



ACCORHOTELS

Feel Welcome

2017 CORPORATE RESPONSIBILITY Report



IMAGINE POSITIVE HOSPITALITY.
BECAUSE WE CARE FOR MILLIONS
OF GUESTS, EACH OF OUR HOTELS
IS A PLANET IN ITSELF AND
EVERY ACTION MATTERS. LET'S
DRIVE THE CHANGE, AND INVITE
THE WORLD TO ACCOMPANY US,
TO BETTER WELCOME THE FUTURE.

FEEL PROUD

FOR US, THERE IS ONLY POSITIVE HOSPITALITY

For over 26 years in Australia, AccorHotels' commitment has always been guided by respect. Respect for the planet we share and for its inhabitants who are our employees, guests and partners. Respect for the communities around us and for the laws and regulations under which we operate.

As Australia's largest hotel operator, we are fully aware of our responsibility as a company and economic player. We have always been fully committed to limiting the negative impacts of our activity and creating tangible benefits for our employees, guests, partners and investors, suppliers, industry players, regulators, local community and the environment.

With our 10,000 employees demonstrating, on a daily basis, their commitment to providing a warm welcome and excellent hospitality for all our guests, we see our corporate responsibility process feeding into every aspect of the AccorHotels business.



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Positive HOSPITALITY



ABOUT THIS REPORT

This is AccorHotels Australia's second Corporate Responsibility (CR) Report covering the 2017 calendar year, January 1st to December 31st.

This report covers AccorHotels Australia's operating company including owned, leased, managed and strata hotels. Reporting of franchise hotels is excluded unless specified.

This report has been prepared in accordance with the GRI Standards: Core option. AccorHotels is committed to continually improving reporting processes so that progress of initiatives can be better monitored.

While the scope of this report is focused on our operations in Australia, we have also referenced broader impacts as part of the AccorHotels Global Group. The Global Group also produces a CR report that forms part of the **Global Group 2017 Registered Document**.



MESSAGE FROM SIMON McGRATH

In 2017 we celebrated the 50th anniversary of AccorHotels globally. Over this time, our company has grown significantly and we now have over 4,300 hotels around the world. In Australia, our business has achieved significant growth and we operate over 200 hotels, comprising some of the world's most recognised brands in the industry, including Sofitel, MGallery by Sofitel, Pullman, Swissôtel, Grand Mercure, The Sebel, Novotel, Mercure, ibis, ibis Styles and ibis *budget*.

We continue to grow locally. In 2017 we made significant additions to the network and opened Sofitel Sydney Darling Harbour, Pullman Adelaide, Pullman and ibis Brisbane Airport and ibis Styles Hobart. We also welcomed Mercure Orange, Mercure Tamworth, ibis Styles Adelaide Manor and Mercure Alice Springs Resort to the AccorHotels family.

As the largest hotel operator in Australia, we are fully aware of our responsibility as a company and economic player. The respect we have for our employees and our guests is what drives our innovation and commitment to providing a positive hospitality experience; one that creates links and positive outcomes for all our guests, people, partners and community while striving relentlessly to reduce our environmental impact.

Contributing to the social and economic development of the local communities in which our hotels are located is a key focus for our Group. To celebrate AccorHotels 50th anniversary, we honoured everyday heroes – men and women such as firefighters, police personnel, volunteers, local residents and community workers – and invited them into our hotels for breakfast and lunch as a way of thanking them for their service. Over 90 hotels around Australia participated in this global event and it was a heart-warming moment for our Group.

Another key moment for AccorHotels in 2017 was the announcement that we would relaunch our Inclusion and Diversity Committee. Our guests and employees are at the heart of everything we do and as a result, the Committee is focused on covering four key pillars: gender and orientation equality, multicultural, cross generational and accessibility and ability. We are proud to share the many stories within our business that attest to our commitment to inclusion for all people, no matter what age, race, sexual orientation or accessibility.

In November 2017, we were very proud to be awarded a Banksia Award for Large Business Sustainable Leadership in recognition of our commitment and actions in the area of sustainability. It was very rewarding to be recognised for our work in the field and it is a reflection on the work of our employees and their dedication to reducing the impacts associated with our operations.

At a time when our industry and our Group is undergoing extensive transformation, more than ever, we will continue to evolve and grow while remaining true to our values and heritage as we undertake our sustainability journey. Our vision of hospitality is best expressed through the simplicity and warmth of our tagline, 'Feel Welcome'.

Simon McGrath

Chief Operating Officer, AccorHotels Pacific



CORPORATE PROFILE

AccorHotels is a group united by a shared passion for hospitality and driven by a shared promise to make everyone 'Feel Welcome'.

In Australia, AccorHotels is operated by AAPC Limited (AAPC), an Australian public company limited by shares. AAPC Limited manages a substantial portfolio of assets through its subsidiaries. AAPC Limited's ultimate holding company is Accor SA, a company listed on the French stock exchange.

Globally, AccorHotels is **250,000 women and men** in over **4,336 establishments** who look after thousands of guests every day in **104 countries**. Two new hotels open globally every three days.

As the largest operator of hotels in Australia, AccorHotels employs more than **10,000 women and men**, across **208 establishments** representing **29,115 rooms**, to look after more than 9 million business and leisure guests each year across every Australian state and territory.

AccorHotels is the world's, and Australia's, **leading hotel operator** and offers its customers, partners and employees:

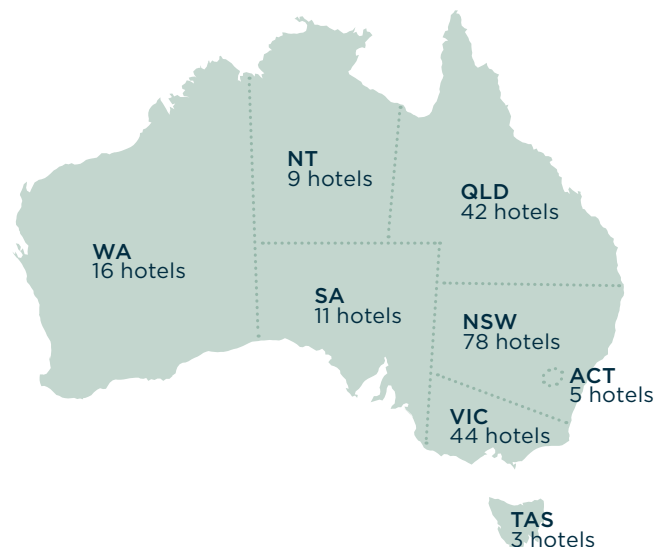
- A large portfolio of internationally renowned brands covering the full spectrum, with luxury and upscale (Raffles, Fairmont, Sofitel, MGallery by Sofitel, Pullman, Swissôtel, Grand Mercure, Quay West,

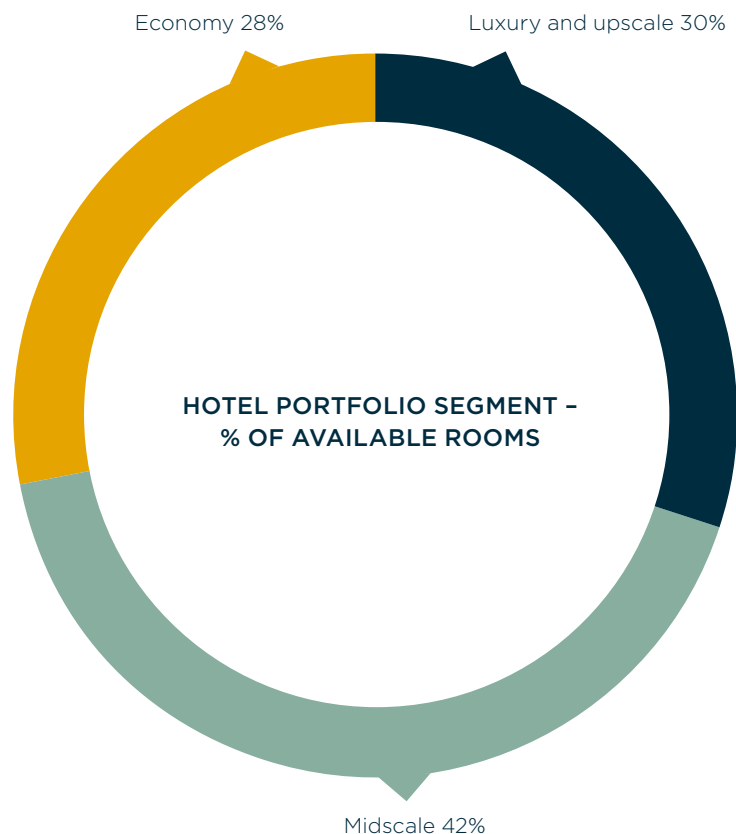
The Sebel), midscale (Novotel, Mercure), lifestyle (Mama Shelter, 25hrs Hotels, Jo&Joe) and economy (ibis, ibis Styles, ibis budget) establishments.

- A powerful marketplace and loyalty program - Le Club AccorHotels.
- 27 years of commitment to corporate citizenship and solidarity with the Planet 21 program in Australia.

ACCORHOTELS AUSTRALIAN NETWORK

208 HOTELS 29,115 ROOMS 12 BRANDS





DIFFERENTIATED OPERATING STRUCTURES

AccorHotels has five main operating structures - franchise agreements, management rights schemes (strata hotels), management contracts, leases and ownership. As part of the Group's organisation into the HotelInvest and HotelServices businesses, all of the owned and leased hotels are integrated into the HotelInvest portfolio and are operated by HotelServices under management contracts.

FRANCHISE AGREEMENTS: Franchised hotels are operated by their owners. AccorHotels provides various services to its franchisees, such as the use of its brands, first and foremost, and access to the Group's centralised booking system. The other services offered to hotel owners include access to the centralised purchasing system and to AccorHotels Académie for employee training. AccorHotels is remunerated for these services via fees, including base fees, sales and marketing fees, as well as through the invoicing of additional services, where applicable. 38% of the Australian network is under franchise agreements.

STRATA: Strata hotels are operated by AccorHotels for individual apartment owners who together form a 'letting pool'. The hotel often includes the reception desk and food and beverage facilities. AccorHotels receives a

management fee from the apartment owners for the management of their apartments. To be consistent with global reporting structures, Strata hotels are included in managed properties.

MANAGEMENT CONTRACTS: Hotels under management contracts are similar to franchised hotels in that personnel are generally employed directly by the hotel (except for the general manager who is, in most circumstances, an AccorHotels employee). AccorHotels only records the fees paid by the owner and not the hotel's revenue. However, these hotels are managed by AccorHotels. The fees received include a base fee plus sales and marketing fees similar to those paid by franchisees, as well as a management fee corresponding to a percentage of revenue and, in some cases, an incentive fee subject to performance criteria.

LEASES: The income statements of leased hotels are fully consolidated by AccorHotels, which pays rent to the owner. The rent can either be fixed or variable. Fixed rent corresponds to a percentage of asset value, while variable rent is usually indexed to the hotel's revenue. For some hotels, the rent paid by AccorHotels corresponds to a percentage of the hotel's EBITDAR.

OWNERSHIP: Owned hotels are fully consolidated. While AccorHotels only receives fees from franchised and managed hotels, it records all of the operating income and expenses in its accounts for owned and leased hotels.



OTHER BUSINESSES

Other businesses include the Accor Vacation Club holiday program, Accor Plus loyalty program and Qantas Lounges managed by AccorHotels. The commercial activities of AccorHotels New Zealand, Pacific and Japan also report through AccorHotels Australia. None of these entities are covered by this report.

CHANGES TO OPERATIONS

There were no significant changes to the legal structure or supply chain of the organisation during 2017. A portfolio of 31 Australian leased hotels were transitioned to management agreements. This is in line with the Group stated strategy to optimise cash flow generation, reduce earnings volatility and restructure lease contracts into owned and managed hotels. The change has implications for reported financial results of the Group.

	2013	2014	2015	2016	2017
Total hotels (inc. franchises)	194	196	203	207	208

OUR VALUES

Our values are embodied every day in our behaviour and in our relationships with all of our stakeholders, both inside and outside the organisation. They guide our leadership methods and our actions and give meaning to our efforts, providing us with a universal frame of reference in a fast-changing world. We are expected to understand these values, which are the bedrock of the Group's identity, and to embrace, express and share them to ensure that they are demonstrated by all employees. By setting the example, we each have an essential role to play in making these values a strong, living force in our corporate community.

GUEST PASSION

Hospitality is our trade, pleasing people is what drives us. Our guests are the driver of our decisions, of our actions. We put them first, we care for them. We go the extra mile for them. We enjoy doing it.

INNOVATION

We heard it was impossible, but together we did it. We stand for bringing guests' dreams to life. We dreamed it, we did it, they love it. We are curious, we welcome ideas. We are free to try, to test, to learn.

SUSTAINABLE PERFORMANCE

We stand for creating value, for as many as possible, over the long term.

TRUST

We believe in natural kindness. We support and value each individual and acknowledge their value. We deliver on our commitments. We say what we do, we do what we say.

SPIRIT OF CONQUEST

Our guests are globetrotters and so are we. We want to be where they want to be. We explore, we initiate and we develop. We are ambitious for our guests. We make the impossible possible, we have fun doing it.

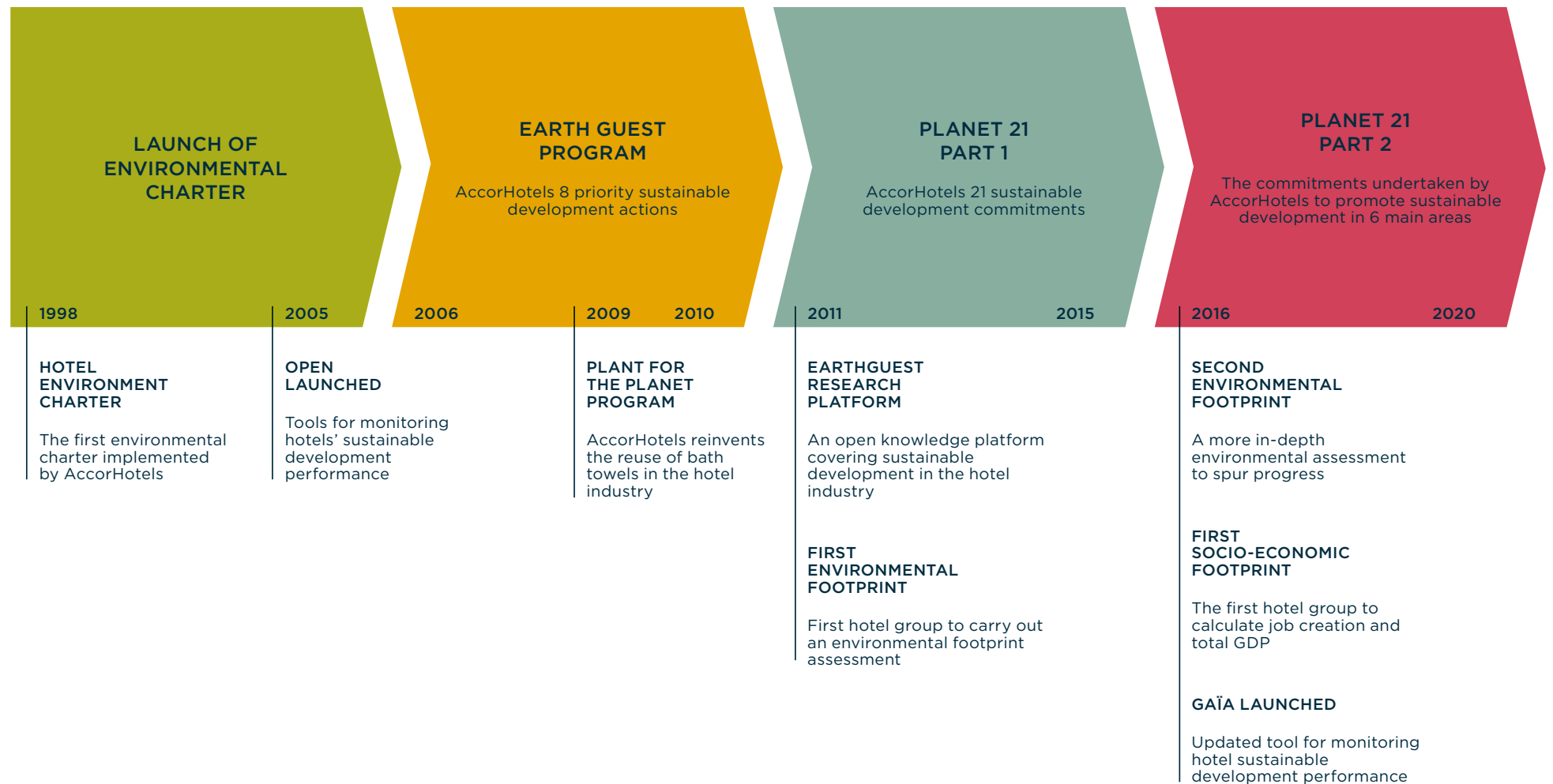
RESPECT

We are connected with the world and to others. We enjoy the mix of cultures. We are proud of our differences. We put you first and we value you, whoever you are. We care for the planet.



SUSTAINABILITY MILESTONES

HISTORY OF ACCORHOTELS' SUSTAINABILITY APPROACH





MILESTONES OF 2017

<p>WINNERS OF BANKSIA FOUNDATION AWARD - 2017 LARGE BUSINESS SUSTAINABLE LEADERSHIP AWARD</p>	<p>ROLLOUT OF THE 2016-2020 PLANET 21 PROGRAM</p>	<p>\$750,000 RAISED FOR ACCORHOTELS COMMUNITY FUND</p>	<p>INDIGENOUS EMPLOYEES MAKE UP 5.3%* OF WORKFORCE</p>	<p>PLANTED AND FUNDED 14,013 TREES NATIONALLY VIA PLANT FOR THE PLANET</p>	<p>FEMALE GENERAL MANAGERS - REACHED 36%</p>	<p>SIGNED ON AS OFFICIAL ACCOMODATION PARTNER FOR SYDNEY GAY & LESBIAN MARDI GRAS 2018</p>
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* Excludes franchise hotels.

KEY LOCAL AND INTERNATIONAL AWARDS AND RECOGNITION

AUSTRALIAN AWARDS

- Banksia Foundation Award - 2017 Large Business Sustainable Leadership Award. The Banksia Awards are facilitated by the Banksia Foundation, a not-for-profit organisation dedicated to the recognition of excellence in sustainability. The awards are the most prestigious and longest running sustainability awards in Australia and reward Australian individuals, communities, business and government for innovation, achievement and commitment to sustainability.
- Hotel Industry, HM Award 2017:
 - Simon McGrath, Australasian Hotelier of the Year
 - Australian Traveller Magazine People's Choice Award 2016: Best Value Hotel Chain
 - Service to Community - Race to Survive Kokoda Trail



NOTABLE GLOBAL AWARDS

- 2017 Annual Freddie Awards: Program of the Year and Best Promotion - Le Club AccorHotels



SUSTAINABILITY INDICES AND REPOSITORIES

AccorHotels is listed on a number of different indices and standards worldwide:

- Euronext Vigeo Europe 120, Euronext Vigeo Eurozone 120
- FTSE4Good
- Ethibel Sustainability Index (ESI) indices Excellence Europe
- STOXX: EURO STOXX and STOXX 600 Low Carbon, EURO STOXX and STOXX Global Reported Low Carbon, EURO STOXX and STOXX Europe Sustainability, STOXX Europe and STOXX Global Climate Impact Ex Global Compact, STOXX Global 1800 Low Carbon, STOXX Global Reported Low Carbon, STOXX Global ESG Environmental Leaders, STOXX Global ESG Governance Leaders, STOXX Global ESG Impact, STOXX Global ESG Leaders, STOXX Global ESG Social Leaders
- Standard Ethics French Index
- MSCI ACWI ESG Leaders Index and MSCI ACWI SRI Index

AccorHotels is also recognised by a number of non-financial organisations:

- Since 2006, the Global Group has participated in the CDP carbon reporting program. This international organisation asks corporations on the integration of climate change in their strategy, their approach to the carbon constraint and their performance in terms of greenhouse gases. In 2017 the Group received the CDP Carbon rating: A-
- Oekom rating: Premium
- Ecovadis rating: Advanced
- Sustainalytics rating: Overall ESG score 78; Leader performance (highest level)



- AccorHotels received the Silver Class Sustainability Award 2017 based on its score at the RobecoSAM's Annual Corporate Sustainability Assessment (CSA).

AccorHotels Australia has been declared in conformity with the Workplace Gender Equality Act 2012 by the Agency Workplace Gender Equality Australian Government.



COMMERCIAL PERFORMANCE SUMMARY

As Australia's largest hotel operator with a considerable network of hotels nationally, the activities of the Group deliver economic benefits to our shareholders and stakeholders.

