



THE EARTH GUEST PROGRAM

As a services company whose most important asset is its people, a hotel operator with extensive operations around the world, and a major consumer of water and energy, Accor has always felt an obligation to pursue sustainable development excellence.

To federate its social and environmental projects, Accor launched the **Earth Guest** program in early 2006, with the motto: "The Earth is our host. We host the world." Its purpose is to engage the Group's operations in a virtuous circle, through innovations that not only provide customers with enhanced comfort and superior service but also benefit people and the environment. With the 2005 deployment of a global network of correspondents attuned to all aspects of sustainable development, Accor has acquired the resources to achieve its goal and clear short-term objectives have been set. These include reducing water and energy consumption, promoting balanced nutrition and doubling the number of hotels offering fair trade products within the next three years as well as the number of employees trained in combating sexual tourism involving children. By leveraging its presence on six continents and regular contact with 120 million customers, Accor is helping to spread the principles of sustainable development across society through tangible actions.

The Earth Guest program comprises two far-reaching projects that correspond to both core components of the sustainable development process: social responsibility (the EGO project) and environmental stewardship (the ECO project).

CHALLENGES AND PRIORITIES

EGO PROJECT

Health

Protect the health of customers and employees by promoting balanced diets and combating AIDS, malaria and major epidemics.

In 2005, Accor helped lead the fight against AIDS in 20 countries across Africa. In France, Accor Services launched its balanced nutrition program, with the backing of 1,000 restaurants.

Local Development

Establish constructive, equitable relations with local communities by minimizing the negative effects and maximizing the positive effects of the hotel business.

In 2005, Accor worked closely with ECPAT in a ten-country program to combat the sexual exploitation of children. Partnerships were pursued with Plan (child sponsorship) and the Red Cross (emergency assistance). One out of four hotels in 11 countries now serves fair trade products.

Human Rights

Promote mutual respect within the organization by spreading the principles of the United Nations Global Compact.

In 2005, Accor continued to spread these principles among employees through The Manager's Benchmarks and shared its commitments with its 2,000 suppliers and other business partners around the world.

ECO PROJECT

Water

Limit the risks of water shortages by reducing consumption and introducing gray water and rainwater recovery systems.

In 2005, all hotels in Germany and England were equipped with flow regulators. Pilot wastewater recovery sites were set up in the United Kingdom and Brazil.

Energy

Prepare Accor for an energy crisis by reducing consumption and promoting the use of renewable energy sources.

In 2005, a total of 30 establishments, including all new hotels in Brazil, were equipped with solar collectors. An intranet-based system for controlling energy consumption is currently being deployed. Compact fluorescent lamps and other energy efficient devices are gradually being installed.

Waste

Decrease the amount of waste generated by reducing waste at the source.

Promote the recovery and reuse of waste through local collection channels.

In 2005, Accor introduced action plans to increase recycling of hotel waste. Lenôtre and Compagnie des Wagons-Lits worked with suppliers to reduce the amount of packaging.

Fostering health and well-being

Accor's hotel, restaurant and service businesses create opportunities to improve the health of customers and employees alike. That's why the Group has introduced programs to promote balanced diets, reduce the risk of allergic reactions and combat AIDS.



PROMOTING BALANCED DIETS

Accor and its subsidiaries are helping to meet the challenge of nutritional balance. In October 2005, the Ticket Restaurant meal voucher introduced the Alimentation & Équilibre program that encourages restaurants to serve nutritionally balanced dishes. Dishes that meet the criteria are highlighted on the menu with a sticker representing Gustino, the program's mascot. More than 1,000 restaurants are involved in the project, including 90 in Ibis hotels in France and Compagnie Wagons-Lits food services on high-speed train lines.

For more information:

www.alimentationetequilibre.com

THE "FORME & ÉQUILIBRE" PROGRAM IN NOVOTEL RESTAURANTS

By applying the Forme & Équilibre (Fitness & Balance) commitment charter in its restaurants, the Novotel chain is supporting the National Nutrition and Health Program (PNNS) introduced by the French Ministry of Health. The program, which will gradually be deployed worldwide, requires participating restaurants to guarantee that the dishes they serve are tasty, nutritionally balanced and served in the right-sized portions so that customers get just what they need. These dietician-approved dishes are identified on menus by the program logo. Customers are also given information pamphlets.

REDUCING THE RISK OF ALLERGIC REACTIONS: MYBED - SOFITEL

In developing its unique MyBed sleeping concept, Sofitel chose natural products that comply with the highest standards of hygiene. The different treatment stages (washing, dust-mite removal and sterilization) eliminate all risk of allergic irritations from feathers or down. Quality controls are carried out after each step and the merchandise may be sent back as often as necessary until quality standards have been met.

FITNESS & WELL-BEING - CLUB MED GYM

Introduced in late 2005, the "Fitness with Club Med Gym" program grew out of the synergies created between Sofitel and Club Med. The purpose of this wellness concept is to make it easier for customers in Sofitel hotels to exercise or engage in sports on a regular basis by enabling them to take part in special Club Med Gym programs, either in the hotel's fitness area or in their rooms.

