

## W0. Introduction

---

### W0.1

---

#### (W0.1) Give a general description of and introduction to your organization.

Accor is a world leading hospitality group consisting of 5,300 properties and 10,000 food and beverage venues throughout 116 countries. The Group has one of the industry's most diverse and fully-integrated hospitality ecosystems encompassing more than 40 luxury, premium, midscale and economy hotel brands, entertainment and nightlife venues, restaurants and bars, branded private residences, shared accommodation properties, concierge services, co-working spaces and more.

Through its Planet 21 – Acting Here, Accor Solidarity, RiiSE and ALL Heartist Fund initiatives, the Group is focused on driving positive action through business ethics, responsible tourism, environmental sustainability, community engagement, diversity and inclusivity.

The following two factors may impact energy consumption, GHG emissions and risks related to climate change:

- Split of hotel portfolio by region: Europe = 44 %; Asia-Pacific = 31%; Middle East & Africa = 12%; Americas = 13%
- Split of the portfolio by segment: luxury & upscale= 27%, Midscale = 33% and Economy = 40% (% based on number of rooms).

Accor hotels are affiliated with the Group via three main operating structures: management agreements (44%), franchise agreements (54%), ownerships and leases (2%).

#### Key points on sustainability:

- Planet 21 is Accor's historical and emblematic strategic program on sustainable development. It integrates ambitious targets for the 2016-2021 period.
- The Group leads strategic research on its sustainable impacts to inspire its strategy on sustainable development: materiality analysis, scope 3, environmental footprint, LCA, study of guests' (B to B and B to C) expectations regarding sustainability, and socio-economic footprint.
- Preliminary work was undertaken in 2017 to determine the trajectory the Group will need to follow to contribute to the collective goal of limiting global warming to 2°C.
- In 2020 this was taken a step further with updated emission foot printing. Today Accor's carbon target trajectory is compatible with the Paris Agreement's goal of keeping global warming under 1.5°C. The target has been reviewed and validated by the Science-Based Targets initiative.
- With a commitment to reach net-zero by 2050 Accor has joined the Business ambition for 1.5 Degrees program.
- Accor has laid out this trajectory on the basis of a roadmap combining an internal shift in favor of a low-carbon culture in all of the Group's businesses with partnerships with energy experts to improve the energy efficiency of buildings, the use of renewable energy supplies and carbon removals.
- This sustainable development program ended in 2021. A new roadmap will be presented in 2022.

#### Accor is present in different stock indexes recognized worldwide:

- Euronext CAC 40 ESG;
- Euronext Vigeo index: World 120, Europe 120, Eurozone 120, France 20;
- FTSE4Good index series;
- Ethibel Sustainability Index (ESI) Excellence Europe & Excellence Global;
- Standard Ethics French Index;
- MSCI ACWI ESG Leaders Index, MSCI ACWI ESG UNIVERSAL Index;
- STOXX (such as EURO STOXX & STOXX 600 Low Carbon, EURO STOXX & STOXX Europe Sustainability, STOXX Global Climate Awareness Ex Global Compact).

#### Accor is also rated by extra-financial organizations:

- CDP Carbon rating: A-. Accor has been participating in CDP Carbon since 2006;
- ISS CSR "Prime" rating;
- Ecovadis rating: "Gold Level 2021";
- Sustainalytics rating: "ESG Risk Rating: 18.3, Low risk, 2nd in Travel, Lodging and Amusement";

- Gaia rating: 75/100 . A company is considered mature in terms of taking into account non-financial issues from 70/100. Accor outperforms its benchmark on the four themes (relations with external stakeholders, governance and the social and environmental categories), the Group obtains a score that suggests that CSR issues are well accounted for in the company's overall strategy;

- MSCI rating: A;

- VIGEO: 67/100, sector ranking 2/48;

- CDP Water: B.

### Impact of the Covid-19 pandemic on the Accor group

From March 2020, the majority of Accor Group hotels were closed worldwide due to the health measures put in place by national authorities to protect populations from the Covid-19 pandemic. In this exceptional context and given the impossibility of preserving the activity of teams at all levels, the Accor Group decided to extend the Planet 21 program, initially set for completion at the end of 2020, until the end of 2021.

The hotel teams have deployed the ALLSAFE health protocol, created by Accor and approved by Bureau Veritas, intended for employees and guests alike, under the leadership of an ALLSAFE Officer appointed and trained in each hotel.

In 2020, Accor created the "ALL Heartist Fund" to which 25% of the €280 million in dividends initially planned for 2019 was allocated, i.e. €70 million. With this fund, Accor and its main shareholders are making a committed contribution to solidarity initiatives throughout the world, while preparing for future needs.

## W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2021	December 31 2021

## W0.3

(W0.3) Select the countries/areas in which you operate.

Albania  
Algeria  
Andorra  
Argentina  
Armenia  
Australia  
Austria  
Azerbaijan  
Bahamas  
Bahrain  
Barbados  
Belgium  
Benin  
Bermuda  
Bolivia (Plurinational State of)  
Bosnia & Herzegovina  
Botswana  
Brazil  
Bulgaria  
Cambodia  
Cameroon  
Canada  
Chile  
China  
China, Macao Special Administrative Region  
Colombia  
Costa Rica  
Côte d'Ivoire  
Croatia  
Cuba  
Czechia  
Democratic Republic of the Congo  
Ecuador  
Egypt  
Equatorial Guinea  
Estonia  
Fiji  
France  
French Guiana  
French Polynesia  
Georgia

Germany  
Ghana  
Greece  
Hong Kong SAR, China  
Hungary  
India  
Indonesia  
Ireland  
Israel  
Italy  
Japan  
Jordan  
Kazakhstan  
Kenya  
Kuwait  
Kyrgyzstan  
Lao People's Democratic Republic  
Latvia  
Lebanon  
Lithuania  
Luxembourg  
Madagascar  
Malaysia  
Maldives  
Malta  
Mauritius  
Mexico  
Monaco  
Mongolia  
Morocco  
Myanmar  
Namibia  
Netherlands  
New Zealand  
Nigeria  
North Macedonia  
Oman  
Pakistan  
Panama  
Paraguay  
Peru  
Philippines  
Poland  
Portugal  
Puerto Rico  
Qatar  
Republic of Korea  
Republic of Moldova  
Réunion  
Romania  
Russian Federation  
Rwanda  
Saint Helena  
Saudi Arabia  
Senegal  
Serbia  
Seychelles  
Singapore  
Slovakia  
South Africa  
Spain  
Sri Lanka  
Sweden  
Switzerland  
Taiwan, China  
Thailand  
Tunisia  
Turkey  
Ukraine  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland  
United Republic of Tanzania  
United States of America  
Uruguay  
Viet Nam

(W0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

## W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

## W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

## W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Excluded from the scope of reporting are: <ul style="list-style-type: none"><li>• hotels that joined the Group after September 15;</li><li>• independently operated units or structures and franchised hotels;</li><li>• new acquisitions (during the reporting year and during the previous year);</li><li>• hotels closed for renovation during the reporting period;</li><li>• the Thalassa sea and spa facilities, whose data is often reported with their host hotels;</li><li>• ancillary in-hotel activities that are not managed by Accor assuming their data can be clearly segregated;</li><li>• hotels that do not have access to the reporting platform or are unable to enter their monthly consumption data.</li></ul>	Accor has hotel operations in 110+ countries globally with hotels operating under different commercial models.  Water reporting year for 2021 is from Jan 2021 to Dec 2021. Approximately 3400 hotels were excluded from the 2021 reporting scope which represent 65% of the whole hotel operating network in 2021. Based on extrapolation method looking at hotel location, typology, brand, occupancy criteria we estimated that 34.6 million m <sup>3</sup> water withdrawal volumes is excluded.  Both acquisitions in 2020 and 2021 are excluded but, Accor is systematically including data into its global reporting two years after the acquisition.

