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A hospitality industry first worldwide: Accor shares its environmental impact assessment findings

Accor recently decided to assess its environmental impact 15 years after it took a stand and started taking concrete action to embrace sustainable development. This Group started working on gauging its environmental footprint at the end of 2010, to gather a comprehensive corpus of reliable facts in order to step up its strategy on that front. This study is in a class of its own, and stretches beyond measuring greenhouse-gas emissions to encompass energy and water consumption, water pollution and waste generation throughout lifecycles in the Group.

“4,200 hotels in 90 countries, 145,000 employees, 56 million breakfasts a year and almost 545 million litres of water a year... All add up to the environmental impact that we are now in a position to quantify, share openly and ultimately use to home in on the most efficient and effective levers to build our corporate social and environmental responsibility strategy.

Our goal is to build sustainable development into the core of our Group’s performance and embark it on a continuous improvement drive to reinvent hospitality for the long term,” explains Accor CEO Denis Hennequin.

The main lessons from the environmental footprint assessment:

1. **Carbon and energy: optimise site management**
2. **Water consumption and pollution: work on the menus**
3. **Waste: manage construction and renovation sites more efficiently**

1. CARBON AND ENERGY: THE FIRST POINTER FOR PROGRESS FOR THE GROUP

The Group consumes roughly 18 billion kW/h of energy, i.e. as much as a **386,000-inhabitant European city**. This study shows that hotels directly consume 75% of the total energy Accor uses. Group hotels have made considerable progress curbing their impacts but this finding is prompting us to continue to work on this front. Using resources smartly, enhancing energy efficiency and using renewable sources of energy are three of the options we have to continue to harness in order to stem our impacts and stay one step ahead of increasingly stringent regulatory requirements.

2. WATER CONSUMPTION AND POLLUTION: FOOD PURCHASES ARE THE MAIN CAUSE

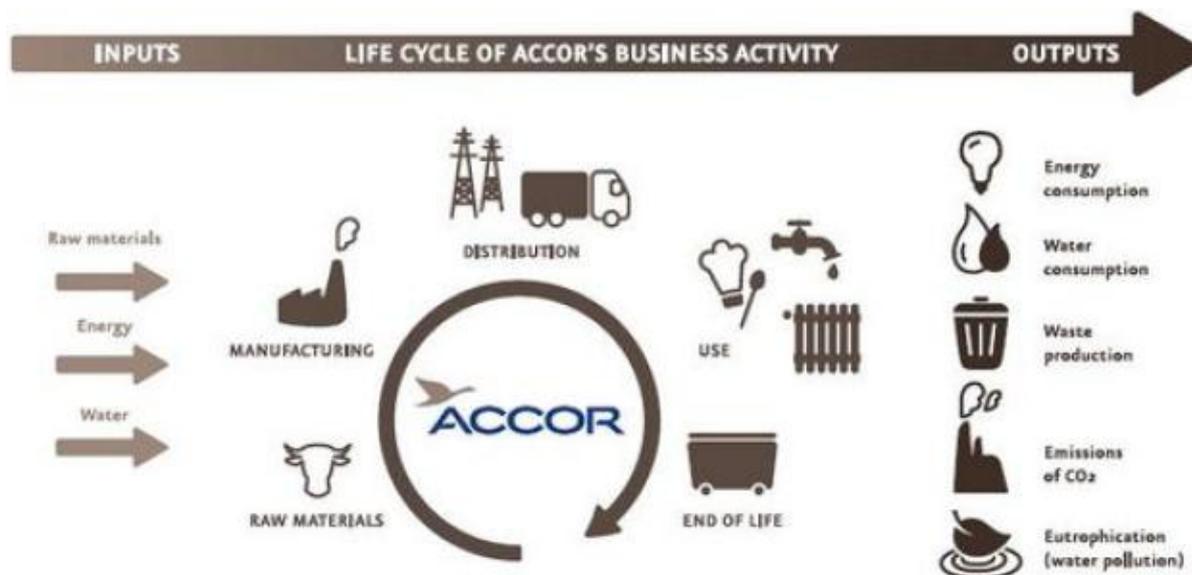
The big surprise in this study is that Accor’s main impact on water comes from the food guests eat in our hotels! Accor indeed has to continue to reduce its direct consumption – in bathrooms and kitchens, sprinklers and leaks – but all those outlets combined only add up to slightly over 10% of its impact on water, whereas the water used all the way up and down the food production chain accounts for about 86%. The Group is intent on deepening its efforts to provide smart food services, from farms to tables, in particular by setting up new channels with suppliers.