COMBATING AIDS IN AFRICA

In Africa, Accor is a member of the steering committee of the Sida Entreprises AIDS prevention program, an association of companies that want to play a leading role in combating the virus (see page 89).



Deploy the Alimentation & Équilibre (Gustino) program in five European countries.

Obtain the support of all Novotel hotels in France for the Forme & Équilibre commitment charter.

Develop an international partnership to combat AIDS and malaria around the world.

Combating sexual tourism involving children

The sexual exploitation of children is increasing in some of the world's poorer tourist regions. With operations in countries where this problem exists, Accor forged a partnership in 2001 with ECPAT (End Child Prostitution Pornography and Trafficking of Children for Sexual Purposes).

In 2005, the Group strengthened its commitment to combating sexual tourism involving children in both tourist-sending and host countries. Accor and Carlson Wagonlit Travel are members of the steering committee of the Code of Conduct for the Protection of Children against Sexual Exploitation, developed by ECPAT and the World Tourism Organization. Already committed to honoring the agreement in four Southeast Asian countries, Accor signed the Code in four new countries—Brazil, French Guiana, the Dominican Republic and Romania. During the year, Accor also signed the French Tourism Ministry Charter, which integrates these same principles, thereby pledging to promote tourism that respects the rights of children in France and around the world.

More than 6,000 employees in ten countries were trained in identifying and responding to situations in which children are at risk. Carlson Wagonlit Travel agencies have distributed information brochures to two million customers since 2001 and Club Med began distributing them in 2005. Sofitel, Novotel, Mercure, Ibis and Parthenon hotels are also involved in the campaign, displaying posters to inform travelers to Brazil, the Dominican Republic, Romania, Thailand and Indonesia. In 2005, the Novotel Bangna Bangkok began airing a film on the ECPAT campaign on the hotel's TVs. Accor regularly organizes drives to raise funds for ECPAT. Lastly, Accor takes part in UNICEF's Youth Career Development Program, through which 97 young Thai women earned diplomas and 40 found jobs in one of the Group's hotels.



Double the number of countries in which Accor has signed the Code of Conduct for the protection of children.

Promoting fair trade

Accor promotes fair trade through food purchases for its 4,065 hotels.

Introduced in 2003, the Group's commitment to fair trade is spreading across the different hotel chains and in the services provided by Compagnie des Wagons-Lits. Today, 1,000 establishments in 11 countries purchase fair trade products.



Double the number of hotels that serve fair trade products.

FAIR TRADE PRODUCTS AT ACCOR				
Country	Products served by Accor			
	coffee	tea	chocolate	wine
France	✓	✓	✓	
Portugal	✓			
United Arab Emirates	✓			
Greece		✓		
England	✓		✓	✓
Austria		✓		
South Africa				✓
Hungary	✓			
Netherlands	✓			
Belgium	✓			
Switzerland	✓	✓	✓	

Fair trade products in France as a percentage of total purchasing volume.

Chocolate 93% Coffee 32.5% Tea 30%

Supporting local communities

Wherever it operates, Accor pursues local community support initiatives through partnerships with NGOs and pilot programs.

PILOT HOTELS

Since 2003, Accor and three other hotel operators in Brazil have been conducting the Berimbau project, which is designed to get local communities fully involved in developing tourism in the Bahia region. In Africa, Accor launched the O'Nommo hotel project in Mauritania during the year. The project has three key priorities:

- Using environmentally friendly construction techniques.
- Integrating hotels into their surroundings.
- Deploying measures to support development of the local economy.

Scheduled for completion in 2008, the project will serve as a testing ground for hotel construction techniques in Africa.

HUMANITARIAN ACTIONS

In 2004, a partnership was created with Plan, an international community development organization that focuses on children. Accor also supports the Red Cross, the world's largest humanitarian organization.

Child sponsorship, alongside Plan



In 2005, over 700 disadvantaged children from around the world were sponsored by Accor employees, customers and partners.

Many of the Group's country organizations, divisions, brands and individual establishments are involved with Plan. A total of €700,000 was raised to support a number of development projects:

- In Thailand, following the tsunami on December 26, 2004, eight schools in the region of Phuket and Phang Nga were rebuilt and an educational and psychosocial support program for the children of victims was set up.
- In Indonesia, two operations were launched: a program in a region of Sumatra that was hit by the tsunami and another initiative in Java that is supported by Accor hotels in the United Kingdom and Germany.

Aid to local communities, alongside the Red Cross



Through the partnership agreement signed in 2005 with the French Red Cross, Accor participates in three types of action:

- Supporting social programs. Accentiv' took part in the "Vouchers Given, Meals Shared" operation organized by Accor Services in France for the fourth year in a row. In all, €344,000 was raised. Accor establishments also regularly support local Red Cross delegations by donating supplies and providing employment opportunities.

- Responding to emergencies. In the wake of the December 2004 tsunami in Southeast Asia, Accor provided accommodation for a large number of rescue workers and financial support for the Red Cross.
- Promoting first aid training. Accor supports French Red Cross awareness campaigns, in particular World First Aid Day.



