



ACCOR
MANAGEMENT
ETHICS

Our development, which is based on healthy, sustainable growth, is dependent on the trust and respect that we build in our relationships within Accor.

The "Accor Management Ethics guide", which replaces the "Manager's Benchmarks", reviews a set of principles to be respected by everyone, but it cannot cover all situations. Its purpose is to establish a common framework that applies to everyone in all of our host countries and to review the major principles that must be respected in all management practices.

But looking beyond the management guidelines and principles that must be integrated into our day-to-day decisions and behavior, we also need to rely on a sense of responsibility, as well as common sense, to ensure that Accor remains both a respectful and a respected company.



Our values:

Innovation, spirit of conquest, performance, respect and trust

Smiling at employees

Our management principles

Business ethics, company assets and respect for people

Respect for laws and an integrity policy

Society and the environment

Our responsibility and commitments



A major player in Hotels and Services, Accor today operates in nearly 100 countries with more than 150,000 employees representing a wide range of backgrounds and job skills.

Our growth, cohesion and reputation play a critical role in improving our performance and ensuring our future. All three of these factors depend on our ability to comply with a range of practices that underpin our managerial community and help to make Accor unique.

Together, these practices, left to us by Co-Founders Paul Dubrulle and Gérard Pélisson, represent valuable assets that we must nurture and protect. Accor firmly believes that business success and global development are only possible—and meaningful—if they are pursued within a culture of responsibility that is shared by everyone and fully aligned with social and environmental concerns.

This conviction reflects the essence of who we are. We have expressed it by signing a number of agreements with international organizations and abiding by charters that define a common framework for our actions.

Because the world is changing quickly, and Accor too is involved in a profound transformation process, we wanted to provide each manager with a guide that clearly presents our management ethics. Shaped by our five core values, the guide is organized into three interconnected sections:

- **Our management principles;**
- **Our commitment to integrity and compliance with laws;**
- **Our social and environmental responsibility.**

Only by proudly proclaiming our values, respecting our commitments on the international stage and embodying the management ethics put forward in this guide can we ensure harmonious, sustainable growth that will benefit all stakeholders. The goal of this process is to contribute to Accor's performance by supporting the development of our employees and host communities and meeting the expectations of customers and shareholders, while respecting the laws that govern us.

I'm counting on each of you to integrate Accor's management ethics into your day-to-day decisions and actions and to transmit them to your team members. That's the best way for us to bring the "spirit of smiles" to life and enable it to flourish.

Gilles C. Pélisson
Chairman and Chief Executive Officer

Our values:

At the heart of our management philosophy

Transmitting Accor's core values

Expressing Accor's personality, identity and founding attributes and valid for all brands, businesses, people, countries and cultures, our values are the benchmarks that define our everyday actions and relations. As managers, we are the leading ambassadors of those values.

It is our duty to understand and embrace them, transmit them to our teams and above all to ensure that they are respected by everyone. Above all, we must set an example by bringing these values to life and endowing them with all their strength.

Our values are:



Innovation, our trademark

We want to observe, anticipate and act differently, with the goal of imagining new solutions that will drive improvement.



The spirit of conquest, our growth engine

We take risks and pursue a bold, aligned, entrepreneurial approach in order to grow and develop.



Performance, the key to our continued success

We demand and give our best, both individually and as a team, to achieve superior results every day, in every thing we do.



Respect, the basis of all our relationships

We recognize and respect the diversity and dignity of people around the world, both inside and outside the organization.



Trust, the foundation of our management

We create a climate of confidence and trusting relationships for and among everyone.





Smiling at employees **Our management principles**

A services company like Accor derives its vitality, dynamism and appeal in large part from the commitment and professionalism of its employees.

These qualities grow out of their:

- Skills, or **know-how**.
- Attitude, or **mind-set**.
- Satisfaction in working together, or **well-being**.

That's why Accor has long recognized the importance of these three attributes, which have made us unique and widely respected in the market. To reconcile them, we need to be sure that people are always at the center of our projects.

That's why the challenge we face as managers is to:

- Enable our employees to share in Accor's vision.
- Create solid bonds among team members.
- Involve everyone in our actions as fully as possible.

Our management philosophy can be summed up in one sentence:

“Knowing how to smile at employees”

Smiling at employees is part of our day-to-day attitude and behavior. It involves:

- Being attentive to and respectful of others.
- Being open to others and to new ideas.
- Promoting performance.
- Living the spirit of Accor.

Being attentive to and respectful of others

As managers, our actions and aptitudes are based on the ability to understand expectations, energize people, create contacts, identify talent, recognize performance and open new horizons for employees, with the goal of developing their skills and motivating them to new heights. Above all, this state of mind requires a constant focus on team members.