## W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	FR0000120404

## W1. Current state

### W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Neutral	<p>i) Primary use (or statement of no use) in direct operations: Hotel operations are the Group's biggest driver of water use. Good quality freshwater is mainly used for laundry, cleaning and guests hygiene, but also for cooking and drinking water (in area where water is drinkable).</p> <p>ii) Primary use (or statement of no use) in indirect operations: The Group's water footprint is concentrated in scope 3 (68%), mainly due to the purchase of food items for hotel bars and restaurants (around 46%). Crop irrigation and livestock watering are the two main water consumption items in food production.</p> <p>iii) Why the chosen importance rating was selected for their direct operations: Direct use is considered as important because it ensures continuous operations. Accor has a duty to promote and support the implementation of water efficiency measures of hotels operated under its brands.</p> <p>iv) Why the chosen importance rating was selected for their indirect operations: Overall, the water availability for indirect use is considered neutral given that Accor's supply chain is located across more than 100 countries, reducing the overall impact of water shortages.</p> <p>Water quality will remain important for our operations since we cannot ensure service excellence without quality water. Within our supply chain, water quality will remain at a neutral importance rating due to our vast geographical footprint that is not expected to change. Nevertheless, we are working to decrease both our operations and supply chain dependency for water use.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Neutral	Neutral	<p>i) Primary use (or statement of no use) in direct operations: Accor deploys rainwater and gray water recovery systems in these hotels. This helps to reduce the withdrawal of potable water for uses that do not require it, such as gardening, toilets,...</p> <p>ii) Primary use (or statement of no use) in indirect operations: The Group's water footprint is concentrated in scope 3 (68%), mainly due to the purchase of food items for hotel bars and restaurants (around 46%). Water is therefore a key resource for the supply of hotels. Better use of this resource by favoring recycled water whenever possible is strategic for Accor to reduce its dependence and the risks of water shortage.</p> <p>iii) Why the chosen importance rating was selected for their direct operations: The deployment of rainwater or recycled water recovery systems is underway. To date, 17% of hotels reuse grey water and 17% collect and reuse rainwater. However, their use is not required for the proper operation of our hotels. That's why the importance rating is categorized as neutral.</p> <p>iv) Why the chosen importance rating was selected for their indirect operations: The vast majority of the Group's water footprint comes from its supply chain. Through its Procurement Charter 21 signed by suppliers, and various water conservation programs, Accor is protecting itself against the risk of water shortages. However, due to the diversification of suppliers and the fact that recycled water is not vital for food production, we consider its importance in neutral.</p> <p>Will future water dependency differ in direct and indirect operations and why? The share of hotels with rainwater and recycled water harvesting systems will increase in order to compensate for future water shortages. This is part of the Group's commitment to increase the use of recycled water. Consequently, the dependency for recycled water will increase. However the Group's dependency for freshwater will decrease.</p>

W1.2

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	All hotels of the Group are required to report their water withdrawals: total volumes based on meter or tank volume level reading. Water withdrawals are monitored at the hotel level within the reporting process for water and energy (Accor - Water and Energy consumption Reporting).  This process includes: - monthly monitoring (even daily for some hotels) of water consumption using the Gaia tool; - a good knowledge of the hotels (number of rooms, number of restaurant-bar sales outlets, technical equipment, etc.) and of their consumption (monitored since 2005); - a thorough analysis of the ratios, accounting for the effects of weather and the occupancy rate for comparability with the different years; - benchmarks per brand, family of hotels and region.
Water withdrawals – volumes by source	100%	All sources are reported: a great majority is made up with city water supply but surface / groundwater pumping station are also monitored. Water withdrawals is monitored at the hotel level within the annual reporting exercise for water and energy (Accor - Water and Energy consumption Reporting).  Frequency of reporting is based on monthly monitoring or even daily for some hotels using the Gaia tool. The measurement method is based on meter or tank volume level reading.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not relevant	As the majority of water withdrawal comes from municipalities, water quality is not monitored at the Group level.
Water discharges – total volumes	100%	Maintenance team in 2019 conducted a review of water discharge volumes. Water discharge is assumed by Accor to be 98% of water withdrawn, that are 100% monitored. As the strong majority of the Group's hotels sends waste-water in municipal sewage plant, water discharges are not aggregated at corporate level but some hotels which have their own water treatment plant measure their discharges (approximately 3% of hotels operate their own dedicated waste water treatment plants, traditionally in remote or resort type locations). Planet 21 includes monitoring of hotels with onsite or offsite wastewater treat. In 2021, 85% hotels reported discharge to water treatment plants. Water discharges are estimated annually as a result of the life cycle analysis performed and where the percentage of discharge can be estimated.  Frequency of reporting is based on monthly monitoring or even daily for some hotels using the Gaia tool. The measurement method is based on meter or tank volume level reading.
Water discharges – volumes by destination	100%	Accor knows the destination of all of its discharges: - Hotels without gardens: 100% is discharged to wastewater treatment plant OR apply local connection rate to the wastewater network - Hotels with gardens, the water withdrawn for gardening (estimated through hotels' withdrawal data comparison) is discharged to groundwater and other water withdrawn is discharged to wastewater treatment plant (which are responsible for ensuring compliance with relevant treatment guidelines) or according to a local connection rate to the wastewater network.  Frequency of reporting is based on monthly monitoring or even daily for some hotels using the Gaia tool. The measurement method is based on meter or tank volume level reading.
Water discharges – volumes by treatment method	1-25	Except for hotels that own their water treatment plant, Accor doesn't monitor this information. Water treatment is managed directly by municipal water treatment plants, which are responsible for ensuring compliance with relevant treatment guidelines.
Water discharge quality – by standard effluent parameters	1-25	Except for hotels that own their water treatment plant, Accor doesn't monitor this information. Water treatment is managed directly by municipal water treatment plants, which are responsible for ensuring compliance with relevant treatment guidelines.
Water discharge quality – temperature	Not relevant	Water treatment is managed directly by municipal water treatment plants, which are responsible for ensuring compliance with relevant treatment guidelines. This element has a low chance of being relevant in the future with an equivalent business model for Accor.
Water consumption – total volume	100%	From the measurement of withdrawal we are able to estimate this consumption, such as assessed in our Life Cycle Analysis in 2019. Water consumption is estimated at 2% of total water withdrawals, that are 100% monitored.
Water recycled/reused	76-99	Accor monitors the amount of water recycled or reused of 99% of its managed hotels. The deployment of rainwater or recycled water recovery systems is underway. To date, 17% of hotels reuse grey water and 17% collect and reuse rainwater.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Providing access to water and hygiene services in our hotels is a must have for our guests. So our employees have systematically access to WASH services.

