

Procurement Charter 21

INTRODUCTION

AccorHotels, the world's largest hotel operator and leader in Europe, is present in 95 countries with over 4000 hotels and 583,000 rooms. Capitalising on its broad portfolio of brands, with FRHI, Sofitel, Pullman, MGallery, Grand Mercure, The Sebel, Novotel, Suite Novotel, Mercure, Adagio, ibis, ibis styles, ibis budget, Adagio Access, Hotel F1, AccorHotels proposes an extensive offering, ranging from the luxurious to the economic. With over 250,000 employees working for AccorHotels brands around the world, the Group places its know-how and expertise, acquired over almost 50 years, at the service of its customers and partners.

With the aim of complying with ethical principles, AccorHotels has an “Ethical and CSR Charter”. This Charter provides the framework for AccorHotels’ responsible approach, in terms of management ethics, integrity and legal compliance as well as social, societal and environmental responsibility. Concerning Sustainable Development, the commitments made by AccorHotels are formalised through the Planet 21 programme.

Procurement plays an essential role in the implementation of the Ethical & CSR Charter and the Planet 21 programme by favouring products and services that support the wellbeing of persons and contribute to the reduction of environmental impact, and to achieve this AccorHotels shares with its suppliers, contractors, subcontractors and service providers its sustainable development commitments.

AccorHotels invites its suppliers to commit and act at its sides.



ACCORHOTELS COMMITMENTS

Through the Ethical & CSR Charter:

AccorHotels undertakes to strictly comply with the competition rules in all the countries in which it is present.

AccorHotels undertakes to take all necessary measures to avoid any corruption acts, both in terms of its procurement procedures and its sales procedures.

AccorHotels undertakes to:

- Ensure that the calls for tender, product ranges and contracts are subject to a transparent, equitable and established process based on objective criteria, and that the suppliers are treated fairly and honestly.
- Ensure regular, rapid and clear communication, providing the same level of information for all.

Individually inform the selected and non-selected service providers.

AccorHotels ensures that the law is complied with both by itself and its suppliers by ensuring, in particular, that the practices of its suppliers and service providers are compliant with the Group's own commitments in terms of the dignity of persons. If this was not the case, the Group would immediately cease all relations with the concerned supplier or service provider.

AccorHotels is committed to respect its values based on diversity, inclusion and equal opportunity and fight against all forms of discrimination (whether based on ethnic, social or cultural origin, gender, age, physical characteristics, disabilities, religion, sexual orientation, marital status, union membership, or other characteristic prohibited by law). All those principles are defined in the Group Diversity Commitment.

AccorHotels undertakes

- To comply with workers' rights in general ensure that its service providers and suppliers do not contravene these rights.
- And more specifically, not to make use of the provision of labour by third companies outside of the instances authorised by law.

AccorHotels commits to be vigilant with regard to suppliers and service providers that may make use of persons working under constraint or threats. If this were to be the case, the Group would immediately cease all relations with the supplier of service provider in question.

AccorHotels undertakes to:

- Strictly comply with the age limit defined by the legislation in each of the countries in which it operates and to never allow a child of less than 14 to work in any country.
- Apply the greatest vigilance in the choice of its suppliers and service providers.
- Refuse to work with or immediately cease working with any party that uses child labour.

AccorHotels is committed to favouring, for its priority procurement categories, solutions providing the better environmental or social performance, in compliance with economic and technological constraints.

AccorHotels and the suppliers seek to avoid any excessive dependency. When despite these efforts such a dependency exists, AccorHotels and the supplier undertake, as far as possible, to conduct a supplier/client diversification. AccorHotels encourages free commerce.

AccorHotels is committed to favouring responsible and sustainable relations with its suppliers and to reserving part of its contracts for small and medium-sized enterprises.

AccorHotels undertakes to control the impact of its wastewater emissions by:

- Favouring the use of ecologically certified products (cleaning, maintenance, gardening...) that limit the quantity of chemicals present in the emissions.
- Favouring suppliers - in particular cleaners - that are environmentally friendly.