In our management practices, this means we must:

Adopt non-discriminatory, transparent hiring policies

- By complying with a selection process that applies the same criteria to all applicants for a given position.
- By basing all hiring decisions exclusively on professional skills and personal qualities, in line with our needs and the applicant's own attributes.

Promote diversity as a source of value and creativity for our teams

- By forbidding any form of discrimination with regard to gender, age, family situation, race, physical disabilities or membership in a political, religious or labor organization or minority group.
- By applying these non-discriminatory practices in all aspects of working life, especially with regard to hiring, training, special assignments, promotions and working conditions.

Support personal development

- By initiating a career path process when new employees are hired.
- By anticipating, listening and responding to employee needs and expectations.
- By regularly conducting opinion surveys to give employees a greater voice within the organization.
- By providing all employees with visibility on their career development prospects.

- By making certification training available to everyone, with one skills-enhancement course per employee per year.
- By creating mobility opportunities that open new career prospects for managers, in line with the following guidelines:
 - Identify 5% of managers each year who have the potential for international assignments.
 - Comply with the "one job every five years" rule for managers.
 - Enable all managers to work for two different brands or in two different countries during their career, unless personal circumstances make this impossible.

Recognize and reward talent

- By evaluating each employee once a year.
- By creating an environment in which any employee can be promoted to any position within the organization, provided he or she has the necessary skills, personal qualities and accomplishments.

Allow all employees to attain personal fulfillment

- By striving to make Accor a pleasant place to work that respects the employee's private life.
- By respecting important events in life, such as births, weddings, authorized leaves or the death of loved ones.
- By facilitating the hiring of the physically impaired.
- By accepting personal differences with regard to culture, education and physical aptitudes.

For Accor, being attentive and respectful means constantly listening to employees and looking at them in a new light and with an open mind.

The key to success?

A hands-on management style is necessary if employees are to receive the attention they deserve and the support they need throughout their careers. While the size of our hotels naturally favors this style of management, we also have tools, systems and a tradition of roundtable discussions and other practices designed to bring us close to our teams. Now it's up to us to nurture this approach and pass it on to the next generation.

Being open to others and to new ideas

As managers, we derive great value from our ability to listen to the world around us, adapt to its needs, forge new relationships between people, imagine new ways of working together, and nurture, promote, compare and integrate other people's ideas. This open-mindedness helps employees attain personal fulfillment while also enabling the organization to stay in tune with the times. It is our collective responsibility to maintain this commitment to open-mindedness, which is part of Accor's genetic code.

In our management practices, this means we must:

Look for cross-cutting solutions

- By supporting the creation of cross-functional working groups and multicultural project teams and allowing our team members to take part in them.
- By maintaining a climate of openness and sharing and by prohibiting self-censorship so that everyone feels comfortable and free to express their ideas and ask questions.
- By creating a networked organization in which everyone understands his or her role and responsibilities, and respects and trusts others.
- By systematically looking outside our immediate environment, sharing best practices, and knowing which practices are used by other companies.

Combine flexibility and pragmatism

- By adapting our organization to specific features and changes in each of our markets and businesses, and to events that could impact our operations.
- By stimulating employees' capacity for innovation, creating opportunities for sharing and cross-fertilization, and recognizing and rewarding innovators.
- By striking the right balance between empowering people and creating new levels of responsibility.
- By being able to admit one's own mistakes, accept other people's mistakes, and ask hard questions.

For Accor, being open to others and to new ideas means being receptive to the world around us and adjusting to it, without being afraid of events and situations that are new and different.

The key to success?

Diversity and cross-cultural exchanges are crucial to creating and maintaining this spirit of openness. The ability to measure oneself against others and compare differences is an endless source of new and challenging ideas.

Promoting performance

As managers, the performance of our teams and of Accor as a whole is our ultimate objective. This performance concerns not only financial results but also service quality and Accor's image. As such, it requires us to respect organizational rules, create a community of shared practices, and protect individual freedom.

In our management practices, this means we must:

Use our resources and talent wisely

- By clarifying each person's role and responsibilities to establish markers and create visibility.
- By pooling our talent and forging ties between our different core competencies.
- By enabling operating staff and support functions to work together in a true spirit of teamwork.
- By promoting and effectively leveraging our expertise platforms, which are a source of strength.
- By recognizing that the skills of both functional and operational team members, each in his or her own area of expertise, are crucial to Accor's success.

Implicitly trust others

- By empowering people to take the initiative, while complying with Accor's rules, guidelines and values.
- By accepting the importance of taking risks and the right to make mistakes.
- By recognizing or rewarding, in line with our values, people who have produced results or innovated.
- By encouraging employees and accepting the risks involved.

Look for lean and flat organizations

- By opting for a leaner, flatter organization, which improves responsiveness, commitment and, consequently, performance.
- By promoting local decision-making as much as possible—meaning at regional or country level—while ensuring the upward flow of information.
- By working at a fast pace in order to maintain a lead over the competition.