Sponsor 1,000 children and finance new development projects.

Involve 150 Accor establishments in community initiatives alongside the French Red Cross.

Formalize a commitment with the International Federation of Red Cross and Red Crescent Societies.

Develop a model local integration project in each region.

A TREE FOR A CHILD

This program in Indonesia is designed to support educational programs for disadvantaged children and protect the environment in which they live. Created in 2001, A Tree for a Child is financed by the sale of recycled items in hotels and the planting of trees.



NO ROOM FOR HUNGER IN THE US

Accor North America (US, Canada and Mexico) supports the No Room for Hunger Virtual Food Drive. The drive collected over \$41,000 in 2004 and nearly \$53,000 in 2005. The funds were donated to America's Second Harvest, a hunger relief organization.

Sharing ethical principles with partners

Accor signed the United Nations Global Compact in 2003. By embracing this initiative, which is designed to reduce by half development-related inequities around the world over the next 15 years, Accor has forcefully demonstrated a desire to act responsibly with its business partners and employees.

ETHICS WITHIN THE ENTERPRISE

The Group's ethics charter, entitled *The Manager's Benchmarks – Together, Ever More Responsible*, has been distributed to all managers since 2003. It promotes the culture of sustainable development within the organization by reminding supervisors of their responsibilities to employees, customers and suppliers.

ETHICS AND SOCIETY

To promote the fight against corruption, Accor is committed to introducing training programs for employees so that they can recognize conflicts of interest and help stamp out corrupt practices.

PRINCIPLES SHARED WITH BUSINESS PARTNERS

Accor has more than 2,000 certified suppliers, with whom it shares its social and environmental commitments through the Sustainable Development Purchasing Charter. A study conducted in 2005 showed that the number of suppliers with an overall favorable rating with regard to their sustainable development practices had increased to 49%, compared with 41% the previous year. Conversely, the number of suppliers with an unfavorable rating declined to 9%, from 18% in 2004.

Excerpt from an interview with George Kell,
Executive Head of the Global Compact Office

How is Accor helping to achieve the Global Compact's Millennium Objectives?

Consumer habits must change and Accor is supporting that process. For example, it has introduced tangible measures to reduce water and energy consumption and to protect the health of employees and customers.

What would you recommend that Accor do to further improve?

It already applies a large number of best practices and all units benefit from the experience acquired by others. This commitment to continuous improvement is exactly what the Global Compact recommends. However, Accor could communicate more about its sustainable development initiatives, with the goal of informing and involving even more customers.

AUDITING HOTEL LAUNDRY SERVICES

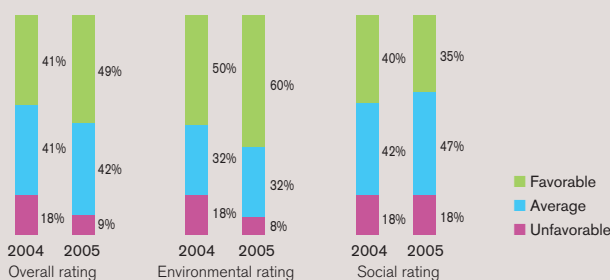
In 2005, an environmental audit was conducted of Accor's 94 laundry service providers in France. The purpose was to monitor treatment plants, chemical product retention tanks and other waste disposal systems to ensure regulatory compliance. Action plans were prepared for those facilities whose results were not up to par.



Evaluate suppliers in two European countries other than France.

Launch training programs and distribute a brochure to support the fight against corrupt practices.

Comparing suppliers' performance in 2004 and 2005



ACCOR INITIATIVE TO PROTECT VALUABLE TIMBER

Today, wood paneling used to decorate Ibis and Novotel hotel rooms is certified either by the Forest Stewardship Council (FSC) or the Pan-European Forest Certification Council (PEFCC). Accor also encourages its brands to work with environmentally certified suppliers and to comply with the Convention on International Trade in Endangered Species (CITES).

Responding to environmental challenges

For the past ten years, Accor has pursued an ambitious policy intended to minimize the environmental impact of its operations without compromising customer comfort. Designed to encourage each establishment to protect its natural surroundings, the Hotel Environment Charter was broadened in 2005 with the addition of 50 new environmental actions.

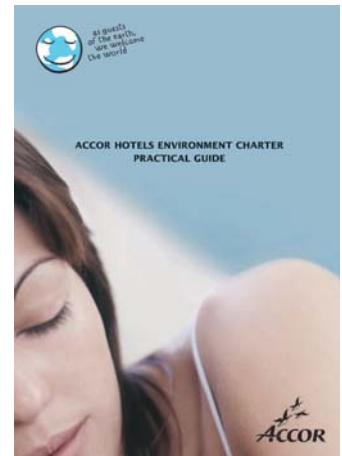
A FORWARD-LOOKING CHARTER

Introduced in 1998, Accor's first Hotel Environment Charter comprised 15 recommended actions. While it was originally intended for Europe, it has since been extended to all continents and its application is monitored each year via the Group intranet. The charter's success is reflected in the gradual increase in the number of actions carried out by hotels as well as by its extended scope of application. After seven years, it was necessary to expand the charter and the number of actions was increased to 65. The purpose of these changes is to:

- Extend the use of new best practices.
- Take into account local specificities.
- Emphasize the importance of ISO 14001 certification.

