

2024 sustainability report

Towards a more
responsible hospitality





EDITORIAL

Unlocking Positive Hospitality: our path forward



2024 has been a pivotal year for our Group. It marked the successful completion of our transformation plan launched in 2020 with a clear ambition: to strengthen our performance and lay the foundations of a responsible and resilient model. This success is first and foremost the result of the remarkable work accomplished by our teams, in our hotels and at our head-quarter offices. Their dedication, adaptability and sense of purpose have driven our progress at every step.

Together, we have delivered solid results in 2024. Our greenhouse gas emission reduction targets were validated by the Science-Based Targets initiative (SBTi). More than 200 hotels obtained the Green Key certification, and half of our portfolio value is BREEAM In-Use certified. We



This new identity reflects the Group we have become: focused, responsible, and future-facing."

continued to roll out our food waste reduction program and invested in major renovations to improve both energy efficiency and guest experience.

Above all, we anchored our values - Care, Dare, and Empower - at the heart of our managerial model, guiding the way we lead, train, and grow together.

2024 has also been a year of transition. In spring 2025, AccorInvest became Essendi. This new identity reflects the Group we have become: focused, responsible, and future-facing. It embodies our conviction that sustainable performance requires more than financial strength. It demands a long-term commitment to creating positive impact, and to making ESG a driver of long-term value creation for our business and our stakeholders.

At Essendi, Positive Hospitality is more than a vision. It is our shared promise. It contributes to a positive stay for our guests, a positive workplace for our employees, and a positive contribution to society as a whole. It is the compass that guides our decisions and unites our teams.

I invite you to explore our ESG Report and discover how we turn this promise into action.

As we look to the future, let it be with clarity, humility, and determination; so that, together, we keep building places that thrive.

Gilles Clavié,
Chief Executive Officer of Essendi



What does Positive Hospitality mean to you?



It aims to create a more sustainable and a successful hospitality ecosystem for everyone. We foster a positive work culture and build genuine relationships with our guests and colleagues."

Anna Sobanska-Devos, Deputy Legal Director Eastern Europe



It means to me that we place great emphasis on sustainability in everything we do, acting in a carbon neutral manner and taking care of our environment, employees and society alike."

Susanne Hunold, Head of Portfolio Management Germany and Austria



It's a form of hospitality that cares equally for the environment, employees, guests, and all stakeholders. It's about being mindful of our impact and ensuring that every aspect of our activity creates value, responsibly and sustainably."

Dominique Grandjanc, General Manager, Novotel and Mercure Paris Gare Montparnasse



At Essendi, Positive Hospitality is not just words! It's about taking tangible actions to create long-lasting positive impact. It means offering our guests an exceptional experience, ensuring responsible operations and delivering on our ESG commitments."

Alicia Goya De Anca, ESG Manager





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Creating thriving places through expertise and engagement

Essendi is a leading hotel owner and operator in the economy and mid-scale segments in Europe.

Our unique business model combines dynamic asset management with operational excellence to unlock the full potential of each hotel.

We create and foster places that thrive, continuously developing and innovating to generate long-term value for our assets, stakeholders, and ecosystem, with a constant commitment to responsibility and sustainability.

Wherever we operate, we are dedicated to fostering Positive Hospitality. Our teams are the driving force behind this ambition, turning our vision into action every day: reducing our environmental footprint and creating a lasting, positive impact within our hotels and beyond.

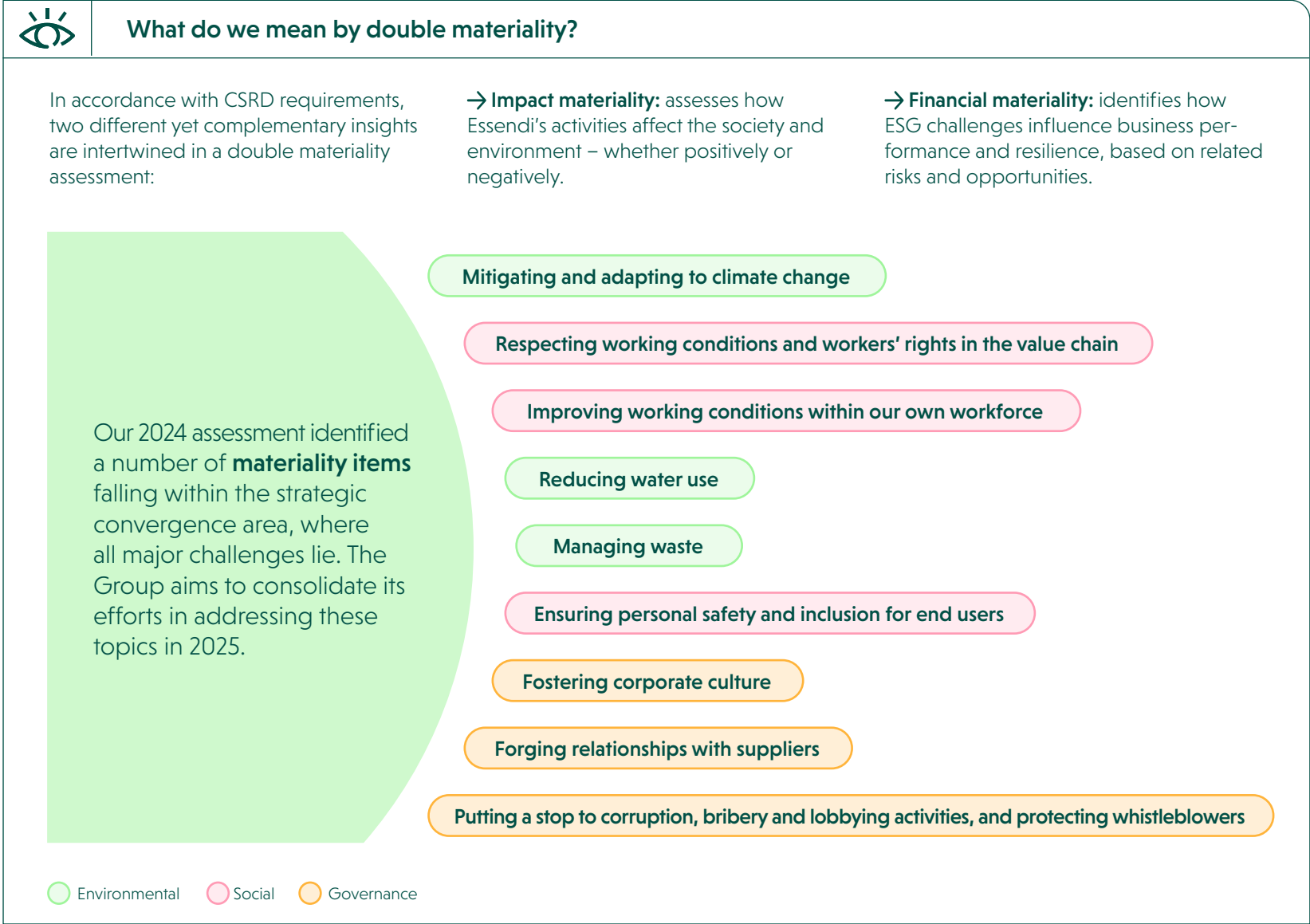


New environmental, social and governance strides

As a hotel owner and operator, Essendi undertook to define and adhere to an ESG strategy in 2020 – revolving around 3 core pillars, 8 primary commitments and 19 key challenges – and has since rolled it out. Our strategy has up until now been based on a materiality assessment conducted in 2021, as well as on a risk analysis – identifying all major environmental, social and governance matters relevant to the Group and its stakeholders.

TAKING A NEW DIRECTION IN 2024 WITH THE DOUBLE MATERIALITY ASSESSMENT

Having considered recent **regulatory advancements** (CSRD, ESRS) and growing expectations expressed by both investors and partners, Essendi decided to conduct its **first double materiality assessment** in 2024 – aiming to align its strategy with the latest European standards. Its purpose was to sharpen our mutual understanding of the Group's impact on ESG challenges (**impact materiality**), and of ESG risks and opportunities possibly affecting its performance (**financial materiality**). This broadened approach helped identify the most strategic ESG priorities lying at the junction between both dimensions – to better determine the Group's bearings in terms of governance, actions and resources.



Once merged with our long-standing and historical priorities, these new considerations will lead the way to a **new and improved ESG strategy, effective as of 2026** and consistent with our current approach – aiming for continuous improvement every step of the way, and ensuring heightened coordination between financial performance, social contribution and environmental transformation.

Our 2020-2026 ESG strategy



1

ACTING AS
A RESPONSIBLE GROUP

We aspire to demonstrate high standards of ethical conduct and transparency, while collaborating with all our business partners.

ROBUST GOVERNANCE

- Setting standards for robust governance, serving investor relations

COMPLIANCE AND ETHICS

- Ensuring compliance and demonstrating transparent and ethical conduct in all our operations

RESPONSIBLE INVESTMENTS

- Investing in a socially responsible manner, by integrating ESG criteria in the investment process

SUSTAINABLE SUPPLY CHAIN

- Managing Essendi's supply chain by monitoring ESG risks and disseminating good practices throughout the value chain

89%

of operations assessed using our SRI screening grid in 2024

72.5%

of purchases made with suppliers selected on ESG criteria in 2024

2

RESPECTING PEOPLE
AND THE ENVIRONMENT

We strive to foster employees' development and welfare, and constantly reduce our environmental footprint.

RESPECT TO OUR PEOPLE

- Attracting and retaining engaged talent, fostering employability
- Respecting diversity and promoting an inclusive environment
- Ensuring health and safety for all employees and promoting well-being at work
- Raising employees' ESG engagement

7.3

employee satisfaction survey score (out of 10)

55%

of women in the workforce in 2024

RESPECT TO THE ENVIRONMENT

- Reducing our carbon footprint and fostering adaptation to climate change
- Implementing a global environmental management system to systemize hotel certification
- Promoting circular economy practices
- Protecting and enhancing biodiversity near our hotels

-17%

greenhouse gas emissions (scopes 1 and 2) between 2019 and 2024

-6%

water consumption between 2023 and 2024¹

3

DEVELOPING MEANINGFUL
CONNECTIONS

We commit to delivering an outstanding client experience, all the while being an actor of tomorrow's sustainable city, by connecting with the communities and enhancing their wellbeing.

SUSTAINABLE CLIENT EXPERIENCE

- Ensuring guest care and comfort
- Fostering innovation for improving guest well-being
- Improving hotel accessibility
- Guaranteeing sustainable food