Promote dialogue

- By facilitating communication so that everyone understands corporate messages and has access to clear, reliable information.
- By demonstrating teaching skills in transmitting, explaining and helping people to understand corporate decisions and developments.
- By adopting an "open door" policy for employees, to speed the flow of information and allow them to express themselves.
- By organizing roundtables to encourage employees to speak their mind in informal discussions with an executive, without their manager being present.

Promoting performance means combining talent in a way that brings into play powerful group dynamics, with the goal of creating real value-added.

The key to success?

Giving meaning to their actions enables employees to carry out their day-to-day responsibilities with greater efficiency and motivation. Knowing where we're going and how we plan to get there increases the chances of success. As managers, our role is to ensure that everyone knows what part they play in the greater scheme of things, what objectives we're pursuing and what resources we have at our disposal.

Living the spirit of Accor

As managers, we must preserve and enhance the spirit of Accor, which is an invaluable asset, while also sharing it with team members and making it a day-to-day reality. The means we need to:

Embodiment of the spirit of Accor

Since the opening of the first Novotel in Lille, team members have been driven by a pioneering spirit of conquest, following in the footsteps of Paul Dubrule and Gérard Pélisson. A key factor in our success, the spirit of Accor is also shaped by a constant concern for people and a commitment to the highest performance standards. For more than 40 years, across all our brands and regions, Accor's five core values of innovation, spirit of conquest, performance, trust and respect have been shared by all our employees, who today number some 150,000 and, day after day, provide living proof of Accor's unique culture of smiles.

Reconciling local cultures and corporate culture

- By ensuring cross-fertilization among cultures and respect for the individual.
- By maintaining strong relations with local managers, to consolidate our corporate culture and create lasting bonds.
- By adapting when necessary to the specific features and customs of local cultures, provided they are not in contradiction with our core commitments and values.

Supporting Accor's ambition

Accor's goal is to become the world leader and standard-setter in its two core businesses—Hotels and Services.

We help to further that goal by:

- Sharing it with team members and winning their support.
- Ensuring that everyone has the opportunity to learn, take the initiative and succeed.
- Expressing our values of innovation, conquest and performance on the job, every day.
- Knowing how to challenge ourselves and our accepted beliefs, in a constructive manner.

Living the Accor spirit means embodying our core values, persuading team members to buy into them as well, and tirelessly pursuing the Group's ambition.

The key to success?

To ensure the long-term viability of the spirit of Accor, **we need to embrace our core values and set an example in our day-to-day actions.** As managers, it's our responsibility to achieve the delicate balance of reconciling our corporate culture with each local culture.



Business ethics, company assets and respect for people

Respect for laws and a policy of integrity

Accor firmly believes that corporate compliance with and respect of the laws of the jurisdictions in which we conduct operations are an enabler of business development and sustainable growth.

These laws promote fair, stimulating competition, while also requiring an increasingly disciplined, transparent approach to management and a constant focus on the safety and integrity of the individual.

In addition to legal obligations, corporate compliance with and respect of such laws also involves respect for our customers, shareholders, and partners and, of course, our employees.

We feel that our operations in all our host countries must be guided by that which is in the best interest of people who have put their trust in us, in our services and in our qualities as an employer.

**This commitment
serves as the foundation
of our policy.**

The purpose of the Accor Management Ethics guide is to clearly and forcefully remind us of that fact.

The foundations of our integrity policy

Accor's integrity policy is based on respect for three indisputable, inseparable principles.

1 • Always referring to the legal framework that applies to our actions

More far-reaching regulations

While globalization is giving companies more freedom to conduct their business, the laws and regulations that govern economic life are increasing in number and becoming more stringent:

- Seven international conventions to combat transnational corruption have been signed in the past few years.
- The European Union is constantly strengthening its system for combating anti-competitive practices.
- Authorities are increasingly strict regarding the application of management rules, in light of recent large-scale cases of fraud and bankruptcy.
- Many countries now take legal action against companies that engage in harassment, discrimination, or breach of privacy.

Heavier sanctions

The European Union and the national jurisdictions have also introduced higher fines and much more severe penalties for anti-competitive practices, bribery, insider trading, fraud and safety violations.

Greater public awareness

Private citizens, company employees and markets severely condemn companies that fail to comply with the law. Citizens see this type of behavior as a serious moral offense that deserves a public outcry or even boycotts. Employees of the accused company refuse to be identified with behavior that they deplore. Lastly, markets punish illegal practices that imperil the company and its capital.