**W1.2b**

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	35000	Higher	Total water withdrawals increase by 24% due to the hotel occupancy increase after the impact of the Covid-19 crisis.
Total discharges	34300	Higher	Total water discharges increase by 24% due to the hotel occupancy increase after the impact of the Covid-19 crisis.
Total consumption	700	Higher	Total water consumption increase by 24% due to the hotel occupancy increase after the impact of the Covid-19 crisis.

**W1.2d**

**(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.**

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	26-50	About the same	WRI Aqueduct	We used the WRI Aqueduct Baseline water stress indicators and included the hotels with High and Extremely high levels.

**W1.2h**

**(W1.2h) Provide total water withdrawal data by source.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	1200	About the same	i) This resource is relevant for hotels insofar as the Group is putting forward alternative water recovery methods to both reduce its dependence on water shortages and improve its water management capacities. ii) 17% of our network is equipped with rainwater recovery installations which represents 206 hotels in 2021. The volume is about the same since this is mainly linked to rainwater.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Hotels do not use this water resource for their operations.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	Hotels do not use this water resource for their operations.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	Hotels do not use this water resource for their operations.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	Hotels do not use this water resource for their operations.
Third party sources	Relevant	33800	About the same	i) It is the primary source of water supply for hotel operations. It is therefore highly strategic for the Group. ii) Increasing trend due to the hotel occupancy increase after the impact of the Covid-19 crisis.

**W1.2i**

**(W1.2i) Provide total water discharge data by destination.**

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	Accor does not use this destination to discharge its water.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	Accor does not use this destination to discharge its water.
Groundwater	Relevant	510	About the same	i) Hotels with gardens discharge water for gardening into groundwater. Other water withdrawn is discharged to a wastewater treatment plant or according to a local connection rate to the wastewater network. The number of hotels with gardens represent 55% and approximately 1.5% of the water discharged is water that has been used for gardening and will flow into groundwater. It should be noted that this is a rough estimate as we do not currently measure these releases. ii) Increasing trend due to the hotel occupancy increase after the impact of the Covid-19 crisis.
Third-party destinations	Relevant	33790	About the same	i) We consider that the great majority of Accor's water discharges are sent to municipal treatment plant or according to a local connection rate to a wastewater network or equivalent sewage station on site. The other destination is "groundwater" for hotels with gardens (55% of hotels) and only for the water used to maintain them (app. 1.5%). ii) Increasing trend due to the hotel occupancy increase after the impact of the Covid-19 crisis.

**W1.2j**

**(W1.2) Within your direct operations, indicate the highest level(s) to which you treat your discharge.**

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	33790	Much higher	91-99	Water treatment is managed directly by municipal water treatment plants, which are responsible for ensuring compliance with relevant treatment guidelines. Depending on the area of discharge, municipalities are obliged to carry out meticulous treatment from primary to tertiary treatment. The fact that all AccorGroup Hotels must treat their wastewater is part of our Planet 21 commitment, Accor's sustainable development program. In 2021, out of the number of hotels having validated the Planet 21 in action program, 100% of the hotels treat their wastewater. These actions are consolidated and monitored for all hotels within the scope of Planet 21 in action with the DT&S department (Design Technical Standards). Definition for change: Much higher = More than 20% increase.
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Primary treatment only	Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Discharge to a third party without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	

**W1.3**

**(W1.3) Provide a figure for your organization's total water withdrawal efficiency.**

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	6012	35000	0.171771428571429	With the anticipated growth of hotel network and the rising of hotel occupancy post covid crisis. We anticipate a reasonable increase of the water withdrawal level and revenue across the network. In the meantime, each hotel of the network is following a continuous improvement water saving program which will mitigate the increase of water withdrawal level at each hotel level.

**W1.4**

**(W1.4) Do you engage with your value chain on water-related issues?**

- Yes, our suppliers
- Yes, our customers or other value chain partners

**W1.4a**

**(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?**

**Row 1**

**% of suppliers by number**

76-100

**% of total procurement spend**

76-100

**Rationale for this coverage**

i) Accor has established a risk assessment covering 100% of its referenced suppliers. Since 2017, three actions apply (depending on risk level of the category, standard categories, risk categories and high risk categories) and at end-2021, 100% of nominated suppliers had signed the Procurement 21 Charter.

The use of the CSR rating platform developed by EcoVadis allows to evaluate the CSR performance via a specific questionnaire filled in by the supplier itself. Each supplier is assessed by a third party (EcoVadis) on their environmental (including water), social and ethical performances and on how much control they have over their own supply chain. Each answer to the questionnaire is documented and checked by EcoVadis analysts. Action plans may be requested from suppliers. At end-2021, 97% of the purchasing categories identified as high risk and at risk had been evaluated by EcoVadis (representing 85% of suppliers). Concerning the 3% of remaining purchase volumes, suppliers who refused to be assessed were the object of detailed analysis leading, when necessary, to a dereferencing or a corrective action plan to implement during the first quarter of 2022.

ii) Suppliers have to sign the Charter 21 to be selected as a supplier of Accor and are encouraged to respond to the Ecovadis survey in order to maintain their role as a committed supplier. Accor is pushing to ensure that its actions can be shared with its suppliers.

**Impact of the engagement and measures of success**

i) Through Ecovadis, Accor asks suppliers to provide among others:

- Water Policy;
- Environmental Policy or Charter;
- CSR/Sustainability Report;
- Qualitative and/or quantitative objectives that address issues related to water consumption and discharge in the course of the company's operations;
- Sustainable products, including labels to preserve water quality.

As part of the Accor Procurement Charter 21 the supplier shall propose to Accor, products and services allowing it to reduce its direct impact including water consumption and wastewater emissions.

ii) The Ecovadis survey allows Accor to select and choose suppliers based on predefined and robust criteria.

iii) According to the Charter 21, the supplier shall measure the environmental impact of its sites, products and services and shall set quantifiable reduction objectives especially regarding water consumption and water pollution. The supplier shall also conduct initiatives to reduce impact on biodiversity through monitoring including water pollution. The responses to Ecovadis enable Accor to check this.

On an annual basis, Accor consolidates the suppliers who responded to the survey and CSR auditors process the data in order to classify them and feed the risk management map.