79%

guest satisfaction score in 2024

220

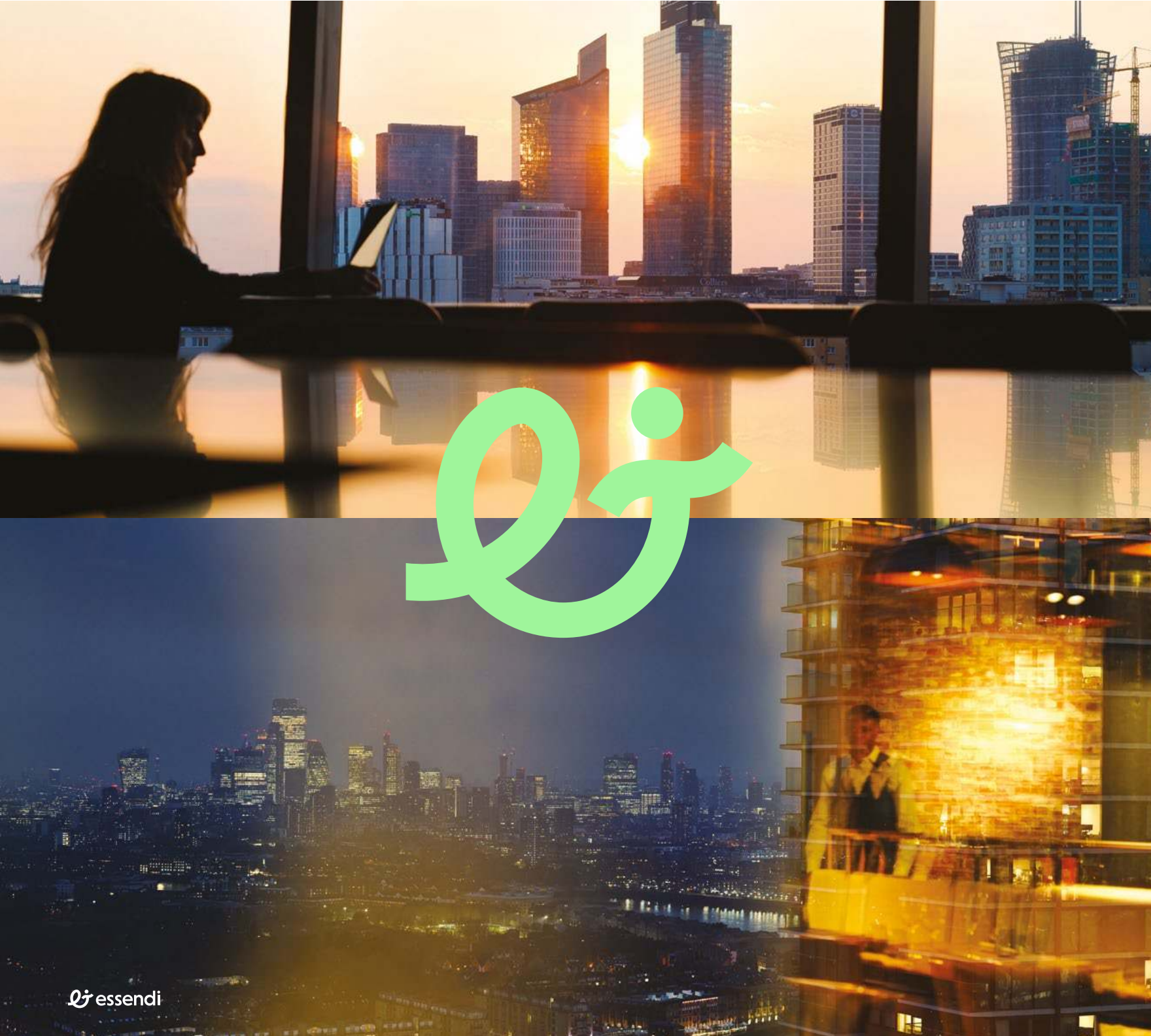
hotels certified Green Key in 2024

LOCAL SOCIAL IMPACT

- Providing local employment
- Engaging with local communities and supporting local projects and associations
- Promoting flexibility and innovation to create multi-functional hotel spaces which benefit both guests and local populations

200+

hotels have set up a local solidarity initiative



Acting as a responsible group

In aiming for more responsible business practices, we strive for ethical and compliant actions by applying ESG criteria at every stage of our operations. Upholding our commitments is a firm prerequisite, so stakeholders can be certain of our responsible nature. As such, our goal is to make sure our business perfectly aligns with our engagements, through four main levers:

CHALLENGE 1
Setting standards
for robust governance

• **3** ESG Committee
meetings held in 2024

CHALLENGE 2
Ensuring compliance and
demonstrating transparent and
ethical conduct in all our operations

• **576** people took part in anti-
bribery, corruption and
compliance training in 2024

CHALLENGE 3
Investing in a socially responsible
manner, by integrating ESG criteria
in the investment process

• **+8** points to our assets'
SRI Score since 2022

CHALLENGE 4
Monitoring ESG risks and
disseminating good practices
throughout the value chain

• **72.5%** of purchases made
with suppliers selected
on ESG criteria in 2024

CHALLENGE 1

Setting a Robust ESG governance

Our ESG governance structure is fully integrated into our corporate strategy. Indeed, **ESG governance practices are circulated throughout the Group's entities, covering both strategic and operational scopes.** Furthermore, ESG topics are at the forefront of our Board of Directors' and Executive Committee's concerns, backed by the ESG team. Regulations and governance both mature and evolve contextually over time, adapting to regulatory and operational changes.

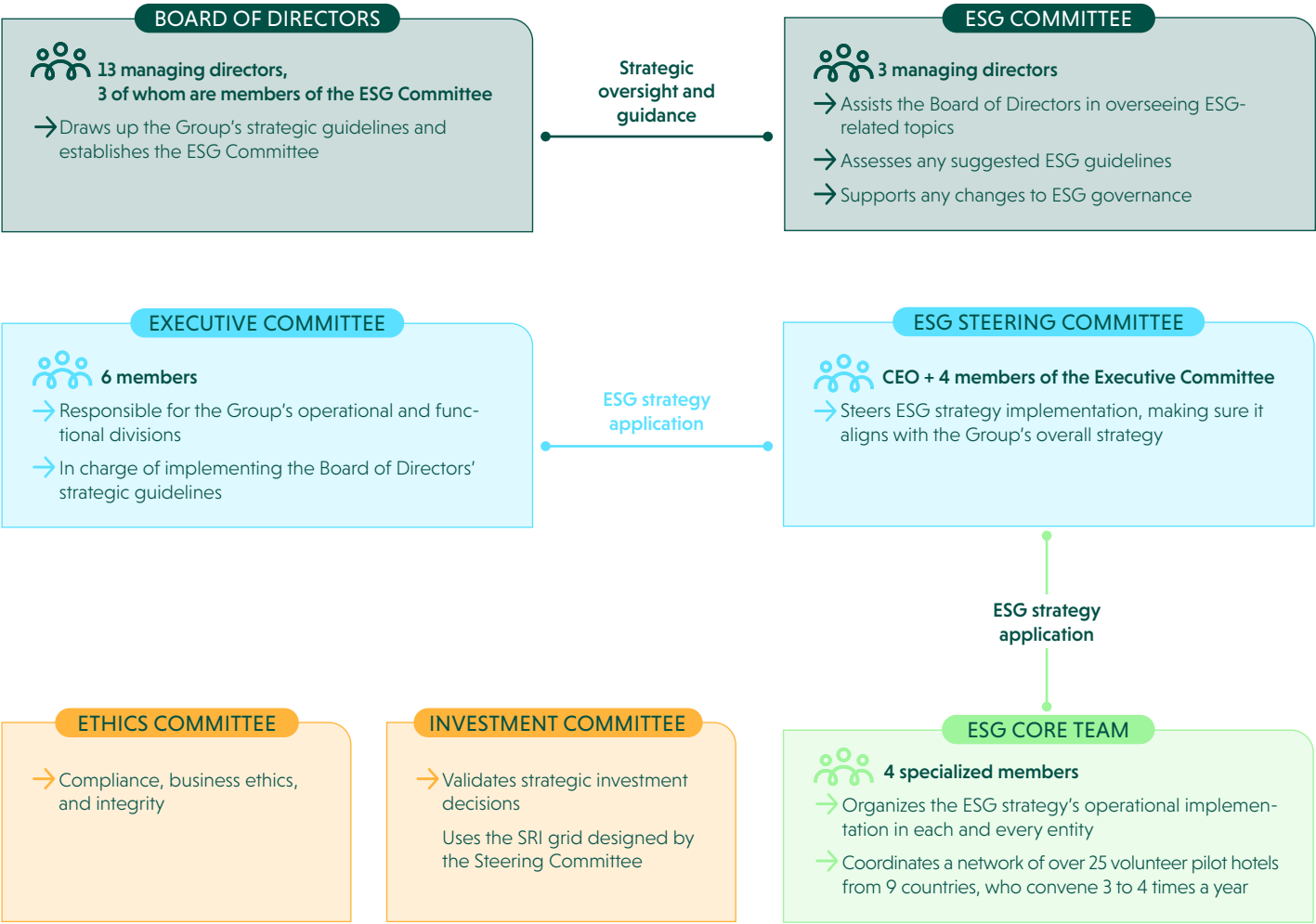
IN 2024

→ **3** ESG committees (78% participation rate)

→ **4** ESG Steering Committees held (100% participation rate)

→ All executive committee members have ESG targets in their Short-Term Incentive Plan

OUR STRATEGIC AND OPERATIONAL ESG GOVERNANCE



ENSURING THE IMPLEMENTATION OF OUR ESG STRATEGY

Above and beyond these regulatory bodies, **our primary challenge lies in embedding ESG within our managerial core.** Everyone has a role to play in this, and all our staff are involved. With this in mind, ESG objectives were set and are considered for part of top management's variable compensation – thus ensuring that our ESG engagements fit in with the Group's business strategy.

The Group also works and regularly meets with **over 25 volunteer** hotels from nine different countries, to ensure our ESG strategy is well aligned with the hotel context, work on concrete hotel industry priorities, and launch innovative pilots. For instance in 2024, a pilot session on alternative recruitment was organized, and our rich discussions helped us develop our waste management program.

Ensuring compliance and ethics

→ Fostering **a strong compliance culture**, both in hotels and at HQ

→ Adopting policies which **underpin our core principles**, necessary procedures and tools

 → Conducting **regular checks**

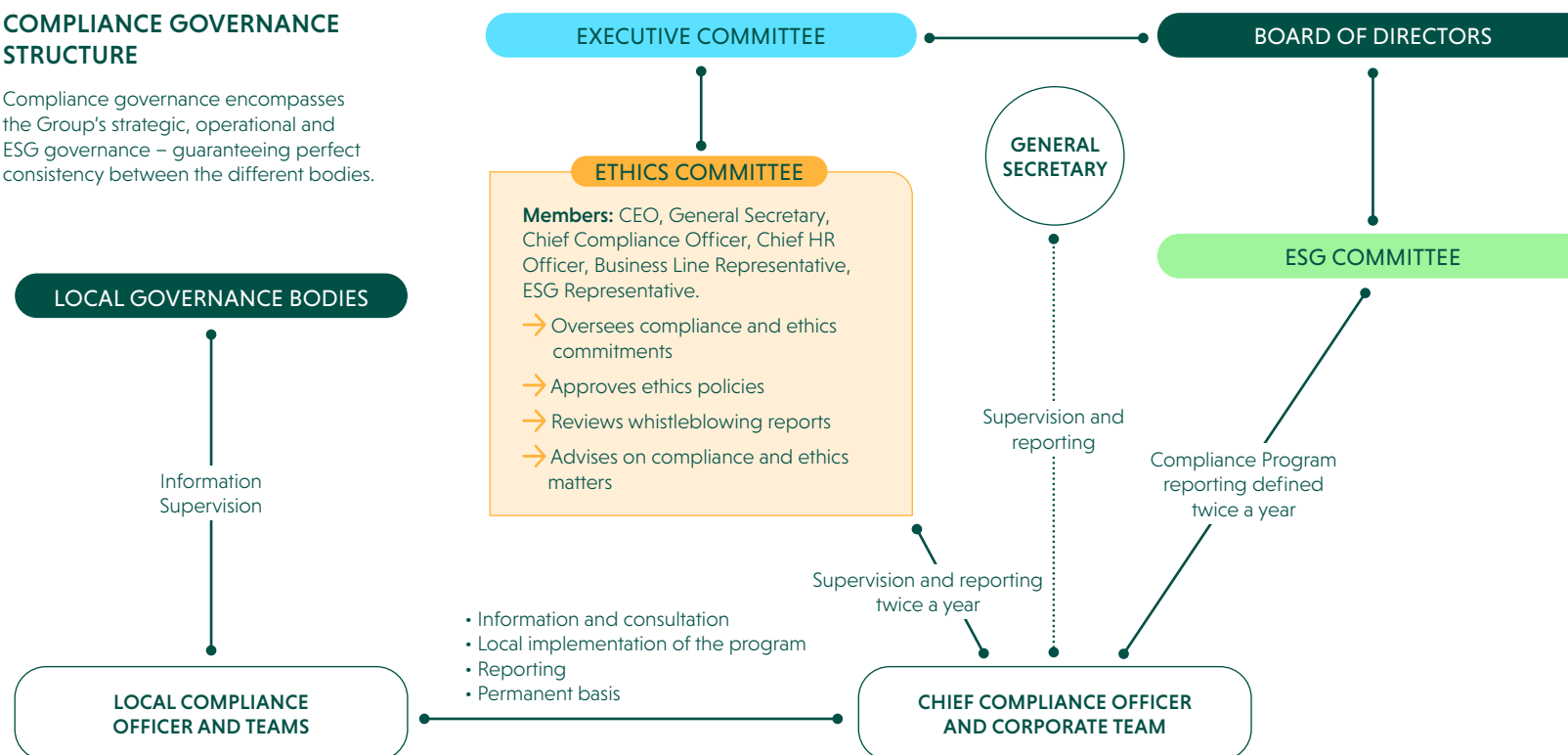
→ Applying **governance rules**

→ 0 reported corruption or bribery cases



COMPLIANCE GOVERNANCE STRUCTURE

Compliance governance encompasses the Group's strategic, operational and ESG governance – guaranteeing perfect consistency between the different bodies.



OUR 2024 KEY ACTIONS

ALIGNING WITH OUR ETHICS CHARTER AND COMPLIANCE PROGRAM

In 2024, we pursued the **roll-out of our Ethics Charter and Compliance Program**. These policies, tools and processes are to be used and abided by to ensure that regulations and ethical principles are being respected.

