



# Sustainable Development

“As guests of the  
earth, we welcome  
the world.”



**Accor's environmental and social commitments are inherently linked to its operations. At Accor, hospitality works both ways. That's why we named our sustainable development program Earth Guest: "As guests of the Earth, we welcome the world."**

Launched in 2006 to federate the Group's social and environmental projects, the Earth Guest program provides a tangible response to growing social and environmental concerns and to the major health hazards that threaten our world. For years, Accor has been actively pursuing initiatives to combat sexual tourism involving children, stem global warming and preserve the planet's natural resources. More recently, new priorities have been added to the programs launched by the various Accor brands. Around the world, teams are involved in promoting healthy, balanced diets, recycling waste, preserving biodiversity, supporting fair trade and combating Aids. Indicators have been deployed in all of these areas so that progress can be measured and ambitious objectives can be set for the future.

**Looking forward to 2010, the Group has made a number of powerful commitments to ensure that it will continue to play an industry-leading role with regard to sustainable development. These include:**

- Providing all concerned employees with training in Aids and malaria-prevention.
- Extending throughout Europe the commitment to combating sexual tourism involving children.
- Reducing consumption of water and energy in hotels by 10%.
- Quadrupling the number of hotels equipped with solar panels, with a target of 200 by the end of the decade.
- Recycling waste in all owned and leased hotels in Europe. Accor is now included in the world's four leading socially responsible investment indexes, further proof of a deep commitment to the Earth and its inhabitants.

# THE PROGRAM'S 8 PRIORITIES



**WE'RE COMBATTING  
SEXUAL TOURISM  
INVOLVING CHILDREN**  
Accor trains its employees  
and educates its customers,  
working alongside ECPAT.

**WE'RE SUPPORTING  
LOCAL DEVELOPMENT**  
Accor supports fair trade  
and develops partnerships with  
local communities as a means  
of alleviating poverty.



**WE'RE FOSTERING BALANCED, HEALTHY EATING HABITS.**  
Accor Services promotes health and well-being through its  
Alimentation & Équilibre program.



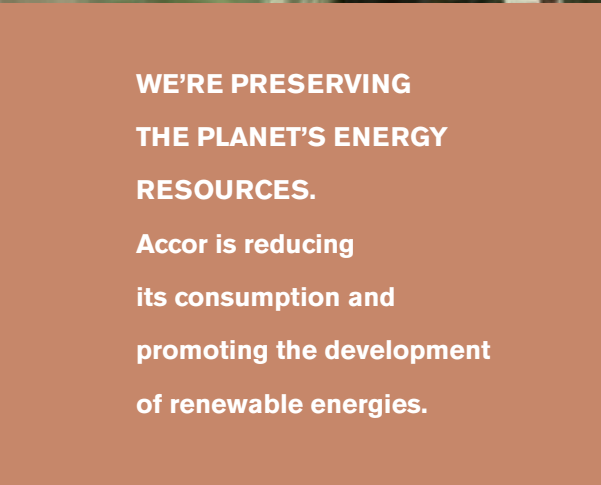
**WE'RE LEADING THE FIGHT  
AGAINST AIDS.**  
Accor deploys AIDS  
information, prevention  
and treatment programs.





**WE'RE PRESERVING THE PLANET'S WATER RESOURCES.**

Accor is reducing its consumption and testing water recovery technologies.



**WE'RE PRESERVING THE PLANET'S ENERGY RESOURCES.**

Accor is reducing its consumption and promoting the development of renewable energies.



**WE'RE REDUCING THE ENVIRONMENTAL IMPACT OF OUR WASTE.**

Accor identifies waste by type to enable a reduction in volumes produced and more efficient recovery and recycling.



**WE'RE PROTECTING BIODIVERSITY.**

Accor partners a wide array of programs designed to protect plant and animal life.





**2010 OBJECTIVE**  
 Formalize Accor's commitment in Africa by signing the ECPAT Code of Conduct in all host countries. Extend the process of signing the Code across Europe.

## We're combating sexual tourism involving children.

As a responsible player in the tourism industry, Accor trains employees and educates customers in a commitment to eliminating sexual tourism involving children.