In 2021, 1225 suppliers responded to the EcoVadis questionnaire.

**Comment**

**W1.4b**

---

#### (W1.4b) Provide details of any other water-related supplier engagement activity.

##### Type of engagement

Innovation & collaboration

##### Details of engagement

Encourage/incentivize innovation to reduce water impacts in products and services

##### % of suppliers by number

76-100

##### % of total procurement spend

76-100

##### Rationale for the coverage of your engagement

Within the framework of the procurement charter 21, of which 96% of nominated suppliers are signatories, a number of principles related to the protection of the environment and communities are defined. One of the pillars refers to innovation in order to reduce the environmental footprint and the negative impact on communities.

In this context the supplier shall propose to Accor, products and services allowing it to reduce its direct impact including water consumption and services that take into account the impacts on local communities.

##### Impact of the engagement and measures of success

i) We ask suppliers in charge of the furniture in bathrooms and toilets to integrate low flow products to reduce the water consumption within our hotels. Accor also recently started tests with suppliers providing cleaning products using the ozone technology (minimizing the use of harsh laundry chemicals, causing less water pollution). The duration of the tests will depend on the activity level in pilot hotels and might take a few months as the current occupancy rates are quite low. The water saved in hotels are two direct beneficial outcomes of the engagement activity.

Besides, our environmental, social and economic footprint studies show that the current business model in the farming sector – which our hotels and restaurants rely on – can have negative impacts on local ecosystems. We are testing innovative approaches to reduce those, for example by helping our suppliers to transition towards more responsible practices such as agroforestry. We established IPI (International Insetting Platform) to promote these new models worldwide.

ii) The Charter 21 constitutes the basis and the rules to hold for our suppliers, but there is currently no systematic reporting or monitoring of the suppliers' actions in the frame of the procurement charter 21, only periodic discussions.

The reporting Accor is carrying is limited to risk and high-risk suppliers through Ecovadis (rating on their environmental, social and ethical performance, as well as on the control of its own supply chain). In an indirect way, some hotels have signed partnerships with other companies to reduce food waste, such as the partnership with "Too good to Go", partner since 2016. At end-2021, more than 745 Accor hotels had used this application, which identifies more than 49 million users. At the same time, the number of unwasted meals in Accor restaurants was 657,367 since the application launch in 2016, of which 111,364 in 2021. To date, it is estimated that this partnership has avoided the equivalent of 1,643 metric tons of CO2 emissions. This partnership is embedded in the Group's strategy to reduce food waste by 30% in 2021, by measuring, reducing waste in the kitchen, interacting with guests on its issues, and reselling or donating food that has not been consumed. This reduces food waste but also the upstream water consumption that was necessary for their production.

##### Comment

---

#### W1.4c

---

##### (W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Our partners are diverse because of Accor's business model as an "asset-light" Group. We engage with two main partners: the hotel managers as they can control and manage the water consumption in hotels and our customers, in the first line of water consumption and thus the main levers for action.

Hotel managers: To succeed in sustainable transformation, Accor has set out exacting requirements for its rollout, such as create a culture of sustainable development by training hotel managers to become protagonists of change, notably for water-related issues.

Customers: Accor has developed a four-step strategy for transforming consumers' interest in environmental issues into a competitive advantage: communicate, explain, encourage positive action and involve. One of Accor Planet 21 commitment is driving forward one key innovation per year to focus guest interaction on sustainable development. In 2021 it was the Net Zero Carbon Calculator: a tool aiming to reduce the carbon footprint when designing and organizing an event for its BtoB guests. In addition, since 2019, Accor has integrated a sustainable development focus into its Accor Live Limitless (ALL) loyalty program by allowing guests to transform their ALL points to serve great causes.

#### W2. Business impacts

---

##### W2.1

---

##### (W2.1) Has your organization experienced any detrimental water-related impacts?

No

##### W2.2

---

##### (W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

## W3. Procedures

---

### W3.3

---

#### (W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

### W3.3a

---

#### (W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

##### Value chain stage

Direct operations

##### Coverage

Full

##### Risk assessment procedure

Water risks are assessed in an environmental risk assessment

##### Frequency of assessment

Annually

##### How far into the future are risks considered?

More than 6 years

##### Type of tools and methods used

Tools on the market

Other

##### Tools and methods used

EcoVadis

SEDEX

WRI Aqueduct

External consultants

Materiality assessment

Scenario analysis

##### Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Stakeholder conflicts concerning water resources at a basin/catchment level

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

##### Stakeholders considered

Customers

Employees

Investors

Local communities

NGOs

Regulators

Suppliers

Water utilities at a local level

Other water users at the basin/catchment level

##### Comment

The Group has identified water stress and flooding risks as the most serious ones for a long time with regards to water issue. In 2020, Accor has conducted a study to identify in which extent the Group's hotels are located in water stress areas and in flooding areas, based on the geographical location of the hotels and the WRI (World Resource Institute) tool, Aqueduct. Accor carries out a yearly review of its exposure to water stress risk. In a near future, the results of the review will be entered in the OPEN application to inform hotels of their exposure to water stress risks and thereby encourage moderate- and high-risk hotels to step up their action plans on water consumption management.

---

##### Value chain stage

Supply chain

##### Coverage

Full

##### Risk assessment procedure

Water risks are assessed in an environmental risk assessment

##### Frequency of assessment

Annually

##### How far into the future are risks considered?

1 to 3 years

#### Type of tools and methods used

International methodologies and standards

#### Tools and methods used

Life Cycle Assessment

Other, please specify (EcoVadis)

#### Contextual issues considered

Implications of water on your key commodities/raw materials

Status of ecosystems and habitats

#### Stakeholders considered

Local communities

Suppliers

#### Comment

The Procurement Charter 21, implemented as a requirement for all Accor nominated suppliers (98% coverage) sets out expectations for suppliers to manage water consumption in their operations and manufacturing processes.

Supplier responses to EcoVadis questionnaires also provide a mechanism for suppliers to engage with the water-related risk topic and for Accor to understand water-related risk management approaches of suppliers.

Life cycle analysis is carried out in order to provide action plans and identify supply risks for hotels.

---

### W3.3b

#### (W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

##### Regarding Operations

i) In order to assess and respond to water-related risks in its operations, namely the functioning and management of hotels, Accor uses both its detailed knowledge of its assets (location, financial data, local specificities) and the data available through the Aqueduct tool. Since 2014, Accor carries out a periodic review of its exposure to water stress risk, measuring the risk level of 100% of its hotels on the basis of geographical location using the database in the WRI (World Resource Institute) Aqueduct system, one of today's two leading water risk analysis systems. The results of the review are entered in the OPEN application to inform hotels of their exposure to water stress risks and thereby encourage moderate- and high-risk hotels to step up their action plans on water consumption management. A per hotel target setting on water withdrawal and consumption is defined at each hotel based on the hotel water stress location level and comparable peer best practice level. Hotels with projected high water stress will have a higher yearly water consumption continuous improvement target than hotel with lower water stress levels. Hotel managers can track monthly on OPEN how their consumption level against their water stress based target.