Leading topics include anti-corruption, data protection through GDPR compliance, fair competition and responsible business practices. The **mandatory Ethics e-learning** courses initially launched in 2023 were pursued for HQ staff and General Managers, aiming to train and raise awareness amongst teams.

Furthermore, we aim to closely **listen to and address whistleblowing alerts** thanks to our effective system in place at hotel and head office levels. It can be used by employees to flag any ethics and compliance issues they are aware of.



Focus on our Ethics Charter

Essendi relies on the Group Ethics Charter, which outlines the organization's ethical commitments, making sure these fundamental principles and values are fully understood and respected by staff and business partners alike. The Charter is available on [our website](#).



PREPARING FOR GREEN DEAL COMPLIANCE

One of this year's most predominant challenges was preparing for the **implementation of the EU taxonomy for sustainable activities and the CSRD framework** – by means of which companies are compelled to publish information regarding their sustainability. Not only was this a regulatory obligation, but we also considered it a **strategic opportunity to deepen the Group's reporting practices, aiming for more profound transparency**.

Aspiring to boost ambition even further, we identified areas with room for improvement based on a comprehensive repository of ESG criteria and mobilized all our departments. We have been focusing on meeting the requirements of both these facets of Europe's Green Deal, whilst also strengthening third-party compliance monitoring.

Though Green Deal implementation has been postponed for the time being, we remain determined in our approach, with a sound vision of our obligations.

IN 2024

→ 576

people took part in anti-bribery, corruption and compliance training

→ 171

people took part in Essendi Ethics charter training



CHALLENGE 3

Investing in a responsible manner

Responsible investment is a facet of our ESG strategy and drives our asset management plan, with a view to achieving **long-term value creation and resilience**. This results in investing in our existing portfolio and giving priority to renovations.

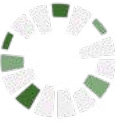
IN 2024

→ **98%** of hotels completed our annual ESG self-assessment campaign

OUR 2024 KEY ACTIONS

ACHIEVING HIGH PERFORMANCE IN ESG RATINGS

In striving to meet a number of asset performance goals, we make use of two motivating European sustainability tools:



G R E S B

GRESB

This benchmarking tool for investors and companies works to provide business intelligence, engagement tools, and regulatory reporting solutions. Its goal is to drive change in the real assets industry and foster a more sustainable world, using rigorous methodology and a consistent framework to measure ESG performance based on self-reported data. The benchmark evolves over time, to reflect maturing sustainability



CRREM

This framework and risk management tool **ensures that our asset decarbonization plan is well-aligned with European commercial real estate objectives** in every country in which we operate. We strive to comply with this framework and do not exceed the recommended ratios. Our ultimate goal is to **improve climate change resilience and bolster operational decarbonization**.



Putting ESG at the core of our investment strategy

Our responsible investment practices are embodied by our **"3 C" approach, consisting in Certifications, Circularity and Carbon reduction**. In practice, this commitment is illustrated by our Responsible Investment Policy, which states our five key principles and their associated duties:

1

Every new major renovation or development **must be certified** with the highest level of recognition (for example, BREEAM level "Excellent").

2

Every major operation approved by the Investment Committee **must include an ESG score** (calculated using our Socially Responsible Investment tool).

3

Major Capex Investment projects (MCI) **must improve the global asset ESG score**.

4

All renovation programs or major replacements of energy and/or water systems should **aim to reduce consumption**.

5

Circular room concepts must be given priority whenever available, and circularity principles should be adopted whenever possible.

These principles are shared annually with all internal stakeholders involved in the investment process, to ensure alignment and identify the year's priorities.



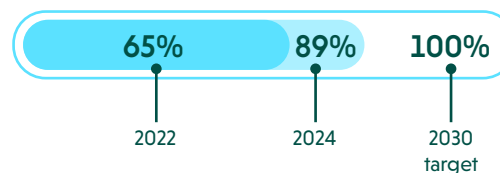
DEPLOYING OUR SRI ANALYSIS GRID

An ESG rating tool was rolled out three years ago, used to assess **Socially Responsible Investment (SRI)** performance on a yearly basis. A score based on 100 points is thus awarded annually to show ESG dynamics, encompassing data relating to compliance, safety, health and well-being, energy, water, transport and resilience.

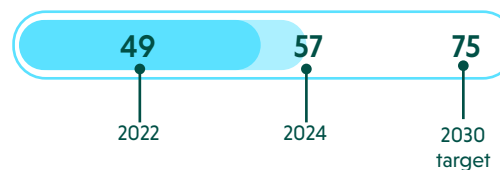
We apply this SRI grid to all investment decisions, thus encouraging **projects with the most positive impact possible**. In 2024, the Group maintained its positive momentum, with assets proving to be more and more aligned with ESG commitments. As part of our ESG reporting campaign, the SRI grid is also used by hotels on a yearly basis to **self-assess their ESG performance in day-to-day management**.

SRI GRID: ASSESSMENT OF OUR BUILDINGS' ESG PERFORMANCE

PERCENTAGE
OF OPERATIONS
reviewed against ESG
criteria and presented to
the Investment Committee



PORTFOLIO'S
AVERAGE SRI
SCORE



Our SRI grid: more than an investment support tool

We have much to learn from the experience feedback provided by Emeline Wintrebert, a Portfolio Manager for Hungary and Romania, who made use of the SRI tool to encourage teams to improve their practices and consequently their SRI score. She proved that our SRI Grid was not only an investment support tool, but also an operational one. The initiative was launched in 2023, this year emphasizing certifications as well as water and energy consumption. General Managers were to browse through their SRI Grid and pinpoint any actions they thought could be achieved with little to no investment. With those goals in mind, they were to **draw up an ambitious yet realistic action plan, and establish their own SRI score objectives**.



All my General Managers who were tasked to provide

improvement targets got back to me with high ambitions, which I even had to downscale some-times. As teams had set their own targets, based on an action plan they had devised themselves, implementation was extremely smooth. They took full ownership of the project, and all the hotels reached their set goals. The Novotel Budapest City, for example, sought and obtained BREEAM In-Use Excellent certification using this grid."

Emeline Wintrebert, Portfolio Manager for Hungary and Romania

CHALLENGE 4

Managing risks in the supply chain

We are committed to promoting ethical, social and environmental standards throughout our entire value chain. As the majority of our purchases are made through the Accor Group's central purchasing department, our partner expects its suppliers to comply with all applicable laws and regulations, in particular those relating to human rights, labor, health and safety, the environment and business ethics.

In light of this, a majority of purchases go through the Accor Procurement Centre, and we rely on Accor's Responsible Procurement Process to guarantee that suppliers comply with our ESG principles to minimize risks in our supply chain. In aiming to improve supply chain sustainability, governance is in place to monitor ESG compliance, review KPI progress, and reduce carbon emissions.

Accor has drawn up a 2022-2025 Risk Management Action Plan, which helps guide us in our choice of partners and suppliers as they only nominate those who successfully validate all our exacting criteria.

IN 2024

→ **72.5%** of purchases made with suppliers selected on ESG criteria

→ **60%** of high-risk suppliers were audited

OUR 2024 KEY ACTIONS

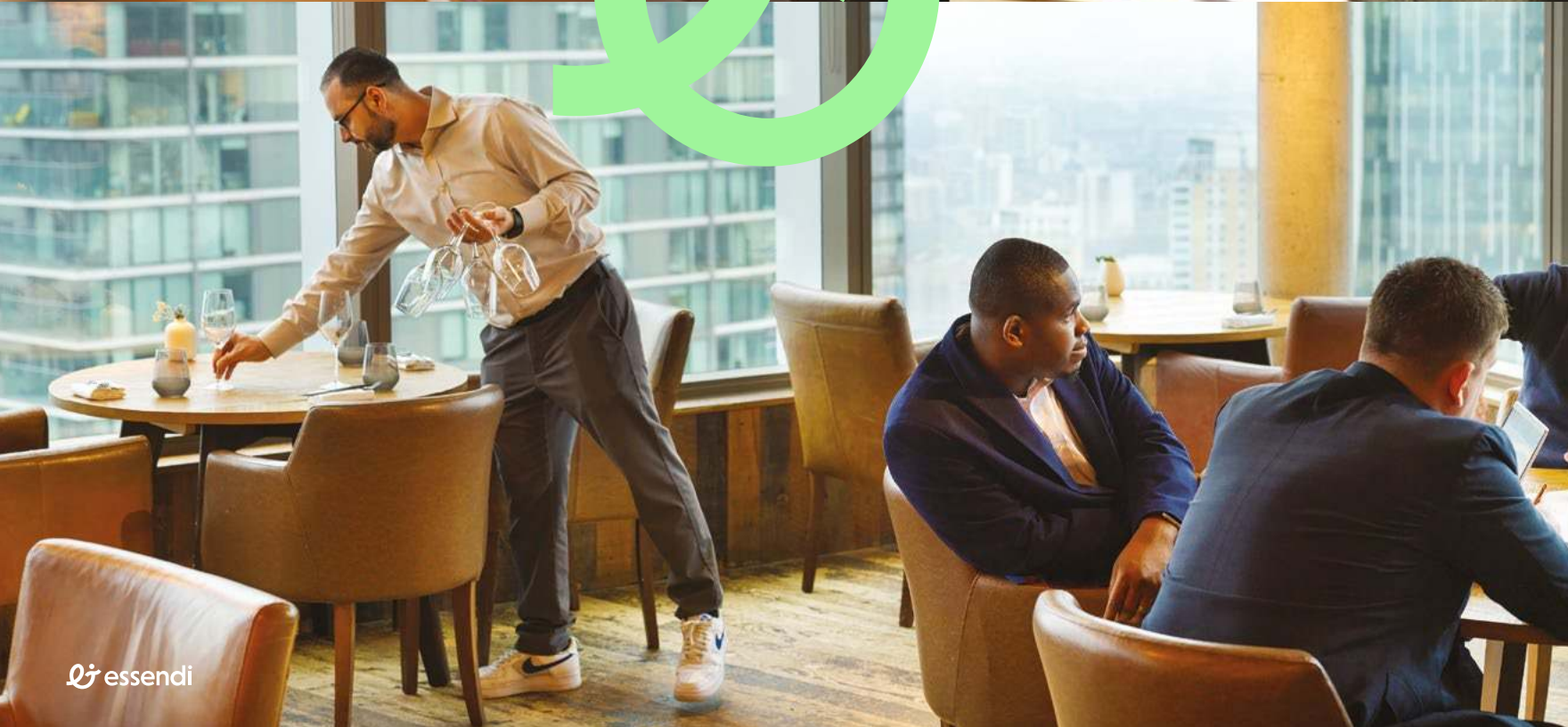
We work with suppliers selected based on ESG commitments and discuss with them daily to improve our value chain's impact.

For our hotels, our manager Accor ensures all purchases align with identified ESG criteria and conducts audits amongst suppliers to ensure they meet ESG requirements. They also contribute to our Scope 3 carbon footprint reduction by selecting suppliers that align with our ambition. We check all this has been completed during coordination meetings with Accor teams.

Furthermore, our procurement surveillance plan was updated in June 2024, based on the Accor Group's 2023 Risk Mapping.



Integrating CSR at the heart of our corporate governance, respecting ethical principles, applying ESG criteria to all our investment decisions, and aligning our service providers' practices are fundamental principles. **We are, and will remain, fully committed to upholding and further developing them.**



Caring for our people

In 2024, as we entered the final year of our transformation, we placed people at the heart of our transition, striving to nurture and value their skills. To this end, our HR policy showcases four key aspects, supporting our role as a caring yet empowering employer:



* The employee data in Chapter 2 relates exclusively to the European perimeter as of 31 December 2024



CHALLENGE 1

Attracting and retaining engaged talent and fostering employability

In such a specific industry as hospitality, our people's unwavering engagement is a primary key to success. With this at stake, **attracting and retaining talent** is paramount when aiming for resilience. We seek to foster internal and external employability, making sure our people's time within our Group is imprinted with **positivity and growth**, duly valuing their acquired skills. The initiatives taken in 2024 all converged towards a common goal: to support staff throughout their professional journey, sustain a common company culture, ensure positive social dialogue and measure staff satisfaction. As such, we aim to enhance our learning culture, upskill and train teams appropriately and forge strong internal communication.

IN 2024

→ **7.3** employee satisfaction survey score (out of 10)

→ **3.5** average hours of training per person in 2024



Embedding shared values into our leadership culture

To assert our common vision and approach, after a company-wide consultation, three key values were identified:



→ Care



→ Dare



→ Empower

They then served to strengthen our managerial model, aligning with what our people found truly inspirational.

A representative task force was subsequently composed, and pilot initiatives were run throughout 2024 **to integrate these values into management practices**, ensuring alignment across all roles and regions.



