



The essence of hospitality
2017-2018



**TO WELCOME
OUR GUESTS**

250,000

employees in
AccorHotels brands

HOTEL NETWORK

4,300

hotels

Nearly

620,000

rooms

100

countries

25

hospitality brands,
from luxury to economy

Business volume

€18

billion

(Figures at December 31, 2017)

**NEW
BUSINESSES**

Private rental

Coworking

Concierge services

Dining and events

Digital solutions





**Around the world
or around the corner**



6:15 am

A much-anticipated, well-deserved break,
that reconnection with the ocean and
the light is always a moment to be cherished.
Here, it's all harmony, peace and well-being.

Les Cures Marines,
Trouville Hôtel Thalasso & Spa - MGallery by Sofitel

8:40 am

**Become a Londoner
or a Berliner for the duration
of a stay. Find a comfortable,
elegant, apartment that feels
just like home, and simply fall
into step with local city and
neighborhood life.**

onefinestay private home, Clerkenwell, London



11:00 am

Embark now on an iconic journey,
interspersed with mysterious,
enthraling, refined stopovers.

Orient Express





4:30 pm

It's midafternoon, and the tea ritual captures the essence of hospitality – discovery, sharing and tranquility.

Grand Mercure Xiamen Downtown, China



6:00 pm

Before going home, enjoy some me time at a wellness haven in the heart of the city. Use the local hotel's facilities without spending the night. Just book a yoga class on the AccorLocal app. Now that's a great idea!

AccorLocal



8:15 pm

You don't want it to end, ever - this moment shared with thousands of strangers, all eyes glued to the stage. Our Elite Experiences couldn't be more aptly named!

Le Club AccorHotels, the AccorHotels Arena box



9:40 pm

Plan the next trip. Get away from it all and afford an authentic, memorable experience. Thailand, or the Maldives? A hotel, or a villa that feels like home? Whatever the choice may be, it will be the stuff of dreams...

Banyan Tree Spa Sanctuary, Phuket, Thailand



Message from the Chairman

**Sébastien Bazin,
Chairman and Chief Executive Officer
of AccorHotels**

**In just four years, AccorHotels
has experienced a metamorphosis.
What kind of group is it now?**

The Group is stronger than ever before, and just a few key facts prove this. It is a leader in all its target regions, has a portfolio of 25 strong, complementary brands, a robust range of services to support its hoteliers, and new innovative offers to cater for changing hospitality and customer support needs. It is experiencing rapid and massive growth, with over 300 hotels opened in 2017 and a pipeline of 874 future establishments, 80% of which are in strong growth countries. In addition to all these advantages, which are the result of the repositioning strategy we initiated four years ago, thanks to the sale of a majority stake in AccorInvest, we now also have unprecedented financial clout. We will use it to further extend our footprint and continue to deploy our “augmented” hospitality strategy for open, inclusive, innovative hospitality that extends well beyond the hotel walls. This business model holds the promise of a very bright



future – for our employees, who are developing their skills and can express all their talents; for our guests, for whom we are creating ever more opportunities to enjoy the AccorHotels experience, and for our partners who benefit from the power of the Group and its brands.

**How would you define AccorHotels’
business today?**

We have refocused on the essential, i.e. on our guests. We want to ensure that a growing number of them choose us, whether they are travelers or locals in our hotels’ neighborhoods, and we have three priorities: to attract, convince and retain them. The more capable



“We are engaged leaders, currently at the forefront of our industry.”

we are of increasing the touch points and opportunities for contact with our guests and the more high-level partners we have to enrich the experiences we offer them, the more likely they are to choose us. By placing them at the heart of all our initiatives, we will create the virtuous circle of our future growth.

Your partners and guests also choose you because you are an engaged company.

We strive to be exemplary in everything we do. By launching AccorLocal, a new range of neighborhood services from our hotels, we are helping forge bonds

between people with services that benefit both the community and the environment. When we acquire new companies, we integrate them into our Planet 21 program and incite them to achieve the highest sustainability performance. When we designed the Heartist®, to unlock the talents of our 250,000 employees, we triggered a full-blown cultural revolution that breaks hospitality industry codes. Also, by creating one direct job, we create four indirect ones. In this way, through our employees, suppliers, and partners, we can make a difference and have a real impact. It's a responsibility, but it's also an opportunity. And that is what the hospitality of the future is also about.

Much more than a journey – an experience

Welcome to AccorHotels! One of the most comprehensive hotel brand portfolios in the world, a top-level luxury offering and an ever-growing range of services. With the emblematic brands Raffles, Fairmont and Swissôtel, AccorHotels has become a key player in luxury hospitality.

