₂ eq (kilo-tons of equivalent CO₂) in 2019, which accounted for more than 60% of the Group's total emissions. Scope 3 will be updated in 2023.

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 a third-party verification. The Group has been working since 2018 on the development and deployment of an innovative solution, RECAP, which will enable AccorInvest hotels to measure and manage their energy, water consumptions and scopes 1 & 2 carbon emissions in real time. By using connected devices (IoT) and a mobile application,

hotel technical managers can follow-up their daily consumptions, monitor their reduction targets, identify peaks, leaks and misuses, and implement a specific action plan for their hotel to better manage their consumptions.

In 2022, we completed the deployment of the software in all the hotels in Europe. In addition, 54 new hotels were equipped with connected devices to enhance the functionalities of the solution. By the end of 2023, 377 hotels will be equipped, in order to reach our ambition: to have 100% of our European hotels equipped in 2025.

Hotel certifications

Achieving an environmental certification for the management of our hotels is part of AccorInvest's ESG roadmap and efforts towards implementing an environmental management system. In 2019, AccorInvest had launched its first BREEAM in Use certification pilot, with the ambition of certifying all of its owned hotels by 2021. Unfortunately, the project had to stop due to the COVID crisis. In 2022, we relaunched the discussions with the BRE association to define an ambitious certification plan, aiming to reach the BREEAM-In-Use certification for all our hotels under ownership by 2026. The plan will be rolled out as of 2023.

Energy and water consumption

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

- Monthly monitoring of consumptions
- Temperature management in vacant meeting rooms and

guest rooms

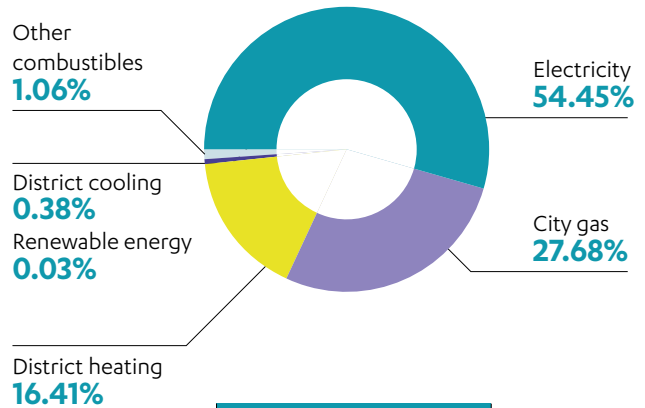
- Installation of sun tracker timers to control external signages
- Installation of LED lighting
- Installation of water flow regulators in showers and tabs
- Setting 3-6l for new/recent toilet cisterns

In addition, in 2022, AccorInvest worked together with Accor to implement an energy sobriety plan in all Group hotels, not only to contribute to the European efforts to reduce energy consumption during the crisis period, but also to identify actions and processes that could be maintained on the long term to propose a more sober and sustainable hospitality.

All these actions aim to contribute as well to meeting the requirements of the Décret Tertiaire. The French teams have been working since the publication of the Décret to comply, in the best way possible, with all the milestones set by the French Government. In 2022, all the hotels have reported 2020 and 2021 energy consumptions and their reference year.

Energy consumption distribution in 2022

	ENERGY CONSUMPTION BY SOURCE (MWH)		L / L Var (%)
	2021	2022	
Electricity	460,950	539,699	18%
City gas	246,150	266,105	10%
District heating	166,258	162,613	-2%
District cooling	3,953	3,806	-4%
Renewable energy	223	257	12%
Other combustibles (including fuel, propane, etc.)	11,503	10,469	-7%
Total	889,037	982,949*	12%



	ENERGY INTENSITY KWH/PAR	
	2021	2022
Kwh/pAr	19.8	21.9

Energy consumption increased by 12% between 2021 and 2022, despite the important increase in occupancy rates and number of clients. The energy/available room ratio increased by 0.12%.

	WATER CONSUMPTION (MILLION OF M³)	
	2021	2022
Total	4.65	6.88*

	WATER RATIO L/GUESTS	
	2021	2022
Total	185	150

In 2022, the total water consumption was reported as 6.88* million m³. The ratio of liters of water per guest decreased from 185 in 2021 to 151 in 2022 due to the increased number of guests in the hotel and the efforts in place to reduce the water consumption.