Yesterday's skills no longer meet today's challenges. At

Essendi, we place employability at the heart of our mission – empowering our people and equipping our leaders to guide teams through an ever-evolving environment."

Sandrine Leligois, VP People Development, Engagement and Change

OUR 2024 KEY ACTIONS

EMPOWERING TEAMS AND RETAINING TALENT

In 2024, we launched a future-driven **workforce planning strategy**, emphasizing internal mobility and skills development. **A job catalog and competency framework** were introduced to map key skills, facilitate career transitions and align training with business needs, through competency self-assessments that identify **skill gaps and development priorities**. This new **career progression tool** empowers teams to navigate internal opportunities, helping them engage in their future.

RAISING EMPLOYABILITY BY BOOSTING OUR LEARNING CULTURE

We take pride in enhancing our teams' employability through learning opportunities, which is why 2024 saw the **expansion of our training platforms**. With our GoFluent and Climate School platforms already in place, **CrossKnowledge** soon followed suit, offering soft skills training to all HQ employees. **A Learning Week** was introduced to promote awareness of and accessibility to these platforms.

DRIVING ENGAGEMENT THROUGH COMMUNICATION AND LISTENING

Our diversified internal media mix, which strengthens team **engagement** and ensures **transparent, consistent communication across the company** was consolidated in 2024. This mix includes three main channels: an intranet, a monthly newsletter, and a quarterly internal event. Using AI, we were able this year to broadcast videos and live sessions in several languages, which constituted a major multilingual **advancement**.

Beyond internal communication, we are committed to understanding how our teams feel and what they need to thrive. In 2024, Pulse Surveys were conducted among HQ staff and General Managers to assess satisfaction and engagement. From 2025, they will follow a quarterly rhythm – reinforcing our ambition to build a more **responsive, attractive, people-focused workplace**.

FOSTERING SOCIAL DIALOGUE FOR A MORE ATTRACTIVE WORKING ENVIRONMENT

Social dialogue was ongoing in 2024, striving for improved labor relations. As such, an agreement was signed this year with the International Labour Organization (ILO) regarding the **recognition of trade union rights**. To boost dialogue even outside the EU, a UK representative will be appointed within the **European Trade Union Confederation** in 2025. Moreover, as part of the cessation scheme conducted in 2023 and 2024, an agreement was concluded with social partners to **safeguard employee rights** and ensure adequate social practices. Overall, we are making every effort to ensure our teams, old and new, feel **protected, recognized and valued**.

IN 2024

→ **72%** of surveyed staff were satisfied or highly satisfied with internal communications

→ **100%** of hotels are covered by a social agreement safeguarding employee rights



CHALLENGE 2

Respecting diversity and promoting an inclusive environment

Our duty is to ensure everyone finds their path and place, feeling respected and listened to, with the constant potential to evolve. As such, the deeply-rooted Diversity, Equity and Inclusion (DEI) concept is firmly embedded in our HR policies and corporate values. We have two tools at our disposal to leverage this and ensure inclusion at all levels: our own Social Charter, stipulating non-discrimination principles based on gender, age, physical ability, ethnicity, religion, and sexual orientation, complemented by Accor's diversity, inclusion, and anti-discrimination policy.

IN 2024

→ 100% of hotels are covered by Accor's diversity, inclusion, and anti-discrimination policies

→ 55% of women in total workforce (9,081)

→ 576 women in management positions (48%)

→ 35% of staff are over 50 or under 25



OUR 2024 KEY ACTIONS

PROVIDING TRAINING AND AWARENESS PROGRAMS

A number of training modules were provided in 2024, covering key topics such as gender-based violence prevention and sexual harassment, as well as multicultural management training. **Raising awareness of these issues is only the first step to bettering ourselves and our practices every day.**

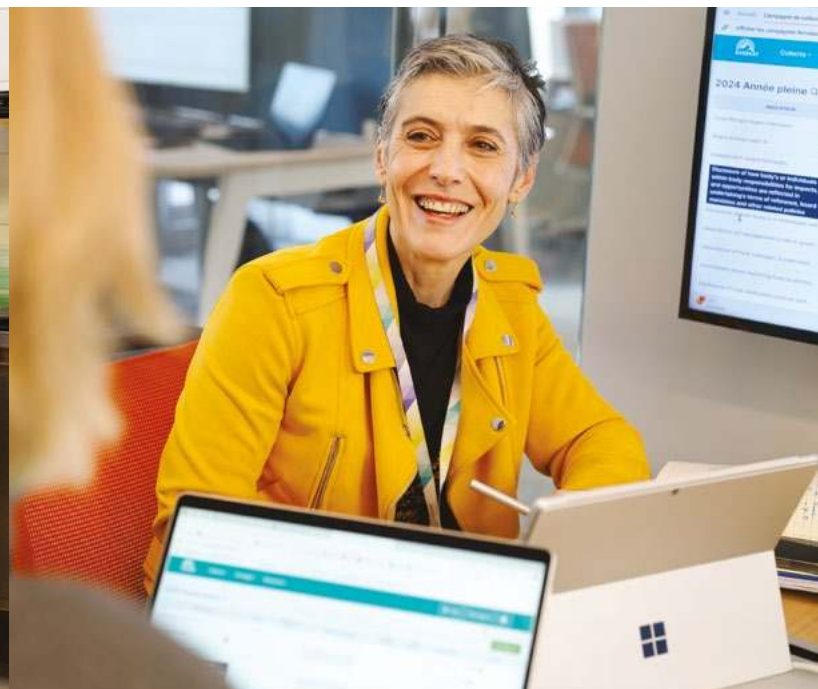
IN 2024

→ 3,100+ people were trained in DEI practices



Italy team awarded gender equity certification

In striving to foster a considerate and inclusive environment, our Italian teams have put every effort into drawing up equal pay policies, creating fair career pathways, cultivating a corporate culture built on respect and safety in the workplace, and organizing workshops on preventing workplace abuse. **In 2024, all our hotels and headquarters were awarded the Gender Equity Certification.** This eminent certification encourages us to fully integrate gender equality in our daily operations and habits.



At Essendi, we're more than just a hospitality company;

we're a place where diversity thrives and everyone has a role to play."

Franck Bermond, VP Construction and ESG

FOCUSING ON DEI

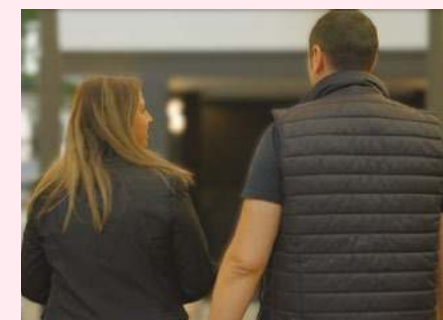
We regularly organize events to raise awareness about DEI topics. These are examples of the year's highlights:

→ In light of the International Day Against Homophobia, Biphobia and Transphobia, a conference was held in partnership with Komeet, our partner for employee engagement initiatives, to better understand the underpinnings of the acronym "LGBTQIA+", and identify the best practices to be put into place for inclusion to be standardized.

→ A lunch debate was organized between Essendi and external specialists to discuss **women's empowerment in the field of hospitality**. Focusing on diversity and its advantages, participants exchanged views on how broadening inclusion could help the company evolve and achieve greater purpose.



Opening our doors to more inclusion in Paris



The "Second Chance" project at Mercure Paris Porte de Versailles Expo was based on the notion **that inclusion also means welcoming those furthest from the job market**. With diversity and inclusion being core themes in our recruitment process, this initiative gives people who have previously spent time in prison a fair second chance by offering them a career in hospitality. It stems from a partnership with Wake up Café, an association providing support and raising awareness about professional reintegration. Opening our doors to everyone, with respect and empathy, is what true hospitality is all about.



[Watch video here](#)



CHALLENGE 3

Ensuring health and safety for all employees and promoting well-being at work

We are responsible for the health and safety of **16,596 people** across our hotels and offices. We aim **to ensure comfortable, accessible and safe work environments**. In hotels, efforts are made to mitigate health and safety risks associated with shift schedules and physical job demands. With this in mind, our ambition is to prevent work-related risks, musculoskeletal disorders, psycho-social risks and harassment.

IN 2024

→ **12.25%** people took part in health and safety training

→ **100%** of staff are covered by a health and safety management system

OUR 2024 KEY ACTIONS

Supporting people through change also means protecting their safety, and their physical and mental health. In 2024, we strengthened our **actions to make our work environment safer, healthier and more fulfilling**. Well-being in the workplace is indeed at the forefront of our concerns, as showcased in the examples below, depicting how local initiatives are deeply rooted in the unwavering care we have for our people. These initiatives are rooted in local realities, mirroring our sweeping ambition for every team member to thrive in a safe and caring work environment.

→ A **mental health and local responsibility calendar** was set up by Novotel and Ibis Krakow Centrum, focusing on 12 well-being activities revolving around supporting others, self-nurturing, fostering empathy and kindness, and driving engagement.

→ In France, a **special week focusing on quality of life and working conditions** was organized for HQ and hotels teams, with events aiming to inform, educate and encourage teams to take care of their health – both body and mind.

→ Advocating for health and well-being, and encompassing a charitable cause (Daniel den Hoed Family House, which welcomes the families of patients treated in the hospital nearby), a **run for positive impact** was organized by Novotel Rotterdam Brainpark. The initiative culminated in a local running event: the NN Rotterdam Business Marathon.

→ In the UK, 42 employees followed specific training with **Mental Health First Aid (MHFA)** to become MHFaiders. They learnt about the best coping mechanisms for improving staff's emotional, psychological, and social well-being.



As an HR director, I am particularly impressed by our

MHFAs' altruism, they help us care about our employees' mental health, prove our commitment to support them, and adapt to each situation, and I personally thank our MHFAs for their immense contribution to a positive work environment where all employees feel valued and heard."

Zsuzsa Szilagyi, HR Director Western Europe

CHALLENGE 4

Raising our people's ESG engagement

Our teams' engagement is a prerequisite for fulfilling ESG targets and commitments, which in turn drive business. Our ESG strategy aims to rally teams, making sure engagement remains at the forefront of their daily tasks – for all jobs and departments. Furthermore, we seek to foster our people's social commitment, by encouraging them to be proactive and choose an engagement path that speaks to them. **With a goal to include sustainability in every aspect of our business, we empower our people to actively participate in the transition.** Their involvement is not only a condition for success – it is also a source of pride, deeper meaning and personal growth.



OUR 2024 KEY ACTIONS

FOSTERING ESG EVERY STEP OF THE WAY

Our ESG objectives are embedded at all levels – both at HQ and in hotels, so sustainability is fully integrated into daily operations thanks to everyone's involvement. Selected hotels work hand in hand to co-develop ESG initiatives tailored to operational realities, ensuring practical and effective implementation. Furthermore, we have been **raising ESG awareness** through DEI courses (diversity, equity and inclusion), and our Climate School has taken great strides on its journey towards helping our HQ staff.

IN 2024

→ **4,250+** people took part in ESG training

MOBILIZING OUR TEAMS WITH OUR ESG INNOVATION AWARDS

The second edition of the ESG Innovation Awards recognized creative sustainability solutions from our hotels worldwide, helping to redefine what the hospitality industry can achieve through socially impactful solutions. These Awards are an internal call for projects, and a means of rallying teams into suggesting new ideas and innovations, and excelling through collective intelligence. Staff have shown great enthusiasm in the Awards, putting forward exceptional projects we take pride in supporting. Ten were shortlisted based on their social impact, feasibility and alignment with our ESG strategy.

IN 2024

→ **34** projects were received from 10 countries

EMPOWERING OUR EMPLOYEES TO ENGAGE IN ESG

We are pursuing our **partnership with Komeet**, a digital platform enabling staff to engage in social and environmental initiatives through **volunteering, monthly ESG challenges, and impact-driven actions**. A network of volunteer Komeet Ambassadors actively promote and support ESG initiatives across the company. As such, **high employee participation was achieved**, reflecting strong employee commitment, enhancing the staff's openness to and skill in ESG matters. Indeed, 74% of employees agreed that the program positively influenced their desire to stay with the company.



Volunteering with Komeet: how does it work?

People can choose the nonprofit that inspires them the most, picked from a wide selection of possibilities. Komeet strives for coherent, unifying and useful actions that will have a measurable impact and will align business challenges with nonprofit needs. This Europe-wide initiative emboldens teams and empowers them to act in a meaningful and concrete way. With Komeet's support, teams become the main driver behind engaged, societal action.