A thorough analysis is performed on current data to define possible water stress and flooding risks but also the future risks by working on different scenarios (pessimistic, business as usual, optimistic) for 2030 and 2040. This allows Accor to work on current risks but also to anticipate the future with a visualization of trends on water risks.

ii) The results of these analyses are shared within the Accor hotel network. The results of these analyses are allocated in a risk map and according to 6 types of risks (current policy and regulation, technology, market, reputation, acute and chronic physical). Accor works with hotel owners to interact and implement physical measures and operational processes to manage these risks. In addition, the Safety & Security department monitors the security and safety situation in all host countries on a daily basis to share information with hotel teams and information with hotel teams and owners.

##### Regarding Supply Chain

i) Water consumption in the supply chain represents 68% of the Group's total water consumption. Life cycle analysis is carried out in order to provide action plans and identify supply risks for hotels. This life cycle analysis allows to feed the supplier map with the more accurate data.

ii) The Purchasing Department, in collaboration with the Sustainable Development Department, uses this supplier map to identify Accor's exposure to CSR risks applied to each of the 98 product families identified by the Purchasing Department. These criteria, combined with and reference databases (e.g. EcoVadis), allow all purchasing categories to be classified into three levels of risk (standard, risky, high risky). This risk mapping covers 100% of the nominated suppliers. The results are communicated internally and to suppliers and audits are carried out on the high riskiest suppliers. Audits are based on a recognized standard (SMETA), which includes water-related criteria, such as the verification of practices in areas of legal compliance, for example, contents of wastewater discharge for the Environment and the quantification of volumes of water used/recycled/discharged. At the end of 2021, 449 high-risk suppliers had been audited which represents 92% of total high risk suppliers. In 2021, no substantial risk was raised.

---

### W4. Risks and opportunities

---

#### W4.1

##### (W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

## W4.1a

### (W4.1a) How does your organization define substantive financial or strategic impact on your business?

Having sufficient quality water is a prerequisite for the proper functioning of a hotel. Water stress presents risks for two activities : the own consumption of hotels, partly due to guests' use of water, is significant (bathroom, room cleaning, catering, laundry, swimming pools, watering of green spaces) but the majority of water consumption induced by Accor is due to the irrigation of crops needed for food production for catering (68% of the Group's water withdrawal)

A risk is defined as an uncertainty (internal or external) that could impact, in the short, medium, or long term, the Group's ability to achieve its objectives. The assessment of risks consists in positioning each risk on a matrix according to two criteria: probability of occurrence (likelihood) and intensity of impact. With the help of internal tools and analyses carried out using the Aqueduct database, Accor can identify on a map the sites at risk with their significance in terms of turnover. Once the risk sites are identified, an estimate of the shutdown time of the hotel operation is determined according to the risk involved. For hotels located in extremely high risk of water stress or flood a one-month shutdown was simulated every 10 years and 15 years for hotels located in high risk.

There are two main types of substantive impacts assessed depending on the perimeter of the risk mapping: financial and strategic risks (including third-party, environmental and reputational risks). Each of these impacts is assessed over a three or four tiers-scale and the combination of these impacts and of the likelihood of the risk determines the severity of the risk.

#### Substantive financial impact

The financial impact is an estimation of the potential financial consequences on Accor's Ebitda or revenue. It is evaluated in millions of euro over a three-tiers scale. This includes an assessment of the financial impact including but not limited to; management/service fees, incentive fees, trademark fees and reputation damage.

The indicators used are the loss of Ebitda in euro or the percentage of revenue. Any financial impact >10% of Ebitda or >1% of revenue is considered as substantive.

The results of the financial risk analysis of potential water stress and flooding hazards did not result in the identification of any sites with a substantial impact. Even if Accor were to suffer the cumulative impact of a site closure due to the risk of water stress and flooding, the financial impact would remain low at around 0.5% of revenue for the 2019/2020 scenario, below the 1% threshold.

#### Substantive strategic impact

Strategic impact covers third-party, environmental and reputation impacts. The third-party impact is the impact on Accor third parties (guests, employees, local communities) physical, financial and/or emotional integrity.

The environmental impact measures the extent of the negative effect of the risk on the planet resources and/or diversity.

Finally, the reputation impact measures the extent of media (including social media) coverage of the potential risk.

Strategic impacts are translated into financial impacts and assessed in Euros.

## W4.2b

### (W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	<p>i) An in-depth analysis was performed using available financial data including sales marketing, distribution and loyalty (SMDL) and their location in order to use the data available on the Aqueduct tool (both water stress risk data and coastal and riverine flood risk data).</p> <p>ii) By taking conservative assumptions of interruption of operations namely hotels in high water stress areas with 1 month of closure every 15 years and hotels in extremely high water stress areas with 1 month of closure every 10 years the substantive threshold is never reached.</p> <p>iii) Even if Accor were to suffer the cumulative impact of a site closure due to the risk of water stress and flooding, the financial impact would remain low at around 0.5% of Group Revenue for the 2019/2020 scenario.</p>

## W4.2c

**(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	<p>The Purchasing Department, in collaboration with the Sustainable Development Department, uses a supplier map to identify Accor's exposure to CSR risks. It is mapped using the following criteria applied to each of the 98 product families identified by the Purchasing Department: purchasing volumes, environmental and social risks of product families, exposure to customer risks and Accor's influence on the supplier. Audits and reports are prepared for each high-risk supplier. At the end of 2021, of the approximately 497 high-risk suppliers, 94% of the audits had been completed (i.e. 467 suppliers audited in 2021 compared to 345 in 2020). In 2021, no substantial risk was raised.</p> <p>Water consumption in the supply chain represents 68% of the Group's total water consumption. Life cycle analysis is carried out in order to provide action plans and identify supply risks for hotels.</p> <p>It turns out that the diversification of suppliers around the world greatly reduces the risk of a supply problem for hotels.</p>

**W4.3**

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

**W4.3a**

**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.**

**Type of opportunity**

Efficiency

**Primary water-related opportunity**

Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**

Water used for laundry accounts for an important part of the water consumed in hotels. Thus, Accor is seeking for initiatives that can reduce the water consumption during the washing process. Diversey, a pioneer in innovative cleaning technologies, with whom Accor is working on other projects, is currently developing the Low Temperature Washing with Clax® Advanced. This enables to wash laundry at lower temperatures, saving costs because less energy is needed to heat the water. In addition, less water is needed for cooling down the wash load, thus enabling a reduction in the number of rinses. The wash cycle can be completed more quickly at lower temperatures since time is not spent heating the water in the machine. All else being equal, any machine can wash more loads in the same period which means better productivity for the operator with reduced costs. Lower temperatures and shorter cycle times normally result in less scale deposited on a machine's heating elements, which improves equipment efficiency and lifetime. For now, only a business case was done but Accor plans to implement it in pilot hotels. The overall process could take up to approximately five years. By leveraging the Internet of Things (IoT) and eco-design through partnerships, hotels will improve energy efficiency and reduce their environmental footprint.