Prestigious resort brands like Banyan Tree and Rixos Hotels further enriched its offering. With onefinestay, the Group is now the world's leading operator of very upscale private rentals with concierge services.

As for the historic brands, they continue to reinvent themselves with new concepts and services. This has been the case for MGallery by Sofitel, Pullman, Novotel, Mercure and ibis, for example.

By developing an innovative hospitality model, AccorHotels continues to enrich its array of products and services for the benefit of its guests and partners.



**Fairmont
Unforgettable.
Since 1907.**

Three remarkable
new addresses
for the brand in
Amman, Istanbul
and Marrakech.

Fairmont Royal Palm
Marrakech, Morocco



Rixos, entertainers by nature

Rixos hotels are exceptional holiday
resorts offering traditional Turkish
hospitality and culture.

Rixos Premium Göcek, Turkey

Raffles, an oasis for the well-travelled

After celebrating its 130th anniversary in 2017,
the brand is now writing a new chapter in its
history with the restoration of its emblematic
Singapore property.

Raffles Hotel Singapore

Hospitality brands



MGallery by Sofitel, a collection of storied boutique hotels

MGallery caters for the desires of its female guests with “Inspired by Her”, a range of products and services specially for women.

Pullman, our world is your playground

Hotels and resorts that are in tune with today's world, where performance and well-being join forces.

Pullman Bangkok King Power,
Thailand





Swissôtel
Life is a journey. Live it well.

Swissôtel's new Vitality room is a calm, elegant sanctuary. It boasts bespoke wellness features and offers guests the perfect environment in which to recharge their batteries.



**25hours Hotels,
creators of unique hotels**
10 hotels, each shaped by
the art, culture, gastronomy
and history of their
surroundings.
Hotel Bikini Berlin, Germany

Hospitality brands



Novotel, so much to live

The new skyscraper on the London skyline is the Novotel London Canary Wharf, the brand's latest flagship – a place where both travelers and locals can enjoy life's moments.

Novotel London
Canary Wharf,
United Kingdom

Mercure, travel made authentic

This year, the brand launched “Local Stories”, inviting guests to discover a thousand tales that only locals know.

Mercure Berlin Wittenbergplatz,
Germany



Mama Shelter, Mama loves you

The lifestyle brand and lively, modern urban refuge, adds another string to its bow with Mama Works, the coworking spaces that offer users a stimulating, creative setting.

Mama Shelter Los Angeles, United States



Smart Room, the room that accommodates all travelers

This new universal room concept was designed with assistance from disabled AccorHotels employees.

Hospitality brands



ibis, for those who love that extra touch

The world's leading economy hotel brand now boasts a collection of new atmospheres and designs. The first addresses to feature them are in Barcelona and São Paulo.

Nextdoor, work differently, work better

The brand offers next-generation workspaces, with dedicated services that inject dynamism and creativity into working life.

Nextdoor Cœur Défense, Paris, France



ibis Styles, for those who love design

The brand has opened its first US address at New York's La Guardia Airport. The lobby and room design is inspired by the Big Apple's subway.

ibis Styles New York La Guardia Airport, East Elmhurst, United States



An exceptional portfolio of
complementary brands that caters for every kind
of stay, from luxury to economy.

Luxury and upscale hospitality



ORIENT  EXPRESS

BANYAN TREE

SOFITEL
LEGEND

Fairmont

SOV

SOFITEL

RIXOS



pullman

swissôtel

ANGSANA

25h
twenty five hours hotels

GRAND MERCURE

THE
SEBEL

Midscale and economy hospitality

NOVOTEL

Mercure

adagio

MAMA
SHELTER

ibis

ibis
STYLES

ibis
budget

JO&
JOE

hotelF1

 ACCOR HOTELS.COM

LE CLUB  ACCOR
HOTELS

Private
rental

Coworking

Concierge
services

Dining
and events

Digital
solutions

onefinestay

nextdoor

JOHN PAUL

POTEL & CHABOT

availpro

MAMAWORKS

ACCOR LOCAL

NOCTIS

FASTBOOKING

GEKKO

VERYCHIC

Digital technology serves a pioneering vision of hospitality

More than ever before, guests, as well as hotel owners and general managers, expect AccorHotels, the hotelier that serves other hoteliers, to offer efficient, innovative services and an exceptional experience. The Group's partners rely on its expertise to enhance their visibility, strengthen their relations with their guests and provide them with reliable, robust distribution and the best tools to manage their business.