A summary of economic value generated by the Group and related metrics are provided below. A portfolio of 31 Australian leased hotels were transitioned to management agreements. This is in line with the Group stated strategy to optimise cash flow generation, reduce earnings volatility and restructure lease contracts into owned and managed hotels. The change has implications for reported financial results of the Group.

ECONOMIC VALUE*

(\$,000)	2012	2013	2014	2015	2016	2017
Direct economic value generated	515,331	484,429	470,302	496,021	490,594	312,651
Economic value distributed						
Operating costs ¹	(325,981)	(246,940)	(276,431)	(302,421)	(274,553)	(180,749)
Employee wages and benefits ²	(159,027)	(140,080)	(141,181)	(143,206)	(148,544)	(80,920)
Payments to providers of capital	-	-	(110)	(23)	-	(168)
Payments to government ³	(11,646)	(16,921)	(17,508)	(6,560)	(15,425)	1,677
	(496,654)	(403,941)	(435,230)	(452,210)	(438,522)	(260,160)
Economic value retained	18,677	80,488	35,072	43,811	52,072	52,491

* The economic values reported reflect the results of the Australian Group. Economic value noted excludes managed and franchise hotels and the result of Accor Vacation Club and Accor Plus. **1** Operating costs includes some community investments. Please refer to separate table detailing AAPC Limited's community investments. **2** Employee wages and benefits excludes Fringe Benefits Tax (FBT) and Payroll Taxes, which have been included within payments to government. **3** Represents income tax expense, Fringe Benefits Tax (FBT) and Payroll Taxes. All other payments to government are reported within operating costs.

ACCORHOTELS AUSTRALIA COMMERCIAL POLICY

As a matter of policy, AccorHotels complies with the local tax laws and regulations of the Group's host countries. Tax issues are part of a risk management policy that is operated by the Group Tax Department in conjunction with the Audit Department. Documentation on tax positions is consulted, advice is sought from external consultants and dialogue is initiated with the tax authorities to safeguard the Group from these risks. The Group is always pro-actively watching out for a broad range of changes relating to tax matters (both legislative and regulatory). The Group is also involved directly, or through industry associations, in dialogue with the tax and legislative authorities in order to create an environment that is conducive to growth. The Audit Committee studies how tax policy could impact stakeholders.

TOTAL REVENUE STATISTICS

(\$,000)	2012	2013	2014	2015	2016	2017
Managed	915,330	1,071,042	1,058,169	1,091,877	1,125,714	1,397,143
Owned and leased	308,742	304,587	300,617	307,679	308,466	147,747
	1,224,072	1,375,630	1,358,786	1,399,556	1,434,181	1,544,890

COMMUNITY INVESTMENTS

(\$,000)	2012	2013	2014	2015	2016	2017
AccorHotels Community Fund and Race to Survive*	260	500	-	500	83	500
Plant for the Planet	15	-	38	93	146	175
Indigenous Employment Program	168	256	168	922	954	820
Other donations	69	22	22	2	49	13
	512	778	228	1,517	1,232	1,508

* Includes the Race to Survive. In 2014 and 2016, the Race to Survive was hosted in Fiji. Consequently, funds raised have not been reported in the above table.



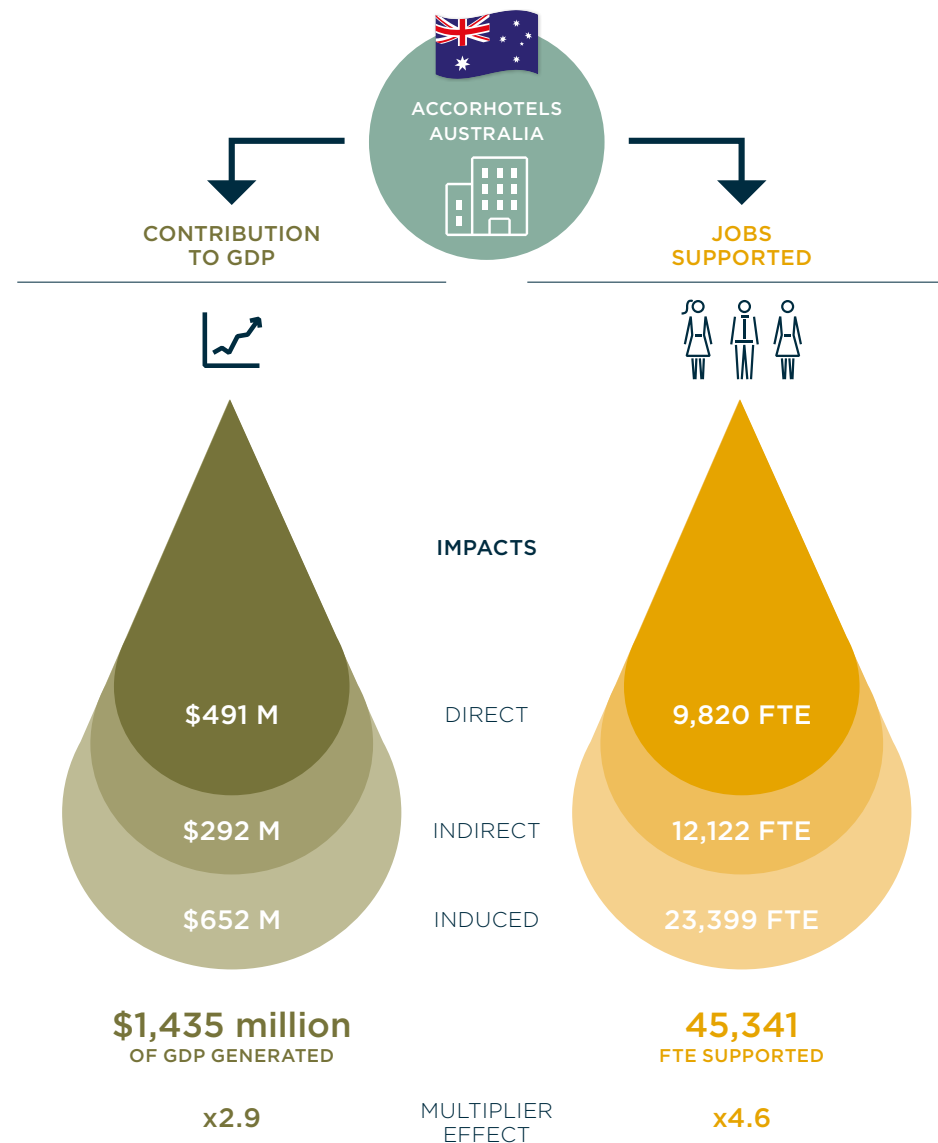
FINANCIAL ASSISTANCE RECEIVED FROM THE GOVERNMENT

(\$,000)	2012	2013	2014	2015	2016	2017
Indigenous Employment Program	100	46	1,746	296	27	527

SOCIOECONOMIC FOOTPRINT

In 2016, AccorHotels commissioned research into its socioeconomic footprint. The research is based on the principle that AccorHotels' impacts are not limited solely to the field of its own business activities but have consequences for the wider economy. This makes it possible to obtain a more accurate picture of the Group's true economic contribution to the Australian economy, including the total number of jobs supported by owned, leased and managed hotels.

The diagram on the right shows that for every \$1 generated directly by the Group in Australia, \$2.90 is generated for the economy. For every job created within AccorHotels in Australia during 2016, 4.6 jobs are supported. The activities of AccorHotels franchise and managed hotels deliver additional benefits on these reported numbers.





Vision, Commitments
and **APPROACH**



COMBINING BUSINESS WITH SUSTAINABLE DEVELOPMENT

IMAGINE POSITIVE HOSPITALITY – THE ACCORHOTELS CR MANIFESTO

Because we care for millions of guests, each of our hotels is a planet in itself. Let's drive the change and invite the world to accompany us, to better welcome the future.

AccorHotels has a simple mission: to welcome guests and provide them with lodging and meals around the world. The first, inherent to any company, is to make a profit. The second, is an expression of awareness of global challenges which demands that economic players, in particular major groups like AccorHotels, the sector leader, assume new responsibilities such as sharing the value they create, nurturing fair and equitable stakeholder relations, integrating social responsibility and environmental considerations into their business practices and the opportunities and constraints inherent in the ever-increasing digitisation of the economy.

AccorHotels has stepped up the changes it made to its business and corporate culture. With its 'Leading Digital Hospitality' plan, 'Food and Beverage' plan and new values, the Group focused on innovation and also renovation of its fundamentals. Indeed, AccorHotels embraced change by reworking its values. Its 'Passionate about Guests' value embedded the process and highlighted the importance it places on customer relations, a key part of the Group's guest care policy; the 'Performance' value became 'Sustainable Performance' to mark the Group's quest to create long-term positive value for the greatest number.

By placing sustainability at the core of its values, AccorHotels is committing to making CR an integral part of its operating model. Another major move in this direction: the environmental and social performance criteria defined in 2016 will be used to calculate the variable portion of the salary of all qualifying employees.

In this way, the AccorHotels CR process is helping to change the Group. During 2017, implementation of the Planet 21 program across the Australian network built further momentum with hotels rolling out many more initiatives and improving their Planet 21 ratings with the objective of realising our 2020 commitments. The Planet 21 program is designed to support each of the Group's assets which play a major part in value creation: its human capital, its brand portfolio and digital expertise, its buildings and its relations with its business partners, society in general and local communities.



MATERIALITY MATTERS

Through our regular assessments of stakeholder feedback and industry trends, AccorHotels gains an understanding of the issues that matter most to our key stakeholders; our people, guests, partners and investors, suppliers, industry players, regulators, local community and the environment. This ensures we can direct our efforts to respond in the most effective way to the most pressing emerging risks and opportunities. During 2016, the AccorHotels Global Group published the results of three key research reports which reviewed the activities of Group. The three reports are:

- **Socio-economic footprint of AccorHotels;**
- **Environmental footprint of AccorHotels;** and
- **Guest study.**

These publicly published reports together map the social, environmental and economic material factors and the complexity of the supply and value chain. The reports provide a key reference for the ongoing assessment of material issues.

In preparing this report, the Global Group materiality topics and ratings were combined with an assessment of local material topics. The assessment focused on:

- identifying stakeholder concerns, expectations and determining their degree of importance;
- benchmarking the performance of AccorHotels against industry practices; and
- measuring the impact of stakeholder expectations on AccorHotels business, either financially or in terms of reputation.

AccorHotels is committed to continuing to improve the identification and management of material issues relevant to our stakeholders.



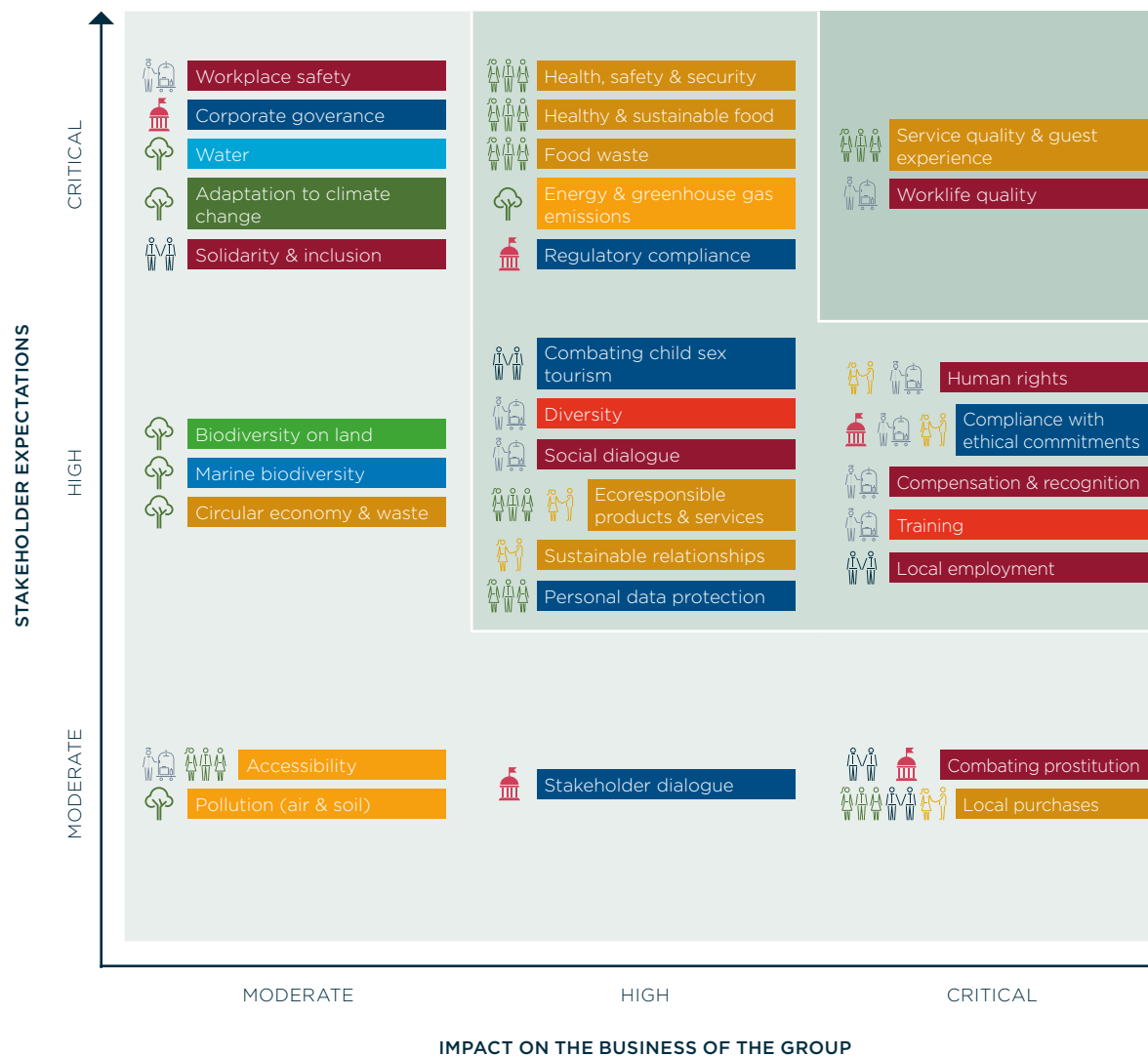


The materiality matrix on the right highlights the results of the materiality assessment and their assessed rating for the Group in Australia and globally. Service quality and the guest experience and worklife quality are the two highest-ranking issues, reflecting the importance of people in the hospitality industry. The analysis also demonstrated that AccorHotels must address many challenges in the three core topics of CR, with a greater emphasis placed on employment issues, followed by social and environmental concerns.

This analysis was updated in 2017 and examined from the perspective of the UN Sustainable Development Goals (SDGs), to which the AccorHotels Group contributes through its activities and CSR strategy, Planet 21 'Acting Here'. Material topics are colour coded against the SDGs as detailed on page 26.

In 2018, the risk map for ethical and CSR issues will be comprehensively updated on the basis of that materiality analysis. During this process, AccorHotels' new businesses will be fully taken into account.

MATERIALITY MATRIX



- Employees
- Suppliers
- Environment
- Guests
- Local communities
- Public authorities and civil society



INTERACTION WITH STAKEHOLDERS

Following consultation with Global Group Departments, AccorHotels has developed stakeholder maps to help identify its stakeholders, determine the type of dialogue fostered with each and compare stakeholder and corporate views on various CR issues. AccorHotels maintains constant communication with key stakeholder groups as detailed throughout this report. This diagram provides an overview of the main stakeholders identified and the key topics associated with each.

SHAREHOLDERS & FINANCIAL COMMUNITY

- Dividends, interest, fees
- Stock performance, stability of stakeholder base, financial capacity
- Appeal of social responsible investment (SRI), governance including CR

PUBLIC AUTHORITIES

- Taxes
- Compliance, cooperation
- Local buy-in

GUESTS

- Sales
- Loyalty, enriched guest experience, authenticity / personalisation
- Guest involvement in CR initiatives, 'sustainable' guest experience

DEVELOPMENT PARTNERS

- Franchisees, owners of managed hotels:** Franchise fees, management fees, marketing fees
- Property investors (hotel property owners):** Rent
- Appeal / differentiating factors, new services offered
- Strong CSR and ethical standards, offering CR services

EMPLOYEE

- Wages, social security contributions, profit-sharing, employee stock ownership
- Operational excellence, loyalty, customer service
- Wellbeing at work, engagement, diversity

SUPPLIERS & BUSINESS PARTNERS

- Procurement, commissions, fees, subsidies
- Cost management, innovation
- Optimisation of resource use, co-innovation

Expenditure and earnings

- Appealing brands, strong digital traffic, network growth, new markets
- Engaged brands and brand content, licence to operate, CR innovation
- Wealth management, restructuring
- 'Green' buildings

LOCAL COMMUNITIES ENVIRONMENT

- Corporate philanthropy, donations, partnership
- Local acceptance, offering local services, appeal of regions
- Managing scarcity of resources (water, power, raw materials, food) and the 'carbon' constraint
- Support for local economy, solidarity, sustainable tourism
- Programs for reducing environmental impacts

Cash flows from AccorHotels to stakeholders (as % of revenue)

Cash flows from stakeholders to AccorHotels (as % of revenue)

Value creation lever for AccorHotels

CR levers that strengthen value creation



COMMITMENTS SUPPORTED BY THE ETHICS AND CSR CHARTER

Resolutely driven by an ambition of responsibility and sharing of value, AccorHotels works in a spirit of compliance with ethical principles and applicable laws and regulations and strong commitments to its various stakeholders. The Charter, backed by the Group's six values, affirms this ambition and frames AccorHotels' approach to accountability. The Charter inspires all of AccorHotels socially responsible policies and guides the Group's

responsibility process, in the areas of management ethics, integrity, compliance and CR. To help employees put these fundamental principles into practice, the Charter includes real-world examples of situations they could encounter and describes the right way to handle them. Endorsed by the Chairman and Chief Executive Officer of the Global Group, the Ethical and CSR Charter presents all the 'extra-financial' policies of the Group.



OUR VALUES > ETHICAL AND CSR CHARTER

COMPLIANCE

Compliance with regulations

Business ethics, labour laws, human rights, data privacy

COMMITMENTS

Beyond regulatory requirements

Company policy, Planet 21, Solidarity AccorHotels

The Ethics and CSR Charter is available both internally on the Group internet and externally on the [Global Group website](#).

The AccorHotels Global Group, Ethics and CSR Charter and related policies reference the following texts: The principles of the 1948 Universal Declaration of Human Rights; The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises; The 10 principles of the United Nations Global Compact; The fundamental international conventions of the International Labour Organisation (Convention on the Elimination of All Forms of Racial Discrimination (1966); Convention

on the Protection of the Rights of Immigrant Workers and Members of Their Families (1990); The Convention on the Rights of the Child (1989); Convention concerning the Worst Forms of Child Labour; International Convention on Forced Labour (1957)); The Conventions of the United Nations (Convention for the Suppression of the Traffic in Persons and of the Exploitation of the Prostitution of Others (1949); The Convention on Economic, Social and Cultural Rights (1966); Convention against Transnational Organised Crime; Financial Action Task Force (FATF) and United Nation Sustainable Development Goals.



PLANET 21 2016-2020 'ACTING HERE'

A RENEWED VISION AND ROAD MAP FOR HOTELS

Planet 21 in Action is the name of AccorHotels' Global Group Sustainable Development program, referred to as Planet 21.

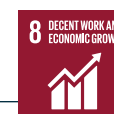
The program establishes 18 commitments for 2016-2020 across the six focus areas of guests, partners, people, communities, food and buildings. The framework reflects the key stakeholder identified by the Group. The program continues and builds on the results of the 2011-2015 Planet 21 program.



- Every year, one major innovation to interact with our guests around sustainable development
- 100% of our hotels implement Planet 21's 16 mandatory actions
- 10 key hospitality product categories are eco-friendly (owners and nominated suppliers)



Engage our **GUESTS** in sustainable experiences



- Every year, one major innovation to develop alternative and responsible models
- Our 'CSR and ethical risk management' process is deployed among 100% of our partners (owners and nominated suppliers)



Co-innovate with our **PARTNERS** to open new horizons



- The employee engagement index increases every year
- Each country implements a health / wellbeing at work program
- 35% of hotels' General Managers are women by 2017
- Employees' perception of the Group's high level of CSR engagement is increasing CSR index



Act as an inclusive company for our **PEOPLE**



Work hand-in-hand with local **COMMUNITIES** for a positive impact

- 100% hotels engaged in a citizen or solidarity project
- 100% of our hotels implement our program against child sexual exploitation
- 10 million trees planted with out Plant for the Planet program by 2021



Strive for zero food waste and healthy sustainable **FOOD**



- -30% of food waste
- 100% of our restaurants follow our charter on healthy and sustainable food
- 1,000 urban vegetable gardens in our hotel



Move towards carbon neutral **BUILDINGS**

- 100% of renovated or new hotels are low carbon buildings (owned and leased hotels)
- -5% of energy consumption per room and -5% of water consumption per night by 2018 (owned, leased and managed hotels)
- 65% of waste from hotel operations is recovered in our hotel





COMMITMENTS

As part of the 2016-2020 program, AccorHotels has established 16 mandatory actions for hotels to achieve a Planet 21 status. Hotels have the opportunity to implement a further 65 actions, each designed to improve each hotel's social, economic and environmental performance. With each action, hotels earn points to obtain a Planet 21 rating level from Bronze to Platinum displayed publicly on AccorHotels.com.






