

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 2022 to 31 March 2023.

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 768 hotels across 27 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 23,000 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 90 hotels and has approximately 2,913 employees. Our portfolio comprises Accor brands including Ibis Budget, Ibis, Ibis Styles, Mercure, Novotel and Pullman.

IBIS BUDGET BEACONSFIELD IBIS BUDGET BELFAST	IBIS LONDON SHEPHERD'S BUSH IBIS LONDON STRATFORD
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<p>IBIS BUDGET BIRMINGHAM AIRPORT</p> <p>IBIS BUDGET BIRMINGHAM CENTRE</p> <p>IBIS BUDGET CARDIFF CENTRE</p> <p>IBIS BUDGET EDINBURGH PARK</p> <p>IBIS BUDGET GLASGOW</p> <p>IBIS BUDGET LEEDS CENTRE</p> <p>IBIS BUDGET LONDON BARKING</p> <p>IBIS BUDGET LONDON HOUNSLOW</p> <p>IBIS BUDGET LONDON WHITECHAPEL</p> <p>IBIS BUDGET MANCHESTER CENTRE</p> <p>IBIS BUDGET MANCHESTER West</p> <p>IBIS BUDGET PORTSMOUTH</p> <p>IBIS BUDGET SHEFFIELD ARENA</p> <p>IBIS BUDGET SOUTHAMPTON CENTRE</p> <p>IBIS ABERDEEN CENTRE</p> <p>IBIS BIRMINGHAM AIRPORT - NEC</p> <p>IBIS BIRMINGHAM NEW STREET</p> <p>IBIS BRADFORD SHIPLEY</p> <p>IBIS BRIGHTON CITY CENTRE</p> <p>IBIS BRISTOL CENTER</p> <p>IBIS BRISTOL TEMPLE MEADS QUAY</p> <p>IBIS CAMBRIDGE CENTRAL STATION</p> <p>IBIS CARDIFF GATE</p> <p>IBIS CARLISLE CITY CENTRE</p> <p>IBIS CHESTERFIELD CENTRE</p> <p>IBIS CHESTERFIELD NORTH</p> <p>IBIS EDINBURGH ROYAL MILE</p> <p>IBIS EDINBURGH SOUTH BRIDGE</p> <p>IBIS GLASGOW CITY CENTRE</p> <p>IBIS HULL CITY CENTRE</p> <p>IBIS LEEDS CENTRE</p> <p>IBIS LINCOLN</p> <p>IBIS LIVERPOOL CENTRE</p> <p>IBIS LONDON BARKING</p> <p>IBIS LONDON BLACKFRIARS</p> <p>IBIS LONDON CANNING TOWN</p> <p>IBIS LONDON CITY - SHOREDITCH</p> <p>IBIS LONDON DOCKLANDS</p>	<p>IBIS LONDON THURROCK M25</p> <p>IBIS LONDON WEMBLEY</p> <p>IBIS MANCHESTER CENTRE PORTLAND STREET</p> <p>IBIS MANCHESTER CENTRE PRINCESS STREET</p> <p>IBIS NORTHAMPTON CENTRE</p> <p>IBIS NOTTINGHAM CENTRE</p> <p>IBIS PORTSMOUTH CENTRE</p> <p>IBIS PRESTON NORTH</p> <p>IBIS READING CENTRE</p> <p>IBIS ROTHERHAM EAST - (M18 / M1)</p> <p>IBIS SOUTHAMPTON CENTRE</p> <p>IBIS WELLINGBOROUGH</p> <p>IBIS STYLES LIVERPOOL DALE STREET</p> <p>IBIS STYLES LONDON EALING</p> <p>IBIS STYLES LONDON SOUTHWARK ROSE</p> <p>MERCURE LONDON BRIDGE</p> <p>NOVOTEL BIRMINGHAM AIRPORT</p> <p>NOVOTEL BIRMINGHAM CENTRE</p> <p>NOVOTEL BRISTOL CENTRE</p> <p>NOVOTEL CAMBRIDGE</p> <p>NOVOTEL CARDIFF CENTRE</p> <p>NOVOTEL EDINBURGH CENTRE</p> <p>NOVOTEL GLASGOW CENTRE</p> <p>NOVOTEL LEEDS CENTRE</p> <p>NOVOTEL LIVERPOOL CENTRE</p> <p>NOVOTEL LONDON BLACKFRIARS</p> <p>NOVOTEL LONDON BRENTFORD</p> <p>NOVOTEL LONDON CANARY WHARF</p> <p>NOVOTEL LONDON CITY SOUTH</p> <p>NOVOTEL LONDON EXCEL</p> <p>NOVOTEL LONDON GREENWICH</p> <p>NOVOTEL LONDON HEATHROW AIRPORT</p> <p>NOVOTEL LONDON PADDINGTON</p> <p>NOVOTEL LONDON TOWER BRIDGE</p> <p>NOVOTEL LONDON WATERLOO</p> <p>NOVOTEL LONDON WEST</p> <p>NOVOTEL MANCHESTER CENTRE</p> <p>NOVOTEL MILTON KEYNES</p> <p>NOVOTEL READING CENTRE</p> <p>NOVOTEL SHEFFIELD CENTRE</p>
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IBIS LONDON ELSTREE IBIS LONDON EXCEL DOCKLANDS IBIS LONDON GREENWICH IBIS LONDON HEATHROW AIRPORT IBIS LONDON LUTON AIRPORT	NOVOTEL SOUTHAMPTON NOVOTEL YORK CENTRE PULLMAN LONDON ST PANCRAS
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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. Our commitments are formalized in the group's ethics charter and its annexes (incl. social charter), published in 2022.