THE CHANGE PROCESS

Developed through the collective efforts of the Group's 108-member international environmental network and outside experts, the charter contains universal principles that can be adapted to local situations. Initiatives to safeguard biodiversity were developed in a close partnership with the League for the Protection of Birds (LPO). The United National Environment Program (UNEP), with which Accor cooperates through the Tour Operator Initiative, also played an important role in expanding the charter. In a practical guide issued along with the new charter, UNEP experts discuss the environmental challenges that justify the new actions.



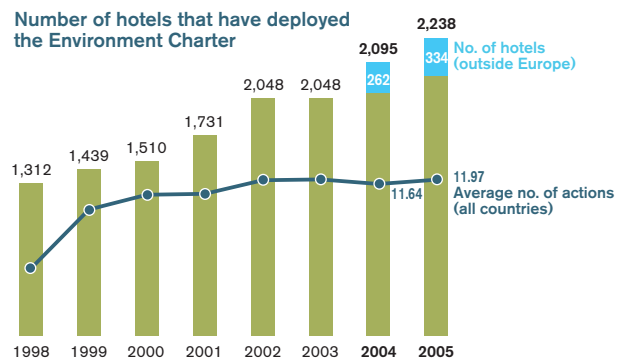
OVERVIEW OF THE NEW CHARTER

The 65 actions in the new charter are organized around eight topics:

- Information and awareness-raising.
- Energy.
- Water.
- Wastewater.
- Waste.
- Ozone layer.
- Biodiversity.
- Green purchasing.

THE ENVIRONMENT CHARTER

The Hotel Environment Charter has constantly evolved since the first version was published in 1998. Over the years, its scope of application has been broadened and the number of actions deployed in hotels has increased.





In the new version, some topics have been expanded, like water and energy, and new topics have been added, including wastewater, the ozone layer, biodiversity and green purchasing. New actions may concern hotel management (e.g. water/energy consumption targets) or involve employees and/or customers (not changing sheets and towels every day). In terms of spending, they may require relatively small sums (flow regulators) or larger amounts (installation of solar panels).

ACTIVELY DEPLOYING THE NEW CHARTER

The drive and dedication of hotel managers and their teams are responsible for making the Hotel Environment Charter and its principles a reality. Environmental coordinators in regional offices also play a crucial role, defining each year's priority actions and providing solutions to facilitate their implementation. Hotels may not inform customers that the charter has been applied until they have deployed at least 15 actions (or 20 depending on the brand).



Apply the new Hotel Environment Charter in all owned and leased hotels by year-end 2006.

INTERNATIONAL AWARDS FOR ACCOR HOTELS' ENVIRONMENTAL PERFORMANCE

- MARCH 2005: Accor's operations in Mexico receive a Corporate Social Responsibility award from the Mexican Center for Philanthropy.
- JUNE 2005: A Renewable Energy Trophy is awarded by France's Renewable Energy Association (SER). The Sofitel Royal Angkor receives the ASEAN Energy Rewards prize for its integration of environmental criteria into the building's energy management system.
- NOVEMBER 2005: The Novotel London West receives a Green Apple Award for its overall environmental policy and ISO 14001 certification. The Ibis chain receives a Worldwide Hospitality Awards for its quality and environmental programs targeting customers and employees.

In 2005, Accor consumed more than **38 million cubic meters of water** in its owned, leased and managed hotels (data consolidated for 82% of these hotels, a total of 2,478 establishments). This is equivalent to **the annual domestic consumption** of a city of more than **900,000 inhabitants**.

Water Consumption

In Europe

Water consumption per occupied room in owned and leased hotels in Europe was reduced by 19% between 2003 and 2005, surpassing the 5% target. This performance was due to a number of measures.

In 2005, Accor approved the installation of regulators with a flow rate of 6 liters per minute for faucets and 12 liters per minute for showers. Fitted with a membrane that ensures a pre-established flow rate and optimal comfort for customers, these regulators enable a 100-room hotel to reduce its water consumption by roughly 2,000 cubic meters a year with a return on investment estimated at six months. During the year, 16,200 faucet flow regulators and 6,000 shower flow regulators were purchased. All hotels in Germany and England have already been equipped with these devices. In the United Kingdom, a system was installed at the Etap Hotel in Birmingham to recover rainwater for use in 90 room toilets. The system uses drinking water only if the quantity of rainwater is insufficient. Based on the current price

of water in Birmingham, the investment will pay for itself in an estimated 13 years. A similar project will be tested at the Etap Hotel in Cardiff in 2006.