During 2016, the new Planet 21 program was rolled out to hotels which then self-assessed based on the new criteria to determine their current rating and targets set for 2017 and 2018. The below table summarises the progress towards the defined targets. New South Wales / Australian Capital Territory and Queensland / Northern Territory made progress in line with targets. Victoria / Tasmania / South Australia, Western Australia and the Franchise hotel network require additional focus.

	NSW / ACT				QLD / NT				VIC / TAS / SA				WA				Franchise	
	2016 Results	2017 Target	2017 Results	2018 Target	2016 Results	2017 Target	2017 Results	2018 Target	2016 Results	2017 Target	2017 Results	2018 Target	2016 Results	2017 Target	2017 Results	2018 Target	2016 Results	2017 Results
Number of reporting hotels	50	-	51	-	35	-	36	-	28	-	27	-	13	-	13	-	13	69
No rating	-	-	6%	-	3%	3%	3%	-	14%	30%	59%	15%	31%	33%	54%	-	31%	84%
Bronze	26%	-	-	-	6%	17%	8%	10%	29%	14%	7%	8%	23%	-	8%	-	23%	4%
Silver	52%	100%	80%	26%	74%	55%	67%	60%	39%	19%	30%	7%	38%	59%	38%	68%	38%	12%
Gold	22%	-	14%	74%	17%	25%	19%	30%	18%	33%	41%	33%	8%	8%	-	32%	8%	-
Platinum	-	-	-	-	-	-	3%	-	-	4%	-	37%	-	-	-	-	-	-





COMMITMENT ROADMAP UPDATE


The table on the following three pages provides a summary of AccorHotels Australia's progress towards the 18 global and local commitments for 2020.

6-Axis	2020 Global Group Key Commitments and Road Map	Australia Results		Comments
		2016	2017	
 <p>Act as an inclusive company for our PEOPLE</p>	The employee engagement index increases every year	68%	68%	Employee engagement remained steady in 2017. Participation in the assessment remained high at 92% compared with 94% (2016).
	Each country implements a health / wellbeing at work program	Implemented		Rolled out during 2016, stage one of an updated health and wellbeing program has been implemented.
	35% of hotels' General Managers are women by 2017; the Australian target is 50% by 2018	33%	36%	The percentage of women Hotel General Managers increased during 2017 with significant progress toward the 2018 target.
	Employees' perception of the Group's high level of CSR engagement is increasing CSR index	-	-	The Global Group has reported that employee perception of Group commitments has increased by five points, from 76% in 2016 to 81% in 2017.
 <p>Engage our GUESTS in sustainable experiences</p>	Every year, one major innovation to interact with our guests around sustainable development	-	-	The Global Group launched this project in 2016 and the implementation continued in 2017. Effort during the year focused on methods for engaging guests in sustainable development topics. The Give a Tree campaign provided guests with the opportunity to purchase and gift trees to friends and family. The action was shareable on social media with a story about the rehabilitation project supported.
	100% of our hotels implement Planet 21's 16 mandatory actions	94%	79%	Audits conducted of Planet 21 reporting during 2017 focused on the quality of compliance. The audits resulted in the re-rating of a number of hotels and a net decline in Bronze ratings.
	10 key hospitality product categories are eco-friendly (owners and nominated suppliers)	-	4/10	Green criteria for 10 products have now been defined and embedded within the Procurement and Brand standards. Going forward the criteria will be included in the specification process for new contracts.
 <p>Co-innovate with our PARTNERS to open new horizons</p>	Every year, one major innovation to develop alternative and responsible models	-	-	Participation in the Univariate student hackathon program saw four university teams explore how best to expand the use of vegetable gardens across the Australian hotel network. Teams were asked to consider garden design, cost, productivity and guest engagement in developing their solutions.
	Our 'CSR and ethical risk management' process is deployed among 100% of our partners (owners and nominated suppliers)	97%	97%	The percentage of nominated suppliers signing the AccorHotels Procurement Charter 21 remained unchanged at 97%.



6-Axis	2020 Global Group Key Commitments and Road Map	Australia Results		Comments	
		2016	2017		
 <p>Work hand-in-hand with local COMMUNITIES for a positive impact</p>	100% hotels engaged in a citizen or solidarity project	25% of hotels organised a Planet 21 or Solidarity event. 70% of hotels had fundraising activities in place.	69% of hotels organised a Planet 21 or Solidarity event. 74% of hotels have fundraising activities in place.	-	
	100% of our hotels implement our program against child sexual exploitation	97% of hotels implemented the Global Group WATCH program.	84% of hotels implemented the Global Group WATCH program.	-	
	10 million trees planted with out Plant for the Planet program by 2021	11,633 trees funded	14,013 trees funded	To date 46,763 trees have been funded by the Australian hotel network for planting by our local project partner Greening Australia. Globally, the program during 2017 increased the total number of trees funded to nearly 800,000 due to a stronger mobilisation of hotels, the introduction of alternative financing models and the the contribution of the Fairmont, Raffles and Swissôtel hotels.	
 <p>Move towards carbon neutral BUILDINGS</p>	100% of renovated or new hotels are low carbon buildings (owned and leased hotels)	-	-	The Global Group focused on establishing a definition for low carbon hotels. Work on the first wooden frame hotel, seeking BBKA certification also commenced. Locally, Sofitel Sydney Darling Harbour, which forms part of the International Convention Centre Sydney precinct, received the highest available rating for master-planned precincts in Australia, demonstrating world leadership by achieving a 6 Star Green Star Communities (v1) rating from the Green Building Council of Australia (GBCA).	
	-5% of energy consumption per room and -5% of water consumption per night by 2018 (owned, leased and managed hotels)	1.23% reduction in energy consumption year-on-year.	3.2% reduction in energy consumption year-on-year.	Significant progress achieved toward 5% energy consumption reduction target by 2018.	
	65% of waste from hotel operations is recovered in our hotel	No current data.		A new reporting tool was trialed during 2017. An updated version two of the tool will be rolled out globally during 2018.	








6-Axis	2020 Global Group Key Commitments and Road Map	Australia Results		Comments
		2016	2017	
 Strive for zero food waste and healthy sustainable FOOD	-30% of food waste		Program trialled by three hotels that achieved 30-50% reductions.	Participating hotels have achieved results of 30-50% reductions in food waste generation. In line with the Global Group commitments for 2020, the program is being rolled out to the Australian hotel network.
	100% of our restaurants follow our charter on healthy and sustainable food		6 hotels	Formally launched to hotels nationally in mid -2017, six hotels had implemented all 21 Charter actions at the end of the year.
	1,000 urban vegetable gardens in our hotel	16 hotels	33 hotels	The number of hotels with vegetable gardens increased during 2017 with many hotels identifying great ways to engage guests with the produce.







UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations has set 17 Sustainable Development Goals (SDG) for 2030. AccorHotels has identified seven goals to which it contributes and the associated goals set by the Group. A detailed table of the contributions of the Group to the SDGs can be found in the Global Group's [2017 Registered Document](#).

  Main Contribution and Commitments of AccorHotels		
Employee		<p>AccorHotels has a strong commitment to gender equality. It has signed the UN's Women's Empowerment Principle and is an Impact Champion in the HeForShe Program.</p> <p>>> GOAL: 35% of hotel manages will be women by 2017. (This commitment was realised during 2017 with the total reaching 36%. AccorHotels Australia has now committed to target 50%).</p>
Guests		<p>In order to roll out ecological design on a large scale, AccorHotels has defined sustainable development criteria for the 10 families of products that are key to its business. The criteria identified include prohibiting the use of certain chemicals, using recycled materials, green labelling of products and using wood or paper products that do not result in deforestation.</p> <p>>> GOAL: 10 key product families of our line of hotel products will be green by 2020.</p> <p>In terms of waste management, AccorHotels has adopted a strict policy: all hazardous materials must be processed appropriately; waste is sorted and its use is maximised through the promotion of circular economic initiatives; and the quantity and volume of waste, especially food waste, is reduced through an ambitious reduction program.</p> <p>>> GOAL: 30% reduction in food waste by 2020.</p> <p>>> GOAL: 65% of waste from hotel operations will be recovered and reused by 2020.</p>
Partners		<p>The reference framework for the Ethics and CSR Charter expresses the Group's commitment to systematically complying with laws and regulations in effect and with important international fundamental principles, such as the United Nations Global Compact, Conventions of the International Labour Organisation (ILO) or the principles of the Universal Declaration of Human Rights.</p> <p>>> GOAL: Our CSR and ethical risk management process will be deployed among 100% of the Group's partners (owners and approved suppliers) by 2020.</p>



Main Contribution and Commitments of AccorHotels

Communities		<p>Our partnership with ECPAT and the WATCH (We Act Together for CHildren) program are a testament to AccorHotels' commitment to fighting the sexual exploitation of children.</p> <p>>> GOAL: 100% of the hotels in the Group will have implemented the program to fight against child sexual exploitation by 2020.</p>
Buildings		<p>To contribute to the lofty goal set by the Paris Agreement for a massive reduction in greenhouse gases worldwide, AccorHotels has begun the transition process for all its hotels.</p> <p>>> GOAL: 100% of new builds and renovations will be low carbon by 2020 (owned and leased hotels).</p> <p>>> GOAL: 5% reduction in energy consumption per room per night by 2018 (owned, leased and managed hotels).</p>
		<p>Through the Plant for the Planet program, the Group is promoting reforestation.</p> <p>>> GOAL: 10 million trees planted with the Plant for the Planet program by 2021.</p> <p>In order to limit the impact of hotels on water resource management, the Group has undertaken to reduce its consumption, especially in regions experiencing water stress.</p> <p>>> GOAL: 5% reduction in water consumption per night by 2018 (owned, leased and managed hotels).</p>
Food		<p>The new Healthy and Sustainable Food Charter aims to guide hotels towards responsible eating. With the goal of supporting viable production systems and limiting the consumption of natural resources, priority is given to local, seasonal and organic food. Our menus do not include any endangered species of fish.</p> <p>>> GOAL: 100% of the restaurants of the Group will adhere to the new Healthy and Sustainable Food Charter by 2020.</p>



CELEBRATING EVERY ACTION

The launch of the 2016-2020 Planet 21 program includes a new brand designed to engage stakeholders with our sustainable development journey. During a guest's stay, they will see 'Acting Here' markers around their hotel. These markers help identify our sustainable development actions including some that may also require participation by stakeholders.



Here, eco-friendly amenities reduce your impact



Here, your towel plants trees



Here, food waste is separated and sent to composting



Here, eco-friendly products are used to treat pool water



Here, vegetables and herbs are food mile free



Here, solar panels power your stay



Here, energy efficient lighting and appliances reduce energy consumption



Here, flow controls reduce toilets, taps and showerheads water consumption



Here, electric car charging cuts CO₂ emissions



Here, local, organic and seasonal products are on the menu





PLANET 21 TOOLS AND APPROACHES

In order to support the implementation of AccorHotels' Planet 21 commitments, a range of tools have been put in place to monitor progress.

GAÏA

GAÏA is AccorHotels' web based reporting platform for the Planet 21 program and related environmental reporting, target tracking and performance benchmarking including energy, water, waste and carbon emissions. The system is also used for Planet 21 and Plant for the Planet reporting and validation. The platform has a range of functionality designed to support hotels with the design and implementation of environmental initiatives in hotels. The systems integrates data including local weather and guest occupancy to improve the comparability of performance.

HR INDICATORS

HR Indicators is the reporting platform developed by the Global Group Talent and Culture for the collection of data for the monitoring of key metrics.

INCENTIVE PAYMENTS

In line with the Global Group's variable payments and bonus structures, key staff positions across the Group receive incentive payments to drive environmental and social performance. At present, General Managers, Technical Services Teams and Talent and Culture Teams receive these incentives. The option is available to other staff on standard templates for use where appropriate.





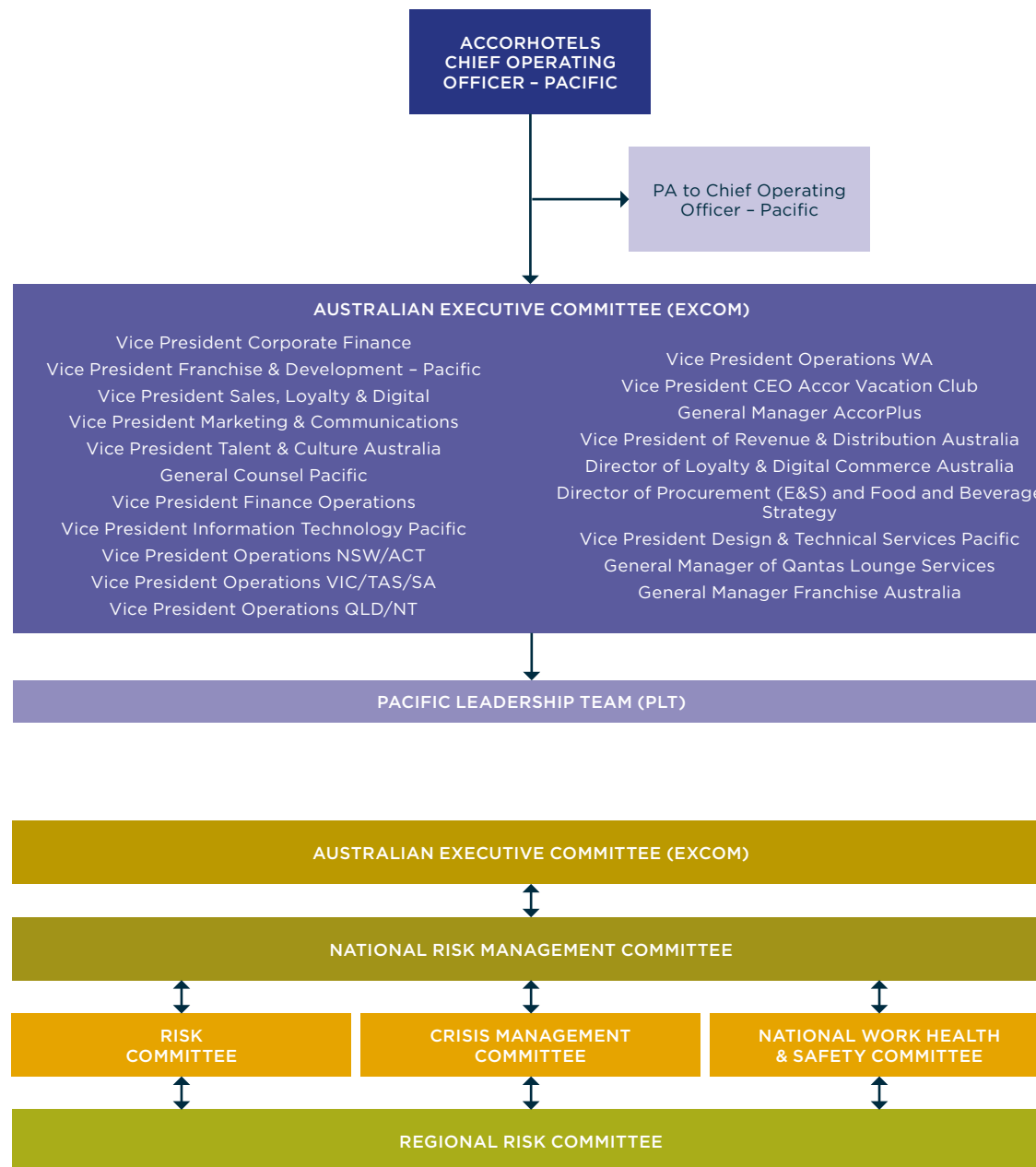
ORGANISATIONAL AND CR GOVERNANCE

The governance framework for AccorHotels Australia is integrated with the governance framework of the AccorHotels Group globally. For a detailed description of the AccorHotels Global Group's governance and compliance structure, please refer to the [Global Group 2017 Registered Document](#).

Governance of AccorHotels in Australia is overseen by the Australian Executive Committee (EXCOM). EXCOM is also responsible for the implementation and realisations of CR programs and commitments.

The Pacific Leadership Team (PLT) includes EXCOM members and other senior management. PLT is responsible for the operationalisation of EXCOM decisions and management of day-to-day operations. Senior Management refers to members of PLT.

AccorHotels Australia employs a risk based compliance approach to the management of core activities. The management of risks is overseen by a functional organisation of committees which ultimately reports into the EXCOM via the National Risk Management Committee. Each region has formed and facilitates a Regional Risk Committee and these communicate up to the committees at corporate level. Hotel committees and managers are encouraged to escalate their matters to the Regional Risk Committees.





AccorHotels Global Group Risk Management system is underpinned by a structured approach for identifying, analysing and assessing risks and implementing appropriate prevention and protection action plans.

The Group's business could be negatively impacted, either directly or indirectly, by natural disaster such as bushfires, extreme heat, cyclones, floods or storm surges that may be linked to climate change. Where these physical risks are foreseeable, temporary protection measures are put in place. Drills are carried out by teams, so that they can

respond effectively. Hotels also maintain appropriate insurances. Further details are included in the AccorHotels [Global Group 2017 Registered Document](#).

Climate change is a challenge for the tourism industry as a whole. For this reason the AccorHotels Global Group has examined the risks and opportunities resulting from this phenomenon. The definition of a time horizon for each risk and opportunity allows the anticipation of best case future consequences of the activity. The table below shows the risks associated with climate change.

Risks associated with climate change to which AccorHotels is exposed	Risk exposure	Impact on AccorHotels business	Time horizon ¹	Financial impact ²
Availability of energy resources	Declining reserves of rare natural resources.	Increased structural costs	Short	+++
Standards and regulations	Increased pressure on energy performance / building carbon/ development of taxes.	Increased costs, financial penalties for noncompliance, damage to the brand, image.	Short/ medium	+++
Extreme weather events / natural disasters	Increased frequency and intensity of these events (droughts, increasingly irregular rainfall, flooding, more frequent cyclones, etc.).	Partial or complete destruction of assets and business interruption. Lowered appeal of certain destinations, loss of revenue. Threat to guest and employee safety. Increased insurance costs.	Medium	+++
Increased transportation costs	Lower volume of travelers	Fewer visits. Guest shifts to alternative solutions to mobility (virtual reality).	Long	+++
Difficulties in food sourcing	Decreased agricultural productivity, more volatile food prices, disappearance of species.	Increased costs, lower quality, new regulations.	Medium / Long	++
Water stress	Diminished water reserves, shortages, conflicts in use.	Occasional closures, increased costs, new regulations.	Medium	++
Higher water level and acidification of oceans	Flooding, reduction in tourist areas. Deterioration / diminishment of drinking water resource (saltwater in water sources). Population migrations.	Partial or complete destruction of assets. Lowered appeal of certain destinations, loss of revenue.	Long	++
Destruction of biodiversity	Erosion of coastline, destruction of fauna, damage to coral reefs.	Lowered appeal of certain destinations, loss of revenue.	Medium	+
Health / epidemics	Increased temperature, growth of new illnesses. Easier and faster travel, adaptation and mutation of viruses.	Lowered appeal of certain destinations, loss of revenue. Threat to guest and employee safety.	Long	+

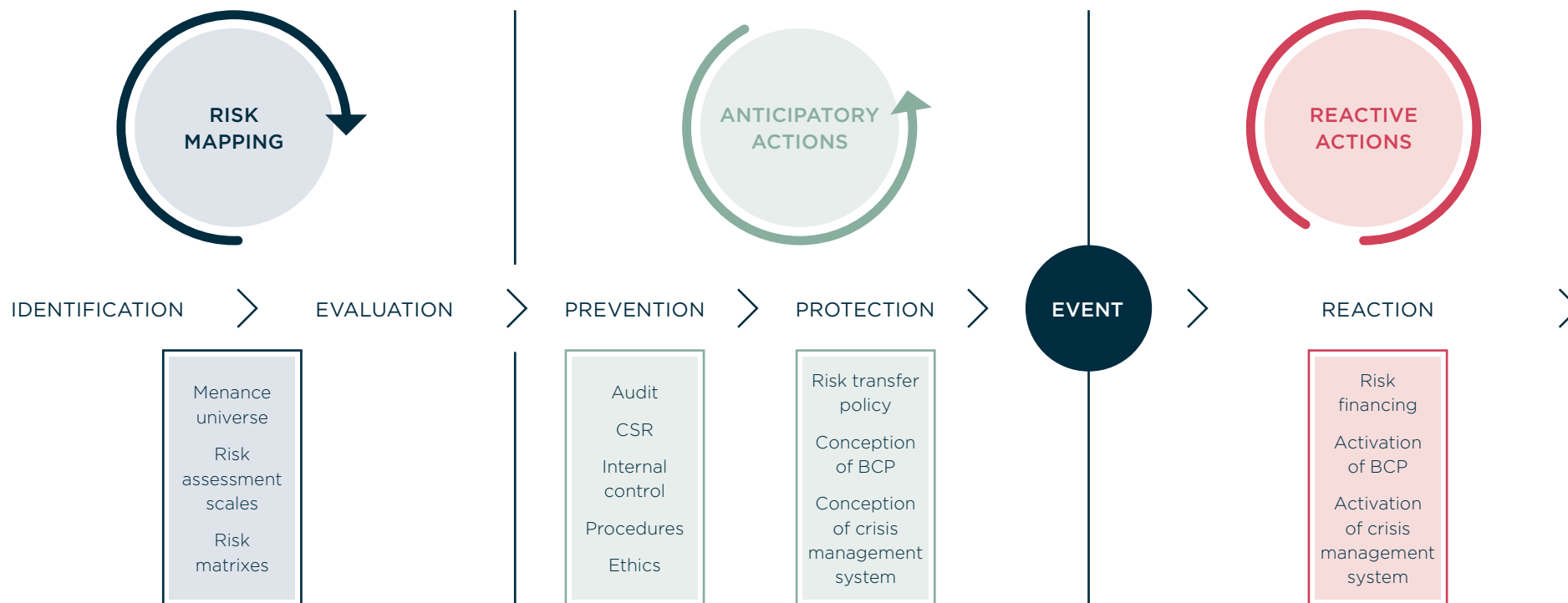
¹ Key to time horizon: short = 1 to 3 years, medium = 3 to 8 years, long = over 8 years. ² Key to financial impact: + = low, ++ = medium, +++ = high.