3.3.3. Promoting circular economy practices

As hotel owner and operator, the Group faces huge challenges in terms of waste production and management. 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

Various actions were implemented in 2022 following this approach.

Single-use plastic reduction

Tackling single-use plastic has become a priority, not only for business but also at European level. European regulations 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 under the direction of the Hotel Manager Accor, an action plan has been in place since 2019 to progressively substitute single-use plastic items. The progress⁵ achieved in 2022 by all the Group hotels is impressive:

1. Removal of all plastic straws, stirrers, disposable cups and cotton swabs: 97% of AccorInvest's hotels are already compliant (versus 89% in 2021).
2. Elimination of individual toiletry bottles: 96% of AccorInvest's hotels are already compliant (versus 42% in 2021).
3. Eliminate single-use plastic dry amenities (such as accessories): 76% of AccorInvest's hotels are already compliant.
4. Provide an alternative to disposable plastic water bottles in all areas and rooms: 87% of AccorInvest's hotels are already compliant.

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 year⁶. This has a huge impact, not only on the environment but also on society. Together with our Hotel Manager, we are implementing several actions to constantly reduce food waste in our hotels.

In 2022 and as part of AccorInvest's transformation actions, we launched an innovative pilot to define a new food waste reduction strategy for all our hotels. Over 15 hotels, representative of our portfolio, took part in this pilot to ensure that the strategy defined is adapted to the hotel needs, before global deployment

The strategy is based on a categorization of hotels regarding their Food & Beverage offer; it proposes a dedicated action plan per category, in order to reach the ambitious targets that have been set. As part of the strategy, identifying the quantity, origin and type of food wasted is crucial to define a reduction action

plan. With the pilot, we are testing different innovative solutions such as Orbisk, Winnow, Mapal, Kitro and an internal tool, developed by AccorInvest teams with Alphard, to facilitate measuring and identify the best provider for our hotels.

The first results of the pilot are very positive; they demonstrate that when the hotel teams are convinced and involved, and they have the adequate tools and support, we can reduce loss by up to 32% in only 6 months.

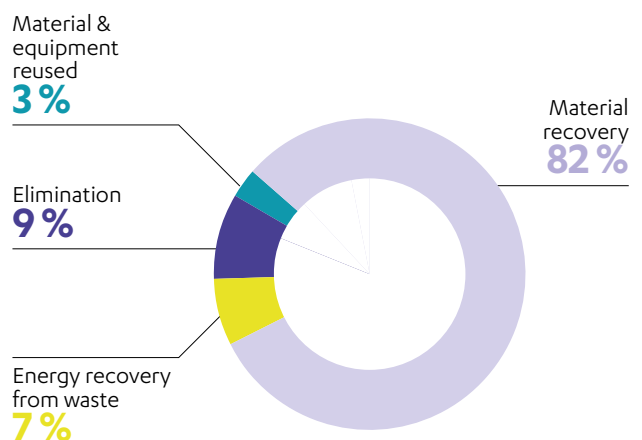
Though the main objective of the pilot is to reduce food waste, innovative solutions will be tested in 2023, such as biodigesters to convert remaining incompressible waste into bio-gas and bio-water.

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 rather than a future waste.

AccorInvest aims to promote circularity in every renovation project, in order to give a second life to equipment, furniture and materials. Thanks to learnings of our first full circular renovation pilot launched in 2019, during 2022 we applied the best practices in the renovation of one of our emblematic hotels in the Sacre Coeur neighborhood in Paris. To do so, we partnered with DEM-OCLES, a collaborative platform to reduce and better manage waste in development and renovation projects. The outcomes of this project are presented in the graphic below:

Waste management results in the renovation of the ibis Paris Sacré-Coeur



(5) 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.
 (6) Source: Food and Agriculture Organization of the United Nations (FAO)

This second project has enabled us to develop specific waste management guidelines for all our renovation projects in France. In 2023, the same approach will be followed in other European countries to provide all construction teams with the necessary resources to implement this approach in their projects and contribute to waste reduction.

Furthermore, at AccorInvest we are convinced that facilitating the re-use of materials requires that we include circularity criteria right from 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 and easier renovations, with less nuisance. The criteria defined to develop these concepts are also considered for all our new designs.