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.

Contracts with non-referenced suppliers are negotiated at the hotel level and, according to our delegation of authority policy, are to be validated by the support office 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 Sustainability and Risk 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, has mapped its referenced suppliers' ethical and CSR risks based on a global approach based on international standards and a selection of 16 risks divided into 5 risk families: Fundamental Human Rights, Working conditions, Health and Safety, Environment and Ethics.

This risk mapping has classified the referenced procurement categories into 3 risk levels: risk level 1 (low risk), 2 (moderate risk) and 3 (high risk).

Referenced supplier control plan:

In 2022, Accor launched a new control plan for its referenced suppliers, based on the risk mapping of the Procurement categories.

This plan includes several levels of control:

• commitments from all referenced suppliers formalized by:

- the signature of the Responsible Procurement Charter (formerly Procurement 21 Charter), which spells out the commitments Accor expects from its referenced suppliers in terms of ethics, respect for human rights, protection of workers' rights, respect for the environment and compliance with applicable laws and regulations, regardless of their location, volume of business with Accor or category of referenced solutions. This charter is appended to referencing contracts and is a contractual obligation. It is updated regularly: in 2022, the charter's provisions on ethics, human rights and the environment were strengthened by, for example, the introduction of carbon emissions reduction requirements for supply chains. This new version is in force for 2023.
- the signature of contractual clauses in referencing contracts which specifically cover environmental and social obligations and, in particular, compel referenced suppliers to carry out evaluations or audits at Accor's request.

• the evaluation of referenced suppliers qualified as risk level 2 and 3 and whose business volume with Accor exceeds €30,000 per year.

This environmental, social and ethical assessment is carried out by a third party (EcoVadis) on the basis of a questionnaire tailored to the size and business sector of the supplier. The CSR performance of referenced suppliers is measured according to the quality of their answers to the questionnaire and the examination of the supporting documents they provide. These questionnaires have included a carbon module since June 2022.

• the audit of referenced suppliers qualified as risk level 3 and whose business volume with Accor exceeds €30,000 per year.

Referenced suppliers deemed "risk level 3" who have earned an EcoVadis score below 43% undergo an on-site audit by a third party (Intertek). This audit is based on a framework that covers six criteria: labour law, working conditions, health and safety, management system, ethics and the environment. Depending on the non-compliance issues identified during the audit, the supplier is asked to implement a corrective action plan, which is monitored.

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.

All referenced suppliers contractually commit to:

- Comply with the terms of Accor's responsible procurement charter

- Make sure that its own suppliers and sub-contractors comply with the same principles
- Participate in Accor's assessment and implement the subsequent policy
- Authorise 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 of 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 (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 more than 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 AccorInvest UK's codes of conduct and is provided to all employees upon joining. The organisation's codes make 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. The group provides its employees with training modules to prevent and, if necessary, stop the risk.

- 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.

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 its 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.

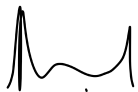
Its purpose is to:

- 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, ethics charter), compliance and ethical issues;
- Give recommendations about the evolution of AccorInvest Group's commitments and policies with regards to ethics and compliance (e.g., the launch in 2022 of both our KYC Procedure and our Ethics Charter);
- 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 has decided to go further in its ambition to combat slavery and human trafficking by launching in 2023 an e-learning for all support office staff on our Ethics Charter.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015, was approved on 12th June 2023 and constitutes AccorInvest UK's slavery and human trafficking statement for the financial year ending 31st March 2023.



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