AccorHotels Australia also maintains a number of priority specific committees including the National Inclusion and Diversity Committee, the National Sustainability Committee and the AccorHotels Community Fund Committee.

The Global Group Sustainable Development Department works across the business to develop the Planet 21 related programs and produce support resources. Resources are

adapted locally to meet Australia's local requirements. While all departments are involved with the implementation of Planet 21, Regional Technical Managers and Regional Talent and Culture Managers play a key role in communication of information to hotels and staff engagement. Hotel General Managers oversee the implementation of initiatives in their hotels. The Planet 21 program requires that all hotels appoint a Planet 21 Champion to work across all hotel departments to implement sustainable development initiatives.





A DEPLOYMENT OF THE CR APPROACH DIFFERENTIATED ACCORDING TO THE MODES OF MANAGEMENT OF HOTELS

The deployment of the commitments, policies and programs of the Group CR, as well as the feedback from the hotels to AccorHotels, depends on the mode of management of the hotels concerned:

- The Group CR commitments cover all of its establishments, all management types.
- The Planet 21 program covers subsidiary hotels (owned, leased and managed) and is made available to franchisees.
- In the deployment of policies and tools, Talent and Culture policies are based on each management mode. For the most part, the policies apply directly to subsidiaries and managed hotels. The Group gives recommendations and provides some tools to the franchised hotels, who are independently responsible for their own policy.

Finally, as a company whose headquarters is located in France, AccorHotels Australia has a legal obligation to communicate information including social, societal and environmental impact on the consolidated financial scope, i.e. the subsidiary hotels. AccorHotels has decided to extend this obligation, in as far as possible, to all the hotels under the AccorHotels brand. Accordingly, a greater or lesser proportion of franchised and managed hotels are included in the published data.



Engage our **GUESTS**
in a Sustainable Experience



OUR GUESTS

During 2017, AccorHotels Australia welcomed more than 9 million guests to its hotels. This engagement gives AccorHotels Australia a dual responsibility:

- to the hosts, AccorHotels wishes to guarantee to each guest, that they will receive quality service and products that are of a high environmental and social performance; and
- to the entire society, AccorHotels wishes to take the opportunity of this proximity to encourage its customers to act and multiply the beneficial effects of the Planet 21 program.

In 2016 AccorHotels Global Group conducted a guest barometer study to:

- understand guests' attitudes and habits in relation to the adoption of sustainable practices in their daily lives;
- compare their eco-responsible behaviours when they are at home and when they are in a hotel; and
- measure guest awareness and preferences in terms of the various responsible actions that have been planned by the Global Group.

The study found that guests are looking for sustainable hotels. They are aware of the need for action and are involved in sustainable development in their daily lives. Guests are generally inclined to:

- better manage their waste;
- reduce energy consumption; and
- consume local, wholesome products.

A copy of the study is available for download via the Group's [research website](#).

GUEST SATISFACTION AND ONLINE REPUTATION

Guest reviews are critical in influencing the decision-making process for booking accommodation. People trust the recommendations of their peers' more than corporate marketing messages and travellers are four times more likely to book hotels with higher website rankings.



AccorHotels solicits guest feedback by sending out a Guest Satisfaction Survey (GSS) after a guest's stay. The Voice of the Guest (VOG) platform combines the GSS and online reviews in a single tool. VOG also effectively manages AccorHotels' online reputation by trawling the web to consolidate online review information about hotels, brands and competitors.

VOG allows for easy response to reviews, monitoring of social media, blogs and forums and produces actionable business intelligence based on semantic analysis of all the reviews that hotels receive. VOG has increased hotels' ability to effectively interact with guests and, if required, recover the guest experience. This approach allows us to identify and resolve anything that threatens guest experience.

REPUTATION PERFORMANCE SCORE AND NET PROMOTER SCORE

With a continued focus on Peopleology in 2017, along with consumer insights research, AccorHotels has seen an overall positive trend in the guest experience. The two key metrics used to measure the guest experience are:

- **NET PROMOTER SCORE (NPS):** Based on AccorHotels' GSS responses, NPS is an index ranging from -100 to 100 that measures the willingness of guests to recommend AccorHotels hotels to their friends, colleagues or relatives.
- **REPUTATION PERFORMANCE SCORE (RPS):** The average 'overall experience' rating (out of 100) based on both guest online reviews and AccorHotels' GSS responses.

	2012	2013	2014	2015	2016	2017
NPS	22	36	38	36	37	40
RPS	-	-	-	80.15	80.78	81.43



PEOPLEOLOGY BY ACCORHOTELS

In September 2012, AccorHotels introduced Peopleology 'The Art of Human Connection' to all staff. Peopleology encourages a way of thinking and being rather than just doing and is based on seven principles.

In February 2016, we launched a new and exciting version of Peopleology that builds on our seven principles, with a focus on two strategic pillars - loyalty and food and beverage. This version provides a framework for understanding people using scientific and emotional insights, and challenges our staff to find the right answer to meet our guests' 'human' needs.

In August 2017 an updated version of Principal #5: People Hate to be Wrong was introduced to the business which specifically focuses on the psychology of complaints and trains our teams on the skill of becoming complaint spotters.

AccorHotels has also adapted the program for New Zealand AccorHotels and Qantas Lounges by AccorHotels.

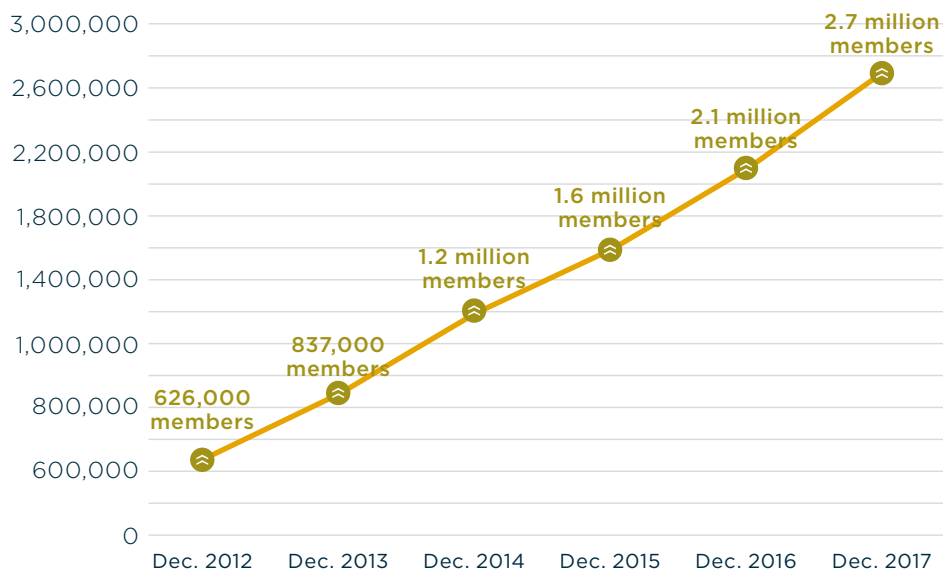
LE CLUB ACCORHOTELS AND LOYALTY

Le Club AccorHotels is the free global rewards program of AccorHotels. Hotel guests can earn points all across the world for stays in over 3,400 hotels and resorts in 13 brands, across 92 countries. Exclusive member rewards include access to private sales and rates of up to 40% off before non-members, online check-in and fast check-out, room upgrades and free WiFi. In 2017, Le Club AccorHotels in Australia reached 2.7 million members with these members contributing 30.7% of the company's revenue. The program, known globally for customer differentiation, generosity and flexibility, was again ranked within the top 20 loyalty programs in Australia, rated as 'excellent', in the annual "For Love or Money" independent research conducted by First Point Research and Consulting.



A GROWING MEMBERSHIP BASE

The total number of members in Australia continues to grow with one in 10 Australians now a member of Le Club AccorHotels.



DATA PRIVACY

Maintaining customer confidentiality and the security of IT systems is paramount given the threat of cyber attacks and the ever-changing nature of technology. Further, it is important that customers feel that their personal information is secure and not used for purposes other than agreed. A link to the AccorHotels privacy policy can be found on the [AccorHotels homepage](#). AccorHotels Australia has a dedicated privacy email address – privacy.aus@accor.com – to which complaints can be made. Emails sent to this address are handled by the Privacy Officer.

Customer data is held and used at a global level. Accordingly, there is no local handling of data (other than at a hotel level). At a hotel level, from time-to-time hotels request downloads of the information (which is supported by the privacy policy) but AccorHotels limits the number of requests and the use of such data. In Australia, agreements with third party data management providers and email communication tool providers have been put in place to ensure that data provided to hotels from a global level is appropriately managed in accordance with Australian law. In 2017, there were no complaints concerning systemic breaches of customer privacy or losses of customer data.

HEALTH AND SAFETY

AccorHotels reviews the health and safety implications of all services and products provided to guests during and following their stay as part of the Group’s risk management system. Relevant standards, codes and legislation are considered during the procurement process to ensure the best guest experience is maintained. These include, but are not limited to, food, amenities and equipment accessed during a guest stay. In addition, any impacts on guest wellbeing that are communicated through the Guest Relations feedback channels are reviewed with the highest priority.

ACCESSIBILITY

With many guests requesting accessible accommodation, AccorHotels is acutely aware of the need to provide service and facilities that meet a diversity of needs. All new hotels are designed to be compliant with current legislated requirements and, where practicable, the Group works with its partners to undertake renovations and upgrades to bring existing hotels in line with the latest standards.

In 2017, AccorHotels developed and launched an Accessible Tourism Guide to assist hotel teams in planning for and managing the specific needs of our guests. This guide covers physical elements of hotels which can present as barriers as well as sensory and attitudinal elements. It is essential that Peopleology is applied to ensure our guests feel dignified and respected and are satisfied with their experience. In addition, our hotels also participated in the Jaccede Challenge in which they contributed valuable information regarding the accessible features of their establishments and local attractions and services. This information equips members of our communities and travellers from further abroad with the knowledge they need to make informed decisions about their travel and accommodation.



OTHER INITIATIVES

NOVOTEL INBALANCE MEETINGS

Sally Fitzgibbons is the ambassador of Novotel's InBalance offering. The InBalance Meeting concept consists of five signature body and mind elements which are designed to bring meetings to life. As part of the program, a virtual 30 minute work-out session, led by Novotel Wellness Ambassador Sally Fitzgibbons, can be worked into any conference or event. Fitballs and yoga mats are available for delegates and InBalance local area maps are provided for those that want to go for a walk or run during break sessions.

Novotel Brisbane, Novotel Canberra, Novotel Melbourne Glen Waverley, Novotel Melbourne St Kilda, Novotel Newcastle, Novotel Sydney Olympic Park and Novotel Sydney on Darling Harbour all offer the InBalance Meetings program, with more hotels to come on board throughout 2018.

MERCURE MINDFUL MEETINGS

In 2015, Mindful Meetings by Mercure Hotels was launched with mindfulness being a key strategic pillar to support a unique, productive and memorable meeting experience. As part of the initiative, meeting rooms are dressed to inspire collaboration, food has been created to promote concentration and a suite of interventions have been designed to ensure the energy of delegates is maintained throughout the day. Mercure Mindful Meetings are carbon neutral with greenhouse gases produced during the meeting being offset via the purchase of certified offsets.

ECO-FRIENDLY AMENITIES

In room amenities (soaps, shampoos and conditioners) available to guests go through a rigorous assessment process and are selected based on their whole of life characteristics including, but not limited to, chemical composition, testing, manufacturing processes, social and environmental impacts, performance characteristics and recyclability. The brand standard for Novotel Hotels and Resorts requires that amenities include FairTrade ingredients in addition to meeting environmental and social criteria. Amenities of AccorHotels' other brands are tested and certified by a third party Eco Label certification body.





CLEANING PRODUCTS



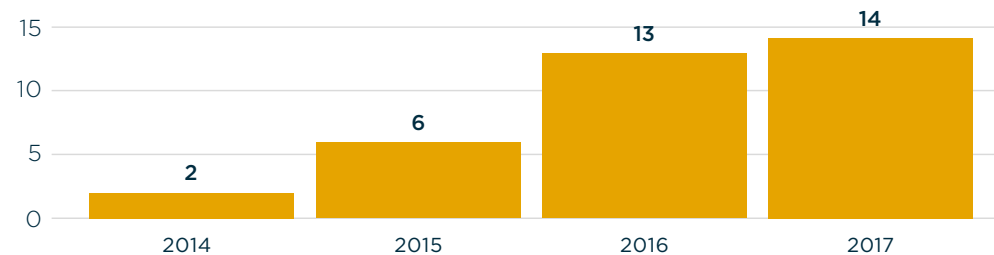
All cleaning products used in rooms and around hotels are Green Seal Certified.

ECO-FRIENDLY TRANSPORT SERVICES

The Planet 21 program encourages hotels to provide or promote eco-friendly transport services for guests. This includes helping guests identify the best walking routes, understand local public transport options, plan trips and order hybrid taxis over conventional taxis.

For guests looking for an active way of exploring local and surrounding neighbourhoods, AccorHotels has been working with Spinway to install bike rental stations at hotels nationally. Spinway has developed their own bike station solution similar to the Vélib' in Paris, Santander Cycles in London or Citi Bike in New York. The stations are installed outside hotels and easily accessible for guests. Since the first station was installed in 2014, 14 hotels have installed stations nationally and guests have made 25,177 trips with usage growing steadily. During 2017, guests made 12,213 bike trips, supporting guest health and reducing consumption of fossil fuels and pollution.

HOTELS WITH BIKE RENTAL STATIONS



ELECTRIC CAR CHARGING

Electric vehicles have an important role to play in the transition to a low carbon economy and ownership is anticipated to rapidly increase over the next decade. In anticipation, AccorHotels Australia has begun the installation of electric charge points for guest use. To date, 14 hotels (including franchise hotels) have installed electric car charging points.



Acting as an inclusive
company for our **PEOPLE**



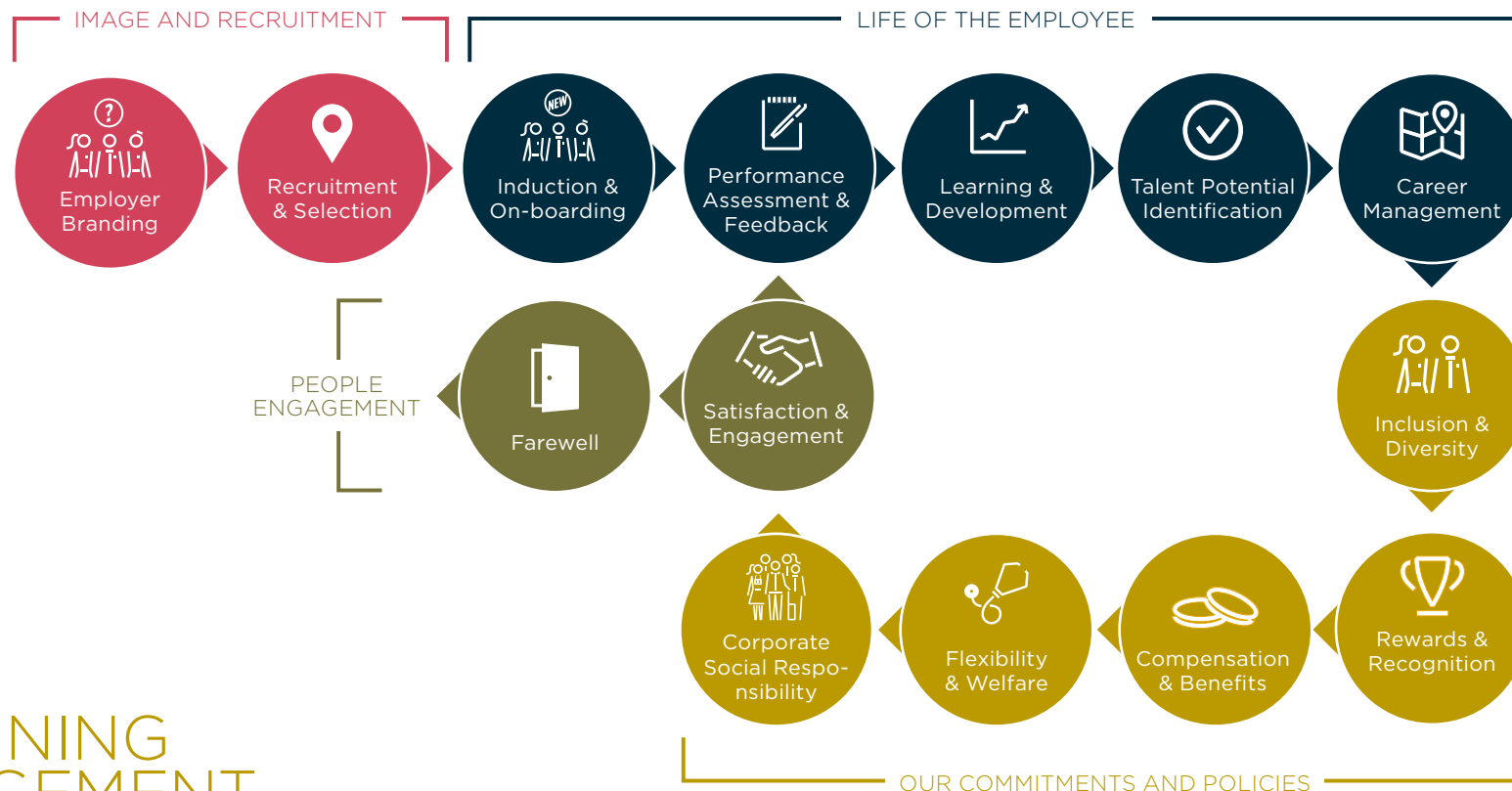
OUR PEOPLE

AccorHotels is a service company: the quality of our hospitality and the satisfaction of our guests highly depends on the commitment and skills of our teams. To transform ourselves, we must also transform our culture around a promise made to our employees - 'Everyone at AccorHotels has opportunities for lifelong learning. Everyone feels valued'. We want to give each of our employees the means to become more autonomous and adopt a culture of lifelong learning by developing their skills, in an agile manner, to respond to a fast-changing environment.

AccorHotels is proud to appoint talent as young as 15 and as experienced as 80 throughout our hotels and offices. Currently, 8% of our employees are aged over 55.