IN 2024

25% of our HQ workforce engaged in volunteering missions

1,066 hours of volunteering

2,130 challenges completed with a 97% perceived usefulness rate

4.46/5 satisfaction for employees and 5/5 for nonprofit partners



Our 2024 ESG Challenge: Sports and ESG in action

As part of the European Sustainability Development Week, we launched an in-house ESG challenge for the 4th year running. Homing in on the close ties between sports and sustainability, we sought to align gender equality, inclusion and climate change with sports, making this year's theme "Sports and ESG in Action!". This two-week program was bursting with engaging and competitive challenges to dive deeper into how sports help shape a healthier planet and society. Special recognition and prizes awaited our engaged winners!

309 participants

10 ESG related missions completed

Our teams:

- Explored how sports have become a stage for gender equality with our "Women in Sports" scavenger hunt
- Learned about the connection between climate change and sports with Axa Climate School
- Shared the experience of the Paralympic Gold Medalist, Bo Kramer
- Went through the history of the Olympic Refugee Team and learned how sports can build a sense of community
- Explored sustainability practices in the sports world through a podcast

W

e care deeply about our people, and endeavor to see them bloom within

our ranks. By fostering employability, promoting unwavering inclusion and cultivating ESG engagement, we strive to create a welcoming, appealing and motivating work environment. **Our training culture, leadership programs and managerial values galvanize staff, encouraging them every step of the way to be and become the best version of themselves.**



3 Respecting the environment

Striving for a more sustainable future, we take great care in ensuring our core environmental values are given the prime place they deserve within our industry. As the owner and operator of a portfolio of 576 hotels, we face critical environmental challenges. Our commitments are therefore built around four key pillars:

- CHALLENGE 1**
Reducing our carbon footprint and fostering adaptation to climate change
• **-17%** greenhouse gas emissions (scopes 1 and 2) since 2019
- CHALLENGE 2**
Implementing an environmental management system and systematizing hotel certification
• **220** Green Key-certified hotels in 2024
• **95** hotels certified Breeam-In-Use in 2024
- CHALLENGE 3**
Promoting circular economy practices
• **-28%** food waste reduction on average by hotels included in our Food Waste reduction initiative in 2024
- CHALLENGE 4**
Protecting biodiversity
• **220+** hotels engaged in initiatives to protect and support local biodiversity in 2024

CHALLENGE 1

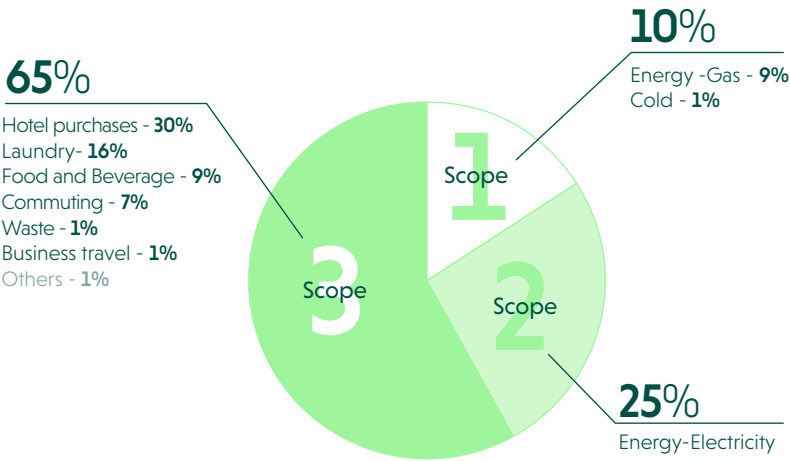
Reducing our carbon footprint and fostering adaptation to climate change

Our carbon neutrality strategy was defined in 2022 and is being implemented through the Group's 2023-2050 carbon neutrality action plan, which is based on four main levers:

- **Up-skill and train** our teams, bolstering operational efficiency.
- Enhance our buildings' **energy performance**, through innovative technologies and energy-efficient renovations.
- Gradually increase **renewable energy** sources.
- **Decarbonize** the Group's supply chain, by strengthening carbon reduction requirements for suppliers and prioritizing local sourcing.

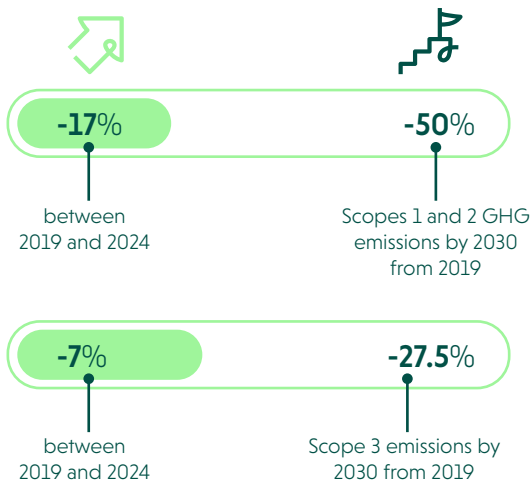


OUR CARBON FOOTPRINT



- Scope 1 → Direct emissions
- Scope 2 → Indirect energy emissions
- Scope 3 → Other indirect emissions

TARGETS



OUR 2024 KEY ACTIONS

STRENGTHENING OUR CARBON FOOTPRINT AND STRATEGY

- A new strategic milestone was achieved in 2024, as our net zero carbon strategy was **approved by the Science-Based Targets initiative (SBTi)**, proving its compatibility with the 1.5°C Paris Agreement trajectory. With a view to implementing our carbon commitments, we have also drawn up a decarbonization plan for each of our hotels.
- We contributed to the **ACT^{®1} experiment for Tourism** as a pilot to assess and improve the applicability of existing ACT[®] methodologies, and suggest recommendations tailored to the sector's specificities. This enabled us to assess our decarbonization strategy's robustness using the ACT[®] framework. **We obtained the highest score** (13B+ as opposed to an average score of 7B+ for other participating companies in the sector), placing us in the top tier in our industry.
- Finally, we **updated our Scope 3 greenhouse gas emission calculations** to accurately reflect indirect emissions across the value chain. Significant improvements were achieved by shifting from financial to physical data (namely restaurant activities, laundry services, and renovation). As a result of this updated calculation, our next steps include the identification of Scope 3 reduction levers and the definition of dedicated action plans (e.g.: promoting and facilitating **more sustainable travel options** for guests, employees, and partners).

MAPPING OUT POTENTIAL RISKS TO OUR ASSETS WITH AXA CLIMATE

In 2024, we completed a Climate risks and opportunities assessment, initiated in 2023, in sequence with TCFD (Task Force on Climate-related Financial Disclosures) recommendations and reporting standards. This enabled us to identify key physical and transition risks, as well as opportunities across the Group's scope of assets. For instance, it was shown that **increased energy prices leading to higher OPEX would cause a critical risk to a Group such as ours**. Findings are currently being aligned with existing action plans to identify synergies and determine whether additional measures are required.



ESSENDI GHG EMISSIONS

	Total emissions (t CO ₂ eq)			
	2019	2023	2024 ²	L / L Var 2019-24
Scope 1	48,541	41,543	39,891	
Scope 2	143,856	129,511	111,039	
Total	192,397	171,054	150,930	-16%
Kg CO ₂ /sqm	42.18	40.99	36.4	
Kg CO ₂ /available room	4.92	4.40	4.3	-17%

Our carbon reduction investment plan

Concerning Scopes 1 and 2, our carbon reduction roadmap is supported by an investment plan divided into three phases, demonstrating our ambition to optimize investments:

NO AND LOW CAPEX ACTIONS	MEDIUM CAPEX ACTIONS	HIGH CAPEX INVESTMENTS
2023-2025	2026-2030	As of 2030
Investment lies in up-skilling our teams, ensuring operational efficiency and sufficiency through smart technologies to better manage consumption.	Keeping operational efficiency in mind for all our hotels, end-of-life equipment will be replaced with more efficient alternatives, electrification will become a prime objective, investments will be made in the self-production of renewable energy, and buildings will be made smarter thanks to tools like Guest Room Management Systems (GRMS) and Building Management Systems (BMS).	Having accomplished the above actions, emphasis will be put on larger investments such as infrastructure to reach Net Zero by 2050, working alongside suppliers to decarbonize operations and purchasing renewable energy.

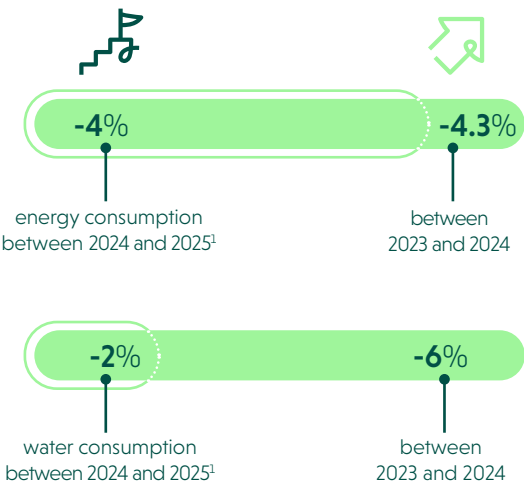
¹ ACT[®] (Assessing Low Carbon Transition) is an international joint initiative between the French agency for the environment (ADEME) and the Carbon Disclosure Project. It aims to support and assess companies in their transition to a low-carbon world using a future-oriented, sector specific methodology.
² From 2024, scope 1 data includes refrigerant leaks.

CHALLENGE 2

Implementing an environmental management system to systemize hotel certifications

We believe the key to excellence lies in strong environmental management tools and third-party certifications, which contribute to reducing our hotels' environmental footprint. We take great pride in the results achieved in 2024, which align with or even exceed our set targets.

TARGETS



¹ Variation in like-for-like basis



OUR 2024 KEY ACTIONS

STRENGTHENING OUR ENVIRONMENTAL MANAGEMENT

In striving for environmental efficiency in all our operations, we undertake to use internal hotel management tools such as **RECAP**, our **environmental monitoring system** that records all energy sources used by our hotels such as gas, electricity and the urban network, as well as other environmental data such as water, fluids, waste, and carbon. RECAP functions are two-fold: the first enables real-time knowledge of consumption levels, peaks, leaks, or anomalies in hotels, and the second offers a manual data report on water, energy and waste production. Combined, they lead to **detailed diagnoses**, enhancing operational responsiveness and action plan accuracy, and making monthly **benchmarking** possible across our hotel portfolio. Roll-out began several years ago showing positive effects and was continued throughout 2024 with over 300 hotels now equipped.

IN 2024

→ **100%** of eligible hotels have been equipped with RECAP IoT

This tool is completed with our **technical audit program** consisting of overall hotel **checks and troubleshooting** involving technical teams. These audits result in recommendations for operational actions with little or no CAPEX (e.g. recommendations for energy, water and waste savings, heat optimization, etc.). With an upturn in the number of audits in 2024, technical **staff training and team engagement** were subsequently bolstered.

IN 2024

→ **132** hotels benefited from a technical audit program



RECAP has provided us with knowledge, enabling us to monitor installations and identify any issues. It is a lever for preventative maintenance, which in the end improves guest comfort and avoids breakdowns. This is complemented by audits, which are not only valuable for drawing up action plans, but also, and above all, for training staff, so that they have better knowledge of the installations. The company has given us a concrete framework to reduce our carbon footprint and that really makes our job rewarding!"

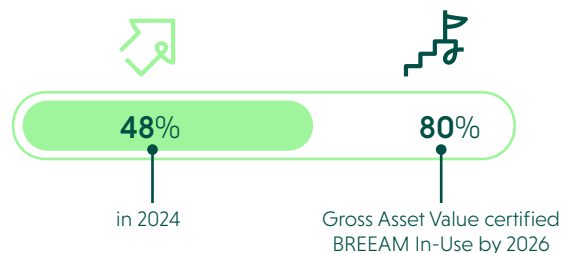
Franck Freitag, Head of Maintenance Central Europe



SYSTEMATIZING HOTEL CERTIFICATIONS

Our resolution for enhanced environmental management requires us to call upon external, internationally-recognized and exacting certifications, encouraging us to assess and value both building management with Breeam-In-Use, and hotel operations with Green Key.

→ We assess our hotels' environmental management performance through the **BREEAM In-Use label**. After having set ambitious targets, we currently have **95 hotels certified**, representing almost 50% of our portfolio in value.



BREEAM-In-Use

BREEAM In-Use is an international certification assessing the environmental performance of existing buildings. It evaluates assets across key sustainability pillars such as energy, water, materials, waste, health and well-being, and management practices.

In practice, it serves as a gap analysis to drive continuous improvement, enhance asset value, and align operations with ESG best practices.



Positive Hospitality is about doing our best in an uncertain world. Our responsibility is to make sure we do everything we can to have the least negative impact. Hospitality is a huge industry, we can change so many things by working the right way."

