



## PPHE Hotel Group

Anti-slavery and  
human trafficking statement 2019

The art'otel logo, featuring the word 'art' in a lowercase sans-serif font followed by 'otel' in a lowercase serif font, with a small registered trademark symbol.

art'otel

The Park Plaza logo, featuring a stylized dollar sign icon above the words 'PARK PLAZA' in a bold, uppercase sans-serif font.

PARK  
PLAZA

The Arena Hotels & Apartments logo, featuring a stylized white 'A' icon above the words 'ARENA HOTELS & APARTMENTS' in a bold, uppercase sans-serif font.

ARENA HOTELS &  
APARTMENTS

The Arena Campsites logo, featuring a stylized white 'A' icon above the words 'ARENA CAMPSITES' in a bold, uppercase sans-serif font.

ARENA CAMPSITES



## This 2019 statement

This statement is made by PPHE Hotel Group Limited ("PPHE") on behalf of itself and its group companies and in accordance with section 54(1) of the UK Modern Slavery Act 2015. As permitted under the April 2020 guidance on section 54 of the Modern Slavery Act 2015, the publication of this statement has been delayed due to staff shortages and reduced capacity during 2020 as a result of COVID-19. This statement is subject to Board approval.

This statement covers our activities for the 2019 financial year. Our 2020 statement will be published shortly and reflect the changes felt within our operations due to the coronavirus pandemic.

## 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, Germany, Hungary and Croatia and have properties in the development pipeline in the United States and Serbia.

Further details of our group companies can be found in our Annual Report at: [pphe.com/media](https://pphe.com/media)

## Our human rights principles

We are committed to ensuring our business is operated ethically, with integrity and transparency. Any violation of the dignity and basic human rights of those who earn a living within our operational community is unacceptable.

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

This principle applies to our entire operational ecosystem including team members within our hospitality operations, the suppliers of our goods or the teams who design, create and maintain our real estate.

It is our responsibility to create an environment that promotes these ideals while achieving our commercial and strategic goals:

**[pphe.com/responsibility](https://pphe.com/responsibility)**

## Our 2019 risk assessment & audit

Our approach to identifying, and minimising, risks of modern slavery and human trafficking is focused primarily on three key areas:

**Risk:** Labour exploitation

**Objective:** Minimising the risk of direct labour exploitation within our operations.

**Approach:** We do this by favouring direct employment over the use of outsourced agency workers, where possible, and by supporting the human rights and wellbeing of our team members.

**Risk:** Labour exploitation within the supply chain

**Objective:** Minimising the risk of labour exploitation within our supply chain.

**Approach:** We do this by enhancing our due diligence and oversight on suppliers.

**Risk:** Human traffickers utilising our properties

**Objective:** Aid in the prevention of human trafficking.

**Approach:** We do this by increasing awareness around the vulnerability of the hospitality industry to human traffickers by maintaining an open dialogue with law enforcement and training our teams to stay attentive to warning signs and to speak up if they identify them.



These three main risk areas align with our 2018 audit, however our focus in 2019, and indeed for years to come, is on: how effectively we minimise these risks and the steps we can implement to enhance that effectiveness.

### 1. Minimising the risk of labour exploitation

*Direct employment opportunities:* As a hospitality operator we need the support of a wide range of skillsets on a day to day basis. A number of the roles in our operations do not require local language skills and therefore are attractive positions for migrant and service industry workers – demographics which are particularly at risk for labour exploitation. We combat this risk in a number of ways, most notably by directly employing, rather than outsourcing, for a significant number of service roles within our operations.

Providing job security has been identified as a key method of reducing an individual's risk of falling prey to modern slavery schemes and therefore we continue to believe this is one of our most effective ways of reducing the risk of modern slavery among those who work as part of our team. Where possible, we intend to continue this approach to direct employment regardless of education level, language skills or previous experience.

*Employee right to work checks:* As an employer we are able to conduct our own interviews and screening. Having the ability to exercise control over our recruitment practices helps to ensure that proper right to work checks are carried out and that we are not inadvertently providing work to someone who is either too young or is under the coercion of another person.

Employing directly also gives us greater oversight on the payroll process, which ensures that our employees provide their bank account details directly. Direct payment reduces the risk of a third-party intermediary intercepting some or all of a person's wages. We continually invest in our payroll and human resources technologies and implemented a more streamline automated payroll system in our Dutch region in 2019.



## 2. Minimising the risk of labour exploitation in our supply chain

We have a zero tolerance policy toward labour exploitation within our supply chain and our Responsible and Ethical Sourcing Policy (the “Policy”) allows us the right to terminate the contract with any supplier found to be in violation of the Policy.

We believe the Policy effectively communicates our human rights principles and have rolled it out, with training, to all general managers across all of our operational regions in 2019 and continue to implement it into the central procurement process.

Eliminating labour exploitation in the supply chain is a difficult objective to achieve for any company relying heavily on procurement of a wide range of globally sourced goods and products. This difficulty is due to the global nature of supplies and the inherent arms-length relationship with independent third-party suppliers.

We believe the Policy, alongside the implementation of new training for all general managers creates awareness which in turn reduces the risk of modern slavery in the procurement process. Our supplier vetting and oversight process continues to remain under constant review for reasonable and practical ways to further mitigate the risk of modern slavery within the supply chain.

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



## 3. Aiding in the prevention of human trafficking

The hospitality industry remains highly vulnerable to human trafficking, in large part because it offers short-term accommodations to the public. As a business we have expanded our compliance training programme to educate our managers and team members in all regions on key signs of trafficking and to encourage our team members to speak-up when they spot these signs or have concerns that trafficking is afoot. We intend to continue improving the detail and reach of the anti-trafficking training programme.

Additionally, we regularly audit our check-in process to ensure identity verification is a standard element of our check-in process for arriving guests. Identity verification increases our team members’ ability to monitor those arriving for signs of trafficking.

We believe that collaboration, awareness and education are the best ways to work toward impactful change and that we as a hospitality business must continue to focus our efforts on ensuring that our team members are comfortable speaking up when they believe human trafficking may be at play.

We intend to continue our growth in this area in the years to come.

## 2020 and beyond

We understand that modern slavery is a pervasive and complex issue which cannot be eliminated with a static policy. For this reason we will continue to assess and build upon our existing efforts to eliminate modern slavery and trafficking. In accordance with the 2020 Government guidance, we will look at ways to quantify the effectiveness of our approach to minimising these risks.

This statement is subject to Board approval.