2 • Complying with regulatory standards

While laws governing company actions and behavior vary from one country to the next, they all pursue the same objectives:

- **Providing access to the best products or services at the most advantageous price and in optimal safety conditions** for consumers and citizens.
 - **Protecting people who have placed their trust in the company**, including shareholders, suppliers and subcontractors, as well as employees and civil society in general.
 - **Protecting the interests of people** who are in direct contact with the company, its customers or employees.
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3 • Integrating our compliance into a broader ethical agenda

Beyond legal obligations and penal or financial sanctions, compliance with the law is part of a corporate ethics process that is formalized by a comprehensive integrity policy. Employees, customers, financial ratings agencies, journalists and NGOs all expect the company to clearly define its ethical commitments and explain how it plans to honor them, working alongside its partners.

To put the focus on society, staff, the environment and ethical integrity, Accor has committed to align its practices with ten universally accepted principles that, in some countries, are more stringent than existing laws. In this spirit, Accor has signed the United Nations Global Compact.

Managerial responsibility

- Compliance with the law is a non-negotiable principle.
- All persons must be familiar with the legal environment in which they are carrying out their duties.
- The legal framework is sometimes complex, and differences between countries can sometimes raise questions that must never be allowed to go unanswered.
- Managers should instinctively share their concerns, discuss matters with their colleagues and seek answers from the legal affairs department.



Respecting business ethics

Certain laws governing business practices are specifically designed to protect consumers, private citizens and other economic players.

In particular, these laws:

- Prohibit **anti-competitive practices** of all forms.
- Impose criminal and civil sanctions to **bribery of public officials**, whether national or foreign.
- Impose criminal and civil sanctions to **bribery of private individuals** and enable the defrauded company to seek damages.
- Prohibit not only **money laundering** but also encourage—or require—economic players to be very attentive to suspicious funds flows.

Competition laws

Anti-competitive practices restrict competition in the market in two ways:

- When one or more competitors decide to fix prices or divide the market among themselves.
- When a company uses its dominant position to create obstacles to free, active competition.

Today, most countries outlaw anti-competitive practices and abuse of a dominant position.

At European level:

- The Treaty of Rome applies rules to companies to ensure that competition in the common market is not distorted.
- Measures to combat anti-competitive practices and promote international cooperation are constantly strengthened.

Investigations, interrogations and searches may be conducted in a country at the request of foreign or transnational authorities.

Accor is committed to complying strictly with competition laws in all its host countries and is fully aware that the risks are greater if there are fewer competitors.

Example By chance, one of our competitors is managed by an old school friend. Rather than engage in a price war, which would be difficult for us, we decide to consult each other on prices but obviously keep them close to the market average to avoid any accusations of price-fixing. Is this illegal?

▶ The answer is simple. Anything that distorts competition is illegal, even simply exchanging information about prices with competitors. To stay friends, you can talk about anything you like... except your operations, prices and customers.

Bribery of a public official

Bribing a public official (i.e. a civil servant or elected or appointed public official) consists of promising or giving him an inducement to act—or not to act as the case may be—in violation of his official duties.

Bribing a public official is illegal in all countries. Since the OECD's anti-corruption convention was transposed into French law in September 2000, the corruption of a foreign official by a French company, one of its subsidiaries or one of its consultants has been a criminal offense.

Accor pledges that no commission will be paid directly or indirectly to any elected or appointed public official or elected representative with regard to the company's contracts or its relations with French and foreign government agencies.

Example Following a tax audit, we receive a reassessment notice. The reasons seem unjustified, both to us and to our certified public account. Moreover, the reassessment plus the related fine amount to an absurd sum, equivalent to two years of revenue. In this very poor country, tax inspectors use this kind of ploy to seek cash compensation in exchange for a remission of the fine. The amount of compensation requested is not very much. What should I do?

▶ By paying the compensation, both you and Accor could be prosecuted, notably under French law, for attempting to bribe a foreign government official, which is a criminal offense. Clearly, this is a case of extortion. The legal service will work with you to help you explore every possible way of settling your tax dispute to Accor's advantage.

Bribery in the private sector

There are two types of bribery involving private individuals:

- **Active bribery** consists of promising or giving a person (not a public official) an inducement to act in violation of his professional obligations.
- **Passive bribery** describes a case where a person (not a public official) has solicited or accepted an inducement to act—or not to act as the case may be—in violation of his professional obligations.

In this area, Accor has developed policies applicable to all employees about gifts that can or cannot be accepted.

Accor pledges to take all reasonable measures to ensure that its employees do not engage in any unlawful conduct including the use of bribes with regard to both its purchasing and sales procedures.

Example I learn that a large European company is planning to hold its annual convention in our region, the Horn of Africa. Three hundred people will attend the two-day event, held in the middle of the off-season, and our hotel, which is ideally situated, would be the perfect venue. I contact the convention organizer, who says he'd like to come for a week with his assistant and their respective spouses. I would like to receive them in the best possible conditions. What can I do?