In Africa

Hotel lawns and other green areas account for a significant portion of water consumption, approximately 15%. In Tunisia, spray watering has replaced saturation watering, resulting in a 40% reduction in consumption. In Sub-Saharan Africa, most hotels are equipped with water treatment plants, which were audited in 2004. Plants that are not in operating order will gradually be repaired over the next few years.

Latin America

In Brazil, all new establishments reuse gray water from bathtubs and sinks in toilet flush tanks. Four hotels have already been equipped and by 2009 around 30 hotels should be fitted with the system, which reduces water consumption by an estimated 20% per hotel.

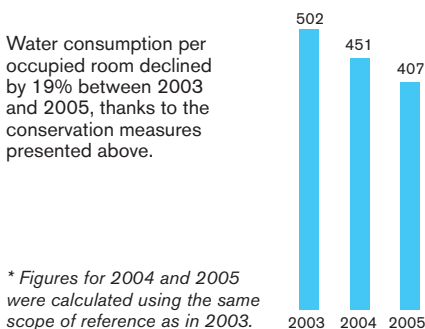


Reduce water consumption per occupied room by 5% in owned, leased and managed hotels in Europe, Asia and Latin America.

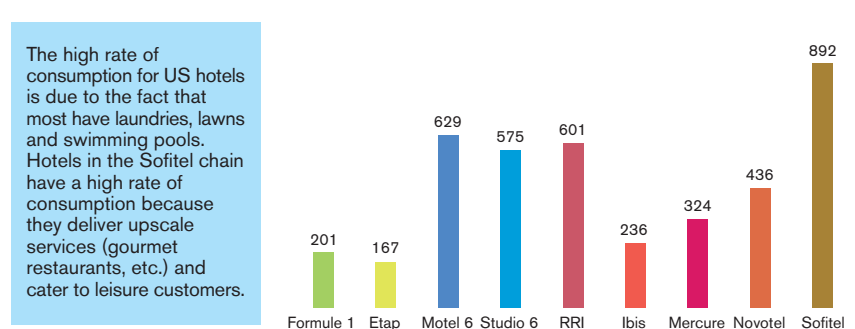
Resources deployed

- Improved monitoring of water consumption through the OPEN environmental management system.
- Deployment of the new Hotel Environment Charter.
- Systematic use of flow regulators.
- Studies of rainwater and gray water recovery technologies, with the goal of using them more widely.

Water consumption* in liters/day per occupied room



Water consumption in liters/day per occupied room by hotel brand in 2005



In 2005, Accor consumed over **3.4 million MWh** of energy in its owned, leased and managed hotels (data consolidated for 82% of these hotels, a total of 2,478 establishments). This is equivalent to **the domestic consumption** of more than **400,000 people**.

Energy consumption

The objective is to reduce energy consumption per room by 5% between 2004 and 2006 in owned and leased hotels in Europe. In 2005, Accor approved 7-watt and 9-watt compact fluorescent lamps to replace 50-watt dichroic halogen lamps in reception areas, corridors and other parts of the hotel that call for round-the-clock lighting. The development of solar energy to produce domestic hot water continued throughout the year. The total surface area of solar panels on Accor hotels increased from 2,370 square meters (29 establishments) to 2,867 square meters in one year. Among the hotels equipped were the Sofitel Maeva Beach in Tahiti and the Ibis in Strasbourg.

In France

Siemens conducted audits on hotels that consume large quantities of energy to determine their potential energy savings and the corresponding investments that would need to be made. If the potential energy savings are found to be sufficient, Siemens then finances the project.

PURCHASING GREEN ELECTRICITY

In France, 25% of the energy used in 200 hotels is produced from renewable sources. In Switzerland, waterpower produces all the electricity used in Accor's hotels in Geneva.

In Italy: a cogeneration system

The Novotel Milano Est was fitted with a pilot 120-kW micro-cogeneration system that produces electrical, thermal and cooling energy.

In the United States

- An energy management system was tested in the Motel 6 and Red Roof Inn chains. It controls the room's air-conditioning and heating systems using a presence detector that adjusts the temperature to a preset comfort level whenever the customer leaves the room. The installation provides a return on investment in 30 months.
- At Novotel and Sofitel, a campaign was launched to reduce water and energy consumption by 5%, representing a potential savings of \$500,000. Targeting hotel department managers, the campaign defined action plans and organized training programs for technical crews.



Reduce energy consumption per room by 5% between 2004 and 2006 in owned and leased hotels in Europe.

Resources deployed

- Improved monitoring of energy consumption through the OPEN environmental management system.
- Deployment of the new Hotel Environment Charter.
- Systematic use of compact fluorescent lamps.
- Installation of solar panels on at least five additional hotels in France, Morocco and Brazil.

Energy consumption* in kWh/day per available room

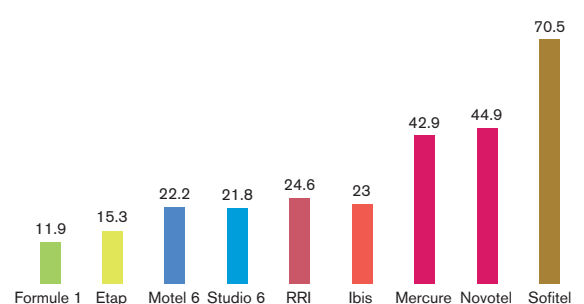
In 2005, energy consumption per available room increased by 5% over the previous year to a level nearly on a par with 2003. The increase was due to harsher weather conditions in 2005 and new hotel installations, notably air-conditioning units in the Economy segment.

