

**BEST EMPLOYER  
OF THE YEAR**

THE

**CATEYS**

**2021  
WINNER**

**MODERN  
SLAVERY  
STATEMENT**

**This Statement**

This statement is made by PPHE Hotel Group Limited ("PPHE Hotel Group", "the Group", "we") on behalf of itself and its group companies and in accordance with section 54(1) of the UK Modern Slavery Act 2015.

This statement covers our activities for the financial year 2021. It continues to be a priority for PPHE Hotel Group to ensure that we trade ethically, source responsibly and work to prevent modern slavery and human trafficking throughout our organisation and in our supply chain.

**About PPHE Hotel Group**

PPHE Hotel Group is a London Stock Exchange premium-listed international hospitality real estate group operating across Europe. It is a dynamic company with an integrated, flexible approach to property ownership, hospitality operations, and a strong focus on creating exceptional, inspirational service delivery. We operate in the United Kingdom, Netherlands, Italy, Germany, Hungary, Croatia, Serbia and Austria.

Through its subsidiaries, jointly controlled entities and associates, the Group owns, co-owns, develops, leases, operates and franchises hospitality real estate. The Group's primary focus is full-service upscale, upper upscale and lifestyle hotels in major gateway cities and regional centres, as well as hotel, resort and campsite properties in select resort destinations.

Further details of our group companies can be found in our Annual Report at: Reports and Presentations : PPHE Hotel Group

The Group established a new Environmental, Social and Governance Committee ('ESG Committee') in 2021, which is comprised of two independent Non-Executive Directors, Kenneth Bradley (Chair) and Stephanie Coxon. The aim of the ESG Committee is to establish a unified view of ESG, increasing understanding of all three aspects of environmental, social and governance, and to promote robust standards of corporate governance that integrate all these aspects, including oversight of the Company policies and compliance programmes involving steps taken by the Company to combat the modern slavery and human trafficking risks we have identified.



**Every person  
deserves working  
conditions which  
are fair and offer  
an opportunity to  
make a better life  
for themselves,  
their family and  
the community**

## OUR SUPPLY CHAIN

We source an extensive variety of products and services for the operations and functioning of our hotel properties across UK and Europe. We operate a centralised procurement model and we have established strong supplier relationships over the years. The core procurement team is led by our Vice President of Procurement and is supported by our Head of Compliance. Our supplier onboarding processes allow new suppliers to be subject to due diligence for reputational and legal risks posed to the business prior to their being accepted as business partners.

## OUR POLICY ON SLAVERY AND HUMAN TRAFFICKING

We maintain and annually review a Responsible & Ethical Sourcing Policy that underpins our commitment to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

The Board also approved a new Human Rights Policy for the Group in August 2021 which defines the basic standards of human rights that our Group will adhere to at all times and which we expect our business partners to respect. These standards of human rights also form the basis of our existing Responsible and Ethical Sourcing Policy. Our Human Rights and Responsible and Ethical Sourcing policies are available on our website.

Our Human Rights Policy and Responsible and Ethical Sourcing Policy reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our organisation or in our supply chains.

## TRAINING

As a Group we are mindful of the serious risks of human trafficking faced by the hospitality industry and we ensure that all our team members receive training to spot signs of trafficking, and encouragement to speak-up.

2021 saw refresher training of our team members on identifying at-risk people and reporting through line managers or through whistle-blower hotlines. Human rights modules were also introduced into our new 'Learn & Grow' training suite. All our new team members are required to complete mandatory training on "Modern Slavery" immediately upon starting with PPHE.

In addition to our e-learning modules on human rights and modern slavery, in 2021, we also undertook a number of management training and awareness exercises across all our hotels in the UK and Netherlands where the hotels' general managers were reminded of their responsibility to mitigate the risk of slavery and human trafficking in the hotels. The knowledge and awareness to spot the signs of anti-trafficking and modern slavery was cascaded through follow-up training by the managers to their respective team members working in different properties in the UK and Netherlands. Our training and awareness programme on combating modern slavery and human trafficking was also provided as a corporate meeting in the UK in 2021.



## OUR RISK ASSESSMENT & AUDIT

We operate our business ethically with integrity and transparency. As part of our supplier due diligence process, we require prospective suppliers of services and/or products we receive to participate in a questionnaire concerning risk management. As part of our continued efforts to identify and mitigate modern slavery risks, we have in place systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains and on our premises.
- Monitor potential risk areas. Protect whistle blowers.

We have zero tolerance to slavery and human trafficking. As part of our risk assessment within our organisation in 2021, we also undertook covert audits of all our hotels in the UK. This was part of a Metropolitan Police licensing operation. The purpose was to test hotel team members' ability to spot the signs of suspicious activity in respect of vulnerable young persons and child exploitation.

We are pleased to confirm that following our audits in 2021, we were satisfied that all our team members in our UK hotels are trained and well aware of their obligations. All our hotels in the Metropolitan Police area were covertly visited, with no adverse comments or failures identified.





## FURTHER STEPS

Following a review of the effectiveness of the steps we have taken in 2021 to ensure that there is no slavery or human trafficking in our supply chains we have determined to manage the risk in a new way. There will now be a monthly review of the modern slavery and human trafficking risk alongside other significant risks in our day-to-day operations by our monthly Operational Risk Committee. This committee ensures the organisation as a whole manages risks that form part of our daily operation effectively, for example health and safety, data protection and privacy, supply chain due diligence and so on.

In 2022, we will continue our annual training programme of all the general managers in the hotels in the UK and Netherlands and other team members in the corporate office in the UK. We will also continue the audits of our UK hotels to ensure our team members continue to be mindful of their responsibilities of identifying and handling of any potential human trafficking cases in our properties and to raise any concerns to their managers or through the whistleblowing helpline.

This statement was approved by the Board of Directors of PPHE Hotel Group on 17 May 2022 and is signed by:

*Kevin McAuliffe*

Kevin McAuliffe  
Non-Executive Deputy Chairman