AccorHotels maintains a number of policies that provide a framework for staff work. The policies build on the Ethics and CSR Charter and provide local specific details. Policies include, but are not limited to:

- Discrimination and Sexual Harassment;
- Bullying;
- Work Health and Safety;
- Return to Work (Rehabilitation);
- Grievance Policy;
- Whistleblower Policy
- Social Media Policy;
- Code of Conduct;
- Ethics Charter
- Email and Internet Usage Policy; and
- Environmental Policy Statement.



STAFF TRAINING AND ENGAGEMENT

At AccorHotels, our talent is our most precious resource. We are committed to placing the way in which we lead our teams at the heart of our company culture. To achieve this it is essential that all leaders demonstrate behaviour that welcomes, grows and supports our talent equitably.

To deliver on our guest experience we need to make sure that we have the right talent everywhere to enable excellence in serving and anticipating customer needs.

Just as hotel General Managers are responsible for Guest Experience in each hotel, General Managers are also the leader of 'Talents' Journey' with AccorHotels. Each talent experiences their own individual journey - the nature and quality of their journey and the associated outcomes will contribute to customer experience.

Our talent need to feel valued and know they are trusted and respected. Fully engaged talent equals higher levels of guest satisfaction and higher levels of talent retention.

We do this by providing the necessary tools and opportunities, by fostering a culture of support, learning and development and by encouraging diversity within teams and across all levels of management.

AccorHotels Australia has developed the 'Talent Journey' for our people. The talent journey can be compared in many ways to the guest experience during their stay with AccorHotels. It all begins with how to attract the guest and, in the same way, how we attract the best talent, is about differentiating ourselves from the competition.



The Hospitality Learning Network

ACCORHOTELS ACADÉMIE

AccorHotels Académie is a Registered Training Organisation (90821) that provides new employment skills, nationally recognised qualifications and professional learning. Training includes, but is not limited to:

- Formal qualifications that are recognised by the Australian Government including Diploma of Leadership and Management, Certificates in Hospitality Management.
- New leader on-boarding programs to help new leaders transition into their role and reduce time-to-competency at each level of the capability framework.
- Career Pathway programs to help our talent become great hospitality professionals and leaders at each level of the capability framework.
- High impact talent development programs that highlight our high potential leaders, provide them with exposure to business critical scenarios, offer secondments and placements to enhance their practical knowledge and give them visibility at a Senior Leadership level to accelerate their career.
- Brand and luxury and upscale specific programs that up skill our leaders in delivering a luxury and upscale guest service including Sofitel Learning Pathway, Feel Welcome Feel Valued and Leading Luxury and Upscale eXcellence program.
- The Académie also provides consultancy services such as strategic planning for hotel leadership teams and learning services to partner organisations – Accor Plus, Accor Vacation Club and Qantas Lounges.

The training courses that AccorHotels Académie runs are in addition to specialty brand operational training conducted in hotels.

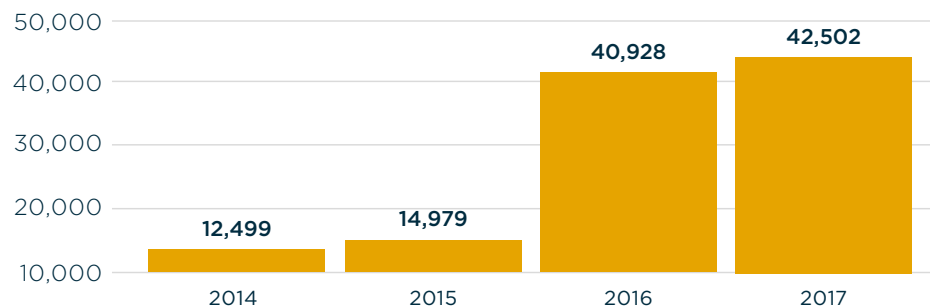
TRAINING HOURS DELIVERED BY ACADÉMIE FACE-TO-FACE

	NSW / ACT	QLD / NT	VIC / SA	WA	Head Office	Overall Hours
2014	-	-	-	-	-	10,695
2015	6,774	1,781	1,095	1,720	135	11,505
2016	8,224	6,364	4,994	1,625	378	21,604
2017	8,803	6,183	3,961	1,563	664	21,175

All staff also have access to the AHAcademie Learning Platform. The platform offers a variety of professional and personal development courses that supports staff with self-paced learning, accessible from any computer. In 2017, AH Académie launched this new platform in order to provide improved learning system functionality and support mobile and tablet access.

COMPLETED ACADÉMIE ONLINE UNIVERSITY COURSES

During 2017 staff completed 42,502 courses using the new AHAcademie Learning Platform, while the average number of training hours provided to staff by AccorHotels Académie was 6.4 hours.





INCLUSION AND DIVERSITY

WE EMBRACE DIFFERENCES AND WORK TOGETHER IN EVERYTHING WE DO, TO MAKE PEOPLE FEEL WELCOME AND VALUED

AccorHotels endeavours to make working in the company more appealing to all generations, inspire new ideas and ways of working, improve diversity and highlight exceptional talent.

The business is focused on gender, age, cultural and ethnic backgrounds (including Indigenous groups and refugees/migrant workers), disability and sexual orientation as priority diversity initiatives.

The Inclusion and Diversity Committee was revitalised during 2017, ready for a 2018 launch, with an improved level of commitment and focus. The Committee will work on initiatives that make improvements to four pillars; gender and orientation equality, multicultural, cross generational and accessibility and ability.

The Committee membership will be determined early in 2018 when elected roles are finalised to join the appointed category roles. All hotels are still required to appoint a Diversity Champion, traditionally a hotel head of department, to oversee the implementation initiatives in hotels.

GENDER

AccorHotels is committed to achieving greater gender diversity with females represented in senior leadership positions. AccorHotels Australia is acknowledged by the Workplace Gender Equality Agency and aspires to be an employer of choice for women.

GENDER DIVISION OF THE PACIFIC EXECUTIVE COMMITTEE

	Number	Percentage
Female	7	28%
Male	17	72%
Total	24	100%

AGE DIVISION OF THE AUSTRALIAN EXECUTIVE COMMITTEE

	2016		2017	
	Number	Percentage	Number	Percentage
30-50 years	12	71%	16	70%
Over 50	5	29%	7	30%
Total	17	100%	23	100%

The national goal is for 50% of General Managers to be female in Australia by December 2018. At December 2017, 36% of General Managers were female.

% OF FEMALE GENERAL MANAGERS

	Percentage
2013	22%
2014	27%
2015	36%
2016	33%
2017	36%
2018 (Target)	50%



FEMALE TALENT

In 2016, the business started reporting on gender balance of department managers across the business. In 2017, 45% of department managers were female. The Strategic Leaders Development Program, facilitated by AccorHotels Académie, is the Group's high potential female leadership program designed to accelerate the development of female department managers. Department managers are a major source of new General Manager appointments.

The Woman at Accor Generation (WAAG) is a global program focused on providing leadership training and networking opportunities for female managers and executives at AccorHotels. The program is also supported by the Australian Inclusion and Diversity Committee.

AccorHotels globally supports the United Nations' HeForShe program. The program promotes women's empowerment and gender equality by inviting all members of society to make a commitment to actively increase gender equality – especially in the workforce. The program has been actively promoted across the hotel network. In Australia, 636 AccorHotels staff had made the pledge as of November 2017, up from 328 at the same time in 2016 (source: <http://www.heforshe.org/en/accor-hotels>).



DISABILITY

AccorHotels is committed to understanding the opportunities for people living with disabilities and the potential to integrate their skills into our business.

In 2017 we implemented a pilot program at Novotel Sydney on Darling Harbour to develop an employment program for people with disabilities. The program was implemented in partnership with the Australian Network on Disability whom provided training and resources to the team at Novotel Sydney on Darling Harbour. The employment trial program gave eight candidates an opportunity to learn about the hotel, working in operations and our customer service principles from Peopleology. Three candidates were employed and one provided additional work experience from the program.

In 2017, the total number of employees that reported a disability was 31.

AGE

AccorHotels Australia is committed to providing employment for a diversity of age groups. The Australian regions implement varied independent programs that champion employment of diverse age groups.

Employee Age	2016	2017
Under 25 years	2,325	2,351
25-34 years	3,347	3,180
35-44 years	2,029	1,948
45-54 years	1,287	1,266
Over 55 years	832	896
Total	9,820	9,642

SEXUAL ORIENTATION

AccorHotels Australia is committed to building a deep culture of understanding and respect for all people regardless of culture or ethnicity and celebrate all communities including lesbian, gay, bisexual, transgender, intersex and queer (LGBTIQ).

In 2016, AccorHotels Australia released an open letter statement in support of changes to the Marriage Act 1961 in favour of marriage equality, and in 2017, AccorHotels signed a partnership agreement with the Sydney Gay and Lesbian Mardi Gras to be the Official Accommodation Sponsor of the festival.





INDIGENOUS EMPLOYMENT PROGRAM

AccorHotels' goal is to help share Aboriginal and Torres Strait Islander culture with the world through Indigenous employment in our hotels nationwide.

We do this by fostering strong relationships that create employment opportunities which are sustainable, empowering and fulfilling. This enables Aboriginal and Torres Strait Islander Peoples to achieve their goals and inspire their communities.

AccorHotels has been committed to Indigenous engagement in a formal capacity since 2001. This has enabled a long connection to Australia's rich history and culture and at the same time creating employment and career development opportunities right across the country. Since 2015, the Group has partnered with the Federal Government on the Employment Parity Initiative which has created over 700 employment outcomes and seen the growth of our total Indigenous employee population from 300 to 553 in that period.

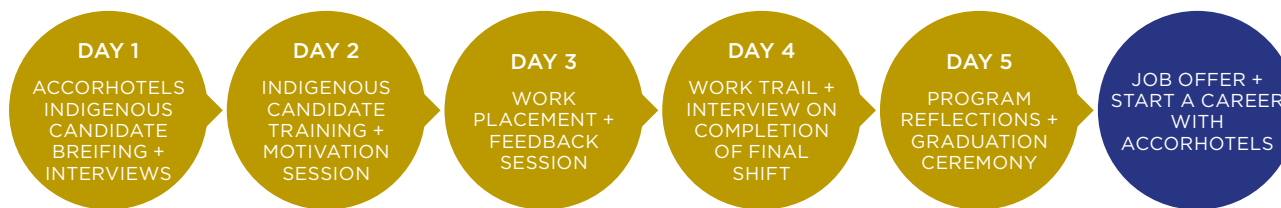


ACCORHOTELS AUSTRALIA RECONCILIATION JOURNEY

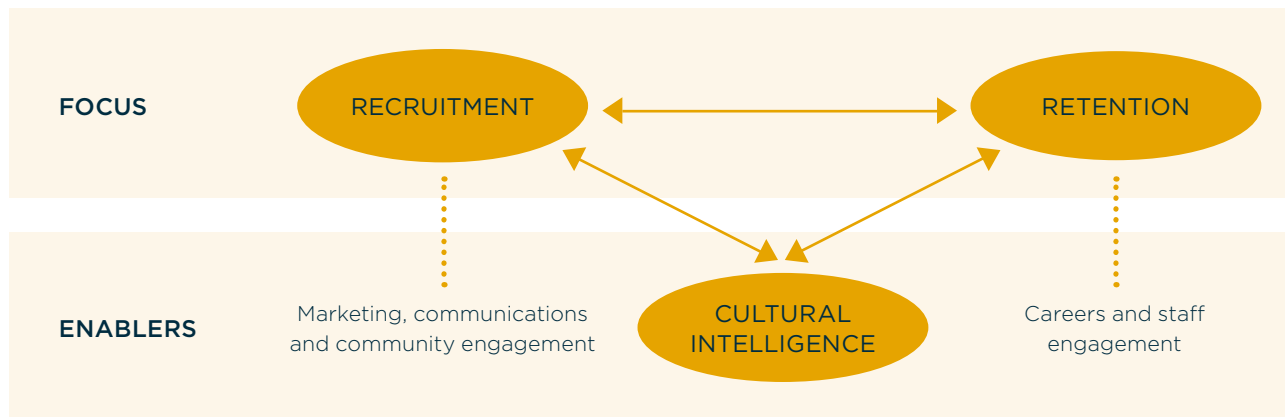


FIVE DAY PROGRAM

The Indigenous Employment Program is a five day training and work experience program hosted by the Indigenous Programs Team and AccorHotels Académie (RTO). The program is designed to build skills and confidence to secure employment in an AccorHotels property nationally. With a focus on finding the right people for the right job, candidate applications are matched with available jobs.



STRATEGIC APPROACH



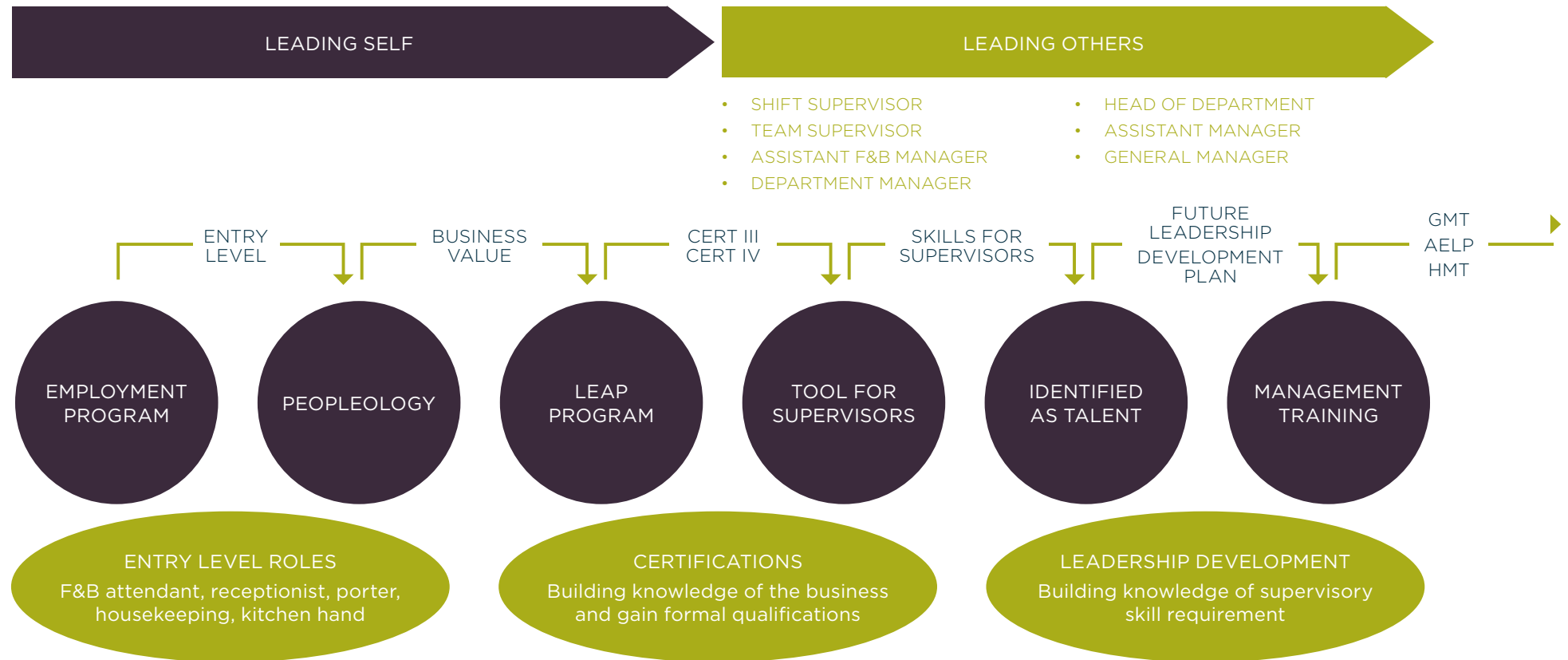
Training, visibility and celebration

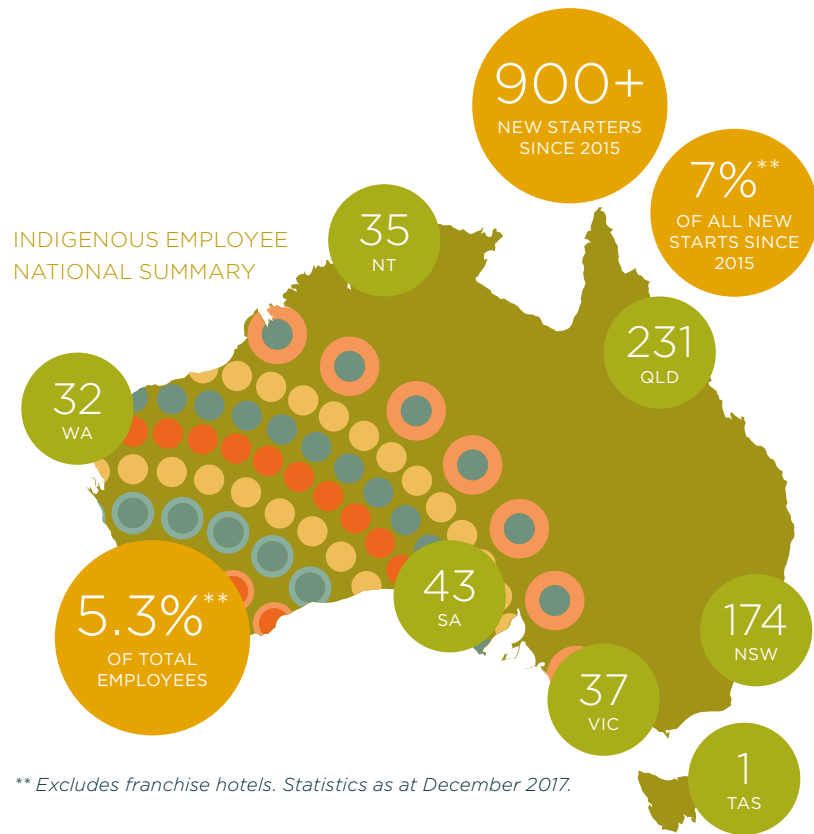


DEVELOPING INDIGENOUS TALENT

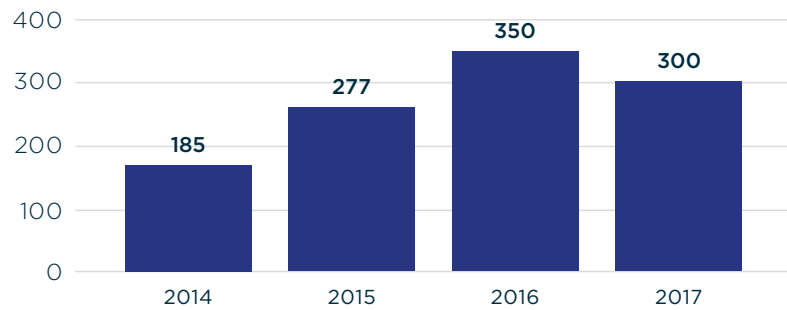
AccorHotels will continue its commitment to providing employment opportunities for the long term and is now seeing strong growth in representation at a leadership level. In 2017, 47 Aboriginal and Torres Strait Islander employees were in Supervisory positions or above which equates to approximately 8% of our Indigenous workforce in leadership positions.

During 2017, 30% of our NSW Hotel Management Trainees whom completed a Certificate IV in Leadership and Management were Indigenous and we have placed our first ever Indigenous candidate onto the 2018 Graduate Program also in NSW.





INDIGENOUS EMPLOYEE NEW STARTERS





CASE STUDY

MERCURE & NOVOTEL DARWIN AIRPORT EMPOWERING INDIGENOUS SUCCESS

VANESSA WILLIAMS - EMPLOYEE OF THE YEAR | DWAYNE WILSON - RISING STAR OF THE YEAR



In May 2017, AccorHotels hosted its Indigenous Employment Program in Darwin for the third time in as many years. During this program Vanessa was interviewed by the Mercure and Novotel Darwin Airport Food and Beverage team and participated in role specific skills before being placed onsite to experience what the hotel does first hand. Vanessa loved what the hotel had to offer and accepted a job on completion of the program. Since then, Vanessa has become a huge asset to the team through her positivity, can-do attitude and guest focus. Front Office Manager, Jessica James, said, “I personally have guests call me after their stay to tell me just how wonderful she is and how she made an impact on them whilst having breakfast at the Mercure. If we were to pick a Peopleology principle to best describe Vanessa it would be that people need to feel special and she definitely makes our guests and her fellow colleagues feel special”.

Also a graduate of the May Indigenous Employment Program, Dwayne Wilson has been awarded the Rising Star award for 2017. Dwayne

has excelled and completely come out of his shell since gaining employment as a Public Area Attendant. As a result of his strong contribution to the business, Dwayne has now changed departments and is excelling as a member of our Maintenance team. “From the moment he started he has always shown that he was dedicated to the job and willing to learn and do whatever he can to assist the businesses,” General Manager Jamie O’Donnell said.

