

AccorInvest UK

Modern Slavery Statement

Introduction

This statement sets out AccorInvest UK's actions to understand all potential modern slavery risks related to our business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in our own business and our supply chains.

This statement relates to actions and activities during the financial year 1 April 2020 to 31 March 2021.

This statement is made on behalf of Accor HotelInvest UK Limited (a company incorporated in England and Wales with company number 10529493) and its subsidiaries (together, "**AccorInvest UK**"), including without limitation Accor UK Business & Leisure Hotels Limited (a company incorporated in England and Wales with company number 01016187) and Accor UK Economy Hotels Limited (a company incorporated in England and Wales with company number 01244907). AccorInvest UK is the UK arm of the group of companies ultimately owned by AccorInvest Group S.A. (a company incorporated in Luxembourg with registration number B100771) (together, the "**AccorInvest Group**").

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As part of the hospitality industry, we recognise that we have a responsibility to take a robust approach to slavery and human trafficking. We recognise that the risks of modern slavery include the risks that arise from the use of foreign and migrant labour, and from within supply chains in the UK and overseas.

AccorInvest UK is fully committed to preventing slavery and human trafficking in its activities and to ensuring that its supply chains are free from slavery and human trafficking.

1) Organisational structure

The AccorInvest Group is a hotel owner, investor and operator.

Globally, AccorInvest Group has a property interest in 855 hotels across 29 countries mainly in Europe but also in Latin America and Asia. To help us grow and provide our guests with the very best experience, the AccorInvest Group mobilises an international team made up of over 20,000 employees working at our head offices and hotels.

AccorInvest Group has a longstanding relationship with Accor and all of our hotels trade under Accor's international brands.

AccorInvest UK has a property interest in 91 hotels, and has approximately 1,500 employees. Our portfolio comprises Accor brands including Ibis Budget, Ibis, Ibis Styles, Mercure, Novotel and Pullman.

IBIS BUDGET BEACONSFIELD	IBIS LONDON SHEPHERD'S BUSH
IBIS BUDGET BELFAST	IBIS LONDON STRATFORD
IBIS BUDGET BIRMINGHAM AIRPORT	IBIS LONDON THURROCK M25
IBIS BUDGET BIRMINGHAM CENTRE	IBIS LONDON WEMBLEY
IBIS BUDGET CARDIFF CENTRE	IBIS MANCHESTER CENTRE PORTLAND STREET
IBIS BUDGET EDINBURGH PARK	IBIS MANCHESTER CENTRE PRINCESS STREET
IBIS BUDGET GLASGOW	IBIS NORTHAMPTON CENTRE
IBIS BUDGET LEEDS CENTRE	IBIS NOTTINGHAM CENTRE
IBIS BUDGET LONDON BARKING	IBIS PORTSMOUTH CENTRE
IBIS BUDGET LONDON CITY AIRPORT	IBIS PRESTON NORTH
IBIS BUDGET LONDON HOUNSLOW	IBIS READING CENTRE
IBIS BUDGET LONDON WHITECHAPEL	IBIS ROTHERHAM EAST - (M18 / M1)
IBIS BUDGET MANCHESTER CENTRE	IBIS SOUTHAMPTON CENTRE
IBIS BUDGET MANCHESTER West	IBIS WELLINGBOROUGH
IBIS BUDGET PORTSMOUTH	IBIS STYLES LIVERPOOL DALE STREET
IBIS BUDGET SHEFFIELD ARENA	IBIS STYLES LONDON EALING
IBIS BUDGET SOUTHAMPTON CENTRE	IBIS STYLES LONDON SOUTHWARK ROSE
IBIS ABERDEEN CENTRE	MERCURE LONDON BRIDGE
IBIS BIRMINGHAM AIRPORT - NEC	NOVOTEL BIRMINGHAM AIRPORT
IBIS BIRMINGHAM NEW STREET	NOVOTEL BIRMINGHAM CENTRE
IBIS BRADFORD SHIPLEY	NOVOTEL BRISTOL CENTRE
IBIS BRIGHTON CITY CENTRE	NOVOTEL CAMBRIDGE
IBIS BRISTOL CENTER	NOVOTEL CARDIFF CENTRE
IBIS BRISTOL TEMPLE MEADS QUAY	NOVOTEL EDINBURGH CENTRE
IBIS CAMBRIDGE CENTRAL STATION	NOVOTEL GLASGOW CENTRE
IBIS CARDIFF GATE	NOVOTEL LEEDS CENTRE
IBIS CARLISLE CITY CENTRE	NOVOTEL LIVERPOOL CENTRE
IBIS CHESTERFIELD CENTRE	NOVOTEL LONDON BLACKFRIARS
IBIS CHESTERFIELD NORTH	NOVOTEL LONDON BRENTFORD
IBIS EDINBURGH ROYAL MILE	NOVOTEL LONDON CANARY WHARF
IBIS EDINBURGH SOUTH BRIDGE	NOVOTEL LONDON CITY SOUTH
IBIS GLASGOW CITY CENTRE	NOVOTEL LONDON EXCEL
IBIS HULL CITY CENTRE	NOVOTEL LONDON GREENWICH
IBIS LEEDS CENTRE	NOVOTEL LONDON HEATHROW AIRPORT
IBIS LINCOLN	NOVOTEL LONDON PADDINGTON
IBIS LIVERPOOL CENTRE	NOVOTEL LONDON TOWER BRIDGE
IBIS LONDON BARKING	NOVOTEL LONDON WATERLOO
IBIS LONDON BLACKFRIARS	NOVOTEL LONDON WEST
IBIS LONDON CANNING TOWN	NOVOTEL MANCHESTER CENTRE
IBIS LONDON CITY - SHOREDITCH	NOVOTEL MILTON KEYNES
IBIS LONDON DOCKLANDS	NOVOTEL READING CENTRE
IBIS LONDON ELSTREE	NOVOTEL SHEFFIELD CENTRE
IBIS LONDON EXCEL DOCKLANDS	NOVOTEL SOUTHAMPTON