Anel Arapova, ESG Project Manager Corporate, Paris

→ Another label driving us towards more responsible action in the hospitality industry is the **Green Key certification**. It strives for operational excellence across all properties, encouraging staff and guests to rally for the cause. This year, we surpassed our target, reaching **220 certified hotels**.



Green Key



Green Key is an international eco-label dedicated to the hospitality sector, rewarding hotels that implement responsible operational practices in energy and water savings, waste reduction, sustainable food, staff training, and guest awareness.

It focuses on daily management and engagement, complementing building-level certifications like BREEAM.

CHALLENGE 3

Promoting circular economy practices

Our quest for sustainable hospitality has led us to question our waste production and management habits and to adopt a circular approach: **Reduce, Re-use, Recycle** – with waste reduction spearheading our actions. This circular approach is therefore applied both to the design and renovation of hotels and buildings, as well as to daily hotel operations.



OUR 2024 KEY ACTIONS



FOSTERING CIRCULARITY IN CONSTRUCTION AND RENOVATION PROJECTS

Our vision of circularity means bringing new yet sustainable life into equipment, furniture and materials when designing or renovating a hotel. This holistic approach has become an integral feature of our recent projects and was the starting point of our **innovative Think Circular concept**.

Taking a stand for waste reduction by promoting the use of non-toxic materials and reusable furniture, this innovation makes for more sustainable and modular room staging. This cost-efficient and ecological concept is embodied by our **Circular Room Design Initiative**, to be further developed in 2025. Gaining more and more recognition, the program was a finalist at the 2023 Hospitality Awards (for Sustainable Development), and **our new room design has been showcased at the 2025 Milano Design event**.

→ **3,338** rooms renovated with our Think Circular concept since 2023

Ibis London Blackfriars: Renovating 297 rooms with our circular design

Our Design and Construction team has created several types of circular rooms – dedicated for **ibis and Novotel establishments**. One of our most recent projects was the ibis London Blackfriars, where 297 rooms were renovated in 2024, ensuring enhanced comfort and functionality for guests. Using modular furniture and trendy staging, rooms easily and quickly took on a new atmosphere at a minimal cost – both financially and environmentally. Any outdated furniture was given a second life, and optimization was at the forefront of our decision-making. With this model, renovation time is reduced by 70%, indoor air quality is improved by 80%, and recycling is a must – resulting in a 20% drop in costs. Guests benefit from new and trendy rooms where waste has been turned into a resource.



2024 - A YEAR FOR FOCUSING ON FOOD WASTE

With approximately a fifth of all food produced lost or wasted (UNEP, 2024), we decided to take matters into our own hands and implemented a Food Waste Reduction initiative aiming to reduce food waste by 30% overall, specially tailored to each hotel's catering offer.



50 hotels were selected this year to take part in the project – officially launched in April 2024. After completing a self-assessment checklist to identify key needs, best practices are recommended to each hotel individually. The initiative is based on 3 pillars:

1 Staff are trained and coached to achieve food waste goals. Questioning practices and suggesting new to raise awareness around a common cause and help change behaviors.

2 Next, hotels are equipped with **measurement tools to better analyze food waste sources**. Driven by strategic partnerships with smart-scale providers such as Winnow and Orbisk, technological advancements are leveraged to reduce our footprint and data is used for raising awareness.

3 **Local partnerships are forged with social impact companies** such as SAVR (distributing meals to people in need), local biowaste revaluing plants, and sustainability-impelled NGOs the Emfasis Foundation.

A great deal of enthusiasm was shown for the pilot project. So much so that in 2024, a **sponsoring agreement was signed with the ADEME** environmental agency, bringing added momentum and support to the Food Waste Project – which was also **finalist in the 2024 Hospitality Awards, as part of the Best Innovative Environmental Protection Initiative category**.

→ **25 to 30%** annual food waste reduction among the hotels joining the program

→ **50** hotels committed to our food waste reduction project in 2024

→ **50+** additional hotels shortlisted for onboarding in 2025



The ADEME-Essendi partnership will enable the Agency to observe, understand, quantify and capitalize on knowledge that ADEME will then, in conjunction with Essendi, communicate to the entire sector."

Laurence Gouthière, Head of studies on Food Waste at ADEME



To learn more about our Food Waste Reduction initiative watch the video [here](#)



Review of the Mercure Toulouse Centre Compans hotel experience

Our food waste reduction program has been implemented at the Mercure Toulouse Centre Compans hotel with great results.

-43% food waste production after 1 year

€47,896 saved

20,642 kg CO₂ saved (i.e. 2.3 times the CO₂ emissions of driving around the world)



CHALLENGE 4

Protecting and enhancing biodiversity near our hotels

Our approach to protecting nature and biodiversity lies in committing to environmental preservation, by creating green areas in all our hotels, supporting local initiatives and community actions, and respecting biodiversity throughout all our renovations.

For 2024, our key actions consist in pursuing our development of green areas in hotels, making sure urban gardens flourish, and encouraging teams to engage in local biodiversity-related actions. Here are some examples of our actions this year.

- Ibis Barcelona Centro Sagrada Familia in Spain **has partnered with La Fageda, an association that works** to preserve local ecosystems through sustainable farming, animal welfare, and landscape conservation, while also promoting social inclusion by employing people with disabilities. By serving its products, the hotel contributes to both environmental preservation and positive social impact.
- Other hotels, such as Novotel Łódź Centrum and Novotel Katowice Centrum in Poland, promote sustainability and eco-friendly habits through their educational initiatives Eco Adventure and Passport of the Young Eco-Traveler. These programs **help raise awareness among young guests** on key topics such as food waste reduction and biodiversity protection through interactive activities.
- During our renovation of the Pullman Madrid FERIA Airport, a biodiversity project was developed alongside our partner Biotonomy - a leader in nature-based solutions and regenerative design - and rewarded at the Re Think Hotel Awards. **A 120m² vertical garden is to be created, producing oxygen for 120 people, reducing noise pollution by 40%, and fostering biodiversity.**
- Novotel Cambridge North has **partnered with CoFarm Cambridge, an organization focused on growing and sharing nutritious food to strengthen communities and ecosystems.** Our goal is to support their financial stability, help with planting and harvesting, enhance on-site biodiversity and contribute to facility improvements. We also aim to exchange skills, **create compost, collect water and engage in volunteer activities to foster a deeper connection with nature.**

IN 2024

→ **200+** hotels engaged in meaningful local initiatives for biodiversity

We strive for meaningful environmental efforts to be made in all our endeavors. We know how long the road to excellence in this respect may be, and our long-term plan encompasses a myriad of strong ambitions, including an increased use of renewable energy sources, further decarbonizing our supply chain, curtailing our carbon footprint, boosting environmental management tools, enhancing circularity, taking bigger steps towards defeating food waste, and nurturing biodiversity. Despite the many challenges that may lie ahead of us, **we do our utmost every day to gradually yet surely achieve our environmental goals.**



4 Developing meaningful connections

In seeking to go above and beyond the mere walls of our hotels and the operations we lead there, our goal at heart is to **cultivate genuine connections with and between guests, deeply rooting our actions within local territories and forging strong kinship with surrounding communities.** Our ambition is to instill meaning in all we do, aiming to deliver positive hospitality in all our endeavors, and turn tangible actions into long-lasting positive impact. To do so, we focus on two core aspects:

CHALLENGE 1
Offering the most sustainable guest experience possible

• **79%** guest satisfaction score in 2024

CHALLENGE 2
Creating local social impact through solidarity with our local communities and the engagement of our teams

• **200+** hotels have set up a local solidarity initiative in 2024

CHALLENGE 1

Offering a sustainable guest experience

In making sure guest experience mirrors Accor's engagement and day-to-day management policies, our ambition is to create intrinsic value for hotels. As such, we have a **Sustainable Guest Experience policy** revolving around four pillars:



→ **Guest care and comfort** always comes first



→ We aim to improve our **guests' well-being by offering healthier alternatives**, for instance by adopting sustainable and non-toxic disinfection products



→ **Hotel accessibility** is always on our mind



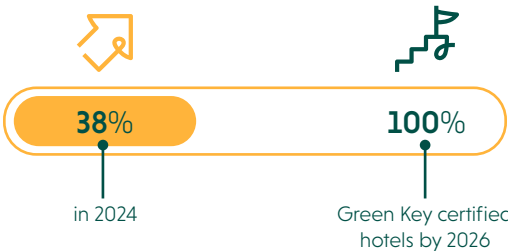
→ Offering **sustainable food**

OUR 2024 KEY ACTIONS

PURSUING GREEN KEY CERTIFICATION



As a **holistic approach** to sustainability in the hospitality industry, this certification encompasses all four of our Sustainable Guest Experience policy's facets and contributes to **inspiring positive hospitality**. In wanting to create a positive impact through **tangible actions**, it also aims to offer guests a remarkable experience via sustainable operations. Green Key certification is attained by showing **outstanding results in 13 areas** and is renewed yearly following a third-party audit – demonstrating our desire for long-term high performance and continuous improvement. Our goal is for 100% of hotels to be Green Key-certified by 2026. In 2024, 220 hotels had been accredited and 116 hotels selected for certification in 2025.



The following actions detail some of the criteria required for certification:

- Locally sourced and organic food products are preferred, with more sustainable dining options, and we systematically provide vegetarian or vegan alternatives on our menu.
- Disinfection substances are used sparingly, with at least **75% of chemical cleaning products having a recognized eco-label**, and non-chemical alternatives are preferred.
- We provide information about the **nearest place to rent or borrow bicycles** and about nearby parks, landscapes and nature conservation areas.
- Guest reception staff must be able to inform guests about Green Key and our sustainability initiatives.



IN 2024

→ **60%** of hotels use non-chemical products (330+ hotels)

→ **40%** of hotels include at least five types of organic, eco-labelled, fair-trade and/or locally produced food (230+ hotels)



FAST-TRACKING HOTEL ACCESSIBILITY

Accessibility has been a point of continuous improvement for us over the last few years, and the Paris 2024 Olympic Games played a major role in accomplishing a number of goals. The Games were a catalyst for sustainability and accessibility advancements.

Upstream from the event, we developed **a group-wide accessibility framework, setting new standards for inclusive hospitality.**

Furthermore, prior to the Olympic Games, a number of hotels in France were granted the **Tourisme and Handicap label**, raising staff awareness when welcoming guests with disabilities and implementing innovating solutions to make sure they feel at home.

IN 2024

→ **43%** of hotels with accessibility practices go beyond legal standards (245+ hotels)



My job is to integrate accessibility logic into every project (renovation or construction) to improve usability. I strive to implement solutions that create spaces where everyone feels comfortable. At my level, I contribute to making our society more inclusive. Accessibility is not just about regulatory compliance: it's a commitment. I see it as a worldview, a societal project where we all have a role to play."

Valérie Wiedemann, ADAP Accessibility Coordinator, France

CHALLENGE 2

Creating local social impact

Running a hotel is much more than ensuring smooth day-to-day operations – it also pushes us to fight for more fairness, humanity, and instill profound meaning in what we do. **We aim to become an integral part of our local community and create strong social impact through four key levers:**



→ **Contributing** to local employment by boosting local recruitment



→ **Forging** partnerships with local stakeholders



→ **Supporting** local projects and nonprofits both within and beyond our walls



→ **Inspiring** staff to engage in volunteer work

IN 2024

→ **200+** hotels have set up a local solidarity initiatives

→ **202** employees were involved in volunteering initiative



OUR 2024 KEY ACTIONS

PROVIDING EMPLOYMENT OPPORTUNITIES FOR ALL

Striving for more inclusion and solidarity, we aim to contribute to local employment and integration through work. With this in mind, we seek to forge meaningful partnerships. Here are some examples:

PAQTE

→ In France, we have been working with **priority neighborhoods** through the PAQTE program. This solidarity-driven initiative reasserts our desire to enhance **equal opportunities, access to employment, and upskilling**, by bolstering social and professional inclusion.



→ In support of **inclusive employment**, French teams collaborated with the association **Les Cuisstots Migrateurs**, a school dedicated to training and facilitating employment in the catering and hospitality industry for refugees or allophone residents.

→ The hotel **Mercure Poznan Centrum** initiated a 3-year training program for deaf trainee chefs, leading to potential employment opportunities. The hope is to create a **supportive environment for aspiring youths with disabilities**.

ESG INNOVATION AWARDS 2024: OUR THREE FINALISTS

Our hotels and teams are always bursting with partnerships and projects with great social impact. Three of them were rewarded as part of our **2024 ESG Innovation Awards** – each as inspiring and meaningful as the next, and each embodying what it truly means to deliver **Positive Hospitality in Action**, in a **sustainable and socially impactful** way. All three have the potential to **drive positive change** and creativity.