While bribery in the private sector formerly constituted a criminal offense only when committed inside France, acts of bribery committed in any country by a French company or one of its subsidiaries may be prosecuted under French law since 2005.

▶ You can receive them but you must avoid committing an act of bribery. This means you can't offer the convention organizer any benefit to land the contract with his company. You can, for example, give each of them a double room free of charge but only for the two or three days needed to show them the hotel facilities and introduce them to service providers who could help them organize the event. On the other hand, they must handle their spouses' expenses (spa, golf, safari, etc.). Obviously, you cannot accept to pay for their airline tickets. As a precautionary measure, you can send them a document, to be signed and returned, which clearly states the material conditions of your invitation—i.e. what's included and what is not—and a tentative schedule of meetings, visits, introductions to service providers, etc.

Money laundering and complicity in money laundering

Money laundering is a crime that consists of holding or using funds that come from illegal activities, such as drug trafficking or bribery.

Efforts to prevent and eliminate money laundering are led by:

- **The United Nations Convention against Transnational Organized Crime**, which creates an international framework for combating money laundering.
- **The Financial Action Task Force**, an intergovernmental body that promotes international cooperation, to which France belongs. All Member States are required to set up a financial information department to support the fight against money laundering.

- **Financial organizations**, which are subject to strict requirements with regard to the identification and reporting of funds flows that correspond to money-laundering operations. Non-financial enterprises may also be guilty of aiding and abetting money laundering if they take part in such operations through the sale of goods or services.

Accor pledges to be extremely attentive to funds flows that could be of criminal origin.

Protecting company assets

A number of laws covering company procedures have been specifically adopted to protect people who put their trust in the company, in particular shareholders and employees whose interests may be infringed.

These laws are intended in particular to:

- Prosecute cases of **insider trading** to ensure that nobody may use inside information for making undue profits on the stock market.
- Punish **fraudulent use of company assets** in order to protect corporate property and capital.
- Punish all acts of accounting, tax or other **fraud** that seek to get around a law or regulation and/or obtaining personal gain.

Insider trading

Insider trading means using sensitive, confidential information obtained through one's professional activities for personal gain on the stock market.

Regulated and punished by securities regulators for the stock market on which the company's shares are traded, insider trading is a criminal offense.

Accor pledges to strictly apply the laws of professional conduct that govern authorizations to buy and sell shares for employees who may have access to strategic information about the company

Rules of confidentiality

Disclosure, especially via the Internet, of

information that is sensitive and/or may be detrimental to the company is forbidden.

Accor has created guidelines for using IT and network assets that clearly explain the rules of conduct that must be respected.

Misuse of company assets

Misuse of company assets involves deliberately using the company's property, funds or credit, or powers held by its officers, against the company's interests and for one's personal benefit.

The notion of misuse of company assets exists in many national legal systems even if it is defined or described differently from one country to another. In France, misuse of company assets is a criminal offense.

To protect its capital, Accor requires its subsidiaries to apply the strictest definition and pledges to take all necessary measures to prevent and detect misuse of company assets.

Conflict of interest

Any personal stake held by employees or members of their families in Accor's suppliers,

partners or competitors prevent decision-makers from acting in the company's best interest.

- **Accor has rules requiring employees to declare any outside interests they may hold.**

Fraud

Fraud involves an act, or an intentional omission, with regard to the presentation of false, inaccurate or incomplete documents or information that lead to the unjustified collection or withholding of funds. Accounting, tax and customs laws or standards may vary from one country to another.

Foreign subsidiaries must abide by laws and rules that define accounting and tax requirements in the country where the parent company is listed. Following a number of fraud-related bankruptcies involving large companies, laws have been made stricter and controls more thorough.

Accor pledges to:

- **Comply strictly with prevailing laws and standards in each host country, especially those that cover accounting, taxation and customs.**
- **Respect the obligations resulting from the fact that the company is headquartered and listed in France.**
- **Take all necessary measures to ensure that commercial and financial transactions are scrupulously recorded in its books and records in a manner that provides for proper oversight.**

Ensuring the safety, dignity and interests of people

Many laws have been adopted to protect people in contact with the company, including customers, employees, suppliers and others who have only indirect contact.

The laws concern:

- Company policies to ensure the **health and safety** of employees and customers.
- **Bullying and/or sexual harassment and discrimination.**
- Certain kinds of behavior that is unlawful because it infringes on human dignity. Examples include **prostitution, procuring and pedophilia.**
- The use or storage of **personal data**, in order to protect the individual's private life. Laws of this type exist in many countries, including France.
- **Working conditions**, by prohibiting certain types of labor, including **forced labor, child labor and illegal work**, and by ensuring compliance with local laws governing the rights of employees to associate and seek representation.