* Figures for 2004 and 2005 were calculated using the same scope of reference as in 2003.



Energy consumption in kWh/day per available room by hotel brand in 2005

Most energy is used for heating and/or air-conditioning, hot water and lighting. The greater amounts consumed at Sofitel reflect the hotels' more spacious interiors, which must be heated or air-conditioned and lit.



Reducing and recycling waste

A hotel produces an average of **200 grams of waste per occupied room** and **300 grams of waste per meal**. This means that every year Accor's owned, leased and managed hotels produce as much waste as **170,000 Europeans**.

WASTE

Waste recycling depends largely on the availability of local disposal channels.

In Europe

The European Commission has adopted strict waste management regulations. Companies are required to recycle their packaging waste, and hazardous waste must be handled apart. Disposal channels have been created for the processing of batteries, compact fluorescent light bulbs and neon tubes, which are a hotel's most hazardous waste products. Studies were conducted by an outside firm (see table below) to enhance understanding and facilitate the recycling of non-hazardous waste.

Accor hotels in Germany carry out especially sophisticated waste recovery programs that include the recycling of glass, paper, cardboard, cooking oil and organic waste from restaurants, lawns and gardens.

In the United States

Regulations vary from one state to another. Compact fluorescent light bulbs, for example, are not considered hazardous waste in all parts of the country. Companies are often not required to recover waste and the distances involved in recycling may result in high collection costs.

At the same time, the cost of dumping remains low. Since the sorting and recycling of packaging and other waste would engender additional costs for hotels in the Budget segment, waste is generally only sorted by hotels in the Midscale and Upscale segments (Novotel and Sofitel) and when legally required.

In Africa

Except in South Africa, waste recycling rarely uses industrial channels and there are no specific channels for hazardous waste. Packaging is recovered for reuse. However, Accor encourages its hotels to ensure that these makeshift solutions produce adequate results in terms of hygiene.

In Brazil

Conama, the national environmental council, has introduced standards for the recycling of paper, plastic, metal and glass. All hotels in the country take part in this program and are trying to persuade public authorities to develop recycling channels. Employees share in the revenue generated by the resale of waste recycled by their hotels.

In Asia

As in Brazil, governments in most Asian countries are committed to organizing waste collection and recycling programs, which are still often managed by undeclared operators. High value-added materials like plastic, paper, glass and metal can often be resold. To facilitate recycling, Accor hotels sort waste, with the revenue produced by the sale of these materials sometimes donated to charitable programs like A Tree for a Child. Some forms of hazardous waste, such as batteries, are handled separately even though this is not legally required.

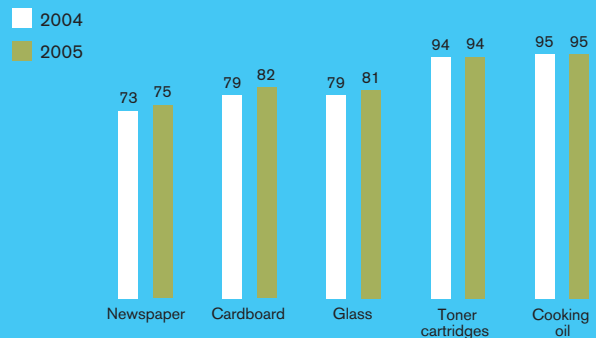


Continue to improve the waste recovery process.

Quantity of waste generated (in grams) per meal and per person

Brands	Breakfast	Full-service meal	Occupied room
Formule 1	106		204
Etap Hotel	190		400
Ibis	130	350	128
Mercure	184	340	225
Novotel	100	220	129
Sofitel	233	379	158

Sorting of waste (by %) in hotels applying the Hotel Environment Charter



Promoting site certification

Accor is committed to enhancing the credibility of its environmental protection programs and reducing risks through its ISO 14001 certification process.

ISO 14001 CERTIFICATION

From among the many existing environmental accreditation programs, Accor chose ISO 14001 certification because it is effective and universally recognized. Applicable on all continents and to all businesses, ISO 14001 certifies that a company complies with regulatory standards and continuously reduces the environmental impact of its operations.

In 2005, Accor pursued measures launched the previous year in Ibis hotels and Accor Thalassa institutes. As a result, the total number of certified establishments increased to 138, of which:

- 108 Ibis hotels (including 89 newly certified in 2005).
- 3 Accor Thalassa institutes (including 2 newly certified in 2005).





Certification was renewed for Compagnie des Wagons-Lits units in Spain, Austria and Italy and its head offices in Paris.



Pursue certification programs with Ibis hotels and Accor Thalassa institutes.

Ratings agencies

In 2005, Accor was included in the four leading socially responsible investment indexes.