COURTESY BOX PROJECT AT MERCURE BORDEAUX CENTRE

In partnership with ADAPT Gironde, this project **helps individuals with cerebral disabilities reintegrate the workforce**. Members of an ESAT (French social institution) are entrusted with assembling courtesy boxes for hotel rooms. The Courtesy Box project transforms the way hotels manage courtesy trays, turning a time-consuming process into an efficient and socially impactful solution that was successfully replicated in another hotel – showing great potential.

→ **70+** people with disabilities helped

 [Full description and video](#)



MENAS HOTEL SCHOOL: WORKING WITH UNACCOMPANIED YOUNG MIGRANTS AT NOVOTEL BARCELONA CITY

Our team in Barcelona have designed an internal training program to support the social and professional integration of former unaccompanied minors (ex-MENAs) within the hospitality sector, providing them with all the right tools to thrive. **The program aims to give unaccompanied young migrants arriving in Europe a chance for a brighter and more stable future.** The initiative teaches them basic kitchen techniques and builds essential interpersonal skills, helping them also adapt to new cultural challenges. **Ideas for the future include language, team-building and leadership training** – expanding the project's social impact even further.

→ **5** MENAs alumni hired in our hotels

 [Full description and video](#)

OFFERING A SOLIDARITY ROOM AT NOVOTEL PARIS TOUR EIFFEL

This initiative aims to turn unused hotel rooms into opportunities to support those in need. It was designed to offer rooms at reduced rates via a 'solidarity' booking platform, with proceeds going to partner charities. Additionally, B2B clients have the option to **donate unused rooms to those in need, such as parents of hospitalized children**. One of the first partnerships established was with La Maison des Parents Saint Jean, a charity that provides accommodation for parents of children at Necker Hospital. This meets the high demand expressed by families who are unable to stay with their children due to lack of space. Last-minute availability is therefore given a social dimension and redefines hospitality with major social impact.

 [Full description and video](#)





SUPPORTING COMMUNITY ENGAGEMENT AND SOLIDARITY ACTIONS

We aim to **foster strong community ties both through social and cultural initiatives supporting local causes**, and through active partnerships with NGOs and local organizations. Hotels and teams are then free to choose the projects that speak most to them at heart. Here are some recent examples:

- In France, we have partnered with several associations (Magie à l'Hôpital, Rire et Médecins, Rêves d'Enfants), **offering free rooms to the parents of hospitalized children**. We also sponsor similar solidarity actions such as donation drives and charity events.
- As part of **Solidarity Summer**, Essendi's Spanish and Portuguese teams partnered with the Amas Foundation to create two works of art in collaboration with disabled teachers – promoting inclusion and solidarity.
- **Our Gdańsk Stare Miasto Mercure and Ibis hotels** opened their doors and arms to children affected by the bad flooding in Armenia, in partnership with the Armenian Foundation.

IN 2024
→ **19+** charities supported



PROMOTING EMPLOYEE VOLUNTEERING MISSIONS

Komeet Our partnership with **Komeet** (formerly Vendredi) enhances our local impact potential through volunteering opportunities. Being involved locally, by donating time and effort to a charitable cause, shows the staff's support. We generally support actions such as blood drives, hot meal distributions, biodiversity or urban area maintenance initiatives, Pink October runs, and many more.

A myriad of **inspiring social actions** were engaged in 2024, including collaboration with the empowering and sustainable program set up by **Feast With Us** in London, during which teams volunteered to cook for those in need, and any surplus food was donated to vulnerable individuals. A rewarding day for a high-impact cause.

IN 2024
→ **272** missions performed
→ **152.4** days of volunteering

“For me, working in hospitality means embracing “Positive Hospitality”. This approach allows us to genuinely serve our community and harness our power to create a positive impact.”

Maria Archila, ESG Project Manager

In aiming for Positive Hospitality in all our endeavors, we bring more humanity and deeper meaning to our industry and operations. Our core goal is to pursue positive partnerships and strengthen our local roots and engagement, **fostering outstanding guest experience and boosting social impact every step of the way.**



Appendices

Environmental, Social and Governance (ESG) key performance indicators

(1/2)

Theme	Key performance indicator	2023	2024
Robust governance	Number of meetings held by the ESG committee	2	3
	% of attendance at the ESG committee	83%	78%
Ethics and compliance	Number of substantiated corruption and bribery cases	0	0
	Anti-Corruption, bribery and compliance training	Not disclosed	484
Responsible investment	% of the operations presented in the investment committee including an ESG score	75%	89%
	Average ESG score for Essendi hotels	55	57
	Number of hotels certified Breeam in use	20	95
Supply chain	% of purchases made with suppliers selected on ESG criteria	76%	72,5%
	% of "at risk" and "at high risk" referenced suppliers having completed an ESG self-evaluation	43%	66%
	% of "at high risk" referenced suppliers externally audited	62%	60%
	% of monitored action plans	100%	100%
Employees*	Total workforce	21,074	16,596
	Women	11,675 (60%)	9,081(55%)
	Men	9,395 (48%)	7,515 (45%)
	No gender definition	4	1
	Under 25	Not disclosed	2,008 (12%)
	Over 50	Not disclosed	4,081 (25%)
	Permanent staff	19,491(92%)	15,322 (92%)
	Women	10,744	8,352
	Men	8,745	6,969
	No gender definition	2	1
	Fixed-term staff and extras	1,583 (8%)	1,274 (8%)
	Women	931	729
	Men	650	545
	No gender definition	2	0

*Employee data concerns exclusively European perimeter at 31/12/2024

Environmental, Social and Governance (ESG) key performance indicators

(2/2)

Theme	Key performance indicator	2023	2024
Employees	Turnover	Not disclosed	35%
	% of women amongst General Managers	36%	36%
	% of employees with employee representatives	77%	89%
	% of employees covered by Health and Safety system	100%	100%
	Number of training hours	Not disclosed	58,512
Environment	GHG emissions (t CO ₂ eq)	171,054	150,930
	Scope 1 GHG emissions due to energy consumption	41,543	35,523*
	Scope 1 GHG emissions due to leaks of refrigerant gases (tCO ₂ eq)	Not disclosed	4,368
	Scope 2 GHG emissions due to electricity and urban network consumption	129,511	111,039*
	GHG emissions evolution since 2019 (scope 1 and 2)	-12%	-17%
	Energy consumption (MWh)	801,630	695,663*
	Electricity consumption and urban network	53%	53%
	Natural gas	27%	26%
	District network	19%	19%
	Renewable energy	0.03%	0.03%
	Other fuel sources	1%	1%
	Energy consumption - Like for like variation	-3.15% between 2022 and 2023	-4.1% between 2023 and 2024
	Energy consumption per available room (KWh pAr)	20.8	19.8
	Energy consumption per available room – Like for like variation	-1.81% between 2022 and 2023	-4.3% between 2023 and 2024
	Water consumption (millions of m³)	5.72	5.03*
	Water consumption evolution in Like for Like	+7,24% between 2022 and 2023	-6% between 2023 and 2024
	Water consumption per guest nights (liter/guest nights)	132.9	124.6
	Water consumption per guest nights evolution in Like for Like (%)	-1,19% between 2022 and 2023	-6% between 2023 and 2024
Client experience	Number of hotels labelled Green Key	90+	220+
Local impact	Number of charities supported	26	19
	Number of volunteering missions completed	221	272

Note regarding the methodology

The scope of the ESG report is based on the scope of the hotels consolidated in the Group's financial reporting, as defined in the management report, excluding the Group activities located in Latin America or Asia. In these regions, the Group counts with 24 assets, 4% of the total portfolio.

The scope covered by the reporting process varies according to the indicators. The targeted coverage is 100% for the four European Hubs (Northern, Southern, Western and Eastern) for both the hotels and the headquarters.

Certain exclusions are made to reflect relevance, representativity and comparability. The reporting scope therefore comprises all hotels operated by Essendi with the following exclusions:

- Hotels that joined the Essendi portfolio after September 15th of the current year.
- Hotels which are closed (for renovations) or which were impacted by an exceptional event that disrupted the hotel's activity during the reporting year (flooding, earthquake, etc.).
- The first two months of hotels newly integrated in the portfolio.
- Hotels that are not under Essendi's operational responsibility.

ADDITIONAL NOTE REGARDING ENERGY, WATER AND GHG EMISSIONS

The total energy and water consumptions and the direct and indirect GHG emissions for FY2024 and mentioned with an «*» in the Appendix section have been audited according to the ISAE3000 procedure. These KPIs have been calculated following the Essendi Reporting Protocol, available on the Essendi website:

- **Total Hotel energy consumption in kwh:** total amount of energy consumed on-site for all sources of energy (electricity, heating and cooling, city gas, other fuel sources) and for all on-site usage (heating, lighting, cooking, etc.) – Scope: a selection of hotels in the scope of the Essendi ESG Reporting Protocol.

- **Total Hotel activities for direct Greenhouse Gas Emissions** (Scope 1) expressed in CO₂ equivalent – Scope: a selection of hotels in the scope of the Essendi ESG Reporting Protocol.
- **Total Hotel activities for indirect Greenhouse Gas Emissions** (Scope 2) expressed in CO₂ equivalent – Scope: a selection of hotels in the scope of the Essendi ESG Reporting Protocol.
- **Total Hotel Water consumption:** total amount of water consumed, whatever the use (cooking, watering of green spaces, etc.) in m³.

CONCORDANCE TABLE - Articles L.225-102.1 and L.22-10.36 pf the French commercial code

Theme	Relevant section
The way in which the Company takes into account the social and environmental consequences of its activity	Our ESG Strategy 2020-2026
The effects of the Company's activity on respect for human rights	Chapter 1 Challenge 2: Ensuring compliance and ethics
The effects of the Company's activity on the fight against corruption	Chapter 1 Challenge 2: Ensuring compliance and ethic
The effects of the Company's activity with respect to tax evasion	Chapter 1 Challenge 2: Ensuring compliance and ethics
Information on the climate change impact of the Company's activity and the use of the goods and services it produces	Chapter 3 Respecting the environment
Societal commitments in favour of sustainable development	Chapter 4 Developing meaningful connections
The circular economy	Chapter 3 Challenge 3: Promoting circular economy practices
Combating food waste	Chapter 3 Challenge 3: Promoting circular economy practices
Combating food insecurity	Not applicable
Respect for animal welfare	Not applicable
Collective agreements within the Company and their impacts on the Company's economic performance	Chapter 2 Caring about our people
Employee working conditions	Chapter 2 Caring about our people
Actions against discrimination and to promote diversity	Chapter 2 Challenge 2: Respecting diversity and promoting an inclusive environment
Measures taken in favor of people with disabilities	Chapter 2 Challenge 2: Respecting diversity and promoting an inclusive environment / Chapter 4 Challenge 1: Proposing a sustainable guest experience

Concordance table with UN Sustainable Development Goals



ESG COMMITMENT		Sustainable development goals			
ETHICS AND COMPLIANCE					
RESPONSIBLE INVESTMENT					
SUPPLY CHAIN					
EMPLOYEES					
ENVIRONMENT					
CLIENT EXPERIENCE					
LOCAL IMPACT					

Independent limited assurance report (ISAE 3000 (revised))

To the Board of Directors of ESSENDI S.A.
26A, Boulevard Royal L-2449 Luxembourg
Grand Duchy of Luxembourg

We have been requested to conduct a limited assurance engagement on key environmental performance indicators (hereafter “environmental KPIs” or “Indicators”) included in the 2024 ESG Report of ESSENDI S.A. (the “Company”) with respect to the year ended December 31, 2024 (“2024 ESG report” or the “ESG Report”) (the “Subject Matter Information”) and calculated and disclosed in accordance with the Essendi ESG Reporting Protocol (the “Criteria” or the “Protocol”).

We designed, planned and performed our procedures we considered necessary for obtaining evidence to support our limited assurance conclusion on whether disclosures on each of the following Indicators marked with a “***”¹ in the ESG Report are free from material misstatement in accordance with the Essendi’s Protocol:

- **Total Hotel’s energy consumption [ENV05A]:** total amount of energy consumed on-site for all sources of energy (electricity, heating and cooling, city gas, other combustibles) and for all on-site usage (heating, lighting, cooking, etc.) – Perimeter: Selection of hotels in the scope of the Essendi’s Protocol.
- **Total Hotel’s activities Greenhouse Gas (GHG) Emissions for the direct emissions due to energy consumption (Scope 1) [ENV06A]:** expressed in CO₂ equivalent – Perimeter: Selection of hotels in the scope of the Essendi’s Protocol.