**Estimated timeframe for realization**

4 to 6 years

**Magnitude of potential financial impact**

Low-medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

400

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Independent studies have shown that by reducing the wash temperature to 90°F – in combination with the right detergents and program - you can save water and energy by more than 20% and 30% respectively. The business case made for Accor highlighted a saving of 58,400 m3 of water (23 Olympic pools) and of 1,900,000 kWh annual consumption of 1700+ people), that can be translated into an economic gain of at least 400,000 €.

---

**Type of opportunity**

Products and services

**Primary water-related opportunity**

Reduced impact of product use on water resources

**Company-specific description & strategy to realize opportunity**

The hotel network is the Group's biggest driver of water consumption. Accor has a duty to promote and support the implementation of water efficiency measures of hotels operated under its banner.

As part of the Planet 21 - Acting Here program, Accor's goal for 2021 was a 4% reduction in water consumption per overnight stay, relative to 2019. Reported water reduction in 2021 was 27%. The health crisis had a spectacular impact on energy and water consumption in 2020 ). After these exceptional circumstances, Accor expects its consumption to increase again as economic activity gradually returns in the various geographical areas. Accor is continuing its efforts to minimize the rebound and to consider 2019 as the "peak" of its environmental footprint.

Our Plant for the Planet program encourages guests to reuse their towels when they stay for more than one night in the hotel, in return for which Accor undertakes to finance tree planting with part of the laundry savings generated (water, energy, detergent savings). The program reflects Accor's commitment to reducing the impact of its operations on water and is set to be extended to bedding, in addition to towels (already in place in Germany, Austria and Switzerland). Currently, the project supports more than 27 plantation projects in 26 countries throughout the world. In total, 7.4 million trees have been planted over the past 10 years with 50% of the savings dedicated to the project. Greener connected hotels, leveraging the Internet of Things (IoT) and eco-design through partnerships will reduce hotels' environmental footprint.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

3203998

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

In a case study conducted for the hotel in Australia, the cost reduction per towel saved was estimated at 7\$/room/annum. By extrapolating the result of this analysis to the number of managed hotels (in 2021 a total of 457,714 rooms) in the Accor Group, we can estimate the benefit that this could generate at the Group level by multiplying these two elements.

## W6. Governance

### W6.1

#### (W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

### W6.1a

#### (W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	<p>Description of business dependency on water</p> <p>Description of business impact on water</p> <p>Description of water-related standards for procurement</p> <p>Company water targets and goals</p> <p>Commitment to align with public policy initiatives, such as the SDGs</p> <p>Commitments beyond regulatory compliance</p> <p>Commitment to water-related innovation</p> <p>Commitment to water stewardship and/or collective action</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>Our Ethics &amp; CSR Charter is the first support for this. Water-related commitments are company-wide as they apply to all managed and franchised properties. They emphasize that water availability is vital provide continuous service to customers worldwide and keep the hotel running smoothly.</p> <p>Accor pledges in it to:</p> <p>1) conserve water resources by regularly tracking use, rolling out water-saving programs and equipment, particularly in water-stressed regions;</p> <p>2) promote agro-ecology and offer direct assistance to farmers in adopting more environmentally friendly growing and production techniques.</p> <p>Accor's CSR strategy, Planet 21-Acting Here, is built around four objectives and two priorities chosen in direct response to the social, environmental and societal challenges identified by the Group. This strategy is part of Accor's contribution to the United Nations Sustainable Development Goals (SDGs), especially the Goal 6: Clean water and sanitation regarding water management.</p> <p>The variation of the program in Accor's supply chain is Procurement Charter 21. This Charter requires suppliers to propose and report Accor, products and services allowing it to reduce its direct impact, for example its energy consumption, water consumption, etc. Water pollution is also an important topic, thus Accor also requires suppliers to conduct initiatives to reduce impact on biodiversity through the monitoring of water pollution, for example, by using ecological products who limit chemical waste in water network.</p>

### W6.2

#### (W6.2) Is there board level oversight of water-related issues within your organization?

Yes

### W6.2a

#### (W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	<p>A committee in charge of water-related issues at Board level has been put in place: The Appointments, Compensation &amp; CSR Committee. It comprises seven members, four of whom being qualified by the Board as independent.</p> <p>The Committee examines the orientations of the CSR policy (including water-related topics) and takes note of its results, and also ensures the proper application of the principles of corporate governance and prepares the decisions of the Board of Directors concerning social and environmental responsibility.</p> <p>The Board, in collaboration with the Appointments, Compensation &amp; CSR Committee, has taken one important decision on water issues in the last two years: include in the bonuses of the Company's managers and employees, up to 15%, issues relating to the Group's sustainable development policy that includes water-related topics.</p>

### W6.2b

**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy	The Chief Sustainability Officer provides oversight over environmental topics including water. As a member of the Executive Committee, the CSO regularly reports on the implementation of new initiative and performance reporting in line with corporate targets.  Water topics are also considered within the scope of the Ethics and CSR Committee which holds at least two scheduled meetings per year. Those meetings are an opportunity to review and guide the Group's strategy concerning climate and water-related issues. The results of the Group's sustainable development strategy, Planet 21 and environmental metrics are circulated internally, allowing information to be passed on to the directors without necessarily scheduling a meeting for this purpose.  As part of the regional D&TS (Design & Technical Services), hotel performance programs and water reporting were discussed, and targets were reviewed and validated.

**W6.2d**

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	Two members of Accor's Board of Directors, have competence on water-related issues due to their past professional experience, which is the criteria used to assess their competence.  Accor is planning on implementing a structured competence assessment process to favour a water-competent board in the future.	<Not Applicable>	<Not Applicable>

**W6.3**

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**

**Name of the position(s) and/or committee(s)**

Chief Sustainability Officer (CSO)

**Responsibility**

Assessing future trends in water demand  
Assessing water-related risks and opportunities  
Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

Quarterly

**Please explain**

The Chief Sustainability Officer (CSO) leads the Sustainable Development Department and wider agenda for Accor. In April 2021, Accor appointed a new Chief Sustainability Officer. The CSO reports directly to the CEO, is a member of the Executive Committee and works with multiple departments across the organization, especially Design & Technical Services.

The CSO works in conjunction with the Design & Technical Services team to monitor the Group's water performance. She oversees processes structured by performance objectives and indicators and coordinates sustainable development programs and the related partnerships; coordinating the Planet 21 – Acting Here program; reporting sustainable development information to the CEO.

Planet 21 program's results are regularly reported to the board, among them is the objective to reduce by 4% water consumption per overnight stay, using 2019 as a reference year.