	2004	2005
 <p>Dow Jones Sustainability Indexes (DJSI) DJSI Stoxx – 156 stocks, of which 19 French DJSI World – 317 stocks, of which 16 French</p>	<p>Accor ranks first among hotel operators and second in the hotel/restaurant industry. Its scores are:</p> <ul style="list-style-type: none"> • Overall: 55% (average: 44%) • Economic: 57% (average: 48%) • Environment: 52% (average: 37%) • Social: 56% (average: 46%) 	<p>Accor improves in all three rating criteria although its overall average is unchanged from 2004.</p> <p>Its scores are:</p> <ul style="list-style-type: none"> • Overall: 61% (average: 44%) • Economic: 61% (average: 50%) • Environment: 64% (average: 38%) • Social: 58% (average: 41%)
 <p>FTSE4Good Europe</p>	<p>Accor is included in the index. Of the 265 listed European companies, only 25 are French.</p>	<p>Accor is again included in the index, which is comprised of 302 stocks, of which 36 French. The Group's evaluation is higher, mainly in social criteria.</p>
 <p>Ethibel Sustainability Index (ESI)</p>	<p>Not included in the index.</p>	<p>Accor is included in the index, which is comprised of 290 stocks, of which 15 French. Accor's inclusion reflects improvements made in assessing and controlling the environmental impact of its operations. Its highest scores are in code of ethics, equal opportunity, human rights and supplier relations.</p>
 <p>Aspi Eurozone</p>	<p>Accor ranks first in the hotel industry.</p>	<p>Accor's rating improves in all areas: human resources, environmental protection, customer and supplier relations, human rights and civil society. Improvements are expected in a number of areas, especially deployment of the environmental management system, assessment of suppliers and certain social indicators.</p>

MANAGING THE SUSTAINABLE DEVELOPMENT PROCESS

Stakeholders	Objectives	Accor performance indicators
SHAREHOLDERS	Ensure compliance with corporate governance best practices in France.	Compliance with corporate governance guidelines.
	Guarantee the transparency of financial data.	Financial data in the Registration Document.
	Separate powers and responsibilities.	Number of independent directors. Management procedures.
CUSTOMERS	Satisfy customer requests and demands.	Number of establishments visited by mystery guests.
	Guarantee superior service.	Number of hotels with ISO 9001 certification.
	Ensure customer safety and security.	Number of hotel managers who have taken part in safety/security training programs.
	Promote good health through wholesome, balanced diets.	Number of restaurants participating in a healthy, balanced nutrition program.
EMPLOYEES	Promote diversity in employee profiles and career paths and ensure equal opportunity.	Gender parity within the organization. Average salaries of men and women with the same responsibilities. Percentage of disabled employees.
	Provide compensation in line with local practices.	Salary policy by region. Variable and fixed portion of compensation.
	Support employee development through training.	Number of employees who took part in at least one training course. Training budget as a % of total payroll.
	Promote job mobility.	Number of employees who had an annual appraisal. Number of employees who changed their business and/or region.
	Promote social dialogue.	Monitoring by employee representatives. Monitoring of labor-related issues.
	Ensure employee health and safety.	Work-related accident frequency rate. AIDS prevention training program. Social safety net.
	Improve employee recognition and satisfaction.	Number of employees who took part in satisfaction surveys.
SUPPLIERS	Take into account supplier-related social and environmental risks.	All certified suppliers comply with the three components of the Sustainable Development Purchasing Charter.
ENVIRONMENT	Deploy the Environmental Charter.	Number of hotels that apply the Environmental Charter.
	Pursue the ISO 14001 certification program.	Number of hotels with ISO 14001 certification.
	Monitor water consumption.	Percentage reduction in water consumption. Percentage of owned and leased hotels equipped with flow regulators.
	Monitor energy consumption.	Percentage reduction in energy consumption. Percentage of owned and leased hotels equipped with energy-efficient lamps.
	Promote the use of renewable energy sources.	Number of hotels equipped with solar captors.
	Manage waste.	Percentage of hotels that recycle waste
	Develop green purchasing.	Number of hotels offering organic products. Number of hotels purchasing eco-labeled products.
	Protect biodiversity.	Percentage of hotels involved in local environmental programs.
LOCAL COMMUNITIES	Develop humanitarian sponsorship programs.	Number of children sponsored with Plan. Number of units involved in local assistance projects with the Red Cross.
	Support fair trade.	Number of hotels serving fair trade products.
	Combat sexual tourism involving children.	Number of employees who trained in preventing the sexual exploitation of children. Number of countries that have signed the ECPAT Code of Conduct.
	Identify risks of corruption at the local level.	