### 2006 significant events

Since 2001, Accor has been a partner to ECPAT, an international non-governmental organization created to End Child Prostitution, Pornography and Trafficking of Children for Sexual Purposes. At year-end 2006, Accor had signed the ECPAT Code of Conduct in 16 countries: Brazil, Argentina, Chile, Colombia, Ecuador, Peru, Uruguay, the Dominican Republic, Cambodia, Indonesia, Laos, Thailand, the Philippines, Vietnam, Romania and France.

Since the beginning of this partnership, more than two million information brochures have been distributed in France. Accor is gradually formalizing its commitment by signing the Code of Conduct for the Protection of Children against Sexual Exploitation in countries where children are most at risk. Developed by ECPAT and the World Tourism Organization, the Code lays down the guidelines for an active strategy to combat this criminal practice.

### Employee training

In 2006, an awareness-training kit was sent to all hotel directors in Africa to help them train employees to recognize situations in which children are at risk. Each hotel will submit a report to Accor Africa headquarter once the training program has been completed. In Southeast Asia, over 6,000 employees have been trained. In Indonesia, 2,400 employees have received training since 2004.

### Educating customers

In Brazil, the Dominican Republic, Romania, Thailand and Indonesia, and throughout Africa, posters are displayed in hotel lobbies and corridors to remind guests of Accor's commitment to this cause.

### PARTNERSHIP

In Indonesia, Novotel, in partnership with Garuda Indonesia Airlines, conducts an information campaign involving all the carrier's flights that reaches 700,000 passengers a month. Accor plans to extend the campaign to Ibis and Mercure in 2007.



## We're supporting local development

Accor forges a large number of local partnerships with the goal of promoting job creation and alleviating poverty. Through its support for fair trade, the Group provides assistance to coffee, tea and chocolate growers confronted with sharp fluctuations in raw material prices.

### Local partnerships to combat poverty

**Thailand.** Since 1999, Accor has helped young Thais find jobs and provided support for the Youth Career Development Program, in partnership with Unicef. Of the 125 young people trained by Accor, 56 women have been hired while the rest are continuing their studies.

**Brazil.** Hotels on the Costa do Sauipe introduced a program to provide the disadvantaged local populations with training in hotel job skills. Ninety participants age 18 to 30 have already taken part in the program.

**Morocco.** A broad-based program to teach employees to read is now offered during working hours. In 2006, Accor was involved in two programs—supporting Planet Finance, an NGO, in its jobs-for-youth program and helping to develop tourist industry jobs in the Essaouira region through a system of micro-credits.

**2010 OBJECTIVE**  
Extend support for fair trade to new countries. Broaden the commitment to community development through partnerships with local NGOs.

**Romania.** Working with Ticket Alimentation® affiliated companies, Accor Services organized a collection for the benefit of flood victims. By year-end 2006, nearly €80,000 had been donated for the purchase of essential goods. The initiative was cited by both the Romanian Community Relations Association and the US Chamber of Commerce.

### Support for fair trade

**Significant events:** in 2006, the number of countries serving fair trade products increased to 17, as hotels in Algeria, the United Kingdom, Bahrain, China, Spain and Poland introduced the practice. Fair trade coffee is now served in all Accor hotels in the United Kingdom and in all Ibis hotels in Spain. During the year, hotels in Bahrain also began serving fair-trade tea and coffee, and a catalogue was prepared listing approved suppliers for all Middle Eastern countries.



## We're fostering balanced, healthy eating habits

After the successful launch in France of the Gustino program, which promotes, balanced, healthy eating habits, Accor Services is extending the initiative to other brands (Mercure, following Ibis and Compagnie des Wagons-Lits) and to other countries (the Czech Republic, Belgium, Venezuela and Chile).

### Forme & Équilibre

Novotel continues to develop the Forme & Équilibre program in its restaurants and hotels in France. Special products have been introduced for breakfast and Forme & Équilibre menus are offered at breaks during seminars and study sessions. All menus have been validated by a dietician.

