Business & Human Rights Resource Centre Survey Questions

For companies operating or investing in Ukraine

Nature of involvement
1. How long has your company or subsidiary been operating or investing in Ukraine? In summary, can you briefly describe the nature, sector, scale, and geographic area of these operations or investments?

Accor opened the first hotel in Ukraine in 2011. Currently, our hotel network consists of 7 hotels (4 in Kyiv, 2 in Lviv and 1 in Odessa). As of today, 4 hotels are still operating mostly welcoming NGOs and medias.

Assessing risks
2. How is your company enhancing its due diligence to identify, prevent, and mitigate heightened human rights risks and comply with international humanitarian law? a. What measures is your company taking to ensure it relies and acts upon robust monitoring of the situation, including through consultation with your workers, affected communities, human rights groups, and/or humanitarian organizations?

The Ethics & Corporate Social Responsibility Charter which represents the commitment of Accor to respecting fundamental principles, particularly human rights, health and safety of individuals, and the environment. The Charter provides guidance to all Accor employees on the appropriate behavior to adopt and actions to take in this regard. Awareness programs directed towards employees, partners, guests and communities and addressing social, environmental and societal issues identified by Accor, such as the “Planet 21 – Action here program” are deployed. Further, Accor has implemented a Know Your Counterparty Policy (“KYC Policy”). The purpose of the KYC Policy is to avoid transactions that may involve bribery, corruption, money laundering, or that may infringe international economic sanctions. The KYC Policy consists of a system of searches, checks and continuous monitoring conducted by Accor’s compliance team. These initial screenings and continuous monitoring include Adverse Media checks which may include human rights and other social and societal issues.

Mitigating risks and tracking effectiveness
3. What measures is your company or subsidiary taking to ensure that your business relationships, products, services, operations, or other actions do not contribute to Russian military activities or occupation in Ukraine (including Crimea and occupied parts of Donetsk and Luhansk Oblasts)?

Accor has continuously applied its KYC Policy which purpose is notably to avoid transactions that may infringe international economic sanctions. In the context of the unprovoked Russian military invasion, counterparties are thus screened against the international sanctions decided by independent states. The screening process is done both internally and using specialized third parties.
4. Is your company or subsidiary planning to scale-down or suspend your operations in Ukraine? If so, what are the immediate and longer-term steps that your company has taken or is prepared to take to mitigate the negative impacts of this decision on affected communities and your workers?

In Ukraine our hotels have either been evacuated or are being used to shelter teams, their families, remaining guests (mostly NGOs and international media) and local communities. As of today, 4 out of our 7 hotels in Ukraine are still operating.

Accor continues to monitor the situation closely and emergency operational protocols are in place. Our priority today is the safety and wellbeing of our guests, teams and partners in the region and for the communities which we serve.

Our teams and partners are working hard to support those fleeing the Ukraine, offering accommodation and resources in neighboring countries in close collaboration with authorities and NGOs. In addition, Accor has activated its ALL Heartist Fund, a dedicated financial vehicle to support our teams and their families in the region and Accor Heartist Solidarity, our endowment fund, is partnering with the UN Refugee Agency (UNHCR) to collect employees' donations which will be matched by Accor.

5. What steps is your company or subsidiary taking to ensure that your risk prevention and/or mitigation measures do not negatively impact Ukrainian civilians?

Accor has activated its ALL Heartist Fund, a dedicated financial vehicle to support our teams and their families in the region and Accor Heartist Solidarity. Since the beginning of the conflict, Accor has attributed more than 150,000 room nights in Europe to welcome those in need. Over 250 hotels in Poland, Moldova, Romania, Hungary, Austria, the Czech Republic, Estonia, Germany, Lithuania, the Netherlands, France, Portugal and Italy are currently receiving, housing, feeding and assisting refugees from Ukraine, often in partnership with local organizations.

Exercising leverage

6. Is your company or subsidiary taking any other actions to promote respect for humanitarian law, human rights, democracy, and peace in Ukraine?

Accor promotes respect for humanitarian law, human rights, democracy and peace through its Ethics & Corporate Social Responsibility Charter.

For companies operating or investing in Russia

Nature of involvement

1. How long has your company or subsidiary been operating or investing in Russia? In summary, can you briefly describe the nature, sector, scale, and geographic area of these operations or investments?