2005 results and highlights	Commitments for 2006 (or longer term)	Correspondence with the ten principles of the United Nations Global Compact	
Proposal to change the Company bylaws	Election of a Board of Directors and separation of the functions of Chairman of the Board and Chief Executive Officer. Assessment of the Board of Directors' procedures.		
100% for Formule 1, Etap Hotel, Ibis and Mercure in Europe. 95% for Novotel in Europe. 60% for Sofitel around the world (Europe, Asia and Africa).	Deploy satisfaction surveys in all European hotels. Pursue the mystery guest program to ensure service quality in all chains.	1. Support and respect the protection of internationally proclaimed human rights within their sphere of influence.	
600 hotels certified ISO 9001.	Obtain certification for the entire European network and extend to new countries (e.g. China) within three years.		
190 Ibis and Sofitel managers took part in the training program launched in 2004.	Increase the number of people trained.		
1,000 restaurants in France (including 90 Ibis) joined the Gustino program. Launch of the Forme & Équilibre program at Novotel.	Deploy the Gustino program in five other European countries in 2006. Obtain support for the Forme & Équilibre commitment charter from all Novotel hotels in France in 2006.		
2005: 52% women (44% of managers). No significant difference noted in men and women's compensation. 2005: 4.26% / 2004: 4.20% in France.	Renew and extend compensation studies in 2006. Implement the Group's triennial agreement, with hiring and job protection plans.		1. Support and respect the protection of internationally proclaimed human rights within their sphere of influence. 3. Uphold the freedom of association and the effective recognition of the right to collective bargaining. 4. Eliminate all forms of forced and compulsory labor. 5. Effectively abolish child labor. 6. Eliminate discrimination in respect of employment and occupation.
Regular surveys show salary policy to be in line with market practices.	Continue to conduct surveys and harmonize salary policies as necessary.		
2005: over 160,000 / 2004: over 120,000. 2005: 2.2% / 2004: 2%.	One training session per person per year.		
2005 and 2004: 68%. 2004 and 2005: approximately 20,000 employees.	One individual assessment per person per year. Speed the development of international mobility.		
June 2004-2005: 44 collective agreements signed in France. June 2003-2004: 48 collective agreements signed in France. Employee relations observatory.	Pursue constructive discussions with all employee representatives. Implement corrective actions as necessary.		
2005: 20.5% / 2004: 17.6%. 2005: 4,200 people trained in Africa. International internal study conducted in 2005: employees in the 90 countries surveyed benefit from a social safety net in the event of a work-related accident.	Pursue actions to reduce work-related accidents and occupational diseases. Develop AIDS-prevention training programs in other regions. Introduce appropriate social safety nets in all host countries.		
In 2005: 50,000 employees took part in an internal opinion survey. In 2004: 19,000 employees took part in an internal opinion survey. In 2004 and 2005, 83% of the people surveyed said they would recommend Accor to a friend as a place to work.	Continue to conduct opinion surveys at regular intervals and monitor satisfaction indicators.		
49% favorable (versus 41% in 2004) - 42% average (41% en 2004) - 9% unfavorable (18% en 2004).	Evaluate suppliers in two other European countries in 2006.		
2,238 hotels apply the charter (versus 2,038 in 2004).	Apply the charter in all owned and leased hotels.	7. Support a precautionary approach to environmental challenges. 8. Undertake initiatives to promote greater environmental responsibility. 9. Encourage the development and diffusion of environmentally friendly technologies.	
138 sites certified in 2005 (including 108 Ibis hotels and 3 Thalassa institutes) versus 45 in 2004.	Pursue certification programs with Ibis hotels and Accor Thalassa institutes.		
19% reduction per occupied room (between 2003 and 2005) in owned and leased hotels in Europe. Program launched in owned and leased hotels in Europe (2003 scope).	Reduce consumption per occupied room by 5% (between 2005 and 2007) in owned and leased hotels in Europe, Asia and South America. Equip 50% of owned and leased hotels in Europe in 2006.		
Results of the initiative undertaken in 2004 will be known at year-end 2006. Program launched in owned and leased hotels in Europe (2003 scope).	Reduce consumption per room by 5% (between 2004 and 2006) in owned and leased hotels in Europe. Equip 50% of owned and leased hotels in Europe in 2006.		
32 hotels equipped in 2005 (versus 29 in 2004).	Equip five more hotels with solar panels by year-end 2006.		
75% to 95% of the 2,238 hotels that apply the charter sort waste for recycling (depending on the type of waste).	Continue to improve the waste recovery process.		
75 hotels offer organic products. 400 hotels use eco-labeled linen	Increase the number of hotels serving organic products. Increase the number of hotels using eco-labeled products.		
35% of hotels apply this action from the charter.	Increase the percentage of hotels applying this action to 40%.	2. Make sure that companies are not complicit in human rights abuses. 10. Work against all forms of corruption, including extortion and bribery.	
700 children sponsored (382 in 2004). 110 units involved in 2005.	Sponsor 1,000 children in 2006. Involve 150 Accor establishments in community initiatives alongside the French Red Cross.		
2005: 1,100 hotels in 7 countries. 2003: 39 hotels in France.	Double the number of hotels that serve fair trade products.		
6,000 employees trained in 2005 (5,125 in 2004). 8 countries have signed the Code of Conduct (4 in 2004).	Double the number of countries in which Accor has signed the Code of Conduct for the protection of children.		
Risk analysis.	Develop training programs and distribute a brochure.		