Distribution, the indispensable key to success

Ensuring that across the world, travelers always choose an AccorHotels brand, also means providing the hotels and their support teams with the best distribution tools. The Group further enriched its value proposition in 2017 by integrating several acknowledged distribution experts: Availpro, the hotel booking solutions software company;





Gekko Group, the hotel distribution solutions provider for travel professionals, and VeryChic, a private sales platform for luxury and upscale hotel stays.

Feel unique, enjoy a memorable experience, share it and return

Personalization is key to fostering attachment and loyalty in guests, since they want to be known and acknowledged. The worldwide deployment of a database shared by the Group's 4,300 hotels, will bolster knowledge of guest preferences. AccorHotels has also entered the conversational era with the launch of its first chatbot, which will assist guests before, during and after their stay.

A top-drawer loyalty program

The perk-packed, user-friendly Le Club AccorHotels program is a favorite with the most exacting loyalty program connoisseurs the world over – it won 5 Freddie Awards again this year! Exclusive offers like Dream Stays and Elite Experiences are the best way to surprise, reward and acknowledge guests who are loyal to the Group's brands and provide a host of ways to prolong the AccorHotels experience beyond their hotel stays. The program also allows members to use their points to acquire one of the 700 products in La Collection by Le Club AccorHotels. Lastly, 10 new partners joined in 2017, which means members have even more options: they can convert their points into airmiles, earn points by renting a car, and much more. The program's 40 million members now enjoy perks with over 50 partners.

140

million availability
searches a day
(twice as many as in 2014)

1.7

bookings per second

40

million Le Club AccorHotels
members
(twice as many as in 2014)

Development

The opening in 2017 of the SO/ Das Stue Berlin, in the listed building that was the former Danish Embassy, marked the start of this brand's growth drive – around 15 addresses are due to open worldwide by 2022.

SO/ Das Stue Berlin, Germany



620,000 rooms to choose from

With 300 new hotels, or the equivalent of 52,000 new rooms, travelers can now choose from a total of 620,000 rooms worldwide. This outstanding growth has strengthened the Group's presence in the regions where it is already well-established.

Targeted acquisitions, like Rixos and BHG, contributed 40 hotels and 11,000 rooms in Mediterranean and Brazil. There has been a particularly sharp rise in the number of AccorHotels luxury addresses. With 30 openings and 60 deals signed in 2017, notably in Asia-Pacific and the Middle East, 2 very high potential regions, AccorHotels confirms its interest in this high value-added segment. In luxury resorts, the partnership with Banyan Tree, which has

key positions in Asia, and the joint venture with Rixos Hotels, which has 22 emblematic properties, also reflect this policy. This robust growth is expected to continue in 2018 – AccorHotels' pipeline is currently the world's third largest, excluding the United States, with 870 establishments, or 161,000 rooms due to open. This expansion will rebalance the Group's geographic footprint by 2022. By then, around 45% of its rooms should be located in Europe and 31% in Asia-Pacific, compared with 52% and 27% respectively today. The Group's residential offer of "extended-stay" mixed-use residences and luxury serviced homes will also continue to grow rapidly, with 50 projects currently being developed around the world.

Innovation, the key to expansion

Innovation is at the heart of AccorHotels' strategic ambitions. It must innovate to attract, convince and retain ever more guests, to make a difference and provide its partners with even more support. Innovation is what allows it to anticipate and respond to changes and nurture the guest experience.

We innovate when we develop new brands, like JO&JOE, when we embrace new forms of hospitality, such as onefinestay, and new services, with John Paul, for example. We innovate both internally and externally. When it acquires companies with strong growth potential, AccorHotels has its own support system to accelerate their development within a large group.