IBIS LONDON GREENWICH	NOVOTEL YORK CENTRE
IBIS LONDON HEATHROW AIRPORT	PULLMAN LONDON ST PANCRAS
IBIS LONDON LUTON AIRPORT	

We are committed to being a responsible company that adheres to ethical principles, complies with applicable laws and regulations, and honours the commitments to our various stakeholders, including every worker supplying goods or services to us, every team member helping us to delight our guests, and every guest we serve every day.

This commitment extends to human rights including modern slavery and trafficking.

2) Our supply chains

Our supply chain consists of suppliers who provide goods and services to our hotels and support office.

A substantial majority of hotels' suppliers are carefully selected by Accor's Global Procurement Office, according to our management contract. The terms of these referenced suppliers are negotiated by Accor, in its capacity as our management company.

All contracts with non-referenced suppliers are negotiated at the hotel level and validated by the support office, according to our delegation of authority policy, in order to reduce the risk of non-compliance.

3) Assessing our risks

Since its creation as an autonomous legal entity, AccorInvest Group has defined a cross-functional working group (composed of risk management, HR, CSR, and Legal departments) to identify and assess the risks applicable to our business based on applicable laws and our ESG strategy.

We work in coordination with Accor to make sure that our hotels comply with Accor's Planet 21 Program, and with the principles, standards and commitments included in Accor's Ethics and CSR Charter and Compliance Program.

4) Our key risks and due diligence processes

Our Supply chain:

Accor's Global Procurement Office, which negotiates the majority of our hotels' supplier contracts, have mapped our hotels' ethical and CSR risks (according to purchase volumes, environmental and social risks of product & services families, exposure to customers, etc.). Product & services families were classified into three levels: standard, at risk or at high-risk. For each of the three risk categories, a vigilance plan was drawn up to define the points to be incorporated at each step of the procurement process: tender, selection

of suppliers, awarding of contracts, evaluation, audit, action plan, and even dereferencing.

Each referenced supplier agrees to adhere to Accor's Planet 21 charter, which contains social and environmental commitments.

Accor may request the supplier to have its activity evaluated by a third party with regards to its environmental, social and ethics performance.

The purpose of the on-site audit for the high risk categories is to check the CSR commitments signed by a supplier and focus on the actual social and environmental impact/performance of its operations (vs policies, principles, self-reports). It is based on the SMETA audit and includes two or four modules:

- Smeta 2: Health and safety - Labour standards
- Smeta 4: Environment - Business ethics - Health and safety - Labour standards.

All referenced suppliers must give a valid CSR audit report or must be audited every 3 years.

Referenced suppliers undertake to:

- Comply with terms of Accor's procurement charter
- Make sure that its own suppliers and sub-contractors comply with the same principles
- Participate to Accor's assessment and implement the subsequent policy
- Authorize Accor and/or any third party appointed by Accor to perform audits and implement the subsequent policies

We work in coordination with Accor to be informed and obtain their mapping, assessment, reports and measures with regards to referenced suppliers.

Our Team members:

AccorInvest UK exercises its responsibility as an employer in our hotels, managed by Accor, and in our support office. For our hotels, we are respecting Accor's recommendations for the management principles and talent development policies. All the employee-relations responsibilities are under our responsibility as employer.

All employees deserve basic human rights and employment rights, including the right to be treated with dignity and respect and to be provided a safe and healthy work environment. In addition to formal guidance, a culture that supports the well-being and inclusion of all employees and encourages a positive working environment is key.

Our employees are recruited via public job boards (Accorjobs, Accorcareer, LinkedIn) or via respected recruitment agencies. None of them are requested to pay any recruitment fees or related costs.