**In Italy, Accor Services** has introduced a program to serve anti-allergic dishes by creating a network of affiliated restaurants that offer gluten-free menus. The project supports a local association for people affected by celiac disease, an intestinal disorder triggered by gluten.

## We're leading the fight against Aids

### 2006 significant events

To speed the international deployment of its Aids initiatives, Accor signed the Global Business Coalition pledge to fight against HIV/Aids, tuberculosis and malaria on December 1, 2006.

Special training is given to all **employees** worldwide who are most at risk of contracting the disease, in particular those using sharp objects (floor employees, restaurant staff, etc.).

In more than 20 African countries, Accor is pursuing educational, screening and treatment programs, alongside Sida Entreprises. Across the continent, 80% of employees have taken part in Aids risk awareness courses and 36% in voluntary screening programs. In South Africa, all employees have participated in the voluntary testing.

**In Brazil**, where the government provides free access to tritherapy treatment for all people suffering from Aids, Accor acts as a relay by financing medication in the event of distribution delays.

**In Thailand**, the Group conducts awareness-building programs with the support of the National Ministry of Health. The goal is to train all employees by year-end 2007.

### 2010 OBJECTIVE

Beginning in 2007, launch an AIDS and malaria prevention initiative with partners in the tourist industry. In 2010, an AIDS awareness resource should be distributed to employees in all countries.



## We're sharing our ethical principles with our partners

In 2003, Accor signed the United Nations Global Compact, thereby expressing its commitment to fighting corruption and to complying with international labor, human rights and environmental standards.

Through its Sustainable Development Purchasing Charter, the Group encourages approved suppliers and service providers to share its environmental stewardship and fair labor practices.

Beginning in 2006, the Charter is systematically attached to new international contracts signed by the Purchasing Department.

In the United States, France and New Zealand, the Charter is applied in the approval process for nationwide suppliers.

### QUESTIONS

#### for Bernard Rudler

Executive Vice-President, Franchise, Procurement, Utilities, Administrative Services Accor North America

#### How are you applying the Charter?

Since April 2005, we've included the Sustainable Development Purchasing Charter in all contracts with new suppliers and roughly 95% of them accept the terms. It will be integrated into renegotiations of contracts signed before 2005. At year-end 2006, 224 of Accor North America's 323 approved suppliers—69.3%—had signed the Charter.

#### What improvements have you noticed since introducing the Charter?

The percentage of contracts signed with companies headed by women or minorities increased from 2.78% in 2004 to 4.01% in 2006. In 2005, flow regulators were installed in Motel 6, Studio 6 and Red Roof Inn bathrooms, which has reduced water consumption by 95 million liters a year. In 2006, we purchased 93,000 compact fluorescent light bulbs, which consume 75% less energy than incandescent light bulbs. At year-end 2006, 27% of the paper used by Accor North America was made with recycled fibers.

#### What are the next steps?

In addition to tracking these actions, we're also launching new initiatives. For example, we've found a dedicated channel for processing compact fluorescent light bulbs and electronic waste. We're also testing heat pumps, which reduce the amount of energy consumed by room heating and air-conditioning systems from 20% to 50%, depending on the hotel's location.





France\_Formule 1, Nantes

## We're confronting environmental challenges

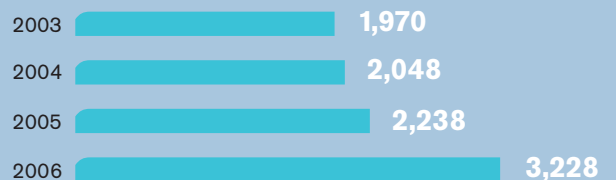
Around the world, Accor strives to minimize the environmental impact of its operations by involving its 170,000 employees in the process. All Accor establishments deploy innovative solutions, track improvement indicators and exchange best practices in order to effectively manage water and energy consumption, reduce and recycle waste and protect biodiversity.

### The Hotel Environment Charter

The Hotel Environment Charter is a resource for training employees, managing tangible initiatives launched by hotels and gauging performance. Expanded in 2005, it now includes 65 actions intended to help protect natural resources, address the issue of climate change, protect the ozone layer, reduce waste volumes and promote

### Hotels applying the Environment Charter

In 2006, 88% of hotels had deployed enough actions to publicly display their environmental stewardship commitment.