These laws are intended to restrict, regulate or prohibit such acts, in which the company could be voluntarily or involuntarily complicit. Non-compliance could lead to criminal penalties for the violator as well as for Accor.

Health and Safety

These laws and regulations are designed to protect the health and safety of employees in their place of work as well as in public access areas.

While industrialized countries have comprehensive legal frameworks and effective control systems in this domain, the laws in many developing countries are insufficient and poorly applied.

Accor is committed to regularly review by country the compliance to health and welfare standards.

Bullying and/or sexual harassment

Bullying and/or sexual harassment is characterized by repeated and hostile conduct, verbal comments and actions that infringe on the employee's dignity and integrity. Bullying and/or sexual harassment is condemned by:

- Article 5 of the Universal Declaration of Human Rights, which states that

"No one shall be subjected to cruel, inhuman or degrading treatment or punishment."

- Many countries have passed special laws requesting employers to take all necessary measures to prevent—and if necessary stop—any bullying and/or sexual harassment.

Accor tolerates no form of bullying and/or sexual harassment and:

- Pledges to take the necessary measures to ensure that all employees are treated with respect and dignity.
- Requests all managers to alert the Human Resources Department in order to put a halt to any bullying and/or sexual harassment that they may be aware of.

Example I've been told that a male employee has been harassing a female employee in another department. The woman, however, has a strong personality and her position within the company is well above that of the man. It would seem she has enough authority to defend herself. Should I get involved?

Harassment can cause distress and make a person vulnerable, even someone with authority in the workplace. You should alert your Human Resources Department.

Discrimination

Discrimination involves the unfair, less favorable treatment of certain individuals because of their origin, religion, race, gender, or membership in a labor or political organization.

All forms of discrimination are condemned by:

- The Universal Declaration of Human Rights.
- The International Convention on the Elimination of All Forms of Racial Discrimination (1966).
- The International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990).

Accor rejects all forms of discrimination and pledges to support cultural diversity by creating an environment in which everyone has the opportunity to attain professional and personal fulfillment.

Prostitution, procuring and pedophilia

Prostitution is defined as the act of engaging in sexual relations in exchange for money.

Procuring is the act of aiding a prostitute in the arrangement of a sex act with a customer in exchange for money.

Pedophilia is an act of sexual abuse committed by an adult on a child.

- The United Nations Convention of December 1949 for the Suppression of the Traffic in Persons and of the Exploitation of the Prostitution of Others states in its preamble that "prostitution and the accompanying evil of the traffic in persons for the purpose of prostitution are incompatible with the dignity and worth of the human person."

- While certain countries outlaw prostitution, others tolerate it and may even authorize it under certain regulated conditions. However, most countries that tolerate prostitution outlaw procuring.
- In many countries, including France, pedophilia is a criminal offense, as is the production, distribution or possession of pornographic images involving minors.
- According to the laws of some countries, including France, citizens may be prosecuted for acts of pedophilia committed in other countries.

Accor pledges to:

- Take reasonable measures that its operations and premises will not be used for the purposes of prostitution.
- Be extremely vigilant that, in its operations, minors are protected from acts of pedophilia and that its premises are not used for the production, distribution or storage of pornographic material involving minors.



Protection of personal data

Protecting the exchange of personal data is defined as protecting information about an individual person or legal entity, either identified or identifiable, and restricting the free circulation of that information.

Legal measures to protect the processing of personal data differ from one country to another, for example, between the United States and the European Union:

- In Europe, the Directive of October 24, 1995 on the protection of individuals with regard to the processing of data defines regulations governing the flow of personal data across borders, especially to countries outside the European Union.
- In France, the protection of personal data is covered by the Freedom of Information Act of 1978 and enforced by the French Data Protection Authority (CNIL).

Accor pledges to respect the rules in the Group's charter concerning the protection of personal data.

Example As you are aware, the country in which we operate was struck by a violent hurricane that caused serious flooding and made hundreds of thousands of people homeless. My wife heads the local office of a French public-interest NGO and I know that the hotel's usual customers, who were very upset by the catastrophe, would be willing to help the local people. Can we use our customer lists to contact them for donations?

While the idea is based on good intentions, laws governing the use of business files are very strict. In particular, customer lists must never be used for another purpose. However, you can contact headquarters to see what can be done at corporate level to help the victims.

Forced labor

Forced labor is defined as work or service that is elicited from a person under threat of penalty and for which the person did not volunteer.

Forced labor is prohibited by:

- Article 4 of the Universal Declaration of Human Rights, adopted in 1948.

- An international convention signed in 1957 by the International Labor Organization and which applies to all Member States.

Accor pledges to:

- Be extremely attentive with regard to suppliers and service providers that might require people to work against their will or under threat of penalty. If we were to become aware that this is the case, Accor would immediately cut off all relations with the supplier or service provider in question.