Every employee has a contract. No employee is forced to work. No employee is requested to handover their passport, work permit or bank cards (other

than to confirm their identity and that they are paid directly into their personal bank account). No excessive deductions are made from employees' wages. We are paying all our employees at least the UK Government's National Living Wage.

The following policies are embedded throughout our organisation and support the mitigation of any risk that a team member may be subject to modern slavery.

- Right to work: we conduct rigorous checks on all of our workers, including checks on foreign and migrant workers' eligibility to work in the UK. Checks are carried out on all team members to ensure the documents they provide are genuine and fit for purpose, in line with applicable laws. We ensure that our managers are provided with the tools and skills to carry out the necessary document checks sympathetically and appropriately.
- Staff Handbook: This document outlines the Company codes of conduct and is provided to all employees upon joining. The organisation's code makes clear to employees the actions and behaviour expected of them when representing the organisation. The organisation strives to maintain the highest standards of employee conduct and ethical behaviour.
- Fighting against sexual harassment policy: In July 2019 AccorInvest signed its first international agreement with the International Union IUF. This framework agreement aims to strengthen the fight against sexual harassment and sets out the main principles and actions for which AccorInvest is committed. This agreement reflects AccorInvest's commitment to two key areas: prevention and zero tolerance of all forms of harassment.
- Equal opportunity policy: This policy outlines our commitment to provide equal opportunities and embrace diversity throughout employment. Employees should be recruited without regard to race, sex, pregnancy and maternity, civil partnership status, gender reassignment, disability, religion or beliefs, union organisation, age, sexual orientation, or any other characteristic protected by law.
- Grievance policy: This process encourages concerns to be raised informally in the first instance in order to encourage an open and honest culture. However, it also outlines the formal process in the event that concerns cannot be resolved through the informal route, or in more serious cases where it is appropriate to deal with matters formally at the outset. The grievance policy provides clear guidelines on how individuals can raise their concerns, what then happens and the potential outcomes of any investigation.

- Whistleblowing policy: in 2019, we implemented a new internal whistleblowing platform, available in our hotels and support office. AccorInvest UK encourages all its workers to report any concerns related to the direct activities, or the supply chains of the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The organisation's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation, in whatever way they feel comfortable to do so.

We currently highlight our modern slavery obligations to all new starters as part of our induction plan.

Our hotel-based employees are all trained on the WATCH program, to help detect cases of sexual exploitation of children in travel and tourism ("SECTT"), through a variety of training/awareness-raising tools at the hotels.

Our Guests:

As a hospitality company, we know that our hotels can be subject to a particular risk of modern slavery. Specifically:

- Hotels may be used for sex trafficking where victims are compelled to provide commercial sex to paying customers.
- Victims may stay in hotels with their traffickers while moving location.

We are fully supporting Accor in its action for positive hospitality. With the Ethics and CSR charter, Accor is committed to increasing awareness of human trafficking and modern slavery at all levels.

Accor has been fighting child sexual exploitation in its hotels since 2001 in partnership with ECPAT International, an international NGO. ECPAT is a global organization that leads the fight against the crime of child trafficking and sexual exploitation.

Created by Accor, the WATCH program helps our hotels to put procedures in place to detect cases of SECTT. The programme involves local training initiatives designed to heighten employee vigilance, so that they can identify cases of SECTT more effectively, decide when to contact the authorities, and offer the child alternative life paths (via reintegration projects for example).

5) Monitoring our risks

In 2019 AccorInvest Group established an Ethics Committee at the highest level. This committee is comprised of the CEO, the Chief Compliance Officer, the Board of Director Secretary, and representatives of the HR, operations and support functions.

Its purpose is to:

- Ensure compliance with our internal policies in terms of ethics and compliance;
- Answer questions or give advice with respect to our internal policies (anticorruption code of conduct, charter of ethics, conflicts of interest), compliance and ethical issues;
- Give recommendations about the evolution of AccorInvest Group's commitments and policies with regards to ethics and compliance;
- Be informed about the number and type of issues reported through the whistleblowing platform such as corruption, fraud, anti-competitive practices, discrimination, workplace harassment, workplace health, hygiene and safety, and environmental protection issues;
- Give recommendations about the treatment of the reported issues; and
- Share with the executive committee the outcomes.

They meet at least twice a year and more regularly when needed.

Following a review of the effectiveness of our existing procedures the Committee decided to take the following further steps to combat slavery and human trafficking:

- The implementation by AccorInvest Group of its own Ethics Charter to cover the business at support offices;
- The implementation by AccorInvest Group of a KYC process for non-referenced suppliers to hotels and support offices; and
- The implementation by AccorInvest UK of a formal on-boarding programme which will require all staff to complete training on our responsibility to prevent modern slavery.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015, was approved on 21/06/2021 and constitutes AccorInvest UK's slavery and human trafficking statement for the financial year ended 31st March 2021.



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