Accor has opened the first hotel in Russia in 1992. Given our asset light business model, Accor does not own hotel assets, but operates hotels under Franchise and Management Agreements. Currently, our hotel network consists of 57 hotels across the country.
Assessing risks
2. How is your company enhancing its due diligence to identify, prevent, and mitigate heightened human rights risks and comply with international humanitarian law? a. What measures is your company taking to ensure it relies and acts upon robust monitoring of the situation, including through consultation with your workers, affected communities, human rights groups, and/or humanitarian organizations?

The Ethics & Corporate Social Responsibility Charter which represents the commitment of Accor to respecting fundamental principles, particularly human rights, health and safety of individuals, and the environment. The Charter provides guidance to all Accor employees on the appropriate behavior to adopt and actions to take in this regard. Awareness programs directed towards employees, partners, guests and communities and addressing social, environmental and societal issues identified by Accor, such as the “Planet 21 – Action here program” are deployed. Further, Accor has implemented a Know Your Counterparty Policy (“KYC Policy”). The purpose of the KYC Policy is to avoid transactions that may involve bribery, corruption, money laundering, or that may infringe international economic sanctions. The KYC Policy consists of a system of searches, checks and continuous monitoring conducted by Accor’s compliance team. These initial screenings and continuous monitoring include Adverse Media checks which may include human rights and other social and societal issues.

Mitigating risks and tracking effectiveness
3. As the situation in Ukraine unfolds, is your company or subsidiary planning to cease operations in or divest from Russia? If so: a. What have been the key considerations informing this decision and did you consult with your workers and/or other affected stakeholders as part of your decision-making process?
b. What are the immediate and longer-term steps that your company has taken or is prepared to take to mitigate any negative impacts of your exit on affected communities and your workers, including addressing any loss of income?

For the time being, Accor has decided to continue to operate in Russia in some capacity as we play a key role in supporting our employees, local communities, NGOs and international media on the ground. However, we have made the decision to suspend all planned openings and all future developments. In addition, we are suspending any loyalty partnerships with Russian companies. All management operation, booking, distribution, loyalty and procurement services to hotels for which owners are included on any international list of sanctions will be suspended. They will not be distributed anymore on Accor’s distribution platforms.

The Board of Directors and Group’s Workers Council have been informed about the current situation.

4. If your company or subsidiary chooses to continue operating in Russia, what human rights due diligence has been undertaken and how are you planning to mitigate harm in Ukraine?

Our teams and partners are working hard to support those fleeing the Ukraine, offering accommodation and resources in neighboring countries in close collaboration with authorities and NGOs.

In addition, Accor has activated its ALL Heartist Fund, a dedicated financial vehicle to support our teams and their families in the region and Accor Heartist Solidarity, our endowment fund, is partnering with the UN Refugee Agency (UNHCR) to collect employees’ donations which will be topped-up by Accor.

An allocation of 245K€ has been granted to the Polish Red Cross to fund necessity goods for refugees. Since the beginning of the conflict, Accor has attributed more than 150 000 room nights in Europe to welcome those in need. Over 250 hotels in Poland, Moldova, Romania, Hungary, Austria, the Czech Republic, Estonia, Germany, Lithuania, the Netherlands, France, Portugal and Italy are currently
receiving, housing, feeding and assisting refugees from Ukraine, often in partnership with local organisations.

Further, according to the KYC Policy, the initial screenings and continuous monitoring initiatives include “Adverse Media” checks which may cover human rights and other social and societal issues.

5. What kind of due diligence measures does your company use to ensure that it does not have any business relationships with sanctioned Russian individuals and entities? Beyond sanctions compliance, how does your company ensure that it does not have any business relationships with individuals or entities with a track record of rights violating conduct?

Accor has continuously applied its KYC Policy which purpose is notably to avoid transactions that may infringe international economic sanctions. In the context of the unprovoked Russian military invasion, counterparties are thus screened against the international sanctions decided by independent states. The screening process is done both internally and using specialized third parties.

**Exercising leverage**

6. How does your company intend to use your leverage to protect the rights of your workers and communities affected by your operations in Russia, including freedoms of association and expression?

Accor management procedures are in place to protect the rights of our employees within the framework of our Group’s organization.

7. Is your company providing any support to Russian activists who are taking action against the war and in support of democracy and peace in Ukraine?

For the time being, our solidarity initiatives are mainly focused on those fleeing the area of conflict.