A WORD FROM OUR WINNERS

“Josh and Kedea (Indigenous Employment team) were amazing at delivering the Indigenous Employee Program. They made us feel comfortable and gave us this great opportunity at the Accor Darwin Airport Hotels. Both Josh and Kedea were inspirational and we can’t thank them enough. From the day we started working at the Mercure and Novotel Darwin Airport we were made to feel welcome and a part of this special family. We are both very honoured to have received these awards and be recognised,” Vanessa and Dwayne.



EMPLOYEE BENEFITS AND WELLBEING

AccorHotels Australia employees have access to a range of benefits and wellbeing initiatives. A summary of the initiatives and relevant reporting is provided below. All full time and part time employees have access to the benefits.

FLEXIBLE WORK

AccorHotels recognises the increasing importance of flexible work arrangements in maintaining a diverse and high performing workforce. Workplace flexibility supports employees to achieve greater integration between work and personal life whilst continuing to make a contribution to the business. During 2017, 106 staff had flexible work options in place and 89% of requests were approved.

	NSW / ACT	VIC / TAS / SA	QLD / NT	WA	Total
Accepted	44	28	24	10	106
Pending / declined	2	-	2	-	4

PRIVATE HEALTH INSURANCE

AccorHotels Australia has an agreement with Medibank Private that provides staff with access to corporate health and life insurance products with discounted rates.

EMPLOYEE ASSISTANCE PROGRAM

AccorHotels Australia provides all employees with access to an Employee Assistance Program. The program provides employees and their households with free access to confidential and professional counselling services. The service also provides free online access to a range of holistic health and wellbeing resources via the EAP Portal.



PARENTAL LEAVE (BIRTH AND ADOPTION LEAVE)

AccorHotels Australia offers four weeks paid parental leave for employees who have worked for the company for more than 12 months. During 2017, 82 employees took parental leave.

Options to improve the monitoring and reporting of parental leave will be considered in 2018.

CARTE BIENVENUE / STAFF DISCOUNT CARD

All employees are eligible for Carte Bienvenue upon six months service with AccorHotels. This card is the worldwide employee benefit and entitles the bearer to a number of significant discounts on AccorHotels and partner services. Staff receive a copy of the Carte Bienvenue Policy with their card.

FAMILY AND FRIENDS RATES

All employees have access to a range of special offers including discounted rates for accommodation which are available to family and friends,

CORPORATE PARTNERSHIP DEALS

Partnerships have enabled us to offer our employees some great discounts on a variety of goods and services including, but not limited to, beds, bedding accessories, car hire and Qantas Club Memberships.

EDUCATION ASSISTANCE POLICY

For part time and full time staff with a minimum of 12 months service, financial reimbursement of 50% up to a maximum of \$2,500 per annum is available for employee career development. The assistance is also supported with study leave up to a maximum of four days per year for exam study or attendance.

WORK, HEALTH AND SAFETY

In Australia, AccorHotels uses a combination of local and global systems and procedures to effectively manage a broad range of relevant risks. Historically, risk management efforts and strategies have been almost entirely developed, driven, produced and reported at a local level (Australia and Pacific). During 2017 we have seen an increased Global emphasis on the security of our Hotels, thus protecting hotels, partners, employees, and guests from loss and harm.

Work Health and Safety (WHS) is a focal topic locally (at corporate, regional and hotel level) due to the potential impact on employees and guests and also the significant legal and financial ramifications of poor management. In this area we have strong systems, procedures and expectations on the hotels to manage all hazards. The business also has a strong culture which values the safety of all people impacted by our operations.

A national/corporate risk mapping exercise is established and maintained. This process involves AccorHotels executives (at corporate, regional and operational levels) considering any potential risks impacting the business in any way, analysing these, then determining the appropriate management strategies.

The key risk areas impacting on hotel operations are included in an internal risk and compliance program called InterREACT. Through InterREACT, hotels are required to complete a quarterly self-assessment of their implementation of and adherence to company policies, procedures and expectations. External audits are conducted biennially to verify results and identify areas for improvement.

While presenting a moderate level of loss experience, the hotel sector is not free from risks to health and safety at work. Daily incidents and the prospect of musculoskeletal disorders in the long run because of repeated gestures are taken into account by the Group.

During 2017, AccorHotels reported 1,368 employee related work incidents of varying degrees of severity, including First Aid only incidents, medical treatment incidents and lost time injuries (at least one full shift lost). This number did not include near-miss incidents where no harm was caused. An additional 454 near miss incidents were recorded however these relate to a mix of employees, contractors, guests and property (personal or hotel), and the allocation under each category is not clear.



EMPLOYEE WORK-RELATED INCIDENTS REPORTED

	2016	2017
Total incidents reported	1,392	1,368
Lost time injuries (at least one full shift lost)	227 (16%)	230 (17%)
Types (nature) of injury (by percentage of all incidents)		
Sprains / strains	32%	30%
Cuts and abrasions	26%	25%
Bruises	21%	22%
Burns	9%	9%
Others	12%	14%
Types (mechanism) of injury (by percentage of all incidents)		
Manual handling	30%	29%
Slips / trips / falls	24%	21%
Hitting or being hit by objects	23%	26%
Knives / tools	7%	7%
Heat	7%	8%
Others	9%	9%

During 2017, 34 incidents were reported related to contractor work-related incidents, a significant decrease from the level in 2016.

CONTRACTOR WORK-RELATED INCIDENTS REPORTED

	2016	2017
Total incidents reported	61	34
Lost time injuries (at least one full shift lost)	11 (18%)	6 (17%)
Types (nature) of injury (by percentage of all incidents)		
Sprains / strains	18%	19%
Cuts and abrasions	43%	31%
Bruises	16%	17%
Burns	23%	8%
Others	12%	25%
Types (mechanism) of injury (by percentage of all incidents)		
Manual handling	20%	11%
Slips / trips / falls	21%	22%
Hitting or being hit by objects	26%	28%
Knives / tools	10%	17%
Others	23%	22%





TALENT AND CULTURE INDICATORS

In addition to the data collected in relation to staff training, diversity and WHS performance, the business uses a range of other metrics to assess people based performance in the form of Human Resources indicators.

STAFF ENGAGEMENT SURVEY

Each year AccorHotels Australia surveys all staff to assess staff engagement levels. Introduced in 2015, the existing engagement score methodology produces a percentage engagement measured from a series of questions relating to three principles:

- **SAY:** Speak positively about the organisation to co-workers, potential employees, and customers;
- **STAY:** Have an intense sense of belonging and desire to be part of the organisation; and
- **STRIVE:** Are motivated and exert effort toward success in their job and for the company.

The Planet 21 target is to grow staff engagement year-on-year.

	2015		2016		2017	
	Engage-ment	Response Rate	Engage-ment	Response Rate	Engage-ment	Response Rate
Hotels nationally	66%	86%	68%	94%	68%	92%
NSW / ACT	67%	84%	71%	95%	71%	94%
QLD / NT	64%	84%	65%	94%	64%	90%
VIC / SA / TAS	68%	89%	65%	93%	67%	92%
WA	63%	86%	74%	93%	75%	95%
Corporate office	59%	85%	72%	97%	63%	88%

EMPLOYMENT STRUCTURES

Our people are employed under the Hospitality Industry General Award, consistent with current legislation. A number of hotels also employ staff under Collective Bargaining Agreements.

The Housekeeping Department is outsourced in many owned, leased and managed hotels. Outsourced staff are not included in reporting systems. Contracts require that staff be employed and paid under an appropriate wage for the work. Housekeeping contractor employee numbers are not included in current employee reporting systems.

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

	New Starters 2015	New Starters 2016	Turnover# (%) 2015	Turnover# (%) 2016	Turnover# (%) 2017	Industry Turnover Benchmarks*
NSW / ACT	1,759	1,794	38%	50%	52%	61% NSW 53% ACT
QLD / NT	970	902	40%	37%	51%	60% QLD 55% NT
VIC / SA / TAS	1,502	1,704	49%	50%	42%	67% VIC 64% SA 32% TAS
WA	466	496	57%	73%	64%	92%
Total / average	4,697	4,896	43%	49%	50%	Average 66%

Turnover is calculated as: leavers – transfers / average number of 2017 employees calculated on 31st December 2017. * 2015 Deloitte Australian Tourism Labour Force Report.

The Australian hospitality industry is characterised by high levels of staff turnover nationally. Staffing numbers are managed throughout the year to reflect seasonal variations in demand for hotel services. AccorHotels performs better than the industry turnover benchmarks nationally. The 2015 Deloitte Australian Tourism Labour Force Report recorded the annual industry turnover rates at 66%, with variation between industry turnover in Western Australia which was recorded at 92%. New starters and turnover is not currently monitored by age or gender. A solution to improve reporting visibility has not yet been identified for the future.



Co-innovate with our **PARTNERS**
to open up new horizons



OUR PARTNERS

Our business and performance are both closely linked to those of our partners, i.e. suppliers and owners of the AccorHotels establishments operated under management and franchise contracts. Consequently, we have a wider responsibility and must:

- extend our social, societal and environmental commitments to them;
- involve them in our progress; and
- raise standards all along the value chain.

The development and ongoing management of relations with partners are governed by two key documents;

- Procurement Charter 21; and
- [Ethics and CSR Charter](#).



SUSTAINABLE PROCUREMENT AS PART OF SUPPLIER RELATIONS

The Global and Australian Procurement Department is responsible for the management of nominated supply agreements that support AccorHotels' operations. These agreements can be for the supply of goods and services on a local, regional, national or international basis. In 2017, AccorHotels continued with the implementation of the Procurement Charter 21 (first launched in 2002) and the CR and ethical risks management process.

The Global Group has completed procurement category risk mapping which considers product family, purchase volume and related factors. 27 high-priority purchasing categories were identified for priority management. An updated program of tighter

supplier checks, monitoring and audits commenced in 2017 and expanded in line with Group Planet 21 commitments which are anticipated to be achieved by 2020. The program for Risk and High Risk categories consists of a combination of supplier assessments using the EcoVadis platform and third party audits using relevant social and environmental standards. For suppliers without current certification, AccorHotels preferences the SMETA ethical audit format with results shared via the SEDEX platform.

The EcoVadis is an online based CR scorecard system that helps companies to monitor environmental, ethical and social practices of suppliers and business partners across hundreds of purchasing categories and countries. During 2017, 26 nominated suppliers in risk and high risk categories completed EcoVadis assessments with results reviewed by the Procurement Department. If the answers to questionnaire reveal a high level of risk, the Department conducts follow up discussions with suppliers to further assess the materiality of risk and appropriate actions..

The below table provides a summary of the AccorHotels Sustainable Procurement tender and contract management process which responds to the risk categorisation of suppliers.

Steps	Standard Risk Categories	Risk Categories	High Risk Categories
Tender	<ul style="list-style-type: none"> Procurement Charter 21 forms part of the specification 	<ul style="list-style-type: none"> CSR criteria integrated with the specifications Procurement Charter 21 forms part of the specification 	
Selection	<ul style="list-style-type: none"> Procurement Charter 21 signed by supplier 	<ul style="list-style-type: none"> Procurement Charter 21 signed by supplier CSR criteria: minimum 10% of the final score compulsory 	
Contracting	<ul style="list-style-type: none"> CSR Clause included in contract Procurement Charter 21 included as appendix 		
Evaluation during contract life		<ul style="list-style-type: none"> EcoVadis evaluation (within the six months following the contract signature) 	
Audit			<ul style="list-style-type: none"> Third party social and environmental onsite audits completed using relevant standard; SA 8000, SEDEX, BSCI, WRAP etc.
Action plan		<ul style="list-style-type: none"> EcoVadis action plans reviewed and followed up with the suppliers 	<ul style="list-style-type: none"> Follow-up of post audit action plan with supplier Re-audit if critical non-compliance
Contract dissolved if major non-compliance	<ul style="list-style-type: none"> Integrated in procurement process 		



Local is defined as products and services that are sourced from Australian suppliers. The Procurement Department currently does not track budget spent based on local criteria. Most suppliers AccorHotels works with are Australian companies however their supply chains frequently include imported products which makes the classification and reporting challenging.

Contracts signed with our suppliers include ethical and CSR clauses as well as the Procurement Charter 21. When suppliers sign the charter, they agree to four key principles:

- Comply with AccorHotels' social, societal and environmental commitments.
- Ensure that their own suppliers also respect these requirements.

- Participate in AccorHotels' evaluation process and implement any necessary remedial action plans.
- Authorise AccorHotels and/or external providers commissioned by the Group to conduct audits and implement any necessary action plans.

The varied operating structures of hotels means that the Procurement Department contracts and monitors suppliers while hotels order and purchase directly from suppliers and distributors. Hotels maintain final control over purchasing which ensures selected goods and services are appropriate based on individual requirements.

AUSTRALIAN RISK CATEGORY SUMMARY

Topic (\$'000)	Definition	2015 [#]	2016 [#]	2017 [#]
Australia total procurement spend	Nominated + non-nominated spend for all categories	\$666,094	\$657,392	\$681,277
Australia spend in risk categories	Nominated + non-nominated spend for risk categories	\$284,465	\$300,317	\$290,949
% of risk categories spend	Automatic ratio	43%	46%	43%
Spend with Nominated Suppliers	All categories	\$274,689	\$285,956	\$314,337
Number of Nominated Supplier Contracts		242	238	232
Nominated Supplier who signed the Charter (%)	Automatic ratio	97%	97%	97%
Nominated Spend in risk categories	27 risk / high risk categories	\$168,655	\$173,326	\$200,030
Nominated Spend in risk categories	Automatic ratio	61%	61%	64%

[#] The annual reporting period adopted by the Procurement Department is October to October instead of the conventional calendar year referred to through this report.



ENGAGING INVESTMENT PARTNERS AND FRANCHISE OWNERS

Managing the CSR and ethical risks of the owners of managed and franchised hotels is an increasing concern for the Group. These partners and their hotels operate at varying scales and capacities, adding additional complexity to the implementation of initiatives.

From 2016, the Planet 21 program became a mandatory program for hotels of all operating structures. In order to achieve the 2020 program objectives all hotels will need to join and engage with the program.

CO-INNOVATING WITH OUR PARTNERS

AccorHotels has an established record developing co-innovation projects with our suppliers and partners. As we strive to implement our commitments, we have increasingly been required to develop solutions and unprecedented products and services designed to address sustainability concerns

OUTSOURCED RESOURCES

Hotels within the network contract a number of outsourced housekeeping companies to service their hotels. With a focus on developing and maintaining a positive working environment for our People and Partners, the Procurement Department maintains a close working partnership with these companies who employ more than 1,800 staff that work across the network including Franchise hotels. Outsourced housekeeping staff receive AccorHotels Peopleogy customer service training and must comply with the hotel policies and procedures including Work Health and Safety procedures specific to each hotel.

INNOVATING TO CREATE NEW ECO-FRIENDLY CLEANING PRODUCTS

Recognising the potential impacts of cleaning products on the environment, the AccorHotels Global Group in 2009 began looking for effective alternatives to conventional products.

Unable to find the right products, AccorHotels established a partnership with Diversey, creating a new range of eco-labelled cleaning products designed to meet the needs of our hotels.

This collaboration is one of the main reasons why 97% of AccorHotels hotels globally now use ecological cleaning products. The partnership delivers benefits for our guests, our people and the environment.

A group of people at an outdoor event, possibly a festival or community gathering, with their hands raised in the air. The scene is captured from a low angle, looking up at the participants. The background is filled with trees and a soft, warm light, suggesting late afternoon or early evening. The people are dressed in casual attire, including t-shirts and a baseball cap. The overall mood is one of joy and community.

Working hand-in-hand with local
COMMUNITIES for a positive impact



OUR COMMUNITY

We contribute substantially to the social and economic development of the local communities in which our hotels are located by creating jobs in our hotels and buying locally, creating local economic stimulus. As our employees are part of their local communities, they are more willing and able to make a difference. Most of our hotels are heavily involved in voluntary community work and social care.

ACCORHOTELS COMMUNITY FUND

In September 2016, AccorHotels announced a new direction in its fundraising and community engagement efforts - the AccorHotels Community Fund - with the aim of building healthy families across the country. This goal is achieved by partnerships with four core organisations that enable positive social impact in the areas of youth, health and wellbeing and inclusion. In 2017, the combined fundraising efforts of the Group exceeded \$750,000.

KEY FUNDRAISING CONTRIBUTIONS

Artzology Talent Quest (NSW) \$70,000 | Dessert Promotion (NSW, WA) \$75,000 | Accor Walkathon (VIC) and Amazing Race (NSW) \$28,000 | AccorHotels Community Fund Branded Mobile Phone Chargers (national) \$42,000

Our Community Fund Partners - Kokoda Youth Foundation (youth), Lifeline (mental health), Garvan Institute of Medical Research (focusing on rare and neglected cancers) and AIME Mentoring (inclusion) - have been closely engaged in our fundraising efforts from Conversations with Accor (NSW) speaking event to the Accor Walkathon (Amazing Race VIC) and our signature employee engagement fundraising event Race to Survive. Held on the Gold Coast with nearly 200 participants from across the country, Race to Survive involves a three day adventure challenge and was held in October 2017.





RACE TO SURVIVE

2017 - THE BEST YET!

In 2011, AccorHotels commenced a nationwide staff fundraising initiative called Race to Survive, raising money for charity partners across Australia. Race to Survive involves a three day adventure challenge whereby teams of AccorHotels staff come together to complete a set of gruelling hikes and obstacle courses. In order to compete in the challenge, each team needs to have raised a set amount of money. Since the event was established in 2011, \$2.21 million has been raised for AccorHotels' charity partners. In 2017, AccorHotels hosted Race to Survive: Kokoda Trail on the Gold Coast, with money raised going directly into the newly established AccorHotels Community Fund. From 2013 Race to Survive moved to a biennale event.

YEAR	AMOUNT RAISED
2011	\$250,000
2012	\$260,000
2013	\$500,000
2015	\$450,000
2017	\$750,000
Total	\$2.21 million





PLANT FOR THE PLANET

Plant for the Planet is a global guest engagement program focused on reinvesting energy and water savings from guest towel reuse in reforestation and environmental improvement projects. Globally the program to date has planted more than 5 million trees and AccorHotels has committed to plant 10 million more trees by 2021.

AccorHotels Australia has a long running relationship with Greening Australia, a non-profit organisation recognised nationally for their work to put an end to the disappearance of biodiversity by replanting native trees, shrubs and grasses. The tree planting activities are monitored and audited by AccorHotels' global Plant for the Planet partner, PurProjet.

Due to the time it takes to collect native seeds and grow seedlings, tree planting traditionally takes place one to two years following the annual payment by AccorHotels. To date, participating hotels nationally have funded the planting of 46,763 trees.

	2013 & prior	2014	2015	2016	2017	Total
Trees planted and funded	7,708	3,765	9,644	11,633	14,013	46,763





During 2017, 14,013 trees were funded for planting in 2018. The trees will be planted in four geographical areas.

AREA 1 - The Great Barrier Reef: The alluvial gullies that make up the river systems of the Great Barrier Reef Catchment are eroding on a massive scale due to extensive clearing for agriculture. Every year an average of 1.4 million tonnes of fine sediments, along with agricultural chemicals and fertilisers, are washed into the sea threatening the fragile reef ecosystem. The project aims to reforest gullies to halt soil erosion and preserve the reefs on which a large majority of the local economy and people are dependent upon. The Fitzroy Basin Catchment, where large proportions of the sediments are originating from, is a key focus area for planting. The project is part of Greening Australia's Reef Aid program.

AREA 2 - Cumberland Plain: Due to the growing urbanisation in the Cumberland Plain (Western Sydney), less than 5% of the pre-1750 native vegetation remains as intact bushland. The loss of habitat puts increasing pressure on 300 native plants and over 20 threatened birds and animals. The project aims to restore key corridors within this urbanised zone to restore habitat connectivity. In the longer term the program hopes to reintegrate the koala once found on the Plain.

AREA 3 - Habitat 141°: This agricultural region has suffered large losses of natural habitats since European settlement. Small and often isolated areas of native vegetation remain and support high numbers of endangered species threatened by habitat fragmentation and the effects of climate change. The Habitat 141° project aims to restore and reconnect migratory corridors for native fauna over a 50 year time frame.

AREA 4 - Peel Biolinks: The south west region of Western Australia has been recognised as one of the world's 34 biodiversity hotspots due to its high richness and diversity of native flora and fauna. This biodiversity is however threatened by increasing population pressures and by a reduction in rainfall due to shifting climate patterns. The Peel Biolinks project aims to reconnect the Darling Scarp to the Ramsar Listed Peel Estuary system through the restoration of key biodiversity corridors within the Peel Catchment. Greening Australia works with farmers and landholders in this area to restore connectivity within a fragmented landscape.