• **Total Hotel’s activities Greenhouse Gas (GHG) Emissions for the indirect emissions associated with energy (Scope 2) [ENV06B]:** expressed in CO₂ equivalent – Perimeter: Selection of hotels in the scope of the Essendi’s Protocol.

• **Total Hotel’s Water consumption [ENV07A]:** total amount of water consumed and whatever the use (cooking, watering of green spaces, etc.) in m3 – Perimeter: Selection of hotels in the scope of the Essendi’s Protocol.

It is to be noted that the Criteria are not embodied in laws or regulations, or issued by authorized or recognized bodies of experts that follow a transparent due process; and are only for the use of the specific users of the assurance report, namely the Board of Directors of ESSENDI S.A. (the “Engaging party”)

Limited assurance is a lower level of assurance and it is not a guarantee that an assurance engagement conducted in accordance with International Standard on Assurance Engagements (“ISAEs”) will always detect a material misstatement when it exists.

The accuracy and completeness of the information disclosed in the ESG Report are subject to inherent limitations given their nature and the methods for determining, calculating or estimating such information. Our independent limited assurance report should therefore be read in connection with Essendi’s Protocol (version 2) dated June 2, 2025, which also includes the Company’s definitions and basis of reporting of the indicators as described in the ESG Report.

RESPONSIBILITIES OF THE ENGAGING PARTY

The Engaging party is responsible for the preparation of the ESG Report and information and statements contained within it, in accordance with the Essendi’s Protocol procedures applied which are described in the ESG Report. The engaging party is responsible to provide all necessary information to auditor regarding controls, processes, reporting and quantitative and qualitative elements. The Engaging Party is responsible for determining the Company’s sustainability objectives and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

¹The “***” corresponds to the reference in the ESG Report

RESPONSIBILITIES OF THE REVISEUR D'ENTREPRISES AGREE

Our engagement has been conducted in accordance with the International Standard on Assurance Engagements 3000 (Revised) applicable to Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (“ISAE 3000 (Revised)”) established by the International Auditing and Assurance Standards Board (“IAASB”). In accordance with this standard we have planned and performed our engagement to obtain a limited assurance regarding the subject matter of the engagement. Our firm applies International Standard on Quality Management (“ISQM”) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We complied with the applicable independence and other ethical requirements of the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (“IESBA Code”) as adopted for the audit profession in Luxembourg by the *Commission de Surveillance du Secteur Financier* (the “Code”). The Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

SUMMARY OF WORK PERFORMED

As part of our assurance procedures, we performed the following work:

- Obtaining an understanding of the principles, measurement and reporting requirements of the Essendi’s Protocol;
- Interviewing Management, corporate sustainability team, data owners and those with operational responsibility as well as personnel in charge of related controls at the Company’s head office;
- Assessing the suitability of the reporting criteria and their consistent application;

- Perform analytical procedures to verify the proper consolidation of the data collected and the consistency of those data;
 - Perform tests of details, using sampling techniques based on professional judgment;
 - Assess the overall consistency of the qualitative and quantitative information included in the ESG Report in relation to the Indicators based on the Essendi's Protocol.
- In a limited assurance engagement, the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

The procedures performed do not constitute an audit according to the International Standards on Auditing as adopted by the Luxembourg by the *Commission de Surveillance du Secteur Financier*, nor an examination of the effectiveness of the Company's internal control systems, or an examination of compliance with laws, regulations, or other matters. Accordingly, our performance of the procedures does not result in the expression of an opinion, or any other form of assurance on the Company's internal control systems or its compliance with laws, regulations, or other matters.

The assurance provided by our procedures should therefore be considered at the light of these limitations on the nature and extent of evidence-gathering procedures performed.

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our independent limited assurance conclusion.

CONCLUSION

Based on the procedures performed and the evidence obtained, nothing came to our attention that causes us to believe that the Indicators marked with a “*” in the ESG Report of the Company with respect to the year ended December 31, 2024 have not been calculated and disclosed in accordance with the Essendi ESG Reporting Protocol.

RESTRICTION OF USE

This report has been prepared solely for Board of Directors of ESSENDI S.A. in accordance with our engagement letter.

This report is not intended to be and should not be used by third parties as a basis for making financial decisions.

We do not accept or assume responsibility or liability to any other party to whom it may be distributed.

For Deloitte Audit,
Cabinet de révision agréé

Marco Crosetto,
Réviseur d'entreprises agréé
Partner

2025
20, Boulevard de Kockelscheuer
L-1821 Luxembourg
Grand Duchy of Luxembourg

Essendi recommendations of the task force on climate related financial disclosures

1. GOVERNANCE

Describe the organization's governance of climate-related risks and opportunities

RECOMMENDATION

1.a) Describe the organization's governance of climate-related risks and opportunities

1.b) Describe the role of management in assessing and managing climate related risks and opportunities

ESSENDI

Essendi has an ESG governance model integrated into all areas of the company. Sustainability is a core business issue and not something tangential, so there are assigned responsibilities from the Board of Directors through the Executive Committee to Operations. In addition, Essendi has a dedicated ESG team to ensure that everyone is pulling in the same direction, and a specific committee dedicated to ethics and compliance issues.

Cross-reference: ESG Report, Chapter 1-Challenge 1: Setting a robust ESG governance

2. STRATEGY

Describe the existing and potential impacts of climate-related risks and opportunities on the organization's operations, strategy and financial planning, to the extent that the information is relevant

RECOMMENDATION

2.a) Describe the climate-related risks and opportunities that the organization has identified for the short, medium and long term

ESSENDI

With the support of a third-party expert, we have conducted a portfolio-level assessment based on the TFCF recommendations as well as the EFRAG ESRS E1 and the new IFRS S2 standards to identify Essendi physical and transition risks and opportunities from climate change. Different time horizons and alternative climate pathways have been taken into consideration (SSP2-4.5 and SSP5-8.5). The top risks and opportunities identified are :

Physical risks : Most significant risks are expected to be the same in the middle and longterm but their impact and likelihood will be more pronounced by 2050:

- Flood (pluvial, fluvial and coastal flood)
- Extreme heat (heatwaves)
- Water stress
- Windstorms (extratropical storms)

Transitional risks: Middle term:

- Increased energy prices leading to higher OPEX
- Loss of asset value
- Cost to transitioning to low-carbon buildings, energy use and technologies

In the long-term, the middle term risks will be intensified and new risks will arise such as:

- Carbon/energy taxes/ Cap and trade schemes
- Lower capacity to generate debt and access credit due to insufficient climate performance

Main opportunities identified: Middle term:

- Higher energy/climate-related performance of buildings to better control of buildings and the portfolio, leading to lower OPEX
- Higher asset value due to high climate performance

Long-term:

- Climate performance leading to access to new diversified (green) financing
- Positive brand image leading to higher demand and revenues (via improving climate performance)

RECOMMENDATION

2.b) Describe the impacts of climate-related risks and opportunities on the organization's operations, strategy and financial planning

ESSENDI

Essendi considers climate change to be a central issue for the business because it will bring changes both in the environment in which it operates and in its stakeholders expectations. Thus, transition and physical risks will be materialized to the business through aspects such as:

- Capital Markets: ESG issues being an increasing concern for analysts and investors, with new ESG requirements and sustainable financing opportunities arising.

- Regulation: New frameworks such as the EU Taxonomy, the CSRD or the EPBD are setting the future regulatory horizon of the company, which will imply new investments in the assets and an increase in energy efficiency.

- Stakeholders expectations: Consumers, investors, business partners and employees concerns are shifting and sustainability is now part of its expectations.

- Operations: To respond to the new context, upskilling from teams and technological development will be required.

RECOMMENDATION

2.b) Describe the resilience of the organization's strategy, taking into consideration different climate scenarios, including a scenario at 2°C or less

ESSENDI

The climate risks and opportunities identified, highlight the need of having a climate neutrality strategy to ensure alignment with regulations, answer to stakeholder demands and exploit the opportunities. Essendi developed its Carbon neutrality strategy during the year 2022 and has been deploying it ever since. This strategy aims to align the Group emissions reduction pathway with 1.5 trajectory and to ensure its achievement, Science-Based Targets are being set.

Cross-reference: ESG Report, Chapter 3-Challenge 1: Reducing our carbon footprint and fostering adaptation to climate change

3. RISK MANAGEMENT

Describe how the organization identifies, assesses and manages climate-related risks

RECOMMENDATION

- 3.a) Describe the organization's processes for identifying and assessing climate-related risks
- 3.b) Describe the organization's processes for managing climate-related risks
- 3.c) Describe how the processes for identifying, assessing and managing climaterelated risks are integrated into the organization's risk management

ESSENDI

Essendi defines a risk as a factor of uncertainty that may affect the ability of the company to reach its goals, which would cause the actual performance to differ materially from the one indicated in the Group's forecasts. It is therefore crucial for Essendi to be able to identify and assess such factors, and to manage them as consciously and efficiently as possible. Climate and ESG risks are integrated on the general description of risks, so they are part of the risk management model. In particular, Essendi carries out an annual risk assessment covering financial and extra-financial risks. The risk assessment methodology and the results are detailed in the Group's Annual Management Report. The risk model goes beyond internalities and dependencies, as it also measures the potential impact of risk events on other stakeholders. Besides, during 2023, Essendi carried out a specific analysis on climate risks and opportunities as an important tool to guide the neutrality strategy.

4. METRICS AND TARGETS

Describe the indicators and targets used to assess and manage climate-related risks and opportunities, to the extent that the information is relevant

RECOMMENDATION

- 4.a) Describe the indicators used by the organization to assess climate-related risks and opportunities in relation to its strategy and risk management process

ESSENDI

The Group tracks a range of metrics to assess its exposure to climate-related risks and opportunities:

- Energy consumption in MWh, in both absolute and intensity terms
- Scopes 1, 2 and 3 carbon emissions – Water consumption and intensity
- Green building certifications

Furthermore, since 2022, all Executive Committee members have ESG objectives integrated in their variable remuneration and from 2024 hotel General Managers will have specific energy related targets integrated in their variable remuneration

Cross-reference: ESG Report, Chapter 3: Respecting the environment

RECOMMENDATION

- 4.b) Publish greenhouse gas (GHG) emissions from Scope 1, Scope 2, and, where relevant, Scope 3, and the corresponding risks

ESSENDI

The carbon footprint is calculated in accordance with the Greenhouse Gas Protocol. The results are available in the ESG report.

Cross-reference: ESG Report, Chapter 3-Challenge 1: Reducing our carbon footprint and fostering adaptation to climate change

RECOMMENDATION

- 4.c) Describe the objectives used by the organization to manage climate-related risks and opportunities, and its performance against these objectives

ESSENDI

Essendi has set carbon neutrality targets currently being reviewed by the SBTi (Science-based target initiative). The reduction targets set are related to 2019 as the base year. With respect to Scope 1 and 2 emissions, Essendi aims to reduce emissions by 50% by 2030 and achieve carbon neutrality by 2050, covering a scope of 90% of emissions in these categories. With respect to Scope 3, the company will work to reduce its supplier-related emissions by 27.5% by 2030, covering 67% of total

emissions in this category. By 2050, the goal will be to expand the scope within the target to 90% of all Scope 3 emissions and achieve carbon neutrality. To monitor its progress against the targets, Essendi will take into account that SBT proposes an annual reduction of 4.2% for Scope 1 and 2 emissions and 2.3% for Scope 3 emissions, which will serve as a guideline.

Cross-reference: ESG Report, Chapter 3-Challenge 1: Reducing our carbon footprint and fostering adaptation to climate change

List of abbreviations

bn Billion	GM Hotel General Manager
BREEAM Building Research Establishment Environmental Assessment Methodology	HQ Headquarters
Capex Capital Expenditure	IFRS International Financial Reporting Standards
CEO Chief Executive Officer	IoT Internet of Things
CSR Corporate Social Responsibility	kg Kilogram
CSRD Corporate Sustainability Reporting Directive	ktCO₂ eq Kilo-tons of CO ₂ equivalent
ESG Environmental, Social and Governance	kWh Kilowatt-hour
ESRS European Sustainability Reporting Standards	L / L Var Like-for-like variation
EU European Union	M Million
ExCom Executive Committee	m³ Cubic meter
GHG Greenhouse gases	MWh Megawatt hour
	NGO Non-governmental organization



OPEX Operating expense	† CO₂ eq Tons of CO ₂ equivalent
pAr Per available room	TCFD Task Force on Climate-Related Financial Disclosures
RevPAR Revenue per available room	UK United Kingdom
SBTIs Science Based Targets Initiative	UN United Nations
SRI Socially Responsible Investment	



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