



Modern day slavery statement

January 2021 - December 2021

DE VERE



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1.

Modern day slavery statement 2021

THIS STATEMENT HAS BEEN WRITTEN IN ACCORDANCE WITH THE REQUIREMENTS OF THE UK MODERN SLAVERY ACT 2015. THIS IS DE VERE'S SIXTH STATEMENT AND RELATES TO ACTIONS AND ACTIVITIES DURING THE FINANCIAL YEAR 1ST JANUARY 2021 TO 31ST DECEMBER 2021.

The group continued to be disrupted during 2021 as a result of the ongoing Coronavirus pandemic, with all hotels required to close at the commencement of the year as directed by Government legislation. These closures and other government restrictions limited our ability to access our suppliers and our staff during this period, noting also at this time that our procurement activity was extremely low.

De Vere are committed to carrying out its business ethically and with integrity and continue to take

appropriate steps to identify and reduce the risk of any form of slavery and human trafficking within its business and supply chain. The group will not knowingly support or deal with any business involved in slavery, human trafficking and child or sexual exploitation.

Each year we explore all opportunities to improve our practices and learn from industry trends and other best practice as part of our ongoing commitment to prevent, mitigate and address adverse impacts on human rights, including modern slavery.

This policy statement has been approved by the board of directors and will be reviewed and published annually.



James Burrell
Chief Executive Officer

2.

Responsibilities

The CEO and operational members of the board of directors have overall responsibility for ensuring this policy complies with the group's legal and ethical obligations.

The COO has specific responsibility for measuring, monitoring and making recommendations to mitigate the risk in the group's supply chain supported by the procurement team.

The Head of People and Culture has overall accountability for ensuring the appropriate policies and procedures are in place and that all colleagues in the business are appropriately trained in order that risks are being managed.

The success of this policy and the delivery of our objectives is also supported on a day to day basis by the Hotel General Managers and their senior teams.

3.

Our business and structure

The parent company of the group is Principal Hotels Topco 1 Limited.

The group has a number of operating companies trading under the brand of De Vere which during the year 2021 consisted of 10 directly managed hotels and venues and one operated by way of a Management Contract. During the year it sold one hotel and thus by the end of the year the group directly managed 9 properties and one by Management Agreement. The group directly employed 1438 operational colleagues and 44 central head office support colleagues.



4.

Our supply chains

The company has relationships with external businesses to support the running of the hotels and venues as follows:

- Arrangements to supply agency workers to supplement hotel staffing needs, as and when required.
- Arrangements for the supply of goods and services (some by contractors) to the hotels.



5.

Our code of conduct and policies relating to the prevention of modern slavery

Ethical recruitment policy

This policy sets out the requirement of the HR teams and those colleagues who are delegated the responsibility for the recruitment of colleagues, to understand their responsibilities correctly and for carrying out 'right to work' checks, to ensure legal compliance. This requires full ID checks to take place including passports and, where relevant, work permits. This process is audited annually.

As part of the group's due diligence, all potential providers of agency workers are required to complete and sign a declaration confirming that they are fully compliant with the requirement of UK immigration legislation and the modern slavery act. This necessitates agency worker providers to respond to set questions to which responses are assessed to ensure 100% compliance. Once satisfactorily completed, the agency is required to sign a service level agreement which seeks further confirmation of their compliance with the modern slavery act. An agency worker supplier is only placed on the register of approved agencies for company use once these processes have been completed.

At the heart of our commitment to operating a responsible business is our code of conduct which helps our colleagues to make the right decisions, within the framework of the law and in line with the group's values. These values set out our expectations of everyday behaviours, which our colleagues, guests and suppliers can rely upon.

The code of conduct and the policies and procedures that it references must be complied with by all employees and issues of non-compliance are taken extremely seriously. This may result in disciplinary action being taken which, in turn may result in dismissal in accordance with our internal policies and employment legislation.

Group policies contained within our overarching code of conduct include, equal opportunities, diversity and inclusion and anti-bribery. These are in addition to the policies outlined in this statement which particularly support the group's due diligence processes to avoid modern slavery and human trafficking.

5.

Whistle blowing policy

The group at all times conducts its business with the highest standards of integrity and honesty. It expects all colleagues to maintain the same standards in everything they do. Colleagues are therefore encouraged to report any wrongdoing by the group or its colleagues that falls short of these business principles. To support this, a confidential and independent whistleblowing call service is available to all colleagues.

