

# Modern Slavery Policy & Statement 2018

Dalata Hotel Group plc

## Introduction

Dalata Hotel Group plc is publishing this policy and statement in compliance with Section 54 of the UK Modern Slavery Act 2015.

This is our first statement and is made for the financial year ending 2018. It provides details on our overall policy and the steps we propose to take in order to manage the potential risks to our business of modern slavery and human trafficking.

## Group Policy

The Group strives to act ethically with integrity, honesty and professionalism in all aspects of our business. Modern slavery is a crime and is defined by the Modern Slavery Act as “slavery, servitude and forced or compulsory labour” and “human trafficking”.

We are committed to ensuring that these practices do not exist, both within our own recruitment practices and within our suppliers and supply chains.

We encourage all employees to report any suspected wrongdoing in this area through established confidential reporting channels.

## Organisational Structure

Dalata Hotel Group plc is Ireland’s largest hotel operator. As at December 2018 we operate 42 hotels (31 in the Republic of Ireland and 11 in the UK and Northern Ireland). We own or lease all our hotels except for 2 which are operated under management agreements with the hotel owners. Dalata’s Central Office is located in Dublin, Ireland.

We operate our hotels under two brands, Clayton Hotels and Maldrón Hotels. Both brands are full service offerings including bedroom, food and beverage, and meeting and events facilities. Some offer more extensive guest services, conference facilities and also leisure and gym facilities. This is dependent of hotel location, our guest expectations and hotel market positioning.

Dalata has around 4,900 full-time and part-time employees across the Group.

## Responsibility

In an increasingly global marketplace, we recognise that all businesses have a responsibility to understand what amounts to modern slavery and human trafficking, and where they might arise. Businesses are responsible for the identification of these practices either in their own operations or in their supply chains, and we take that responsibility seriously.

We operate a group-wide confidential disclosure policy and all employees are encouraged to report any wrongdoing through this process.

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The Deputy Chief Executive has responsibility for the implementation of this policy. Executive management and hotel General Managers are responsible for the implementation of these policies in their specific business areas.

## Our Supply Chains

We have analysed our principal relevant supply chains in the following way:

### *a. Purchasing Supply Chain*

Our purchasing supply chain is made up of the following elements:

- Food and beverage for resale to our guests
- Furniture, fixtures and equipment for use in our hotels
- Hotel supplies not for resale (such as linen, stationery etc)
- Hotel service agreements, covering areas such as maintenance and health and safety

The Group has a Purchasing Department based in Central Office, which oversees and manages our contractual arrangements with suppliers. We aim to use only market-leading suppliers for our main products. A formal tendering and selection process is concluded for product groups. This process includes supplier vetting. At some hotels a small number of local suppliers are used and these are approved by Central Office.

Additional oversight is also provided by the management responsible for the procurement area. It is standard procedure to have written contractual relationships with all of our suppliers.

### *b. Recruitment Supply Chain*

The vast majority of people working at our hotels are employed directly by us. There are dedicated HR Managers in each hotel and a formal policies, procedures and approval structure is in place over recruitment. Our recruitment and employment policies are followed to ensure, as far as possible, that the business is not exposed to the fraudulent recruitment of employees and the exploitation of workers in our hotels.

We use a third-party agency for the provision of housekeeping services at our UK hotels. We recognise that this could be an area of increased risk and therefore additional focus. This arrangement operates under a formal contract which includes a “right to audit” clause. We also use, on an ad-hoc basis, other agencies to provide us with workers for specific circumstances in our hotels, such as large events.

### *c. Development Supply Chain*

As part of our business strategy we contract with third parties in relation to the construction of new hotels or extensions to existing hotels. Contractors are selected following a specified tender process and with Board approval.

In some cases, we contract to manage a new hotel for a developer/owner, who then undertakes the appointment of the building contractor.

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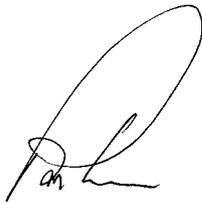
## Next Steps

In order to monitor and assess our compliance, in 2019 we plan a number of steps:

- A supplier code of conduct will be prepared and issued for all our suppliers. We expect our suppliers to commit to complying with this code of conduct.
- We will complete a business-wide risk assessment on our supply chains to identify and categorise where potential risks relating to modern slavery could exist. We will then review the results of this risk assessment and identify a process for providing assurance on any higher risk areas.
- Update the group's Audit & Risk Committee in relation to modern slavery as part of our compliance programme.

## Board Approval

This statement was approved by the Board of Dalata Hotel plc on 25 February 2019.

A handwritten signature in black ink, appearing to read 'Pat McCann', with a large, stylized flourish above the name.

Pat McCann  
CEO, Dalata Hotel Group plc