Child labor

Child labor is defined as any form of work by children that deprives them of their dignity and is detrimental to their normal physical and psychological development. In some of Accor's host countries, child labor is still common practice.

Several international conventions regulate child labor:

- The International Convention on the Rights of Child (1989) designed to protect children by ensuring respect for their right to basic health and education.

- The Convention on combating the worst forms of child labor, ratified by the ILO in 1999 and signed by 173 Member States, which recognizes children's right to be protected from economic exploitation and not to be required to do any work that might jeopardize their education.
- The United Nations International Covenant on Economic, Social and Cultural Rights (1966), which states that children and young people should be protected from economic and social exploitation.

Accor pledges to:

- **Comply strictly with the minimum legal working age in each of its host countries and, in any case, never employ a child under the age of 14 in any country.**
- **Be extremely vigilant when choosing suppliers or service providers.**
- **Refuse to work or immediately stop working with any supplier or service provider that violates child labor laws.**

Illegal work

Illegal work describes a situation in which a person works for a company "off the books."

While all countries require companies to declare their employees with the appropriate authorities, situations may vary considerably:

- In many countries, it is a criminal offense not to declare employees.

- In very poor countries, where this type of informal economy is often highly developed, control systems have not been deployed and companies that employ undeclared workers are not at risk. However, failing to declare employees deprives the person of his or her social benefits and the government of revenue from payroll taxes.

- **Accor pledges never to resort to illegal work, in any of its host countries.**

The rights of employees to associate and seek representation

The right of association and to seek representation can be summarized as the right of employees to establish and join organizations of their own choosing, with the goal of making their point of view heard within the company.

The recognition of employee organizations are promoted by:

- The International Labor Organization.
- The International Covenant on Civil and Political Rights (1966).
- The International Covenant on Economic, Social and Cultural Rights.

While the vast majority of countries recognize the rights of employees to associate and to seek representation, some still have restrictive legislation with regard to this issue.

Accor pledges to:

- **Ensure compliance with all local laws that govern the rights of employees to associate and to seek representation.**
- **Ensure in all cases that employees can express themselves openly within the company on issues related to the conditions in which they carry out their duties.**



Society and the environment

Our responsibility and commitments

While a global economy offers considerable opportunities for development, it also gives us special responsibilities. As a global company and major employer, Accor is firmly committed to setting an example in its relations with host communities and the natural environment.

Now more than ever, we are faced with the challenge of ensuring that our development respects the Earth and its inhabitants.

Accor is meeting that challenge through Earth Guest, a program organized around eight priorities, whose purpose is to share the urgent need for sustainable development with employees and to promote tangible initiatives that respond to that need.

As managers, it is our duty to share with our teams this culture of responsibility, which is expressed in the program's slogan: "As guests of the Earth, we welcome the world."

Our sustainable development philosophy can be summed up in a single sentence—ensuring that growth and development always represent an opportunity and never a danger for our employees, customers, host communities and the environment.

For Accor, responsibility and commitment mean:

- Playing an active role in society.
- Protecting the environment.
- Developing a spirit of solidarity.



Playing an active role in society

As managers, it is our responsibility to launch, promote and federate initiatives designed to support the economic and social development of our host communities.

In our actions, this means we must:

Promote local development

- By leading the fight against poverty through our business agreements. One example is to offer fair trade products whenever possible.
- By sharing our commitments with our business partners, notably by asking suppliers to sign the Sustainable Procurement Charter.
- By forging partnerships with local communities, with the backing of non-profit organizations.

Protect vulnerable and abused children

- By ensuring that as many countries as possible sign and respect the Code of Conduct drafted by the World Tourism Organization and ECPAT (End Child Prostitution, Pornography and Trafficking of Children for Sexual Purposes), an international NGO. Accor is a member of the ECPAT executive committee.
- By training employees to eliminate child abuse by helping them to identify and respond to situations in which there is a risk of sexual tourism.
- By distributing brochures and showing films in our hotels to raise customer awareness of the problem.
- By involving our partners and suppliers in our commitment.

Improve health care in the local community

Accor is working to prevent and eliminate major epidemics, in particular AIDS and malaria:

- By publicly affirming its commitment as a way of encouraging other leading companies to take action.
- By building awareness and launching preventive measures among employees and customers, depending on the local situation, through the use of communication resources provided to managers. One such resource is ACT-HIV, Accor's in-house AIDS awareness program.