Morocco\_Sofitel, Agadir

2010

**OBJECTIVES**

**The Environment Charter**  
 Deploy the Environment Charter  
 in all owned and leased Accor hotels  
 (currently deployed in 93%).

**Certification**

Obtain environmental certification  
 for 20% of the hotel base.

the purchase of environmentally-friendly products and services. In each region, managers have set priority objectives depending on local challenges and opportunities. When a hotel has implemented at least 15 actions (or 20 depending on the brand), it is then entitled to display an information poster so that customers can see and appreciate its commitment.

In the United States, the Motel 6 and Red Roof Inn chains reported data for the first time in 2006. Of the 3,228 hotels that measured their performance (versus 2,238 in 2005), the Group-wide average was 31 actions deployed out of a possible 65.

**Certification**

Accor has more hotels that have been certified by independent organizations than any other industry operator. This approach will be pursued in the years ahead (see the environmental management table on page 112).

To date, the following Accor facilities have been ISO 14001-certified:

- 149 owned or leased Ibis hotels in France and in Brazil.
- Six Accor Thalassa spas.
- Sofitel Athens Airport (Greece).
- Novotel London West (United Kingdom).
- Novotel and Ibis Homebush Bay (Australia).
- Compagnie des Wagons-Lits headquarters in France and sites in Austria, Italy and Spain.
- Accor Services' headquarters in France.

In addition, 16 establishments received environmental certification from other organizations.





Germany\_Novotel, Munich

**2010 OBJECTIVE**  
 Reduce water use per occupied room by 10% and install flow regulators in all owned and leased hotels worldwide.

## We're preserving the planet's water resources

The Earth's inhabitants use 50% more water than they did forty years ago. In 2006, Accor consumed 42.6 million cubic meters of water, the equivalent of 800,000 Europeans.

### Significant events

In 2005, Accor set a number of objectives:

- In Europe and Latin America, water consumed per occupied room declined by 4% in 2006. The two-year objective, announced in 2005, was for a 5%-reduction by 2007.
- Flow regulators were installed on 70% of owned and leased hotels in Europe. The objective for 2006, announced the year before, was 50%.

### Water around the world

**In France**, Accor Services launched a campaign targeting Cleanway-affiliated laundries, encouraging them to use an environmental balance sheet to help reduce the impact of their operations.

**In Yemen**, the Sofitel Taiz-Yemen introduced a broad-based program to reduce water consumption, recover rainwater and alert customers to the importance of water efficiency.

**In the United States**, Red Roof Inn and Motel 6 now restrict lawn watering to no more than fifteen minutes per area, two or three times a week. The measure reduces water consumption by 8% (excluding domestic hot water).



### INNOVATION An efficient laundry system

The Sofitel Athens Airport has installed a detergent-free laundry system that reduces the consumption of water by 40% and energy by 70%. A normal load uses 12 liters of water per kilogram of laundry.



### ENVIRONMENT AND SAVINGS

Example for a 100-room hotel

- Flow regulators**
- Installation** of 200 flow regulators.
- Consumption reduced** by 650,000 liters.
- Savings** of €2,000.
- Return on investment** in one and a half month.

### Water consumption\* in liters per day per occupied room

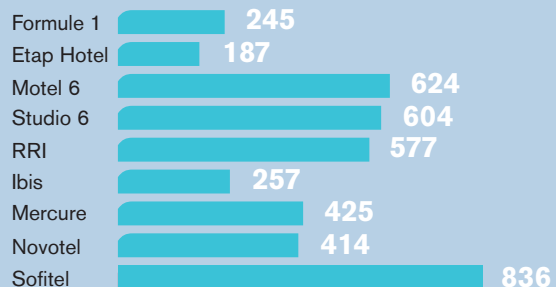
Reduction of 1.3% in 2006, compared to 2005.



\* Data for 2005 and 2006 cover owned, leased and managed hotels (excluding Asia).

### Water consumption by hotel brand in liters per day per occupied room in 2006

The amount of water consumed is related to hotel category and equipment.