Whilst primarily directed at our colleagues, the policy also supports and encourages all stakeholders, including suppliers and business partners to disclose any concerns they may have without fear of recrimination.

Management of suppliers to prevent modern slavery within the supply chain

All potential suppliers are required to complete a 'new supplier questionnaire' as part of the process to seek approval to supply the group. This includes the requirement to confirm their compliance with the Modern Slavery Act 2015. In addition, potential suppliers must agree to the group's right to inspect their premises, manufacturing, processing and storage facilities. Audits are performed on a random basis on behalf of the group to review all aspects of the supply chain, including safety, working practices and other legal requirements.

Modern day slavery and human trafficking training policy

The group recognises that Hotels may be used as temporary accommodation to aide the exploitation of vulnerable adults and children. All Hotels and Venues operate a structured blended learning programme for colleagues working in areas of the hotel where they may encounter instances involving slavery, human trafficking or sexual exploitation, i.e. Reception and Nights, Housekeeping and Duty/Senior Management. Awareness training is provided at induction and refreshed annually. We remain committed to identifying and providing new training materials and new technologies to support continuous improvement in colleague awareness.

6.

Risks profiling, impact and control of modern slavery across the business

We recognise that there are a number of ways in which our business could be affected by modern slavery. These are identified under the categories of employees, guests and supply chain, the potential risks and the current controls to mitigate the risks are explained below.

6.1

Employees

We directly employ in excess of 1,000 employees which reduces the risk that someone working in our business is a victim of modern slavery. The company does not work with outsourced cleaning companies, in light of the potential higher risk this strategy may pose.

There are a number of hotels that utilise the services of staffing agencies either to support the recruitment of permanent employees or for the

supply of additional staffing on a short term basis during peak trading periods. In order to minimise the risk of modern slavery through the use of such agencies, a central register of approved agencies has been established, which commenced with an initial selection and vetting process of face to face meetings held by the group's Head of Talent. These meetings provided the opportunity to reinforce our policy, to ensure existing and potential new suppliers full understanding and compliance with their obligations and to reinforce the group's zero tolerance approach to modern slavery and human trafficking. An agency worker supplier is only placed on the register of approved agencies for company use once a number of processes have been followed as set out in the ethical recruitment policy already referenced.

Bi annual talent acquisition workshops are held for HR Managers with a focus on industry best practice recruitment standards. The workshops facilitate opportunities to reinforce De Vere recruitment standards of performance including updates on modern day slavery, human trafficking and immigration, covering key controls such as payment of recruitment fees, payment into employee bank accounts only and passport checks.

A recruitment roadshow was specifically undertaken prior to re-opening the properties following the Covid restrictions imposed, to remind all colleagues responsible for recruitment, of the legal requirements and the company's recruitment and onboarding policies incorporating modern day slavery considerations.

Colleague information regarding the prevention of modern slavery and human trafficking is also outlined in our colleague handbook and is available through the company's e-learning portal; Inspire Online. Group wide bespoke posters for colleague noticeboards are displayed to raise awareness, promote communication and highlight confidential reporting procedures.

A number of our properties offer live in accommodation for employees. De Vere is a responsible employer that is concerned for the welfare of all of its colleagues, and particularly recognises the importance of providing comfortable and safe facilities and living conditions that are conducive to fostering positive wellbeing. To this end, defined standards have been developed that set out the key expectation that our colleagues can expect

from the company and those that the company expect of our live in employees to ensure that the facilities are enjoyed appropriately by all those that use them, protecting their human rights.

A whistle blowing policy is published on our colleague communication portal and a free confidential helpline is available and readily advertised for any employee to use should they wish to raise concerns about the business or the conduct of any of its employees.

6.2

Guests

As a hotel business we recognise that our services may be used as locations for trafficked individuals to be harboured or exploited. In order to mitigate this risk the following policies and procedures exist;

There is a Standard Operating Procedure for checking in guests which includes validation of the relationship between a child and parent/guardian checking in together if the reception staff member has concerns.

There is a Standard Operating Procedure for late night/short lead/ walk-in bookings which includes a requirement for the prospective guest to show formal identification when booking by card or paying cash.

Our front of house induction academy programme includes specific training on spotting signs of modern slavery and human trafficking and how to escalate concerns. This programme is compulsory for all new team members to attend.

Blended learning programmes are undertaken on an annual basis for colleagues working in 'higher risk' areas of the hotel where extra vigilance is necessary i.e. Reception (including night teams), Housekeeping and Duty/Senior Management.