Support and promote balanced nutrition

Accor encourages its customers adopt a healthy, balanced diet, in particular to reduce the risk of obesity:

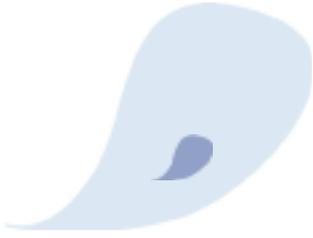
- By developing healthy-eating initiatives, such as the Nutritional Balance program, with affiliated restaurants.
- By relaying the FOOD Project (Fighting Obesity through Offer and Demand) through actions to support a healthy, balanced diet that target employees and restaurant managers.
- By providing customers with clear information and enabling them to eat balanced dishes in our hotel restaurants and in affiliated establishments.

For Accor, playing an active role in society means reconciling economic growth and social responsibility in all our host communities.

The key to success?

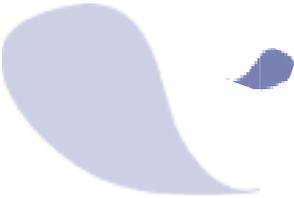
A well-established local presence and an open mind are prerequisite to any form of involvement in society. The starting point is to actively involve people from our host communities in our operations by hiring and sourcing products locally, thereby enabling them to share in our success.

Protecting the environment



As managers, we support the Group's commitment to developing our businesses while respecting the planet. Our extensive global presence provides us with the opportunity to reduce the negative impact of our operations and lead our industry toward more environmentally friendly practices.

In our actions, this means we must:

- 1 • Develop and deploy Accor's environmental improvement initiatives, help meet their objectives, and track our environmental performance through appropriate indicators.
 - 2 • Integrate the Group's environmental priorities into the design of new hotels, products and services, and leverage those priorities to encourage the search for innovative solutions.
 - 3 • Help employees to integrate natural resource conservation measures into their day-to-day responsibilities.
 - 4 • Raise awareness among customers and respond to their growing expectations with regard to environmental protection.
 - 5 • Use resources developed by the Group, its brands and its businesses designed to ensure an effective, aligned approach. These include the Hotel Environment Charter, various certification programs, sustainable building guidelines and the OPEN environmental software.
 - 6 • Leverage the support of our suppliers, investors, local communities and other partners, to pool the advantages that each can provide and advance more quickly.
- **Limit our energy consumption and our impact on climate change**
 - By integrating the notion of total cost and by considering energy savings when deciding on spending projects.
 - By rapidly deploying solutions identified by the Group, its brands and its businesses that effectively reduce energy use.
 - By giving priority to renewable energies, in particular solar energy for hot water, and by helping to identify new ways to limit our energy and climate footprint.
 - **Conserve water resources**
 - By being aware of local water supplies and implementing measures to considerably reduce consumption in the event of scarcity.
 - By assessing the availability of collective wastewater treatment systems in the local area and developing independent systems in Accor establishments if necessary.
 - By involving teams in finding ways to conserve water.
 - By testing innovative solutions designed to reduce consumption.
 - By promoting the use of washing, cleaning and personal hygiene products that are more respectful of water resources.
- 

Manage waste

- By using local recycling channels more extensively and actively encouraging employees to sort waste.
- By providing customers with waste sorting solutions.
- By reducing the amount of waste produced when designing new rooms, products and services and making sure that waste is effectively recycled.
- By ensuring that the hazardous waste we produce is eliminated through channels that are capable of safely processing toxic materials.

Protect biodiversity

- By raising employee awareness of the importance of biodiversity in the natural world for people as a source of medication and food and a means of preventing epidemics.
- By taking biodiversity concerns into consideration in our consumption of wood, fish, plant-based products and other natural resources.
- By promoting garden, lawn and farmland management practices that limit the use of chemicals.
- By integrating biodiversity concerns when planning hotels in non-urban hotels.
- By creating partnerships with specialized associations to deploy appropriate actions.

For Accor, protecting the environment means integrating environmental issues into our decisions and actions, beginning in the design phase for new hotels, products and services.

The key to success?

Building awareness among employees and customers every day is the starting point for all environmental protection initiatives. For managers, this means constantly explaining and demonstrating our commitment.

Forging community ties and supporting human development

Since its founding, Accor and its employees have been involved in an ever-increasing number of solidarity, health care and cultural initiatives. As managers, we uphold these actions in all host countries and support our employees who are involved in these initiatives, in keeping with Accor's values.

In our actions, this means we must:

Support solidarity and corporate sponsorship initiatives

- By respecting employees' right to get involved and encouraging them to play an active role in the community.
- By taking an interest in employee projects, providing advice, and federating these initiatives to increase their impact and efficiency.
- By providing support to all actions that fall within the scope of our corporate sponsorship policy.

Raise awareness of the Foundation

- By promoting its actions.
- By encouraging employees to submit their own projects, in order to obtain expert advice, logistical support or financing.

For Accor, solidarity means taking the time to forge ties with the world around us by supporting employee involvement in public-interest projects.

The key to success?

Our attentiveness to the world around us and our ability to find the time for others are prerequisite to all forms of solidarity.

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