Morocco Sofitel, Agadir

**2010 OBJECTIVE**  
 Reduce energy consumption per room by 10% and equip 150 new hotels with solar water-heating panels.

## We're preserving the planet's energy resources

The Earth's inhabitants consume twice as much energy today as they did in 1970. In 2006, Accor consumed 3.7 million MWh of electricity, the equivalent of 450,000 Europeans.

### Significant events

In 2005, Accor set a two-year objective of reducing energy consumption per room in Europe by 5%. In 2006, the first year, energy use was reduced by 2% thanks to:

- The development of renewable energies. The program to install solar panels for the production of domestic hot water was continued during the year. Worldwide, 41 hotels are now equipped with the panels, compared with 32 in 2005.
- A study of energy use in Ibis, Novotel and Mercure hotels in France. The findings showed that easy-to-implement measures involving lighting, pipe insulation and equipment adjustments in 300 hotels could reduce energy consumption by 50,000 MWh. Deployment of these measures will begin in 2007.

### Energy around the world

**In France**, the Ibis Sallanches was one of the first hotels to add an exterior insulation system during renovation.

**In Brazil**, high-performance lighting systems have been installed in hotel interiors (compact fluorescent light bulbs and LEDs) and on facades (discharge lighting).

**In Asia**, air-conditioning accounts for 50% of energy consumption. Actions have been undertaken to improve system efficiency and insulation.

**In the United States**, several measures have been launched to effectively manage energy consumption, including the use of atomic clocks to control exterior lighting, LEDs for exterior signage at 150 Red Roof Inns, and presence detectors in bathrooms and rest areas.



### INNOVATION Carbon compensation

The Novotel London West has undertaken energy savings initiatives as part of its ISO 14001-certification process. Through CarbonNeutral Company Ltd, it has invested in a project to reduce CO<sub>2</sub> emissions by an amount equivalent to the emissions generated by its conference room lighting and heating systems.



### ENVIRONMENT AND SAVINGS

Example for a hotel in Europe

#### Energy-saving light bulbs

**Installation** of 50 compact fluorescent light bulbs.

**Consumption reduced** by 22,000 kWh.

10 fewer tons of **greenhouse gas emissions** (CO<sub>2</sub>).

**Savings** of €2,000.

**Return on investment** in six months.

### Energy consumption\* in kWh per day per available room

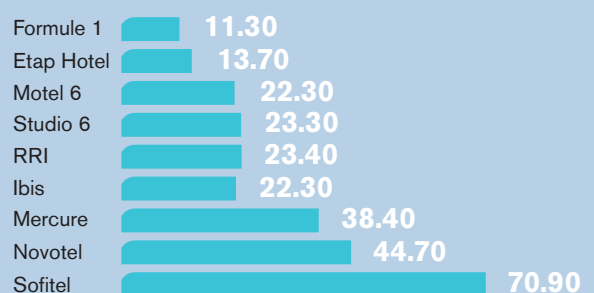
Increase of 1.3% in 2006, compared with 2005\*\*



\* Data for 2005 and 2006 cover owned, leased and managed hotels (excluding Asia).

\*\* Energy use declined in all regions but increased overall because the 2006 scope of reporting includes more countries whose consumption is above average.

### Energy consumption by hotel brand in kWh per day per available room in 2006





Germany\_Novotel, Munich

**2010 OBJECTIVE**  
 Extend the waste reduction and/or recycling program developed on pilot sites to all owned and leased hotels.

# We're reducing the environmental impact of our waste

The amount of per-person household waste in Europe is increasing by 2% a year. Accor generates the same quantity of waste as 170,000 people.

### Significant events

Audits of waste volumes produced by hotels were conducted in Canada, Brazil, Asia, Egypt and France. In France, all hotel brands were studied as part of a program initiated by France's Agency for Environment and Energy Management (ADEME). The goal of reducing the quantity of non-recovered waste by 10% was achieved on all pilot sites.



### INNOVATION Biodegradable film at Accor Thalassa

In France, Accor Thalassa uses bioplastic film in its algotherapy envelopment treatment. In the future, the goal is to compost this waste.