AccorHotels undertakes to reduce the quantity of raw materials used by limiting packaging and favouring recycled and/or recyclable materials.

AccorHotels undertakes to promote biodiversity protection initiatives within the hotel, in its ecosystem and its supply chain, by changing its supply practices, in particular for foods (refusal to serve endangered fish species, choice of organic products...) or the selection of “sustainable” materials and products (timber from sustainably managed forests, for example).

AccorHotels undertakes to train and inform its employees and customers regarding child protection with regard to abuse, and by involving the suppliers and partners in this initiative.

AccorHotels is committed to fight against sexual exploitation of children.

AccorHotels has been committed since 2001, together with the NGO ECPAT*, to the fight against the sexual exploitation of children for commercial purposes. Signatory of the “Code of Conduct” (initiative of the tourism industry, supported by ECPAT and UNICEF), AccorHotels has committed to associate its partners in the fight against this blight. For further information on the initiatives conducted by ECPAT, visit www.ecpatinternational.org

*End Child Prostitution, Pornography and Trafficking of Children for Sexual Purposes

SUPPLIERS' COMMITMENT

This Charter demonstrates AccorHotels' desire to share with all its suppliers the principles of its social and environmental commitments.

AccorHotels therefore asks its suppliers to sign this Charter, through which they undertake to:

- Comply with the said Charter.
- Ensure that their own suppliers and subcontractors comply with the same requirements.
- Participate in AccorHotels' evaluations and implement any required action plans.
- Authorise AccorHotels and/or external service providers mandated by AccorHotels to perform audits and implement any required action plans.
- Suppliers recognise that the compliance with the principles described in this Charter is an essential component of the commercial relation. In the event that a supplier is unable to comply with any of these provisions, it is required to inform the concerned entity to jointly agree on corrective and preventive measures and a schedule. The supplier's noncompliance with any of these principles may constitute grounds to discontinue the commercial relation.

REGULATIONS & PRINCIPLES

AccorHotels undertakes to always take reference to the applicable regulations, or even go further than their requirements whenever necessary and, lastly, to put in place and share an ethical approach with its suppliers.

Thus, for all the principles described below, the suppliers and subcontractors to AccorHotels must therefore comply with:

- International or national regulations concerning its activities
- Principles of the universal declaration of human rights of 1948
- Basic conventions of the International Labour Organisation
- Guiding principles of the Organisation for Economic Cooperation and Development (OECD) for multinational enterprises
- 10 principles of the United Nations Global Compact

PRINCIPLES RELATED TO THE DIGNITY OF PERSONS

❖ Working conditions

The supplier undertakes to refuse degrading practices in the enterprise, such as corporal punishment, moral and sexual harassment, labour under constraint or threat. The supplier undertakes to take the necessary measures so that each employee is treated with respect and dignity. It asks each of its managers to alert the human resources management to halt any situation of moral and/or sexual harassment that he is aware of.

The supplier undertakes to perform a vigilant verification of its suppliers and subcontractors that may make use of any form of forced labour, labour under threat or constraint. If it discovers such a situation with one of its service providers, the supplier must then immediately cease any relations with this service provider.

❖ Child labour

The supplier and its subcontractors must comply with the minimum age defined in the legislation of each country in which it operates and, in all cases, it confirms that, regardless of the country's legislation, it will never allow children of less than 14 to work for it.

❖ Health and safety protection

The supplier must ensure legally-compliant health and safety conditions at the place of work by regularly checking, in particular, the compliance of its installations with standards. It shall ensure that its activities are not detrimental to the health and safety of its personnel, its subcontractors, operators linked to the operation, neighbouring populations and the users of its products.

❖ Working hours

The supplier must comply with national laws, and in all cases, comply with international rules on the working hours defined by the International Labour Organisation with regard to its sector of activity. Furthermore, it shall ensure that the personnel benefits from an adequate rest period.