For more information about Australian Plant for the Planet activities, visit the [Pur Projet project page](#).



ACCORHOTELS CELEBRATES 50 YEARS

On November 19th 2017, AccorHotels honoured everyday heroes – men and women, such as firefighters, nurses, teachers, craftspeople, small businesses and local residents who work each day to serve their communities – by inviting them into more than 1,900 establishments around the world, including more than 500 hotels in Asia Pacific and 90 hotels around Australia.

This global event was an opportunity for the Group and its 250,000 employees to thank the people who are committed to serving their communities by inviting them to a breakfast, a barbecue lunch or a cocktail event and sharing a moment with them.

Around Australia, over 90 hotels welcomed local heroes and honoured them with lunches, BBQs and cocktail functions. Novotel Barossa Valley Resort honoured Country Fire Service (CFS) volunteer firefighters and their families at a BBQ lunch. The CFS played an integral role in keeping the community safe when catastrophic fires swept through the Valley in 2015. At Mercure Parramatta, the Mayor, Andrew Wilson, joined hotel staff, volunteers, local businesses and charity operators in the porte cochere of the hotel for a lunch time BBQ sausage sizzle.

AccorHotels 50th birthday celebrations also gave hotel staff an opportunity to showcase their hotels, which are deeply rooted in the life of their neighbourhood, and to encourage local residents to come through their doors more often.





WATCH (We Act Together for Children)

Since 2001, AccorHotels has globally lead a fight against sexual exploitation of children in tourism alongside ECPAT (End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes) International. In 2012, AccorHotels globally bolstered its commitment further by creating the WATCH program. AccorHotels' commitment to WATCH is based on informing and training employees, raising awareness among customers and suppliers and developing relations with public authorities. Working with the local ECPAT representative, Child Wise, AccorHotels Australia has developed a robust child protection framework.



SOAP AID

In 2015, AccorHotels across Victoria announced a formal partnership with Soap Aid - a not-for-profit organisation which improves the lives of children in disadvantaged communities around the world through improved hygiene practices by using re-purposed soap bars.

AccorHotels throughout New South Wales have also joined the program. There are now 53 registered hotels which donate to Soap Aid. In 2017, AccorHotels throughout Victoria and New South Wales donated 3,007 kgs of discarded soap. Since the program started 8,099 kgs have been collected.

The soap collected in 2017 will be re-manufactured to create 30,070 bars of life saving soap for distribution to 10 countries or territories in need of improved sanitation. Regions and countries include Western Australia, Northern Territory, Papua New Guinea, Fiji, Indonesia, Philippines, India, Cambodia, The Democratic Republic of Congo and Uganda. To date, 161 schools globally have been provided with soap from the program.



YOUTH OFF THE STREETS

For the last two years, Youth Off The Streets and AccorHotels have work together on a program that provides young people with training, education and career opportunities. These opportunities are designed to give young people assistance to develop vital workplace connections and skills. As part of the program, selected students are invited to attend a five day training program, giving them the chance to experience what it is like to work for AccorHotels. The program includes work placement at a hotel and a job interview. Since 2016, 29 of the young people who completed the training were offered jobs within the AccorHotels Pacific network. Youth Off The Streets considers this program one of their most successful and one that adds tremendous value to young people's lives as they continue their journey to independence and self-fulfilment.

KOKODA YOUTH FOUNDATION

Since 2015, AccorHotels has partnered with the Kokoda Youth Foundation, a small not-for-profit organisation that delivers a range of youth programs, events and camps. Kokoda Youth Foundation provides enhanced thinking and social skills that give young people respect in their interpersonal relationships leading to positive and rewarding outcomes. The young person takes charge of, and responsibility for, their own thoughts, emotions and actions to achieve full health now and in the future, increasing their opportunities for education and occupation, and avoiding feelings of isolation, frustrated ambition and disappointment.

AccorHotels Community Fund partners with Kokoda Youth Foundation (KYF) to continue momentum in achieving their vision and mission of 'Changing lives through the Kokoda Spirit' through the On the Right Track program targeting students in years 9 and 10. Since this program partnership commenced, Kokoda Youth Foundation has seen an increase of 45% in the number of young people experiencing Kokoda themed youth programs across Kokoda Challenge youth program and On the Right Track, both in South East Queensland and Melbourne. A total of 3,905 young people have engaged across Kokoda Youth Foundation activities, including Camp Kokoda, Kokoda Challenge events and youth services, learning the importance of leadership skills, social skills, health and wellness, community engagement and, most importantly, the history of Australia linked with the Kokoda Campaign.





SIX SEASONS OF BUNKER BAY GARDEN EXPLORATION EXPERIENCE

In 2017, the team at Pullman Bunker Bay Resort launched the Six Seasons of Bunker Bay Garden Exploration Experience - a small group garden walk, guided by a local Indigenous Elder Nina Webb. Suitable for all ages, the experience shares with guests the Aboriginal culture and language of the local Wardandi people who have thrived in the south west of Western Australia for over 45,000 years. The walk showcases the hotel's stunning garden, which was designed to showcase a vast array of plant species native to the region. The garden exploration walk was created by the resort in collaboration with members of the local Indigenous community and the local Geographe Community Landcare Nursery, while the fauna habitats were built by Busselton Men's Shed.

A rooftop infinity pool with a city skyline in the background. The pool is filled with clear blue water and has a tiled deck around it. There are lounge chairs with cushions on the left side. In the background, there are several buildings, including a prominent one with a dome, and a Ferris wheel. The sky is clear and blue.

Moving towards carbon
neutral **BUILDINGS**



OUR BUILDINGS

To meet the global emissions reduction goal set by the Paris climate agreement, AccorHotels has committed to progressing hotels to becoming carbon neutral buildings.

To start, the Global Group is focused on areas of direct influence. By 2020, construction and renovation of all owned and leased hotels will be low carbon buildings, leveraging new designs and technologies. On average, the Global Group opens two new hotels every three days internationally and hundreds more hotels are renovated each year.

To go further and to achieve the 2020 targets, the Global Group is focused on implementing a paradigm shift which consists of the:

- development of low carbon buildings;
- innovation in energy technologies;
- innovation in construction materials; and
- innovation in intelligent buildings technologies.

The Design and Technical Services Department is primarily responsible for hotel performance, compliance with relevant internal standards and legislation. Hotels track consolidated energy and water consumption using the GAIA reporting tools. Multiple validation checks are performed by regions and at the Global Group level. The collected data is also used for emissions reporting.

Consolidated national annual reporting covers all hotels open by December 31st 2017. Excluded from the scope are:

- hotels that joined the Group after September 15th 2017;
- new unbranded AccorHotels acquisitions (during the reporting year);
- hotels closed for work during the reporting period;
- entities or independent commercial structures at the operational level similar to franchisees; and
- related activities within hotel facilities not managed by AccorHotels (e.g. shops, co-ownership) if sub-metering is in place.



ENERGY

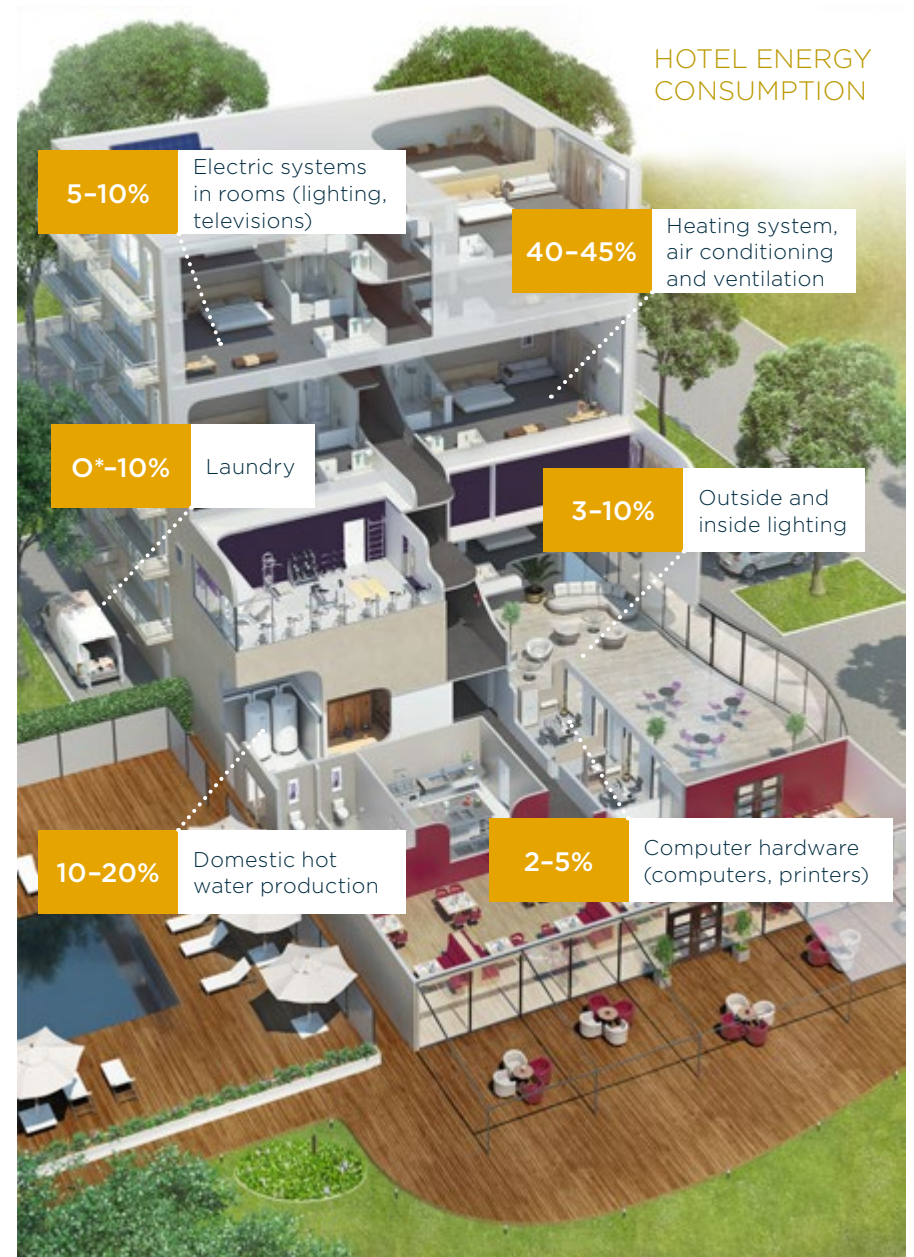
Over the last five years, AccorHotels has built up a detailed understanding of the energy consumption profiles of hotels. The Group's 2016 Environmental Footprint report refreshed this knowledge and provided additional analysis of consumption outside the walls of hotels.

The diagrams on this and the next page highlight the environmental challenges associated with energy consumption and the energy profiles of hotels.

Each year, AccorHotels Australia sets each hotel specific annual reduction objectives for energy and water consumption. Hotel performance is monitored using the GAIA tool. The tool tracks a variety of hotels metrics including, but not limited to, energy and water consumption, hotel characteristics (number of rooms, facilities, technical equipment etc.), occupancy rates, weather, brand family and region. From this data, a number of ratios and analysis are produced to help hotels monitor efficiencies and track progress towards targets.

A growing number of hotels have installed 'smart' building technologies including IoT (Internet of Things) solutions to improve data collection and automate building systems. The systems deliver the benefit of reducing energy consumption and maintenance costs. As IoT technologies are increasingly proven in hotels, the AccorHotels Global Group anticipates significant uptake.

In an effort to improve the performance of all AccorHotels branded properties, including franchise hotels, the Global Group will seek to develop relevant and attractive service offers.





MAIN ENVIRONMENTAL CHALLENGES AND EFFECTS OF ENERGY CONSUMPTION



BIODIVERSITY



CARBON DIOXIDE



WATER

DAM CONSTRUCTION

Hydroelectric dam construction and the subsequent flooding of the reservoir can cause entire ecosystems to disappear and thus affect endangered species populations



PLANT COOLANT SYSTEMS

Power stations are large consumers of fresh water which is needed to operate the facilities



COAL AND URANIUM MINES

Coal and uranium mines can be a significant source of heavy metals that can enter waterways and impact aquatic species



FOSSIL FUELS (NATURAL GAS, COAL, PETROL)

The impact of energy consumption on climate change is strongly linked to fossil fuel use



WORLDWIDE ENERGY MIX

In the world, 41% of electricity is generated from coal, 22% from natural gas, 16% from hydropower and 6% from new renewable energies (e.g. wind, solar, geothermal and biomass)





Pullman Quay Grand Sydney Harbour

ENERGY CONSUMPTION AND INTENSITY

In 2017, AccorHotels Australia hotels within scope consumed 283,513 MWh of energy. The measurement includes metered electricity, mains and metered gas consumption. Associated direct energy consumption from these activities are included in reporting. Energy consumption associated with outsourced laundry and related services are excluded. The Global Group has adopted kWh per available room as the key energy intensity metric for the monitoring of hotel energy performance. While total energy consumption grew, reflecting the addition of new hotels, energy intensity improved, recording a 3.2% reduction in energy consumption year-on-year.

Total energy consumption (MWh)	2016	2017
Total consumption	301,939	283,513
Ratio kWh / average room	41.95	39.0

Reported energy consumption includes data from 118 validated owned, leased and managed hotels.

Like-for-like analysis provides a control for changes to hotels within scope. Energy intensity improved for like-for-like hotels by 1.4%. Like-for-like energy consumption includes data from 110 validated owned, leased and managed hotels.

Total energy consumption (like-for-like) (MWh)	2016	2017
Total consumption	279,096	260,278
Ratio kWh / average room	42.41	39.8

The difference between total energy consumption and like-for-like consumption highlights in part the energy intensity gains associated with new buildings joining the AccorHotels network.



Mercure Sydney



Ayers Rock Resort's Tjintu Solar Field

RENEWABLE ENERGY

The number of hotels with onsite renewable energy systems continued to grow with a number of notable installations across owned, leased, managed and franchise hotels.

In early 2017, a 100kW Solar Photovoltaic system was installed on Pullman Quay Grand Sydney Harbour's roof. The system is one of the largest systems to be installed in the Sydney CBD and will provide electricity to cover the majority of base building systems which is equal to about 20 conventional houses.

Novotel Barossa Valley Resort finalised the tender and awarded a contract for the installation of a 158kW Solar Photovoltaic system which will be installed during 2018.

Another notable solar project is Ayers Rock Resort's Tjintu Solar Field 1.8MW solar system which received \$4.7 million in finance from the Clean Energy Finance Corporation (CEFC). The system will meet about 15% of the Resorts' needs and reduce emissions associated with the transport of fuel from Alice Springs and burning of the compressed natural gas.



CARBON

CO₂ emissions from hotels are calculated using energy consumption data including:

- direct emissions associated with fuels (gas, fuel, oil) burned in hotels; and
- indirect emissions associated with offsite generation of electricity and purchased via network connections.

The coefficients of greenhouse gases used for electricity and fuel are from the resource centre on the balance sheets of ADEME/greenhouse gases consistent with Global Group reporting. Total emissions of greenhouse gases are expressed in CO₂ equivalent tons.

The trends associated with reported CO₂ emissions are consistent with those described for energy consumption.

Total CO ₂ emissions	2016	2017
Total direct CO ₂ emissions	20,291,491	17,558,692
Total indirect CO ₂ emissions	178,009,787	173,800,325
Total direct and indirect CO ₂ emissions	198,301,278	191,359,017
CO ₂ emissions per room ratio	27.60	26.3

Includes data from 118 owned, leased and managed hotels.

Total CO ₂ emissions (like-for-like)	2016	2017
Total direct CO ₂ emissions	18,674,335	16,401,948
Total indirect CO ₂ emissions	164,893,198	158,240,407
Total direct and indirect CO ₂ emissions	183,567,533	174,642,354
CO ₂ emissions per room ratio	27.90	26.7

Includes data from 110 owned, leased and managed hotels.

The Group also completes annual reporting under the Australian Federal Government National Greenhouse and Energy Reporting scheme.





WATER

Australia is the second driest continent on earth with only a limited capacity to provide fresh water. As pressure on water resources increases, it's important that efficiencies be found to reduce and conserve water resources. The diagram to the right highlights the environmental challenges and effects associated with water consumption as well as the water profiles of hotels.

In order to improve the water efficiency of hotels, AccorHotels has established a minimum standard flow rate for all showers, taps and toilets that are now mandatory for Planet 21 hotels. Regular monitoring of water consumption is used to identify drips and leaks to reduce water loss. A number of hotels have installed rainwater tanks to reduce water consumption from mains supply. Hotels monitor total consumption trends as well as the consumption ratio per guest (litres/night). During 2017, the Group achieved a 4.3% improvement in water consumption efficiency. Like-for-like hotels achieved a 0.8% improvement.

Total Water Consumption	2016	2017
Total consumption	301,939	2,310,043
Ratio litres / average room	41.95	246

Includes data from 118 validated owned, leased and managed hotels.

Total Water Consumption (like-for-like)	2016	2017
Consumption m ₃	2,202,415	2,129,871
Ratio litres / guest	253	251

Includes data from 110 validated owned, leased and managed hotels.





WASTE AND RESOURCE RECOVERY

In 2016, Planet 21 established waste and resource recovery commitments for 2020, including a 65% operations recycling rate. A new Global Group waste policy defines three priorities designed to aid the transition to a circular economy:

- **PRIORITY 1:** To treat 100% of hazardous waste at approved facilities.
- **PRIORITY 2:** To sort and value waste generated by operational Group activities. It is the ambition of the Global Group to sort and recover 95% of waste in 10 years.
- **PRIORITY 3:** Reduce the quantity and volume of the most significant waste categories: food waste, packaging waste and paper waste.

For a more detailed description of the AccorHotels waste policy, see the [AccorHotels Global Group 2016 Registered Document](#).

GLOBAL GROUP WASTE GENERATION AVERAGES

Average Waste Amounts by Hotel Category	Metric Tonne
Luxury and upscale hotels	94
Midscale hotels	69
Economy hotels	34
Budget hotels	7

The 2016–2020 Planet 21 program requires that hotels report on the implementation of a number of different waste and recycling related activities as detailed in the following table.

Planet 21 in Action	Hotels Implemented 2016	Hotels Implemented 2017
Sort and recycle at least two types of waste: paper, glass, cardboard or plastic	98%	96%
Sort and recycle paper, glass, cardboard and plastic	82%	86%
Collect and recycle food oils	70%	72%
Implement fat stores to collect and recycle food fats	69%	69%
Recycle food waste	28%	29%

AccorHotels Australia maintains a contractor panel of three national providers that deliver regular reporting of waste and recycling generation. While the providers service many of the hotels nationally, they are unable to provide coverage to all regions. Subsequently, the measurement and monitoring of national recycling performance in 2017 was not possible. In 2018, AccorHotels Global Group will introduce a new food and residual waste and recycling platform for the reporting and monitoring of performance in line with commitments. The new platform will enable AccorHotels Australia to improve waste and recycling reporting.

The geographical spread of hotels nationally creates waste management challenges due to variations in the proximity to appropriate services. A growing number of hotels in major metropolitan areas are having their waste collected and processed at advanced waste treatment facilities, reducing the need for onsite separation of recyclables and vehicle movements while increasing recycling rates. This approach means that 17 hotels in Melbourne and Sydney currently achieve recovery rates of over 75%, diverting valuable resources from landfill and back into the productive economy.

For the majority of other hotels nationally, diversion rates currently sit below 40%, highlighting the need for improved operational controls to achieve the Global Group's 2020 65% diversion target.



CASE STUDY



UGLY MUGS

In October 2017, the team at Novotel Brisbane's Two Donkeys café introduced a fun take on sustainability, giving customers the opportunity to enjoy their coffee in an old school ceramic 'ugly mug' instead of a takeaway coffee cup in an effort to reduce waste. The team at Two Donkeys scoured countless local charity shops in search of the very best novelty and nanna mugs to match the 'Ugly Mug' moniker. Customers can now bring their mug back the next day and swap it for another gem or simply add it to their collection at home. Not only is the initiative great for the environment, customers are also rewarded with 50 cents off the cost of their coffee when they opt for an ugly mug instead of a takeaway cup. Regulars are encouraged to bring their own favourite mug from home which they can keep at the café for the team to use when they return.

A group of people are seated around a long wooden table outdoors, enjoying a meal. The table is set with a white tablecloth and a blue and white checkered runner. It is laden with various dishes, including bread, dips, and salads, served on metal trays. There are also wine glasses and bottles on the table. The people are dressed in casual, summery attire. The background shows a lush green lawn and trees, suggesting a park or garden setting. The overall atmosphere is relaxed and social.