### Waste around the world

**In France**, a waste-management guide for renovation sites has been prepared and distributed to all project managers. Waste-use audits have been finalized for the Etap Hotel and Formule 1.

Hotels **in Switzerland** have included all waste management measures as priority actions in the new Environment charter.

**In Brazil**, hotels monitor very closely the amounts of waste that are sorted for recovery and reuse. In 2006, 160 tons of paper and cardboard packaging, 40 tons of magazines and newspapers and 15 tons of metal were sorted.



### ENVIRONMENT AND SAVINGS Waste sorting on a renovation site

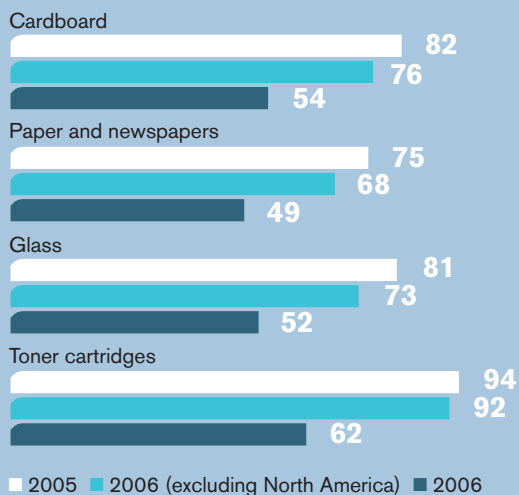
Example for a 100-room Novotel hotel in France  
**Cost of disposing of unsorted waste:** €5,500.  
**Cost of disposing of sorted waste:** €3,300.

*Of which:*

- Non-hazardous waste:** €1,600 (21 tons).
- Sale of metals:** 3 tons sold for €300.
- Wood:** €2,000 (40 tons).
- Savings** of €2,200.

### Percentage of waste sorted in hotels applying the Hotel Environment Charter

The results (excluding North America) can be explained by stricter application of actions contained in the Charter.





Togo\_Mercure Sarakawa, Lomé

2010

**OBJECTIVE**

Strengthen initiatives to raise employee and customer awareness of the importance of biodiversity.

## We're protecting biodiversity

Around the world, 25% of mammals, 11% of birds, 20% of fish and 13% of plants are threatened by extinction. More than 800 hotels have partnered with associations in concrete measures to preserve biodiversity.

**Significant events**

On July 11, 2006, Etap Hotel France and France's Bird Protection League (LPO) signed a partnership agreement. On a voluntary basis, the 253 Etap Hotel units in France, with the support of LPO experts, are involved in initiatives to promote biodiversity and protect birds. These include installation of birdhouses, feeders and birdbaths and the creation of a nature area in the hotel lobby.

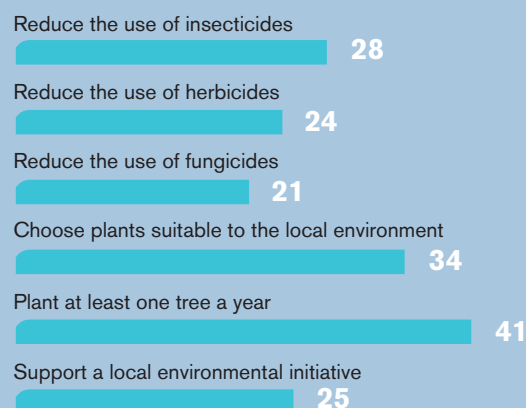
**Biodiversity around the world**

**In France,** 14 hotels in the Languedoc-Roussillon region joined forces in February 2006 to help clean the Salins du Castellans salt marsh for World Wetlands Day. In Limoges, hotels took part for the fourth year in a row in a project to rehabilitate the Saint Laurent heath, in partnership with the Limousin Regional Natural Areas Conservatory.

**In Indonesia,** a partnership was created with Kehati, a local environmental protection foundation, to build awareness of the importance of biodiversity. The partnership's first project involves airing informational films in hotel rooms.

In December, the Sofitel City Center **in Dubai** participated in a clean-up campaign initiated by the United Arab Emirates Ministry of the Environment.