3. WASTE: A LOT WHERE WE LEAST EXPECTED IT

Also somewhat surprisingly, the bulk of the waste we generate in the Group does not come from running hotels: it comes from building and revamping them. Besides reducing waste at source and working on economic packaging, a clearer understanding of waste treatment and recycling channels in each country will gradually shrink costs and impacts on this front.

The first multicriteria lifecycle analysis spanning a full international hotel group

Accor and PwC, a consultant, carved out a specific approach around lifecycle analysis. This method uses the latest scientific facts and figures, and is tailored to the hospitality industry's distinctive features.



PwC Sustainable Development Associate Sylvain Lambert, adds, *“This is the hospitality industry’s first study spanning such a large scope and aiming so high, worldwide. As we didn’t have a model to go by, the whole goal was to adapt the lifecycle analysis method to the complexity you can expect in a hotel group running operations in 90 countries and encompassing a wide variety of brands across the budget to luxury spectrum.*

Accor was keen on learning from and sharing its findings. It asked a panel of experts to review results in order to fine-tune a few of the specific points and ensure the methods it chose were sound.”

Methods and findings available to everyone

This study's method and finding analysis are available to everyone in the business and the general public on **Earth Guest Research** (www.accor.com), the Accor Group's free knowledge-sharing platform. This is the second publication in this area. The first is a 'barometer' on international hotel clients' expectations in relation to sustainable development, which we published last June.

A long-standing commitment and extremely positive results

Earth Guest programme policies allowed Accor hotels to come a long way over 2006-2010. For example, water consumption per rented room dropped 12% and energy consumption per available room dropped 5.5% over that period. Today, 85% of hotels have water flow regulators and 82% have compact fluorescent lamps. In 2009, Accor also embraced **Plant for the Planet**, a bold reforestation project – and Group-wide efforts to optimise laundry costs have allowed it to finance 1.7 million trees since then.

Taking action

This study has taught us a lot and included a fair share of surprises. It is fair to say that it will be a watershed in Accor history. Energy consumption is still one of the Group's main concerns and the first lever it will pull to take action, and other pointers for progress – food services and building waste, for instance – have appeared.

Accor Academies and Sustainable Development Director Sophie Flak explains, *“This study has put us in a position to boost our efforts for the environment, and to focus on our main impacts and main areas for improvement. The impacts we gauged also have economic and financial consequences, and managing those consequences is also pivotal to our Group’s sustainable development. We have looked at every finding in this study from these three key angles to turn each one into an action plan (impact on the environment, impact on our business performance, and our employees’ ability to take action and lead partners and clients to do so). We have starting rallying employees with help from the Accor Academy and its 17 training centres worldwide, to sharpen our awareness of our real impacts on the environment, if how those impacts ripple through our business, and of how we can improve.”*

Research work on this project also cast light on the fact that gathering information about sustainable development is difficult at a time when extra-financial information is gaining prominence. The continuous improvement drive will also apply to the method to gauge Accor's environmental footprint, so this method will necessarily evolve. The goal, now, is to run a new assessment in 2015.

The findings and lessons in the client 'barometer' published in June 2011 and this environmental impact assessment will shape **the new sustainable development strategy, which Accor will be announcing this spring.**

A digital press kit is available on www.accor.com (sustainable development tab).



Accor, the world's leading hotel operator and market leader in Europe, is present in **90 countries** with **4,200 hotels** and more than **500,000 rooms**. Accor's broad portfolio of hotel brands - Sofitel, Pullman, MGallery, Novotel, Suite Novotel, Mercure, Adagio, ibis, all seasons/ibis Styles, Etap Hotel/Formule 1/ibis *budget*, hotelF1 and Motel 6 - provide an extensive offer from luxury to budget. With **145,000 employees** worldwide, the Group offers to its clients and partners nearly 45 years of know-how and expertise.

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