❖ Remuneration

The supplier shall comply with national law and ensure a minimum level of remuneration for its personnel allowing decent living conditions for its employees, in view of the cost of living in proximity to the place of work. The supplier undertakes to regularly pay employees their salaries.

❖ **Compliance with union and associative rights**

The supplier undertakes to comply with the freedom of association and to practice a union activity within the frame of national legislation. It shall ensure that its employees are able to express themselves freely within their enterprise with regard to issues concerning working conditions.

❖ **Diversity & Inclusion, equal opportunity and non-discrimination**

The supplier is committed to respect diversity and inclusion, and shall fight against all forms of discrimination (whether based on ethnic, social or cultural origin, gender, age, physical characteristics, disabilities, religion, sexual orientation, marital status, union membership, or other characteristic prohibited by law). Suppliers with a formalized and active policy on diversity and inclusion will be given preference. The existence of a formalized and active policy on diversity and inclusion will be a positive element in the selection process of suppliers.

❖ **The fight against the sexual abuse of minors**

The supplier undertakes to apply the utmost vigilance to ensure that in its activity, minors are protected from sexual abuse and that its premises cannot be used for the production, distribution and storage of pornographic material involving minors.

PRINCIPLES RELATED TO THE PROTECTION OF THE ENVIRONMENT AND COMMUNITIES

❖ **Definition of an environmental management system**

The supplier shall implement an environmental policy that aims at the continuous improvement of its practices with regard to environmental protection.

❖ **Regulatory compliance**

The supplier shall comply with international, national and regional environmental regulations.

❖ **Reduction of the environmental impact of the sites, products and services**

The supplier shall measure the environmental impact of its sites, products and services and shall set quantifiable reduction objectives in terms of:

- Energy consumption
- Water consumption
- Waste production

The supplier shall conduct initiatives to reduce impact on biodiversity through the monitoring of:

- Water pollution
- Air pollution
- CO2 emissions

The supplier undertakes to refrain from offering products originating from endangered species (c.f. UICN's red list of endangered species www.iucnredlist.org/search).

❖ **Innovation and reduction of AccorHotels' direct environmental impact**

The supplier shall propose to AccorHotels, products and services allowing it to reduce its direct impact, for example its energy consumption, water consumption, etc.

❖ **Recycling of end-of-life products**

The supplier shall propose, as far as possible, recyclable products that can be recycled at the end of their life, a recycling solution or a retrieval solution.

❖ **Innovation and increased impact on communities**

The supplier shall propose to AccorHotels products and services that take into account the impacts on local communities.

❖ **Provision of environmental information**

The supplier shall communicate to AccorHotels, on request, all necessary information concerning:

- The environmental impact of the products
- The environmental reporting

❖ **Provision of social information and social audits**

The supplier shall communicate to AccorHotels, on request, all information needed for the performance of social audits on its suppliers.

Supplier Commitment

Company name:
Company stamp:

Supplier Contact

Name:
Function:
Date:
Signature:

Reinventing the hotel industry, sustainably.

Thanks to Planet 21, AccorHotels acts to drive the change, wherever we are, towards positive hospitality.

With its more than 20-year commitment to sustainable development, AccorHotels gave a fresh impetus to its involvement by kicking off the second phase of Planet 21 in April 2016.

In this new five-year plan and its ambitious goals for 2020, we are betting on innovation and empowerment to generate wealth sustainably and limit our negative impacts. Developed around four strategic axes, this program commits us to be an inclusive company for our employees, to involve our guests in a sustainable experience, to co-innovate with partners to forge new paths and to work with local communities to make a positive impact. We are also especially mindful of two key priorities. The first is food, with the goal of eliminating waste and promoting healthy eating. The second is working towards carbon-neutral buildings.

The supplier has the possibility to attach documents specifying its actions (Charters, certifications, labels...)