**Percentage of the 3,228 hotels that have introduced the Charter applying the following biodiversity actions**





France Setting sail in the fight against multiple sclerosis



Morocco SOS Children's Villages

# Corporate sponsorship

Corporate sponsorship is defined as “the provision of material support to a cause or person for an activity serving the general interest, with nothing received in return”. Every day, Accor employees support various initiatives through a very active corporate sponsorship program.

In 2006, Accor’s corporate sponsorship priorities focused on three areas: culture, health and humanitarian aid.

## HEALTH

Accor’s health initiatives reflect a commitment to supporting advances in medical research and to leading the fight against various diseases.



### Fondation Greffe de Vie

Accor supports Fondation Greffe de Vie, whose purpose is to promote organ donations, revitalize the procurement and transplant processes, improve patients’ lives and support research.

### The fight against multiple sclerosis

Accor works alongside the Union for the Campaign Against Multiple Sclerosis (UNISEP) in combating this chronic neurological disease, by providing support for the Tour de France à la Voile yachting race, the Jumping de Cabourg equestrian event and the musical comedy *Le Roi Soleil*.

## HUMANITARIAN ASSISTANCE

Across all brands and countries, Accor employees are involved every day in providing assistance to the disadvantaged, working with local and international partners to help children and communities.

### Aid for children



In a global partnership with Plan, an international community development organization that focuses on children, Accor customers and employees have sponsored 1,100 children and collected more than €800,000. These donations have financed various projects, such as eco-tourism villages in China, schools and vegetable gardens in Burkina and an irrigation system for a village in Ecuador.

Following the lead of a number of European countries, Brazil, China and Australia joined the partnership during the year.

### ■ Europe – Czech Republic



Since 2002, Accor Services has supported the Pomozte Detem Foundation, which provides aid and protection to handicapped or abused children. This financial assistance comes from donations, notably of Ticket Restaurant® food vouchers.



Indonesia\_Support for the Red Cross



France\_Théâtre du Châtelet

■ Africa – Morocco



Since 1999, 21 Moroccan hotels have supported SOS Children's Villages.

A large number of young people are sponsored by the hotels, which help them to find jobs.

■ South America – Brazil

Launched in 2003 by Ticket, with the backing of Instituto Accor, the Sonho de Criança (Children's Dream) project has helped to build an educational center for children in a poor section of São Paulo. Accor teams in Brazil are pursuing their initiatives through training programs for more than 240 children and their families.

■ Asia-Pacific – New Zealand

Since 2002, Accor has supported Cure Kids, a child health research foundation in New Zealand and Australia. Races, sports rallies, auctions and other events organized in Accor hotels have raised substantial amounts.



Local aid

Around the world, employees assist the disadvantaged through five types of initiatives: donations of surplus equipment, collection of goods and funds, technical and logistics support, social support programs and training in life-saving techniques.

These initiatives are carried out alongside recognized local organizations and associations, including the Red Cross, Restos du Cœur and Emmaüs in France, No Room for Hunger and the Children's Aid Society in the United States, Kindergarten in Germany and the Fondation Théodora, a charitable organization in Switzerland.

THÉÂTRE DU CHÂTELET



Accor agreed to sponsor the Théâtre du Châtelet for the next three years.

Located in the heart of Paris, the theater welcomed some 300,000 spectators to a highly original program whose creativity and outreach reflect Accor's core values.

■ In France

Accor Services has conducted the "Vouchers Given, Meals Shared" initiative since the winter of 2002-2003. Over the past four years, donations of Ticket Restaurant® meal vouchers have totaled nearly €480,000, most of which is contributed to the French Red Cross for its social grocery outlets.

On December 13, 2006, a Solidarity Day was organized by Accor head offices across Europe. Employees were involved in a variety of activities—from collecting toys to organizing special events in a retirement home.

CULTURE

Accor supports the development of culture and the arts through its backing for world-renowned events and institutions.

The Aix-en-Provence Festival

Since 2000, Accor has been a patron of the Aix-en-Provence Festival, one of Europe's most prestigious opera and song festivals.