



Dalata Hotel Group Modern Slavery Policy and Statement 2023



DALATA
HOTEL GROUP

Modern Slavery Policy and Statement 2023

Dalata Hotel Group plc is publishing this policy and statement in compliance with Section 54 of the UK Modern Slavery Act 2015 and German Supply Chain Due Diligence Act 2023.

This statement provides details on our overall policy and the steps we are taking 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".

Our policy is that Dalata Hotel Group plc adopts a zero-tolerance approach to modern slavery and human trafficking. We are committed to ensuring that these practices do not exist within our business or supply chains. The Board and Audit & Risk Committee oversee our risks and policies in this area.

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 of April 23, we operate 50 hotels (31 in the Republic of Ireland, 18 in the UK and one in Germany). Dalata's Central Office is located in Dublin, Ireland.

We operate leading hotel brands, Clayton Hotels, Maldron Hotels, The Gibson Hotel and The Samuel Hotel. All our hotels offer a full service, including bedrooms, food and beverage, and meeting and events facilities. Some have more extensive guest services, conference facilities, or leisure facilities, depending on hotel location, guest expectations, and market positioning.

We employ circa. 5,000 people across the Group..

Our Responsibility

We recognise that although slavery, servitude, forced labour, and human trafficking is illegal, it remains an issue in Europe and the UK. In an increasingly global marketplace, we also recognise that all businesses have a responsibility to understand what amounts to modern slavery and human trafficking and where they might arise. Companies are responsible for identifying these practices either in their operations or in their supply chains, and we take that responsibility seriously at Dalata Hotel Group plc.

We are committed to making meaningful, long-term improvements to workers' employment and workplace conditions. This includes, but is not limited to, the prevention of forced, bonded, and trafficked labour. We do this through our policies and governance, which are supported and overseen by our leadership team. We believe that we have a strong and ethical workplace culture at Dalata, which flows from Central Office to the hotels.

We also recognise that the hospitality industry can be at a higher risk of exposure to modern slavery for the following reasons:

- having a transient workforce with over 100 nationalities represented, encompassing diverse cultures and values.
- having a diverse supply chain.

We have a supplier code of conduct which outlines how we expect our suppliers to behave and to conduct their business ethically.

The Company operates a group-wide confidential protected disclosure policy, and all Dalata employees are encouraged to report any wrongdoing through this process. We have robust policies and procedures to deal with any concerns of wrongdoing from our employees and customers. We provide training for all senior management and hotel employees, available through our Dalata Academy on how to spot the signs of human trafficking, the responsibilities of raising a concern and how to address it in a confidential manner.

The Chief Operating Officer has group-wide operational responsibility for promoting our modern slavery policies. The executive management team and hotel General Managers are responsible for implementing these policies in their specific business units.

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Raising a Concern

Should you have any concerns which you believe could constitute modern slavery in any of our hotels you should raise this.

The best place for an employee to raise a concern is through their direct line manager, HR Manager or General Manager. However, if an employee feels uncomfortable with speaking up locally, they can raise their concern through the confidential email address speakup@dalatahotelgroup.com.

The same confidential email address may be used by guests, clients, customers or suppliers.

Our Supply Chains

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

PURCHASING SUPPLY CHAIN

Our purchasing supply chain is comprised 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 Procurement Department based in Central Office, which oversees our contractual arrangements with suppliers. We aim to use only market-leading suppliers for our main products, and a formal tendering and selection process is conducted for product groups. Dalata procurement also offer approved local supply options to all regions.

The Procurement team set up suppliers within our procurement system only when the supplier has met contractual requirements surrounding their ability to provide evidence of their policy on the prevention of modern slavery.

RECRUITMENT SUPPLY CHAIN

We aim to recruit our employees directly, and most people working at our hotels are employed directly by us. There are dedicated HR Managers in each hotel, and formal policies, procedures, and approval structures are in place for recruitment. Our recruitment and employment policies are designed to ensure, as far as possible, that the company is not exposed to the fraudulent recruitment of employees or the exploitation of workers in our hotels. We use recruitment agencies only in limited circumstances, e.g., when recruiting for a specific professional role or a particular business need.

Any individual who works with the company who is not an employee would have a contractual agreement relevant to the services they provide. In the UK, we use third-party agencies for the provision of housekeeping services at most of our UK hotels. This is typical market practice, and we also operate our housekeeping services in this manner in our German property. These arrangements run under formal contracts, 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 when catering for large events.

CONSTRUCTION AND DEVELOPMENT PARTNERS

We contract with third parties for the construction of new hotels and development investments in existing hotels. These contracts would normally be through a direct contract with a construction firm or via a lease agreement with a Developer/Landlord.

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Review & Next Steps

In 2021, we updated our risk assessment in relation to modern slavery, which was considered by the Audit & Risk Committee. Responsible labour practices, modern slavery and human rights are now included in our ESG framework and reviewed each year.

In 2022, we completed an assessment of our supply chain, particularly third-party agencies and our main suppliers. The assessment included compliance with Dalata's supplier code of conduct and checks to ensure that our suppliers manage their modern slavery risks.

In 2023, we plan to maintain our level of compliance based on our 2022 supply chain assessment. We plan to review our current list of suppliers and the owner of the department will be tasked with ensuring that our suppliers continue to adhere to their responsibilities in this area as outlined in our supply agreement. Should a supplier not have the relevant policies in place we will engage with the supplier to support them in meeting the Dalata Supplier Code of Conduct standards. For new properties or development projects, we will strive to ensure all future construction and development partners are compliant with Dalata's supplier code of conduct by including appropriate commitments within the applicable contracts.

Board Approval

The Board of Dalata Hotel Group approved this statement on 26 June 2023.

Dermot Crowley

Dermot Crowley

CEO, Dalata Hotel Group plc

Modern Slavery Policy and Statement 2021

Dalata Hotel Group

ADDRESS:

Termini,
3 Arkle Road,
Sandyford Business Park,
Dublin 18, D18 C9C5

TELEPHONE:

+ 353 (0)1 206 9400

For more information please contact:

GENERAL QUERIES:

info@dalatahotelgroup.com

INVESTOR QUERIES:

investorrelations@dalatahotelgroup.com

CAREER QUERIES:

jobs@dalatahotelgroup.com



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