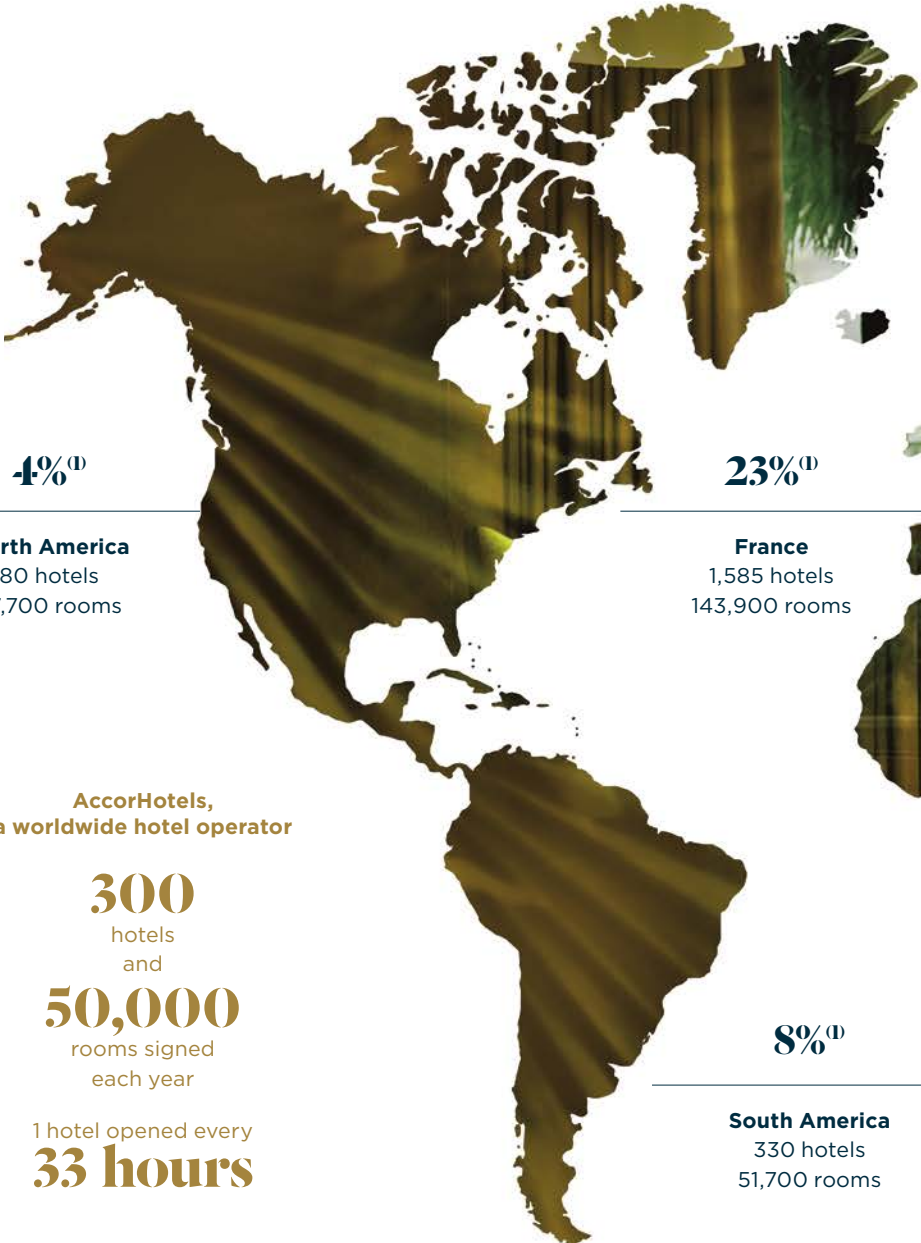
It brings them together within a dedicated division, allowing them to preserve their flexible, agile working methods, while also benefiting from the clout and vast network of a world leader.

Collaboration with start-ups and business incubators is also an excellent way of accelerating innovation and growing our activity. AccorHotels, which has been a founding partner of TechStars Paris – the first French edition of this international program – for four years, became an official partner in 2017. This initiative allows the Group to incubate both external fledgling enterprises and projects designed by its own employees. Lastly, AccorHotels also has its own internal structure, the Innovation Lab, dedicated to bringing new concepts to life.

JO&JOE Hossegor, France



4,300 addresses all over the world



29%⁽¹⁾

Europe

1,250 hotels
176,400 rooms

27%⁽¹⁾

Asia-Pacific

835 hotels
168,400 rooms

8%⁽¹⁾

Africa, Middle East

205 hotels
47,900 rooms

(1) As a percentage of total number of guest rooms in managed and franchised AccorHotels establishments. Figures at December 31, 2017.

Hospitality: our profession, our passion





Over twenty brands and 250,000 employees worldwide, a unique identity, and a distinctive and recognizable way to welcome each guest from the first exchange, from the first smile. AccorHotels carefully preserves and enriches this inimitable signature, selecting, developing and recognizing each talented employee's contribution to delivering a form of hospitality that creates bonds and generates emotion.

We are all Heartists

How to unlock the initiative and creativity in all these personalities and make the guests the true focus of decisions?

To achieve this goal, all over the world and in each of its brands, the Group created an ambitious program that recognizes each employee as a "Heartist®". Being a Heartist®, means viewing every day as a stage in which each person plays their role, letting their hearts speak and their own individual art of hospitality express itself. The program was launched in 2017 and has been rolled out in all hotels by 180 ambassadors and "transformers".