**W6.4**

**(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?**

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

**W6.4a**

**(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?**

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	No one is entitled to these incentives	<Not Applicable>	A bonus on water will be considered in the next two years.
Non-monetary reward	Chief Sustainability Officer (CSO)	Reduction in consumption volumes	Every year, hotel managers indicate the PLANET 21 actions they have implemented in GAIA, the sustainable development management tool. In fact, this tool integrates the "PLANET21 in Action" roadmap (more than 75 CSR actions available) that has been launched in 2016, and offers support to hotels so that they can define their CSR action plan. These actions reflect the sustainable development performance of the hotels including water consumption reduction. Hotels that are particularly efficient in sustainable development are highlighted in the Group, both internally and externally to reward their efforts. They are ranked by levels (Bronze, Silver, Gold and Platinum) and have access to specific communication tools that focus on positive messages for guests. The hotel ranking level (Bronze, Silver, Gold and Platinum) is also highlighted to guests on the Accor booking website. The Planet 21 objective aims to reduce by 4% the water consumption per overnight stay by the end of 2021. New objectives for the coming years are being assessed and will be disclosed soon.

**W6.5**

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

Yes, funding research organizations

**W6.5a**

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

The person in charge of Accor's responsible lobbying is the CSO also in charge of the operational monitoring of the sustainability strategy. The CSO ensures consistency between external engagements and Accor's strategy and is in charge or, at least, aware of every activity that might influence public policy on water topics. Moreover, the sustainability strategy involves every stakeholder including hotel collaborators, headquarters employees and suppliers.

Accor was the first in the hotel industry to complete detailed lifecycle assessments of hotel operations including assessments of water demand. This data provides the foundation for the development of Accor's water policy and operational approach and also provides a resource for engagement with policy makers to ensure that any emerging policies or regulatory conditions are aligned with reducing water impacts and stress in high risk areas.

Any engagement with government officials is governed by Accor's Ethics and CSR Charter which details the protocol for Accor employee engagement with public office holders and government employees. The Charter mentions the Accor Whistleblowing Hotline, tool that can be used in complete confidentiality to report any conduct or situation that may be contrary to this Charter or any laws, regulations according to the Group's internal reporting procedure. It states the sanction or penalties for non-complying with this charter (e.g. disciplinary actions, termination of a business relationship).

**W6.6**

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

Yes (you may attach the report - this is optional)

OPT\_ACCOR\_DEU\_2021\_MEL\_US\_300322 (2).pdf

**W7. Business strategy**

**W7.1**

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	Climate-related risks are an inherent part of the Group's strategy. The climate-related risks identified by the Group include knowledge of current & emerging policy and regulation, consideration of epidemics and pandemics risks, changes in consumer and business client preferences and behavior and extreme weather events and natural disasters. More specifically, in terms of water risks, Accor has identified two major risks which are "Water stress, scarcity of drinking water resources" and "Rising water levels, ocean warming and acidification".
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	Accor's supply chain is impacted by emerging climate risks. Food, energy, and water sourcing could become more and more difficult in the coming years. That is why Accor has taken action in order to mitigate this risk and especially for water by locating all hotels to identify water stress risk and implementing crisis management system.
Financial planning	Yes, water-related issues are integrated	11-15	Regulation, physical risks such as water stress or scarcity of potable water risk and technical opportunities impact significantly on operating costs. Potential increased costs of energy, food, and water due to climate issues are taken into account in the budgeting process of the Group. For example, less than 15% of Accor hotels are located in areas prone to flooding, so extreme precipitation could influence Accor's business by leading to costly repairs and potential reconstruction. For the construction of new hotels, the risk of increased rainfall encourages local authorities to put in practice rainwater harvesting or infiltration requirements, which requires space and limits areas for construction. The location of the assets is therefore a really important factor when assessing their potential vulnerability.

**W7.2**

**(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

**Row 1**

**Water-related CAPEX (+/- % change)**

0

**Anticipated forward trend for CAPEX (+/- % change)**

0

**Water-related OPEX (+/- % change)**

4

**Anticipated forward trend for OPEX (+/- % change)**

3.18

**Please explain**

As Accor's business model is asset light, the CAPEX of the hotels are not under its responsibility as it does not own them. Further to this, Accor's exposure to hotel OPEX cost increases only have an impact on the minority of Accor income lined to hotel bottom line performance.

The change in OPEX is explained by the growth in the penetration rate of equipment for measuring and collecting information on the preservation and responsible use of water resources in our hotels. In 2021, 100% of Accor's hotel respect water flow standard for all showers in faucets and toilets (+1% vs 2020) and 17% of hotels are equipped with rainwater recovery installations and 17% of hotels having grey water recovery systems (-1% vs 2020).

Accor projects a OPEX cost trend for hotels that is in line with the inflation rate for the coming years around 2 to 3%.

**W7.3**

**(W7.3) Does your organization use scenario analysis to inform its business strategy?**

	Use of scenario analysis	Comment
Row 1	Yes	Accor uses climate scenarios including 2030 Scenario (SSP2 RCP8.5), 2040 Scenario (SSP2 RCP8.5) for assessing climate related risks via the WRI Aqueduct Tool. And used for the study of physical impact and their likely consequences for two scenarios: global warming of 4°C by 2100 (IPCC RCP 8.5) and 1.5°C by 2100 (IPCC RCP 2.6).  Accor reviews each year its water footprint and water scarcity situation. Accor has completed assesses on a current situation of water stress and flooding but also based on prospective data to evaluate the possible future situation regarding environmental evolution (Baseline & Future risk indicator).  An analysis of 2448 hotels spread globally using the Aqueduct tool identified that 847 hotels are located in areas with high and extremely high-water stress and 649 hotels are located in areas with high and extremely high risk of flooding. Hotels located in high risk or extremely high-risk areas are projected to increase by 15% from 2019 to 2030.

**W7.3a**

**(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.**

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	<p>A first, in-depth and detailed map of risks related to climate change was established in 2021 (including water-related outcomes) to (i) inform the Accor Group of consequences of climate change on its business, and (ii) improve financial transparency concerning the climate according to recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).</p> <p>Accor assessed climate scenarios including 2030 Scenario (SSP2 RCP8.5), 2040 Scenario (SSP2 RCP8.5) for assessing climate related risks via the WRI Aqueduct Tool.</p> <p>In addition, Accor also assessed the study of physical impacts and their likely consequences in a world with global warming of 4°C by 2100 (IPCC RCP 8.5) and a world restricted to 1.5°C by 2100 (IPCC RCP 2.6).</p> <p>The parameters, assumptions and analytical choices related to this scenario are those that International Panel on Climate Change (IPCC) has developed, with no changes.</p>	<p>Thanks to a third party risk analysis, Accor has identified two major risks which are "Water stress, scarcity of drinking water resources" (it refers to the reduction in water supply and shortages owing either to decisions by local authorities or to desertification) and "Rising water levels, ocean warming and acidification" (it refers to coastal erosion, reduction of tourist areas (coral reefs, etc.) and habitable areas).</p> <p>These two outcomes could impact services to customers, continuity of activity and Accor's supply chain.</p>	<p>Water stress: Accor has acted to mitigate this risk by locating all hotels to identify water stress risk and implementing crisis management system. Accor also supports hotels by closely monitoring the latest water efficiency technology and promote their adoption where appropriate. Accor's technical design standards include water flow standards for toilets and taps to minimize water demand and promote water efficiency. These standards are a mandatory criterion of the Planet 21 program.</p> <p>Water levels: Accor works with hotel owners to interoperate and implement physical measures and operational processes to manage these risks, such as flood emergency plans. These plans also help hotels to recover their operations quickly following a flood event. In addition, the Safety &amp; Security Department tracks the safety and security situation in all host countries daily to share with hotel teams and hotel owners. These practices combined with appropriate business continuity insurance are key to Accor's management of chronic physical risks.</p> <p>These actions are already implemented in the hotels identified as at-risk. It is also considered in the planning and assessment process of new hotel developments.</p>