In 2022, 70% of the renovated Ibis included the AccorInvest circular rooms concept, Ibis KAI

3.3.4. Protecting biodiversity

With 768 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 and developing urban vegetable gardens contribute not only to preserving biodiversity in cities, but also to our commitment to increase the offer of local, sustainable food in our restaurants.

Over 200 AccorInvest hotels have urban vegetal gardens. These gardens go from small herb gardens to major innovative projects, such as the aeroponic urban farm set up on the 280m² rooftop of the Mercure Boulogne, which produces over 1.5 tons/year of fresh fruit and vegetables directly used in the hotel kitchen, or the hydroponic farm installed on the 1,500 m² roof of the Mercure Orly Tech.

3.4. DELIVERING 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 large 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 guest experience

Our sustainable guest 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

MERCURE ORLY TECH

Active since 2022 and thanks to our partnership with Nutreets, the innovative hydroponic urban farm of Mercure Orly Tech produced during its 1st season over half a ton of fresh fruit and vegetables, which were directly used in the restaurants of Mercure and Novotel Orly .

The vegetable garden is installed on the two roofs of the hotel, with a total surface of approximately 1,500 m². One of the roofs is dedicated to short cycles (aromatics, salads, young shoots) while the 2nd roof is dedicated to long cycles (fruit and vegetables): zucchini, peppers, tomatoes, cucumbersare collected there every week throughout the production season to supply our restaurants. Next year an additional restaurant will be supplied with this ultra-local production. The 2023 season is being prepared with a production plan prepared together with Mercure, Novotel and Ibis Orly, directly with the executive chefs of these restaurants.



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.

It is to be mentioned that through the Planet 21 program, AccorInvest hotels have progressively included eco-responsible product families that contribute to our guests' well-being; nearly 100% of our hotels propose shampoos, soaps and shower gels that are ecolabelled 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 both safe and 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 we have 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 sustainable food contributes to our commitment, not only towards our guests' well-being but also towards the environment.



100% OF ACCORINVEST HOTELS TO BE LABELLED GREEN KEY BY 2026

In 2022, after a successful pilot launched in Marseille, AccorInvest built a partnership with Green Key to reach a very ambitious target: the Green Key ecolabel for all the Group hotels by 2026 - not only to have an external recognition of our hotels' ESG performance, but also to ensure that we are delivering positive hospitality to all our guests and clients. Already 12 AccorInvest hotels are labelled Green Key and nearly 100 will be certified at the end of 2023.

— Accor Healthy and Sustainable food charter implemented at AccorInvest hotels

1	Cut food waste by an average of 30%	Roll out a program to fight food waste Donate or sell unused food products
2	Favor local food suppliers and seasonal produce	Offer at least 10 regional products and ensure ¾ of the fruit and vegetables on offer are seasonal
3	Increase our selection of organic products and support agroecology	Offer two major food products that are organic or certified agro-ecology produce
4	Prefer suppliers committed to animal welfare	Offer only free range or non-caged eggs (eggs in their shells and egg products)
5	Ban endangered fish species and promote responsible fishing	Ban the use of threatened fish species Offer wild fish or fish farmed using responsible methods
6	Remove controversial food additives and reduce fat and sugar	Ban controversial additives in 5 products and reduce fats and sugars Stop using palm oil or use sustainable palm oil
7	Serve responsible coffee or tea	Offer responsibly produced tea or coffee at breakfast
8	Cater for a range of dietary needs	Cater for different dietary requirements (vegetarian, etc.)

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 positive hospitality to guests, our ambition is to play an active role 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.

Since 2022, all AccorInvest head office employees are offered one day to volunteer and managers are encouraged to organise a solidarity team building. To support them, we have implemented Vendredi, a unique platform to centralize and simplify AccorInvest's philanthropic actions. Thanks to the engagement of its employees, during 2022, we supported over 25 local associations and projects in the countries in which the Group is present.



LA BELLE VILLE

AccorInvest has partnered since the beginning with "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. We are very proud to share the news that the Belle Ville documentary was finalized in 2022 and will be released in cinemas in 2023.