Finally, to help raise general awareness of modern Slavery, each Hotel is encouraged to establish a relationship with their local police force. Many have benefited from their continued support and involvement learning from and integrating best

practice shared into their hotel procedures. Upon identification of an incident or suspicion of activity which could be construed as modern slavery we will work with all interested parties to ensure that the appropriate action is taken and preventative measures are adopted to reduce the likelihood of a reoccurrence.

6.3

Supply chain

With products and services sourced from around the world there is a possibility that unethical working practice including poor working conditions, welfare and pay may exist within some aspects of the supply chain - particularly during the manufacturing process. In order to mitigate these risks the following policies and procedures exist.

Standard 'new' supplier questionnaires are issued to potential suppliers to be eligible to become an approved supplier. The questionnaire incorporates a declaration of compliance with the requirements of the Modern Slavery Act 2015 along with other risk management based declarations.

There is a robust modern slavery clause in all group contracts and trading agreements. Periodic review meetings take place with all incumbent suppliers

which include an opportunity for suppliers to advise on any instances of noteworthy activity in relation to modern slavery or human trafficking. It was, however, not possible to conduct these meetings during 2021 as in previous years as a result of the Covid pandemic, but this will be addressed in 2022 through the process of re-tendering with the majority of the group's supply chain.

7.

Measuring the effectiveness of our policies and procedures

We continue to measure the effectiveness of our policies and procedures via a number of direct and indirect indicators as described in the following pages..



7.1

Training

In addition to the specific training already outlined as part of our mitigation strategies to minimise the identified risks within our business, general training is also offered to all employees to help raise awareness of modern slavery.

Our code of conduct online training module called 'Welcome to De Vere' is undertaken as part of new colleagues' induction which includes awareness of modern slavery, providing guidance on signs to be aware of and what to do in the event of concerns. It also covers whistle-blowing, anti-bribery, discrimination and other core behavioural expectations. New colleagues complete this module within the first week of commencement as part of their induction programme.

Following the second period of enforced closure

in early 2021, all colleagues were re-issued this training programme to undertake by way of refresher training on all of these important topics.

As a result of this mandatory training we are confident that all colleagues have access to training and general guidance commensurate with their respective roles.

The online training features a test of a colleague's knowledge throughout the module and at the end of the programme via an examination with a minimum pass percentage of 85% required.

Any new policy or updates of existing policies are published on the learning portal 'Inspire' that all colleagues have access to. Colleagues receive notification of new updates automatically via the system. New policies will be supported by

the appropriate follow – up training and/or further communication.

All properties are also encouraged to attend any local meetings, network events and training opportunities often hosted by their local police force. This is an ongoing activity.

7.2

Audit

External and internal audits are conducted periodically, including Compliance, Human Resources, Procurement, Finance and Operations. Each audit requires a minimum pass rate of 85%. Action points for improvement where identified are agreed and timescales set for completion.

Internal audits incorporate a process of formal documented validation of policies and procedures via Line Manager and General Manager checklists in order to robustly 'test' the procedures in practice.

External audit activity by independent consultants appointed are often instigated to sample the effectiveness of the company policies and procedures and can be on an announced or unannounced basis.

This activity was suspended during the Covid pandemic however will be re-introduced in 2022.

7.3

Reporting

Incidents concerning modern slavery are reported using an on line health and safety management system, capturing detailed specific information relating to the incident, actions taken and further action required. Monthly reports are extracted and reviewed by the COO.

The online training portal also provides management reporting information on the number of colleagues trained on all compulsory training topics including modern slavery. KPI reporting on completion targets are established and reviewed by the COO.

Anonymous reporting is also provided by 'Hospitality Action' who manage the company's employee assistance programme and whistleblowing hotline.

8. Future objectives

A review of the Recruitment PSL will be undertaken in 2022 and all those on the approved list will be written to reconfirm their continuing compliance to requirements of the Modern Slavery Act 2015.

Retraining of immigration legislation /right to work checks will be scheduled in Q1 of 2022 following the introduction of new legislation due to be implemented by April 2022.

All company approved existing suppliers will be written to, requiring reconfirmation of their compliance to requirements of the Modern Day Slavery Act 2015. Significant retendering for new supplier contracts will also occur in 2022 and all suppliers will be required to set out the measures they take to comply fully with the Modern Day Slavery Act 2015 as part of the tendering process.

Training materials will be reviewed to ensure content is relevant and up to date and new materials will be written where required.

External audits will recommence with our supply chain in 2022 to ensure their full compliance to modern slavery legislation.



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