Striving for zero waste, healthy
and sustainable **FOOD**



OUR FOOD

During 2016, AccorHotels Australia served more than 7 million meals from 170 food outlets. The Global Group is aware that the current food model is not sustainable and would like to offer quality food to customers who have very strong expectations for sustainable development when it comes to food and drink. On this major issue, AccorHotels has committed to three key objectives:

- offer guests healthy and sustainable food;
- reduce food waste; and
- develop urban agriculture.





MAIN ENVIRONMENTAL CHALLENGES AND EFFECTS OF AGRICULTURE



BIODIVERSITY



CARBON DIOXIDE



WATER

FISHING AND AGRICULTURE

Regarding fishing, 30% of fish stocks are overexploited and at risk of collapse. As for agriculture impact, pesticides released into rivers and streams can reduce insect and other invertebrate freshwater populations, essential for balancing biodiversity, by up to 42%



IRRIGATION

Irrigation accelerates desertification in certain regions. In an arid region, it may take over 100 litres of water to produce a single litre of fruit juice

ANIMAL FEED

Each year, over one million hectares of forest are destroyed to raise animals (becoming pastures or food production sites for fattening the animals)



LIVESTOCK DIGESTION

Of greenhouse gases emitted by the agricultural sector, 39% come from livestock digestion in animal husbandry facilities. This means over 80% of the carbon footprint of dairy products is linked to livestock production



PESTICIDE, FERTILISER AND MANURE USE

Spreading fertilisers liberates greenhouse gases such as nitrous oxide (N₂O), whose global warming potential is 98 times higher than that of CO₂



HEALTHY AND SUSTAINABLE FOOD CHARTER

During 2016, AccorHotels Australia rolled out the Healthy and Sustainable Food Charter to all hotels. The goal of the Charter is to offer guests a true culinary experience through high-quality, healthy and sustainable food, all the while contributing to the transformation of the agricultural model and fighting against food waste.

AccorHotels Australia strives to source the best, freshest, seasonal produce from local markets nationally. Locally, AccorHotels Australia has made the following commitments in line with the Charter.

HEALTHY AND HIGH-QUALITY FOOD

- Prioritise quality produce over price.
- Offer one option for each service to satisfy healthy optimising guests (low calories, low fat etc.).
- Offer vegetarian options at all times.
- Offer gluten free options at all times.
- Provide cuts of meat (chicken, beef and pork) containing no growth hormones.
- Milk from cows that are growth hormone free.
- Do not use palm oil when cooking (frying or regular cooking).
- To limit added sugar, preference bread, pastries and sweet products containing no glucose-fructose syrup or minimise where possible.
- Offer orange and apple juice that are 100% juice at all times.

SUPPORT SUSTAINABLE FOOD MODELS THROUGH OUR SUPPLY SOURCES

- Preference products and ingredients supplied from Australian producers to avoid transportation impacts.
- Ban the use of overfished species.
- Offer one or more fish options from certified sustainable fisheries or aquaculture.

During 2017 6 hotels reported the implementation of the Charter. The Charter is available [here](#).

HACCP

As part of AccorHotels commitment to serve consistently healthy and safe food for our guests, the business has adopted the HACCP Food Safety Methodology. HACCP provides a methodology to ensure that all raw materials, products and services that are purchased, handled and processed conform to specified requirements and provides traceability throughout the supply chain.

With an initial focus on luxury and upscale brands, hotels across the Australian network are receiving certification, in addition to the suppliers engaged by National Procurement. All other hotels are required to implement a comprehensive and compliant Food Safety Program that meets the needs of their operations.



CASE STUDIES



CAGE FREE EGGS

As part of AccorHotels' commitment to end the use of caged eggs in our hotels, the Australian Procurement Department sought distributors for the supply of eggs that meet the Groups' requirements.

Due to the scale of AccorHotels' needs, no distributors with existing capacity could be identified. The Department subsequently established a new project with a distributor who agreed to invest in their own production capacity to meet AccorHotels' requirements.



HONEY BEES

During 2017 the number of hotels with honey bee hives onsite increased from four hotels to 11. Installation of beehives is one of the actions of the Planet 21 in Action program for hotels and an action that has proven very popular with guests.

Honey bees play a key role in the sustainability of the food supply chain as they are key to the pollination of the agricultural and horticultural crops which ultimately produce a very large proportion of the food that we all eat.

Once the hotels meet minimum production requirements, the honey from the hives can be made available at the breakfast bar and used as VIP amenities.



REDUCING FOOD WASTE

For AccorHotels, the issue has three facets: ethical, ecological and economical.

ETHICS

Each year, more than 30% of world food production is lost. Less than a quarter of that wasted food would be enough to defeat the scourge of hunger, which affects 795 million people globally¹. In Australia, 2 million people seek food relief each year, including one million children².

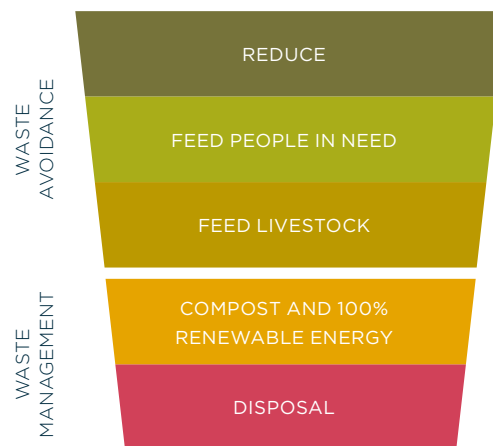
ENVIRONMENTAL

Water consumption as well as the use of fertilizers and chemical pesticides associated with agricultural production weighs heavily on the environment and the environmental footprint of the Group. Equally, if food waste was a country, it would be the world's third largest carbon emitter. This reinforces the importance of avoiding waste.

ECONOMIC

In hotels and restaurants, it is estimated that 25% of purchased food ends up going to landfill. This waste would be 4% to 12% of total food sales for companies in the sector³. By reducing these losses, hotels can also reduce costs.

AccorHotels endeavours to follow the food waste priority pyramid when tackling the issue of food waste.



During 2016 and 2017, AccorHotels Australia undertook pilots to assess the potential for the use of a range of different food waste monitoring tools to help control and reduce the production of food waste in hotels. AccorHotels has already undertaken similar trials internationally with positive results. During a three month period, a trial conducted by Novotel Brisbane achieved a 30-40% reduction in food waste costs, the metric selected for global measurement and comparison. The Group is now working through the progressive process by region for the broad scale roll out of the program to hotels nationally.

¹ FAO (Food and Agriculture Organization of the United Nations). ² FoodBank, The Facts, <https://www.foodbank.org.au/hunger-in-australia/the-facts/>. ³ Winnow - innovative solutions to reduce food waste in the kitchen.

MAJOR LEVER TO REDUCE THE FOOTPRINT OF THE GLOBAL GROUP

The 2016 AccorHotels Global Environmental Footprint Report identified food and beverage as:

- **THE LARGEST CONTRIBUTOR TO OUR BIODIVERSITY FOOTPRINT:** 88% of the global impact on flora and fauna, mostly during the farming stage.
- **THE LARGEST CONTRIBUTOR TO OUR WATER FOOTPRINT:** 40% of our global water consumption, mostly due to crop irrigation and livestock farming and 79% of our impact on the eutrophication of seawater: the proliferation of algae as a result of the use of nitrate-rich fertilizers in crop farming.
- **THE SECOND LARGEST CONTRIBUTOR TO OUR CARBON FOOTPRINT:** More than 10% of our global CO₂ emissions come principally from the transport of merchandise and from livestock farming to produce meat and dairy products.



In addition to monitoring tools, hotels are implementing actions to prevent food spoilage including:

- Monitoring of food storage temperatures.
- Checking expiry dates.
- Reliably estimates of quantities of food, including for conferences.
- Limiting the number of products offered in the buffets.
- Better measuring the portions served to guests.
- Creating inventive recipes for better reuse of 'leftovers'.
- Educating employees and customers on the fight against food waste.

In cases where food waste can't be avoided, or consumed internally via the staff canteen, hotels have partnered with community food banks such as OzHarvest.

During 2017, 16 hotels nationally made donations to OzHarvest in Queensland, New South Wales, Victoria and South Australia. In total 6,283 kgs of food, equal to 19,000 meals, was donated by the hotels. The donations also support employment of OzHarvest staff who were involved in the collection and distribution of the food during the year. A number of hotels also supported OzHarvest activities by providing access to their commercial dishwashers to clean food collection containers that are distributed to donors.

Finally, for food waste that is not fit for consumption, the best way to minimise environmental impact is by advanced waste treatment options such as composting and anaerobic digestion. AccorHotels is also investigating options for the onsite processing of food organics and is trialling a number of solutions. Expanding the separation and recovery of food organics in hotels will be key in achieving the Group's 2020 65% recycling target.

VEGETABLE GARDENS IN OUR HOTELS

The development of urban agriculture provides a response to growing urbanisation - the growing gap between agricultural rural areas that produce food for cities and consumers. Recent years have seen the emergence of new innovative approaches to bring these two worlds together including urban gardens, educational peri-urban farms and direct sales models.

Locally, AccorHotels has set a target of 60 hotels with vegetable gardens by 2020. In order to be valid, gardens need to meet certain criteria, including a minimum cultivation area of 20m², production of plants for food consumption and regular maintenance. Each garden will be adapted to the context of the hotel and relevant space constraints.

In 2017, a review was conducted of properties which identified 16 Australian hotels with existing herb and vegetable gardens. A number of hotels have well established productive kitchen gardens with Novotel Cairns Oasis Resort and Mercure Sydney International Airport providing some of the best examples.



CASE STUDIES



UNIVATIVE

AccorHotels participated in the Univariate program which involves giving university student teams real world problems in a hackathon style event run over four weeks. Four teams from University of New South Wales, University of Technology Sydney, University of Wollongong and Macquarie University took on the AccorHotels project which focused on how best to expand the use of vegetable gardens across the Australian network. Teams were asked to consider garden design, cost, productivity and guest engagement in developing their solutions. University of New South Wales won the challenge based on their innovative 3D printed modular design concept and plant selection.



PULLMAN REEF HOTEL CASINO

Pullman Reef Hotel Casino has brought to life unused roof and balcony space with the installation of two Ebb and Flow (flood and drain) hydroponic systems which produce a range of herbs and edible plants for hotel guests food and beverage outlets. The hotel has also set up two bee hives hosting a total of approximately 20,000 bees on the hotel's rooftop. All honey produced is passed directly onto the hotel's award winning Tamarind Restaurant.



NOVOTEL CAIRNS OASIS RESORT

Novotel Cairns Oasis Resort successfully relocated and replanted their existing herb garden to make it closer to the kitchen and accessible to guests. The Hotel has expanded the variety of planted herbs which are used in the menus and the hotel bar has come up with a number of herb infused cocktails using basil, rosemary and mint.



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GRI CONTENT INDEX

GRI Claim - This report has been prepared in accordance with the GRI Standards: Core option.

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102-1	Name of the organisation	Title Page	-	1
102-2	Activities, brands, products and services	Positive Hospitality – Our Business	-	8
102-3	Location of headquarters	Last page	-	91
102-4	Location of operations	Positive Hospitality – Our Business	-	11
102-5	Ownership and legal form	Positive Hospitality – Our Business	-	11
102-6	Markets served	Positive Hospitality – Our Business	-	11
102-7	Scale of the organisation	Positive Hospitality – Our Business	-	11
102-8	Information on employees and other workers	People	-	43
102-41	Collective bargaining agreements	People	-	57
102-9	Supply chain	Positive Hospitality – Our Business	-	8
102-10	Significant changes to the organisation and its supply chain	Positive Hospitality – Our Business	-	10
102-11	Precautionary Principle or approach	GRI Table	-	-
102-12	External initiatives	Vision and Commitments – Combining Business with Sustainable Development	AccorHotels publicly recognises the precautionary principle as a signatory to the United Nations Global Compact and in the implementation of our risk frameworks.	21
102-13	Membership of associations	GRI Index	Tourism Accommodation Australia, Accommodation Association of Australia, Australian Timeshare and Holiday Ownership Council.	-
102-45	Entities included in the consolidated financial statements	Commercial Summary		8
102-46	Defining report content and topic Boundaries	Vision and Commitments – Material Matters	-	18
102-47	List of material topics	Vision and Commitments – Material Matters	-	19
102-48	Restatements of information	Vision and Commitments – Material Matters	-	-
102-49	Changes in reporting	Vision and Commitments – Material Matters	-	14



GRI STANDARD NUMBER	GRI STANDARD DISCLOSURE	REPORT SECTION	GRI INDEX TEXT	PAGE
102-40	List of stakeholder groups	Vision and Commitments - Material Matters	-	20
102-42	Identifying and selecting stakeholders	Vision and Commitments - Material Matters	-	18
102-43	Approach to stakeholder engagement	Vision and Commitments - Interaction with Stakeholders	-	18
102-44	Key topics and concerns raised	Message from Simon McGrath, Vision and Commitments - Interaction with Stakeholders	-	20
102-50	Reporting period	Positive Hospitality - About this Report	-	6
102-51	Date of most recent report	Positive Hospitality - About this Report	2016	-
102-52	Reporting cycle	Positive Hospitality - About this Report	-	6
102-53	Contact point for questions regarding the report	GRI Table	Angela Cowley, Director of Communications (Angela.Cowley@accor.com, +61 2 9280 9616) Tom Mallet, Procurement and Sustainability Manager (tom.mallet@accor.com)	-
102-54	Claims of reporting in accordance with the GRI Standards	Positive Hospitality - About this Report	-	6
102-55	GRI content index	GRI Table	-	82
102-56	External assurance	GRI Table	The 2017 report has not been externally reviewed. AccorHotels Australia intends to seek assurance for future reports as relevant internal reporting practices are refined.	-
102-18	Governance structure	Vision, Commitment and Approach - Governance	-	30
102-16	Values, principles, standards and norms of behaviour	Positive Hospitality - Our Values	-	10
201-1	Direct economic value generated and distributed	Commercial Summary	-	14
201-4	Financial assistance received from government	Commercial Summary	-	15
202-2	Proportion of senior management hired from the local community	People	a. 100%. b. Senior Management refers to members of the Pacific Leadership Team. c. Australian.	-
204-1	Proportion of spending on local suppliers	Partners	-	54
302-1	Energy consumption within the organisation	Buildings	-	76
302-3	Energy intensity	Buildings	-	76
303-1	Water withdrawal by source	Buildings	-	79
305-1	Direct (Scope 1) GHG emissions	Buildings	-	78



GRI STANDARD NUMBER	GRI STANDARD DISCLOSURE	REPORT SECTION	GRI INDEX TEXT	PAGE
305-2	Energy indirect (Scope 2) GHG emissions	Buildings	-	78
305-4	GHG emissions intensity	Buildings	-	78
306-2	Waste by type and disposal method	Buildings	-	72
307-1	Non-compliance with environmental laws and regulations	GRI Table	In 2017, no significant fines and non-monetary sanctions for non-compliance with environmental law issued.	-
308-1	New suppliers that were screened using environmental criteria	GRI Table	Selective reporting has been provided for suppliers within Procurement Department Controlled Spend. New supplier screening by owned, leased and managed hotels outside the Procurement Department are not currently monitored.	61
401-1	New employee hires and employee turnover	People	-	57
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People	See People, Employee Benefits and Wellbeing. AccorHotels staff also receive Superannuation, Workers Compensation (disability and invalidity coverage) consistent with Australian legislation.	54, 55
401-3	Parental leave	People	-	54
403-1	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	People	<p>a. Whilst there are multiple viable and helpful methods of Work Health and Safety Consultation, AccorHotels has determined that each Hotel with more than 20 employees (and less if is the preferred method of employees or management) is required to establish a Work Health and Safety committee that allows for and facilitates consultation between management and employees. The Committees must consist of less than 50% management representatives, as per local legislation. These committees must document formal meeting minutes and produce these for all employees awareness, as well as communication to senior management of the Hotel. In addition to this, AccorHotels expects that consultation also occurs via other means, such as noticeboards, meetings, hazard / incident and feedback forms etc.</p> <p>b. It is estimated that in excess of 95% of the workforce are represented in Work Health and Safety Committees. This is based on recent external audits of the Owned / Leased / Managed Hotel network (Quarters 3 and 4 of 2016), in which 84 of 89 Hotels were able to demonstrate the existence of functional and legally complying committees. The few Hotels with no committees are on the small end of the scale in regards to employee numbers. In addition, knowledge of the operations in the remaining Hotels not audited indicates.</p>	-



GRI STANDARD NUMBER	GRI STANDARD DISCLOSURE	REPORT SECTION	GRI INDEX TEXT	PAGE
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	People	<p>a. During 2017, AccorHotels reported 1368 employee related work incidents of varying degrees of severity, including near-miss incidents where no harm was caused, First Aid Only incidents, Medical Treatment incidents and Lost Time Injuries (at least one full shift lost).</p> <ul style="list-style-type: none"> • Injury Rate (IR): This is not currently reported on across the national network. Some Hotels calculate this to determine appropriate local objectives and strategies to achieve them. • Occupational Diseases Rates (ODR) are not reported on currently. The main relevant diseases would be some slow onset musculoskeletal conditions and psychological illnesses. The musculoskeletal conditions that are considered illnesses, rather than injuries, are not able to be easily identified in current reports. Psychological illnesses are minimal. • Lost Day Rate: This is not currently reported on across the national network. Some Hotels will be calculating this to determine appropriate local objectives and strategies to achieve them. A crude figure is that there were 230 incidents that resulted in lost time (i.e. one or more full shift lost). This equates to 17% of the employee work-related incidents that were reported. • Absentee Rate (AR): Not reported currently via Work Health and Safety systems. • Work-Related Fatalities: AccorHotels had zero (0) work-related fatalities again in 2017. • Gender and Region: The injury rates are not segregated by gender or region currently and it does not appear relevant in our efforts to determine strategies to reduce injuries in our business. <p>b. During 2017, AccorHotels reported 34 contractor related work incidents of various degrees of severity, including near-miss incidents where no harm was caused, First Aid Only incidents, Medical Treatment incidents and Lost Time Injuries (at least one full shift lost).</p> <ul style="list-style-type: none"> • Injury Rate (IR): This is not currently reported on across the national network. • Occupational Diseases Rates (ODR) are not reported on currently. There would be minimal exposure for contractors. • Lost Day Rate: This is not currently reported on across the national network. A crude figure is that there were six incidents that resulted in lost time (i.e. one or more full shift lost). This equates to 17% of the work-related incidents that were reported by contractors. • Absentee Rate (AR): Not reported currently via Work Health and Safety systems. • Work-Related Fatalities: AccorHotels had zero (0) work-related contractor fatalities again in 2017. • Gender and Region: The injury rates are not segregated by gender or region. <p>c. Incident reporting and management is integral to the management of health and safety matters at AccorHotels. This is completed by the Hotels via the AccorHotels WHS Incident Portal. The Work Health and Safety Management System specifically details the requirements as well as many other mentions of the importance in policies and procedures.</p>	-



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403-3	Workers with high incidence or high risk of diseases related to their occupation	People	<p>There are no specific occupational activities which have high risk of specific diseases. There are some minor risks for all employees associated with occupational diseases such as:</p> <ul style="list-style-type: none"> • Psychological illness: Could affect any position / occupation. • Needlestick injuries (i.e. contracted disease): Could impact housekeeping employees most likely but the chances are remote. • Musculoskeletal disease through repetitive hazardous manual tasks: Could affect most positions / occupations in a hotel including housekeeping, front office, administrative roles, food and beverage, conference and events, and maintenance. • Industrial deafness: We have not had reported diseases in recent years. • Skin / UV related diseases: Employees working regularly outdoors, such as activities or ground / maintenance at resorts. <p>AccorHotels has appropriate systems in place to manage these risks.</p>	-
404-1	Average hours of training per year per employee	People	Total training hours reported. Data gender breakdown and employment category not currently collected.	46
404-2	Programs for upgrading employee skills and transition assistance programs	People	-	46
405-1	Diversity and Inclusion of governance bodies and employees	People	-	46
413-1	Operations with local community engagement, impact assessments, and development programs	Commercial Summary, Community	Pending data from Finance Department.	14
419-1	Non-compliance with laws and regulations in the social and economic area	GRI Table	In 2017, there were no fines and non-monetary sanction for non-compliance with laws and/or regulation in relation to social or economic factors issued against the Group.	-
416-1	Assessment of the health and safety impacts of product and service categories	Engage our Guests in a Sustainable Experience - Health and Safety	-	39
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Guests	In 2017, there were no substantiated complaints concerning breaches of customer privacy or losses of customer data.	39



Together we are acting for Positive Hospitality

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