In 2022 AccorInvest employees were invited to attend the preview of the film, followed by a debate with Manon, François and the AccorInvest ESG Team to discuss ideas and solutions to bring nature back to cities, with a specific focus on the role of urban hotels.

RECRUITMENT CAMPAIGN IN UKRAINIAN LANGUAGE IN POLAND

Since February 24th, 2022, over 10 million Ukrainians have crossed the Polish border. Mostly women and children. Many of those who were looking for a job did not speak Polish or English, so AccorInvest employees in Poland decided to help by preparing job advertisements in Ukrainian.

The job offers were published on the Group recruitment website, and on pracuj.pl and in social media. The campaign was nationwide, to help potential candidates who chose to stay in any city in Poland. Thanks to this initiative, the Polish team received almost 150 candidates all over the country.

Since the majority of the candidates did not speak Polish, the employment contract was developed in both Polish and Ukrainian. Thanks to this, the candidates can be more confident in the documents they sign and be sure about money or insurance.

SOLIDARITY DAY IN THE HEADQUARTERS OF BRAZIL

AccorInvest Brazil ESG Committee organised the first solidarity day of the Group, in which all employees join one of the five actions proposed by the team to support three associations. From planting trees with Novas Arvores por Ai, to giving lectures to teenagers in a public school, cooking hot meals for people in need with Harburgada do Bem or event participating in the renovation of the headquarters of Clube dos Vira-Latas, an NGO that provides shelter to dogs.

+25
Associations supported

183
Volunteer missions completed

14
Solidarity team buildings organized

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 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 FY2022 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 quantity 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	14
	% of attendance	14
Ethics & compliance	Number of substantiated corruption and bribery cases	15
	Number of cases reported leading to investigation	15
Responsible Investment	% of the operations presented in the investment committee including an ESG score	18
	Average ESG score of AccorInvest hotels	18
	Number of hotels certified	18
Supply chain	% of purchases made with suppliers selected on ESG criteria	19
	% of "at risks" and "at high risks" referenced suppliers having realised an ESG self-evaluation	19
	% of "at high risks" referenced suppliers externally audited	19
	% of monitored action plans	19
Employees	Total workforce by type of employment contract, broken down by gender	21
	% of women in the workforce	21
	% of women amongst General Managers	21
	% of employees with employee representatives	21
	Progress on P21 Health & Safety actions	21
	ESG actions developed to raise awareness among employees	22
Environment	GHG emissions	23
	Energy consumption and distribution	24
	Water consumption	24
	Number of urban gardens	26
Client experience	Nb of hotels labelled Green Key	27
Local impact	Number of charities supported	28
	Volunteering missions completed	28

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



CONCORDANCE TABLE WITH THE UN SUSTAINABLE DEVELOPMENT GOALS

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

INDEPENDENT THIRD-PARTY'S REPORT ON CONSOLIDATED ENVIRONMENTAL KPIS MENTIONED WITH AN «*» IN THE ESG REPORT



INDEPENDENT LIMITED ASSURANCE REPORT (ISAE 3000 (Revised))

To the Board of Directors of
AccorInvest Group S.A.
26A, Boulevard Royal
L-2449 Luxembourg
Grand Duchy of Luxembourg

We have been requested to conduct a limited assurance engagement on the key environmental performance indicators (hereafter “environmental KPIs” or “Indicators”) included in the 2022 ESG Report of the Company with respect to the year ended December 31, 2022 (the “2022 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 [ENV05A]:** 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 [page 21]
- **Total Hotel’s activities Greenhouse Gas (GHG) Emissions for the direct emissions (Scope 1) [ENV06A]** expressed in CO₂ equivalent - Perimeter: Selection of hotels in the scope of the AccorInvest’s PROTOCOL [pages 21-22]
- **Total Hotel’s activities Greenhouse Gas (GHG) Emissions for the indirect emissions associated with energy (Scope 2) [ENV06B]** expressed in CO₂ equivalent - Perimeter: Selection of hotels in the scope of the AccorInvest’s PROTOCOL [page 22]
- **Total Hotel’s Water consumption [ENV07A]:** total quantity 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 [page 23]

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”).

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

¹ The “*” corresponds to the reference in the ESG Report

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.

Our firm applies International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*, and accordingly, maintains 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, 2022 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, 2023
20 Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

ACCOR**INVEST** 