**W7.4**

**(W7.4) Does your company use an internal price on water?**

**Row 1**

**Does your company use an internal price on water?**

No, but we are currently exploring water valuation practices

**Please explain**

As part of the 2022 new water reporting tool deployment, an internal price on water calculation methodology will be investigated thoroughly using actual and regular feed from hotel water utility invoices.

**W7.5**

**(W7.5) Do you classify any of your current products and/or services as low water impact?**

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Important but not an immediate business priority	With the implementation of the new reporting tool and the support of third party we will be able to measure the impact of water consumption on each products and services within Accor supply chain. This will allow us to classify our products and services according to their impact on water.

**W8. Targets**

**W8.1**

**(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.**

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals Basin specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	<p>The hotel network is the Group's largest consumer of water. Accor has a duty to promote and support the implementation of water efficiency measures in hotels that carry the Accor banner.</p> <p>Accor runs a multi-year water efficiency target program in addition to a year-on-year target program:</p> <ul style="list-style-type: none"> <li>- Multi-year – targets set with a 5 year cycle 2016-2020 (+1 year due to the impact of COVID);</li> <li>- Year-on-year – individual hotel targets reviewed and set annually based on trend and an assessment of further efficiency opportunity.</li> </ul> <p>The setting and monitoring of targets are managed at three levels:</p> <ul style="list-style-type: none"> <li>- hotel level;</li> <li>- consolidation at the hub/regional level; and</li> <li>- consolidation at the global group level.</li> </ul> <p>This target setting and monitoring structure enables the monitoring of performance at all business levels.</p> <p>The monitoring of hotel performance is based on the reporting of water consumption using the Gaïa tool, knowledge of the hotels and their consumption (monitored since 2005), an in-depth analysis of the ratios, taking into account the effects of climate and the occupancy rate for comparability over different years, but also by carrying out benchmarks by brand and by region.</p> <p>The Covid-19 crisis has had a dramatic impact on total water consumption in 2020 and 2021. With the return of economic activity in the various geographic zones, a return to trend is anticipated. Accor is continuing its efforts to minimize the water consumption rebound so that 2019 can be considered the "peak" of its environmental footprint.</p> <p>Accor's 2021 target was to decrease water consumption by 4% per overnight stay, compared to 2019. A 27% decrease was recorded in 2021.</p>

**W8.1a**

**(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.**

**Target reference number**

Target 1

**Category of target**

Water consumption

**Level**

Company-wide

**Primary motivation**

Cost savings

**Description of target**

Due to health crisis, we decided to adopt a year-to-year target for 2021 as we could not quantify the impact the pandemic would have. Our goal for 2021 was to decrease water consumption by 4% per night, compared to 2019.  
A new long-term target will be defined in 2022.

**Quantitative metric**

% reduction in total water consumption

**Baseline year**

2019

**Start year**

2019

**Target year**

2021

**% of target achieved**

100

**Please explain**

Due to the Covid-19 crisis, the target has been exceeded. Accor observed a 27% water consumption reduction between 2019 and 2021.

**W8.1b**

**(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.**

**Goal**

Promotion of sustainable agriculture practices

**Level**

Company-wide

**Motivation**

Shared value

**Description of goal**

Accor is committed in an agroforestry program since 2009: Plant for the Planet. The program encourages guests staying more than one night to reuse their towels. In return, part of a participating hotel's laundry budget savings (water, energy, detergent savings) goes to funding reforestation projects.

As a source of diversified funding, the program is set to be extended to bedding (already in place in Germany, Austria and Switzerland).

In 2015, 96% of our shareholders voted in favor of setting the objective to plant 10 million trees by 2021.

Plant for the Planet became an agroforestry program with the aim of speeding up the transition of agricultural practices to move towards agro-ecology; this ambition includes many innovations in terms of agricultural techniques, cooperation mechanisms and funding sources dedicated to tree planting.

The hotel thus takes concrete action in favor of the environment (including preserving ecosystems and biodiversity) and the local community. It is also a way to reduce Accor's environmental footprint. In addition, the programme provides a powerful tool to communicate and interact with guests, create a sense of cohesion and involve them in a very meaningful act of good citizenship.

**Baseline year**

2015

**Start year**

2015

**End year**

2021

**Progress**

The calculation of the contribution was historically based on an estimate of the amount represented by half of the laundry savings. This complex method of calculation has moved towards a simpler and fairer formula, which retains a comparable participation amount but now considers the activity of the hotel (RevPAR) and its size (available rooms).

From 2016 to the end of 2021, the program supported 37 planting projects around the world. With a goal of 10 millions trees planted by 2021, Plant for the Planet has helped finance in total more than 7.4 million trees since its launch in 2009.

Exceptionally in 2020 and 2021, due to the health crisis, support for the Plant for the Planet program was not mandatory for hotels. Since the funds raised by hotels are directly correlated to the number of guests they receive, the year 2021 was characterized by a significant decrease in the funds available for hotels (as was the year 2020).

Despite this, it is worth noting that 1,318 hotels participated, enabling the financing of the planting of 244,021 trees.

**W9. Verification**

**W9.1**

**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

Yes

**W9.1a**

**(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?**

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	% of water consumption per overnight stay in 2019 2019 Water footprint scopes 1, 2	ISAE 3000	Information on water-related issues are reported and reviewed annually by our independent third party auditor.
W4 Risks and opportunities	Climate and water-related risks (information published within the CSR part of our annual report).	ISAE 3000	Information on water-related issues are reported and reviewed annually by our independent third party auditor.
W8 Targets	% of water consumption per overnight stay relative to 2019	ISAE 3000	Information on water-related issues are reported and reviewed annually by our independent third party auditor.

**W10. Sign off**

**W-FI**

**(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Sustainable Officer (CSO)	Chief Sustainability Officer (CSO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Please select	

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Non-public

Please confirm below

I have read and accept the applicable Terms