Promoting all talents

So that they give their full potential, employees need to be trained, promoted, and rewarded – for AccorHotels, this talent development is key.

250,000

employees
in 100 countries

77%

is the 2017 employee
engagement score
(up 5 points on 2016)

55%

of employees
are under 35

Talent & Culture

It involves monitoring both the individual and collective performance based on a unique skills-set for all the Group's professions, countries and brands. The wide range of courses offered by

Académie AccorHotels also reflects this focus on talent development. Its 18 worldwide campuses provide top-level training for both new recruits and employees.

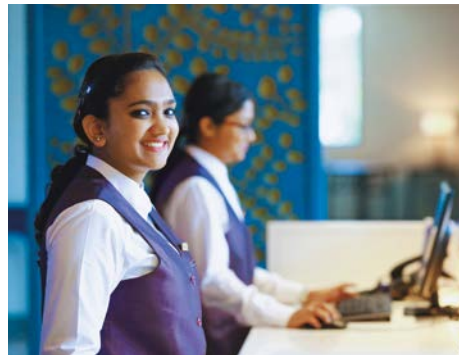


91%

of employees attended
a training course in 2017

Welcoming diversity

AccorHotels is also different because it embraces every kind of diversity. The diversity steering committee coordinates a global network of Diversity & Inclusion champions. WAAG (Women at AccorHotels Generation) network currently boasts 12,000 members, 35% of whom are men, and joined "HeForShe", the UN Women's initiative, in 2015. In 2017, on the International Day for Persons with Disabilities, the Group held an international solidarity contest, inviting employees throughout the world to review the accessibility of their hotels and of local retailers using the app "Jaccede".



Acting for positive hospitality

“Promoting positive hospitality is much more than an ethical imperative. It’s also a way of responding to the new expectations of both our guests and our potential recruits who are increasingly sensitive to corporate values”.

Sven Boinet, Deputy Chief Executive Officer and Chairman of the Ethics & Compliance Committee

As a leader in its industry, AccorHotels strives to be exemplary in its ethical and social behavior, its respect for human rights and its commitment to the environment.

The Planet 21 Acting Here program ensures that all the Group's hotels are committed to an exacting policy based on 6 priorities, of whom 4 are engaged alongside us – our employees, guests, partners and local communities – and 2 priority issues – food and buildings. In 2017, the program's monitoring, reporting and coordination system proved successful: 64% of hotels implemented Planet 21's benchmark actions, compared with 45% in 2016.



Contributing to the advent of a decarbonized world

In 2017, AccorHotels signed the French Business Climate Pledge, in which French companies promised to respect the COP21 requirements. In 2017, the Group's hotels' energy consumption and its carbon emissions declined by 2%⁽¹⁾. As Energy Observer's main sponsor, AccorHotels accompanies energy transition. The new technologies tested by this boat, such as hydrogen, could be introduced in the hotels.

(1) Average rate on a comparable basis.



Acting for biodiversity

As a restaurant operator, AccorHotels is committed to fostering more eco-friendly farming through agroforestry. Planting trees on farming plots helps the soil regenerate and retain water and also preserves biodiversity by expanding the farmers' sources of income.

As part of its Plant for the Planet program, the Group innovated in 2017 with the launch of its worldwide campaign "Make a difference, give a tree", which allows guests to take action at their own level.

10

million trees planted
by 2021

=

1 tree planted
every minute

1,000

urban vegetable gardens
by 2020. 780 already up
and running at end 2017

Reducing food waste

Planet 21 aims to reduce food waste by 30%. In 2017, some one hundred hotels in 29 countries weighed their food waste and then measured their progress after implementing waste-prevention initiatives. As a result, on average, 52% less food is wasted. In France, thanks to a partnership with the start-up Too Good To Go, 6,500 unserved meals prepared in over 60 hotels were redistributed.



solidarity

ACCOR HOTELS 

Fighting exclusion

Solidarity AccorHotels, the endowment fund created in 2008, combats the economic and social exclusion of very vulnerable people through professional insertion. With the active collaboration of the Group's employees, it has already supported over 300 projects in 44 countries with over 220,000 direct and indirect beneficiaries. Examples of its initiatives include Shanghai Young Bakers, a project that trains youths from deprived rural areas to become bakers and pastry chefs. 42 apprentices on this program received on-the-job training in the kitchens of 4 hotels in Shanghai and have subsequently found employment.

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