



Information regarding the components of remuneration of Mr. Sébastien Bazin, Chairman and Chief Executive Officer
Decisions made by the Board of Directors held on 21 February 2024

At its meeting held on 21 February 2024, the Board of Directors, upon recommendation of the Compensation and Appointments Committee, made the following decisions concerning the components of compensation of the Chairman and Chief Executive Officer.

Annual Variable Compensation for the 2023 financial year

To determine the variable portion of Mr. Sébastien Bazin's compensation for 2023 fiscal year, the Board of Directors assessed the extent to which the related objectives have been met. Based on its findings, this amount was set at **€1,868,865**. The total includes:

- €1,546,279 for the quantitative objectives (amounting to 80% of the total variable compensation) which, overall, were 143,8% reached.

⇒ *Financial criteria:*

The targets for EBITDA and free cash flow (excluding disposals and acquisitions), after change in operating working capital, were exceeded by a wide margin, with achievement rates of 128,6% for EBITDA and 125,7% for Free Cash-Flow, enabling a maximum payout of 160% on these criteria.

⇒ *Non-financial criteria:*

Regarding the criterion relating to organic growth in the number of rooms (net of transfers to another brand), as the budget have been reached at 100%, the payment for this criterion is 100%.



Regarding the criterion relating to the percentage of managed and franchised hotels that have removed single-use plastics in the guest experience, including disposable water bottles, the target of 80% was partially achieved. The percentage achieved of 79,0% allows a payment of 97,5% on this criterion.

Regarding the criterion relating to the percentage of managed and franchised hotels measuring carbon emissions through a carbon measurement tool, the target of 85% was partially achieved. The percentage achieved of 59,9% therefore allows a payment of 64,1% on this criterion.

Regarding the criteria relating to the percentage of managed and franchised hotels that have measured their food waste and the percentage of women on management committees worldwide, the targets were exceeded by a wide margin: the percentages achieved, namely 90,3% for the condition relating to food waste and 42,4% for the condition relating to women on management committees respectively, allow a maximum payment of 160% on these criteria.

- €322,586 in relation to the qualitative objectives (amounting to 20% of the total variable compensation), both of which have been achieved at a level of 120%.

The Board of Directors noted that the new TURBO organization had been implemented quickly and effectively, despite its scale, and had been fully accepted and understood by employees and the external environment. It also noted that this new organization had provided an opportunity for new talents to emerge and for existing talents to be retained.

Consequently, Mr. Sébastien Bazin's variable annual compensation represents 139,0% of the reference amount and 196,7% of his fixed annual compensation for 2023 fiscal year.

Fixed Compensation for the 2024 financial year

The Board of Directors decided to maintain unchanged the amount of the Chairman and Chief Executive Officer's annual fixed compensation to **€950,000** for 2024.

Annual Variable Compensation for the 2024 financial year

The Board of Directors decided to maintain the gross annual reference amount of Mr. Sébastien Bazin's variable compensation to **€1,400,000**.

This variable compensation could represent between 0% and 150% of the annual reference amount, i.e. the equivalent of a variable compensation between 0% and 221% of his annual fixed compensation.



The Board decided that Mr. Sébastien Bazin's annual variable compensation will be based on the achievement of the following performance objectives:

1. Quantitative objectives (accounting for 80 % of the total):

⇒ *Financial criteria (50%):*

- EBITDA in line with the 2024 budget (25%),
- Free Cash-Flow (excluding disposals and acquisitions) after change in operating working capital, in line with the 2024 budget (25%).

The nature and weighting of the financial criteria have been maintained, enabling us to keep a significant overall weighting on financial criteria and remain in line with market practices.

⇒ *Non-financial criteria (30%):*

- Network Growth (15 %),
- Environmental, Social and Governance criteria (ESG) (15 %).

ESG criteria retained are the following:

- Stay Pillar (10%), two criteria:
 - Percentage of managed and franchised hotels (based on the network at 1 January 2024) that have defined their benchmark water consumption value at 31 December 2024: an initial target is defined for managed hotels (2.5%) and a second for franchised hotels (2.5%).
 - Percentage of eco-certified managed and franchised hotels (which are subsidiary) (based on the network at 1 January 2024) by 31 December 2024 (5%). It should be noted that a hotel is eco-certified when it has been awarded an eco-label by a recognized certification partner.
- People Pillar (5%), one criterion: Percentage of women holding a position at least equivalent to a VP (Vice President) level according to the Group's internal classification at 31 December 2024.

2. Qualitative objective (accounting for 20% of the total):

- Finalization of the implementation of TURBO organization, talent development and support for the implementation of the CSR plan.



Long-term Compensation

Regarding the granting of performance shares for the 2024 financial year, the Board of Directors decided to maintain the cap on the number of performance shares that may be granted to the Chairman and Chief Executive Officer to a number equivalent to 280% of his gross annual fixed compensation. In any event, the number of performance shares that may be granted to him shall not represent more than 15% of the total number of performance shares granted to employees.

In addition to the requirement that the Chairman and Chief Executive Officer continues to be employed by the Group at the end of the three-year vesting period, these performance shares shall only vest in accordance with the following performance conditions:

⇒ *Internal conditions (weighting 80%):*

- Actual versus budgeted consolidated EBITDA (40%);
- Actual versus budgeted Free Cash-Flow (excluding disposals and acquisitions) after change in operating working capital (20%);
- Reduction in the carbon footprint (10%);
- Reduction of food waste (10%);

⇒ *Relative external condition (weighting 20%):*

- Accor's Total Shareholder Return (TSR) versus the change of a composite index comprising peer European and international hotel groups (Melia, NH Hoteles, Whitbread, Hilton, Marriott, Hyatt, IHG).

In addition, the performance shares are subject to a lockup period and the Chairman and Chief Executive Officer is required to retain a certain proportion of the shares for as long as he remains in this position.